

# *Dasmariñas Village Association, Inc.*

# ANNUAL REPORT 2020-2021



**Tree Care  
Project**



**Preventive  
Maintenance**



**DVA Car  
Stickers**



**Easytrip  
RFID**



**Covid19  
Response**

**DVA**



*Dasmariñas Village Association Inc.*

# **ANNUAL REPORT**

**2020-2021**

# **TABLE OF CONTENTS**

<b>DVA Board of Governors Accomplishment Report</b>	<b>01</b>
<b>Minutes of the 2020 Annual General Membership Meeting</b>	<b>07</b>
<b>Audited Financial Statements</b>	<b>10</b>
<b>Fact Sheet of Dasmariñas Village</b>	<b>37</b>
<b>Status of Pending Legal Cases</b>	<b>39</b>
<b>2020-2021 DVA Board of Governors</b>	<b>41</b>
<b>Board of Governors and DVA Personnel</b>	<b>42</b>
<b>DVA Past Presidents</b>	<b>43</b>





# President's Message

Dear Fellow Members,

It has been a little over a year since you elected this Board of Governors on March 8, 2020, during the 2020 Annual General Meeting. A few days after that, the village, the city, Metro Manila, and later, most of the country was put on quarantine because of the Covid 19 pandemic.

It was under these adverse conditions that the board met to create policies needed to adapt to the ever-changing landscape. During these meetings, we developed a philosophy that we released to the community in a letter on March 18. It was a promise that the board would do everything in its power to protect Dasmariñas Village and its residents against the still unclear challenges that Covid 19 would bring.



## *Dasmariñas Village Association*

INCORPORATED

1417 CAMPANILLA STREET, DASMARIÑAS VILLAGE, MAKATI CITY  
Tel.: 843-2262 / 843-9138; Fax: 810-2795; Email: [dasma.association@yahoo.com](mailto:dasma.association@yahoo.com)

March 18, 2020

Dear DVA Members,

In these challenging times, the Dasmariñas Village Association would like to assure you that it is dedicating all of its efforts towards safeguarding the health and safety of everyone in the Village. As we encourage everyone to calmly observe health precautions and social distancing, we would like to provide you with the following updates:

- **Contingency Plans and Resources.** Your DVA Board and Management drew up contingency plans prior to this crisis. This included allocating an additional cash buffer prior to start of the quarantine. Though supplies are not always available for purchase, we do have the funds to purchase the supplies that we need. This has also allowed us to advance the salaries of the DVA staff as well as provide advances to our service providers. We will have enough funds for the foreseeable eventualities. We are prepared.
- **Security and safety.** Our contingency plans have allowed us to maintain a full complement of security guards. We have a total of 70 Security Personnel, many of whom have opted to stay inside DVA during the duration of the quarantine. Many of these guards have also undergone emergency training. We are protected.
- **Village staff and maintenance.** We have 5 well trained and competent DVA office staff present and a complement of 18 maintenance personnel to keep things running. Garbage collection will continue as scheduled. We will have basic services as long as the quarantine permits.
- **Generous members.** While the board, staff and service providers have been busy and hard at work, it is and will be the strong community spirit that will help us get through this. Many of our security guards and maintenance staff have opted to stay in the Village overnight, and a homeowner along Campanilla Street has kindly allowed them to use his house. This is just one example, and we have received offers of help from many of our other members. We will reach out to you separately to coordinate the assistance. We have members we can count on.
- **Village advisories.** For up to date and accurate information regarding the status of our Village, please sign up for our text blast service if you have not done so already. We are already experiencing problems with our printing service provider as they choose to temporarily suspend operations. You can sign up for the blast text service by calling the numbers below. Please be ready to provide the member's name and address, and the mobile phone number where you would like messages to be sent. If you have any concerns, please call 8 8432262 or 8 8108484.

We all stand strong together!

YOUR DVA BOARD OF GOVERNORS



During the past year, DVA demonstrated its resilience by being able to complete projects even during difficult circumstances. I have listed a few of those projects:

**-Our IT Committee** developed and launched the official DVA web page and Viber group that allowed us to deliver information more swiftly and with no person-to-person contact (with the DVA FB page on the way). This committee was also responsible for our new RFID stickering system that cut down waiting time to an average of 3 minutes to the delight of residents.

**-Our Building and Construction Committee** was faced with a big problem when the quarantine was suddenly implemented. They worked tirelessly to amend our construction guidelines to suit IATF requirements and allowed us to be one of the first villages to allow home construction to resume. These changes included requirements of on-site safety protocols as well as the introduction of a color-coded uniform scheme that simplified tracking the movement of construction workers.

**-Our Maintenance Committee** was busy as well. They took advantage of the near-empty streets to finally trim all the trees on our sidewalks. We have started the second stage of trimming which is to shape our trees to better control the direction of their growth. The same committee has also started to fix our sidewalks and improve street lighting.

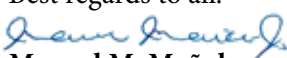
**-Our Special Projects Committee** oversaw the installation of approximately 40 km of underground fiber-optic cables which will be the backbone of our village's state-of-the-art communications network. Soon, the aerial telecommunications cables will be removed to reveal our beautiful village skyline.

**-Our Safety and Security Committee** was constantly busy creating and implementing policy to comply with the ever-evolving Local Government Unit and IATF Covid 19 guidelines. During the most difficult times of the quarantine, DVA provided board and lodging to almost 100 personnel including about 70 guards. Aside from the additional Covid responsibilities, they were also busy with their regular duties in the village including a successful program to reduce the homes used for staff housing (in violation of DVA's single-family home rules). In 2020, a total of 23 suspected staff houses left the village.

**-Our Community Affairs Committee** produced the most memorable Christmas decoration the village has seen in years using predominantly recycled materials. Our giant Christmas Tree at the corner of Pasay Road and Palm Avenue elicited so much joy and stirred so much creative inspiration from our residents that suggestions for expanding the decorations poured in. All of these suggestions have been noted and will be used when conditions allow.

I would like to thank the members of the 2020-2021 Board of Governors, all the employees and service providers of DVA, and our residents for all working together to complete various valuable initiatives across our village despite the Covid 19 pandemic. I am particularly thankful to the many residents who helped out during the quarantine including those who initiated and contributed to the fundraising drive to provide additional financial assistance to our stay-in personnel. The incoming 2021-2022 BOG will be composed of a combination of both new and experienced members with various skills and insights that will surely benefit our village. I am happy to say that our village will be in good hands.

Best regards to all.

  
Manuel M. Mañalac

President

# DVA Board of Governors Accomplishment Report

2020 has been a challenging year forcing most people to adapt to new realities. What makes us optimistic is seeing that people are capable not only to adapt but to thrive on change. Amidst the pandemic and limitations on personnel and mobility, Team DVA worked hard to ensure normal and uninterrupted operations.

## A. Maintenance

In spite of the 2-month lockdown, the maintenance team accomplished the ff:

- 1st stage of our tree trimming program was completed. 2nd and more difficult stage, shaping is ongoing. Provided trimming services to residents with overgrown trees inside their properties as well. We have pruned 3022 trees for the past year.
- Repair and repainting of DVA Offices, parks, sports facilities, pedestrian entrances guardhouses and gates.
- Disinfection of all Village Facilities daily.
- Built temporary shelters for 16 people consisting: stay-in security, maintenance, and office staff during the lockdown period. This allowed us to provide uninterrupted and Covid safe services to all residents.
- Ongoing Village wide repair of damaged sidewalks, curbs and gutters resulting from the continued growth of shallow tree roots.
- Ongoing cleaning and desilting of major drainage lines and construction of additional manholes wherever necessary.
- Repair of primary DVA Firetruck, Boom Trucks and various maintenance equipment.
- Repair of street lights and replacement of burnt-out bulbs daily.



Repair of DVA Firetruck



Disinfection Against COVID 19



Repair of Lighted Street Name



Repainting of flower pots along sidewalks



## B. Water, Power and Telecommunications

### WATER:

- Rehabilitation of Dasma Deepwell #16 (located along Tamarind corner Cypress St.)
- Rehabilitation of Dasma Deepwell #3 (located inside Ecology Village)
- Deepwell Operation and Maintenance Permit Acquisitions – Manila Water was able to provide the continuous supply from the deepwells due to the approval provided by the HOA.
- Blow-Off Valve Installation Project and Sampling Test Points to Improve Flushing Activities – To resolve the dirty water complaints experienced last ECQ to 3rd quarter of 2020 and to improve the network distribution flow and flushing activities.



Rehabilitation of Dasma Deepwell

### POWER:

Coordinated with MERALCO to continue our preventive tree trimming maintenance of sidewalk trees whose branches have reached 3 meters from the power cable.

Throughout the year, repairs of busted streetlights and lamp posts were well-assisted as well as being available whenever we call for repairs.

During the last year's onslaught with typhoon's Rolly and Ulysses, the village experienced a massive power outage. Fortunately, MERALCO was able to reinstate the electricity of the whole village within 24 hours.

The future plans would include shifting to LED lights on our main roads and major inventory of lamp posts and transformers to identify those that needs replacing.



Repair of busted lights and lamp post

### TELECOMMUNICATION:

Another challenging project for the year was the supervision of the fiber-optic project, its construction and on-going installation. The project covers trenching of about 40 kilometers of our DVA roads and as in any construction project, the challenge is to ensure the usage of proper materials, the adherence to construction methodology, and completion schedule of the various phases. A project of this magnitude involved the coordination with and the supervision of a designated contractor of the three telecommunication company (SkyCable, PLDT, and Globe). This involved numerous meetings with the designated contractor and entailed the hiring of a project manager to oversee the construction quality.

Fortunately, DVA also had access to the three telecommunication companies to immediately address maintenance concerns related to disruptions in services due gnawed wires, snagged wires by trucks or typhoon-related damages.

## C. IT Infrastructure

DVA had to adapt to the limitations brought about by the pandemic and thus quickly moved towards digitization and the use of technology.

### Office:

- Upgraded and replaced outdated hardware and PCs running Windows XP
- Replaced desktops to laptops for employees that require mobility
- Moved to SSD's for better PC performance
- Upgraded PC's used at Gates



## Online Stickers Program (DVA Car Stickers and Easytrip RFID):

With the safety of DVA residents in mind, we conducted a drive thru contactless stickering process for both village stickers and RFID. With the assistance of Colegio de San Agustin, we were permitted to use their grounds and thus, residents were able to finish the stickering process of their cars in less than 30 seconds.



