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CIAC

CLARK INTERNATIONAL AIRPORT CORPORATION

FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

(with comparative figures as at February 29, 2024)

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CLARK INTERNATIONAL AIRPORT CORPORATION

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

(With Comparative Figures As At February 29, 2024)

	Notes	**As at March 31, 2024**	**As at February 29, 2024**
ASSETS			
Current Assets			
Cash and Cash Equivalents	*6*	3,022,872,397.21	3,010,584,698.29
Receivables	*7*	295,441,087.90	275,465,808.39
Inventories	*8*	2,808,014.48	3,310,682.05
Other Current Assets	*9*	2,590,508.40	2,701,978.01
Total Current Assets		**3,323,712,007.99**	**3,292,063,166.74**
Non-Current Assets			
Other Investments	*10*	640,340,300.00	640,340,300.00
Property, Plant and Equipment	*4, 11*	1,036,965,899.85	1,044,301,795.35
Intangible Assets	*12*	2,485,270.36	2,444,802.38
Deferred Tax Assets	*13*	103,568,557.00	103,568,557.00
Other Non-Current Assets	*9*	44,870,853.03	44,870,853.03
Total Non-Current Assets		**1,828,230,880.24**	**1,835,526,307.76**
Total Assets		**5,151,942,888.23**	**5,127,589,474.50**
LIABILITIES			
Current Liabilities			
Financial Liabilities	*14*	37,653,555.60	37,460,440.06
Inter-Agency Payables	*15*	124,063,624.74	120,598,795.36
Trust Liabilities	*16*	3,158,620.35	3,158,620.35
Deferred Credits/Unearned Income	*17*	49,460,947.34	49,764,295.86
Other Payables	*18*	13,463,430.03	10,655,979.77
Total Current Liabilities		**227,800,178.06**	**221,638,131.40**
Non-Current Liabilities			
Inter-Agency Payables	*15*	435,698,742.76	435,698,742.76
Trust Liabilities	*16*	216,847,459.37	216,726,863.63
Deferred Credits/Unearned Income	*17*	2,201,464,499.87	2,207,709,037.01
Total Non-Current Liabilities		**2,854,010,702.00**	**2,860,134,643.40**
Total Liabilities		**3,081,810,880.06**	**3,081,772,774.80**
EQUITY			
Retained Earnings/(Deficit)		69,108,360.94	44,793,052.47
Stockholders' Equity	*19*	2,001,023,647.23	2,001,023,647.23
Total Equity		**2,070,132,008.17**	**2,045,816,699.70**
Total Liabilities and Equity		**5,151,942,888.23**	**5,127,589,474.50**

This statement should be read in conjunction with accompanying notes.

CLARK INTERNATIONAL AIRPORT CORPORATION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED MARCH 31, 2024

(With Comparative Figures for the period ended February 29, 2024)

	Notes	For the Period Jan to Mar 2024	Month of March 2024	For the Period Jan to Feb 2024
Income				
Service and Business Income	*20*	154,118,469.11	51,526,468.02	102,592,001.09
Gains	*21*	1,188,335.29	1,177,966.60	10,368.69
Other Non-Operating Income	*22*	962,560.43	11,385.00	951,175.43
Total Income		**156,269,364.83**	**52,715,819.62**	**103,553,545.21**
Expenses				
Personnel Services	*23*	(30,675,835.66)	(9,424,345.39)	(21,251,490.27)
Maintenance and Other Operating Expenses	*24*	(21,526,018.06)	(7,532,735.03)	(13,993,283.03)
Financial Expenses	*25*	(12,496.90)	(2,711.45)	(9,785.45)
Non-Cash Expenses	*26*	(22,334,724.07)	(7,361,225.98)	(14,973,498.09)
Total Expenses		**(74,549,074.69)**	**(24,321,017.85)**	**(50,228,056.84)**
Profit Before Tax		**81,720,290.14**	**28,394,801.77**	**53,325,488.37**
Income Tax Expense	*27*	**(4,072,964.00)**	**(4,072,964.00)**	**-**
Profit After Tax		**77,647,326.14**	**24,321,837.77**	**53,325,488.37**
Assistance and Subsidy		**-**	**-**	**-**
Net Income		**77,647,326.14**	**24,321,837.77**	**53,325,488.37**
Other Comprehensive Income/(Loss) for the Period		**-**	**-**	**-**
Comprehensive Income/(Loss)		**77,647,326.14**	**24,321,837.77**	**53,325,488.37**

This statement should be read in conjunction with accompanying notes.

CLARK INTERNATIONAL AIRPORT CORPORATION

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED MARCH 31, 2024

(With Comparative Figures for CY2023)

	Notes	Retained Earnings/ (Deficit)	Contributed Capital	Donated Capital	Share Capital	TOTAL
BALANCE AT JANUARY 1, 2023		**(168,016,730.56)**	**1,979,920,931.11**	**19,852,716.12**	**1,250,000.00**	**1,833,006,916.67**
CHANGES IN EQUITY FOR 2023						
Add/(Deduct):						
Issuances of Share Capital		-	-	-	-	-
Additional Capital from National Government		-	-	-	-	-
Other Equity Instruments		-	-	-	-	-
Deposit for Future Stock Subscription	*19*	-	-	-	-	-
Members' Contribution		-	-	-	-	-
Comprehensive Income for the period		295,235,392.48	-	-	-	295,235,392.48
Dividends		(180,412,132.50)	-	-	-	(180,412,132.50)
Other Adjustments	*28*	44,706,099.07	-	-	-	44,706,099.07
BALANCE AT DECEMBER 31, 2023		**(8,487,371.51)**	**1,979,920,931.11**	**19,852,716.12**	**1,250,000.00**	**1,992,536,275.72**
CHANGES IN EQUITY FOR 2023						
Add/(Deduct):						
Issuances of Share Capital		-	-	-	-	-
Additional Capital from National Government		-	-	-	-	-
Other Equity Instruments		-	-	-	-	-
Deposit for Future Stock Subscription		-	-	-	-	-
Members' Contribution		-	-	-	-	-
Comprehensive Income for the period		77,647,326.14	-	-	-	77,647,326.14
Dividends		-	-	-	-	-
Other Adjustments	*28*	(51,593.69)	-	-	-	(51,593.69)
BALANCE AT MARCH 31, 2024		**69,108,360.94**	**1,979,920,931.11**	**19,852,716.12**	**1,250,000.00**	**2,070,132,008.17**

This statement should be read in conjunction with accompanying notes.

CLARK INTERNATIONAL AIRPORT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2024
(With Comparative Figures for the period ended February 29, 2024)

	Notes	As of 3/31/2024	As of 2/28/2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Inflows			
Collection of Income/Revenue		4,034,813.75	962,723.36
Collection of Receivables		87,343,136.30	63,013,504.12
Receipt of Inter-Agency Fund Transfers		30,647,928.02	-
Trust Receipts		1,500.00	1,500.00
Other Receipts		286,609,078.28	286,580,267.00
Total Cash Inflows		**408,636,456.35**	**350,557,994.48**
Adjustments		-	-
Adjusted Cash Inflows		**408,636,456.35**	**350,557,994.48**
Cash Outflows			
Payment of Expenses		25,070,810.23	17,816,125.86
Grant of Cash Advances		2,359,884.95	1,846,084.95
Prepayments		113,811.71	101,633.68
Payment of Accounts Payable		19,742,278.60	14,239,417.77
Remittance of Personnel Benefit Contributions and Mandatory		9,949,065.95	6,206,765.39
Remittance of taxes withheld-expanded and VAT and income tax		1,101,274.37	664,521.49
Other disbursements		174,165,684.64	143,514,156.62
Total Cash Outflows		**232,502,810.45**	**184,388,705.76**
Adjustments		2,988,916.48	2,949,421.46
Adjusted Cash Outflows		**235,491,726.93**	**187,338,127.22**
Net Cash Provided By/(Used In) Operating Activities		**173,144,729.42**	**163,219,867.26**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Inflows			
Receipt of Interest Earned		4,980,521.20	3,795,650.02
Total Cash Inflows		**4,980,521.20**	**3,795,650.02**
Adjustments		-	-
Adjusted Cash Inflows		**4,980,521.20**	**3,795,650.02**
Cash Outflows			
Purchase/Construction of Property, Plant and Equipment		3,130,000.00	3,130,000.00
Purchase of Investments		119,200,000.00	119,200,000.00
Total Cash Outflows		**122,330,000.00**	**122,330,000.00**
Net Cash Provided By (Used In) Investing Activities		**(117,349,478.80)**	**(118,534,349.98)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Total Cash Inflows		-	-
Total Cash Outflows		-	-
Net Cash Provided By (Used In) Financing Activities		-	-
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**55,795,250.62**	**44,685,517.28**
Effects of Exchange Rate Changes on Cash and Cash Equivalents		**1,177,045.85**	**(919.73)**
CASH AND CASH EQUIVALENTS, JANUARY 1	6	**2,965,900,100.74**	**2,965,900,100.74**
CASH AND CASH EQUIVALENTS, ENDING	6	**3,022,872,397.21**	**3,010,584,698.29**

This statement should be read in conjunction with accompanying notes.

CLARK INTERNATIONAL AIRPORT CORPORATION
NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

By virtue of Executive Order (E.O.) No. 192, which was issued on July 27, 1994, Clark International Airport Corporation (CIAC) was organized as a wholly-owned subsidiary corporation of the Clark Development Corporation (CDC). CIAC is tasked and mandated to develop, operate, manage and maintain the Clark Civil Aviation Complex.

After two years, E.O. No. 360 was issued on August 16, 1996, which amended E.O. No. 192, making CIAC as a wholly-owned subsidiary corporation of the Bases Conversion and Development Authority (BCDA).

On July 05, 2002, the Securities and Exchange Commission (SEC) approved the merger of CDC and CIAC pursuant to E.O. No. 7 issued on March 26, 2001, with the former as the surviving entity. As such, the financial statements of CIAC for calendar year (CY) 2002 were combined with the financial statements of CDC.

CIAC was re-established as a subsidiary of the BCDA under E.O. No. 186 issued on March 10, 2003. After a month, E.O. No. 186 was repealed by E.O. No. 193 issued on April 04, 2003, reverting back CIAC as a subsidiary of CDC. The SEC subsequently approved this on September 04, 2003 and as a consequence, all transactions related to the CIAC operations were separated from the CDC books beginning October 01, 2003. However, the real accounts of CIAC prior to its re-incorporation in September 2003 were still carried in the books of CDC until October 31, 2006. It was only in November 2006 that the balances of the real accounts were transferred from the CDC's financial records to CIAC's books. Effective November 2006, the accounts of CIAC were fully segregated from the books of CDC.

