

COVER SHEET

for AUDITED FINANCIAL STATEMENTS

S.E.C. Registration Number

3 5 5 2 3

COMPANY NAME

THE ANDRES SORIANO FOUNDATION,
INC. (A Non Stock,
Not - For - Profit Organization)

PRINCIPAL OFFICE (No./ Street/ Barangay/ City/ Town / Province)

A. Soriano Aviation Hangar,
Andrews Avenue, Pasay City 1300

Form Type

A A F S

Department requiring the report

Secondary License Type, if Applicable

N A

COMPANY INFORMATION

Company's Email Address

admin@asorianofoundation.org

Company's Telephone Number

+63 8851-55-07 / 8831-99-41

Mobile Number

+(63) 9175860388

No. of Stockholders

N/A

Annual Meeting (Month / Day)

September 01, 2022

Fiscal Year (Month / day)

06/30

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Merjames B. Mabborang

Email Address

james.mabborang@asorianofoundation.org

Telephone Number/s

+63 8831-9941

Mobile Number

N/A

CONTACT PERSON'S ADDRESS

A. Soriano Aviation Hangar, Andrews Avenue, Pasay City

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

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

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
The Andres Soriano Foundation, Inc.
A. Soriano Hangar
Andrews Avenue, Pasay City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Andres Soriano Foundation, Inc. (the Foundation), a nonstock, not-for-profit organization, which comprise the statements of financial position as at June 30, 2022 and 2021, and the statements of revenue and expenses, statements of changes in general fund balance, and statements of cash flows for the years 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 Foundation as at June 30, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small Entities (the Framework).

Basis for Opinion

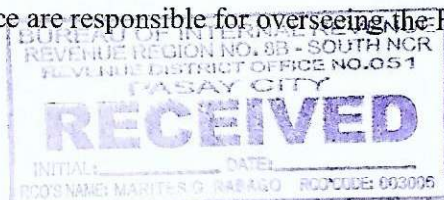
We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance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

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 the Framework, 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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



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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Foundation 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 (RR) No. 34-2020 and RR No. 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations (RR) No. 34-2020 and RR No. 15-2010 in Note 16 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 The Andres Soriano Foundation, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Shane Dave D. Tanguin

Shane Dave D. Tanguin
Partner

CPA Certificate No. 0115818

Tax Identification No. 242-153-393

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 115818-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

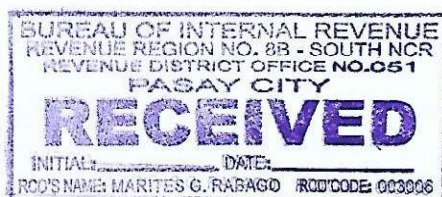
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-139-2021, November 10, 2021, valid until November 9, 2024

PTR No. 8854373, January 3, 2022, Makati City

September 1, 2022



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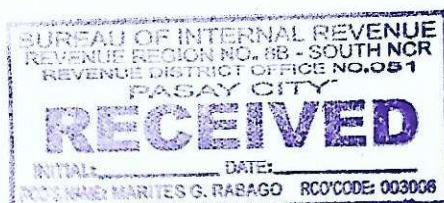
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THE ANDRES SORIANO FOUNDATION, INC.
(A Nonstock, Not-for-Profit Organization)
STATEMENTS OF FINANCIAL POSITION

	June 30	
	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents (Note 3)	₱21,861,677	₱19,393,747
Receivables (Note 4)	331,647	282,792
Prepaid insurance	258,717	274,281
Total Current Assets	22,452,041	19,950,820
Noncurrent Assets		
Property and equipment (Note 5)	1,514,118	124,461
Investment property (Note 6)	700,000	700,000
Refundable deposits	59,567	59,567
Other noncurrent assets	—	17,500
Total Noncurrent Assets	2,273,685	901,528
TOTAL ASSETS	₱24,725,726	₱20,852,348
LIABILITIES AND GENERAL FUND BALANCE		
Current Liability		
Accrued expenses and other payables (Note 7)	₱485,525	₱477,253
Funds held-in-trust (Notes 8, 11 and 12)	11,469,277	9,031,524
Total Current Liabilities	11,954,802	9,508,777
Noncurrent Liability		
Accrued retirement benefits (Note 13)	1,138,783	1,132,986
Total Liabilities	13,093,585	10,641,763
General Fund Balance		
Restricted (Note 9)	1,279,306	3,566,691
Unrestricted	10,352,835	6,643,894
Total General Fund Balance	11,632,141	10,210,585
TOTAL LIABILITIES AND GENERAL FUND BALANCE	₱24,725,726	₱20,852,348

See accompanying Notes to Financial Statements.



