The following document has been received:

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Receipt Date and Time: May 10, 2024 07:36:24 PM

Company Information

SEC Registration No.: CS201601303
Company Name: TOP ARMADA CEMENT CORPORATION
Industry Classification: G51432
Company Type: Stock Corporation

Document Information

Document ID: OST10510202482389662
Document Type: Financial Statement
Document Code: FS
Period Covered: December 31, 2023
Submission Type: Annual
Remarks: None

Acceptance of this document is subject to review of forms and contents

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.

TIN	: 009-210-296-000
Name	: TOP ARMADA CEMENT CORPORATION
RDO	: 043
Form Type	: 1702
Reference No.	: 462400058929781
Amount Payable (Over Remittance)	: 152,865.00
Accounting Type	: C - Calendar
For Tax Period	: 12/31/2023
Date Filed	: 04/04/2024
Tax Type	: IT

Proceed to Payment

[BIR Main | eFPS Login | User Menu | Help]

Republika ng Pilipinas
Kagawaran ng Pananalapi
Kawanihan ng Rentas Internas

eFPS Payment Details

TIN	: 009 - 210 - 296 - 000
Name	: TOP ARMADA CEMENT CORPORATION
Tax Period	: 12/31/2023
Reference Number	: 462400058929781
Tax Type	: IT - Annual Income Tax Return (REGULAR)

Payment Transaction Number	: 240849426
Date	: 04/13/2024
Cash Amount Paid	: 152,865.00
Bank	: 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	59462
Batch Confirmation	003000	152,865.00	000000202404143566648	04/13/2024	Authorized	0 - Successful	59462
Batch Acknowledgment	003000	152,865.00	000000202404143566648	04/13/2024	Authorized	0 - Successful	59462

Payment Transaction Number	: 240848664
Date	: 04/13/2024
Cash Amount Paid	: 152,865.00
Bank	: 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number	: 240826617
Date	: 04/12/2024
Cash Amount Paid	: 152,865.00
Bank	: 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number	: 240786676
Date	: 04/12/2024
Cash Amount Paid	: 152,865.00
Bank	: 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number	: 240785836
Date	: 04/12/2024

Cash Amount Paid : 152,865.00
Bank : 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number : 240658084
Date : 04/08/2024
Cash Amount Paid : 152,865.00
Bank : 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number : 240657676
Date : 04/08/2024
Cash Amount Paid : 152,865.00
Bank : 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number : 240657080
Date : 04/08/2024
Cash Amount Paid : 152,865.00
Bank : 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number : 240656690
Date : 04/08/2024
Cash Amount Paid : 152,865.00
Bank : 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number : 240618834
Date : 04/06/2024
Cash Amount Paid : 152,865.00
Bank : 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number : 240618648
Date : 04/06/2024
Cash Amount Paid : 152,865.00
Bank : 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Payment Transaction Number : 240618318
Date : 04/06/2024
Cash Amount Paid : 152,865.00
Bank : 003000 - BANCNET-CHINABANK

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	003000	152,865.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	0

No Available Batch Confirmation
No Available Batch Acknowledgement

Total Payments (Successful/Unsuccessful): 1,834,380.00
Total Payments (Successful) : 152,865.00

Print Close

Reference No : 462400058929781
Date Filed : April 04, 2024 05:58 PM
Batch Number : 0

For BIR Use Only: BCS/ Item:

Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

BIR Form No. **1702-RT** January 2018(ENCS) Page 1

Annual Income Tax Return

For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate

Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". Two Copies MUST be filed with the BIR and one held by the taxpayer.

1702-RT 01/18ENCS P1

1 For (●) Calendar ( ) Fiscal 2 Year Ended (MM/20YY) 12/2023	3 Amended Return? ( ) Yes (●) No	4 Short Period Return? ( ) Yes (●) No	5 Alphanumeric Tax Code (ATC) IC055 Minimum Corporate Income Tax (MCIT)

Part I - Background Information

6 Taxpayer Identification Number (TIN)	009 - 210 - 296 - 000
7 RDO Code	043
8 Registered Name *(Enter only 1 letter per box using CAPITAL LETTERS)*	TOP ARMADA CEMENT CORPORATION
9A Registered Address *(Indicate complete registered address)*	ROOM 311 AIC BURGUNDY EMPIRE TOWER ADB AVENUE ORTIGAS CENTER BRGY SAN ANTONIO PASIG CITY
9B Zipcode	1605
10 Date of Incorporation/Organization (MM/DD/YYYY)	
11 Contact Number	5709810
12 Email Address	auditor@starport.ph
13 Method of Deductions	(●) Itemized Deductions [Section 34 (A-J), NIRC] ( ) Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended by RA No. 9504]

Part II - Total Tax Payable *(Do NOT enter Centavos)*

14 Total Income Tax Due (Overpayment) *(From Part IV Item 43)*	1,006,613
15 Less: Total Tax Credits/Payments *(From Part IV Item 55)*	853,748
16 Net Tax Payable (Overpayment) *(Item 14 Less Item 15) (From Part IV Item 56)*	152,865
Add Penalties	
17 Surcharge	0
18 Interest	0
19 Compromise	0
20 Total Penalties *(Sum of Items 17 to 19)*	0
21 TOTAL AMOUNT PAYABLE (Overpayment) *(Sum of Item 16 and 20)*	152,865

If Overpayment, mark "X" one box only *(Once the choice is made, the same is irrevocable)*
( ) To be refunded ( ) To be issued a Tax Credit Certificate (TCC) ( ) To be carried over as tax credit next year/quarter

We declare under the penalties of perjury that this annual return has been made in good faith, verified by us, and to the best of our knowledge and belief, is true and correct pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. *(If Authorized Representative, attach authorization letter and indicate TIN)*

RICHARD E. LIM

Signature over printed name of President/Principal Officer/Authorized Representative	Signature over printed name of Treasurer/Assistant Treasurer	22 Number of Attachments
Title of Signatory: CHAIRMAN TIN:	Title of Signatory: TIN:	4

Part III - Details of Payment

Particulars	Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount
23 Cash/Bank Debit Memo				0
24 Check				0
25 Tax Debit Memo				0
26 Others *(Specify Below)*				
				0

Machine Validation/Revenue Official Receipts Details *(if not filed with an Authorized Agent Bank)*	*Stamp of receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)*

BIR Form No. 1702-RT January 2018(ENCS) Page 2	**Annual Income Tax Return** Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	1702-RT 01/18ENCS P2