EasyTrip RFID Installation

We were able to do this thru:

- Providing residents the option to do advanced booking online using Calendly
- Online Payment
- Requiring paperwork and approvals to be completed prior to confirming reservations.
- No contact process during stickering as drivers remained inside their vehicles.



DVA Car Sticker Installation at CSA Grounds



DVA Car Sticker Installation at CSA Grounds

## D. Community Affairs/Beautification/ Sports

When Metro Manila was moved to General Community Quarantine, DVA have thought of ways to restore normalcy in the lives of our villagers with the following:

1. Gym was temporarily moved to DVA basketball court to enable residents some exercise with proper social distancing and ventilation in mind.
2. DVA Tennis Court has also undergone some repairs and repainting to give it a fresh look.



Gym temporarily moved to DVA Basketball court

Through this effort, our members can now enjoy these sports and recreational facilities we just instituted measures to ensure that the safety protocols as mandated by Inter Agency Task Forces are being observed at all times.

We also held virtual concert titled “Music from Movies” for DVA residents to enjoy while at home. Future plans of the committee a) conduct Zoom workout sessions for residents and b) have Zoom speaker series for the youth of DVA.

The annual Christmas decorations of the village gates and building were always awaited by the residents. Last year, DVA built a 30-foot Christmas tree on the corner of Palm and Pasay roads which was greeted with lots of cheer. What made it even more extraordinary was the use of recycled materials such as old branches and used tennis balls as ornaments. It was a great way to spend Christmas joy in spite of the pandemic.



Installation of 30ft Christmas Tree

## E. Building and Construction

It's been a challenging year for the village, but despite the pandemic, we were able to safely continue construction as soon as we were allowed.

- On May 2020, DVA Covid-19 Prevention Guidelines for Construction was drafted and approved.
- June 2020, DVA formally opened and allowed the resumption of construction works for all properties with existing DVA permits. All had to comply with our Covid19 Prevention Guidelines and the allowable work force was pegged at 1 worker for every 50 square meters to ensure social distancing.
  - 39 out of the 65 construction sites complied and resumed construction with a total of seven hundred twenty-three (723) workers entering the village.



Construction workers observing social distancing while waiting to enter the village

- October 2020, due to the successful implementation of the COVID-19 Guidelines, DVA increased the allowable manpower to 1 worker for every 30 square meters to help jobsites keep within its approved timelines.
- November 2020, DVA adjusted the COVID-19 Guidelines as follows:
  - Computation of manpower requirement of 1 worker for every 30 square meters based on the lot area or working floor areas whichever is higher assuming social distancing guidelines are implemented properly.
  - Allowing of Saturday works from 1:00pm to 5:00pm provided that no noisy works and all works will be done indoors.
- December 2020, as we continue to work closely with our members, the committee amended the penalties for violations against our covid-19 guidelines for workers caught inside and outside their respective jobsites.
- Due to the increasing number of requests from property owners, the Committee decided to accept New Construction and Major Renovation Project/s starting January 2021.



Thermal Scanning at the jobsites

- The Committee also focused on further improving the Building Rules and Regulations to align them to the concerns of the residents.
  - Pedestrian gates and vehicular entrance / exit - Construction of a third gate is allowed for inner and corner lots, provided that it leads to the additional parking.
  - Sunday works – Maintenance house repairs is allowed provided that the following requirements are being followed:
    - 1.) Only emergency house repairs like plumbing, roofing and electrical repairs are allowed.
    - 2.) No Noisy works or any works that can be construed as a disturbance to immediate neighbors.
    - 3.) Workers must have a valid DVA maintenance ID.



- Trimming and Cutting of trees - Allowing the cutting and replacement of undesirable trees and increasing the penalty for unauthorized tree cutting from P30,000 to P50,000.
- Statistics: Building and Construction for Year 2020.

## Construction Projects Applications

- 2 New House Construction
- 3 Major Renovations
- 7 Minor Renovations
- 2 Demolition
- 143 Miscellaneous Repairs
- 20 Repainting Works
- 4 Genset Installation
- 5 Fence Construction

## Construction Projects Completion

- 4 New House Construction
- 1 Major Renovation
- 2 Minor Renovation

## F. Traffic Management, Security and Safety

### Covid 19

During the COVID 19 quarantine, the safety and security of the village and its residents was the chief concern of the board. The Security Committee was the lead in implementing policy and executing these. Our security guards, with their face masks, face shields and thermal scanners are our constant reminder that we are still in quarantine. In the beginning, the committee created its own policies until the Makati City and the Inter Agency Task Force (IATF) provided guideline that we could follow.

The first order of business was to ensure that the village had enough personnel for security and the delivery of services. This meant providing board and lodging to almost 100 personnel so that they would not have to leave the village and therefore reduce the chance of exposure to the virus. Because of contingency plans previously approved, housing was provided quickly and the procedures for the regular supply of food and other basic necessities were implemented.

Security procedures and policies continuously changed throughout the period. Changes were due to guidelines from the LGU or from IATF. Some were due to our own experiences. Early on, for example, our security personnel using our own ambulance brought residents with non Covid 19 ailments to the hospitals. Soon, however, we realized that the hospitals treated each incoming patient as a potential Covid 19 patient. We stopped this service and from then on relied on Life-line, Makati City Health Department and the hospitals themselves to provide ambulances. Today, our procedures have evolved in preventing and handling potential Covid 19 exposure but still based on LGU, IATF and our own experiences.

### DVA's Policy on Single Family Homes

In the past 2 years, the violation of DVA's rule on single family homes has been a concern because of the apparent increase in staff housing inside the village. Various approaches were used to implement our strategy including a more stringent tenant screening program. One on one meetings with landlords, tenants and brokers to explain our policies and the implications of violating our rules were conducted. Through the efforts of our security personnel, 23 of such suspected staff houses left the village in 2020.

### DVA's Covid 19 Prevention Guidelines for Construction

One of the big issues tackled was the possible conflicting need to resume construction inside the village but at the same time ensure the safety of everyone in the village. Our security group was tasked to implement portions of the new Covid 19 Prevention Guidelines for Construction. On a daily basis, our security guards went to each construction site to check on their health and sanitation procedures and facilities as well as conduct temperature checks. New procedures were also put in place to limit the movement of construction workers. For example, color coded shirts were required where each color meant a designated route towards the construction sites and then back out to the village gates. This prevented construction workers from loitering around the village after work hours. Ten security guards were deployed for this effort.

### Other Duties:

Throughout the year, our security forces continued with their other duties. Below is a snapshot of some of their other activities. loitering around the village after work hours. Ten security guards were deployed for this effort.



- Lifeline Medical Assistance – Fifty Four (54) emergency cases
- Residents Complaints – Sixty Nine (69) complaints ranging from barking dogs to loud music from neighbours
- Damage to DVA Property – Nineteen (19) incidents of damage to DVA property was reported ranging in cause from vehicles accidentally hitting our bar boom to damaged signages.
- Stray Animals – A total of fifty seven stray animals were attended to. Forty six (46) cats were sent out for neutering and 11 stray dogs were returned to their owners.
- Fire Emergency Assistance – One (1) fire emergency occurred during this period. Our fire fighting team was first to respond at the incident at 1545 Carissa and the fire was successfully extinguished.
- Security Assistance – Thirty Four (34) security assistance requests from our residents were received and acted upon by our security team.



Thermal Scanning before entry in village



Briefing of security personnel to ensure safety within the village.

In line with this, the committee also approved the procurement of an additional CCTV Cameras and had it installed at Maricaban Creek.

Looking forward to this year, our main tasks will still continue to be:

- Monitor of all in/out deliveries
- Strict implementation of DVA's Traffic and Safety Guidelines
- Respond immediately to resident's call whenever they need help/assistance.
- Monitor the village 24/7

## Future Plans 2021

We anticipate a better 2021 and have exciting plans to invest in infrastructure and enhance our village. With the leadership of your Board, the competence of our Administration, the hard work of our personnel and the cooperation of our residents, we find no reason not to see these plans through.

- We will continue the 2nd phase of trimming and shaping the trees in our village. At the same time, we will rationalize the type and order of the trees on our planting strips.
- Village sidewalks will be repaired and rehabilitated as many have been uprooted by overgrown trees.
- The house rules for DVA residents will be made available and distributed to all residents.
- The continued removal of areal cables except power related lines will continue upon completion of the FiberHome project. The entanglements of areal cables will be minimized and the skies will be more visible.
- A real time CCTV project for the safety and security of the village as a corollary of the Fiberhome project.
- Better coordination with Makati Local Government through the Makati Health Department for the free vaccination of DVA Residents.
- The construction of DVA's Community Sports and Services Facility with a double basement parking and reconfiguration of the village park.

# Minutes of the Annual General Membership Meeting of the Dasmariñas Village Association, Inc. held on March 08, 2020, 4:00PM at the DVA Pavilion, Dasmariñas Village, Makati City

## I. CALL TO ORDER

Mr. Carlos Martin M. Tayag, President, called the meeting to order and presided over the same as Chairman. In the absence of Ms. Cynthia A. Arteficio, DVA Corporate Secretary, Mr. Leopoldo P. Campos was requested as Acting Corporate Secretary to record the minutes of the meeting.

## II. PROOF OF NOTICE

Mr. Campos confirmed that notices were duly sent to all members either by mail or by special messenger in accordance with the By-Laws.

## III. CERTIFICATION OF QUORUM

Mr. Campos stated that based on the number of members present in person and by proxy, as verified by SGV & Co. before the meeting, a quorum existed for the valid transaction of business.

## IV. APPROVAL OF MINUTES OF 2019 ANNUAL MEETING

The Chairman confirmed that copies of the Minutes were printed in the 2019-2020 report to members and were circulated to members of record of the Association prior to the meeting and distributed to those who were present at the meeting.

There being no objections, on motion duly made and seconded, the assembly:

**(AGM – 03/20-01): APPROVED** the Minutes of the March 17, 2019 Annual General Membership Meeting.

## V. APPROVAL OF THE 2019 ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

The Chairman confirmed that copies of the Annual Report and Audited Financial Statements for the year 2019 circulated to members of record of the Association prior to the meeting and distributed to those who were present at the meeting.

