

Republic of the Philippines  
Province of Cagayan  
**TUGUEGARAO CITY**

**NINTH CITY COUNCIL**

**COMMITTEE REPORT**

June 26, 2024

**COMMITTEE ON HEALTH AND SANITATION  
COMMITTEE ON SUSTAINABILITY, CLIMATE CHANGE, ENVIRONMENTAL  
PROTECTION AND ECOLOGY**

**PRESENT:**

HON. IMOGEN CLAIRE M. CALLANGAN	- Chairperson (Health)
	Vice Chairperson (Sustainability)
HON. KARINA S. GAUANI-VIERNES	- Vice Chairperson (via zoom) (Health)
HON. TIRSO V. MANGADA	- Member (Health, Sustainability) (via zoom)
HON. MARIA ROSARIO B. SORIANO	- Chairperson (Sustainability) (via zoom)
HON. CERENE PEARL T. QUILANG	- Member (Sustainability) (via zoom)

**RESOURCE PERSONS:**

DR. MARCOS MALLILLIN	- TCPGH Head (via zoom)
MR. NOLI JUNE O. NAVARRO	- Gen. Manager Unified Hazwaste (via zoom)

**FOR THE PRESIDING OFFICER:**

The joint committees met and deliberated on the referral:

**COMMITTEE REPORT NO. 189-2024**

**SUBJECT:**

Indorsement of the OIC-Office of the City Mayor, Mr. Juanito A. Calubaquib, City Administrator on the draft Memorandum of Agreement between the Tuguegarao City Government and the Unified Hazwaste Expert Inc. relative to the renewal of their agreement for the processing, treatment, storage and disposal of hazardous waste materials and other wastes generated, certified urgent.

**FINDINGS:**


1. After a thorough discussion, Committee Report No. 182-2024 was deferred last 95<sup>th</sup> Regular Session held on June 11, 2024 at the Session Hall, Tuguegarao City.
2. The following are the answered to the manifestation of some of the members of the Ninth City Council to the said MOA:
  - a. The following documents were submitted to the committee:
    - Updated Permit;
    - General Information Sheet; and
    - Financial Report

- b. Dr. Mallillin explained that there are staff manning the weighing scale and manifested to provide their own weighing scale.
- c. If the waste was already transferred/loaded to the truck of Unified Hazwaste Expert Inc., LGU is free from any responsibilities;
- d. Retain the original statement of 14 days upon receipt of billing invoice stated in the MOA.

**RECOMMENDATION:**

Finding the terms and conditions of the Memorandum of Agreement (MOA) to be in order and beneficial to the constituents of Tuguegarao City, the joint committees recommend the approval of the Memorandum of Agreement between the Tuguegarao City Government and the Unified Hazwaste Expert Inc. relative to the renewal of their agreement for the processing, treatment, storage and disposal of hazardous waste materials and other wastes generated and authorizing the City Mayor Hon. Maila Rosario S. Ting-Que, to sign for and on behalf of the Tuguegarao City Government the said MOA.

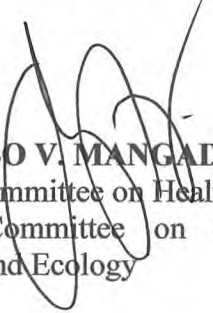
**Respectfully submitted:**



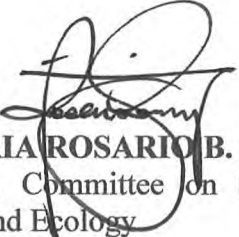
**HON. IMOGEN CLAIRE M. CALLANGAN**  
Chairperson, Committee on Health and Sanitation  
Vice Chairperson, Committee on Sustainability, Climate Change, Environmental Protection and Ecology



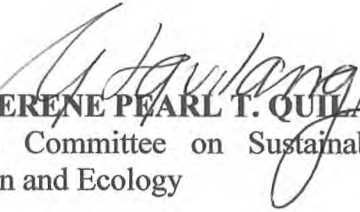
**HON. KARINA S. GAUANI-VIERNES**  
Vice Chairperson, Committee on Health and Sanitation



**HON. TIRSO V. MANGADA**  
Member, Committee on Health and Sanitation  
Member, Committee on Sustainability, Climate Change, Environmental Protection and Ecology




**HON. MARIA ROSARIO B. SORIANO**  
Chairperson, Committee on Sustainability, Climate Change, Environmental Protection and Ecology



**HON. CERENE PEARL T. QUILANG**  
Member, Committee on Sustainability, Climate Change, Environmental Protection and Ecology