Taxpayer Identification Number (TIN)	Registered Name
009 - 210 - 296 - 000	TOP ARMADA CEMENT CORPORATION

Part IV - Computation of Tax *(Do NOT enter Centavos)*

27 Sales/Receipts/Revenues/Fees		333,919,230
28 Less: Sales Returns, Allowances and Discounts		0
29 Net Sales/Receipts/Revenues/Fees *(Item 27 Less Item 28)*		333,919,230
30 Less: Cost of Sales/Services		303,531,801
31 Gross Income from Operation *(Item 29 Less Item 30)*		30,387,429
32 Add: Other Taxable Income Not Subjected to Final Tax		0
33 Total Taxable Income *(Sum of Items 31 and 32)*		30,387,429
Less: Deductions Allowable under Existing Law		
34 Ordinary Allowable Itemized Deductions *(From Part VI Schedule I Item 18)*	26,360,978	
35 Special Allowable Itemized Deductions *(From Part VI Schedule II Item 5)*	0	
36 NOLCO *(only for those taxable under Sec. 27(A to C); Sec. 28(A)(1) & (A)(6)(b) of the tax Code) (From Part VI Schedule III Item 8)*	0	
37 Total Deductions *(Sum of Items 34 to 36)*	26,360,978	
OR [in case taxable under Sec 27(A) & 28(A)(1)]		
38 Optional Standard Deduction *(40% of Item 33)*	0	
39 Net Taxable Income/(Loss) *(If Itemized: Item 33 Less Item 37; If OSD: Item 33 Less Item 38)*		4,026,451
40 Applicable Income Tax Rate		25 %
41 Income Tax Due other than Minimum Corporate Income Tax (MCIT) *(Item 39 x Item 40)*		1,006,613
42 MCIT Due *(2% of Item 33)*		455,811
43 Tax Due *(Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher) (To Part II Item 14)*		1,006,613
Less: Tax Credits/Payments (attach proof)		
44 Prior Year's Excess Credits Other Than MCIT		0
45 Income Tax Payment under MCIT from Previous Quarter/s		0
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s		61,038
47 Excess MCIT Applied this Current Taxable Year *(From Part VI Schedule IV Item 4)*		0
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307		509,411
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		283,299
50 Foreign Tax Credits, if applicable		0
51 Tax Paid in Return Previously Filed, if this is an Amended Return		0
52 Special Tax Credits *(To Part V Item 58)*		0
Other Credits/Payments *(Specify)*		
53		0
54		0
55 Total Tax Credits/Payments *(Sum of Items 44 to 54) (To Part II Item 15)*		853,748
56 Net Tax Payable / (Overpayment) *(Item 43 Less Item 55)) (To Part II Item 16)*		152,865

Part V - Tax Relief Availment

57 Special Allowable Itemized Deductions *(Item 35 of Part IV x Applicable Income Tax Rate)*	0
58 Add: Special Tax Credits *(From Part IV Item 52)*	0
59 Total Tax Relief Availment *(Sum of Items 57 and 58)*	0

BIR Form No. 1702-RT January 2018(ENCS) Page 3	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	1702-RT 01/18ENCS P3

Taxpayer Identification Number (TIN)	Registered Name
009 - 210 - 296 - 000	TOP ARMADA CEMENT CORPORATION

Schedule I - Ordinary Allowable Itemized Deductions *(Attach additional sheet/s, if necessary)*

1 Amortizations	0
2 Bad Debts	0
3 Charitable Contributions	0
4 Depletion	0
5 Depreciation	678,661
6 Entertainment, Amusement and Recreation	0
7 Fringe Benefits	0
8 Interest	0
9 Losses	0
10 Pension Trust	0
11 Rental	2,931,147
12 Research and Development	0
13 Salaries, Wages and Allowances	5,209,431
14 SSS, GSIS, Philhealth, HDMF and Other Contributions	415,604
15 Taxes and Licenses	307,505
16 Transportation and Travel	387,250
17 Others (Deductions Subject to Withholding Tax and Other Expenses) *(Specify below; Add additional sheet(s), if necessary)*	
a Janitorial and Messengerial Services	0
b Professional Fees	131,000
c Security Services	593,313
d OTHER OPERATING EXPENSES	15,707,067
e	0
f	0
g	0
h	0
i	0
18 Total Ordinary Allowable Itemized Deductions *(Sum of Items 1 to 17i) (To Part IV Item 34)*	26,360,978

Schedule II - Special Allowable Itemized Deductions *(Attach additional sheet/s, if necessary)*

	Description	Legal Basis	Amount
1			0
2			0
3			0
4			0
5 Total Special Allowable Itemized Deductions *(Sum of Items 1 to 4) (To Part IV Item 35)*			0

Annual Income Tax Return

Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate

1702-RT 01/18ENCS P4

Taxpayer Identification Number (TIN)	Registered Name
009 - 210 - 290 - 000	TOP ARMADA CEMENT CORPORATION

Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)

1 Gross Income *(From Part IV Item 33)*	0
2 Less: Ordinary Allowable Itemized Deductions *(From Part VI Schedule I Item 18)*	0
3 Net Operating Loss*(Item 1 Less Item 2) (To Schedule IIIA, Item 7A)*	0

Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) *(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)*

	Net Operating Loss		
	Year Incurred	A) Amount	B) NOLCO Applied Previous Year
4		0	0
5		0	0
6		0	0
7		0	0

Continuation of Schedule IIIA (Item numbers continue from table above)

	C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) *[E = A Less (B + C + D)]*
4	0	0	0
5	0	0	0
6	0	0	0
7	0	0	0
8 Total NOLCO *(Sum of Items 4D to 7D) (To Part IV, Item 36)*		0	

Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)

Year	A) Normal Income Tax as adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1	0	0	0
2	0	0	0
3	0	0	0

Continuation of Schedule IV *(Item numbers continue from table above)*

	D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
1	0	0	0	0
2	0	0	0	0
3	0	0	0	0
Total Excess MCIT Applied *(Sum of Items 1F to 3F) (To Part IV Item 47)*			0	

Schedule V - Reconciliation of Net Income per Books Against Taxable Income *(attach additional sheet/s, if necessary)*

1 Net Income/(Loss) per books		3,924,232
Add: Non-deductible Expenses/Taxable Other Income		
2 RETIREMENT		102,219
3		0
4 Total *(Sum of Items 1 to 3)*		4,026,451
Less: A) Non-Taxable Income and Income Subjected to Final Tax		
5		0
6		0
B) Special Deductions		
7		0
8		0
9 Total (Sum of Items 5 to 8)		0
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)		4,026,451

eSubmission Validation Report

From: eSubmission (esubmission@bir.gov.ph)
To: haide_duka@yahoo.com
Date: Thursday, April 4, 2024 at 09:34 PM PDT

ACKNOWLEDGEMENT RECEIPT NUMBER: 20240405-E062908

This is to confirm receipt of the file(s) as stated below:

Total attachment/file(s) received : 1

No. of valid file(s) : 1
No. of invalid file(s) : 0

We have validated your submission in compliance with existing BIR regulations.