The Treasurer, Mr. Manual M. Mañalac, then proceeded to the presentation of the Annual Report and Audited Financial Reports as of the year ending December 31, 2019 prepared by the Association's external auditor, SGV & Co.

There being no objections, on motion duly made and seconded, the assembly:

**(AGM-03/20-02): APPROVED** the Annual Report and Audited Financial Statements for the Year ending December 31, 2019.

## VI. RATIFICATION OF THE ACTS OF THE BOARD OF GOVERNORS FOR 2019

The Chairman explained that with the approval of the 2019 Annual Report and Audited Financial Statements, there should be a vote on the ratification of the actions taken by the Board of Governors since March 2019. Copies of the resolutions passed by the Board of Governors were circulated.

On motion duly made and seconded, the assembly:

**(AGM-03/20-03): APPROVED, CONFIRMED AND RATIFIED** all contracts, acts, proceedings and resolutions of the Board of Governors and officers of the Association since March 2019.

The Board of Governors then presented the proposed Underground Parking and Community Facility and displayed the conceptual design of the project. In response to questions from the members present, the Board of Governors confirmed that DVA's reserve funds are sufficient to cover the project cost and there is no need to impose a special assessment on the members to fund the project.

## VII. APPROVAL OF THE PROPOSED AMENDMENT TO THE DVA BY- LAWS –TERM OF DIRECTORS

The Chairman presented to the members for votation the proposal to amend Article V, Section 1 of the Association's By-Laws.

The proposed amendments to Article V, Section 1 of the By-Laws, is as follows:

Section 1. Composition, Election and Term of Office. – The Association shall be governed and its affairs managed and controlled by a Board composed of seven (7) qualified members elected by the non-delinquent members of the Association, until their successors are qualified and elected. The immediate past President shall be an ex-officio member of the Board and may sit in all deliberations thereof but without the right to vote.

Beginning with the Board that is elected at the annual Meeting held in 2021, the four (4) Governors with the highest number of votes will serve for a term of two (2) years. The other three (3) Governors will serve for a term of one (1) year. The Directors elected every year thereafter who shall fill up the seats of the Directors whose terms have expired shall serve a two (2)-year term.

A Governor cannot be elected for more than two (2) consecutive terms. Provided, however, that a Governor who has been elected for two (2) consecutive one (1)-year terms immediately preceding the Annual Meeting held in 2021 shall be qualified for election at such Annual Meeting.

The approval of said proposed amendments is subject to the results of the voting.

## VIII. ELECTION OF BOARD OF GOVERNORS

The Chairman informed the members that the DVA By-Laws provide for a Board of seven (7) governors. Following the DVA By-Laws, a Nomination Committee was constituted to seek, submit, and screen candidates for the positions. The said Committee sent invitation letters to members who were nominated, asking them to consider submitting their Certificate of Candidacy and biodata. The following residents accepted the nomination for the seven (7) positions of the members of the Board of Governors (and no other qualified nominees submitted their Certificates of Candidacy):

1. Allen T. Antonio
2. Aurelio Paulo R. Bartolome
3. Leopoldo P. Campos
4. Jose Ma. L. De Venecia
5. Roberto D. Lilles
6. Manuel M. Manalac, Jr.
7. Edgardo P. Reyes



## IX. CANVASSING OF VOTES

The Chairman informed the members that the Board of Governors engaged the services of SGV & Co. to ensure the validity and accuracy of the results of election and referendum by individually tabulating the proxies and ballots submitted by members. Simultaneous with the meeting held at the DVA Pavilion, the Committee on Elections (COMELEC) was canvassing the ballots in the Board Room.

## X. DECLARATION OF THE RESULTS OF THE VOTING

After the completion of the canvassing of votes, the Chairman requested the COMELEC to report on the results of the election of governors and referendum on the proposed amendments.

The COMELEC Vice Chairman, Mr. Rainerio O. Reyes, reported to the members the results of the election for the Board of Governors, as follows:

Candidates	Votes
1. Allen T. Antonio	632
2. Aurelio Paulo R. Bartolome	681
3. Leopoldo P. Campos	747
4. Jose Ma. L. De Venecia	708
5. Roberto D. Lilles	668
6. Manuel M. Manalac, Jr.	774
7. Edgardo P. Reyes	767

The results of the referendum for the proposed amendments of the DVA By-Laws (Term of Directors) are as follows:

	Yes	No	Abstain
Amendment of By-Laws (Term of Directors)	694	165	260
Percentage (%) -----	62%	15%	23%

Thereafter, and based on the results of the election and referendum as above-mentioned, the COMELEC Vice Chairman, Mr. Rainerio O. Reyes, proclaimed the following as duly elected members of the Board of Governors of DVA for the year 2020-2021:

1. Allen T. Antonio
2. Aurelio Paulo R. Bartolome
3. Leopoldo P. Campos
4. Jose Ma. L. De Venecia
5. Roberto D. Lilles
6. Manuel M. Manalac, Jr.
7. Edgardo P. Reyes

## XIII. ADJOURNMENT

There being no other business to transact, on motion duly made and seconded, the meeting was adjourned.



CARLOS MARTIN M. TAYAG  
Presiding Officer



LEOPOLDO P. CAMPOS  
Acting Corporate Secretary

# Audited Financial Statements

**Dasmariñas Village Association, Inc.**  
*(A Non-stock, Not-for-profit Organization)*

Financial Statements  
December 31, 2020 and 2019

and

Independent Auditor's Report



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Philippines

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Fax: (632) 8819 0872  
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BOA/PRC Reg. No. 0001,  
October 4, 2018, valid until August 24, 2021  
SEC Accreditation No. 0012-FR-5 (Group A),  
November 6, 2018, valid until November 5, 2021

## INDEPENDENT AUDITOR'S REPORT

The Board of Governors  
Dasmariñas Village Association, Inc.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Dasmariñas Village Association, Inc. (the Association), a non-stock, non-profit association, which comprise the statements of assets, liabilities and fund balance as at December 31, 2020 and 2019, and the statements of comprehensive income, statements of changes in fund balance and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SMEs).

#### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs for SMEs, 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.





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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



## **Report on the Supplementary Tax Information under Revenue Regulations (RR) 34-2020 and 15-2010**

The supplementary information required under Revenue Regulations 34-2020 and 15-2010 for purposes of filing with the Bureau of Internal Revenue is presented by the management of Dasmariñas Village Association, Inc. in a separate schedule. Revenue Regulations 34-2020 and 15-2010 require the information to be presented in the notes to financial statements. Such information is not a required part of the basic financial statements. The information is also not required by Revised Securities Regulation Code Rule 68. Our opinion on the basic financial statements is not affected by the presentation of the information in a separate schedule.

A handwritten signature in black ink that reads 'Jennifer D. Ticlao'.

Jennifer D. Ticlao  
Partner

CPA Certificate No. 109616

SEC Accreditation No. 1758-A (Group A),  
July 2, 2019, valid until July 1, 2022

Tax Identification No. 245-571-753

BIR Accreditation No. 08-001998-110-2020,  
November 27, 2020, valid until November 26, 2023

PTR No. 8534373, January 4, 2021, Makati City

February 24, 2021

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**

**(A Non-stock, Not-for-profit Organization)**

**STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCE**

	<b>December 31</b>	
	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 5)	<b>₱221,013,618</b>	₱309,310,193
Short-term investments (Note 7)	<b>252,596,364</b>	146,547,148
Accounts receivable (Note 6)	<b>5,148,889</b>	3,570,175
Prepayments and other assets	<b>277,676</b>	275,079
Total Current Assets	<b>479,036,547</b>	459,702,595
<b>Noncurrent Assets</b>		
Available-for-sale financial assets (Note 8)	<b>9,828,000</b>	25,606,862
Property and equipment (Note 9)	<b>10,564,208</b>	14,370,857
Refundable deposits	<b>951,769</b>	987,643
Pension assets - net (Note 11)	-	1,631,530
Total Noncurrent Assets	<b>21,343,977</b>	42,596,892
<b>TOTAL ASSETS</b>	<b>₱500,380,524</b>	₱502,299,487
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Current Liabilities</b>		
Accounts and other payables (Note 10)	<b>₱18,414,038</b>	₱26,199,601
Membership dues received in advance (Note 12)	<b>1,234,189</b>	895,924
Construction bond (Note 13)	<b>180,942,305</b>	192,424,178
Total Current Liabilities	<b>200,590,532</b>	219,519,703
<b>Noncurrent Liabilities</b>		
Pension liability - net (Note 11)	<b>300,560</b>	-
Provisions (Note 21)	<b>7,000,000</b>	7,000,000
Total Noncurrent Liabilities	<b>7,300,560</b>	7,000,000
Total Liabilities	<b>207,891,092</b>	226,519,703
<b>Fund Balance</b> (Notes 3 and 20)		
Unappropriated	<b>200,655,597</b>	184,342,849
Appropriated	<b>90,000,000</b>	90,000,000
Unrealized gain(loss) on available-for-sale financial assets (Note 8)	<b>1,833,835</b>	1,436,935
Total Fund Balance	<b>292,489,432</b>	275,779,784
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>₱500,380,524</b>	₱502,299,487

*See accompanying Notes to Financial Statements.*

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
**(A Non-stock, Not-for-profit Organization)**