On April 03, 2008, E.O. No. 716 was issued, which amended EO No. 193, transforming CIAC as a subsidiary of the BCDA. The Implementing Plan was finalized and approved in 2010. CIAC was able to collect from CDC the amount of ₱41.741 million in December 2012, representing 50% share on revenues collected by CDC pursuant to EO No. 716. The full amount was included in the revenues of CIAC for the year 2012.

On December 21, 2011, E.O. No. 64 was issued attaching CIAC to the Department of Transportation (DOTr) which shall exercise administrative control and supervision over CIAC and further ordering the transfer of the shares of stocks of CIAC to the National Government which were partially realized in 2015 with the transfer of ₱1.250 million worth of stocks from the BCDA to the National Government as approved by the SEC.

On February 28, 2017, E.O. No. 14 was issued, which restructured CIAC from an attached agency of DOTr to a subsidiary of the BCDA. The DOTr was ordered to facilitate the transfer and conveyance of the shares owned by the National Government and the nominee stockholders, in favor of BCDA and its nominees. However, the DOTr shall maintain the policy supervision and operational control of CIAC.

On April 30, 2018, BCDA started the process of bid-out of the Operation and Maintenance (O&M) of the terminal operation. On December 20, 2018, the Notice of Award was issued to the North Luzon Airport Consortium composed of Filinvest, JG Summit, Changi Airport and Philippine Airport Ground Support Solutions, Inc. (PAGSS), which was declared as the winning concessionaire.

On August 16, 2019, the terminal operations and maintenance of the Clark Airport (CRK) was handed-over to the winning O&M concessionaire. Consequently, a total of 215 employees of CIAC directly affected by the hand-over were separated from the service effective on even date. The separated employees were entitled to receive separation incentive pay from CIAC, as approved by President Duterte through the Office of the Executive Secretary, equivalent to a multiplier rate of 1.500 on the monthly salary multiplied by the number of years in service.

Except for leasehold improvements that are still to be appraised, the transfer of assets and inventories to the BCDA, with a net book value of ₱603.345 million, was recorded in CIAC books in December 2019 as an offset against BCDA's advances to CIAC. The transfer was covered by a Deed of Assignment (DOA) approved by the CIAC Board on December 12, 2019. The transfer of the advance lease payment, security deposits and performance security pursuant to the approved DOA of Contracts, based also on the Concession Agreement between BCDA and North Luzon Airport Consortium (NLAC), was made on January 17, 2020 (Peso accounts) and May 19, 2020 (Dollar accounts).

Immovable properties with an appraised value of ₱478.359 million, which are within the project area of the Concession Agreement between the BCDA and NLAC, are also subject for transfer. The execution of asset transfer to the BCDA is pending due to the ongoing review of the DOA of Immovable Assets.

CIAC's registered office and principal place of business is Clark Civil Aviation Complex, Clark Freeport Zone, Pampanga Philippines.

2. FINANCIAL REPORTING FRAMEWORK AND BASIS OF PREPARATION AND PRESENTATION

Statement of Compliance with Philippine Financial Reporting Standards

The financial statements of CIAC were prepared in accordance with Philippine Financial Reporting Standards (PFRS) which includes all applicable PFRS, Philippine Accounting Standards (PAS), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee and Standing Interpretations Committee as approved by the Financial and Sustainability Reporting Standards Council (FSRSC), and the Board of Accountancy.

Basis of Preparation and Presentation of Financial Statements

The financial statements were prepared on a historical cost basis unless otherwise indicated. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by CIAC at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

CIAC uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the financial statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, CIAC determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets. Involvement of external valuers is decided upon annually. The current practice of CIAC is to involve external valuers every two to three years depending on the circumstances including market conditions and requirements. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, CIAC analyzes the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per accounting policies.

For this analysis, CIAC verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

CIAC, in conjunction with the external valuers, also compares each change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, CIAC has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Functional and Presentation Currency

The financial statements are presented in Philippine peso (₱) and all values/amounts are rounded off to the nearest peso, except when otherwise stated.

Functional currency is the currency of the primary economic environment in which CIAC operates.

3. ADOPTION OF NEW AND AMENDED PFRS

a. Effective in 2024 that are relevant to CIAC

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS which CIAC adopted 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 with Covenants – The amendment clarifies the requirements for an entity to have the right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. The amendments also specify and clarify the following: (i) an entity's right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments. The amendments must be applied retrospectively.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback* – These amendments include requirements for sale and leaseback transactions in PFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. It also clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in PFRS 15 to be accounted for as a sale

- Amendments to PAS 7 and PFRS 7, *Supplier Finance Arrangements* – These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are for investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis

- Amendments to PAS 12, *Income Taxes* - International Tax Reform - Pillar Two Model Rules – The amendments require a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation

b. <u>New and amended PFRS issued but not yet effective</u>

The new and amended PFRS which are not yet effective for the year ended December 31, 2024 and have not been applied in preparing the financial statements are summarized below.

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

- PFRS 17, *Insurance Contracts* – This standard will replace PFRS 4, *Insurance Contracts*. It requires insurance liabilities to be measured at current fulfillment value and provides a more uniform measurement and presentation approach to achieve consistent, principle-based accounting for all insurance contracts. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. An amendment to the standard was issued to (i) reduce costs of transition by simplifying some requirements of the standard, (ii) make financial performance easier to explain, and (iii) ease transition by deferring the effectivity of the standard from 2021 to 2023 and by providing additional relief to reduce the effort required when applying PFRS 17 for the first time.

  In response to the challenges brought by the COVID-19 pandemic, the Insurance Commission issued Circular Letter No. 2020-062, Amendment of Section 1 of Circular Letter No. 2018-69, Deferral of IFRS 17 Implementation, which provides a two-year deferral on the implementation of the standard from the 2023 effectivity date. Therefore, all life and non-life insurance companies in the Philippines shall adopt PFRS 17 for annual periods beginning on or after January 1, 2025.

- Amendment to PFRS 17, *Insurance Contracts* - Initial Application of PFRS 17 and PFRS 9 - *Comparative information* – The amendment adds a transition option for a “classification overlay” to address temporary accounting mismatches between financial assets and insurance contract liabilities relating to comparative information presented on the initial application of PFRS 17. If an entity elects to apply the classification overlay, it can only do so for comparative periods to which it applies PFRS 17. No amendments have been made to the transition requirements of PFRS 9.

- Amendments to PAS 21, *Lack of Exchangeability* – An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Deferred effectivity:

- Amendments to PFRS 10, *Consolidated Financial Statements* and PAS 28, *Investment in Associates and Joint Ventures* - Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture – The amendments address a current conflict between the two standards and clarify that a gain or loss should be recognized fully when the transaction involves a business, and partially if it involves assets that do not constitute a business. The effective date of the amendments, initially set for annual periods beginning on or after January 1, 2016, was deferred indefinitely in December 2015 but earlier application is still permitted. Under prevailing circumstances, the adoption of the foregoing new and amended PFRS is not expected to have any material effect on the financial statements of CIAC.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Current and Non-current classification

CIAC presents assets and liabilities in the statements of financial position based on current and non-current classification.

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

A liability is current when:
- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets and liabilities which do not fall on the above conditions are classified as non-current.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from date of acquisition and are subject to an insignificant risk of change in value.

Financial Instruments

Date of Recognition. CIAC recognizes financial instruments in the statements of financial position when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place are recognized on the trade date.

Initial Recognition and Measurement. Financial instruments are recognized initially at fair value. Except for financial instruments at fair value through profit or loss (FVPL), the initial measurement of financial instruments includes transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

"Day 1" Difference. Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, CIAC recognizes the difference between the transaction price and fair value (a "Day 1" difference) in profit or loss, unless it qualifies for recognition as used some other type of asset. In cases where data used as inputs in a valuation model are not observable, CIAC deemed the transaction price as the best estimate of fair value and recognizes the difference in the statement of comprehensive income when the inputs become observable or when the instruments is derecognized. For each transaction, CIAC determines the appropriate method of recognizing the "Day 1" difference.

Classification. CIAC classifies its financial asset as: financial assets at FVPL, financial assets at fair value through other comprehensive income (FVOCI) and financial assets at amortized cost. CIAC classifies its financial liabilities as: financial liabilities at FVPL and other financial liabilities at amortized cost. The classification depends on the purpose for which the instruments were acquired or incurred and whether these are quoted in an active market. Management determines the classification of its financial instruments at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Determination of Fair Value. The fair value for financial instruments traded in active markets at the financial reporting date is based on their quoted market price or dealer price quotation (bid price for long positions and ask price for short positions), without any deduction for transaction costs. When current bid and asking prices are not available, the price of the most recent transaction provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of the transaction.

If the financial instruments are not listed in an active market, the fair value is determined using appropriate valuation techniques which include recent arm's length market transactions, net present value techniques, comparison to similar instruments for which market observable prices exists, options pricing models, and other relevant valuation models.

Financial Assets at FVPL. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of comprehensive income.

This category includes derivative instruments and listed equity investments which CIAC had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are also recognized as other income in the statement of profit or loss when the right of payment has been established.

CIAC does not have financial assets classified as FVPL as at March 31, 2024 and February 29, 2024.

Financial assets at FVOCI (debt instruments). CIAC measures debt instruments at FVOCI if both the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of comprehensive income and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in other comprehensive income (OCI). Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

CIAC does not have financial assets classified as FVOCI (debt instruments) as at March 31, 2024 and February 29, 2024.

Financial assets designated at FVOCI (equity instruments). Upon initial recognition, CIAC can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments*: *Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when CIAC benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

CIAC does not have financial assets classified as FVOCI (equity instruments) as at March 31, 2024 and February 29, 2024.

Financial assets at amortized cost (debt instruments). CIAC measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

CIAC's financial assets at amortized cost include cash and cash equivalents, investment in government bonds, and receivables as at March 31, 2024 and February 29, 2024.

Financial Liabilities at FVPL. Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by CIAC that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

CIAC does not have financial liabilities classified as FVPL as at March 31, 2024 and February 29, 2024.

Financial liabilities at amortized cost. This category pertains to financial liabilities that are not held for trading or not designated as at FVPL upon the inception of the liability. These include liabilities arising from operations or borrowings. The financial liabilities are recognized initially at fair value and are subsequently carried at amortized cost, taking into account the impact of applying the EIR method of amortization (or accretion) for any related premium, discount and any directly attributable transaction costs.

