

# COVER SHEET

for  
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

2 0 2 1 1 2 0 0 3 7 0 9 8 1 1

Company Name

S U N L I F E P R O S P E R I T Y P E S O  
V O Y A G E R F E E D E R F U N D I N C

Principal Office (No./Street/Barangay/City/Town)Province)

S U N L I F E C E N T R E 5 T H A V E . C O R .  
R I Z A L D R I V E , B O N I F A C I O G L O B A L  
C I T Y , T A G U I G C I T Y

Form Type

A A F S

Department requiring the report

C R M D

Secondary License Type, If Applicable

N/A

## COMPANY INFORMATION

Company's Email Address

[sunlife\\_sec\\_communications@sunlife.com](mailto:sunlife_sec_communications@sunlife.com)

Company's Telephone Number/s

8555-8888

Mobile Number

0999-991-7178

No. of Stockholders

7

Annual Meeting

Month/Day

Every Second Wednesday of July

Fiscal Year

Month/Day

12/31

## CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

JEANEMAR S. TALAMAN

Email Address

[Jeanemar.Talaman@sunlife.com](mailto:Jeanemar.Talaman@sunlife.com)

Telephone Number/s

8555-8888

Mobile Number

N/A

Contact Person's Address

SUN LIFE CENTRE, 5TH AVE. COR. RIZAL DRIVE, BONIFACIO GLOBAL CITY, TAGUIG CITY

**Note 1:** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated

**2:** All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

## Almer M Doring

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**From:** eafs@bir.gov.ph  
**Sent:** Saturday, April 13, 2024 3:04 PM  
**To:** PHIL-FIN.SLPPesoVoyager  
**Cc:** PHIL-FIN.SLPPesoVoyager  
**Subject:** Your BIR AFS eSubmission uploads were received

**CAUTION** This email originated from outside the organization. Please proceed only if you trust the sender.

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Hi SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.,

### Valid files

- EAFS604998230RPTTY122023.pdf
- EAFS604998230ITRTY122023.pdf
- EAFS604998230AFSTY122023.pdf

### Invalid file

- <None>

Transaction Code: **AFS-0-ALE5GB8E0D759LD8QVQTTWVY0QTMXPXQM**

Submission Date/Time: **Apr 13, 2024 03:03 PM**

Company TIN: **604-998-230**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**

## **FILING REFERENCE NO.**

<b>TIN</b>	: 604-998-230-000
<b>Name</b>	: SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND INC
<b>RDO</b>	: 044
<b>Form Type</b>	: 1702
<b>Reference No.</b>	: <b>462400059068604</b>
<b>Amount Payable (Over Remittance)</b>	: 0.00
<b>Accounting Type</b>	: C - Calendar
<b>For Tax Period</b>	: 12/31/2023
<b>Date Filed</b>	: 04/10/2024
<b>Tax Type</b>	: IT

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**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

The Management of Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (the "Company") is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, as at December 31, 2023 and 2022, and for the years ended December 31, 2023 and 2022, in accordance with the Philippine Financial Reporting Standards and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.


In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.


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

Those charged with governance review and approve the financial statements including the schedules attached therein, and submits the same to the stockholders.

Navarro Amper & Co., the independent auditor appointed by the stockholders for the years ended December 31, 2023 and 2022, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders has expressed its opinion on the fairness of presentation upon completion of such audit.

  
\_\_\_\_\_  
**Benedicto C. Sison**, Chairman of the Board

  
\_\_\_\_\_  
**Valerie N. Pama**, President

  
\_\_\_\_\_  
**Jeanemar S. Talaman**, Treasurer

Signed this 25th day of March 2024.



Subscribed and sworn to me before this APR 01 2024 day of 2024 at CITY OF MAKATI, affiants exhibiting to me competent evidence of identity, as follows:

Name	Government Issued ID	Date/Place Issued
Benedicto C. Sison		
Valerie N. Pama		
Jeanemar S. Talaman		

**WITNESS MY HAND AND SEAL** on the date and place above written:

Doc. No. 192  
Page No. 20  
Book No. XII  
Series of 2024.

**ATTY. GERVACIO B. ORTIZ JR.**  
Notary Public City of Makati  
Until December 31, 2024  
IBP No. 05729- Lifetime Member  
MCLE Compliance No. VII-0022734  
valid until April 14, 2025  
Appointment No. M-39 (2023-2024)  
PTR No. 10073909 Jan. 2, 2024 / Makati  
Makati City Roll No. 40091  
101 Urban Ave. Campos Rueda Bldg.  
Brgy. Pio Del Pilar, Makati City

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders  
SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.  
(An Open-end Investment Company)  
Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive  
Bonifacio Global City, Taguig City

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (the "Company"), which comprise the statement of financial position as at December 31, 2023 and 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows, in accordance with Philippine Financial Reporting Standards ("PFRS").

#### *Basis for Opinion*

We conducted our audit 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 Company in accordance with the Code of Ethics for Professional Accountants in the Philippines ("Code of Ethics") together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

#### About Deloitte Philippines

In the Philippines, services are provided by Navarro Amper & Co., a duly registered professional partnership.



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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with PFRS, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 financial statements.