**STATEMENTS OF COMPREHENSIVE INCOME**

	<b>Years Ended December 31</b>	
	<b>2020</b>	<b>2019</b>
<b>REVENUE</b>		
Stickers, permits and other fees (Note 14)	<b>₱18,472,730</b>	₱33,428,722
Interest income (Notes 5, 7 and 8)	<b>9,582,175</b>	14,470,684
	<b>28,054,905</b>	47,899,406
<b>COSTS AND EXPENSES</b>		
<b>Direct Costs</b>		
Security services	<b>27,424,714</b>	27,863,494
Garbage services	<b>16,012,990</b>	12,914,434
Street repairs and maintenance	<b>6,768,556</b>	6,821,576
Stickers and supplies	<b>2,818,622</b>	2,909,329
Street lights	<b>2,787,233</b>	3,988,905
Depreciation (Note 9)	<b>1,122,203</b>	1,128,412
Community affairs	<b>665,782</b>	948,793
	<b>57,600,100</b>	56,574,943
<b>General and Administrative Expenses</b>		
Personnel costs (Notes 11 and 15)	<b>16,689,698</b>	15,413,058
Professional fees	<b>4,178,124</b>	2,064,678
Depreciation and amortization (Note 9)	<b>3,453,185</b>	3,583,292
Communication and utilities	<b>2,493,591</b>	2,900,217
Stationery and supplies	<b>1,073,780</b>	1,322,337
Taxes and licenses	<b>857,446</b>	848,882
Insurance	<b>360,115</b>	478,400
Meeting and representation expense	<b>106,594</b>	109,290
Repairs, sanitation and maintenance	<b>96,483</b>	71,392
Impairment loss on available-for-sale financial asset (Note 8)	–	558,085
Provision for probable losses (Note 21)	–	7,000,000
Miscellaneous (Notes 9 and 18)	<b>4,098,337</b>	1,275,525
	<b>33,407,353</b>	35,625,156
<b>TOTAL COSTS AND EXPENSES</b>	<b>91,007,453</b>	92,200,099
<b>DEFICIENCY OF REVENUE OVER COSTS AND EXPENSES BEFORE MEMBERS' SUPPORT</b>	<b>(62,952,548)</b>	(44,300,693)
<b>MEMBERS' SUPPORT</b>		
Membership dues (Note 17)	<b>79,265,296</b>	97,531,425
<b>EXCESS OF REVENUE AND MEMBERS' SUPPORT OVER COSTS AND EXPENSES</b>	<b>16,312,748</b>	53,230,732
<b>OTHER COMPREHENSIVE INCOME</b>		
Other comprehensive income that may be reclassified to profit or loss in subsequent years:		
Unrealized gain on available-for-sale financial asset (Note 8)	<b>396,900</b>	1,458,590
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱16,709,648</b>	₱54,689,322

See accompanying Notes to Financial Statements



**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
**(A Non-stock, Not-for-profit Organization)**

**STATEMENTS OF CHANGES IN FUND BALANCE**

	Fund Balance (Note 20)		Unrealized Gain(Loss) on Available for-sale Financial Asset (Note 8)	Total
	Unappropriated	Appropriated		
At January 1, 2020	<b>₱184,342,849</b>	<b>₱90,000,000</b>	<b>₱1,436,935</b>	<b>₱275,779,784</b>
Excess of revenue and members' support over costs and expenses	16,312,748	—	—	16,312,748
Other comprehensive income	—	—	396,900	396,900
Total comprehensive income	16,312,748	—	396,900	16,709,648
As of December 31, 2020	<b>₱200,655,597</b>	<b>₱90,000,000</b>	<b>₱1,833,835</b>	<b>₱292,489,432</b>
At January 1, 2019	₱131,112,117	₱90,000,000	(₱21,655)	₱221,090,462
Excess of revenue and members' support over costs and expenses	53,230,732	—	—	53,230,732
Other comprehensive income	—	—	1,458,590	1,458,590
Total comprehensive income	53,230,732	—	1,458,590	54,689,322
As of December 31, 2019	<b>₱184,342,849</b>	<b>₱90,000,000</b>	<b>₱1,436,935</b>	<b>₱275,779,784</b>

*See accompanying Notes to Financial Statements*

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
**(A Non-stock, Not-for-profit Organization)**

**STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31</b>	
	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenue and members' support over costs and expenses	<b>₱16,312,748</b>	₱53,230,732
Adjustments for:		
Interest income (Notes 5, 7 and 8)	<b>(9,582,175)</b>	(14,470,684)
Depreciation and amortization (Note 9)	<b>4,575,388</b>	4,711,704
Pension expense (Note 11)	<b>1,932,090</b>	1,953,311
Impairment loss on available-for-sale financial asset (Note 8)	–	558,085
Provision for probable losses (Note 21)	–	7,000,000
Loss on disposal of property and equipment (Note 9)	–	1,173
Operating income before working capital changes	<b>13,238,051</b>	52,984,321
Decrease (increase) in:		
Accounts receivable	<b>(1,571,245)</b>	(231,741)
Prepayments	<b>(2,597)</b>	15,120
Refundable deposits	<b>35,874</b>	112,534
Increase (decrease) in:		
Accounts payable and accrued expenses	<b>(7,785,563)</b>	6,994,198
Membership dues received in advance	<b>338,265</b>	262,560
Construction bond	<b>(11,481,873)</b>	20,748,248
Net cash flows provided by (used in) operating activities	<b>(7,229,088)</b>	80,885,240
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from short-term investment	<b>146,547,148</b>	157,768,181
Placements of short-term investments	<b>(252,596,364)</b>	(146,547,148)
Proceeds from disposal of available-for-sale financial asset (Note 8)	<b>16,175,762</b>	–
Acquisitions of property and equipment (Note 9)	<b>(768,739)</b>	(3,340,205)
Interest received	<b>9,574,706</b>	14,712,749
Advances to suppliers	–	1,307,938
Net cash flows provided by (used in) investing activities	<b>(81,067,487)</b>	23,901,515
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(88,296,575)</b>	104,786,755
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>309,310,193</b>	204,523,438
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 5)</b>	<b>₱221,013,618</b>	₱309,310,193

*See accompanying Notes to Financial Statements.*

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
**(A Non-stock, Not-for-profit Organization)**

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**NOTES TO FINANCIAL STATEMENTS**

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**1. Corporate Information**

Dasmariñas Village Association, Inc. (the Association) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on January 1, 1965 as a non-stock, not-for-profit organization organized to promote, advance and safeguard the interest, general welfare and well-being of the owners, lessees and occupants of the properties in Dasmariñas Village, Makati City.

The Association's records have been transferred from Securities and Exchange Commission (SEC) last January 26, 2006 to the Housing and Land Use Regulatory Board (HLURB) with registration number NCR-HOA-E-06-0001 dated Jan 25, 2006.

All real estate owners and holders of long-term leases of lots in Dasmariñas Village Subdivision (the Subdivision), as defined in the Association's by laws, shall become members of the Association.

The Association's registered address and principal place of business is 1417 Campanilla Street, Dasmariñas Village, Makati City.

On February 24, 2021, the Board of Governors authorized the President and Treasurer to approve the issuance of the financial statements. The Association's financial statements were authorized for issuance by the President and Treasurer on February 24, 2021.

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**2. Basis of Preparation**

The financial statements of the Association have been prepared using the historical cost basis, except for available-for-sale financial assets carried at fair value. Amounts are presented in Philippine Peso (₱), which is also the Association's functional currency. All amounts are rounded to the nearest peso unless otherwise indicated.

Statement of Compliance

The financial statements of the Association have been prepared in compliance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SMEs).

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**3. Summary of Significant Accounting Policies**

Changes in Accounting Policy and Disclosure

The accounting policies adopted in the preparation of the Association's financial statements are consistent with those of the previous financial year.

Financial Instruments

The Association applied the recognition and measurement provisions of PAS 39, *Financial Instruments: Recognition and Measurement* to account for all its financial instruments as allowed under PFRS for SMEs.



#### *Date of recognition*

The Company recognizes a financial asset or a financial liability in the statement of assets, liabilities and fund balance when it becomes a party to the contractual provisions of the instrument.

#### *Initial recognition of financial instruments*

Financial instruments are recognized initially at fair value of the consideration given (in case of an asset) or received (in the case of a liability). Except for financial instruments at fair value through profit or loss (FVPL), the initial measurement of financial assets includes transaction costs.

Financial assets can be classified in any of the following categories: held-to-maturity (HTM) financial assets, financial assets at FVPL, available-for-sale (AFS) financial assets and loans and receivables. Financial liabilities can be classified as at FVPL or as other financial liabilities. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Management determines the classification of its investments at initial recognition and, where allowed and appropriate, re-evaluates such designation at every end of the reporting period.

Financial instruments are classified as liability or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity net, of any related income tax benefits.

As of December 31, 2020 and 2019, the Association's financial instruments primarily consist of loans and receivables, AFS financial assets, and other financial liabilities.

#### *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are not entered into with the intention of immediate or short-term resale and are not designated as AFS financial assets or financial assets at FVPL. These are included in current asset if maturity is within 12 months from reporting date otherwise, these are classified as noncurrent asset.

After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate (EIR) method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the EIR. The amortization is included under "Interest income" in profit or loss. The losses arising from impairment of such loans and receivables are recognized in profit or loss.

This accounting policy applies primarily to the Association's cash and cash equivalents, short-term investments, accounts receivables, and refundable deposits (see Notes 5, 6 and 7).

#### *AFS Financial Assets*

AFS financial assets are non-derivative financial assets that are designated as such or do not qualify to be classified or designated as financial assets at fair value through profit or loss (FVPL), held-to-maturity (HTM) investments or loans and receivables. These are purchased and held indefinitely, and may be sold in response to liquidity requirements or changes in market conditions.

After initial measurement, AFS financial assets are measured at fair value. The unrealized gains and losses arising from the fair valuation of AFS financial assets are excluded from reported earnings and are reported in other comprehensive income (OCI).

When the investment is disposed of, the cumulative gain or loss previously recognized in OCI is recognized in profit or loss. Interest earned on holding AFS financial assets are reported as interest income using the effective interest rate (EIR).

Dividends earned on holding AFS financial assets are recognized in profit or loss when the right to receive payment has been established. The losses arising from impairment of such investments are recognized as provisions for impairment losses in the statement of comprehensive income.

When the fair value of AFS financial assets cannot be measured reliably because of lack of reliable estimates of future cash flows and discount rates necessary to calculate the fair value of unquoted equity instruments, these investments are carried at cost, less any impairment losses.

The Association classifies its treasury notes and investments in preferred shares as AFS financial assets (see Note 8).

#### *Other Financial Liabilities*

Issued financial liabilities or their components, which are not designated at FVPL are classified as other financial liabilities where the substance of the contractual arrangement results in the Association having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount, after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the EIR. Any effect of restatement of foreign currency-denominated liabilities is recognized in profit or loss.

This accounting policy applies primarily to the Association's accounts and other payables, and construction bonds (see Notes 10 and 13).