Find below the details of your submission:

Date of Submission: 04/04/2024 7:14:25 PM
Filename(s):
1. Attachment : 009210296000001220231702.DAT
009210296000001220231702.DAT - VALID
CONFIRMATION RECEIPT NUMBER - 2024-0000067129

VALIDATION REPORT:
1. Attachment : 009210296000001220231702.DAT

TIN of Withholding Agent TIN: 009210296-0000
Alphalist Form : 1702
Taxable Month : 12/2023

LINE NUM	SCHEDULE	ERROR DESCRIPTION
0000000000		No Errors Encountered

PLEASE BE INFORMED THAT THIS IS THE FINAL EMAIL ON THE VALIDATION PROCESS OF YOUR SUBMISSION. HOWEVER, A VALIDATION OF THE TIN OF THE WITHHOLDING AGENT WILL STILL BE UNDERTAKEN. ACCORDINGLY, PLEASE ENSURE THAT THE TIN IS VALID FOR A SUCCESSFUL SUBMISSION OF YOUR ALPHALIST (OR SLSP, AS THE CASE MAY BE).

Thank You.

This is a system generated report. For inquiries, please email us at contact_us@bir.gov.ph
or call us at (2) 8538-3200

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

CS201601303

Company Name

TOP ARMADA CEMENT CORPORATION

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

ROOM 311 AIC BURGUNDY EMPIRE TOWER ADB AVE ORTIGAS CENTER PASIG CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
AFS	CFRD	

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
legal@starport.ph	9178000347	9062145881

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
6	DECEMBER 15	DECEMBER 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
REDMOND ALEJANDRO B. LIM	k.delaosa@pblaw.ph	5310-5845	9455505932

Contact Person's Address

311 AIC BURGUNDY EMPIRE TOWER ADB AVE ORTIGAS CENTER PASIG 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 therof 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.

TOP ARMADA CEMENT CORPORATION

REPORT OF EXAMINATION

December 31, 2023

C. M. ILAGAN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
Mandaluyong City

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The Management of **TOP ARMADA CEMENT CORPORATION** is responsible for all information and representations contained in the Annual Income Tax Return for the calendar year ended December 31, 2023. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the calendar year ended December 31, 2023 and the accompanying Annual Income Tax Return are in accordance with the books and records of **TOP ARMADA CEMENT CORPORATION** complete and correct in all material respects. Management likewise affirms that:

a. the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
b. any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the company's books and record in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant Issuances;
c. the **TOP ARMADA CEMENT CORPORATION** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

RICHARD E. LIM
Chairman of the Board

RICHARD B. LIM JR.
Chief Executive Officer

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RDO 41 - MANDALUYONG
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APR 15 2024
ABYGAIL NICOLE O. RODRIGO

TIMOTHY JAMES SYQUIATCO
Chief Finance Officer

C.M. ILAGAN & ASSOCIATES, CPA's
18D San Marcelino St., Plainview, Mandaluyong City
8535-9005 / 7958-1959 / 8533-9389 Telefax: 7576-0225
email address: cmiassociates@yahoo.com

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Shareholders of
TOP ARMADA CEMENT CORPORATION
Rm 311 AIC Burgundy Empire Tower, ADB Ave.,
Ortigas Center, Pasig City

Report on the Audit of the Financial Statements

Opinion

*We have audited the financial statements of **TOP ARMADA CEMENT CORPORATION** which comprise the statement of financial position as at **December 31, 2023** and **2022**, and the statements of comprehensive income, statement of changes in equity 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 **TOP ARMADA CEMENT CORPORATION** as at **December 31, 2023** and **2022**, and of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) for Small Entities.*

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 Corporation in accordance with the Code of Ethics for Professional Accountants in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 PFRS for Small Entities, 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 Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

APR 15 202

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 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 Corporation'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 Corporation'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 Corporation 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 Information Required Under Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties and license fees in Notes 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 information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

Report on Supplementary Schedules

We have audited, in accordance with Philippines Standards on Auditing, the Financial Statements of **TOP ARMADA CEMENT CORPORATION** as at and for the year ended **December 31, 2023** included in this Audited Financial Statements (AFS) and have issued our report thereon dated March 15, 2024. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the index to Financial Statements and Supplementary Schedules in this AFS are presented for purposes of complying with the Security Regulation Code (SRC) Rule 68, and are not part of the basic financial statements. Such schedules are the responsibility of management. The schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

CARMELO M. ILAGAN
TIN No. 106-606-091
CPA Certificate No.31415 valid until April 23, 2025
PTR No. 5425821 issued at Mandaluyong City on January 04, 2024
BIR Accreditation No. 07-100231-001-2023 valid until January 5, 2027
BOA Accreditation No. 0139 valid until September 30, 2025
March 15, 2024

BIR - RR7B - EAST NCR
RDO 41 - MANDALUYONG CITY
RECEIVED
APR 15 2024
ABYGAIL NICOLE O. RODRIGO
(Collection Section)

TOP ARMADA CEMENT CORPORATION
COMPARATIVE BALANCE SHEET

As of December 31	Notes		2023		2022
ASSETS					
CURRENT ASSETS					
Cash	3,5	P	1,209,432	P	669,582
Inventories	3,6		57,959,004		37,860,633
Other Current Assets	3,7		4,164,448		2,395,335
Total Current Assets			63,332,885		40,925,551
NON-CURRENT ASSETS					
Property & Equipmennt	3,8		6,694,901		2,091,672
Deferred Tax Asset			25,555		-
Total Non-current Assets			6,720,456		2,091,672
TOTAL ASSETS			70,053,340		43,017,223
LIABILITIES & EQUITY					
CURRENT LIABILITIES					
Trade & Other Payables	3,10		63,504,746		39,415,966
Other Current Liabilities	3,11		405,690		271,531
Income Tax Payable	3,12		152,865		32,513
Total Current Liabilities			64,063,301		39,720,010
NON-CURRENT LIABILITTIES					
Retirement Benefit Obligation	3,13		102,219		-
Total Non-Current Liabilities			102,219		-
EQUITY					
Share Capital	3,14		1,250,000		1,250,000
Cumulative Earnings	3,15		4,637,820		2,047,213
Total Equity			5,887,820		3,297,213
TOTAL LIABILITIES & EQUITY		P	70,053,340	P	43,017,223

