SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b) OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
   - ○ Preliminary Information Statement
   - ◉ Definitive Information Statement
2. Name of Registrant as specified in its charter
   FAR EASTERN UNIVERSITY, INC.
3. Province, country or other jurisdiction of incorporation or organization
   PHILIPPINES
4. SEC Identification Number
   PW538
5. BIR Tax Identification Code
   000-225-442
6. Address of principal office
   NIcanor Reyes St., Sampaloc, Manila
   Postal Code
   1015
7. Registrant's telephone number, including area code
   (632) 8735-8686
8. Date, time and place of the meeting of security holders
   October 17, 2020; 3:00p.m.; To be conducted virtually via Zoom Meeting Address https://zoom.us/j/7064344996
9. Approximate date on which the Information Statement is first to be sent or given to security holders
   Sep 23, 2020
10. In case of Proxy Solicitations:

    Name of Person Filing the Statement/Solicitor
    -

    Address and Telephone No.
    -

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	24,055,763

13. Are any or all of registrant's securities listed on a Stock Exchange?

(•) Yes ( ) No

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange, Inc.

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

Far Eastern University, Incorporated
FEU

PSE Disclosure Form 17-5 - Information Statement for Annual or Special Stockholders' Meeting
References: SRC Rule 20 and Section 17.10 of the Revised Disclosure Rules

Date of Stockholders' Meeting	Oct 17, 2020
Type (Annual or Special)	Annual
Time	3:00p.m.
Venue	To be conducted virtually via Zoom Meeting Address https://zoom.us/j/7064344996
Record Date	Sep 28, 2020

Inclusive Dates of Closing of Stock Transfer Books

Start Date	Sep 28, 2020
End date	Oct 17, 2020

Other Relevant Information
-

COVER SHEET

P W 0 0 0 0 0 5 3 8

S.E.C. Registration Number

F A R E A S T E R N U N I V E R S I T Y

(Company's Full Name)

N I C A N O R R E Y E S S T R E E T

S A M P A L O C , M A N I L A

(Bussiness Address : No. Street City / Town / Province)

Atty. Anthony Raymond A. Goqingco

Contact Person

8 735-8686

Company Telephone Number

0 5	3 1	**SEC Form 20- IS**	1 0	1 7
Month	Day	**Definitive Information Statement**	Month	Day
Calandar year		FORM TYPE	Annual Meeting	

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended articles Number/Section

Total Number of Barrowings

1,498

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personel concerned

File Number

L C U

Dicument I. D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

FAR EASTERN UNIVERSITY

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
(+632) 87777-FEU (338)
(+632) 8849-4000

NOTICE IS HEREBY GIVEN that, pursuant to Sections VII and VIII of the By-Laws of Far Eastern University, Inc. (FEU), as amended, the **Annual Meeting of Stockholders** will be conducted virtually via https://www.feu.edu.ph/asm2020 on **17 October 2020**, Saturday, at 3:00 p.m., to consider the following:

AGENDA

1. Call of meeting to order
2. Certification of notice of meeting and determination of quorum
3. Approval of minutes of the Annual Meeting of Stockholders on 19 October 2019
4. Academic Report of the President
5. Annual Report and approval of Audited Financial Statements
6. Ratification and confirmation of all acts and resolutions during the past year of the Board of Trustees, Board and Management Committees, and Management and other Officers
7. Election of Trustees, including Independent Trustees
8. Appointment of External Auditor and fixing of its remuneration
9. Consideration of such other business as may properly come before the meeting
10. Adjournment

For the explanation of each agenda item, please refer to the FEU 2020 Definitive Information Statement posted on the company's main investors' relations webpage https://investors.feu.edu.ph/. This will also be available in https://www.feu.edu.ph/asm2020 beginning 01 October 2020.

For the purpose of this meeting, the Board of Trustees has fixed **28 September 2020** as the **record date** for the stockholders entitled to notice and to vote. The transfer book will be closed from 28 September 2020 to 17 October 2020, inclusive, in accordance with Section XXXI of the Amended By-Laws.

In view of the current COVID-19 environment, attendance will be allowed only through remote communication.

Stockholders who wish to participate by remote communication should notify FEU by registering on the designated online registration portal https://asmregister.feu.edu.ph/ on or before 11 October 2020. The stockholder's registration shall serve as official notification of his/her remote participation, and will be considered present at the meeting. Alternatively, stockholders may notify FEU of their participation by email at asm2020@feu.edu.ph.

All duly accomplished proxies should be submitted via email address asm2020@feu.edu.ph, at least twenty four (24) hours before the time set for the meeting as required by the By Laws, or no later than 3:00 p.m. of 16 October 2020. The appointment of the Proxy shall not affect your right to vote in the event you choose to attend the meeting.

Procedures for participation in the meeting through remote communication and for voting will be included in the FEU 2020 Definitive Information Statement, to be posted on the company's website.

Sampaloc, Manila, 21 September 2020.

