

**TRUSTEESHIP PLANS, INC.**

**FINANCIAL STATEMENTS**  
December 31, 2022 and 2021

and

**Report of Independent Auditors**



# TRUSTEESHIP PLANS, INC.

SUITE 211-212 RICHMACK BLDG., #72 MINDANAO AVE., PROJECT 6, QUEZON CITY  
TELEPHONE NUMBER : 927-93-14

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The management of **TRUSTEESHIP PLANS, INC.** 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 shareholders.

**Perez, Sese, Villa & Co.**, the independent auditor appointed by the shareholders has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the shareholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
**RENE P. ROY**  
Chairman of the Board

  
**ADRIAN R. CANLAS**  
President

  
**ROSSAN R. CANLAS**  
Treasurer



# TRUSTEESHIP PLANS, INC.

SUITE 211-212 RICHMACK BLDG., #72 MINDANAO AVE., PROJECT 6, QUEZON CITY  
TELEPHONE NUMBER : 927-93-14


Signed this May 2, 2023

Republic of the Philippines)  
Quezon City ) S.S.

SUBSCRIBED AND SWORN to before me this 02 MAY 2023 day of  
2023 at \_\_\_\_\_, Philippines, affiants exhibited to me their identification cards as  
follows: QUEZON CITY

<u>Name</u>	<u>Type of ID</u>	<u>ID Number</u>	<u>Issued by</u>
Rene P. Roy	TIN	146-473-951	BIR
Adrian R. Canlas	TIN	115-322-025	BIR
Rossan R. Canas	TIN	232-807-966	BIR

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Series of 2023

  
**ATTY. ALEJO GARCIA SEDICO**  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2024  
ATTORNEY ROLL NO. 36198  
PTR NO. 4028160/D 1-3-2023  
IBP NO. 181195 / 1-3-2023  
TIN ID NO. 141-415-007  
MCLE NO. VI-0030770/1-14-2022  
# 4 ALLEY 13 RD. 3, PROJ. 6, Q.C.





**PEREZ, SESE, VILLA & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

admin@psv-co.com

(02) 8 994-3984

9<sup>th</sup> Flr. Unit C MARC 2000 Tower  
1973 Taft Ave. cor. San Andres St.  
Malate, Manila 1004

## **SUPPLEMENTAL STATEMENT OF INDEPENDENT AUDITORS**

**To the Board of Directors**  
**TRUSTEESHIP PLANS, INC.**  
Suite 211-212 Richmark Building,  
No. 72 Mindanao Avenue  
Project 6, Quezon City

We have audited the financial statements of **TRUSTEESHIP PLANS, INC.** for the year ended December 31, 2022 on which we have rendered the attached report dated May 2, 2023.

In compliance with the Revised Securities Regulation Code SRC Rule 68 as amended, we are stating that the Company has seven (7) shareholders owning one hundred (100) or more shares each of the Company's capital stock as of December 31, 2022, as disclosed in Note 19 of the Financial Statements.

**PEREZ, SESE, VILLA & CO.**

BY:   
**MA. ALMA C. SESE**  
PARTNER

CPA License No. 0054588

Tax Identification No. 212-955-173-000

PTR No. 0857608, Issued on January 6, 2023, Manila City

SEC Accreditation No:

Partner – 54588-SEC Group B, issued on December 1, 2022,

valid for five (5) years covering the audit of 2022 to 2026 financial statements

Firm – 0222-SEC, Group B, Issued on December 1, 2022,

valid for five (5) years covering the audit of 2022 to 2026 financial statements

BIR Accreditation No. 06-002735-001-2021, issued on March 5, 2021,

valid for three (3) years until March 4, 2024

IC Accreditation No.

