



FAR EASTERN UNIVERSITY

P.O. BOX 609

MANILA, PHILIPPINES

SECURITIES AND EXCHANGE COMMISSION SEC FORM 17 - A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE
AND SECTION 141 OF THE CORPORATION CODE

1. For the fiscal year ended **March 31, 2009**
2. SEC Identification Number **538**
3. BIR Tax Identification No. **000-225-442**
4. Exact name of registrant as specified in its charter **Far Eastern University, Inc.**
5. PHILIPPINES
Province, Country or other jurisdiction of
incorporation or organization
6.

/		/	(SEC use only)
/		/	

Industry Classification Code:
7. **Nicanor Reyes Street, Sampaloc, Manila** **1008**
Address of principal office Postal Code
8. **(632) 735-56-21**
Issuer's telephone number including area code
9. **NOT APPLICABLE**
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the
RSA

Title of Each Class

Number of Shares of Common
Stock Outstanding and Amount
of Debt Outstanding

Common Stock, ₱100.00 par value

9,808,448

Bond with Non-Detachable Warrant,
₱1.00 per unit

Not Applicable

11. All securities (common shares) are listed with the Philippine Stock Exchange, Inc.

12. Check whether the registrant:

(a) has filed reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports);

Yes [**x**] No []

13. The aggregate market value of the voting stock held by non-affiliates: **None**

TABLE OF CONTENTS

PART I -	BUSINESS AND GENERAL INFORMATION	NO. OF PAGES
	Item 1 - Business	5
	Item 2 - Properties	3
	Item 3 - Legal Proceedings	2
	Item 4 - Submission of Matters To A Vote of Security Holders	1
 PART II -	 OPERATIONAL AND FINANCIAL INFORMATION	
	Item 5 - Market for Issuer's Common Equity and Related Stockholders Matters	3
	Item 6 - Management's Discussion and Analysis or Plan Operation	9
	Item 7 - Financial Statements	115
	Item 8 - Changes in and Disagreements With Accountants on Accounting and Financial Disclosure	1
 PART III -	 CONTROL AND COMPENSATION INFORMATION	
	Item 9 - Directors and Executive Officers of the Issuer	6
	Item 10- Executive Compensation	2
	Item 11- Security Ownership of Certain Beneficial Owners and Management	2
	Item 12- Certain Relationship and Related Transactions	1
 PART IV	 CORPORATE GOVERNANCE	
	Item 13- Corporate Governance	1
 PART V	 EXHIBITS AND SCHEDULES	
	Item 14- Exhibits and Reports on SEC Form 17-C	
	a. Exhibits	1
	b. Reports on SEC FORM 17 - C	3
	c. Quarterly Reports	1

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

Far Eastern University, Inc. ("FEU or the "Corporation") was incorporated in **1933**

Brief Discussion of Business

Far Eastern University, Inc., founded in 1928, is a private non-sectarian institution of learning committed to the highest intellectual, moral and cultural standards. It strives to produce principled and competent graduates. It nurtures a service-oriented community which seeks to contribute to the advancement of society. Tuition and other fees which are the main sources of its financial stability are moderate, subject to government regulation. The University also provides full and partial scholarships to deserving students. An FEU Foundation supplements the University scholarship program by providing special grants. The University maintains excellent facilities such as an electronic library, various types of laboratories, auditorium, audio-visual and multimedia rooms, clinic, technology-based gate security and enrollment system, gymnasiums, and spacious air-conditioned classrooms to best serve the students. The University was granted deregulated status for five years beginning October 22, 2001 until October 21, 2006 per CHED Memorandum Order (CMO) No. 38, Series 2001. Then, per CMO No. 52, Series of 2006, the deregulated status was extended until the end of Second Semester, SY 2006-2007. Moreover, per CMO No. 59, Series of 2007, the University was granted the same status from November 15, 2007 to November 14, 2008. On January 22, 2009, through a Memorandum from the CHED Chairman, FEU's status was extended until April 30, 2009. Recently, a CHED letter addressed to President Lydia B. Echauz dated March 17, 2009 has extended the University's deregulated status for another five years that is from March 11, 2009 until March 30, 2014.

Product: The Corporation is an educational institution. A private, non-sectarian institution of learning comprising the following different Institutes that offer specific courses:

A) **Institute of Arts and Sciences (IAS)**

Courses:

Masteral:

Master of Arts (MA) major in:

- Mass Communication
- Letters
- Psychology

Baccalaureate:

Bachelor of Arts in Mass Communication (Granted permit up to recognition)

Bachelor of Arts in: (Granted Government Permit to offer 1st & 2nd Year Levels)

- English
- Literature
- Political Science
- International Studies

Bachelor of Science (BS) in Medical Technology (Granted Government Permit to offer 1st and 2nd Year Levels)

Bachelor of Science (BS) major in Biology

Bachelor of Science (BS) in:

- Psychology
- Applied Mathematics with Information Technology

B) Institute of Accounts, Business and Finance (IABF)

Courses:

Masteral:

Master of Business Administration (MBA) (Without Thesis Program)

Baccalaureate:

Bachelor of Science (BS) in:

- Accountancy
- Hotel and Restaurant Management (Granted Government Permit to offer 3rd Year Level)
- Tourism Management (Granted Government Permit to offer 1st & 2nd Year Levels)

Bachelor of Science in Business Administration major in:

- Business Economics
- Financial Management
- Marketing Management
- Human Resource Development Management
- Operations Management

C) Institute of Education (IE)

Courses:

Doctoral:

Doctor of Education (Ed.D.) major in Educational Administration

Masteral:

Master of Arts in Education major in:

- Educational Administration (Thesis Program)
- Curriculum and Instruction (Thesis Program)
- Curriculum and Instruction (Without Thesis Program)
- Special Education (Thesis Program)

Baccalaureate:

Bachelor of Elementary Education (B.E.Ed.) major in:

- General Education
- Special Education

Bachelor of Secondary Education (B.S.Ed.) major in:

- Mathematics
- Sports & Recreational Management
- English
- Filipino
- General Science
- Music, Arts and Physical Education

Certificate:

Teacher Certificate Program

D) Institute of Architecture and Fine Arts (IARFA)

Courses:

Baccalaureate:

Bachelor of Science in Architecture (B.S. Arch.)

Bachelor of Fine Arts (BFA) major in:

- Advertising Arts
- Painting

E) Institute of Law (IL)

Courses:

Post-Baccalaureate:

Bachelor of Laws (Ll.B.)

Juris Doctor of Laws

F) Institute of Nursing (IN)

Courses:

Masteral:

Master of Arts in Nursing

Baccalaureate:

Bachelor of Science in Nursing (BSN)

All courses offered in the University were granted approval/permits by CHED and other concerned government institutions.

Accreditation on Courses

The Philippine Association of Colleges and Universities Commission on Accreditation (PACUCOA) granted Certificates of Level III Reaccredited Status, from April 24, 2006 to April 2011 to Liberal Arts major in:

1. Literature Program
2. English Program
3. English Language Program
3. Mass Communication Program
4. Economics Program
5. Political Science Program

Similarly, effective March 06, 2006 to March 2011, PACUCOA granted a Level III Reaccredited Status to Commerce, major in:

1. Economics/Financial Economics Program
2. Finance Program
3. Financial Accounting Program
4. Internal Auditing Program
5. Legal Management Program
6. Management Program
7. Marketing / Marketing Management Program
8. Tourism Management Program

Likewise, the Bachelor in Elementary Education Program and Bachelor in Secondary Education Program were granted by PACUCOA Level II Reaccredited Status effective February 16, 2004 until February 2009.

The Philippine Accrediting Association of Schools, Colleges and Universities (PAASCU) issued a certificate of accreditation to the University's Nursing Program from May 6, 2005 valid until May 2010.

Using quality management system, the University is also ISO (International Standard Organization) certified through Certificate Registration No. TUV100 05 0416 TMS valid from January 18, 2006 to January 17, 2009.

Distribution methods of the products/services:

Since this is an educational institution, its services are certainly focused on the students.

The tuition fees of students in the following Institutes significantly contributed to the revenues of the University:

<u>Institute</u>	<u>Percentage to Revenues</u>
Institute of Accounts, Business and Finance	23.50%
Institute of Arts and Sciences	10.00%
Associate in Health Science Education	20.75%
Institute of Nursing	37.25%

Customers: Students

Purchases of Raw Materials: NOT APPLICABLE

Distribution methods of the products/services:

Since this is an educational institution, its services are certainly focused on the students.

Competition:

Since the school which is the main core of the business is situated in the University Belt, the competitors are prestigious colleges and universities within the specified area. FEU can effectively compete with these institutions of learning because of its well-modulated tuition fees subject to government regulations, air-conditioned classrooms, electronic library and continuous improvement of physical plant and facilities. Diverse scholarships are also offered and a magnificent line-up of cultural performances for the whole year are presented, free for all students. Moreover, the University recently acquired the Level III re-accredited status for most of its Liberal Arts and Commerce programs.

Item 2. Properties

FEU owns Seventeen Thousand Nine Hundred Sixty-Seven (17,967) square meters of real properties with improvements in Nicanor Reyes Street, Sampaloc, Manila, wherein its main campus is situated.

The principal properties which include buildings, land improvements and equipments are as follows:

	<u>Gross Book Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Location</u>	<u>Condition</u>
I. PROPERTY, PLANT & EQUIPMENT:					
L A N D	98,457,565.00	-	98,457,565.00	Manila	Very Good
BUILDINGS & LAND IMPROVEMENTS					
New Technology Building II	280,167,175.00	41,839,111.00	238,328,064.00	"	"
Alfredo Reyes Hall	65,970,226.00	25,305,397.00	40,664,829.00	"	"
Leasehold Improvement	65,423,403.00	15,190,789.00	50,232,614.00	"	"
New Technology Building-Idle Hosp. Bldg.	5,382,741.00	266,959.00	5,115,782.00	"	"
Science Building	98,608,277.00	11,172,245.00	87,436,032.00	"	"
Arts Building	10,174,184.00	5,549,412.00	4,624,772.00	"	"
Nicanor Reyes Hall	39,700,111.00	2,392,096.00	37,308,015.00	"	"
GEC & Educational Hall	-	-	-	"	"
Grade School	-	-	-	"	"
S B Covered Walk	617,737.00	494,189.00	123,548.00	"	"
Covered Passage	2,660,195.00	459,691.00	2,200,504.00	"	"
Fence	715,360.00	510,889.00	204,471.00	"	"
Campus Pavilion	1,107,976.00	254,590.00	853,386.00	"	"
GSB Covered Walk	310,000.00	247,999.00	62,001.00	"	"
Powerhouse	296,196.00	296,196.00	-	"	"
Chapel	166,760.00	-	166,760.00	"	"
Others	7,840,138.00	469,078.00	7,371,060.00	"	"
Grandstand	48,554.00	49,263.00	(709.00)	"	"
	<u>579,189,033.00</u>	<u>104,497,904.00</u>	<u>474,691,129.00</u>		
EQUIPMENTS					
Furnitures & Fixtures	15,466,280.00	10,264,741.00	5,201,539.00	"	"
Electrical & Mechanical	61,679,287.00	50,435,969.00	11,243,318.00	"	"
Information Technology	25,922,341.00	19,137,084.00	6,785,257.00	"	"
Transportation Equipment	11,758,843.00	8,753,057.00	3,005,786.00	"	"
Miscellaneous Fixed Assets	10,645,124.00	10,645,124.00	-	"	"
Instruments & Utensils	548,270.00	278,261.00	270,009.00	"	"
T o o l s	1,032,878.00	684,410.00	348,468.00	"	"
Linen	299,914.00	281,459.00	18,455.00	"	"
Museum Collection	989,573.00	-	989,573.00	"	"
	<u>128,342,510.00</u>	<u>100,480,105.00</u>	<u>27,862,405.00</u>		
TOTAL	<u>805,989,108.00</u>	<u>204,978,009.00</u>	<u>601,011,099.00</u>		
II. INVESTMENT PROPERTY:					
LAND	53,394,726.00	-	53,394,726.00	"	"
COLLEGE OF ENGINEERING BUILDING	<u>207,626,479.00</u>	<u>66,165,744.00</u>	<u>141,460,735.00</u>	"	"
TOTAL	<u>261,021,205.00</u>	<u>66,165,744.00</u>	<u>194,855,461.00</u>		
GRAND TOTAL	<u><u>1,067,010,313.00</u></u>	<u><u>271,143,753.00</u></u>	<u><u>795,866,560.00</u></u>		

The above-mentioned properties are not mortgaged, encumbered, or under any lien.

Properties leased by the corporation from FERN Realty, Inc.

	<u>Monthly Rental</u>	<u>Contract Date</u>
Education Building – an eight (8) storey building made of concrete materials located on Nicanor Reyes St., Manila	₱32,703,721.81 plus applicable VAT	July 1, 2008 to June 30, 2009
Nursing Building – an eight (8) storey building made of concrete materials located on Nicanor Reyes St., Manila		
Law Building – a four (4) storey building made of concrete materials located on Nicanor Reyes St., Manila		
Administration Building – a four (4) storey building made of concrete materials located on Nicanor Reyes St., Manila		
Gymnasium - a two (2) storey building made of concrete materials located on R. Papa St., Manila		

The lease contract shall not be deemed extended by implication beyond the contract period for any cause or reason whatsoever, but only by negotiation and written agreement of the LESSOR and the LESSEE.

Employees:

Number of Employees

Officials	-	12
Senior Staff	-	50
Non-Academic:		
Supervisor	-	64
Rank-and-File	-	270
Academic:		
Lecturer	-	715
Regular	-	363

With the economic condition prevailing in the country, the corporation has no plan of hiring employees within the ensuing twelve months. It will make use of its present employees and faculty members to meet its manpower requirements.

Inclusive Dates of CBA

Non-Academic	July 16, 2006 - July 15, 2009
Academic	Sept. 1, 2006 - August 31, 2009

The labor unions of the employees and the faculty members have never been on strike in the last ten years, and pose no threat to strike in the foreseeable future. Employees and faculty members have a harmonious relationship with the Administration.

Working Capital: All of the company's working capital for its existing operation for fiscal year April 1, 2008 to March 31, 2009 was internally generated.

Item 3. Legal Proceedings

Hereunder is the list of the legal proceedings involving the company which are being handled by Atty. Enrico G. Gilera, the University's Legal Counsel:

External Cases

A. Pending Courts Cases as of 31 March 2009

1. Ramir Arceo, et al. vs. FEU, NLRC Case No. 06-09197-2008
2. Elmer Bolanos NLRC vs. FEU/RRC Case No. 09-12562-2008
3. Melvira David, et al. vs. FEU, CA GR No. 106532
4. Fina Gabonada vs. FEU, NLRC Case No. 09-13392-2008
5. Fina Gabonada vs. FEU, NLRC Case No. 00-02-02043-2003
6. FEU-ELU (PLAC) vs. FEU, CA GR No.102249
7. Jesus Fernando Dujua vs. FEU, NLRC Case No. 04-05603-2008
8. Annabelle Mercado vs. FEU, NLRC Case No. 05-04546-2007

B. Recently Dismissed cases

1. Delia Valenzuela et al. vs. FEU, NLRC Case No. 00-06-06312-2007, dismissed on 28 May 2008
2. Jimmy Angeles vs. FEU, NLRC Case No. 05-07177-2008, dismissed on 17 July 2008
3. FEU-ELU (PLAC) vs. FEU, NCMB-NCR Case No. 24-02-05-2008, dismissed on 21 October 2008
4. Rodrigo Dela Cruz et al. vs. FEU/RRC, NLRC Case No. 07-10304-2008, dismissed on 12 March 2009

Involvement of Directors and Officers in Certain Legal Proceedings

None of the directors and officers were involved during the past five (5) years in any bankruptcy proceeding. Neither have they been convicted by final judgment in any criminal proceeding or been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities, or banking activities, nor found by any court or administrative body to have violated a securities or commodities law.

The registrant or any of its subsidiaries or affiliates is not a party to any pending legal proceedings in which any of their property is the subject.

Item 4. Submission of Matters to a Vote of Security Holders

The registrant is not a party to any voting trust agreement. No security holder of the Registrant holds a voting trust or any other similar agreement.

Part II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrants Common Equity and Related Stockholders Matters

DIVIDENDS DECLARED FOR THE FISCAL YEAR ENDED MARCH 31, 2009

Dividends During the Year:

Cash Dividend:

<u>Payment/Issued Date</u>	<u>Particulars</u>	<u>Amount</u>	<u>Outstanding Shares</u>
April 24, 2008	₱ 15.00/share	₱ 105,095,520.00	7,006,368
July 21, 2008	15.00/share	105,095,520.00	7,006,368
Jan. 17, 2009	15.00/share	<u>147,126,720.00</u>	9,808,448
		₱ 357,317,760.00	
		=====	

Stock Dividend:

40% stock dividend approved by the Board of Trustees at its meeting held on March 25, 2008, to all stockholders on record as of September 15, 2008, duly ratified and confirmed by the stockholders with more than two-thirds (2/3) of the total issued and outstanding shares at its regular annual meeting on August 23, 2008. Said stock dividend was issued and released on October 9, 2008 after the listing of shares constituting the stock dividend was approved by the Philippine Stock Exchange, Inc. and the Securities and Exchange Commission.

All fractional shares resulting from said stock dividend shall be paid in cash by the Corporation at par value.

Recent Sales of Unregistered Securities

Not a single common share is considered unregistered security. All shares are registered with the Philippine Stock Exchange, Inc. Thus, checklist of requirements for Sale of Unregistered Securities is not applicable.

The Philippine Stock Exchange, Inc. is the principal market where the corporation's common equity is traded.

Market Prices of Common Stocks: (Phil. Stock Exchange, Inc.)

Herewith are the high, low, and closing prices of shares of stock traded from April 2008 to March 2009:

	Actual prices (in Php)			Adjusted prices (in Php)*		
	HIGH	LOW	CLOSE	HIGH	LOW	CLOSE
2008						
Apr	920.00	910.00	920.00	657.14	650.00	657.14
May	1,000.00	900.00	1,000.00	714.29	642.86	714.29
Jun	1,000.00	940.00	1,000.00	714.29	671.43	714.29
Jul	1,200.00	900.00	980.00	857.14	642.86	700.00
Aug	1,300.00	980.00	1,290.00	928.57	700.00	921.43
Sep	1,290.00	750.00	800.00	921.43	750.00	800.00
Oct	755.00	500.00	575.00			
Nov	650.00	600.00	635.00			
Dec	645.00	620.00	620.00			
2009						
Jan	650.00	620.00	630.00			
Feb	650.00	620.00	620.00			
Mar	800.00	650.00	785.00			

*due to 40% stock dividend on September 10, 2008

High and low sale prices for each quarter are as follows:

A) April 01, 2008 - March 31, 2009

<u>Period</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
First Quarter	₱ 973.33	₱ 916.67	₱ 973.33
	695.24	654.76	695.24 (Adjusted)
Second "	1,263.33	876.67	1,023.33
	902.38	697.62	807.14 (Adjusted)
Third "	683.33	573.33	610.00
Fourth "	700.00	630.00	678.33

B) April 1, 2007 – March 31, 2008

<u>Period</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
First Quarter	₱ 835.00	₱ 753.33	₱ 821.67
Second “	870.00	831.67	870.00
Third “	845.00	803.33	813.33
Fourth “	923.33	853.33	906.67

The number of shareholders on record as of March 31, 2009 was **One Thousand Four Hundred Ten (1,410)**. Common shares issued and outstanding were **9,808,448**.

20 TOP FEU STOCKHOLDERS AS OF MARCH 31, 2009

Title of Class	Name of Beneficial Owner	No. of Shares and Nature of Beneficial Ownership	Citizenship	Percent Of Class
1. Common	Seyrel Investment and Realty Corporation	2,807,835 – D	Filipino	28.6267
2. Common	Sysmart Corporation	2,068,068 – D	Filipino	21.0846
3. Common	Desrey, Incorporated	784,800 – D	Filipino	8.0013
4. Common	Angelina D. Palanca	311,374 – D	Filipino	3.1745
5. Common	Sr. Victorina D. Palanca	220,000 – D	Filipino	2.2430
6. Common	ICM Sisters Phil. Mission Board, Inc.	215,000 – D	Filipino	2.1920
7. Common	Aurelio R. Montinola III	158,888 – D	Filipino	1.6199
8. Common	PCD Nominee Corporation (Filipino)	125,617 – D	Filipino	1.3020
9. Common	Marco P. Gutang	125,081 – D	Filipino	1.2752
10. Common	Gonzaga-Lopez Enterprises, Inc	120,136 – D	Filipino	1.2248
11. Common	Lourdes R. Montinola	115,404 – D	Filipino	1.1766
12. Common	Jomibel Agricultural Development Corporation	106,479 – D	Filipino	1.0856
13. Common	AMON Trading Corporation	58,403 – D	Filipino	0.5954
14. Common	ZARE, Inc.	49,620 – D	Filipino	0.5059
15. Common	Rosario P. Melchor	48,228 – D	Filipino	0.4917
16. Common	Rosario Panganiban Melchor	43,782 – D	Filipino	0.4464
17. Common	Mitos Sison	40,366 – D	Filipino	0.4115
18. Common	Consortia P. Reyes	39,337 – D	Filipino	0.4010
19. Common	Caridad I. Santos	33,303 – D	Filipino	0.3395
20. Common	Francisca S. Monzon	33,131 – D	Filipino	0.3378

Item 6. Management's Discussion and Analysis or Plan of Operation

Financial Position :

As of March 31, 2006, total assets reached P2,230.1 million which was 27.59% higher than the previous year's P1,748 million while total liabilities amounted to P357.6 million which was 20.66% higher than the previous year's P296.4 million. Equity amounted to P1,872.5 million which was 29% higher than the previous year's P1,451.6 million. Current ratio was 4.77:1 and debt was 19% of equity.

As of March 31, 2007, total assets amounted to P2,710.8 million which was 21.55% higher than the previous year's P2,230.1 million. Total liabilities amounted to P398.9 million which was 11.5% higher than the previous year's P357.6 million. Equity amounted to P2,311.8 million which was 23.46% higher than the previous year's P1,872.5 million. Current ratio was 6.3:1 and debt was 17% of equity.

As of March 31, 2008 total assets amounted to P3,157.3 million. Total liabilities amounted to P572.0 million while total stockholders' equity reached P2,585.2 million. Compared to the previous year, assets, liabilities and stockholders' equity increased by 16.47%, 43.39% and 11.83 % respectively. Current ratio was 4.49:1 and debt was 22% of equity.

As of March 31, 2009, total assets amounted to P3,447.3 million which was 9.19% higher than the previous year's P3,157.3 million. Total liabilities amounted to P558.1 million which was 2.44% lower than the previous year's P572.0 million. Equity amounted to P2,889.2 million which was 11.76% higher than the previous year's P2,585.2 million. Current ratio was 4.89:1 and debt was 19% of equity.

For the last 4 years, total assets increased at an average rate of 18.7% or P424.8 million a year. Total liabilities also increased but at a lower average rate of 18.29% or P65.4 million a year while equity increased at an average rate of 19.01% or P359.4 million a year. The increase in assets was due to the increase in liabilities and stockholders' equity. The increase in liabilities was due to special funds and deposits collected from students which were intended for certain specific purposes. The increase in equity was due to the continuous positive results of operations for the past 4 years which exceeded cash dividends paid over the same period of time.

During the past four years, the company's solvency steadily improved as shown by the following figures in million Pesos:

<u>Year</u>	<u>Total Assets</u>	<u>Total Liabilities</u>	<u>Excess of Assets over Liabilities</u>
March 31, 2006	P 2,230.1	357.6	1,872.5
March 31, 2007	2,710.8	398.9	2,311.9
March 31, 2008	3,157.3	572.0	2,585.3
March 31, 2009	3,447.3	558.1	2,889.2

As of March 31, 2009, the company has P6.17 worth of assets to pay for every P1.00 worth of liability.

During the same period of time, the company's liquidity steadily improved as shown by the following statistics in million Pesos:

<u>Year</u>	<u>Current Assets</u>	<u>Current Liabilities</u>	<u>Excess of Current Assets over Current Liabilities</u>
March 31, 2006	P 1,297.5	271.8	1,025.7
March 31, 2007	1,829.7	294.2	1,535.5
March 31, 2008	2,228.7	495.9	1,732.8
March 31, 2009	2,443.8	499.6	1,944.2

As of March 31, 2009, the company has P4.89 worth of current assets to pay for every P1.00 worth of current liability.

The constant and steady improvement in the company's financial condition both in solvency and liquidity is largely attributed to the company's net income each year over the past four years, net of cash dividends paid over the same period of time.

<u>Year</u>	<u>Net Income (in million)</u>	<u>Cash Dividends Paid (in million)</u>	<u>%</u>	<u>Excess of Net Income over Cash Dividends Paid (in million)</u>	<u>%</u>
2005 - 2006	P 538.6	112.1	20.8%	426.5	79.2%
2006 - 2007	603.5	175.1	29%	428.4	71%
2007 - 2008	592.9	315.2	53.2%	277.7	46.8%
2008 – 2009	567.0	252.2	44.5%	314.8	55.5%

As a result and based on the above figures, around 63.12% of each year's net income has been retained by the company, thus, the steady increase in owners' equity as follows:

<u>Year</u>	<u>Owner's Equity (in million)</u>	<u>Increase (Decrease) (in million)</u>	<u>%</u>
	P1,451.6		
March 31, 2006	1,872.5	420.9	29.0%
March 31, 2007	2,311.9	439.4	23.5%
March 31, 2008	2,585.3	273.4	11.8%
March 31, 2009	2,889.2	303.9	11.8%

As of March 31, 2009, owner's equity accounts for 83.8% of total assets. Since 70.9% of the company's total assets is current, the company can pay all its liabilities and still have 54.7% current assets and 29.1% non-current assets. In pesos, this would mean P1,885.7 million current assets and P1,003.5 million non-current assets after paying all liabilities amounting to P558.1 million as of March 31, 2009.

	<u>In Million</u>	<u>%</u>
Owners' Equity	2,889.2	83.8%
Total Assets	3,447.4	100%
Non-Current Assets	1,003.5	29.1%
Current Assets	2,443.9	70.9%
Total Liabilities	558.1	16.2%
Current Assets after Total Liabilities	1,885.7	54.7%

Results of Operations

For the year 2005-2006, net income for the period amounted to P538.6 million which was 40% higher than the previous year's P384.6 million. This year's figure consisted of 85% net operating (educational) income and 15% other income. Net operating income increased by P156.2 million while other income increased by P16.4 million. As a result, net income after tax increased by P154.0 million.

For the year 2006-2007, net income for the period was P603.5 million which was 12% higher than the previous year's P538.6 million. This year's figure consisted of 82% net operating (educational) income and 18% other income. Net operating income increased by P36.8 million and other income by P29.3 million. As a result, net income after tax for the year increased by P64.9 million.

For the year 2007-2008, net income for the period amounted to P592.9 million which was 1.75% lower than the previous year's P603.5 million. This year's figure consisted of 80% net operating (educational) income and 20% other income. Net operating income decreased by P16.2 million while other income increased by P10.8 million. The combined effect resulted in a decrease in net income after tax by P10.6 million this year.

For the year 2008-2009, net income for the period amounted to P567.0 million which was 4.37% lower than the previous year's P592.9 million. This year's figure consisted of 77.4% net operating (educational) income and 22.6% other income. Net operating income decreased by P39.7 million. Other income increased by P13.2 million. As a result, net income after tax for the year decreased by P25.9 million.

The company's operating (educational) income was up in 2005-2006 and 2006-2007 due to good enrollment. It went down in 2007-2008 and 2008-2009 when enrollment dropped to the 23,000 level.

<u>Year</u>	<u>Average tuition fee rate per unit</u>	<u>Enrollment (1st semester)</u>
2005 - 2006	902.00	26,411
2006 - 2007	976.00	26,229
2007 - 2008	1,043.00	23,928
2008 - 2009	1,100.00	23,291

Other income steadily improved despite lower interest rates due to higher amounts of placements. During the past two years, 2007-2008 and 2008-2009, investment income accounts for 81% of other income. Rental income was also a factor. It accounts for 17% of total other income.

A Look of What Lies Ahead

During the past four years, the first semester enrollment gradually decreased from 26,411 in 2005-2006 to 23,291 in 2008-2009. Second semester enrollment normally drops by 10% from that of the first semester but actual results were better at an average of 7.25% decrease. Over the same period, tuition rates increased by 11%, 7%, 6% and 5% respectively. Net operating (educational) income in 2006-2007 when enrollment was still at the 26,000 level posted a slight improvement of 7.14%. It was also in 2007-2008 and 2008-2009 when enrollment went down to 23,000 level that net operating income decreased by 2.9% and 7.4% respectively.

This current school year, the further reduction in the first semester enrollment by about 1.75% and the low increase in tuition fees of 5% may affect the profitability of operations unless operating expenses are limited to the minimum.

With the company's total current assets amounting to P1,885.7 million and non-current assets amounting to P1,003.5 million (net of all liabilities) as of March 31, 2009 and with the expected net income, the company does not foresee any cash flow or liquidity problem in the next 12 months or so despite the drop in enrollment and lower tuition fee increase. It is also expected that the company shall easily meet all its commitments including those for improvements in instructional and other facilities from its present reserves and from expected future earnings.

As for the years ahead, management will continue to uplift its academic standard by continuously updating its curriculum, strengthening its faculty, and further improving its facilities. With sustained improvements in all fronts and with reasonable tuition fee rates, the University is confident that it will still be able to maintain its market share in the industry.

Top Five (5) Key Performance Indicators

I. Test of Liquidity

Liquidity refers to the company's ability to pay its short-term current liabilities as they fall due. This is measured by any of the following:

1. Current ratio measures the number of times that the current liabilities could be paid with the available current assets (Adequate: at least 1.5:1)

March 31, 2006	4.77:1
March 31, 2007	6.22:1
March 31, 2008	4.49:1
March 31, 2009	4.89:1

2. Quick ratio measures the number of times that the current liabilities could be paid with the available quick assets (Adequate: at least 1:1)

March 31, 2006	4.75:1
March 31, 2007	6.11:1
March 31, 2008	4.39:1
March 31, 2009	4.82:1

II. Test of Solvency

Solvency refers to the company's ability to pay all its debts whether such liabilities are current or non-current. It is somewhat similar to liquidity, except that solvency involves a longer time horizon. This is measured by any of the following:

1. Debt to equity ratio measures the amount of assets provided by the creditors relative to that provided by the owner (Adequate : 100% or less)

March 31, 2006	19%
March 31, 2007	17%
March 31, 2008	22%
March 31, 2009	19%

2. Debt to asset ratio measures the amount of assets provided by the creditors relative to the total amount of assets of the company. (Adequate: 50% or less)

March 31, 2006	16%
March 31, 2007	15%
March 31, 2008	18%
March 31, 2009	16%

3. Equity to asset ratio measures the amount of assets provided by the owner relative to the total assets of the company (Adequate: 50% or more)

March 31, 2006	84%
March 31, 2007	85%
March 31, 2008	82%
March 31, 2009	84%

III. Test of Profitability

Profitability refers to the company's earning capacity. It also refers to the company's ability to earn a reasonable amount of income in relation to its total investment. It is measured by any of the following:

1. Return on total assets measures how well management has used its assets under its control to generate income (Adequate: at least equal to the prevailing industry rate).

March 31, 2006	24%
March 31, 2007	22%
March 31, 2008	19%
March 31, 2009	16%

2. Return on owner's equity measures how much was earned on the owners' or stockholders' investment. (Adequate: at least equal to the prevailing industry rate).

March 31, 2006	29%
March 31, 2007	26%
March 31, 2008	23%
March 31, 2009	20%

3. Earnings per share measures the net income per share.

March 31, 2006	115.39
March 31, 2007	103.37
March 31, 2008	84.62
March 31, 2009	67.44

IV. Product Standard

1. Teaching performance in the University is constantly being monitored to maintain a satisfactory level of excellence.

<u>Year</u>	<u>Teaching Excellence Awardees</u>	<u>% toTotal Teaching force</u>
2005-2006	581	53%
2006-2007	412	37%
2007-2008	430	38%
2008-2009	377	34%

- The Philippine Association of Colleges and Universities Commission on Accreditation (PACUCOA) has granted Certificates of Level III Re-accredited Status to our Commerce and Liberal Arts Programs. It has also granted Level II Re-accredited Status to our Elementary and Secondary Education Programs.

The Philippine Accrediting Association of Schools, Colleges and Universities (PAASCU), also issued a certificate of accreditation to the University's Nursing Program.

- Performance of FEU graduates in their respective Board Exams is generally better than the national passing rate:

	<u>FEU Passing Rate</u>	<u>National Passing Rate</u>
Architecture, Jan.2009	31%	39%
Bar Exam, 2008	43%	21%
CPA, Oct., 2008	54%	37%
CPA, May 2009	36%	28%
LET (Elem), Apr. 2009	33%	28%
LET (Secondary), Apr. 2009	48%	25%
Nursing, Nov. 2008	61%	45%

V. Market Acceptability

Below is a comparative schedule of first semester enrollment for the past 4 years:

<u>SY</u>	<u>Enrollment</u>
2006-2007	26,229
2007-2008	23,928
2008-2009	23,291
2009-2010	22,885

Due to the economic recession, it was estimated that the first semester enrollment for SY 2009-2010 will be around 10% lower. Final figure was better with a decrease of only 1.75%. It also turned out that all institutes, except for the Institute of Nursing, had a better enrollment.

The surge in the number of valedictorians, salutatorians and entrance merit scholars to around 800 a year (833 in 2007-2008 and 798 in 2008-2009) during the past two school years is an indication that FEU has become one of the better choices among the various colleges and universities in the metropolis.

Facts:

(In Million Pesos)

	<u>March 31, 2006</u>	<u>March 31, 2007</u>	<u>March 31, 2008</u>	<u>March 31, 2009</u>
Quick Assets	1,291.3	1,798.9	2,177.2	2,406.7
Current Assets	1,297.5	1,829.7	2,228.7	2,443.9
Total Assets	2,230.2	2,710.8	3,157.3	3,447.3
Current Liabilities	271.8	294.2	495.9	499.6
Total Liabilities	357.6	399.0	572.0	558.1
Stockholder's Equity	1,872.5	2,311.9	2,585.2	2,889.2
Net Income after Tax	538.6	603.5	592.9	567.0
Total Outstanding shares (average)	4,671,142 shares	5,838,440 shares	7,006,368 shares	8,407,408 shares

Other Items

1. There are no known trends, events or uncertainties which may have a material impact on liquidity.
2. There are no known events that will trigger direct or contingent financial obligation that may be material to the company. There are also no known events that would result in any default or acceleration of an obligation.
3. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

4. There are no sales of Unregistered or Exempt Securities including Recent Issuance of Securities Constituting an Exempt Transaction.

Formula

1. Liquidity

$$1. \text{ Current ratio} = \frac{\text{Current assets}}{\text{Current Liabilities}}$$

$$2. \text{ Acid test ratio} = \frac{\text{Quick assets}}{\text{Current Liabilities}}$$

2. Solvency

$$1. \text{ Debt to Equity ratio} = \frac{\text{Total liabilities}}{\text{Total Stockholder's Equity}}$$

$$2. \text{ Debt to Asset ratio} = \frac{\text{Total liabilities}}{\text{Total assets}}$$

$$3. \text{ Equity to Asset ratio} = \frac{\text{Total Stockholder's Equity}}{\text{Total assets}}$$

3. Profitability

$$1. \text{ Return on Assets} = \frac{\text{Net Income}}{\text{Total assets}}$$

$$2. \text{ Return on Owner's Equity} = \frac{\text{Net Income}}{\text{Total Stockholder's Equity}}$$

$$3. \text{ Earning per share} = \frac{\text{Net Income}}{\text{Total Outstanding shares (average)}}$$

FAR EASTERN UNIVERSITY
SCHEDULE OF PROPERTY, PLANT & EQUIPMENT/INVESTMENT PROPERTY
SCHOOL YEAR 2008 - 2009

	<u>Gross Book Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Location</u>	<u>Condition</u>
I. PROPERTY, PLANT & EQUIPMENT:					
L A N D	<u>98,457,565.00</u>	<u>-</u>	<u>98,457,565.00</u>	Manila	Very Good
BUILDINGS & LAND IMPROVEMENTS					
New Technology Building II	280,167,175.00	41,839,111.00	238,328,064.00	"	"
Alfredo Reyes Hall	65,970,226.00	25,305,397.00	40,664,829.00	"	"
Leasehold Improvement	65,423,403.00	15,190,789.00	50,232,614.00	"	"
New Technology Building-Idle Hosp. Bldg.	5,382,741.00	266,959.00	5,115,782.00	"	"
Science Building	98,608,277.00	11,172,245.00	87,436,032.00	"	"
Arts Building	10,174,184.00	5,549,412.00	4,624,772.00	"	"
Nicanor Reyes Hall	39,700,111.00	2,392,096.00	37,308,015.00	"	"
GEC & Educational Hall	-	-	-	"	"
Grade school	-	-	-	"	"
S B Covered Walk	617,737.00	494,189.00	123,548.00	"	"
Covered Passage	2,660,195.00	459,691.00	2,200,504.00	"	"
Fence	715,360.00	510,889.00	204,471.00	"	"
Campus Pavilion	1,107,976.00	254,590.00	853,386.00	"	"
GSB Covered Walk	310,000.00	247,999.00	62,001.00	"	"
Powerhouse	296,196.00	296,196.00	-	"	"
Chapel	166,760.00	-	166,760.00	"	"
Others	7,840,138.00	469,078.00	7,371,060.00	"	"
Grandstand	48,554.00	49,263.00	(709.00)	"	"
	<u>579,189,033.00</u>	<u>104,497,904.00</u>	<u>474,691,129.00</u>		
EQUIPMENTS					
Furnitures & Fixtures	15,466,280.00	10,264,741.00	5,201,539.00	"	"
Electrical & Mechanical	61,679,287.00	50,435,969.00	11,243,318.00	"	"
Information Technology	25,922,341.00	19,137,084.00	6,785,257.00	"	"
Transportation Equipment	11,758,843.00	8,753,057.00	3,005,786.00	"	"
Miscellaneous Fixed Assets	10,645,124.00	10,645,124.00	-	"	"
Instruments & Utensils	548,270.00	278,261.00	270,009.00	"	"
T o o l s	1,032,878.00	684,410.00	348,468.00	"	"
Linen	299,914.00	281,459.00	18,455.00	"	"
Museum Collection	989,573.00	-	989,573.00	"	"
	<u>128,342,510.00</u>	<u>100,480,105.00</u>	<u>27,862,405.00</u>		
TOTAL	<u>805,989,108.00</u>	<u>204,978,009.00</u>	<u>601,011,099.00</u>		
II. INVESTMENT PROPERTY:					
LAND	53,394,726.00		53,394,726.00	"	"
COLLEGE OF ENGINEERING BUILDING	207,626,479.00	66,165,744.00	141,460,735.00	"	"
TOTAL	<u>261,021,205.00</u>	<u>66,165,744.00</u>	<u>194,855,461.00</u>		
GRAND TOTAL	<u>1,067,010,313.00</u>	<u>271,143,753.00</u>	<u>795,866,560.00</u>		

FAR EASTERN UNIVERSITY

ANNEX C.1.2

**SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS,
EMPLOYEES, RELATED PARTIES, AND PRINCIPAL STOCKHOLDERS (OTHER THAN AFFILIATES)
FOR THE YEAR ENDED 2009**

Name and Designation of Debtor	Beginning Balance	Additions	Deductions		Current	Non-Current	Ending
			Amount Deducted	Amount Written-Off			
Abala, Genelin G.	5,295.67					5,295.67	5,295.67
Abellera, Evelyn C.	302.23					302.23	302.23
Acab, Deborah A.	10,400.00					10,400.00	10,400.00
Acosta, Venina Corazon S.	418.97					418.97	418.97
Adolfo, Marlon	(3,560.00)					(3,560.00)	(3,560.00)
Africa, Dickenson Y.	200.00					200.00	200.00
Agdalpen, Renato C.	2,000.00					2,000.00	2,000.00
Agluba, Noreen	63.00					63.00	63.00
Agorilla, Delia	660.00					660.00	660.00
Aguirre, Estelita	200.00					200.00	200.00
Alarde, Crispulo Jr. S.	22,532.51		22,231.51		301.00	-	301.00
Albino, Maudlynn	207.50					207.50	207.50
Albiva, Merlyn T.	1,464.00					1,464.00	1,464.00
Alcaraz, Nellie T.	8,200.00					8,200.00	8,200.00
Alcazar, Nina Aiza	415.50					415.50	415.50
Alfaro, Jennylyn G.	(3,835.00)					(3,835.00)	(3,835.00)
Alibania, Hazel J.	1,000.00					1,000.00	1,000.00
Almalvez, Arlena C.	200.00					200.00	200.00
Alo, James	600.00					600.00	600.00
Alolor, Jacqueline G.	(873.00)					(873.00)	(873.00)
Amacan, Normita C.	15,113.55		13,608.00		1,505.55	-	1,505.55
Amlog, Jocelyn A.	45,000.00					45,000.00	45,000.00
Ampatin, Estrella V.	26,005.00					26,005.00	26,005.00
Anastacio, Nanette V.	(3,309.80)					(3,309.80)	(3,309.80)
Anastacio, Teresita M.	89.74					89.74	89.74
Andres, Jocelyn	90.00					90.00	90.00
Anido, Cecilia I.	334,016.06		263,593.07			70,422.99	70,422.99
An Lim, Jaime L.	97,711.02		99,166.74		(1,455.72)	-	(1,455.72)
Arabia, Julieta S.	600.00		2,500.00		(1,900.00)	-	(1,900.00)
Aragon, Lloyd Jeffrey	5,000.00					5,000.00	5,000.00
Arbizo, Maria Sophia	3,695.57					3,695.57	3,695.57
Arejola, Romeo	200.00					200.00	200.00
Arig, Mellicent J.	(300.00)					(300.00)	(300.00)
Arquiza, Glenda S.	6,824.50		16,670.00		(9,845.50)	-	(9,845.50)
Arreca, Edgardo C.	(500.00)					(500.00)	(500.00)
Arribe, Emma B.	245.00					245.00	245.00
Asilo, Ma. Cecilia	50.00					50.00	50.00
Ataat, Jose	200.00					200.00	200.00
Atanque, Aurora L.	2,835.06		5,123.88		(2,288.82)	-	(2,288.82)
Austria, Ryan	5,000.00					5,000.00	5,000.00
Ayson, Rosalino P., Jr.	31,505.00		17,160.00			14,345.00	14,345.00
Azor, Helen A.	(1,528.17)					(1,528.17)	(1,528.17)
Azucena, Cesario	1,339.20					1,339.20	1,339.20
Babilonia, Jonathan	450.00					450.00	450.00
Baconawa, Ma. Dorina M.	79.17					79.17	79.17
Badiable, Charisma Mae	5,000.00					5,000.00	5,000.00
Baello, Christine N.	(137.50)					(137.50)	(137.50)

Balaoro, Maria Theresa			200.00	(200.00)	-	(200.00)
Balaria, Dalmacio P.	7,500.00				7,500.00	7,500.00
Balita, Paulita C.	9,436.50		1,750.00	7,686.50	-	7,686.50
Bambico, Elma	311.00				311.00	311.00
Banal, Enrico R.	(22,171.50)				(22,171.50)	(22,171.50)
Banas, Gloria V.	24.20				24.20	24.20
Barcellano, Francis	(4,595.00)				(4,595.00)	(4,595.00)
Barcelona, Samson V.	200.00				200.00	200.00
Bartolome, Liezl DM.	764.00		822.00	(58.00)	-	(58.00)
Batungbakal, Marisa	17.50				17.50	17.50
Bautista, Andres D.	3,000.00				3,000.00	3,000.00
Bautista, Arlene Mae DG.	1,027.00				1,027.00	1,027.00
Bautista, Christopher	588.40				588.40	588.40
Bautista, Rosalinda	300.00				300.00	300.00
Bayan, Alfred F.	3,457.64				3,457.64	3,457.64
Bayan, Zenaida E.	585.50				585.50	585.50
Bayona, Daniel G.	545.90				545.90	545.90
Belardo, Ma. Jeanette	1,794.53				1,794.53	1,794.53
Belleza, Asuncion L.	16,649.00		28,938.47	(12,289.47)	-	(12,289.47)
Beltran, Charity J.	175.00				175.00	175.00
Belza, Mercedes A.	7,060.00				7,060.00	7,060.00
Bermudez, Israel	300.00				300.00	300.00
Bermudez, Neil C.	1,600.00				1,600.00	1,600.00
Bonaobra, Salvador B.	(750.00)				(750.00)	(750.00)
Brawner, Dalisay G.	40.00				40.00	40.00
Briones, Domingo J.	10,079.00				10,079.00	10,079.00
Brocal, Cynthia M.	24.00				24.00	24.00
Buenaventura, Alexander V.	7,060.00				7,060.00	7,060.00
Buenaventura, Olga C.	27,213.00				27,213.00	27,213.00
Buena vida, Amelia	165.00				165.00	165.00
Bueno, Marivic	10,000.00				10,000.00	10,000.00
Bulanhagui, Nida B.	620.00				620.00	620.00
Bustamante, Ma. Christine H.	11,000.00	1,000.00	3,400.00		8,600.00	8,600.00
Caagbay, Elpidio Z.	(5,779.30)	3,974.30	3,500.00	(5,305.00)	-	(5,305.00)
Cabaltica, Leilani A.	11,210.55		7,000.00		4,210.55	4,210.55
Cabantac, Ricardo R.	7,060.00				7,060.00	7,060.00
Cabulay, Danny A.	54.00				54.00	54.00
Cadorna, Rosemarie S.	656.20				656.20	656.20
Cagadas, Ruly	200.00				200.00	200.00
Cajucom, Mary Grace A.	440.00				440.00	440.00
Calizar, Dexter A.	3,126.10				3,126.10	3,126.10
Calub, Mary Virginia Blesilda	10,000.00				10,000.00	10,000.00
Camacho, Joseph C.	600.00				600.00	600.00
Cando, Cromwell N.	1,248.00				1,248.00	1,248.00
Canilao, Fe V.	663,200.47		303,408.43		359,792.04	359,792.04
Canlas, Aurora V.	227.70				227.70	227.70
Canobas, Ruel V.	33.00				33.00	33.00
Cao, Marilou F.	(2,769.00)		2,098.00	(2,098.00)	(2,769.00)	(4,867.00)
Capacio, Glenn	(7,300.00)				(7,300.00)	(7,300.00)
Caramanza, Edward M.	9,000.00				9,000.00	9,000.00
Cardona, Enrico	200.00				200.00	200.00
Cariquitán, Daisy	308.00				308.00	308.00
Carpio, Miguel M.	(13,086.34)				(13,086.34)	(13,086.34)
Casacalang, Editha Y.	11,796.00				11,796.00	11,796.00
Castanas, Baby Theress	82.50				82.50	82.50
Castro, Joeven R.	4,555.00				4,555.00	4,555.00
Castro, Ma. Clara C.	566.36				566.36	566.36
Cauba, Harvey A.	10,000.00		5,635.22		4,364.78	4,364.78