SEP 19 2022

THE ANDRES SORIANO FOUNDATION, INC.**(A Nonstock, Not-for-Profit Organization)****STATEMENTS OF REVENUE AND EXPENSES**

	Years Ended June 30	
	2022	2021
REVENUES		
Donations (Notes 8, 11 and 15)	₱15,776,344	₱12,679,360
Grants (Notes 8, 12 and 15)	5,315,484	4,785,411
	21,091,828	17,464,771
EXPENSES		
Projects:		
Small island sustainable development program	(7,352,631)	(7,225,389)
Corporate disaster and calamity assistance program	(4,243,861)	(1,339,557)
Cancer program	(3,573,083)	(3,977,832)
Program management	(2,052,481)	(1,185,879)
	(17,222,056)	(13,728,657)
General and administrative (Note 10)	(2,483,660)	(2,322,284)
	(19,705,716)	(16,050,941)
OTHER INCOME		
Interest income (Note 3)	35,444	46,019
EXCESS OF REVENUE OVER EXPENSES BEFORE INCOME TAX	1,421,556	1,459,849
PROVISION FOR INCOME TAX (Note 14)	—	—
EXCESS OF REVENUE OVER EXPENSES	₱1,421,556	₱1,459,849

See accompanying Notes to Financial Statements.

SEP 19 2022

THE ANDRES SORIANO FOUNDATION, INC.**(A Nonstock, Not-for-Profit Organization)****STATEMENTS OF CHANGES IN GENERAL FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2022 and 2021**

	Restricted (Note 9)	Unrestricted	Total
BALANCES AT JUNE 30, 2020	₱3,660,230	₱5,090,506	₱8,750,736
Excess (deficiency) of revenue over expense	(93,539)	1,553,388	1,459,849
BALANCES AT JUNE 30, 2021	3,566,691	6,643,894	10,210,585
Excess (deficiency) of revenue over expense	(2,287,385)	3,708,941	1,421,556
BALANCES AT JUNE 30, 2022	₱1,279,306	₱10,352,835	₱11,632,141

See accompanying Notes to Financial Statements.

THE ANDRES SORIANO FOUNDATION, INC.
(A Nonstock, Not-for-Profit Organization)
STATEMENTS OF CASH FLOWS

	Years Ended June 30	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenue over expenses before income tax	₱1,421,556	₱1,459,849
Adjustments for:		
Depreciation (Note 5)	66,286	101,217
Interest income (Note 3)	(35,444)	(46,019)
Net movement in retirement benefits liability (Note 13)	5,797	276,346
Operating income before working capital changes	1,458,195	1,791,393
Decrease (increase) in:		
Receivables	(48,855)	512,854
Other assets	33,064	15,929
Increase (decrease) in:		
Accrued expenses and other payables	8,272	(323,848)
Funds held-in-trust	2,437,753	(74,296)
Net cash from operations	3,888,429	1,922,032
Interest received	35,444	46,019
Income tax paid	—	(3,630)
Net cash from operating activities	3,923,873	1,964,421
CASH FLOWS USED IN INVESTING ACTIVITY		
Acquisition of property and equipment	(1,455,943)	(17,546)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,467,930	1,946,875
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	19,393,747	17,446,872
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 3)	₱21,861,677	₱19,393,747

See accompanying Notes to Financial Statements.



THE ANDRES SORIANO FOUNDATION, INC.
(A Nonstock, Not-for-Profit Organization)

NOTES TO FINANCIAL STATEMENTS

1. Foundation's Information and Authorization for the Issuance of the Financial Statements

Foundation's Information

The Andres Soriano Foundation, Inc. (the Foundation) was incorporated on June 4, 1968 and registered with the Philippine Securities and Exchange Commission (SEC) on June 11, 1968 as a nonstock, not-for-profit organization.

The Foundation is the Corporate Social Responsibility arm of A. Soriano Corporation (Anscor). It was organized to serve the national welfare, that is, to contribute to sustainable development and social reform by developing and implementing programs aligned with its corporate objective through the facilitation and implementation of holistic and integrated area development programs and activities; the dissemination and implementation of high impact "best practice" technologies for the enhancement of socio-economic conditions of the assisted communities; and, the development and strengthening of partnership mechanism between the corporate sector and local government units, among others.

The registered business address of the Foundation is at A. Soriano Aviation Hangar, Andrews Avenue, Pasay City.

Under Section 30(e) of Republic Act No. 8424 entitled "An Act Amending the National Internal Revenue Code (NIRC), As Amended, and For Other Purposes", the excess of revenue over expenses of a non-stock corporation or association organized and operated exclusively for religious, charitable, scientific, athletic, or cultural purposes, or for the rehabilitation of veterans, wherein no part of its net income or asset shall belong to or inure to any member, organizer, officer, or any specific person, shall be exempted from income taxes. Notwithstanding such provision, any income earned by the Foundation from any activities conducted for profit regardless of the disposition made of such income, shall be subject to income taxes.

