



*Kaagapay ng Komunidad sa Maginhawang Pamumuhay*

**SOCIAL HOUSING FINANCE CORPORATION**

# **FINANCIAL STATEMENTS**

## **DECEMBER 31, 2023**



**BDO Plaza, 8737 Paseo de Roxas, Makati City 1226 Metro Manila, Philippines**  
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## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of SOCIAL HOUSING FINANCE CORPORATION is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2023 and December 31, 2022 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 SOCIAL HOUSING FINANCE CORPORATION'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 SOCIAL HOUSING FINANCE CORPORATION or to cease operations, or has no realistic alternative to do so.

The Board of Directors is responsible for overseeing the SOCIAL HOUSING FINANCE CORPORATION'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 stockholders or members.

The Commission on Audit, through its authorized representative, has examined the financial statements of the company pursuant to Section 2, Article IX-D of the Philippine Constitution and Section 28 of the Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines. The audit was conducted in accordance with International Standards of Supreme Audit Institutions and the auditor, in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
**JOSE RIZALINO L. ACUZAR**

Chairperson of the Board

  
**FEDERICO A. LAXA**

President & CEO

  
**DANTE M. ANABE**

OIC - Vice President

Finance and Comptrollership Group

07 March 2024



**SOCIAL HOUSING FINANCE CORPORATION**  
**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**ALL FUNDS**  
**AS AT DECEMBER 31, 2023**  
*(With Comparative Figures for CY 2022)*

	<u>2023</u>	<u>2022</u>	
		<u>December 31</u>	<u>January 1</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	3,768,370,695.65	5,905,372,455.26	4,855,909,604.56
Investments	50,000,000.00	110,000,000.00	159,990,000.00
Receivables	1,290,380,357.43	1,201,532,713.31	2,239,245,510.80
Inventories	12,716,681.34	9,613,518.29	9,113,792.85
Other Current Assets	10,300,073,759.85	6,948,103,323.23	1,495,521,647.72
<b>Total Current Assets</b>	<b>15,421,541,494.27</b>	<b>14,174,622,010.09</b>	<b>8,759,780,555.93</b>
<b>Non-Current Assets</b>			
Receivables	10,238,591,745.40	10,793,196,604.71	13,930,666,359.33
Investment Property	2,455,563,154.62	2,455,563,154.62	2,275,373,328.06
Property, Plant and Equipment	169,729,841.86	97,100,230.61	100,903,152.63
Intangible Assets	9,689,149.02	10,312,248.39	11,409,518.12
Deferred Tax Assets	885,973,620.77	879,071,795.90	887,239,508.90
Right of Use Asset	2,045,262.59	105,113,368.06	118,712,716.26
Other Non-Current Assets	640,696,479.19	652,115,853.12	672,590,989.31
<b>Total Non-Current Assets</b>	<b>14,402,289,253.45</b>	<b>14,992,473,255.41</b>	<b>17,996,895,572.60</b>
<b>Total Assets</b>	<b>29,823,830,747.72</b>	<b>29,167,095,265.50</b>	<b>26,756,676,128.53</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial Liabilities	1,133,928,014.19	1,211,700,504.49	1,079,991,530.88
Inter-Agency Payables	15,807,125.38	37,896,225.65	51,466,115.87
Income Tax Payable	3,776,124.80	2,596,235.96	2,535,730.68
Trust Liabilities	4,934,325.11	4,763,065.11	4,791,168.36
Deferred Credits/Unearned Income	180,123,491.78	199,907,700.65	217,941,931.92
Provisions	264,166,619.42	224,731,648.85	166,497,915.22
Other Payables	1,188,016,215.27	1,026,979,456.39	925,457,373.89
<b>Total Current Liabilities</b>	<b>2,790,751,915.95</b>	<b>2,708,574,837.10</b>	<b>2,448,681,766.82</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities	2,093,906.21	13,145,818.71	23,772,073.61
Trust Liabilities	18,989,071,527.79	19,045,241,414.71	18,755,165,550.90
<b>Total Non-Current Liabilities</b>	<b>18,991,165,434.00</b>	<b>19,058,387,233.42</b>	<b>18,778,937,624.51</b>
<b>Total Liabilities</b>	<b>21,781,917,349.95</b>	<b>21,766,962,070.52</b>	<b>21,227,619,391.33</b>
<b>EQUITY</b>			
Retained Earnings/(Deficit)	8,031,913,397.77	7,390,133,194.98	5,519,056,737.20
Stockholders' Equity	10,000,000.00	10,000,000.00	10,000,000.00
<b>Total Equity</b>	<b>8,041,913,397.77</b>	<b>7,400,133,194.98</b>	<b>5,529,056,737.20</b>
<b>Total Liabilities and Equity</b>	<b>29,823,830,747.72</b>	<b>29,167,095,265.50</b>	<b>26,756,676,128.53</b>

Prepared & Certified by:

**DANTE M. ANABE**  
OIC - Vice President  
Finance and Comptrollership Group

Recommending Approval:

**ATTY. LEO B. DEOCAMPO**  
OIC-Senior Vice President  
Support Cluster

Approved by:

**FEDERICO A. LAXA**  
President & CEO





**SOCIAL HOUSING FINANCE CORPORATION**  
**DETAILED STATEMENT OF FINANCIAL POSITION**  
**ALL FUNDS**  
**AS AT DECEMBER 31, 2023**  
*(With Comparative Figures for CY 2022)*

**ASSETS**

	<b>2023</b>	<b>2022</b>	
		<b>December 31</b>	<b>January 1</b>
<b>Current Assets</b>			
<b>Cash and Cash Equivalents</b>	<b>3,768,370,695.65</b>	<b>5,905,372,455.26</b>	<b>4,855,909,604.56</b>
<b>Cash on Hand</b>	4,336,424.20	3,207,842.79	4,597,376.23
Cash-Collecting Officers	2,690,512.17	1,544,689.26	3,080,600.48
Petty Cash	1,640,912.03	1,660,153.53	1,516,775.75
Local Currency on Hand - Change Fund	5,000.00	3,000.00	-
<b>Cash in Bank-Local Currency</b>	3,464,034,271.45	5,702,178,746.65	4,761,302,228.33
Cash in Bank-Local Currency, Current Account	3,464,034,271.45	5,702,178,746.65	4,761,302,228.33
<b>Cash Equivalents</b>	300,000,000.00	199,985,865.82	90,010,000.00
Treasury Bills	-	99,985,865.82	-
Time Deposits-Local Currency	300,000,000.00	100,000,000.00	90,010,000.00
<b>Investments</b>	<b>50,000,000.00</b>	<b>110,000,000.00</b>	<b>159,990,000.00</b>
<b>Financial Assets-Held to Maturity</b>	50,000,000.00	50,000,000.00	50,000,000.00
Investments in Treasury Bills-Local	50,000,000.00	50,000,000.00	-
Allowance for Impairment-Investments in Treasury Bills-Local	-	-	-
Net Value-Investments in Treasury Bills-Local	50,000,000.00	50,000,000.00	-
Investments in Bonds-Local	-	-	50,000,000.00
Allowance for Impairment-Investments in Bonds-Local	-	-	-
Net Value-Investment in Bonds-Local	-	-	50,000,000.00
<b>Investments in Time Deposits</b>	-	60,000,000.00	109,990,000.00
Investments in Time Deposits-Local Currency	-	60,000,000.00	109,990,000.00
Investments in Time Deposits-Foreign Currency	-	-	-
<b>Receivables</b>	<b>1,290,380,357.43</b>	<b>1,201,532,713.31</b>	<b>2,239,245,510.80</b>
<b>Loans and Receivable Accounts</b>	1,162,722,928.34	1,098,805,606.59	2,144,220,751.60
Interests Receivable	3,675,139.19	3,236,513.88	2,340,833.64
Allowance for Impairment-Interests Receivable	-	-	-
Net Value-Interests Receivable	3,675,139.19	3,236,513.88	2,340,833.64
Mortgage Contracts Receivable	1,157,063,621.28	1,093,584,924.84	2,138,976,717.80
Allowance for Impairment-Mortgage Contracts Receivable	-	-	-
Net Value-Mortgage Contracts Receivable	1,157,063,621.28	1,093,584,924.84	2,138,976,717.80
Loans Receivable-Others	1,984,167.87	1,984,167.87	2,903,200.16
Allowance for Impairment-Loans Receivable-Others	-	-	-
Net Value-Loans Receivable-Others	1,984,167.87	1,984,167.87	2,903,200.16
<b>Inter-Agency Receivables</b>	60,883,850.11	77,055,519.50	75,547,172.19
Due from National Government Agencies	2,292,986.75	2,769,954.12	1,301,716.81
Due from Government Corporations	14,489,276.01	14,837,989.96	14,797,879.96
Due from Parent Corporations	44,101,587.35	59,447,575.42	59,447,575.42
<b>Intra-Agency Receivables</b>	64,391,512.99	23,219,319.33	18,817,201.20
Due from Other Funds-DOTR	28,711,647.17	15,042,061.85	15,042,061.85
Due from Other Funds-AKPF	35,679,865.82	8,177,257.48	3,775,139.35
<b>Other Receivables</b>	2,382,065.99	2,452,267.89	660,385.81
Receivables-Disallowances/Charges	149,083.40	149,083.40	158,333.40
Due from Officers and Employees	483,147.36	553,349.26	303,156.20
Other Receivables	1,749,835.23	1,749,835.23	198,896.21
Allowance for Impairment-Other Receivables	-	-	-
Net Value-Other Receivables	1,749,835.23	1,749,835.23	198,896.21

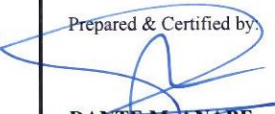
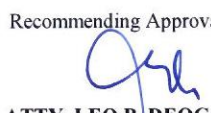
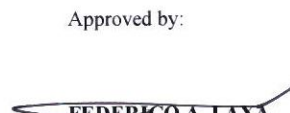
<b>Inventories</b>	<b>12,716,681.34</b>	<b>9,613,518.29</b>	<b>9,113,792.85</b>
<b>Inventory Held for Consumption</b>	<b>2,716,218.75</b>	<b>677,009.66</b>	<b>2,185,319.81</b>
Office Supplies Inventory	976,476.78	92,813.30	1,551,693.75
<i>Allowance for Impairment-Office Supplies Inventory</i>	-	-	-
Net Value-Office Supplies Inventory	976,476.78	92,813.30	1,551,693.75
Accountable Forms, Plates and Stickers Inventory	965,233.90	332,547.38	491,175.48
<i>Allowance for Impairment-Accountable Forms, Plates and Stickers Inventory</i>	-	-	-
Net Value-Accountable Forms, Plates and Stickers Inventory	965,233.90	332,547.38	491,175.48
Other Supplies and Materials Inventory	501,872.14	131,078.10	124,172.50
<i>Allowance for Impairment-Other Supplies and Materials Inventory</i>	-	-	-
Net Value-Other Supplies and Materials Inventory	501,872.14	131,078.10	124,172.50
Drugs and Medicines Inventory	272,635.93	120,570.88	18,278.08
<i>Allowance for Impairment-Drugs and Medicines Inventory</i>	-	-	-
Net Value-Drugs and Medicines Inventory	272,635.93	120,570.88	18,278.08
<b>Semi-Expendable Machinery and Equipment</b>	<b>6,353,968.27</b>	<b>5,370,780.81</b>	<b>4,305,353.18</b>
Semi-Expendable Office Equipment	2,241,165.99	1,769,717.27	1,612,203.52
Semi-Expendable Information and Communication Technology Equipment	2,023,003.82	1,634,548.08	884,412.00
Semi-Expendable Communication Equipment	168,741.00	168,741.00	168,741.00
Semi-Expendable Other Machinery and Equipment	1,921,057.46	1,797,774.46	1,639,996.66
<b>Semi-Expendable Furniture, Fixtures and Books</b>	<b>3,646,494.32</b>	<b>3,565,727.82</b>	<b>2,623,119.86</b>
Semi-Expendable Furniture and Fixtures	3,639,912.60	3,559,146.10	2,616,538.14
Semi-Expendable Books	6,581.72	6,581.72	6,581.72
<b>Other Current Assets</b>	<b>10,300,073,759.85</b>	<b>6,948,103,323.23</b>	<b>1,495,521,647.72</b>
<b>Advances</b>	<b>243,435.29</b>	<b>838,381.48</b>	<b>1,699,191.88</b>
Advances to Special Disbursing Officer	170,633.33	901,605.16	1,699,191.88
Advances to Officers and Employees	72,801.96	(63,223.68)	0.00
<b>Prepayments</b>	<b>864,108,004.38</b>	<b>466,243,920.37</b>	<b>599,807,647.58</b>
Advances to Contractors	862,088,535.17	464,485,773.82	597,598,032.64
Prepaid Rent	1,073,313.20	1,126,490.41	1,876,576.72
Prepaid Interest	88,912.74	88,912.74	88,912.74
Prepaid Insurance	761,657.59	433,205.13	217,525.48
Other Prepayments	95,585.68	109,538.27	26,600.00
<b>Deposits</b>	<b>9,242,795,823.49</b>	<b>6,314,604,330.82</b>	<b>789,915,587.18</b>
Advances to Community Association	9,233,415,413.19	6,304,107,751.58	752,949,883.64
Guaranty Deposits	4,650,876.51	4,371,744.51	3,829,124.90
Other Deposits	4,729,533.79	6,124,834.73	33,136,578.64
<b>Restricted Fund</b>	<b>192,926,496.69</b>	<b>166,416,690.56</b>	<b>104,099,221.08</b>
Restricted Fund - Contingency Trust Fund	192,926,496.69	166,416,690.56	104,099,221.08
<b>Total Current Assets</b>	<b>15,421,541,494.27</b>	<b>14,174,622,010.09</b>	<b>8,759,780,555.93</b>
<b>Non-Current Assets</b>			
<b>Receivables</b>	<b>10,238,591,745.40</b>	<b>10,793,196,604.71</b>	<b>13,930,666,359.33</b>
<b>Loans and Receivable Accounts</b>			
Interests Receivable	433,094.94	433,094.94	433,094.94
<i>Allowance for Impairment-Interests Receivable</i>	-	-	-
Net Value-Interests Receivable	433,094.94	433,094.94	433,094.94
Mortgage Contracts Receivable	13,191,196,828.26	13,788,960,327.12	16,979,139,972.91
<i>Allowance for Impairment-Mortgage Contracts Receivable</i>	(3,163,690,307.05)	(3,158,090,863.13)	(3,114,546,797.49)
<i>Accounts for clearing-CMP</i>	(258,844,640.92)	(322,661,202.09)	(401,108,076.49)
<i>Accounts for clearing-HDH</i>	(10,452,940.44)	(28,223,410.04)	(8,322,915.37)
Net Value-Mortgage Contracts Receivable	9,758,208,939.85	10,279,984,851.86	13,455,162,183.56
Loans Receivable-Others	479,949,710.61	512,778,657.91	475,071,080.83
<i>Allowance for Impairment-Loans Receivable-Others</i>	-	-	-
Net Value-Loans Receivable-Others	479,949,710.61	512,778,657.91	475,071,080.83
<b>Investment Property</b>	<b>2,455,563,154.62</b>	<b>2,455,563,154.62</b>	<b>2,275,373,328.06</b>
<b>Land and Buildings</b>	<b>2,455,563,154.62</b>	<b>2,455,563,154.62</b>	<b>2,275,373,328.06</b>
Investment Property, Land	2,455,563,154.62	2,455,563,154.62	2,275,373,328.06
<i>Accumulated Impairment Losses-Investment Property, Land</i>	-	-	-
Net Value-Investment Property, Land	2,455,563,154.62	2,455,563,154.62	2,275,373,328.06



<b>Property, Plant and Equipment</b>	<b>169,729,841.86</b>	<b>97,100,230.61</b>	<b>100,903,152.63</b>
<b>Buildings and Other Structures</b>	<b>88,125,272.69</b>	<b>727,695.00</b>	<b>-</b>
Buildings	185,497,695.00	727,695.00	-
Accumulated Depreciation-Buildings	(104,704,276.15)	-	-
Accumulated Impairment Losses-Buildings	-	-	-
Net Value-Buildings	80,793,418.85	727,695.00	-
<b>Machinery and Equipment</b>	<b>8,784,203.97</b>	<b>14,488,702.65</b>	<b>39,070,105.41</b>
Office Equipment	5,841,931.30	4,898,044.36	9,776,430.07
Accumulated Depreciation-Office Equipment	(3,872,510.85)	(3,431,938.69)	(7,230,219.88)
Accumulated Impairment Losses-Office Equipment	-	-	-
Net Value-Office Equipment	1,969,420.45	1,466,105.67	2,546,210.19
Information and Communication Technology Equipment	37,394,141.92	37,394,141.92	76,872,073.95
Accumulated Depreciation-Information and Communication Technology Equipment	(31,120,524.46)	(25,086,258.60)	(43,163,719.31)
Accumulated Impairment Losses-Information and Communication Technology Equipment	-	-	-
Net Value-Information and Communication Technology Equipment	6,273,617.46	12,307,883.32	33,708,354.64
Communication Equipment	3,364,869.65	3,364,869.65	3,415,873.53
Accumulated Depreciation-Communication Equipment	(3,028,382.80)	(3,028,382.80)	(3,062,580.68)
Accumulated Impairment Losses-Communication Equipment	-	-	-
Net Value-Communication Equipment	336,486.85	336,486.85	353,292.85
Other Machinery and Equipment	707,922.37	707,922.37	3,776,323.14
Accumulated Depreciation-Other Machinery and Equipment	(503,243.16)	(329,695.56)	(1,314,075.41)
Accumulated Impairment Losses-Other Machinery and Equipment	-	-	-
Net Value-Other Machinery and Equipment	204,679.21	378,226.81	2,462,247.73
<b>Transportation Equipment</b>	<b>15,634,626.85</b>	<b>19,174,793.30</b>	<b>15,850,035.43</b>
Motor Vehicles	46,328,647.90	47,183,147.90	40,472,587.90
Accumulated Depreciation-Motor Vehicles	(30,694,021.05)	(28,008,354.60)	(24,622,552.47)
Accumulated Impairment Losses-Motor Vehicles	-	-	-
Net Value-Motor Vehicles	15,634,626.85	19,174,793.30	15,850,035.43
<b>Furniture, Fixtures and Books</b>	<b>750,783.11</b>	<b>749,452.47</b>	<b>1,741,046.51</b>
Furniture and Fixtures	2,219,859.45	2,080,274.45	3,965,490.70
Accumulated Depreciation-Furniture and Fixtures	(1,469,076.34)	(1,330,821.98)	(2,224,444.19)
Accumulated Impairment Losses-Furniture and Fixtures	-	-	-
Net Value-Furniture and Fixtures	750,783.11	749,452.47	1,741,046.51
<b>Leased Assets Improvements</b>	<b>44,301,071.36</b>	<b>49,825,703.31</b>	<b>16,111,937.34</b>
Leased Assets Improvements, Buildings	70,977,248.73	69,932,648.73	34,724,580.38
Accumulated Depreciation-Leased Assets Improvements, Buildings	(26,676,177.37)	(20,106,945.42)	(18,612,643.04)
Accumulated Impairment Losses-Leased Assets Improvements, Buildings	-	-	-
Net Value-Leased Assets Improvements, Buildings	44,301,071.36	49,825,703.31	16,111,937.34
<b>Construction in Progress</b>	<b>12,133,883.88</b>	<b>12,133,883.88</b>	<b>28,130,027.94</b>
Construction in Progress-Buildings and Other Structures	12,133,883.88	12,133,883.88	28,130,027.94
<b>Intangible Assets</b>	<b>9,689,149.02</b>	<b>10,312,248.39</b>	<b>11,409,518.12</b>
<b>Intangible Assets</b>	<b>9,689,149.02</b>	<b>10,312,248.39</b>	<b>11,409,518.12</b>
Computer Software	21,418,977.74	21,418,977.74	21,119,977.74
Accumulated Amortization-Computer Software	(11,729,828.72)	(11,106,729.35)	(9,710,459.62)
Accumulated Impairment Losses-Computer Software	-	-	-
Net Value-Computer Software	9,689,149.02	10,312,248.39	11,409,518.12



<b>Deferred Tax Assets</b>	<b>885,973,620.77</b>	<b>879,071,795.90</b>	<b>887,239,508.90</b>
<b>Deferred Tax Assets</b>	885,973,620.77	879,071,795.90	887,239,508.90
Deferred Tax Assets	885,973,620.77	879,071,795.90	887,239,508.90
<b>Right of Use Asset</b>	<b>2,045,262.59</b>	<b>105,113,368.06</b>	<b>118,712,716.26</b>
<b>Right-of-Use Assets</b>	2,045,262.59	105,113,368.06	118,712,716.26
Right-of-Use Assets, Buildings and Other Structures	28,032,356.88	229,362,356.87	226,871,035.20
Accumulated Depreciation-Right-of-Use Assets, Buildings and Other Struct.	(25,987,094.29)	(124,248,988.81)	(108,158,318.94)
Net Value-Right-of-Use Assets, Buildings and Other Structures	2,045,262.59	105,113,368.06	118,712,716.26
<b>Other Non-Current Assets</b>	<b>640,696,479.19</b>	<b>652,115,853.12</b>	<b>672,590,989.31</b>
<b>Other Assets</b>	640,696,479.19	652,115,853.12	672,590,989.31
Other Assets	640,696,479.19	652,115,853.12	672,590,989.31
Accumulated Impairment Losses-Other Assets			
Net Value-Other Assets	640,696,479.19	652,115,853.12	672,590,989.31
<b>Total Non-Current Assets</b>	<b>14,402,289,253.45</b>	<b>14,992,473,255.41</b>	<b>17,996,895,572.60</b>
<b>Total Assets</b>	<b>29,823,830,747.72</b>	<b>29,167,095,265.50</b>	<b>26,756,676,128.53</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>	<b>1,133,928,014.19</b>	<b>1,211,700,504.49</b>	<b>1,079,991,530.88</b>
<b>Payables</b>	1,133,928,014.19	1,211,700,504.49	1,079,991,530.88
Accounts Payable	1,037,913,423.76	1,132,044,191.89	1,017,508,203.38
Due to Officers and Employees	5,956,414.54	1,042,310.37	1,117,026.83
Insurance/Reinsurance Premium Payable	90,058,175.89	78,614,002.23	61,366,300.67
<b>Inter-Agency Payables</b>	<b>15,807,125.38</b>	<b>37,896,225.65</b>	<b>51,466,115.87</b>
<b>Inter-Agency Payables</b>	15,807,125.38	37,896,225.65	51,466,115.87
Due to BIR	7,298,720.67	15,673,707.76	8,859,321.70
Due to Pag-IBIG	431,540.02	342,628.75	357,532.16
Due to PhilHealth	279,195.44	225,261.23	150,269.39
Due to Parent Corporations	6,807,639.64	20,428,524.89	40,584,546.46
Due to SSS	272,250.27	226,566.00	221,215.75
Due to Treasurer of the Philippines	717,779.34	999,537.02	1,293,230.41
<b>Income Tax Payable</b>	<b>3,776,124.80</b>	<b>2,596,235.96</b>	<b>2,535,730.68</b>
Income Tax Payable	3,776,124.80	2,596,235.96	2,535,730.68
<b>Trust Liabilities</b>	<b>4,934,325.11</b>	<b>4,763,065.11</b>	<b>4,791,168.36</b>
<b>Trust Liabilities</b>	4,934,325.11	4,763,065.11	4,791,168.36
Guaranty/Security Deposits Payable	4,934,325.11	4,763,065.11	4,791,168.36
<b>Deferred Credits/Unearned Income</b>	<b>180,123,491.78</b>	<b>199,907,700.65</b>	<b>217,941,931.92</b>
<b>Deferred Credits</b>	180,123,491.78	199,907,700.65	217,941,931.92
Other Deferred Credits	180,123,491.78	199,907,700.65	217,941,931.92

