

COMPILATION OF MATERIAL FINDINGS ON 2011 AFS OF LISTED CORPORATIONS

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	2	8%
	The SMR is not signed by the prescribed signatories under SRC Rule 68, as amended	1	4%
Statements Of Cash Flows	The "Advances to Related Parties" account was incorrectly reported as part of Cash Flow from Operating Activities (PAS 7).	1	4%
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; • Conglomerate map; • Financial soundness indicators; • Supplementary schedules. 	2	8%

NOTES TO FINANCIAL STATEMENTS	FINDINGS	NO. OF COMPANIES	PERCENTAGE (%) TO TOTAL
Financial Assets/Liabilities	Incomplete disclosures, i.e., nature and amount of items comprising "Other Receivables" (PAS 39) despite materiality of the amount.	2	8%
	Incomplete disclosures on "Loans Payable", i.e., name of local banks and investment company, nature of transactions, covenants and whether these are being complied with (PAS 39).	2	8%
	The following relevant disclosures were not provided (PAS 32, PFRS 7): <ul style="list-style-type: none"> • Details of financial ratios required to be maintained; • Details of restrictions on loans and guarantees; • A statement on whether or not the company has complied with the above requirements and with the loan covenants. 	1	4%
Available-for-Sale Investments	The following relevant disclosures were not provided: <ul style="list-style-type: none"> • Description and terms and conditions of government securities; • The facts that would establish the "rare circumstances" that warranted the reclassification <i>(SEC Memo Circular No. 10, Series of 2008, PAS 39, PFRS 7)</i>	1	4%
Joint Venture	Incomplete disclosures, i.e., percentage of developers share in sales proceeds, terms and conditions of the agreement, estimated development cost and target completion date of the project (PAS 1, PAS 28)	1	4%
Business Combination and Disposal of	The basis and regulatory approval of the share-for-share transaction are not disclosed (PAS 1).	2	8%

NOTES TO FINANCIAL STATEMENTS	FINDINGS	NO. OF COMPANIES	PERCENTAGE (%) TO TOTAL
Subsidiary	The basis of determining the values of identified assets was not disclosed, <i>i.e.</i> , valuation technique used, whether conducted by a qualified and accredited appraiser (PAS 1, PFRS 3)	1	4%
Related Transactions	Party Incomplete disclosures on "Advances to (from) other related parties", <i>i.e.</i> , breakdown of transactions and allowance for impairment per related party, short-term and long-term benefits of key management personnel (PAS 24).	2	8%
	The nature of relationship between related parties was not disclosed (PAS 24).	4	16%
Revenue	There is no accounting policy on recognition of revenues (PAS 18).	1	4%
Retained Earnings	Incomplete disclosures on "Retained Earnings Available for Dividend Declaration", <i>i.e.</i> , specific projects where the appropriated retained earnings will be used, timeline of utilization of the said appropriation (PAS 1, Section 43 of the Corporation Code).	1	4%
Financial Management	Risk Incomplete disclosures, <i>i.e.</i> , analysis of the age of financial assets and liabilities that are past due as at the end of the reporting period but not impaired, analysis of financial assets that are individually determined to be impaired as at the end of the reporting period (PFRS 7).	1	4%