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

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

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



## Report on Other Legal and Regulatory Requirements

### *Report on the Supplementary Information Required by the Bureau of Internal Revenue*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 18 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of Management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Navarro Amper & Co.  
BOA Registration No. 0004, valid from June 7, 2021 to September 22, 2024  
TIN 005299331

By:



Lloyd Ryan C. Moraño

Partner

CPA License No. 0108235

TIN 226-565-008

BIR A.N. 08-002552-090-2023, issued on March 10, 2023; effective until March 9, 2026

PTR No. A-6110718, issued on January 18, 2024, Taguig City

Taguig City, Philippines  
April 8, 2024



**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**

(An Open-end Investment Company)

**STATEMENTS OF FINANCIAL POSITION**

		<b>December 31</b>	
	<b>Notes</b>	<b>2023</b>	2022
<b>ASSET</b>			
Cash in banks	6	<b>P 15,285,578</b>	P 15,266,255
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Accrued expenses	7	<b>P 201,563</b>	P 125,847
Payable to fund manager	8	<b>1,627,362</b>	1,033,906
Total Current Liabilities		<b>1,828,925</b>	1,159,753
<b>Equity</b>			
Share capital	9	<b>1,000,000</b>	1,000,000
Additional paid-in capital	10	<b>14,000,000</b>	14,000,000
Deficit		<b>(1,543,347)</b>	(893,498)
Total Equity		<b>13,456,653</b>	14,106,502
		<b>P 15,285,578</b>	P 15,266,255
<b>Net Asset Value Per Share</b>	11	<b>P 0.1346</b>	P 0.1411

**See Notes to Financial Statements.**

The Company was incorporated on January 3, 2022 and has not yet started its commercial operations as at December 31, 2023.

**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**

(An Open-end Investment Company)

**STATEMENTS OF COMPREHENSIVE INCOME**

		<b>For the Years Ended December 31</b>	
	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>Revenue</b>			
Interest income	6	<b>P 9,531</b>	P 11,807
Unrealized foreign exchange gain (loss)	16	<b>(150)</b>	1,615
		<b>9,381</b>	13,422
<b>Pre-Operating Expenses</b>			
Professional fees		<b>366,912</b>	339,880
Directors' fees	8	<b>258,315</b>	318,915
Taxes and licenses		<b>22,589</b>	57,842
Marketing fees		-	154,133
Printing and supplies		-	33,264
Miscellaneous fees		<b>9,508</b>	525
		<b>657,324</b>	904,559
<b>Loss before Tax</b>		<b>(647,943)</b>	(891,137)
<b>Income Tax Expense</b>	14	<b>1,906</b>	2,361
<b>Loss for the Year</b>		<b>(P 649,849)</b>	(P 893,498)
<b>Basic and Diluted Loss Per Share</b>	12	<b>(P 0.006)</b>	(P 0.009)

**See Notes to Financial Statements.**

The Company was incorporated on January 3, 2022 and has not yet started its commercial operations as at December 31, 2023.

**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**

(An Open-end Investment Company)

**STATEMENTS OF CHANGES IN EQUITY****For the Years Ended December 31**

	<b>Notes</b>	<b>Share Capital</b>	<b>Additional Paid-in Capital</b>	<b>Deficit</b>	<b>Total</b>
Issuance of share capital during the period	9, 10	P 1,000,000	P 14,000,000	P -	P 15,000,000
Loss for the Year		-	-	(893,498)	(893,498)
Balance, December 31, 2022		1,000,000.00	14,000,000.00	(893,498)	14,106,502
Loss for the Year		-	-	(649,849)	(649,849)
<b>Balance, December 31, 2023</b>		<b>P1,000,000</b>	<b>P14,000,000</b>	<b>(P 1,543,347)</b>	<b>P13,456,653</b>

**See Notes to Financial Statements.**

The Company was incorporated on January 3, 2022 and has not yet started its commercial operations as at December 31, 2023.

**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**

(An Open-end Investment Company)

**STATEMENTS OF CASH FLOWS**

		<b>For the Years Ended December 31</b>	
	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>Cash Flows from Operating Activities</b>			
Loss before tax		<b>(P 647,943)</b>	(P 891,137)
Adjustment for:			
Interest income		<b>(9,531)</b>	(11,807)
Unrealized foreign exchange (gain) loss	16	<b>150</b>	(1,615)
Operating cash flows before working capital changes		<b>(657,324)</b>	(904,559)
Increase in:			
Accrued expenses	7	<b>75,716</b>	125,847
Payable to fund manager	8	<b>593,456</b>	1,033,906
Cash generated from operations		<b>11,848</b>	255,194
Interest income received	6	<b>9,531</b>	11,807
Income taxes paid	14	<b>(1,906)</b>	(2,361)
Net cash from operating activities		<b>19,473</b>	264,640
<b>Cash Flows from a Financing Activity</b>			
Proceeds from issuance of share capital	9, 10	-	15,000,000
<b>Net Increase in Cash in banks</b>		<b>19,473</b>	15,264,640
Effects of exchange rate changes on cash in banks		<b>(150)</b>	1,615
Cash in Banks, Beginning		<b>15,266,255</b>	-
<b>Cash in Banks, December 31, 2023</b>		<b>P 15,285,578</b>	P 15,266,255

**See Notes to Financial Statements.**

The Company was incorporated on January 3, 2022 and has not yet started its commercial operations as at December 31, 2023.

## **SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**

(An Open-end Investment Company)

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### **NOTES TO FINANCIAL STATEMENTS**

**AS AT DECEMBER 31, 2023 AND 2022 AND FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

#### **1. CORPORATE INFORMATION**

Sun Life Prosperity Peso Voyager Feeder Fund, Inc. was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 3, 2022 in accordance with the Revised Corporation Code of the Philippines (Republic Act No. 11232) which took effect on February 23, 2019 and the Foreign Investments Act (Republic Act No. 7042, as amended), approved on approved on June 13, 1991. Its primary purpose is to issue its own securities and offer them for sale to the public, and generally to carry on the business of an open-end investment company in all the elements and details thereof.

The Company appointed Sun Life Asset Management Company, Inc. (SLAMCI), an investment management company incorporated in the Philippines and a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. (SLOCPI), as its fund manager, adviser, administrator, distributor and transfer agent and provider of management, distribution and all required operational services, as disclosed in Note 8.