#### Impairment of Financial Assets

The carrying value of all financial assets is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The identification of impairment and the determination of recoverable amounts is a process involving various assumptions and factors, including the financial condition of the counterparty, expected future cash flows, observable market prices and expected net selling prices.

In order to determine whether negative revaluations on investment securities correctly represent impairment, all investment securities for which the market value has been significantly below cost for a considerable period of time, are individually reviewed. A distinction is made between negative revaluations due to general market fluctuations and due to issuer specific developments.

The impairment review focuses on issuer specific developments regarding financial condition and future prospects, taking into account the intent and ability to hold the securities under the Association's long-term investment strategy.



### Derecognition of Financial Assets and Liabilities

#### *Financial asset*

A financial asset (or, where applicable a part of financial asset or part of a group of similar financial asset) is derecognized when:

- (a) the rights to receive cash flows from the asset have expired;
- (b) the Association retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a ‘pass-through’ arrangement; or
- (c) the Association has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Where the Association has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Association’s continuing involvement in the asset.

#### *Financial liability*

A financial liability is derecognized when the obligation under the liability are discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

### Offsetting Financial Instruments

Financial instruments are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

### Prepayments

Prepayments are carried at cost less amortized portion. These mainly consist of prepaid insurance and advances to employees that are subject to liquidation.

### Property and Equipment

The Association measures all items of property and equipment after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses.

Factors such as change in how an asset is used, significant unexpected wear and tear, technological advancement and changes in market prices may indicate that the residual value or useful life of an asset has changed since the most recent annual reporting date. If such indicators are present and if current expectations differ, the residual value should be reviewed.

The initial cost of property and equipment consists of its purchase price, including taxes and any directly attributable costs of bringing the assets to its working condition and location for its intended use.



Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to income in the period in which the costs are incurred. To be recognized as asset, the Association must have control over the economic benefits expected to be derived from such asset. Control over an asset is the ability of the entity to direct the use of the asset so as to obtain economic benefits. The Association has right to direct the use of an asset if the entity can direct how and for what purpose the asset is used.

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

	Years
Building and other improvements	3-20
Furniture, fixtures and equipment	3-10
Transportation equipment	3-5
Security and park equipment	2-10
Software and licenses	5

Where parts of an item of property and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both useful life of an asset and its residual value, if any, are reviewed annually.

The asset's residual value, estimated useful life and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation, if any, are removed from the accounts and any resulting gain or loss is credited or charged against current operations.

#### Impairment of Nonfinancial Assets

This accounting policy applies to the Association's property and equipment. An assessment is made at each reporting date to determine whether there is any indication of impairment of any long-lived assets, or whether there is any indication that an impairment loss previously recognized for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its fair value less costs to sell.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to operations in the year in which it arises.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset since the last impairment loss was recognized, but not in excess of the amount higher than the carrying amount that would have been determined (net of any accumulated depreciation and amortization), had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is credited to current operations.

#### Retirement Benefits

The Association has a funded, noncontributory defined benefit retirement plan, administered by a trustee, covering their regular and permanent employees. Pension expense is actuarially determined using the projected unit credit method.

This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees' projected salaries. Pension expense includes current service cost plus amortization of past service cost, experience adjustments and changes in actuarial assumptions over the expected average remaining working lives of the covered employees.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Actuarial gains and losses are recognized in full in the statement of comprehensive income.

The net pension liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any).

#### Fund Balance

Fund balance is the difference between the Association's assets and liabilities. Fund balance is increased when revenues exceed expenses for the reporting period. Correspondingly, fund balance is decreased when expenses exceed revenues. A positive fund balance represents a financial resource available to finance expenses of the following period. A deficit fund balance can only be recovered by having revenues exceed expenses in the following period.

A portion of the balance in a fund may be committed and restricted to provide the funding for planned projects of the Association. Fund balance may be considered as a surplus or an excess only to the extent that it has not been committed, identified for a purpose, or is available for re-appropriation to a different purpose.

#### Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. The Association assesses its revenue arrangements against specific criteria in order to determine that it is acting as a principal in all its revenue agreements. The following specific recognition criteria must also be met before revenue is recognized.

#### *Stickers, permits and other fees*

Stickers and permits are recognized upon issuance while other fees are recognized when the earning process is complete.

#### *Interest income*

Interest income is recognized as it accrues.

#### Costs and Expenses

The Association's costs and expenses are those that arise in the course of ordinary operations of the Association. Expenses are recognized in the statement of comprehensive income as incurred.

#### Income Tax

##### *Current tax*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting dates.



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### *Deferred tax*

Deferred tax is provided, using the liability method, on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences with certain exception. Deferred tax assets are recognized for all deductible temporary differences, carryforward benefit of unused tax credits from excess minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and net operating loss carryover (NOLCO), to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from MCIT and NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rate and tax laws that have been enacted or substantively enacted at the financial reporting date. Movements in the deferred income tax assets and liabilities arising from changes in tax rates are charged against or credited to income for the period.

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

### Members' Support

Membership dues computed on the basis of a fixed rate per square meter of lot occupied by the homeowner or member are recognized when due. Membership dues received in advance are shown as part of liabilities in the statement of assets, liabilities and fund balance. Donations are recognized upon receipt or accrued when there is reasonable assurance of receipt.

### Fund Accounting

The accounts of the Association are maintained in accordance with the principle of fund accounting to ensure observance of limitations and restrictions placed on the use of resources available to the Association. This is the procedure by which resources for various purposes are classified for accounting and financial reporting purposes into funds that are in accordance with specified activities and objectives. Separate accounts are maintained for each fund, if any. Funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group, if applicable.

### Provisions

Provisions are recognized when the Association has: (a) a present obligation (legal or constructive) as a result of a past event, (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (c) a reliable estimate can be made of the amount of the obligation. Where the Association expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are reviewed at each reporting financial year-end and adjusted to reflect current best estimates.



#### Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

#### Events after the Reporting Date

Post year-end events that provide additional information about the Association's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

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#### **4. Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the financial statements in compliance with PFRS for SMEs requires the Association to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements, as they become reasonably determinable.

Judgments, estimates and assumptions 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.

#### Judgments

In the process of applying the Association's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

#### *Recognition of Capitalizable Property and Equipment*

The Association recognize assets in accordance with PIC Q&A 2016-03 which states that an item is defined as an asset if it is probable that any future economic benefit associated with the item will flow to or from the entity and the item has a cost or value that can be measured reliably. The Association believes that the Association has control over the capitalized property and equipment and has the ability to direct the use of the asset so as to obtain economic benefits.

#### *Impairment of nonfinancial assets*

The Association assesses the impairment of assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Indicators of impairment include significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset and significant negative economic trends. If such indicators are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use.

No impairment loss was recognized in 2020 and 2019 for the Association's property and equipment since there are no indicators of impairment. As of December 31, 2020 and 2019, the carrying value of the Association's property and equipment amounted to ₱10,564,208 and ₱14,370,857, respectively (see Note 9).

### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Allowance for doubtful accounts*

Allowance for doubtful accounts is estimated at a level considered adequate to provide for potential uncollectible receivables. The level of the allowance is evaluated by management based on factors that affect the collectability of the accounts. The Association reviews the age and status of receivables, and identifies accounts that are to be provided with allowance. The amount and timing of recorded expenses for any period would therefore differ depending on the judgments and estimates made for each period.

As of December 31, 2020 and 2019, the carrying amounts of accounts receivable amounted to ₱5,148,889 and ₱3,570,175, respectively, while allowance for doubtful accounts amounted to ₱132,083 as of December 31, 2020 and 2019 (Note 6).

#### *Impairment of available for sale investments*

The Association assess investments if whether there is an indication that the carrying amount of an asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. However, PAS 39 makes clear that a decline in fair value to less than cost is not necessarily an impairment. The key issue is to determine whether a decline in value below cost is accompanied by objective evidence of impairment.

A "significant or prolonged decline" in the fair value of an investment in an instrument below its cost is also being considered by the Association as an objective evidence of impairment. The Association generally considers "significant" as decline of 20% or more below the original cost of the investment, and "prolonged" as twelve (12) months or more. The reference is to a "significant" or "prolonged decline", not a significant and prolonged decline.

For the year ended December 31, 2019, the impairment of AFS investment amounted to ₱558,085 (nil in 2020). As of December 31, 2020 and 2019, the carrying amount of the AFS investments amounted to ₱9,828,000 and ₱25,606,862, respectively (see Note 8).

#### *Pension cost*

The determination of the Association's pension liability and cost for retirement benefits is dependent on selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount and salary increase rates. While the Association believes that the assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in assumptions may materially affect the pension expense and obligation.

As of December 31, 2020 and 2019, the defined benefit obligation amounted to ₱13,399,008 and ₱13,614,268, respectively (see Note 11).

#### *Deferred tax assets*

The Association reviews its deferred tax assets at the end of each reporting period and derecognizes it to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilized.



The deferred tax effects of the deductible temporary differences amounting to ₱53,539,221 and ₱47,259,990 as of December 31, 2020 and 2019, respectively, were not recognized (see Note 16).

*Provisions and contingencies*

The estimate of the amount of probable loss arising from third party claims is based on management's assessment of the probability of all possible outcomes and analysis of potential results. Provision for probable loss amounted to ₱7,000,000 as of December 31, 2020 and 2019, respectively (see Note 21)

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**5. Cash and Cash Equivalents**

	<b>2020</b>	2019
Cash on hand	<b>₱45,000</b>	₱454,997
Cash in banks	<b>15,405,575</b>	19,251,982
Cash equivalents	<b>205,563,043</b>	289,603,214
	<b>₱221,013,618</b>	₱309,310,193

Cash on hand pertains to petty cash, postage funds, and undeposited checks as of year-end. Cash in banks earn interest at the respective bank deposit rates.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and are subject to an insignificant risk of change in value. Cash equivalents earn annual interest ranging from 0.4% to 2.4% and 1.0% to 4.2% in 2020 and 2019, respectively.

Interest income earned on cash in banks amounted to ₱32,627 and ₱41,683 in 2020 and 2019, respectively. Interest income earned on cash equivalents amounted to ₱2,935,629 and ₱8,632,527 in 2020 and 2019, respectively.