ATTY. ANTHONY RAYMOND A. GOQUINGCO
Acting Corporate Secretary

SEC FORM 20-IS
Information Statement Pursuant to Section 20
of the Securities Regulation Code

1. Check the Appropriate Box:

   [ ] Preliminary Information Statement

   [X] Definitive Information Statement

2. Name of Registrant as specified in its charter: **Far Eastern University, Inc.**

3. Province, country or other jurisdiction of incorporation or organization : **Manila, Philippines**

4. SEC Identification Number : **538**

5. BIR Tax Identification Code : **000-225-442**

6. Address of Principal Office : **Nicanor Reyes Street, Sampaloc, Manila**

   Postal Code : **1015**

7 Registrant's Telephone Number including area code : **(632) 8 849-4000**

8. Date, time and place of meeting of security holders : **17 October 2020**
   3:00 p.m.
   Online via Zoom
   https://zoom.us/j/7064344996

9. Approximate date on which the Information Statement is first sent to the security holders: **28 September 2020**

10. Securities registered pursuant to Sections 8 and 12 of the Code:

    Title of Each Class : **Common**

    Authorized Capital Stock : **₱5,000,000,000.00**

    Shares outstanding : **24,055,763**

11. Are any or all of registrant's securities listed on a Stock Exchange?

    All common shares of stocks are listed with the Philippine Stock Exchange, Inc.

PART I

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1: Date, Time and Place of Meeting of Security Holders and Mailing Address:

a. Date:	17 October 2020
Time:	3:00 P.M.
Place:	Online via Zoom https://zoom.us/j/7064344996
Registrant's Mailing Address:	Far Eastern University Nicanor Reyes Street Sampaloc, Manila 1015

b. The approximate date when the Information Statement and the form of Proxy shall first be sent or given to security holders is on 28 September 2020.

Item 2: Dissenter's Right of Appraisal

There are no matters or proposed corporate actions included in the Agenda of the Meeting which may give rise to a possible exercise by security holders of their appraisal rights. Generally, however, in the instances mentioned by the Revised Corporation Code of the Philippines, the stockholders of the corporation have the right of appraisal provided that the procedures and the requirements of Title X governing the exercise of the right is complied with and/or followed.

Item 3: Interest of Certain Persons in or Opposition to Matters to be Acted Upon

a. None of the members of the Board of Trustees or senior management have substantial interest in the matters to be acted upon other than election to office.

b. None of the members of the Board of Trustees have informed the Company in writing that he/she intends to oppose any action intended to be taken up at the Annual Stockholders' meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4: Voting Securities and Principal Holders Thereof

a. Class of Voting Securities:

Number of Shares Outstanding as of August 31, 2020	23,779,643 common shares (Local) 276,120 common shares (Foreign) 24,055,763 common shares (Total) Net of 37,331 Treasury Shares
Number of Votes Entitled:	one (1) vote per share

b. Record Date: All stockholders of record as of 28 September 2020 are entitled to notice and to vote at the Annual Stockholders' Meeting.

c. Manner of Voting

A stockholder entitled to vote at the meeting shall have the right to vote in person or by proxy the number of shares of stock held in his name on the stock books of the Corporation, and said stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit.

d. Security Ownership of Certain Record and Beneficial Owners of more than 5% (as of 31 August 2020)

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Ownership and Relationship with Record Owner	Citizenship	Number of Shares	Percent of Holdings
Common	Desrey, Incorporated[1] 10th Fl., Pacific Star Bldg. Cor. Makati & Gil Puyat Ave. Makati City Stockholder	Desrey, Inc.	Domestic corporation	1,924,956	8.00
Common	Seyrel Investment and Realty Corporation[2] 10th Fl., Pacific Star Bldg. Cor. Makati & Gil Puyat Ave. Makati City Stockholder	Seyrel Investment and Realty Corporation	Domestic corporation	6,887,051	28.64
Common	Sysmart Corporation[3] 10th Fl., L.V. Locsin Bldg. 6752 Ayala Cor. Makati Ave. Makati City Stockholder	Sysmart Corporation	Domestic corporation	5,204,608	21.63

[1]Dr. Lourdes R. Montinola as President is authorized to vote for the shares of the Corporation.

[2]Ibid.

[3]Ms. Teresita T. Sy, Chairman of the Board

e. Security Ownership of Trustees and Management (as of 31 August 2020)

Title of Class	Name of Beneficial Owner/Position	Citizenship	Shares Owned	Nature of Beneficial Ownership	Percent of Class
Common	Lourdes R. Montinola Chair Emeritus, Board of Trustees	Filipino	11,627	D	0.04833
Common	Aurelio R. Montinola III Chairman, Board of Trustees / Chief Executive Officer (CEO)	Filipino	458,165 6,656	D I	1.90460 0.02767
Common	Michael M. Alba Trustee/President	Filipino	1	I	0.00001
Common	Angelina Palanca Jose Trustee	Filipino	776,534 3,029	D I	3.22806 0.01259
Common	Antonio R. Montinola Trustee	Filipino	113,021	D	0.46983
Common	Paulino Y. Tan Trustee	Filipino	1	I	0.00001
Common	Edilberto C. de Jesus Independent Trustee	Filipino	329	D	0.00137
Common	Sherisa P. Nuesa Independent Trustee	Filipino	2,219 262	D I	0.00922 0.00109
Common	Jose T. Sio Independent Trustee	Filipino	14	D	0.00006
Common	Juan Miguel R. Montinola Chief Finance Officer and Chief Risk Officer	Filipino	109,710 5,694	D I	0.45607 0.02367
Common	Rosanna E. Salcedo Treasurer	Filipino	734	D	0.00305
Common	Glenn Z. Nagal Comptroller	Filipino	256	D	0.00106
Common	Gianna R. Montinola Senior Vice President for Corporate Affairs	Filipino	106,033 7,314	D I	0.44078 0.03040

Security Ownership of Trustees and Management as a Group

Total Shares - 1,601,599
Percentage - 6.65786%

f. 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.

g. Changes in Control

There has been no recent change in the control of the Corporation.