On October 5, 2012, the Foundation was re-certified by the Board of Trustees of Philippine Council for Non-Governmental Organization (NGO) Certification (PCNC) as a donee institution for another five years. In June 2017, the Foundation was re-evaluated by PCNC for the renewal of its status. As a result of the evaluation, the Foundation was re-certified by PCNC for another five years. The donee institution status ended last June 28, 2022. The Foundation applied for the renewal of its certification from PCNC in April 2022. As of September 1, 2022, the application for certification for a donee institution status with the PCNC is on-going.

The Foundation is registered with the Bureau of Internal Revenue (BIR) as a donee institution in accordance with the provisions of Revenue Regulation No. 13-98 with certificate No. 026-2019 valid only from January 20, 2019 until December 20, 2021. The validity of the Foundation's registration was extended until June 28, 2022 by the BIR with the issuance of Certificate No. 181-2021. Accordingly, donations received by the Foundation shall entitle the donors to full or limited deduction pursuant to Section 34(H) (1) or (2), and exemption from donor's tax pursuant to Section 101(A) (2) of the NIRC of 1997. As of September 1, 2022, the application for certification for a donee institution status with the BIR is on-going.

Authorization for the Issuance of the Financial Statements

The financial statements of the Foundation as of June 30, 2022 and 2021, and for the years then ended, were authorized for issuance by the Board of Trustees (BOT) on September 1, 2022.



2. Summary of Significant Accounting Policies and Financial Reporting Practices

Basis of Preparation

The financial statements of the Foundation have been prepared using the historical cost basis of accounting. The financial statements are presented in Philippine peso, which is the Foundation's functional and presentation currency. All amounts are rounded to the nearest peso, except as otherwise indicated.

Statement of Compliance

The financial statements of the Foundation have been prepared in accordance with Philippine Financial Reporting Standard for Small Entities (the Framework), as approved by the Financial Reporting Standards Council, Board of Accountancy and the Philippine SEC.

Fund Accounting

To ensure the observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting in which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Accordingly, all financial transactions have been recorded and reported by fund group, as follows:

- "Unrestricted fund" represents the portion of expendable funds available for support of the Foundation's operations.
- "Restricted fund" represents the amount set aside by the Foundation's management for special projects and other contingencies.
 - a. "Small Island Sustainable Development Program (SISDEP)" represents donations or grants that require the funds be used in environment conservation and management, livelihood assistance, community-based health program and education in the adapted community in Palawan.
 - b. "Cancer Program" represents donations or grants that require the funds be used in research and training of Filipino doctors and nurses in the field of oncology, chemotherapy medicines of indigent breast cancer patients and rehabilitation and maintenance of Cancer Institute at UP-Philippine General Hospital (UP-PGH).
 - c. "Project Management" represents donations or grants that require the funds be used for Project Conceptualization, Development, and Resource Management such as the construction of Multi-Purpose Centers use for conferences and trainings.
 - d. "Disaster Relief and Rehabilitation Assistance" represents donations or grants that require the funds be used in the provision of emergency relief food packs and other survival kits necessary at the onset of the disaster and to some extent, assists disaster-affected communities in their rehabilitation efforts.
 - e. "Others" represents the reserved funds for the retirement benefits of the core employees of the Foundation and other fund restrictions set aside by the management that is approved by the Board of trustees.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in bank and other short-term liquid investments with original maturities of three months or less.

Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. A financial instrument is recognized when the entity becomes a party to its contractual provisions. The Foundation classifies its financial instruments into the following categories: (a) basic financial instruments; and (b) complex financial instruments.



The Foundation's basic financial instruments consist of cash and cash equivalents, receivables, security deposits and accrued expenses and other payables. The Foundation does not have complex financial instruments.

Basic Financial Instruments

Initial measurement

On initial recognition, a debt financial instrument is measured at transaction price (including transaction costs), unless the arrangement is in effect a financing transaction. In this case, it is measured at present value of the future payment discounted using a market rate of interest for a similar debt instrument.

Subsequent measurement

The Foundation's debt financial instruments are subsequently measured at amortized cost using the effective interest method.

Impairment

At each reporting date, the Foundation assesses whether there is objective evidence of impairment on any financial assets that are measured at amortized cost. Where there is any objective evidence of impairment, an impairment loss is recognized immediately in profit or loss.

The impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

Derecognition

An entity only derecognizes a financial asset when the contractual rights to the cash flows from the assets have expired or are settled, or the entity has transferred to another party substantially all the risks and rewards of ownership relating to the financial asset.

Financial liabilities are derecognized only when these are extinguished i.e., when the obligation is discharged, cancelled, or has expired.

Prepaid Insurance

Prepaid insurance are expenses paid in advance and recorded as asset before they are utilized. These prepaid expenses are apportioned over the period covered by the payment and charged to insurance expense in profit or loss when incurred.