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**6. Accounts Receivable**

	<b>2020</b>	2019
Accrued interest	<b>₱3,111,851</b>	₱3,104,382
Advances to former employee	<b>132,083</b>	132,083
Unpaid membership dues	<b>252,541</b>	66,472
Others (Note 14)	<b>1,784,497</b>	399,321
	<b>5,280,972</b>	3,702,258
Less allowance for doubtful accounts	<b>132,083</b>	132,083
	<b>₱5,148,889</b>	₱3,570,175

Accrued interest pertains to interest on cash equivalents, short-term investments and available-for-sale treasury notes.

Advances to former employee are noninterest-bearing loans which is due and demandable. Allowance for doubtful accounts was provided for the full amount.



Unpaid membership dues constitute a lien on the property of the concerned members. Details of unpaid membership dues follow:

	2020	2019
Unpaid membership dues:		
2020	₱202,617	₱–
2019	49,924	66,472
	<b>₱252,541</b>	<b>₱66,472</b>

Others mainly consist of receivable from sponsorships and rental of the Association's facilities. The Association has not recognized additional provision for doubtful accounts for the years ended December 31, 2020 and 2019.

## 7. Short-term Investments

As of December 31, 2020 and 2019, investment in Treasury Bills amounting to ₱252,596,364 and ₱146,547,148, respectively, are for a term of more than 90 days to one (1) year which carries interest rate ranging from 0.54% to 3.0% and 2.40% to 4.63%, respectively, per annum. Interest income earned amounted to ₱5,875,867 and ₱4,890,756 in 2020 and 2019, respectively.

## 8. Available-for-Sale Financial Assets

In 2015, the Association purchased fixed rate treasury notes amounting to ₱15,845,762, with annual coupon rate of 2.71%, payable semiannually and has a maturity of five (5) years. The Association also purchased 23,300 preferred shares amounting to ₱10,319,185 in 2015. In 2020, the Association's fixed rate treasury notes matured and proceeds amounted to ₱15,845,762.

In 2020, the Association also redeemed 4,400 of its preferred shares at ₱330,000.

The composition of the Association's investments in AFS financial assets as of December 31 follow:

	2020	2019
<b>Cost</b>		
Preferred shares	₱9,989,185	₱10,319,185
Treasury notes	–	15,845,762
Total	<b>9,989,185</b>	26,164,947
<b>Accumulated impairment loss</b>		
At January 1	(1,995,020)	(1,436,935)
Impairment loss	–	(558,085)
At December 31	<b>(1,995,020)</b>	<b>(1,995,020)</b>
Unrealized gain (loss)	<b>1,833,835</b>	1,436,935
	<b>₱9,828,000</b>	<b>₱25,606,862</b>

Unrealized gain (loss) charged to OCI for investments in AFS financial asset as of December 31 follow:

	2020	2019
Balance at January 1	₱1,436,935	(₱21,655)
Unrealized gain charged to OCI	396,900	1,458,590
Balance as at December 31	₱1,833,835	₱1,436,935

Interest income on investment in AFS financial asset amounted to ₱738,052 and ₱905,718 in 2020 and 2019, respectively.

## 9. Property and Equipment

### 2020

	Building and Other Improvements	Furniture, Fixtures and Equipment	Transportation Equipment	Security and Park Equipment	Software and Licenses	Total
<b>Cost</b>						
At January 1	₱33,963,123	₱16,198,020	₱6,980,691	₱1,851,242	₱326,417	₱59,319,493
Additions	94,080	618,159	56,500	-	-	768,739
At December 31, 2020	34,057,203	16,816,179	7,037,191	1,851,242	326,417	60,088,232
<b>Accumulated Depreciation and Amortization</b>						
At January 1	27,283,475	13,250,978	2,717,456	1,405,427	291,300	44,948,636
Depreciation and amortization	2,269,334	872,346	1,122,203	285,643	25,862	4,575,388
At December 31, 2020	29,552,809	14,123,324	3,839,659	1,691,070	317,162	49,524,024
Net Book Value	₱4,504,394	₱2,692,855	₱3,197,532	₱160,172	₱9,255	₱10,564,208

### 2019

	Building and Other Improvements	Furniture, Fixtures and Equipment	Transportation Equipment	Security and Park Equipment	Software and Licenses	Total
<b>Cost</b>						
At January 1	₱33,691,877	₱13,173,585	₱6,980,691	₱1,851,242	₱310,018	₱56,007,413
Additions	271,246	3,052,560	-	-	16,399	3,340,205
Disposals	-	(28,125)	-	-	-	(28,125)
At December 31, 2019	33,963,123	16,198,020	6,980,691	1,851,242	326,417	59,319,493
<b>Accumulated Depreciation and Amortization</b>						
At January 1	24,815,783	12,509,545	1,589,044	1,106,609	242,903	40,263,884
Depreciation and amortization	2,467,692	768,385	1,128,412	298,818	48,397	4,711,704
Disposals	-	(26,952)	-	-	-	(26,952)
At December 31, 2019	27,283,475	13,250,978	2,717,456	1,405,427	291,300	44,948,636
Net Book Value	₱6,679,648	₱2,947,042	₱4,263,235	₱445,815	₱35,117	₱14,370,857

No property and equipment were pledged as security to the Association's obligations as of December 31, 2020 and 2019.

Loss arising from the sale of property and equipment amounted to nil and ₱1,173 in 2020 and 2019, respectively which is recorded in "Miscellaneous" under "General and Administrative Expense" of the Association's statements of comprehensive income.

Depreciation and amortization charged to costs and expenses follows:

	2020	2019
General and administrative expenses	<b>₱3,453,185</b>	₱3,583,292
Direct costs	<b>1,122,203</b>	1,128,412
	<b>₱4,575,388</b>	₱4,711,704

On July 31, 1968, the developer of the subdivision has donated street lots, which have an assessed value of ₱1.00 per square meter at the time of donation. Under the terms of the donation, the donated property shall be used and maintained as private roads or streets for the use of the members of the Association, their families, personnel and domestic help and, under reasonable conditions and restrictions, by the general public. In the event that the properties are no longer used as such, the same shall automatically revert to the donor.

The Association leases in perpetuity (co-terminus with the corporate life of the Association) from Makati Development Corporation six parcels of land within the subdivision at a nominal rent of ₱1.00 a year. Under the terms of the lease, the property shall be used exclusively as park and playground for the recreation, athletic and social activities of the members of the Association and the residents of the area; provided, however, that the Association, subject to the prior consent of the lessor, may reserve and dedicate a portion of the leased premises for the construction of the Community Center Building.

All tax assessments arising out of or imposed because of the ownership or possession of the leased premises shall be borne by the Association.

## 10. Accounts and Other Payables

	2020	2019
Accounts payable	<b>₱10,167,184</b>	₱13,020,849
Accrued expenses	<b>4,806,330</b>	9,587,212
Refundable deposits payable	<b>1,887,500</b>	1,046,000
Employees' educational, loan and Christmas funds	<b>124,903</b>	1,332,332
Other payables	<b>1,428,121</b>	1,213,208
	<b>₱18,414,038</b>	₱26,199,601

Accounts payable represent amounts owed to suppliers and vendors which are noninterest-bearing. This also includes deposits from residents for payment to third-party inspector of the residents' property under construction.

Accrued expenses consist mainly of accruals for payments for security services.

Employees' educational, loans and Christmas funds pertain to Association's funds for regular employees deducted in advance against employees' salary. These funds are returned to employees within a year.

Refundable deposits payable pertains to deposits for move-in requirements of certain tenants. These are returned to the tenants upon clearance.

Other payables consist mainly of withholding taxes payable and unidentified deposits from residents.



Accounts payable and accrued expenses are obligations on the basis of normal credit terms and are non-interest bearing and are expected to be settled in the next 12 months.

## 11. Retirement Plan

The Association has a funded, noncontributory defined benefit retirement plan administered by a trustee covering substantially all of its employees. The benefits are based on years of service and compensation on the last year of employment.

The following tables summarize the components of net pension expense, the net pension liability, the changes in the present value of pension obligation, the changes in fair value of plan assets, the composition of plan assets and the principal assumptions used in the actuarial valuation as at December 31, 2020 and 2019.

Net pension expense (income) included in “personnel costs” under general and administrative expenses account in the statements of comprehensive income follows:

	2020	2019
Current service cost	₱665,988	₱373,944
Net interest income	(79,945)	(186,942)
Actuarial loss	1,346,047	1,766,309
Pension expense	₱1,932,090	₱1,953,311

The funded status and amounts recognized in the statements of assets, liabilities and fund balance for the retirement plan as of December 31, 2020 and 2019 follow:

	2020	2019
Plan assets	₱13,098,448	₱15,245,798
Benefit obligation	(13,399,008)	(13,614,268)
Pension assets (liabilities) – net	(₱300,560)	₱1,631,530

Changes in the present value of the defined benefit obligation follow:

	2020	2019
Present value of the benefit obligation, beginning	₱13,614,268	₱11,077,195
Interest cost	667,099	875,098
Current service cost	665,988	373,944
Actuarial loss on obligation	663,585	1,288,031
Benefits paid	(2,211,932)	–
Present value of the benefit obligation, ending	₱13,399,008	₱13,614,268

Changes in fair value of plan assets follow:

	2020	2019
Fair value of plan assets, beginning	₱15,245,798	₱14,662,036
Interest income	747,044	1,062,040
Actuarial loss on plan assets	(682,462)	(478,278)
Benefits paid	(2,211,932)	–
Fair value of plan assets, ending	₱13,098,448	₱15,245,798

The plan assets are maintained with a trustee bank. The actual return on plan assets amounted to ₱64,582 and ₱583,762 in 2020 and 2019, respectively.