Cecilio, Ma. Elaine	3,795.89			3,795.89	3,795.89
Cerrer, Redentor A.	200.00			200.00	200.00
Chan, Jeffrey Allan	(6,927.00)			(6,927.00)	(6,927.00)
Chu, Connie	195.20			195.20	195.20
Chua, Ryan Gilbert	5,000.00			5,000.00	5,000.00
Clemente, Luisa DC.	3,615.90			3,615.90	3,615.90
Clerigo, Bernard A.	1,000.00	1,080.00	(80.00)	-	(80.00)
Clores, Roy	3,230.00			3,230.00	3,230.00
Codinera, Virgilio B.	79.72			79.72	79.72
Cometa, Ma. Victoria D.	(7,775.00)			(7,775.00)	(7,775.00)
Concepcion, Gerald G.	250.00			250.00	250.00
Concepcion, Lourdes Q.	930.72			930.72	930.72
Concha, Jhonalyn M.	10,900.00			10,900.00	10,900.00
Copiaco, Ross Joseph	50.00			50.00	50.00
Cordero, Nelma	1,195.00			1,195.00	1,195.00
Cruz, Anita B.	25,000.00			25,000.00	25,000.00
Cruz, Anna Lisa D.	(944.00)			(944.00)	(944.00)
Cruz, Christybel O.	928.75			928.75	928.75
Cruz, Eloisa G.	3,362.50			3,362.50	3,362.50
Cruz, Felipe T.	1,200.00			1,200.00	1,200.00
Cruz, Janet R.	200.00			200.00	200.00
Cruz, John Ross R.	(4,500.00)			(4,500.00)	(4,500.00)
Cruz, Jose Noel	200.00			200.00	200.00
Cruz, Maricar	5,000.00			5,000.00	5,000.00
Cruz, Maritess	9.16			9.16	9.16
Cruz, Precita P.	(1,400.00)			(1,400.00)	(1,400.00)
Cruz, Reynaldo J.	934.05			934.05	934.05
Cruz, Rosalie dela	6.68			6.68	6.68
Cruz, Sandra Lyn D.	523.01			523.01	523.01
Cuartero, Pacifico C.	(1,700.00)			(1,700.00)	(1,700.00)
Culala, Harold John D.	(835.00)	5,000.00	(5,000.00)	(835.00)	(5,835.00)
Cunanan, Fernando M.	3,309.80			3,309.80	3,309.80
Cureg, Benedicto A.	5,522.64			5,522.64	5,522.64
Custodio, Joselito	50.00			50.00	50.00
Dado, Rorylyn H.	(1,000.00)			(1,000.00)	(1,000.00)
Dalton, Juanita C.	12,739.40			12,739.40	12,739.40
Dapla, Walter	3,851.29			3,851.29	3,851.29
Davalos, Zenaida R.	(499.20)			(499.20)	(499.20)
David, Melvira c.	300.00			300.00	300.00
Dean, Victoriano P.	3,412.50			3,412.50	3,412.50
Deatras, Jeffrey	(2,861.29)			(2,861.29)	(2,861.29)
Delloro, Evelyn	748.00			748.00	748.00
Demagante, Rey Francis G.	50.00			50.00	50.00
Destura, Blanca	224.56			224.56	224.56
Diaz, Aeneas Eli	(10,000.00)			(10,000.00)	(10,000.00)
Diaz, Reynaldo	255.00			255.00	255.00
Dingding, Quintin P.	70.00			70.00	70.00
Dino, Kristopher	400.00			400.00	400.00
Dizon, Mercy G.	(800.00)			(800.00)	(800.00)
Dones, Irene P.	600.00			600.00	600.00
Doria, Jeanette V.	(260.00)			(260.00)	(260.00)
Duena, Teodoro C., Jr.	(6,000.00)			(6,000.00)	(6,000.00)
Dulay, Sofronio C.	(10,636.95)			(10,636.95)	(10,636.95)
Dumadag, Norma M.	27,015.20			27,015.20	27,015.20
Dumas, Marvin C.	150.00			150.00	150.00
Dumdumaya, Myline Marie P.	(1,200.00)			(1,200.00)	(1,200.00)
Duque, Ronald	50.00			50.00	50.00
Duran, Benedict James D.	(47,271.57)			(47,271.57)	(47,271.57)

Echaz, Lydia B.	(20,362.80)		(20,362.80)	(20,362.80)
EDSA- Shangrila Plaza	1,300.00		1,300.00	1,300.00
Elman, Mario B.	(1,800.00)		(1,800.00)	(1,800.00)
Enriquez, Christian Jo C.	(4,939.39)		(4,939.39)	(4,939.39)
Enriquez, Emiliana	50.00		50.00	50.00
Enriquez, Rex Cesar	200.00		200.00	200.00
Escoltero, Emily	(2,917.93)		(2,917.93)	(2,917.93)
Escosia, Aurora A.	25,899.77	2,200.00	23,699.77	23,699.77
Eser, Myline S.	33,035.86		33,035.86	33,035.86
Espino, Kristine	112.00		112.00	112.00
Espinosa, William V.	6,431.00		6,431.00	6,431.00
Espiritu, Christine Joy	300.00		300.00	300.00
Esquibel, Elizabeth	5,000.00		5,000.00	5,000.00
Estabillo, Ma. Luz	529.50		529.50	529.50
Estacio, Ma. Vivian G.	(1,625.01)		(1,625.01)	(1,625.01)
Esteban, Alejandro L.	5,000.00		5,000.00	5,000.00
Estonanto, Mark Ronald L.	374.85		374.85	374.85
Estonanto, Mavi Issel L.	32,221.65		32,221.65	32,221.65
Estrella, Gloria	1,460.37		1,460.37	1,460.37
Estrella, Luisito P.	(300.00)		(300.00)	(300.00)
Fabito, Evelyn	2,163.00		2,163.00	2,163.00
Fabros, Marietta	5,295.67		5,295.67	5,295.67
Federigan, Melissa	946.25		946.25	946.25
Felizardo, Dante A.	10,000.00		10,000.00	10,000.00
Feraren, Mitchell	50.00		50.00	50.00
Fernandez, Benedict T. III	(4,400.00)		(4,400.00)	(4,400.00)
Fernandez, Dante Roel	699.00		699.00	699.00
Fernandez, Roderick	588.40		588.40	588.40
Fernando, Gerry V.	967.00		967.00	967.00
Fesalbon, Hermond F.	7,729.34		7,729.34	7,729.34
FEU Consumer's Coop.	3,295.85		3,295.85	3,295.85
FEU Credit Union	1,560.92		1,560.92	1,560.92
Fiesta, Erlinda P.	8,532.50		8,532.50	8,532.50
Figer, Reggy C.	24,300.00		24,300.00	24,300.00
Flojo, Flordeliza	168.50		168.50	168.50
Flores, Hanonica S.	50.00		50.00	50.00
Flores, Miguela T.	(102.50)		(102.50)	(102.50)
Flores, Raul	600.00		600.00	600.00
Flores, Renato C.	2,000.01		2,000.01	2,000.01
Flores, Roberto C.	(32,250.00)		(32,250.00)	(32,250.00)
Florida, Ma. Corazon M.	(1,800.00)		(1,800.00)	(1,800.00)
Foe, Jonathan	100.00		100.00	100.00
Frades, Francisca B.	9,002.85	9,132.85	(130.00)	(130.00)
Frias, Wilmer	5,000.00		5,000.00	5,000.00
Fuentes, Ma. Leda J.	7,060.00		7,060.00	7,060.00
Galang, Aurora C.	980.00		980.00	980.00
Galiza, Miguela S.	45,000.00		45,000.00	45,000.00
Gallardo, John	13,000.40		13,000.40	13,000.40
Garcia, Dolores A.	50,000.00		50,000.00	50,000.00
Garcia, Earl Jimson R.	6,000.00		6,000.00	6,000.00
Garcia, Lourdes C.	16.41		16.41	16.41
Garcia, Muriel B.	(6,500.00)		(6,500.00)	(6,500.00)
Garcia, Mylene M.	19,000.00	9,000.00	10,000.00	10,000.00
Garcia, Severino M.	624,147.34	293,384.98	330,762.36	330,762.36
Garin, May C.	29,900.00	4,900.00	25,000.00	25,000.00
Genota, Jaime F.	822.32		822.32	822.32
Gil, Aurora H. - PMSI	7,060.00		7,060.00	7,060.00
Go-Monilla, Ma. Joycelyn A.	280.31		280.31	280.31

Gonzaga, Jemabel	505.00				505.00	505.00
Gonzales, Fortune N.	397.50				397.50	397.50
Guardame, Quintal Nilo	305.72				305.72	305.72
Gubio, James B.	(4,000.00)	2,000.00	(2,000.00)	(4,000.00)	(6,000.00)	(6,000.00)
Guevarra, Remedios P.	10,297.00	6,000.00		4,297.00	4,297.00	4,297.00
Gupit, Dolores S.	(26,896.39)			(26,896.39)	(26,896.39)	(26,896.39)
Gutang, Marco P.	(2,353.33)			(2,353.33)	(2,353.33)	(2,353.33)
Guzman, Jericho D.	8,460.00			8,460.00	8,460.00	8,460.00
Guzman, Jimmy	150.00			150.00	150.00	150.00
Guzman, Jose	300.00			300.00	300.00	300.00
Hernandez, Alma R.	(1,337.50)			(1,337.50)	(1,337.50)	(1,337.50)
Hernandez, Angeline A.	7,491.70			7,491.70	7,491.70	7,491.70
Hilario, Jacqueline E.	662.50			662.50	662.50	662.50
Hore, Lelioso G.	300.00			300.00	300.00	300.00
Ibasco, Lourdes	350.00			350.00	350.00	350.00
Ignacio, Lourdes D.	6,983.00	4,900.00	12,233.00	(350.00)	-	(350.00)
Iguas, Jose A.	2,997.00		3,977.00	(980.00)	-	(980.00)
Imbang, Ma. Nathalie A.	3,772.50			3,772.50	3,772.50	3,772.50
Inciong, Cherry Wyne E.	7,500.00			7,500.00	7,500.00	7,500.00
Irabagon, Miramar	6,000.00			6,000.00	6,000.00	6,000.00
Isidro, Rosalina B.	(593.75)			(593.75)	(593.75)	(593.75)
Israel, Marietta C.	19,700.00	14,700.00		5,000.00	5,000.00	5,000.00
Jabile, Joel E.	50.00			50.00	50.00	50.00
Jagnis, Neil	300.00			300.00	300.00	300.00
Javier, Anabella G.	8,162.50			8,162.50	8,162.50	8,162.50
Jesus, Angelita SD.	5,714.30	5,714.22		0.08	0.08	0.08
Jimenez, Arsenia S.	5,970.00			5,970.00	5,970.00	5,970.00
Jimenez, Marietta	2,290.86			2,290.86	2,290.86	2,290.86
Jonson, Joyce Lisa B.	(48,424.97)			(48,424.97)	(48,424.97)	(48,424.97)
Jose, Corazon V.	5,409.20	3,350.63		2,058.57	2,058.57	2,058.57
Jose, Haidee R.	(1,446.80)			(1,446.80)	(1,446.80)	(1,446.80)
Junio, Nenitha L.	767.00			767.00	767.00	767.00
Kenny, Isabel		14,000.00		14,000.00	-	14,000.00
Laboy, Michael C.	20,818.00		15,166.37	5,651.63	5,651.63	5,651.63
Lagula, Janette	117.50			117.50	117.50	117.50
Lamboson, Roger C.	(4,000.00)			(4,000.00)	(4,000.00)	(4,000.00)
Lamorena, Juditha M.	44,893.20		24,000.00	20,893.20	20,893.20	20,893.20
Lantin, Rommel	1,383.31			1,383.31	1,383.31	1,383.31
Lapastora, Milagros P.	33,066.80		25,660.00	7,406.80	7,406.80	7,406.80
Lapuebla, Alfredo N.	2,490.00			2,490.00	2,490.00	2,490.00
Larano, Leonora	6,048.75		200.00	5,848.75	5,848.75	5,848.75
Larda, Edmundo D.	(1,500.00)			(1,500.00)	(1,500.00)	(1,500.00)
Laudato, Emmanuel N.	(1,200.00)			(1,200.00)	(1,200.00)	(1,200.00)
Laurento, Jaime R.	1,650.25			1,650.25	1,650.25	1,650.25
Lauro, Jocelyn P.	10,856.00			10,856.00	10,856.00	10,856.00
Lazaro, Ma. Teresita A.	3,205.00			3,205.00	3,205.00	3,205.00
Legaspi, Heidi	1,000.00			1,000.00	1,000.00	1,000.00
Leon, Emma Rose H.	22,750.00	6,250.00		16,500.00	16,500.00	16,500.00
Leonin, Clarito V.	(200.00)			(200.00)	(200.00)	(200.00)
Lewis, Salome	1,147.50			1,147.50	1,147.50	1,147.50
Liggayu, Michael	200.00			200.00	200.00	200.00
Lim, Nathaniel L.	317.00			317.00	317.00	317.00
Lintag, Graciel A.	1,180.16			1,180.16	1,180.16	1,180.16
Listana, Mary Rose	1,012.50			1,012.50	1,012.50	1,012.50
Lizaso, Marcelino N. Jr.	400.00			400.00	400.00	400.00
Lopez, Anastacio, Jr. L.	7,966.00	8,196.00		(230.00)	(230.00)	(230.00)
Lopez, Antonio P., Jr.	15.34			15.34	15.34	15.34
Lopez, Fernando M.	250.00			250.00	250.00	250.00

Lopez, Mercedita P.	252.50				252.50	252.50
Loza, Luningning R.	748.00				748.00	748.00
Lugtu, Blyth	5.00				5.00	5.00
Luna, Lillian N.	967.14				967.14	967.14
Macadangdang, Luzviminda	(137.50)				(137.50)	(137.50)
Macalaguing, Mateo D. Jr.	10,000.00				10,000.00	10,000.00
Macalalad, Consuelo	150.00				150.00	150.00
Macaraeg, Paul	30,000.00		23,563.77		6,436.23	6,436.23
Macario, Christopher	50.00				50.00	50.00
Magayaga, Lea Q.	(7,059.99)				(7,059.99)	(7,059.99)
Magtoto, Eliseo	200.00				200.00	200.00
Malabag, Pastor B.	2,638.58				2,638.58	2,638.58
Malinao, Marivic	110.00				110.00	110.00
Maliwat, Herminia I.	861,567.51		253,815.36		607,752.15	607,752.15
Malot, Edmund Francis	100.00				100.00	100.00
Manalili, Golda P.	50.00				50.00	50.00
Mananquil, Amado	1,800.00				1,800.00	1,800.00
Manansala, Paolo	81.58				81.58	81.58
Mangahas, Roser Benjamin	1,397.00				1,397.00	1,397.00
Manicsic, Teresa B.	84.00				84.00	84.00
Manigan, Alma C.	7.61				7.61	7.61
Manlapaz, Divine Grace	5,000.00				5,000.00	5,000.00
Manlapaz, Victor	1,200.00				1,200.00	1,200.00
Manrique, Elenita	17,000.00				17,000.00	17,000.00
Matullano, Edgardo C.	1,248.86				1,248.86	1,248.86
Mazo, Flaviano S.	780.00				780.00	780.00
MC Entee, Keneline M.	3,928.90				3,928.90	3,928.90
Medina, Joy E.	2,419.52	0.33	2,829.37	(409.52)	-	(409.52)
Medina, Ma. Ana Karina S.	25.94				25.94	25.94
Medina, Merle S.	(1,075.25)				(1,075.25)	(1,075.25)
Medrano, Rosalinda	935.50				935.50	935.50
Membrot, Ezitiel R.	2,150.00				2,150.00	2,150.00
Mendoza, Cecilia H.	(6,186.77)				(6,186.77)	(6,186.77)
Mendoza, Florina M.	300.00				300.00	300.00
Mendoza, Jobert	10,000.00				10,000.00	10,000.00
Menez, Karren G.	(550.00)				(550.00)	(550.00)
Menorca, Emmanuel S.	(282.00)	32.00			(250.00)	(250.00)
Mercado, Annabelle K.	3,758.55				3,758.55	3,758.55
Miguel, Emmanuel C.	6,619.60				6,619.60	6,619.60
Milarpis, Joel	4,000.00				4,000.00	4,000.00
Minas, Geraldine C.	1,050.00				1,050.00	1,050.00
Miranda, Dennis	4,100.00				4,100.00	4,100.00
Mondares, Lailani D.	(1,000.00)				(1,000.00)	(1,000.00)
Monong, Cora	6,000.00				6,000.00	6,000.00
Morimonte, Bonifacio D.	500.00				500.00	500.00
Mortel, Honorardo M.	(247.00)				(247.00)	(247.00)
Mortell, Gideon	5,237.46				5,237.46	5,237.46
Nagal, Glenn Z.	586,647.34		255,884.98		330,762.36	330,762.36
Narval, Antonio G.	520.80				520.80	520.80
Natera, Malvin G.	4,121.97				4,121.97	4,121.97
Nau, Elizabeth S.	93.75		187.50		(93.75)	(93.75)
Nava, Delfin D.	767.00				767.00	767.00
Nicer, Joselito C.	(65,500.85)				(65,500.85)	(65,500.85)
Nietes, Raymond G.	16,689.30				16,689.30	16,689.30
Ninobla, Magnolia	170.00				170.00	170.00
Ninubla, Shiela	1,018.53				1,018.53	1,018.53
Nolasco, Maria Sylva	1,775.00				1,775.00	1,775.00
Noriega, Mariwilda I.	(7,306.55)				(7,306.55)	(7,306.55)

Nuestro, Sarah Joyce	15,000.00		4,052.03		10,947.97	10,947.97
Nulla, Mila R.	21,433.75				21,433.75	21,433.75
Oasan, Albert C.	750.00				750.00	750.00
Ocampo, Wilfredo T.	1,150.00				1,150.00	1,150.00
Olipas, Lorina L.	200.00				200.00	200.00
Ong, Emil	417.53				417.53	417.53
Orjalo, Victoria G.	200.00				200.00	200.00
Ortiz, Jose	(4,882.00)				(4,882.00)	(4,882.00)
Ortiz, Milixa Lourdes B.	5,000.00				5,000.00	5,000.00
Oyzon, Gualberto J.	3,002.80				3,002.80	3,002.80
Padilla, Maria Eleanor T.	1,430.50				1,430.50	1,430.50
Pahutan, Ludivinia M.	17,682.30		17,882.30	(200.00)	-	(200.00)
Palparan, Karoline L.	(900.00)				(900.00)	(900.00)
Pamintuan, Jose Edmundo E.	100.00				100.00	100.00
Pangilinan, Christopher	1,316.80				1,316.80	1,316.80
Pangilinan, Genice R.	1,520.00		2,520.00	(1,000.00)	-	(1,000.00)
Pantas, Felix Jr.	(3,482.50)				(3,482.50)	(3,482.50)
Pante, Ronald S.	600.00				600.00	600.00
Paraiso, Lourdes Oliva C.	90,410.00		5,562.50		84,847.50	84,847.50
Paras, Renato	50,000.00	50,000.00	50,000.00		50,000.00	50,000.00
Pasag, Maribeth	315.00				315.00	315.00
Pascua, Jennifer J.	44,977.91		4,000.00		40,977.91	40,977.91
Pascual, Perfecto	350.00				350.00	350.00
Pataunia, Ma. Cecilia	5.16				5.16	5.16
Patricio, Natividad	598.75				598.75	598.75
Paz, Rosalinda Z.	32,509.00	3,796.00	27,500.00	3,796.00	5,009.00	8,805.00
Pekson II, Enrique Arvin	(43,488.12)				(43,488.12)	(43,488.12)
Pelareja, Juanito Y.	213.00				213.00	213.00
Perez, Crismin	10,591.34				10,591.34	10,591.34
Perez, Jose R. Jr.	52.20				52.20	52.20
Pimentel, Stephanie	285.00				285.00	285.00
Pineda, Rodolfo G.	71.26		221.25	(149.99)	-	(149.99)
Ponsaran, Levy C.	2,450.00				2,450.00	2,450.00
Portiz, Ellen	207.50				207.50	207.50
Pring, Melanie	5,000.00				5,000.00	5,000.00
Publico, Hilario Q.	5,376.50				5,376.50	5,376.50
Puertollano, Derek	250.00				250.00	250.00
Pulmano, Zelmo	8,000.00				8,000.00	8,000.00
Puro, Kristopher John	150.00				150.00	150.00
Querijero, Glen Hilario M.	5,000.00				5,000.00	5,000.00
Quiambao, Arlene	358.50				358.50	358.50
Quijano, Virginia A.	7,220.00				7,220.00	7,220.00
Quijencio, Wilfredo D.	666.00				666.00	666.00
Quintanar, Janeth A.	5,366.56				5,366.56	5,366.56
Quinto, Myrna P.	9,060.00		2,000.00		7,060.00	7,060.00
Quirimit, Luzviminda	1,942.77				1,942.77	1,942.77
Ragonjah, Homer Jay D.	15.00				15.00	15.00
Ramon, Elizabeth A. de - PMSI	7,060.00				7,060.00	7,060.00
Ramones, Rhozallino C.	5,000.00				5,000.00	5,000.00
Ramos, Donna B.			11.50	(11.50)	-	(11.50)
Ramos, Erlinda L.	10,000.00				10,000.00	10,000.00
Ramos, Leonora A.	2,250.00		717.11		1,532.89	1,532.89
Ramos, Ma. Theresa L.	853.81				853.81	853.81
Rana, Aurelio Y.	23,498.08		26,631.00	(3,132.92)	-	(3,132.92)
Rapirap, Raquel T.	8,288.00				8,288.00	8,288.00
Rasalan, Julia	772.50				772.50	772.50
Redulla, Everjeann Christie R.	34.71				34.71	34.71
Remiendo, Noraliza A.	902.09		892.09		10.00	10.00

Remigio, Warley	100.00		100.00	100.00
Retardo, Victor C.	(600.00)		(600.00)	(600.00)
Reyes, Byron M.	200.00		200.00	200.00
Reyes, Herbert D.	4,555.00		4,555.00	4,555.00
Reyes, Melodia S.	6,834.00		6,834.00	6,834.00
Reyes, Ruby	572.50		572.50	572.50
Reymundo, Samuel	50.00		50.00	50.00
Rivera, Myrna T.	(1,420.25)		(1,420.25)	(1,420.25)
Rizada, Ryan Joseph	9,159.80		9,159.80	9,159.80
Ronda, Ma. Lea A.	300.00		300.00	300.00
Rosa, Giovanni dela	551.63		551.63	551.63
Rosario, Alma del		7,060.00	(7,060.00)	(7,060.00)
Rosario, Hilario - PMSI	14,120.00		14,120.00	14,120.00
Rosete, Dwight Benedict N.	1,500.00	2,000.00	(500.00)	(500.00)
Roxas, Ronald L.	8,000.00		8,000.00	8,000.00
Rubillos, Leonardo I.	(600.00)		(600.00)	(600.00)
Ruzol, Hipolito S.	300.00		300.00	300.00
Sabaupan, Sylvette G.	23,364.75		23,364.75	23,364.75
Sabaybay, Jocelyn L.	666.00		666.00	666.00
Saldua, Eder John	(5,000.00)		(5,000.00)	(5,000.00)
Salonga, Lea	50.00		50.00	50.00
Salud, Alann M.	(520.00)		(520.00)	(520.00)
Salvacion, Dennis C.	(3,000.00)		(3,000.00)	(3,000.00)
Salvador, Esther D.	18.00		18.00	18.00
San Pablo, Ma.Cecilia A.	492.25		492.25	492.25
Sansaet, Sheery O.	(107.50)	53.75	(53.75)	(53.75)
Sante, Nova C.	(981.25)		(981.25)	(981.25)
Santiago, Christopher G.	9,638.17		9,638.17	9,638.17
Santiago, Edwin B.	50.00		50.00	50.00
Santiago, Genine	1,130.00		1,130.00	1,130.00
Santillan, Vivian M.	190.00		190.00	190.00
Santos, Arwind	49,990.00		49,990.00	49,990.00
Santos, Carmelita C.	(1,391.64)		(1,391.64)	(1,391.64)
Santos, Danilo B.	2,645.25		2,645.25	2,645.25
Santos, Dinia	251.25		251.25	251.25
Santos, Florentino I.	(1,788.00)		(1,788.00)	(1,788.00)
Santos, Glecerio	200.00		200.00	200.00
Santos, Jing	267.00		267.00	267.00
Santos, Mary Lord	5,000.00		5,000.00	5,000.00
Santos, Michelle R.	574.56		574.56	574.56
Santuile, Aida M.	8,000.00		8,000.00	8,000.00
Sapitula, Preciosa S.	1,586.57		1,586.57	1,586.57
Sarita, Larry	50.00		50.00	50.00
Sarmiento, Lina Q.	7,325.77	1,634.15	5,691.62	5,691.62
Sauco, Carlos P.	5,206.14		5,206.14	5,206.14
Sayco, Marjorie	206.50		206.50	206.50
Sido, Ma. Victoria P.	6,125.80	6,000.00	125.80	125.80
Sin, Glenda S.	7,060.00		7,060.00	7,060.00
Sinang, Rolando R.	7,263.50		7,263.50	7,263.50
Sincioco, Mary Ann	207.50		207.50	207.50
Siongco, Ma. Teresita	2,000.00		2,000.00	2,000.00
Sioson, Annabelle P.	60.00		60.00	60.00
Sioson, Yolanda J.	57,480.00		57,480.00	57,480.00
Soliman, Norma P.	7,060.00		7,060.00	7,060.00
Sopoco, Anna Marie M.	1,890.00		1,890.00	1,890.00
Soria, Eulegio E.	1,000.00		1,000.00	1,000.00
Soronel, Rolando A.	1,175.00		1,175.00	1,175.00
Sta. Ana, Noemi V.	311.00		311.00	311.00

Tabaloc, Edgardo U. Jr.	51.58				51.58	51.58
Tabaniag, Flordeliza	63.75				63.75	63.75
Tablizo, Anne Margareth	206.50				206.50	206.50
Tagle, Susan M.	5,051.41				5,051.41	5,051.41
Tamay, Shariff M.	5,000.00				5,000.00	5,000.00
Tamayao, Olivia E.	4,996.60				4,996.60	4,996.60
Tan, Carolina M. - PMSI	7,060.00				7,060.00	7,060.00
Tan, Cedrick - PMSI	(4,875.00)				(4,875.00)	(4,875.00)
Tan, Derrick - PMSI	15,187.00				15,187.00	15,187.00
Tan, Mary Joyce P. - PMSI	7,060.00				7,060.00	7,060.00
Tan, Ryanne	117.50				117.50	117.50
Tapalgo, Elyn M. Jr.	(2,657.50)				(2,657.50)	(2,657.50)
Tapit, Neila E.	(672.00)				(672.00)	(672.00)
Tecson, Rhenalyn	311.00				311.00	311.00
Teoxon, Lucio	379.82				379.82	379.82
Tibayan, Florencia C.	305.00				305.00	305.00
Tiburcio, Jaime, Jr.	2,007.50				2,007.50	2,007.50
Timbugan, Josefina - PMSI	7,060.00	7,060.00		7,060.00	-	7,060.00
Tingcungco, Elizabeth G.	259.02				259.02	259.02
Tirazona, Renato A.	1,989.92	3.00		3.00	1,989.92	1,992.92
Tiu, Michael	200.00				200.00	200.00
Togado, Illumar I.	5,250.00			1,250.00	4,000.00	4,000.00
Tomas, Eden A.	943.00				943.00	943.00
Torres, Irma R.	(300.00)				(300.00)	(300.00)
Torres, Maruja T.	206.50				206.50	206.50
Trinidad, Alfredo D.	329.07				329.07	329.07
Trinidad, Josefina	170.00				170.00	170.00
Tuazon, Nino M.	356.25				356.25	356.25
Unidad, Kim Ryan	100.00				100.00	100.00
Ureta, Peter	9,397.10				9,397.10	9,397.10
Usita, Laarni P.	23,069.00				23,069.00	23,069.00
Utzurrun, Jonathan B.	7,178.00				7,178.00	7,178.00
Uy, Moira B.	4,000.00				4,000.00	4,000.00
Uyson, Leslie Marie C.	15,372.00				15,372.00	15,372.00
Valdez, Ferdinand	1,000.00				1,000.00	1,000.00
Valdez, Gloria	1,237.50				1,237.50	1,237.50
Valencia, Jean Pauline S.	(5,198.00)				(5,198.00)	(5,198.00)
Valencia, Ma. Theresa L.	3,195.00			2,665.00	530.00	530.00
Valencia, Venancio	300.00				300.00	300.00
Valente, Jovito S.	(2,659.60)				(2,659.60)	(2,659.60)
Valenzuela, Edwin E.	300.00				300.00	300.00
Vallo, Mary Rose C.	175.00				175.00	175.00
Valmonte, Alejandra Monica	205.25				205.25	205.25
Varilla, Edglyn G.	5,140.61				5,140.61	5,140.61
Vega, Jose Mario D.	300.00				300.00	300.00
Velasco, Antonio Y.	650.10				650.10	650.10
Vera, Antonio	25,813.45			25,813.42	0.03	0.03
Vera, Jose Rizalito c.	(5,400.00)				(5,400.00)	(5,400.00)
Vera, Sebastian	(2,300.00)				(2,300.00)	(2,300.00)
Verances, Ma. Laline V.	(841.50)				(841.50)	(841.50)
Vergara, Flocerfida - PMSI	(35,220.00)				(35,220.00)	(35,220.00)
Vergara, Melchor - PMSI	(7,060.00)				(7,060.00)	(7,060.00)
Vergara, Oliver Francis - PMSI	(7,060.00)				(7,060.00)	(7,060.00)
Vergara, Regidor - PMSI	(7,060.00)				(7,060.00)	(7,060.00)
Vergara, Romeo - PMSI	21,180.00				21,180.00	21,180.00
Verzosa, Bobby	100.00				100.00	100.00
Vibar, Enrico B.	7,200.00				7,200.00	7,200.00
Vicera, Desmond M.	200.00				200.00	200.00

Victoria, Michael S.	(640.00)				(640.00)	(640.00)
Villaceran, Eugenio V.	(18,230.98)				(18,230.98)	(18,230.98)
Villamiel, Carminda	(29,288.90)				(29,288.90)	(29,288.90)
Villanueva, Ace R.	26.98				26.98	26.98
Villanueva, Jerome	400.00				400.00	400.00
Villanueva, Jonas V.	(13,073.00)				(13,073.00)	(13,073.00)
Villanueva, Ma. Concepcion	5,330.00		330.00		5,000.00	5,000.00
Villapando, Marimel A.	200.00				200.00	200.00
Villar, Gerald	7,060.00				7,060.00	7,060.00
Vinluan, Lourdes R.	41,328.00		42,000.00	(672.00)	-	(672.00)
Vivas, Cherry Mae	300.00				300.00	300.00
Woolsey, Nida B.	268.00	10.00		10.00	268.00	278.00
Yabis, Geraldine	97.50				97.50	97.50
Yang, Gloria	45,000.00				45,000.00	45,000.00
Yanzon, Gina	500.00				500.00	500.00
Yap, Caridad P.	(4,841.00)				(4,841.00)	(4,841.00)
Yatco, Ma. Carmen S.	29,320.00				29,320.00	29,320.00
Zaldivar, Felicia P.	(672.00)				(672.00)	(672.00)
Zaldivar, Ramil P.	5,000.00				5,000.00	5,000.00
Zara, Marc Vincez R.	2,500.00				2,500.00	2,500.00
Zulueta, Michael R.	7,000.00				7,000.00	7,000.00
	4,830,040.90	84,829.38	2,023,033.70	(15,194.39)	2,907,030.97	2,891,836.58
FACULTY ADVANCES						
Agoncillo, Divina Gracia O.	1,986.94					1,986.94
Aguilos, Susan S.	2,983.13					2,983.13
Alona, Elizabeth V.	(5,295.67)					(5,295.67)
Altares, Priscilla S.	(37.62)					(37.62)
Anastacio, Nanette v.	(5,295.67)					(5,295.67)
Ansano, Bela R.	11,590.42					11,590.42
Austria, Rex S.	(2,160.00)					(2,160.00)
Avengoza, Rosalie J.	(6,518.64)					(6,518.64)
Badiola, Jose Luisito V.	(0.52)					(0.52)
Bautista, Mary Grace S.	(5,295.67)					(5,295.67)
Cano, Charito F.	847.27					847.27
Castro, Lawrence Christopher	1,765.22					1,765.22
Cruz, Sandra Lyn E.	44,290.05					44,290.05
Dimalibot, Martina Geraldine Q.	1,926.98					1,926.98
Estacio, Ma. Vivian G.	3,832.70					3,832.70
Gariguez, Mariflor N.	10,591.34					10,591.34
Garin, May C.	5,534.22					5,534.22
Isip, Amando F.	(1,323.91)					(1,323.91)
Javier, Nancy Joan M.	5,295.67					5,295.67
Jose, Franco C.	(6,619.59)					(6,619.59)
Malay, Ernesto B.	20,910.00					20,910.00
Martinez, Zenaida S.	(7,943.50)					(7,943.50)
Minas, Geraldine C.	(3,150.00)					(3,150.00)
Narciso, Wilfrida B.	5,295.67					5,295.67
Nau, Elizabeth S.	(50.00)					(50.00)
Pacot, Marilou M.	(7,943.50)					(7,943.50)
Permalino, Albert Emmanuel S.	7,060.89					7,060.89
Sagarino, Gavino N.	(5,295.67)					(5,295.67)
Salcedo, Liezel Donatila M	17,190.24					17,190.24
Salonga, Ma. Elena A.	147.16					147.16
Salunga, Loida P.	14,960.54					14,960.54
Salvado, Rowena E.	22,160.26					22,160.26
Santos, Buenvenida	3,971.75					3,971.75

[illegible]

APRIL 2008 - MARCH 2009

JANUARY 2008- C/A

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Abelardo, Luzviminda	9,404.00	40,484.38	33,888.38	16,000.00	16,000.00
Abella, Bernard	(5.68)	24.78	15.22	3.88	3.88
Abellera, Evelyn C.		6,186.20	5,593.10	593.10	593.10
Abello, Susan B.		6,119.00	5,003.00	-	1,116.00
Acosta, Marizon Isabel R.		400.00	600.00	-	(200.00)
Adil, Mary Antoinette		200.00		200.00	200.00
Advincula, Helen D.		20,250.00	250.00	20,000.00	20,000.00
Aguila, Fitzgerald		11,000.00		-	11,000.00
Ahmadzadeh, Teresita	16.00	15,521.25	14,826.63	-	710.62
Alabarca, Wilma J.		8,167.50	5,017.50	-	3,150.00
Alagao, Ma. Cristina T.		1,844.25	1,660.57	-	183.68
Alarde, Crispulo, Jr.	18,962.50	74,905.25	93,207.75	-	660.00
Albano, Allan Rey	4,000.00				4,000.00
Alcoberes, Philip Jay N.	170.00	10,850.25	12,020.25	-	(1,000.00)
Alcoriza, Jennifer M.			600.00	-	(600.00)
Alimuin, Sylvia A.	1,444.75	16,700.25	16,794.88	-	1,350.12
Amlog, Jocelyn		300.00	200.00	-	100.00
Anido, Cecilia I.	500.05	7,473.00	3,586.38	-	4,386.67
An Lim, Jaime L.	115,649.75	45,060.00	41,209.75	19,500.00	119,500.00
Anonuevo, Monica L.	300.00	14,175.42	10,075.42	-	4,400.00
Apostol, Esther S.		787.50	975.00	-	(187.50)
Arabia, Julieta S.	9,934.00	76,459.80	69,763.90	-	16,629.90
Areola, Vina		15,200.00	7,500.00	-	7,700.00
Arquiza, Glenda		150,624.00	77,624.00	-	73,000.00
Arriola, Eric John C.		10,000.00	10,200.00	-	(200.00)
Artezuella, Marilou		39,414.00	414.00	-	39,000.00
Artus, Liezel C.	200.00	650.00	997.50	(147.50)	(147.50)
Atanacio, Heidi C.		31,328.00	14,664.00	-	16,664.00
Atanque, Aurora L.	82.00	79,403.80	64,696.40	-	14,789.40
Ayson, Rosalino P.	5,042.50	17,342.38	12,357.25	-	10,027.63
Ayson, Rozsano V.		14,865.00	13,378.50	-	1,486.50
Baccay, Yolanda A.	1,650.00	49,838.53	31,488.53	-	20,000.00
Badiola, Jose Luisito V.		200.00		-	200.00
Balaoro, Maria Theresa	200.00	7,885.00	8,285.00	-	(200.00)
Balarosan, Edna G.		21,580.00	19,386.66	-	2,193.34
Balita, Paulita C.	16,463.19	183,021.40	164,775.86	-	34,708.73
Bantayan, Maria Emilia R.		10,000.00	1,650.00	-	8,350.00
Baquiran, Leonidez		200.00		-	200.00
Barroga, Junalyn	145.00				145.00
Bartolome, Liezel M.		27,378.00	24,902.40	-	2,475.60
Batan, Ericson S.		10,991.60	9,475.00	-	1,516.60
Batang, Delia S.		37,578.00	27,578.00	-	10,000.00
Batoon, Allen		850.00		-	850.00
Bautista, Danilo B.	772.50	7,200.00	3,472.50	-	4,500.00
Belardo, Amy G.		26,666.00	24,916.00	-	1,750.00
Belaya, Vina Grace C.			1,862.40	-	(1,862.40)
Belleza, Asuncion L.	15,000.00	35,000.00	9,189.00	-	40,811.00
Beltran, Edna M.		25,214.08	17,714.08	-	7,500.00
Belza, Mercedes A.	998.00	85,073.80	71,488.00	-	14,583.80
Bernardo, Rodrigo G.	8,389.25	75,412.00	62,389.25	-	21,412.00
Bingculado, Roger B.	2,500.00	34,000.00	34,000.00	-	2,500.00
Bontigao, Eli N.	1,200.00	9,856.00	9,056.00	-	2,000.00

Borja, Sofriano A.	7,000.00	15,000.00	11,250.00	-	10,750.00
Brigino, Frederick L.		800.00	825.00	-	(25.00)
Brillon, Cherish Aileen A.	31.00	23,800.00	23,856.00	-	(25.00)
Bueno, Marivie	370.75			-	370.75
Buot, Joseph		600.00		-	600.00
Bustamante, Maria Christine H.	10,000.00	6,800.00	16,200.00	-	600.00
Butcon, Vincent Edward R.		800.00	825.00	-	(25.00)
Cabaltica, Leilani A.	4,000.00	146,580.00	93,193.33	-	57,386.67
Cabasada, Albert R. III		7.00	12,307.00	-	(12,300.00)
Cabebe, Lolita D.	65.00	791.00	921.00	-	(65.00)
Cabito, Gerardo P.		17,000.00	6,200.00	-	10,800.00
Cajucom, Cherry H.	2,979.34	11,580.00	10,172.67	-	4,386.67
Cajucom, Marie Christine B.		850.00		-	850.00
Calub, May Virginia Blesilda		200.00		-	200.00
Camaclang, Merlita J.	749.00	12,890.86	7,070.24	-	6,569.62
Camana, Love V.		17,760.00	15,085.00	-	2,675.00
Canare, Sabino C.			375.00	-	(375.00)
Cando, Cromwell N.		20,000.00	16,000.00	-	4,000.00
Canilao, Fe V.		506,704.00	402,317.33	-	104,386.67
Canoza, Geraldine E.		48,661.30	46,780.30	-	1,881.00
Capacio, Glenn		50,000.00	55,000.00	-	(5,000.00)
Capili, Regina R.	2,533.50	4,616.75	7,568.38	-	(418.13)
Caranguian, Reynaldo G.		9,836.00	37.00	-	9,799.00
Carlos, Salome S.	1,170.00	950.00	2,970.00	-	(850.00)
Carpio, Rustica		1,788.00		-	1,788.00
Casacang, Editha U.	65.00	17,244.01	15,133.35	-	2,175.66
Castillo, Carolina		45,000.00	21,000.00	-	24,000.00
Castro, Bryan M.		2,472.00	1,800.00	-	672.00
Castro, Joeven R.		23,124.25	17,965.46	-	5,158.79
Castronuevo, Elaine P.		15,028.50	13,778.50	-	1,250.00
Casuco, Leonida S.	180.00	28,614.40	43,408.80	-	(14,614.40)
Cauba, Harvey A		200.00		-	200.00
Cayetano, Lovella M.		36,813.25	30,813.25	-	6,000.00
Chastein, Cherry R.		61,500.00	51,500.00	-	10,000.00
Cinco, Concepcion R.		10,025.00	25.00	-	10,000.00
Cinco, Estrella J.		10,356.65	12,456.65	-	(2,100.00)
Ciubal, Willie Y.		10,054.00	6,904.00	-	3,150.00
Civil, Jerwin John Y.		14,000.00	15,933.20	-	(1,933.20)
Clerigo, Bernard A.		11,538.00	9,786.00	-	1,752.00
Contreras, Jelina Joy S.		39,200.00	200.00	-	39,000.00
Copiaco, Ross Joseph B.	2,979.34	6,580.00	5,222.67	-	4,336.67
Cortez, Lina			88.76	(88.76)	(88.76)
Cruz, Benjamin F.	25,000.00	105,000.00	100,000.00	-	30,000.00
Cruz, Noel L.	26,433.91		6,000.00	-	20,433.91
Cruz, Reynaldo J.		167.15	167.00	-	0.15
Cuevas, Romeo C.		1,459.72	1,459.00	-	0.72
Cunanan, Manuel Luis		154,000.00		-	154,000.00
Dacayanan, Marites G.		6,889.00	7,126.04	-	(237.04)
Daguman, Ian		650.00		-	650.00
Davalos, Zenaida R.	800.00	548.00	1,098.00	-	250.00
David, Melvira C.		15,037.00	15,372.00	-	(335.00)
Decena, May Celine		272.00		-	272.00
Destura, Blanca	2,618.25	13,628.50	5497.17	-	10,749.58
Diaz, Joel		850.00		-	850.00
Dimalibot, Ma. Martina Geraldine		200.00		-	200.00
Dingding, Quintin P.	120.00	44,521.50	20,641.50	-	24,000.00
Dios, Rolando Gerald		200.00		-	200.00
Dizon, Kenneth Earl I.		400.00	200.00	-	200.00

Dizon, Riza R.		100.00	200.00	-	(100.00)
Dominguez, Rex S.	4,992.00	81,307.07	61,959.41	-	24,339.66
Dones, Irene P.		38,226.00	10,826.00	-	27,400.00
Ducut, Mirela G.		48,714.45	11,549.85	-	37,164.60
Dulay, Sofronio A. Jr.		48,450.00	29,250.00	-	19,200.00
Echaz, Lydia B.		50,000.00		-	50,000.00
Eleazar, Glenda C.	17,625.00	41,580.00	24,818.33	-	34,386.67
Enriquez, Rex Cezar P.		837.50	1,037.50	-	(200.00)
Ermitano, Nolivienne C.		650.00	887.50	-	(237.50)
Escleto, Wilberto		10,800.00	10,825.00	-	(25.00)
Escosia, Aurora A.	2,257.95	46,582.30	42,971.19	-	5,869.06
Esguerra, Anna Leah R.		200.00		-	200.00
Espiritu, Elizabeth O.		2,380.00	842.66	-	1,537.34
Estacio, Ma. Vivian G.		68,269.00	54,495.67	-	13,773.33
Estrella, Luisito P.	5,000.00	26,352.00	25,652.00	-	5,700.00
Evangelista, Rey M.	250.00	70,099.37	42,040.18	-	28,309.19
Faustino, Jose V.	18,173.86	102,087.65	107,152.32	-	13,109.19
Ferarez, Rimar	250.00			-	250.00
Fernando, Gerry V.		21,096.98	1,096.98	-	20,000.00
Flora, Dolores	12,750.00	15,171.00	17,146.67	-	10,774.33
Flores, Cecilia D.		100.00		-	100.00
Flores, Miguela T.		76,000.00	32,666.67	-	43,333.33
Frades, Francisca B.	169.00	58,292.00	20,979.00	-	37,482.00
Fronza, Adelaida C.		5,044.00	6,044.00	-	(1,000.00)
Galang, Lemery N.		5,477.00	5,000.00	-	477.00
Galicia, Reynaldo M.	200.00	30,426.00	23,484.00	-	7,142.00
Galo, Crispin L.	20,742.58	1,800.00	22,542.25	-	0.33
Garcia, Dolores A.		100.00		-	100.00
Garcia, Miriam		10,845.75	1,807.63	-	9,038.12
Garcia, Severino M.		200,000.00	133,336.00	-	66,664.00
Garin, May C.		15,011.75	30,011.77	-	(15,000.02)
Gella, Delia D.		200.00		-	200.00
Gella, Frederick S.		25,122.75	27,122.85	-	(2,000.10)
Gemzon, Elena F.	464.50	5,483.00	2,292.17	-	3,655.33
Gervacio, Ma. Cristina SJ.	240.00	5,328.00	5,808.00	-	(240.00)
Gilera, Enrico G.		213,790.15	145,474.41	-	68,315.74
Golloso, Helen E.		14,745.50	10,245.51	-	4,499.99
Gomez, Rhia A.		1,000.00	1,025.00	-	(25.00)
Grasparil, James Andrew		35,004.39	36,579.39	-	(1,575.00)
Guarin, Ellen G.		400.00		-	400.00
Gubio, James B.		16,477.00	14,077.00	-	2,400.00
Guevarra, Dorvin H.	9,163.71	5,775.00	11,545.91	-	3,392.80
Guevarra, Ma. Theresa M.	425.00	104.00	954.00	-	(425.00)
Gurrea, Ruby		1,214.00	1,014.00	-	200.00
Gusi, Rechilda D.	310.00	1,746.55	1,235.15	-	821.40
Gutierrez, Maria Myrel M.		15,000.00	7,500.00	-	7,500.00
Hernandez, Jan Joseph S.		5,957.25	4,770.80	-	1,186.45
Hilario, Gilbert P.		10,991.60	9,474.80	-	1,516.80
Hilario, Jose S.		1,466.93	1,466.50	-	0.43
Ignacio, Lourdes D.	54,000.00	37,534.24	60,542.67	-	30,991.57
Iguas, Jose A.	190.00	55,370.33	44,452.63	-	11,107.70
Inciong, Cherry Wyne		15,551.00	15,074.00	-	477.00
Indico, Julie Ann	348.50	2,776.96	2,776.96	-	348.50
Isidro, Teresita L.		15,780.50	11,539.50	-	4,241.00
Israel, Marietta C.	5,573.40	26,138.42	13,209.90	-	18,501.92
Jamon, Romano M.		400.00	200.00	-	200.00
Jarlos, Anna Liza		10,483.00	6,827.67	-	3,655.33
Javier, Mary Jacquielou		200.00		-	200.00