<b>Provisions</b>	<b>264,166,619.42</b>	<b>224,731,648.85</b>	<b>166,497,915.22</b>
<b>Provisions</b>	<b>264,166,619.42</b>	<b>224,731,648.85</b>	<b>166,497,915.22</b>
Leave Benefits Payable	65,013,639.63	47,468,086.46	46,776,159.21
Retirement Gratuity Payable	8,789,546.67	14,614,156.41	20,276,776.45
Other Provisions - Contingency Fund Payable	190,363,433.12	162,649,405.98	99,444,979.56
<b>Other Payables</b>	<b>1,188,016,215.27</b>	<b>1,026,979,456.39</b>	<b>925,457,373.89</b>
<b>Other Payables</b>	<b>1,188,016,215.27</b>	<b>1,026,979,456.39</b>	<b>925,457,373.89</b>
Dividends Payable	39,952,377.44	53,763,231.43	19,822,656.68
Other Payables	1,148,063,837.83	973,216,224.96	905,634,717.21
<b>Total Current Liabilities</b>	<b>2,790,751,915.95</b>	<b>2,708,574,837.10</b>	<b>2,448,681,766.82</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>	<b>2,093,906.21</b>	<b>13,145,818.71</b>	<b>23,772,073.61</b>
<b>Payables</b>	<b>2,093,906.21</b>	<b>13,145,818.71</b>	<b>23,772,073.61</b>
Lease Payable	2,093,906.21	13,145,818.71	23,772,073.61
<b>Trust Liabilities</b>	<b>18,989,071,527.79</b>	<b>19,045,241,414.71</b>	<b>18,755,165,550.90</b>
<b>Trust Liabilities</b>	<b>18,989,071,527.79</b>	<b>19,045,241,414.71</b>	<b>18,755,165,550.90</b>
Trust Liabilities	18,989,071,527.79	19,045,241,414.71	18,755,165,550.90
<b>Total Non-Current Liabilities</b>	<b>18,991,165,434.00</b>	<b>19,058,387,233.42</b>	<b>18,778,937,624.51</b>
<b>Total Liabilities</b>	<b>21,781,917,349.95</b>	<b>21,766,962,070.52</b>	<b>21,227,619,391.33</b>
<b>EQUITY</b>			
<b>Retained Earnings/(Deficit)</b>	<b>8,031,913,397.77</b>	<b>7,390,133,194.98</b>	<b>5,519,056,737.20</b>
<b>Retained Earnings/(Deficit)</b>	<b>8,031,913,397.77</b>	<b>7,390,133,194.98</b>	<b>5,519,056,737.20</b>
Retained Earnings/(Deficit)	8,031,913,397.77	7,390,133,194.98	5,519,056,737.20
<b>Stockholders' Equity</b>	<b>10,000,000.00</b>	<b>10,000,000.00</b>	<b>10,000,000.00</b>
<b>Stockholders' Equity</b>	<b>10,000,000.00</b>	<b>10,000,000.00</b>	<b>10,000,000.00</b>
Share Capital	25,000,000.00	25,000,000.00	25,000,000.00
Subscriptions Receivable	(15,000,000.00)	(15,000,000.00)	(15,000,000.00)
<b>Total Equity</b>	<b>8,041,913,397.77</b>	<b>7,400,133,194.98</b>	<b>5,529,056,737.20</b>
<b>Total Liabilities and Equity</b>	<b>29,823,830,747.72</b>	<b>29,167,095,265.50</b>	<b>26,756,676,128.53</b>
<div> <div> Prepared &amp; Certified by:    <b>DANTE M. ANABE</b>  OIC-Vice President  Finance and Comptrollership Group </div> <div> Recommending Approval:    <b>ATTY. LEO B. DEOCAMPO</b>  OIC-Senior Vice President  Support Cluster </div> <div> Approved by:    <b>FEDERICO A. LAXA</b>  President &amp; CEO </div> </div>			



*Kaagapay ng Komunidad sa Maginhawang Pamumuhay*

**SOCIAL HOUSING FINANCE CORPORATION**  
**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**ALL FUNDS**  
**FOR THE MONTH ENDED DECEMBER 31, 2023**  
*(With Comparative Figures for CY 2022)*

	<u>2023</u>	<u>2022</u>
<b>Income</b>		
Service and Business Income	729,406,573.07	717,932,709.76
Financial Income	73,652,044.31	16,189,553.75
<b>Total Income</b>	<u>803,058,617.38</u>	<u>734,122,263.51</u>
<b>Expenses</b>		
Personnel Services	346,573,607.83	276,768,383.34
Maintenance and Other Operating Expenses	339,374,324.62	313,879,682.78
Financial Expenses	2,265,298.49	1,618,982.59
Non-Cash Expenses	40,406,871.71	75,039,821.51
<b>Total Expenses</b>	<u>728,620,102.65</u>	<u>667,306,870.22</u>
<b>Profit/(Loss) Before Tax</b>	<u>74,438,514.73</u>	<u>66,815,393.30</u>
<b>Income Tax Expense/(Benefit)</b>	<u>4,363,302.43</u>	<u>15,347,039.99</u>
<b>Profit/(Loss) After Tax</b>	<u>70,075,212.30</u>	<u>51,468,353.31</u>
<b>Net Assistance/Subsidy/(Financial Assistance/Subsidy/Contribution)</b>	<u>686,405,267.23</u>	<u>1,881,131,630.00</u>
<b>Net Income/(Loss)</b>	<u>756,480,479.53</u>	<u>1,932,599,983.31</u>
<b>Other Comprehensive Income/(Loss) for the Period</b>		
<b>Comprehensive Income/(Loss)</b>	<u>756,480,479.53</u>	<u>1,932,599,983.31</u>

Prepared & Certified by:

Recommending Approval:

Approved by:

**DANTE M. ANABE**

OIC-Vice President  
Finance and Comptrollership Group

**ATTY. LEO B. DEOCAMPO**

OIC-Senior Vice President  
Support Cluster

**FEDERICO A. LAXA**

President & CEO





**SOCIAL HOUSING FINANCE CORPORATION  
DETAILED STATEMENT OF COMPREHENSIVE INCOME  
ALL FUNDS  
FOR THE MONTH ENDED DECEMBER 31, 2023  
(With Comparative Figures for CY 2022)**

	<u>2023</u>	<u>2022</u>
<b>Income</b>		
<b>Service and Business Income</b>		
<b>Business Income</b>		
Interest Income-Loans and Receivables	429,909,072.74	424,592,083.12
Fines and Penalties-Business Income	296,547,343.58	280,629,495.76
Other Business Income	2,950,156.75	12,711,130.88
<b>Total Business Income</b>	<u>729,406,573.07</u>	<u>717,932,709.76</u>
<b>Financial Income</b>		
Interest Income-Notes	1,197,666.66	1,114,930.56
Interest Income-Bank Deposits	72,385,485.87	15,030,459.18
Interest Income – Others	68,891.78	44,164.01
<b>Total Financial Income</b>	<u>73,652,044.31</u>	<u>16,189,553.75</u>
<b>Total Income</b>	<u>803,058,617.38</u>	<u>734,122,263.51</u>
<b>Expenses</b>		
<b>Personnel Services</b>		
<b>Salaries and Wages</b>		
Salaries and Wages-Regular	175,909,795.33	132,732,734.71
<b>Total Salaries and Wages</b>	<u>175,909,795.33</u>	<u>132,732,734.71</u>
<b>Other Compensation</b>		
Personnel Economic Relief Allowance (PERA)	5,078,540.12	5,205,770.08
Representation Allowance (RA)	4,240,526.79	4,292,500.00
Transportation Allowance (TA)	4,624,479.56	4,435,619.72
Clothing/Uniform Allowance	1,242,000.00	1,281,780.00
Honoraria	221,335.34	-
Overtime and Night Pay	5,007,709.03	3,252,623.46
Year End Bonus	14,982,303.25	11,078,289.35
Mid-Year Bonus	14,933,141.00	10,890,300.00
Cash Gift	1,086,250.00	1,087,750.00
Other Bonuses and Allowances	55,669,615.85	59,486,697.96
<b>Total Other Compensation</b>	<u>107,085,900.94</u>	<u>101,011,330.57</u>
<b>Personnel Benefit Contributions</b>		
Retirement and Life Insurance Premiums	7,156,420.00	5,447,782.50
Pag-IBIG Contributions	257,000.00	263,000.00
PhilHealth Contributions	2,823,125.40	2,409,297.66
Employees Compensation Insurance Premiums	77,050.00	78,450.00
Provident/Welfare Fund Contributions	18,235,835.12	19,580,133.47
<b>Total Personnel Benefit Contributions</b>	<u>28,549,430.52</u>	<u>27,778,663.63</u>
<b>Other Personnel Benefits</b>		
Retirement Gratuity	993,203.72	-
Terminal Leave Benefits	34,035,277.32	15,245,654.43
<b>Total Other Personnel Benefits</b>	<u>35,028,481.04</u>	<u>15,245,654.43</u>
<b>Total Personnel Services</b>	<u>346,573,607.83</u>	<u>276,768,383.34</u>

	<u>2023</u>	<u>2022</u>
<b>Maintenance and Other Operating Expenses</b>		
<b>Traveling Expenses</b>		
Traveling Expenses-Local	6,594,990.45	11,338,019.70
Traveling Expenses-Foreign	-	216,468.37
<b>Total Traveling Expenses</b>	<u>6,594,990.45</u>	<u>11,554,488.07</u>
<b>Training and Scholarship Expenses</b>		
Training Expenses	3,640,019.62	2,732,135.06
<b>Total Training and Scholarship Expenses</b>	<u>3,640,019.62</u>	<u>2,732,135.06</u>
<b>Supplies and Materials Expenses</b>		
Office Supplies Expenses	7,283,267.67	8,029,101.52
Accountable Forms Expenses	345,000.80	581,368.10
Drugs and Medicines Expenses	399,193.15	143,880.95
Medical, Dental and Laboratory Supplies Expenses	88,480.50	183,472.16
Fuel, Oil and Lubricants Expenses	4,208,053.60	5,482,670.52
Semi-Expendable Machinery and Equipment Expenses	56,848.50	1,468,523.00
Semi-Expendable Furniture, Fixtures and Books Expenses	480.00	302,288.95
Other Supplies and Materials Expenses	1,457,080.15	355,156.60
<b>Total Supplies and Materials Expenses</b>	<u>13,838,404.37</u>	<u>16,546,461.80</u>
<b>Utility Expenses</b>		
Water Expenses	1,174,949.75	719,047.50
Electricity Expenses	10,693,944.99	9,857,335.65
<b>Total Utility Expenses</b>	<u>11,868,894.74</u>	<u>10,576,383.15</u>
<b>Communication Expenses</b>		
Postage and Courier Services	2,897,549.12	3,423,726.22
Telephone Expenses	1,816,522.00	1,893,787.72
Internet Subscription Expenses	3,225,234.09	3,216,910.47
Cable, Satellite, Telegraph and Radio Expenses	71,267.49	58,660.95
<b>Total Communication Expenses</b>	<u>8,010,572.70</u>	<u>8,593,085.36</u>
<b>Confidential, Intelligence and Extraordinary Expenses</b>		
Extraordinary and Miscellaneous Expenses	903,830.23	909,803.54
<b>Total Confidential, Intelligence and Extraordinary Expenses</b>	<u>903,830.23</u>	<u>909,803.54</u>
<b>Professional Services</b>		
Legal Services	344,926.76	115,000.00
Auditing Services	7,300.00	-
Consultancy Services	8,046,939.20	1,238,461.85
Other Professional Services	905,458.83	820,216.74
<b>Total Professional Services</b>	<u>9,304,624.79</u>	<u>2,173,678.59</u>
<b>General Services</b>		
Janitorial Services	4,325,554.02	3,541,382.02
Security Services	50,699,626.47	42,633,880.35
Clerical Services	135,737,730.53	141,987,549.87
Other General Services	14,544,199.11	12,963,510.23
<b>Total General Services</b>	<u>205,307,110.13</u>	<u>201,126,322.47</u>
<b>Repairs and Maintenance</b>		
Repairs and Maintenance-Buildings and Other Structures	29,157.50	85,600.00
Repairs and Maintenance-Machinery and Equipment	566,802.58	235,112.66
Repairs and Maintenance-Transportation Equipment	1,899,984.78	3,341,723.21
Repairs and Maintenance-Semi-Expendable Information and Communication Equipment	67,073.40	-
Repairs and Maintenance-Leased Assets Improvements	3,778.75	96,533.50
Repairs and Maintenance-Semi-Expendable Other Machinery and Equipment	700.00	-
Repairs and Maintenance-Semi-Expendable Office Equipment	14,120.00	21,405.00
Repairs and Maintenance-Semi-Expendable Furniture, Fixtures and Equipment	-	2,500.00
<b>Total Repairs and Maintenance</b>	<u>2,581,617.01</u>	<u>3,782,874.37</u>

	<u>2023</u>	<u>2022</u>
<b>Taxes, Insurance Premiums and Other Fees</b>		
Taxes, Duties and Licenses	28,444,974.58	14,102,234.16
Fidelity Bond Premiums	177,064.37	326,076.72
Insurance Expenses	797,307.72	667,719.08
<b>Total Taxes, Insurance Premiums and Other Fees</b>	<b>29,419,346.67</b>	<b>15,096,029.96</b>
<b>Other Maintenance and Operating Expenses</b>		
Advertising, Promotional and Marketing Expenses	2,999,602.41	559,924.08
Printing and Publication Expenses	189,321.90	881,517.50
Representation Expenses	1,979,010.29	6,223,817.72
Transportation and Delivery Expenses	65,789.00	193,415.96
Rent/Lease Expenses	7,383,477.25	6,854,252.49
Membership Dues and Contributions to Organizations	4,624.90	-
Subscription Expenses	3,232,121.68	578,788.09
Donations	85,450.00	-
Litigation/Acquired Assets Expenses	142,295.26	2,450,581.84
Directors and Committee Members' Fees	1,324,295.00	1,431,000.00
Financial Assistance/Subsidy/Contribution	1,102,712.52	1,472,506.64
Major Events and Conventions Expenses	15,098,884.50	5,121,530.08
Other Maintenance and Operating Expenses	14,297,329.20	15,021,086.01
<b>Total Other Maintenance and Operating Expenses</b>	<b>47,904,913.91</b>	<b>40,788,420.41</b>
<b>Total Maintenance and Other Operating Expenses</b>	<b>339,374,324.62</b>	<b>313,879,682.78</b>
<b>Financial Expenses</b>		
<b>Financial Expenses</b>		
Interest Expenses	812,036.06	649,767.31
Bank Charges	143,928.00	46,927.13
Other Financial Charges	1,309,334.43	922,288.15
<b>Total Financial Expenses</b>	<b>2,265,298.49</b>	<b>1,618,982.59</b>
<b>Non-Cash Expenses</b>		
<b>Depreciation</b>		
Depreciation-Buildings and Other Structures	6,781,867.80	-
Depreciation-Machinery and Equipment	6,600,718.62	6,617,133.89
Depreciation-Transportation Equipment	3,454,716.45	3,385,802.13
Depreciation-Furniture, Fixtures and Books	124,004.36	129,273.05
Depreciation-Leased Assets Improvements	6,569,231.95	1,756,810.30
Depreciation-Right-of-Use Assets	8,888,660.01	16,090,669.87
<b>Total Depreciation</b>	<b>32,419,199.19</b>	<b>27,979,689.24</b>
<b>Amortization</b>		
Amortization-Others-Origination and Appraisal Cost	1,765,129.24	2,119,796.93
Amortization-Intangible Assets	623,099.37	1,396,269.73
<b>Total Amortization</b>	<b>2,388,228.61</b>	<b>3,516,066.66</b>
<b>Impairment Loss</b>		
Impairment Loss-Loans and Receivables	5,599,443.91	43,544,065.61
<b>Total Impairment Loss</b>	<b>5,599,443.91</b>	<b>43,544,065.61</b>
<b>Total Non-Cash Expenses</b>	<b>40,406,871.71</b>	<b>75,039,821.51</b>
<b>Total Expenses</b>	<b>728,620,102.65</b>	<b>667,306,870.22</b>
<b>Profit/(Loss) Before Tax</b>	<b>74,438,514.73</b>	<b>66,815,393.30</b>
<b>Income Tax Expense/(Benefit)</b>	<b>4,363,302.43</b>	<b>15,347,039.99</b>
<b>Profit/(Loss) After Tax</b>	<b>70,075,212.30</b>	<b>51,468,353.31</b>
<b>Assistance and Subsidy</b>		
<b>Assistance and Subsidy</b>		
Subsidy from National Government	708,860,088.00	1,881,297,132.00
<b>Total Assistance and Subsidy</b>	<b>708,860,088.00</b>	<b>1,881,297,132.00</b>
<b>Assistance/Subsidy/Contribution</b>		
Assistance to NGOs/POs	22,454,820.77	165,502.00
<b>Total Assistance/Subsidy</b>	<b>22,454,820.77</b>	<b>165,502.00</b>



	<u>2023</u>	<u>2022</u>
Net Assistance/Subsidy/(Financial Assistance/Subsidy/Contribution)	<u>686,405,267.23</u>	<u>1,881,131,630.00</u>
Net Income/(Loss)	<u>756,480,479.53</u>	<u>1,932,599,983.31</u>
Other Comprehensive Income/(Loss) for the Period	<u>-</u>	<u>-</u>
Total Other Comprehensive Income/(Loss) for the Period	<u>-</u>	<u>-</u>
Comprehensive Income/(Loss)	<u>756,480,479.53</u>	<u>1,932,599,983.31</u>

Prepared &amp; Certified by:

Recommending Approval:

Approved by:

**DANTE M. ANABE**

OIC-Vice President

Finance and Comptrollership Group

**ATTY. LEO B. DEOCAMPO**

OIC-Senior Vice President

Support Cluster

**FEDERICO A. LAXA**

President &amp; CEO

**SOCIAL HOUSING FINANCE CORPORATION  
CONDENSED STATEMENT OF CASH FLOWS  
AS OF DECEMBER 31, 2023**

(With Comparative Figures for CY 2022)

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Collection of Income/Revenue	1,291,549,053.14	1,239,089,913.69
Receipt of Assistance/Subsidy	708,860,088.00	2,191,248,132.00
Collection of Receivables	2,608,461.06	2,666,694.67
Receipt of Inter-Agency Fund Transfers	-	306,306.61
Trust Receipts	147,000.00	288,550.41
Other Receipts	301,394.78	3,733,625.22
<b>Total Cash Inflows</b>	<b>2,003,465,996.98</b>	<b>3,437,333,222.60</b>
<b>Cash Outflows</b>		
Payment of Expenses	851,287,307.40	459,575,788.78
Purchase of Inventories	13,926,375.28	20,535,821.46
Grant of Cash Advances	9,796,412.98	11,132,484.91
Prepayments	70,626,523.21	91,152,860.38
Refund of Deposits	7,503,575.11	2,176,147.17
Remittance of Personnel Benefit Contributions and Mandatory Deductions	44,777,313.37	30,524,329.39
Grant of Financial Assistance/Subsidy/Contribution	23,600,942.09	464,197.48
Release of Inter-Agency Fund Transfers	38,228,601.34	30,365,527.73
Release of funds for mortgage contracts	3,148,277,335.53	1,639,971,775.87
Other Disbursements	317,218.16	475,152.01
<b>Total Cash Outflows</b>	<b>4,208,341,604.47</b>	<b>2,286,374,085.18</b>
<b>Net Cash Provided by/(Used in) Operating Activities</b>	<b>(2,204,875,607.49)</b>	<b>1,150,959,137.42</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Receipt of Interest Earned	64,759,241.95	14,822,185.28
Proceeds from Matured Investments/Redemption of Long-term Investments/Retu	2,435,479,067.48	918,266,676.43
<b>Total Cash Inflows</b>	<b>2,500,238,309.43</b>	<b>933,088,861.71</b>
<b>Cash Outflows</b>		
Purchase/Construction of Property, Plant and Equipment	-	6,710,560.00
Purchase of Investments	2,375,479,067.48	861,040,833.32
Purchase/Construction of Investment Property	-	152,677,686.56
Purchase of Intangible Assets	-	299,000.00
<b>Total Cash Outflows</b>	<b>2,375,479,067.48</b>	<b>1,020,728,079.88</b>
<b>Net Cash Provided By/(Used In) Investing Activities</b>	<b>124,759,241.95</b>	<b>(87,639,218.17)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Cash Outflows</b>		
Payment of Long-Term Liabilities	2,445,989.68	3,839,465.40
Payment of Interest on Loans and Other Financial Charges	676,172.96	323,586.81
Payment of Cash Dividends	53,763,231.43	9,694,016.34
<b>Total Cash Outflows</b>	<b>56,885,394.07</b>	<b>13,857,068.55</b>
<b>Net Cash Provided By/(Used In) Financing Activities</b>	<b>(56,885,394.07)</b>	<b>(13,857,068.55)</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(2,137,001,759.61)</b>	<b>1,049,462,850.70</b>
<b>Effects of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>-</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	<b>5,905,372,455.26</b>	<b>4,855,909,604.56</b>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<b>3,768,370,695.65</b>	<b>5,905,372,455.26</b>

Prepared & Certified by:

Recommending Approval:

Approved by:

**DANTE M. ANABE**  
OIC - Vice President  
Finance and Comptrollership Group

**ATTY. LEO B. DEOCAMPO**  
OIC-Senior Vice President  
Support Cluster

**FEDERICO A. LAXA**  
President & CEO

**SOCIAL HOUSING FINANCE CORPORATION  
DETAILED STATEMENT OF CASH FLOWS  
ALL FUNDS  
AS OF DECEMBER 31, 2023**

*(With Comparative Figures for CY 2022)*

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Collection of Income/Revenue	<u>1,291,549,053.14</u>	<u>1,239,089,913.69</u>
Collection of service and business income	1,281,065,744.90	1,232,179,910.08
Collection of other non-operating income	10,483,308.24	6,910,003.61
Receipt of Assistance/Subsidy	<u>708,860,088.00</u>	<u>2,191,248,132.00</u>
Subsidy from National Government Agencies	708,860,088.00	2,191,248,132.00
Collection of Receivables	<u>2,608,461.06</u>	<u>2,666,694.67</u>
Collection of loans and receivables	2,258,084.14	2,657,444.67
Collection of receivable from audit disallowances and/or charges	-	9,250.00
Collection of other receivables	350,376.92	-
Receipt of Inter-Agency Fund Transfers	<u>-</u>	<u>306,306.61</u>
Receipt of funds for other inter-agency transactions	-	306,306.61
Trust Receipts	<u>147,000.00</u>	<u>288,550.41</u>
Receipt of guaranty/security deposits	147,000.00	221,444.81
Collection of other trust receipts	-	67,105.60
Other Receipts	<u>301,394.78</u>	<u>3,733,625.22</u>
Other miscellaneous receipts	301,394.78	3,733,625.22
<b>Total Cash Inflows</b>	<u><b>2,003,465,996.98</b></u>	<u><b>3,437,333,222.60</b></u>
<b>Cash Outflows</b>		
Payment of Expenses	<u>851,287,307.40</u>	<u>459,575,788.78</u>
Payment of personnel services	337,524,408.44	236,529,893.79
Payment of maintenance and other operating expenses	489,032,498.14	144,459,269.13
Payment of financial expenses	8,889,274.09	4,207,247.44
Payment of expenses pertaining to/incurred in the prior years	15,841,126.73	74,379,378.42
Purchase of Inventories	<u>13,926,375.28</u>	<u>20,535,821.46</u>
Purchase of inventory held for consumption	13,887,975.78	20,429,493.71
Purchase of Semi-Expendable Information and Communications Techno	4,750.00	2,985.00
Purchase of semi-expandable machinery and equipment	27,349.50	24,435.00
Purchase of semi-expandable other machinery and equipment	6,300.00	22,743.75
Purchase of semi-expandable furniture, fixtures and books	-	56,164.00
Grant of Cash Advances	<u>9,796,412.98</u>	<u>11,132,484.91</u>
Advances to officers and employees	9,796,412.98	11,132,484.91
Prepayments	<u>70,626,523.21</u>	<u>91,152,860.38</u>
Prepaid Rent	10,230,467.72	10,845,200.99
Prepaid Insurance	60,396,055.49	80,307,659.39
Refund of Deposits	<u>7,503,575.11</u>	<u>2,176,147.17</u>
Payment of guaranty deposits	279,132.00	859,273.27
Payment of other deposits	7,224,443.11	-
Payment of deposits obligated in prior year	-	1,316,873.90
Remittance of Personnel Benefit Contributions and Mandatory Deductions	<u>44,777,313.37</u>	<u>30,524,329.39</u>
Remittance of taxes withheld	19,211,066.46	6,809,007.04
Remittance to GSIS/Pag-IBIG/PhilHealth/SSS	21,933,883.04	19,700,616.72
Remittance of provident/welfare fund contribution	3,632,363.87	4,014,705.63



	<u>2023</u>	<u>2022</u>
Grant of Financial Assistance/Subsidy/Contribution	<u>23,600,942.09</u>	<u>464,197.48</u>
Grant of financial assistance to NGOs/POs	-	8,100.00
Grant of other assistance/subsidy/contribution	23,600,942.09	456,097.48
Release of Inter-Agency Fund Transfers	<u>38,228,601.34</u>	<u>30,365,527.73</u>
Advances to Procurement Service	2,019,086.75	4,287,725.64
Advances to Other Government Corporations for purchase of goods/services	5,936,579.34	4,355,972.73
Release of funds to Parent Corporations	9,991,177.57	21,721,829.36
Release of other inter-agency fund transfers	20,281,757.68	-
Release of funds for mortgage contracts	<u>3,148,277,335.53</u>	<u>1,639,971,775.87</u>
Release of funds for mortgage contracts	2,750,599,874.18	1,776,116,846.84
Advances to contractors	397,677,461.35	(136,145,070.97)
Other Disbursements	<u>317,218.16</u>	<u>475,152.01</u>
Refund of customers' deposit	317,208.80	444,349.87
Refund of income taxes withheld	-	24,813.61
Other disbursements	9.36	5,988.53
<b>Total Cash Outflows</b>	<u><b>4,208,341,604.47</b></u>	<u><b>2,286,374,085.18</b></u>
<b>Net Cash Provided by/(Used in) Operating Activities</b>	<u><b>(2,204,875,607.49)</b></u>	<u><b>1,150,959,137.42</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Receipt of Interest Earned	<u>64,759,241.95</u>	<u>14,822,185.28</u>
Proceeds from Matured Investments/Redemption of Long-term Investments	<u>2,435,479,067.48</u>	<u>918,266,676.43</u>
Redemption of long term-investments	2,235,479,067.48	911,030,833.32
Proceeds from matured investments	200,000,000.00	-
Proceeds from Investment Securities at Amortized Cost- Legal Liability I	-	7,235,843.11
<b>Total Cash Inflows</b>	<u><b>2,500,238,309.43</b></u>	<u><b>933,088,861.71</b></u>
<b>Cash Outflows</b>		
Purchase/Construction of Investment Property	-	<u>152,677,686.56</u>
Purchase of land	-	152,677,686.56
Purchase/Construction of Property, Plant and Equipment	-	<u>6,710,560.00</u>
Purchase of transportation equipment	-	6,710,560.00
Purchase/Acquisition of Investments	<u>2,375,479,067.48</u>	<u>861,040,833.32</u>
Other long-term investments	2,375,479,067.48	861,040,833.32
Purchase of Intangible Assets	-	<u>299,000.00</u>
Purchase of computer software	-	299,000.00
<b>Total Cash Outflows</b>	<u><b>2,375,479,067.48</b></u>	<u><b>1,020,728,079.88</b></u>
<b>Net Cash Provided By/(Used In) Investing Activities</b>	<u><b>124,759,241.95</b></u>	<u><b>(87,639,218.17)</b></u>