See accompanying Notes to Financial Statements

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TOP ARMADA CEMENT CORPORATION
COMPARATIVE STATEMENT OF INCOME

Years Ended December 31	Notes	2023	2022
SALES	3,16	P 333,919,230	P 106,893,264
COST OF SALES	3,17	303,531,801	89,517,293
GROSS INCOME		30,387,429	17,375,971
ADMINISTRATIVE EXPENSES	3,18	26,463,197	16,224,993
NET INCOME BEFORE TAX		3,924,232	1,150,978
INCOME TAX EXPENSE	3,22		230,196
Current		1,006,613	-
Deferred		(25,555)	-
NET INCOME		P 2,892,064	P 920,783

See accompanying Notes to Financial Statements

TOP ARMADA CEMENT CORPORATION
COMPARATIVE STATEMENT OF CASH FLOW

Years Ended December 31	*Notes*		2023		2022
CASH FLOW FROM OPERATING ACTIVITIES					
Net income for the period		P	2,892,064	P	920,783
Adjustments for:					
Depreciation	*3,20*		678,661		246,843
Operating income before working capital changes			3,570,725		1,167,625
Decrease (Increase) In:					
Inventories	*3,6*		(20,098,371)		(27,552,868)
Other Current Assets	*3,7*		(1,769,113)		(1,805,356)
Other Non current Asset			(25,555)		
Increase (decrease) In:					
Trade & Other Payables	*3,10*		24,088,780		27,752,836
Other Current Liabilities	*3,12*		134,158		221,952
Income Tax Payable	*3,11*		120,352		32,513
Other Non-Current Liability			102,219		
Prior Period Adjustment			(301,456)		
Net Cash provided by Operating Activities			5,821,739		16,703
CASH FLOW FROM INVESTING ACTIVITIES					
Additions to properties and equipment	3,8		*(5,281,890)*		*(590,763)*
NET CASH USED IN INVESTING ACTIVITIES			*(5,281,890)*		*(590,763)*
CASH FLOW FROM FINANCING ACTIVITIES					
Subscribed & Fully Paid	3,14		-		*937,500*
NET CASH USED IN INVESTING ACTIVITIES			-		*937,500*
NET INCREASE (DECREASE) IN CASH			539,850		363,439
CASH BALANCE, BEG	*3,5*		669,582		306,143
CASH BALANCE, END	*3,5*	P	1,209,432	P	669,582

See accompanying Notes to Financial Statements

TOP ARMADA CEMENT CORPORATION
COMPARATIVE STATEMENT OF CHANGES IN EQUITY
Years Ended December 31, 2023 & 2022

	Share Capital	*Cumulative Earnings Unappropriated*	*Cumulative Earnings Appropriated*	*Total Equity*
	(Notes 3,16)	*(Notes 3,17)*	*(Notes 3,17)*	
Balance as of January 1, 2023	P 1,250,000	P 2,047,213		P 3,297,213
Net Income for the year		2,892,064		2,892,064
Prior Period Adjustment		(301,456)		(301,456)
For Business Expansion		(3,500,000)	3,500,000	-
Balance at December 31, 2023	1,250,000	1,137,820	3,500,000	5,887,820
Balance as of January 1, 2022	P 1,250,000	P 1,126,430		P 2,376,430
Net Income for the year		920,783		920,783
Prior Period Adjustment				-
For Business Expansion		(1,000,000)	1,000,000	-
Balance at December 31, 2022	1,250,000	1,047,213	1,000,000	3,297,213

See accompanying Notes to Financial Statements.

1 ***Corporate Information***

TOP ARMADA CEMENT CORPORATION was incorporated in the Philippines, registered with the Securities and Exchange Commission (SEC) with Registration No. CS201601303 dated January 22, 2016.

The primary business purpose of the company is to engage in the business of trading of goods such as acement and other general merchandise on wholesale/retail basis.

The registered address of the Company is located at Room 311 AIC Burgundy Empire Tower ADB Ave., corner Gamet Roads, Ortigas Center, Pasig City.

The financial statements of the Company for the years ended December 31, 2023 and 2022 were authorized for issue by the Board of Directors on March 23, 2024. The Board is still empowered to make amendments even after the date of issue.

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2. ***Basis of Preparation***

The financial statements of the Company have been prepared on a *historical cost convention.* The financial statements are presented in Philippine Pesos, which is the Company's functional currency.

The accompanying financial statements have been prepared on a *going concern basis*,which contemplate the realization of assets and settlement of liabilities in the normal course of business,

3. ***Statement of Compliance***

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) for SMEs. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in the following notes.

4. ***Summary of Significant Accounting Policies***

The significant accounting policies and practices of the Company are set forth to facilitate the understanding of the financial statements:

Basic Financial Instruments

The Company's financial assets include cash, trade & other receivables, and other non current assets.

Initial recognition and measurements

A financial asset or financial liability is recognized initially, at the transaction price (including transaction costs except in the initial measurement of financial asset and liabilities that are measured at fair value through profit and loss) unless the arrangement constitutes, in effect, a financing transaction.

Subsequent measurements

At the end of each accounting period, an entity shall measure financial instruments as follows, without ay deduction for transaction costs the entity may incur on sale or other disposals:

- Debt instruments that meet the conditions shall be measured at amortized cost using effective interest method.
- Commitment to receive a loan that meet the conditions shall be measured at cost (which sometimes is nil) less impairment.
- Investment in non-convertible preference shares and non-puttable ordinary or preference share that meet the conditions shall be measured as follows:
- If the shares are publicly traded or their fair value can otherwise be measured reliably, the investment shall be measured at fair value with changes in fair value recognized in profit and loss.
- All other such investments shall be measured at cost less impairment.