**DRAFT RESOLUTION APPROVING THE RENEWAL OF THE MEMORANDUM OF AGREEMENT (MOA)  
BETWEEN THE LOCAL GOVERNMENT UNIT OF TUGUEGARAO CITY AND UNIFIED HAZWASTE  
EXPERT INC. FOR THE PROCESSING, TREATMENT, STORAGE AND DISPOSAL OF  
HAZARDOUS WASTE MATERIALS AND OTHER WASTES GENERATED AND  
AUTHORIZING THE CITY MAYOR, HON. MAILA ROSARIO S. TING-QUE,  
TO SIGN AND ON BEHALF OF THE TUGUEGARAO CITY GOVERNMENT  
THE SAID MEMORANDUM OF AGREEMENT**



**WHEREAS**, Section 22(c) of Republic Act No. 7160, otherwise known as the Local Government Code, grants the power to the Local Chief Executive to enter into contracts on behalf of the local government unit with prior authorization by the Sangguniang Panlungsod;

**WHEREAS**, the OIC-Office of the City Mayor, Mr. Juanito A. Calubaquib, City Administrator indorsed to the Ninth City Council the draft Memorandum of Agreement between the Tuguegarao City Government and the Unified Hazwaste Expert Inc. relative to the renewal of their agreement for the processing, treatment, storage and disposal of hazardous waste materials and other wastes generated;

**WHEREAS**, the Unified Hazwaste Expert, Inc. is a duly licensed health care Waste Transporter Service Provider specializing in transporting wastes collected to be treated and, in the processing, treatment, storage and disposal of hazardous waste materials and other wastes generated by the generator in the operation of its facility;

**WHEREAS**, the Unified Hazwaste Expert, Inc. is a duly registered and accredited with the Department of Environment and Natural Resources - Environmental Management Bureau (DENR-EMB) with Transporter Registration Certificate No. TP-R3-54-00197/ OL-TP-R3-54-000100; Securities and Exchange Commission Registration No. CS201616457; Business Permit No. Permit 54-01-20-2019006060 in Angeles City, Pampanga which partnered with a TSD facility which responsible for the final disposal of treated/encapsulated wastes

**WHEREAS**, due to the inability of the Tuguegarao City Government to dispose on its own the hazardous/infectious waste materials it generates in accordance with environmental laws, it seeks to engage the services of a healthcare transporter services provider;

**WHEREAS**, the Tuguegarao City Government in the normal course of its operations generates hazardous waste materials which it desires to be properly transported and treated prior to disposal or recycling;

**WHEREAS**, the Tuguegarao City Government has agreed to avail again of the services of the Unified Hazwaste Expert, Inc. and its TSD services and facility partners for the purpose of transporting, treating, storing and disposing the former's hazardous wastes generated by its facility;

**WHEREAS**, the Joint Committee on Health and Sanitation and Committee on Sustainability, Climate Change, Environmental Protection and Ecology, found the terms and conditions of the Memorandum of Agreement to be in order and beneficial to both parties and the constituents of Tuguegarao City;

**NOW, THEREFORE, RESOLVE**, as it is hereby **RESOLVED**, to approve the Renewal of the Memorandum of Agreement between the Local Government Unit of Tuguegarao City and Unified Hazwaste Expert, Inc. for the Processing, Treatment, Storage and Disposal of Hazardous Waste Materials and other Wastes Generated, and authorizing the City Mayor, Hon. Maila Rosario S. Ting-Que, to sign for and on behalf of the Tuguegarao City Government the said Memorandum of Agreement.



## TRANSPORTER REGISTRATION CERTIFICATE

Pursuant to Chapter 4 of DENR Administrative Order (DAO) No. 2013-22, the Implementing Rules and Regulations of Republic Act (RA) 6969, this Certificate is issued to:

Name of Transporter : **UNIFIED HAZWASTE EXPERT, INC.**  
Office Address : 1-E-4 Brgy. Gandus Mexico Pampanga

You are hereby assigned with the new *on-line registration no*:

**TP-R3-54-00197**

This registration shall apply and limited to the following types of waste and vehicle:

**Acid waste (B201-B299), alkali waste (C301-C399), waste with inorganic chemicals (D401-D404), inks/dyes/pigments/paint/latex/adhesives/organic sludge (F601-F699), waste organic solvents (G704), grease trap (H802), used or waste oil (I101-I102), contaminated containers (J201), and miscellaneous wastes (M501, M506-M507)**

Type	Plate No.	Net capacity, MT	Owned/Leased
Isuzu Elf Aluminum Van	RMW 378	2.150	Owned
Jac King Closed Type Flat Body	XM2679	2.100	Owned
Jac Prince Closed Type Flat Body	ZNH 530	1.950	Owned
Jac King Aluminum Van	NBD 8443	2.100	Owned
Mitsubishi L300 CC Exceed	B2 R853	1.200	Owned

The above-named transporter shall comply with all applicable provisions of R.A. 6969 and its implementing rules and regulations.

This is not a permit to transport. A permit to transport must be secured from the proper Regional Office of this Bureau prior to any transport of hazardous wastes from the generator thereof to an authorized treatment, storage and disposal (TSD) facility.