Jayme, Fatima Winniclaré Q.	31.25	20,450.00	481.25	-	20,000.00
Jerusalem, Violeta L.	70,502.00	196,789.76	221,554.48	-	45,737.28
Jesus, Angelita SD.	502.50	10,436.00	6,551.83	-	4,386.67
Jose, Angelina P.		341,383.87		-	341,383.87
Kenny Isabel		50,000.00		-	50,000.00
Kuan, Robert		543,032.13		-	543,032.13
Labartine, Elvira C.		10,250.00	7,750.00	-	2,500.00
Lacsamana, Recuerdo G.		12,000.00	9,750.00	-	2,250.00
Lakian, Teodosio		21,706.63	23,356.63	-	(1,650.00)
Lamorena, Juditha M.	120.00	127,000.00	85,120.00	-	42,000.00
Lansang, Brenda		6,050.00	5,400.00	-	650.00
Lapastora, Milagros	574.95	48,371.75	42,281.70	-	6,665.00
Lauro, Jocelyn P.		68,199.00	58,400.00	-	9,799.00
Lazaro, Maria Teresita A.	14,274.00	72,518.94	66,033.45	-	20,759.49
Lee, Nestor	260.00	20,473.31	16,346.64	-	4,386.67
Leon, Emma Rose H.		61,381.00	57,640.00	-	3,741.00
Leon, Jocelyn E.	7,881.75	6,707.00	12,395.41	-	2,193.34
Leonin, Clarito	200.00			-	200.00
Lepón, Ma. Luisa M.	6,000.00	13,023.75	18,773.75	-	250.00
Letrero, Bernard		14,325.00	12,775.00	-	1,550.00
Liggayu, Michael	750.00	250.00	750.00	-	250.00
Lim, Royce Randall		200.00		-	200.00
Limon, Miguel Antonio P.	350.00	3,391.88	3,641.88	-	100.00
Lindo, Alicia C.	3,952.50	45,748.80	34,077.30	-	15,624.00
Lluz, Samarlita N.		7,378.75	6,189.38	-	1,189.37
Lopez, Anastacio L.	454.00	10,000.00	6,954.00	-	3,500.00
Lopez, Antonio C.	33,000.00	16,988.91	23,744.29	-	26,244.62
Lopez, Jomelyn G.		17,000.00	10,200.00	-	6,800.00
Lopez, Ricardo S.	1,251.50	37,279.80	22,639.50	-	15,891.80
Loyola, Voltaire		72.00		-	72.00
Lumacad, Fernando B.	380.00	32,939.00	65,858.00	-	(32,539.00)
Luyun, Teofilo P. Jr.		27,315.00	18,868.06	-	8,446.94
Mabborang, Mishel T.		200.00		-	200.00
Macapagal, Arnualdo B.	598.50	172,850.00	127,498.00	-	45,950.50
Macasaet, Grace Minerva		16,738.00	15,694.00	-	1,044.00
Maclang, Edwin V.		5,477.00	5,000.00	-	477.00
Madria, Emenvenciano		650.00		-	650.00
Madriaga, Joventina D.		6,138.00	1,188.00	-	4,950.00
Mahilum, Rosalinda S.		1,066.70	866.70	-	200.00
Maliwat, Herminia I.	3,277.00	117,436.63	8,568.32	-	112,145.31
Manalansan, Paolo F.		19,546.00	13,296.00	-	6,250.00
Manguerra, Laarni C.		32,000.00	31,000.00	-	1,000.00
Manuel, Cynthia DR.		14,750.00	11,416.66	-	3,333.34
Marcelo, Gerry A.		19,236.00	14,849.33	-	4,386.67
Marcial, Johnny O.		63,156.60	46,026.13	-	17,130.47
Marcial, Maridel S.	5,311.00	34,838.00	25,704.49	-	14,444.51
Maristela, Teresita	215.00			-	215.00
Mazo, Flaviano S.	6,731.77	24,000.00	20,950.00	-	9,781.77
Mazo, Reynaldo jr. S.		19,000.00	9,500.00	-	9,500.00
Medina, Buenaventura Jr.	1,050.00			-	1,050.00
Medina, Joy E.		11,151.00	10,551.00	-	600.00
Melano, Petronio A.		14,506.00	8,665.20	-	5,840.80
Mendoza, Cecilia H.		200.00		-	200.00
Mendoza, Ferdinand M.		20,080.00	18,813.34	-	1,266.66
Mendoza, Norberto M.		20,400.00	20,500.00	-	(100.00)
Menez, Karren G.	2,607.50	41,842.40	38,449.90	-	6,000.00
Mesina, Karen T.		56,844.00	60,844.00	-	(4,000.00)
Mitra, Melvin P.	1,290.00	875.00	1,612.65	-	552.35

Molina, Mark Oliver P.		9,830.00	3,250.00	-	6,580.00
Monfero, Rowena A.		12,847.25	6,847.25	-	6,000.00
Montano, Moses M.		5,441.67	4,500.00	-	941.67
Montinola, Aurelio R. III		274,838.73		-	274,838.73
Montinola, Gianna R.		387,795.94		-	387,795.94
Montinola, Lourdes R.		1,800,488.76		-	1,800,488.76
Morilla, Toriana A.		850.00		-	850.00
Mostajo, Esmeralda D.	10.00	28,404.50	16,414.50	-	12,000.00
Nagal, Glenn Z.		298,190.00	298,189.67	-	0.33
Nagtalon, Leo Angelo	640.00				640.00
Najjar, Mary Chastine T.		10,815.50	7,684.70	-	3,130.80
Nau, Elizabeth S.		5,384.75	5,478.50	-	(93.75)
Navarro, Lilibeth C.		200.00		-	200.00
Nebril, Jonathan A.		12,400.00	7,400.00	-	5,000.00
Nicdao, Lazaro B.		11,228.16	2,469.36	-	8,758.80
Nicer, Joselito C.	2,655.00	59,238.70	39,620.98	-	22,272.72
Nicolas, Crispinita		6,393.81	6,203.81	-	190.00
Nieto, Rowena H.	180.00	672.00	628.00	-	224.00
Nob, Rene M.		20,000.00	21,800.00	-	(1,800.00)
Noriega, Mariwilda	7,525.30	80,642.95	76,551.49	-	11,616.76
Noveno, Ruena O.		30,200.00	30,400.00	-	(200.00)
Nuestro, Sarah A.		666.70	516.70	-	150.00
Nulla, Mila R.	35,365.76	52,844.00	44,352.76	-	43,857.00
Oaferina, Gemmalyn A.		10,721.00	11,721.04	-	(1,000.04)
Ocampo, Dhean R.	11,783.34	5,000.00	16,833.40	(50.00)	(50.06)
Odon, Luke Mark	45.00		90.00	-	(45.00)
Oliver, Michael	30,000.00		14,310.24		15,689.76
Ondevilla, Miel Kristian		9,100.00	4,600.00	-	4,500.00
Orias, Ronito B.		4,000.00		-	4,000.00
Orolfo, Teodora C.	1,276.50	57,500.00	47,592.50	-	11,184.00
Ortiz, Jose R.		59.38		-	59.38
Ortiz, Milixa Lourdes B.	170.00	16,900.00	17,129.38	-	(59.38)
Pacquing, Elizabeth P.	694.50	26,713.34	23,021.17	-	4,386.67
Padilla, Leo A.	348.50				348.50
Paguibitan, Rebecca V.		850.00	1,500.00	-	(650.00)
Paguio, Ernesto B.	290.00	51,972.00	51,590.00	-	672.00
Pahutan, Ludivinia M.		9,882.30	10,882.30	-	(1,000.00)
Pal, Salvacion A.	930.00	10,000.00	930.00	-	10,000.00
Palaje, Joseph M.	200.00	400.00	200.00	-	400.00
Palencia, Marjueve M.		14,391.00	15,391.00	-	(1,000.00)
Palenzuela, Delia S.	19,200.00	526.75	19,200.00	-	526.75
Palis, Fernando F.	770.05	7,500.00	6,020.05	-	2,250.00
Pangilinan, Genice R.	10,023.50	35,672.00	27,471.50	-	18,224.00
Pantas, Felix L. Jr.	4,063.00	13,350.00	11,920.99	-	5,492.01
Panzo, Salome V.		1,087.50	362.50	-	725.00
Paras, Renato		107,817.84		-	107,817.84
Pascua, Jennifer J.		5,300.00	650.00	-	4,650.00
Pascual, Danilo S.		10,825.00	1,650.00	-	9,175.00
Pataunia, Ma. Cecilia C.	200.00		1,783.50	-	(1,583.50)
Paulino, Oscar E.	200.00	92,005.25	22,725.44	-	69,479.81
Paz, Rosalinda Z.	2,979.34	34,871.50	24,690.84	-	13,160.00
Pening, Teodoro		12,786.50	2,131.08	-	10,655.42
Perez, Hector	7,820.00	41,700.00	47,353.34	-	2,166.66
Perez, Winnie E.	50.00	29.00	129.00	-	(50.00)
Pineda, Rodolfo G.	400.00	24,378.34	25,433.59	-	(655.25)
Pizaro, Arthur P.		9,000.00	4,500.00	-	4,500.00
Polido, Angelita E.		42,922.34	40,969.54	-	1,952.80
Ponsaran, Levy C.		12,250.00	10,750.00	-	1,500.00

Presas, Heinrich G.		10,650.00	13,150.00	-	(2,500.00)
Prudencio, Philip I.	5,000.00	32,445.75	36,927.88	-	517.87
Rada, Nedi P.		30,224.00	25,224.00	-	5,000.00
Ragasa, Samuel M.		45,050.05	37,040.08	-	8,009.97
Ramisan, Georgie R.,		216.70	316.70	-	(100.00)
Ramones, Marigrace M.	33,367.00	1,625.00	36,335.66	-	(1,343.66)
Ramos, Bernadette		39,000.00		-	39,000.00
Ramos, Henry C.		29,087.50	20,087.50	-	9,000.00
Ramos, Norberto M.	100.00	250.00	250.00	-	100.00
Rapirap, Raquel T.		107,140.00	48,003.33	-	59,136.67
Remiendo, Nora Liza A.	2,333.33	29,826.50	29,826.49	-	2,333.34
Resuello, Heidi	123.50	200.00	123.50	-	200.00
Reyes, Cecil G.		200.00		-	200.00
Reyes, Melodia S.		18,160.00	9,386.67	-	8,773.33
Reyes, Mercedes C.	4,050.75	35,646.30	22,660.45	-	17,036.60
Reyes, Richard R.	200.00	1,831.50	2,243.50	-	(212.00)
Reyes, Rosa M.		1,627.25	1,627.00	-	0.25
Rico, Edna S.A.		32,842.00	25,241.00	-	7,601.00
Rimano, Joy S.		7,831.50	5,341.50	-	2,490.00
Robinos, Josephine D.		1,492.00	1,037.50	-	454.50
Roque, Nelson Leo O.		64,147.02	49,147.02	-	15,000.00
Rosario, Enrico		450.00	150.00	-	300.00
Rosario, Warly Evelyn	4,400.25	19,134.75	13,246.04	-	10,288.96
Ruzol, Hipolito		850.00		-	850.00
Sabas, Angel Francisco	210.10	2,075.60	1,672.90	-	612.80
Salvador, Paulino	50.00			-	50.00
Sanchez, Leilani D.		575.00	558.30	-	16.70
San Pablo, Ma. Cecilia A.		4,077.00	4,479.25	-	(402.25)
Santos, Leonida	4,875.00	19,853.00	11,568.00	-	13,160.00
Sanvictores, Cielito S.		17,790.44	5,679.09	-	12,111.35
Saplala, Mariano F.		6,580.00	2,193.33	-	4,386.67
Sarabia, Julieta		78,277.16	56,109.75	-	22,167.41
Savella, Marilyn S.		975.00	600.00	-	375.00
Sayat, Carmelo D.		15,042.00	9,042.00	-	6,000.00
Sido, Ma. Victoria P.	1,200.00	7,107.50	1,717.50	-	6,590.00
Simo, Rickson Jay P.		200.00		-	200.00
Sinang, Rolando R.		24,040.00	22,040.00	-	2,000.00
Sison, Erlinda G.		13,935.70	8,070.93	-	5,864.77
Sison, Roger Amadeo	290.00	40,450.00	41,030.00	-	(290.00)
Sison, Wattedrudes M.		1,862.40		-	1,862.40
Songco, Dionisio L.		4,487.25	2,243.63	-	2,243.62
Soreta, Loida R.		27,000.00	22,700.00	-	4,300.00
Soriano, Carol Bongar	1,046.00	200.00		200.00	1,246.00
Soriano, Myla Grace	200.00				200.00
Sta.Cruz, Cinderella A.		62,581.40	66,781.40	-	(4,200.00)
Sta. Maria, Amelia M.		5,750.00	750.00	-	5,000.00
Sta.Maria, Hipolito M.		42,000.00	29,400.00	-	12,600.00
Suba, Sally Chua		90,907.54	38,240.89	-	52,666.65
Tagle, Susan H.	3,837.55	207,325.21	180,962.74	-	30,200.02
Talampas, Ma. Cristina J.	3,434.25	60,000.00	35,616.05	-	27,818.20
Tamondong, Ivy	200.00				200.00
Tampol, Eduardo	220.00				220.00
Tan, Paulino		50,000.00		-	50,000.00
Tapalgo, Elyn M.		6,770.00	6,180.00	-	590.00
Tapit, Neila E.		51,140.00	45,060.00	-	6,080.00
Taragua, Alma Trinidad R.	300.00	116,314.86	112,414.86	-	4,200.00
Taruc, Pancho V.		1,673.32	1,489.98	-	183.34
Tecson, Wilfrido		50,000.00		-	50,000.00

Timogan, Raymundo P.	17,300.00	37,789.55	46,098.26	-	8,991.29
Tirazona, Renato L.	10,005.00	41,812.25	39,805.17	-	12,012.08
Tizon, Dolores J.		17,455.00	15,261.66	-	2,193.34
Togado, Illumar		13,252.05	11,252.05	-	2,000.00
Tolentino, Honey Chile		61,802.44	44,374.75	-	17,427.69
Torres, Maruja		414.00		-	414.00
Trinidad, Aristotle R.		400.00	200.00	-	200.00
Umpad, Mara		120,000.00	72,000.00	-	48,000.00
Urquico, Ma. Luisa	666.00			-	666.00
Valderrama, Ruth D.		22,811.75	21,400.88	-	1,410.87
Valeza, Ariel R.		19,100.00	14,100.00	-	5,000.00
Vallo, Mary Rose C.		24,763.75	24,938.75	-	(175.00)
Vasquez, Vilma S.		15,374.00	12,224.00	-	3,150.00
Velasco, Maria Luisa R.		200.00		-	200.00
Velasquez, Damian D.		41,000.00	45,100.00	-	(4,100.00)
Velasquez, Ma. Charisma B.		30,999.80	29,999.80	-	1,000.00
Velasquez, Willyn V.		5,253.50	1,253.50	-	4,000.00
Vera, Alpher	10,200.00	35,523.60	35,723.60		10,000.00
Vera, Brenda		10,100.00	100.00	-	10,000.00
Vera, Michael R.		21,785.89	16,785.89	-	5,000.00
Vergara, Febes		200.00		-	200.00
Vicera, Reynante P.		20,000.00	21,300.00	(1,300.00)	(1,300.00)
Victortia, Michael S.	5,958.67	20,455.50	17,640.84	8,773.33	8,773.33
Victoria, Wendelliza M.		6,426.80	24.00	6,402.80	6,402.80
Villanueva, Ruth		650.00		-	650.00
Villapando, Marimel A.		350.00	400.00	-	(50.00)
Villaroya, Robinson L.		20,000.00	24,000.00	-	(4,000.00)
Vinluan, Lourdes R.	2,371.90	9,790.75	10,209.31	-	1,953.34
Vinluan, Renato A.	5,225.00	350.00	700.00	-	4,875.00
Yap, Donato C.	200.00			-	200.00
Yatco, Maria Carmen		47,700.00	27,908.31	-	19,791.69
Ymas, Sergio S. Jr.		8,367.41	8,567.41	-	(200.00)
Ysla, Mark Salvador		5,000.00		-	5,000.00
Zaldivar, Felicia P.		63,460.45	59,338.11	-	4,122.34
Zape, Vida Edna C.	6,676.00	52,449.25	39,707.55	-	19,417.70
	<u>876,663.71</u>	<u>13,165,792.66</u>	<u>7,413,855.71</u>	<u>70,086.85</u>	<u>6,628,600.66</u>
					-
					-
Alvarez, Alfredo		4,000.00	2,000.00	-	2,000.00
Ampatin, Estrella V.	162,319.00	70,692.44	205,791.44	-	27,220.00
Cabasada, Albert R.	22,038.00	107,700.00	121,623.64	-	8,114.36
Faustino, Jose V.	14,360.00	224,701.73	185,820.00	-	53,241.73
Mendoza, Malaya		7,650.00		-	7,650.00
Molina, Mark Oliver P.	37,000.00	600,069.28	787,376.89	-	(150,307.61)
Quines, Dante P.		300.00		-	300.00
Rapirap, Raquel T.		66,380.00	69,352.00	-	(2,972.00)
Rosal, Josefina T.		3,000.00	2,000.00	-	1,000.00
Santos, Florentino I.	144,840.00	55,865.25	196,310.34	-	4,394.91
Sinang, Rolando	2,000.00	2,000.00	3,000.00	-	1,000.00
	<u>382,557.00</u>	<u>1,142,358.70</u>	<u>1,573,274.31</u>	<u>-</u>	<u>(48,358.61)</u>
					-
					-
TOTAL - 1131012	<u>1,259,220.71</u>	<u>14,308,151.36</u>	<u>8,987,130.02</u>	<u>70,086.85</u>	<u>6,580,242.05</u>

Item 7: **Financial Statements**

The Financial Statements including the applicable schedules listed in the accompanying index to financial statements and supplementary schedules are filed as part of this form I7 - A.

**INDEX TO THE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES**

FINANCIAL STATEMENTS	NO. OF PAGES
I. <u>PARENT CORPORATION FINANCIAL STATEMENTS</u>	
STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS	1
REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS	2
BALANCE SHEETS AS OF MARCH 31, 2009 and 2008	1
STATEMENTS OF INCOME FOR THE YEARS ENDED MARCH 31, 2009, 2008 and 2007	1
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE YEARS ENDED MARCH 31, 2009, 2008 and 2007	1
STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2009, 2008 AND 2007	1
SUPPLEMENTARY SCHEDULE	
NOTES TO FINANCIAL STATEMENTS	35
II. <u>CONSOLIDATED FINANCIAL STATEMENTS</u>	
STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS	1
REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS	2
BALANCE SHEETS AS OF MARCH 31, 2008 and 2007	2
STATEMENTS OF INCOME FOR THE YEARS ENDED MARCH 31, 2009, 2008 and 2007	1
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE YEARS ENDED MARCH 31, 2009, 2008 and 2007	1
STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2009, 2008 AND 2007	1
SUPPLEMENTARY SCHEDULE	
NOTES TO FINANCIAL STATEMENTS	41
INDEX TO SUPPLEMENTARY SCHEDULES	23
REPORT OF INDEPENDENT AUDITORS TO ACCOMPANY SEC SCHEDULES FILED SEPARATELY FROM THE BASIC FINANCIAL STATEMENTS	1

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The management of Far Eastern University, Inc. is responsible for all information and representations contained in the financial statements for the years ended March 31, 2008 and 2009. The financial statements have been prepared in conformity with financial reporting standards in the Philippines/Philippine Financial Reporting Standards and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition, and liabilities are recognized. The management likewise discloses to the University's audit committee and to its external auditor: (i) all significant deficiencies in the design or operation of internal controls that could adversely affect its ability to record, process and report financial data; (ii) material weaknesses in the internal controls; and (iii) any fraud that involves management or other employees who exercise significant roles in internal controls.

The Board of Trustees reviews the financial statements before such statements are approved and submitted to the stockholders of the company.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has examined the financial statements of the University in accordance with Philippine Standards on Auditing and has expressed its opinion on the fairness of presentation upon completion of such examination, in its report to the Board of Trustees and stockholders.


LOURDES R. MONTINOLA
Chair, Board of Trustees and
Chief Executive Officer


LYDIA B. ECHAUZ
President and
Chief Operating Officer


FE V. CANILAO
Chief Financial Officer

SUBSRIBED AND SWORN to before me this 13th day of July 2009, affiants exhibiting their Community Tax Certificates as follows:

<u>Name</u>	<u>CTC</u>	<u>Date/Place Issued</u>
Lourdes R. Montinola	12373997	1-20-09/Makati City
Lydia B. Echaüz	19036895	1-12-09/Manila
Fe V. Canilao	02245804	3-31-09/Manila

Doc. No. 1001
Page No. 108
Book No. 44
Series of 2009.


ATTY. ENRIQUE C. SILERA
NOTARY PUBLIC
UNTIL DECEMBER 2010
PTR NO. 763967, 01.07.09, MANILA
IBP NO. 769282, 01.07.09, PPLM



Punongbayan & Araullo

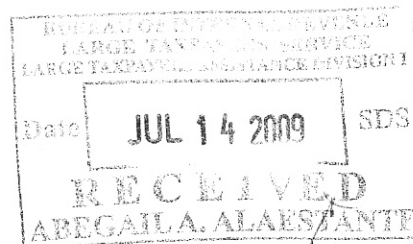
Member of Grant Thornton International Ltd

**Financial Statements and
Independent Auditors' Report**

Far Eastern University, Inc.

March 31, 2009

(With Comparative Figures for 2008 and 2007)



Report of Independent Auditors

20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T + 63 2 886-5511
F + 63 2 886-5506; +63-2 886-5507
www.punongbayan-araullo.com

The Board of Trustees
Far Eastern University, Inc.
Nicanor Reyes Sr. Street
Sampaloc, Manila

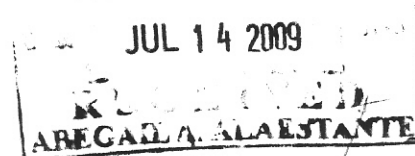
We have audited the accompanying financial statements of Far Eastern University, Inc., which comprise the balance sheet as at March 31, 2009, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to financial statements comprising of a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the 2009 financial statements present fairly, in all material respects, the financial position of Far Eastern University, Inc. as of March 31, 2009, and of its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards.

We have also audited the adjustments described in Note 18 that were applied to restate the 2007 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

Other Matter

The financial statements of Far Eastern University, Inc. as of and for the year ended March 31, 2008 were audited by other auditors whose report, dated July 14, 2008, expressed an unqualified opinion on those statements prior to restatement.

PUNONGBAYAN & ARAULLO

By:  Jessie C. Carpio
Partner

CPA Reg. No. 0057831

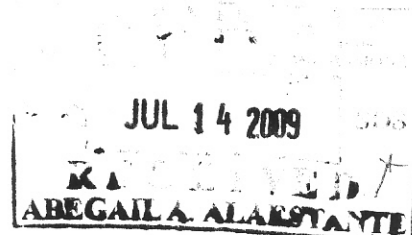
TIN 109-227-789

PTR No. 1566062, January 5, 2009, Makati City

SEC Accreditation No. 0011-AR-2

BIR AN 08-002511-6-2008 (Nov. 25, 2008 to 2011)

June 19, 2009



FAR EASTERN UNIVERSITY, INC.
BALANCE SHEET
MARCH 31, 2009
(With Comparative Figures for 2008)
(Amounts in Philippine Pesos)

	Notes	2009	2008 (As restated - see Note 18)
<u>A S S E T S</u>			
CURRENT ASSETS			
Cash and cash equivalents	4	P 1,180,261,852	P 1,224,663,998
Receivables - net	5	133,310,657	111,845,027
Available-for-sale investments	6	1,073,109,957	840,687,402
Held-to-maturity investments		20,000,000	-
Other current assets		37,201,826	51,528,274
Total Current Assets		2,443,884,292	2,228,724,701
NON-CURRENT ASSETS			
Due from a related party	17	100,000,000	100,000,000
Held-to-maturity investments		-	32,071,040
Investments in subsidiaries and an associate	7	96,313,489	88,941,889
Investment property - net	8	194,855,462	202,399,663
Property and equipment - net	9	601,011,101	491,142,241
Deferred tax assets - net	16	5,701,855	8,590,596
Other non-current assets		5,598,807	5,463,973
Total Non-current Assets		1,003,480,714	928,609,402
TOTAL ASSETS		P 3,447,365,006	P 3,157,334,103
<u>LIABILITIES AND EQUITY</u>			
CURRENT LIABILITIES			
Accounts payable and other liabilities	10	P 380,536,852	P 430,264,990
Unearned tuition fees	12	75,499,149	16,854,919
Income tax payable		43,616,798	48,792,628
Total Current Liabilities		499,652,799	495,912,537
NON-CURRENT LIABILITY			
Trust funds	11	58,490,642	76,162,222
Total Liabilities		558,143,441	572,074,759
EQUITY			
Capital stock	18	984,577,900	704,369,900
Treasury stock	18	(3,733,100)	(3,733,100)
Accumulated fair value gains (losses)	6	(9,533,437)	1,233,243
Retained earnings	18		
Appropriated		975,099,017	1,147,161,414
Unappropriated		942,811,185	736,227,887
Total Equity		2,889,221,565	2,585,259,344
TOTAL LIABILITIES AND EQUITY		P 3,447,365,006	P 3,157,334,103

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INC.
INCOME STATEMENT
FOR THE YEAR ENDED MARCH 31, 2009
(With Comparative Figures for 2008 and 2007)
(Amounts in Philippine Pesos)

	Notes	2009	2008 (As restated - see Note 18)	2007 (As restated - see Note 18)
EDUCATIONAL INCOME				
Tuition fees - net of discounts	12	P 1,611,808,467	P 1,580,683,033	P 1,565,968,902
Miscellaneous		<u>50,280,810</u>	<u>33,146,510</u>	<u>30,085,666</u>
		1,662,089,277	1,613,829,543	1,596,054,568
OPERATING EXPENSES	13	<u>1,164,729,736</u>	<u>1,076,741,499</u>	<u>1,042,752,573</u>
OPERATING INCOME		<u>497,359,541</u>	<u>537,088,044</u>	<u>553,301,995</u>
OTHER INCOME (CHARGES)				
Finance income	14	120,713,165	106,423,249	114,137,124
Finance costs	5	(17,581,234)	(22,198,760)	(16,390,811)
Rental	8	22,927,970	25,494,398	42,011,777
Miscellaneous	5	<u>18,754,107</u>	<u>21,884,819</u>	<u>(18,937,022)</u>
		<u>144,814,008</u>	<u>131,603,706</u>	<u>120,821,068</u>
INCOME BEFORE TAX		642,173,549	668,691,750	674,123,063
TAX EXPENSE	16	<u>75,175,688</u>	<u>75,785,747</u>	<u>70,596,011</u>
NET INCOME		<u>P 566,997,861</u>	<u>P 592,906,003</u>	<u>P 603,527,052</u>
Earnings Per Share	19	<u>P 67.44</u>	<u>P 84.62</u>	<u>P 103.37</u>

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2009
(With Comparative Figures for 2008 and 2007)
(Amounts in Philippine Pesos)

	Notes	2009	2008 (As restated - see Note 18)	2007 (As restated - see Note 18)
CAPITAL STOCK				
Balance at beginning of year	18	P 704,369,900	P 704,369,900	P 470,847,300
Issuance during the year		<u>280,208,000</u>	<u>-</u>	<u>233,522,600</u>
Balance at end of year		<u>984,577,900</u>	<u>704,369,900</u>	<u>704,369,900</u>
TREASURY STOCK - at cost (37,331 shares)	18	(3,733,100)	(3,733,100)	(3,733,100)
ACCUMULATED FAIR VALUE GAINS (LOSSES)				
Balance at beginning of year		1,233,243	5,461,069	(5,536,147)
Fair value gains (losses) for the year	6	(8,016,081)	1,286,340	5,428,886
Reclassification to profit and loss during the year		(2,750,599)	(5,514,166)	<u>5,568,330</u>
Balance at end of year		(9,533,437)	<u>1,233,243</u>	<u>5,461,069</u>
RETAINED EARNINGS				
Appropriated				
Balance at beginning of year	18	1,147,161,414	697,161,414	697,161,414
Appropriations for the year		-	450,000,000	-
Reversal of appropriations		(172,062,397)	<u>-</u>	<u>-</u>
Balance at end of year		<u>975,099,017</u>	<u>1,147,161,414</u>	<u>697,161,414</u>
Unappropriated				
Balance at beginning of year				
As previously reported		766,521,354	938,901,911	744,094,609
Prior period adjustment		(30,293,467)	(30,293,467)	(30,293,467)
As restated		736,227,887	908,608,444	713,801,142
Net income		566,997,861	592,906,003	603,527,052
Cash dividends		(252,268,960)	(315,286,560)	(175,197,150)
Stock dividends		(280,208,000)	-	(233,522,600)
Reversal of appropriations		172,062,397	-	-
Appropriations for the year		<u>-</u>	(450,000,000)	<u>-</u>
Balance at end of year		<u>942,811,185</u>	<u>736,227,887</u>	<u>908,608,444</u>
Total Retained Earnings		<u>1,917,910,202</u>	<u>1,883,389,301</u>	<u>1,605,769,858</u>
TOTAL EQUITY		P 2,889,221,565	P 2,585,259,344	P 2,311,867,727
Net Gains (Losses) Recognized Directly in Equity	6	(P 8,016,081)	P 1,286,340	P 5,428,886

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INC.
CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2009
(With Comparative Figures for 2008 and 2007)
(Amounts in Philippine Pesos)

	Notes	2009	2008 (As restated - see Note 18)	2007 (As restated - see Note 18)
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax		P 642,173,549	P 668,691,750	P 674,123,063
Adjustments for:				
Interest income	14	(117,675,433)	(106,423,249)	(114,137,124)
Depreciation and amortization	13	46,524,455	42,254,725	44,048,226
Impairment loss on receivables	5	17,581,234	17,450,897	12,686,351
Unrealized foreign exchange loss (gain)		(3,037,732)	4,747,861	3,703,946
Gain on disposal of property and equipment		(726,424)	-	(102,083)
Loss on sale of investment		-	2,842,069	20,865,189
Operating income before working capital changes		584,839,649	629,564,053	641,187,568
Decrease (increase) in receivables		(31,156,955)	(20,081,539)	31,052,834
Decrease (increase) in other current assets		11,481,582	(20,745,290)	(19,748,024)
Increase in accounts payable and other liabilities		7,878,567	56,906,567	1,162,734
Increase in unearned tuition fees		58,644,230	16,854,919	-
Increase (decrease) in trust funds		(17,671,580)	(25,109,062)	18,958,605
Cash generated from operations		614,015,493	637,389,648	672,613,717
Income taxes paid		(74,617,911)	(69,936,888)	(68,863,380)
Net Cash from Operating Activities		539,397,582	567,452,760	603,750,337
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property and equipment and investment property	8, 9	(148,849,114)	(48,003,906)	(2,565,486)
Increase in available-for-sale investments	6	(240,347,166)	(22,914,741)	(466,849,424)
Interest received		105,270,892	90,267,525	95,592,492
Decrease (increase) in held-to-maturity investments		13,743,603	257,510	(19,703,753)
Additional investment in subsidiaries	7	(7,371,600)	-	-
Proceeds from disposal of property and equipment		726,424	-	175,000
Decrease (increase) in other non-current assets		(134,834)	(2,160,606)	28,771,625
Increase in due from a related party		-	(35,000,000)	-
Net Cash Used in Investing Activities		(276,961,795)	(17,554,218)	(364,579,546)
CASH FLOWS FROM FINANCING ACTIVITY				
Dividends paid	18	(309,875,665)	(194,554,457)	(175,162,650)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		3,037,732	(6,607,781)	(3,703,946)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(44,402,146)	348,736,304	60,304,195
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,224,663,998	875,927,694	815,623,499
CASH AND CASH EQUIVALENTS AT END OF YEAR		P 1,180,261,852	P 1,224,663,998	P 875,927,694

Supplemental information on noncash financing activities:

- 1) The University declared and issued stock dividends amounting to P280.2 million in 2009 and P233.5 million in 2007 (see Note 18.2).
- 2) In 2009, 2008 and 2007, the University declared cash dividends totaling P252.3 million, P315.3 million and P175.2 million, respectively, of which P24.6 million and P119.5 million remained unpaid as of March 31, 2009 and 2008, respectively (see Notes 10 and 18).

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2009
(With Comparative Figures for 2008 and 2007)
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Far Eastern University, Inc. (the University) is a domestic educational institution founded in June of 1928 and incorporated on January 5, 1933. The University is a private, non-sectarian institution of learning comprising the following different institutes that offer specific courses, namely, Institute of Arts and Sciences; Institute of Accounts, Business and Finance; Institute of Education; Institute of Architecture and Fine Arts; Institute of Nursing; Institute of Engineering; Institute of Law; and Institute of Graduate Studies.

The University became a listed corporation in the Philippine Stock Exchange on July 11, 1986.

As of March 31, 2009, 2008 and 2007, the University holds interest in the following subsidiaries and associate which were all incorporated and operating in the Philippines:

Company Name	Percentage of Ownership		
	2009	2008	2007
Subsidiaries:			
East Asia Computer Center, Inc. (EACCI)	100%	100%	100%
Far Eastern College-Silang, Inc. (FECSI)	100%	-	-
Fern Realty Corporation (FRC)	37.52%	36.73%	36.73%
Associate –			
Juliana Management Co., Inc. (JMCI)	49%	49%	49%

FECSI was incorporated on January 21, 2009 but has not yet started commercial operations as of March 31, 2009. FECSI and EACCI, similar to the University, were also established to operate as educational institutions. FRC, on the other hand, operates as a real estate company leasing most of its investment properties to the University and other related parties.

Although the University controls less than 50% of the voting shares of stock of FRC, it has the power to govern the financial and operating policies of the said entity as the University has the power to cast the majority of votes at meetings of the board of directors and elect officers of FRC. Accordingly, FRC is recognized as a subsidiary of the University.

The registered office address and principal place of business of the University is located at Nicanor Reyes Sr. Street, Sampaloc, Manila.

The financial statements of the University for the year ended March 31, 2009 (including the comparatives as restated for the years ended March 31, 2008 and 2007) were authorized for issue by the Board of Trustees (BOT) on June 19, 2009.

2. 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 consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The financial statements of the University have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board.

The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. These financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial assets. The measurement bases are more fully described in the accounting policies that follow.

(b) Functional Currency

These financial statements are presented in Philippine pesos, the University's functional currency, and all values represent absolute amounts except when otherwise indicated. Functional currency is the currency of the primary economic environment in which the entity operates. Items included in the financial statements of the University are measured using its functional currency.

(c) Reclassification of Certain Accounts

Certain accounts in the 2008 and 2007 financial statements have been reclassified to conform to 2009 presentation and classification.

2.2 Impact of New Amendments and Interpretations to Existing Standards

(a) Effective in fiscal year 2009 that are relevant to the University

Of the amendments and interpretations that are effective for the fiscal year 2009, only PAS 39 and PFRS 7 (Amendments), *PAS 39, Financial Instruments: Recognition and Measurements* and PFRS 7, *Financial Instruments: Disclosures* (effective from July 1, 2008), are relevant to the University. The amendments permit an entity to:

- (i) Reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of fair value through profit or loss category in particular circumstances; and,
- (ii) Transfer from the available-for-sale category to the loans and receivable category those financial assets that would have met the definition of loans and receivables, provided that the entity has the intention and the ability to hold those financial assets for the foreseeable future.

The amendments are applicable in a partially retrospective manner up to July 1, 2008 provided that the reclassification was made on or before November 15, 2008, the cut-off date set by the FRSC. After the cut-off date, all reclassifications will only take effect prospectively. As the University did not exercise the option to reclassify its financial assets, the adoption of these amendments has no impact on its 2009 financial statements.

(b) *Effective in fiscal year 2009 but not relevant to the University*

Philippine Interpretation IFRIC 11	:	PFRS 2 – Group and Treasury Share Transactions
Philippine Interpretation IFRIC 12	:	Service Concession Agreements
Philippine Interpretation IFRIC 14	:	PAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

(c) *Effective subsequent to fiscal year 2009*

There are new and amended standards and Philippine Interpretations that are effective beginning on or after January 1, 2009 but not required to be adopted by the University until after fiscal year 2009. Of those new standards, the following are relevant to the University and which it will apply in accordance with their transitional provisions:

PAS 1 (Revised 2007)	:	Presentation of Financial Statements
PAS 27 (Amendments)	:	Consolidated and Separate Financial Statements
PFRS 3 (Revised)	:	Business Combinations
Various Standards	:	2008 Annual Improvements to PFRS

Below is a discussion of the possible impact of these accounting standards on the University's financial statements.

- (i) PAS 1 (Revised 2007), *Presentation of Financial Statements* (effective from January 1, 2009). The amendment requires an entity to present all items of income and expense recognized in the period in a single statement of comprehensive income or in two statements: a separate income statement and a statement of comprehensive income. The income statement shall disclose income and expense recognized in profit and loss in the same way as the current version of PAS 1. The statement of comprehensive income shall disclose profit or loss for the period, plus each component of income and expense recognized outside of profit and loss classified by nature (e.g., gains or losses on available-for-sale assets or translation differences related to foreign operations). Changes in equity arising from transactions with owners are excluded from the statement of comprehensive income (e.g., dividends and capital increase). An entity would also be required to include in its set of financial statements a statement showing its financial position (or balance sheet) at the beginning of the previous period when the entity retrospectively applies an accounting policy or makes a retrospective restatement. The University will apply PAS 1 (Revised 2007) in its financial statements for fiscal year 2010.
- (ii) PAS 27 (Amendment), *Consolidated and Separate Financial Statements* (effective from July 1, 2009). The amendment mainly relates to changes in the accounting for non-controlling interest and the loss of control of a subsidiary. The amendment to standard is not expected to have significant impact on the financial statements.
- (iii) PFRS 3 (Revised 2007), *Business Combinations* (effective from July 1, 2009). The revised standard includes in its scope business combinations involving only mutual entities, and those in which separate entities or businesses are brought together to form a reporting entity by contract alone. All business combinations are accounted for by applying the acquisition method (referred to previously as the purchase method). The adoption of this revised standard is not expected to have significant impact on the financial statements.
- (iv) 2008 Annual Improvements to PFRS. The FRSC has issued the *Improvements to Philippine Financial Reporting Standards 2008*. These amendments become effective in the Philippines in annual periods beginning on or after January 1, 2009. The University expects the amendments to the following standards to be relevant to the University's accounting policies:
 - PAS 39 (Amendment), *Financial Instruments: Recognition and Measurement*. The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading was changed. A financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit taking is included in such a portfolio on initial recognition. The University initially determined that adoption of this amendment will not have a material effect on its 2009 financial statements.

- PAS 40 (Amendment), *Investment Property*. PAS 40 is amended to include property under construction or development for future use as investment property in its definition of investment property. This results in such property being within the scope of PAS 40; previously, it was within the scope of PAS 16. Also, if an entity's policy is to measure investment property at fair value, but during construction or development of an investment property the entity is unable to reliably measure its fair value, then the entity would be permitted to measure the investment property at cost until construction or development is complete. At such time, the entity would be able to measure the investment property at fair value.

Minor amendments are made to several other standards; however, those amendments are not also expected to have a material impact on the University's financial statements.

2.3 Separate Financial Statements and Investments in Subsidiaries and an Associate

These financial statements are prepared as the University's separate financial statements.

The University's investments in subsidiaries and an associate are accounted for in these separate financial statements at cost, less any impairment loss. Impairment loss is provided when there is objective evidence that the investments in subsidiaries will not be recovered. Such impairment loss is measured as the difference between the carrying amount of the investment and the present value of the estimated cash flows discounted at the current market rate of return for similar financial asset. The amount of the impairment loss is recognized in the income statement.

Any goodwill arising from the acquisition of investments in subsidiaries and associates, representing the excess of the acquisition costs over the fair value of the University's share in the identifiable net assets of the acquired subsidiaries or associates at the date of acquisition, is included in the amount recognized as investment in subsidiaries and associates.

Subsidiaries are entities over which the University has the power to govern the financial reporting policies generally accompanying a shareholding of more than one half of the voting rights. The University obtains and exercises control through voting rights. The existence and effect of potential voting rights that are currently exercisable and convertible are considered when assessing whether the University controls another entity.

Associate is an entity over which the University is able to exert significant influence but which is neither subsidiary nor interest in a joint venture.

2.4 Financial Assets

Financial assets include cash and cash equivalents and other financial instruments. Financial assets, other than hedging instruments, are classified into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired. The designation of financial assets is re-evaluated at every reporting date at which date a choice of classification or accounting treatment is available, subject to compliance with specific provisions of applicable accounting standards.

Regular purchase and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at fair value through profit or loss are initially recognized at fair value, plus transaction costs. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the income statement.

Currently, the University's financial instruments are categorized as follows:

(a) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the University provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less any impairment losses. Any change in their value is recognized in profit or loss. Impairment loss is provided when there is objective evidence that the University will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the assets' carrying amount and the present value of estimated cash flows.

The University's financial assets categorized as loans and receivables are presented as Cash and Cash Equivalents, Receivables and Due from a Related Party in the balance sheet.

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

(b) Held-to-maturity Investments

This includes non-derivative financial assets with fixed or determinable payments and a fixed date of maturity. Investments are classified as held-to-maturity if the University has the positive intention and ability to hold them until maturity which is presented as Held-to-maturity Investments in the non-current section of the balance sheet, except those maturing within 12 months of the balance sheet date. Investments intended to be held for an undefined period are not included in this classification.

Held-to-maturity investments are measured at amortized cost using the effective interest method. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognized in profit or loss.

(c) *Available-for-sale Financial Assets*

This include non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. These are presented as Available-for-sale Investments in the non-current section of the balance sheet unless management intends to dispose of the investment within 12 months from the balance sheet date.

All financial assets within this category are subsequently measured at fair value, unless otherwise disclosed, with changes in value recognized in equity, net of any effects arising from income taxes. Gains and losses arising from securities classified as available-for-sale are recognized in the income statement when they are sold or when the investment is impaired.

In the case of impairment, the cumulative loss previously recognized directly in equity is transferred to the income statement. If circumstances change, impairment losses on available-for-sale equity instruments are not reversed through the income statement. On the other hand, if in a subsequent period the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in income statement, the impairment loss is reversed through the income statement.

Impairment losses recognized on financial assets are presented as part of Finance Costs in the income statement.

For investments that are actively traded in organized financial markets, fair value is determined by reference to stock exchange-quoted market bid prices at the close of business on the balance sheet date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows (such as dividend income) of the underlying net asset base of the investment.

Non-compounding interest, dividend income and other cash flows resulting from holding financial assets are recognized in profit or loss when earned, regardless of how the related carrying amount of financial assets is measured. All income and expense relating to financial assets recognized in profit or loss are presented in the income statement line item Finance Income and Finance Costs, respectively.

Derecognition of financial assets occurs when the rights to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

2.5 Property and Equipment

Except for land, which is stated at cost less any impairment in value, property and equipment are stated at cost less accumulated depreciation and amortization, and impairment in value, if any.

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation, amortization and impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the assets as follows:

Building and improvements	20 years
Leasehold improvements	20 years
Furniture and equipment	3-6 years
Miscellaneous equipment	5 years

Leasehold improvements are amortized over 20 years regardless of the term of lease contract which is usually shorter than the expected useful life of the improvements because it is highly probable that the lease contract with FRC will be renewed before the end of such contract.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 2.12).

The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year the item is derecognized.

2.6 Investment Property

Investment property is measured initially at acquisition cost. Subsequently, investment property, except land which is carried at cost less impairment in value, if any, is carried at cost less accumulated depreciation and impairment in value.

Depreciation of investment property, which consists of building and improvements, are computed using the straight-line method over its estimated useful life of 20 years.

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the income statement in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner-occupation, commencement of an operating lease to another party or by the end of construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of the owner-occupation or commencement of development with a view to sell.

2.7 Financial Liabilities

Financial liabilities include accounts payable and other liabilities, which are measured at amortized cost using the effective interest rate method.

Financial liabilities are recognized when the University becomes a party to the contractual agreements of the instrument. All interest related charges are recognized as an expense in the income statement under the caption Finance Costs.

The liabilities are initially recognized at their fair value and subsequently measured at amortized cost less settlement payments.

Financial liabilities are derecognized from the balance sheet only when the obligations are extinguished either through discharge, cancellation or expiration.

2.8 Provisions

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, where time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments and the risks specific to the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements.

Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

2.9 Revenue and Expense Recognition

Revenue is recognized to the extent that the revenue can be reliably measured, it is probable that the economic benefits will flow to the University, and the costs incurred or to be incurred can be measured reliably. In addition, the following specific recognition criteria must also be met before revenue is recognized:

- (a) *Tuition and Other Fees* – Tuition and other fees are recognized as income over the corresponding school term.
- (b) *Interest* – Revenue is recognized as the interest accrues (taking into account the effective yield on the asset).
- (c) *Rental* – Revenue is recognized over the lease term using the straight-line method.

Revenue is measured by reference to the fair value of consideration received or receivable by the University for services rendered, excluding value-added tax (VAT) and discounts.