The Company's registered office address and principal place of business is at the 8<sup>th</sup> Floor, Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

#### **2. FINANCIAL REPORTING FRAMEWORK AND BASIS OF PREPARATION AND PRESENTATION**

##### **Statement of Compliance**

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), which include all applicable PFRS, Philippine Accounting Standards (PAS) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC) and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy (BOA), and adopted by the SEC.

##### **Basis of Preparation and Presentation**

The financial statements of the Company have been prepared on the historical cost basis, except for certain financial instruments carried at amortized cost.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

##### **Functional Currency**

These financial statements are presented in Philippine Peso, the currency of the primary economic environment in which the Company operates. All amounts are recorded to the nearest peso, except when otherwise indicated.

#### **3. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS**

##### **Adoption of New and Revised Accounting Standards Effective as at Reporting Period Ended December 31, 2023**

The Company adopted all accounting standards and interpretations as at December 31, 2023. The new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (IASB) and approved by

the FSRSC in the Philippines, were assessed to be applicable to the Company's financial statements, are as follows:

#### Amendments to PAS 1 Presentation of Financial Statements and PFRS Practice Statement 2 Making Materiality Judgements, Disclosure Initiative – Accounting Policies

The Company has adopted the amendments to PAS 1 for the first time in the current year. The amendments change the requirements in PAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in PAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The FSRSC has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in PFRS Practice Statement 2.

The Company has adopted the amendments by disclosing 'material accounting policy information' instead of 'significant accounting policy', and removing the accounting policies not considered as material.

#### Amendments to PAS 12 Income Taxes— International Tax Reform—Pillar Two Model Rules

The Company has adopted the amendments to PAS 12 for the first time in the current year. The FSRSC amends the scope of PAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in PAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the Company is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

The amendments have no impact on the financial statements as Congress has not enacted a law recognizing the applicability of Pillar Two Reform in the Philippines.

#### **New Accounting Standards Effective after the Reporting Period Ended December 31, 2023**

At the date of authorization of these financial statements, the company has not applied the following PFRS pronouncements that have been issued but are not yet effective:

Effective for annual periods beginning on or after January 1, 2024

- Amendments to PAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current
- Amendments to PAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants

- Amendments to PAS 7 Statement of Cash Flows and PFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements
- Amendments to PFRS 16 Leases—Lease Liability in a Sale and Leaseback

Effective for annual periods beginning on or after January 1, 2025

- Amendments to PAS 21 The Effects of Changes in Foreign Exchange Rates—Lack of Exchangeability
- PFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to PFRS 17)

Effective date is deferred indefinitely

- Amendments to PFRS 10 Consolidated Financial Statements and PAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Management anticipates that the adoption of the new or revised PFRSs in future periods will not have a material impact on the financial statements in the period of their initial adoption.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION**

##### **Financial assets**

##### **Initial recognition and measurement**

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

##### **Classification and Subsequent Measurement**

The Company classifies its financial assets in the following measurement categories:

- FVTPL
- Amortized cost

Classification of financial assets will be driven by the entity's business model for managing the financial assets and the contractual cash flows of the financial assets.

A financial asset is to be measured at amortized cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument represent solely payment of principal and interest (SPPI).

All other debt and equity instruments must be recognized at fair value.

All fair value movements on financial assets are taken through the statement of comprehensive income, except for equity investments that are not held for trading, which may be recorded in the statement of comprehensive income or in reserves (without subsequent recycling to profit or loss).

##### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- Amortized cost. Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- FVTPL. Assets that do not meet the criteria for amortized cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of comprehensive income within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in finance income.

#### *Amortized cost and effective interest method*

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

For financial instruments, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses (ECL), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than POCI financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

#### *Impairment of financial assets*

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### Derecognition

The Company derecognizes a financial asset only when the contractual rights to the asset's cash flows expire or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss, but is transferred to retained earnings.

## **Financial Liabilities and Equity Instruments**

### Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

#### *Financial liabilities measured subsequently at amortized cost*

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

The Company's financial liabilities classified under this category include accrued expenses and payable to fund manager.

#### *Derecognition of financial liabilities*

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

### Equity instruments

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

#### *Share capital*

Share capital consisting of ordinary shares is classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax. Any excess of proceeds from issuance of shares over its par value is recognized as additional paid-in capital.

### *Deficit*

Deficit represent accumulated loss attributable to equity holders of the Company after deducting dividends declared. Deficit may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

### **Revenue Recognition**

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control of a product or service to a customer.

### Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

### **Expense Recognition**

Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in profit or loss on the basis of: (i) a direct association between the costs incurred and the earning of specific items of income; (ii) systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or, (iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

Expenses in the statement of comprehensive income are presented using the function of expense method. Investment expenses are transaction costs incurred in the purchase and sale of investments. Operating expenses are costs attributable to the administrative and other business expenses of the Company including management fees and custodianship fees.

### **Fair Value**

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### **Related Party Transactions**

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions.

An entity that is a post-employment benefit plan for the employees of the Company and the key management personnel of the Company are also considered to be related parties.

### **Taxation**

Income tax expense represents the sum of the current tax, final tax and deferred tax expense.

#### Current tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's current tax expense is calculated using 20% regular corporate income tax (RCIT) rate.

#### Final tax

Final tax expense represents final taxes withheld on interest income from cash in banks.

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and these relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### Current and deferred taxes for the period

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in OCI or directly in equity, in which case, the current and deferred taxes are also recognized in OCI or directly in equity, respectively.