Property and Equipment

Property and equipment is stated at cost less accumulated depreciation, amortization and any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property and equipment consists of its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the items of property and equipment have been put into operation, such as repairs and maintenance, are normally charged to expense in the period in which the costs are incurred. In situations where it can be clearly demonstrated that these expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of the property and equipment. When items of property and equipment are sold, retired or otherwise disposed of, their cost and accumulated depreciation, amortization and any impairment in value are eliminated from the accounts and any gain or loss resulting from their disposal is recognized in the statement of income.



Depreciation commences when the assets are available for use and is computed using the straight-line method over the following estimated useful lives of the assets:

	Number of Years
Transportation equipment	5
Office equipment	3-5
Showroom	5
Office building and staff houses	10
Furniture and fixtures	5
Land improvements	10

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

Depreciation ceases at the earlier of the date that property and equipment is classified as noncurrent asset held-for-sale and the date the asset is derecognized.

Fully depreciated assets are retained in the accounts until they are no longer in use.

Investment Property

Investment property is measured initially at cost, including transaction costs. An investment property acquired through an exchange transaction is measured at fair value of the asset acquired, unless the fair value of such an asset cannot be measured, in which case, the investment properties acquired are measured at the carrying amount of the asset given up. Expenditures incurred after the investment properties have been put into operations; such as repairs and maintenance costs, are normally charged to the statement of income in the year in which the costs are incurred.

The Foundation classified the parcels of land it held currently with undetermined purpose as investment property.

Impairment of Assets

Assets such as property and equipment and investment property are assessed at each reporting date to determine whether there is any indication that the assets are impaired. When an impairment indicator is identified, the carrying value of the asset is tested for impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value-in-use. If the recoverable amount cannot be estimated for an individual asset, the Foundation estimates the recoverable amount of the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are independent of the cash flows from other assets within the Foundation.

If an impairment indicator no longer exists or the recoverable amount has increased subsequently, the Foundation will determine the amount of impairment loss that can be reversed to the extent that the reversal should not result in a carrying amount of the asset that is higher had no impairment loss was recognized in the prior years.

Funds held-in-trust

This refers to funds held for the Foundations program and projects in which the Foundation is only the custodian of the funds and has no control over its use. Funds held-in-trust is recognized for received donations and grants with specific purpose but not yet spent and is presented as liability.



Revenue Recognition

Revenue is recognized when it is probable that the economic benefits associated with the transactions will flow to the Foundation and the amount of the revenue can be measured reliably.

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

Donations and grants

Donations and grants are recognized when it is probable that the economic benefit associated with the donation will flow to the Foundation, which in most cases, is upon receipt of the donation from the donors. Donations and grants received pertaining to the project commencing after the financial reporting date are recorded as funds held-in-trust. Donations in-kind are measured at fair value of the consideration received.

Interest income

Interest income is recognized as it accrues, taking into account the effective yield on the asset.

Costs and Expenses

Cost and expenses are recognized 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. Project expenses are recognized when the related services are rendered and upon conducting the activities related to the project. General and administrative expenses, which include costs of administering the Foundation, are expensed as incurred.

Leases

Leases are classified as operating leases when the lessor retains substantially all the risks and rewards of ownership of the asset. Operating lease receipts are recognized as income in profit or loss on a straight-line basis over the lease term.

Retirement Benefits Cost

The Foundation has established a formal retirement plan for its employees. The Foundation's retirement benefit obligation is measured using the accrual approach based on the approved retirement plan. Accrual approach is applied by calculating the expected liability as at reporting date using the current salary of the entitled employees and the employees' years of service, without consideration of future changes in salary rates and service periods.

The Foundation recognized liability for the retirement benefits at the net of the following amounts:

- The accrued amount of the retirement benefits at the reporting date; and,
- The fair value of plan assets at the reporting date out of which the obligations are to be settled directly.

Income Taxes

The Foundation uses taxes payable method to account for income taxes. Under this method, the Foundation recognizes income taxes and liability based on the taxable income for the year using tax rates that have been enacted or substantively enacted at the reporting date.

Events after the Financial Reporting Period

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



3. Cash and Cash Equivalents

	2022	2021
Cash on hand and in banks	₱12,722,810	₱10,357,886
Cash equivalents	9,138,867	9,035,861
	₱21,861,677	₱19,393,747

Cash in banks earn interest at their respective bank deposit rates. Cash equivalents are short-term investments with periods ranging up to three months depending on the immediate cash requirements of the Foundation and earn interest at their respective interest rates.

Interest earned from cash and cash equivalents amounted to ₱35,444 in 2022 and ₱46,019 in 2021. Interest rates range from 0.50% to 1.00% and 0.10% to 1.38% in 2022 and 2021, respectively.

4. Receivables

	2022	2021
Receivables from donors	₱214,000	₱195,000
Rent receivable, net of allowance of ₱287,375 in 2022 and 2021	68,875	68,875
Advances to officers and employees	48,772	18,917
	₱331,647	₱282,792

Receivables from donors pertain to funds committed to be received from donors for various projects.