Item 5: Trustees and Executive Officers

a. The following are the current trustees of the corporation:

Dr. Lourdes R. Montinola
Mr. Aurelio R. Montinola III
Dr. Michael M. Alba
Ms. Angelina P. Jose
Mr. Antonio R. Montinola
Dr. Paulino Y. Tan
Dr. Edilberto C. De Jesus (Independent Trustee)
Ms. Sherisa P. Nuesa (Independent Trustee)
Mr. Jose T. Sio (Independent Trustee)

The Nomination Committee is chaired by Dr. Edilberto C. De Jesus (Independent Trustee). The members are: Dr. Paulino Y. Tan, Mr. Antonio R. Montinola and Atty. Gianna R. Montinola.

The nominees for the trustees and independent trustees have been pre-screened by the Nomination Committee composed of four (4) members, one of whom (the Chairman) is an Independent Trustee.

The following have been nominated members to the Board of Trustees for fiscal year 2020 – 2021:

Name	Ages	Citizenship	Position
Lourdes R. Montinola	92	Filipino	Chair Emeritus, Board of Trustees
Aurelio R. Montinola III	69	Filipino	Chairman, Board of Trustees
Michael M. Alba	63	Filipino	President
Angelina P. Jose	67	Filipino	Trustee
Antonio R. Montinola	67	Filipino	Trustee
Paulino Y. Tan	74	Filipino	Trustee
Edilberto C. De Jesus	78	Filipino	Independent Trustee
Sherisa P. Nuesa	65	Filipino	Independent Trustee
Jose T. Sio	80	Filipino	Independent Trustee

The aforementioned nominees were submitted to the Nomination Committee of Far Eastern University. Ms. Sherisa P. Nuesa, Dr. Edilberto C. De Jesus and Mr. Jose T. Sio were nominated as Independent Trustees by Ms. Fe V. Canilao, a shareholder, in compliance with the SRC Rule 38 (Requirements on Nomination and Election of Independent Directors). Ms. Fe V. Canilao is not related to any of the nominees for Independent Trustees.

None of the nominated Independent Trustees is covered by SEC Memorandum Circular No. 4, Series of 2017, re Term Limit of Independent Directors considering that under said SEC Circular, the reckoning of the cumulative nine-year term limit is from 2012.

Please see the latest certifications of the Independent Trustees (Annex D pages 1-3).

Brief Background of Trustees and Executive Officers:

1. **Lourdes R. Montinola, 92, Filipino: Chair Emeritus (August 2013 to present), Chair (June 1989 to August 2013), Far Eastern University, Inc.**

   Other Corporate Affiliations: Chair, Board of Directors, FERN Realty Corporation; Chair and President, FEU Educational Foundation, Inc.; Chair Emeritus, Nicanor Reyes Educational Foundation, Inc.; Governor, Nicanor Reyes Memorial Foundation; Trustee, FEU-Dr. Nicanor Reyes Medical Foundation, Inc.; Chair, MEMORARE-Manila 1945 Foundation, Inc. and Board Member, The English Speaking Union. She is also a Member of the Oriental Ceramic Society, and HABI: The Philippine Textile Council, Inc.

   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 R. Montinola III, 69, Filipino: Chairman of the Board of Trustees (August 2013 to present), Vice Chairman (June 1989 to August 2013), Far Eastern University, Inc.**

   Other Corporate Affiliations: Chairman, Amon Trading Inc., East Asia Computer Center, Inc., Far Eastern College Silang, Inc., Nicanor Reyes Educational Foundation, Inc., FEU High School, Inc., FEU Alabang, Inc., Roosevelt College, Inc., and National Golf Association of the Philippines; Vice Chairman, Philippine Business for Education Foundation (PBED); Vice President, Management Association of the Philippines; Director, BPI/MS Insurance Corporation; Trustee, Ramon Magsaysay Award Foundation; and Member, Makati Business Club.

   He is also a Director of the Bank of the Philippine Islands, and Independent Director of Roxas and Company Incorporated, both listed corporations.

   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. He was awarded the 2005 and 2009 Asian Banker Leadership Award for the Philippines and the MAP Management Man of the Year Award in 2012.