The duly notarized manifest form attached with pictures of the actual loading and unloading of hazardous wastes, shall be submitted to the concerned Regional Office copy furnished this Office within seven (7) days of each completed transport.

The conveyance(s) transporting hazardous wastes including vessels, containers and tanks shall be properly labeled and shall contain the symbols as required in Chapter 6 Section 6.3 of DAO 2013-22.

The transporter shall ensure that all its personnel directly involved in the handling of hazardous wastes have received adequate training and provided with the appropriate Personnel Protective Equipment (PPE).

This certificate is valid for one (1) year from the approved date of HW On-line System unless sooner revoked or suspended for cause by this Bureau. The application for renewal hereof should be filed with this Bureau at least one (1) month prior to the date of expiration.

Authorized Signature :  
Authorized Name : **ENGR. METODIO U. TURBELLA**  
Designation : Director  
Date : \_\_\_\_\_



## HW TRANSPORTER REGISTRATION CERTIFICATE

Pursuant to Chapter 4 of DENR Administrative Order (DAO) No. 2013-22, the Implementing Rules and Regulations of Republic Act (RA) 6969, this Certificate is issued to:

Name of Company : **UNIFIED HAZWASTE EXPERT, INC.**

Office Address : 151-D PLAZA RAFAEL II, STO ROSARIO STREET, SANTO DOMINGO, ANGELES CITY, PAMPANGA

Garage Address/es:

1. BLOCK 8 LOT 19 JESUS ST. CORNER GENERAL RICARTE ST., LOURDES NORTH WEST, ANGELES CITY, PAMPANGA, REGION 3

You are hereby assigned with the new *on-line registration na*

OL-TP-R3-54-000100

This registration shall apply and limited to the following types of waste and vehicles:

**Sulfuric acid (B201), Hydrochloric acid (B202), Nitric acid (B203), Phosphoric acid (B204), Hydrofluoric acid (B205), Mixture of sulfuric and hydrochloric acid (B206), Other inorganic acid (B207), Organic acid (B208), Other acid wastes (B299), Caustic soda (C301), Potash (C302), Alkaline cleaners (C303), Ammonium hydroxide (C304), Lime slurries (C305), Other alkali wastes (C399), Selenium and its compounds (D401), Barium and its compounds (D403), Mercury and mercury compounds (D407), Solvent based (F601), Inorganic pigments (F602), Ink formulation (F603), Other mixed (F699), Non-halogenated organic solvents (G704), Grease wastes (H802), Used industrial oil including sludge (I101), Vegetable oil including sludge (I102), Tallow (I103), Oil-contaminated Materials (I104), Containers previously containing toxic chemical substances (J201), Pathological or infectious wastes (M501), Pharmaceuticals and drugs (M503), Waste electrical and electronic equipment (WEEE) (M506), Special wastes (M507)**

Type	Plate No.	Net capacity, MT	Owned / Leased
JAC ALUMINIUM VAN	NBD8443	2.1	Owned
JAC ALUMINIUM VAN	NBJ8866	2.1	Owned
JAC ALUMINIUM VAN	NDK2947	2.1	Owned
JAC ALUMINIUM VAN	NDJ6307	2.1	Owned
MITSUBISHI L300 EXCEED C/C FB BODY	CAN3972	1.18	Owned
ISUZU NMR85 TILT Aluminum Van	NDO2048	2.245	Owned
ISUZU NMR85 TILT Aluminum Van	NEW2733	2.245	Owned
ISUZU ALUMINUM VAN	NGC7980	5	Owned
ISUZU ALUMINUM VAN	NHF8502	5	Owned

1. The above-named transporter shall comply with all applicable provisions of R.A. 6969 and its implementing rules and regulations.
2. This is not a permit to transport. A permit to transport must be secured from the proper Regional Offices of this Bureau prior to any transport of hazardous wastes from the generator thereof to an authorized Treatment, Storage and Disposal (TSD) Facility.

month prior to the date of expiration.

6. Non-compliance to the above stipulations shall be subjected to the penalty provisions as provided under Section 41 of DAO 1992-29 and Chapter 11 of DAO 2013-22.

  
**JACQUELINE A. CAANCAN, CESO III**  
Director

May 17, 2024



This is a computer generated certificate.

To verify the authenticity of this file, kindly scan the generated QR Code using your QR Code scanner / reader or visit the HWMS website for details.



ANGELES CITY GOVERNMENT  
**BUSINESS PERMIT**  
 OFFICE OF THE CITY MAYOR



BUSINESS ID  
 54-01-2019006060

2024007308

**TO WHOM IT MAY CONCERN :**

PERMISSION is hereby granted to UNIFIED HAZWASTE EXPERT, INC. of 151-d Plaza Rafael I | Santo Rosario St, Sto. Domingo, Angeles City to manage and operate the following:  
**RECEIVING OFFICE**

**RENEWAL**

with commercial name UNIFIED HAZWASTE EXPERT, INC. at 625 Sto Rosario St., Sto. Domingo, Angeles City effective from date of issuance up to December 31, 2024.