The distribution of plan assets as of December 31, 2020 and 2019 follows:

	2020	2019
Cash and cash equivalents	₱12,799,954	₱14,752,762
Investment in equity securities	265,500	213,291
Investment in debt securities	227,880	342,000
Receivables	7,282	51,724
Allowance for credit losses	(31,805)	(36,627)
	<b>13,268,811</b>	15,323,150
Less accrued trust fees and other payables	(170,363)	(77,352)
	<b>₱13,098,448</b>	₱15,245,798

Movement in the net pension assets (liabilities) during the year follows:

	2020	2019
At beginning of year	₱1,631,530	₱3,584,841
Pension expense (Note 15)	(1,932,090)	(1,953,311)
At end of year	<b>(₱300,560)</b>	₱1,631,530

The principal assumptions used in determining pension benefits are as follows:

	2020	2019
Discount rate	3.40%	4.90%
Salary increase rate	5.00%	5.00%

Maturity profile of benefits payment is as follows:

One to five years	₱8,938,406
6 to 10 years	5,729,209
11 to 15 years	4,579,655
16 years and up	10,712,701
Total	<b>₱29,959,971</b>

## 2. Membership Dues Received in Advance

This account pertains to advance collection of membership dues from property owners or lessees which are recognized as members' support in the proper period. Advance collections amounted to ₱1,234,189 and ₱895,924 as of December 31, 2020 and 2019, respectively.

## 3. Construction Bond

This account pertains to cash deposits from members or their contractors, as required by the Association before any house construction or major renovation work is undertaken within the village.

The construction bond ensures that village properties are not destroyed or damaged through the course of the construction. It is non-interest bearing and refundable upon completion of the construction or renovation work and upon presentation of receipts and determination of the depositor's liability for any violation of the Association's regulations relating to said construction or renovation.

The movement in this account follows:

	2020	2019
Balance at January 1	₱192,424,178	₱171,675,930
Deposits	29,565,000	91,357,873
Refunds and reversal	(41,046,873)	(70,609,625)
Balance at December 31	<b>₱180,942,305</b>	₱192,424,178

#### 14. Stickers, Permits and Other Fees

Car stickers and entry permits are issued to homeowners, residents and others on a yearly basis.

In 2012, the Association entered into a lease agreement with Globe Telecom, Inc. (Globe) for the rental of sidewalks and portion of park inside the village for the latter's telecommunication facilities. The lease contract shall be for the period of 5 years commencing on May 15, 2012 and shall expire March 14, 2017, renewable for 5 years subject to renegotiations at the option of the Lessee. Monthly rental fee amounted to ₱100,000, net of all taxes.

In 2013, an addendum to the agreement was made to recognize additional monthly rental of ₱100,000, net of all taxes, subject to 4.5% escalation starting on the 3rd year of the lease period.

On March 14, 2017, the lease agreement has expired. However, Globe exercised its option to continue its services to the members of the Association and continuously pay its monthly rental and the same term to the Association. For the years ended December 31, 2020 and 2019, the Association recognized rental income amounting to ₱2,568,000. Outstanding receivables reported under "Accounts Receivable" as of December 31, 2020 and 2019 amounted to ₱1,665,347 and ₱267,685, respectively (Note 6).

#### 15. Personnel Costs

	2020	2019
Salaries and wages	₱11,468,421	₱10,193,772
Pension expense (Note 11)	1,932,090	1,953,311
Other employee benefits	3,289,187	3,265,975
Balance at December 31	<b>₱16,689,698</b>	₱15,413,058

Salaries and wages are the remuneration paid to its regular employees.

Other employee benefits account is comprised of allowances such as meal, transportation and rice subsidy and contributions to SSS, Philhealth and Pag-Ibig.



## 16. Income Tax

No part of the income of the Association inures to the benefit of any officer, member or private individual. As such, the Association is exempt from the payment of income tax on income related to its operations and activities as provided for under Section 30 (C) of the National Internal Revenue Code of 1997. However, on January 29, 2013, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 9-2013 which clarifies the taxability and vatability of association dues, membership fees and other assessments/charges collected by homeowners' associations from its members and tenants.

RMC No. 9-2013 states that Section 18 of Republic Act No. 9904 which exempts from taxation the association dues and income derived from rental are subject to certain conditions is an implied recognition by the Congress that such receipts are subject to tax under existing laws. For tax purposes, the association dues, membership fees and other assessments/charges collected by a homeowners' association constitute income payments or compensation for beneficial services it provides to its members and tenants are subject to income tax and value-added tax (VAT), subject to certain exceptions.

In 2018, Revenue Regulation (RR) No. 13-2018 Section 4.109-1 (y) states that Association dues, membership fees, and other assessments and charges collected on a purely reimbursement basis by homeowners' associations and condominium corporations established under Republic Act No. 9904 (Magna Carta for Homeowners and Homeowners' Association) and Republic Act No. 4726 (The Condominium Act), respectively, are VAT-exempt transactions.

There are no provision for income tax in 2020 and 2019 as the Association is in a tax loss position.

As of December 31, 2020, net operating loss carryover (NOLCO) that can be claimed as deduction from future taxable income and used/expired is shown below:

Inception Year	Amount	Expirations	Balance	Expiry Year
2017	₱50,834,732	₱50,834,732	–	2020
2018	56,228,938	–	56,228,938	2021
2019	50,469,632	–	50,469,632	2022
2020	71,765,501	–	71,765,501	2025
	₱229,298,803	₱50,834,732	₱178,464,071	

The unexpired NOLCO as of December 31, 2020 and 2019 amounted to ₱178,464,071 and ₱157,533,302, respectively. The deferred tax effect on NOLCO as of December 31, 2020 and 2019 amounted to ₱53,539,221 and ₱47,259,990, respectively. However, the Association deemed that there is not enough taxable income in the future from which NOLCO may be applied. Accordingly, no deferred tax asset was recognized on the NOLCO.

The Association's NOLCO incurred in 2020 can be claimed as deduction against future taxable income over five (5) years, which is until 2025. The extension of its validity as a deduction against future taxable income from three (3) years to five (5) years, is pursuant to the issuance of Revenue Regulation No. 25-2020, implementing Section 4 of the Bayanihan To Recover As One or Bayanihan 2 Act.

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## 17. Membership Dues

Membership dues are collected from members to cover the revenue deficiency and for special projects. This consists of Association dues assessed, garbage fees and special assessment amounting to ₱79,265,296 and ₱97,531,425 in 2020 and 2019, respectively.

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## 18. Miscellaneous

Miscellaneous expense mainly pertain to food subsidies for stay-in employees during the lockdown arising from COVID-19 pandemic in 2020 and other miscellaneous expenses used in administrative operations.

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## 19. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or 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 party if they are subject to common control.

Related parties may be individuals (being members of key management personnel, significant shareholders and/ or their close family members) or other entities and include entities which are under the significant influence of related parties of the Association. As of and for the years ended December 31, 2020 and 2019, the Association has no significant transactions with related parties.

There are no long-term, share-based or other compensation arrangement with key management personnel.

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## 20. Appropriated Fund

On December 14, 2017, the Board of Governors approved the appropriation of ₱90,000,000 fund for the construction of an underground 2-level parking lot at Campanilla Park which is expected to be completed within three (3) years. As of December 31, 2020, the construction has not yet commenced.

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## 21. Provisions

Provisions of ₱7,000,000 as of December 31, 2020 and 2019, was recognized for estimated losses on claims by a third party. The information usually required by Section 21 of PFRS for SMEs, *Provisions and Contingencies*, is not disclosed on the grounds that it can be expected to prejudice the Association's position.

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## 22. Events related to COVID 19 Pandemic

In a move to contain the COVID-19 outbreak, on March 13, 2020, the Office of the President of the Philippines issued a Memorandum directive to impose stringent social distancing measures in the National Capital Region effective March 15, 2020. On March 16, 2020, Presidential Proclamation No. 929 was issued, declaring a State of Calamity throughout the Philippines for a period of six (6) months and imposed an enhanced community quarantine (ECQ) throughout the island of Luzon until

April 12, 2020, which was subsequently extended to April 30, 2020. This was further extended until May 15, 2020 for NCR and certain areas. Effective May 16, 2020, NCR shifted to modified enhanced community quarantine (MECQ) until May 31, 2020. Effective June 1, 2020, NCR and certain areas shifted to general community quarantine (GCQ) until August 3, 2020. Effective August 4, 2020, NCR and certain areas shifted back to MECQ until August 18, 2020. Effective August 19, 2020, quarantine measures to NCR and certain areas were downgraded to GCQ until September 30, 2020. On September 28, 2020, the President announced that the GCQ in NCR and certain areas will be extended to October 31, 2020. NCR remained under GCQ until February 28, 2021 as announced by the President of the Philippines.

These measures have caused disruptions to Association's activities and its impact to the economy continue to evolve. The Association is committed to follow the government's policies and advice and, in parallel, will do its utmost to continue its operations in the best and safest way possible without jeopardizing the health of its people.

In 2020, the Association received cash from the homeowners intended to assist the Association's maintenance and administrative personnel, who volunteered to be quarantined inside the village, during this pandemic. The cash collected has been recorded as part of the liabilities of the Association and is decreased upon disbursement of subsidy to the in-housed employees. Total collections as of December 31, 2020 amounted to ₱2.89 million. The balance of payable relating to these collections as of December 31, 2020 amounted to nil.