CIAC's financial liabilities at amortized cost include trade and other payables, deferred credits and trust liabilities as at March 31, 2024 and February 29, 2024.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Derecognition of Financial Assets and Liabilities

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

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

When CIAC has transferred its rights to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of its continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that CIAC could be required to repay.

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

Impairment of Financial Assets. CIAC recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that CIAC 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 three 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).

For trade receivables, CIAC applies a simplified approach in calculating ECLs. For debt securities that are considered impaired, lifetime ECL is recognized and the EIR is applied to the carrying value of the financial assets. CIAC does not track changes in credit risk, but recognizes a loss allowance based on lifetime ECLs at each reporting date. CIAC has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

CIAC considers a financial asset in default when contractual payments are more than 90 days past due. In addition, accounts with contract payments that are more than 30 days past due are assessed to have significant increase in credit risk. However, in certain cases, CIAC may also consider a financial asset to be in default when internal or external information indicates that it is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by CIAC. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows such as changes in arrears or economic conditions that correlate with defaults.

Advances to related parties (Inter-Agency)

Advances to related parties generally arise from transactions outside the usual operating activities of CIAC. These are made on terms equivalent to those that prevail in arm’s length transactions. Collateral is not normally obtained. These are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method. These are presented as current assets unless payment is not due within 12 months after the reporting period. Outstanding balances at the year-end are unsecured and interest-free.

Inventories

Inventories include inventories held for consumption and are measured at weighted average method less withdrawals.

Prepayments and Other Current Assets

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as they are consumed in operations or expire with the passage of time.

Prepayments are classified in the statement of financial position as current assets when the cost of goods or services related to the prepayments are expected to be incurred within one year or CIAC's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets. Prepayments include advances to contractors, prepaid insurance, withholding tax at source, and other prepayments.

Other current assets represent assets of CIAC which are expected to be realized or consumed within one year or within its normal operating cycle whichever is longer and are presented in the statement of financial position at cost. This account includes advances to officers and employees, and guaranty deposits and other prepayments.

Advances to officers and employees are those granted to special disbursing officers for authorized purposes.

Guaranty deposits pertain to payments to utility companies (electric, water, etc.) and various suppliers that are refundable upon cancellation/termination of contracts. These are initially measured at fair value plus transaction cost. Subsequently, the guaranty deposit is measured at amortized cost using the effective interest rate method.

Property and Equipment

Property and equipment are initially measured at cost. The cost of an item of property and equipment comprises:

- The purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- The initial estimate of the future cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which CIAC incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

At the end of each reporting period, items of property and equipment are measured at cost less any subsequent accumulated depreciation and impairment losses.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees and for qualifying assets, borrowing costs capitalized in accordance with CIAC's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences at the time the assets are ready for their intended use.

Fully depreciated assets are retained by CIAC as part of property and equipment until their disposal. Further change in depreciation is made with respect to these assets.

The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that their carrying values may not be recoverable.

The assets or cash generating units are written down to their recoverable amount if any such indication exists and where the carrying values exceed the estimated recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use.

In assessing the value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

For assets that do not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Impairment loss is recognized in profit or loss.

An item of property and equipment, including the related accumulated depreciation, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the year the item is derecognized.

Leasehold improvements are depreciated over the improvements' useful life of 20 years or when shorter, the term of the relevant lease.

CIAC records assets with acquisition value, inclusive of value-added tax (VAT), of less than P50,000, with an estimated useful life of more than one year, as semi-expendable property in accordance with COA Circular No. 2022-004 dated May 31, 2022. These items are recognized as an expense when issued to the end-users.

Intangible Assets

Intangible assets are identifiable non-monetary asset without physical substance. An asset meets the identifiability criterion in the definition of an intangible asset when:

- It is separable, meaning, the asset is capable of being separated from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with related contract, asset or liability.
- It arises from contractual or other legal rights, regardless of whether these rights are transferable or separable from the entity or from other rights and obligations.

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortization and any accumulated impairment loss. These are amortized over estimated useful life of 3 to 5 years using the straight-line method. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

The cost of a separately acquired intangible asset comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost of preparing the asset for its intended use.

Other Non-Current Assets

Other non-current assets include restricted funds and unserviceable assets. Other non-current assets are generally carried at historical cost and expected to be realized or applied over the period it will benefit CIAC.

Other Assets - Unserviceable Assets refer to airport equipment and other properties which are no longer serviceable that will be due for disposal.

Restricted Fund pertains to the bonds posted on labor cases filed against CIAC.

Impairment of Non-Financial Assets Other than Inventories

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 (CGU) is tested for impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows CGUs.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Derecognition of Non-Financial Assets

Items of property and equipment and intangible assets are derecognized when these assets are disposed of or when no future economic benefits are expected from these assets. Any difference between the carrying value of the asset derecognized and net proceeds from derecognition is recognized in profit or loss.

Current Liabilities

Other current liabilities are the obligations incurred by CIAC that will be settled within the next 12 months, other than financial liabilities. This account includes accounts payable, due to officers and employees, inter-agency payables, trust liabilities and advance payments. Inter-agency payables are recognized in the period when a legally enforceable claim against CIAC is established. CIAC's inter-agency payables include due to government corporations, withholding taxes, income tax payable to the Bureau of Internal Revenue (BIR) and remittances of mandatory contributions to Social Security System (SSS), Pag-IBIG (HDMF), and PhilHealth (PHIC). It also includes current portion of the funds held in trust for bidders, concessionaries and customer's deposits.

Other current liabilities are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest rate method.

Non-Current Liabilities

The other non-current liabilities of CIAC consist of due to government corporations, refundable deposits and advance rental fees. Refundable deposit is initially measured at fair value plus transaction cost. Subsequently, the refundable deposit is measured at amortized cost using the EIR method.

Related Parties

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. 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.

Revenue Recognition

Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as CIAC perform its obligations; (b) the performance of CIAC creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the said performance does not create an asset with an alternative use to CIAC and it has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

CIAC also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. CIAC has assessed that it acts as a principal in all of its revenue sources.

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

Lease Revenue

Revenue from lease is recognized in the statement of comprehensive income on a straight-line basis over the term of the lease.

Interest Income

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

Revenue Share

Revenue share is recognized when the right to receive share on percentage of gross revenue from operation is established, which normally coincides with the period the lessee collects revenues its operations.

Expense Recognition

Expenses are recognized in profit or loss when 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 a direct association between the costs incurred and the earning of specific items of income; on the basis of 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 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 statements of financial position as an asset.

Expenses in the statement of comprehensive income are presented using the function of expense method. Costs of sales are expenses incurred that are associated with the services provided. Operating expenses are costs attributable to administrative, marketing, selling and other business activities of CIAC.

Leases

CIAC assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

CIAC as Lessee

CIAC applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. CIAC recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-Use Assets

CIAC recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, CIAC recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by CIAC and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, CIAC uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-Term Leases and Leases of Low-Value Assets

CIAC applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

CIAC as Lessor

Leases in which CIAC does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

CIAC classifies finance lease if any of the following conditions apply:

- The asset transfers to the lessee at the end of the lease term;
- The lessee has an option to purchase the asset from the lessor at below fair value;
- The lease term is for a significant part of the asset's economic life;
- The present value of future lease payments amounts to substantially all of the asset's fair value; or
- The leased asset is specialized in nature, and may only suit the needs of the lease without major modification.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of the assets until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.
All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Employee Benefits

Short-term Benefits

Liabilities for wages and salaries, including the non-monetary benefits and accumulating vacation and sick leaves that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of the employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Short-term employee benefits are recognized as expense in the period the related service is provided.

Short-term employee benefits include salaries and wages, Personnel Economic Relief Allowance, Representation and Transportation Allowance, year-end bonus, de-minimis benefits, employer share contributions and other allowances and bonuses.

Compensated Absences

Accumulating sick and vacation leave credits are those that are carried forward and can be used in future periods if the current period's entitlement is not used in full. An obligation arises as employees render service that increases their entitlement to future paid absences. Accumulating sick and vacation leave benefits are measured on an undiscounted basis. Compensated absences are recognized as Terminal Leave Benefits by CIAC.

Post-Employment Benefits

CIAC contributes to the provident fund of its employees. Under the provident fund, the legal or constructive obligation of CIAC is limited to the amount that it agrees to contribute to the fund. The employer's share in the provident fund is recorded as an expense in the period as the related service is provided. No actuarial computation was obtained since actuarial and investment risks are born by the employees.

Retirement Fund

The Provident Fund for CIAC employees was established in July 2002 during the merger of CDC and CIAC; thus, the Provident Fund was handled and managed by the CDC Provident Fund, Inc., since CDC is the surviving entity. On July 25, 2007, EO No. 641 was issued authorizing the establishment of a Provident Fund in each government agency. SEC approved the incorporation of CPFI as a non-stock, non-profit corporation on September 28, 2007. All transactions related to CIAC Provident Fund were separated from the CDC Provident Fund, Inc. beginning September 01, 2007.

The defined contribution plan are the contributions, both employer and employee shares, remitted by CIAC to the SSS and to the CIAC Provident Fund, Inc. (CPFI).

The rate of contributions of the Provident Fund was included in the Collective Bargaining Agreement (CBA) approved by the Board. The employer counterpart on the CPFI contributions is 2.500% of the basic salary and annual increase is 0.500%, which reached to 7.00% as of May 31, 2018, while the employees contribution is fixed at 2.500% of the basic salary. Effective June 2018, the rate of employer's contribution approved by the Department of Budget and Management (DBM) is 5.000%.

For the defined benefit plan, CIAC, in the previous years, implemented a retirement program for its regular employees as provided for under Section 4, Article XIII in the CBA. To be eligible for the benefit, an employee must have rendered at least five (5) years of service in CIAC and has no pending administrative case.

The Commission on Audit has issued an Audit Observation Memorandum (AOM) No. 2014-007 (2013) dated March 07, 2014 questioning the aforementioned retirement package; thus, this benefit is on hold while awaiting for the response of COA on the appeal of Management.

Currently, CIAC has no retirement plan for its employees. However, the CIAC provides for the retirement benefits required under R.A. No. 7641, otherwise known as the Retirement Pay Law, to qualified employees. Under R.A. 7641, in the absence of a retirement plan or agreement providing for retirement benefits of employees in the private sector an employee upon reaching the age of sixty (60) years or more, but not beyond sixty-five (65) years, who has served at least five years in a private company, may retire and shall be entitled to retirement pay equivalent to at least one-half (1/2) month salary for every year of service computed in accordance with such provision.

<u>Income Tax</u>

Income tax expense represents the sum of the current 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 statements 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 current tax liability of CIAC is calculated using 5% gross income earned (GIE).