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Cash Outflows</b>		
Payment of Long-Term Liabilities	<u>2,445,989.68</u>	<u>3,839,465.40</u>
Payment of finance lease payable	<u>2,445,989.68</u>	<u>3,839,465.40</u>
Payment of Interest on Loans and Other Financial Charges	<u>676,172.96</u>	<u>323,586.81</u>
Payment of Cash Dividends	<u>53,763,231.43</u>	<u>9,694,016.34</u>
<b>Total Cash Outflows</b>	<u>56,885,394.07</u>	<u>13,857,068.55</u>
<b>Net Cash Provided By/(Used In) Financing Activities</b>	<u>(56,885,394.07)</u>	<u>(13,857,068.55)</u>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(2,137,001,759.61)</u>	<u>1,049,462,850.70</u>
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	<u>5,905,372,455.26</u>	<u>4,855,909,604.56</u>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u>3,768,370,695.65</u>	<u>5,905,372,455.26</u>

Prepared &amp; Certified by:

  
**DANTE M. ANABE**  
 OIC - Vice President  
 Finance and Comptrollership Group

Recommending Approval:

  
**ATTY. LEO B. DEOCAMPO**  
 OIC-Senior Vice President  
 Support Cluster

Approved by:

  
**FEDERICO A. LAXA**  
 President & CEO

**SOCIAL HOUSING FINANCE CORPORATION  
STATEMENT OF CHANGES IN EQUITY  
ALL FUNDS  
FOR THE MONTH ENDED DECEMBER 31, 2023**  
*(With Comparative Figures for CY 2022)*

	Retained Earnings/ (Deficit)	Share Capital	TOTAL
<b>BALANCE AT JANUARY 1, 2022</b>	<b>7,757,631,599.58</b>	<b>10,000,000.00</b>	<b>7,767,631,599.58</b>
<b>ADJUSTMENTS:</b>			
Add/(Deduct):			
PFRS 9 & 16 Adjustments	(2,238,207,112.48)		(2,238,207,112.48)
Other Adjustments	(367,749.90)		(367,749.90)
<b>RESTATED BALANCE AT JANUARY 1, 2022</b>	<b>5,519,056,737.20</b>	<b>10,000,000.00</b>	<b>5,529,056,737.20</b>
<b>CHANGES IN EQUITY FOR 2022</b>			
Add/(Deduct):			
Comprehensive Income for the year	1,932,599,983.31		1,932,599,983.31
Other Adjustments	(7,760,294.09)		(17,923,829.09)
Dividends Payable	(53,763,231.43)		(53,763,231.43)
<b>BALANCE AT DECEMBER 31, 2022</b>	<b>7,390,133,194.98</b>	<b>10,000,000.00</b>	<b>7,400,133,194.98</b>
<b>CHANGES IN EQUITY FOR 2023</b>			
Add/(Deduct):			
Comprehensive Income for the year	756,480,479.53		756,480,479.53
Other Adjustments	(74,747,899.30)		(74,747,899.30)
Dividends Payable	(39,952,377.44)		(39,952,377.44)
<b>BALANCE AT DECEMBER 31, 2023</b>	<b>8,031,913,397.77</b>	<b>10,000,000.00</b>	<b>8,041,913,397.77</b>
<b>Appropriated as at December 31, 2023</b>			
Funds appropriated for HDHP Project	7,086,455,438.00		
Funds appropriated for MARAWI	231,618,327.00		
Funds appropriated for CMP	711,078,000.00		
<b>Un-appropriated as at December 31, 2023</b>	<b>2,761,632.77</b>		
	<b>8,031,913,397.77</b>		

Prepared & Certified by:

**DANTE M. ANABE**

OIC - Vice President

Finance and Comptrollership Group

Recommending Approval:

**ATTY. LEO B. DEOCAMPO**

OIC-Senior Vice President

Support Cluster

Approved by:

**FEDERICO A. LAXA**

President & CEO



**SOCIAL HOUSING FINANCE CORPORATION**  
**TRIAL BALANCE**  
December 31, 2023

ACCOUNT DESCRIPTION	ACCOUNT CODE					November Balances		December Transactions		December Balances	
						Debit	Credit	Debit	Credit	Debit	Credit
Cash-Collecting Officers-Supervising Teller	1	01	01	010	02	1,221,803.55		991,274,723.15	989,806,014.53	2,690,512.17	
Petty Cash	1	01	01	020	00	1,640,912.03		242,070.25	242,070.25	1,640,912.03	
Cash in Bank-Local Currency, Current Account-General Fund I	1	01	02	020	01	277,001,158.45		158,004,291.59	191,412,061.43	243,593,388.61	
Cash in Bank-Local Currency, Current Account-General Fund II	1	01	02	020	02	849,939.92		148,075,540.67	121,354,483.77	27,570,996.82	
Cash in Bank-Local Currency, Current Account-High Density Housing Program I	1	01	02	020	03	404,349.78		313,923,084.65	313,959,961.20	367,473.23	
Cash in Bank-Local Currency, Current Account-High Density Housing Program II	1	01	02	020	04	244,981,930.35		25,048.29	0.08	245,006,978.56	
Cash in Bank-Local Currency, Current Account-Take Out Fund	1	01	02	020	05	231,611,409.27		318,181,409.28	313,330,668.67	236,462,149.88	
Cash in Bank-Local Currency, Current Account-Development Bank of the Philippines	1	01	02	020	06	333,285,561.41		504,840,478.97	535,537,265.93	302,588,774.45	
Cash in Bank-Local Currency, Current Account-eTax Fund	1	01	02	020	07	38,392.38		8,739,714.50	8,738,691.70	39,415.18	
Cash in Bank-Local Currency, Current Account-DOTR	1	01	02	020	08	2,018,142,968.67		641,488.06	461,710,122.32	1,557,074,334.41	
Cash in Bank-Local Currency, Current Account-Marawi Shelter Fund	1	01	02	020	10	101,540,407.64		12,926,646.31	14,932,070.86	99,534,983.09	
Cash in Bank-Local Currency, Current Account-DBP Intramuros	1	01	02	020	11	191,432,462.49		39,137.29	510.00	191,471,089.78	
Cash in Bank-Local Currency, Current Account-DBP DOTr	1	01	02	020	12	500,158,981.95		102,254.95	0.00	500,261,236.90	
Cash in Bank-Local Currency, Current Account-DBP DILG	1	01	02	020	13	60,051,683.58		12,277.16	510.20	60,063,450.54	
Local Currency on Hand - Change Fund	1	01	01	030	01	5,000.00		0.00	0.00	5,000.00	
Treasury Bills	1	01	05	010	01	-		0.00	0.00	0.00	
Time Deposits-Local Currency	1	01	05	020	01	673,388,578.88		0.00	373,388,578.88	300,000,000.00	
Investments in Treasury Bills-Local	1	02	02	010	01	50,000,000.00		0.00	0.00	50,000,000.00	
Investments in Bonds-Local	1	02	02	050	01	-		0.00	0.00	0.00	
Investments in Time Deposits-Local Currency	1	02	11	010	01	102,948,413.02		0.00	102,948,413.02	0.00	
Investment Securities at Amortized Cost-Legal Liability Insurance Fund	1	02	12	010	03	-		0.00	0.00	0.00	
Accounts Receivable	1	03	01	010	01	-		0.00	0.00	0.00	
Interests Receivable-Accrued Interest Receivable	1	03	01	050	01	1,754,083.64		1,921,055.55	0.00	3,675,139.19	
Interests Receivable-AHT Interests Receivable	1	03	01	050	02	433,094.94		0.00	0.00	433,094.94	
Mortgage Contracts Receivable-Current	1	03	01	100	01	6,309,729,822.52		104,080,072.67	146,984,485.05	6,266,825,410.14	
Mortgage Contracts Receivable-Restructured IBP	1	03	01	100	02	488,201,828.68		8,655,987.20	16,870,122.52	479,987,693.36	
Mortgage Contracts Receivable-NIBP	1	03	01	100	03	134,340,186.13		3,413,550.55	5,818,138.44	131,935,598.24	
Mortgage Contracts Receivable-Past Due	1	03	01	100	04	2,812,146,110.20		0.00	0.00	2,812,146,110.20	
Mortgage Contracts Receivable-HDH	1	03	01	100	05	4,606,440,280.26		0.00	0.00	4,606,440,280.26	
Mortgage Contracts Receivable-Items in Litigation	1	03	01	100	06	50,925,357.34		0.00	0.00	50,925,357.34	
Allowance for Impairment-Mortgage Contracts Receivable	1	03	01	101	01		111,686,828.73	114,288,177.97	3,166,291,656.29		3,163,690,307.05
Accounts for clearing-CMP	1	03	01	102	01		-	10,469,780.66	269,314,421.58		258,844,640.92
Accounts for clearing-HDH	1	03	01	102	02		-	400,203.96	10,853,144.40		10,452,940.44
Loans Receivable-Others-Car Loan	1	03	01	990	01	9,895,730.09		24,250.54	174,166.75	9,745,813.88	
Loans Receivable-Others-Calamity Loan	1	03	01	990	02	342,087.81		0.00	0.00	342,087.81	
Loans Receivable-Others-AHT Insurance Receivable	1	03	01	990	00	483,499,982.38		19,714,509.81	47,311,946.13	455,902,546.06	
Loans Receivable-Others-Unamortized Origination Cost	1	03	01	990	05	16,082,191.50		0.00	138,760.77	15,943,430.73	
Due from National Government Agencies-Procurement Services	1	03	03	010	01	2,597,233.31		0.00	304,246.56	2,292,986.75	
Due from Other Government Corporations-HUDCC	1	03	03	050	01	13,881,122.86		0.00	0.00	13,881,122.86	
Due from Other Government Corporations-SSS	1	03	03	050	02	780,153.15		0.00	172,000.00	608,153.15	
Due from Parent Corporations	1	03	03	070	01	59,447,575.42		0.00	15,345,988.07	44,101,587.35	
Due from Other Funds-AKPF	1	03	04	050	02	14,848,854.87		20,870,684.75	39,673.80	35,679,865.82	
Due from Other Funds-DOTR	1	03	04	050	03	24,624,863.59		4,086,783.58	0.00	28,711,647.17	
Receivables-Disallowances/Charges	1	03	05	010	01	149,083.40		0.00	0.00	149,083.40	
Due from Officers and Employees	1	03	05	020	01	249,881.06		312,494.51	79,228.21	483,147.36	
Other Receivables-Provident Fund	1	03	05	990	01	18,761.16		0.00	18,761.16	0.00	

**SOCIAL HOUSING FINANCE CORPORATION**  
**TRIAL BALANCE**  
December 31, 2023

ACCOUNT DESCRIPTION	ACCOUNT CODE					November Balances		December Transactions		December Balances	
						Debit	Credit	Debit	Credit	Debit	Credit
Other Receivables-Supplier	1	03	05	990	02	1,749,835.23		0.00	0.00	1,749,835.23	
Other Receivables-Other Receivables	1	03	05	990	03	-		0.00	0.00	0.00	
Office Supplies Inventory	1	04	04	010	01	499,821.30		2,062,018.66	1,585,363.18	976,476.78	
Accountable Forms, Plates and Stickers Inventory	1	04	04	020	01	1,201,123.06		53,107.94	288,997.10	965,233.90	
Drugs and Medicines Inventory	1	04	04	060	01	(116,999.67)		478,590.00	88,954.40	272,635.93	
Other Supplies and Materials Inventory	1	04	04	990	01	508,777.74		0.00	6,905.60	501,872.14	
Semi-Expendable Office Equipment	1	04	05	020	01	2,149,013.27		92,152.72	0.00	2,241,165.99	
Semi-Expendable Information and Communication Technology Equipment	1	04	05	030	01	2,100,912.46		0.00	77,908.64	2,023,003.82	
Semi-Expendable Furniture and Fixtures	1	04	06	010	01	3,639,912.60		0.00	0.00	3,639,912.60	
Semi-Expendable Books	1	04	06	020	01	6,581.72		0.00	0.00	6,581.72	
Semi-Expendable Communication Equipment	1	04	05	070	01	168,741.00		0.00	0.00	168,741.00	
Semi-Expendable Other Machinery and Equipment	1	04	05	990	01	1,814,362.46		106,695.00	0.00	1,921,057.46	
Investment Property, Land	1	05	01	010	01	2,455,563,154.62		0.00	0.00	2,455,563,154.62	
Buildings	1	06	04	010	01	185,497,695.00		184,770,000.00	184,770,000.00	185,497,695.00	
Accumulated Depreciation-Buildings	1	06	04	011	01		103,720,923.82	104,704,276.15	105,687,628.48		104,704,276.15
Other Structures	1	06	04	990	01	16,560,000.00		16,560,000.00	16,560,000.00	16,560,000.00	
Accumulated Depreciation-Other Structures	1	06	04	991	01		9,180,542.84	9,228,146.16	9,275,749.48		9,228,146.16
Office Equipment	1	06	05	020	01	5,125,794.36		716,136.94	0.00	5,841,931.30	
Accumulated Depreciation-Office Equipment	1	06	05	021	01		3,771,244.96	0.00	101,265.89		3,872,510.85
Information and Communication Technology Equipment	1	06	05	030	01	37,394,141.92		0.00	0.00	37,394,141.92	
Accumulated Depreciation-Information and Communication Technology Equipment	1	06	05	031	01		30,905,412.77	0.00	215,111.69		31,120,524.46
Communications Equipment	1	06	05	070	01	3,364,869.65		0.00	0.00	3,364,869.65	
Accumulated Depreciation-Communications Equipment	1	06	05	071	01		3,028,382.80	0.00	0.00		3,028,382.80
Other Machinery and Equipment	1	06	05	990	01	707,922.37		0.00	0.00	707,922.37	
Accumulated Depreciation-Other Machinery and Equipment	1	06	05	991	01		493,417.84	0.00	9,825.32		503,243.16
Motor Vehicles	1	06	06	010	01	47,183,147.90		0.00	854,500.00	46,328,647.90	
Accumulated Depreciation-Motor Vehicles	1	06	06	011	01		31,177,913.85	772,034.55	288,141.75		30,694,021.05
Furniture & Fixtures	1	06	07	010	01	2,080,274.45		353,179.80	213,594.80	2,219,859.45	
Accumulated Depreciation-Furniture and Fixtures	1	06	07	011	01		1,433,003.51	0.00	36,072.83		1,469,076.34
Books	1	06	07	020	01	-		0.00	0.00	0.00	
Accumulated Depreciation-Books	1	06	07	021	01		-	0.00	0.00		0.00
Leased Asset Improvements, Buildings and Other Structures	1	06	09	020	01	70,479,248.73		498,000.00	0.00	70,977,248.73	
Accumulated Depreciation-Leased Assets Improvements, Buildings	1	06	09	021	01		26,254,396.43	0.00	421,780.94		26,676,177.37
Construction in Progress-Buildings and Other Structures	1	06	99	030	01	12,133,883.88		0.00	0.00	12,133,883.88	
Computer Software	1	08	01	020	01	21,418,977.74		0.00	0.00	21,418,977.74	
Accumulated Amortization-Computer Software	1	08	01	021	01		11,691,319.05	0.00	38,509.67		11,729,828.72
Deferred Tax Asset	1	12	01	010	01	93,297,866.66		793,085,983.10	410,228.99	885,973,620.77	
Right-of-Use Assets, Buildings and Other Structures	1	13	01	020	01	-		229,362,356.88	201,330,000.00	28,032,356.88	
Accumulated Depreciation-Right-of-Use Assets, Buildings and Other Structures	1	13	01	021	01	-	-	113,932,422.31	139,919,516.60	0.00	25,987,094.29
Advances to Special Disbursing Officers	1	99	01	030	01	3,284,162.33		1,973,920.60	5,087,449.60	170,633.33	
Advances to Officers and Employees	1	99	01	040	01	164,021.28		108,150.00	199,369.32	72,801.96	
Advances to Contractors	1	99	02	010	01	644,763,874.19		362,006,711.39	144,682,050.41	862,088,535.17	
Advances to Community Association	1	99	03	990	03	8,064,607,324.00		1,168,811,789.19	3,700.00	9,233,415,413.19	
Prepaid Rent	1	99	02	020	01	1,781,251.58		41,716.59	749,654.97	1,073,313.20	
Prepaid Interest	1	99	02	040	01	88,912.74		0.00	0.00	88,912.74	
Prepaid Insurance	1	99	02	050	01	837,566.16		0.00	75,908.57	761,657.59	



**SOCIAL HOUSING FINANCE CORPORATION**  
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ACCOUNT DESCRIPTION	ACCOUNT CODE					November Balances		December Transactions		December Balances	
						Debit	Credit	Debit	Credit	Debit	Credit
Prepaid Subscription	1	99	02	090	01	100,272.98		0.00	4,687.30	95,585.68	
Guaranty Deposits	1	99	03	020	01	4,495,644.51		155,232.00	0.00	4,650,876.51	
Other Deposits-BSP	1	99	03	990	02	-		0.00	0.00	0.00	
Other Deposits-Supplier	1	99	03	990	01	5,246,650.73		433,529.05	950,645.99	4,729,533.79	
Restricted Fund - Contingency Trust Fund	1	99	04	010	01	237,533,717.25		27,756,177.77	72,363,398.33	192,926,496.69	
Deferred Charges-MCIT	1	99	99	000	00	-		0.00	0.00	0.00	
Other Assets	1	99	99	990	00	124,296,593.12		0.00	0.00	124,296,593.12	
Other Assets-Assets Held in Trust AKPF	1	99	99	990	01	546,799,838.95		2,929,061.35	33,329,014.23	516,399,886.07	
Accounts Payable-MCR	2	01	01	010	01		915,039,539.32	43,472,641.34	44,308,992.28		915,875,890.26
Accounts Payable-Supplier	2	01	01	010	02		101,348,226.27	46,093,096.44	53,961,897.59		109,217,027.42
Accounts Payable-Others	2	01	01	010	03		15,391,409.91	2,574,403.83	3,500.00		12,820,506.08
Due to Officers and Employees	2	01	01	020	01		1,201,263.06	151,231.17	4,906,382.65		5,956,414.54
Insurance/Reinsurance Premium Payable	2	01	01	110	00		87,480,860.69	7,198,618.25	9,775,933.45		90,058,175.89
Lease Payable	2	10	01	010	01		-	0.00	2,093,906.21		2,093,906.21
Loans Payable-Domestic	2	01	02	040	01		0.09	0.09	0.00		0.00
Tax Refunds Payable	2	01	03	010	01		-	0.00	0.00		0.00
Due to BIR	2	02	01	010	01		12,092,107.44	14,398,020.53	9,604,633.76		7,298,720.67
Due to Pag-IBIG	2	02	01	030	01		451,676.05	473,092.77	452,956.74		431,540.02
Due to Philhealth	2	02	01	040	01		278,576.69	251,334.41	251,953.16		279,195.44
Due to Parent Corporations	2	02	01	100	01		4,800,498.60	1,971,451.15	3,978,592.19		6,807,639.64
Due to SSS	2	02	01	110	01		352,396.36	456,331.74	376,185.65		272,250.27
Due to Treasurer of the Philippines-DILG	2	02	01	090	01		40,005.76	0.00	37,325.45		77,331.21
Due to Treasurer of the Philippines-DOTR	2	02	01	090	02		336,750.13	0.00	303,698.00		640,448.13
Income Tax Payable	2	02	01	130	01		1,991,762.80	0.00	1,784,362.00		3,776,124.80
Trust Liabilities-NHMFCC	2	04	01	010	01		14,756,822,154.71	29,430,171.34	0.00		14,727,391,983.37
Trust Liabilities-DSWD	2	04	01	010	03		-	0.00	0.00		0.00
Trust Liabilities-AKPF	2	04	01	010	02		541,434,069.18	53,306,045.65	28,271,862.54		516,399,886.07
Trust Liabilities-DILG	2	04	01	010	04		350,000,000.00	0.00	0.00		350,000,000.00
Trust Liabilities-DOTR	2	04	01	010	05		2,990,022,459.54	5,342,801.19	0.00		2,984,679,658.35
Trust Liabilities-Intramuros	2	04	01	010	06		410,000,000.00	0.00	0.00		410,000,000.00
Trust Liabilities-DHSUD	2	04	01	010	07		600,000.00	0.00	0.00		600,000.00
Guaranty/Security Deposits Payable-Performance Warranty Payable	2	04	01	040	01		4,358,929.51	75,000.00	0.00		4,283,929.51
Guaranty/Security Deposits Payable-Performance/Bidders Bond Payable	2	04	01	040	02		575,395.60	0.00	75,000.00		650,395.60
Other Deferred Credits-Deferred Income	2	05	01	990	01		134,424,664.89	5,818,138.44	3,187,521.88		131,794,048.33
Other Deferred Credits-Deferred Credits	2	05	01	990	02		48,329,443.45	0.00	0.00		48,329,443.45
Leave Benefits Payable	2	06	01	020	01		60,049,108.99	1,530,555.74	6,495,086.38		65,013,639.63
Retirement Gratuity Payable	2	06	01	030	01		9,538,547.54	1,742,204.59	993,203.72		8,789,546.67
Other Provisions - Contingency Fund Payable	2	06	01	990	01		220,045,177.19	51,163,571.15	21,481,827.08		190,363,433.12
Undistributed Collections-Regular	2	99	99	040	01		280,502,666.47	673,662,628.16	393,159,961.69		0.00
Undistributed Collections-Retained	2	99	99	040	02		4,218,421.42	16,075,873.04	11,857,451.62		0.00
Undistributed Collections-Remedial	2	99	99	040	03		128,767,393.21	136,296,997.31	7,529,604.10		0.00
Undistributed Collections-HDH	2	99	99	040	04		8,081,795.12	59,931,224.89	51,849,429.77		0.00
Dividends Payable	2	99	99	090	01		-	1,479,722.40	41,432,099.84		39,952,377.44
Other Payables-Due to Provident Fund	2	99	99	990	01		3,363,712.56	3,278,926.83	2,410,016.83		2,494,802.56
Other Payables-Accrued Expenses Payable	2	99	99	990	02		11,996,054.59	9,450,394.81	17,317,522.87		19,863,182.65
Other Payables-Gross Receipt Tax Payable	2	99	99	990	03		107,970.90	0.00	0.00		107,970.90



**SOCIAL HOUSING FINANCE CORPORATION**  
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ACCOUNT DESCRIPTION	ACCOUNT CODE					November Balances -		December Transactions		December Balances	
						Debit	Credit	Debit	Credit	Debit	Credit
Other Payables-Advances from Borrowers	2	99	99	990	04		449,970,029.38	173,181,388.13	182,651,492.40		459,440,133.65
Other Payables-Advances from HUDCC	2	99	99	990	05		-	0.00	0.00		0.00
Other Payables-Guaranty Deposits Payable	2	99	99	990	06		500,333,455.98	1,431,371.31	88,441,902.19		587,343,986.86
Other Payables-Origination Fee Payable	2	99	99	990	07		34,727,638.28	0.00	0.00		34,727,638.28
Other Payables-Refund of Excess Payment	2	99	99	990	08		72,865.31	0.00	5,551.77		78,417.08
Other Payables-Stale Check Payable	2	99	99	990	11		1,253,872.83	0.00	206,951.23		1,460,824.06
Other Payables-Unreleased Checks	2	99	99	990	12		-	0.00	38,158,857.36		38,158,857.36
Other Payables-Other Payables	2	99	99	990	99		(2,169,903.77)	149,763.86	6,707,692.06		4,388,024.43
Retained Earnings/(Deficit)	3	07	01	010	01		9,584,087,651.38	3,224,587,681.62	915,932,948.48		7,275,432,918.24
Revenue/Income and Expense Summary	3	03	01	020	01		-	0.00	0.00		0.00
Subscribed Share Capital	3	08	01	030	01		25,000,000.00	0.00	0.00		25,000,000.00
Subscriptions Receivable	1	03	05	060	01	15,000,000.00		0.00	0.00	15,000,000.00	
Interest Income-Loans and Receivables	4	02	02	210	01		360,262,958.44	82,374,981.11	152,021,095.41		429,909,072.74
Interest Income-Notes	4	02	02	210	02		890,625.00	0.00	307,041.66		1,197,666.66
Interest Income-Bank Deposits	4	02	02	210	03		64,718,971.73	0.00	7,666,514.14		72,385,485.87
Interest Income - Others	4	02	02	210	04		-	0.00	68,891.78		68,891.78
Fines and Penalties-Business Income	4	02	02	230	01		249,955,551.73	60,465,500.07	107,057,291.92		296,547,343.58
Other Business Income	4	02	02	990	01		290,650.11	17,208.56	2,676,715.20		2,950,156.75
Subsidy from National Government	4	03	01	010	01		394,938,088.00	0.00	313,922,000.00		708,860,088.00
Salaries and Wages-Regular	5	01	01	010	01	160,822,158.69		15,087,636.64	0.00	175,909,795.33	
Personnel Economic Relief Allowance (PERA)	5	01	02	010	01	4,661,275.75		417,264.37	0.00	5,078,540.12	
Representation Allowance (RA)	5	01	02	020	01	3,545,875.00		698,401.79	3,750.00	4,240,526.79	
Transportation Allowance (TA)	5	01	02	030	01	3,974,191.22		657,267.94	6,979.60	4,624,479.56	
Clothing/Uniform Allowance	5	01	02	040	01	1,242,000.00		6,000.00	6,000.00	1,242,000.00	
Honoraria	5	01	02	100	01	-		221,335.34	0.00	221,335.34	
Hazard Pay	5	01	02	110	01	-		0.00	0.00	0.00	
Overtime and Night Pay	5	01	02	130	01	4,084,049.16		923,659.87	0.00	5,007,709.03	
Year End Bonus	5	01	02	140	01	14,635,816.80		346,486.45	0.00	14,982,303.25	
Cash Gift	5	01	02	150	01	1,057,000.00		29,250.00	0.00	1,086,250.00	
Mid-Year Bonus	5	01	02	160	00	14,921,021.00		12,120.00	0.00	14,933,141.00	
Other Bonuses and Allowances-Collective Negotiation Agreement-Civilian	5	01	02	990	11	10,000.00		0.00	0.00	10,000.00	
Other Bonuses and Allowances-Productivity Enhancement Incentive-Civilian	5	01	02	990	12	-		1,058,000.00	0.00	1,058,000.00	
Other Bonuses and Allowances-Performance Based Bonus-Civilian	5	01	02	990	14	-		0.00	0.00	0.00	
Other Bonuses and Allowances-Meal Allowance	5	01	02	990	34	1,426,793.46		0.00	7,773.20	1,419,020.26	
Other Bonuses and Allowances-Rice Allowance	5	01	02	990	35	4,355,242.20		0.00	47,612.29	4,307,629.91	
Other Bonuses and Allowances-Children's Allowance	5	01	02	990	36	66,356.74		0.00	0.00	66,356.74	
Other Bonuses and Allowances-Teller's Allowance	5	01	02	990	37	-		12,800.00	0.00	12,800.00	
Other Bonuses and Allowances-Medical, Dental, and Hospitalization Allowance	5	01	02	990	38	1,439,537.73		0.00	46,929.91	1,392,607.82	
Other Bonuses and Allowances-13th Month Pay	5	01	02	990	39	15,239,430.53		0.00	94,763.58	15,144,666.95	
Other Bonuses and Allowances-Economic Subsidy	5	01	02	990	41	15,381,004.25		0.00	282,143.58	15,098,860.67	
Other Bonuses and Allowances-Birthday Gift Benefit	5	01	02	990	42	569,394.76		0.00	2,112.81	567,281.95	
Other Bonuses and Allowances-Gift Check (Grocery Subsidy)	5	01	02	990	43	9,994,912.49		0.00	35,213.64	9,959,698.85	
Other Bonuses and Allowances-Special Counsel Allowance	5	01	02	990	44	1,941,816.00		462,876.70	0.00	2,404,692.70	
Other Bonuses and Allowances-Service Recognition Incentive	5	01	02	990	45	-		4,228,000.00	0.00	4,228,000.00	
Other Bonuses and Allowances-Anniversary Bonus	5	01	02	990	46	-		0.00	0.00	0.00	
Retirement and Life Insurance Premiums	5	01	03	010	01	5,966,402.50		1,201,417.50	11,400.00	7,156,420.00	