### **Foreign Currency**

Transactions in currencies other than functional currency of the Company are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date the fair value was determined. Gains and losses arising on retranslation are included in profit or loss for the year, except for exchange differences arising on non-monetary assets and liabilities when the gains and losses of such non-monetary items are recognized directly in equity. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated.

### **Loss per Share**

The Company computes its basic loss per share by dividing loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating diluted loss per share, profit or loss for the year attributable to ordinary equity holders of the Company and the weighted average number of shares outstanding are adjusted for the effects of deposits for future share subscriptions which are dilutive potential ordinary shares.

### **Net Asset Value per Share (NAVPS)**

The Company computes its NAVPS by dividing the total net asset value as at the end of the reporting period by the number of issued and outstanding shares.

## **5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### **Critical Judgments in Applying Accounting Policies**

The following are the critical judgments, apart from those involving estimations, that Management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in the financial statements.

#### Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

The Company measures its financial assets at amortized cost if the financial asset qualifies for both SPPI and business model test. The Company's business model is to hold the asset and to collect its cash flows which are SPPI. All other financial assets that do not meet the SPPI and business model test are measured at FVTPL.

As at December 31, 2023 and 2022, the Company has no financial assets measured at FVTPL.

As at December 31, 2023 and 2022, the Company's financial assets measured at amortized cost amounted to P15,285,578 and P15,266,255, respectively, composed of cash in banks as disclosed in Note 6.

#### Puttable shares designated as equity instruments

The Company's share capital met the specified criteria to be presented as equity. The Company designated its redeemable share capital as equity instruments since the Company's share capital met the criteria specified in PAS 32, Financial Instruments: Presentation, to be presented as equity.

A puttable financial instrument includes a contractual obligation for the issuer to repurchase or redeem that instrument for cash or another financial asset on exercise of the put. As an exception to the definition of a financial liability, an instrument that includes such an obligation is classified as an equity instrument if it has met all the following features:

- a. it entitles the holder to a pro rata share of the entity's net assets in the event of the entity's liquidation. The entity's net assets are those assets that remain after deducting all other claims on its assets;
- b. it is in the class of instruments that is subordinate to all other classes of instruments;
- c. all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- d. apart from the contractual obligation for the issuer to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity, and it is not a contract that will or may be settled in the entity's own equity instruments; and
- e. the total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the entity over the life of the instrument (excluding any effects of the instrument).

As at December 31, 2023 and 2022, the recognized amount of share capital representing puttable share in the statement of financial position amounted to P1,000,000, as disclosed in Note 9.

#### **6. CASH IN BANKS**

Cash in banks pertain to the proceeds arising from the Company's issuance of shares upon incorporation. Cash in banks earned interest income amounting to P9,531 and P11,807 at average rates of 0.11% and 0.07% in 2023 and 2022, respectively.

#### **7. ACCRUED EXPENSES**

	<b>2023</b>	2022
Professional fees	<b>P 192,192</b>	P116,480
Withholding taxes	<b>6,458</b>	6,455
Registration and permit fees	<b>2,913</b>	2,912
	<b>P 201,563</b>	P125,847

## 8. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company transacts with entities which are considered related parties under PAS 24, *Related Party Disclosures*.

The details of transactions with related parties and the amounts paid or payable are set out below.

Nature of Transactions	Transactions during the year		Outstanding payable		Terms	Condition	Notes
	2023	2022	2023	2022			
SLAMCI – Fund Manager							
Reimbursement of pre-operating expenses	P 399,009	P1,033,906	P1,627,362	P1,033,906	Payable on demand; non-interest bearing; to be settled in cash	Unsecured; unguaranteed	a
Key Management Personnel							
Directors' fees	P 258,315	P318,915	P -	P -	Payable on demand; non-interest bearing; to be settled in cash	Unsecured; unguaranteed	a

Details of the Company's related party transactions are as follows:

### a. Reimbursement of pre-operating expenses

SLAMCI paid certain pre-operating expenses in behalf of the Company. Payable to the fund manager in the statement of financial position amounted to P1,627,362 and P1,033,906, respectively, as at December 31, 2023 and 2022.

### b. Remuneration of Directors

Remuneration of directors is presented in the statement of comprehensive income under "Directors' fees" account amounting P258,315 and P318,915 in 2023 and 2022, respectively which are usually paid to directors based on the number of meetings held and attended. As at December 31, 2023 and 2022, there were no outstanding accrued directors' fees.

Except for the Board of Directors, the Company has no key management personnel and employees. Pursuant to the Company's Management and Distribution Agreement with SLAMCI, the latter provides all the staff of the Company, including executive officers and other trained personnel.

## 9. EQUITY

Details of share capital are as follows:

	2023		2022	
	Shares	Amount	Shares	Amount
Authorized: At P0.01 par value	150,000,000	P1,500,000	150,000,000	P1,500,000
Issued and outstanding	100,000,000	P1,000,000	100,000,000	P1,000,000

The Company was incorporated on January 3, 2022 with 150,000,000 authorized shares at par value of P0.01 per share.

### *Redeemable shares*

Redeemable shares carry one vote each, and are subject to the following:

#### a. Distribution of dividends

Each shareholder has a right to any dividends declared by the Company's Board of Directors and approved by 2/3 of its outstanding shareholders.

#### b. Denial of pre-emptive rights

No shareholder shall, because of his ownership of the shares, has a pre-emptive or other right to purchase, subscribe for, or take any part of shares or of any other securities convertible into or carrying options or warrants to purchase shares of the registrant.

c. Right of redemption

The holder of any share, upon its presentation to the Company or to any of its duly authorized representatives, is entitled to receive, by way of redemption, approximately his proportionate share of the Company's current net assets or the cash equivalent thereof. Shares are redeemable at any time at their net assets value less any applicable sales charges and taxes.