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 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 liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which CIAC expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and Deferred Tax for the Year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity. In which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Foreign Currency Transactions and Translation

The accounting records of CIAC are maintained in Philippine peso. Foreign currency transactions during the year are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

Foreign currency (FOREX) gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Changes in the fair value of monetary financial assets denominated in foreign currency are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security.

Translation differences related to changes in amortized cost are recognized in profit or loss.

Events after Reporting Date

Subsequent events that provide additional information about conditions existing at period end (adjusting events) are recognized in the financial statements. Subsequent events that provide additional information about conditions existing after period end (non-adjusting events) are disclosed in the notes to the financial statements.

Contributed Capital

Contributed capital represents the equity of National Government, through the BCDA and DOTr, to CIAC in excess of the authorized capital stock.

Retained Earnings

Retained earnings represent accumulated profit attributable to equity holders of CIAC after deducting dividends declared. Retained earnings may also include the effect of changes in accounting policy as may be required by the standard’s transitional provisions.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the financial statements in accordance with PFRS requires CIAC to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Future events may occur which will cause the assumption used in arriving at the estimates to change. The effects of changes in estimates will be reflected in the financial statements as they become reasonably determinable.

Judgments

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

Classification of Financial Instruments

CIAC classifies a financial instrument, or its component parts, on initial recognition, as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definition of a financial asset, a financial liability or an equity instrument.

The substance of a financial instrument, rather than its legal form, governs its classification in the statements of financial position.

Assessment of Impairment of Non-financial Assets

CIAC determines whether there are indicators of impairment of its property and equipment, withholding taxes at source and prepaid expenses. Indicators of impairment include significant change in usage, decline in the asset's fair value on underperformance relative to expected historical or projected future results. Determining the fair value requires the determination of future cash flows and future economic benefits expected to be generated from the continued use and ultimate disposition of such assets. It requires CIAC to make estimates and assumptions that can materially affect the financial statements. Future events could be used by management to conclude that these assets are impaired. Any resulting impairment loss could have a material adverse impact on CIAC's financial position and financial performance. The preparation of the estimated future cash flows and economic benefits involves significant judgments and estimation.

Estimates and Assumptions

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

Estimating Useful Lives of Property and Equipment

CIAC 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 and residual values are reviewed, and adjusted if appropriate, only if there is a significant change in the asset or how it is used.

The following estimated useful lives are used in depreciating the property and equipment:

Land Improvements	10 to 20 years
Buildings and Other Structures	10 to 30 years
Machineries and Equipment	03 to 10 years
Transportation Equipment	05 to 07 years
Furniture and Fixtures and Books	05 to 07 years

The carrying amounts of CIAC's Property and Equipment as at March 31, 2024 and February 29, 2024 are ₱1.037 billion and ₱1.044 billion, respectively. Depreciation costs charged to operation amounted to ₱22.030 million and ₱14.694 million for the period ended March 31, 2024 and February 29, 2024, respectively (see Note 26).

Allowance for Impairment of Receivables

CIAC uses a provision matrix to calculate ECLs for its trade receivables. The provision rates are based on days past due.

The provision matrix is initially based on the CIAC's historical observed default rates. CIAC calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forward-looking information, and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. CIAC's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future.

Other than the considerations on the impact of Covid-19 on macroeconomic factors used as inputs to the ECL calculation, there have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

Allowance for impairment loss on receivables amounted to nil for the period ended March 31, 2024 and February 29, 2024, respectively (see Note 26). The carrying amount of receivables amounted to ₱295.441 million and ₱275.466 million (see Note 7).

Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognized when CIAC has a present obligation, either legal or constructive, as a result of a past event, it is probable that CIAC will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognized is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, 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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

If it is no longer probable that a transfer of economic benefits will be required to settle the obligation, the provision should be reversed.

Contingent Liabilities and Assets

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of CIAC.

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of CIAC.

Contingent assets are not recognized in the financial statements but should be disclosed where an inflow of economic benefits is probable. Asset is recognized when the realization of income is virtually certain.

6. CASH AND CASH EQUIVALENTS

This account consists of:

	03/31/2024	02/29/2024
Cash on hand	**205,287**	**251,000**
Cash in banks	**904,478,990**	**893,320,455**
Cash equivalents	**2,118,188,121**	**2,117,013,243**
	3,022,872,397	**3,010,584,698**

Cash in banks are deposits maintained with Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP) which earn interest at the prevailing bank deposit rates. Interest earned from cash in banks amounted to ₱0.088 million and nil for the period ended March 31, 2024 and February 29, 2024, respectively (see Note 20).

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Investment is classified by CIAC as cash equivalent if it has an original maturity of three months or less from the date of acquisition. Any pre-termination or redemption prior to maturity date shall not result to significance change in investment values and penalties. Interest earned from cash equivalents amounted to ₱0.971 million and ₱0.605 million for the period ended March 31, 2024 and February 29, 2024, respectively (see Note 20).

7. RECEIVABLES

This account consists of:

	03/31/2024	02/29/2024
Accounts receivable - trade	**262,107,629**	241,315,655
Accounts receivable - others	**7,329,025**	7,329,171
Accounts receivable - bank charges	**7,646**	7,646
Interest receivable	**5,528,026**	6,346,698
Due from Government Corporations - CDC	**49,861,652**	49,861,652
Due from Government Corporations - BCDA	**2,185,936**	2,185,936
Due from Government Corporations - MIAA	**173,434**	173,434
Due from Government Corporations - CIAC Provident fund	**15,256,749**	15,256,749
Receivables - disallowances/charges	**74,468**	74,468
Due from officers and employees	**681,281**	682,758
Other receivables	**326,295**	322,694
	343,532,141	323,556,861
Allowance for impairment	**(48,091,053)**	(48,091,053)
	295,441,088	275,465,808

Accounts Receivable - Trade
This account represents rent and aeronautical fees due from various locators, airline operators and concessionaires. Included in the account are the receivables previously recorded in CDC books, of which the outstanding balances (including the impairment in the amount of ₱3.487 million as of October 31, 2006 were transferred by CDC to CIAC in November 2006.

Included also under the Accounts Receivable -Trade account, booked in June 2010, are the lease rental arrears of Clark Airport Ground Handling Services, Inc. (CAGHSI) for the period January 2007 to December 2008 amounting to ₱12.010 million, covered under Memorandum of Agreement (MOA) between CIAC and CAGHSI dated December 12, 2008. An ongoing case in court has been pursued by CIAC against CAGHSI on its arrears. Aside from the ₱12.010 million already booked, a contingent income of ₱96.582 million, representing unpaid lease rentals and utility bills for the period March 2002 to January 2013 inclusive of interest and penalty, remained unrecorded pending a resolution of the case filed against CAGHSI. In April 2017, pursuant to a court order, proceeds from sale of airport equipment of CAGHSI in the amount of ₱3.125 million were offset from the ₱12.010 million lease rental arrears of CAGHSI resulting to an outstanding balance from CAGHSI of ₱8.885 million.

The lease contract of Jet Ventures, one of CIAC's locators, was pre-terminated. It had unpaid accounts amounting to ₱1.297 million when it prematurely ceased operations. The properties of Jet Ventures were taken over by Management in 2006 for the purpose of offsetting said properties against the outstanding receivables from Jet Ventures once cost is determined. However, as of to date, there is no recording of offset since the market value of the properties are unobtainable for the reason that the properties are no longer available in the market. The outstanding accounts of CAGHSI and Jet Ventures are two (2) of about more than 20 accounts requested for write-off pursuant to the recommendation of COA per AOM No. 2021-004 (2020) dated February 23, 2021.

CIAC received an authority from COA to write off various accounts totaling ₱1.713 million on May 31, 2022 and the dormant accounts of CAGHSI, Pacific East Asia Cargo Airlines Inc., Pacific Flier Airlines Pty. Ltd. and Spirit of Manila Airline Corporation totaling ₱17.563 million on July 19, 2022. Accounts written off were transferred accordingly to the Registry of Accounts Written off (RAWO).

Allowance for Impairment - Accounts Receivable
The Allowance for Impairment of Accounts Receivable of ₱3.487 million was included among the accounts transferred by CDC in November 2006. The said impairment of receivables was already set-up prior to the merger of CIAC and CDC in 2001. Pursuant to the existing policy approved in December 2013 per Board Resolution No. RM-12-05, series of 2013, the amount of impairment on the receivables as at March 31, 2024 and February 29, 2024 is ₱48.091 million.

Accounts Receivable - Others
Under this account are charges to concessionaires representing their power consumption. Included also in this account were electrical charges of CAGHSI, recorded in June 2010, for the period March 2002 to December 2008 amounting to ₱4.270 million as per MOA signed with CIAC.

Accounts Receivable - Bank Charges
Lodged in this account are bank charges on returned checks deposited by CIAC. Said checks were issued by locators/airline operators for payment of their outstanding accounts with CIAC; thus, the bank charges are included on the locators/airlines' account balance.

Interest Receivable
This account represents the accrued interest income from time deposits.

Due from Government Corporations - CDC
Entered under this account are remittances of UPS of its rent payment to CDC to service the payment of interest and bank charges on the balance of Deutsche Bank loan acquired by CDC for CIAC in

financing the Terminal Radar Approach Control (TRACON) Project. However, starting January 2018, CIAC has started collecting the UPS rent payment. Only the transactions starting May 2011 are recorded under this account since the balance as of April 30, 2011 has been included in the reconciled intercompany balances among BCDA, CDC and CIAC. Also added under this account is the CIAC share on revenues collected by CDC pursuant to EO No. 716. The balance as at March 31, 2024 and February 29, 2024 is ₱49.862 million

Due from Government Corporations - BCDA
Entered under the account are expenses incurred for terminal operations advanced by CIAC for BCDA's account. The balance as at March 31, 2024 and February 29, 2024 is ₱2.186 million.

Due from Government Corporations - MIAA
This account refers to the expenses paid by CIAC for MIAA for the capsule laying activity. Efforts to collect the same have been exerted.

Due from Government Corporations - CIAC Provident Fund
This account represents the retirement portion on the CIAC’s corporate share remitted to the Provident Fund.

Receivables - Disallowances/Charges
These were the accounts turned over by the CDC in November 2006. Based on the financial report of CIAC as of July 31, 2002, the receivable pertained to COA disallowance in the form of 13th month pay (allowance portion) granted in 1997 and cable charges. The balance, which was turned over, belongs to the CIAC resigned officers.

Due from Officers and Employees
These accounts are receivables from CIAC personnel for personal calls, medical expenses, utilities and SSS delinquent loans.