This permit is given subject to the condition that all existing laws, ordinances, rules and regulations governing the business hereby authorized are properly observed.

It is further subject to the agreement in business application, which empowers the City Mayor or his authorized representatives to close or padlock the said business place in case of revocation of this permit with reasonable cause and/or when public interest so requires.

This permit shall be surrendered to this office if the business ceases to operate.

Issued this 29th day of January 2024, at Angeles City.

Gross Income : \*\*\*PHP.00\*\*\*  
 CZCBUS2024007452

OR Nos. Business: 2057914 Zoning: 2057914 Fire: 24035701  
 03-601-07317-S2024 SPBUS2024007365



*Carmel Lazatin Jr.*  
 Hon. Carmelo G. Lazatin, Jr.  
 City Mayor



@lungsofngAngeles  
 angelescity.gov.ph





REPUBLIC OF THE PHILIPPINES  
**SECURITIES AND EXCHANGE COMMISSION**  
SEC Building, EDSA, Greenhills  
City of Mandaluyong, Metro Manila

COMPANY REG. NO. CS201616457  
COMPANY TIN 009-360-464

### CERTIFICATE OF INCORPORATION

**KNOW ALL PERSONS BY THESE PRESENTS:**

This is to certify that the Articles of Incorporation and By-Laws of

**UNIFIED HAZWASTE EXPERT, INC.**

were duly approved by the Commission on this date upon the issuance of this Certificate of Incorporation in accordance with the Corporation Code of the Philippines (Batas Pambansa Blg.68), and copies of said Articles and By-Laws are hereto attached.

This Certificate grants juridical personality to the corporation but does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company, pre-need plan issuer, general agent in pre-need plans and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

As a registered corporation, it shall submit annually to this Commission the reports indicated at the back of this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 26<sup>th</sup> day of July, Twenty Sixteen.



  
**FERDINAND B. SALES**  
Director

Company Registration and Monitoring Department





**UNIFIED HAZWASTE EXPERTS, INC.**

151-D Plaza Rafael II, Sto. Rosario St., Sto. Domingo, Angeles City

**STATEMENT OF FINANCIAL POSITION**

As of December 31,

(Amounts in Philippine Pesos)

	Notes	2023	2022
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash	4	2,706,489	3,692,463
Trade & Other Receivables	5	513,545	250,500
Other Current Assets	6	30,250	52,365
<b>Total Current Assets</b>		<b>3,250,284</b>	3,995,328
<i>Non-Current Assets</i>			
Property & Equipment	7	5,688,187	2,588,051
<b>Total Non-Current Assets</b>		<b>5,688,187</b>	2,588,051
<b>TOTAL ASSETS</b>		<b>8,938,471</b>	6,583,379
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>			
<i>Liabilities</i>			
<i>Current Liabilities</i>			
Trade & Other Payables	8	43,135	140,495
Income Tax Payable	16	223,349	124,446
Statutory Payables	9	486,443	54,303
<b>Total</b>		<b>752,927</b>	319,245
<b>Total Liabilities</b>		<b>752,927</b>	319,245
<i>Stockholders' Equity</i>			
Share Capital	10	1,000,000	1,000,000
Cumulative Earnings	11	7,185,544	5,264,135
<b>Total</b>		<b>8,185,544</b>	6,264,135
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>		<b>8,938,471</b>	6,583,379

See accompanying notes to financial statements



**UNIFIED HAZWASTE EXPERTS, INC.**

151-D Plaza Rafael II, Sto. Rosario St., Sto. Domingo, Angeles City

**STATEMENT OF FINANCIAL PERFORMANCE**

For the year ending December 31,  
(Amounts in Philippine Pesos)

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
Gross Receipt from Contract	12	<b>28,956,974</b>	28,511,179
Direct Costs	13	<b>(24,018,773)</b>	(23,745,649)
Gross Income (Loss)		<b>4,938,201</b>	4,765,530
Other Income	14	<b>625</b>	325
Total Income		<b>4,938,826</b>	4,765,855
Operating Cost			
Administrative Expenses	15	<b>(2,537,220)</b>	(2,461,930)
Net Income before Other Income		<b>2,401,606</b>	2,303,924
Tax Expense	16	<b>(480,196)</b>	(430,657)
Net Income		<b>1,921,409</b>	1,873,268

See accompanying notes to financial statements



**UNIFIED HAZWASTE EXPERTS, INC.**

151-D Plaza Rafael II, Sto. Rosario St., Sto. Domingo, Angeles City

**STATEMENT OF CASH FLOW**

As of December 31,

(Amounts in Philippine Pesos)