*Redeemable units*

Subsequent to December 31, 2022, the Company plans to offer Unit Class U – Philippine Peso (Unhedged) at offer price of the current NAVPU. This is in accordance with the SEC policy of allowing investment companies to issue other types of securities other than their own authorized capital stock.

Redeemable units refer to units of participation each of which represents an undivided interest in the pool of investments assets earmarked for this type of security issued by a Mutual Fund Company (MFC). The MFC will buy back the redeemable units upon request of the holder.

**10. ADDITIONAL PAID-IN CAPITAL**

Additional paid-in capital of P14,000,000 as at December 31, 2023 and 2022, pertains to excess payments over par value from investors.

**11. NET ASSET VALUE PER SHARE**

NAVPS is computed as follows:

	Note	2023	2022
Total equity		<b>P 13,456,653</b>	P 14,106,502
Outstanding shares	9	<b>100,000,000</b>	100,000,000
NAVPS		<b>P 0.1346</b>	P 0.1411

NAVPS is based on issued, outstanding and fully paid shares. The expected cash outflow on redemption of these shares is equivalent to computed NAVPS as at reporting period.

**12. LOSS PER SHARE**

The calculation of the basic and diluted earnings per share is based on the following data:

	Note	2023	2022
Loss for the period		<b>(P649,849)</b>	(P 893,498)
Weighted average number of issued and outstanding shares	9	<b>100,000,000</b>	100,000,000
Basic and diluted loss per share		<b>(P 0.006)</b>	(P 0.009)

As at December 31, 2023 and 2022, the Company has no dilutive potential ordinary shares.

### 13. FAIR VALUE OF FINANCIAL INSTRUMENTS

*Financial asset and liabilities not measured at fair value*

Cash in banks, payable to fund manager and accrued expenses excluding withholding taxes have short-term maturities, hence, their carrying amounts are considered their fair values.

### 14. INCOME TAXES

Details of income tax expense during the period are as follows:

	2023	2022
Final tax	<b>P1,906</b>	P2,361

The reconciliation between income tax expense and the product of accounting loss multiplied by 20% in 2023 and 2022 is as follows:

	2023	2022
Accounting loss before tax	<b>(P647,943)</b>	(P891,137)
Tax expense at 20%	<b>(129,589)</b>	(P178,228)
Tax effects of unrealized foreign exchange gains	<b>30</b>	(323)
Tax effects of unrecognized Net Operating Loss Carry Over (NOLCO)	<b>131,465</b>	180,912
	<b>P 1,906</b>	P 2,361

The Company is subject to 20% income tax rate in 2023 and 2022 as its total assets and net taxable income does not exceed P100 million and P5 million, respectively, in accordance with Section 27.A of NIRC, as amended by the CREATE Law.

Details of the Company's NOLCO from previous years are as follows:

Year of Incurrence	Year of Expiry	Beginning Balance	Addition	Expired	2023 Balance
2022	2025	P 904,559	P -	P -	<b>P 904,559</b>
2023	2026	-	657,324	-	<b>657,324</b>
		P 904,559	P 657,324	-	<b>P 1,561,883</b>

Deferred tax assets on NOLCO was not recognized since Management believes that future taxable income will not be available against which the deferred tax can be utilized.

The Company's interest income arising from cash in banks is already subjected to final tax therefore excluded from the computation of taxable income and are therefore excluded from the computation of taxable income subject to RCIT and MCIT.

### 15. CONTINGENCIES

The Company has no pending legal cases as at December 31, 2023 and 2022 that may have a material effect on the Company's financial position and results of operations.

## 16. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk, which includes credit risk and liquidity risk. The Fund Manager exerts best efforts to anticipate events that would negatively affect the value of the Company's assets and takes appropriate actions to counter these risks. However, there is no guarantee that the strategies will work as intended. The policies for managing specific risks are summarized below.

### *Market risk*

The Company's activities expose it primarily to the financial risks of changes in interest rates. The Company has insignificant exposure to foreign exchange risk since foreign currency denominated transactions are minimal. There has been no change on the manner in which the Company manages and measures these risks.

The Company's interest rate risk relates to cash in banks where interest rates as disclosed in Note 6. With current interest level on cash in banks, any variation in the interest will not have a material impact on the Company's profit or loss.

### Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing only with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults and transacts only with entities that are rated with equivalent of investment grade of "High" down to "Satisfactory". This information is supplied by independent rating agencies, when available. If the information is not available, the Company uses other publicly available financial information and its own trading records to rate its major counterparties. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The table below summarizes the current internal credit rating equivalence system of the Company.

<b>Summary rating</b>	<b>Internal credit rating</b>	<b>S&amp;P rating</b>
High	AAA	AAA
High	AA	AA- to AA+
High	A	A- to A+
High	BBB	BBB- to BBB+
Satisfactory	BB	BB- to B+
Acceptable	B	B- to B+
Low	CCC/C	CCC- to CCC+

The carrying amount of cash in banks is recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company determined that the credit quality of cash in banks as high grade and low credit risk investments. Therefore, no ECL is recognized for these financial assets.

### *Foreign exchange risk*

The Company is exposed to foreign exchange risk arising from fluctuations in foreign exchange rates. Significant fluctuation in the exchange rates could significantly affect the Company's financial position. The foreign currency position of the Fund (i.e. PHP vs USD) will not be hedged. Thus, investors are fully exposed to fluctuations in the USD/PHP exchange rate.

As at December 31, 2023 and 2022, the unrealized foreign exchange gain (loss) recognized in profit or loss is (P150) and P1,615, respectively.