Other Receivables
This account includes creditable withholding tax which can be applied by CIAC as deduction from its income tax payment. This account also includes SSS benefit claims advanced by CIAC to its employees, personal telephone calls of employees of support agencies, and those which were turned over by CDC in November 2006.

8. INVENTORIES

This account consists of:

	03/31/2024	02/29/2024
Office supplies	**687,876**	757,577
Drugs and medicines	**94,864**	629,591
Fuel, oil and lubricants	**70,804**	35,844
Construction materials	**870,387**	800,368
Other supplies and materials	**1,084,083**	1,087,302
	2,808,014	3,310,682

These various inventory accounts carried in the books of CIAC are inventories held for consumption which are valued using the weighted average method.

9. OTHER ASSETS

This account consists of:

	03/31/2024	02/29/2024
Current assets		
Advances to Special disbursing officers	**1,388,244**	1,356,895
Prepaid insurance	**426,021**	457,936
Advances to contractors	–	–
Creditable withholding tax	–	110,904
Other prepayments	–	–
Guaranty deposits	**776,243**	776,243
	2,590,508	2,701,978
Non-current assets		
Restricted fund	**6,530,041**	6,530,041
Other assets - Unserviceable assets	**38,340,812**	38,340,812
	44,870,853	44,870,853

Prepaid Insurance represents unexpired portion of insurance premiums of CIAC occupied buildings and vehicles.

Advances to Contractors represents the mobilization, net of recoupment on progress billings, paid to contractors for their individual projects.

Other Prepayments refer to the payment of mid-year bonus in May which is subject to monthly amortization.

Guaranty Deposits pertains to payments to utility companies (electric, water, etc.) and various suppliers that are refundable upon cancellation/termination of contracts.

Restricted Fund was posted on labor cases filed against CIAC, breakdown of which is as follows:

Particulars	Amount
1) Representing supersede as bond posted in August 2011 for non-payment of overtime pay, moral and exemplary damages and attorney's fees before the NLRC Regional Arbitration Branch No. III. A decision on this case was issued, however, CIAC filed for a reconsideration which was subsequently denied. In February 2013, the plaintiffs moved for the issuance of a writ of execution.	₱0.49 million
2) Representing cash bond posted in February 2015 for illegal dismissal per NLRC Case No. RAB-III-06-17828-11.	2.02 million
3) Representing appeal bond posted in April 2018 for illegal dismissal, regularization, non–payment of salaries, overtime pay, 13th month pay and incentive leave per NLRC Case No. RAB-III-11-24892-16.	4.02 million
Total Restricted Fund	₱6.53 million

Other Assets - Unserviceable Assets refer to airport equipment and other properties which are no longer serviceable that will be due for disposal.

10. OTHER INVESTMENTS

This account consists of:

	03/31/2024	02/29/2024
Investment securities at amortized cost	**640,340,000**	521,140,000
Sinking fund	**–**	–
Investment in stocks	**300**	300
	640,340,300	521,140,300

Investment Securities at Amortized Cost consists of investment in retail dollar bonds with maturity dates from 2029 until 2031 bearing fixed interest rates ranging from 2.250% to 5.750% and investments in retail peso bonds with maturity dates from 2027 until 2028 and bearing fixed interest rates ranging from 4.625% to 6.125%. Interest earned from retail bonds amounted to ₱5.386 million and ₱2.407 million for the period ended March 31, 2024 and February 29, 2024, respectively (see Note 20).

Sinking Fund - LBP Debt Service Payment Account (DSPA) pertains to the deposit with the LBP pursuant to the provision of the Loan Agreement signed with LBP in 2012.

As the related loan with LBP was paid in full on September 19, 2022 (Note 15), the DSPA was closed and its balance was transferred to Cash in Bank - LBP Clark (CIAC OPEX) on February 22, 2023 upon the approval of the Board of Directors and clearance from the bank.

The Investment in Stocks represents subscription of three shares of stock to Subic - Clark Alliance Development Corporation (SCADC).

11. PROPERTY, PLANT AND EQUIPMENT (PPE), NET

This account consists of:

2024 COST	**Land Improvements**	**Buildings and Other Structures**	**Machinery and Equipment**	**Transportation Equipment**	**Furniture, Fixtures & Books**	**Construction in Progress**	**TOTAL**
Balance, Jan 1	₱860,339,993	₱1,392,402,842	₱114,677,533	₱41,079,125	₱4,723,610	₱33,233,273	₱2,446,456,376
Additions	–	–	3,130,000	–	–	–	3,130,000
Disposals	–	–	–	–	–	–	–
Inter-agency Transfer (Note 15)	–	–	–	–	–	–	–
Reclassification	–	–	–	–	–	–	–
Balance,Mar31	**860,339,993**	**1,392,402,842**	**117,807,533**	**41,079,125**	**4,723,610**	**33,233,273**	**2,449,586,376**
Accumulated Depreciation							
Balance, Jan 1	512,584,694	759,311,214	89,634,073	24,695,537	4,365,234	–	1,390,590,752
Depreciation	10,389,503	9,769,803	1,370,446	493,039	7,159	–	22,029,950
Disposals	–	–	–	–	–	–	–
Inter-agency Transfer	–	–	–	–	–	–	–
Reclassification	–	–	(2,926)	–	2,700	–	(226)
Balance,Mar31	**522,974,197**	**769,081,017**	**91,001,593**	**25,188,576**	**4,375,093**	**–**	**1,412,620,476**
PPE, Net	**₱337,365,796**	**₱623,321,825**	**₱26,805,940**	**₱15,890,549**	**₱348,517**	**₱33,233,273**	**₱1,036,965,900**

2023 COST	Land Improvements	Buildings and Other Structures	Machinery and Equipment	Transportation Equipment	Furniture, Fixtures & Books	Construction in Progress	TOTAL
Balance, Jan 1	₱860,339,993	₱1,385,954,215	₱117,749,858	₱31,440,125	₱4,363,609	₱129,115,990	₱2,528,963,790
Additions	–	6,448,627	337,213	9,639,000	–	92,072	16,516,912
Disposals	–	–	–	–	–	–	–
Inter-agency Transfer (Note 15)	–	–	–	–	–	(95,974,789)	(95,974,789)
Reclassification	–	–	(3,409,538)	–	360,001	–	(3,049,537)
Balance,Dec31	**860,339,993**	**1,392,402,842**	**114,677,533**	**41,079,125**	**4,723,610**	**33,233,273**	**2,446,456,376**
Accumulated Depreciation							
Balance, Jan 1	460,339,958	720,234,482	86,540,272	23,618,246	4,010,350	–	1,294,743,308
Depreciation	52,244,736	39,076,732	6,072,005	1,077,291	30,884	–	98,501,648
Disposals	–	–	–	–	–	–	–
Inter-agency Transfer	–	–	–	–	–	–	–
Reclassification	–	–	(2,978,204)	–	324,000	–	(2,654,204)
Balance, Dec31	**512,584,694**	**759,311,214**	**89,634,073**	**24,695,537**	**4,365,234**	**–**	**1,390,590,752**
PPE, Net	**₱347,755,299**	**₱633,091,628**	**₱25,043,460**	**₱16,383,588**	**₱ 358,376**	**₱33,233,273**	**₱1,055,865,624**

The properties of CIAC previously booked in CDC before and during the merger costing ₱1.187 billion, with a net book value of ₱565.196 million as of October 31, 2006, were turned over by CDC to CIAC in November 2006 and accordingly included in the property and equipment accounts.

The PPE group of accounts includes the TRACON which is a project awarded to Selex Sistemi Integrati (formerly Alenia Marconi). The project was funded through a term loan facility granted by Deutsche Bank S.P.A. and guaranteed by the Trade and Investment Development Corporation of the Philippines (TIDCORP). The project was completed on May 25, 2007 with a total cost of ₱593.178 million as of August 31, 2007. The TRACON was commissioned by the DOTr effective October 25, 2007.

The depreciation of the radar equipment was adjusted based on the Project Evaluation Report of the NEDA, in which the project life of the equipment was estimated to be at 15 years. The computation of the adjusted depreciation of the said equipment and its spare parts was based on COA Circular No. 2004-005.

Included also under the PPE group of accounts is the cost of the Terminal I Expansion Phase II Project funded from a loan acquired from the Land Bank of the Philippines. The project was completed on May 31, 2014 with a total cost of ₱450.707 million inclusive of the borrowing costs amounting to ₱9.717 million.

On February 10, 2015, the DOTr turned over to CIAC a Semi-Permanent Terminal Building costing ₱19.853 million. The construction of the said building was handled by the DOTr and completed per Certificate of Project Completion as of September 28, 2014.

In December 2019, CIAC booked up the properties and the inventories that were turned over to BCDA for the O&M concessionaire. The net book value of the properties amounted to ₱597.327 million and the cost of inventories amounted to ₱6.018 million, thus, a total of ₱603.345 million were offset by CIAC against its liability to BCDA.

Entered under the Construction in Progress account are the costs of land improvements incurred for the updating of the master development plan and the projects for the development of Clark Airport facilities funded by BCDA. Details of the Construction in Progress account are as follows:

Project	**03/31/2024**	02/29/2024
Master development plan	**33,233,273**	33,233,273
18 Storey air traffic control tower	**–**	–
Primary and secondary surveillance radar	**–**	–
	33,233,273	33,233,273

12. INTANGIBLE ASSETS

This account consists of:

	03/31/2024	02/29/2024
Cost		
Balance, January 1	**9,335,141**	9,335,141
Additions	**–**	–
Reclassifications	**–**	–
Balance, December 31	**9,335,141**	9,335,141
Accumulated amortization		
Balance, January 1	**6,753,275**	6,753,275
Amortization	**96,596**	137,064
Reclassifications	**–**	–
Balance, December 31	**6,849,871**	6,890,339
Carrying amount, December 31	**2,485,270**	2,444,802

Intangible assets pertain to acquired and developed computer software based on the cost of acquisition and any related costs in bringing up the software to use. These costs are being amortized over the expected useful life of five years. Costs associated with maintaining computer software programs are recognized as expense when incurred. Amortization of intangible assets amounted to ₱0.097 million and ₱0.137 million for the period ended March 31, 2024 and February 29, 2024, respectively (see Note 26).

13. DEFERRED TAX ASSETS

The deferred tax assets (DTA) relate to the following:

	03/31/2024	02/29/2024
Unrealized advance rent (Note 27)	**103,568,557**	103,568,557
Unrealized advance rent (Note 32)	**–**	–
	103,568,557	103,568,557

14. FINANCIAL LIABILITIES

This account consists of:

	03/31/2024	02/29/2024
Accounts Payable	**34,229,413**	35,177,734
Due to Officers and Employees	**3,424,143**	2,282,706
	37,653,556	37,460,440

Accounts Payable
This account refers to the accrual of various expenses incurred and various payables which remained unpaid.