**SOCIAL HOUSING FINANCE CORPORATION**  
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						Debit	Credit	Debit	Credit	Debit	Credit
Pag-IBIG Contributions	5	01	03	020	01	214,200.00		42,800.00	0.00	257,000.00	
PhilHealth Contributions	5	01	03	030	01	2,317,268.80		505,856.60	0.00	2,823,125.40	
Employees Compensation Insurance Premiums	5	01	03	040	01	64,230.00		12,820.00	0.00	77,050.00	
Provident/Welfare Fund Contributions	5	01	03	050	01	14,971,777.87		3,264,057.25	0.00	18,235,835.12	
Retirement Gratuity	5	01	04	020	01	-		993,203.72	0.00	993,203.72	
Terminal Leave Benefits	5	01	04	030	01	27,587,646.93		6,495,086.38	47,455.99	34,035,277.32	
Other Personnel Benefits	5	01	04	990	01	-		0.00	0.00	0.00	
Traveling Expenses-Local	5	02	01	010	01	4,751,033.99		1,860,816.30	16,859.84	6,594,990.45	
Traveling Expenses-Foreign	5	02	01	020	01	-		0.00	0.00	0.00	
Training Expenses-Trainings and Seminars	5	02	02	010	01	1,809,366.27		375,806.39	0.00	2,185,172.66	
Training Expenses-Capacity Building	5	02	02	010	02	985,170.10		469,676.86	0.00	1,454,846.96	
Office Supplies Expenses	5	02	03	010	01	6,456,159.16		827,108.51	0.00	7,283,267.67	
Accountable Forms Expenses	5	02	03	020	01	309,019.20		35,981.60	0.00	345,000.80	
Drugs and Medicines Expenses	5	02	03	070	01	310,238.75		88,954.40	0.00	399,193.15	
Medical, Dental and Laboratory Supplies Expenses	5	02	03	080	01	110,728.00		22,752.50	45,000.00	88,480.50	
Fuel, Oil and Lubricants Expenses	5	02	03	090	01	3,795,401.43		412,652.17	0.00	4,208,053.60	
Semi-Expendable Machinery and Equipment Expenses	5	02	03	210	01	56,848.50		0.00	0.00	56,848.50	
Semi-Expendable Furniture, Fixtures and Books Expenses	5	02	03	220	01	480.00		0.00	0.00	480.00	
Other Supplies and Materials Expenses	5	02	03	990	01	431,690.72		1,028,637.43	3,248.00	1,457,080.15	
Water Expenses	5	02	04	010	01	918,748.20		268,801.55	12,600.00	1,174,949.75	
Electricity Expenses	5	02	04	020	01	8,379,855.67		2,317,271.16	3,181.84	10,693,944.99	
Postage and Courier Services	5	02	05	010	01	1,867,834.34		1,034,853.78	5,139.00	2,897,549.12	
Telephone Expenses-Mobile	5	02	05	020	01	571,077.20		140,100.44	0.00	711,177.64	
Telephone Expenses-Landline	5	02	05	020	02	515,482.55		589,861.81	0.00	1,105,344.36	
Internet Subscription Expenses	5	02	05	030	01	2,667,888.28		557,345.81	0.00	3,225,234.09	
Cable, Satellite, Telegraph and Radio Expenses	5	02	05	040	01	66,580.19		4,687.30	0.00	71,267.49	
Extraordinary and Miscellaneous Expenses	5	02	10	030	01	736,962.74		166,867.49	0.00	903,830.23	
Discretionary Expenses	5	02	10	030	02	-		0.00	0.00	0.00	
Legal Services	5	02	11	010	01	186,000.00		158,926.76	0.00	344,926.76	
Auditing Services	5	02	11	020	01	-		7,300.00	0.00	7,300.00	
Consultancy Services	5	02	11	030	01	6,409,194.00		1,637,745.20	0.00	8,046,939.20	
Other Professional Services-Other Professional Expenses	5	02	11	990	99	836,870.21		68,588.62	0.00	905,458.83	
Janitorial Services	5	02	12	020	01	3,619,153.60		716,401.59	10,001.17	4,325,554.02	
Security Services	5	02	12	030	01	39,512,391.97		11,187,234.50	0.00	50,699,626.47	
Clerical Services	5	02	12	040	01	128,130,784.59		32,223,525.94	24,616,580.00	135,737,730.53	
Other General Services	5	02	12	990	01	12,260,474.54		3,813,822.98	1,530,098.41	14,544,199.11	
Repairs and Maintenance-Buildings and Other Structures-Buildings	5	02	13	040	01	19,057.50		10,100.00	0.00	29,157.50	
Repairs and Maintenance-Furniture and Fixtures	5	02	13	070	01	-		0.00	0.00	0.00	
Repairs and Maintenance-Machinery and Equipment-Office Equipment	5	02	13	050	01	366,809.26		99,939.75	0.00	466,749.01	
Repairs and Maintenance-Machinery and Equipment-Other Machinery and Equipment	5	02	13	050	99	-		0.00	0.00	0.00	
Repairs and Maintenance-Machinery and Equipment-Information and Communication Technology Equipment	5	02	13	050	02	78,433.57		31,000.00	9,380.00	100,053.57	
Repairs and Maintenance-Machinery and Equipment-Communication Equipment	5	02	13	050	06	-		0.00	0.00	0.00	
Repairs and Maintenance-Machinery and Equipment-Sports Equipment	5	02	13	050	12	-		0.00	0.00	0.00	
Repairs and Maintenance-Transportation Equipment-Motor Vehicles	5	02	13	060	01	1,272,763.11		627,221.67	0.00	1,899,984.78	
Repairs and Maintenance-Leased Assets Improvements-Buildings	5	02	13	090	02	-		10,100.00	10,100.00	0.00	
Repairs and Maintenance-Leased Assets Improvements-Other Leased Assets Improvements	5	02	13	090	99	3,778.75		0.00	0.00	3,778.75	



**SOCIAL HOUSING FINANCE CORPORATION**  
**TRIAL BALANCE**  
December 31, 2023

ACCOUNT DESCRIPTION	ACCOUNT CODE					November Balances		December Transactions		December Balances	
						Debit	Credit	Debit	Credit	Debit	Credit
Repairs and Maintenance-Semi-Expendable Office Equipment	5	02	13	210	01	14,120.00		0.00	0.00	14,120.00	
Repairs and Maintenance-Semi-Expendable Information and Communication Technology Equipment	5	02	13	210	02	83,193.40		9,380.00	25,500.00	67,073.40	
Repairs and Maintenance-Semi-Expendable Other Machinery and Equipment	5	02	13	210	99	700.00		0.00	0.00	700.00	
Repairs and Maintenance-Semi-Expendable Furniture, Fixtures	5	02	13	220	01	-		0.00	0.00	0.00	
Assistance to NGOs/Pos-Technical Assistance	5	02	14	050	01	69,820.77		0.00	0.00	69,820.77	
Assistance to NGOs/Pos-CPM Service Fee	5	02	14	050	02	-		0.00	0.00	0.00	
Assistance to NGOs/CSOs-Capacity Building	5	02	14	050	03	-		0.00	0.00	0.00	
Assistance to NGOs/CSOs-Origination and Appraisal Cost	5	02	14	050	04	-		0.00	0.00	0.00	
Assistance to NGOs/CSOs-Simple Program	5	02	14	050	06	22,385,000.00		0.00	0.00	22,385,000.00	
Taxes, Duties and Licenses-Business Permits & Licenses	5	02	15	010	01	1,318,743.42		1,225,410.86	0.00	2,544,154.28	
Taxes, Duties and Licenses-Percentage Tax	5	02	15	010	02	6,144,992.87		2,027,766.61	0.00	8,172,759.48	
Taxes, Duties and Licenses-Final Tax paid on Income	5	02	15	010	03	13,087,997.08		1,606,456.18	0.00	14,694,453.26	
Taxes, Duties and Licenses-Real Estate Tax	5	02	15	010	04	3,033,607.56		0.00	0.00	3,033,607.56	
Fidelity Bond Premiums	5	02	15	020	01	171,301.35		5,763.02	0.00	177,064.37	
Insurance Expenses	5	02	15	030	01	727,162.17		70,145.55	0.00	797,307.72	
Income Tax Expenses-Current	5	02	15	040	01	9,157,637.00		1,783,462.00	0.00	10,941,099.00	
Income Tax Expenses-Deferred	5	02	15	040	02	-		402,555.72	6,980,352.29	-6,577,796.57	
Advertising, Promotional and Marketing Expenses	5	02	99	010	01	2,521,812.05		477,790.36	0.00	2,999,602.41	
Printing and Publication Expenses	5	02	99	020	01	51,002.25		138,319.65	0.00	189,321.90	
Representation Expenses	5	02	99	030	01	1,369,685.31		609,324.98	0.00	1,979,010.29	
Transportation and Delivery Expenses	5	02	99	040	01	289.00		65,500.00	0.00	65,789.00	
Rent/Lease Expenses	5	02	99	050	01	13,500,254.63		3,175,209.88	9,291,987.26	7,383,477.25	
Membership Dues and Contributions to Organizations	5	02	99	060	01	4,624.90		0.00	0.00	4,624.90	
Subscription Expenses	5	02	99	070	01	1,823,827.90		1,408,293.78	0.00	3,232,121.68	
Donations	5	02	99	080	01	-		85,450.00	0.00	85,450.00	
Litigation/Acquired Assets Expenses	5	02	99	090	01	142,295.26		0.00	0.00	142,295.26	
Directors and Committee Members' Fees	5	02	99	120	02	795,600.00		290,400.00	1,705.00	1,084,295.00	
Directors and Committee Members' Fees-Employee	5	02	99	120	01	225,000.00		15,000.00	0.00	240,000.00	
Financial Assistance/Subsidy/Contribution	5	02	14	990	01	665,325.42		437,387.10	0.00	1,102,712.52	
Major Events and Conventions Expenses-Team Building	5	02	99	180	01	-		0.00	0.00	0.00	
Major Events and Conventions Expenses-Cultural and Athletic Activities	5	02	99	180	02	1,399,869.37		580,975.00	0.00	1,980,844.37	
Major Events and Conventions Expenses-Christmas Celebration Expenses/Corporate Give aways	5	02	99	180	03	2,572,566.63		5,553,328.75	8,885.94	8,117,009.44	
Major Events and Conventions Expense-Corporate Planning Activities	5	02	99	180	04	2,491,599.35		0.00	0.00	2,491,599.35	
Major Events and Conventions Expenses-Other Corporate Activities	5	02	99	180	07	987,341.60		107,885.00	0.00	1,095,226.60	
Major Events and Conventions Expense-Anniversary Celebration Expense	5	02	99	180	05	1,414,204.74		0.00	0.00	1,414,204.74	
Other Maintenance and Operating Expenses-Miscellaneous Expenses	5	02	99	990	01	557,633.39		64,142.57	172,000.00	449,775.96	
Other Maintenance and Operating Expenses-Flowers and Decorations	5	02	99	990	07	-		0.00	0.00	0.00	
Other Maintenance and Operating Expenses-Association Dues	5	02	99	990	02	5,463,810.00		496,710.00	0.00	5,960,520.00	
Other Maintenance and Operating Expenses-Origination and Appraisal Cost	5	02	99	990	03	508,000.00		0.00	0.00	508,000.00	
Other Maintenance and Operating Expenses-Service Incentive CMP Mobilizers	5	02	99	990	05	469,100.00		0.00	0.00	469,100.00	
Other Maintenance and Operating Expenses-Collection Servicing Fee	5	02	99	990	06	5,937,298.60		619,548.31	527,530.59	6,029,316.32	
Other Maintenance and Operating Expenses-Others	5	02	99	990	08	656,025.42		224,591.50	0.00	880,616.92	
Interest Expenses-Deposits	5	03	01	020	01	-		0.00	0.00	0.00	
Interest Expenses-Others	5	03	01	020	99	676,172.96		526,135.53	390,272.43	812,036.06	
Bank Charges	5	03	01	040	01	143,228.00		950.00	250.00	143,928.00	
Other Financial Charges	5	03	01	990	01	-		1,309,334.43	0.00	1,309,334.43	



**SOCIAL HOUSING FINANCE CORPORATION**  
**TRIAL BALANCE**  
December 31, 2023

ACCOUNT DESCRIPTION	ACCOUNT CODE					November Balances		December Transactions		December Balances	
						Debit	Credit	Debit	Credit	Debit	Credit
Depreciation-Buildings and Other Structures-Buildings	5	05	01	040	01	5,227,275.63		7,193,980.29	6,210,627.96	6,210,627.96	
Depreciation-Buildings and Other Structures-Other Structures	5	05	01	040	99	523,636.52		618,843.16	571,239.84	571,239.84	
Depreciation-Machinery and Equipment-Office Equipment	5	05	01	050	01	339,306.27		53,598.89	0.00	392,905.16	
Depreciation-Machinery and Equipment-Information and Communication Technology Equipment	5	05	01	050	02	5,819,154.17		215,111.69	0.00	6,034,265.86	
Depreciation-Machinery and Equipment-Communication Equipment	5	05	01	050	06	-		0.00	0.00	0.00	
Depreciation-Machinery and Equipment-Other Machinery and Equipment	5	05	01	050	99	163,722.28		9,825.32	0.00	173,547.60	
Depreciation-Transportation Equipment-Motor Vehicles	5	05	01	060	01	3,166,574.70		288,141.75	0.00	3,454,716.45	
Depreciation-Furniture, Fixtures and Books-Furniture and Fixtures	5	05	01	070	01	105,166.08		18,838.28	0.00	124,004.36	
Depreciation-Furniture, Fixtures and Books-Books	5	05	01	070	02	-		0.00	0.00	0.00	
Depreciation-Leased Assets Improvements-Buildings	5	05	01	090	02	6,147,451.01		421,780.94	0.00	6,569,231.95	
Depreciation-Leased Assets Improvements-Other Leased Assets Improvements	5	05	01	090	99	-		0.00	0.00	0.00	
Depreciation-Right-of-Use Assets	5	05	01	150	01	-		15,670,527.81	6,781,867.80	8,888,660.01	
Amortization-Intangible Assets-Computer Software	5	05	02	010	02	584,589.70		38,509.67	0.00	623,099.37	
Amortization-Others-Origination and Appraisal Cost	5	05	02	990	01	1,626,368.47		138,760.77	0.00	1,765,129.24	
Impairment Loss-Loans and Receivables	5	05	03	020	01	6,897,987.59		5,599,443.91	6,897,987.59	5,599,443.91	
<b>TOTAL</b>						<b>33,101,718,879.04</b>	<b>33,101,718,879.04</b>	<b>10,625,144,479.26</b>	<b>10,625,144,479.26</b>	<b>34,276,270,143.33</b>	<b>34,276,270,143.33</b>

Prepared by:

**JONSUA D. VENTABAL**  
Officer in Charge  
Corporate Accounting Department

Certified Correct :

**DANTE M. ANABE**  
OIC-Vice President  
Finance and Comptrollership Group

**SOCIAL HOUSING FINANCE CORPORATION**  
**POST CLOSING TRIAL BALANCE**  
December 31, 2023

ACCOUNT DESCRIPTION	ACCOUNT CODE						December Balances		Closing Entries		Post Closing Balances	
							Debit	Credit	Debit	Credit	Debit	Credit
Cash-Collecting Officers-Supervising Teller	1	01	01	010	02		2,690,512.17		0.00	0.00	2,690,512.17	
Petty Cash	1	01	01	020	00		1,640,912.03		0.00	0.00	1,640,912.03	
Cash in Bank-Local Currency, Current Account-General Fund I	1	01	02	020	01		243,593,388.61		0.00	0.00	243,593,388.61	
Cash in Bank-Local Currency, Current Account-General Fund II	1	01	02	020	02		27,570,996.82		0.00	0.00	27,570,996.82	
Cash in Bank-Local Currency, Current Account-High Density Housing Program I	1	01	02	020	03		367,473.23		0.00	0.00	367,473.23	
Cash in Bank-Local Currency, Current Account-High Density Housing Program II	1	01	02	020	04		245,006,978.56		0.00	0.00	245,006,978.56	
Cash in Bank-Local Currency, Current Account-Take Out Fund	1	01	02	020	05		236,462,149.88		0.00	0.00	236,462,149.88	
Cash in Bank-Local Currency, Current Account-Development Bank of the Philippines	1	01	02	020	06		302,588,774.45		0.00	0.00	302,588,774.45	
Cash in Bank-Local Currency, Current Account-eTax Fund	1	01	02	020	07		39,415.18		0.00	0.00	39,415.18	
Cash in Bank-Local Currency, Current Account-DOTR	1	01	02	020	08		1,557,074,334.41		0.00	0.00	1,557,074,334.41	
Cash in Bank-Local Currency, Current Account-Marawi Shelter Fund	1	01	02	020	10		99,534,983.09		0.00	0.00	99,534,983.09	
Cash in Bank-Local Currency, Current Account-DBP Intramuros	1	01	02	020	11		191,471,089.78		0.00	0.00	191,471,089.78	
Cash in Bank-Local Currency, Current Account-DBP DOTr	1	01	02	020	12		500,261,236.90		0.00	0.00	500,261,236.90	
Cash in Bank-Local Currency, Current Account-DBP DILG	1	01	02	020	13		60,063,450.54		0.00	0.00	60,063,450.54	
Local Currency on Hand - Change Fund	1	01	01	030	01		5,000.00		0.00	0.00	5,000.00	
Treasury Bills	1	01	05	010	01		-		0.00	0.00	0.00	
Time Deposits-Local Currency	1	01	05	020	01		300,000,000.00		0.00	0.00	300,000,000.00	
Investments in Treasury Bills-Local	1	02	02	010	01		50,000,000.00		0.00	0.00	50,000,000.00	
Investments in Bonds-Local	1	02	02	050	01		-		0.00	0.00	0.00	
Investments in Time Deposits-Local Currency	1	02	11	010	01		-		0.00	0.00	0.00	
Investment Securities at Amortized Cost-Legal Liability Insurance Fund	1	02	12	010	03		-		0.00	0.00	0.00	
Accounts Receivable	1	03	01	010	01		-		0.00	0.00	0.00	
Interests Receivable-Accrued Interest Receivable	1	03	01	050	01		3,675,139.19		0.00	0.00	3,675,139.19	
Interests Receivable-AHT Interests Receivable	1	03	01	050	02		433,094.94		0.00	0.00	433,094.94	
Mortgage Contracts Receivable-Current	1	03	01	100	01		6,266,825,410.14		0.00	0.00	6,266,825,410.14	
Mortgage Contracts Receivable-Restructured IBP	1	03	01	100	02		479,987,693.36		0.00	0.00	479,987,693.36	
Mortgage Contracts Receivable-NIBP	1	03	01	100	03		131,935,598.24		0.00	0.00	131,935,598.24	
Mortgage Contracts Receivable-Past Due	1	03	01	100	04		2,812,146,110.20		0.00	0.00	2,812,146,110.20	
Mortgage Contracts Receivable-HDH	1	03	01	100	05		4,606,440,280.26		0.00	0.00	4,606,440,280.26	
Mortgage Contracts Receivable-Items in Litigation	1	03	01	100	06		50,925,357.34		0.00	0.00	50,925,357.34	
Allowance for Impairment-Mortgage Contracts Receivable	1	03	01	101	01			3,163,690,307.05	0.00	0.00		3,163,690,307.05
Accounts for clearing-CMP	1	03	01	102	01			258,844,640.92	0.00	0.00		258,844,640.92
Accounts for clearing-HDH	1	03	01	102	02			10,452,940.44	0.00	0.00		10,452,940.44
Loans Receivable-Others-Car Loan	1	03	01	990	01		9,745,813.88		0.00	0.00	9,745,813.88	
Loans Receivable-Others-Calamity Loan	1	03	01	990	02		342,087.81		0.00	0.00	342,087.81	
Loans Receivable-Others-AHT Insurance Receivable	1	03	01	990	00		455,902,546.06		0.00	0.00	455,902,546.06	
Loans Receivable-Others-Unamortized Origination Cost	1	03	01	990	05		15,943,430.73		0.00	0.00	15,943,430.73	
Due from National Government Agencies-Procurement Services	1	03	03	010	01		2,292,986.75		0.00	0.00	2,292,986.75	
Due from Other Government Corporations-HUDCC	1	03	03	050	01		13,881,122.86		0.00	0.00	13,881,122.86	
Due from Other Government Corporations-SSS	1	03	03	050	02		608,153.15		0.00	0.00	608,153.15	
Due from Parent Corporations	1	03	03	070	01		44,101,587.35		0.00	0.00	44,101,587.35	
Due from Other Funds-AKPF	1	03	04	050	02		35,679,865.82		0.00	0.00	35,679,865.82	
Due from Other Funds-DOTR	1	03	04	050	03		28,711,647.17		0.00	0.00	28,711,647.17	
Receivables-Disallowances/Charges	1	03	05	010	01		149,083.40		0.00	0.00	149,083.40	
Due from Officers and Employees	1	03	05	020	01		483,147.36		0.00	0.00	483,147.36	
Other Receivables-Provident Fund	1	03	05	990	01				0.00	0.00		0.00