### *Liquidity risk*

Liquidity risk arises when the Company encounters difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company aims to maintain an appropriate level of liquidity which

means having sufficient liquidity to be able to meet all obligations promptly under foreseeable adverse circumstances, while not having excessive liquidity.

The Company maintains at least ten percent of the fund in liquid/semi-liquid assets in the form of cash in banks and other collective schemes wholly invested in liquid/semi-liquid assets to assure necessary liquidity. This is also in compliance to Section 6.10 of the Implementing Rules and Regulations of the Investment Company Act series of 2018.

The Fund Manager manages liquidity risks by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities. The table had been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	<b>One Month to One Year</b>
<b>2023</b>	
Accrued expenses	<b>P 195,105</b>
Payable to fund manager	<b>1,627,362</b>
	<b>P1,822,467</b>
<b>2022</b>	
Accrued expenses	P 119,392
Payable to fund manager	1,033,906
	<b>P1,153,298</b>

The difference between the carrying amount of accrued expenses and other payables disclosed in the statement of financial position and the amount disclosed in this note pertains to withholding taxes that are not considered financial liabilities.

The following table details the Company's expected maturity for its financial asset. The table had been drawn up based on the contractual maturities of the financial asset including interest that will be earned on that asset, except when the Company anticipates that the cash flows will occur in a different period.

	Average Effective Interest Rate	Less than One Year
<b>2023</b>		
Cash in banks	<b>0.11%</b>	<b>P15,285,578</b>
<b>2022</b>		
Cash in banks	0.07%	P15,266,255

The Company expects to meet its obligations from operating cash flows and proceeds from maturing financial asset.

## **17. CAPITAL RISK MANAGEMENT**

The Fund Manager manages the Company's capital to ensure that the Company will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the mix of high quality financial instruments.

The Company is guided by its Investment Policies and Legal Limitations. All the proceeds from the sale of shares, including the original subscription payments at the time of incorporation constituting the paid-in capital, is held by custodian bank.

The capital structure of the Company consists of issued capital as disclosed in Note 9.

The Fund Manager manages the Company's capital and NAVPS, as disclosed in Notes 9 and 10 to ensure that the Company's net asset value remains competitive and appealing to prospective investors.

The Company is also governed by the following fundamental investment policies:

1. As a Feeder Fund, the Company shall be subject to the following:
  - a. It shall invest more than ninety percent (90%) of its net assets in a single collective investment scheme
  - b. The single entity limit of fifteen percent (15%) shall not be applicable;
  - c. The Target Fund:
    - i. shall not be a feeder fund or co-managed fund;
    - ii. is a CIS established by another fund manager/s, asset management company/ies or fund operator/s;
    - iii. shall provide ample protection to the investors of the feeder fund. If the Target Fund is a foreign fund, it shall have been assessed to have broadly implemented the IOSCO Principles relevant to collective investment schemes;
    - iv. The Target Fund publishes Quarterly/Semi-Annual and Annual Reports;
    - v. The investment objective of the target fund is aligned with that of the feeder fund.
  - d. The Target Fund is supervised by a regulatory authority, as follows:
    - i. A local Target Fund shall either be registered with the Commission or approved by the Bangko Sentral ng Pilipinas; and
    - ii. A Target Fund constituted in another economy shall be registered/authorized/approved, as the case may be in its home jurisdiction by a regulatory authority that is an ordinary or associate member of the IOSCO.
  - e. Investments in Target Funds shall be held for safekeeping by an institution registered/authorized/approved by a relevant regulatory authority to act as third party custodian and/or reported to the Independent Oversight Entity, as applicable.
  - f. The custodian or Independent Oversight Entity can liaise with the offshore target fund on the transactions of the feeder fund.
2. It shall not issue senior securities.
3. It shall not incur any further debt or borrowing unless at the time of its incurrence or immediately thereafter there is an asset coverage of at least three hundred percent (300%) for all its borrowings. In the event that such asset coverage shall at any time fall below three hundred percent (300%), the Fund shall within three (3) days thereafter, reduce the amount of its borrowings to an extent that the asset coverage of such borrowings shall be at least three hundred percent (300%).
4. It shall not participate in any underwriting or selling group in connection with the public distribution of securities, except its own offer units.
5. It will generally maintain a diversified portfolio. Geographic and asset allocations may vary at any time depending on the investment manager's overall view.
6. It shall not invest more than twenty percent (20%) of its net assets in real estate properties and developments, subject to investment restrictions and/or limitations under applicable law, if any.
7. It shall not purchase or sell commodity futures contracts.
8. The proportion of the Company's assets that shall be invested in each type of security shall be determined from time to time, as warranted by economic and investment conditions.
9. Subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions.
10. The Fund may use various techniques to hedge investment risks.

11. It will not change its investment objectives without the prior approval of a majority of its shareholders and prior notice to the SEC.

The Investment Policies refer to the following:

- a. Investment Objective - to invest at least 90% of its net assets in a global equity fund, which aims to generate long-term appreciation through diversified investments in equity and equity-lined securities issued by corporations domiciled in developed and emerging markets, or through diversified investment companies invested in such securities.

Open-end mutual fund companies in the Philippines are organized as stock corporations and are allowed to issue shares and/or units. The Company shall not offer common shares, only units of participation.

- b. Benchmark - 96% MSCI ACWI (PHP terms) + 4% 30-day USD Deposit.
- c. Asset Allocation Range - the Company allocates its funds available for investments among cash and other deposit substitutes and fixed-income securities based on certain proportion as approved by Management.

Other matters covered in the investment policy include the fees due to be paid to the Fund Manager with management and distribution fees each set at an annual rate of 1.75% of assets under management of each units class (exclusive of VAT) on each valuation day.