Cost and expenses are recognized in the income statement upon receipt of goods, utilization of service or at the date such cost and expenses are incurred.

2.10 Leases

The University accounts for its leases as follows:

(a) University as Lessee

Leases which do not transfer to the University substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as expense in the income statement on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

(b) University as Lessor

Leases which do not transfer to the lessee substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating leases is recognized as income in the income statement on a straight-line basis over the lease term.

2.11 Foreign Currency Transactions

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

Foreign currency 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 the income statement.

2.12 Impairment of Non-financial Assets

The University's investments in subsidiaries and an associate, property and equipment, investment property and certain other non-current assets are subject to impairment testing. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is recognized for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use, based on an internal evaluation of discounted cash flow. Impairment loss is charged pro-rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

2.13 Employee Benefits

(a) Retirement Benefit Obligations

Pension benefits are provided to employees through a defined contribution plan.

A defined contribution plan is a pension plan under which the University pays fixed contributions into an independent entity. The University has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognized in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognized if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.

(b) Termination Benefits

Termination benefits are payable when employment is terminated by the University before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The University recognizes termination benefits when it is demonstrably committed to either: (a) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or (b) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

(c) Compensated Absences

Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the balance sheet date. They are included in Accounts Payable and Other Liabilities account at the undiscounted amount that the University expects to pay as a result of the unused entitlement.

2.14 Trust Funds

This represents restricted funds of the University that are intended for student welfare, development, loan, assistance and scholarship fund, and for other specific educational purposes. The University administers the use of these funds based on the specific purpose such funds are identified with.

2.15 Income Taxes

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the income statement.

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

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carryforward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred income tax asset can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement.

2.16 Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. Transactions between related parties are based on terms similar to those offered to non-related parties.

2.17 Equity

Capital stock is determined using the nominal value of shares that have been issued.

Treasury shares are stated at the cost of re-acquiring such shares.

Accumulated fair value gains (losses) comprise gains and losses due to the revaluation of available-for-sale financial assets.

Retained earnings include all current and prior period results as reported in the income statement. The appropriated portion represents the amount which is not available for distribution.

2.18 Earnings Per Share

Basic earnings per share is determined by dividing net income by the weighted average number of shares subscribed and issued during the year after giving retroactive effect to stock dividend declared, stock split and reverse stock split during the current year, if any.

Diluted earnings per share is computed by adjusting the weighted average number of ordinary shares outstanding to assume conversion of dilutive potential shares. The University does not have dilutive potential shares outstanding that would require disclosure of diluted earnings per share in the income statements.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The University's financial statements prepared in accordance with PFRS require management to make judgments and estimates that affect amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Actual results may ultimately vary from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Held-to-maturity Investments

In classifying non-derivative financial assets with fixed or determinable payments and fixed maturity, such as bonds, as held-to-maturity (HTM) investments the University evaluates its intention and ability to hold such investments up to maturity.

If the University fails to keep these investments to maturity other than for specific circumstances as allowed under the standards, it will be required to reclassify the whole class to available-for-sale financial assets. In such a case, the investments would therefore be measured at fair value, not amortized cost.

As of March 31, 2009 and 2008, there are no held-to-maturity investments disposed of before their maturity.

(b) *Distinction Between Investment Properties and Owner-managed Properties*

The University determines whether a property qualifies as investment property. In making its judgment, the University considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the supply of services or for administrative purposes. If portion can be sold separately (or leased out separately under finance lease), the University accounts for such portion separately. If the portion cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the supply of services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The University considers each property separately in making its judgment.

(c) *Classification of Leases*

The University has entered into various lease agreements as either a lessor or a lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Currently, all of the University's lease agreements are determined to be operating leases.

Rental expense charged to operations amounted to P56.2 million in 2009, P50.5 million in 2008 and P48.2 million in 2007 (see Note 13) while rental income earned in 2009, 2008 and 2007 are presented as Rental Income in the income statements (see Note 8).

(d) *Provisions and Contingencies*

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and disclosure of contingencies are discussed in Note 2.8 and relevant disclosures are presented in Note 20.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(a) Allowance for Impairment of Receivables

The University maintains an allowance for impairment loss on receivables at a level considered adequate to cover probable uncollectible receivables. The level of this allowance is evaluated by management on the basis of factors that affect the collectibility of the accounts. These factors include, but are not limited to, history of the students' payment behavior, age of receivables and other external factors affecting the education industry. The University constantly reviews the age and status of receivables, and identifies accounts that should be provided with allowance. Analyses of the net realizable value of receivables as of March 31, 2009 and 2008 are presented in Note 5.

Impairment losses recognized on receivables amounted to about P17.6 million in 2009, P17.5 million in 2008 and P12.7 million in 2007 (see Note 5).

(b) Valuation of Financial Assets Other than Loans and Other Receivables

The University carries certain financial assets at fair value, which requires the extensive use of accounting estimates and judgment. In cases where active market quotes are not available, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net base of the instrument. The amount of changes in fair value would differ if the University utilized different valuation methods and assumptions. Any change in fair value of these financial assets would affect profit and loss and equity.

Fair value gains and losses recognized on available-for-sale financial assets in 2009, 2008 and 2007 are presented as Accumulated Fair Value Gains (Losses) in the statements of changes in equity (see Note 6).

(c) Impairment of Available-for-sale Investments

The determination when an investment is other-than-temporarily impaired requires significant judgment. In making this judgment, the University evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Analyses of the carrying value of the available-for-sale investments as of March 31, 2009 and 2008 are presented in Note 6.

(d) *Useful Lives of Investment Property and Property and Equipment*

The University estimates the useful lives of investment property and property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. Analyses of the carrying amounts of investment property and property and equipment are presented in Notes 8 and 9, respectively. Actual results, however, may vary due to changes in factors mentioned above. Based on management assessment as of March 31, 2009 and 2008, no change in the estimated useful lives of the assets is necessary.

(e) *Impairment of Non-financial Assets*

PFRS requires that an impairment review be performed when certain impairment indicators are present. The University's policy on estimating the impairment of non-financial assets is discussed in detail in Note 2.12. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

The University did not recognize any impairment loss on property and equipment, investment property and investments in subsidiaries and an associate in 2009, 2008 and 2007.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as of March 31:

	<u>2009</u>	<u>2008</u>
Cash on hand and in banks	P 149,405,908	P 193,801,807
Short-term placements	<u>1,030,855,944</u>	<u>1,030,862,191</u>
	<u>P 1,180,261,852</u>	<u>P 1,224,663,998</u>

Cash in banks generally earn interest at rates based on daily bank deposit rates. Short-term placements are made for varying periods of up to three months depending on the immediate cash requirements of the University and earn effective annual interest ranging from 3.75% to 7.00% in 2009 and 3.75% to 5.25% in 2008 for peso placements and 1.75% to 4.00% in 2009 and 2.25% to 2.50% in 2008 for dollar placements. Interest income earned from cash and cash equivalents are presented as part of Finance Income in the income statements.

Certain portions of cash and cash equivalents are set aside to cover for trust funds as disclosed in Note 11.

5. RECEIVABLES

This account is composed of the following:

	Notes	2009	2008 (As restated – see Note 18)
Tuition and other fees		P 64,246,194	P 54,371,503
Allowance for impairment losses on tuition and other fees		(14,146,263)	(11,872,333)
		50,099,931	42,499,170
Receivable from:			
FEU Educational Foundation, Inc.		38,040,770	28,843,710
East Asia Educational Foundation, Inc. (EAEF)		18,165,787	14,116,055
Related parties	17.2	4,984,005	2,341,650
Advances to employees		11,479,722	9,145,859
Accrued interest	4, 6, 17.1	8,730,337	14,644,925
Others		1,810,105	253,658
		<u>P 133,310,657</u>	<u>P 111,845,027</u>

A reconciliation of the allowance for impairment loss on receivables at the beginning and end of 2009 and 2008 is shown below.

	2009	2008
Balance at beginning of year	P 11,872,333	P 11,436,501
Impairment losses during the year	17,581,234	17,450,897
Receivables written off during the year	(15,307,304)	(17,015,065)
Balance at end of year	<u>P 14,146,263</u>	<u>P 11,872,333</u>

All of the University's receivables had been reviewed for indicators of impairment. Certain tuition and other fees receivables were found to be impaired and allowance has been recorded accordingly. The allowance for impairment loss on receivables as of March 31, 2009 and 2008 relates only to receivables from students which have been outstanding for more than one semester and specifically identified to be impaired. Impairment loss recognized on receivables is presented as part of Finance Costs in the income statements.

No allowance for impairment loss on all other receivables was provided as of March 31, 2009 and 2008 since management believes that those are collectible in full.

The University provides management services to EAEF which agreed to pay management fee computed at a certain percentage of their gross revenue subject to certain conditions. Management fees earned amounted to P11.5 million in 2009, P20.1 million in 2008 and nil in 2007 which are presented as part of the caption Miscellaneous under Other Income (Charges) in the income statements. The outstanding receivables arising from this transaction are presented above as Receivable from EAEF.

6. AVAILABLE-FOR-SALE (AFS) INVESTMENTS

This category of financial assets consists of the following:

	<u>2009</u>	<u>2008</u>
Debt securities:		
Government	P 792,260,802	P 706,326,539
Corporate	<u>261,110,403</u>	<u>109,258,504</u>
	1,053,371,205	815,585,043
Equity securities	<u>19,738,752</u>	<u>25,102,359</u>
	<u>P1,073,109,957</u>	<u>P 840,687,402</u>

Interest income recognized in 2009, 2008 and 2007 are presented as part of Finance Income in the income statements.

Certain AFS investments reached their maturity in 2009, 2008 and 2007 and were no longer reinvested; thus reclassified to Cash and Cash Equivalents resulting in the reclassification to the income statements of cumulative gain of P2.8 million in 2009 and P5.5 million in 2008, and cumulative loss of P5.6 million in 2007 which were previously recognized in equity.

Analyses of the movement in the carrying amounts of the University's investments held by trustee banks are presented below.

	<u>Note</u>	<u>2009</u>	<u>2008</u>
Balance at beginning of year		P 840,687,402	P 816,893,531
Additions		692,948,490	312,503,139
Withdrawals		(467,769,330)	(302,906,036)
Investment income - net	14	15,259,476	12,910,428
Fair value gains (losses)		(8,016,081)	<u>1,286,340</u>
Balance at end of year		<u>P1,073,109,957</u>	<u>P 840,687,402</u>

7. INVESTMENTS IN SUBSIDIARIES AND AN ASSOCIATE

This account consists of the following as of March 31:

	<u>2009</u>	<u>2008</u>
Subsidiaries:		
FRC	P 64,419,299	P 63,297,699
EACCI	20,104,999	20,104,999
FECSI	6,250,000	-
Associate – JMCI	<u>7,878,121</u>	<u>7,878,121</u>
Total investments at cost	98,652,419	91,280,819
Allowance for impairment	(2,338,930)	(2,338,930)
	<u>P 96,313,489</u>	<u>P 88,941,889</u>

In April 2008, the University made an additional investment in FRC amounting to P1.1 million which increased the University's equity ownership interest from 36.73% to 37.52%.

The shares of stocks of the subsidiaries and an associate are not listed in the stock exchange; hence, the fair value of the shares cannot be determined reliably. However, management believes that the carrying amount of the investments is fully recoverable.

8. INVESTMENT PROPERTY

This account consists of the FEU East Asia Main Building and its improvements being leased out to EAEF.

The gross carrying amounts and accumulated depreciation of investment property at the beginning and end of 2009 and 2008 are shown below.

	<u>Land</u>	<u>Building and Improvements</u>	<u>Total</u>
March 31, 2009			
Cost	P 53,394,726	P 207,626,479	P 261,021,205
Accumulated depreciation	<u>-</u>	<u>(66,165,743)</u>	<u>(66,165,743)</u>
Net carrying amount	<u>P 53,394,726</u>	<u>P 141,460,736</u>	<u>P 194,855,462</u>
March 31, 2008			
Cost	P 53,394,726	P 204,900,484	P 258,295,210
Accumulated depreciation	<u>-</u>	<u>(55,895,547)</u>	<u>(55,895,547)</u>
Net carrying amount	<u>P 53,394,726</u>	<u>P 149,004,937</u>	<u>P 202,399,663</u>
April 1, 2007			
Cost	P 53,394,726	P 204,900,484	P 258,295,210
Accumulated depreciation	<u>-</u>	<u>(45,185,685)</u>	<u>(45,185,685)</u>
Net carrying amount	<u>P 53,394,726</u>	<u>P 159,714,799</u>	<u>P 213,109,525</u>

A reconciliation of the carrying amounts at the beginning and end of 2009 and 2008, of investment property is shown below.

	<u>Land</u>	<u>Building and Improvements</u>	<u>Total</u>
Balance at April 1, 2008, net of accumulated depreciation	P 53,394,726	P 149,004,937	P 202,399,663
Additions	-	2,725,995	2,725,995
Depreciation charges for the year	<u>-</u>	<u>(10,270,196)</u>	<u>(10,270,196)</u>
Balance at March 31, 2009, net of accumulated depreciation	<u>P 53,394,726</u>	<u>P 141,460,736</u>	<u>P 194,855,462</u>
Balance at April 1, 2007, net of accumulated depreciation	P 53,394,726	P 159,714,799	P 213,109,525
Depreciation charges for the year	<u>-</u>	<u>(10,709,862)</u>	<u>(10,709,862)</u>
Balance at March 31, 2008, net of accumulated depreciation	<u>P 53,394,726</u>	<u>P 149,004,937</u>	<u>P 202,399,663</u>

The total rental income earned from the investment property amounted to P22.9 million in 2009, P25.5 million in 2008 and P42.0 million in 2007 which are presented as Rental in the income statements (see Note 20.2). Depreciation expense and other related expenses incurred from the asset such as real property taxes are presented as part of General Operating Expenses in the income statements (see Note 13).

The fair value of investment property as of March 31, 2009 and 2008 was P386.5 million which were determined based on the most recent valuation performed by independent appraisers immediately after the balance sheet date.

9. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization at the beginning and end of 2009 and 2008 are shown below.

		<u>Land</u>	<u>Building and Improvements</u>	<u>Furniture and Equipment</u>	<u>Leasehold Improvements</u>	<u>Miscellaneous Equipment</u>	<u>Total</u>
March 31, 2009							
Cost	P	98,457,565	P 513,765,632	P 114,826,750	P 65,423,403	P 13,515,760	P 805,989,110
Accumulated depreciation and amortization		<u>-</u>	<u>(89,307,115)</u>	<u>(88,590,851)</u>	<u>(15,190,788)</u>	<u>(11,889,255)</u>	<u>(204,978,009)</u>
Net carrying value		<u>P 98,457,565</u>	<u>P 424,458,517</u>	<u>P 26,235,899</u>	<u>P 50,232,615</u>	<u>P 1,626,505</u>	<u>P 601,011,101</u>
March 31, 2008							
Cost	P	98,457,565	P 391,268,141	P 107,011,947	P 50,719,189	P 12,409,149	P 659,865,991
Accumulated depreciation and amortization		<u>-</u>	<u>(67,658,804)</u>	<u>(77,080,300)</u>	<u>(12,325,394)</u>	<u>(11,659,252)</u>	<u>(168,723,750)</u>
Net carrying value		<u>P 98,457,565</u>	<u>P 323,609,337</u>	<u>P 29,931,647</u>	<u>P 38,393,795</u>	<u>P 749,897</u>	<u>P 491,142,241</u>
April 1, 2007							
Cost	P	98,457,565	P 363,116,887	P 88,895,056	P 49,301,578	P 12,090,999	P 611,862,085
Accumulated depreciation and amortization		<u>-</u>	<u>(48,836,475)</u>	<u>(66,938,240)</u>	<u>(9,860,315)</u>	<u>(11,543,857)</u>	<u>(137,178,887)</u>
Net carrying value		<u>P 98,457,565</u>	<u>P 314,280,412</u>	<u>P 21,956,816</u>	<u>P 39,441,263</u>	<u>P 547,142</u>	<u>P 474,683,198</u>

A reconciliation of the carrying amounts, at the beginning and end of 2009 and 2008, of property and equipment is shown below.

		<u>Land</u>	<u>Building and Improvements</u>	<u>Furniture and Equipment</u>	<u>Leasehold Improvements</u>	<u>Miscellaneous Equipment</u>	<u>Total</u>
Balance at April 1, 2008, net of accumulated depreciation and amortization	P	98,457,565	P 323,609,337	P 29,931,647	P 38,393,795	P 749,897	P 491,142,241
Additions		-	122,497,491	7,814,803	14,704,214	1,106,611	146,123,119
Depreciation and amortization charges for the year		<u>-</u>	<u>(21,648,311)</u>	<u>(11,510,551)</u>	<u>(2,865,394)</u>	<u>(230,003)</u>	<u>(36,254,259)</u>
Balance at March 31, 2009, net of accumulated depreciation and amortization		<u>P 98,457,565</u>	<u>P 424,458,517</u>	<u>P 26,235,899</u>	<u>P 50,232,615</u>	<u>P 1,626,505</u>	<u>P 601,011,101</u>
Balance at April 1, 2007, net of accumulated depreciation and amortization	P	98,457,565	P 314,280,412	P 21,956,816	P 39,441,263	P 547,142	P 474,683,198
Additions		-	28,151,254	18,116,891	1,417,611	318,150	48,003,906
Depreciation and amortization charges for the year		<u>-</u>	<u>(18,822,329)</u>	<u>(10,142,060)</u>	<u>(2,465,079)</u>	<u>(115,395)</u>	<u>(31,544,863)</u>
Balance at March 31, 2008, net of accumulated depreciation and amortization		<u>P 98,457,565</u>	<u>P 323,609,337</u>	<u>P 29,931,647</u>	<u>P 38,393,795</u>	<u>P 749,897</u>	<u>P 491,142,241</u>

10. ACCOUNTS PAYABLE AND OTHER LIABILITIES

This account consists of:

	<u>Notes</u>	<u>2009</u>	<u>2008</u>
Accounts payable	P	41,270,585	P 35,707,914
Accrued expenses		74,459,814	57,845,983
Dividends payable	18.2	57,606,705	139,805,663
Accrued salaries and benefits		54,229,149	30,048,030
Payable to FEU retirement plan		36,901,623	41,886,105
Withholding and other taxes payable		36,045,790	43,473,581
Funds payable		34,361,963	27,339,986
Amount due to students		33,746,306	46,555,113
Deposits payable		1,326,485	1,326,485
Other current liabilities		<u>10,588,432</u>	<u>6,276,130</u>
		<u>P 380,536,852</u>	<u>P 430,264,990</u>

11. TRUST FUNDS

This account consists of the following as of March 31:

	<u>2009</u>	<u>2008</u>
Student welfare and development fund	P 26,202,141	P 40,693,748
Visual aid development fund	13,224,923	13,670,640
FEU Central Student Organization:		
Student loan fund	12,777,129	10,502,842
Student scholarship fund	3,902,308	3,919,602
Student assistance fund	-	2,653,039
Others	<u>2,384,141</u>	<u>4,722,351</u>
	<u>P 58,490,642</u>	<u>P 76,162,222</u>

These trust funds represent collections to defray expenses related to activities for specific educational purposes. As discussed in Note 4, the amounts of cash equivalent to the outstanding balances of these funds are set aside for such purposes.

12. TUITION FEES

Details of net tuition fees presented in the income statements are as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tuition and other fees	<u>P 1,694,493,469</u>	<u>P 1,655,826,499</u>	<u>P 1,636,730,534</u>
Less discounts:			
Scholarship	63,723,848	57,508,745	52,764,930
Cash	10,214,508	10,038,965	9,804,230
Family	<u>8,746,646</u>	<u>7,595,756</u>	<u>8,192,472</u>
	<u>82,685,002</u>	<u>75,143,466</u>	<u>70,761,632</u>
	<u>P 1,611,808,467</u>	<u>P 1,580,683,033</u>	<u>P 1,565,968,902</u>

Towards the end of the fiscal year, the University collected tuition fees from students for summer classes which start after the balance sheet date. Such collections are excluded from tuition fees earned for the year and presented as Unearned Tuition Fees in the balance sheets and recognized as revenue in the following year.

13. OPERATING EXPENSES

Operating expenses consists of:

	Notes	2009	2008	2007
<i>Instructional and Academic</i>				
Salaries and allowances	17.5	P 527,192,891	P 495,587,597	P 468,925,094
Employees benefits	15, 17.5	164,350,335	150,395,234	134,297,699
Related learning experience		21,641,432	19,474,376	19,959,588
Affiliation		9,960,332	11,418,035	11,265,056
Others		21,503,870	17,370,504	15,225,060
		<u>744,648,860</u>	<u>694,245,746</u>	<u>649,672,497</u>
<i>Administrative</i>				
Salaries and allowances		84,461,509	77,655,820	70,511,646
Rental	17.3	56,180,367	50,504,658	48,217,745
Employees benefits	15	39,266,335	36,165,361	35,115,175
Directors' bonus		11,750,000	10,500,000	8,250,000
Others		10,259,595	11,502,529	9,545,930
		<u>201,917,806</u>	<u>186,328,368</u>	<u>171,640,496</u>
<i>Maintenance and University Operations</i>				
Utilities		67,818,876	60,771,052	68,867,729
Salaries and allowances		23,490,070	24,196,975	23,049,555
Janitorial services		12,808,640	11,707,163	13,052,135
Employee benefits	15	11,296,291	11,772,106	10,492,989
Repairs and maintenance		4,619,377	4,330,271	29,441,175
Property insurance		1,160,749	564,594	1,487,187
		<u>121,194,003</u>	<u>113,342,161</u>	<u>146,390,770</u>
<i>General</i>				
Depreciation and amortization	8, 9	46,524,455	42,254,725	44,048,226
Security services		25,834,071	18,314,315	15,323,818
Publicity and promotions		6,615,235	8,033,477	4,966,479
Professional fees		6,306,848	5,416,097	1,510,752
Maintenance of art works		6,176,320	2,184,264	3,474,476
Taxes and licenses		1,985,560	445,275	2,078,976
Donation and charitable contributions		629,864	533,888	818,470
Others		2,896,714	5,582,853	2,827,613
		<u>96,969,067</u>	<u>82,825,224</u>	<u>75,048,810</u>
Total Operating Expenses		<u>P 1,164,729,736</u>	<u>P 1,076,741,499</u>	<u>P 1,042,752,573</u>

14. FINANCE INCOME

This account consists of:

	Notes	2009	2008	2007
Interest income from:				
Cash and cash equivalents	4	P 65,927,344	P 62,635,081	P 50,096,607
AFS financial assets	6	45,180,490	37,943,665	53,455,661
Advances to related party	17.1	4,895,036	3,164,618	7,917,733
HTM investments		1,672,563	2,679,885	2,667,123
Foreign exchange gains – net		<u>3,037,732</u>	<u>-</u>	<u>-</u>
		<u>P 120,713,165</u>	<u>P 106,423,249</u>	<u>P 114,137,124</u>

15. EMPLOYEES' HEALTH, WELFARE AND RETIREMENT FUND

The University maintains a funded and contributory retirement plan, which is a defined contribution type of retirement plan since 1967, covering regular teaching and non-teaching personnel members.

The retirement fund is under the administration of an organization, the FEU Health, Welfare and Retirement Fund (the Fund), through its Retirement Board.

Contributions to this fund are in accordance with the defined contribution established by the Retirement Board which is the sum of the employees' and the University's contributions. Employees' contribution is 5% of basic salary while the University's contribution is equivalent to 20% of the employees' basic salary. Retirement expense recognized in the University's income statements amounted to P85.9 million in 2009, P63.4 million in 2008 and P49.0 million in 2007 (see Note 13).

The Fund's balance sheets as of December 31, 2008 and 2007 showed the following:

	2008	2007
Assets		
Money market placements	P 643,050,000	P 555,853,116
Receivables	38,547,269	40,186,159
Cash in banks	10,784,913	4,628,136
Others	<u>185,654</u>	<u>208,505</u>
	692,567,836	600,875,916
Liabilities	(<u>50,395,960</u>)	(<u>49,871,692</u>)
	<u>P 642,171,876</u>	<u>P 551,004,224</u>

16. INCOME TAXES

The components of the University's tax expense presented in the income statements are as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Current tax expense:			
Special rate at 10%	P 51,743,268	P 59,615,310	P 58,009,602
Final tax at 20%	<u>20,543,679</u>	<u>19,135,613</u>	<u>13,822,068</u>
	72,286,947	78,750,923	71,831,670
Deferred tax expense (income):			
Deferred tax arising from origination and reversal of temporary differences	<u>2,888,741</u>	<u>(2,965,176)</u>	<u>(1,235,659)</u>
	<u>P 75,175,688</u>	<u>P 75,785,747</u>	<u>P 70,596,011</u>

A reconciliation of tax on pretax income computed at the applicable statutory rates to tax expense reported in the income statements follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax on pretax income at 10%	P 64,217,355	P 66,869,175	P 68,340,033
Adjustments for income subjected to higher tax rates	9,265,639	8,809,750	2,272,403
Derecognition of previously recognized deferred tax	1,700,000	-	-
Others	<u>(7,306)</u>	<u>106,822</u>	<u>(16,425)</u>
Tax expense	<u>P 75,175,688</u>	<u>P 75,785,747</u>	<u>P 70,596,011</u>

The net deferred tax assets relate to the following as of March 31:

	<u>Balance Sheets</u>		<u>Income Statements</u>		
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Deferred tax assets:					
Accrued rent expense	P 4,591,002	P 3,543,085	(P 1,047,917)	(P 1,131,710)	P 272,458
Allowance for impairment of receivables	1,414,626	1,187,233	(227,393)	(43,583)	(683,357)
Unearned income	-	1,685,492	1,685,492	(1,685,492)	-
Accrued donation	-	1,700,000	1,700,000	-	-
Unrealized foreign currency loss	-	474,786	474,786	(104,391)	(824,760)
Deferred tax liability – Unrealized foreign currency gains	<u>(303,773)</u>	-	<u>303,773</u>	-	-
Deferred tax expense (income)			<u>P 2,888,741</u>	<u>(P 2,965,176)</u>	<u>(P 1,235,659)</u>
Deferred tax assets – net	<u>P 5,701,855</u>	<u>P 8,590,596</u>			

The University availed of the Tax Incentives Provisions of Republic Act (R.A.) No. 8525, Adopt-a-School Act of 1998. Total benefit from the availment of this tax incentives provided under the R.A. is the sum of the amount of contribution/donation that were actually, directly and exclusively incurred for the Adopt-a-School Program, with limitations, conditions and rules set forth in

Section 34 (H) of the Tax Code and fifty percent (50%) of the amount of such contribution/donation.

17. RELATED PARTY TRANSACTIONS

The University's related parties include its subsidiaries, the University's key management and others as described below. The following are its significant transactions with related parties:

17.1 Interest-bearing Advances

The University has outstanding cash advances to FRC with an aggregate principal amount of P100.0 million as of March 31, 2009 and 2008. This advances bear interest due quarterly based on 91-day Treasury bill rates ranging from 4.61% to 6.84% in 2009, 3.95% to 4.15% in 2008 and 3.00% to 6.63% in 2007. Total interest income earned from the advances amounted to P4.9 million in 2009, P3.2 million in 2008 and P8.0 million in 2007 which were presented as part of Finance Income in the income statements (see Note 14). The related outstanding interest receivables are shown as Accrued Interest under the Receivables account in the balance sheets (see Note 5).

17.2 Noninterest-bearing Advances

The University grants unsecured and noninterest-bearing advances to certain related parties for working capital purposes which are currently due and demandable. Summarized below are the outstanding receivables shown as part of advances to related parties under the Receivables accounts in the balance sheets arising from these transactions (see Note 5).

	<u>2008</u>	<u>Net Additions</u>	<u>2009</u>
FRC	P 2,341,650	P 775,647	P 3,117,297
FECSI	<u>-</u>	<u>1,866,708</u>	<u>1,866,708</u>
	<u>P 2,341,650</u>	<u>P 2,462,355</u>	<u>P 4,984,005</u>

17.3 Lease of Campus Premises from FRC

The University leases certain buildings located within the campus premises from FRC for a period of 10 years from July 1, 2005 to June 30, 2015. The lease period is renewable subject to conditions mutually agreed upon by both parties. Total rental expense charged to operations amounted to P56.2 million in 2009, P50.5 million in 2008 and P48.2 million 2007 under the Administrative Expenses (see Note 13) while there are no outstanding receivables as of the end of each year.

17.4 Lease of Certain Floor to FRC

The University leases the mezzanine floor of one of the University's building to FRC for a period of 10 years from September 1, 2007 to August 31, 2017, renewable upon mutual consent of both parties. Based on the lease contract, the University provides discounts on the monthly rental during the lean season of the school year. Rent income from FRC amounted to P800,000 in 2009 and P560,000 in 2008 which is shown as part of Rental under Other Income (Charges) in the income statements.

17.5 Key Management Personnel Compensation

Total remunerations of the University's key management personnel presented as part of salaries and allowances and employees benefits under the Instructional and Academic Expenses (see Note 13) is as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Short-term benefits	P 113,999,963	P 100,412,356	P 103,872,843
Retirement benefits	<u>18,063,955</u>	<u>16,321,494</u>	<u>13,592,380</u>
	<u>P 132,063,918</u>	<u>P 116,733,850</u>	<u>P 117,465,223</u>

18. EQUITY

18.1 Capital Stock

The University has 10 million shares of authorized capital stock, with P100 par value, of which 9,845,779 shares are issued as of March 31, 2009 and 7,043,699 shares are issued as of March 31, 2008 and 2007. Total outstanding shares are 9,808,448 shares as of March 31, 2009 and 7,006,368 shares as of March 31, 2008 and 2007 while 37,331 shares costing P3.7 million are held in treasury as of those dates.

18.2 Retained Earnings

Significant transactions affecting Retained Earnings, which is also restricted at an amount equivalent to the cost of treasury shares, are as follows:

(a) Appropriation of Retained Earnings

Appropriated Retained Earnings consists of appropriations for:

	<u>Note</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expansion of facilities		P 899,333,335	P 1,010,000,000	P 610,000,000
General retirement		57,000,000	57,000,000	7,000,000
Contingencies	20.3	18,765,682	20,161,414	20,161,414
Purchase of equipment and improvements		-	30,000,000	30,000,000
Acquisition of laboratory equipment		-	20,000,000	20,000,000
Repairs and improvements		<u>-</u>	<u>10,000,000</u>	<u>10,000,000</u>
		<u>P 975,099,017</u>	<u>P 1,147,161,414</u>	<u>P 697,161,414</u>

The BOT approved on June 26, 2007, P100 million and P50 million additional appropriations for expansion of facilities and general retirement, respectively, and again on March 25, 2008, an additional appropriation for school expansion of P300 million. In 2009, the University made a reversal of appropriations amounting to P172.1 million pertaining to expansion of facilities, repairs and improvements, acquisition of laboratory equipment and purchase of equipment and improvements.

(b) *Dividend Declaration*

The BOT approved the following dividend declarations in 2009, 2008 and 2007, respectively:

	<u>Declaration</u>	<u>Date of Record</u>	<u>Payment</u>		<u>Amount</u>
2009					
Cash dividend of P15 per share	June 17, 2008	July 7, 2008	July 21, 2008	P	105,095,520
40% stock dividend equivalent to 2,802,547 shares	August 23, 2008	September 15, 2008	October 9, 2008		280,208,000
467 fractional shares paid out in cash at P100 per share	August 23, 2008	September 15, 2008	October 9, 2008		46,720
Cash dividend of P15 per share	December 16, 2008	January 8, 2009	January 22, 2009		<u>147,126,720</u>
				P	<u>532,476,960</u>
2008					
Cash dividend of P15 per share	June 26, 2007	July 11, 2007	July 23, 2007	P	105,095,520
Cash dividend of P15 per share	December 18, 2007	January 7, 2008	January 17, 2008		105,095,520
Cash dividend of P15 per share	March 25, 2008	April 10, 2008	April 24, 2008		<u>105,095,520</u>
				P	<u>315,286,560</u>
2007					
Cash dividend of P15 per share	June 20, 2006	July 17, 2006	July 17, 2006	P	70,067,130
50% stock dividend equivalent to 2,335,226 shares	March 21, 2006	September 6, 2006	October 2, 2006		233,522,600
345 fractional shares paid out in cash at P100 per share	March 21, 2006	September 6, 2006	October 2, 2006		34,500
Cash dividend of P15 per share	December 19, 2006	January 5, 2007	January 15, 2007		<u>105,095,520</u>
				P	<u>408,719,750</u>

Unpaid dividends as of March 31, 2009 and 2008 are presented as dividends payable under Accounts Payable and Other Liabilities in the balance sheets (see Note 10).

(c) *Prior Period Adjustments*

Prior period adjustments were recorded by the University to correct the overstatement in the balances of Retained Earnings as of April 1, 2008, 2007 and 2006 mainly because of accrued interest receivable amounting to P30.3 million that was not reversed in previous years. This adjustment resulted in a decrease in the balances of Retained Earnings as of April 1, 2008, 2007, and 2006 from the previously reported amounts and a decrease in accrued interest receivable by the same amount. The other adjustments which affected income and expense in those years were merely offsetting; thus had no effect on Retained Earnings.

19. EARNINGS PER SHARE

Earnings per share amounts were computed as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net income	P 566,997,861	P 592,906,003	P 603,527,052
Divided by weighted average number of outstanding shares, net of treasury stock of 37,331 shares	<u>8,407,408</u>	<u>7,006,368</u>	<u>5,838,755</u>
Earnings per share	<u>P 67.44</u>	<u>P 84.62</u>	<u>P 103.37</u>

The weighted average number of shares outstanding as of March 31, 2009 is computed as follows:

	<u>Number of shares</u>	<u>Months outstanding</u>	<u>Weighted number of shares</u>
Balance at beginning of year	7,006,368	12	84,076,416
Issuance on October 9, 2008	<u>2,802,080</u>	6	<u>16,812,480</u>
Balance at end of year	<u><u>9,808,448</u></u>		100,888,896
Divided by total months as of March 31, 2009			<u>12</u>
Weighted average number of shares outstanding			<u><u>8,407,408</u></u>

The weighted average number of shares outstanding as of March 31, 2007 is computed as follows:

	<u>Number of shares</u>	<u>Months outstanding</u>	<u>Weighted number of shares</u>
Balance at beginning of year	4,671,142	12	56,053,704
Issuance on October 2, 2006	<u>2,335,226</u>	6	<u>14,011,356</u>
Balance at end of year	<u><u>7,006,368</u></u>		70,065,060
Divided by total months as of March 31, 2007			<u>12</u>
Weighted average number of shares outstanding			<u><u>5,838,755</u></u>

There were no stock issuance in 2008, hence, the weighted average number of shares outstanding is equivalent to the total outstanding shares as of March 31, 2008.

Diluted earnings per share were not determined since the University does not have dilutive shares as of March 31, 2009, 2008 and 2007.

20. COMMITMENTS AND CONTINGENCIES

20.1 Operating Lease Commitments – University as Lessee

The University is a lessee under non-cancellable operating leases covering certain buildings. The lease has 10-year terms with renewal options and includes annual escalation rates of 10%. The future minimum rentals payable under these non-cancellable operating leases are as follows as of March 31:

	<u>2009</u>	<u>2008</u>
Within one year	P 39,375,281	P 35,795,710
After one year but not more than five years	201,014,828	182,740,740
More than five years	<u>79,636,542</u>	<u>137,285,912</u>
	<u>P 320,026,651</u>	<u>P 355,822,362</u>

20.2 Operating Lease Commitments – University as Lessor

The University leases out certain buildings to EAEF for a period of one to ten years until August 31, 2017 (see Note 8). Total rent income recognized in the University's income statements amounted to P22.9 million in 2009, P25.5 million in 2008 and P42.0 million in 2007.

Future minimum rental receivables, excluding contingent rental, under these operating leases as of March 31, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
Within one year	P 28,666,776	P 17,483,208
After one year but not more than five years	114,667,104	69,932,832
More than five years	<u>86,000,328</u>	<u>69,932,832</u>
	<u>P 229,334,208</u>	<u>P 157,348,872</u>

20.3 Legal Claims

As of March 31, 2009 and 2008, the University is a defendant in certain civil cases which are pending in the local courts, certain illegal dismissal cases pending before the national Labor Relations Commission, and a class suit for damages by certain students which is pending before the Court of Appeals.

The University's management and its legal counsel believe that the liabilities, if any, which may result from the outcome of these cases, will not materially affect the financial position and results of operations of the University. However, the University has appropriated portion of its retained earnings for these contingencies (see Note 18.2).

20.4 Others

There are other contingencies that arise in the normal course of business that are not recognized in the University's financial statements. However, management believes that losses, if any, arising from these commitments and contingencies will not materially affect its financial statements.

21. RISK MANAGEMENT OBJECTIVES AND POLICIES

The University is exposed to certain financial risks in relation to financial instruments. Its main purpose for its dealings in financial instruments is to fund operational and capital expenditures. The BOT has overall responsibility for the establishment and oversight of the University's risk management framework. It has a risk management committee headed by an independent trustee that is responsible for developing and monitoring the University's policies, which address risk management areas.

Management is responsible for monitoring compliance with the University's risk management policies and procedures and for reviewing the adequacy of these policies in relation to the risks faced by the University.

The University does not actively engage in trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the University is exposed to are described below.

21.1 Interest Rate Sensitivity

The University's exposure to interest rate risk arises from the following interest-bearing financial instruments which are subject to variable interest rates. All other financial assets and liabilities have fixed rates.

	Notes	2009	2008
Cash and cash equivalents	4	P 1,180,261,852	P 1,224,663,998
AFS investments	6	1,073,109,957	840,687,402
Due from a related party	17.1	<u>100,000,000</u>	<u>100,000,000</u>
		P 2,353,371,809	P 2,165,351,400

The following table illustrates the sensitivity of income before tax for the years with regard to the University's interest-bearing financial instruments. These percentages have been determined based on the average market volatility rates, using standard deviation, in the previous 12 months, estimated at 68% level of confidence. The sensitivity analysis is based on the University's financial instruments held at March 31, 2009 and 2008.

	2009		2008	
	Reasonably possible change in rate	Effect on income before tax	Reasonably possible change in rate	Effect on income before tax
Cash and cash equivalents	+/-2.67 %	P 31,423,827	+/-1.35 %	P 16,574,626
AFS investments	+/-2.83%	28,147,720	+/-1.54%	11,117,533
Due from a related party	+/-2.73%	<u>2,733,463</u>	+/-2.76 %	<u>2,761,040</u>
		P 62,305,010		P 30,453,199

21.2 Credit Risk

Credit risk represents the loss the University would incur if the counterparty failed to perform under its contractual obligations. The University's exposure to credit risk on its receivables related primarily to the inability of the debtors to pay and students to fully settle the unpaid balance of tuition fees and other charges which are owed to the University based on installment payment schemes. The University has established controls and procedures in its credit policy to determine and to monitor the credit worthiness of the students based on relevant factors. Also, students are not allowed to enroll in the following semester unless the unpaid balance in the previous semester has been paid. The University also withholds the academic records and clearance of the students with unpaid balance, thus ensuring that collectibility is reasonably assured. The University's exposure to credit risk on its other receivable from debtors and related parties is managed through close account monitoring and setting limits.

The University neither has any significant exposure to any individual customer or counterparty nor does it have any other concentration of credit risk arising from counterparties in similar business activities, geographic region or economic parties.

With respect to credit risk arising from cash and cash equivalents, receivables, due from a related party, AFS investments and HTM investments, the University's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments. The maximum exposure to credit risk at the balance sheet date is as follows:

	Notes	2009	2008
Cash and cash equivalents	4	P 1,180,261,852	P 1,224,663,998
Receivables	5	133,310,657	111,845,027
AFS investments	6	1,073,109,957	840,687,402
Due from a related party	17	100,000,000	100,000,000
HTM investments		<u>20,000,000</u>	<u>32,071,040</u>
		P 2,506,682,466	P 2,309,267,467

The table below shows the credit quality of the University's receivables which are the only financial assets as of March 31, 2009 and 2008 (presented in '000s) having past due but not impaired components.

		Neither past due nor impaired		Past due		
				Impaired (see Note 5)	Not impaired	Total
2009						
Tuition and other fees	P	35,325	P	14,146	P 14,775	P 64,246
Related party		4,984		-	-	4,984
Employees		11,480		-	-	11,480
Others		<u>66,747</u>		<u>-</u>	<u>-</u>	<u>66,747</u>
		P 118,536		P 14,146	P 14,775	P 147,457
2008						
Tuition and other fees	P	15,808	P	11,872	P 26,692	P 54,372
Related party		2,342		-	-	2,342
Employees		9,146		-	-	9,146
Others		<u>57,858</u>		<u>-</u>	<u>-</u>	<u>57,858</u>
		P 85,154		P 11,872	P 26,692	P 123,718

The age of past due but not impaired receivables is about six months for both years.

The University classifies tuition and other fee receivables from students based on the number of semesters the receivables have been outstanding. Receivables from students that are outstanding for more than one semester are analyzed to determine whether they are impaired. Those that are not outstanding for more than one semester or are currently receivable are determined to be collectible, based on historical experience.

The University's management considers that all the above financial assets are not impaired, except those specifically provided with allowance for impairment, as of the balance sheet dates and of good credit quality. Cash and cash equivalents, AFS investments and HTM investments are sourced through reputable financial institutions duly approved by the BOT. The balance due from a related party is from a profitable related party with good payment record; collections therefrom are reasonably assured.

21.3 Liquidity Risk

The University manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the University's future and contingent obligations and ensures that future cash collections are sufficient to meet them in accordance with internal policies. The University invests in cash placements when excess cash is obtained from operations.

Financial liabilities of the University at the balance sheet date comprise of accounts payable and accrued expenses and dividends payables which are all short-term in nature and have contractual maturities of less than 12 months.

21.4 Other Price Risk Sensitivity

The University's exposure to price risk arises from its investments in equity and debt securities, which are classified as AFS investments in the balance sheets.

Management monitors its equity and debt securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis.

AFS investments consist of publicly listed equity securities and government securities which are carried at fair value and non-listed equity securities for which no fair value information is available and that are therefore carried at cost.

For equity securities listed in the Philippines, an average volatility of 36.68% and 56.14% has been observed during 2009 and 2008, respectively. If quoted price for these securities increased or decreased by that amount income before tax would have changed by P7.1 million and P9.8 million in 2009 and 2008, respectively.

The investments in listed equity securities are considered long-term strategic investments. In accordance with the University's policies, no specific hedging activities are undertaken in relation to these investments. The investments are continuously monitored and voting rights arising from these equity instruments are utilized in the University's favor.

22. CATEGORIES AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts and fair values of the categories of financial assets and liabilities presented in the balance sheets are shown below.

Notes	2009		2008	
	Carrying Values	Fair Values	Carrying Values	Fair Values
Financial assets				
Loans and receivables:				
Cash and cash equivalents	4	P 1,180,261,852	P 1,180,261,852	P 1,224,663,998
Receivables	5	133,310,657	133,310,657	111,845,027
Due from a related party		<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
		<u>1,413,572,509</u>	<u>1,413,572,509</u>	<u>1,436,509,025</u>
AFS investments:	6			
Debt securities		1,053,371,205	1,053,371,205	815,585,043
Equity securities		<u>19,738,752</u>	<u>19,738,752</u>	<u>25,102,359</u>
		<u>1,073,109,957</u>	<u>1,073,109,957</u>	<u>840,687,402</u>
HTM investments –				
Debt securities		<u>20,000,000</u>	<u>20,000,000</u>	<u>32,071,040</u>
		<u>P 2,506,682,466</u>	<u>P 2,506,682,466</u>	<u>P 2,309,267,467</u>
Financial liabilities				
Financial liabilities at amortized cost –				
Accounts payable and				
other liabilities	10	<u>P 380,536,852</u>	<u>P 380,536,852</u>	<u>P 430,264,990</u>

See Notes 2.4 and 2.7 for a description of the accounting policies for each category of financial instruments. A description of the University's risk management objectives and policies for financial instruments is provided in Note 21.

23. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The University aims to provide returns on equity to shareholders while managing operational and strategic objectives. The University manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust capital structure, the University may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The University defines capital as paid-in capital stock and retained earnings, both appropriated and unappropriated. Other components of equity such as treasury stock and revaluation reserves are excluded from capital for purposes of capital management. The BOT has overall responsibility for monitoring of capital in proportion to risks. Profiles for capital ratios are set in the light of changes in the University's external environment and the risks underlying the University's business, operation and industry.

The University monitors capital on the basis of debt-to-equity ratio, which is calculated as total debt divided by total equity. Capital for the reporting period March 31, 2009 and 2008 under review is summarized as follows:

	<u>2009</u>	<u>2008</u>
Total debt	P 558,143,441	P 572,074,759
Total equity	2,902,488,102	2,587,759,201
Debt-to-equity ratio	<u>0.19 : 1.00</u>	<u>0.22 : 1.00</u>

The University is not subject to any externally-imposed capital requirements.

There was no change in the University's approach to capital management during the year.

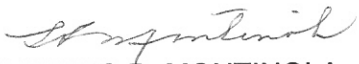
STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR CONSOLIDATED FINANCIAL STATEMENTS

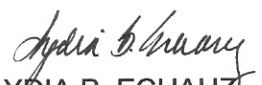
The management of Far Eastern University, Inc. and Subsidiaries is responsible for all information and representations contained in the consolidated statements for the years ended March 31, 2007, 2008 and 2009. The consolidated statements have been prepared in conformity with financial reporting standards in the Philippines/Philippine Financial Reporting Standards and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition, and liabilities are recognized. The management likewise discloses to the University and its Subsidiaries' audit committee and to its external auditor: (i) all significant deficiencies in the design or operation of internal controls that could adversely affect its ability to record, process and report financial data; (ii) material weaknesses in the internal controls; and (iii) any fraud that involves management or other employees who exercise significant roles in internal controls.

The Board of Trustees reviews the consolidated statements before such statements are approved and submitted to the stockholders of the company.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has examined the consolidated statements of the University and its Subsidiaries in accordance with Philippine Standards on Auditing and has expressed its opinion on the fairness of presentation upon completion of such examination, in its report to the Board of Trustees and stockholders.