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>Cash Flow from Operating Activity</b>			
Net Income (loss) before Income Tax		2,401,606	2,303,924
Add/ Less:			
Depreciation	8	105,000	105,000
Interest Income		(625)	(325)
<i>Net Income before changes in working capital</i>		<b>2,505,981</b>	2,408,599
<i>Increase/Decrease in:</i>			
Trade & Other Receivables	5	(263,045)	247,752
Other Current Assets	6	22,115	(49,313)
Trade & Other Payables	7	(97,360)	129,744
Statutory Payables	9	432,140	(26,355)
<i>Net Cash Provided in Operation</i>		<b>2,599,830</b>	2,710,428
Income Tax Paid	16	(381,293)	(371,749)
Interest Received		625	325
<i>Net Cash Provided (Used) from Operating Activity</i>		<b>2,219,162</b>	2,339,004
<b>Cash Flow from Investing Activity</b>			
Purchases of property & Equipment	8	(3,205,136)	-
<i>Net Cash Provided (Used) from Investing Activity</i>		<b>(3,205,136)</b>	-
<b>Cash Flow from Financing Activity</b>			
<i>Net Cash Provided (Used) from Financing Activity</i>		-	-
<i>Cash generated during the year</i>		<b>(985,974)</b>	2,339,004
Cash, beg.	5	3,692,463	1,353,459
<b>Cash, end</b>	<b>5</b>	<b>2,706,489</b>	3,692,463

See accompanying notes to financial statements

**UNIFIED HAZWASTE EXPERTS, INC.**

151-D Plaza Rafael II, Sto. Rosario St., Sto. Domingo, Angeles City

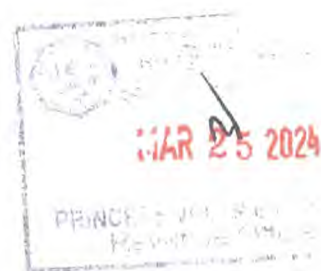
**STATEMENT OF CHANGES IN EQUITY**

As of December 31,

(Amounts in Philippine Peso)

	Notes	Share Capital	Cumulative Earnings	Total Equity
Balance, Dec. 31, 2022	10	1,000,000	5,264,135	6,264,135
Additional Shares Subscription		-	-	-
Net Income (loss) during the year	11		1,921,409	1,921,409
<b>Balance, Dec.31, 2023</b>		<b>1,000,000</b>	<b>7,185,544</b>	<b>8,185,544</b>
Balance, Dec. 31, 2021	10	1,000,000	3,390,867	4,390,867
Net Income (loss) during the year	11		1,873,268	1,873,268
<b>Balance, Dec.31, 2022</b>		<b>1,000,000</b>	<b>5,264,135</b>	<b>6,264,135</b>

See accompanying notes to financial statements



**UNIFIED HAZWASTE EXPERTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023 and 2022**  
**(Amounts in Philippine Peso)**

## 1. CORPORATE INFORMATION

**Unified Hazwaste Expert, Inc.** was registered with the Philippines Securities & Exchange Commission (SEC) on July 26, 2016 under SEC No. CS201616457. It is primarily is to establish, operate and manage transport, storage and disposal facilities of individual wastes in compliance with the toxic and hazardous waste and solid waste and clean air act of the Philippines.

On July 6, 2021, the Corporation applied for the amendment of its principal address from located at Block 1 Lot 12, Atis Street, Trinidad Village, Brgy. Calibutbut, Bacolor, Pampanga to 151-D Plaza Rafael II, Sto. Rosario St., Sto. Domingo, Angeles City. This was approved by SEC on September 17, 2021.

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

The Financial Statements were authorized for issue by the Board of Directors on March 12, 2024. The Board of Directors is empowered to make revision of these Financial Statements even after the issuance thereof.

## 2. BASIS OF PREPARATION

### Statement of Compliance

The financial statements have been prepared in compliance with the PFRS for Small Entities as approved by the Financial Reporting Standards Council, Board of Accountancy, and Securities and Exchange Commission (SEC).

### Presentation Currency

They are presented in Philippine Peso which the Company's functional and presentation currency. All amounts are rounded to the nearest peso.

### Basis of Measurement

The financial statements were prepared under the historical cost convention.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated:

### Financial Instruments

#### Initial recognition and measurement

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

#### Subsequent measurement

At financial statement date, the Company measures its financial instruments as follows:

- Debt instruments are measured at amortized costs using the effective interest method.

- Short-term debt instruments are measured at undiscounted amount. Cash, Trade & Other receivables and trade and other payables are included in this category.
- Investment in non-convertible and non-puttable shares that are publicly traded are measured at fair value with changes in fair value recognized in profit or loss.
- Investment in non-convertible and non-puttable shares that are not publicly traded are measured at cost less accumulated impairment.

#### Derecognition

##### Financial Asset

The Company derecognizes a financial asset when the contractual right to the cash flows from the financial asset has expired or when the Company has transferred to another party substantially all of the risks and rewards of ownership of the financial asset.