In compliance with SEC Memorandum Circular No. 21, Series of 2019 in relation to independent Net Asset Value (NAV) calculation, SLAMCI engaged Citibank, N.A. Philippines to service its fund accounting functions including calculation of its NAV every dealing day. SLAMCI and Citibank signed a Services Agreement effective December 28, 2020.

As at December 31, 2023 and 2022, the Company is in compliance with the above requirements and minimum equity requirement of the SEC of P1,000,000 pursuant to Section 3 of SEC Memorandum Circular No.33-2020. SLAMCI (Fund Manager) also submitted an affidavit of track record to the SEC as a requirement for the P1,000,000 minimum paid-up capital.

The equity ratio as of the period is as follows:

	<b>2023</b>	2022
Equity	<b>P 13,456,653</b>	P 14,106,502
Total assets	<b>15,285,578</b>	15,266,255
	<b>0.8803:1</b>	0.9240:1

Management believes that the above ratios are within the acceptable range.

**18. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE (BIR) UNDER REVENUE REGULATIONS NO. 15-2010**

The following information on taxes, duties and license fees paid or accrued during the 2023 taxable year is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

*Documentary stamp taxes*

Documentary stamp taxes incurred by the Company during 2023 amounted to nil.

*Other taxes and licenses*

Details of other taxes and licenses and permit fees paid and accrued in 2023 are as follows:

<b>Charged to Operating Expenses</b>	
Business tax	<b>P22,589</b>

*Withholding taxes*

Withholding taxes paid and accrued and/or withheld consist of:

	Paid	Accrued	Total
Expanded withholding taxes	<b>P19,373</b>	<b>P6,458</b>	<b>P25,831</b>

*Deficiency tax assessments*

The Company has no tax assessments and tax cases in 2023.

**19. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements of the Company were reviewed and endorsed by the Audit and Compliance Committee for the approval of the Board of Directors on March 25, 2024.

The Board of Directors approved the issuance of the financial statements also on March 25, 2024.

\* \* \*

## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULE

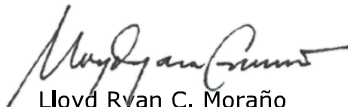
To the Board of Directors and Shareholders  
SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.  
(An Open-end Investment Company)  
Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive  
Bonifacio Global City, Taguig City

We have audited the financial statements of Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (the "Company") as at December 31, 2023 and 2022, in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated April 8, 2024.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on the attached schedule showing the reconciliation of the retained earnings available for dividend declaration as at December 31, 2023 and other supplementary information shown in schedules A-H, as required by the Securities and Exchange Commission under the SRC Rule 68, as Revised, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information are the responsibility of Management and have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Navarro Amper & Co.  
BOA Registration No. 0004, valid from June 7, 2021 to September 22, 2024  
TIN 005299331

By:



Lloyd Ryan C. Moraño

Partner

CPA License No. 0108235

TIN 226-565-008

BIR A.N. 08-002552-090-2023, issued on March 10, 2023; effective until March 9, 2026

PTR No. A-6110718, issued on January 18, 2024, Taguig City

Taguig City, Philippines  
April 8, 2024

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**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**  
**RECONCILIATION OF RETAINED EARNINGS**  
**AVAILABLE FOR DIVIDEND DECLARATION**  
**As at December 31, 2023**

2023

<b>Unappropriated Retained Earnings, beginning of reporting period</b>	(895,113)
<b>Add: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>	
Reversal of Retained Earnings Appropriations	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
	-
<b>Less: Category B: Items that are directly deducted to Unappropriated Retained Earnings</b>	
Dividend declaration during the reporting period	-
Retained Earnings appropriated during the reporting period	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
	-
<b>Unappropriated Retained Earnings, as adjusted</b>	(895,113)
<b>Add/Less: Net income (loss) for the current year</b>	(649,849)
<b>Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>	
1 Equity in net income of associate/joint venture, net of dividends declared	-
1 Unrealized foreign exchange gain (except those attributable to Cash and Cash Equivalents)	-
1 Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
1 Unrealized fair value gain of Investment Property	-
1 Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-
<b>Sub-total</b>	-
<b>Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b>	
1 Realized foreign exchange gain (except those attributable to Cash and Cash Equivalents)	-
1 Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
1 Realized fair value gain of Investment Property	-
1 Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-
<b>Sub-total</b>	-
<b>Add: Category C.3: Unrealized income recognized in the profit or loss in prior periods but reversed in the current reporting period (net of tax)</b>	
1 Reversal of previously recorded foreign exchange gain (except those attributable to Cash and Cash Equivalents)	-
1 Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
1 Reversal of previously recorded fair value gain of Investment Property	-
1 Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-
<b>Sub-total</b>	-
<b>Adjusted Net Income/Loss</b>	(649,849)
<b>Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</b>	
1 Depreciation on revaluation increment (after tax)	-
<b>Sub-total</b>	-
<b>Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3)</b>	
1 Amortization of the effect of reporting relief	-
1 Total amount of reporting relief granted during the year	-
1 Others (describe nature)	-
<b>Sub-total</b>	-
<b>Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</b>	
1 Net movement of treasury shares (except for reacquisition of redeemable shares)	-
1 Net movement of deferred tax asset not considered in reconciling items under the previous categories	-
1 Net movement in deferred tax assets and liabilities related to same transactions, e.g., set up of ROU and lease liability, set up of asset and asset retirement obligation, and set-up of service concession asset and concession payable.	-
1 Adjustments due to deviation from PFRS/GAAP - gain (loss)	-
1 Others (describe nature)	-
<b>Sub-total</b>	-
<b>Total Retained Earnings, end of the reporting period available for dividend</b>	(1,544,962)

