

COMPILATION OF MATERIAL FINDINGS ON 2011 AFS OF ISSUERS OF UNLISTED SECURITIES

TOTAL NUMBER OF COMPANIES COVERED: 25

COMPONENTS OF FINANCIAL STATEMENTS	FINDINGS	NO. OF COMPANIES	PERCENTAGE (%) TO TOTAL
Statement of Management's Responsibility (SMR)	The SMR is not in accordance with the prescribed wordings (SRC Rule 68, as amended).	3	12%
	The SMR is not signed under oath (SRC Rule 68, as amended).	1	4%
	The SMR is not signed by the prescribed signatories (SRC Rule 68, as amended).	2	8%
Statement of Comprehensive Income	The Statement of Comprehensive Income is not presented in a three (3)-year comparative format (SRC Rule 68, as amended).	3	12%
Statement of Changes in Equity	The Statement of Changes in Equity is not presented in a three (3)-year comparative format (SRC Rule 68, as amended).	3	12%
Statement of Cash Flows	The Statement of Cash Flows is not presented in a three (3)-year comparative format (SRC Rule 68, as amended).	3	12%
Schedules Required Under SRC Rule 68, as amended	The following Schedules are not attached to the AFS: <ul style="list-style-type: none"> • Reconciliation of Retained Earnings Available for Dividend; • Tabular schedule of standards; • Financial soundness indicators; and • Supplementary schedules. 	8	32%

NOTES TO FINANCIAL STATEMENTS	FINDINGS	NO. OF COMPANIES	PERCENTAGE (%) TO TOTAL
Financial Assets	The accounting policy on "Trade and Other Receivables" is not in accordance with PAS 39.	1	4%
	Incomplete disclosures, i.e., terms and conditions of the "Installment Contracts Receivables" (PFRS 7).	1	4%
Inventories	There is no accounting policy on the measurement of "Real Estate Inventories" (PAS 2).	1	4%
Property, Plant and Equipment (PPE)	The table presented in the notes shows an incorrect beginning balance of accumulated depreciation. The amount of depreciation of PPE for year 2011 is inconsistent with the amount recognized in the Income Statement (PAS 16).	1	4%
	The company failed to recognize a "Land and Building" despite the transfer of title and full payment of the total contract price for said property (PAS 16).	1	4%
Equity	There is no summary discussion of the company's track record of registration of securities that indicates the number of shares registered, issue/offer price, date of approval of registration statement and the number of holders as of year-end (SRC Rule 68, as amended).	12	48%
Retained Earnings	There is no disclosure on any restriction or special reserve	1	4%

NOTES TO FINANCIAL STATEMENTS	FINDINGS	NO. OF COMPANIES	PERCENTAGE (%) TO TOTAL
	that explains the excess of retained earnings over paid-in capital stock by 100% (PAS 1, Sec. 43 of the Corporation Code).		
Revenue	There is no specific revenue recognition policy (PAS 18).	5	20%
Cost and Expenses	There is no accounting policy on recognition of cost and expenses (PAS 18).	2	8%
Lease	The company's accounting policy on leases is not in accordance with PAS 17.	1	4%
	There are no accounting policy and disclosures on leases (PAS 17).	1	4%
Related Party Transactions	Incomplete disclosures on related party transactions, i.e., terms and conditions, including whether secured or not, the nature of consideration to be provided in settlement, details of any guarantees given or received, provision for doubtful debts and compensation of key management personnel (PAS 24).	7	28%
Capital Management	There is no discussion on going concern issue particularly the management's concrete plan to address the capital deficiency (PAS 1, SRC Rule 68, as amended).	3	12%

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