Partner -54588-IC, Group B, issued on December 3, 2020

valid for five (5) years covering the audit of 2020 to 2024 financial statements

Firm -0222-IC, Group B, issued on December 3, 2020


valid for five (5) years covering the audit of 2020 to 2024 financial statements

BOA/PRC Cert. of Reg. No. 0222, issued on September 29, 2022 valid until October 12, 2023


Manila, Philippines  
May 2, 2023



**PEREZ, SESE, VILLA & CO.**  
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## **REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES**

**To the Board of Directors**  
**TRUSTEESHIP PLANS, INC.**  
Suite 211-212 Richmark Building,  
No. 72 Mindanao Avenue  
Project 6, Quezon City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of **TRUSTEESHIP PLANS, INC.**, for the year ended December 31, 2022 and have issued our report thereon dated May 2, 2023. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary schedules required by paragraph 6, part II of SRC, schedule of financial soundness indicators and reconciliation of retained earnings available for dividend declaration as of December 31, 2022 are the responsibility of the Company's management. These supplementary schedules are presented for the purpose of complying with Revised Securities Regulation Code (SRC) Rule No. 68, and are not part of the basic financial statements. These supplementary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

**PEREZ, SESE, VILLA & CO.**

BY:   
**MA. ALMA C. SESE**  
PARTNER

CPA License No. 0054588

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Manila, Philippines  
May 2, 2023






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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors**  
**TRUSTEESHIP PLANS, INC.**  
Suite 211-212 Richmark Building,  
No. 72 Mindanao Avenue  
Project 6, Quezon City



### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of **TRUSTEESHIP PLANS, INC.** (the Company), which comprise the 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) and with the accounting standards set forth in the Pre-Need Rule 31, As Amended: Accounting Standards for Pre-need Plans and Pre-need Uniform Chart of Accounts (PNUCA).

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

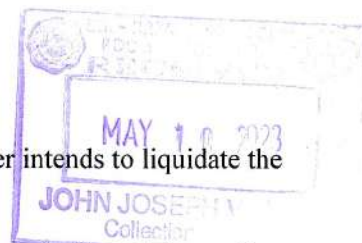
#### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS and with the accounting standards set forth in the Pre-Need Rule 31, As Amended: Accounting Standards for Pre-need Plans and PNUCA., 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 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 cease operations, or has no realistic alternative but to do so.



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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

## Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2022 required by the Bureau of Internal Revenue as disclosed in Note 30 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS and with the accounting standards set forth in the Pre-Need Rule 31, As Amended: Accounting Standards for Pre-need Plans and PNUCA. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

BY:   
MA. ALMA C. SESE  
PARTNER



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Manila, Philippines  
May 2, 2023



**TRUSTEESHIP PLANS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
*December 31, 2022 and 2021*



	<i>Notes</i>	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	5,8	<b>P 2,604,580</b>	<b>P 3,529,205</b>
Prepaid income tax	5,6,9	<b>70,708</b>	<b>105,721</b>
<b>Total Current Assets</b>		<b>2,675,288</b>	<b>3,634,926</b>
<b>Non-current Assets</b>			
Investment in trust fund	5,10	<b>136,008,672</b>	<b>136,869,605</b>
Property and equipment	5,6,12	<b>96,561</b>	<b>96,561</b>
Investment properties	5,13	<b>561,783,000</b>	<b>561,783,000</b>
Insurance premium fund	5,11	<b>3,501,008</b>	<b>3,429,271</b>
Refundable deposit	5,14,27	<b>20,706</b>	<b>20,706</b>
<b>Total Non-Current Assets</b>		<b>701,409,947</b>	<b>702,199,143</b>
<b>TOTAL ASSETS</b>		<b>P 704,085,235</b>	<b>P 705,834,069</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Pre-need reserve	5,6,15	<b>P 107,621,202</b>	<b>P 107,547,726</b>
Payables	5,16	<b>8,742,057</b>	<b>8,377,640</b>
Insurance premium reserve	5,18	<b>1,953,780</b>	<b>1,972,941</b>
Advances from shareholders	5,20	<b>14,790,000</b>	<b>15,435,000</b>
Other current liabilities	5,17	<b>93,041</b>	<b>65,475</b>
<b>Total Current Liabilities</b>		<b>133,200,080</b>	<b>133,398,782</b>
<b>Non-Current Liabilities</b>			
Deferred tax liability, net	5,6,24	<b>111,161,780</b>	<b>109,849,226</b>
<b>Total Liabilities</b>		<b>244,361,860</b>	<b>243,248,008</b>
<b>Equity</b>			
Share capital	5,19	<b>113,510,000</b>	<b>113,510,000</b>
Additional paid-in capital	5,19	<b>2,531,089</b>	<b>2,531,089</b>
Net unrealized loss on financial assets at FVOCI	5,10	<b>(2,680,493)</b>	<b>1,583,013</b>
Retained Earnings	5,19	<b>346,362,779</b>	<b>344,961,959</b>
<b>Total equity</b>		<b>459,723,375</b>	<b>462,586,061</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P 704,085,235</b>	<b>P 705,834,069</b>