De-recognition of a financial assets or financial liability

An entity shall de-recognize a financial asset only when:

- The contractual right to the cash flows from the financial asset expire or are settled, or
- The entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or
- The entity, despite having retained some significant riskd and rewards of ownership, has transferred control of the asset to another party and other party has the practical ability to sell the asset in its entirely to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

An entity shall de-recognize a financial ability (or a part of a financial liability) only when it is extinguished. The entity shall recognize the statement of profit or loss any difference between the carrying amounts of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed in the statement or profit or loss.

Cash
Cash includes cash in bank and petty cash fund and these items are measured at face value.
Cash equivalents if any may consist of short-term, highly liquid debt instruments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

Trade and Other Receivables
Trade receivable represents accounts receivable, while other receivables pertain to advances to officers and employees. Trade and other receivables are initially measured at transaction price (including transaction costs) which is the undiscounted amount of cash receivable from that entity, which is normally the invoice price, and subsequently measured at the undiscounted amount of the cash or other consideration expected to be received (i.e., net of impairment).

Inventories
An entity shall measure inventories at the lower of cost or market value.

An entity shall include in the cost of inventories all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition.

Other Current Assets
Other current assets consist of VAT input tax and receivables from employees which the company expect to consume and receive within one year after the reporting period. These are measured at the transaction cost.

Property, and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and amortization, and any impairment in value.

The initial cost of property, plant and equipment consists of its purchase price, including any directly attributable costs in bringing the asset to its working condition and location for its intended use. Expenditures incurred after the item has been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized as expense in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have improved the condition of the asset beyond the originally assessed standard of performance, the expenditures are capitalized as an additional cost of property, plant and equipment. When assets are sold or retired, their costs and accumulated depreciation, amortization and impairment losses, if any, are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of operations of such period

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets

Office Equipment	3 - 5 years
Software	10 years
Furniture & Fixtures	5 years
Service Vehicle	5 years
Communication Equipment	10 years
Warehouse Equipment	10 years

The useful life of each of the property, plant and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of industry practice and experience with similar assets.

The assets' residual values, useful lives and depreciation and amortization method are reviewed, and adjusted if appropriate, at each financial year-end.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. An entity shall recognize the gain or loss on the derecognition of an item of property and equipment in profit or loss when the item is derecognized.. Then entity shall not classify such gains as revenue.

<u>Deferred Tax Asset</u>

An entity shall measure its deferred tax liabilities (assets) using the tax rates and laws that have been enacted or substantively enacted by the reporting date. When different tax rates apply to different levels of taxable profit, an entity shall measure deferred tax expense (income) and related deferred tax liabilities (assets) using the average enacted or substantively enacted rates that it expects to be applicable to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realized or the deferred tax liability to be settled.

The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of the related assets and liabilities.

<u>Impairment of Non-Financial Assets</u>

Assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. The entity shall recognize impairment loss in profit or loss immediately.

Other Non-Current Assets

Other non-current assets represent refundable deposits to utility companies and rental deposits which are refundable at the end of lease term or termination of contract and is measured at transaction cost.

Financial Liabilities
Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

This category includes trade payables and other payables, and interest-bearing borrowings.

Trade and Other Payables
Trade payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade payables are recognized initially at the transaction price and which is normally the invoice price, and subsequently measured at the undiscounted amount of cash or other consideration expected to be paid (i.e. net of impairment).

Accrued Expenses

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. It is necessary to estimate the amount or timing of accruals, however, the uncertainty is generally much less than for provisions.

Loans Payable
Loans Payable (referred to as borrowings) pertains to an interest-bearing loan obtained from a financial institution intended for funding the company's operations and are recognized initially at the transaction price (that is, the present value of cash payable to bank, including transaction costs). Borrowings are subsequently stated at amortized cost. Interest expense is recognized using effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Retirement Payable
The Company accounts for the post-employment benefit plan using the accrual approach in accordance with the minimum retirement benefits required under Republic Act (RA) No. 7641, otherwise known as The Philippine Retirement Pay Law, or company policy if superior than that provided by RA 7641.

Accrual approach is applied by calculating the expected liability as of reporting date using the current salary of the entitled employees and the employees' years of service, without consideration of future changes in salary rates and service periods. The entity shall recognize the liability for such post-employment benefit plan at the net total of the following amounts: a) the accrued amount of the retirement benefits at the reporting date; less b) the fair value of plan assets (if any) at the reporting date out of which the obligations are to be settled directly.

Equity
Share capital is determined using the nominal value of shares that have been issued and fully paid.

An entity shall recognise the issue of shares or other equity instruments as equity when it issues those instruments and another party is obliged to provide cash or other resources to the entity in exchange for the instruments:

a) if the equity instruments are issued before the entity receives the cash or other resources, the entity shall present the amount receivable as an offset to equity in its statement of financial position, not as an asset;
b) if the entity receives the cash or other resources before the equity instruments are issued, and the entity cannot be required to repay the cash or other resources received, the entity shall recognise the corresponding increase in equity to the extent of consideration received; and

c) to the extent that the equity instruments have been subscribed for but not issued, and the entity has not yet received the cash or other resources, the entity shall not recognise an increase in equity.

An entity shall measure the equity instruments at the amount of cash received. If payment is deferred and the time value of money is material, the initial measurement shall be on a present value basis. If the equity instruments are exchanged for resources other than cash, the equity instruments shall be recognized at the fair value of those resources.

An entity shall account for the transaction costs (i.e., incremental costs that are directly attributable to the issue) of an equity transaction as a deduction from equity, net of any related income tax benefit.

Cumulative Earnings

Cumulative earnings include all current and prior period results as disclosed in the statement of income.

An entity shall reduce equity for the amount of distributions to its owners (holders of its equity instruments), net of any related income tax benefits.

When an entity pays dividends to its shareholders, it may be required to pay a portion of the dividends to taxation authorities on behalf of the shareholders. Such an amount paid or payable to taxation authorities is charged to equity as a part of the dividends.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation, either legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably. When the Company expects reimbursement of some or all of the expenditure required to settle a provision, the entity recognizes a separate asset for the reimbursement only when it is virtually certain that reimbursement will be received when the obligation is settled.

The amount of the provision recognized is the best estimated of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation at that reporting date.

Contingent liabilities and assets are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liabilities, if any, are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are disclosed only when an inflow of economic benefits is probable.