LOURDES R. MONTINOLA
Chair, Board of Trustees and
Chief Executive Officer


LYDIA B. ECHAUZ
President and
Chief Operating Officer


FE V. CANILAO
Chief Financial Officer

SUBSCRIBED AND SWORN to before me this 13th day of July 2009, affiants exhibiting their Community Tax Certificates as follows:

<u>Name</u>	<u>CTC</u>	<u>Date/Place Issued</u>
Lourdes R. Montinola	12373997	1-20-09/Makati City
Lydia B. Echaiz	19036895	1-12-09/Manila
Fe V. Canilao	02245804	3-31-09/Manila

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Page No. 107
Book No. III
Series of 2009.


ATTY. ENRIQUE GILERA
NOTARY PUBLIC
UNTIL DECEMBER 2010
PTR NO. 767907, 01.07.09, MANILA
IBP NO. 767232, 01.07.09, PPLM



Punongbayan & Araullo

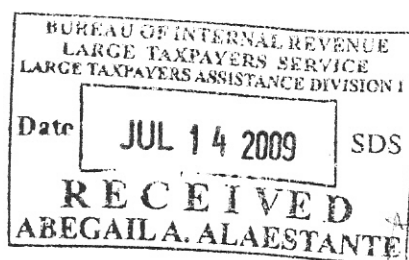
Member of Grant Thornton International Ltd

**Consolidated Financial Statements and
Independent Auditors' Report**

Far Eastern University, Inc. and Subsidiaries

March 31, 2009

(With Comparative Figures for 2008 and 2007)





Report of Independent Auditors

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The Board of Trustees
Far Eastern University, Inc. and Subsidiaries
Nicanor Reyes Sr. Street
Sampaloc, Manila

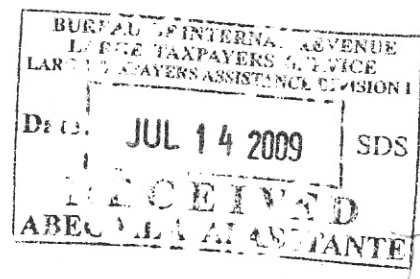
We have audited the accompanying financial statements of Far Eastern University, Inc. and subsidiaries, which comprise the consolidated balance sheet as at March 31, 2009, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to consolidated financial statements comprising of a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.



FAR EASTERN UNIVERSITY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
MARCH 31, 2009
(With Comparative Figures for 2008)
(Amounts in Philippine Pesos)

	Notes	2009	2008 (As restated - see Note 19)
<u>A S S E T S</u>			
CURRENT ASSETS			
Cash and cash equivalents	4	P 1,231,350,003	P 1,283,504,611
Receivables - net	5	138,151,928	113,434,183
Available-for-sale investments	6	1,088,109,957	840,687,402
Held-to-maturity investments		20,000,000	-
Real estate held for sale	7	189,052,542	189,052,542
Other current assets		32,186,523	58,405,219
Total Current Assets		2,698,850,953	2,485,083,957
NON-CURRENT ASSETS			
Held-to-maturity investments		-	32,071,040
Investments in an associate	8	7,055,963	7,105,379
Investment property - net	9	364,903,545	363,737,216
Property and equipment - net	10	783,637,710	660,984,778
Deferred tax assets	17	9,228,791	11,357,319
Other non-current assets		26,151,492	17,816,657
Total Non-current Assets		1,190,977,501	1,093,072,389
TOTAL ASSETS		P 3,889,828,454	P 3,578,156,346
<u>LIABILITIES AND EQUITY</u>			
CURRENT LIABILITIES			
Accounts payable and other liabilities	11	P 349,657,377	P 420,350,624
Deferred income	13	76,555,105	24,287,583
Income tax payable		48,721,315	54,676,608
Notes payable	10	3,103,359	1,895,782
Total Current Liabilities		478,037,156	501,210,597
NON-CURRENT LIABILITIES			
Trust funds	12	58,490,641	76,162,222
Notes payable	10	10,327,238	-
Deferred tax liabilities	17	13,170,629	12,117,687
Total Non-current Liabilities		81,988,508	88,279,909
Total Liabilities		560,025,664	589,490,506

Forward

	<u>Notes</u>	<u>2009</u>	<u>2008</u>
EQUITY			
Equity attributable to equity holders of FEU			
Capital stock	19	984,577,900	704,369,900
Treasury stock	19	(3,733,100)	(3,733,100)
Accumulated fair value gains (losses)	6	(9,533,437)	1,233,243
Retained earnings	19		
Appropriated		975,099,017	1,147,161,414
Unappropriated		<u>1,068,447,399</u>	<u>843,661,207</u>
Total equity attributable to equity holders of FEU		3,014,857,779	2,692,692,664
Minority interest		<u>314,945,011</u>	<u>295,973,176</u>
Total Equity		<u>3,329,802,790</u>	<u>2,988,665,840</u>
TOTAL LIABILITIES AND EQUITY		<u>P 3,889,828,454</u>	<u>P 3,578,156,346</u>

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED MARCH 31, 2009
(With Comparative Figures for 2008 and 2007)
(Amounts in Philippine Pesos)

	Notes	2009	2008 (As restated - see Note 19)	2007 (As restated - see Note 19)
REVENUES				
Educational income				
Tuition fees - net	13	P 1,611,808,467	P 1,580,683,033	P 1,565,968,902
Miscellaneous		50,280,810	33,146,510	30,085,666
		1,662,089,277	1,613,829,543	1,596,054,568
Rentals	9	50,437,726	41,289,534	47,795,017
		1,712,527,003	1,655,119,077	1,643,849,585
OPERATING EXPENSES	14	1,148,587,556	1,059,786,062	1,017,528,871
OPERATING INCOME		563,939,447	595,333,015	626,320,714
OTHER INCOME (CHARGES)				
Finance income	15	120,856,838	106,418,765	111,293,760
Finance costs	5	(17,581,639)	(22,882,403)	(16,390,810)
Equity in net losses of an associate	8	(49,416)	(24,732)	(36,104)
Miscellaneous	5	25,124,699	22,508,767	(10,784,558)
		128,350,482	106,020,397	84,082,288
INCOME BEFORE TAX		692,289,929	701,353,412	710,403,002
PREACQUISITION INCOME	1	3,999,262	-	-
INCOME BEFORE TAX		696,289,191	701,353,412	710,403,002
TAX EXPENSE	17	86,995,739	87,546,984	82,332,451
NET INCOME		P 609,293,452	P 613,806,428	P 628,070,551
Attributable to:				
Equity holders of FEU		P 585,200,755	P 600,693,262	P 612,666,167
Minority interest		24,092,697	13,113,166	15,404,384
		P 609,293,452	P 613,806,428	P 628,070,551
Earnings Per Share	20	P 69.61	P 85.74	P 104.93

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2009
(With Comparative Figures for 2008 and 2007)
(Amounts in Philippine Pesos)

	Notes	2009	2008 (As restated - see Note 19)	2007 (As restated - see Note 19)
EQUITY ATTRIBUTABLE TO EQUITY				
HOLDERS OF FEU				
CAPITAL STOCK				
	19			
Balance at beginning of year		P 704,369,900	P 704,369,900	P 470,847,300
Issuance during the year		<u>280,208,000</u>	<u>-</u>	<u>233,522,600</u>
Balance at end of year		<u>984,577,900</u>	<u>704,369,900</u>	<u>704,369,900</u>
TREASURY STOCK - at cost	19	(<u>3,733,100</u>)	(<u>3,733,100</u>)	(<u>3,733,100</u>)
ACCUMULATED FAIR VALUE GAINS (LOSSES)				
	6			
Balance at beginning of year		1,233,243	5,571,316	(5,401,450)
Fair value gains (losses)		(8,016,082)	1,176,093	5,404,436
Cumulative net fair value loss (gain)				
reclassified to profit and loss during the year		(<u>2,750,599</u>)	(<u>5,514,166</u>)	<u>5,568,330</u>
Balance at end of year		(<u>9,533,437</u>)	<u>1,233,243</u>	<u>5,571,316</u>
RETAINED EARNINGS				
	19			
Appropriated				
Balance at beginning of year		1,147,161,414	697,161,414	697,161,414
Appropriations for the year		-	450,000,000	-
Reversal of appropriations		(<u>172,062,397</u>)	<u>-</u>	<u>-</u>
Balance at end of year		<u>975,099,017</u>	<u>1,147,161,414</u>	<u>697,161,414</u>
Unappropriated				
Balance at beginning of year				
As previously reported		873,954,674	1,028,997,472	825,051,055
Prior period adjustments		(<u>30,293,467</u>)	(<u>20,742,967</u>)	(<u>20,742,967</u>)
As restated		843,661,207	1,008,254,505	804,308,088
Net income		585,200,755	600,693,262	612,666,167
Cash dividends		(<u>252,268,960</u>)	(<u>315,286,560</u>)	(<u>175,197,150</u>)
Stock dividends		(<u>280,208,000</u>)	<u>-</u>	(<u>233,522,600</u>)
Reversal of appropriations		172,062,397	-	-
Appropriations for the year		<u>-</u>	(<u>450,000,000</u>)	<u>-</u>
Balance at end of year		<u>1,068,447,399</u>	<u>843,661,207</u>	<u>1,008,254,505</u>
Total Retained Earnings		<u>2,043,546,416</u>	<u>1,990,822,621</u>	<u>1,705,415,919</u>
Total Equity Attributable to Equity				
Holders of FEU		<u>3,014,857,779</u>	<u>2,692,692,664</u>	<u>2,411,624,035</u>
MINORITY INTEREST				
Balance at beginning of year		295,973,176	282,860,010	267,455,626
Decrease in minority interest		(<u>5,120,862</u>)	<u>-</u>	<u>-</u>
Share in net income		<u>24,092,697</u>	<u>13,113,166</u>	<u>15,404,384</u>
Balance at end of year		<u>314,945,011</u>	<u>295,973,176</u>	<u>282,860,010</u>
TOTAL EQUITY		<u>P 3,329,802,790</u>	<u>P 2,988,665,840</u>	<u>P 2,694,484,045</u>
Net Gains (Losses) Recognized Directly in Equity	6	(<u>P 8,016,082</u>)	<u>P 1,176,093</u>	<u>P 5,404,436</u>

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INC. AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2009
(With Comparative Figures for 2008 and 2007)
(Amounts in Philippine Pesos)

	Notes	2009	2008 (As restated - see Note 19)	2007 (As restated - see Note 19)
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax		P 696,289,191	P 701,353,412	P 710,403,002
Adjustments for:				
Interest income	15	(117,819,106)	(106,418,765)	(111,293,760)
Depreciation	14	52,944,002	46,899,496	46,809,097
Impairment loss on receivables	5	17,581,234	17,450,897	12,686,351
Preacquisition income	1	(3,999,262)	-	-
Unrealized foreign exchange gains (losses)		(3,037,732)	4,747,861	3,704,460
Gain on disposal of property and equipment		(726,424)	-	(102,083)
Equity in net losses of associates	8	49,416	24,732	36,104
Loss on sale of investment		-	2,842,069	20,865,189
Operating income before working capital changes		641,281,319	666,899,702	683,108,360
Decrease (increase) in receivables		(33,857,347)	(20,511,779)	8,795,259
Increase in real estate held for sale		-	(232,386)	(7,264,452)
Decrease (increase) in other current assets		23,373,830	(27,603,716)	(12,114,581)
Increase (decrease) in accounts payable and other liabilities		(13,086,542)	51,897,736	28,956,845
Increase (decrease) in deferred income		52,267,522	16,722,873	(844,082)
Increase (decrease) in trust funds		(17,671,581)	(25,109,062)	18,958,605
Cash generated from operations		652,307,201	662,063,368	719,595,954
Income taxes paid		(86,924,696)	(78,126,826)	(74,422,131)
Net cash provided by operating activities		565,382,505	583,936,542	645,173,823
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in available-for-sale investments - net	6	(258,189,235)	(13,871,477)	(433,489,139)
Acquisitions of property and equipment	10	(147,865,322)	(48,697,844)	(17,685,700)
Interest received		109,929,197	87,525,308	87,387,246
Acquisitions of investment property	9	(15,723,242)	(96,147,971)	(16,134,359)
Decrease (increase) in held-to-maturity investments		12,071,040	257,510	(19,703,753)
Decrease (increase) in other non-current assets		(8,334,835)	(2,160,606)	14,464,962
Additional investment in a subsidiary		(1,121,600)	-	-
Proceeds from disposal of property and equipment		726,424	-	175,000
Net Cash Used in Investing Activities		(308,507,573)	(73,095,080)	(384,985,743)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	19	(309,875,665)	(194,554,457)	(171,265,921)
Payment of notes payable	10	(2,191,607)	(1,753,954)	(1,333,557)
Net Cash Used in Financing Activities		(312,067,272)	(196,308,411)	(172,599,478)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		3,037,732	(6,607,781)	(3,703,946)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(52,154,608)	307,925,270	83,884,656
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,283,504,611	975,579,341	891,694,685
CASH AND CASH EQUIVALENTS AT END OF YEAR		P 1,231,350,003	P 1,283,504,611	P 975,579,341

Supplemental information on noncash investing and financing activities:

- 1) The University declared and issued stock dividends amounting to P280.2 million in 2009 and P233.5 million in 2007 (see Note 19.2).
- 2) In 2009, 2008 and 2007, the University declared cash dividends totaling P252.3 million, P315.3 million and P175.2 million, respectively, of which P24.6 million and P119.5 million remained unpaid as of March 31, 2009 and 2008, respectively (see Notes 11 and 19).
- 3) In September 2008, a subsidiary acquired a condominium unit by applying P6.7 million advance payments made to the developer and issuing a promissory note for P13.4 million for the remaining cost of the unit (see Note 10).

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2009
(With Comparative Figures for 2008 and 2007)
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Far Eastern University, Inc. (the University or parent company) is a domestic educational institution founded in June of 1928 and incorporated on January 5, 1933. The University is a private, non-sectarian institution of learning comprising the following different institutes that offer specific courses, namely, Institute of Arts and Sciences; Institute of Accounts, Business and Finance; Institute of Education; Institute of Architecture and Fine Arts; Institute of Nursing; Institute of Engineering; Institute of Law; and Institute of Graduate Studies.

The University became a listed corporation in the Philippine Stock Exchange on July 11, 1986.

As of March 31, 2009, 2008 and 2007, the University holds interest in the following subsidiaries and associate which were all incorporated and operating in the Philippines:

Company Name	Percentage of Ownership		
	2009	2008	2007
Subsidiaries:			
East Asia Computer Center, Inc. (EACCI)	100%	100%	100%
Far Eastern College-Silang, Inc. (FECSI)	100%	-	-
Fern Realty Corporation (FRC)	37.52%	36.73%	36.73%
Associate –			
Juliana Management Co., Inc. (JMCI)	49%	49%	49%

FECSI was incorporated on January 21, 2009 but has not yet started commercial operations as of March 31, 2009. FECSI and EACCI, similar to the University, were also established to operate as educational institutions. FRC, on the other hand, operates as a real estate company leasing most of its investment properties to the University and other related parties. The parent company and the subsidiaries are collectively referred to as the Group.

As of March 31, 2009 and 2008, the Group has only one significant segment as revenues generated from the real estate transactions of FRC represent only about 2% to 3% of the total revenues of the Group; hence no segment information and disclosures are presented in the Group's financial statements.

Although the University controls less than 50% of the voting shares of stock of FRC, it has the power to govern the financial and operating policies of the said entity. Also, the University has the power to cast the majority of votes at meetings of the board of directors and elect officers of FRC. Accordingly, FRC is recognized as a subsidiary of the University.

The registered office address and principal place of business of the University is located at Nicanor Reyes Sr. Street, Sampaloc, Manila.

The consolidated financial statements of the Group for the year ended March 31, 2009 (including the comparatives as restated for the years ended March 31, 2008 and 2007) were authorized for issue by the Board of Trustees (BOT) on June 19, 2009.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of Preparation of Financial Statements

a. Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. These financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial assets. The measurement bases are more fully described in the accounting policies that follow.

b. Functional Currency

These consolidated financial statements are presented in Philippine pesos, the Group's functional currency, and all values represent absolute amounts except when otherwise indicated. Functional currency is the currency of the primary economic environment in which the entity operates. Items included in the consolidated financial statements of the Group are measured using its functional currency.

c. Reclassification of Certain Accounts

Certain accounts in the 2008 and 2007 consolidated financial statements have been reclassified to conform with the 2009 presentation and classification.

2.2 *Impact of New Amendments and Interpretations to Existing Standards*

(a) *Effective in fiscal year 2009 that are relevant to the Group*

Of the amendments and interpretations that are effective for the fiscal year 2009, only PAS 39 and PFRS 7 (Amendments), *PAS 39, Financial Instruments: Recognition and Measurements* and *PFRS 7, Financial Instruments: Disclosures* (effective from July 1, 2008), are relevant to the Group. The amendments permit an entity to:

- (i) Reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of fair value through profit or loss category in particular circumstances; and,
- (ii) Transfer from the available for sale category to the loans and receivable category those financial assets that would have met the definition of loans and receivables, provided that the entity has the intention and the ability to hold those financial assets for the foreseeable future.

The amendments are applicable in a partially retrospective manner up to July 1, 2008 provided that the reclassification was made on or before November 15, 2008, the cut-off date set by the FRSC. After the cut-off date, all reclassifications will only take effect prospectively. As the Group did not exercise the option to reclassify its financial assets, the adoption of these amendments has no impact on its 2009 consolidated financial statements.

(b) *Effective in fiscal year 2009 but not relevant to the Group*

Philippine Interpretation		
IFRIC 11	:	PFRS 2 – Group and Treasury Share Transactions
Philippine Interpretation		
IFRIC 12	:	Service Concession Agreements
Philippine Interpretation		
IFRIC 14	:	PAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

(c) *Effective subsequent to fiscal year 2009*

There are new and amended standards and Philippine Interpretations that are effective beginning on or after January 1, 2009 but not required to be adopted by the Group until after fiscal year 2009. Of those new standards, the following are relevant to the Group and which it will apply in accordance with their transitional provisions.

PAS 1 (Revised 2007)	:	Presentation of Financial Statements
PAS 23 (Revised 2007)	:	Borrowing Costs
PAS 27 (Amendments)	:	Consolidated and Separate Financial Statements
PFRS 3 (Revised)	:	Business Combinations
PFRS 8	:	Operating Segments

Philippine Interpretation IFRIC 15	:	Agreements for the Construction of Real Estate
Philippine Interpretation IFRIC 17	:	Distribution of Non-cash Assets to Owners
Various Standards	:	2008 Annual Improvements to PFRS

Below is a discussion of the possible impact of these accounting standards on the Group's financial statements.

- (i) PAS 1 (Revised 2007), *Presentation of Financial Statements* (effective from January 1, 2009). The amendment requires an entity to present all items of income and expense recognized in the period in a single statement of comprehensive income or in two statements: a separate income statement and a statement of comprehensive income. The income statement shall disclose income and expense recognized in profit and loss in the same way as the current version of PAS 1. The statement of comprehensive income shall disclose profit or loss for the period, plus each component of income and expense recognized outside of profit and loss classified by nature (e.g., gains or losses on available-for-sale assets or translation differences related to foreign operations). Changes in equity arising from transactions with owners are excluded from the statement of comprehensive income (e.g., dividends and capital increase). An entity would also be required to include in its set of financial statements a statement showing its financial position (or balance sheet) at the beginning of the previous period when the entity retrospectively applies an accounting policy or makes a retrospective restatement. The Group will apply PAS 1 (Revised 2007) in its 2010 consolidated financial statements.
- (ii) PAS 23 (Revised 2007), *Borrowing Costs* (effective from January 1, 2009). Under the revised PAS 23, all borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset. The option of immediately expensing borrowing costs that qualify for asset recognition has been removed. The Group has initially determined that adoption of this new standard will not have significant effects on the financial statements for 2010, as well as for prior and future periods, as the Group's current accounting policy is to capitalize all interest directly related to qualifying assets.
- (iii) PAS 27 (Amendment), *Consolidated and Separate Financial Statements* (effective from July 1, 2009). The amendment mainly relates to changes in the accounting for non-controlling interest and the loss of control of a subsidiary. The amendment to standard is not expected to have significant impact on the consolidated financial statements.

- (iv) PFRS 3 (Revised 2007), *Business Combinations* (effective from July 1, 2009). The revised standard includes in its scope business combinations involving only mutual entities, and those in which separate entities or businesses are brought together to form a reporting entity by contract alone. All business combinations are accounted for by applying the acquisition method (referred to previously as the purchase method). The adoption of this revised standard is not expected to have significant impact on the consolidated financial statements.
- (v) PFRS 8, *Operating Segments*. Under this new standard, a reportable operating segment is identified based on the information about the components of the entity that management uses to make decisions about operating matters. In addition, segment assets, liabilities and performance, as well as certain disclosures, are to be measured and presented based on the internal reports prepared for and reviewed by the chief decision makers. The adoption of this new standard will not have a material impact on the Group's financial statements, as currently, the Group has only one significant segment.
- (vi) Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate* (effective from January 1, 2012). This Interpretation provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of PAS 11, *Construction Contracts*, or PAS 18, *Revenue*, and accordingly, when revenue from construction should be recognized. It is likely to result in PAS 18 being applied to a wider range of transactions. IFRIC 15 is not expected to have a significant effect on the Group's operations as all real estate transactions are accounted for under PAS 18 or PAS 11.
- (vii) Philippine Interpretation IFRIC 17, *Distribution of Non-cash Assets to Owners* (effective from July 1, 2009). IFRIC 17 clarifies that a dividend payable should be recognized when the dividend is appropriately authorized and is no longer at the discretion of the entity. Also, an entity should measure the dividend payable at the fair value of the net assets to be distributed and the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss. The Group will apply the standard prospectively starting April 1, 2010.
- (viii) 2008 Annual Improvements to PFRS. The FRSC has adopted the *Improvements to International Financial Reporting Standards 2008*. These amendments become effective in the Philippines in annual periods beginning on or after January 1, 2009. The Group expects the amendments to the following standards to be relevant to the Group's accounting policies:

- PAS 16 (Amendment), *Property, Plant and Equipment* and consequential amendment to PAS 7, *Statement of Cash Flows*. The amendment clarifies that an entity in the course of ordinary activities, sells property, plant and equipment that was held for rental transfers the property, plant and equipment to inventories at carrying amount when they ceased to be rented and are held for sale. A consequential amendment to PAS 7 states that cash flows arising from purchase, rental and sale of those assets are classified as cash flows from operating activities. Also, the term “net selling price” has been replaced with “fair value less cost to sell” in the definition of recoverable amount so as to achieve consistency with the terminology used in PFRS 5. The amendment is not expected to have a significant impact on the Group’s consolidated financial statements.
- PAS 23 (Amendment), *Borrowing Costs*. The amendment clarifies the definition of borrowing costs to include interest expense determined using the effective interest method under PAS 39. This amendment will be applied by the Group in 2010; however, management expects its effect to be insignificant.
- PAS 39 (Amendment), *Financial Instruments: Recognition and Measurement*. The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading was changed. A financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit taking is included in such a portfolio on initial recognition. The Group initially determined that adoption of this amendment will not have a material effect on its 2009 consolidated financial statements.
- PAS 40 (Amendment), *Investment Property*. PAS 40 is amended to include property under construction or development for future use as investment property in its definition of investment property. This results in such property being within the scope of PAS 40; previously, it was within the scope of PAS 16. Also, if an entity’s policy is to measure investment property at fair value, but during construction or development of an investment property the entity is unable to reliably measure its fair value, then the entity would be permitted to measure the investment property at cost until construction or development is complete. At such time, the entity would be able to measure the investment property at fair value.

Minor amendments are made to several other standards; however, those amendments are not also expected to have a material impact on the Group’s consolidated financial statements.

2.3 Consolidation and Investment in an Associate

The consolidated financial statements comprise the financial statements of the University and its subsidiaries as of March 31, 2009 and 2008 and for each of the three years in the period ended March 31, 2009. The financial statements of subsidiaries are prepared for the same reporting year, except for EACCI whose fiscal year ends at April 30, as the University using consistent accounting policies. Amounts reported in the financial statements of subsidiaries and associate have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

All intercompany balances and transactions with subsidiaries, including unrealized gains and losses arising from intercompany transactions, have been eliminated in full in consolidation. Intercompany losses, if any, that indicate impairment are recognized in the consolidated financial statements.

The Group accounts for its investments in subsidiaries, associate and minority interest as follows:

(a) Investments in Subsidiaries

Subsidiaries are all entities over which the University has the power to control the financial and operating policies. The University obtains and exercises control through voting rights.

Subsidiaries are consolidated from the date the University obtains control until such time that such control ceases.

Acquired subsidiaries are subject to application of the purchase method for acquisitions. This involves the revaluation at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at their revalued amounts, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies.

Goodwill represents the excess of the cost of an acquisition of a subsidiary or associate over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is presented under Other Noncurrent Assets in the consolidated balance sheet. Goodwill on acquisitions of associates is included in the carrying value of investments in associates. Goodwill is tested annually for impairment (see Note 2.13). Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Investment in an Associate

Associate is an entity over which the Group is able to exercise significant influence but which is neither a subsidiary nor interest in a joint venture. Investments in associate is initially recognized at cost and subsequently accounted for using the equity method.

Acquired investment in associate is also subject to purchase accounting. However, any goodwill or fair value adjustment attributable to the share in the associate is included in the amount recognized as investment in associate. All subsequent changes to the share in the equity of the associate are recognized in the carrying amount of the Group's investment. Changes resulting from the profit or loss generated by the associate are reported within Equity in Net Losses of an Associate in the Group's consolidated income statements and therefore affect the net results of operations of the Group.

In computing the Group's share in net earnings or losses of its associate, unrealized gains or losses on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate. Where unrealized losses are eliminated, the underlying asset is also tested for impairment from a group perspective.

(c) *Transactions with Minority Interests*

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals of shares to minority interests result in gains and losses for the Group that are recorded in the consolidated income statement. Purchases of shares from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

2.4 Financial Assets

Financial assets include cash and other financial instruments. Financial assets, other than hedging instruments, are classified into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired. The designation of financial assets is re-evaluated at every reporting date at which date a choice of classification or accounting treatment is available, subject to compliance with specific provisions of applicable accounting standards.

Regular purchase and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at fair value through profit or loss are initially recognized at fair value, plus transaction costs. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the consolidated income statement.

Currently, the Group's financial instruments are categorized as follows:

(a) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less any impairment losses. Any change in their value is recognized in profit or loss. Impairment loss is provided when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the assets' carrying amount and the present value of estimated cash flows.

The Group's financial assets categorized as loans and receivables are presented as Cash and Cash Equivalents and Receivables in the consolidated balance sheet.

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

(b) *Held-to-maturity Investments*

This includes non-derivative financial assets with fixed or determinable payments and a fixed date of maturity. Investments are classified as held-to-maturity if the Group has the positive intention and ability to hold them until maturity which is presented as Held-to-maturity Investments in the non-current section of the consolidated balance sheet, except those maturing within 12 months of the balance sheet date. Investments intended to be held for an undefined period are not included in this classification.

Held-to-maturity investments are measured at amortized cost using the effective interest method. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognized in profit or loss.

(c) *Available-for-sale Financial Assets*

This include non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. These are presented as Available-for-sale Investments in the non-current section of the consolidated balance sheet unless management intends to dispose of the investment within 12 months from the balance sheet date.

All financial assets within this category are subsequently measured at fair value, unless otherwise disclosed, with changes in value recognized in equity, net of any effects arising from income taxes. Gains and losses arising from securities classified as available-for-sale are recognized in the income statement when they are sold or when the investment is impaired.

In the case of impairment, the cumulative loss previously recognized directly in equity is transferred to the consolidated income statement. If circumstances change, impairment losses on available-for-sale equity instruments are not reversed through the income statement. On the other hand, if in a subsequent period the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in income statement, the impairment loss is reversed through the income statement.

Impairment losses recognized on financial assets are presented as part of Finance Costs in the consolidated income statement.

For investments that are actively traded in organized financial markets, fair value is determined by reference to stock exchange-quoted market bid prices at the close of business on the balance sheet date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows (such as dividend income) of the underlying net asset base of the investment.

Non-compounding interest, dividend income and other cash flows resulting from holding financial assets are recognized in profit or loss when earned, regardless of how the related carrying amount of financial assets is measured. All income and expense relating to financial assets recognized in profit or loss are presented in the consolidated income statement line item Finance Income and Finance Costs, respectively.

Derecognition of financial assets occurs when the rights to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

2.5 Real Estate Held for Sale

Acquisition costs of raw land intended for future development, including other costs and expenses incurred to effect the transfer of title of the property as well as related property development costs are accumulated in this account.

Real estate held for sale is carried at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to complete and the estimated costs necessary to make the sale.

Real estate held for sale is expected to be sold within 2 to 10 years from the time of acquisition and development, which is considered as the normal operating cycle of the Group with respect to its development and sale of real estate properties.

2.6 Property and Equipment

Except for land, which is stated at cost less any impairment in value, property and equipment are stated at cost less accumulated depreciation and amortization, and impairment in value, if any.

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets as follows:

Building and improvements	20 years
Leasehold improvements	20 years
Furniture and equipment	3-6 years
Miscellaneous equipment	5 years

Leasehold improvements are amortized over 20 years regardless of the term of lease contract which is usually shorter than the expected useful life of the improvements because it is highly probable that the lease contract with FRC will be renewed before the end of such contract.

Construction in progress represents a condominium unit acquired from a developer and is still under construction is stated at cost. This represents the cost of acquisition including applicable finance cost and other direct costs. The account is not depreciated until such time that the assets are completed and available for use.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 2.13).

The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year the item is derecognized.

2.7 Investment Property

Investment property is measured initially at acquisition cost. Subsequently, investment property, except land which is carried at cost less impairment in value, if any, is carried at cost less accumulated depreciation and any impairment in value.

Depreciation is computed on a straight line basis over the estimated useful lives of the assets as follows:

Buildings and improvements	20 to 50 years
Land improvements	5 years

An investment property's carrying amount is written down immediately to its recoverable amount if the property's carrying amount is greater than its estimated recoverable amount (see Note 2.13).

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the consolidated income statement in the year of retirement or disposal.

Transfer are made to investment property when, and only when, there is a change in use, evidence by the end of owner-occupation, commencement of an operating lease to another party or by the end of construction or development. Transfers are made from investment property when and only when, there is a change in use, evidenced by commencement of the owner-occupation or commencement of development with a view to sell.

2.8 Financial Liabilities

Financial liabilities include accounts payable and other liabilities and notes payable, which are measured at amortized cost using the effective interest rate method.

Financial liabilities are recognized when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognized as an expense in the consolidated income statement under the caption Finance Costs.

The liabilities are initially recognized at their fair value and subsequently measured at amortized cost less settlement payments.

Financial liabilities are derecognized from the balance sheet only when the obligations are extinguished either through discharge, cancellation or expiration.

2.9 Provisions

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, where time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments and the risks specific to the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the consolidated financial statements.

Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the consolidated financial statements.

2.10 Revenue and Expense Recognition

Revenue is recognized to the extent that the revenue can be reliably measured, it is probable that the economic benefits will flow to the Group, and the costs incurred or to be incurred can be measured reliably. In addition, the following specific recognition criteria must also be met before revenue is recognized:

- (a) *Tuition and Other Fees* – Tuition and other fees are recognized as income over the corresponding school term.
- (b) *Rental* – Revenue is recognized in the consolidated income statement over the term of the lease using the straight-line method, and in certain cases, the amount determined using straight-line method or amount determined using a certain percentage of the lessee's gross annual revenue whichever is higher. Rent received in advance is initially recorded as Deferred Income in the consolidated balance sheet.
- (c) *Interest* – Revenue is recognized as the interest accrues (taking into account the effective yield on the asset).

Revenue is measured by reference to the fair value of consideration received or receivable by the Group for services rendered, excluding value-added tax (VAT) and trade discounts.

Cost and expenses are recognized in the consolidated income statement upon receipt of goods, utilization of service or at the date such cost and expenses are incurred.

2.11 Leases

The Group accounts for its leases as follows:

- (a) *Group as Lessee*

Leases which do not transfer to the Group substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as expense in the consolidated income statement on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

(b) Group as Lessor

Leases which do not transfer to the lessee substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating leases is recognized as income in the consolidated income statement on a straight-line basis over the lease term.

2.12 Foreign Currency Transactions

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

Foreign currency 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 the consolidated income statement.

2.13 Impairment of Non-financial Assets

The Group's investments in an associate, property and equipment, investment property and certain other non-current assets are subject to impairment testing. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is recognized for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use, based on an internal evaluation of discounted cash flow. Impairment loss is charged pro-rata to the other assets in the cash-generating unit.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

2.14 Employee Benefits

(a) Retirement Benefit Obligations

Pension benefits are provided to employees through a defined contribution plan.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into an independent entity. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognized in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognized if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.

(b) Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either: (a) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or (b) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

(c) Compensated Absences

Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the balance sheet date. They are included in Accounts Payable and Other Liabilities account at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

2.15 Trust Funds

This represents restricted funds of the University that are intended for student welfare, development, loan, assistance and scholarship fund, and for other specific educational purposes. The University administers the use of these funds based on the specific purpose such funds are identified with.

2.16 Borrowing Costs

Borrowing costs are recognized as expenses in the period in which they are incurred, except to the extent that they are capitalized. Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset (i.e., an asset that takes a substantial period of time to get ready for its intended use or sale) are capitalized as part of cost of such asset. The capitalization of borrowing costs commences when expenditures for the asset and borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalization ceases when substantially all such activities are complete.

2.17 Income Taxes

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the consolidated income statement.

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

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carryforward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred income tax asset can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the consolidated income statement.

2.18 Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. Transactions between related parties are based on terms similar to those offered to non-related parties.

2.19 Equity

Capital stock is determined using the nominal value of shares that have been issued.

Treasury shares are stated at the cost of re-acquiring such shares.

Accumulated fair value gains (losses) comprise gains and losses due to the revaluation of available-for-sale financial assets.

Retained earnings include all current and prior period results as reported in the consolidated income statement. The appropriated portion represents the amount which is not available for distribution.

2.20 Earnings Per Share

Basic earnings per share are determined by dividing net income by the weighted average number of shares subscribed and issued during the year after giving retroactive effect to stock dividend declared, stock split and reverse stock split during the current year, if any.

Diluted earnings per share are computed by adjusting the weighted average number of ordinary shares outstanding to assume conversion of dilutive potential shares. The Group does not have dilutive potential shares outstanding that would require disclosure of diluted earnings per share in the consolidated income statement.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The Group's financial statements prepared in accordance with PFRS require management to make judgments and estimates that affect amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Actual results may ultimately vary from these estimates.

3.1 Critical Judgments in Applying Accounting Policies

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

(a) Classification of Held-to-maturity Investments

In classifying non-derivative financial assets with fixed or determinable payments and fixed maturity, such as bonds, as held-to-maturity investments the Group evaluates its intention and ability to hold such investments up to maturity.

If the Group fails to keep these investments to maturity other than for specific circumstances as allowed under the standards, it will be required to reclassify the whole class as available-for-sale financial assets. In such a case, the investments would therefore be measured at fair value, not amortized cost.

As of March 31, 2009 and 2008, there are no held-to-maturity investments disposed of before their maturity.

(b) Distinction Between Investment Properties and Owner-managed Properties

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the supply of services or for administrative purposes. If portion can be sold separately (or leased out separately under finance lease), the Group accounts for such portion separately. If the portion cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the supply of services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

(c) *Classification of Leases*

The Group has entered into various lease agreements as either a lessor or a lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Currently, all of the Group's lease agreements are determined to be operating leases.

Rental expense charged to operations amounted to P17.1 million in 2009, P11.3 million in 2008 and none in 2007 (see Note 14) while rental income earned in 2009, 2008 and 2007 are presented as Rental Income in the consolidated income statements.

(d) *Provisions and Contingencies*

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and disclosure of contingencies are discussed in Note 2.9 and relevant disclosures are presented in Note 21.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) *Allowance for Impairment of Receivables*

The Group maintains an allowance for impairment loss on receivables at a level considered adequate to cover probable uncollectible receivables. The level of this allowance is evaluated by management on the basis of factors that affect the collectibility of the accounts. These factors include, but are not limited to, history of the students' payment behavior, age of receivables and other external factors affecting the education industry. The Group constantly reviews the age and status of receivables, and identifies accounts that should be provided with allowance. Analyses of net realizable value of receivables as of March 31, 2009 and 2008 are presented in Note 5.

Impairment losses recognized on receivables amounted to about P17.6 million in 2009, P17.4 million in 2008 and P12.7 million in 2007 (see Note 5).

(b) *Valuation of Financial Assets Other than Loans and Other Receivables*

The Group carries certain financial assets at fair value, which requires the extensive use of accounting estimates and judgment. In cases where active market quotes are not available, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net base of the instrument. The amount of changes in fair value would differ if the Group utilized different valuation methods and assumptions. Any change in fair value of these financial assets would affect profit and loss and fund balance.

Fair value gains and losses recognized on available-for-sale financial assets in 2009, 2008 and 2007 are presented as Accumulated Fair Value Gains (Losses) in the consolidated statements of changes in equity (see Note 6).

(c) *Impairment of Available-for-sale Investments*

The determination when an investment is other-than-temporarily impaired requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Analyses of the carrying value of the available-for-sale investments as of March 31, 2009 and 2008 are presented in Note 6.

(d) *Useful Lives of Investment Property and Property and Equipment*

The Group estimates the useful lives of investment property and property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. Analyses of the carrying amounts of investment property and property and equipment are presented in Notes 9 and 10, respectively. Actual results, however, may vary due to changes in factors mentioned above. Based on management assessment as of March 31, 2009 and 2008, no change in the estimated useful lives of the assets is necessary.

(e) *Impairment of Non-financial Assets*

PFRS requires that an impairment review be performed when certain impairment indicators are present. The Group's policy on estimating the impairment of non-financial assets is discussed in detail in Note 2.13. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

The Group did not recognize any impairment loss on property and equipment, investment property and investments in an associate in 2009, 2008 and 2007.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as of March 31:

	<u>2009</u>	<u>2008</u>
Cash on hand and in banks	P 157,747,517	P 197,126,244
Short-term placements	<u>1,073,602,486</u>	<u>1,086,378,367</u>
	<u>P 1,231,350,003</u>	<u>P 1,283,504,611</u>

Cash in banks generally earn interest at rates based on daily bank deposit rates. Short-term placements are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn effective annual interest ranging from 3.75% to 7.00% in 2009 and 3.75% to 5.25% in 2008 for peso placements and 1.75% to 4.00% in 2009 and 2.25% to 2.50% in 2008 for dollar placements. Interest income earned from cash and cash equivalents were presented as part of Finance Income in the consolidated income statements.

Certain portions of cash and cash equivalents are set aside to cover for trust funds as disclosed in Note 12.

5. RECEIVABLES

This account is composed of the following:

	<u>Notes</u>	<u>2009</u>	2008 (As restated – see Note 19.2)
Tuition and other fees		P 64,246,194	P 54,371,503
Rental receivable		8,202,478	829,938
Receivable from:			
FEU Educational Foundation, Inc.		38,040,770	28,843,710
East Asia Educational Foundation, Inc. (EAEF)		18,165,787	14,116,055
Advances to employees		11,479,722	9,145,859
Accrued interest	4, 6, 19.2	8,472,078	14,821,789
Others		<u>3,691,162</u>	<u>3,177,662</u>
		152,298,191	125,306,516
Allowance for impairment losses on tuition and other fees		(<u>14,146,263</u>)	(<u>11,872,333</u>)
		<u>P 138,151,928</u>	<u>P 113,434,183</u>

A reconciliation of the allowance for impairment loss on receivables at the beginning and end of 2009 and 2008 is shown below.

	<u>2009</u>	<u>2008</u>
Balance at beginning of year	P 11,872,333	P 11,436,501
Impairment losses during the year	17,581,234	17,450,897
Receivables written off during the year	(<u>15,307,304</u>)	(<u>17,015,065</u>)
Balance at end of year	<u>P 14,146,263</u>	<u>P 11,872,333</u>

All of the Group's receivables have been reviewed for indicators of impairment. Certain tuition and other fees receivables were found to be impaired and allowance has been recorded accordingly. The allowance for impairment loss on receivables as of March 31, 2009 and 2008 relates only to receivables from students which have been outstanding for more than one semester and specifically identified to be impaired. Impairment loss recognized on receivables is presented as part of Finance Costs in the consolidated income statements.

No allowance for impairment loss on all other receivables was provided as of March 31, 2009 and 2008 since management believes that those are collectible in full.

The University provides management services to EAEF which agreed to pay management fee computed at a certain percentage of their gross revenue subject to certain conditions. Management fees earned amounted to P11.5 million in 2009, P20.1 million in 2008 and nil in 2007 which are presented as part of the caption miscellaneous under Other Income (Charges) in the consolidated income statements.

The outstanding receivables arising from this transaction are presented above as part of Receivable from EAEF.

6. AVAILABLE-FOR-SALE INVESTMENTS

This category of financial assets consists of the following:

	<u>2009</u>	<u>2008</u>
Debt securities:		
Government	P 792,260,802	P 706,326,539
Corporate	<u>276,110,403</u>	<u>109,258,504</u>
	1,068,371,205	815,585,043
Equity securities	<u>19,738,752</u>	<u>25,102,359</u>
	<u>P1,088,109,957</u>	<u>P 840,687,402</u>

Interest income recognized in 2009, 2008 and 2007 are presented as part of Finance Income in the consolidated income statements (see Note 15).

Certain AFS investments reached their maturity in 2009, 2008 and 2007 and were no longer reinvested; thus reclassified to Cash and Cash Equivalents resulting in the recognition in the consolidated income statements of cumulative gain of P2.8 million in 2009 and P5.5 million in 2008 and cumulative loss of P5.6 million in 2007, previously recognized in consolidated equity.

Analyses of the movement in the carrying amounts of the Group's investments held by trustee banks are presented below.

	<u>2009</u>	<u>2008</u>
Balance at beginning of year	P 840,687,402	P 816,893,531
Additions	707,948,490	312,503,139
Withdrawals	(467,769,330)	(302,795,789)
Investment income - net	15,259,477	12,910,428
Fair value gains (losses)	<u>(8,016,082)</u>	<u>1,176,093</u>
Balance at end of year	<u>P1,088,109,957</u>	<u>P 840,687,402</u>

7. REAL ESTATE HELD FOR SALE

Real estate held for sale as of March 31, 2009 and 2008 represents certain lots at the following locations:

Silang, Cavite	P 163,587,573
Ferndale Homes, Quezon City	<u>25,464,969</u>
	<u>P 189,052,542</u>

Currently, the Group's real estate properties held for sale are still in the development phase and the Group has not made any sale during the years presented.

Management has assessed that the net realizable value is higher than the cost of these assets, hence, no impairment loss was recognized in both years.

8. INVESTMENT IN AN ASSOCIATE

This account consists of the following as of March 31:

	<u>2009</u>	<u>2008</u>
Acquisition cost	<u>P 7,878,121</u>	<u>P 7,878,121</u>
Accumulated equity in net losses:		
Balance at beginning of year	(772,742)	(748,010)
Equity in net losses	(<u>49,416</u>)	(<u>24,732</u>)
Balance at end of year	(<u>822,158</u>)	(<u>772,742</u>)
	<u>P 7,055,963</u>	<u>P 7,105,379</u>

JMCP's summary of the financial information as of December 31, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
Total assets	P 14,824,762	P 14,826,831
Total liabilities	424,840	326,060
Total equity	14,399,923	14,500,771
Net loss	100,849	50,474

9. INVESTMENT PROPERTY

The gross carrying amounts and accumulated depreciation of investment property at the beginning and end of 2009 and 2008 are shown below.

	<u>Land</u>	<u>Building and Improvements</u>	<u>Land Improvements</u>	<u>Total</u>
March 31, 2009				
Cost	P 138,676,925	P 306,970,521	P 2,941,664	P 445,589,110
Accumulated depreciation	<u>-</u>	<u>(81,673,204)</u>	<u>(2,012,361)</u>	<u>(83,685,565)</u>
Net carrying amount	<u>P 138,676,925</u>	<u>P 225,297,317</u>	<u>P 929,303</u>	<u>P 364,903,545</u>
March 31, 2008				
Cost	P 125,982,883	P 304,160,428	P 2,722,557	P 432,865,868
Accumulated depreciation	<u>-</u>	<u>(67,660,802)</u>	<u>(1,467,850)</u>	<u>(69,128,652)</u>
Net carrying amount	<u>P 125,982,883</u>	<u>P 236,499,626</u>	<u>P 1,254,707</u>	<u>P 363,737,216</u>
April 1, 2007				
Cost	P 91,893,657	P 242,559,966	P 2,117,490	P 336,571,113
Accumulated depreciation	<u>-</u>	<u>(54,883,329)</u>	<u>(1,020,911)</u>	<u>(55,904,240)</u>
Net carrying amount	<u>P 91,893,657</u>	<u>P 187,676,637</u>	<u>P 1,096,579</u>	<u>P 280,666,873</u>

A reconciliation of the carrying amounts at the beginning and end of 2009 and 2008, of investment property is shown below.

	<u>Land</u>	<u>Building and Improvements</u>	<u>Land Improvements</u>	<u>Total</u>
Balance at April 1, 2008 net of accumulated depreciation	P 125,982,883	P 236,499,626	P 1,254,707	P 363,737,216
Additions	12,694,042	2,810,093	219,107	15,723,242
Depreciation charges for the year	<u>-</u>	<u>(14,012,402)</u>	<u>(544,511)</u>	<u>(14,556,913)</u>
Balance at March 31, 2009 net of accumulated depreciation	<u>P 138,676,925</u>	<u>P 225,297,317</u>	<u>P 929,303</u>	<u>P 364,903,545</u>
Balance at April 1, 2007 net of accumulated depreciation	P 91,893,657	P 187,676,637	P 1,096,579	P 280,666,873
Additions	34,089,226	61,600,462	458,283	96,147,971
Reclassification	-	-	146,784	146,784
Depreciation charges for the year	<u>-</u>	<u>(12,777,473)</u>	<u>(446,939)</u>	<u>(13,224,412)</u>
Balance at March 31, 2008 net of accumulated depreciation	<u>P 125,982,883</u>	<u>P 236,499,626</u>	<u>P 1,254,707</u>	<u>P 363,737,216</u>

The total rental income earned from the investment property amounted to P50.4 million in 2009, P41.3 million in 2008, P47.8 million in 2007 and presented as Rentals in the consolidated income statements. Depreciation expense and other related expenses incurred from the asset such as real property taxes are presented as part of General Operating Expenses in the consolidated income statements (see Note 14).