**SOCIAL HOUSING FINANCE CORPORATION**  
**POST CLOSING TRIAL BALANCE**  
December 31, 2023

ACCOUNT DESCRIPTION	ACCOUNT CODE					December Balances		Closing Entries		Post Closing Balances	
						Debit	Credit	Debit	Credit	Debit	Credit
Other Receivables-Supplier	1	03	05	990	02	1,749,835.23		0.00	0.00	1,749,835.23	
Other Receivables-Other Receivables	1	03	05	990	03	-		0.00	0.00	0.00	
Office Supplies Inventory	1	04	04	010	01	976,476.78		0.00	0.00	976,476.78	
Accountable Forms, Plates and Stickers Inventory	1	04	04	020	01	965,233.90		0.00	0.00	965,233.90	
Drugs and Medicines Inventory	1	04	04	060	01	272,635.93		0.00	0.00	272,635.93	
Other Supplies and Materials Inventory	1	04	04	990	01	501,872.14		0.00	0.00	501,872.14	
Semi-Expendable Office Equipment	1	04	05	020	01	2,241,165.99		0.00	0.00	2,241,165.99	
Semi-Expendable Information and Communication Technology Equipment	1	04	05	030	01	2,023,003.82		0.00	0.00	2,023,003.82	
Semi-Expendable Furniture and Fixtures	1	04	06	010	01	3,639,912.60		0.00	0.00	3,639,912.60	
Semi-Expendable Books	1	04	06	020	01	6,581.72		0.00	0.00	6,581.72	
Semi-Expendable Communication Equipment	1	04	05	070	01	168,741.00		0.00	0.00	168,741.00	
Semi-Expendable Other Machinery and Equipment	1	04	05	990	01	1,921,057.46		0.00	0.00	1,921,057.46	
Investment Property, Land	1	05	01	010	01	2,455,563,154.62		0.00	0.00	2,455,563,154.62	
Buildings	1	06	04	010	01	185,497,695.00		0.00	0.00	185,497,695.00	
Accumulated Depreciation-Buildings	1	06	04	011	01		104,704,276.15	0.00	0.00		104,704,276.15
Other Structures	1	06	04	990	01	16,560,000.00		0.00	0.00	16,560,000.00	
Accumulated Depreciation-Other Structures	1	06	04	991	01		9,228,146.16	0.00	0.00		9,228,146.16
Office Equipment	1	06	05	020	01	5,841,931.30		0.00	0.00	5,841,931.30	
Accumulated Depreciation-Office Equipment	1	06	05	021	01		3,872,510.85	0.00	0.00		3,872,510.85
Information and Communication Technology Equipment	1	06	05	030	01	37,394,141.92		0.00	0.00	37,394,141.92	
Accumulated Depreciation-Information and Communication Technology Equipment	1	06	05	031	01		31,120,524.46	0.00	0.00		31,120,524.46
Communications Equipment	1	06	05	070	01	3,364,869.65		0.00	0.00	3,364,869.65	
Accumulated Depreciation-Communications Equipment	1	06	05	071	01		3,028,382.80	0.00	0.00		3,028,382.80
Other Machinery and Equipment	1	06	05	990	01	707,922.37		0.00	0.00	707,922.37	
Accumulated Depreciation-Other Machinery and Equipment	1	06	05	991	01		503,243.16	0.00	0.00		503,243.16
Motor Vehicles	1	06	06	010	01	46,328,647.90		0.00	0.00	46,328,647.90	
Accumulated Depreciation-Motor Vehicles	1	06	06	011	01		30,694,021.05	0.00	0.00		30,694,021.05
Furniture & Fixtures	1	06	07	010	01	2,219,859.45		0.00	0.00	2,219,859.45	
Accumulated Depreciation-Furniture and Fixtures	1	06	07	011	01		1,469,076.34	0.00	0.00		1,469,076.34
Books	1	06	07	020	01	-		0.00	0.00	0.00	
Accumulated Depreciation-Books	1	06	07	021	01		-	0.00	0.00		0.00
Leased Asset Improvements, Buildings and Other Structures	1	06	09	020	01	70,977,248.73		0.00	0.00	70,977,248.73	
Accumulated Depreciation-Leased Assets Improvements, Buildings	1	06	09	021	01		26,676,177.37	0.00	0.00		26,676,177.37
Construction in Progress-Buildings and Other Structures	1	06	99	030	01	12,133,883.88		0.00	0.00	12,133,883.88	
Computer Software	1	08	01	020	01	21,418,977.74		0.00	0.00	21,418,977.74	
Accumulated Amortization-Computer Software	1	08	01	021	01		11,729,828.72	0.00	0.00		11,729,828.72
Deferred Tax Asset	1	12	01	010	01	885,973,620.77		0.00	0.00	885,973,620.77	
Right-of-Use Assets, Buildings and Other Structures	1	13	01	020	01	28,032,356.88		0.00	0.00	28,032,356.88	
Accumulated Depreciation-Right-of-Use Assets, Buildings and Other Structures	1	13	01	021	01	-	25,987,094.29	0.00	0.00	0.00	25,987,094.29
Advances to Special Disbursing Officers	1	99	01	030	01	170,633.33		0.00	0.00	170,633.33	
Advances to Officers and Employees	1	99	01	040	01	72,801.96		0.00	0.00	72,801.96	
Advances to Contractors	1	99	02	010	01	862,088,535.17		0.00	0.00	862,088,535.17	
Advances to Community Association	1	99	03	990	03	9,233,415,413.19		0.00	0.00	9,233,415,413.19	
Prepaid Rent	1	99	02	020	01	1,073,313.20		0.00	0.00	1,073,313.20	
Prepaid Interest	1	99	02	040	01	88,912.74		0.00	0.00	88,912.74	
Prepaid Insurance	1	99	02	050	01	761,657.59		0.00	0.00	761,657.59	



**SOCIAL HOUSING FINANCE CORPORATION**  
**POST CLOSING TRIAL BALANCE**  
December 31, 2023

ACCOUNT DESCRIPTION	ACCOUNT CODE					December Balances		Closing Entries			Post Closing Balances	
						Debit	Credit	Debit		Credit	Debit	Credit
Prepaid Subscription	1	99	02	090	01	95,585.68			0.00	0.00	95,585.68	
Guaranty Deposits	1	99	03	020	01	4,650,876.51			0.00	0.00	4,650,876.51	
Other Deposits-BSP	1	99	03	990	02	-			0.00	0.00	0.00	
Other Deposits-Supplier	1	99	03	990	01	4,729,533.79			0.00	0.00	4,729,533.79	
Restricted Fund - Contingency Trust Fund	1	99	04	010	01	192,926,496.69			0.00	0.00	192,926,496.69	
Deferred Charges-MCIT	1	99	99	000	00	-			0.00	0.00	0.00	
Other Assets	1	99	99	990	00	124,296,593.12			0.00	0.00	124,296,593.12	
Other Assets-Assets Held in Trust AKPF	1	99	99	990	01	516,399,886.07			0.00	0.00	516,399,886.07	
Accounts Payable-MCR	2	01	01	010	01		915,875,890.26		0.00	0.00		915,875,890.26
Accounts Payable-Supplier	2	01	01	010	02		109,217,027.42		0.00	0.00		109,217,027.42
Accounts Payable-Others	2	01	01	010	03		12,820,506.08		0.00	0.00		12,820,506.08
Due to Officers and Employees	2	01	01	020	01		5,956,414.54		0.00	0.00		5,956,414.54
Insurance/Reinsurance Premium Payable	2	01	01	110	00		90,058,175.89		0.00	0.00		90,058,175.89
Lease Payable	2	10	01	010	01		2,093,906.21		0.00	0.00		2,093,906.21
Loans Payable-Domestic	2	01	02	040	01		(0.00)		0.00	0.00		0.00
Tax Refunds Payable	2	01	03	010	01		-		0.00	0.00		0.00
Due to BIR	2	02	01	010	01		7,298,720.67		0.00	0.00		7,298,720.67
Due to Pag-IBIG	2	02	01	030	01		431,540.02		0.00	0.00		431,540.02
Due to Philhealth	2	02	01	040	01		279,195.44		0.00	0.00		279,195.44
Due to Parent Corporations	2	02	01	100	01		6,807,639.64		0.00	0.00		6,807,639.64
Due to SSS	2	02	01	110	01		272,250.27		0.00	0.00		272,250.27
Due to Treasurer of the Philippines-DILG	2	02	01	090	01		77,331.21		0.00	0.00		77,331.21
Due to Treasurer of the Philippines-DOTR	2	02	01	090	02		640,448.13		0.00	0.00		640,448.13
Income Tax Payable	2	02	01	130	01		3,776,124.80		0.00	0.00		3,776,124.80
Trust Liabilities-NHMF	2	04	01	010	01		14,727,391,983.37		0.00	0.00		14,727,391,983.37
Trust Liabilities-DSWD	2	04	01	010	03		-		0.00	0.00		0.00
Trust Liabilities-AKPF	2	04	01	010	02		516,399,886.07		0.00	0.00		516,399,886.07
Trust Liabilities-DILG	2	04	01	010	04		350,000,000.00		0.00	0.00		350,000,000.00
Trust Liabilities-DOTR	2	04	01	010	05		2,984,679,658.35		0.00	0.00		2,984,679,658.35
Trust Liabilities-Intramuros	2	04	01	010	06		410,000,000.00		0.00	0.00		410,000,000.00
Trust Liabilities-DHSUD	2	04	01	010	07		600,000.00		0.00	0.00		600,000.00
Guaranty/Security Deposits Payable-Performance Warranty Payable	2	04	01	040	01		4,283,929.51		0.00	0.00		4,283,929.51
Guaranty/Security Deposits Payable-Performance/Bidders Bond Payable	2	04	01	040	02		650,395.60		0.00	0.00		650,395.60
Other Deferred Credits-Deferred Income	2	05	01	990	01		131,794,048.33		0.00	0.00		131,794,048.33
Other Deferred Credits-Deferred Credits	2	05	01	990	02		48,329,443.45		0.00	0.00		48,329,443.45
Leave Benefits Payable	2	06	01	020	01		65,013,639.63		0.00	0.00		65,013,639.63
Retirement Gratuity Payable	2	06	01	030	01		8,789,546.67		0.00	0.00		8,789,546.67
Other Provisions - Contingency Fund Payable	2	06	01	990	01		190,363,433.12		0.00	0.00		190,363,433.12
Undistributed Collections-Regular	2	99	99	040	01		-		0.00	0.00		0.00
Undistributed Collections-Retained	2	99	99	040	02		-		0.00	0.00		0.00
Undistributed Collections-Remedial	2	99	99	040	03		0.00		0.00	0.00		0.00
Undistributed Collections-HDH	2	99	99	040	04		-		0.00	0.00		0.00
Dividends Payable	2	99	99	090	01		39,952,377.44		0.00	0.00		39,952,377.44
Other Payables-Due to Provident Fund	2	99	99	990	01		2,494,802.56		0.00	0.00		2,494,802.56
Other Payables-Accrued Expenses Payable	2	99	99	990	02		19,863,182.65		0.00	0.00		19,863,182.65
Other Payables-Gross Receipt Tax Payable	2	99	99	990	03		107,970.90		0.00	0.00		107,970.90

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						Debit	Credit	Debit	Credit	Debit	Credit
Other Payables-Advances from Borrowers	2	99	99	990	04		459,440,133.65	0.00	0.00		459,440,133.65
Other Payables-Advances from HUDCC	2	99	99	990	05		-	0.00	0.00		0.00
Other Payables-Guaranty Deposits Payable	2	99	99	990	06		587,343,986.86	0.00	0.00		587,343,986.86
Other Payables-Origination Fee Payable	2	99	99	990	07		34,727,638.28	0.00	0.00		34,727,638.28
Other Payables-Refund of Excess Payment	2	99	99	990	08		78,417.08	0.00	0.00		78,417.08
Other Payables-Stale Check Payable	2	99	99	990	11		1,460,824.06	0.00	0.00		1,460,824.06
Other Payables-Unreleased Checks	2	99	99	990	12		38,158,857.36	0.00	0.00		38,158,857.36
Other Payables-Other Payables	2	99	99	990	99		4,388,024.43	0.00	0.00		4,388,024.43
Retained Earnings/(Deficit)	3	07	01	010	01		7,275,432,918.24	0.00	756,480,479.53		8,031,913,397.77
Revenue/Income and Expense Summary	3	03	01	020	01		-	1,511,918,705.38	1,511,918,705.38		0.00
Subscribed Share Capital	3	08	01	030	01		25,000,000.00	0.00	0.00		25,000,000.00
Subscriptions Receivable	1	03	05	060	01	15,000,000.00		0.00	0.00	15,000,000.00	
Interest Income-Loans and Receivables	4	02	02	210	01		429,909,072.74	429,909,072.74	0.00		0.00
Interest Income-Notes	4	02	02	210	02		1,197,666.66	1,197,666.66	0.00		0.00
Interest Income-Bank Deposits	4	02	02	210	03		72,385,485.87	72,385,485.87	0.00		0.00
Interest Income - Others	4	02	02	210	04		68,891.78	68,891.78	0.00		0.00
Fines and Penalties-Business Income	4	02	02	230	01		296,547,343.58	296,547,343.58	0.00		0.00
Other Business Income	4	02	02	990	01		2,950,156.75	2,950,156.75	0.00		0.00
Subsidy from National Government	4	03	01	010	01		708,860,088.00	708,860,088.00	0.00		0.00
Salaries and Wages-Regular	5	01	01	010	01	175,909,795.33		0.00	175,909,795.33	0.00	
Personnel Economic Relief Allowance (PERA)	5	01	02	010	01	5,078,540.12		0.00	5,078,540.12	0.00	
Representation Allowance (RA)	5	01	02	020	01	4,240,526.79		0.00	4,240,526.79	0.00	
Transportation Allowance (TA)	5	01	02	030	01	4,624,479.56		0.00	4,624,479.56	0.00	
Clothing/Uniform Allowance	5	01	02	040	01	1,242,000.00		0.00	1,242,000.00	0.00	
Honoraria	5	01	02	100	01	221,335.34		0.00	221,335.34	0.00	
Hazard Pay	5	01	02	110	01	-		0.00	0.00	0.00	
Overtime and Night Pay	5	01	02	130	01	5,007,709.03		0.00	5,007,709.03	0.00	
Year End Bonus	5	01	02	140	01	14,982,303.25		0.00	14,982,303.25	0.00	
Cash Gift	5	01	02	150	01	1,086,250.00		0.00	1,086,250.00	0.00	
Mid-Year Bonus	5	01	02	160	00	14,933,141.00		0.00	14,933,141.00	0.00	
Other Bonuses and Allowances-Collective Negotiation Agreement-Civilian	5	01	02	990	11	10,000.00		0.00	10,000.00	0.00	
Other Bonuses and Allowances-Productivity Enhancement Incentive-Civilian	5	01	02	990	12	1,058,000.00		0.00	1,058,000.00	0.00	
Other Bonuses and Allowances-Performance Based Bonus-Civilian	5	01	02	990	14	-		0.00	0.00	0.00	
Other Bonuses and Allowances-Meal Allowance	5	01	02	990	34	1,419,020.26		0.00	1,419,020.26	0.00	
Other Bonuses and Allowances-Rice Allowance	5	01	02	990	35	4,307,629.91		0.00	4,307,629.91	0.00	
Other Bonuses and Allowances-Children's Allowance	5	01	02	990	36	66,356.74		0.00	66,356.74	0.00	
Other Bonuses and Allowances-Teller's Allowance	5	01	02	990	37	12,800.00		0.00	12,800.00	0.00	
Other Bonuses and Allowances-Medical, Dental, and Hospitalization Allowance	5	01	02	990	38	1,392,607.82		0.00	1,392,607.82	0.00	
Other Bonuses and Allowances-13th Month Pay	5	01	02	990	39	15,144,666.95		0.00	15,144,666.95	0.00	
Other Bonuses and Allowances-Economic Subsidy	5	01	02	990	41	15,098,860.67		0.00	15,098,860.67	0.00	
Other Bonuses and Allowances-Birthday Gift Benefit	5	01	02	990	42	567,281.95		0.00	567,281.95	0.00	
Other Bonuses and Allowances-Gift Check (Grocery Subsidy)	5	01	02	990	43	9,959,698.85		0.00	9,959,698.85	0.00	
Other Bonuses and Allowances-Special Counsel Allowance	5	01	02	990	44	2,404,692.70		0.00	2,404,692.70	0.00	
Other Bonuses and Allowances-Service Recognition Incentive	5	01	02	990	45	4,228,000.00		0.00	4,228,000.00	0.00	
Other Bonuses and Allowances-Anniversary Bonus	5	01	02	990	46	-		0.00	0.00	0.00	
Retirement and Life Insurance Premiums	5	01	03	010	01	7,156,420.00		0.00	7,156,420.00	0.00	



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						Debit	Credit	Debit	Credit	Debit	Credit
Pag-IBIG Contributions	5	01	03	020	01	257,000.00		0.00	257,000.00	0.00	0.00
PhilHealth Contributions	5	01	03	030	01	2,823,125.40		0.00	2,823,125.40	0.00	0.00
Employees Compensation Insurance Premiums	5	01	03	040	01	77,050.00		0.00	77,050.00	0.00	0.00
Provident/Welfare Fund Contributions	5	01	03	050	01	18,235,835.12		0.00	18,235,835.12	0.00	0.00
Retirement Gratuity	5	01	04	020	01	993,203.72		0.00	993,203.72	0.00	0.00
Terminal Leave Benefits	5	01	04	030	01	34,035,277.32		0.00	34,035,277.32	0.00	0.00
Other Personnel Benefits	5	01	04	990	01	-		0.00	0.00	0.00	0.00
Traveling Expenses-Local	5	02	01	010	01	6,594,990.45		0.00	6,594,990.45	0.00	0.00
Traveling Expenses-Foreign	5	02	01	020	01	-		0.00	0.00	0.00	0.00
Training Expenses-Trainings and Seminars	5	02	02	010	01	2,185,172.66		0.00	2,185,172.66	0.00	0.00
Training Expenses-Capacity Building	5	02	02	010	02	1,454,846.96		0.00	1,454,846.96	0.00	0.00
Office Supplies Expenses	5	02	03	010	01	7,283,267.67		0.00	7,283,267.67	0.00	0.00
Accountable Forms Expenses	5	02	03	020	01	345,000.80		0.00	345,000.80	0.00	0.00
Drugs and Medicines Expenses	5	02	03	070	01	399,193.15		0.00	399,193.15	0.00	0.00
Medical, Dental and Laboratory Supplies Expenses	5	02	03	080	01	88,480.50		0.00	88,480.50	0.00	0.00
Fuel, Oil and Lubricants Expenses	5	02	03	090	01	4,208,053.60		0.00	4,208,053.60	0.00	0.00
Semi-Expendable Machinery and Equipment Expenses	5	02	03	210	01	56,848.50		0.00	56,848.50	0.00	0.00
Semi-Expendable Furniture, Fixtures and Books Expenses	5	02	03	220	01	480.00		0.00	480.00	0.00	0.00
Other Supplies and Materials Expenses	5	02	03	990	01	1,457,080.15		0.00	1,457,080.15	0.00	0.00
Water Expenses	5	02	04	010	01	1,174,949.75		0.00	1,174,949.75	0.00	0.00
Electricity Expenses	5	02	04	020	01	10,693,944.99		0.00	10,693,944.99	0.00	0.00
Postage and Courier Services	5	02	05	010	01	2,897,549.12		0.00	2,897,549.12	0.00	0.00
Telephone Expenses-Mobile	5	02	05	020	01	711,177.64		0.00	711,177.64	0.00	0.00
Telephone Expenses-Landline	5	02	05	020	02	1,105,344.36		0.00	1,105,344.36	0.00	0.00
Internet Subscription Expenses	5	02	05	030	01	3,225,234.09		0.00	3,225,234.09	0.00	0.00
Cable, Satellite, Telegraph and Radio Expenses	5	02	05	040	01	71,267.49		0.00	71,267.49	0.00	0.00
Extraordinary and Miscellaneous Expenses	5	02	10	030	01	903,830.23		0.00	903,830.23	0.00	0.00
Discretionary Expenses	5	02	10	030	02	-		0.00	0.00	0.00	0.00
Legal Services	5	02	11	010	01	344,926.76		0.00	344,926.76	0.00	0.00
Auditing Services	5	02	11	020	01	7,300.00		0.00	7,300.00	0.00	0.00
Consultancy Services	5	02	11	030	01	8,046,939.20		0.00	8,046,939.20	0.00	0.00
Other Professional Services-Other Professional Expenses	5	02	11	990	99	905,458.83		0.00	905,458.83	0.00	0.00
Janitorial Services	5	02	12	020	01	4,325,554.02		0.00	4,325,554.02	0.00	0.00
Security Services	5	02	12	030	01	50,699,626.47		0.00	50,699,626.47	0.00	0.00
Clerical Services	5	02	12	040	01	135,737,730.53		0.00	135,737,730.53	0.00	0.00
Other General Services	5	02	12	990	01	14,544,199.11		0.00	14,544,199.11	0.00	0.00
Repairs and Maintenance-Buildings and Other Structures-Buildings	5	02	13	040	01	29,157.50		0.00	29,157.50	0.00	0.00
Repairs and Maintenance-Furniture and Fixtures	5	02	13	070	01	-		0.00	0.00	0.00	0.00
Repairs and Maintenance-Machinery and Equipment-Office Equipment	5	02	13	050	01	466,749.01		0.00	466,749.01	0.00	0.00
Repairs and Maintenance-Machinery and Equipment-Other Machinery and Equipment	5	02	13	050	99	-		0.00	0.00	0.00	0.00
Repairs and Maintenance-Machinery and Equipment-Information and Communication Technology Equip	5	02	13	050	02	100,053.57		0.00	100,053.57	0.00	0.00
Repairs and Maintenance-Machinery and Equipment-Communication Equipment	5	02	13	050	06	-		0.00	0.00	0.00	0.00
Repairs and Maintenance-Machinery and Equipment-Sports Equipment	5	02	13	050	12	-		0.00	0.00	0.00	0.00
Repairs and Maintenance-Transportation Equipment-Motor Vehicles	5	02	13	060	01	1,899,984.78		0.00	1,899,984.78	0.00	0.00
Repairs and Maintenance-Leased Assets Improvements-Buildings	5	02	13	090	02	-		0.00	0.00	0.00	0.00
Repairs and Maintenance-Leased Assets Improvements-Other Leased Assets Improvements	5	02	13	090	99	3,778.75		0.00	3,778.75	0.00	0.00



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						Debit	Credit	Debit	Credit	Debit	Credit
Repairs and Maintenance-Semi-Expendable Office Equipment	5	02	13	210	01	14,120.00		0.00	14,120.00	0.00	
Repairs and Maintenance-Semi-Expendable Information and Communication Technology Equipment	5	02	13	210	02	67,073.40		0.00	67,073.40	0.00	
Repairs and Maintenance-Semi-Expendable Other Machinery and Equipment	5	02	13	210	99	700.00		0.00	700.00	0.00	
Repairs and Maintenance-Semi-Expendable Furniture, Fixtures	5	02	13	220	01	-		0.00	0.00	0.00	
Assistance to NGOs/Pos-Technical Assistance	5	02	14	050	01	69,820.77		0.00	69,820.77	0.00	
Assistance to NGOs/Pos-CPM Service Fee	5	02	14	050	02	-		0.00	0.00	0.00	
Assistance to NGOs/CSOs-Capacity Building	5	02	14	050	03	-		0.00	0.00	0.00	
Assistance to NGOs/CSOs-Origination and Appraisal Cost	5	02	14	050	04	-		0.00	0.00	0.00	
Assistance to NGOs/CSOs-Simple Program	5	02	14	050	06	22,385,000.00		0.00	22,385,000.00	0.00	
Taxes, Duties and Licenses-Business Permits & Licenses	5	02	15	010	01	2,544,154.28		0.00	2,544,154.28	0.00	
Taxes, Duties and Licenses-Percentage Tax	5	02	15	010	02	8,172,759.48		0.00	8,172,759.48	0.00	
Taxes, Duties and Licenses-Final Tax paid on Income	5	02	15	010	03	14,694,453.26		0.00	14,694,453.26	0.00	
Taxes, Duties and Licenses-Real Estate Tax	5	02	15	010	04	3,033,607.56		0.00	3,033,607.56	0.00	
Fidelity Bond Premiums	5	02	15	020	01	177,064.37		0.00	177,064.37	0.00	
Insurance Expenses	5	02	15	030	01	797,307.72		0.00	797,307.72	0.00	
Income Tax Expenses-Current	5	02	15	040	01	10,941,099.00		0.00	10,941,099.00	0.00	
Income Tax Expenses-Deferred	5	02	15	040	02	(6,577,796.57)		0.00	-6,577,796.57	0.00	
Advertising, Promotional and Marketing Expenses	5	02	99	010	01	2,999,602.41		0.00	2,999,602.41	0.00	
Printing and Publication Expenses	5	02	99	020	01	189,321.90		0.00	189,321.90	0.00	
Representation Expenses	5	02	99	030	01	1,979,010.29		0.00	1,979,010.29	0.00	
Transportation and Delivery Expenses	5	02	99	040	01	65,789.00		0.00	65,789.00	0.00	
Rent/Lease Expenses	5	02	99	050	01	7,383,477.25		0.00	7,383,477.25	0.00	
Membership Dues and Contributions to Organizations	5	02	99	060	01	4,624.90		0.00	4,624.90	0.00	
Subscription Expenses	5	02	99	070	01	3,232,121.68		0.00	3,232,121.68	0.00	
Donations	5	02	99	080	01	85,450.00		0.00	85,450.00	0.00	
Litigation/Acquired Assets Expenses	5	02	99	090	01	142,295.26		0.00	142,295.26	0.00	
Directors and Committee Members' Fees	5	02	99	120	02	1,084,295.00		0.00	1,084,295.00	0.00	
Directors and Committee Members' Fees-Employee	5	02	99	120	01	240,000.00		0.00	240,000.00	0.00	
Financial Assistance/Subsidy/Contribution	5	02	14	990	01	1,102,712.52		0.00	1,102,712.52	0.00	
Major Events and Conventions Expenses-Team Building	5	02	99	180	01	-		0.00	0.00	0.00	
Major Events and Conventions Expenses-Cultural and Athletic Activities	5	02	99	180	02	1,980,844.37		0.00	1,980,844.37	0.00	
Major Events and Conventions Expenses-Christmas Celebration Expenses/Corporate Give aways	5	02	99	180	03	8,117,009.44		0.00	8,117,009.44	0.00	
Major Events and Conventions Expense-Corporate Planning Activities	5	02	99	180	04	2,491,599.35		0.00	2,491,599.35	0.00	
Major Events and Conventions Expenses-Other Corporate Activities	5	02	99	180	07	1,095,226.60		0.00	1,095,226.60	0.00	
Major Events and Conventions Expense-Anniversary Celebration Expense	5	02	99	180	05	1,414,204.74		0.00	1,414,204.74	0.00	
Other Maintenance and Operating Expenses-Miscellaneous Expenses	5	02	99	990	01	449,775.96		0.00	449,775.96	0.00	
Other Maintenance and Operating Expenses-Flowers and Decorations	5	02	99	990	07	-		0.00	0.00	0.00	
Other Maintenance and Operating Expenses-Association Dues	5	02	99	990	02	5,960,520.00		0.00	5,960,520.00	0.00	
Other Maintenance and Operating Expenses-Origination and Appraisal Cost	5	02	99	990	03	508,000.00		0.00	508,000.00	0.00	
Other Maintenance and Operating Expenses-Service Incentive CMP Mobilizers	5	02	99	990	05	469,100.00		0.00	469,100.00	0.00	
Other Maintenance and Operating Expenses-Collection Servicing Fee	5	02	99	990	06	6,029,316.32		0.00	6,029,316.32	0.00	
Other Maintenance and Operating Expenses-Others	5	02	99	990	08	880,616.92		0.00	880,616.92	0.00	
Interest Expenses-Deposits	5	03	01	020	01	-		0.00	0.00	0.00	
Interest Expenses-Others	5	03	01	020	99	812,036.06		0.00	812,036.06	0.00	
Bank Charges	5	03	01	040	01	143,928.00		0.00	143,928.00	0.00	
Other Financial Charges	5	03	01	990	01	1,309,334.43		0.00	1,309,334.43	0.00	