Revenue and Cost recognition

An entity shall measure revenue at the fair value of the consideration received or receivable. The fair value of the consideration received or receivable is after deducting the amount of any trade discounts, prompt settlement discounts and volume rebates allowed by the entity. The fair value also takes into account the time value of money.

An entity shall include in revenue only the gross inflows of economic benefits received and receivable by the entity on its own account. An entity shall exclude from revenue all amounts collected on behalf of third parties, such as sales taxes, goods and services taxes and value added taxes collected on behalf of a government.

The following specific criteria must also be met before revenue is recognized:

- Sale of Goods - Revenue is recognized when the significant risks and rewards of ownership of the goods passed to customers.
- Services - When the outcome of a transaction involving the rendering of services can be estimated reliably, an entity shall recognize revenue associated with the transaction by reference to the stage of completion of the transaction at the end of the reporting period (sometimes referred to as the percentage of completion method).

Finance income
Finance income comprises interest income on bank deposits. Interest income is recognized in profit or loss as it accrues, using the effective interest method.

Rental Revenue
Lease receipts as income in profit or loss in the period in which they are earned

Cost, administrative expenses and other expenses are recognized in the statement of income upon utilization of the service or in the date they are incurred. Finance costs are reported on an accrual basis.

Short-term Benefits
The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses and other non-monetary benefits.

Termination benefits
Termination benefits are payable when employment is terminated before the normal date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value. The Company has not accrued any termination benefits during the year.

Borrowing Costs
Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include interest expense calculated using the effective interest method as described in Section 6 -Basic Financial Instruments. An entity shall recognize all borrowing costs as an expense in profit or loss in the period in which they are incurred.

Leases
A lease is an agreement whereby the less or conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

Income Taxes
The tax currently payable for the year is Regular Corporate Income Tax (RCIT). Taxable profit differs from net profit as reported in the statements of operations, 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 reconciliation of the Company's liability, if any, for current tax is calculated using 25% tax rate.

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 by the balance sheet date.

Deferred income tax, if any, is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities, if any, are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences and carry forward benefits of unused net operating loss carryover (NOLCO), if any, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carry forward of NOLCO can be utilized.

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

Deferred tax asset and liabilities, if any, are measured at the tax rates expected in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Events after the reporting period
Post year-end events that provide additional information about the Company's position as balance sheet date (adjusting events) are reflected in the financial statements. Post year-end that are not adjusting events are disclosed in the notes to the financial statement when material. As of the financial position date, there is no material post year-end event that should be disclosed or reflected in the financial statements.

Related party transactions
Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Individuals, associated or companies that directly or indirectly control or are controlled by or are under common control with the company are also considered related parties. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Transactions between related parties are accounted for at arms' length prices or on terms similar to those offered to non-related entities in an economically comparable market.

Going-concern
The management shall evaluate whether relevant conditions and events, considered in the aggregate, indicate that it is probable that the company will be unable to meet its obligations as they become due within one year after the date that the financial statements are issued. The evaluation initially shall not take into consideration the potential mitigating effect of management's plans that have not been fully implemented as of the date that the financial statements are issued.

5. ***MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGEMENTSAND ESTIMATES***

The preparation of the accompanying financial statements in conformity with Financial Reporting Framework (in reference to the Philippine Financial Reporting Standards) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluations of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from such estimates.

Judgments
The preparation of the Company's financial statements in conformity with Financial Reporting Framework (in reference to the Philippine Financial Reporting Standards) requires management to make estimates and assumptions that affect the amounts reported in the Company's financial statements and accompanying notes. The estimates and assumptions used in the Company's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Company's financial statements. Actual results could differ from such estimates, judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Determining Functional Currency
Based on economic substance of underlying circumstances relevant to the Company, the functional currency has been determined to be the Philippine peso. The Philippine peso is the currency of the primary economic environment in which the Company operates and it is the currency that mainly influences the prices of the products and services and the cost of providing such products and services

Estimates
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 easily apparent from other source. The estimates and associated assumption are based on 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 period of revision and future periods if the revision affects both current and future periods.

The following represents a summary of the significant estimates and judgments and related impact and associated risks in the Company's financial statements.

Evaluation of asset impairment
The Company assesses the impairment of assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Company considers important which could trigger an impairment review include significant changes in asset usage, significant decline in assets' market value and obsolescence or physical damage of an asset. If such indications 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 an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.
In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Company is required to make estimates and assumptions that may affect property and equipment.

Estimating useful lives of property and equipment
The Company estimates the useful lives of its property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above.

A reduction in the estimated useful lives of the property and equipment would increase the recorded expenses and decrease the non-current assets.

Depreciation is computed on a straight-line method over the estimated useful lives of the assets as follows;

Office Equipment	3 - 5 years
Software	10 years
Furniture & Fixtures	5 years
Service Vehicle	5 years
Communication Equipment	10 years
Warehouse Equipment	10 years

Financial assets and liabilities

The Company carries some of its financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgment. While significant components of fair value measurement were determined using verifiable objective evidence, i.e., interest rates, volatility rates, the amount of changes in fair value would differ if the Company utilized different valuation methodology. Any changes in fair value of these financial assets and liabilities would affect directly the statements of income and equity, as appropriate.

Impairment of Non-financial Assets

The Company assesses the value of property, plant and equipment which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, and require the Company to make estimates and assumptions that can materially affect the financial statements. Future events could cause the Company to conclude that property, plant and equipment and other long-lived assets are impaired. Any resulting impairment loss could have a material adverse impact on the Company's financial condition and results of operations.

The preparation of the estimated future cash flows involves significant judgment and estimations. While the Company believes that its assumptions are appropriate and reasonable, significant changes in these assumptions may materially affect the Company's assessment of recoverable values and may lead to future additional impairment charges.

Deferred tax assets

The Company reviews the carrying amounts of deferred income tax assets, if any, at each balance sheet date and reduces deferred tax assets to the extent that it is no longer probable that sufficient income will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Company will generate sufficient taxable profit to allow all or part of its deferred tax assets to be utilized.

Revenue recognition

The Company's revenue recognition policies require the use of estimates and assumptions that may affect the reported amounts of revenues and receivables. Differences between the amounts initially recognized and actual settlements are taken up in the accounts upon reconciliation. However, there is no assurance that such use of estimates may not result to material adjustments in future periods.