3. **Michael M. Alba, 63, Filipino: President and Trustee (October 2012 to present), Far Eastern University, Inc.**

   In the FEU Group of Schools, he is President concurrently of East Asia Computer Center, Inc.; Far Eastern College Silang, Inc.; FEU Alabang, Inc.; FEU High School, Inc.; Roosevelt College, Inc.; East Asia Educational Foundation, Inc.; and Nicanor Reyes Educational Foundation, Inc.; and Governor, Nicanor Reyes Memorial Foundation. His affiliations include, among others: FEU Public Policy Center (President); Edustria (Chairman); Philippine Association of Colleges and Universities (Board Member; Chair, Research Committee); Association of Southeast Asian Institutions of Higher Learning–National Council of the Philippines (President, 2018–2020); Presidents' Forum of

Southeast and South Asia and Taiwan Universities (Member, Steering Committee); Foundation for Information Technology Education and Development (President); Philippine Economic Society (Lifetime Member and President, 2007); Action for Economic Reforms (Fellow); Management Association of the Philippines (Member); and Leadership Council of Sustainability Development Solutions Network, Philippines (Member 2020–2023).

He obtained his AB (Economics) degree from the Ateneo de Manila University in 1978, MA (Economics) degree from the University of the Philippines (Diliman) School of Economics in 1987, and PhD (Applied Economics) degree from Stanford University in 1993.

4. Angelina P. Jose, 67, Filipino: Trustee (June 1990 to present), Far Eastern University, Inc.

Other Corporate Affiliations: Member, Board of Directors, FERN Realty Corporation and FEU Alabang, Inc.; Trustee, Nicanor Reyes Educational Foundation, Inc.; Treasurer and Trustee, FEU Educational Foundation, Inc.; Corporate Secretary and Governor, Nicanor Reyes Memorial Foundation; Member, Executive Committee, Far Eastern University, Inc.; Corporate Secretary and Director, Far Eastern College Silang, Inc.; Chair, Angel C. Palanca Peace Program Foundation, Inc.; Chair, Board of Trustees, (April 2014 – April 2015 and April 2017 to April 2020) and Enrolled Member (2013 to present) Ahon Sa Hirap, Inc.

She was also the Corporate Secretary of Far Eastern University from February 1998 to January 2017.

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

5. Antonio R. Montinola, 67, Filipino: Trustee (November 2013 to present), Far Eastern University, Inc.

Other Corporate Affiliations: President and Director FERN Realty Corporation and Monti-Rey, Inc.; Vice Chairman, Treasurer and Director, AMON Trading Corp., Director, Far Eastern College Silang, Inc., and Nicanor Reyes Educational Foundation, Inc.; and Trustee, FEU Educational Foundation, Inc.

Sports Affiliations: Member, Board of Managing Directors, Universities Athletic Association of the Philippines (UAAP); Team Manager, FEU Tamaraws; Member, Manila Golf Club; Member, Tagaytay Midlands Golf Club; Member, The Rockwell Club.

He worked with Procter & Gamble and Jardine Davies, Inc. in the Philippines and with General Mills Corp., based in Minneapolis, Minnesota, U.S.A.

Mr. Montinola holds an A. B. Economics Degree (honors course) from Ateneo de Manila University (1973) and an M.B.A. from Stanford University, Palo Alto, California, U.S.A. (1978).

6. Paulino Y. Tan, 74, Filipino: Trustee (June 1991 to present), Far Eastern University, Inc.

Other Corporate Affiliations: 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., East Asia Computer Center, Inc., Lyceum of Batangas, Lyceum of Laguna, SM (Shoemart) Foundation, Inc., Asia Pacific Technology Educational Foundation, Asia Pacific Computer Technology Center,

Inc., FERN Realty Corporation, Far Eastern College Silang, Inc., FEU High School, Inc., FEU Alabang, Inc., Roosevelt College, Inc. and Foundation for Information Technology Education and Development, Inc., MFI Polytechnic Institute, Inc.

Dr. Tan obtained the Degree of Bachelor of Science in Chemical Engineering from De La Salle University. He obtained both his M.S. and Ph.D. in Chemical Engineering from the University of Notre Dame, Indiana, U.S.A.

Please see CHED certification (Annex E).

7. Edilberto C. De Jesus, 78, Filipino: Independent Trustee (August 2012 to present) Far Eastern University, Inc.

Other Corporate Affiliations: Member, Board of Directors, Cagayan de Oro College and Phinma Corp.; Member, Board of Trustees, Foundation for Liberty and Prosperity; Member, Makati Business Club and of the Advisory Board of Philippine Business for Education; Fellow, Institute of Corporate Directors; Professor Emeritus, Asian Institute of Management; Independent Trustee, Nicanor Reyes Educational Foundation, Inc. and Roosevelt College, Inc., Member, Institute for Solidarity in Asia, and Non-Resident Senior Research Fellow, Ateneo School of Government.

He obtained a BA Honors Degree in the Humanities, *cum laude* at the Ateneo de Manila University in 1962, and received his M. Phil. (1969) and Ph.D. degrees (1972) from Yale University. He served as president of: Far Eastern University (1995-2002); University of the Cordilleras (2008-2009); Asian Institute of Management (2009-2012); and Secretariat Director, Southeast Asia Ministers of Education Organization in Bangkok (2005-2007). He also served in the Cabinet of President Corazon Aquino as Deputy Peace Commissioner and Presidential Adviser on Rural Development (1987-1992) and as Secretary of Education in the Cabinet of President Gloria Arroyo (2002-2004).