Advances to officers and employees primarily pertain to funds given by the Foundation to its officers and employees for various projects and administrative expenses which are subject to liquidation. Portion of these advances also relate to noninterest-bearing advances to officers and employees that are collectible within a year through payroll deductions.

5. Property and Equipment

	2022							
	Transportation Equipment	Office Equipment	Showroom	Office Building and Staff Houses	Furniture and Fixtures	Land improvements	Land	Total
Cost								
Beginning balance	₱880,743	₱694,780	₱533,800	₱1,743,855	₱94,702	₱-	₱-	₱3,947,880
Additions	-	29,800	-	-	3,175	1,195,747	227,221	1,455,943
Ending balance	880,743	724,580	533,800	1,743,855	97,877	1,195,747	227,221	5,403,823
Accumulated Depreciation								
Beginning balance	807,638	667,089	533,800	1,725,942	88,950	-	-	3,823,419
Depreciation (Note 10)	32,000	22,528	-	7,702	1,672	-	2,384	66,286
Ending balance	839,638	689,617	533,800	1,733,643	90,622	-	2,384	3,889,705
Net Book Value	₱41,105	₱34,963	₱-	₱10,211	₱7,255	₱1,195,747	₱224,837	₱1,514,118



	2021							
	Transportation Equipment	Office Equipment	Showroom	Office Building and Staff Houses	Furniture and Fixtures	Land	Land improvements	Total
Cost								
Beginning balance	₱880,743	₱677,234	₱533,800	₱1,743,855	₱94,702	₱-	₱-	₱3,930,334
Additions	-	17,546	-	-	-	-	-	17,546
Ending balance	880,743	694,780	533,800	1,743,855	94,702	-	-	3,947,880
Accumulated Depreciation								
Beginning balance	769,493	617,399	533,800	1,718,241	83,269	-	-	3,722,202
Depreciation (Note 10)	38,145	49,690	-	7,701	5,681	-	-	101,217
Ending balance	807,638	667,089	533,800	1,725,942	88,950	-	-	3,823,419
Net Book Value	₱73,105	₱27,691	₱-	₱17,913	₱5,752	₱-	₱-	₱124,461

In 2021, the Foundation received donation from Anscor amounting to ₱1,500,000 to be used in acquiring a 2,359-sqm lot in Barangay Manamoc, Cuyo, Palawan to be used as a permanent field office base of the Foundation (see Note 11). In 2022, the Foundation acquired the lot amounting to ₱1,195,747. The Foundation also spent ₱227,221 for the related land improvements.

6. Investment Property

The Foundation has parcels of land located in Barangay Berong, Quezon, Palawan amounting to ₱700,000 which has currently undetermined future use.

7. Accrued Expenses and Other Payables

	2022	2021
Accrued expenses	₱343,537	₱344,622
Payables to government agencies	140,353	121,652
Others	1,635	10,979
	₱485,525	₱477,253

Accrued expenses pertain to accrual for project reimbursements, unpaid utilities, professional fees and other third-party services.

8. Funds held-in-trust

	2022			
	SISDEP Program	Corporate Disaster Assistance	Cancer Program	Total
Beginning balances	₱8,040,610	₱605,839	₱385,075	₱9,031,524
Additional funds received (Notes 11 and 12)	2,954,265	2,558,665	3,039,000	8,551,930
Funds spent during the year	(2,197,541)	(1,412,661)	(2,503,975)	(6,114,177)
Ending balances	₱8,797,334	₱1,751,843	₱920,100	₱11,469,277



	2021			
	SISDEP Program	Corporate Disaster Assistance	Cancer Program	Total
Beginning balances	₱7,493,029	₱776,197	₱836,594	₱9,105,820
Additional funds received (Notes 11 and 12)	2,907,541	—	—	2,907,541
Funds spent during the year	(2,359,960)	(170,358)	(451,519)	(2,981,837)
Ending balances	₱8,040,610	₱605,839	₱385,075	₱9,031,524

9. Restricted General Fund Balance

Restricted general fund balance, which represents amount for the use of the projects, identified by management, approved by the BOT and funded by the donors/grantors are as follows:

	2022	2021
SISDEP and other programs	₱140,523	₱951,205
Others	1,138,783	2,615,486
	₱1,279,306	₱3,566,691

Others represents the funds set aside for retirement benefits and capital expenditures for the furtherance of their projects and programs. In 2021, The management set aside ₱1,482,500 for the purchase of lot in Barangay Manamoc, Cuyo, Palawan. The purchase of lot was made on 2022.