5 Cash

This account consists of:

	2023	2022
Petty Cash Fund	20,000	20,000
Cash in banks	1,189,432	649,582
Total	1,209,432	669,582

Cash in bank earns interest at the respective bank deposit rates. There are no cash equivalents as of the end of the period. Petty cash fund is the working fund wherein small amount of expenses are being disbursed

6 Inventories

This account consists of:

	2023	2022
Merchandise Inventory	57,959,004	37,860,633

Inventories are stated at the lower of cost or net realizable value. Inventories are valued using the first-in first-out method.

7 Other Current Assets

	2023	2022
Input Taxes	4,164,448	2,395,335
		-
Total	4,164,448	2,395,335

Input Taxes represents value added tax (VAT) paid to suppliers. The carrying value of vat input tax is equivalent to its fair value..

8 Property and Equipment

Property and equipment consist of the following:

	Software	Service Vehicle	Office Furn. & Fixtures	Comm. Equipment	Office Equipment	Warehouse Equipment	Total
At Cost							
At January 1, 2022	1,774,159		100,237		131,715		2,006,120
Additions		119,821	-		470,942	-	590,763
At December 31, 2022	1,774,159	119,821	100,237	-	602,657	-	2,596,883
Additions	-		889,244	552,557	74,464	3,765,825	5,281,890
Disposals							-
At December 31, 2023	1,774,159	119,821	989,481	552,557	677,121	3,765,625	7,878,773
Accum. Depreciation							
At January 1, 2022	177,417	-	20,047	-	60,905	-	258,369
Additions	177,417	24,464	20,047	-	24,914	-	246,843
At December 31, 2022	354,834	24,464	40,095	-	85,819	-	505,211
Additions	177,417	24,464	20,047	55,256	24,914	370,503	678,651
Disposals		-					-
At December 31, 2023	532,251	48,928	60,142	55,256	110,733	370,503	1,183,872
Carrying Value	1,241,918	70,893	929,339	497,301	566,388	3,395,063	6,694,901
At December 31, 2022	1,419,335	95,357	60,142	-		-	2,091,672
At December 31, 2021	1,596,752	-	80,189	-		-	1,747,751

Depreciation is computed on a straight line method over the estimated life of the assets. No assets found impaired. The carrying amount is equivalent to its fair value.

Depreciation charged to operation amounted to P 678,661 & 246,843 for the years 2023 & 2022 Property and Equipment are initially measured at cost less accumulated depreciation.

9 ***Deferred Tax Asset***

This account consists of:

	2023	2022
Balance beginning of year	-	-
Provision	25,555	-
Total	25,555	-

The Company has deductible temporary differences that are available for offset against future taxable income or tax payable for which deferred income tax have been recognized.

10. ***Trade and Other Payables***

This account consists of:

	2023	2022
Trade payable		
Accounts payable	63,504,746	39,415,966
Total	63,504,746	39,415,966

Accounts payable are from suppliers and stated at their invoice value. The management considers the carrying amounts of trade and other payables recognized in the balance sheet to be a reasonable approximation of their fair values due to their short duration. Trade and other payables are non-interest bearing and are settled within a short period of time.

11. ***Other Current Liabilities***

This account consists of:

	2023	2022
SSS, Philhealth & Pag-ibig Cont.	60,248	22,748
Withholding Tax Payable-Compensation	-	17,185
Withholding Tax Payable-Expanded	345,442	231,599
Total Other Current Liabilities	405,690	271,531

Other current liabilities represent statutory liabilities and are measured initially at their nominal values and subsequently recognized at amortized costs less settlement payments. Obligations to the government are remitted on the following month after being withheld from various income recipients.

12. *Income Tax Payable*

INCOME TAXES
COMPUTATION OF TAXABLE INCOME

	2023	2022
Gross Income	30,489,648	17,375,971
Net Income/(Loss) before Income Tax	4,026,451	1,150,978
Permanent Differences:		
Disallowed interest expense TCC Claim	-	-
Disallowed TCC Claim	-	-
Interest income	-	-
Net Taxable Income	4,026,451	1,150,978
MCIT Rate @ 2% of Gross	80,529	173,760
Provision of Income Tax @ 25% tax Rate	1,006,613	230,196
Income Tax Due for the Year	1,006,613	230,196
Less: Tax Credits and Payments		
Prior Years' Excess credit		38,075
Tax Payments-1st to 3rd Qtr.	61,038	114,241
Tax Credits Claimed for the year -1st to 3rd qtr	509,411	29,544
4th qtr	283,299	15,823
Income Tax Due or Excess Credit	152,865	32,513

13 *Non-current Liabilities*

This account consists of:

	2023	2022
Retirement Benefit Obligation	102,219	-
Total Non- Current Liabilities	102,219	-

Retirement Benefit Obligation

Employee Benefits pertains to the cost of defined retirement benefits, including those mandated under Republic Act No. 7641.

Since the Company was not able to use projected unit method without undue cost or effort, the Company ignored possible in-service mortality of current employees between the reporting date and the date employees are expected to begin receiving post-employment benefits and ignore mortality after service. However, estimated future salary increases and future service of current employees are still considered.

As of December 31, 2023, the Company has employees eligible for retirement benefit.. The provision for retirement liability of the Company amounted to P105,219.

14. ***Share Capital***

The authorized share capital stock is P5,000,000 divided into 50,000 shares at P100 par value per share. Subscribed shares is 12,500 as of December 31, 2023 & 20220 while fully paid shares is 1,250,000.

	2023	2022
Authorized share capital	5,000,000	5,000,000
Subscribed share capital	1,250,000	1,250,000
Paid-up capital	1,250,000	1,250,000

15. ***Cumulative Earnings***

This account consists of:

	2023	2022
Balance at beginning of year	2,047,213	1,126,430
Net income/(Loss) for the period	2,892,064	920,783
Prior Period Adjustment	(301,456)	-
Balance at end of the year	4,637,820	2,047,213
Appropriation for Future Business Expansion	(3,500,000)	-
Unappropriated Retained Earnings	1,137,820	2,047,213

The Company in a special board meeting held for the purpose decided to appropriate a portion of cumulative earnings for future expansion of business in the immediate future.

16. ***Revenues***

This account consists of sale of goods amounting to P333,919,230 & P 106,893,264 as of December 31, 2023 & 2022.