##### Financial Liability

The Company derecognizes a financial liability (or a part of a financial liability) only when it is extinguished. The Company recognizes in profit or loss any difference between the carrying amounts of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed.

#### Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include significant financial difficulty of the counterparty; delinquency in interest or principal payments; or bankruptcy of the counterparty. For certain categories of financial asset, such trade and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in number of delayed payments in the portfolio past the average credit period as well as observable changes in economic conditions that correlate with default on receivables.

#### Other Current Assets

This consists mainly of unused office supplies which the Company expects to realize or consume within one year. Other current assets are stated in the statement of financial position.

#### Property and equipment

Property and equipment are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one period.

Items of property, plant and equipment are initially measured at cost. Such cost includes purchase price and all incidental costs necessary to bring the asset to its usable condition. Subsequent to initial recognition, items of property and equipment are measured in the statement of financial position at cost less accumulated depreciation and any accumulated impairment losses. Depreciation, which is computed on a straight-line basis, is recognized so as to allocate the cost of assets less their residual values over their estimated useful lives.

When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and impairment losses, if any, are removed from the accounts and any resulting gain or loss is reflected in profit or loss for the period.

The useful lives of property and equipment are as follows:

	<u>Useful Life</u>
Transportation Equipment	5-10 years
Machineries and Equipment	5-10 years
Office Equipment	5-10 years

#### Impairment of Non – Financial Assets

At each reporting date, property and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit and loss. Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory with its selling price less costs to sell. If an item of inventory is impaired, its carrying amount is reduced to selling price less costs to sell, and an impairment loss is recognized immediately in profit and loss.

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.

#### Share Capital

Share capital represents the total par value of the ordinary shares issued.

Equity instruments are measured at the fair value of the cash or other consideration received or receivable, net of the direct costs of issuing the equity instruments.

The difference between the consideration received and the par value of the shares issued is credited to share premium.

#### Cumulative earnings

Cumulative earnings include income earned in current and prior periods net of any dividend declaration and effects of prior period adjustments.

#### Service revenue

Service revenue is recognized in the period the services are performed.

#### Interest income

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

#### Expense recognition

Expenses represent decreases in economic benefits in the form of decreases in assets or incurrance of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Expenses are generally recognized when the services are received or when the expenses are incurred.

#### Direct costs

Direct costs include salaries, rent, depreciation, utilities and other expenses that are directly attributed to the provision of services to customers.

#### Operating expenses

Operating expenses include general, administrative and distribution costs incurred by the Company such as salaries, rent, fuel, and other costs that cannot be associated directly to the services rendered.

Leases

The Company leases its production and admin offices on a five year term. Lease payments are recognized in profit and loss when incurred

Income Taxes

The Company adapted the taxes payable method to account for income tax. Under this method the Company recognizes income tax expense and liability based on the taxable income for the year using tax rates that have been enacted at the reporting date.

Short-term benefits

Short-term benefits given by the Company to its employees include salaries and wages, compensated absences, 13th month pay, employer share contributions and other de minimis benefits, among others. These are recognized as expense in the period the employees render services to the Company.

Retirement benefits

The Company does not have a formal retirement benefit plan. However, the Company provides retirement benefits in compliance with RA 7641. No actuarial computation was obtained during the year the amount of provision for retirement benefits will not materially affect the fair presentation of the financial statements considering that there are only few employees and the turnover of employees is high.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions. It includes companies in which one or more of the directors and/or controlling interest or are in a position to exercise significant influences therein.

Events after the Reporting Period

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

**4. CASH**

This account consists of:

	2023	2022
Cash in Bank	2,706,489	3,692,463
<b>Total</b>	<b>2,706,489</b>	<b>3,692,463</b>

Cash in bank earns interest at the respective bank deposit rates. There are no cash equivalents as of the end of the period.

**5. TRADE AND OTHER RECEIVABLES**

This account consists of:

	2023	2022
Trade Receivables	505,045	238,000
Advances to Employees	8,500	12,500
<b>Total</b>	<b>513,545</b>	<b>250,500</b>

Trade Receivables are generally due within 30-60 days and do not bear interest.



Specific evaluation of significant receivables was made and no impairment loss is recognized for the year 2023 and 2022.

## 6. OTHER CURRENT ASSETS

This account consists of:

	2023	2022
Office Supplies	30,250	52,365
<b>Total</b>	<b>30,250</b>	<b>52,365</b>

This account pertains to the unused office supplies as of the end of the reporting period.