The fair value of the investment property as of March 31, 2009 and 2008 was about P2.5 billion which was determined based on the most recent valuation performed by independent appraisers immediately after the balance sheet dates except that portion pertaining to FRC's investment property amounting to P2.1 billion which was based on valuation in 2006.

10. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation at the beginning and end of 2009 and 2008 are shown below.

	<u>Land</u>	<u>Building and Improvements</u>	<u>Furniture and Equipment</u>	<u>Miscellaneous Equipment</u>	<u>Construction in-Progress</u>	<u>Total</u>
March 31, 2009						
Cost	P 197,383,724	P 654,637,049	P 115,455,954	P 13,515,759	P 23,914,725	P 1,004,907,211
Accumulated depreciation	-	(120,539,142)	(88,841,105)	(11,889,254)	-	(221,269,501)
Net carrying value	<u>P 197,383,724</u>	<u>P 534,097,907</u>	<u>P 26,614,849</u>	<u>P 1,626,505</u>	<u>P 23,914,725</u>	<u>P 783,637,710</u>
March 31, 2008						
Cost	P 197,383,724	P 517,435,343	P 107,580,928	P 12,409,148	P 9,084,363	P 843,893,507
Accumulated depreciation	-	(93,944,046)	(77,305,432)	(11,659,251)	-	(182,908,729)
Net carrying value	<u>P 197,383,724</u>	<u>P 423,491,298</u>	<u>P 30,275,496</u>	<u>P 749,897</u>	<u>P 9,084,363</u>	<u>P 660,984,778</u>
April 1, 2007						
Cost	P 197,383,724	P 487,866,479	P 89,420,099	P 12,090,998	P 8,434,363	P 795,195,663
Accumulated depreciation	-	(70,575,246)	(67,114,543)	(11,543,856)	-	(149,233,645)
Net carrying value	<u>P 197,383,724</u>	<u>P 417,291,233</u>	<u>P 22,305,556</u>	<u>P 547,142</u>	<u>P 8,434,363</u>	<u>P 645,962,018</u>

A reconciliation of the carrying amounts at the beginning and end of 2009 and 2008, of property and equipment is shown below.

	<u>Land</u>	<u>Building and Improvements</u>	<u>Furniture and Equipment</u>	<u>Miscellaneous Equipment</u>	<u>Construction in-Progress</u>	<u>Total</u>
Balance at April 1, 2008, net of accumulated depreciation	P 197,383,724	P 423,491,298	P 30,275,496	P 749,897	P 9,084,363	P 660,984,778
Additions	-	137,201,705	7,906,080	1,106,611	23,914,725	170,129,121
Derecognition	-	-	(4,737)	-	(9,048,363)	(9,089,100)
Depreciation charges for the year	-	(26,595,096)	(11,561,990)	(230,003)	-	(38,387,089)
Balance at March 31, 2009, net of accumulated depreciation	<u>P 197,383,724</u>	<u>P 534,097,907</u>	<u>P 26,614,849</u>	<u>P 1,626,505</u>	<u>P 23,914,725</u>	<u>P 783,637,710</u>
Balance at April 1, 2007, net of accumulated depreciation	P 197,383,724	P 417,291,233	P 22,305,556	P 547,142	P 8,434,363	P 645,962,018
Additions	-	29,568,865	18,160,829	318,150	650,000	48,697,844
Depreciation charges for the year	-	(23,368,800)	(10,190,889)	(115,395)	-	(33,675,084)
Balance at March 31, 2008, net of accumulated depreciation	<u>P 197,383,724</u>	<u>P 423,491,298</u>	<u>P 30,275,496</u>	<u>P 749,897</u>	<u>P 9,084,363</u>	<u>P 660,984,778</u>

In October 2005, FRC entered into a contract with Ayala Land, Inc. (ALI) to acquire a condominium unit which is still under construction and development. The contract required a 30% downpayment and monthly installment payments of P165,968 until December 2008. In May 2008, FRC cancelled the said contract prior to its maturity and entered into a new one with ALI to acquire a condominium unit with a lot area significantly bigger than the previous contract. The new contract required a 25% downpayment and monthly installment payments of P341,975, which is covered by a promissory note issued in favor of ALI, starting September 2008 until January 2013. FRC has already made a total of P8.5 million, net of administrative fees to ALI, payments in the cancelled contract of which P6.8 million has been applied as downpayment for the new contract while the remaining amount which pertains to input taxes is presented as part of Other Current Assets in the 2009 consolidated balance sheet.

As of March 31, 2009 and 2008, the net carrying amount of the property presented as Construction in Progress under Property and Equipment amounts to P23.9 million and P9.1 million, respectively. Interest expense representing amortization of discounts on the notes payable, capitalized as part of construction in progress amounted to P0.9 million in 2009.

The current portion of the liability arising from this transaction was P3.1 million and P1.9 million as of March 31, 2009 and 2008, respectively, while the non-current portion was P10.3 million and nil as of March 31, 2009 and 2008, respectively, (see Note 21.1). These are presented in the consolidated balance sheets as Notes Payable.

11. ACCOUNTS PAYABLE AND OTHER LIABILITIES

This account consists of:

	<u>Note</u>	<u>2009</u>	2008 (As restated – see Note 18)
Accounts payable		P 41,670,926	P 35,781,894
Dividends payable	19.2	58,499,156	140,701,054
Accrued salaries and benefits		54,229,149	30,048,030
Payable to FEU retirement plan		36,901,623	41,886,105
Withholding and other taxes payable		36,513,664	43,934,253
Funds payable		34,361,963	27,339,985
Amount due to students		33,746,306	46,555,113
Accrued expenses		33,569,525	24,573,479
Deposits payable		9,831,557	23,550,545
Other current liabilities		<u>10,333,508</u>	<u>5,980,166</u>
		<u>P 349,657,377</u>	<u>P 420,350,624</u>

12. TRUST FUNDS

This account consists of the following as of March 31:

	<u>2009</u>	<u>2008</u>
Student welfare and development fund	P 26,202,141	P 40,693,748
Visual aid development fund	13,224,923	13,670,640
FEU Central Student Organization:		
Student loan fund	12,777,129	10,502,842
Student scholarship fund	3,902,308	3,919,602
Student assistance fund	-	2,653,039
Others	<u>2,384,140</u>	<u>4,722,351</u>
	<u>P 58,490,641</u>	<u>P 76,162,222</u>

These trust funds represent collections to defray expenses related to activities for specific educational purposes. As discussed in Note 4, the amounts of cash and cash equivalents to the outstanding balances of these funds are set aside for such purposes.

13. TUITION FEES

Details of net tuition fees presented in the consolidated income statements are as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tuition and other fees	<u>P 1,694,493,469</u>	<u>P 1,655,826,499</u>	<u>P 1,636,730,534</u>
Less discounts:			
Scholarship	63,723,848	57,508,745	52,764,930
Cash	10,214,508	10,038,965	9,804,230
Family	<u>8,746,646</u>	<u>7,595,756</u>	<u>8,192,472</u>
	<u>82,685,002</u>	<u>75,143,466</u>	<u>70,761,632</u>
	<u>P 1,611,808,467</u>	<u>P 1,580,683,033</u>	<u>P 1,565,968,902</u>

Towards the end of the fiscal year, the University collected tuition fees from students for the summer classes which start after the balance sheet date. Such collections are excluded from tuition fees earned for the year and presented as part of Deferred Income in the consolidated balance sheets and recognized as revenue in the following year.

14. OPERATING EXPENSES

Operating expenses consists of:

	Notes	2009	2008	2007 (As Restated - see Note 19.2)
<i>Instructional and Academic</i>				
Salaries and allowances	18	P 527,192,891	P 495,587,597	P 468,906,339
Employees benefits	16	164,350,335	150,395,234	135,098,784
Related learning experience		21,641,432	19,474,376	-
Affiliation		9,960,332	11,418,036	-
Others		<u>21,503,871</u>	<u>17,370,504</u>	<u>46,134,305</u>
		<u>744,648,861</u>	<u>694,245,747</u>	<u>650,139,428</u>
<i>Administrative</i>				
Salaries and allowances	18	87,788,025	80,599,603	72,263,545
Employees benefits	16	39,266,335	36,165,361	35,175,975
Rental		17,136,041	11,345,139	-
Directors' bonus		11,750,000	10,500,000	8,250,000
Others		<u>17,243,886</u>	<u>16,772,935</u>	<u>15,730,929</u>
		<u>173,184,287</u>	<u>155,383,038</u>	<u>131,420,449</u>
<i>Maintenance and University Operations</i>				
Utilities		68,074,983	61,619,734	68,929,086
Salaries and allowances		23,490,070	24,196,975	23,049,555
Janitorial services	16	12,808,640	11,707,163	13,052,135
Employee benefits		11,296,291	11,772,106	10,492,989
Repairs and maintenance		6,458,042	8,071,553	30,328,725
Property insurance		<u>1,160,749</u>	<u>564,594</u>	<u>1,487,187</u>
		<u>123,288,775</u>	<u>117,932,125</u>	<u>147,339,677</u>
<i>General</i>				
Depreciation	9, 10	52,944,002	46,899,496	46,809,097
Security services		25,834,071	18,314,315	15,323,818
Publicity and promotions		6,615,235	8,033,477	4,966,479
Professional fees		6,306,848	5,416,097	1,510,752
Maintenance of art works		6,176,320	2,184,264	3,474,476
Taxes and licenses		5,333,533	4,322,713	3,968,750
Donation and charitable contributions		1,358,909	1,471,938	1,672,229
Others		<u>2,896,715</u>	<u>5,582,852</u>	<u>10,903,716</u>
		<u>107,465,633</u>	<u>92,225,152</u>	<u>88,629,317</u>
Total Operating Expenses		<u>P 1,148,587,556</u>	<u>P 1,059,786,062</u>	<u>P 1,017,528,871</u>

15. FINANCE INCOME

This account consists of:

	Notes	2009	2008	2007
Interest income from:				
Cash and cash equivalents	4	P 69,502,580	P 65,795,215	P 55,170,976
AFS financial assets	6	45,180,490	37,943,665	53,455,661
HTM		1,672,563	2,679,885	2,667,123
Receivables		1,463,473	-	-
Foreign exchange gains – net		3,037,732	-	-
		<u>P 120,856,838</u>	<u>P 106,418,765</u>	<u>P 111,293,760</u>

16. EMPLOYEES' HEALTH, WELFARE AND RETIREMENT FUND

The Group maintains a funded and contributory retirement plan, which is a defined contribution type of retirement plan since 1967, covering regular teaching and non-teaching personnel members.

The retirement fund is under the administration of an organization, the FEU Health, Welfare and Retirement Fund, through its Retirement Board.

Contributions to this fund are in accordance with the defined contribution established by the Retirement Board which is the sum of the employees' and the Group's contributions. Employees' contribution is 5% of basic salary while the Group's contribution is equivalent to 20% of the employees' basic salary. Retirement expense recognized in the University's income statement amounted to P85.9million in 2009, P63.4 million in 2008 and P49.0 million in 2007 (see Note 14).

The Fund's balance sheets as of December 31, 2008 and 2007 showed the following:

	2008	2007
Assets		
Money market placements	P 643,050,000	P 555,853,116
Receivables	38,547,269	40,186,159
Cash in banks	10,784,913	4,628,136
Others	185,654	208,505
	<u>692,567,836</u>	<u>600,875,916</u>
Liabilities	(50,395,960)	(49,871,692)
	<u>P 642,171,876</u>	<u>P 551,004,224</u>

17. INCOME TAXES

The components of the tax expense presented in the consolidated income statements are as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Current tax expense:			
Special rate at 10%	P 51,743,268	P 59,615,310	P 58,009,602
Final tax	21,258,726	19,135,614	13,822,068
Regular corporate income tax (RCIT) rate at 35% and 30% in 2009 and 35% in 2008 and 2007	<u>10,812,275</u>	<u>10,675,348</u>	<u>7,342,847</u>
	<u>83,814,269</u>	<u>89,426,272</u>	<u>79,174,517</u>
Deferred tax expense (income):			
Deferred tax benefit arising from origination and reversal of temporary differences	4,788,752 (	1,879,288)	3,157,934
Effect of change in RCIT rate	(1,607,282)	-	-
	<u>3,181,470</u>	<u>(1,879,288)</u>	<u>3,157,934</u>
	<u>P 86,995,739</u>	<u>P 87,546,984</u>	<u>P 82,332,451</u>

A reconciliation of tax on pretax income computed at the applicable statutory rates to tax expense reported in the consolidated income statements is as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax on pretax income at 10%	P 69,628,919	P 70,135,341	P 71,040,300
Adjustments for income subjected to:			
RCIT rate	10,843,328	6,208,259	7,634,969
Final tax	8,858,395	9,711,972	2,917,309
Excess of OSD over itemized deductions	(3,289,439)	-	-
Effect of change in RCIT rate	(1,607,282)	-	-
Others	<u>2,561,818</u>	<u>1,491,412</u>	<u>739,873</u>
Tax expense	<u>P 86,995,739</u>	<u>P 87,546,984</u>	<u>P 82,332,451</u>

The deferred tax assets and liabilities relate to the following as of March 31:

	<u>Consolidated Balance Sheets</u>		<u>Consolidated Income Statements</u>		
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Deferred tax assets:					
Accrued rent expense	P 4,591,002	P 3,543,085	(P 1,047,917)	(P 1,131,710)	(P 272,458)
Unearned rental income	3,223,163	2,601,432	(621,731)	(2,601,432)	-
Allowance for impairment of receivables	1,414,626	1,187,233	(227,393)	(43,583)	683,357
Unearned income	-	1,685,492	1,685,492	(1,685,492)	-
Accrued donation	-	1,700,000	1,700,000	-	-
NOLCO	-	163,176	163,176	(50,143)	45,556
MCIT	-	2,115	2,115	-	-
Unrealized foreign currency loss	-	474,786	474,786	(104,391)	824,760
Deferred tax assets	<u>P 9,228,791</u>	<u>P 11,357,319</u>			
Deferred tax liabilities:					
Accrued rent income	(P 12,866,856)	(P 12,117,687)	749,169	3,737,463	(4,439,149)
Unrealized foreign currency gains	(303,773)	-	303,773	-	-
Deferred tax liabilities	<u>(P 13,170,629)</u>	<u>(P 12,117,687)</u>			
Deferred tax expense (income)			<u>P 3,181,470</u>	<u>(P 1,879,288)</u>	<u>(P 3,157,934)</u>

The University availed of the Tax Incentives Provisions of Republic Act (R.A.) No. 8525, Adopt-a-School Act of 1998. Total benefit from the availment of this tax incentives provided under the R.A. is the sum of the amount of contribution/donation that were actually, directly and exclusively incurred for the Adopt-a-School Program, with limitations, conditions and rules set forth in Section 34 (H) of the Tax Code and fifty percent (50%) of the amount of such contribution/donation.

FRC is subject to the minimum corporate income tax (MCIT) which is computed at 2% of gross income, as defined under the tax regulations. No MCIT was recognized in 2009, 2008 and 2007 as RCIT was higher than MCIT in those years.

On July 6, 2008, Republic Act (R.A.) No. 9504 became effective giving corporate taxpayers an option to claim itemized deduction or optional standard deduction (OSD) equivalent to 40% of gross income which is relevant only to FRC. Once the option to use OSD is made, it shall be irrevocable for the taxable year for which the option was made. In 2009, FRC opted to use OSD instead of itemized deduction in computing its RCIT.

In accordance with Republic Act (R.A.) No. 9337, RCIT rate, which is applicable only to FRC, was reduced from 35% to 30% while nonallowable deductions for interest expense from 42% to 33% of interest income subjected to final tax beginning January 1, 2009.

18. RELATED PARTY TRANSACTIONS

Total remunerations of the Group's key management personnel presented as part of salaries and allowances and employees benefits under the Instructional and Academic, and Administrative Expenses caption (see Note 14) is as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Short-term benefits	P 113,999,963	P 100,412,356	P 103,872,843
Retirement benefits	<u>18,063,955</u>	<u>16,321,494</u>	<u>13,592,380</u>
	<u>P 132,063,918</u>	<u>P 116,733,850</u>	<u>P 117,465,223</u>

19. EQUITY

19.1 Capital Stock

The Group has 10 million shares of authorized capital stock, with P100 par value, of which 9,845,779 shares are issued as of March 31, 2009 and 7,043,699 shares are issued as of March 31, 2008 and 2007. Total outstanding shares are 9,808,448 shares as of March 31, 2009 and 7,006,368 shares as of March 31, 2008 and 2007 while 37,331 shares costing P3.7 million are held in treasury as of those dates.

19.2 Retained Earnings

Significant transactions affecting Retained Earnings, which is also restricted at an amount equivalent to the cost of treasury shares, are as follows:

(a) Appropriation of Retained Earnings

Appropriated Retained Earnings consists of appropriations for:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expansion of facilities	P 899,333,335	P 1,010,000,000	P 610,000,000
General retirement	57,000,000	57,000,000	7,000,000
Contingencies	18,765,682	20,161,414	20,161,414
Acquisition of laboratory equipment	-	20,000,000	20,000,000
Purchase of equipment and improvements	-	30,000,000	30,000,000
Repairs and improvements	<u>-</u>	<u>10,000,000</u>	<u>10,000,000</u>
	<u>P 975,099,017</u>	<u>P 1,147,161,414</u>	<u>P 697,161,414</u>

The BOT approved on June 26, 2007, P100 million and P50 million appropriations for expansion of facilities and general retirement, respectively, and again on March 25, 2008, an additional appropriation for school expansion of P300 million. In 2009, the University made a reversal of appropriations amounting to P172.1 million pertaining to expansion of facilities, repairs and improvements, acquisition of laboratory equipment and purchase of equipment and improvements.

(b) *Dividend Declaration*

The BOT approved the following dividend declarations in 2009, 2008 and 2007, respectively:

	<u>Declaration</u>	<u>Date of Record</u>	<u>Payment</u>		<u>Amount</u>
2009					
Cash dividend of P15 per share	June 17, 2008	July 7, 2008	July 21, 2008	P	105,095,520
40% stock dividend equivalent to 2,802,547 shares	August 23, 2008	September 15, 2008	October 9, 2008		280,208,000
467 fractional shares paid out in cash at P100 per share	August 23, 2008	September 15, 2008	October 9, 2008		46,720
Cash dividend of P15 per share	December 16, 2008	January 8, 2009	January 22, 2009		<u>147,126,720</u>
				P	<u>532,476,960</u>
2008					
Cash dividend of P15 per share	June 26, 2007	July 11, 2007	July 23, 2007	P	105,095,520
Cash dividend of P 15 per share	December 18, 2007	January 7, 2008	January 17, 2008		105,095,520
Cash dividend of P15 per share	March 25, 2008	April 10, 2008	April 24, 2008		<u>105,095,520</u>
				P	<u>315,286,560</u>
2007					
Cash dividend of P15 per share	June 20, 2006	July 17, 2006	July 17, 2006	P	70,067,130
50% stock dividend equivalent to 2,335,226 shares	March 21, 2006	September 6, 2006	October 2, 2006		233,522,600
345 fractional shares paid out in cash at P100 per share	March 21, 2006	September 6, 2006	October 2, 2006		34,500
Cash dividend of P15 per share	December 19, 2006	January 5, 2007	January 15, 2007		<u>105,095,520</u>
				P	<u>408,719,750</u>

Unpaid dividends as of March 31, 2009 and 2008 are presented as dividends payable under Accounts Payable and Other Liabilities in the consolidated balance sheets (see Note 11).

(c) *Prior Period Adjustments*

Prior period adjustments were recorded by the University to correct the overstatement in the balances of Retained Earnings as of April 1, 2008, 2007 and 2006 mainly because of accrued interest receivable amounting to P30.3 million that was not reversed in previous years. Also, in 2008 FRC's management identified certain accruals that should have been reversed in prior years amounting to P9.6 million. This adjustment was made in connection with FRC's availment of the Tax Amnesty Program under R.A. 9480.

Shown below are the effects of these adjustments on Retained Earnings.

	April 1, 2008	April 1, 2007	April 1, 2006
Retained earnings as previously reported	P 873,954,674	P 1,028,997,472	P 825,051,055
Reversal of over accrual of accrued interest receivable	(30,293,467)	(30,293,467)	(30,293,467)
Reversal of over accrual of expenses	<u>-</u>	<u>9,550,500</u>	<u>9,550,500</u>
	<u>(30,293,467)</u>	<u>(20,742,967)</u>	<u>(20,742,967)</u>
Retained earnings as restated	<u>P 843,661,207</u>	<u>P 1,008,254,505</u>	<u>P 804,308,088</u>

These adjustments resulted in decrease in Receivables by P30.3 million as of March 31, 2008.

The other adjustments which affected income and expense in those years were merely offsetting, thus had no effect on Retained Earnings.

20. EARNINGS PER SHARE

Earnings per share amounts were computed as follows:

	2009	2008	2007
Net income attributable to equity holders of the University	P 585,200,755	P 600,693,262	P 612,666,167
Divided by weighted average number of outstanding shares, net of treasury stock of 37,331 shares	<u>8,407,408</u>	<u>7,006,368</u>	<u>5,838,755</u>
Earnings per share	<u>P 69.61</u>	<u>P 85.74</u>	<u>P 104.93</u>

The weighted average number of shares outstanding as of March 31, 2009 is computed as follows:

	Number of shares	Months Outstanding	Weighted number of shares
Balance at beginning of year	7,006,368	12	84,076,416
Issuance on October 9, 2008	<u>2,802,080</u>	6	<u>16,812,480</u>
Balance at end of year	<u>9,808,448</u>		100,888,896
Divided by total months as of March 31, 2009			<u>12</u>
Weighted average number of shares outstanding			<u>8,407,408</u>

The weighted average number of shares outstanding as of March 31, 2007 is computed as follows:

	<u>Number of shares</u>	<u>Months Outstanding</u>	<u>Weighted number of shares</u>
Balance at beginning of year	4,671,142	12	56,053,704
Issuance on October 2, 2006	<u>2,335,226</u>	6	<u>14,011,356</u>
Balance at end of year	<u>7,006,368</u>		70,065,060
Divided by total months as of March 31, 2007			<u>12</u>
Weighted average number of shares outstanding			<u>5,838,755</u>

There were no stock issuance in 2008, hence, the weighted average number of shares outstanding is equivalent to the total outstanding shares as of March 31, 2008.

Diluted earnings per share were not determined since the Group does not have dilutive shares as of March 31, 2009, 2008 and 2007.

21. COMMITMENTS AND CONTINGENCIES

21.1 *Purchase of Condominium Unit*

As discussed in Note 10, FRC has an existing contract with ALI for the acquisition of a condominium unit which is still under construction. Future payments under this contract are as follows which is presented as Notes Payable in the consolidated balance sheets.

	<u>2009</u>	<u>2008</u>
Within one year	P 3,103,359	P 1,895,782
After one year but not more than five years	<u>10,327,238</u>	<u>-</u>
	<u>P 13,430,597</u>	<u>P 1,895,782</u>

21.2 *Operating Lease Commitments – University as Lessor*

The University leases out certain buildings to EAEF for a period of one to ten years until August 31, 2017. Total rent income recognized in the University's consolidated income statements amounted to P22.9 million in 2009, P25.5 million in 2008 and P42.0 million in 2007.

Future minimum rental receivables, excluding contingent rental, under these operating leases as of March 31, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
Within one year	P 28,666,776	P 17,483,208
After one year but not more than five years	114,667,104	69,932,832
More than five years	<u>86,000,328</u>	<u>69,932,832</u>
	<u>P 229,334,208</u>	<u>P 157,348,872</u>

21.3 Legal Claims

FRC is a party to a case filed by World War II Veterans Legionaries of the Philippines, which seeks the annulment of FRC's title over approximately 15 to 25 hectares of land that had been the subject matter of a joint development agreement with ALL. The specific bounds of the claimed area were not specified by the plaintiff. The plaintiff also sought monetary damages in the amount of approximately P300,000 and monthly rentals of P300,000, while the case is pending. FRC's management and its legal counsel, however, are vigorously contesting the claims. The case was initially dismissed by the Regional Trial Court and is currently pending on appeal before the Court of Appeals.

As of March 31, 2009 and 2008, the Group is also a defendant in certain civil cases which are pending in the local courts, certain illegal dismissal cases pending before the national Labor Relations Commission, and a class suit for damages by certain students which is pending before the Court of Appeals.

The Group's management and its legal counsel believe that the liabilities, if any, which may result from the outcome of these cases, will not materially affect the financial position and results of operations of the Group. However, the Group has appropriated portion of its retained earnings for these contingencies (see Note 19.2)

21.4 Others

There are other contingencies that arise in the normal course of business that are not recognized in the Group's financial statements. However, management believes that losses, if any, arising from these commitments and contingencies will not materially affect its financial statements.

22. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to certain financial risks in relation to financial instruments. Its main purpose for its dealings in financial instruments is to fund operational and capital expenditures. The BOT has overall responsibility for the establishment and oversight of the Group's risk management framework. It has a risk management committee headed by an independent trustee that is responsible for developing and monitoring the Group's policies, which address risk management areas.

Management is responsible for monitoring compliance with the Group's risk management policies and procedures and for reviewing the adequacy of these policies in relation to the risks faced by the Group.

The Group does not actively engage in trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described below.

22.1 Interest Rate Sensitivity

The Group's exposure to interest rate risk arises from the following interest-bearing financial instruments which are subject to variable interest rates. All other financial assets and liabilities have fixed rates.

	Notes	2009	2008
Cash and cash equivalents	4	P1,231,350,003	P1,283,504,611
AFS investments	6	<u>1,068,371,205</u>	<u>815,585,043</u>
		<u>P2,299,721,208</u>	<u>P2,099,089,654</u>

The following table illustrates the sensitivity of income before tax for the years in regards to the Group's interest-bearing financial instruments. These percentages have been determined based on the average market volatility rates, using standard deviation, in the previous 12 months, estimated at 68% level of confidence. The sensitivity analysis is based on the Group's financial instruments held at March 31, 2009 and 2008.

	2009		2008	
	Reasonably possible change in rate	Effect in income before tax	Reasonably possible change in rate	Effect in income before tax
Cash and cash equivalents	+/- 2.67%	P 32,788,553	+/- 1.35%	P 17,375,862
AFS investments	+/- 2.83%	<u>28,547,356</u>	+/- 1.54%	<u>11,117,533</u>
		<u>P 61,335,909</u>		<u>P 28,493,395</u>

22.2 Credit Risk

Credit risk represents the loss the Group would incur if the counterparty failed to perform under its contractual obligations. The Group's exposure to credit risk on its receivables related primarily to the inability of the debtors to pay and students to fully settle the unpaid balance of tuition fees and other charges which are owed to the Group based on installment payment schemes. The Group has established controls and procedures in its credit policy to determine and to monitor the credit worthiness of the students based on relevant factors. Also, students are not allowed to enroll in the following semester unless the unpaid balance in the previous semester has been paid. The Group also withholds the academic records and clearance of the students with unpaid balance, thus ensuring that collectibility is reasonably assured. The Group's exposure to credit risk on its other receivable from debtors and related parties is managed through close account monitoring and setting limits.

The Group neither has any significant exposure to any individual customer or counterparty nor does it have any other concentration of credit risk arising from counterparties in similar business activities, geographic region or economic parties.

With respect to credit risk arising from cash and cash equivalents, receivables, AFS investments and HTM investments, the Group's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments. The maximum exposure to credit risk at the balance sheet date is as follows:

	Notes	2009	2008
Cash and cash equivalents	4	P1,231,350,003	P1,283,504,611
Receivables	5	138,151,928	113,434,183
AFS investments	6	1,088,109,957	840,687,402
HTM investments		<u>20,000,000</u>	<u>32,071,040</u>
		<u>P2,477,611,888</u>	<u>P2,269,697,236</u>

The table below shows the credit quality of the Group's receivables which are the only financial assets as of March 31, 2009 and 2008 (presented in '000) having past due but not impaired components.

		Neither past due nor impaired	Past due		Total
			Impaired	Not impaired	
2009					
Tuition and other fees	P	35,325	P 14,146	P 14,775	P 64,246
Employees		11,480	-	-	11,480
Others		<u>76,342</u>	<u>-</u>	<u>-</u>	<u>76,342</u>
		<u>P 123,147</u>	<u>P 14,146</u>	<u>P 14,775</u>	<u>P 152,068</u>
2008					
Tuition and other fees	P	15,808	P 11,872	P 26,692	P 54,372
Employees		9,146	-	-	9,146
Others		<u>61,789</u>	<u>-</u>	<u>-</u>	<u>61,789</u>
		<u>P 86,743</u>	<u>P 11,872</u>	<u>P 26,692</u>	<u>P 125,307</u>

The age of past due but not impaired receivables is about six months for both years.

The Group classifies tuition and other fee receivables from students based on the number of semesters the receivables have been outstanding. Receivables from students that are outstanding for more than one semester are analyzed to determine whether they are impaired. Those that are not outstanding for more than one semester or are currently receivable are determined to be collectible, based on historical experience.

The Group's management considers that all the above financial assets are not impaired, except those specifically provided with allowance for impairment, as of the balance sheet dates and of good credit quality. Cash and cash equivalents, AFS investments and HTM investments are coursed through reputable financial institutions duly approved by the BOT. The balance due from a related party is from a profitable related party with good payment record; collections therefrom are reasonably assured.

22.3 Liquidity Risk

The Group manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Group's future and contingent obligations and ensures that future cash collections are sufficient to meet them in accordance with internal policies. The Group invests in cash placements when excess cash is obtained from operations.

Financial liabilities of the Group at the balance sheet date comprise of accounts payable and accrued expenses, dividends payables and notes payable – current which are all short-term in nature and have contractual maturities of less than 12 months.

22.4 Other Price Risk Sensitivity

The Group's exposure to price risk arises from its investments in equity and debt securities, which are classified as AFS investments in the consolidated balance sheets.

Management monitors its equity and debt securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis.

AFS investments consist of publicly listed equity securities and government securities which are carried at fair value and non-listed equity securities for which no fair value information is available and that are therefore carried at cost.

For equity securities listed in the Philippines, an average volatility of 36.68% and 56.14% has been observed during 2009 and 2008. If quoted price for these securities increased or decreased by that amount income before tax would have changed by P7.1 million and P9.8 million in 2009 and 2008, respectively.

The investments in listed equity securities are considered long-term strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments. The investments are continuously monitored and voting rights arising from these equity instruments are utilized in the Group's favor.

23. CATEGORIES AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts and fair values of the categories of financial assets and liabilities presented in the consolidated balance sheets are shown below.

		2009		2008	
	Notes	Carrying Values	Fair Values	Carrying Values	Fair Values
Financial assets					
Loans and receivables:					
Cash and cash equivalents	4	P1,231,350,003	P1,231,350,003	P 1,283,504,611	P1,283,504,611
Receivables – net	5	<u>138,151,928</u>	<u>138,151,928</u>	<u>113,434,183</u>	<u>113,434,183</u>
		<u>1,369,501,931</u>	<u>1,369,501,931</u>	<u>1,396,938,794</u>	<u>1,396,938,794</u>
AFS investments:					
Debt securities	6	1,068,371,205	1,068,371,205	815,585,043	815,585,043
Equity securities		<u>19,738,752</u>	<u>19,738,752</u>	<u>25,102,359</u>	<u>25,102,359</u>
		<u>1,088,109,957</u>	<u>1,088,109,957</u>	<u>840,687,402</u>	<u>840,687,402</u>
HTM investments –					
Debt securities		<u>20,000,000</u>	<u>20,000,000</u>	<u>32,071,040</u>	<u>32,071,040</u>
		<u>P2,477,611,888</u>	<u>P2,477,611,888</u>	<u>P 2,269,697,236</u>	<u>P2,269,697,236</u>
Financial liabilities					
Financial liabilities at amortized cost:					
Accounts payable and					
Other liabilities	12	P 349,657,377	P 349,657,377	P 420,350,624	P 420,350,624
Notes payable – current		3,103,359	3,103,359	1,895,782	1,895,782
Notes payable – non-current		<u>10,327,238</u>	<u>10,327,238</u>	<u>-</u>	<u>-</u>
		<u>P 363,087,974</u>	<u>P 363,087,974</u>	<u>P 422,246,406</u>	<u>P 422,246,406</u>
Other liabilities	12	<u>P 363,087,974</u>	<u>P 363,087,974</u>	<u>P 422,246,406</u>	<u>P 422,246,406</u>

See Notes 2.4 and 2.8 for a description of the accounting policies for each category of financial instruments. A description of the Group's risk management objectives and policies for financial instruments is provided in Note 22.

24. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group aims to provide returns on equity to shareholders while managing operational and strategic objectives. The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group defines capital as paid-in capital stock and retained earnings, both appropriated and unappropriated. Other components of equity such as treasury stock, accumulated fair value gains (losses) and minority interest are excluded from capital for purposes of capital management. The BOT has overall responsibility for monitoring of capital in proportion to risks. Profiles for capital ratios are set in the light of changes in the Group's external environment and the risks underlying the Group's business, operation and industry.

The Group monitors capital on the basis of debt-to-equity ratio, which is calculated as total debt divided by total equity. Capital for the reporting period March 31, 2009 and 2008 under review is summarized as follows:

	<u>2009</u>	<u>2008</u>
Total debt	P 560,025,664	P 589,490,506
Total equity	3,028,331,118	2,695,192,521
Debt-to-equity ratio	<u>0.18 : 1.00</u>	<u>0.22 : 1.00</u>

The Group is not subject to any externally-imposed capital requirements.

There was no change in the Group's approach to capital management during the year.

**Report of Independent Auditors
to Accompany SEC Schedules
Filed Separately from the Basic
Financial Statements**

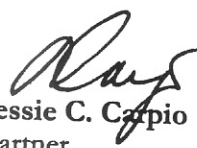
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**The Board of Trustees
Far Eastern University, Inc. and Subsidiaries**
Nicanor Reyes Sr. Street,
Sampaloc, Manila

We have audited the consolidated financial statements of Far Eastern University, Inc. and Subsidiaries and the parent financial statements of Far Eastern University, Inc. for the year ended March 31, 2009, on which we have rendered our separate reports both dated June 19, 2009. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary schedules (see table of contents) to consolidated and parent financial statements as of March 31, 2009 and for the year then ended, required by the Securities and Exchange Commission, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in such supplementary schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

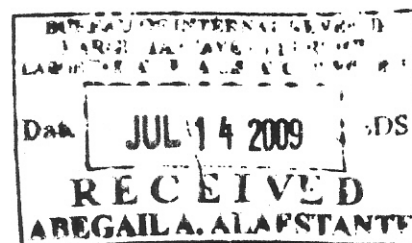
PUNONGBAYAN & ARAULLO


By: **Jessie C. Carpio**
Partner
CPA Reg. No. 0057831
TIN 109-227-789
PTR No. 1566062, January 5, 2009, Makati City
SEC Accreditation No. 0011-AR-2
BIR AN 08-002511-6-2008 (Nov. 25, 2008 to 2011)

June 19, 2009

Certified Public Accountants
P&A is a member firm within Grant Thornton International Ltd.
Offices in Cebu, Davao, Cavite

BOA/PRC Cert. of Reg. No. 0002
SEC Accreditation No. 0002-FR-2



FAR EASTERN UNIVERSITY, INC. AND SUBSIDIARIES
INDEX TO SUPPLEMENTARY SCHEDULES
MARCH 31, 2009

Statement of Management's Responsibility for the Consolidated Financial Statements

**Independent Auditors' Report on the SEC Supplementary Schedules
Filed Separately from the Basic Financial Statements**

**Supplementary Schedules to Consolidated Financial Statements
(Form 17-A, Item 7)**

	<u>Page No.</u>
A. Marketable Securities - (Current Marketable Equity Securities and Other Short-term Cash Investments)	1
B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Affiliates)	2
C. Noncurrent Marketable Equity Securities, Other Long-term Investments in Stocks and Other Investments	3
D. Indebtedness to Unconsolidated Subsidiaries and Related Parties	NA
E. Other Assets	4
F. Long-term Debt	NA*
G. Indebtedness to Related Parties (Long-term Loans from Related Companies)	NA
H. Guarantees of Securities of Other Issuers	
I. Capital Stock	5

**Supplementary Schedule to Parent Financial Statements
(SEC Circular No. 11)**

Reconciliation of Parent Company Retained Earnings for Dividend Declaration	6
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* Balance of account is less than 5% of the total liabilities of the Group.

FAR EASTERN UNIVERSITY, INC. AND SUBSIDIARIES
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS,
EMPLOYEES, RELATED PARTIES, AND PRINCIPAL STOCKHOLDERS (OTHER THAN AFFILIATES)
FOR THE YEAR ENDED MARCH 31, 2009

ANNEX C.1.2

Name and Designation of Debtor	Beginning Balance	Additions	Deductions		Current	Non-Current	Ending
			Amount Deducted	Amount Written-Off			
Abala, Genelin G.	5,295.67					5,295.67	5,295.67
Abellera, Evelyn C.	302.23					302.23	302.23
Acab, Deborah A.	10,400.00					10,400.00	10,400.00
Acosta, Venina Corazon S.	418.97					418.97	418.97
Adolfo, Marlon	(3,560.00)					(3,560.00)	(3,560.00)
Africa, Dickenson Y.	200.00					200.00	200.00
Agdalpen, Renato C.	2,000.00					2,000.00	2,000.00
Agluba, Noreen	63.00					63.00	63.00
Agorilla, Delia	660.00					660.00	660.00
Aguirre, Estelita	200.00					200.00	200.00
Alarde, Crispulo Jr. S.	22,532.51		22,231.51		301.00	-	301.00
Albino, Maulynn	207.50					207.50	207.50
Albiva, Merlyn T.	1,464.00					1,464.00	1,464.00
Alcaraz, Nellie T.	8,200.00					8,200.00	8,200.00
Alcazar, Nina Aiza	415.50					415.50	415.50
Alfaro, Jennylyn G.	(3,835.00)					(3,835.00)	(3,835.00)
Alibania, Hazel J.	1,000.00					1,000.00	1,000.00
Almalvez, Arlena C.	200.00					200.00	200.00
Alo, James	600.00					600.00	600.00
Alolor, Jacqueline G.	(873.00)					(873.00)	(873.00)
Amacan, Normita C.	15,113.55		13,608.00		1,505.55	-	1,505.55
Amlog, Jocelyn A.	45,000.00					45,000.00	45,000.00
Ampatin, Estrella V.	26,005.00					26,005.00	26,005.00
Anastacio, Nanette V.	(3,309.80)					(3,309.80)	(3,309.80)
Anastacio, Teresita M.	89.74					89.74	89.74
Andres, Jocelyn	90.00					90.00	90.00
Anido, Cecilia I.	334,016.06		263,593.07			70,422.99	70,422.99
An Lim, Jaime L.	97,711.02		99,166.74		(1,455.72)	-	(1,455.72)
Arabia, Julieta S.	600.00		2,500.00		(1,900.00)	-	(1,900.00)
Aragon, Lloyd Jeffrey	5,000.00					5,000.00	5,000.00
Arbizo, Maria Sophia	3,695.57					3,695.57	3,695.57
Arejola, Romeo	200.00					200.00	200.00
Arig, Mellicent J.	(300.00)					(300.00)	(300.00)
Arquiza, Glenda S.	6,824.50		16,670.00		(9,845.50)	-	(9,845.50)
Arrec, Edgardo C.	(500.00)					(500.00)	(500.00)
Arribe, Emma B.	245.00					245.00	245.00
Asilo, Ma. Cecilia	50.00					50.00	50.00
Ataat, Jose	200.00					200.00	200.00
Atanque, Aurora L.	2,835.06		5,123.88		(2,288.82)	-	(2,288.82)
Austria, Ryan	5,000.00					5,000.00	5,000.00
Ayson, Rosalino P., Jr.	31,505.00		17,160.00			14,345.00	14,345.00
Azor, Helen A.	(1,528.17)					(1,528.17)	(1,528.17)
Azucena, Cesario	1,339.20					1,339.20	1,339.20
Babilonia, Jonathan	450.00					450.00	450.00
Baconawa, Ma. Dorina M.	79.17					79.17	79.17
Badiable, Charisma Mae	5,000.00					5,000.00	5,000.00

Baello, Christine N.	(137.50)			(137.50)	(137.50)
Balaoro, Maria Theresa		200.00	(200.00)	-	(200.00)
Balaria, Dalmacio P.	7,500.00			7,500.00	7,500.00
Balita, Paulita C.	9,436.50	1,750.00	7,686.50	-	7,686.50
Bambico, Elma	311.00			311.00	311.00
Banal, Enrico R.	(22,171.50)			(22,171.50)	(22,171.50)
Banas, Gloria V.	24.20			24.20	24.20
Barcellano, Francis	(4,595.00)			(4,595.00)	(4,595.00)
Barcelona, Samson V.	200.00			200.00	200.00
Bartolome, Liezl DM.	764.00	822.00	(58.00)	-	(58.00)
Batungbakal, Marisa	17.50			17.50	17.50
Bautista, Andres D.	3,000.00			3,000.00	3,000.00
Bautista, Arlene Mae DG.	1,027.00			1,027.00	1,027.00
Bautista, Christopher	588.40			588.40	588.40
Bautista, Rosalinda	300.00			300.00	300.00
Bayan, Alfred F.	3,457.64			3,457.64	3,457.64
Bayan, Zenaida E.	585.50			585.50	585.50
Bayona, Daniel G.	545.90			545.90	545.90
Belardo, Ma. Jeanette	1,794.53			1,794.53	1,794.53
Belleza, Asuncion L.	16,649.00	28,938.47	(12,289.47)	-	(12,289.47)
Beltran, Charity J.	175.00			175.00	175.00
Belza, Mercedes A.	7,060.00			7,060.00	7,060.00
Bermudez, Israel	300.00			300.00	300.00
Bermudez, Neil C.	1,600.00			1,600.00	1,600.00
Bonaobra, Salvador B.	(750.00)			(750.00)	(750.00)
Brawner, Dalisay G.	40.00			40.00	40.00
Briones, Domingo J.	10,079.00			10,079.00	10,079.00
Brocal, Cynthia M.	24.00			24.00	24.00
Buenaventura, Alexander V.	7,060.00			7,060.00	7,060.00
Buenaventura, Olga C.	27,213.00			27,213.00	27,213.00
Buena vida, Amelia	165.00			165.00	165.00
Bueno, Marivic	10,000.00			10,000.00	10,000.00
Bulanhagui, Nida B.	620.00			620.00	620.00
Bustamante, Ma. Christine H.	11,000.00	1,000.00	3,400.00	8,600.00	8,600.00
Caagbay, Elpidio Z.	(5,779.30)	3,974.30		-	(5,305.00)
Cabaltica, Leilani A.	11,210.55		7,000.00	4,210.55	4,210.55
Cabantac, Ricardo R.	7,060.00			7,060.00	7,060.00
Cabulay, Danny A.	54.00			54.00	54.00
Cadorna, Rosemarie S.	656.20			656.20	656.20
Cagadas, Ruly	200.00			200.00	200.00
Cajucom, Mary Grace A.	440.00			440.00	440.00
Calizar, Dexter A.	3,126.10			3,126.10	3,126.10
Calub, Mary Virginia Blesilda	10,000.00			10,000.00	10,000.00
Camacho, Joseph C.	600.00			600.00	600.00
Cando, Cromwell N.	1,248.00			1,248.00	1,248.00
Canilao, Fe V.	663,200.47	303,408.43		359,792.04	359,792.04
Canlas, Aurora V.	227.70			227.70	227.70
Canobas, Ruel V.	33.00			33.00	33.00
Cao, Marilou F.	(2,769.00)	2,098.00	(2,098.00)	(2,769.00)	(4,867.00)
Capacio, Glenn	(7,300.00)			(7,300.00)	(7,300.00)
Caramanza, Edward M.	9,000.00			9,000.00	9,000.00
Cardona, Enrico	200.00			200.00	200.00
Cariquitan, Daisy	308.00			308.00	308.00
Carpio, Miguel M.	(13,086.34)			(13,086.34)	(13,086.34)
Casac lang, Editha Y.	11,796.00			11,796.00	11,796.00
Castanas, Baby Theress	82.50			82.50	82.50
Castro, Joeven R.	4,555.00			4,555.00	4,555.00
Castro, Ma. Clara C.	566.36			566.36	566.36

Cauba, Harvey A.	10,000.00	5,635.22		4,364.78	4,364.78
Cecilio, Ma. Elaine	3,795.89			3,795.89	3,795.89
Cerrer, Redentor A.	200.00			200.00	200.00
Chan, Jeffrey Allan	(6,927.00)			(6,927.00)	(6,927.00)
Chu, Connie	195.20			195.20	195.20
Chua, Ryan Gilbert	5,000.00			5,000.00	5,000.00
Clemente, Luisa DC.	3,615.90			3,615.90	3,615.90
Clerigo, Bernard A.	1,000.00	1,080.00	(80.00)	-	(80.00)
Clores, Roy	3,230.00			3,230.00	3,230.00
Codinera, Virgilio B.	79.72			79.72	79.72
Cometa, Ma. Victoria D.	(7,775.00)			(7,775.00)	(7,775.00)
Concepcion, Gerald G.	250.00			250.00	250.00
Concepcion, Lourdes Q.	930.72			930.72	930.72
Concha, Jhonalyn M.	10,900.00			10,900.00	10,900.00
Copiaco, Ross Joseph	50.00			50.00	50.00
Cordero, Nelma	1,195.00			1,195.00	1,195.00
Cruz, Anita B.	25,000.00			25,000.00	25,000.00
Cruz, Anna Lisa D.	(944.00)			(944.00)	(944.00)
Cruz, Christybel O.	928.75			928.75	928.75
Cruz, Eloisa G.	3,362.50			3,362.50	3,362.50
Cruz, Felipe T.	1,200.00			1,200.00	1,200.00
Cruz, Janet R.	200.00			200.00	200.00
Cruz, John Ross R.	(4,500.00)			(4,500.00)	(4,500.00)
Cruz, Jose Noel	200.00			200.00	200.00
Cruz, Maricar	5,000.00			5,000.00	5,000.00
Cruz, Maritess	9.16			9.16	9.16
Cruz, Precita P.	(1,400.00)			(1,400.00)	(1,400.00)
Cruz, Reynaldo J.	934.05			934.05	934.05
Cruz, Rosalie dela	6.68			6.68	6.68
Cruz, Sandra Lyn D.	523.01			523.01	523.01
Cuartero, Pacifico C.	(1,700.00)			(1,700.00)	(1,700.00)
Culala, Harold John D.	(835.00)	5,000.00	(5,000.00)	(835.00)	(5,835.00)
Cunanan, Fernando M.	3,309.80			3,309.80	3,309.80
Cureg, Benedicto A.	5,522.64			5,522.64	5,522.64
Custodio, Joselito	50.00			50.00	50.00
Dado, Rorylyn H.	(1,000.00)			(1,000.00)	(1,000.00)
Dalton, Juanita C.	12,739.40			12,739.40	12,739.40
Dapla, Walter	3,851.29			3,851.29	3,851.29
Davalos, Zenaida R.	(499.20)			(499.20)	(499.20)
David, Melvira c.	300.00			300.00	300.00
Dean, Victoriano P.	3,412.50			3,412.50	3,412.50
Deatras, Jeffrey	(2,861.29)			(2,861.29)	(2,861.29)
Delloro, Evelyn	748.00			748.00	748.00
Demagante, Rey Francis G.	50.00			50.00	50.00
Destura, Blanca	224.56			224.56	224.56
Diaz, Aeneas Eli	(10,000.00)			(10,000.00)	(10,000.00)
Diaz, Reynaldo	255.00			255.00	255.00
Dingding, Quintin P.	70.00			70.00	70.00
Dino, Kristopher	400.00			400.00	400.00
Dizon, Mercy G.	(800.00)			(800.00)	(800.00)
Dones, Irene P.	600.00			600.00	600.00
Doria, Jeanette V.	(260.00)			(260.00)	(260.00)
Duenia, Teodoro C., Jr.	(6,000.00)			(6,000.00)	(6,000.00)
Dulay, Sofronio C.	(10,636.95)			(10,636.95)	(10,636.95)
Dumadag, Norma M.	27,015.20			27,015.20	27,015.20
Dumas, Marvin C.	150.00			150.00	150.00
Dumdumaya, Myline Marie P.	(1,200.00)			(1,200.00)	(1,200.00)
Duque, Ronald	50.00			50.00	50.00