Due to Officers and Employees
This account represents the deduction for contributions or loans of CIAC personnel in excess of amount due, thus subject for refund to the personnel.

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15. **INTER-AGENCY PAYABLES**

This account consists of:

	03/31/2024	02/29/2024
Current		
Due to BIR	**1,092,674**	1,259,798
Due to HDMF	**120,606**	128,658
Due to PHIC	**171,512**	163,384
Due to Government Corporations - CDC	**49,089,984**	49,076,503
Due to SSS	**348,704**	345,223
Income tax payable	**73,240,145**	69,625,229
	124,063,625	120,598,795
Non-Current		
Due to Government Corporations - BCDA	**435,698,743**	435,698,743
	435,698,743	435,698,743
Total Inter-agency payables	**559,762,368**	556,297,538

Due to BIR refers to withheld taxes on compensation of employees, withheld taxes - VAT and withheld taxes - expanded on suppliers, which are due for remittance.

Due to HDMF are premiums and loans deducted from the payroll of personnel, which are due for remittance.

Due to PHIC are premiums deducted from the payroll of personnel, which are due for remittance.

Due to Government Corporations - CDC account was expenses of CIAC paid for by CDC after the cut-off date of April 30, 2011 on the reconciled intercompany accounts. In May 2017, CIAC recorded the Debit/Credit Advice issued by CDC; to wit: 1) advance lease and security deposit paid by Nanox Philippines, Inc. (Nanox) to CDC in the amount of ₱14.820 million; and 2) various capital expenditures and operating expenses implemented/paid by CDC for the leased area of Nanox, in which the total expenses amounted to ₱16.707 million. In December 2017, CIAC added to this account the May 2011 loan amortization amounting to ₱32.728 million which was not charged by CDC to BCDA. The balance as at March 31, 2024 and February 29, 2024 is ₱49.090 million and ₱49.077 million, respectively.

Due to SSS were the premiums and loans deducted from the payroll of personnel, which are due for remittance.

Income Tax Payable account represents the income tax which shall be due for remittance to the BIR and the Local Government Units (LGUs).

Inter-Agency Payables (Non-Current) – Due to Government Corporation - BCDA
This account pertains initially to the ₱37.074 million advanced by BCDA to fund the payment to Selex Sistemi Integrati representing 35% initial payment for the purchase of spare parts for the TRACON Project and the supply of radome, spare parts, accessories and installation. In July 2011, the amount of ₱735.561 million was added to this account representing the inter-company settlement of CDC-CIAC cash advances as of April 30, 2011 pursuant to the Implementing Plan of E.O. 716. Further, in November 2011, BCDA released ₱50.000 million to finance the operating requirements of CIAC

increasing the amount of Due to BCDA to ₱822.635 million as of November 30, 2011. Another reason for the increase on this account is the loan amortization paid to Deutsche Bank by CDC and shouldered by BCDA for the account of CIAC.

Other funds released by BCDA to CIAC, in the form of advances, on July 27, 2015 and September 8, 2016 amounted to ₱25.000 million and ₱100.000 million, respectively, and on February10, 2017, funds released amounted to ₱45.000 million. In March 2017, the BCDA advanced a total of ₱220.000 million, inclusive of the ₱50.000 million advanced in November 2011, applied as payment on the net revenue share of CIAC on the CCAC area under account Due from GOCC (BCDA).

The net book value of the properties and equipment and cost of inventories amounting to ₱603.345 million that were turned over to BCDA was recorded as an offset by CIAC from the Due to BCDA account.

In August, November and December 2021, BCDA released funds to CIAC as advances amounted to ₱124.470 million, ₱112.827 million and ₱146.934 million, respectively.

As at December 31, 2023, total released funds of ₱207.608 million for the primary surveillance radar and monopulse secondary surveillance radar project and ₱160.006 million for the new air traffic control tower building facility project were fully liquidated. The balance as at March 31, 2024 and February 29, 2024 of Due to BCDA account is ₱435.699 million.

16. TRUST LIABILITIES

This account consists of:

	03/31/2024	02/29/2024
Current		
Trust liabilities - Bidders	**2,106,898**	2,106,898
Guaranty/Security deposits payable	**676,147**	676,147
Customers' deposits payable -concessionaires	**375,575**	375,575
	3,158,620	3,158,620
Non-Current		
Trust liabilities - Locators	**109,468,031**	109,347,436
Customers' deposits payable-locators	**107,379,428**	107,379,428
	216,847,459	216,726,864
Total trust liabilities	**220,006,079**	219,885,484

Trust liabilities - Bidders/Concessionaires pertain to cash performance security tendered by the bidders and concessionaires, in compliance with the provisions of the contract. Cash bond or bid security is posted by a bidder to guarantee the faithful performance of its obligations of an awarded contract, which may be forfeited or refunded in accordance with R.A. No. 9184. Also, the performance bond is paid by a concessionaire to ensure faithful compliance with all the terms and conditions of the lease agreement which shall be forfeited as liquidated damages in the event of (1) failure to perform any or all obligations, undertakings and performance commitments, (2) pre-termination of lease agreement, or (3) failure to correct said failure within a period specified by the CIAC as stipulated in the lease agreement.

Guaranty/Security Deposits Payable refers to the payment of suppliers to guarantee the faithful performance of an awarded project/contract. These may be forfeited in case of non-compliance of the terms of the contract, thus, income is realized, or may be refunded to the supplier once the performance is satisfactorily completed.

Customers' Deposits Payable - Concessionaires represents security deposit, equivalent to three months rental being required from a concessionaire as a proof of intent to cover for any damage or unpaid rentals that may arise.

Trust liabilities - Locators (Long-Term) refers to the performance bond, either in the form of cash bond or surety bond equivalent to six months of rentals, which is included in the lease agreement to guaranty the faithful performance of a locator in accordance with the said lease agreement.

Customers' Deposits Payable - Locators (Long–Term) refers to security deposit, one of the requirements under the lease agreement, to be paid by the locator equivalent to three months rental refundable at the time of termination of lease agreement less for any unpaid rentals, utility bills or damages that may arise. This shall be forfeited in favor of CIAC in case of pre-termination by the lessee.

17. DEFERRED CREDITS/UNEARNED INCOME

This account consists of the following other deferred credits:

	03/31/2024	02/29/2024
Current		
Advance rent	**26,305,180**	26,608,529
Unapplied rent & concessionaire privilege fees	**23,155,767**	23,155,767
	49,460,947	49,764,296
Non-Current		
Advance rent	**2,201,464,500**	2,207,709,037
	2,201,464,500	2,207,709,037
Total deferred credits	**2,250,925,447**	2,257,473,333

Advance Rent refers to advance payment made by locators as required in the lease agreement equivalent to three months rental which are chargeable against future payments.

Advance Landing and Parking Fees refers to advance payment by airlines which will be applied to future billings.

Advance Concessionaire Fee refers to advance payment made by concessionaires as required in the lease agreement equivalent to three months rental which are chargeable against future payments.

Unapplied Rent and Concessionaire Privilege Fees account is the payments of locators/concessionaires whose contracts are being processed for renewal. Once the contracts are signed, the said payments will be applied on locators/concessionaires rent.

18. OTHER PAYABLES

This account consists of:

	03/31/2024	02/29/2024
Accounts payable - others	**355,287**	355,287
Untraced deposits	**11,862,184**	8,044,742
Unapplied concessionaires' utilities	**588,885**	588,885
Tax refunds payable	**43,356**	43,356
Provident fund payable	**591,721**	1,595,463
CIAC Employees Multi-Purpose Cooperative (EMPC) payable	**8,097**	8,097
Samahan ng mga Manggagawa sa DMIA(SMD) union dues	**13,900**	20,150
	13,463,430	10,655,980

The Accounts Payable - Others refers to payables to various employees for unclaimed honoraria and additional expenses incurred during official travel. Also included under this account are interbranch deposits to CIAC's account for the O&M concessionaire.

Untraced Deposits account refers to the inter-branch deposits of locators which shall be applied to appropriate accounts once identified.

Unapplied Concessionaires' Utilities account is the advance payments of concessionaires on their power consumption which will be reversed in the books once due.

19. STOCKHOLDERS' EQUITY

This account consists of the following:

Capital Share	**No. of Shares**	**Amount**
Authorized (200,000 shares @ P100.00 par value)	200,000	₱20,000,000.00
Subscribed (25% of ₱20 million)	50,000	₱ 5,000,000.00
Paid-up Capital (25% of P5 million)	12,500	₱ 1,250,000.00

An increase in capital authorization from ₱20.000 million to ₱5.000 billion was approved by the Board of Directors in its Stockholders' Meeting on June 10, 2011.

The requirements of the Securities and Exchange Commission (SEC) have been completed in November 2011 which were to be reviewed by the BCDA, but the latter's action had been overtaken by the issuance of E.O. No. 64 transferring CIAC as an attached agency of the DOTr and providing for the transfer of the shares of stock of the CIAC to the National Government.

To date, the move to increase authorized capital stock has been put on hold mainly due to the privatization of the airport operations despite a board resolution approving the initial increase to ₱1.000 billion on December 14, 2015.

Stockholders' Equity - Other Equity Instruments (Deposit for Future Stock Subscription - BCDA and DOTr)
The CDC investment in CIAC in the amount of ₱832.248 million represents the investment of BCDA to CIAC after recording in July 2011 the agreed booking entries of the reconciled intercompany account balances as of April 30, 2011 pursuant to the Implementing Plan of E.O. 716.

The amount of ₱832.248 million represents the book value of the CIAC fixed assets transferred from the BCDA to CDC upon the merger of the CDC and CIAC in 2002. The value of the fixed assets is entered under Deposit for Future Stock Subscription account.

Added under this account are the BCDA fund releases intended for the ASEAN related projects. For CY2017, total funds released by BCDA to CIAC amounted to ₱358.415 million. On January 17, February 22, March 13, May 23, September 12, and November 8, 2018, BCDA funds received by CIAC amounted to ₱21.153 million, ₱20.382 million, ₱8.586 million, ₱41.801 million, ₱21.170 million, and ₱3.503 million, respectively. Added also are the DOTr releases from 2014 to 2016 totaling ₱672.663 million. The balance stood at ₱1.980 billion as at March 31, 2024 and February 29, 2024.

Stockholders' Equity - *Other Equity Instruments (Donated Capital)*
Pending further clarification of the nature of transfer, entered under this account is the Semi-Permanent Terminal Building costing ₱19.853 million which was turned over by the DOTr to the CIAC on February 10, 2015.