**SOCIAL HOUSING FINANCE CORPORATION**  
**POST CLOSING TRIAL BALANCE**  
December 31, 2023

ACCOUNT DESCRIPTION	ACCOUNT CODE					December Balances		Closing Entries		Post Closing Balances	
						Debit	Credit	Debit	Credit	Debit	Credit
Depreciation-Buildings and Other Structures-Buildings	5	05	01	040	01	6,210,627.96		0.00	6,210,627.96	0.00	
Depreciation-Buildings and Other Structures-Other Structures	5	05	01	040	99	571,239.84		0.00	571,239.84	0.00	
Depreciation-Machinery and Equipment-Office Equipment	5	05	01	050	01	392,905.16		0.00	392,905.16	0.00	
Depreciation-Machinery and Equipment-Information and Communication Technology Equipment	5	05	01	050	02	6,034,265.86		0.00	6,034,265.86	0.00	
Depreciation-Machinery and Equipment-Communication Equipment	5	05	01	050	06	-		0.00	0.00	0.00	
Depreciation-Machinery and Equipment-Other Machinery and Equipment	5	05	01	050	99	173,547.60		0.00	173,547.60	0.00	
Depreciation-Transportation Equipment-Motor Vehicles	5	05	01	060	01	3,454,716.45		0.00	3,454,716.45	0.00	
Depreciation-Furniture, Fixtures and Books-Furniture and Fixtures	5	05	01	070	01	124,004.36		0.00	124,004.36	0.00	
Depreciation-Furniture, Fixtures and Books-Books	5	05	01	070	02	-		0.00	0.00	0.00	
Depreciation-Leased Assets Improvements-Buildings	5	05	01	090	02	6,569,231.95		0.00	6,569,231.95	0.00	
Depreciation-Leased Assets Improvements-Other Leased Assets Improvements	5	05	01	090	99	-		0.00	0.00	0.00	
Depreciation-Right-of-Use Assets	5	05	01	150	01	8,888,660.01		0.00	8,888,660.01	0.00	
Amortization-Intangible Assets-Computer Software	5	05	02	010	02	623,099.37		0.00	623,099.37	0.00	
Amortization-Others-Origination and Appraisal Cost	5	05	02	990	01	1,765,129.24		0.00	1,765,129.24	0.00	
Impairment Loss-Loans and Receivables	5	05	03	020	01	5,599,443.91		0.00	5,599,443.91	0.00	
<b>TOTAL</b>						<b>34,276,270,143.33</b>	<b>34,276,270,143.33</b>	<b>3,023,837,410.76</b>	<b>3,023,837,410.76</b>	<b>33,520,831,917.48</b>	<b>33,520,831,917.48</b>

Prepared by:

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Certified Correct

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OIC-Vice President  
Finance and Comptrollership Group



**SOCIAL HOUSING FINANCE CORPORATION**  
**(A Wholly Owned Subsidiary of National Home Mortgage Finance Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Amounts in Philippine Peso)**

**1. GENERAL INFORMATION**

On January 20, 2004, Executive Order (EO) No. 272 was signed and approved by the President of the Republic of the Philippines authorizing the National Home Mortgage Finance Corporation (NHMFC) to organize and establish the Social Housing Finance Corporation (SHFC), as a wholly-owned subsidiary, in accordance with the Corporation Code and pertinent rules and regulations issued by the Securities and Exchange Commission (SEC). SHFC has been formally organized and established on June 21, 2005 with the issuance of the Certificate of Incorporation under SEC No. CS 200510702.

As a wholly-owned subsidiary of NHMFC, SHFC was created primarily to be the lead agency to undertake social housing programs that will cater to the formal and informal sectors in the low-income bracket and shall take charge of developing and administering social housing program schemes, particularly the Community Mortgage Program (CMP) and the Amortization Support and Developmental Financing Programs of the *Abot-Kaya Pabahay* Fund (AKPF) as well as other social housing programs of the NHMFC, to allow the NHMFC to focus on its primary mandate that is, developing the secondary market for home mortgages.

Presently, SHFC is the administrator of the transferred CMP funds and assets. The NHMFC remains in control of the affairs of SHFC and did not abandon its obligation to use its ownership under a trust relationship having retained its full control over the subject funds.

Aside from the CMP and AKPF, SHFC has been implementing the Localized CMP (LCMP) since July 2010. LCMP is a derivative of CMP that would assist and empower the local government units (LGUs) in achieving their housing programs for the informal sector in their respective areas.

In 2010, the President of the Philippines issued a directive in line with the Ten-Point covenant with the Urban Poor, to ensure a safe and a flood resilient permanent housing solution for informal settler families (ISFs) residing in danger areas in the National Capital Region (NCR). The directive falls squarely within the mandate of SHFC, thus, in furtherance to its mandate and primary purpose, the High Density Housing (HDH) Program was created and promulgated to extend financing assistance to organized communities for the construction of HDH projects and for acquisition of lots for near-site, in city and near city relocations.

On December 7, 2017, a Trust Agreement was entered into by and between the Department of Transportation (DOTr) and SHFC for the construction of Micro Medium Rise Building (MMRB)/CMP Vertical, regular CMP, and other community-driven housing programs and shelter solutions that will benefit primarily the ISFs living along the Tutuban-Los Baños segment and Calamba-Batangas branch line described as the



Philippine National Railways (PNR) South Commuter Project. An initial amount of P3 billion pesos (First Tranche) was transferred to SHFC on February 20, 2018 to finance the resettlement program for the said PNR Project. For the entirety of the North-South Railway Project Phase II, SHFC will receive the total amount of P14 billion pesos. In May 2018, a Memorandum of Understanding (MOU) was executed between the United Nations Human Settlements Programme (UN-Habitat) and SHFC, where the parties agreed to collaborate in the shelter and community recovery program in response to the Marawi Siege of 2017 under the "Project for Rebuilding Marawi through Community-Driven Shelter and Livelihood support" which is being supported by the People of Japan. The Rebuilding Marawi Shelter Livelihood Recovery Project supports people displaced by Marawi conflict in the rebuilding of resilient and peace-promotive shelter, livelihood and community infrastructure. 1,500 core shelters will be built for identified home partners organized under the said project.

On March 27, 2019 a Memorandum of Agreement (MOA) was executed between the Intramuros Administration (IA), the Housing and Urban Development Coordinating Council (HUDCC) and SHFC, where the parties agreed to finally operationalize the Strategy for the Inclusive Mainstreaming of Peoples Living Entitlements (SIMPLE Program). The MOA provides that IA shall transfer the initial amount of P410 million for the resettlement of the families that is enrolled to the SIMPLE Program. The amount transferred shall provide for the construction of MMRBs or CMP Vertical, regular CMP and other community-driven housing programs and shelter solutions that will primarily benefit Intramuros' ISFs.

On July 17, 2023, President Ferdinand R. Marcos Jr. issued EO No. 34, declaring the *Pambansang Pabahay Para sa Pilipino* Housing (4PH) Program as a flagship program of the government and directed all government agencies to come up with an inventory of suitable lands for the program. The Department of Human Settlements and Urban Development (DHSUD) envisions narrowing the housing deficit of the country through the 4PH Program by targeting to construct a million housing units annually for the next six year with SHFC as the main implementer of the program. The 4PH Program promotes holistic or full-package housing to ensure that people live in high-quality homes in safe communities.

SHFC's registered office, which is also its principal place of business, is located at No. 8737 Paseo de Roxas, Makati City.

The financial statements of SHFC as at December 31, 2023 were approved and authorized for issue by SHFC's Board of Directors (BOD) on March 7, 2024 under Board Resolution (BR) No. 1042.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **2.1 Basis of Preparation of Financial Statements**

- a. *Statement of compliance with Philippine Financial Reporting Standards (PFRSs) and Commission on Audit (COA) Circular No. 2017-004*



As a Commercial Public Sector Entity, SHFC is required to adopt PFRSs as its applicable financial reporting framework pursuant to COA Circular No. 2017-004. PFRSs are adopted by the Philippine Financial Reporting Standards Council from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

*b. Presentation of financial statements*

The financial statements are presented in accordance with Philippine Accounting Standards (PAS) 1, Presentation of Financial Statements. SHFC presents all items of income and expenses and other comprehensive income/(loss) in a single Statement of Comprehensive Income (SCI).

*c. Basis of measurement*

The financial statements are prepared on historical cost basis.

*d. Accrual basis of accounting*

In accordance with PAS 1, the financial statements, except for cash flow information, have been prepared using the accrual basis of accounting.

*e. Functional and presentation currency*

The financial statements are presented in Philippine Peso (P), which is SHFC's functional and presentation currency. All amounts are rounded to the nearest peso, unless otherwise indicated.

## **2.2 Adoption of New and Amended PFRSs and PAS**

*a. Effective beginning on or after January 1, 2023*

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS which the SHFC adopted effective for annual periods beginning on or after January 1, 2023. Unless otherwise stated, these accounting policies do not affect and/or do not have material impact on the financial statements of the SHFC.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*. The amendments affect only the presentation of liabilities in the Statement of Financial Position (SFP). It clarifies that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least 12 months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability.
- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*. The amendments replace the old definition of

accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The amendments clarify that a change in accounting estimates that results from new definition or new developments is not the correction of an error.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*. An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented, recognizes deferred tax for all temporary differences related to leases and decommissioning obligations and recognizes the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

b. *New and amended PFRSs issued but not yet effective subsequent to December 31, 2023*

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the SHFC does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements.

- Effective beginning on or after January 1, 2024
  - Amendments to PAS 1, *Non-current Liabilities with Covenants*. The amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
  - Amendments to PFRS 16, *Leases – Lease Liability in a Sale and Leaseback*. The amendments clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in PFRS 15, *Revenue from Contracts with Customers*, to be accounted for as a sale. The amendments are effective for annual periods beginning on or after January 1, 2024. Earlier application is permitted. Management is currently assessing the impact of this new standard in its financial statements.
- Deferred effectivity

Amendments to PFRS 10 – *Consolidated Financial Statements* and PAS 28 – *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associates or Joint Venture*. The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in the PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business however,



is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

### **2.3 Current and Non-current classification**

SHFC presents assets and liabilities in the SFP based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in a normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within the 12 months after the reporting period; or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in a normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

### **2.4 Financial assets**

A financial asset is any asset that is:

- a. Cash;
- b. An equity instrument of another agency;
- c. A contractual right to receive cash or another financial asset;
- d. A contractual right to exchange financial assets or liabilities with another entity on potentially favorable terms; or
- e. A contract that will or may be settled in the Corporation's own equity instruments and is a non-derivative for which the Corporation is or may be obliged to receive a variable number of the Corporation's own equity instrument; a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Corporation's own equity instruments. For this purpose, the SHFC's own equity instruments do not include puttable financial instruments classified as equity instruments.

#### *Recognition and measurement*

Financial assets are recognized in the SFP when, and only when, SHFC becomes a party to the contractual provisions of the instrument. At initial recognition, the SHFC measures its financial assets at fair value plus, in the case of financial assets not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the

financial assets. After initial recognition, financial assets are measured at fair value or amortized cost in accordance with PFRS rules on financial instruments.

#### *Classification*

Financial assets are classified in their entirety based on the contractual cash flow characteristics of the financial assets and the business model for managing the financial assets. The business model of SHFC is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The business model does not depend on Management's intentions for an individual instrument.

A more detailed description of the categories of financial assets relevant to the authority are as follows:

Cash and cash equivalents are carried in the SFP at cost. Cash includes cash on hand and in bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to cash and or at a very near maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash is measured at face value.

Accounts receivables are open accounts arising from the sale of service in the ordinary course of business and not supported by promissory notes.

Non-trade receivables, i.e. loans receivable, represent claims arising from sources other than the sale of service in the ordinary course of business.

Loans and receivables are none derivative financial assets with fixed or determinable payments and maturities that are not quoted in an active market. They are not entered into with the intention of immediate or short-term resale and are not designated as or financial assets at fair value through other comprehensive income (FVOCI) or financial assets at FVPL.

Subsequent to initial measurement, loans and receivables are carried at amortized cost using the effective interest rate method, less impairment in value, if any. Any interest earned on loans and receivables shall be recognized as part of "Interest income" in the SCI. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are integral part of the effective interest rate. The periodic amortization is also included as part of interest income. Gains or losses are recognized in profit or loss when loans and receivables are derecognized or impaired, as well as through the amortization process.

Allowance for impairment is maintained at a level considered adequate for potentially uncollectible receivables. The level of allowance is based on historical collection, current economic trends, and changes in the customer payment terms, age status of receivables and other factors that may affect collectability. The allowance is established by charges to income in the form of provision for doubtful accounts (now referred to as impairment).

SHFC derecognizes a financial asset only when: a) the contractual rights to the cash flows from the financial asset expire or are settled, or b) the SHFC transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the SHFC, despite having retained



some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the SHFC derecognizes the asset and recognizes its rights and obligations retained or created in the transfer.

The SHFC discloses, in the summary of significant accounting policies, the measurement basis (or bases) and other accounting policies used for financial instruments that are relevant to an understanding of the financial statements. Carrying amounts, income, expense and gains or losses are disclosed at the reporting date for each of the following categories of financial assets and financial liabilities:

- a) Financial assets measured at FVPL
- b) Financial assets measured at FVOCI
- c) Financial assets measured at amortized cost
- d) Financial liabilities measured at FVPL
- e) Financial liabilities measured at amortized cost

Information on the terms and conditions of the financial instruments such as interest rate, maturity, repayment schedule and restrictions are disclosed to enables users of the financial statements to evaluate its significance in the financial position and performance of SHFC.

When SHFC has pledged or assigned financial assets as collateral for liabilities or contingent liabilities, it discloses the carrying amount of the financial assets pledged as collateral and the terms and conditions relating to its pledge.

## **2.5 Inventories**

### *a. Inventory held for consumption*

Supplies and materials purchased for inventory purposes are recorded using the Perpetual Inventory System. In compliance with PAS 2, SHFC's inventory held for consumption is valued at lower of cost or net realizable value. Inventories are reclassified to expense upon issuance thereof and recorded based on the Report of Supplies and Materials Issued.

### *b. Semi-expendable property*

These are tangible items below the capitalization threshold of P50,000 as prescribed under COA Circular No. 2022-04 implementing Section 23 of the General Provisions of Republic Act (RA) No. 11639 also known as the General Appropriations Act for fiscal year 2022 relative to the increase in the capital threshold from P15,000 to P50,000. Semi-expendable properties are recognized as expense upon issuance to the end-user.

## **2.6 Prepayments and other current assets**

Prepayments and other current assets pertain to other resources controlled by SHFC as a result of past events. They are recognized in the

financial statements when it is probable that the future economic benefits will flow to SHFC and the asset has a cost or value that can be measured reliably.

Other recognized assets of similar nature, where future economic benefits are expected to flow to SHFC beyond one year after the end of the reporting period or in the normal operating cycle of the business, if longer, are classified as non-current assets.

## **2.7 Property and equipment**

An item of Property and equipment (PE) is initially recognized at cost. The cost of an asset comprises its purchase price and costs directly attributable to bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized while expenditures for repairs and maintenance are charged to expense as incurred.

In compliance with COA Circular No. 2022-004, the SHFC increased the capitalization threshold of recognizing an item as PE from P15,000 to P50,000. This threshold, which represents the minimum cost, is applied on an individual asset or per item basis. Each item within the bulk acquisition with aggregate or total value of PE, such as computer peripherals and small items of equipment, should meet the capitalization threshold to be recognized as PE.

After initial recognition, PE are carried at acquisition cost or construction cost less subsequent depreciation and amortization and impairment in value, if any.

Expenditures incurred after the PE have been put into operation, such as repairs and maintenance, are normally charged to operations in the year the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of the PE beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of the PE.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets as follows:

<b>Asset class</b>	<b>Useful life (in years)</b>
Building and improvements	30 to 50
Machinery and equipment	5 to 15
Office furniture and equipment	5 to 15
Transportation equipment	5 to 15
Furniture, fixtures and books	2 to 15
Leased assets improvements	Over the useful life of the improvement or the lease term whichever is shorter

An item of PE, including the related accumulated depreciation and impairment losses, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying



amount of the item) is included in profit or loss in the year the item is derecognized.

An item of PE is said to be fully depreciated when the carrying amount is equal to zero or its residual value. The cost of fully depreciated asset remaining in service and related accumulated depreciation are not removed from the books of accounts until these items are disposed of or derecognized through donations. An asset is said to be unserviceable if it is no longer capable of providing the entity with future economic benefits or service potential. The cost of these items including the related accumulated depreciation also remain in the books and any remaining book value is derecognized upon disposal.

## **2.8 Investment property**

An investment property is a property held to earn rental income and/or for capital appreciation potential, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is initially carried at acquisition cost plus costs incurred for site development and home building. Subsequent to initial recognition, investment property is consistently measured using the cost model which is cost less accumulated depreciation and impairment, if any, in accordance with PAS 16's requirements. However, SHFC's investment property only represents land which is valued at cost with no accumulated depreciation.

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal.

## **2.9 Impairment of PE and Investment property**

At each reporting date, SHFC assesses if there is any indication that the PE and investment properties may be impaired.

Where an indicator of impairment exists, SHFC makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

## **2.10 Intangible assets**

Intangible assets are accounted for under the cost model. The cost of the asset is the amount of cash or cash equivalents paid or the fair value of the other considerations given up to acquire an asset at the time of its acquisition or production. Capitalized costs are amortized on a straight-line basis over the estimated useful lives ranging from three to five years as the lives of these intangible assets are considered finite.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and install the specific software. Costs

associated with maintaining computer software are recognized as expense in profit or loss as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognized in profit or loss.

## **2.11 Financial liabilities**

Financial liabilities are contractual obligations to deliver cash or another financial asset or to exchange financial instruments with another agency on potentially unfavorable terms. Financial liabilities are recognized when the SHFC becomes a party to the contractual terms of the instrument. All interest-related charges are recognized as an expense.

Trade and other payables, due to related parties and other non-current liabilities are recognized initially at their fair values and subsequently measured at amortized cost, using effective interest method for maturities beyond one year, less settlement payments.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the end of the reporting period (or in the normal operating cycle of the business, if longer), or SHFC does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. Otherwise, these are presented as non-current liabilities.

Financial liabilities are derecognized from the SFP only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

## **2.12 Provisions and contingencies**

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation as a result of a past event.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. When time value of money is material, long-term provisions are discounted to their present values using a pre-tax rate that reflects market assessments and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.



In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to SHFC that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements. On the other hand, any reimbursement that SHFC can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

## **2.13 Revenue and expense recognition**

Revenue comprises revenue from rendering of services measured by reference to the fair value of consideration received or receivable by SHFC for services rendered.

Revenue is recognized to the extent that the revenue can be measured reliably; it is probable that future economic benefits will flow to SHFC; and the costs incurred or to be incurred can be measured reliably. In effect, the recognition of an income occurs simultaneously with the recognition of a decrease in liabilities or an increase in assets. In addition, the specific recognition criteria must also be met before revenue is recognized:

- (i) Interest income on loan receivables is recognized using the effective interest method that is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- (ii) Interest income on regular and time deposits is accrued on a time proportion basis, by reference to the principal amount outstanding and at the interest rates applicable.

Cost and expenses are recognized in SCI when 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. This means, in effect, that recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets.

When economic benefits are expected to arise over several accounting periods and the association with income can only be indirectly determined, expenses are recognized in the income statement on the basis of rational allocation procedures. This is often necessary in recognizing the expenses associated with the using up of assets. These allocation procedures are intended to recognize expenses in the accounting periods in which the accounting benefits associated with these items are consumed.

An expense is recognized immediately in the SCI when expenditure produces no future economic benefits or when future economic benefits do not qualify or cease to qualify for recognition in the SFP as an asset.

Cost and expenses are also recognized upon utilization of services or at the date they are incurred. All costs are reported in the SCI on an accrual basis.

## **2.14 Employee benefits**

The employees of SHFC are members of the Social Security System (SSS) which provides life and retirement insurance coverage.

The SHFC recognizes the undiscounted amount of short-term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

Expenses are recognized for accumulating earned leaves. Non-accumulating compensated absences, like special leave privileges, are not recognized.

## **2.15 Leases**

COA Resolution No. 2020-033 dated December 2, 2020 was issued prescribing the mandatory adoption of PFRS 16 – Leases, effective for periods beginning January 1, 2020. On October 1, 2021, COA Circular No. 2021-009 was issued containing the provisions on its implementation by all CPSEs.

SHFC adopted PFRS 16 effective January 1, 2022, using the Modified Retrospective Approach. This allows SHFC not to restate its prior year's financial statements but recognizes the cumulative effect of initial application as an adjustment to the opening balance of Retained Earnings (RE).

### *SHFC as a Lessee*

The application of PFRS 16 requires SHFC to identify whether a contract is a lease or not. For this purpose, a contract is a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. Control is conveyed when the entity has both the right to direct the use of the asset and to obtain substantially all the economic benefits from that use. An asset is typically identified by being explicitly specified in the contract. A capacity portion of an asset can be considered identified asset if it is physically distinct.

Minimum lease payments for each lease are amortized through effective interest method using SHFC's incremental borrowing rate. The present value of minimum lease payments at the inception of the lease is recorded as a right-of-use (ROU) asset and lease liability.

The ROU asset is amortized over the lease term and presented in the SFP at cost less any accumulated depreciation. Guaranteed residual values are not considered in the amortization of ROU assets over the lease term.

## **2.16 Related parties**

Related-party transactions are transfers of resources, services or obligations between SHFC and its related parties, regardless whether a price is charged.

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



owning, directly or indirectly, an interest in the voting power of SHFC that gives them significant influence over SHFC and close members of the family of any such individual.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

## **2.17 Income taxes**

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity, if any.

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of the reporting period. They are calculated using the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in profit or loss.

Deferred tax is recognized for the future tax consequences and is provided or accounted for using the liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized or utilized.

Deferred tax assets and deferred tax liabilities are offset if SHFC has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same entity and the same taxation authority.

SHFC's deferred tax asset is computed based on the temporary difference on the provisioning at the end of the reporting period.

## **2.18 Events after the reporting date**

Any post-year-end event that provides additional information about SHFC's financial position at the end of the reporting period (adjusting event) is reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material to the financial statements.

## **3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of SHFC's financial statements in accordance with PFRS requires Management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually

evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

### **3.1 Distinction between operating and finance leases**

SHFC has entered into various lease agreements. Critical judgment was exercised by Management to distinguish each lease agreement as either an operating or a finance lease by looking at the transfer or retention of significant risks and rewards of ownership of the properties covered by the agreements.

### **3.2 Recognition of provisions and contingencies**

Judgment is exercised by Management to distinguish between provisions and contingencies.

### **3.3 Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

#### *a. Impairment of Trade and other receivables*

The SHFC records an allowance for "expected credit loss" (ECL) based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that it expects to receive. The difference is then discounted at an approximation to the asset's original effective interest rate.

For debt instruments measured at amortized cost and FVOCI, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date.

When there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, SHFC compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For debt instruments that are considered impaired, lifetime ECL is computed based on the difference between the carrying amount of the instrument and the present value of the expected cash flows discounted using the original effective rate.

SHFC uses the general approach in estimating the ECL on its loans receivables. Under the general approach, ECL is calculated using the following formula:



ECL = Exposure at default (EAD) x Probability of default x Loss given default (LGD).

The general approach is a three-stage approach where the impact of changes in credit risk over the period affects the ECL calculation. Accordingly, SHFC determines the appropriate stage of the loans by analyzing the credit risk of an asset to determine whether 12-month ECL or lifetime ECL shall be provided.

#### Stage 1 – 12-month ECL

SHFC considers reasonable and supportable information, including forward-looking information that affect credit risk in estimating the ECL. SHFC considers both qualitative and quantitative information that may affect the assessment. It is assumed that loans receivables that are current and those that are past due for not more than 30 days will fall under this category. SHFC recognizes 12-months ECL for loans falling under this category.

#### Stage 2 – Lifetime ECL

When credit risks have significantly increased, loans receivables are transferred from Stage 1 to Stage 2. SHFC evaluates the change in the risk of default occurring over the expected life of the exposures in assessing whether these shall be moved to Stage 2. Although collateral will be used to measure the loss given default, this should not be primarily used in measuring risk of a default or in transferring to different stages. SHFC assumes that loans receivables that are 31-90 days past due fall under this category. Lifetime ECL for loans falling under this category are provided.

#### Stage 3 – Impaired

Loans receivables are classified under Stage 3 category when there is objective evidence that the loans receivables have been impaired. In this category, lifetime ECL is calculated as the difference between the carrying amount of the receivables and their recoverable amounts. SHFC assumes that loans receivables that are more than 90 days past due shall fall under this category.