8. Sherisa P. Nuesa, 65, Filipino: Independent Trustee (August 2010 to present) Far Eastern University, Inc.

Other Corporate Affiliations: President and Board Director, ALFM Mutual Funds Group and Independent Director, East Asia Computer Center, Inc., FERN Realty Corporation and Far Eastern College Silang, Inc. She is also an Independent Director of Manila Water Company, Ayala Land, Inc., AC Energy Phils., and Integrated Micro-Electronics, Inc., all publicly-listed corporations. She also serves as a Senior Adviser to the Boards of Vicsal Development Corporation and Metro Retail Stores Group, Inc.

A former Managing Director of conglomerate Ayala Corporation, she held various senior management positions in Ayala subsidiaries: Ayala Land, Inc., Manila Water Company and Integrated Micro Electronics Inc.

Ms. Nuesa is a Trustee of the Institute of Corporate Directors (ICD), the Financial Executives Institute of the Philippines (FINEX) Foundation and the Judicial Reform Initiative, where she also serves as Chairperson.

She graduated with the degree of Bachelor of Science in Commerce (*summa cum laude*) at Far Eastern University in 1974 and received her Master of Business Administration degree from the Ateneo - Regis Graduate School of Business in 2010. She also attended post-graduate management programs at Harvard Business School and Stanford University. She received the ING -FINEX CFO of the Year award in 2008.

9. Jose T. Sio, 80, Filipino: Independent Trustee (April 2019 to present), Far Eastern University, Inc.

Other Corporate Affiliations: Chairman of the Board of Directors of SM Investments Corporation; Director of China Banking Corporation, Ortigas Land Corporation., Belle Corporation, NLEX Corporation, Carmen Copper Corporation, Atlas Consolidated Mining and Development Corporation, and First Asia Realty Development Corporation; Adviser to the Board of BDO Unibank, Inc.; Premium Leisure Corporation; Audit and Risk Oversight Committees of SM Prime Holdings, Inc.; President and Trustee of SM Foundation, Inc.; Trustee of Asia Pacific Technology Educational Foundation, Inc. (Asia Pacific College).

Previous Affiliations: Senior Partner of SGV & Co., Consultant at T. N. Soong & Co., CPA in Taipei, Taiwan and Audit Associate at Ernst and Whinney, CPA in New York, USA**.**

Mr. Sio was voted as CFO of the year in 2009 by the Financial Executives of the Philippines (FINEX). In various years, he received Asia's Best CFO Award from Hong Kong–based publications such as Alpha Southeast Asia, Corporate Governance Asia, Finance Asia and The Asset. In 2018, he received the Asian Corporate Director Award from Corporate Governance Asia.

Mr. Sio is a Certified Public Accountant. He obtained his Bachelor of Science in Commerce Major in Accounting from University of San Agustin, Iloilo City. He completed his Master of Business Administration Major in Corporate Finance and Management in New York University, New York, USA.

10. Maria Teresa Trinidad P. Tinio, 55, Filipino: Senior Vice President for Academic Affairs, Far Eastern University, Inc. (June 2011 to present)

PhD Southeast Asian Studies, National University of Singapore; Master of English, major in Literature and Cultural Studies, Ateneo de Manila University with academic units from the New School for Social Research, New York City; AB Humanities, Ateneo de Manila University.

Research focus in Philippine Literature, Sociolinguistics, and the Politics of Language in Southeast Asia. Publications include contributions to the *CCP Encyclopaedia of the Arts*, the *Loyola Schools Review*, *Philippine Studies*, and *The Politics of English in Asia: Language Policy and Cultural Expression in South and Southeast Asia and the Asia Pacific* published by John Benjamins (The Netherlands).

11. Gianna R. Montinola, 62, Filipino: Senior Vice President Corporate Affairs (September 2019 to present), Vice President Corporate Affairs (November 2013 to September 2019), Far Eastern University, Inc.

Other Corporate Affiliations: Concurrently Director and Corporate Secretary of FERN Realty Corporation and Amon Trading Corporation; Director of Far Eastern College Silang, Inc., East Asia Computer Center, Inc. and Robinsons True Serve Hardware Phils, Inc. Trustee and Secretary, Foundation for Information Technology Education and Development, Inc. Co-founder of non-profit organizations Hands on Manila Foundation, Inc. and Peace Tech Inc. Associate lawyer of the Quisumbing Torres Law Office (an affiliate of the Baker & McKenzie Law Office, U.S.A.) from 1986 to 1992. Philippine Honorary Consul to the Republic of Peru from 1992 to 1996, Marketing and Business Development manager of Rockwell Land Corporation from 1996 to 1998.

She earned a Bchelor of Arts degree in International Relations from Mount Holyoke College, U.S.A. and a Bachelor of Laws (Ll.B.) degree, with honors, from the Ateneo de Manila School of Law. She obtained a Masters degree in Public Administration from the John F. Kennedy School of Government at Harvard University, U.S.A.

12. Juan Miguel R. Montinola, 59, Filipino: Chief Finance Officer, Far Eastern University, Inc. (September 2010 to present)

Other Corporate Affiliations: Chair, FEU Health, Welfare and Retirement Fund Plan and Foundation for Information Technology Education and Development, Inc.; President, Amon Trading Corporation; Board Member of FERN Realty Corporation, East Asia Computer Center, Inc., Far Eastern College Silang, Inc., FEU Educational Foundation, Inc., Nicanor Reyes Memorial Foundation, Nicanor Reyes Educational Foundation, Inc., FEU Alabang, Inc, FEU High School, Inc., Urban Program for Livelihood Finance and Training, Roosevelt College, Inc. and Edustria Incorporated. Member of the Executive Committees of many of the organizations he serves as Director.