Duran, Benedict James D.	(47,271.57)		(47,271.57)	(47,271.57)
Echaz, Lydia B.	(20,362.80)		(20,362.80)	(20,362.80)
EDSA- Shangrila Plaza	1,300.00		1,300.00	1,300.00
Elman, Mario B.	(1,800.00)		(1,800.00)	(1,800.00)
Enriquez, Christian Jo C.	(4,939.39)		(4,939.39)	(4,939.39)
Enriquez, Emiliana	50.00		50.00	50.00
Enriquez, Rex Cesar	200.00		200.00	200.00
Escoltero, Emily	(2,917.93)		(2,917.93)	(2,917.93)
Escosia, Aurora A.	25,899.77	2,200.00	23,699.77	23,699.77
Eser, Myline S.	33,035.86		33,035.86	33,035.86
Espino, Kristine	112.00		112.00	112.00
Espinosa, William V.	6,431.00		6,431.00	6,431.00
Espiritu, Christine Joy	300.00		300.00	300.00
Esquibel, Elizabeth	5,000.00		5,000.00	5,000.00
Estabillo, Ma. Luz	529.50		529.50	529.50
Estacio, Ma. Vivian G.	(1,625.01)		(1,625.01)	(1,625.01)
Esteban, Alejandro L.	5,000.00		5,000.00	5,000.00
Estonanto, Mark Ronald L.	374.85		374.85	374.85
Estonanto, Mavi Issel L.	32,221.65		32,221.65	32,221.65
Estrella, Gloria	1,460.37		1,460.37	1,460.37
Estrella, Luisito P.	(300.00)		(300.00)	(300.00)
Fabito, Evelyn	2,163.00		2,163.00	2,163.00
Fabros, Marietta	5,295.67		5,295.67	5,295.67
Federigan, Melissa	946.25		946.25	946.25
Felizardo, Dante A.	10,000.00		10,000.00	10,000.00
Feraren, Mitchell	50.00		50.00	50.00
Fernandez, Benedict T. III	(4,400.00)		(4,400.00)	(4,400.00)
Fernandez, Dante Roel	699.00		699.00	699.00
Fernandez, Roderick	588.40		588.40	588.40
Fernando, Gerry V.	967.00		967.00	967.00
Fesalbon, Hermond F.	7,729.34		7,729.34	7,729.34
FEU Consumer's Coop.	3,295.85		3,295.85	3,295.85
FEU Credit Union	1,560.92		1,560.92	1,560.92
Fiesta, Erlinda P.	8,532.50		8,532.50	8,532.50
Figer, Reggy C.	24,300.00		24,300.00	24,300.00
Flojo, Flordeliza	168.50		168.50	168.50
Flores, Hanonica S.	50.00		50.00	50.00
Flores, Miguela T.	(102.50)		(102.50)	(102.50)
Flores, Raul	600.00		600.00	600.00
Flores, Renato C.	2,000.01		2,000.01	2,000.01
Flores, Roberto C.	(32,250.00)		(32,250.00)	(32,250.00)
Florida, Ma. Corazon M.	(1,800.00)		(1,800.00)	(1,800.00)
Foe, Jonathan	100.00		100.00	100.00
Frades, Francisca B.	9,002.85	9,132.85	-	(130.00)
Frias, Wilmer	5,000.00		5,000.00	5,000.00
Fuentes, Ma. Leda J.	7,060.00		7,060.00	7,060.00
Galang, Aurora C.	980.00		980.00	980.00
Galiza, Miguela S.	45,000.00		45,000.00	45,000.00
Gallardo, John	13,000.40		13,000.40	13,000.40
Garcia, Dolores A.	50,000.00		50,000.00	50,000.00
Garcia, Earl Jimson R.	6,000.00		6,000.00	6,000.00
Garcia, Lourdes C.	16.41		16.41	16.41
Garcia, Muriel B.	(6,500.00)		(6,500.00)	(6,500.00)
Garcia, Mylene M.	19,000.00	9,000.00	10,000.00	10,000.00
Garcia, Severino M.	624,147.34	293,384.98	330,762.36	330,762.36
Garin, May C.	29,900.00	4,900.00	25,000.00	25,000.00
Genota, Jaime F.	822.32		822.32	822.32
Gil, Aurora H. - PMSI	7,060.00		7,060.00	7,060.00

Go-Monilla, Ma. Joycelyn A.	280.31			280.31	280.31
Gonzaga, Jemabel	505.00			505.00	505.00
Gonzales, Fortune N.	397.50			397.50	397.50
Guardame, Quintal Nilo	305.72			305.72	305.72
Gubio, James B.	(4,000.00)	2,000.00	(2,000.00)	(4,000.00)	(6,000.00)
Guevarra, Remedios P.	10,297.00	6,000.00		4,297.00	4,297.00
Gupit, Dolores S.	(26,896.39)			(26,896.39)	(26,896.39)
Gutang, Marco P.	(2,353.33)			(2,353.33)	(2,353.33)
Guzman, Jericho D.	8,460.00			8,460.00	8,460.00
Guzman, Jimmy	150.00			150.00	150.00
Guzman, Jose	300.00			300.00	300.00
Hernandez, Alma R.	(1,337.50)			(1,337.50)	(1,337.50)
Hernandez, Angeline A.	7,491.70			7,491.70	7,491.70
Hilario, Jacqueline E.	662.50			662.50	662.50
Hore, Lelioso G.	300.00			300.00	300.00
Ibasco, Lourdes	350.00			350.00	350.00
Ignacio, Lourdes D.	6,983.00	4,900.00	12,233.00	-	(350.00)
Iguas, Jose A.	2,997.00		3,977.00	-	(980.00)
Imbang, Ma. Nathalie A.	3,772.50			3,772.50	3,772.50
Inciong, Cherry Wyne E.	7,500.00			7,500.00	7,500.00
Irabagon, Miramar	6,000.00			6,000.00	6,000.00
Isidro, Rosalina B.	(593.75)			(593.75)	(593.75)
Israel, Marietta C.	19,700.00	14,700.00		5,000.00	5,000.00
Jabile, Joel E.	50.00			50.00	50.00
Jagnis, Neil	300.00			300.00	300.00
Javier, Anabella G.	8,162.50			8,162.50	8,162.50
Jesus, Angelita SD.	5,714.30	5,714.22		0.08	0.08
Jimenez, Arsenia S.	5,970.00			5,970.00	5,970.00
Jimenez, Marietta	2,290.86			2,290.86	2,290.86
Jonson, Joyce Lisa B.	(48,424.97)			(48,424.97)	(48,424.97)
Jose, Corazon V.	5,409.20	3,350.63		2,058.57	2,058.57
Jose, Haidee R.	(1,446.80)			(1,446.80)	(1,446.80)
Junio, Nenitha L.	767.00			767.00	767.00
Kenny, Isabel		14,000.00		-	14,000.00
Laboy, Michael C.	20,818.00		15,166.37	5,651.63	5,651.63
Lagula, Janette	117.50			117.50	117.50
Lamboson, Roger C.	(4,000.00)			(4,000.00)	(4,000.00)
Lamorena, Juditha M.	44,893.20	24,000.00		20,893.20	20,893.20
Lantin, Rommel	1,383.31			1,383.31	1,383.31
Lapastora, Milagros P.	33,066.80	25,660.00		7,406.80	7,406.80
Lapuebla, Alfredo N.	2,490.00			2,490.00	2,490.00
Larano, Leonora	6,048.75	200.00		5,848.75	5,848.75
Larda, Edmundo D.	(1,500.00)			(1,500.00)	(1,500.00)
Laudato, Emmanuel N.	(1,200.00)			(1,200.00)	(1,200.00)
Laurente, Jaime R.	1,650.25			1,650.25	1,650.25
Lauro, Jocelyn P.	10,856.00			10,856.00	10,856.00
Lazaro, Ma. Teresita A.	3,205.00			3,205.00	3,205.00
Legaspi, Heidi	1,000.00			1,000.00	1,000.00
Leon, Emma Rose H.	22,750.00	6,250.00		16,500.00	16,500.00
Leonin, Clarito V.	(200.00)			(200.00)	(200.00)
Lewis, Salome	1,147.50			1,147.50	1,147.50
Liggayu, Michael	200.00			200.00	200.00
Lim, Nathaniel L.	317.00			317.00	317.00
Lintag, Graciela A.	1,180.16			1,180.16	1,180.16
Listana, Mary Rose	1,012.50			1,012.50	1,012.50
Lizaso, Marcelino N. Jr.	400.00			400.00	400.00
Lopez, Anastacio, Jr. L.	7,966.00	8,196.00		(230.00)	(230.00)
Lopez, Antonio P., Jr.	15.34			15.34	15.34

Lopez, Fernando M.	250.00			250.00	250.00
Lopez, Mercedita P.	252.50			252.50	252.50
Loza, Luningning R.	748.00			748.00	748.00
Lugtu, Blyth	5.00			5.00	5.00
Luna, Lillian N.	967.14			967.14	967.14
Macadangdang, Luzviminda	(137.50)			(137.50)	(137.50)
Macalaguing, Mateo D. Jr.	10,000.00			10,000.00	10,000.00
Macalalad, Consuelo	150.00			150.00	150.00
Macaraeg, Paul	30,000.00		23,563.77	6,436.23	6,436.23
Macario, Christopher	50.00			50.00	50.00
Magayaga, Lea Q.	(7,059.99)			(7,059.99)	(7,059.99)
Magtoto, Eliseo	200.00			200.00	200.00
Malabag, Pastor B.	2,638.58			2,638.58	2,638.58
Malinao, Marivic	110.00			110.00	110.00
Maliwat, Herminia I.	861,567.51		253,815.36	607,752.15	607,752.15
Malot, Edmund Francis	100.00			100.00	100.00
Manalili, Golda P.	50.00			50.00	50.00
Mananquil, Amado	1,800.00			1,800.00	1,800.00
Manansala, Paolo	81.58			81.58	81.58
Mangahas, Roser Benjamin	1,397.00			1,397.00	1,397.00
Manicsic, Teresa B.	84.00			84.00	84.00
Manigan, Alma C.	7.61			7.61	7.61
Manlapaz, Divine Grace	5,000.00			5,000.00	5,000.00
Manlapaz, Victor	1,200.00			1,200.00	1,200.00
Manrique, Elenita	17,000.00			17,000.00	17,000.00
Matullano, Edgardo C.	1,248.86			1,248.86	1,248.86
Mazo, Flaviano S.	780.00			780.00	780.00
MC Entee, Keneline M.	3,928.90			3,928.90	3,928.90
Medina, Joy E.	2,419.52	0.33	2,829.37	-	(409.52)
Medina, Ma. Ana Karina S.	25.94			25.94	25.94
Medina, Merle S.	(1,075.25)			(1,075.25)	(1,075.25)
Medrano, Rosalinda	935.50			935.50	935.50
Membrot, Ezitiel R.	2,150.00			2,150.00	2,150.00
Mendoza, Cecilia H.	(6,186.77)			(6,186.77)	(6,186.77)
Mendoza, Florina M.	300.00			300.00	300.00
Mendoza, Jobert	10,000.00			10,000.00	10,000.00
Menez, Karren G.	(550.00)			(550.00)	(550.00)
Menorca, Emmanuel S.	(282.00)	32.00		(250.00)	(250.00)
Mercado, Annabelle K.	3,758.55			3,758.55	3,758.55
Miguel, Emmanuel C.	6,619.60			6,619.60	6,619.60
Milarpis, Joel	4,000.00			4,000.00	4,000.00
Minas, Geraldine C.	1,050.00			1,050.00	1,050.00
Miranda, Dennis	4,100.00			4,100.00	4,100.00
Mondares, Lailani D.	(1,000.00)			(1,000.00)	(1,000.00)
Monong, Cora	6,000.00			6,000.00	6,000.00
Morimonte, Bonifacio D.	500.00			500.00	500.00
Mortel, Honorardo M.	(247.00)			(247.00)	(247.00)
Mortell, Gideon	5,237.46			5,237.46	5,237.46
Nagal, Glenn Z.	586,647.34		255,884.98	330,762.36	330,762.36
Narval, Antonio G.	520.80			520.80	520.80
Natera, Malvin G.	4,121.97			4,121.97	4,121.97
Nau, Elizabeth S.	93.75		187.50	(93.75)	(93.75)
Nava, Delfin D.	767.00			767.00	767.00
Nicer, Joselito C.	(65,500.85)			(65,500.85)	(65,500.85)
Nietes, Raymond G.	16,689.30			16,689.30	16,689.30
Ninobla, Magnolia	170.00			170.00	170.00
Ninubla, Shiela	1,018.53			1,018.53	1,018.53
Nolasco, Maria Sylva	1,775.00			1,775.00	1,775.00

Noriega, Mariwilda I.	(7,306.55)			(7,306.55)	(7,306.55)
Nuestro, Sarah Joyce	15,000.00		4,052.03	10,947.97	10,947.97
Nulla, Mila R.	21,433.75			21,433.75	21,433.75
Oasan, Albert C.	750.00			750.00	750.00
Ocampo, Wilfredo T.	1,150.00			1,150.00	1,150.00
Olipas, Lorina L.	200.00			200.00	200.00
Ong, Emil	417.53			417.53	417.53
Orjalo, Victoria G.	200.00			200.00	200.00
Ortiz, Jose	(4,882.00)			(4,882.00)	(4,882.00)
Ortiz, Milixa Lourdes B.	5,000.00			5,000.00	5,000.00
Oyzon, Gualberto J.	3,002.80			3,002.80	3,002.80
Padilla, Maria Eleanor T.	1,430.50			1,430.50	1,430.50
Pahutan, Ludivinia M.	17,682.30		17,882.30	-	(200.00)
Palparan, Karoline L.	(900.00)			(900.00)	(900.00)
Pamintuan, Jose Edmundo E.	100.00			100.00	100.00
Pangilinan, Christopher	1,316.80			1,316.80	1,316.80
Pangilinan, Genice R.	1,520.00		2,520.00	-	(1,000.00)
Pantas, Felix Jr.	(3,482.50)			(3,482.50)	(3,482.50)
Pante, Ronald S.	600.00			600.00	600.00
Paraiso, Lourdes Oliva C.	90,410.00		5,562.50	84,847.50	84,847.50
Paras, Renato	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Pasag, Maribeth	315.00			315.00	315.00
Pascua, Jennifer J.	44,977.91		4,000.00	40,977.91	40,977.91
Pascual, Perfecto	350.00			350.00	350.00
Pataunia, Ma. Cecilia	5.16			5.16	5.16
Patricio, Natividad	598.75			598.75	598.75
Paz, Rosalinda Z.	32,509.00	3,796.00	27,500.00	5,009.00	8,805.00
Pekson II, Enrique Arvin	(43,488.12)			(43,488.12)	(43,488.12)
Pelareja, Juanito Y.	213.00			213.00	213.00
Perez, Crismin	10,591.34			10,591.34	10,591.34
Perez, Jose R. Jr.	52.20			52.20	52.20
Pimentel, Stephanie	285.00			285.00	285.00
Pineda, Rodolfo G.	71.26		221.25	-	(149.99)
Ponsaran, Levy C.	2,450.00			2,450.00	2,450.00
Portiz, Ellen	207.50			207.50	207.50
Pring, Melanie	5,000.00			5,000.00	5,000.00
Publico, Hilario Q.	5,376.50			5,376.50	5,376.50
Puertollano, Derek	250.00			250.00	250.00
Pulmano, Zelmo	8,000.00			8,000.00	8,000.00
Puro, Kristopher John	150.00			150.00	150.00
Querijero, Glen Hilario M.	5,000.00			5,000.00	5,000.00
Quiambao, Arlene	358.50			358.50	358.50
Quijano, Virginia A.	7,220.00			7,220.00	7,220.00
Quijencio, Wilfredo D.	666.00			666.00	666.00
Quintanar, Janeth A.	5,366.56			5,366.56	5,366.56
Quinto, Myrna P.	9,060.00		2,000.00	7,060.00	7,060.00
Quirimit, Luzviminda	1,942.77			1,942.77	1,942.77
Ragonjah, Homer Jay D.	15.00			15.00	15.00
Ramon, Elizabeth A. de - PMSI	7,060.00			7,060.00	7,060.00
Ramones, Rhozallino C.	5,000.00			5,000.00	5,000.00
Ramos, Donna B.			11.50	-	(11.50)
Ramos, Erlinda L.	10,000.00			10,000.00	10,000.00
Ramos, Leonora A.	2,250.00		717.11	1,532.89	1,532.89
Ramos, Ma. Theresa L.	853.81			853.81	853.81
Rana, Aurelio Y.	23,498.08		26,631.00	-	(3,132.92)
Rapirap, Raquel T.	8,288.00			8,288.00	8,288.00
Rasalan, Julia	772.50			772.50	772.50
Redulla, Everjeann Christie R.	34.71			34.71	34.71

Remiendo, Noraliza A.	902.09	892.09	10.00	10.00
Remigio, Warley	100.00		100.00	100.00
Retardo, Victor C.	(600.00)		(600.00)	(600.00)
Reyes, Byron M.	200.00		200.00	200.00
Reyes, Herbert D.	4,555.00		4,555.00	4,555.00
Reyes, Melodia S.	6,834.00		6,834.00	6,834.00
Reyes, Ruby	572.50		572.50	572.50
Reymundo, Samuel	50.00		50.00	50.00
Rivera, Myrna T.	(1,420.25)		(1,420.25)	(1,420.25)
Rizada, Ryan Joseph	9,159.80		9,159.80	9,159.80
Ronda, Ma. Lea A.	300.00		300.00	300.00
Rosa, Giovanni dela	551.63		551.63	551.63
Rosario, Alma del		7,060.00	(7,060.00)	(7,060.00)
Rosario, Hilario - PMSI	14,120.00		14,120.00	14,120.00
Rosete, Dwight Benedict N.	1,500.00	2,000.00	(500.00)	(500.00)
Roxas, Ronald L.	8,000.00		8,000.00	8,000.00
Rubillos, Leonardo I.	(600.00)		(600.00)	(600.00)
Ruzol, Hipolito S.	300.00		300.00	300.00
Sabaupan, Sylvette G.	23,364.75		23,364.75	23,364.75
Sabaybay, Jocelyn L.	666.00		666.00	666.00
Saldua, Eder John	(5,000.00)		(5,000.00)	(5,000.00)
Salonga, Lea	50.00		50.00	50.00
Salud, Alann M.	(520.00)		(520.00)	(520.00)
Salvacion, Dennis C.	(3,000.00)		(3,000.00)	(3,000.00)
Salvador, Esther D.	18.00		18.00	18.00
San Pablo, Ma.Cecilia A.	492.25		492.25	492.25
Sansaet, Sheery O.	(107.50)	53.75	(53.75)	(53.75)
Sante, Nova C.	(981.25)		(981.25)	(981.25)
Santiago, Christopher G.	9,638.17		9,638.17	9,638.17
Santiago, Edwin B.	50.00		50.00	50.00
Santiago, Genine	1,130.00		1,130.00	1,130.00
Santillan, Vivian M.	190.00		190.00	190.00
Santos, Arwind	49,990.00		49,990.00	49,990.00
Santos, Carmelita C.	(1,391.64)		(1,391.64)	(1,391.64)
Santos, Danilo B.	2,645.25		2,645.25	2,645.25
Santos, Dinia	251.25		251.25	251.25
Santos, Florentino I.	(1,788.00)		(1,788.00)	(1,788.00)
Santos, Glecerio	200.00		200.00	200.00
Santos, Jing	267.00		267.00	267.00
Santos, Mary Lord	5,000.00		5,000.00	5,000.00
Santos, Michelle R.	574.56		574.56	574.56
Santuile, Aida M.	8,000.00		8,000.00	8,000.00
Sapitula, Preciosa S.	1,586.57		1,586.57	1,586.57
Sarita, Larry	50.00		50.00	50.00
Sarmiento, Lina Q.	7,325.77	1,634.15	5,691.62	5,691.62
Sauco, Carlos P.	5,206.14		5,206.14	5,206.14
Sayco, Marjorie	206.50		206.50	206.50
Sido, Ma. Victoria P.	6,125.80	6,000.00	125.80	125.80
Sin, Glenda S.	7,060.00		7,060.00	7,060.00
Sinang, Rolando R.	7,263.50		7,263.50	7,263.50
Sincioco, Mary Ann	207.50		207.50	207.50
Siongco, Ma. Teresita	2,000.00		2,000.00	2,000.00
Sioson, Annabelle P.	60.00		60.00	60.00
Sioson, Yolanda J.	57,480.00		57,480.00	57,480.00
Soliman, Norma P.	7,060.00		7,060.00	7,060.00
Sopoco, Anna Marie M.	1,890.00		1,890.00	1,890.00
Soria, Eulegio E.	1,000.00		1,000.00	1,000.00
Soronel, Rolando A.	1,175.00		1,175.00	1,175.00

Sta. Ana, Noemi V.	311.00				311.00	311.00
Tabaloc, Edgardo U. Jr.	51.58				51.58	51.58
Tabaniag, Flordeliza	63.75				63.75	63.75
Tablizo, Anne Margareth	206.50				206.50	206.50
Tagle, Susan M.	5,051.41				5,051.41	5,051.41
Tamay, Shariff M.	5,000.00				5,000.00	5,000.00
Tamayao, Olivia E.	4,996.60				4,996.60	4,996.60
Tan, Carolina M. - PMSI	7,060.00				7,060.00	7,060.00
Tan, Cedrick - PMSI	(4,875.00)				(4,875.00)	(4,875.00)
Tan, Derrick - PMSI	15,187.00				15,187.00	15,187.00
Tan, Mary Joyce P.- PMSI	7,060.00				7,060.00	7,060.00
Tan, Ryanne	117.50				117.50	117.50
Tapalgo, Elyn M. Jr.	(2,657.50)				(2,657.50)	(2,657.50)
Tapit, Neila E.	(672.00)				(672.00)	(672.00)
Tecson, Rhenalyn	311.00				311.00	311.00
Teoxon, Lucio	379.82				379.82	379.82
Tibayan, Florencia C.	305.00				305.00	305.00
Tiburcio, Jaime, Jr.	2,007.50				2,007.50	2,007.50
Timbugan, Josefina - PMSI	7,060.00	7,060.00	7,060.00	7,060.00	-	7,060.00
Tingcungco, Elizabeth G.	259.02				259.02	259.02
Tirazona, Renato A.	1,989.92	3.00		3.00	1,989.92	1,992.92
Tiu, Michael	200.00				200.00	200.00
Togado, Illumar I.	5,250.00		1,250.00		4,000.00	4,000.00
Tomas, Eden A.	943.00				943.00	943.00
Torres, Irma R.	(300.00)				(300.00)	(300.00)
Torres, Maruja T.	206.50				206.50	206.50
Trinidad, Alfredo D.	329.07				329.07	329.07
Trinidad, Josefina	170.00				170.00	170.00
Tuazon, Nino M.	356.25				356.25	356.25
Unidad, Kim Ryan	100.00				100.00	100.00
Ureta, Peter	9,397.10				9,397.10	9,397.10
Usita, Laarni P.	23,069.00				23,069.00	23,069.00
Utzurum, Jonathan B.	7,178.00				7,178.00	7,178.00
Uy, Moira B.	4,000.00				4,000.00	4,000.00
Uyson, Leslie Marie C.	15,372.00				15,372.00	15,372.00
Valdez, Ferdinand	1,000.00				1,000.00	1,000.00
Valdez, Gloria	1,237.50				1,237.50	1,237.50
Valencia, Jean Pauline S.	(5,198.00)				(5,198.00)	(5,198.00)
Valencia, Ma. Theresa L.	3,195.00		2,665.00		530.00	530.00
Valencia, Venancio	300.00				300.00	300.00
Valente, Jovito S.	(2,659.60)				(2,659.60)	(2,659.60)
Valenzuela, Edwin E.	300.00				300.00	300.00
Vallo, Mary Rose C.	175.00				175.00	175.00
Valmonte, Alejandra Monica	205.25				205.25	205.25
Varilla, Edglyn G.	5,140.61				5,140.61	5,140.61
Vega, Jose Mario D.	300.00				300.00	300.00
Velasco, Antonio Y.	650.10				650.10	650.10
Vera, Antonio	25,813.45		25,813.42		0.03	0.03
Vera, Jose Rizalito c.	(5,400.00)				(5,400.00)	(5,400.00)
Vera, Sebastian	(2,300.00)				(2,300.00)	(2,300.00)
Verances, Ma. Laline V.	(841.50)				(841.50)	(841.50)
Vergara, Flocerfida - PMSI	(35,220.00)				(35,220.00)	(35,220.00)
Vergara, Melchor - PMSI	(7,060.00)				(7,060.00)	(7,060.00)
Vergara, Oliver Francis - PMSI	(7,060.00)				(7,060.00)	(7,060.00)
Vergara, Regidor - PMSI	(7,060.00)				(7,060.00)	(7,060.00)
Vergara, Romeo - PMSI	21,180.00				21,180.00	21,180.00
Verzosa, Bobby	100.00				100.00	100.00
Vibar, Enrico B.	7,200.00				7,200.00	7,200.00

Vicera, Desmond M.	200.00				200.00	200.00
Victoria, Michael S.	(640.00)				(640.00)	(640.00)
Villaceran, Eugenio V.	(18,230.98)				(18,230.98)	(18,230.98)
Villamiel, Carminda	(29,288.90)				(29,288.90)	(29,288.90)
Villanueva, Ace R.	26.98				26.98	26.98
Villanueva, Jerome	400.00				400.00	400.00
Villanueva, Jonas V.	(13,073.00)				(13,073.00)	(13,073.00)
Villanueva, Ma. Concepcion	5,330.00		330.00		5,000.00	5,000.00
Villapando, Marimel A.	200.00				200.00	200.00
Villar, Gerald	7,060.00				7,060.00	7,060.00
Vinluan, Lourdes R.	41,328.00		42,000.00		-	(672.00)
Vivas, Cherry Mae	300.00				300.00	300.00
Woolsey, Nida B.	268.00	10.00		10.00	268.00	278.00
Yabis, Geraldine	97.50				97.50	97.50
Yang, Gloria	45,000.00				45,000.00	45,000.00
Yanzon, Gina	500.00				500.00	500.00
Yap, Caridad P.	(4,841.00)				(4,841.00)	(4,841.00)
Yatco, Ma. Carmen S.	29,320.00				29,320.00	29,320.00
Zaldivar, Felicia P.	(672.00)				(672.00)	(672.00)
Zaldivar, Ramil P.	5,000.00				5,000.00	5,000.00
Zara, Marc Vincez R.	2,500.00				2,500.00	2,500.00
Zulueta, Michael R.	7,000.00				7,000.00	7,000.00
					-	-
	4,830,040.90	84,829.38	2,023,033.70	(15,194.39)	2,907,030.97	2,891,836.58
					-	-
FACULTY ADVANCES						
Agoncillo, Divina Gracia O.	1,986.94					1,986.94
Aguilos, Susan S.	2,983.13					2,983.13
Alona, Elizabeth V.	(5,295.67)					(5,295.67)
Altares, Priscilla S.	(37.62)					(37.62)
Anastacio, Nanette v.	(5,295.67)					(5,295.67)
Ansano, Bela R.	11,590.42					11,590.42
Austria, Rex S.	(2,160.00)					(2,160.00)
Avengoza, Rosalie J.	(6,518.64)					(6,518.64)
Badiola, Jose Luisito V.	(0.52)					(0.52)
Bautista, Mary Grace S.	(5,295.67)					(5,295.67)
Cano, Charito F.	847.27					847.27
Castro, Lawrence Christopher	1,765.22					1,765.22
Cruz, Sandra Lyn E.	44,290.05					44,290.05
Dimalibot, Martina Geraldine Q.	1,926.98					1,926.98
Estacio, Ma. Vivian G.	3,832.70					3,832.70
Gariguez, Mariflor N.	10,591.34					10,591.34
Garin, May C.	5,534.22					5,534.22
Isip, Amando F.	(1,323.91)					(1,323.91)
Javier, Nancy Joan M.	5,295.67					5,295.67
Jose, Franco C.	(6,619.59)					(6,619.59)
Malay, Ernesto B.	20,910.00					20,910.00
Martinez, Zenaida S.	(7,943.50)					(7,943.50)
Minas, Geraldine C.	(3,150.00)					(3,150.00)
Narciso, Wilfrida B.	5,295.67					5,295.67
Nau, Elizabeth S.	(50.00)					(50.00)
Pacot, Marilou M.	(7,943.50)					(7,943.50)
Permalino, Albert Emmanuel S.	7,060.89					7,060.89
Sagarino, Gavino N.	(5,295.67)					(5,295.67)
Salcedo, Liezel Donatila M	17,190.24					17,190.24
Salonga, Ma. Elena A.	147.16					147.16
Salunga, Loida P.	14,960.54					14,960.54
Salvado, Rowena E.	22,160.26					22,160.26

[illegible]

JANUARY 2008- C/A

				-	-
Abelardo, Luzviminda	9,404.00	40,484.38	33,888.38	16,000.00	16,000.00
Abella, Bernard	(5.68)	24.78	15.22	3.88	3.88
Abellera, Evelyn C.		6,186.20	5,593.10	593.10	593.10
Abello, Susan B.		6,119.00	5,003.00	-	1,116.00
Acosta, Marizon Isabel R.		400.00	600.00	-	(200.00)
Adil, Mary Antoinette		200.00		200.00	200.00
Advincula, Helen D.		20,250.00	250.00	20,000.00	20,000.00
Aguila, Fitzgerald		11,000.00		-	11,000.00
Ahmadzadeh, Teresita	16.00	15,521.25	14,826.63	-	710.62
Alabarca, Wilma J.		8,167.50	5,017.50	-	3,150.00
Alagao, Ma. Cristina T.		1,844.25	1,660.57	-	183.68
Alarde, Crispulo, Jr.	18,962.50	74,905.25	93,207.75	-	660.00
Albano, Allan Rey	4,000.00				4,000.00
Alcoberes, Philip Jay N.	170.00	10,850.25	12,020.25	-	(1,000.00)
Alcoriza, Jennifer M.			600.00	-	(600.00)
Alimuin, Sylvia A.	1,444.75	16,700.25	16,794.88	-	1,350.12
Amlog, Jocelyn		300.00	200.00	-	100.00
Anido, Cecilia I.	500.05	7,473.00	3,586.38	-	4,386.67
An Lim, Jaime L.	115,649.75	45,060.00	41,209.75	19,500.00	119,500.00
Anonuevo, Monica L.	300.00	14,175.42	10,075.42	-	4,400.00
Apostol, Esther S.		787.50	975.00	-	(187.50)
Arabia, Julieta S.	9,934.00	76,459.80	69,763.90	-	16,629.90
Areola, Vina		15,200.00	7,500.00	-	7,700.00
Arquiza, Glenda		150,624.00	77,624.00	-	73,000.00
Arriola, Eric John C.		10,000.00	10,200.00	-	(200.00)
Artezuela, Marilou		39,414.00	414.00	-	39,000.00
Artus, Liezel C.	200.00	650.00	997.50	(147.50)	(147.50)
Atanacio, Heidi C.		31,328.00	14,664.00	-	16,664.00
Atanque, Aurora L.	82.00	79,403.80	64,696.40	-	14,789.40
Ayson, Rosalino P.	5,042.50	17,342.38	12,357.25	-	10,027.63
Ayson, Rozsano V.		14,865.00	13,378.50	-	1,486.50
Baccay, Yolanda A.	1,650.00	49,838.53	31,488.53	-	20,000.00
Badiola, Jose Luisito V.		200.00		-	200.00
Balaoro, Maria Theresa	200.00	7,885.00	8,285.00	-	(200.00)
Balarosan, Edna G.		21,580.00	19,386.66	-	2,193.34
Balita, Paulita C.	16,463.19	183,021.40	164,775.86	-	34,708.73
Bantayan, Maria Emilia R.		10,000.00	1,650.00	-	8,350.00
Baquiran, Leonidez		200.00		-	200.00
Barroga, Junalyn	145.00				145.00
Bartolome, Liezel M.		27,378.00	24,902.40	-	2,475.60
Batan, Ericson S.		10,991.60	9,475.00	-	1,516.60
Batang, Delia S.		37,578.00	27,578.00	-	10,000.00
Batoon, Allen		850.00		-	850.00
Bautista, Danilo B.	772.50	7,200.00	3,472.50	-	4,500.00
Belardo, Amy G.		26,666.00	24,916.00	-	1,750.00
Belaya, Vina Grace C.			1,862.40	-	(1,862.40)
Belleza, Asuncion L.	15,000.00	35,000.00	9,189.00	-	40,811.00
Beltran, Edna M.		25,214.08	17,714.08	-	7,500.00
Belza, Mercedes A.	998.00	85,073.80	71,488.00	-	14,583.80
Bernardo, Rodrigo G.	8,389.25	75,412.00	62,389.25	-	21,412.00
Bingculado, Roger B.	2,500.00	34,000.00	34,000.00	-	2,500.00
Bontigao, Eli N.	1,200.00	9,856.00	9,056.00	-	2,000.00
Borja, Sofriano A.	7,000.00	15,000.00	11,250.00	-	10,750.00
Brigino, Frederick L.		800.00	825.00	-	(25.00)
Brillon, Cherish Aileen A.	31.00	23,800.00	23,856.00	-	(25.00)
Bueno, Marivie	370.75				370.75

Buot, Joseph		600.00		-	600.00
Bustamante, Maria Christine H.	10,000.00	6,800.00	16,200.00	-	600.00
Butcon, Vincent Edward R.		800.00	825.00	-	(25.00)
Cabaltica, Leilani A.	4,000.00	146,580.00	93,193.33	-	57,386.67
Cabasada, Albert R. III		7.00	12,307.00	-	(12,300.00)
Cabebe, Lolita D.	65.00	791.00	921.00	-	(65.00)
Cabilto, Gerardo P.		17,000.00	6,200.00	-	10,800.00
Cajucom, Cherry H.	2,979.34	11,580.00	10,172.67	-	4,386.67
Cajucom, Marie Christine B.		850.00		-	850.00
Calub, May Virginia Blesilda		200.00		-	200.00
Camaculang, Merlita J.	749.00	12,890.86	7,070.24	-	6,569.62
Camana, Love V.		17,760.00	15,085.00	-	2,675.00
Canare, Sabino C.			375.00	-	(375.00)
Cando, Cromwell N.		20,000.00	16,000.00	-	4,000.00
Canilao, Fe V.		506,704.00	402,317.33	-	104,386.67
Canoza, Geraldine E.		48,661.30	46,780.30	-	1,881.00
Capacio, Glenn		50,000.00	55,000.00	-	(5,000.00)
Capili, Regina R.	2,533.50	4,616.75	7,568.38	-	(418.13)
Caranguian, Reynaldo G.		9,836.00	37.00	-	9,799.00
Carlos, Salome S.	1,170.00	950.00	2,970.00	-	(850.00)
Carpio, Rustica		1,788.00		-	1,788.00
Casaculang, Editha U.	65.00	17,244.01	15,133.35	-	2,175.66
Castillo, Carolina		45,000.00	21,000.00	-	24,000.00
Castro, Bryan M.		2,472.00	1,800.00	-	672.00
Castro, Joeven R.		23,124.25	17,965.46	-	5,158.79
Castronuevo, Elaine P.		15,028.50	13,778.50	-	1,250.00
Casuco, Leonida S.	180.00	28,614.40	43,408.80	-	(14,614.40)
Cauba, Harvey A		200.00		-	200.00
Cayetano, Lovella M.		36,813.25	30,813.25	-	6,000.00
Chastein, Cherry R.		61,500.00	51,500.00	-	10,000.00
Cinco, Concepcion R.		10,025.00	25.00	-	10,000.00
Cinco, Estrella J.		10,356.65	12,456.65	-	(2,100.00)
Ciubal, Willie Y.		10,054.00	6,904.00	-	3,150.00
Civil, Jerwin John Y.		14,000.00	15,933.20	-	(1,933.20)
Clerigo, Bernard A.		11,538.00	9,786.00	-	1,752.00
Contreras, Jelina Joy S.		39,200.00	200.00	-	39,000.00
Copiaco, Ross Joseph B.	2,979.34	6,580.00	5,222.67	-	4,336.67
Cortez, Lina			88.76	(88.76)	(88.76)
Cruz, Benjamin F.	25,000.00	105,000.00	100,000.00	-	30,000.00
Cruz, Noel L.	26,433.91		6,000.00	-	20,433.91
Cruz, Reynaldo J.		167.15	167.00	-	0.15
Cuevas, Romeo C.		1,459.72	1,459.00	-	0.72
Cunanan, Manuel Luis		154,000.00		-	154,000.00
Dacayanano, Marites G.		6,889.00	7,126.04	-	(237.04)
Daguman, Ian		650.00		-	650.00
Davalos, Zenaida R.	800.00	548.00	1,098.00	-	250.00
David, Melvira C.		15,037.00	15,372.00	-	(335.00)
Decena, May Celine		272.00		-	272.00
Destura, Blanca	2,618.25	13,628.50	5497.17	-	10,749.58
Diaz, Joel		850.00		-	850.00
Dimalibot, Ma. Martina Geraldine		200.00		-	200.00
Dingding, Quintin P.	120.00	44,521.50	20,641.50	-	24,000.00
Dios, Rolando Gerald		200.00		-	200.00
Dizon, Kenneth Earl I.		400.00	200.00	-	200.00
Dizon, Riza R.		100.00	200.00	-	(100.00)
Dominguez, Rex S.	4,992.00	81,307.07	61,959.41	-	24,339.66
Dones, Irene P.		38,226.00	10,826.00	-	27,400.00
Ducut, Mirela G.		48,714.45	11,549.85	-	37,164.60

Dulay, Sofronio A. Jr.		48,450.00	29,250.00	-	19,200.00
Echaz, Lydia B.		50,000.00		-	50,000.00
Eleazar, Glenda C.	17,625.00	41,580.00	24,818.33	-	34,386.67
Enriquez, Rex Cezar P.		837.50	1,037.50	-	(200.00)
Ermitano, Nolivienne C.		650.00	887.50	-	(237.50)
Escleto, Wilberto		10,800.00	10,825.00	-	(25.00)
Escosia, Aurora A.	2,257.95	46,582.30	42,971.19	-	5,869.06
Esguerra, Anna Leah R.		200.00		-	200.00
Espiritu, Elizabeth O.		2,380.00	842.66	-	1,537.34
Estacio, Ma. Vivian G.		68,269.00	54,495.67	-	13,773.33
Estrella, Luisito P.	5,000.00	26,352.00	25,652.00	-	5,700.00
Evangelista, Rey M.	250.00	70,099.37	42,040.18	-	28,309.19
Faustino, Jose V.	18,173.86	102,087.65	107,152.32	-	13,109.19
Ferareza, Rimar	250.00			-	250.00
Fernando, Gerry V.		21,096.98	1,096.98	-	20,000.00
Flora, Dolores	12,750.00	15,171.00	17,146.67	-	10,774.33
Flores, Cecilia D.		100.00		-	100.00
Flores, Miguela T.		76,000.00	32,666.67	-	43,333.33
Frades, Francisca B.	169.00	58,292.00	20,979.00	-	37,482.00
Fronza, Adelaida C.		5,044.00	6,044.00	-	(1,000.00)
Galang, Lemery N.		5,477.00	5,000.00	-	477.00
Galicia, Reynaldo M.	200.00	30,426.00	23,484.00	-	7,142.00
Galo, Crispin L.	20,742.58	1,800.00	22,542.25	-	0.33
Garcia, Dolores A.		100.00		-	100.00
Garcia, Miriam		10,845.75	1,807.63	-	9,038.12
Garcia, Severino M.		200,000.00	133,336.00	-	66,664.00
Garin, May C.		15,011.75	30,011.77	-	(15,000.02)
Gella, Delia D.		200.00		-	200.00
Gella, Frederick S.		25,122.75	27,122.85	-	(2,000.10)
Gemzon, Elena F.	464.50	5,483.00	2,292.17	-	3,655.33
Gervacio, Ma. Cristina SJ.	240.00	5,328.00	5,808.00	-	(240.00)
Gilera, Enrico G.		213,790.15	145,474.41	-	68,315.74
Golloso, Helen E.		14,745.50	10,245.51	-	4,499.99
Gomez, Rhia A.		1,000.00	1,025.00	-	(25.00)
Grasparil, James Andrew		35,004.39	36,579.39	-	(1,575.00)
Guarin, Ellen G.		400.00		-	400.00
Gubio, James B.		16,477.00	14,077.00	-	2,400.00
Guevarra, Dorvin H.	9,163.71	5,775.00	11,545.91	-	3,392.80
Guevarra, Ma. Theresa M.	425.00	104.00	954.00	-	(425.00)
Gurrea, Ruby		1,214.00	1,014.00	-	200.00
Gusi, Rechilda D.	310.00	1,746.55	1,235.15	-	821.40
Gutierrez, Maria Myrel M.		15,000.00	7,500.00	-	7,500.00
Hernandez, Jan Joseph S.		5,957.25	4,770.80	-	1,186.45
Hilario, Gilbert P.		10,991.60	9,474.80	-	1,516.80
Hilario, Jose S.		1,466.93	1,466.50	-	0.43
Ignacio, Lourdes D.	54,000.00	37,534.24	60,542.67	-	30,991.57
Iguas, Jose A.	190.00	55,370.33	44,452.63	-	11,107.70
Inciong, Cherry Wyne		15,551.00	15,074.00	-	477.00
Indico, Julie Ann	348.50	2,776.96	2,776.96	-	348.50
Isidro, Teresita L.		15,780.50	11,539.50	-	4,241.00
Israel, Marietta C.	5,573.40	26,138.42	13,209.90	-	18,501.92
Jamon, Romano M.		400.00	200.00	-	200.00
Jarlos, Anna Liza		10,483.00	6,827.67	-	3,655.33
Javier, Mary Jacquelou		200.00		-	200.00
Jayme, Fatima Winniclar Q.	31.25	20,450.00	481.25	-	20,000.00
Jerusalem, Violeta L.	70,502.00	196,789.76	221,554.48	-	45,737.28
Jesus, Angelita SD.	502.50	10,436.00	6,551.83	-	4,386.67
Jose, Angelina P.		341,383.87		-	341,383.87

Kenny Isabel		50,000.00		-	50,000.00
Kuan, Robert		543,032.13		-	543,032.13
Labartine, Elvira C.		10,250.00	7,750.00	-	2,500.00
Lacsamana, Recuerdo G.		12,000.00	9,750.00	-	2,250.00
Lakian, Teodosio		21,706.63	23,356.63	-	(1,650.00)
Lamorena, Juditha M.	120.00	127,000.00	85,120.00	-	42,000.00
Lansang, Brenda		6,050.00	5,400.00	-	650.00
Lapastora, Milagros	574.95	48,371.75	42,281.70	-	6,665.00
Lauro, Jocelyn P.		68,199.00	58,400.00	-	9,799.00
Lazaro, Maria Teresita A.	14,274.00	72,518.94	66,033.45	-	20,759.49
Lee, Nestor	260.00	20,473.31	16,346.64	-	4,386.67
Leon, Emma Rose H.		61,381.00	57,640.00	-	3,741.00
Leon, Jocelyn E.	7,881.75	6,707.00	12,395.41	-	2,193.34
Leonin, Clarito	200.00			-	200.00
Lepon, Ma. Luisa M.	6,000.00	13,023.75	18,773.75	-	250.00
Letrero, Bernard		14,325.00	12,775.00	-	1,550.00
Liggayu, Michael	750.00	250.00	750.00	-	250.00
Lim, Royce Randall		200.00		-	200.00
Limon, Miguel Antonio P.	350.00	3,391.88	3,641.88	-	100.00
Lindo, Alicia C.	3,952.50	45,748.80	34,077.30	-	15,624.00
Lluz, Samarlita N.		7,378.75	6,189.38	-	1,189.37
Lopez, Anastacio L.	454.00	10,000.00	6,954.00	-	3,500.00
Lopez, Antonio C.	33,000.00	16,988.91	23,744.29	-	26,244.62
Lopez, Jomelyn G.		17,000.00	10,200.00	-	6,800.00
Lopez, Ricardo S.	1,251.50	37,279.80	22,639.50	-	15,891.80
Loyola, Voltaire		72.00		-	72.00
Lumacad, Fernando B.	380.00	32,939.00	65,858.00	-	(32,539.00)
Luyun, Teofilo P. Jr.		27,315.00	18,868.06	-	8,446.94
Mabborang, Mishel T.		200.00		-	200.00
Macapagal, Arnualdo B.	598.50	172,850.00	127,498.00	-	45,950.50
Macasaet, Grace Minerva		16,738.00	15,694.00	-	1,044.00
Maclang, Edwin V.		5,477.00	5,000.00	-	477.00
Madria, Emenvenciano		650.00		-	650.00
Madriaga, Joventina D.		6,138.00	1,188.00	-	4,950.00
Mahilum, Rosalinda S.		1,066.70	866.70	-	200.00
Maliwat, Herminia I.	3,277.00	117,436.63	8,568.32	-	112,145.31
Manalansan, Paolo F.		19,546.00	13,296.00	-	6,250.00
Manguerra, Laarni C.		32,000.00	31,000.00	-	1,000.00
Manuel, Cynthia DR.		14,750.00	11,416.66	-	3,333.34
Marcelo, Gerry A.		19,236.00	14,849.33	-	4,386.67
Marcial, Johnny O.		63,156.60	46,026.13	-	17,130.47
Marcial, Maridel S.	5,311.00	34,838.00	25,704.49	-	14,444.51
Maristela, Teresita	215.00			-	215.00
Mazo, Flaviano S.	6,731.77	24,000.00	20,950.00	-	9,781.77
Mazo, Reynaldo jr. S.		19,000.00	9,500.00	-	9,500.00
Medina, Buenaventura Jr.	1,050.00			-	1,050.00
Medina, Joy E.		11,151.00	10,551.00	-	600.00
Melano, Petronio A.		14,506.00	8,665.20	-	5,840.80
Mendoza, Cecilia H.		200.00		-	200.00
Mendoza, Ferdinand M.		20,080.00	18,813.34	-	1,266.66
Mendoza, Norberto M.		20,400.00	20,500.00	-	(100.00)
Menez, Karren G.	2,607.50	41,842.40	38,449.90	-	6,000.00
Mesina, Karen T.		56,844.00	60,844.00	-	(4,000.00)
Mitra, Melvin P.	1,290.00	875.00	1,612.65	-	552.35
Molina, Mark Oliver P.		9,830.00	3,250.00	-	6,580.00
Monfero, Rowena A.		12,847.25	6,847.25	-	6,000.00
Montano, Moses M.		5,441.67	4,500.00	-	941.67
Montinola, Aurelio R. III		274,838.73		-	274,838.73