## 7. PROPERTY & EQUIPMENT

	Balance Dec. 31, 2022	Additions	(Disposal)	Balance Dec. 31, 2023
Transportation Equipment	2,340,426	-		2,340,426
Machineries and Equipemt	900,125	3,080,136		3,980,261
Office Equipment	30,000	125,000		155,000
<b>Total</b>	<b>3,270,551</b>	<b>3,205,136</b>	-	<b>6,475,687</b>
<i>Accum. Depreciation/Amortization</i>				
Transportation Equipment	652,500	102,500		755,000
Office Equipment	30,000	2,500		32,500
<b>Total</b>	<b>682,500</b>	<b>105,000</b>		<b>787,500</b>
<b>Carrying Value</b>	<b>2,588,051</b>			<b>5,688,187</b>

Property and Equipment are initially measured at cost less accumulated depreciation. Depreciation is computed on a straight line method over the estimated life of the assets. No assets found impaired. Depreciation Expense is being accrued at the end of the year.

## 8. TRADE & OTHER PAYABLES

This account consists of:

	2023	2022
Account Payables	35,135	125,135
Accrued Expenses	8,000	15,360
<b>Total</b>	<b>43,135</b>	<b>140,495</b>

*Account Payables* are liabilities to pay for goods that have been received or supplied and have been invoiced or formally agreed with the supplier.

## 9. STATUTORY PAYABLES

This account consists of:

	2023	2022
<i>Withholding tax Payable</i>	300,000	15,000
VAT Payables	186,443	39,303
<b>Total</b>	<b>486,443</b>	<b>54,303</b>

Statutory contributions and withholding tax payable represent amounts withheld from employees for remittance to government instrumentalities the following month.

## 10. SHARE CAPITAL

This represents par value of the shares issued as of December 31, 2023. The Company is authorized to issue 10,000 shares of P100.00 par value ordinary shares. Subscribed capital is 10,000 shares. As of December 31, 2023, there were 10,000 shares issued and outstanding.

	<u>Number of Shares</u>	<u>Amount</u>
Outstanding Shares at the beginning of the year	10,000	1,000,000
Add: Shares Issued		
Less: Reacquisition		
Outstanding Shares at the end of the year	10,000	1,000,000

## 11. CUMULATIVE EARNINGS

	2023	2022
Beg. Balance	5,264,135	3,390,867
Add: Net Income during the year	1,921,409	1,873,268
Balance, end	7,185,544	5,264,135
Appropriated Retained Earnings	7,000,000	5,000,000
Unappropriated Retained Earnings	185,544	264,135
Balance, end	7,185,544	5,264,135

The company, at the special meeting of the shareholders on December 1, 2021 in its principal office, appropriated THREE MILLION PESOS (P3,000,000) of its cumulative earnings for the construction of the office. On December 19, 2022, another appropriation was made for TWO MILLION PESOS (P2,000,000) for the same purpose and another TWO MILLION PESOS (P2,000,000) in June 30, 2023. Total Appropriation as of the reporting date is SEVEN MILLION PESOS (P7,000,000) as of the reporting date.

Reversal of the appropriation is expected to materialize on the third quarter of 2024.

## 12. REVENUE

This account consists of:

	2023	2022
Service Income - Waste Disposal	28,755,448	28,360,864
Service Income - Technical	201,526	150,315
Total	28,956,974	28,511,179

This account pertains to the income generated from the operation of the business.

## 13. DIRECT COSTS

This account consists of:

**11. SHARE CAPITAL**

This represents par value of the shares issued as of December 31, 2023. The Company is authorized to issue 100,000 shares of P100.00 par value ordinary shares. Subscribed capital is 45,000 shares. As of December 31, 2023, there were 45,000 shares issued and outstanding.

	<u>Number of Shares</u>	<u>Amount</u>
Outstanding Shares at the beginning of the year	45,000	4,500,000
Add: Shares Issued		
Less: Reacquisition		
Outstanding Shares at the end of the year	45,000	4,500,000

**12. INCOME FROM CONTRACTS**

	2023	2022
Income from Contracts	8,304,806	1,211,216
Total	8,304,806	1,211,216

This account pertains to the income generated from the operation of the business.

**13. DIRECT COSTS**

This account consists of:

	2023	2022
Construction Materials	5,202,535	427,114
Labor	948,484	75,154
Depreciation	739,915	739,915
Total	6,890,934	1,242,183

These accounts pertain to the expenses incurred directly associated with the income generated from the operation of the business.

**14. OTHER INCOME**

	2023	2022
Interest Income	568	1,728
Total	568	1,728

**15. ADMINISTRATIVE EXPENSE**

This account consists of:

	2023	2022
Salaries & Wages	411,429	120,000
Depreciation	221,965	221,965
Taxes and Licenses	26,010	25,326
Fuel & Lubricants	25,163	1,513
Professional Fee	23,000	20,000
Utilities	15,236	5,288
Repairs and Maintenance	8,850	1,500
Transportation	8,035	588

Maintenance Supplies	5,887	1,698
Office Supplies	5,280	1,006
Telephone and Communication	5,200	2,513
Insurance Expense	3,500	500
Miscellaneous	1,501	433
<b>Total</b>	<b>761,057</b>	<b>402,330</b>

Salaries & Wages pertains to compensation of staff with administrative function, those working in the Human Relations, Delivery Department and those in the Finance Department.