17. ***Cost of Sales***

This account consist of

	2023	2022
Beginning Inventory	37,860,633	10,307,765
Purchases	323,630,172	117,070,161
Ending Inventory	(57,959,004)	(37,860,633)
Cost Of Sales	303,531,801	89,517,293

18. ***Administrative Expenses***
This account consists of:

	2023	2022
Taxes and Licenses (Note 21)	307,505	209,215
Shipping	-	5,734,476
Salaries and Wages (Note 19)	5,209,431	4,188,242
SSS, Philhealth & ECC	415,604	277,330
Depreciation (Note 20)	678,661	246,843
Rental	2,931,147	182,678
Transportation & Travel	387,250	131,713
Arrastre and Stevedoring	10,025,923	2,223,317
Light and Water	358,966	97,275
Telephone	752,364	150,016
Trucking	366,071	1,415,271
Office Supplies	123,700	52,658
Legal and Accounting	131,000	167,000
Insurance	316,602	145,383
Gasoline	280,922	115,950
Brokerage Fee	572,508	-
Port Charges	332,123	456,255
Miscellaneous	80,402	20,402
Repairs & Maintenance	167,733	58,295
Security Services	593,313	270,226
Advertising	-	49,200
Association Dues	297,219	21,006
Manpower Services	1,506,862	-
Professional Fees	293,925	
Retirement	102,219	
Representation and Entertainment	231,750	12,245
TOTAL	26,463,197	16,224,993

19. ***Employees' Compensation and Benefits***

	2023	2022
Salaries and Wages	4,121,770	4,188,242
13TH Month	372,132	-
De Minimis	369,192	-
SSS, Philhealth & HDMF contribution expense	346,337	-
Total	5,209,431	4,188,242

20. ***Depreciation and Amortization***

This account consists of

	2023	2022
Software	177,417	1,774,169
Service Vehicle	24,464	119,821
Furniture & Fixtures	20,047	100,237
Communication Equipment	55,256	-
Warehouse Equipment	24,914	-
Office Equipment	376,563	602,657
Total	678,661	2,596,883

21. ***Taxes and Licenses***

This account consists of

	2023	2022
BIR Annual Registration Fee	1,000	1,500
Business Licenses & Permits	306,505	207,715
Total	307,505	209,215

22. ***Income Tax Expense***

INCOME TAXES
COMPUTATION OF TAXABLE INCOME

	2023	2022
Gross Profit	30,387,429	17,375,971
Net Income before Income Tax	4,026,451	1,150,978
Permanent Differences:	-	-
Disallowed TCC Claim	-	-
Disallowed Interest Expense	-	-
Interest income	-	-
Net Taxable Income	4,026,451	1,150,978
MCIT Rate @ 2% of Gross	607,749	
Provision of Income Tax @ 25% tax Rate	1,006,613	230,196
Income Tax Due for the Year	1,006,613	230,196

Starting July 01, 2020, CIT rate for corporations will be reduced as follows:

i. Reduced CIT rate of 20% shall be applicable to domestic corporations with net taxable income not exceeding P5,000,000 and with total assets not exceeding P100 Million (excluding land on which the business entity's office, plant and equipment are situated)

ii. Reduced CIT rate of 25% shall be applicable to all other domestic and foreign corporations.

23. ***SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE***

A. REVENUE REGULATIONS (RR) NO. 15-2010

On November 25, 2010, the BIR issued Revenue Regulations No. 15-2010 which prescribes additional procedural and/or documentary requirements in connection with the preparation and submission of financial statements accompanying tax returns. Under the said RR, companies are required to disclose, in addition to the disclosures mandated under PFRS and such other standards and/or conventions that may heretofore be adopted, in the Notes to the Financial Statements, information on taxes, duties and license fees paid or accrued during the taxable year , Following is the required information under RR No. 15-2010 for the year ended December 31, 2023.

	Tax base	Output Tax
Subject to 12%	333,919,230	40,070,308
Subject to 10%	-	-
Zero-rated	-	-
Exempt	-	-
Total	333,919,230	40,070,308
Less: Output tax already applied	0	40,070,308
Total	333,919,230	-

VAT

The movement in input VAT during the year is summarized below:

This account consists of:

Carry over from previous year	2,395,335
Applied TCC Claim	-
Net carry-over from previous year	2,395,335
Input tax deferred on Capital Goods P1M from prev. period	
TCC Claim (Time-lapsed)	-
Purchase of capital goods<1M	-
Purchase of capital goods>1M	-
Domestic Purchases of Goods	38,835,621
Importation of Goods other than Capital Goods	-
Domestic Purchase of Services	3,003,800
Input tax on Purchase of Capital Goods >P1M deferred for	-
succeeding period	-
Input Tax closed to expense	-
Input Tax applied against output tax during the year	40,070,308
Input Tax Carry-over to next year	4,164,448

Withholding Taxes

This account consists of:

	2023
Withholding Tax	5,838
Expanded withholding tax	3,729,270
Total	3,735,108

Taxes and Licenses

This account consists of:

	2023
Annual Registration Fee	1,500
Renewal of Business Permit	306,005
Total	307,505

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **TOP ARMADA CEMENT CORPORATION** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years 2023 and 2022 ended December 31, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

C.M. Ilagan & Associates, CPA's, the independent auditor, appointed by the stockholders,hasaudited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members has expressed its opinion on the fairness of presentation upon completion of such examination.

RICHARD E. LIM
Chairman of the Board

RICHARD B. LIM JR.
Chief Executive Officer

TIMOTHY JAMES SYQUIATCO
Chief Finance Officer

Signed this _____ day of ___________ 2024

C.M. ILAGAN & ASSOCIATES, CPA's
18D San Marcelino St., Plainview, Mandaluyong City
8535-9005 / 7958-1959 / 8533-9389 Telefax: 7576-0225
email address: cmiassociates@yahoo.com

To the Shareholders & the Board of Directors
TOP ARMADA CEMENT CORPORATION
Rm 311 AIC Burgundy Empire Tower, ADB Ave.,
Ortigas Center, Pasig City

We have examined the financial statements of ***TOP ARMADA CEMENT CORPORATION*** *for the year ended December 31, 2023, on which we have rendered the attached report dated March 15, 2024.*

In compliance with revised SRC Rule 68, we are stating that the said company has a total number of five (5) shareholders owning one hundred (100) or more shares each.

CARMELO M. ILAGAN
TIN No. 106-606-091
CPA Certificate No.31415 valid until April 23, 2025
PTR No. 5425821 issued at Mandaluyong City on January 04, 2024
BIR Accreditation No. 07-100231-001-2023 valid until January 5, 2027
BOA Accreditation No. 0139 valid until September 30, 2025
March 15, 2024