Montinola, Gianna R.		387,795.94		-	387,795.94
Montinola, Lourdes R.		1,800,488.76		-	1,800,488.76
Morilla, Toriana A.		850.00		-	850.00
Mostajo, Esmeralda D.	10.00	28,404.50	16,414.50	-	12,000.00
Nagal, Glenn Z.		298,190.00	298,189.67	-	0.33
Nagtalon, Leo Angelo	640.00			-	640.00
Najjar, Mary Chastine T.		10,815.50	7,684.70	-	3,130.80
Naiui, Elizabeth S.		5,384.75	5,478.50	-	(93.75)
Navarro, Lilibeth C.		200.00		-	200.00
Nebril, Jonathan A.		12,400.00	7,400.00	-	5,000.00
Nicdao, Lazaro B.		11,228.16	2,469.36	-	8,758.80
Nicer, Joselito C.	2,655.00	59,238.70	39,620.98	-	22,272.72
Nicolas, Crispinita		6,393.81	6,203.81	-	190.00
Nieto, Rowena H.	180.00	672.00	628.00	-	224.00
Nob, Rene M.		20,000.00	21,800.00	-	(1,800.00)
Noriega, Mariwilda	7,525.30	80,642.95	76,551.49	-	11,616.76
Noveno, Ruena O.		30,200.00	30,400.00	-	(200.00)
Nuestro, Sarah A.		666.70	516.70	-	150.00
Nulla, Mila R.	35,365.76	52,844.00	44,352.76	-	43,857.00
Oaferina, Gemmalyn A.		10,721.00	11,721.04	-	(1,000.04)
Ocampo, Dhean R.	11,783.34	5,000.00	16,833.40	(50.00)	(50.06)
Odon, Luke Mark	45.00		90.00	-	(45.00)
Oliver, Michael	30,000.00		14,310.24	-	15,689.76
Ondevilla, Miel Kristian		9,100.00	4,600.00	-	4,500.00
Orias, Ronito B.		4,000.00		-	4,000.00
Orolfo, Teodora C.	1,276.50	57,500.00	47,592.50	-	11,184.00
Ortiz, Jose R.		59.38		-	59.38
Ortiz, Milixa Lourdes B.	170.00	16,900.00	17,129.38	-	(59.38)
Pacquing, Elizabeth P.	694.50	26,713.34	23,021.17	-	4,386.67
Padilla, Leo A.	348.50			-	348.50
Paguibitan, Rebecca V.		850.00	1,500.00	-	(650.00)
Paguio, Ernesto B.	290.00	51,972.00	51,590.00	-	672.00
Pahutan, Ludivinia M.		9,882.30	10,882.30	-	(1,000.00)
Pal, Salvacion A.	930.00	10,000.00	930.00	-	10,000.00
Palaje, Joseph M.	200.00	400.00	200.00	-	400.00
Palencia, Marjueve M.		14,391.00	15,391.00	-	(1,000.00)
Palenzuela, Delia S.	19,200.00	526.75	19,200.00	-	526.75
Palis, Fernando F.	770.05	7,500.00	6,020.05	-	2,250.00
Pangilinan, Genice R.	10,023.50	35,672.00	27,471.50	-	18,224.00
Pantas, Felix L. Jr.	4,063.00	13,350.00	11,920.99	-	5,492.01
Panzo, Salome V.		1,087.50	362.50	-	725.00
Paras, Renato		107,817.84		-	107,817.84
Pascua, Jennifer J.		5,300.00	650.00	-	4,650.00
Pascual, Danilo S.		10,825.00	1,650.00	-	9,175.00
Pataunia, Ma. Cecilia C.	200.00		1,783.50	-	(1,583.50)
Paulino, Oscar E.	200.00	92,005.25	22,725.44	-	69,479.81
Paz, Rosalinda Z.	2,979.34	34,871.50	24,690.84	-	13,160.00
Pening, Teodoro		12,786.50	2,131.08	-	10,655.42
Perez, Hector	7,820.00	41,700.00	47,353.34	-	2,166.66
Perez, Winnie E.	50.00	29.00	129.00	-	(50.00)
Pineda, Rodolfo G.	400.00	24,378.34	25,433.59	-	(655.25)
Pizaro, Arthur P.		9,000.00	4,500.00	-	4,500.00
Polido, Angelita E.		42,922.34	40,969.54	-	1,952.80
Ponsaran, Levy C.		12,250.00	10,750.00	-	1,500.00
Presas, Heinrich G.		10,650.00	13,150.00	-	(2,500.00)
Prudencio, Philip I.	5,000.00	32,445.75	36,927.88	-	517.87
Rada, Nedi P.		30,224.00	25,224.00	-	5,000.00
Ragasa, Samuel M.		45,050.05	37,040.08	-	8,009.97

Ramisan, Georgie R.,		216.70	316.70	-	(100.00)
Ramones, Marigrace M.	33,367.00	1,625.00	36,335.66	-	(1,343.66)
Ramos, Bernadette		39,000.00		-	39,000.00
Ramos, Henry C.		29,087.50	20,087.50	-	9,000.00
Ramos, Norberto M.	100.00	250.00	250.00	-	100.00
Rapirap, Raquel T.		107,140.00	48,003.33	-	59,136.67
Remiendo, Nora Liza A.	2,333.33	29,826.50	29,826.49	-	2,333.34
Resuello, Heidi	123.50	200.00	123.50	-	200.00
Reyes, Cecil G.		200.00		-	200.00
Reyes, Melodia S.		18,160.00	9,386.67	-	8,773.33
Reyes, Mercedes C.	4,050.75	35,646.30	22,660.45	-	17,036.60
Reyes, Richard R.	200.00	1,831.50	2,243.50	-	(212.00)
Reyes, Rosa M.		1,627.25	1,627.00	-	0.25
Rico, Edna S.A.		32,842.00	25,241.00	-	7,601.00
Rimano, Joy S.		7,831.50	5,341.50	-	2,490.00
Robinos, Josephine D.		1,492.00	1,037.50	-	454.50
Roque, Nelson Leo O.		64,147.02	49,147.02	-	15,000.00
Rosario, Enrico		450.00	150.00	-	300.00
Rosario, Warly Evelyn	4,400.25	19,134.75	13,246.04	-	10,288.96
Ruzol, Hipolito		850.00		-	850.00
Sabas, Angel Francisco	210.10	2,075.60	1,672.90	-	612.80
Salvador, Paulino	50.00			-	50.00
Sanchez, Leilani D.		575.00	558.30	-	16.70
San Pablo, Ma. Cecilia A.		4,077.00	4,479.25	-	(402.25)
Santos, Leonida	4,875.00	19,853.00	11,568.00	-	13,160.00
Sanvictores, Cielito S.		17,790.44	5,679.09	-	12,111.35
Saplala, Mariano F.		6,580.00	2,193.33	-	4,386.67
Sarabia, Julieta		78,277.16	56,109.75	-	22,167.41
Savella, Marilyn S.		975.00	600.00	-	375.00
Sayat, Carmelo D.		15,042.00	9,042.00	-	6,000.00
Sido, Ma. Victoria P.	1,200.00	7,107.50	1,717.50	-	6,590.00
Simo, Rickson Jay P.		200.00		-	200.00
Sinang, Rolando R.		24,040.00	22,040.00	-	2,000.00
Sison, Erlinda G.		13,935.70	8,070.93	-	5,864.77
Sison, Roger Amadeo	290.00	40,450.00	41,030.00	-	(290.00)
Sison, Waltedruedes M.		1,862.40		-	1,862.40
Songco, Dionisio L.		4,487.25	2,243.63	-	2,243.62
Soreta, Loida R.		27,000.00	22,700.00	-	4,300.00
Soriano, Carol Bongar	1,046.00	200.00		200.00	1,246.00
Soriano, Myla Grace	200.00				200.00
Sta.Cruz, Cinderella A.		62,581.40	66,781.40	-	(4,200.00)
Sta. Maria, Amelia M.		5,750.00	750.00	-	5,000.00
Sta.Maria, Hipolito M.		42,000.00	29,400.00	-	12,600.00
Suba, Sally Chua		90,907.54	38,240.89	-	52,666.65
Tagle, Susan H.	3,837.55	207,325.21	180,962.74	-	30,200.02
Talampas, Ma. Cristina J.	3,434.25	60,000.00	35,616.05	-	27,818.20
Tamondong, Ivy	200.00				200.00
Tampol, Eduardo	220.00				220.00
Tan, Paulino		50,000.00		-	50,000.00
Tapalgo, Elyn M.		6,770.00	6,180.00	-	590.00
Tapit, Neila E.		51,140.00	45,060.00	-	6,080.00
Taragua, Alma Trinidad R.	300.00	116,314.86	112,414.86	-	4,200.00
Taruc, Pancho V.		1,673.32	1,489.98	-	183.34
Tecson, Wilfrido		50,000.00		-	50,000.00
Timogan, Raymundo P.	17,300.00	37,789.55	46,098.26	-	8,991.29
Tirazona, Renato L.	10,005.00	41,812.25	39,805.17	-	12,012.08
Tizon, Dolores J.		17,455.00	15,261.66	-	2,193.34
Togado, Illumar		13,252.05	11,252.05	-	2,000.00

Tolentino, Honey Chile		61,802.44	44,374.75	-	17,427.69
Torres, Maruja		414.00		-	414.00
Trinidad, Aristotle R.		400.00	200.00	-	200.00
Umpad, Mara		120,000.00	72,000.00	-	48,000.00
Urquico, Ma. Luisa	666.00				666.00
Valderrama, Ruth D.		22,811.75	21,400.88	-	1,410.87
Valeza, Ariel R.		19,100.00	14,100.00	-	5,000.00
Vallo, Mary Rose C.		24,763.75	24,938.75	-	(175.00)
Vasquez, Vilma S.		15,374.00	12,224.00	-	3,150.00
Velasco, Maria Luisa R.		200.00		-	200.00
Velasquez, Damian D.		41,000.00	45,100.00	-	(4,100.00)
Velasquez, Ma. Charisma B.		30,999.80	29,999.80	-	1,000.00
Velasquez, Willyn V.		5,253.50	1,253.50	-	4,000.00
Vera, Alpher	10,200.00	35,523.60	35,723.60		10,000.00
Vera, Brenda		10,100.00	100.00	-	10,000.00
Vera, Michael R.		21,785.89	16,785.89	-	5,000.00
Vergara, Febes		200.00		-	200.00
Vicera, Reynante P.		20,000.00	21,300.00	(1,300.00)	(1,300.00)
Victortia, Michael S.	5,958.67	20,455.50	17,640.84	8,773.33	8,773.33
Victoria, Wendelliza M.		6,426.80	24.00	6,402.80	6,402.80
Villanueva, Ruth		650.00		-	650.00
Villapando, Marimel A.		350.00	400.00	-	(50.00)
Villaroya, Robinson L.		20,000.00	24,000.00	-	(4,000.00)
Vinluan, Lourdes R.	2,371.90	9,790.75	10,209.31	-	1,953.34
Vinluan, Renato A.	5,225.00	350.00	700.00	-	4,875.00
Yap, Donato C.	200.00			-	200.00
Yatco, Maria Carmen		47,700.00	27,908.31	-	19,791.69
Ymas, Sergio S. Jr.		8,367.41	8,567.41	-	(200.00)
Ysla, Mark Salvador		5,000.00		-	5,000.00
Zaldivar, Felicia P.		63,460.45	59,338.11	-	4,122.34
Zape, Vida Edna C.	6,676.00	52,449.25	39,707.55	-	19,417.70
	876,663.71	13,165,792.66	7,413,855.71	70,086.85	6,628,600.66
					-
					-
Alvarez, Alfredo		4,000.00	2,000.00	-	2,000.00
Ampatin, Estrella V.	162,319.00	70,692.44	205,791.44	-	27,220.00
Cabasada, Albert R.	22,038.00	107,700.00	121,623.64	-	8,114.36
Faustino, Jose V.	14,360.00	224,701.73	185,820.00	-	53,241.73
Mendoza, Malaya		7,650.00		-	7,650.00
Molina, Mark Oliver P.	37,000.00	600,069.28	787,376.89	-	(150,307.61)
Quines, Dante P.		300.00		-	300.00
Rapirap, Raquel T.		66,380.00	69,352.00	-	(2,972.00)
Rosal, Josefina T.		3,000.00	2,000.00	-	1,000.00
Santos, Florentino I.	144,840.00	55,865.25	196,310.34	-	4,394.91
Sinang, Rolando	2,000.00	2,000.00	3,000.00	-	1,000.00
	382,557.00	1,142,358.70	1,573,274.31	-	(48,358.61)
					-
TOTAL - 1131012	1,259,220.71	14,308,151.36	8,987,130.02	70,086.85	6,580,242.05

FAR EASTERN UNIVERSITY, INC. AND SUBSIDIARIES
SCHEDULE C - NONCURRENT MARKETABLE EQUITY SECURITIES,
OTHER LONG-TERM INVESTMENTS IN STOCKS AND OTHER INVESTMENTS
FOR THE YEAR ENDED MARCH 31, 2009

ANNEX C.1.3

Name of Issuing Entity and Description of Each Investment	BEGINNING BALANCE		ADDITIONS (DEDUCTIONS)				ENDING BALANCE		Percentage Ownership	Dividends Received/Accrued from Investments Not Accounted for by the Equity Method
	Number of Shares or Principal Amount of Bonds and Notes	Amount in Pesos	Number of Shares or Principal Amount of Bonds and Notes	Amount in Pesos	Dividends Received/ (Declared)	Equity in Earnings (Losses) of Investees for the Period	Number of Shares or Principal Amount of Bonds and Notes	Amount in Pesos		
Investment - Juliana Mngt. (associate)	43,659	7,878,121	-	-			43,659	7,878,121	49.00%	
	P	7,878,121	P	-	P	-	P	7,878,121		-

FAR EASTERN UNIVERSITY
 SCHEDULE E - NON-CURRENT ASSETS
 FOR THE YEAR ENDED MARCH 31, 2009

Description	Beginning Balance	Additions at Cost	Deductions		Other Changes- Additions (Deductions)	Ending Balance
			Charged to Costs and Expenses	Charged to Other Accounts		
Goodwill		12,352,684				12,352,684
Surety Bond	2,833,600					2,833,600
Marketable Securities	2,530,373					2,530,373
Club membership shares		1,000,000				1,000,000
Cash bond		134,833				134,835
Long-term refundable deposit	100,000					100,000
Other long-term investment		7,200,000				7,200,000
	P 2,630,373	P 7,200,000	P -	P -	P -	P 26,151,492

**FAR EASTERN UNIVERSITY
SCHEDULE I - CAPITAL STOCK
FOR THE YEAR ENDED MARCH 31, 2009**

				<i>Number of shares held by</i>		
<i>Title of Issue²</i>	<i>Number of shares authorized</i>	<i>Number of shares issued and outstanding as shown under the related balance sheet caption</i>	<i>Number of shares reserved for options, warrants, conversion and other rights</i>	<i>Related parties³</i>	<i>Directors, officers and employees</i>	
<i>Issuance during the year</i>	10,000,000	7,006,368			Board of trustees	598,697
		2,802,080			Officers	39,319
		9,808,448			Employees/Faculty	16,159

¹ Indicate in a note any significant changes since the date of the last balance sheet filed.

² Include in this column each type of issue authorized.

³ Affiliates referred to include affiliates for which separate financial statements are filed and those included in consolidated financial statements, other than the issuer of the particular security.

Item 8: Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There has been no recent change in and disagreement with Accountants on accounting and financial disclosure.

PART III - CONTROL AND COMPENSATION

Item 9. Trustees and Executive Officers

<u>Name</u>	<u>Ages</u>	<u>Citizenship</u>	<u>Position</u>
Lourdes R. Montinola	81	Filipino	Chair, Board of Trustees
Aurelio R. Montinola III	57	Filipino	Vice Chair, Board of Trustees
Lydia B. Echauz	61	Filipino	President/Trustee
Angelina P. Jose	56	Filipino	Corporate Secretary/Trustee
Paulino Y. Tan	62	Filipino	Trustee
Gianna R. Montinola	51	Filipino	Trustee
Renato L. Paras	82	Filipino	Trustee
Wilfrido C. Tecson	86	Filipino	Independent Trustee
Robert F. Kuan	60	Filipino	Independent Trustee
Elizabeth P. Melchor	52	Filipino	Vice President for Planning and Development
Miguel M. Carpio	54	Filipino	Vice President for Academic Affairs
Fe V. Canilao	63	Filipino	Chief Financial Officer
Herminia I. Maliwat	60	Filipino	Treasurer
Glenn Z. Nagal	51	Filipino	Comptroller
Severino M. Garcia	60	Filipino	Compliance Officer

TRUSTEES AND EXECUTIVE OFFICERS:

1. Lourdes R. Montinola, 81, Filipino: Chair of the Board of Trustees of Far Eastern University, Inc. (June 1989 to present)

Other Corporate Affiliations: Chair, Board of Directors, FERN Realty Corporation; Chair and President, FEU Educational Foundation, Inc.; Chair, Nicanor Reyes Educational Foundation; Chair, Executive Committee, Far Eastern University, Inc.; Governor, Nicanor Reyes Memorial Foundation; Trustee, FEU-Dr. Nicanor Reyes Medical Foundation; Trustee, AY Foundation, Inc.; Member, Museum Foundation of the Philippines, Oriental Ceramic Society, Heritage Conservation Society, Asia Society, & Philippine Textile Society.

Dr. Montinola holds a Bachelor of Arts degree (*cum laude*) from Marymount College, New York, U.S.A., and an M. A. in Cultural History from the Asean Graduate Institute of Arts. She completed the Management Development Program for College and University Administrators in the Institute for Educational Management, Graduate School of Education, Harvard University, U.S.A. She obtained her Ph. D. in English: Creative Writing from the University of the Philippines.

2. Aurelio Montinola III, 57, Filipino: Vice Chairman of the Board of Trustees, Far Eastern University, Inc. (June 1989 to present)

President and Chief Executive Officer of Bank of the Philippine Islands and President, Bankers Association of the Philippines. His other affiliations, among others, include: Chairman of the Board of Directors of Amon Trading Corporation; Vice Chairman of the Board of Directors of Republic Cement Corporation; Chairman of East Asia Educational Foundation, Inc.; Regional Board of Advisers, MasterCard International; Director, Ayala Land, Inc.; President, BPI Foundation, Inc.; Member, Makati Business Club; and Member, Management Association of the Philippines.

He graduated with a BS Management Engineering degree at the Ateneo de Manila University in 1973, and received his MBA at Harvard Business School in 1977.

3. Lydia B. Echauz, 61, Filipino: President (June 2003 to present) and Member of the Board of Trustees, Far Eastern University, Inc. (1999 to present)

Appointed Acting President of Far Eastern University in October 2002. At present she is President, FEU-East Asia College; President, FEU-FERN College; President, East Asia Educational Foundation, Inc.; Member, Board of Directors of FERN Realty Corporation; Governor, Nicanor Reyes Memorial Foundation; and Member, Executive Committee, Far Eastern University, Inc. She is immediate past President of the Association of Southeast Asian Institutes of Higher Learning – Philippine Council; Director of the Philippine Association of Colleges and Universities, and Member of the Management Association of the Philippines. She was Dean of the Graduate School of Business, De La Salle University Professional Schools, Inc., from September 1986 to May 2002; former Associate Director of the MBA program, Ateneo de Manila University Graduate School of Business for seven years; also Associate Professor of the College of Business Administration, University of the East, for twelve years.

Dr. Echauz is a Bachelor of Arts, major in Economics and Mathematics from St. Theresa's College, MBA from Ateneo de Manila University, and DBA from De La Salle University.

4. Angelina Palanca Jose, 56, Filipino: Trustee (1990 to present) and Corporate Secretary, Far Eastern University, Inc. (1998 to present)

Other Corporate Affiliations: Member, Board of Directors, FERN Realty Corporation; Secretary, Treasurer and Trustee, Nicanor Reyes Educational Foundation; Corporate Secretary and Trustee, FEU Educational Foundation Inc.; Corporate Secretary and Governor, Nicanor Reyes Memorial Foundation; and member, Executive Committee, Far Eastern University, Inc.

Ms. Jose obtained her Bachelor of Science degree, major in Economics, from the University of the Philippines (Dean's Medal).

5. Paulino Y. Tan, 63, Filipino: Trustee, Far Eastern University, Inc. (1991 to present)

Other Business Experience: President of Asia Pacific College; IT Services Consultant, SM (Shoemart) Inc. At present, member of the Board of Directors/Trustees of the following companies: Nicanor Reyes Educational Foundation, Inc., FEU Educational Foundation, Inc., East Asia Educational Foundation, Inc., Lyceum of Batangas, Lyceum of Laguna, Foundation for Upgrading the Standard of Education (FUSE), SM (Shoemart) Foundation, Inc., Asia Pacific Technology Educational Foundation, and FERN Realty Corporation.

Dr. Tan obtained the Degree of Bachelor in Science in Chemical Engineering (*summa cum laude*) from De La Salle University. He topped the Chemical Engineering Board Examination and obtained both his M. S. and Ph.D. in Chemical Engineering from the University of Notre Dame, Indiana, U.S.A.

6. Gianna R. Montinola, 51, Filipino: Trustee of Far Eastern University, Inc. (1989-1993 and 1996 to present)

Concurrently Director and Corporate Secretary of FERN Realty Corporation and Consultant for Marketing and Communications of Far Eastern University. A lawyer by profession, she was connected with the Quisumbing, Torres and Evangelista Law Office (an affiliate of the Baker & McKenzie Law Office, U.S.A.) from 1986 to 1992. She served as Philippine Honorary Consul to the Republic of Peru from 1992 to 1996, and joined the Marketing and Business Development departments of Rockwell Land Corporation from 1996 to 1998. She is a member of the Board of Directors and Corporate Secretary of Amon Trading Corporation and a Director of True Value Hardware Corporation. She is also a co-founder and member of the Board of Trustees of Hands On Manila Foundation, Inc.

She obtained her Bachelor of Arts degree in International Relations from Mount Holyoke College, USA and a Bachelor of Laws (L.B.) degree, with honors, from the Ateneo de Manila College of Law.

7. Renato L. Paras, 83, Filipino: Trustee of Far Eastern University, Inc. (1989-1991 and 2002 to present)

Other Corporate Affiliations: Chair of CHEMREZ Technologies and of Philippine Ratings; Vice Chair of CIBI Foundation and East Asia Educational Foundation, Inc. He is also a member of the Board of Directors/Trustees of the following: FERN Realty Corporation, CIBI Information, Inc., Insular Life Health Care, IBM Philippines Retirement Fund Committee and is Asia Pacific Regional Treasurer of the World Organization of Scout Movement. Dr. Paras was a member of the Central Bank Monetary Board, was also Board Director and CFO of Procter & Gamble Philippines, and Consultant on Internal Auditing to CFO of San Miguel Corporation.

Dr. Paras is a Certified Public Accountant. He topped the CPA Board Exam in 1948. He finished his Bachelor of Science in Accountancy in FEU in 1949 (*summa cum laude*), and earned his Master of Science in Accountancy at Columbia University in New York as an FEU scholar. He took up an Advanced Management Program conducted by the Harvard Graduate School of Business Faculty. In the year 2000, he was conferred an honorary degree of Doctor of Humanities by FEU. He is listed in the Accountancy Hall of Fame.

8. Wilfrido C. Tecson, 86, Filipino: Trustee (1989-2001) and Independent Trustee, Far Eastern University (2001 to present)

Banking Experience: Co-founded Solid Bank and assumed positions of President, CEO and Vice Chairman until he retired; served as Vice President of China Banking Corporation and as President and Vice Chairman of Equitable Banking Corporation. At present, he is a Director of the Lepanto Mining Corporation. He is founding Treasurer of the Hero Foundation, Inc. and the Museong Pambata, and is a member of the Board of Trustees of the YMCA.

Dr. Tecson graduated with the degree of Bachelor of Science in Commerce, major in Accounting (*summa cum laude*) from FEU, and was conferred the degree of Doctor of Business Management (*honoris causa*) by FEU in 1993.

9. Robert F. Kuan, 60, Filipino: Independent Trustee of Far Eastern University, Inc. (2004 to present)

Other Business Affiliations: Chairman, St. Luke's Medical Center; Trustee, St. Luke's College of Medicine–William H. Quasha Memorial; Trustee, BRENT International School of Manila; Director, China Banking Corporation; Founder/President, Chowking Food Corporation (1985 – 2000).

Mr. Kuan graduated from the University of the Philippines (1970) with a degree of Bachelor of Science in Business Administration. In 1975, he earned his Masters in Business Management from the Asian Institute of Management (AIM). In 1993, he took up the Top Management Program at AIM, a program exclusively for company Presidents and Chief Executive Officers. He was a TOFIL (The Outstanding Filipino) Awardee in 2003 in the field of Business & Entrepreneurship; Agora Awardee for Entrepreneurship; Triple-A Awardee of AIM; and Outstanding Alumnus of the University of the Philippines (UP) in the field of Business.

10. Miguel M. Carpio, 54, Filipino: Vice-President for Academic Affairs, Far Eastern University, Inc. (April 2008 to present)

Other Professional Experience: Founding member and incorporator, UST College of Architecture Alumni Association and the Council of Architectural Researchers and Educators; Chairman, CHED Technical Committee on Architecture and Member, Regional Assessment Team for Architecture; Fellow, United Architects of the Philippines (UAP); Director, UAP Sta. Mesa Chapter; Member, Philippine Institute of Environmental Planners; Executive Director, Commission on Education of the UAP (2002 to 2004); President of the Council of Deans and Heads of Architecture Schools in the Philippines or CODHASP (2003 to 2005); Secretary, National Committee on Architecture and Allied Arts of the National Commission on Culture and the Arts (NCCA) (2003 to 2007); Member, National Real Estate Association, Inc.; Dean, FEU Institute of Architecture and Fine Arts (November 2000 to March 2008); Executive Director, FEU Center for Studies on the Urban Environment or FEU-SURE (2000 to 2002).

Arch./En.P. Carpio is a registered and licensed Architect and Environmental Planner. He graduated with the degree of Bachelor of Science in Architecture from the University of Santo Tomas and earned a Master of Environmental Management and Development degree from the Australian National University in Canberra, Australia. He also earned academic units in the Master in Urban and Regional Planning from the University of the Philippines. He is currently working on his dissertation in the Ph.D. in Development Studies at the University of Santo Tomas.

11. Elizabeth P. Melchor, 52, Filipino: Vice President for Planning and Development, Far Eastern University, Inc. (April 2008 to present)

Other Professional Experience: Trustee, FEU-Nicanor Reyes Medical Foundation; Governor, Nicanor Reyes Memorial Foundation; Trustee, East Asia Educational Foundation, Inc.; Vice-President, Alejandro Melchor Jr. Memorial Foundation; Trustee and Officer, Cradle of Joy Learning Center; Member, Commission on Tertiary Education, Philippine Accrediting Association of Schools, Colleges and Universities (PAASCU); Dean, Registrar and Outstanding Teacher Awardee, Assumption College, Makati; Visiting Professor, Huaqiao University, Quanzhou, China; Scholar, Beijing Language Institute; Chapter Head, Haggai Institute of Advanced Leadership; Vice President for Academic Affairs, Far Eastern University, Inc. (2004 to 2008).

Dr. Melchor holds a Bachelor of Science degree, major in Physics (College Scholar), and a Master of Science, major in Physics, from the University of the Philippines, Diliman. She earned her doctorate degree in Education from the California Coast University in Santa Ana, California, U.S.A.

12. Fe V. Canilao, 63, Filipino: Chief Financial Officer, Far Eastern University, Inc. (1996 to present)

Other Business Experience: Served as Vice President for Finance prior to her current position. At present, Vice President of FERN Realty Corporation; Alternate Member, Executive Committee, and Investor Relations Officer, Far Eastern University, Inc.; Trustee and Treasurer, East Asia Educational Foundation, Inc.; Assistant Corporate Secretary, Nicanor Reyes Educational Foundation and the FEU Educational Foundation, Inc.

Ms. Canilao, a Certified Public Accountant, earned her Bachelor of Science in Business Administration from the Philippine Women's University and her MBA from FEU.

13. Herminia I. Maliwat, 60, Filipino: Treasurer, Far Eastern University, Inc. (1998 to present)

Ms. Maliwat is a Certified Public Accountant. She obtained her BS in Accounting, *cum laude*, from the University of the East.

Before joining FEU, she worked as Chief Accountant for 10 years and Instructor for 8 years at the College of the Holy Spirit, as Administrative and Finance Officer for 16 years at the Asia Foundation, and as External Auditor for 10 years at the Mother Edelwina Educational Foundation. She also served as Executive Director of the FEU Educational Foundation for three years and as 2007-08 Committee Chairperson on special projects of the Philippine Institute of Certified Public Accountants (PICPA).

14. Glenn Z. Nagal, 51, Filipino: Comptroller, Far Eastern University, Inc. (1996 to present)

Work experience: External Auditor, Carlos J. Valdes and Company; Examiner, Central Bank of the Philippines; Internal Audit Manager, Far Eastern University; Chief Accountant and Budget Director, Far Eastern University; Accounting Professor, Far Eastern University.

A Certified Public Accountant by profession, Mr. Nagal graduated with the degree of Bachelor of Science in Commerce, major in Accounting from Far Eastern University.

15. Severino M. Garcia, 60, Filipino: Compliance Officer, Far Eastern University, Inc. (January 21, 2003 to present)

Former Assistant Vice President – Audit.

Mr. Garcia earned the degree of Bachelor of Science in Commerce, major in Accounting from FEU. A Certified Public Accountant, he worked in different companies as Auditor, Chief Accountant, Finance and Accounting Manager and Senior Financial Analyst.

The members of the Board of Trustees of the Corporation are elected at the Annual Stockholders' Meeting to hold office until the next succeeding annual meeting, up to the time their respective successors shall have been elected and qualified.

The officers are appointed or elected annually by the Board of Trustees at its organizational meeting, each to hold office until the corresponding meeting of the Board the following year or until a successor shall have been elected, appointed and qualified.

Significant Employees

The corporation considers its entire work force as significant employees. Everyone is expected to work together as a team to achieve the corporation's goals and objectives.

Family Relationships

The Chair, Dr. Lourdes R. Montinola, is the mother of Mr. Aurelio R. Montinola III and Atty. Gianna R. Montinola, all of whom are members of the Board of Trustees.

Item 10: Executive Compensation

		<u>April 1/2007 to March 31/2008</u>	<u>April 1/2008 to March 31/2009</u>	<u>April 1/2009 to March 31/2010</u>
<u>Name</u>	<u>Principal Position</u>			
Lourdes R. Montinola	Chair, Board of Trustees			
Lydia B. Echauz	Trustee/President			
Angelina P. Jose	Trustee/Corporate Secretary			
Fe V. Canilao	Chief Financial Officer			
Miguel M. Carpio	VP - Academic Affairs			
Elizabeth P. Melchor	VP - Planning and Development *			
Herminia I. Maliwat	Treasurer			
Severino M. Garcia	Compliance Officer			
		<u>P49,138,778.00</u>	<u>P62,797,434.00</u>	<u>P69,452,177.00</u>

* Effective April 2008

The compensation above presented are actual for the last two (2) completed fiscal years and the estimate for the ensuing fiscal year ending March 31, 2010. Aggregate amount is P 181,388,389.00

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Compensation of Directors

A. Standard Arrangement

The members of the Board of Trustees of the corporation are receiving gas allowances for regular board/special board meetings attended. They are also entitled to bonuses at the end of the fiscal year at the discretion of the Board, while the officers of the corporation are entitled to basic salaries, living allowance, special financial assistance, fringe benefits, and also bonuses at the discretion of the Board.

B. Other Arrangement

There are no other material terms or conditions of employment for contractual executive officers.

Voting Trust Holders

The Registrant is not a party to any voting trust agreement. No security holder of the Registrant holds a voting trust or other similar agreements.

No information is available on all outstanding warrants or options held by the members of the Board of Trustees and officers of the corporation.

Summary Compensation Table

Summary and Principal Position	Year	Salary	Bonus	Other Annual Compensation
Lourdes R. Montinola Chair, Board of Trustees	- x -	- x -	- x -	- x -
Lydia B. Echauz Trustee/President	- x -	- x -	- x -	- x -
Angelina P. Jose Trustee/Corporate Secretary	- x -	- x -	- x -	- x -
Fe V. Canilao Chief Financial Officer	- x -	- x -	- x -	- x -
Miguel M. Carpio VP-Academic Affairs	- x -	- x -	- x -	- x -
Elizabeth P. Melchor VP-Planning and Development	- x -	- x -	- x -	- x -
Herminia I. Maliwat Treasurer	- x -	- x -	- x -	- x -
Severino M. Garcia Compliance Officer	- x -	- x -	- x -	- x -
Grand Total	2007-2008	₱34,155,384.21	₱14,983,394.18	- x -
	2008-2009	43,091,751.54	19,705,682.00	- x -
	2009-2010 (est.)	47,400,926.69	22,051,250.00	- x -

Item 11: Security Ownership of Certain Beneficial Owners and Management

Beneficial Owners of More Than 5% and 10% Securities as of March 31, 2009

As of March 31, 2009, Far Eastern University does not have on record any person, party or entity who beneficially owns more than 5% and 10% of common stock except as set forth in the table below:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Citizenship	No. of Shares Held	Percent
Common	Desrey, Incorporated ¹ 10 th Fl., Pacific Star Bldg. Cor. Makati & Gil Puyat Ave. Makati City	Filipino	784,800	8.0013
Common	Seyrel Investment and Realty Corporation ² 10 th Fl., Pacific Star Bldg. Cor. Makati & Gil Puyat Ave. Makati City	Filipino	2,807,835	28.6267
Common	Sysmart Corporation ³ 426 MKSE, Ayala Avenue Makati City	Filipino	2,068,068	21.0846

All of the above are direct beneficial owners of the securities.

¹Dr. Lourdes, R. Montinola as President is authorized to vote for the shares of the Corporation.

²Ibid

³Mr. Henry Sy Sr. as Chair of the Board will vote for the shares of the Corporation.

Security Ownership of Management

Title of Class	Name of Beneficial Owner	Number of Shares and and Nature of Beneficial Ownership	Citizenship	Percent Of Class
Common	Lourdes R. Montinola Chair, Board of Trustees	115,404 - D	Filipino	1.1766
Common	Lydia B. Echauz Trustee/President	5,919 - D	Filipino	0.0603
Common	Aurelio R. Montinola III Vice Chair, Board of Trustees	158,888 - D	Filipino	1.6199
Common	Angelina Palanca Jose Trustee/Corporate Secretary	311,374 - D	Filipino	3.1745
Common	Wilfrido C. Tecson Trustee	12 - I	Filipino	0.00012
Common	Paulino Y. Tan Trustee	12 - I	Filipino	0.00012
Common	Gianna R. Montinola Trustee	15,198 - D	Filipino	0.1549
Common	Renato L. Paras Trustee	12 - I	Filipino	0.00012
Common	Robert F. Kuan Trustee	1 - I	Filipino	0.00001
Common	Elizabeth P. Melchor VP for Planning and Development	17,862 - D	Filipino	0.1821
Common	Fe V. Canilao Chief Financial Officer	20,997 - D	Filipino	0.2141
Common	Herminia I. Maliwat Treasurer	56 - D	Filipino	0.0057
Common	Glenn Z. Nagal Comptroller	404 - D	Filipino	0.0041

Security of Ownership of Management as a Group

Total Shares	-	646,139
Percentage	-	6.5876%

Item 12: Certain Relationship and Related Transactions

During the last two (2) years, the corporation or any of the members of the Board of Trustees was never a party or proposed to be a party in any related transaction.

PART IV - Corporate Governance

Item 13. Corporate Governance

- The University's compliance with SEC Memorandum Circular No. 2 dated April 5, 2002, as well as all relevant circulars on Corporate Governance has been monitored.
- FAR EASTERN UNIVERSITY, its trustees, officers and employees complied with the leading practices and principles on good corporate governance as embodied in the company's Manual;
- FAR EASTERN UNIVERSITY also complied with the appropriate performance self-rating assessment and performance evaluation system to determine and measure compliance with the Manual. The corporation's evaluation system was approved by the Board of Trustees at its meeting on March 16, 2004;
- FAR EASTERN UNIVERSITY did not commit any major deviations from the provisions of its Manual. Our Corporate Governance Compliance Officer submitted his 2008 certification to the Securities and Exchange Commission on the extent of the company's compliance with its manual on January 23, 2009.
- All members of the Board of Trustees as well as Senior Management officers completed and were duly certified to have attended a special seminar on Corporate Governance conducted by an entity accredited by the Securities and Exchange Commission.
- In October 2008, the university participated in the Corporate Governance Survey using the Corporate Governance Scorecard prepared by the Institute of Corporate Directors.
- Far Eastern University shall continuously update our Manual on Corporate Governance in the form of supplements to incorporate additional corporate governance related rules and regulations that are released, from time to time, by the Securities and Exchange Commission and the Philippine Stock Exchange, Inc.

PART V – EXHIBITS AND SCHEDULES

Item 14 Exhibits and Reports on SEC Form 17-C

(a) Exhibit

The exhibits are not applicable to the company nor require any answer.

(b) Report on SEC Form 17-C

1. Resolution approved at the Board of Trustees' meeting held on April 15, 2008:

Appointment of Dean Miguel M. Carpio as Acting Vice-President for Academic Affairs, vice Dr. Elizabeth P. Melchor, who likewise is appointed Acting Vice-President for Planning and Development.

Report received on April 16, 2008.

2. Resolution approved at the Board of Trustees' meeting held on June 17, 2008:

Declaration of ₱15.00/share cash dividend on record as of July 7, 2008, payable on July 21, 2008.

Report received on June 19, 2008.

3. Resolutions approved at the Board of Trustees' meeting held on August 19, 2008:

Far Eastern University, Inc. associated itself with some of the members of its Board of Trustees, Dr. Lourdes R. Montinola, Chair; Mr. Aurelio R. Montinola III, Vice Chair; Dr. Lydia B. Echauz, Trustee; Ms. Angelina P. Jose, Trustee; Atty. Gianna R. Montinola, Trustee; Dr. Paulino Y. Tan, Trustee; Mr. Robert F. Kuan, Trustee and with Mr. Antonio R. Montinola, Consultant for Sports and Dr. Elizabeth P. Melchor, Vice President for Planning and Development to form and establish a new educational institution, the FAR EASTERN UNIVERSITY – SILANG, INC. with an authorized capital stock of One Hundred Million Pesos (₱100,000,000.00) divided into One Million (1,000,000) shares with a par value of ₱100.00 per share.

Far Eastern University be designated one of its incorporators with a subscribed capital stock of ₱6,249,100.00 equivalent to 62,491 shares of the paid-up capital stock of the new corporation.

Report received on August 21, 2008.

4. Resolutions approved at the Annual Stockholders' meeting held on August 23, 2008:

- a. Minutes of the Annual Meeting on August 25, 2007;
- b. Academic Report of the President and Annual Report of the Chairman for fiscal year 2007-2008;
- c. Ratification and confirmation of the 40% stock dividend equivalent to 2,802,547 shares or ₱280,254,700.00 approved by the Board of Trustees at its meeting held on Mach 25, 2008, to all stockholders on record as of September 15, 2008 and payable on October 9, 2008. Fractional shares resulting from the aforementioned stock dividend shall be paid in cash by the corporation based on the par value.
- d. Ratification and confirmation of the acts of the officers and trustees in the furtherance of the matters covered by the annual report for fiscal year 2007-2008;
- e. Elected trustees and independent trustees for the fiscal year 2008-2009;
- f. Appointment of Punongbayan and Araullo as External Auditor for the fiscal year 2008-2009; and
- g. Vote of appreciation to the Board of Trustees, the officials, faculty and staff.

Report received on August 27, 2008.

5. Resolutions approved at the Organizational Meeting of the Board of Trustees held on September 16, 2008:

- a. Elected Corporate and University Officials for the fiscal year 2008-2009;
- b. Composition of the Executive Committee;
- c. Composition of the Audit and Corporate Governance Committee;
- d. Composition of the Nomination Committee; and
- e. Composition of the Risk Management

Report received on September 17, 2008.

6. Resolution approved at the Board of Trustees' meeting held on December 16, 2008:

Declaration of ₱15.00/share cash dividend on record as of January 08, 2009, payable on January 22, 2009.

Report received on December 23, 2008.

7. Resolution approved at the Board of Trustees' meeting held on March 17, 2009:

Amendment of Article 1 of the Articles of Incorporation of Far Eastern University from:

First. That the name of said corporation shall be – The Far Eastern University, Incorporated

To henceforth read as follows:

First. That the name of said corporation shall be – FAR EASTERN UNIVERSITY, INC. doing business under the name and style FAR EASTERN UNIVERSITY

Report received on March 18, 2009.

8. Resolution approved at the Board of Trustees' meeting held on March 17, 2009:

Designation of Atty. Gianna R. Montinola, Trustee, as Acting Corporate Secretary of the Corporation, for the duration of the leave of absence of Ms. Angelina P. Jose, Corporate Secretary, effective March 20, 2009.

Report received on March 18, 2009.

(c) Quarterly Reports:

Ended June 30, 2008
Received August 08, 2008

Ended September 30, 2008
Received November 13, 2008

Ended September 30, 2008 (Amended)
Received January 12, 2009

Ended December 31, 2008
Received February 13, 2009

Business and General Information

I. Industry Profile

The following are the dominant characteristics of the education industry:

- The business of higher education in the country is in the hands of the private sector.
- There is an uneven distribution of colleges and universities across the regions. This connotes a problem of unequal access to higher education. This is evidenced by the high concentration of state and private colleges and universities in the National Capital Region and Southern Tagalog Regions.
- Statistics show a high mismatch between education and occupation.
- The number of graduates in fields like commerce and business administration continues to increase even if unemployment among these graduates is on the rise.

Far Eastern University's market is made up of the working class and the middle income group. FEU is situated in Manila, particularly in the area popularly known as the University Belt. To be competitive, the university must continuously improve its products and at the same time maintain reasonable tuition fees.

II. Group of related services which contribute 10% or more to revenues

1.	Institute of Accounts, Business and Finance	23.50%
2.	Institute of Arts and Sciences	10.00%
2.	Associate in Health Science Education	20.75%
3.	Institute of Nursing	37.25%

III. Teaching services are rendered to students who come and enroll.

IV. No patents, trademarks, copyrights, licenses, franchises, concessions, and royalty agreements are held by the company.

V. All courses offered are with CHED recognition.

VI. Standard set by CHED encourages the University to continuously improve its quality of teaching and its facilities.

Operational and Financial Information

Dividend payments are normally restricted by reserves and appropriations made by the company, and by the amount needed to ensure smooth and unhampered operations during the year.

Control and Compensation Information

No warrants or options are given by the corporation.

SIGNATURES

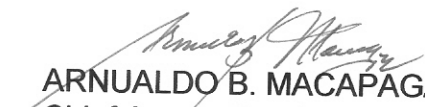
Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Manila, on July 10, 2009.

By:


LOURDES R. MONTINOLA
Chair, Board of Trustees and
Chief Executive Officer


GLENN Z. NAGAL
Comptroller

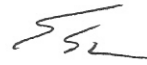

FE V. CANILAO
Chief Financial Officer


ARNUALDO B. MACAPAGAL
Chief Accounting Officer


ANGELINA P. JOSE
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 13th day of July 2009, affiants exhibiting to me their Community Tax Certificates, as follows:

<u>Name</u>	<u>Comm. Tax Cert.</u>	<u>Date/Place of Issue</u>
Lourdes R. Montinola	12373997	Jan. 20, 2009/Makati City
Angelina P. Jose	19183609	Feb. 14, 2009/Manila
Fe V. Canilao	02245804	Mar. 31, 2009/Manila
Glenn Z. Nagal	12193006	Jan. 15, 2009/Manila
Arnualdo B. Macapagal	02392538	April 16, 2009/Manila


ATTY. NOTARY PUBLIC
NOTARY PUBLIC
UNTIL DECEMBER 31, 2010
PTR NO. 723907-10, 0100, MANILA
IBP NO. 769282, 0107, 09, PPLM

Doc. No. 999
Page No. 107
Book No. 11
Series of 2009.