*(See accompanying Notes to Financial Statements)*

**TRUSTEESHIP PLANS, INC.**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
*For The Years Ended December 31, 2022 and 2021*



	<i>Notes</i>	<b>2022</b>	<b>2021</b>
<b>REVENUES</b>			
Premium revenue	5,21	<b>₱ 6,812,591</b>	<b>₱ 5,960,079</b>
Trust fund income		<b>327,373</b>	<b>3,983,877</b>
Other operating income		<b>692,540</b>	<b>681,055</b>
		<b>7,832,504</b>	<b>10,625,011</b>
<b>COST OF CONTRACT ISSUED AND OTHER DIRECT COST</b>	5,22		
Decrease in pre-need reserve	15	<b>(3,001,524)</b>	<b>(9,883,722)</b>
Decrease in insurance premium reserve		<b>(19,161)</b>	<b>(252,549)</b>
Trust fund contributions, net of withdrawal		<b>3,075,000</b>	<b>3,345,000</b>
Plan benefits		<b>1,205,960</b>	<b>1,208,665</b>
Other direct cost		<b>1,002,654</b>	<b>955,896</b>
		<b>2,262,929</b>	<b>(4,626,710)</b>
<b>GROSS PROFIT</b>		<b>5,569,575</b>	<b>15,251,721</b>
<b>OTHER INCOME</b>	5,13	<b>-</b>	<b>134,242,200</b>
<b>GENERAL AND ADMINISTRATIVE EXP</b>	5,23	<b>(2,834,088)</b>	<b>(2,818,669)</b>
<b>NET INCOME BEFORE TAX</b>		<b>2,735,487</b>	<b>146,675,252</b>
<b>INCOME TAX EXPENSE</b>	5,24		
Current		<b>22,113</b>	<b>11,195</b>
Deferred		<b>1,312,554</b>	<b>21,959,074</b>
		<b>1,334,667</b>	<b>21,970,269</b>
<b>NET INCOME FOR THE YEAR</b>		<b>1,400,820</b>	<b>124,704,983</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
Items that will not be reclassified subsequently to profit and loss			
Fair value gain (loss) on financial assets	5,10	<b>(619,099)</b>	<b>146,032</b>
Tax effect		<b>-</b>	<b>-</b>
Items that may be reclassified subsequently to profit and loss			
Fair value gain (loss) on financial assets	5,10	<b>(3,644,407)</b>	<b>(4,648,334)</b>
Tax effect		<b>-</b>	<b>-</b>
<b>OTHER COMPREHENSIVE LOSS</b>		<b>(4,263,506)</b>	<b>(4,502,302)</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>₱ (2,862,686)</b>	<b>₱ 120,202,681</b>