10. General and Administrative Expenses

	2022	2021
Salaries and other benefits (Note 13)	₱1,451,924	₱1,354,610
Taxes and licenses	365,416	401,474
Professional fees	158,980	166,160
Insurance	109,835	58,436
Rent	70,645	68,957
Entertainment, amusement and recreation	67,000	42,000
Depreciation (Note 5)	66,286	101,217
Communication, light and water	54,862	56,805
Repairs and maintenance	49,901	19,256
Transportation and travel	53,893	17,838
Supplies	17,215	12,393
Others	17,703	23,138
	₱2,483,660	₱2,322,284

Employees' salaries are rationally distributed to various project expenses depending on the type and magnitude and time spent on workload performed.



11. Donations

The Foundation, as Corporate Social Responsibility arm of Anscor, received from the latter cash donation amounting to ₱9,500,000 in 2022 and ₱8,000,000 in 2021. This is to support primarily the Foundation's overhead and administrative expenses and some projects and activities. The Foundation also received donation from Anscor amounting to ₱1,500,000 in 2021 and it was used to acquire property and related acquisition fees in Barangay Manamoc, Cuyo, Palawan as a permanent field office base of the Foundation (see Note 5).

In January 2022, the Foundation received a donation from Anscor amounting to ₱1,000,000 to support the relief efforts for the Typhoon Odette victims in Guimaras and Palawan and an additional ₱500,000 from Mr. Andres Soriano III for the Anscor Group employees affected by Typhoon Odette. Furthermore, the Foundation received additional donations for Typhoon Odette amounting to ₱250,000 from A-Z Asia Ltd. Phils., Inc.

Phelps Dodge Philippines Energy Products Corporation (PDP) donated cash amounting to ₱1,000,000 both in 2022 and 2021 to support the Foundation's overhead expenses and various programs.

In 2022, the Foundation received cash donation amounting to ₱200,000 and in-kind donations from Pamalican Resort. Inc. (PRI) amounting to ₱565,590 representing the round-trip airfare of Foundation's staffs and resource experts invited to conduct technical trainings and several partners and donors who were invited to see the projects they have funded. Various Amanpulo guests also donated cash amounting to ₱284,430 and ₱167,644 in 2022 and 2021, respectively.

In 2021, the Foundation received a cash donation from Mrs. Carmen Menchaca Soriano amounting to ₱100,000, intended for Solid Waste Management.

In 2021, the Foundation received in-kind donation from Mariposa Foundation pertaining to one (1) laptop for program manager's use amounting to ₱29,999.

The Foundation's COVID 19 Pandemic Response

In 2022, the Foundation received in-kind donations from the following companies in the form of COVID-19 vaccines supporting the Foundation's initiative to complement the vaccination efforts of the government in Manamoc and Quiniluban Group of Islands:

- Phelps Dodge Phils amounting to ₱520,504 (400 doses);
- Studio West Philippines, Inc amounting to ₱520,504 (400 doses);
- Context Global Solutions, Inc. amounting to ₱390,378 (300 doses);
- Anscor amounting to ₱260,252 (200 doses);
- AWC Phils, Inc. amounting to ₱206,831 (150 doses);
- Txanton Torre Wine & Olive Oil Co., Inc. amounting to ₱206,831 (150 doses).

The Foundation also received in-kind donations amounting to ₱560,874 and ₱42,901 in 2022 and 2021, respectively, for the medicine and various medical supplies of Quiniluban Health Centers from Department of Health (DOH) - Region MIMAROPA. Also, in 2022, the Foundation received in-kind donations from Philseven Foundation, Inc and Pasay City's Duay Health Center amounting to ₱153,980 and ₱70,000, respectively, worth of medicines for Cuyo and Magsaysay Rural Health Unit (RHU) and various items as incentives for health service delivery workers who rendered their services during vaccination activities.



In 2022, Philam Foundation, Inc. donated 305 pieces of metal trash bin to the Foundation amounting ₱29,890 for use by the Cancer Institute and various medical departments of PGH. In 2021, the Foundation received in-kind donation of seven (7) units of brand-new laptops from Philam Foundation amounting to ₱242,550 for use by Cancer Institute oncologists for its telemedicine in an effort to curve the spread of COVID-19 among consulting patients, doctors and other front line health workers.

In 2021, the Foundation received donations from Anscor and PRI amounting ₱800,000 and ₱200,000, respectively, supporting the efforts of the Foundation in providing relief food supplies during a series of community lockdowns in Manamoc due to increase in COVID 19 positive cases.

The Foundation also received various donations, which are restricted for use in the conduct of their specific projects:

SISDEP and Other Projects

The Foundation received additional donation for Academic Scholarship from Les Folatieres Holdings, Inc. amounting to ₱300,000 both in 2022 and 2021.

The Foundation also received ₱10,000 and ₱4,000 donations in 2022 and 2021 respectively from an anonymous individual as donation for the Foundation's Education Program.

Due to the established partnership of the Foundation with Mr. & Mrs. Philip and Lulette Monbiot, an Amanpulo villa owner who committed to support one academic scholar from the island, the Foundation received donation for the scholar amounting to ₱114,469 for SY 2021-2022 and ₱106,859 for SY 2022-2023.