**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**

Schedule of Financial Soundness Indicators and Financial Ratios

As at December 31, 2023

	Formula	2023	2022
<i>Current/ Liquidity Ratios</i>			
a. Current ratio	Current Assets/Current Liabilities	<b>8.36:1</b>	13.16:1
b. Quick ratio	Quick Assets/Current Liabilities	<b>8.36:1</b>	13.16:1
c. Cash ratio	Cash/Current Liabilities	<b>8.36:1</b>	13.16:1
d. Days in receivable	Receivable/Revenue * No. of days	<b>N/A</b>	N/A
e. Working capital ratio	(Current Assets-Current Liabilities)/Current Liabilities	<b>7.36:1</b>	12.16:1
f. Net working capital to sales ratio	Working Capital / Total Revenue	<b>1434.46:1</b>	1051:1
g. Defensive Interval Ratio	360* (Quick Assets / Proj. Daily Operating Expense)	<b>8371.53:1</b>	6075.73:1
<i>Solvency Ratios</i>			
a. Long-term debt to equity ratio	Noncurrent Liabilities/Total Equity	<b>N/A</b>	<b>N/A</b>
b. Debt to equity ratio	Total Liabilities/Total Equity	<b>0.14:1</b>	0.08:1
c. Long term debt to total asset ratio	Noncurrent Liabilities/Total Assets	<b>N/A</b>	<b>N/A</b>
d. Total debt to asset ratio	Total Liabilities/Total Assets	<b>0.12:1</b>	0.08:1
Asset to equity ratio	Total Assets/Total Equity	<b>1.14:1</b>	1.08:1
Interest rate coverage ratio	Earning Before Income Tax/Interest Expense	<b>0.00</b>	0.00
<i>Profitability Ratio</i>			
a. Earnings before interest and taxes (EBIT) margin	EBIT/Revenue	<b>-6906.97%</b>	-6639.38%
b. Earnings before interest, taxes and depreciation and amortization	EBITDA/Revenue	<b>-6906.97%</b>	-6639.38%
c. Pre-tax margin	EBT/Revenue	<b>-6906.97%</b>	-6639.38%
d. Effective tax rate	Income Tax/EBIT	<b>-0.29%</b>	0.26%
e. Post-tax margin	Net Income After Tax/Revenue	<b>-6927.29%</b>	-6656.97%
f. Return on equity	Net Income After Tax/Average Common Equity	<b>-4.83%</b>	-6.33%
g. Return on asset	Net Income After Tax/Average Total Assets	<b>-4.25%</b>	-5.85%
Capital intensity ratio	Total Assets/Revenue	<b>1629.42:1</b>	1137.41:1
Fixed assets to total assets	Fixed assets/Total assets	<b>N/A</b>	N/A
Dividend payout ratio	Dividends paid/Net Income	<b>N/A</b>	N/A

The Company was incorporated on January 3, 2022 and has not yet started its commercial operations as at December 31, 2023.

**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.****Total Investment in Liquid or Semi-Liquid Assets to Total Assets**

As at December 31, 2023

	<b>2023</b>	<b>2022</b>
Total Liquid and Semi-Liquid Assets	15,285,578	15,266,255
Total Assets	15,285,578	15,266,255
Total Investment in Liquid or Semi-Liquid Assets to Total Assets	100%	100%

**Total Operating Expenses to Total Net Worth**

As at December 31, 2023

	<b>2023</b>	<b>2022</b>
Total Operating Expenses	657,324	904,559
Average Daily Net Worth	13,456,653	14,106,502
Total Operating Expenses to Total Net Worth	4.88%	6.41%

**Total Assets to Total Borrowings**

As at December 31, 2023

	<b>2023</b>	<b>2022</b>
Total Assets	15,285,578	15,266,255
Total Borrowings	1,828,925	1,159,753
Total Assets to Total Borrowings	836%	1316%

The Company was incorporated on January 3, 2022 and has not yet started its commercial operations as at December 31, 2023.

**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**  
**8th Floor Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City**

**Additional Requirements for Issuers of Securities to the Public  
Required by the Securities and Exchange Commission  
As at December 31, 2023**

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A. Financial Assets	<b><u>N.A.</u></b>
B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties)	<b><u>N.A.</u></b>
C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	<b><u>N.A.</u></b>
D. Intangible Assets - Other Assets	<b><u>N.A.</u></b>
E. Long-Term Debt	<b><u>N.A.</u></b>
F. Indebtedness to Related Parties	<b><u>3</u></b>
G. Guarantees of Securities of Other Issuers	<b><u>N.A.</u></b>
H. Capital Stock	<b><u>4</u></b>

**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**  
**8th Floor Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City**

**SCHEDULE F - INDEBTEDNESS TO RELATED PARTIES**  
**As at December 31, 2023**

Name of Related Party	Relationship	Balance at beginning of the period	Balance at end of the period
Sun Life Asset Management Company, Inc.	Fund Manager	P 1,033,906	P1,627,362
<b>TOTAL</b>		<b>P1,033,906</b>	<b>P1,627,362</b>

**SUN LIFE PROSPERITY PESO VOYAGER FEEDER FUND, INC.**  
**8th Floor Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City**

**SCHEDULE H - CAPITAL STOCK**  
**As at December 31, 2023**

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as shown under related Statement of Financial Position Caption	Number of Shares reserved for options, warrants, conversion and other rights	Number of Shares Held By		
				Related Parties	Directors, Officers and Employees	Others
Share Capital						
Ordinary Shares	150,000,000	100,000,000	-	99,999,994	6	-
Treasury Shares	-	-	-	-	-	-
<b>TOTAL</b>	<b>150,000,000</b>	<b>100,000,000</b>	<b>-</b>	<b>99,999,994</b>	<b>6</b>	<b>-</b>