Mr. Montinola was Chief Executive Officer and Country Manager of Lafarge Cementi SA, Italy, from 2006 to 2008. From 1996 to 2006 he served as President and CEO of Republic Cement Corporation and concurrently new positions as Senior Vice President for Commercial Business from 2002 to 2006, and SVP for Procurement from 2001 to 2002, for Lafarge Cement Services, Inc.

Prior to 1996, Mr. Montinola held various positions in Republic Cement Corporation and served as a member of the Board of Directors in different organizations.

Mr. Montinola has an MBA from International Institute of Management Development, Switzerland, and an AB Economics degree from College of William & Mary, Virginia, USA.

13. Myrna P. Quinto, 58, Filipino: Vice President for Academic Development, Far Eastern University, Inc. (April 2014 to present)

Other Corporate Affiliations: She is a member of the Biology Teachers Association (BIOTA), Philippine Society of Microbiology (PSM), and the Association of Systematic Biologists of the Philippines (ASBP).

Among her relevant trainings abroad are the *Educational Leadership Training* in NTU, Singapore, the *ASEAN University Network (AUN) Quality Assurance Training* in Thailand, and the month-long *CHED Training Program on the Internationalization of Philippine Higher Education* held in Canada, in partnership with the Canadian Bureau of International Education.

Dr. Myrna P. Quinto is a B.S. Biology graduate from the College of the Holy Spirit. She finished her Master of Arts in Education major in Biology at the University of the Philippines and her Doctor of Philosophy in Science Education major in Biology at De La Salle University, Manila, Philippines.

14. Joeven R. Castro, 40, Filipino: Vice President for Academic Services (June 2019 to present), Far Eastern University, Inc.,

Professional experience includes Assistant Vice President for Academic Services, FEU (June 2017 to May 2019); and Director of Student Development, FEU (June 2013 to May 2017).

He graduated with the degree of AB Mass Communication (*magna cum laude*) from FEU in 2000 and obtained his Master of Arts in Communication at the University of the Philippines Diliman. He is a certified student affairs and services specialist and an alumnus of the US Department of State's International Visitor Leadership Program (IVLP) on Promoting Media Literacy through Education.

15. Anthony Raymond A. Goquingco, 45, Filipino: Acting Corporate Secretary, Far Eastern University, Inc. (April 2020 to present)

Atty. Anthony Raymond A. Goquingco has been a member of the legal profession since his admittance to the Philippine Bar in 2003. He has had extensive legal experience as a practicing lawyer and has held positions in the Philippine Judicial Academy of the Supreme Court of the Philippines, non-governmental organizations, law firms, and private corporations. Prior to joining the academe, Atty. Goquingco was Associate General Counsel of Aboitiz Equity Ventures, Inc.

Atty. Goquingco joined the academe in 2014 and teaches Obligations and Contracts, Property Law, Negotiations, and Special Issues in International Law at the Far Eastern University. In 2016, he was appointed as Associate Dean of the Juris Doctor – Master of Business Administration program of the Institute of Law of the Far Eastern University. He was appointed Associate Dean of the Juris Doctor Program of the Institute in 2018. He was later appointed (2020) as Acting Corporate Secretary of the Far Eastern University.

Atty. Goquingco graduated from the Ateneo de Manila University with an AB Political Science degree in 1997. He pursued his law studies at the same university graduating in 2002 with a Juris Doctor degree. In 2007 he graduated from the Georgetown University Law Center in Washington, D.C. with a Master of Laws in International Legal Studies with a Certificate in National Security Law. He specializes in International Business Law, Contract Law, Property Law, Contract Negotiations, International Law, and National Security Law.

16. Edward R. Kilakiga, 45, Filipino: Vice President, Facilities and Technical Services (July 2017 to Present), Far Eastern University, Inc.

Other affiliations: Vice President, Facilities Managers Association for Schools (FMAS); Mission Director, Brotherhood of Christian Businessmen and Professionals (BCBP Manila Chapter); Member: Philippine Society of Mechanical Engineers (PSME Quezon City Chapter); American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE Phil. Chapter); Institute of Integrated Electrical Engineers (IIEE); Institute of Hotel Engineers Association of the Philippines, National Master Plumber Association of the Philippines (NAMPAP); Philippine Integrated Fire Protection Organization (PIFPO); and Arise Philippines, Global Association of United Nations Office for Disaster Risk Reduction (UNDRR).

He graduated with a degree of BS Mechanical Engineering in 2009, BS Electrical Engineering in 1999 and Electrical Technology in 1994 at Rizal Technological University (RTU). He is a professional Electrical Engineer, a Professional Mechanical Engineer, a registered Master Plumber and a Registered Master Electrician.

He received a Pundasyon Award (Excellent in Engineering Award) from RTU Grand Alumni Association in 2019 and Lorenzo Ruiz Award for National Discipline in 1991 by AY Foundation Inc., Guadalupe Catholic School, Makati City.