20. SERVICE AND BUSINESS INCOME

This account consists of:

	03/31/2024	02/29/2024
Rent/Lease income	**144,925,641**	98,021,128
CPF Share on gross income	**6,444,943**	3,012,721
Ad Space rentals	**220,000**	220,000
Interest income	**2,527,885**	1,338,152
	154,118,469	102,592,001

21. GAINS

This account consists of:

	03/31/2024	02/29/2024
Gain on FOREX	**1,188,335**	10,369
Gain on sale of unserviceable assets	**–**	–
	1,188,335	10,369

The gain on FOREX of ₱1.188 million and ₱0.001 million for the period ended March 31, 2024 and February 29, 2024, respectively, were mainly attributed from year-end revaluation of dollar denominated funds and from dollar trading.

22. OTHER NON-OPERATING INCOME

This account consists of:

	03/31/2024	02/29/2024
Miscellaneous income	**962,560**	951,175
Income from grants and donations in kinds	**–**	–
Reversal of impairment loss	**–**	–
	962,560	951,175

Miscellaneous income mainly from forfeited security deposits and interest and penalties charged to locators.

23. PERSONNEL SERVICES

This account consists of:

	03/31/2024	02/29/2024
Salaries and wages	**20,454,399**	13,374,582
Other Compensation	**5,161,831**	3,313,863
Personnel benefits contribution	**975,401**	478,840
Other personnel benefits	**4,084,205**	4,084,205
	30,675,836	21,251,490

24. MAINTENANCE AND OTHER OPERATING EXPENSES (MOOE)

This account consists of:

	03/31/2024	02/29/2024
Travelling expenses	**483,476**	65,121
Training and scholarship expenses	**1,460,896**	1,282,839
Supplies and material expenses	**929,860**	555,021
Utility expenses	**860,821**	549,564
Communication expenses	**281,686**	131,000
Awards and indemnities	**46,592**	3,143
Professional services	**2,368,815**	1,200,268
General services	**12,543,887**	9,004,219
Repairs and maintenance	**517,886**	168,659
Taxes, insurance premiums and other fees	**209,913**	161,000
Other MOOE	**1,822,186**	872,449
	21,526,018	13,993,283

25. FINANCIAL EXPENSES

This account consists of:

	03/31/2024	02/29/2024
Bank charges	**12,497**	9,785
Interest expenses	**–**	–
	12,497	9,785

26. NON-CASH EXPENSES

This account consists of:

	03/31/2024	02/29/2024
Depreciation	**22,029,950**	14,694,055
Amortization	**96,596**	137,064
Loss on FOREX	**208,178**	142,379
Impairment loss	**–**	–
Loss on sale of unserviceable assets	**–**	–
	22,334,724	14,973,498

27. INCOME TAX EXPENSE AND PAYABLE

This account consists of:

	03/31/2024	02/29/2024
Current tax	**4,071,964**	–
Deferred tax asset (Note 13)	**–**	–
	4,071,964	–

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted at the reporting date in the country where CIAC operates and generates taxable income.

	03/31/2024	02/29/2024
5% GIE		
Net income per books	**81,720,290**	**–**
Non-deductible expenses/taxable other income	**6,372,111**	**–**
Non-taxable income and income subj. to final tax	**(6,653,120)**	**–**
Gross taxable income	**81,439,281**	**–**
Special tax rate under R.A. 7227	**5%**	**–**
Income tax expense subject to 5% GIE	**4,071,964**	**5%**
25% RCIT		**–**
Revenue outside registered activities	**–**	
Tax rate	**25%**	**–**
Income tax expense subject to 25% RCIT	**–**	**25%**
Total income tax expenses	**4,071,964**	**–**
		–
Tax due - BIR share	**2,443,178**	
Quarterly tax payments	**–**	**–**
Tax credits	**458,048**	**–**
Income tax payable BIR	**1,985,130**	**–**
		–
Tax due - LGU share	**1,628,786**	
Quarterly tax payments	**–**	**–**
Tax credits	**–**	**–**
Income tax payable to LGU	**1,628,786**	**–**

28. OTHER ADJUSTMENTS

This account consists of:

	03/31/2024	02/29/2024
Various income accounts	**7,287**	6,080
Various operating expenses	**77,085**	71,762
Reversal of various long-outstanding liabilities pursuant to AOM 2023-004	**(32,778)**	(32,778)
Salary adjustment pursuant to CPCS	**–**	–
Semi-expendable acquired prior to CY2022 pursuant to COA Circular 2022-004	**–**	–
	51,594	45,064

CLARK INTERNATIONAL AIRPORT CORPORATION
TRIAL BALANCE
March 31, 2024

RCA Account Code		Account Title	YTD - March 2024 DEBIT	CREDIT
1 01 01 020		Petty Cash	205,286.95	-
1 01 02 020	1	Cash in Bank-Local Currency,Current Account (DBP Clark)	48,238,709.12	-
1 01 02 020	3	Cash in Bank-Local Currency,Current Account (LBP Clark)	486,253,062.07	-
1 01 02 020	4	Cash in Bank-Local Currency,Current Account (LBP DOTr Funds)	551,156.69	-
1 01 02 020	6	Cash in Bank-Local Currency,Current Account (LBP CIAC Non-Infrastructure)	12,382,765.31	-
1 01 02 020	7	Cash in Bank-Local Currency,Current Account (LBP CIAC OPEX)	18,674,900.53	-
1 01 02 020	8	Cash in Bank-Local Currency,Current Account (LBP CIAC Infrastructure Projects	10,694,467.02	-
1 01 03 030	1	Cash in Bank-Foreign Currency,Savings Account (DBP Clark)	104,752,754.17	-
1 01 03 030	2	Cash in Bank-Foreign Currency,Savings Account (LBP Clark)	222,931,174.85	-
1 01 05 020		Time Deposits-Local Currency	1,263,217,140.30	-
1 01 05 030		Time Deposits-Foreign Currency	854,970,980.20	-
1 02 12 010		Investment Securities at Amortized Cost	640,340,000.00	-
1 02 99 010		Investments in Stocks	300.00	-
1 03 01 010	1	Accounts Receivable-Trade	262,107,629.30	-
1 03 01 010	2	Accounts Receivable-Others	7,329,024.80	-
1 03 01 010	4	Accounts Receivable-Bank Charges	7,646.10	-
1 03 01 011		*Allowance for Impairment-Accounts Receivable*	-	48,091,053.41
1 03 01 050		Interest Receivable	5,528,026.37	-
1 03 03 050	1	Due from Government Corporations-CDC	49,861,651.56	-
1 03 03 050	2	Due from Government Corporations-BCDA	2,185,935.72	-
1 03 03 050	3	Due from Government Corporations-MIAA	173,434.05	-
1 03 03 050	4	Due from Government Corporations-CIAC Provident Fund	15,256,748.98	-
1 03 05 010		Receivables-Disallowances/Charges	74,468.32	-
1 03 05 020	1	Due from Officers and Employees-Personal Calls	469.50	-
1 03 05 020	2	Due from Officers and Employees-Medical Fees	152,451.68	-
1 03 05 020	3	Due from Officers and Employees-Utilities	59,249.80	-
1 03 05 020	5	Due from Officers and Employees-Others	350,799.02	-
1 03 05 020	6	Due from Officers and Employees-SSS Delinquent Loans	118,311.19	-
1 03 05 990	1	Other Receivables-SSS Benefit Claims	19,574.99	-
1 03 05 990	2	Other Receivables-Personal Calls	5,622.19	-
1 03 05 990	3	Other Receivables-Suppliers	133,924.40	-
1 03 05 990	7	Other Receivables-Withholding Tax Credits	167,173.34	-
1 04 04 010		Office Supplies Inventory	687,876.44	-
1 04 04 060		Drugs and Medicines Inventory	94,863.87	-
1 04 04 080		Fuel, Oil and Lubricants Inventory	70,804.12	-
1 04 04 130		Construction Materials Inventory	870,387.49	-
1 04 04 990		Other Supplies and Materials Inventory	1,084,082.56	-
1 06 02 990		Other Land Improvements	860,339,993.55	-
1 06 02 991		*Accumulated Depreciation-Other Land Improvements*	-	522,974,196.73
1 06 04 990	1	Other Structures-Building Improvements	1,375,764,125.65	-
1 06 04 991	*1*	*Accumulated Depreciation-Other Structures,Bldg.Imprvts.*	-	764,338,982.85
1 06 04 990	2	Other Structures-Buildings	16,638,716.12	-
1 06 04 991	*2*	*Accumulated Depreciation-Other Structures,Buildings*	-	4,742,034.06
1 06 05 020		Office Equipment	17,573,980.92	-
1 06 05 021		*Accumulated Depreciation-Office Equipment*	-	15,914,548.71
1 06 05 030		Information and Communication Technology Equipment	38,294,576.45	-
1 06 05 031		*Accumulated Depreciation-Information & Com.Tech.Equip.*	-	28,617,150.64
1 06 05 060	1	Airport Equipment	33,509,072.00	-
1 06 05 061	*1*	*Accumulated Depreciation-Airport Equipment*	-	24,272,945.02
1 06 05 070	1	Communication Equipment	15,667,854.02	-
1 06 05 071	*1*	*Accumulated Depreciation-Communication Equipment*	-	13,517,302.54
1 06 05 070	2	Communication Equipment-Com.& Meteorological Equipment	3,017,424.85	-
1 06 05 071	*2*	*Accumulated Depreciation-Com.Equip.,Com.& Met.Equipment*	-	2,871,832.30
1 06 05 090		Disaster Response and Rescue Equipment	1,390,800.00	-
1 06 05 091		*Accumulated Depreciation-Disaster Response & Rescue Equipment*	-	1,358,231.75
1 06 05 100		Military, Police and Security Equipment	748,727.57	-
1 06 05 101		*Accumulated Depreciation-Military,Police & Security Equipment*	-	646,487.66