In 2022, the Foundation entered an agreement with Department of Trade and Industry (DTI) - MIMAROPA for the custody of custom-made hat machinery to be used by the community of Manamoc. This is for the Shared Service Facilities (SSF) Project on Handicraft Production. The purpose of the agreement is to pave the way to a more efficient production of 'buri' hats and consistently produce high quality products. The agreement is hinged on the goal of DTI-Mimaropa to help the community of Manamoc wherein the revenue from the sale of hats will all go to the community. As a custodian and as Foundation's contribution on the project, all repairs and related expenses for the maintenance of the machinery will be shouldered by the Foundation. Upon termination of the agreement, the Foundation should return the machinery in good working condition.

In 2021, the Foundation received a donation from Luxtrade Corporation amounting to ₱500,000 to support the medical equipment requirement needed by the new RHU of Manamoc initiated by DOH Region 4-B and Cuyo local government unit (LGU).

In 2021, the Foundation received donations from CAMAR Properties Holdings, Inc. in support of ASF project on Safe Delivery App under its Health Program.

Cancer Program

In 2022, the Foundation received donations from Philam Foundation, Inc. amounting to ₱500,000 to support the Foundation's developmental efforts in cancer treatment and management in partnership with the Cancer Institute.

In 2022, the Foundation also received the following donations for the Foundation's cancer program:

- a. San Beda University College of Law Class '96 amounting to ₱250,000;
- b. Lapid Family amounting to ₱200,000;
- c. Atty. Jose Valles amounting to ₱66,000;
- d. Hi-E Isai Pharmaceutical Inc. amounting to ₱50,000.



The Foundation received cash donations from Rufo Colayco amounting to ₱650,000 both in 2022 and 2021. These are specifically designated for the Foundation's Chemotherapy Fund in partnership with Cancer Institute, UP-PGH. In 2021, the Foundation also received ₱100,000 from South Ridge Student Council for its cancer program.

The Foundation has a standby fund for treatment of indigent cancer patients, through the donation made from prior years by Ms. Nancie Villaflor. Another standby fund donated by Mr. Oscar Hilado amounting to ₱55,184 was added to the fund.

12. Grants

SISDEP and Other Projects

The Foundation embarked on a full-scale construction project of Manamoc National High School-Senior High School Technical-Vocational Laboratories in partnership with various donors and partners. For the maintenance of laboratory buildings after the construction, the Foundation received donations from various donors in 2018. The unspent portion of these donations as of June 30, 2022 and 2021 amounting to ₱1,040,166 and ₱1,365,098, respectively, is recorded as part of the Foundation's "Funds held-in-trust" (see Note 8). This will be used for the continuing overhead and maintenance requirement of the laboratory buildings and landscaping, continuing education of Technical-Vocational teachers.

The Foundation received a grant from Share Foundation amounting to ₱1,694,696 and ₱1,725,428 in 2022 and 2021, respectively. These grants were used and will be used to fund various healthcare initiatives, education and environment-related projects in Manamoc and Agutaya islands in Palawan.

The Foundation's COVID 19 Pandemic Response

In 2021, the Foundation received a grant from Johnson & Johnson amounting to ₱1,000,000 for the procurement of Personal Protective Equipment for frontline health workers of various public hospitals.

Cancer Program

In 2022 and 2021, the Foundation received grants from different pharmaceutical companies for Medical Oncology Fellowship Program and continuing medical updates in partnership with Cancer Institute and Section of Medical Oncology at UP-PGH:

- a. Good Fellow Pharma amounting to ₱525,000 in 2022 and ₱333,000 in 2021;
- b. United Laboratories, Inc. amounting to ₱105,000 in 2022 and ₱90,000 in 2021;
- c. Roche (Philippines) Inc. amounting to ₱348,000 in 2022;
- d. Fresenius Kabi Phils, Inc. amounting to ₱180,000 in 2022;
- e. Sun Pharma Phils. Amounting to ₱135,000 in 2022.
- f. AstraZeneca Pharmaceuticals amounting to ₱340,916 in 2021; and
- d. Accord Pharma amounting to ₱90,000 in 2021.

In 2021, the Foundation received a cash grant from Philippine Good Work Mission Foundation amounting to ₱1,000,000. This grant is allocated specifically for the chemotherapy treatment of cancer patients admitted particularly at the Cancer Institute, UP-PGH. The grant was fully spent in 2021.

In 2019, the Foundation signed an Educational Grant Agreement with Johnson and Johnson (Philippines), Inc. amounting to ₱300,000 representing the latter's support to the Foundation's campaign and advocacy on cancer prevention through scientific cancer lectures. The first tranche amounting to ₱150,000 was received in 2019 while the second tranche for the remaining amount was received in 2020. As of June 30, 2022 and 2021, the unspent portion pertaining to such grant amounting to ₱11,167 is recorded as part of the Foundation's "Funds held-in-trust" account (see Note 8).



