

COMPILATION OF MATERIAL FINDINGS ON 2010 AFS OF INVESTMENT HOUSES COMPANIES
TOTAL NUMBER OF COMPANIES COVERED: 25

COMPONENTS OF FINANCIAL STATEMENTS	FINDINGS	NO. OF COMPANIES	PERCENTAGE (%) TO TOTAL
Statement of Management's Responsibility	The Statement of Management Responsibility was not signed by the required signatories (SRC Rule 68.1, as amended).	5	20%
	The Statement of Management's Responsibility is not attached to the AFS (SRC Rule 68.1, as amended).	1	4%
Supplemental Written Statement of External Auditor	There is no Supplemental Written Statement of External Auditor attached to the company's AFS (SRC Rule 68).	1	4%

NOTES TO FINANCIAL STATEMENTS	FINDINGS	NO. OF COMPANIES	PERCENTAGE (%) TO TOTAL
Inventories	There is no costing method adopted for Inventories (PAS 2).	1	4%
Revenue	The amount of each revenue items comprising "fees and commission" are not provided despite materiality of amount (PAS 1 and 18).	1	4%
	There are no details provided on the "Sales" account as to source and amount from each item (PAS 18).	1	4%
Related Party Transactions	Incomplete disclosures on related party transactions, i.e., specific terms and conditions of transactions and key management personnel compensation (PAS 24).	2	8%
Employee Benefits	There are no accounting policy and disclosures on employee benefits (PAS 19).	1	4%
Financial Risk Management	Incomplete disclosure on liquidity risk, i.e., specific management plans to address liquidity gap (PFRS 7).	1	4%