RCA			YTD - March 2024	
Account Code		Account Title	DEBIT	CREDIT
1 06 05 110		Medical Equipment	248,000.00	-
1 06 05 111		*Accumulated Depreciation-Medical Equipment*	-	223,200.01
1 06 05 130		Sports Equipment	50,000.00	-
1 06 05 131		*Accumulated Depreciation-Sports Equipment*	-	45,000.00
1 06 05 990		Other Machinery and Equipment	7,307,097.26	-
1 06 05 991		*Accumulated Depreciation-Other Machinery and Equipment*	-	3,534,894.42
1 06 06 010		Motor Vehicles	41,079,124.67	-
1 06 06 011		*Accumulated Depreciation-Motor Vehicles*	-	25,188,576.03
1 06 07 010		Furniture and Fixtures	4,441,818.85	-
1 06 07 011		*Accumulated Depreciation-Furniture and Fixtures*	-	4,121,481.42
1 06 07 020		Books	281,790.77	-
1 06 07 021		*Accumulated Depreciation-Books*	-	253,611.97
1 06 99 010		Construction in Progress-Land Improvements	33,233,273.28	-
1 08 01 020		Computer Software	9,335,141.02	-
1 08 01 021		*Accumulated Amortization-Computer Software*	-	6,849,870.66
1 12 01 010		Deferred Tax Assets	103,568,557.00	-
1 99 01 030		Advances to Special Disbursing Officer	1,388,244.75	-
1 99 02 050		Prepaid Insurance	426,020.83	-
1 99 02 080		Withholding Tax at Source	-	-
1 99 03 020		Guaranty Deposits	776,242.82	-
1 99 04 010		Restricted Fund	6,530,041.27	-
1 99 99 990	1	Other Assets-Unserviceable Assets	38,340,811.76	-
2 01 01 010		Accounts Payable	-	34,229,412.94
2 01 01 020	1	Due to Officers and Employees-bonuses & cash gift	-	3,424,058.43
2 01 01 020	2	Due to Officers and Employees-others	-	84.23
2 02 01 010	1	Due to BIR-Withholding Tax Salaries	-	906,648.32
2 02 01 010	2	Due to BIR-Expanded Withholding Tax	-	113,123.43
2 02 01 010	3	Due to BIR-Withholding Tax on GMP-Value Added Taxes (GVAT)	-	72,901.75
2 02 01 030	1	Due to Pag-ibig-Loans	-	75,105.55
2 02 01 030	2	Due to Pag-ibig-Premiums	-	45,500.00
2 02 01 040		Due to Philhealth	-	171,512.18
2 02 01 060	1	Due to Government Corporations-CDC (Current)	-	49,089,984.53
2 02 01 060	3	Due to Government Corporations-BCDA (Long-Term)	-	435,698,742.76
2 02 01 110	1	Due to SSS-Loans	-	154,168.82
2 02 01 110	2	Due to SSS-Premiums	-	194,535.40
2 02 01 130		Income Tax Payable	-	73,240,144.76
2 04 01 010	1	Trust Liabilities-Bidders	-	2,106,898.15
2 04 01 010	3	Trust Liabilities-Locators (Long-Term)	-	109,468,031.51
2 04 01 040		Guaranty/Security Deposits Payable	-	676,146.97
2 04 01 050	1	Customers' Deposits Payable-Locators (Current)	-	375,575.23
2 04 01 050	2	Customers' Deposits Payable-Locators (Long-Term)	-	107,379,427.86
2 05 01 990	1	Other Deferred Credits (Advance Rent Current)	-	26,305,180.41
2 05 01 990	4	Other Deferred Credits (Unapplied Rent and Conc. Priv. Fees)	-	23,155,766.93
2 05 01 990	5	Other Deferred Credits (Advance Rent Long-Term)	-	2,201,464,499.87
2 99 99 990	1	Other Payables-Accounts Payable Others	-	355,287.49
2 99 99 990	2	Other Payables-Untraced Deposits	-	11,862,183.60
2 99 99 990	3	Other Payables-Unapplied Concessionaires' Utilites	-	588,884.52
2 99 99 990	4	Other Payables-Tax Refund Payable	-	43,355.70
2 99 99 990	5	Other Payables-Provident Fund Loans	-	416,570.76
2 99 99 990	6	Other Payables-Provident Fund Premiums	-	170,656.36
2 99 99 990	7	Other Payables-Prov.Fund MTLP Insurance	-	4,494.76
2 99 99 990	8	Other Payables-CIAC EMPC	-	8,096.84
2 99 99 990	9	Other Payables-SMD Union Dues	-	13,900.00
3 07 01 010		Retained Earnings/(Deficit)	8,538,965.20	-
3 08 01 010		Share Capital	-	1,250,000.00
3 08 01 990	1	Other Equity Instruments (Deposit for Future Stock Subscription-BCDA/DOTr)	-	1,979,920,931.11
3 08 01 990	2	Other Equity Instruments (Donated Capital)	-	19,852,716.12
4 02 02 050		Rent/Lease Income	-	144,925,641.18
4 02 02 210		Interest Income	-	6,444,942.62
4 02 02 990	4	Other Business Income-Ad Space Rentals	-	220,000.00
4 02 02 990	5	Other Business Income-CPF Share on Gross Income	-	2,527,885.31

RCA			YTD - March 2024	
Account Code		Account Title	DEBIT	CREDIT
4 05 01 010		Gain on Foreign Exchange (FOREX)	-	1,188,335.29
4 06 03 990		Miscellaneous Income	-	962,560.43
5 01 01 010		Salaries and Wages-Regular	20,454,398.49	-
5 01 02 010		Personnel Economic Relief Allowance (PERA)	666,000.00	-
5 01 02 020		Representation Allowance (RA)	400,250.00	-
5 01 02 030		Transportation Allowance (TA)	318,000.00	-
5 01 02 040		Clothing/Uniform Allowance	225,750.00	-
5 01 02 100		Honoraria	323,500.00	-
5 01 02 130		Overtime and Night Pay	30,022.66	-
5 01 02 140		Year End Bonus	1,552,622.94	-
5 01 02 150		Cash Gift	131,625.00	-
5 01 02 990	1	Other Bonuses and Allowances-Mid-Year Bonus	1,514,060.49	-
5 01 03 010	2	Retirement and Life Insurance Premiums (SSS Premiums)	620,350.00	-
5 01 03 020		PAG-IBIG Contributions	33,300.00	-
5 01 03 030		Philhealth Contributions	314,850.74	-
5 01 03 040		Employees Compensation Insurance Premiums	6,900.00	-
5 01 04 990	8	Other Personnel Benefits-Vacation Leave Monetization	4,084,205.34	-
5 02 01 010		Traveling Expenses - Local	176,991.46	-
5 02 01 020		Traveling Expenses - Foreign	306,484.92	-
5 02 02 010	1	Training Expenses	1,060,251.71	-
5 02 02 010	2	Training Expenses (Sports & Recreation)	400,644.40	-
5 02 03 010		Office Supplies Expenses	321,667.65	-
5 02 03 070		Drugs and Medicines Expenses	11,508.26	-
5 02 03 090		Fuel, Oil and Lubricants Expenses	470,325.29	-
5 02 03 990	1	Other Supplies and Materials Expenses	109,858.63	-
5 02 03 990	2	Other Supplies and Materials Expenses (Water Provision)	16,500.00	-
5 02 04 010		Water Expenses	66,221.64	-
5 02 04 020		Electricity Expenses	794,599.55	-
5 02 05 010		Postage and Courier Services	5,966.24	-
5 02 05 020	1	Telephone Expenses - Landline	36,719.33	-
5 02 05 020	2	Telephone Expenses - Mobile	15,000.00	-
5 02 05 030		Internet Subscripton Expenses	224,000.00	-
5 02 10 030		Extraordinary and Miscellaneous Expenses	46,592.06	-
5 02 11 010		Legal Services	300.00	-
5 02 11 020		Auditing Services	184,238.15	-
5 02 11 030		Consultancy Services	1,177,777.78	-
5 02 11 990	1	Other Professional Services (Directors' Per Diem)	688,000.00	-
5 02 11 990	2	Other Professional Services (Directors' RATA)	19,770.04	-
5 02 11 990	4	Other Professional Services (Airport Services)	209,639.15	-
5 02 11 990	9	Other Professional Services (Director's Travelling Expense)	89,090.24	-
5 02 12 010	1	Environment/Sanitary Services (Ground Maintenance)	2,263,975.82	-
5 02 12 010	2	Environment/Sanitary Services (Garbage fees)	34,658.40	-
5 02 12 020		Janitorial Services	706,294.32	-
5 02 12 030		Security Services	9,538,958.09	-
5 02 13 040	1	Repairs and Maintenance-Buildings & Other Structures (Buildings)	316,981.17	-
5 02 13 050	2	Repairs & Maint.-Machinery & Equipment (Info.& Com.Tech.Equip)	126,287.77	-
5 02 13 060		Repairs and Maintenance-Transportation Equipment	74,616.61	-
5 02 15 010	1	Taxes, Duties and Licenses	12,350.00	-
5 02 15 020		Fidelity Bond Premiums	68,062.50	-
5 02 15 030		Insurance Expenses	129,500.55	-
5 02 15 040		Income Tax Expenses	4,072,964.00	-
5 02 99 010		Advertising, Promotional and Marketing Expenses	117,900.00	-
5 02 99 020		Printing and Publication Expenses	23,420.00	-
5 02 99 030		Representation Expenses	507,791.33	-
5 02 99 070		Subscription Expenses	643,091.00	-
5 02 99 080		Donations	529,984.00	-
5 03 01 040		Bank Charges	12,496.90	-
5 05 01 020		Depreciation-Land Improvements	10,389,502.41	-
5 05 01 040	1	Depreciation-Buildings & Other Structures (Bldg. Improvements)	9,645,012.72	-
5 05 01 040	2	Depreciation-Buildings & Other Structures (Buildings)	124,790.37	-
5 05 01 050	1	Depreciation-Machinery & Equipment (Office Equipment)	26,703.49	-

RCA		YTD - March 2024	
Account Code	Account Title	DEBIT	CREDIT
5 05 01 050 2	Depreciation-Machinery & Equipment (Info & Com Tech Equip)	467,734.23	-
5 05 01 050 3	Depreciation-Machinery & Equipment (Airport Equipment)	707,152.50	-
5 05 01 050 6	Depreciation-Machinery & Equipment (Communication Equipment)	63,559.47	-
5 05 01 050 9	Depreciation-Mach.& Equip (Disaster Response & Rescue Equip)	1,593.00	-
5 05 01 050 11	Depreciation -Mach.& Equip.(Military,Police and Security Equipment)	5,434.86	-
5 05 01 050 13	Depreciation -Machinery & Equip.(Other Machinery & Equipment)	98,268.75	-
5 05 01 060	Depreciation-Transportation Equipment	493,039.26	-
5 05 01 070 1	Depreciation-Furniture, Fixtures and Books (Furniture & Fixtures)	7,159.26	-
5 05 02 010 1	Amortization-Intangible Assets (Computer Software)	96,596.10	-
5 05 04 010	Loss on Foreign Exchange (FOREX)	208,177.65	-
	TOTAL	**6,706,665,292.30**	**6,706,665,292.30**