17. Victorino T. Tolosa II, 47, Filipino: Chief Information Officer, Far Eastern University, Inc. (May 2019 to present)

Prior to joining FEU, Mr. Tolosa worked for 26 years with Jollibee Foods Corporation (JFC); started his career with Store Operations, then with Restaurant Systems and Development, then with Store Operations Opening Team. He spent the last 17 years with Information Management Division in various roles in IT Project Management and Account Management both in JFC Philippines and JFC International Operations. He was the head of the Enterprise Work Tools and Mobility group of JFC Business Technology division in 2018 until 4th of May 2019.

He was also a JFC Group Foundation volunteer and once held the post of Board Secretary of the JFC Cooperative (*a P1.5B asset cooperative and with more than 6,000 members*)

Mr. Tolosa obtained his AB major in Political Science degree, where he started as an academic scholar and active student council officer, from the University of Nueva Caceres, UNC (Naga City, Camarines Sur). He obtained his MBA degree from the De La Salle University (DLSU), Manila, where he held the post of Vice President of the Student Forum DLSU RCBC Campus in 2004.

18. Rosanna Esguerra-Salcedo, 56, Filipino: Treasurer, Far Eastern University, Inc. (September 2014 to present)

Other Corporate Affiliations: Vice President for Finance of Roosevelt College, Inc., Trustee of East Asia Educational Foundation Inc, (EAEFI), Trustee of FEU HWRFP, Treasurer of Foundation for Information Technology Education (FIT-ED)

Before joining FEU, she worked at the Bayan Telecommunications, Inc., where she managed numerous departments: initially as Head of General Accounting and Accounts Payable, then, Budget Department and Revenue Accounting, and as Head of Billing and Collection. She also served as the Head of Treasury and Internal Audit of Mariwasa Manufacturing, Inc. for five years.

Prior to joining the private sector, she worked for SGV & Co. both as an External Senior Auditor and Tax Senior Auditor.

Ms. Salcedo is a Certified Public Accountant. She obtained her BSBA Major in Accounting, *cum laude*, from the University of the East. She also completed her Management Leadership Program at the Asian Institute of Management.

19. Glenn Z. Nagal, 62, Filipino: Comptroller, Far Eastern University, Inc. (1996 to present)

Other Corporate Affiliation: Director and Treasurer, FEU High School, Inc.

Professional experience includes 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; Compliance Officer, Far Eastern University; and 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.

20. Rogelio C. Ormilon, Jr., 54, Filipino: Chief Audit Executive, Far Eastern University, Inc. (September 2015 to present)

Professional experience includes Audit Director at R.G. Manabat & Co./KPMG Philippines; Audit Senior Manager at Isla Lipana & Co./PwC Philippines; Audit Senior Manager at Ernst & Young Ltd. Auckland, New Zealand; Compliance Officer, Far Eastern University (September 2015 to January 2017); and Risk Management Officer, Far Eastern University (September 2015 to October 2018).

He graduated with the degree of B.S. Business Administration, Major in Accounting from Philippine School of Business Administration, Quezon City Campus in 1987 and obtained his Master in Management at the Asian Institute of Management in 2004. He is also a Certified Public Accountant.

b. 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.

c. Family Relationship

The Chairperson, Mr. Aurelio R. Montinola III is the son of Dr. Lourdes R. Montinola, Chair Emeritus and Member of the Board of Trustees. He is also the sibling of Mr. Antonio R. Montinola, Member of the Board of Trustees, Atty. Gianna R. Montinola, Senior Vice President for Corporate Affairs, and Mr. Juan Miguel R. Montinola, Chief Finance Officer.

d. Legal Proceedings

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

External Cases

Pending Court Cases as of 21 September 2020

1. Ma. Corazon Abella vs. FEU, CA GR Case No. 142320
   Status: With the Court of Appeals (CA). CA ruled in favor of FEU and denied the MR filed by Complainant.
   Nature: Illegal suspension case filed by an IABF faculty member

2. Jacqueline Alota vs. FEU, CA GR Case No. 237928
   Status: With the Supreme Court (SC). CA ruled in favor of FEU. Complainant filed a Petition for Review before the SC.
   Nature: A dismissed faculty member's attempt to seek FEU's share in her retirement pay.

3. Century Iron Work, Inc. vs. FEU, G.R. No. 217329
   Status: With RTC Caloocan City. Supreme Court ordered RTC to determine FEU's liability.
   Nature: Collection case filed against FEU's contractor by a sub-contractor

4. Maricel Trinidad vs. FEU, CA GR Case No. 157252
   Status: The Court of Appeals (CA) recently ruled in favor of FEU. It reversed and set aside the earlier NLRC decision and declared that complainant was not illegally terminated from employment.
   Nature: Illegal dismissal case filed by a retrenched faculty member

5. Von Kirby German and Alex Cabaluna vs. FEU, NLRC NCR-06-11155-19
   Status: With the NLRC Arbitration Level. Labor Arbiter released a decision in favor of Complainants. FEU will file a Memorandum of Appeal before the NLRC.
   Nature: Illegal dismissal case filed by former IABF faculty members

6. Ivan Faronal vs. FEU, NLRC NCR-00-08-10179-2016
   Status: With the NLRC Commission Level. Labor Arbiter ruled in favor of Complainant. FEU filed its Memorandum of Appeal before the NLRC
   Nature: Illegal dismissal filed by a former IABF faculty member

7. Percival B. Salise vs. FEU, NLRC Case No. 12-0104419
   Status: With the NLRC Arbitration Level. For submission of the parties' position papers.
   Nature: Illegal dismissal case filed by a former Institute of Education contractual faculty member.