# Fact Sheet of Dasmariñas Village

	2019	2020	TOTAL
<b>LAND AREA</b>	187.21 Hectares	187.21 Hectares	
Total No. of Lots	1,332	1,332	
Total No. of Vacant Lots	38	40	
Total No. of House Under Construction	1,275	1,271	
	19	21	
<b>POPULATION</b>			
A. Residents	6,900	7,068	
B. Domestic	5,750	5,890	12,958
<b>Total Fire Hydrants</b>	51	51	
<b>PERIMETER SECURITY LIGHTS:</b>			
Tamarind Road, bordering Ft. Bonifacio	32	32	
EDSA, between Amorsolo & McKinley Road	27	27	
Banyan Road, bordering San Antonio Church	4	4	
Morado Creek	7	7	
Palm Avenue Gate	4	4	
Pasay Road Gate	3	3	77
Street Lights (Meralco)	509	509	
Barangay Owned Streetlights	198	198	
<b>AVERAGE DAILY TRAFFIC:</b>			
DVA	11,909	4,511	
CSA	4,007	-	
Inter-Village	8,070	4,015	
Others	2,916	3,713	12,239
<b>Pedestrians:</b>			
Incoming	4,106	2,084	
Outgoing	3,899	1,820	3,904
<b>CAR STICKERS ISSUED:</b>			
CSA	3,183	-	
DVA	12,441	11,145	
Limited Pass	1,629	1,157	12,302
ID's Issued to Househelpers, Drivers, Gardeners, Laborers, & Other Service Providers	23,290	18,626	
ID's Issued to Private Security Guards	688	464	19,090

	2019	2020	TOTAL
<b>PERSONNEL:</b>			
DVA Employees -			
Village Manager	1	1	
Asst. Village Manager	1	1	
Office Staff	10	10	
Security Officer	1	1	
Mail Center Staff	1	1	
ID Processor	1	1	
Maintenance Supervisor	1	1	
Utility/Maintenance Men	10	10	
Sports Coordinators	2	2	
Streetsweepers	3	3	
Park Gardeners	2	2	
Agency: Security			
Clerk			
Maintenance: Utility			
Streetsweepers			
Drivers			
Janitress			
Garbage Crew:			
	33	93	36
	74		
	1	1	
	12	12	
	3	3	
	2	2	
	1	1	
	18		
	20	20	
<b>BARANGAY STAFF:</b>			
Medical Doctors	2	3	
Dentist	1	1	
Nurses	1	1	
Office Staff	10	9	
Streetsweepers	14	14	
Barangay Tanods	15	15	
	43		43
<b>VEHICLES:</b>			
Hino Libre Pasahe Vans	2	2	
Fire Trucks	2	2	
Kia Pick-Up	1	1	
Innova	1	1	
Isuzu Pick-Up	2	1	
Manlifts	2	2	
Motorbike/E-Trike	2	2	
Ambulance	1	1	
	13		12
<b>SECURITY AGENCY OWNED:</b>			
L-300	1	1	
SWAT Van (Hi-Lux)	1	1	
Innova	1	1	
Vios	1	-	
Motorcycles	11	11	
Radio Transceiver Sets			
(Base Station & Handheld Radios)			
Search Lights			
	35	52	
	3	3	
	38		

**The Water Facilities:** The water system in the Village is owned & operated by Manila Water Co.

## Status of Pending Legal Cases

### **1. Silvino Lee & Sons vs. DVA C.A. G.R. S.P. No. 122359 Court of Appeals, Manila**

On January 6, 2015 the Court of Appeals rendered a Decision in favor of DVA upholding the validity of the Deed Restrictions of DVA. In the same Decision, the Court of Appeals held the lessee thereat, Silvino Lee & Sons Realty, liable for damages for renting out its property within Dasmariñas Village to the Embassy of Turkey, in violation of the Deed Restrictions of DVA.

Silvino Lee & Sons had since elevated the matter to the Supreme Court where it now pends.

### **2. DVA vs. C.F. Arnaldo, Inc., G.R. No. 211909 Supreme Court, Manila**

The Petition of DVA with the Supreme Court which assailed the Decision of the Court of Appeals dated November 27, 2013 and its Resolution dated March 24, 2014 in C.A. G.R. SP No. 127049 [which held that the Iranian Embassy, lessee of Respondent's property at 2224 Paraiso Street, is immune from suit], is now submitted for resolution.

### **3. Dasmariñas Village Association, Inc., and PTN Development Corporation vs. Globe Telecom, Inc. and James Ong (O.P. Case No. 12-D-083)**

This is a Complaint by DVA for the dismantling of Globe's facilities in the Property of James Ong inside Dasmariñas Village on the ground that Respondents Globe and James Ong violated the Deed Restrictions of DVA (on the exclusive use of property for residential purposes only).

On August 30, 2018, the Office of the President rendered a Decision which dismissed the appeal of Globe Telecom, Inc., This is on the ground that Globe improperly appealed the ruling of the HLURB Board of Commissioners (which directed the dismantling of Globe's facilities at the subject Property of James Ong) to the Office of the President, instead of to the Court of Appeals.

The Motion for Reconsideration of James Ong to the Decision of the Office of the President dated August 30, 2018 (which denied the appeal of Globe) is now submitted for resolution.

### **4. Colegio San Agustin and Parents-Teachers Association of Colegio San Agustin vs. Dasmariñas Village Association, Inc., Housing and Land Use Regulatory Board (HI-URB Case No. HOA-A-181110-01012)**

Colegio San Agustin filed a Motion to Cite the officers of DVA for Indirect Contempt for allegedly defying the CDO of the HLURB dated August 22, 2017 (which directed DVA to cease and desist from barring access at Pasay Road, Palm Avenue, Amorsolo Street, and Lumbang Street Gates to vehicles going to CSA without the 2016 DVA-CSA car stickers, and also from imposing other unreasonable restrictions at the said gates against CSA students, parents, guests and school staff.

The proceedings herein have been held in abeyance in light of the mediation talks among the parties.



**5. Dasmariñas Village Association, Inc., vs. Colegio San Agustin and Parents-Teachers Association of Colegio De San Agustin Court of Appeals, Manila C.A. G.R. No. 156205**

This is a Complaint by CSA with application for a Cease and Desist Order (CDO) seeking to enjoin and/or nullify the action of DVA in increasing the 2016 CSA-DVA sticker to P3,000.00 per sticker, on the ground that such increase was allegedly unreasonable and the same was allegedly done without public consultation.

This case has been submitted for decision by the Court of Appeals

**6. People of the Philippines vs. Orlando Bueno y Librado & Harold Pillone y Gumban  
For: Less Serious Physical Injuries and Unjust Vexation  
Criminal Case No. 38577515776  
MTC Makati City, Branch 63**

Complainant Larry Cristobal filed this case against some DVA guards who allegedly punched him while they were enforcing DVA's traffic rules in the Village. During the mediation, Mr. Cristobal demanded that the Accused Guards should issue a public apology and pay Complainant Three Hundred Thousand Pesos (P300,000.00) by way of compensatory damages. However, DVA denied Complainant's monetary demand.

This case is pending trial.

**(Please Note:** In People of the Philippines vs. Larry Cristobal, **Criminal Case No. 16-387078**, the CSA parent above was found guilty by the MTC of Makati, for Physical Injuries, in connection with the counter-suit which the Chief Security Officer of DVA filed against said CSA parent).

Apart from the above, the under-signed is no longer aware of any other existing conditions which may subject DVA to claims, assessments, sanctions, or penalties by others or allegations of default in the performance of any loan agreement, indenture, court judgment or administrative order. Neither is the undersigned knowledgeable of any act required by statute, law or regulation or other obligation or contract of DVA which may subject DVA to any material contingent liability.

## 2020-2021 DVA Board of Governors



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*President*



**Leopoldo P. Campos**  
*Vice President*



**Aurelio Paulo R. Bartolome**  
*Treasurer*



**Jose Ma. L. De Venecia**  
*Corporate Secretary*



**Allen T. Antonio**  
*Governor*



**Edgardo P. Reyes**  
*Governor*



**Carlos Martin M. Tayag**  
*Ex-Officio Governor*



**Leopoldo G. Camara**  
*Special Adviser of the Board*

# Board of Governors and DVA Personnel

## Board of Governors

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*President*

**Leopoldo P. Campos**  
*Vice President*

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**Allen T. Antonio**  
*Governor*

**Carlos Martin M. Tayag**  
*Ex-Officio Governor*

**Leopoldo G. Camara**  
*Special Adviser of the Board*

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Traffic Management & Safety*

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*Maintenance*

**Aurelio Paulo R. Bartolome**  
*Community Affairs & Sports*

**Jose Ma. L. De Venecia**  
*Building & Construction &  
Information Technology*

**Carlos Martin M. Tayag**  
*Legal*

**Edgardo P. Reyes**  
*Special Projects*

## Office Staff

**Rosalina M. Halili**  
*Office Manager*

**Romeo C. Sapiandante**  
*Finance Manager*

**Oying C. Rafael**  
*Secretary*

**Orly L. Beuno**  
*Security Manager*

**Eusebio J. Estrella**  
*Maintenance Manager*

**Rodel G. Corilla**  
*Administrative Head*

**Amanado S. Cruz**  
*Payroll & Disbursement Officer*

**Rochelle E. Abanilla**  
*Building & Construction Supervisor*

**Lani G. Cruz**  
*Cashier*

**Bernadette D. Malaga**  
*Car Sticker Custodian &  
Procurement Officer*

**Rodolfo B. Micutan**  
*Post Office & ID Processor*

**Liesel B. Arganda**  
*Department Secretary*

**Cris Albert G. Ruiz**  
*IT Support Specialist*

**Jaime S. Daang**  
*Messenger & Property  
Custodian Officer*



## DVA Past Presidents

Dasmariñas Village Association Inc. was founded in January 1965. In the 55 years since its founding 37 members have served the Association as President.

Jaime C. Velasquez .....	1965
Alfredo B. Zamora .....	1967
Lourdes F. Mabanta .....	1970
Luis L. Mapua .....	1971
Eduardo F. Hernandez .....	1972
J. L. Romero-Salas .....	1974
Cesar C. Cruz .....	1975
Simeon M. Gopengco .....	1976
Miguel V. Ocampo .....	1977
Cornelio L. Tantoco Jr. ....	1978
Alfonso Ma. Cuyegkeng .....	1979
Oscar M. Rodriguez .....	1980
Pedro C. Sales .....	1982
Isabel Caro Wilson .....	1983
A. Gordon Westly .....	1985
Amelita D. Guevara .....	1986
R. C. Fernandez .....	1988
Manuel M. Blanco .....	1989
Jose Macario Laurel IV.....	1990
Luis J. Cantada .....	1991
Sostenes L. Campillo Jr. ....	1992
Bernardo Lichaytoo .....	1993
Alfredo S. Gloria .....	1996
Enrique G. Filamor .....	1997
Emmanuel G. Javelosa .....	1998
Francisco V. Holigores .....	1999
Isabel Caro Wilson .....	2000
Ma. Victoria P. Celdran.....	2003
Leslie Anne T. Cruz .....	2005
Ma. Victoria P. Celdran.....	2007
Raymund Bryan O. Manaloto .....	2009
Victoria C. delos Reyes .....	2010
Luis Tadeo R. Abello .....	2011
Carlos P. Gatmaitan .....	2012
Jose Victor O. Pantangco .....	2013
Ma. Victoria P. Celdran .....	2014
Victoria C. Delos Reyes .....	2015
Edgardo P. Reyes .....	2016
Edgardo P. Reyes .....	2017
Leopoldo G. Camara .....	2018
Carlos Martin M. Tayag.....	2019
Manuel M. Mañalac .....	2020

