

COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
TAGUIG CITY – PHILIPPINES

FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

**INDEPENDENT AUDITORS' REPORT
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
BUREAU OF INTERNAL REVENUE**

To the Members and the Board of Trustees
COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
CWSLAI Building, Bayani Road Corner A. Luna Avenue,
Fort Bonifacio, Taguig City

We have examined the financial statements **COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.** (the "Association") for the year ended December 31, 2024 on which we have rendered the attached report dated February 6, 2025.

In compliance with Revenue Regulation V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, officer or any principal member of the Association.

ALAS, OPLAS & CO., CPAs

BOA Registration No. 0190, valid from February 19, 2025, to February 18, 2028
BIR A.N. 08-001026-000-2024, issued on January 5, 2024; effective until January 4, 2027
SEC A.N. (Firm) 0190-SEC, Group A, issued on October 21, 2021; valid for 2021 to 2025 audit period
TIN 002-013-406-000

By:



RYAN A. SABUG

Partner

CPA License No. 0111183

BOA Registration No. 0190/P-004, valid from February 19, 2025, to February 18, 2028

BIR A.N. 08-001026-004-2023, issued on February 9, 2023; effective until February 8, 2026

SEC A.N. (Individual) 111183-SEC, Group A, issued on February 4, 2021; valid for 2020 to 2024 audit period
TIN 232-158-286-000

PTR No. 10466283, issued on January 2, 2025, Makati City

February 6, 2025
Makati City, Philippines

**INDEPENDENT AUDITORS' REPORT
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION**

To the Members and the Board of Trustees
COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
CWSLAI Building, Bayani Road Corner A. Luna Avenue,
Fort Bonifacio, Taguig City

We have audited the financial statements of **COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.** (the "Association") for the years ended December 31, 2024 and 2023 on which we have rendered the attached report dated February 6, 2025.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the said Association has no stockholders, being a non-stock savings and loan association.

ALAS, OPLAS & CO., CPAs

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Makati City, Philippines

Alas Oplas & Co., CPAs

INDEPENDENT AUDITORS' REPORT

To the Members and the Board of Trustees

COMPOSITE WING SAVINGS AND LOAN ASSOCIATION INC.

(A Non-Stock Savings and Loan Association)

CWSLAI Building, Bayani Road Corner A. Luna Avenue,
Fort Bonifacio, Taguig City

Alas Oplas & Co., CPAs

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Independent Member of

B K R International

Opinion

We have audited the financial statements of **COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.** (the "Association") which comprise the statements of financial position as of December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in members' equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

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

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

Management is responsible for the preparation of the financial statements in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Alas Oplas & Co., CPAs

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Alas Oplas & Co., CPAs

The Supplementary Information Required under Bangko Sentral ng Pilipinas (BSP) Circular No. 1075 and Revenue Regulations No. 15-2010

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under BSP Circular No. 1075 and Revenue Regulations No. 15-2010 on taxes, duties and license fees paid or accrued during the taxable year, are presented for purposes of filing with the BSP and Bureau of Internal Revenue, respectively, and is not a required part of the basic financial statements. Such information is the responsibility of the management of **COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.** The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

ALAS, OPLAS & CO., CPAs

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PTR No. 10466283, issued on January 2, 2025, Makati City

February 6, 2025

Makati City, Philippines

COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023
In Philippine Peso

	Notes	2024	2023
ASSETS			
Cash	8	548,895,515	717,016,523
Financial assets at fair value through other comprehensive income	9	3,500	3,500
Loans receivable – net	10	7,538,154,023	6,944,799,801
Advances to members	11	234,121,320	278,800,705
Property and equipment – net	12	104,831,337	99,633,354
Other assets	13	134,696,421	97,475,838
TOTAL ASSETS		8,560,702,116	8,137,729,721
LIABILITIES AND MEMBERS' EQUITY			
LIABILITIES			
Deposit liabilities	14	2,406,207,573	2,047,708,752
Bills payable	15	471,118,447	200,000,000
Accrued and other payables	16	511,434,329	425,297,470
Income tax payable		38,552	1,264
Total Liabilities		3,388,798,901	2,673,007,486
MEMBERS' EQUITY			
Capital contribution	22	3,549,363,253	3,681,435,670
Surplus reserves	23	502,022,371	483,515,200
Surplus free	24	1,117,094,851	1,296,348,625
Actuarial gain on defined benefit plan	19	3,422,740	3,422,740
Total Members' Equity		5,171,903,215	5,464,722,235
TOTAL LIABILITIES AND MEMBERS' EQUITY		8,560,702,116	8,137,729,721

See Notes to Financial Statements.

COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
In Philippine Peso

	Notes	2024	2023
INTEREST INCOME			
Loans receivable	10	908,743,256	865,577,401
Bank deposits	8	5,259,053	15,073,234
		914,002,309	880,650,635
INTEREST EXPENSE			
Deposit liabilities	14	(126,430,548)	(117,982,479)
Bills payable	15	(14,431,543)	—
Lease liability	16	(314,803)	(137,598)
		(141,176,894)	(118,120,077)
NET INTEREST INCOME		772,825,415	762,530,558
PROVISION FOR CREDIT LOSSES	25	(65,249,043)	—
NET INTEREST INCOME AFTER PROVISION		707,576,372	762,530,558
OTHER INCOME	20	80,988,169	76,727,389
		788,564,541	839,257,947
OPERATING EXPENSES	18	(345,649,587)	(345,376,324)
INCOME BEFORE TAX		442,914,954	493,881,623
INCOME TAX EXPENSE	21	(38,552)	(1,264)
INCOME FOR THE YEAR		442,876,402	493,880,359
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will not be reclassified to profit or loss:			
Actuarial gain (loss) on defined benefit plan	19	—	(10,295,219)
TOTAL COMPREHENSIVE INCOME		442,876,402	483,585,140

See Notes to Financial Statements.

COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
In Philippine Peso

	Capital contribution (Note 22)	Surplus reserves (Note 23)	Surplus free (Note 24)	Other comprehensive income (loss) (Note 19)	Total members' equity
Balance at December 31, 2022	3,781,058,323	453,221,167	1,460,529,725	13,717,959	5,708,527,174
Transaction with members:					
Additional capital contributions	100,604,096	—	—	—	100,604,096
Withdrawal of capital contribution	(200,226,749)	—	—	—	(200,226,749)
Increase in withdrawable share reserves	—	(1,992,453)	1,992,453	—	—
Increase in reserve for office premises and equipment	—	32,286,486	(32,286,486)	—	—
Dividend declaration	—	—	(599,685,584)	—	(599,685,584)
Distribution of loyalty incentives	—	—	(28,215,697)	—	(28,215,697)
Adjustments	—	—	133,855	—	133,855
Total transaction with members	(99,622,653)	30,294,033	(658,061,459)	—	(727,390,079)
Comprehensive income:					
Income for the year	—	—	493,880,359	—	493,880,359
Actuarial loss on defined benefit plan	—	—	—	(10,295,219)	(10,295,219)
Total comprehensive income	—	—	493,880,359	(10,295,219)	483,585,140
Balance at December 31, 2023	3,681,435,670	483,515,200	1,296,348,625	3,422,740	5,464,722,235
Transaction with members:					
Additional capital contributions	122,373,367	—	—	—	122,373,367
Withdrawal of capital contribution	(254,445,784)	—	—	—	(254,445,784)
Increase in withdrawable share reserves	—	(2,641,449)	2,641,449	—	—
Increase in reserve for office premises and equipment	—	21,148,620	(21,148,620)	—	—
Dividend declaration	—	—	(584,629,241)	—	(584,629,241)
Distribution of loyalty incentives	—	—	(25,776,079)	—	(25,776,079)
Adjustments	—	—	6,782,315	—	6,782,315
Total transaction with members	(132,072,417)	18,507,171	(622,130,176)	—	(735,695,422)
Comprehensive income:					
Income for the year	—	—	442,876,402	—	442,876,402
Actuarial loss on defined benefit plan	—	—	—	—	—
Total comprehensive income	—	—	442,876,402	—	442,876,402
Balance at December 31, 2024	3,549,363,253	502,022,371	1,117,094,851	3,422,740	5,171,903,215

See Notes to Financial Statements.

COMPOSITE WING SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
In Philippine Peso

	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax		442,914,954	493,881,623
Adjustments for:			
Provision for credit losses	25	65,249,043	—
Depreciation	12,18	10,692,826	9,409,268
Interest income on bank deposits	8	(5,259,053)	(15,073,234)
Retirement benefit expense	19	4,286,627	5,801,420
Interest expense on lease liability	16	314,803	137,598
Gain on disposal of property and equipment	12,20	(154,207)	(5,055)
Operating cash flows before working capital changes		518,044,993	494,151,620
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Loans receivable		(651,820,950)	(193,894,282)
Other assets		(34,015,977)	23,583,554
Increase (decrease) in:			
Deposit liabilities		358,498,821	(116,726,392)
Accrued and other payables		82,736,230	(16,104,177)
Cash used in operations		273,443,117	191,010,323
Contributions to the retirement fund	19	(7,491,233)	(5,801,420)
Interest received		5,259,053	15,073,234
Income tax paid		(1,264)	(5,237)
Net cash generated from operating activities		271,209,673	200,276,900
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property and equipment	12	(9,459,831)	(6,236,330)
Proceeds from sale of property and equipment	12	154,240	5,056
Net cash used in investing activities		(9,305,591)	(6,231,274)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	11	(539,949,856)	(618,308,078)
Proceeds from availment of bills payable	15	350,000,000	200,000,000
Withdrawal of capital contribution	22	(254,445,784)	(200,226,749)
Additional capital contribution	22	122,373,367	100,604,096
Payments made on bills payable	15	(78,881,553)	—
Distribution of loyalty incentives	24	(25,776,079)	(28,215,697)
Payments of lease liabilities	16	(3,345,185)	(2,471,805)
Net cash used in financing activities		(430,025,090)	(548,618,233)
NET DECREASE IN CASH		(168,121,008)	(354,572,607)
CASH AT BEGINNING OF YEAR		717,016,523	1,071,589,130
CASH AT END OF YEAR	8	548,895,515	717,016,523

See Notes to Financial Statements.