Utilities pertain to the electricity and water consumptions during the year.

Depreciation is fully disclosed under Property and Equipment in note 7.

#### 16. INCOME TAX

	2023	2022
Gross Profit (Loss)	1,413,872	(30,967)
Net Income	653,383	(431,570)
Permanent Difference		
Interest Income	(568)	(1,728)
Taxable Income (Loss)	652,815	(433,298)
MCIT @ 2%	28,277	-
Tax Due @ 20%	130,563	-
Tax Due whichever is higher	130,563	-
Tax Credits:		
Prior Period Credits	(72,947)	(72,947)
Total	(103,641)	(72,947)
Tax still due (Credit)	26,922	(72,947)

#### 17. RELATED PARTY TRANSACTION

Related party relationship exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between or among the reporting enterprise and its key management personnel, directors or its stockholders.

2023					
Nature of Relationship	Nature of Transaction	Amount	Outstanding Balance	Terms	Condition
Stockholders	Advances	-	15,000,000	3 years Non-interest bearing payable in cash	Unsecured

2022					
Nature of Relationship	Nature of Transaction	Amount	Outstanding Balance	Terms	Condition
Stockholders	Advances	-	15,000,000	3 years Non-interest bearing payable in cash	Unsecured



	2023	2022
Treater Expense	13,821,354	13,383,056
Gas and Oil	2,901,354	2,831,719
Salaries & Wages	4,031,751	4,481,444
Materials and Supplies	3,012,545	2,859,930
Accommodation and Lodging	201,547	169,247
Repairs and Maintenance	50,222	20,253
<b>Total</b>	<b>24,018,773</b>	<b>23,745,649</b>

This account pertains to the expenses incurred directly associated with the income generated from the operation of the business.

#### 14. INTEREST INCOME

This account consists of:

	2023	2022
Interest Income	625	325
<b>Total</b>	<b>625</b>	<b>325</b>

This account pertains to the income generated

#### 15. ADMINISTRATIVE EXPENSE

This account consists of:

	2023	2022
Communication, Light & Water	300,525	351,363
Meals and Subsistence	180,135	252,885
Depreciation Expense	105,000	105,000
Representation	45,111	85,968
Office Supplies	30,125	50,152
Miscellaneous	15,005	8,569
Taxes and Licenses	12,997	12,982
Professional Fee	12,000	12,000
Repairs and Maintenance	8,254	1,352
Postage	5,241	500
<b>Total</b>	<b>2,537,220</b>	<b>2,461,930</b>

Salaries & Wages pertains to compensation of staff with administrative function, those working in the Human Relations, Delivery Department and those in the Finance Department.

Depreciation is fully disclosed under Property and Equipment in note 7.

#### 16. INCOME TAX

	2023	2022
Gross Profit	4,736,675	4,615,215
Net Income	2,401,606	2,303,924
Permanent Difference		
Interest Income	(625)	(325)

Taxable Income	2,400,981	2,153,284
MCIT @ 2%	94,733	46,152
Tax Due @ 20%	480,196	430,657
Tax Due whichever is higher	480,196	430,657
<i>Tax Credits:</i>		
Quarterly Income Tax	(51,687)	(100,729)
Creditable Withholding Taxes	(205,161)	(205,482)
Total	(256,847)	(306,211)
Tax still due	223,349	124,446

## 17. RELATED PARTY TRANSACTION

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between or among the reporting enterprise and its key management personnel, directors or its stockholders.

### Compensation of Key Management Personnel

One of the board of directors received compensation from the company. Salaries amounted to P2,100,000 and P1,146,027 for 2023 and 2022 and is included as part of Administrative Expense.

## 18. SUPPLEMENTARY INFORMATION UNDER RR 15-2010

A Output tax in relation to revenue is as follows:

Account Distribution	Amount	Output Tax
Sales	28,956,974	3,474,837
TOTAL	28,956,974	3,474,837

B Schedule of Input taxes claimed during the year:

Input Taxes, January 1	
Input Taxes during the year:	
Purchases of goods for resale	
Purchases other than for resale	
Capital goods subject to amortization	
Capital goods not subject to amortization	
Services lodged under direct cost	2,398,443
Services lodged under other accounts	405,588
Total	2,804,031
Tax Credit/Refund and other adjustments	(2,804,031)
Input Taxes, end	-

C Taxes & Licences

	2023
Annual Registration Fee	500
Mun. Permits	12,497
<b>Total</b>	<b>12,997</b>

D Withholding tax payments:

	2023
Compensation	330,000
Expanded	133,565
<b>Total</b>	<b>463,565</b>

E There were no DST paid during the year.

F The company has no pending case, and/or preliminary assessment, litigation and/or pending prosecution in courts or bodies outside BIR.