The major factors involved in the calculation of ECL are:

- EAD – For any asset for which ECL is calculated, EAD represents the projected credit risk exposure at any given point of time. For example, when assessing ECL for loans receivable as of the reporting date, EAD for SHFC's loans receivable will be its carrying amount (amortized cost) as of the reporting date.
- Probability of default – This represents the projected possibility of default with respect to any asset. For this purpose, the SHFC uses the following matrix as a basis for determining the probability of default:

<i>Number of days past due</i>	<i>Probability of default (%)</i>	<i>Stage</i>
0-30 days	2	1

<b>Number of days past due</b>	<b>Probability of default (%)</b>	<b>Stage</b>
31-90 days	10	2
91-120 days	25	3
121-180 days	50	3
Over 180 days	100	3

- LGD – This represents a projected economic loss in case of default happens with respect to any asset. LGD is calculated as (1- recovery rate).

The existence of substitution plays an important role in the computation of this factor for any asset. Historical data shows that the average year of substitution is 10 years. For this purpose, collateral held by SHFC are classified into the following categories:

<b>Type of collateral</b>	<b>LGD (%)</b>
Lot only	27
House and lot	27
Condominium unit	27

*b. Estimation of useful lives of PE and Intangible assets*

SHFC estimates the useful lives of PE and intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment and intangible assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of PE and intangible assets are analyzed in Notes 10 and 11, respectively. Based on Management's assessment as at December 31, 2023 and 2022, there is no change in the estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

*c. Determination of realizable amount of Deferred tax assets*

SHFC reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at December 31, 2023 and 2022 will be fully utilized in the coming years. The carrying value of deferred tax assets as of those dates is disclosed in Note 28.2.



#### 4. CASH AND CASH EQUIVALENTS

This account consists of the following:

	2023	2022 As restated
Cash on hand	4,336,424	3,207,843
Cash in bank	3,464,034,271	5,702,178,746
Cash equivalents*	300,000,000	199,985,866
	<b>3,768,370,696</b>	<b>5,905,372,455</b>

\*Exclusive of interest receivable amounting to P4 million and P3 million in CYs 2023 and 2022, respectively.

Cash in bank consists of funds deposited with government banks for payroll, corporate operating funds, take-out funds, HDH Program, PNR South Commuter Project (DOTR Project), National Disaster Risk Reduction and Management (NDRRM) Funds for Marawi Shelter Projects (MSP) and Intramuros resettlement project. Cash in bank earns interest at prevailing interest rates of 4.500 to 6.210 per cent per annum for the time deposit and 0.10 per cent for the current account.

Cash equivalents consist highly liquid investment in time deposits and treasury bills with maturities of not more than three months from date of placements.

Interest income earned from cash and cash equivalents amounted to P73.583 million and P16.145 million in CYs 2023 and 2022, respectively (See Note 26).

#### 5. FINANCIAL ASSETS

This account consists of the following:

	2023	2022
Investment in treasury bills	50,000,000	50,000,000
Investment in time deposits	-	60,000,000
	<b>50,000,000</b>	<b>110,000,000</b>

Investments in treasury bills and time deposits consist of short-term, highly liquid investments with average prevailing interest rates of 1.85 per cent per annum and maturities of more than three months from the date of placements.

#### 6. RECEIVABLES

This account consists of the following:

	2023	2022 As restated
<b>Current:</b>		
Mortgage contract receivable	1,157,063,621	1,093,584,924
Due from parent corporation	44,101,587	59,447,575
Due from other funds – AKPF	35,679,866	8,177,258
Due from other funds – DOTR	28,711,647	15,042,062
Due from government corporations	14,489,276	14,837,990

	2023	2022 As restated
Interest receivable	3,675,139	3,236,514
Due from national government agencies	2,292,987	2,769,954
Loans receivable	1,984,168	1,984,168
Due from officers and employees	483,147	553,349
Receivables – disallowances/charges	149,083	149,083
Other receivables – suppliers	1,749,836	1,749,836
	<b>1,290,380,357</b>	<b>1,201,532,713</b>
<b>Non-current:</b>		
Mortgage contract receivable	13,191,196,827	13,788,960,328
Assets held in trust – insurance receivables	455,902,546	484,403,193
Loans receivable	24,047,165	28,375,465
Assets held in trust – interest receivables	433,095	433,095
	<b>13,671,579,633</b>	<b>14,302,172,081</b>
Less:		
Allowance for impairment	3,163,690,307	3,158,090,863
Accounts for clearing – CMP	258,844,641	322,661,202
Accounts for clearing – HDH	10,452,940	28,223,410
	<b>10,238,591,745</b>	<b>10,793,196,606</b>

#### 6.1 Mortgage contract receivable

	2023	2022 As restated
Current	1,157,063,621	1,093,584,925
Non-current		
Past due – CMP	7,921,907,898	8,450,947,660
Past due – HDH	4,606,440,280	4,605,027,961
Restructured interest-bearing principal	479,987,694	530,755,483
Restructured noninterest-bearing principal	131,935,598	151,303,866
Items in litigation	50,925,357	50,925,357
	<b>13,191,196,827</b>	<b>13,788,960,327</b>
Less:		
Allowance for impairment	3,163,690,307	3,158,090,863
Accounts for clearing – CMP	258,844,641	322,661,202
Accounts for clearing – HDH	10,452,940	28,223,410
Non-current, net	<b>9,758,208,940</b>	<b>10,279,984,852</b>
	<b>10,915,272,561</b>	<b>11,373,569,777</b>

- a. Current – This includes CMP taken-out projects from the time of transfer up to the end of each year.
- b. Past due – HDH – This represents loans granted to the beneficiaries of HDH Program payable in 30 years. This account also represents draw down releases to various projects intended for HDH Program beneficiaries.
- c. Past due – CMP – This represents the past due portion of the loan at the time of transfer up to December 31, 2023. This also includes CMP projects taken-out from 1989 to 1993 which were retained by NHMFC



but eventually transferred to SHFC with a monetary value of P621 million representing outstanding principal loan balances as at the time of transfer on December 31, 2009. The transferred loans were based on the community association's ledgers subject to adjustments upon the determination of the actual outstanding principal balance that should be based on the member beneficiaries' (MBs) loan ledgers.

- d. Restructured interest-bearing principal – This refers to the accounts of delinquent borrowers who availed of the restructuring program offered by SHFC in accordance with RA No. 9507, otherwise known as the Socialized and Low-Cost Housing Loan Restructuring Act of 2008.
- e. Restructured noninterest-bearing principal – This refers to loans with unpaid interests availed by delinquent borrowers who also availed the Restructuring Program offered by SHFC (See Note 18.1).
- f. Items in litigation – This represents the outstanding receivables from delinquent community associations for foreclosure and with petitions already filed in court. The outstanding receivables are the original amount transferred from NHMFC.

## 6.2 Allowance for impairment

The roll forward analysis of allowance for impairment losses is as follows:

	December 31, 2022 As restated	Provision/ (Reversal)	December 31, 2023
Past due accounts			
0-30 days	15,094,366	712,563	<b>15,806,929</b>
31-90 days	28,490,310	(5,470,112)	<b>23,020,198</b>
91-120 days	20,329,119	(17,105)	<b>20,312,014</b>
121-180 days	55,892,984	3,175,025	<b>59,068,009</b>
Over 180 days	3,038,284,084	7,199,073	<b>3,045,483,157</b>
	<b>3,158,090,863</b>	<b>5,599,444</b>	<b>3,163,690,307</b>

## 6.3 Accounts for clearing

This refers to undistributed or unposted collections of amortization payments to individual borrower's account as at reporting date due to timing differences and other related concerns. It consists of accounts for clearing under the following categories:

	2023	2022
CMP		
Unposted amortization payments from remedial accounts	<b>128,053,701</b>	125,771,224
No abstract of collection/Not in the masterlist	<b>59,142,557</b>	66,380,348
Uncategorized amortization payments	<b>47,552,143</b>	75,742,181
Not in the database	<b>3,763,978</b>	22,620,862
Collections from MBs who availed of the one year updating scheme	<b>778,738</b>	2,302,395
From NHMFC	<b>504,106</b>	14,878,646
Unposted amortization payments from restructured accounts		58,109
Others	<b>19,049,418</b>	14,907,437
	<b>258,844,641</b>	322,661,202
HDH	<b>10,452,940</b>	28,223,410
	<b>269,297,581</b>	350,884,612

- a. Remedial accounts – These refer to unposted amortization payments from remedial accounts and will be distributed to MBs ledger accounts upon approval of the restructuring program.
- b. No abstract of collections/Not in the masterlist – These are collections of amortizations without accompanying abstract of collections as basis for posting and/or collections from non-MBs.
- c. Uncategorized – These are variances in undistributed collections as a result of initial reconciliation between the recorded and posted collections.
- d. Not in the database – These refer to collections where CA and/or MBs' loan data are not yet encoded in the database. Payments through bank that are not included in the batch posting are included in this category.
- e. One year updating – This refers to unposted collections from MBs who availed of the one year updating scheme.
- f. From NHMFC – This refers to collections of NHMFC for the account of SHFC that remain unposted due to absence of collection documents.
- g. Restructured accounts – These pertain to collections from accounts with pending approval of applications for restructuring program provided under RA No. 9507.
- h. HDH – This includes collections of amortization payments from HDH projects not accompanied with abstract of collection. This also includes collections from projects wherein the masterlist of beneficiaries and loan apportionment data is not yet uploaded into the database.
- i. Others – These are undistributed collections that do not fall under any of the previous categories.

#### **6.4 Due from parent corporation**

This account includes CMP amortization payments and other collections received from the borrowers who still pay at NHMFC for account of SHFC. The accounts is also comprised of management, and collection servicing fees computed pursuant to the provision under Section VI of the Trust Agreement entered into by and between NHMFC and SHFC.

#### **6.5 Due from other funds – AKPF**

This account refers to accumulated Personnel services (PS) and other administrative expenses of the AKPF paid in advance by SHFC during the year.

#### **6.6 Interest receivable**

This refers to the interest accrued on various money placements as at December 31, 2023 with varying maturity dates.



#### **6.7 Due from government corporations**

This account represents the total advances made by SHFC for the account of the HUDCC, now DHSUD, for office building special assessments and other administrative expenses. This also includes receivables from SSS for advance payments made by SHFC on account of sickness and maternity benefit claims of employees.

#### **6.8 Due from national government agencies**

This account includes receivables from the Department of Budget and Management-Procurement Service for purchases of supplies which are not yet delivered. This also includes receivables for expenses incurred in DOTr projects charged against the corporate funds of SHFC.

#### **6.9 Receivables – disallowances/charges**

This account consists of receivables from officers and employees for COA disallowances with finality of decision on various benefits previously granted by SHFC.

#### **6.10 Assets held in trust – Insurance receivables**

This consists of the general ledger accounts transferred from NHMFC as at September 30, 2005. The balance of this account increases whenever there is renewal of the mortgage redemption insurance (MRI) coverage advanced by SHFC for qualified CAs. The balance reduces upon collection of insurance repayments from MBs which can be determined only upon proper posting of amortization payments to their respective accounts.

#### **6.11 Loans receivable**

This includes the unamortized portion of the origination and appraisal cost amounting to P15.943 million and 17.609 million as at December 31, 2023 and 2022, respectively. This also includes the car and calamity loans availed by SHFC officers and employees in the amounts of P9.746 million and P0.342 million as at December 31, 2023, and P12.106 million and P0.633 million as at December 31, 2022, respectively, which are payable in 10 years.

	2023	2022 As restated
Current		
Car loan	1,984,168	1,984,168
	1,984,168	1,984,168
Non-current		
Car loan	7,761,646	10,133,520
Calamity loan	342,088	633,385
Unamortized origination cost	15,943,431	17,608,560
	24,047,165	28,375,465

## 7. INVENTORIES

This account consists of the following:

	2023	2022 As restated
Inventory held for consumption	2,716,219	677,009
Semi-expendable furniture and fixtures	3,639,913	3,559,146
Semi-expendable office equipment	2,241,166	1,769,717
Semi-expendable IT equipment	2,023,004	1,634,548
Semi-expendable other machinery and equipment	1,921,057	1,797,775
 Semi-expendable communication equipment	 168,741	 168,741
Semi-expendable books	6,581	6,582
	<b>12,716,681</b>	<b>9,613,518</b>

## 8. OTHER CURRENT ASSETS

The account consists of the following:

	2023	2022 As restated
Advances to CAs	9,233,415,413	6,304,107,752
Advances to contractors	862,088,535	464,485,773
Restricted fund	192,926,497	166,416,691
Guaranty deposits	4,650,877	4,371,744
Prepayments	2,019,469	1,758,147
Advances to special disbursing officer	243,435	838,381
Other deposits	4,729,534	6,124,835
	<b>10,300,073,760</b>	<b>6,948,103,323</b>

### 8.1 Advances to CAs

These refer to the payments of progress billings on building construction and/or sited development, heirs bond, estate and transfer taxes to the Bureau of Internal Revenue (BIR), and registration fees with the Registry of Deeds.

### 8.2 Advances to contractors

This refers to amount paid in advance as mobilization fee to contractors for CMP and HDH projects and office improvements which are subsequently deducted from the progress billings based on the percentage of completion of the project.

### 8.3 Restricted fund

This represents contingency trust fund opened with Land Bank of the Philippines as trustee, to answer for the MRI claims arising from death or permanent incapacity of the member-borrower.

### 8.4 Guaranty deposits



These represent guaranty fees for SHFC's rental of regional offices and warehouse.

#### 8.5 Prepayments

These include payments in advance consisting of rent, subscriptions, and insurance to be amortized over one year.

#### 8.6 Advances to special disbursing officer

This account is used to recognize the amount granted to SHFC's accountable officers and employees for special purpose/time-bound undertakings to be liquidated within a specified period.

#### 8.7 Other deposits

This account includes amount paid in advance to suppliers for purchase whose mode of payment is under cash-on-delivery awaiting required supporting documents for proper booking.

### 9. INVESTMENT PROPERTY

This account consists of 38 lands acquired in CYs 2014 to 2022 for building construction and site development for the ISFs under usufruct arrangement with HDH Program beneficiaries. These are carried at acquisition cost plus costs incurred for site development and home building. Disclosure for the fair value of the investment property is not possible due to lack of appraiser to date. However, SHFC is intending to engage the services of external appraisers for fair value measurements in the following year. The carrying amount of investment property amounted to P2.456 billion as at December 31, 2023 and 2022.

SHFC Corporate Circular No. 13-026 on HDH guidelines provides for the implementation framework of SHFC's participation in the priority P50 billion ISFs Housing Program for the relocation of ISFs residing in danger areas and waterways in Metro Manila. To further strengthen said corporate objective, Corporate Circular HDH No.14-005 was issued pertaining to the acquisition of property by SHFC and usufruct under the HDH Program. Through these circulars, as affirmed in Board Resolution No. 391, series of 2014, and under its Articles of Incorporation and by-laws, SHFC is authorized to pursue the acquisition of property in its own name and for the eventual disposition to the CAs, or entering into a usufruct arrangement, for the implementation of the HDH Program.

### 10. PROPERTY AND EQUIPMENT

This account consists of the following:

	Buildings and other structures	Leased assets improvements	Furniture, fixtures and books	Machinery and equipment	Construction in progress	Transportation equipment	Total
<b>Cost</b>							
January 1, 2023	727,695	69,932,648	2,080,275	46,364,979	12,133,884	47,183,148	178,422,629
Additions	0	1,044,601	0	0	0	0	1,044,601
Adjustments	201,330,000	0	139,584	943,886	0	(854,500)	201,558,970
<b>December 31, 2023</b>	<b>202,057,695</b>	<b>70,977,249</b>	<b>2,219,859</b>	<b>47,308,865</b>	<b>12,133,884</b>	<b>46,328,648</b>	<b>381,026,200</b>
<b>Accumulated depreciation</b>							

	Buildings and other structures	Leased assets improvements	Furniture, fixtures and books	Machinery and equipment	Construction in progress	Transportation equipment	Total
January 1, 2023	0	20,106,945	1,330,822	31,876,276	0	28,008,354	81,322,397
Depreciation		6,022,633	115,005	6,344,368	0	3,540,167	16,022,173
Adjustments	113,932,422	546,600	23,249	304,017	0	(854,500)	113,951,788
<b>December 31, 2023</b>	<b>113,932,422</b>	<b>26,676,177</b>	<b>1,469,076</b>	<b>38,524,661</b>		<b>30,694,021</b>	<b>211,296,358</b>
<b>Net Book Value</b>							
<b>December 31, 2023</b>	<b>88,125,273</b>	<b>44,301,071</b>	<b>750,783</b>	<b>8,784,204</b>	<b>12,133,883</b>	<b>15,634,627</b>	<b>169,729,842</b>

	Buildings and other structures	Leased assets improvements	Furniture, fixtures and books	Machinery and equipment	Construction in progress	Transportation equipment	Total
<b>Cost</b>							
January 1, 2022	201,330,000	34,724,580	3,965,491	93,840,701	28,130,027	40,472,588	402,463,387
Additions	727,695	36,164,659	97,777	2,420,588	0	6,710,560	46,121,279
Adjustments	(201,330,000)	(956,591)	(1,982,993)	(49,896,310)	(15,996,143)	0	(270,162,037)
<b>December 31, 2022</b>	<b>727,695</b>	<b>69,932,648</b>	<b>2,080,275</b>	<b>46,364,979</b>	<b>12,133,884</b>	<b>47,183,148</b>	<b>178,422,629</b>
<b>Accumulated depreciation</b>							
January 1, 2022	100,368,687	18,612,643	2,224,444	54,770,595	0	24,622,552	200,598,921
Depreciation	6,781,868	1,811,702	178,889	7,842,627	0	3,385,803	20,000,889
Adjustments	(107,150,555)	(317,400)	(1,072,511)	(30,736,946)	0	0	(139,277,412)
<b>December 31, 2022</b>	<b>0</b>	<b>20,106,945</b>	<b>1,330,822</b>	<b>31,876,276</b>	<b>0</b>	<b>28,008,355</b>	<b>81,322,398</b>
<b>Net Book Value</b>							
<b>December 31, 2022 (As restated)</b>	<b>717,695</b>	<b>49,825,703</b>	<b>749,453</b>	<b>14,488,703</b>	<b>12,133,884</b>	<b>19,174,793</b>	<b>97,100,231</b>

PE with a cost of 47.309 million and 35.196 million as at December 31, 2023 and 2022, respectively, are fully depreciated but are still serviceable.

## 11. INTANGIBLE ASSETS

This account includes capitalized cost of operating systems, anti-virus programs and other computer programs for use in SHFC operations. The roll forward analysis is as follows:

	2023	2022
<b>Cost</b>		
Balances at beginning of year	<b>21,418,978</b>	21,119,977
Additions	<b>0</b>	299,000
<b>Balances at end of year</b>	<b>21,418,978</b>	<b>21,418,977</b>
<b>Accumulated amortization</b>		
Balances at beginning of year	<b>11,106,729</b>	9,710,459
Amortization	<b>623,100</b>	1,396,270
<b>Balances at end of year</b>	<b>11,729,829</b>	<b>11,106,729</b>
<b>Net book value at end of year</b>	<b>9,689,149</b>	<b>10,312,248</b>

## 12. RIGHT-OF-USE ASSETS

This account consists of the following:

	2023	2022 As restated
<b>Cost</b>		
Balances at beginning of year	<b>229,362,357</b>	229,362,357
Reclassification	<b>(201,330,000)</b>	0
<b>Balances at end of year</b>	<b>28,032,357</b>	<b>229,362,357</b>



	2023	2022 As restated
<b>Accumulated depreciation</b>		
Balances at beginning of year	124,248,989	108,158,319
Depreciation	15,670,527	16,090,670
Reclassification	(113,932,422)	0
Balances at end of year	25,987,094	124,248,989
<b>Net book value at end of year</b>	<b>2,045,263</b>	<b>105,113,368</b>

### 13. OTHER NON-CURRENT ASSETS

This account consists of the following:

	2023	2022 As restated
Trust asset – AKPF	516,399,886	527,819,260
Government grant – MSP	124,296,593	124,296,593
	<b>640,696,479</b>	<b>652,115,853</b>

#### 13.1 Trust asset – AKPF

This refers to assets held in trust on AKPF which was previously under the administration of the NHMFC. Due to the passage of EO No. 272, the management of the amortization support and developmental financing programs of AKPF was transferred to SHFC in Calendar Year (CY) 2005.

This account is treated in the books of SHFC in the same manner and procedure it was previously treated in the books of NHMFC wherein periodic increment and reduction of said account, as a result of its operations, are taken up as credit and debit to Trust liabilities account (See Note 17).

The details of the Fund balance amounting to P516.400 million and P546.047 million as at December 31, 2023 and 2022, respectively.

	2023	2022
Cash and cash equivalents	14,315,736	292,670,723
Receivable – current	2,894,459	2,218,394
Other receivable	15	122,670
Receivable – non-current	335,939,375	49,232,020
PE, net	48,110	65,502
Other non-current assets	204,101,429	196,845,866
Intra-agency payables	(35,679,866)	(5,213,228)
Inter-agency payables	(5,213,228)	(8,117,973)
Other payables	(6,145)	(4,714)
	<b>516,399,886</b>	<b>527,819,260</b>

#### 13.2 Government grant – MSP

This refers to fund sourced from the NDRRM (Calamity fund) for the Marawi Recovery, Rehabilitation and Reconstruction Program intended to cover the national subsidy of the SHFC in acquiring land for the MSP (Phases I and II), site development and constructing retaining wall for the purpose of relocating about 1,500 families.

#### 14. FINANCIAL LIABILITIES

This account consists of the following:

	2023	2022 As restated
<b>Current:</b>		
Accounts payable	1,037,913,425	1,132,044,192
Insurance/reinsurance premium payable	90,058,176	78,614,002
Due to officers and employees	5,956,414	1,042,310
	<b>1,133,928,015</b>	<b>1,211,700,504</b>

##### 14.1 Accounts payable

This refers mainly to the remaining balance of CMP and HDH loan proceeds for the payment of land retained by SHFC pending compliance with other requirements in accordance with NHMFC Board Resolution No. 3149, series of 2001 for the CMP projects. This account also includes perfected contracts with suppliers amounting to P122.037 million and P176.568 million as at December 31, 2023 and 2022, respectively.

##### 14.2 Insurance/Reinsurance premium payable

This account refers to one year insurance premium paid in advance to SHFC by MBs through the CAs and accordingly remitted upon enrollment to MRI pool.

#### 15. INTER-AGENCY PAYABLES

This account consists of:

	2023	2022 As restated
Due to parent corporation (NHMFC)	6,807,640	20,428,525
Due to BIR	7,298,721	15,673,708
Due to Treasurer of the Philippines	717,779	999,537
Due to Pag-IBIG	431,540	342,629
Due to SSS	272,250	226,566
Due to Philhealth	279,195	225,261
	<b>15,807,125</b>	<b>37,896,226</b>

##### 15.1 Due to parent corporation (NHMFC)

This account includes expenses for personal services, administrative and operating expenses, retirement benefits, and renewal/enrollment of CMP



accounts at Pag-IBIG MRI pool advanced by NHMFC as provided for in the Trust Agreement.

## 15.2 Due to BIR

This account represents the taxes withheld from payment of employees' compensation, origination fees, percentage tax, honoraria, taxes withheld at source and from government money payments.

## 15.3 Due to Treasurer of the Philippines

This account represents the interest income on deposits earned, net of tax, from the DOTr and Department of Interior and Local Government (DILG) Funds to be remitted to the Bureau of the Treasury after the closing of the year-end financial statements as provided in the Memorandum of Agreement between SHFC and DOTr/DILG.

## 16. LEASE PAYABLE

The account pertains to the present value of the lease payments payable over the lease term discounted using the prevailing borrowing rate of SHFC.

Set out below are the carrying amounts of this account and the movements during the period:

	2023	2022 As restated
<b>Balances at beginning of year</b>	<b>13,145,819</b>	<b>23,772,074</b>
Interest expense	812,036	649,767
Lease payments	(11,863,949)	(11,276,022)
<b>Balances at end of year</b>	<b>2,093,906</b>	<b>13,145,819</b>

Future minimum lease payments as at December 31, 2023 are as follows:

	Minimum lease payment due		
	Within one year	More than one year	Total
Lease payments	2,046,942	46,964	2,093,906
Interest expense	13,225	76	13,301
<b>Total cash payment</b>	<b>2,060,167</b>	<b>47,040</b>	<b>2,107,207</b>

## 17. TRUST LIABILITIES

This account consists of the following:

	2023	2022 As restated
<b>Current:</b>		
Performance warranty	4,283,929	4,259,669
Bidders' bonds	650,396	503,396
	<b>4,934,325</b>	<b>4,763,065</b>
<b>Non-current:</b>		
NHMFC	14,727,391,983	14,756,822,155

	2023	2022 As restated
DOTr	2,984,679,658	3,000,000,000
AKPF (See Note 13)	516,399,886	527,819,260
Other trust liabilities	760,600,000	760,600,000
	<b>18,989,071,528</b>	<b>19,045,241,415</b>

### 17.1 NHMFC

The transfer of the CMP accounts to SHFC was initially implemented through the transfer of the cash balance on November 10, 2005 amounting to P532 million as at September 30, 2005 and the turnover of the outstanding principal loan balance of the mortgages taken-out from CY 1994 onwards. Said conveyance correspondingly required the transfer of the general ledger balances of certain accounts related to the program. In addition, the transfer considered the portion of the balances pertaining to mortgages turned over to SHFC and those retained by NHMFC.