*(See accompanying Notes to Financial Statements)*



**TRUSTEESHIP PLANS, INC.**  
**STATEMENTS OF CHANGES IN EQUITY**  
*For The Years Ended December 31, 2022 and 2021*

	<i>Notes</i>	<u>2022</u>	<u>2021</u>
<b>SHARE CAPITAL</b>	<i>5,19</i>		
Balance at beginning of year		P 113,510,000	P 113,510,000
Net unrealized gain (loss) for the year		-	-
Balance at end of year		<u>113,510,000</u>	<u>113,510,000</u>
<b>ADDITIONAL PAID-IN CAPITAL</b>	<i>5,19</i>	<u>2,531,089</u>	<u>2,531,089</u>
<b>NET UNREALIZED GAIN (LOSS) ON FINANCIAL ASSETS AT FVOCI</b>	<i>5,11</i>		
Balance at beginning of year		1,583,013	6,085,315
Net unrealized gain (loss) for the year		<u>(4,263,506)</u>	<u>(4,502,302)</u>
Balance at end of year		<u>(2,680,493)</u>	<u>1,583,013</u>
<b>RETAINED EARNINGS</b>	<i>5,19</i>		
<b>Appropriated</b>			
Balance at beginning of year		56,606,264	52,622,387
Appropriation		<u>327,373</u>	<u>3,983,877</u>
Balance at end of year		<u>56,933,637</u>	<u>56,606,264</u>
<b>Unappropriated</b>			
Balance at beginning of year		288,355,695	167,634,589
Appropriation		<u>(327,373)</u>	<u>(3,983,877)</u>
Net income for the year		<u>1,400,820</u>	<u>124,704,983</u>
Balance at end of year		<u>289,429,142</u>	<u>288,355,695</u>
<b>TOTAL RETAINED EARNINGS</b>		<u>346,362,779</u>	<u>344,961,959</u>
<b>TOTAL EQUITY</b>		<u>P 459,723,375</u>	<u>P 462,586,061</u>

*(See accompanying Notes to Financial Statements)*

**TRUSTEESHIP PLANS, INC.**  
**STATEMENTS OF CASH FLOWS**  
*For The Years Ended December 31, 2022 and 2021*

	<u>Notes</u>	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Net income before income tax</b>		<b>P 2,735,487</b>	<b>P 146,675,252</b>
Adjustment to reconcile net income to net cash used in operating activities:			
Trust fund income	5,10	(327,373)	(3,983,877)
Change in pre-need reserve	5,6,22	73,276	(6,538,722)
Change in insurance premium reserve	5,6,18	(19,161)	(252,549)
Unrealized gain on investment properties	5,13	-	(134,242,200)
Impairment of creditable withholding tax	5,23	12,900	-
Interest income	5,8	(10,254)	(12,064)
<b>Operating income before changes in working capital</b>		<b>2,464,875</b>	<b>1,645,840</b>
Changes in operating assets and liabilities:			
Increase (Decrease) in:			
Payables	5,16	364,417	575,093
Other current liabilities	5,17	27,566	(23,544)
<b>Cash generated from operation</b>		<b>2,856,858</b>	<b>2,197,389</b>
Income tax paid	5,6,24	-	(12,900)
Interest received	5,8	10,254	12,064
<b>Net cash provided by operating activities</b>		<b>2,867,112</b>	<b>2,196,553</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additional contributions in investment in trust	5,10	(3,075,000)	(3,345,000)
Additional contributions in insurance premium fur	5,11	(71,737)	(103,054)
<b>Net cash used in investing activities</b>		<b>(3,146,737)</b>	<b>(3,448,054)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Additional advances from shareholders	5,20	-	1,935,000
Payment of advances from shareholders	5,20	(645,000)	-
<b>Net cash provided by (used in) financing activities</b>		<b>(645,000)</b>	<b>1,935,000</b>
<b>NET INCREASE (DECREASE) IN CASH</b>		<b>(924,625)</b>	<b>683,499</b>
<b>CASH AT BEGINNING OF YEAR</b>		<b>3,529,205</b>	<b>2,845,706</b>
<b>CASH AT END OF YEAR</b>		<b>P 2,604,580</b>	<b>P 3,529,205</b>

(See accompanying Notes to Financial Statements)