In 2019, the Foundation has a grant receivable from the Philippine Cancer Society amounting to ₱456,000 in support of the Foundation's cancer care initiatives such as "Alay sa Chemo" project and Cancer Lecture. The grant was received in 2020 and as of June 30, 2022 and 2021, the remaining unspent fund amounting to ₱55,185 and ₱270,185, respectively, is recorded as part of the "Funds held-in-trust" account (see Note 8).

13. Retirement Benefits Cost

The Foundation recognized the amount of retirement benefits for its qualified employees following the requirements of the benefit Retirement Plan, using accrual approach.

The Foundation's retirement plan is funded and non-contributory defined benefit type. The retirement plan provides a retirement benefit equal to one-month salary for every year of service multiplied by retirement rate plus conversion into cash of allowable accumulated vacation and sick leave credits.

Net retirement liability as of June 30, 2022 and 2021, respectively, is as follows:

	2022	2021
Retirement liability	₱4,607,967	₱4,169,641
Retirement plan assets	3,469,184	3,036,655
Net retirement benefits liability	₱1,138,783	₱1,132,986

Changes in the accrued retirement liabilities are as follows:

	2022	2021
Balance at the beginning of the year	₱4,169,641	₱3,845,552
Current service cost	438,326	324,089
Balance at the end of the year	₱4,607,967	₱4,169,641

Changes in retirement plan assets are as follows:

	2022	2021
Balance at the beginning of the year	₱3,036,655	₱2,988,912
Return (loss) on plan assets	(133,964)	47,743
Contribution to the fund	566,493	—
Balance at the end of the year	₱3,469,184	₱3,036,655

14. Income Tax

- The reconciliation of the provision for income tax computed at statutory tax rate of 20% for both in 2022 and 2021 to the provision for income tax presented in the profit or loss for the years ended June 30 is shown as follows:

	2022	2021
Provision for income tax at 20%	₱284,312	₱291,970
Adjustments to income tax resulting from:		
Deficiency of revenue over expenses not subject to income tax	(277,223)	(282,766)
Interest income subjected to final income tax	(7,089)	(9,204)
Provision for income tax	₱—	₱—



- b. Details of excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) are as follows:

Year Incurred	Beginning Balance	Incurred	Expired	Ending Balance	Available Until
2019	₱3,643	₱—	(₱3,643)	₱—	2022
2020	54,463	—	—	54,463	2023
	₱58,106	₱—	(₱3,643)	₱54,463	

15. Related Party Transactions

A related party is a person or entity that is related to the Foundation. A person or a close member of that person's family is related to the Foundation if that person is a member of the key management personnel of Foundation or of the parent, has control or joint control or significant influence or voting power over the Foundation.

Parties are considered to be related if one party has the ability to control, directly or indirectly, the other party or exercise significant influence over the other party in making financial and operating decisions.

The Foundation's transactions and account balances with Anscor, PRI, and PDP, entities under the common control of some BOT members, are as follows:

Nature of transaction	Amount of transaction	
	2022	2021
Donations (Note 11)		
Anscor	₱11,560,252	₱9,500,000
PDP	1,520,504	1,000,000
PRI	684,067	—
Andres Soriano III	545,180	100,000
	₱13,625,936	₱10,600,000

The Foundation received donations in cash and in-kind from Anscor, PRI, and PDP to assist the former's various programs. In 2021, out of the ₱9,500,000 donation from Anscor, ₱1,500,000 was earmarked for the purchase of land of which was fully spent as of June 30, 2022 (see Notes 5 and 11).

16. Supplementary Information Required Under Revenue Regulations (RR) No. 34-2020 and RR No. 15-2010

Revenue Regulations (RR) No. 34-2020

The Foundation is not covered by the requirements and procedures for the related party transactions under Section 2 of RR No. 34-2020.

RR No. 15-2010

In compliance with RR No. 15-2010 issued by the BIR on November 25, 2010 mandating all taxpayers to include information on taxes, duties and license fees paid or accrued during the taxable year, presented in the next page are the taxes paid and accrued by the Foundation.

a. Value-added Tax

The Foundation, as a not-for-profit institution, is exempt from value-added tax.



b. Details of taxes and licenses in 2022 are as follows:

Real property taxes	₱350,940
Business permit	9,505
Others	4,971
	<u>₱365,416</u>

c. Details of withholding taxes in 2022 are as follows:

Withholding taxes on compensation and benefits	₱615,757
Expanded withholding taxes	19,288

The Foundation has outstanding withholding taxes payable on compensation and benefits and expanded withholding taxes amounting to ₱59,441 and ₱1,250, respectively, as of June 30, 2022.

d. As of June 30, 2022, the Foundation has no tax deficiency assessment or tax case under preliminary investigation, litigation and/or prosecution in courts or bodies outside the BIR.