The CMP mortgages from CYs 1989 to 1993 with a total outstanding principal loan balance of P621 million as at December 31, 2009 retained by NHMFC were eventually transferred to SHFC. This amount is temporarily recorded under the Loans installment receivable – current account but was later reclassified to Mortgage contract receivable – past due account. Details of this account as at December 31, 2023 are as follows:

Particulars	Amount
Cash	(2,947,730,096)
Loans installment receivable	13,751,470,964
Past due loan installment receivables	2,750,042,775
Retained earnings balance for transfer to NHMFC	428,010,179
Land	638,298,293
Notes receivable – National Housing Authority	200,000,000
Interest income	165,678,128
Advances to contractors	420,992,618
Origination and appraisal cost	166,642,635
Insurance receivable	119,762,108
Interest receivables	72,873,957
Items in litigation	50,925,357
Unamortized mortgage origination cost	50,479,961
Origination fee payable	18,444,963
Service fee incentives	5,648,600
Technical subsidy	2,770,247
Other professional fees	3,500
Accounts payable – Mortgage contract receivable	(808,937,350)
Undistributed collections	(179,442,653)
Guaranty deposits payable	(147,250,222)
Insurance payable	(5,189,361)
Real estate taxes	11,109
Due to BIR (withholding tax payable)	(4,135,522)



Particulars	Amount
Advances from borrowers	(1,598,646)
Other deposits	(19,286,991)
Performance warranty payable	(1,092,569)
	<b>14,727,391,983</b>

The corresponding fund for the Comprehensive and Integrated Shelter Financing Act (CISFA) of 1994 amounting to P12.775 billion was fully released by the Department of Budget and Management (DBM) through NHMFC in CY 2017. The trust liability account has negative cash balance amounting to P2.948 billion after the exhaustion of the CISFA fund received from NHMFC. The subsequent CMP loan take-outs are now sourced from SHFC's corporate fund.

On December 31, 2021, the DBM released P325 million budgetary support directly to SHFC to cover the implementation of CMP. This, however, will not form part of the trust liability since it was recorded as subsidy income from national government.

On the other hand, no additional trust liability is recognized since no dividends were declared by the Board on the share of NHMFC on the net income of SHFC.

## 17.2 DOTr

The Trust Agreement was entered into by and between the DOTr and SHFC with an initial amount of P3 billion pesos transferred to SHFC on February 20, 2018 to finance the resettlement program for the PNR South Commuter Project. A property previously owned by BSP was purchased by SHFC as a resettlement area for MBs affected by the project.

## 17.3 Other trust liabilities

This account pertains to the funds received by SHFC from the following government agencies:

- a. *Trust fund – DILG* amounting to P350 million refers to the fund held in trust as provided in the Trust Agreement entered into by and between the DILG and SHFC on June 27, 2016 intended for HDH projects which was deposited and maintained in a separate fund account.
- b. *Trust fund – Intramuros Administration* amounting to P410 million refers to fund held in trust released in CY 2021 for the relocation and resettlement of more or less 500 duly identified and qualified dweller-families in Intramuros, Manila.
- c. *Trust fund – DSWD* amounting to P10.360 million refers to the fund received on July 1, 2016 from the Emergency Shelter Assistance Program of DSWD earmarked for the 148 ISF victims of Typhoon Sendong in Cagayan de Oro City to be used solely for the purchase of housing materials. The P7.7 million portion of the fund was already utilized as payment to loan amortization of beneficiaries while the remaining balance of P2.660 million was returned/refunded to the DSWD on June 1, 2021.

## 18. DEFERRED CREDITS/UNEARNED INCOME

This account consists of the following:

	2023	2022
Deferred income	131,794,048	151,162,316
Deferred credits	48,329,444	48,745,385
	180,123,492	199,907,701

### 18.1 Deferred income

This account pertains to the interest as of date of application for restructured loans which are payable within a period of 30 years (See Note 6.1).

### 18.2 Deferred credits

This account pertains to the principal portion of amortization payments of SHFC for the office spaces occupied and already paid by HUDCC in advance. Upon full payment of the loan, the account will be closed and corresponding asset will be transferred to HUDCC.

## 19. PROVISIONS

This account consists of the following:

	2023	2022 As restated
Contingency fund payable	190,363,433	162,649,406
Leave benefits payable	65,013,639	47,468,087
Retirement gratuity payable	8,789,547	14,614,156
	264,166,619	224,731,649

### 19.1 Contingency fund payable

This account represents the liability for the amount of MRI premiums received from the annual enrollment or renewal of insurance policy of MBs.

### 19.2 Leave benefits payable

This account pertains to accrual of monetary value of the earned leave credits of regular employees.

### 19.3 Retirement gratuity payable

This account pertains to retirement gratuity benefits due to employees calculated in accordance with the provisions of RA No. 7641.

## 20. OTHER PAYABLES

This account consists of the following:



	2023	2022 As restated
Guaranty deposits payable	587,343,987	410,766,291
Advances from borrowers	459,440,134	433,020,704
Dividends payable (See Note 21.2)	39,952,377	53,763,231
Unreleased/stale checks	39,619,681	60,256,844
Origination fee payable	34,727,638	34,765,761
Accrued expenses	19,863,183	27,358,825
Due to provident fund	2,494,803	3,247,011
Other payables	4,574,412	3,800,789
	<b>1,188,016,215</b>	<b>1,026,979,456</b>

#### **20.1 Guaranty deposits payable**

This account refers to three months and six months cash deposits required for old and new originators, respectively, pursuant to Corporate Circular CMP No. 003, calculated based on the total monthly amortization payment plus one year MRI premiums. This deposit is treated as a regular advance payment on the same date as the first amortization from the CAs/MBs or will be used in cases that no payments are received in each due month.

This also includes retention fees from progress billings on building construction and/or site development on SHFC programs and projects and from other SHFC contracts.

#### **20.2 Advances from borrowers**

This account pertains to the amortization payments in excess of the amount due for the current period but is not deducted from the principal balance upon distribution of amortization collections.

#### **20.3 Origination fee payable**

This account refers to the 50 per cent origination fee retained by SHFC pending originators' full compliance with loan requirements.

#### **20.4 Accrued expenses**

This account refers to various operating expenses incurred but not yet paid as at reporting date.

#### **20.5 Due to provident fund**

This account refers to deductions made from the salaries of the employees representing three per cent of basic salary as part of the contributory plan. Upon remittance, the SHFC contributes 15 per cent of the basic salary of each employee.

### **21. EQUITY**

#### **21.1 Capital stock**

SHFC has an authorized capital stock of P100 million divided into 100,000 shares with a par value of P1,000 each. A total of 25,000 shares were subscribed by the NHMFC, of which, 10,000 shares were paid for P10 million and the balance of P15 million remains unpaid for the 15,000 subscribed shares.

The paid-in portion of authorized capital stock is P10 million and transferable pursuant to the distribution mandated by EO No. 272. Of this amount, P9.989 million was paid up by the NHMFC and the remaining amount by various stockholders for and in behalf of the government of the Philippines.

## 21.2 Retained earnings

Appropriated Retained earnings includes amount appropriated for SHFC programs and has been allocated or earmarked to fund (a) HDH Projects (b) Marawi and (c) CMP.

Dividends amounting to P39.952 million and P53.763 million have been declared for CYs 2023 and 2022, respectively. CY 2022 Dividend was remitted in 2023 and CY 2023 Dividend is due for remittance to Bureau of Treasury on or before May 15, 2024.

The prior period adjustments at the beginning of CY 2023 are detailed in Note 34.

## 22. SERVICE AND BUSINESS INCOME

This account consists of:

	2023	2022
Service income		
Interest income – loans and receivables	429,909,072	424,592,083
Fines and penalties – business income	296,547,344	280,629,496
Business income		
Other business income		
Service fee	2,640,000	5,500,000
Miscellaneous income	310,157	7,211,131
	729,406,573	717,932,710

### 22.1 Other business income account consists of:

- a. *Service fee* represents the monthly servicing fee of P220 thousand for the HDH sold accounts to NHMFC.
- b. *Miscellaneous income* account includes:
  - income from penalty on late amortization payments of the MBs;
  - other miscellaneous income derived from processing fee of the application for penalty condonation and substitution;
  - photocopy fee and recovery of value-added tax payments;
  - interest from calamity loans granted to officers and employees affected by typhoon Ondoy;



- surcharges from suppliers on late deliveries; and
- recognition of refund of excess payments amounting to P500 and below as miscellaneous income.

### 23. PERSONNEL SERVICES

This account consists of the following:

	2023	2022
Salaries and wages - regular	175,909,795	132,732,735
Other compensation		
Year-end bonus	14,982,303	11,078,289
Mid-year bonus	14,933,141	0
Personnel economic relief allowance	5,078,540	5,205,770
Overtime and night pay	5,007,709	3,252,624
Transportation allowance	4,624,480	4,435,620
Representation allowance	4,240,527	4,292,500
Clothing/uniform allowance	1,242,000	1,281,780
Cash gift	1,086,250	1,087,750
Honoraria	221,335	0
Other bonuses and allowances	55,669,616	70,376,997
	107,085,901	101,011,330
Personnel benefit contributions		
Provident/welfare fund contributions	18,235,835	19,580,133
Retirement and life insurance premiums	7,156,420	5,447,783
PhilHealth contributions	2,823,126	2,409,298
Pag-IBIG contributions	257,000	263,000
Employees compensation insurance premiums	77,050	78,450
	28,549,431	27,788,664
Other personnel benefits		
Terminal leave benefits	34,035,277	15,245,654
Retirement gratuity	993,204	0
	35,028,481	15,245,654
	346,573,608	276,768,383

### 24. MAINTENANCE AND OTHER OPERATING EXPENSES

This account consists of the following:

	2023	2022 As restated
Traveling expenses		
Traveling expenses – local	6,594,990	11,338,020
Traveling expenses – foreign	0	216,468
	6,594,990	11,554,488
Training and scholarship expenses		
Training expenses	3,640,020	2,732,135
	3,640,020	2,732,135

	2023	2022 As restated
Supplies and materials expenses		
Office supplies expenses	7,283,267	8,029,102
Fuel, oil and lubricants expenses	4,208,054	5,482,671
Drugs and medicines expenses	399,193	143,881
Accountable forms expenses	345,000	581,368
Medical, dental, and laboratory supplies expenses	88,481	183,472
Semi-expendable machinery and equipment expenses	56,849	1,468,523
Semi-expendable furniture, fixtures and books expenses	480	302,289
Other supplies and materials expenses	1,457,080	355,156
	13,838,404	16,546,462
Utility expenses		
Electricity expenses	10,693,945	9,857,336
Water expenses	1,174,950	719,047
	11,868,895	10,576,383
Communication expenses		
Postage and courier services	2,897,549	3,423,726
Internet subscription expenses	3,225,234	3,216,910
Telephone expenses	1,816,522	1,893,788
Cable, satellite, telegraph and radio expenses	71,268	58,661
	8,010,573	8,593,085
Confidential, intelligence and extraordinary expenses		
Extraordinary and miscellaneous expenses	903,830	909,804
	903,830	909,804
Professional services		
Consultancy services	8,046,939	1,238,462
Legal services	344,927	115,000
Other professional services	912,759	820,217
	9,304,625	2,173,679
General services		
Clerical services	135,737,731	141,987,550
Security services	50,699,626	42,633,880
Janitorial services	4,325,554	3,541,382
Other general services	14,544,199	12,963,510
	205,307,110	201,126,322
Repairs and maintenance		
Transportation equipment	1,899,985	3,341,723
Machinery and equipment	567,503	256,518
Semi-expendable information and communication technology	67,073	0
Buildings and other structures	29,157	85,600
Leased assets improvements	3,779	96,533
Furniture and fixtures	0	2,500
Semi-expendable furniture and fixtures	14,120	0
	2,581,617	3,782,874
Taxes, insurance premiums and other fees		
Taxes, duties and licenses	28,444,975	14,102,234



	2023	2022 As restated
Insurance expenses	797,308	667,719
Fidelity bond premiums	177,064	326,077
	<b>29,419,347</b>	<b>15,096,030</b>
Other maintenance and operating expenses		
Major events and conventions expenses	15,098,885	5,121,530
Rent/lease expenses	7,383,477	6,854,252
Subscription expenses	3,232,122	578,788
Advertising, promotional and marketing expenses	2,999,602	559,924
Representation expenses	1,979,010	6,223,818
Directors and committee members' fees	1,324,295	1,431,000
Financial assistance/subsidy/contribution	1,102,713	1,472,507
Association dues	0	5,960,520
Collection servicing fee	0	4,021,806
Origination and appraisal cost	0	3,388,469
Litigation/acquired assets expenses	142,295	2,450,582
Printing and publication expenses	189,322	881,517
Miscellaneous expense	0	739,195
Transportation and delivery expenses	65,789	193,416
Donations	85,450	0
Membership dues and contributions to organizations	4,625	0
Others	14,297,329	911,096
	<b>47,904,914</b>	<b>40,788,420</b>
	<b>339,374,325</b>	<b>313,879,683</b>

## 25. NON-CASH EXPENSES

This account consists of:

	2023	2022 As restated
Depreciation		
Buildings and Other Structures	6,781,868	0
Machinery and equipment	6,600,719	6,617,134
Transportation equipment	3,454,716	3,385,802
Leased assets improvements	6,569,232	1,756,810
Furniture, fixtures and books	124,004	129,273
ROU assets	8,888,660	16,090,670
	<b>32,419,199</b>	<b>27,979,689</b>
Amortization		
Origination and appraisal cost	1,765,129	2,119,797
Intangible assets	623,099	1,396,270
	<b>2,388,228</b>	<b>3,516,067</b>
Impairment loss		
Loans and receivables	5,599,444	43,544,066
	<b>40,406,872</b>	<b>75,039,822</b>

## 26. FINANCIAL EXPENSES

This account consists of:

	2023	2022 As restated
Interest expenses	812,036	649,767
Bank charges	143,928	46,927
Other financial charges	1,309,334	922,288
	<b>2,265,298</b>	<b>1,618,982</b>

## 27. OTHER NON-OPERATING INCOME

This account consists of:

	2023	2022 As restated
Interest income - notes	1,197,666	1,114,931
Interest income - bank deposits	72,385,486	15,030,459
Interest Income - others	68,892	44,164
	<b>73,652,044</b>	<b>16,189,554</b>

### 27.1 Interest income – notes

This account represents interest earned at an average prevailing interest rates of 2.375 per cent per annum for Investments in treasury bills.

### 27.2 Interest income – bank deposits

This account represents interest earned at prevailing interest rates of 4.500 to 6.210 per cent per annum for the time deposit and 0.10 per cent for the current account.

## 28. INCOME TAXES

The major components of provisions for income tax for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022 As restated
Current	10,941,099	7,179,327
Deferred	6,577,797	(8,167,713)
	<b>4,363,302</b>	<b>15,347,040</b>

SHFC applied the minimum corporate income tax (MCIT) rate on taxable gross income for CYs 2023 and 2022 since its taxable net income resulted in breakeven. Also, SHFC claimed itemized deductions in computing for its income tax due for both years.

Moreover, regular corporate income tax (RCIT) rate was reduced from 30 to 25 per cent while MCIT rate was reduced from two to one per cent upon effectivity of RA No. 11534, otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, on April 12, 2021.



## 28.1 Current tax expense

The components of RCIT are as follows:

	2023	2022
Net income (loss) before income tax	74,438,515	67,561,351
Non-deductible expense	15,370,626	3,600,374
Interest income on investment/bank deposits	(73,652,044)	(16,145,390)
Accounting income (loss) subject to tax	16,157,097	55,016,335
Loan loss provision	5,599,444	43,544,066
Interest expense and Depreciation-ROU assets	9,024,523	9,621,196
Rent expense	(9,157,727)	(9,590,505)
Net operating loss carry over (NOLCO) applied	(21,623,337)	(98,591,091)
Net taxable income (loss)	0	0
Tax rate (%)	25	25
RCIT	0	0

Excess (MCIT) over RCIT:

	2023	2022
Gross income	729,406,573	717,932,710
Tax rate (%)	1.5	1
MCIT	10,941,099	7,179,327
RCIT	0	0
Current tax expense	10,941,099	7,179,327

## 28.2 Deferred tax asset and expense

The components of deferred tax assets are as follows:

	2023	2022 As restated
Deferred tax asset – beginning	879,071,796	887,239,509
Temporary differences:		
Loan loss provision	5,599,444	37,172,240
NOLCO applied	(21,623,337)	(98,591,091)
Interest expense and Depreciation-ROUA	9,024,523	9,621,196
Rent/Lease expenses	(9,157,727)	(9,590,505)
Tax rate (%)	25	25
	(4,039,274)	(15,347,040)
Excess MCIT over RCIT	10,941,064	7,179,327
Deferred tax benefit	6,901,825	(8,167,713)
Deferred tax asset – ending	885,973,621	879,071,796

The following are the details of the NOLCO and MCIT available for offsetting against the future income:

## NOLCO

Inception Year	Amount	Applied	Balance	Expiry Year
2020	177,445,576	(155,205,783)	22,239,792	2025
	177,445,576	(155,205,783)	22,239,792	

## MCIT

Inception Year	Amount	Applied	Balance	Expiry Year
2023	10,941,099	0	10,941,099	2026
2022	7,179,327	0	7,179,327	2025
2021	6,197,116	0	6,197,116	2024
2020	8,333,194	0	8,333,194	2023
	21,709,637	0	21,709,637	

### **28.3 Income tax payable**

This account represents the income tax due after deducting previous quarter income tax payments and tax credits, if any, for the years ended December 31, 2023 and 2022 as follows:

	2023	2022
Income tax due	10,941,099	7,179,327
Less: Tax payments from previous quarters	7,164,974	4,583,091
	3,776,125	2,596,236

### **29. NET ASSISTANCE/SUBSIDY INCOME FROM NATIONAL GOVERNMENT**

The total approved funding allocation and release from DBM as the national government's support for the housing projects, amounted to P708.860 million and P1.881 billion for the years 2023 and 2022, respectively. The financial assistance to non-government organizations and technical assistance and service to people's organizations amounted to P22.454 million and P0.166 million for the years 2023 and 2022, respectively.

### **30. LEASES**

#### **30.1 Operating lease commitments – SHFC as lessee**

In CY 2023, SHFC has a total of 12 lease contracts for office spaces recognized as ROU assets per PFRS 16. The maximum term for this type of lease is 3 years.

Other lease contracts entered into by SHFC which were expensed as incurred are as follows:

- Rental of machinery and equipment with varying payments based on usage; and



- Short-term leases of office spaces with not more than one year lease term.

Set out below are the amounts recognized in the SCI:

	2023	2022 As restated
Depreciation expense of ROU assets	15,670,528	16,090,670
Interest expense on lease liabilities	812,036	649,767
Rent expense - short-term	6,321,711	4,317,367
Rent expense - variable lease payments	1,061,767	2,536,886
<b>Total expense recognized in SCI</b>	<b>23,866,042</b>	<b>23,594,690</b>

### 30.2 Finance lease commitment – SHFC as lessee

SHFC is a lessee with lease term of 15 years which ended in CY 2023. The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognized in the SFP as PE and borrowings, respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognized in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

## 31. RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability, directly and indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

As at December 31, 2023, the composition of the BOD of SHFC is as follows:

Board Position	Position in SHFC/Other agencies
Chairman	Chairman, Department of Human Settlements and Urban Development
Vice Chairman	President and Chief Executive Officer, SHFC
Member	Undersecretary, Department of Finance
Member	Undersecretary, DILG
Member	Undersecretary, DBM
Member	Private sector
Member	Private sector
Member	Private sector

### 31.1 Compensation of key management personnel (KMP)

The compensation of KMP which consists of short-term benefits amounted to P69.089 million and P48.348 million for the years ending December 31, 2023 and 2022, respectively. Key management compensation forms part

of the Personnel services, and maintenance and other operating expenses as presented under Notes 23 and 24, respectively. Salaries and allowances received and expenses incurred by the key officers in the conduct of their official functions are as follows:

	2023	2022
Personnel services		
Salaries and wages	41,693,939	25,711,293
Other compensation	23,855,484	21,017,811
Other personnel benefits	2,741,535	787,103
	68,290,959	47,516,206
Maintenance and other operating expenses	798,088	831,510
	69,089,047	48,347,716

Meanwhile, the total remuneration (per diem) received by the members of the BOD amounted to P1.324 million and P1.431 million for CYs 2023 and 2022, respectively.

## 32. COMMITMENTS AND CONTINGENCIES

SHFC is a respondent to a labor case wherein the Office of the Panel Voluntary Arbitrator ruled in favor of Social Housing Employees Association, Inc. directing the garnishment of time deposit at Development Bank of the Philippines amounting to P70.931 million for the release of discontinued benefits under the Collective Bargaining Agreement and State of the Nation Bonus to its member. The case is currently under appeal to Supreme Court awaiting for its final resolution.

## 33. RISK MANAGEMENT OBJECTIVES AND POLICIES

SHFC's principal financial instruments comprise cash, receivables, due from a related party, investment in securities, accounts payable and accrued expenses, and due to related parties. The main purpose of these financial instruments is to raise working capital for SHFC's operations.

### Financial Risk Management

#### Credit risk

Credit risk is the risk of financial loss arising from the counterparties' inability or unwillingness to settle their financial obligations to the SHFC as expected or originally contracted. The exposure to credit risk of SHFC arises primarily from the inability of customers to fully settle their accounts and other claims owed to SHFC. SHFC does not have any significant concentration of credit risk. Its maximum exposure to credit risk is equivalent to the carrying value of its financial assets.

#### *Mortgage contract receivable (CMP loans)*

CMP loans receivable are 25-year, six per cent interest loans secured by mortgage on the land subject of the loan. The loans are given to qualified CAs made up mostly of poor and underprivileged families to assist them in purchasing the private land where they are informally settled or buying a relocation site.



The property, subject of loan and mortgage, is registered under the name of the CA. The property is covered by a subdivision plan and each lot in the subdivision plan is assigned to a member under a lease purchase agreement (LPA) with the association. The LPAs of the associations are assigned to SHFC as additional security for the community loan.

#### *Credit policy for Mortgage contract receivable (CMP loans)*

The CMP loan program follows the legal mandate of the Urban Development and Housing Act and is therefore not in conformity with the credit standards prescribed by the BSP for financial institutions under its supervision. In lieu of the normal credit standards, the program requires CA members to deposit in advance savings equivalent to three months amortization as proof of capacity and willingness to pay.

SHFC generally ascertains credit standing of counterparties before entering into a business transaction. The examination of credit standing includes: (1) financial resources (2) ownership structure; and (3) quality of Management.

#### *Insurance*

For the duration of the loan, there shall be a MRI on the lives of the principal borrowers as identified in the masterlist of members on a yearly, renewable term basis. The insurance premiums shall be included in the monthly amortizations of the members. An equivalent of one year MRI premium shall be required from the CAs in the form of cash deposit prior to the release of the loan proceeds.

#### *Security*

SHFC follows an appraisal procedure and policy that is market-based and allows a maximum loan to value ratio of 100 per cent.

#### *Collection*

The Mortgage contract receivables (CMP loans) are covered by a collection agreement with the CAs. The CAs collect the monthly amortizations from its members for remittance to SHFC. The credit quality by class of MCR based on SHFC's aging of provisions are detailed in Note 6.2.

#### Liquidity Risk

Liquidity risk pertains to the risk that SHFC will encounter difficulty in meeting obligations associated with maturing obligations that are settled by delivering cash or another financial asset.

The total financial liabilities of SHFC, excluding the statutory obligations such as tax liabilities, as at December 31, 2023 and 2022 are as follows:

	2023	2022
Financial liabilities	1,133,928,014	1,211,700,504
Deferred credits/unearned income	180,123,492	199,907,701
Other payables	2,093,906	13,145,819

SHFC monitors its risk to a shortage of fund by analyzing the maturity date of its financial assets, including financial investments, and amount of cash flow provided or used in operations.

*Regulatory framework*

The operation of SHFC is also subject to the regulatory requirements of the SEC. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions.

**34. RESTATEMENTS**

Below is the summary of the financial impact of restatement to the CY 2022 financial statements:

<b>Prior Period Adjustments</b>	<b>Income</b>	<b>Expenses</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Equity</b>
Adjustment due to correction of errors	44,164	759,431	(395,680,470)	(393,459,290)	(2,221,180)
Adjustment due to compliance to PFRS 9		37,172,240	(3,053,302,021)		(3,053,302,021)
Adjustment due to compliance to PFRS 16		30,691	10,933,922	9,942,712	991,210
Prior year adjustments of DTA due to recomputation of impairment and leases liability		(7,700,104)	785,773,929		785,773,929
	<b>44,164</b>	<b>30,262,258</b>	<b>(2,652,274,640)</b>	<b>(383,516,578)</b>	<b>(2,268,758,062)</b>

**35. SUPPLEMENTARY INFORMATION REQUIRED UNDER REVENUE REGULATION (RR) NO. 15-2010**

On November 25, 2010, the BIR issued RR No. 15-2010 amending certain provisions of RR No. 21-2002, as amended and implementing Section 6(H) of the Tax Code of 1997 which authorize the Commissioner of Internal Revenue to prescribe additional procedural and/or documentary requirements in connection with the preparation and submission of financial statements accompanying the tax returns. These regulations require that additional disclosures in the notes to financial statements shall be made to include information on taxes and licenses fees paid or accrued during the taxable year.

Hereunder are the additional disclosures in compliance with the requirements set forth in RR No. 15-2010:



	2023	2022
Final tax paid on income	14,694,453	3,263,000
Percentage tax	8,172,759	6,626,661
Real property tax	2,942,296	2,925,304
Business permits	1,227,092	1,277,936
BIR registration	500	500
	<b>27,037,100</b>	<b>14,093,401</b>

The amount of withholding taxes paid/accrued for the taxable years amounted to:

	2023	2022
Income taxes withheld on compensation and final withholding taxes	56,528,600	26,732,877
Creditable income taxes withheld (expanded)/ income payments exempt from withholding tax	7,934,535	5,990,966
	<b>64,463,135</b>	<b>32,723,843</b>

#### Tax contingencies

SHFC did not receive any final tax assessments in CY 2023, and has no tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside the administration of the BIR