8. FEU-ELU vs. FEU, SP GR No. 247619
   Status: With the Supreme Court (SC). FEU-ELU filed a Petition for Certiorari at the Supreme Court to question the reversal by the CA of the NCMB arbitration decision in its favor awarding the union members 2M more or less. The SC has dismissed the petition and the employees' union is expected to file a motion for reconsideration on the said order of dismissal.
   Nature: Payment of LA and SFA Special Bonus to rank-and-file employees

Involvement of Directors and Officers in Certain Legal Proceedings

None of the directors and officers of the **registrant or any of its subsidiaries or affiliates** 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.

Related Party Transactions and Relationships

The Group's related parties include related parties under common management, key management personnel and others as described in Note 25 to the Consolidated Financial Statements (in its page 91). The Consolidated Financial Statements is included in the Attachments to this report.

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The following are the Group's transactions with such related parties:

		2020		2019		2018			
	Notes	**Amount of Transaction**	**Outstanding Receivable**	Amount of Transaction	Outstanding Receivable	Amount of Transaction	Outstanding Receivable	Terms	Conditions
Related Parties Under Common Management:									
Subscription of preferred stock	A	**P 126,000,000**	**P 40,000,000**	P 112,500,000	P -	P -	P -	nonredeemable; non-controlling	not applicable
Advances to related parties	B	**18,666,407**	**57,506,420**	(9,229,702)	38,840,013	16,756,062	48,069,715	due and demandable; noninterest-bearing	unsecured
Reimbursement of expenses	G	**-**	**4,892,015**	-	4,892,015	(4,302,990)	4,892,015	due and demandable;	unsecured
Rental income	C (a) C (b)	**19,222,576**	**13,122,403**	19,951,790	10,643,063	20,823,538	11,358,633	payable within 30 days; noninterest-bearing	unsecured
Lease liabilities	C (c)	**13,517,469**	**(14,069,245)**	-	-	-	-	due and demandable; interest bearing	not applicable
Right-of-use asset	C (c)	**13,517,469**	**10,720,751**	-	-	-	-	not applicable	not applicable
Rental expense	C (c)	**-**	**-**	(3,135,996)	(13,066,649)	(3,135,996)	(9,930,653)	payable within 30 days; noninterest-bearing	unsecured
Advances from related party	B (b)	**-**	**-**	(6,343,848)	-	2,019,088	(6,343,848)	due and demandable; noninterest-bearing	unsecured
Others	H	**-**	**-**	-	-	110,014	(1,452,500)	due and demandable; noninterest-bearing	unsecured
Retirement Funds:	D								
Retirement plan assets		**-**	**892,599,993**	-	756,932,798	-	756,979,018	not applicable	not applicable
Reimbursement of fund		**-**	**-**	-	-	-	-	due and demandable; noninterest-bearing	unsecured; not-impaired
Others –									
Key management personnel compensation	E	**138,776,867**	**-**	145,341,733	-	143,995,830	-	not applicable	not applicable

Item 6: Compensation of Trustees and Executive Officers

The members of the Board of Trustees of the corporation are receiving gas allowances for board/special meetings attended. They are also entitled to bonuses at the end of the fiscal year in accordance with an approved resolution of the stockholders dated 08 May 1976, while the officers of the corporation are entitled to basic salaries, fringe benefits, and also bonuses at the discretion of the Board.

There are no other material terms or conditions of employment for contractual executive officers except those specified in this report.

No action is to be taken with respect to any stock options, warrants or right plan or to any other type of compensation plans.

Summary Compensation Table I

Summary and Principal Position	Year	Salary	Bonus	Other Annual Compensation
Aurelio R. Montinola III *Chairman, Board of Trustees / Chief Executive Officer (CEO)*		- x -	- x -	- x -
Michael M. Alba *Trustee / President*		- x -	- x -	- x -
Juan Miguel R. Montinola *Chief Finance Officer (CFO)*		- x -	- x -	- x -
Maria Teresa Trinidad P. Tinio *SVP - Academic Affairs*		- x -	- x -	- x -
Glenn Z. Nagal *Comptroller*		- x -	- x -	- x -
Totals	2018 – 2019	₱ 25,768,828.00	₱ 6,221,264.00	₱ 3,000,000.00
	2019 – 2020	₱ 26,799,522.00	₱ 6,808,431.00	₱ 3,000,000.00
	2020 - 2021 (Estimated)	₱ 23,509,280.00	₱ 6,161,782.00	₱ 3,000,000.00

Summary Compensation Table II

Summary and Principal Position	Year	Salary	Bonus	Other Annual Compensation[1]
All Officers and Trustees as a Group	2018 – 2019	₱ 50,258,257.00	₱ 11,443,785.00	₱ 13,500,000.00
	2019 – 2020	₱ 57,470,336.00	₱ 13,259,141.00	₱ 13,500,000.00
	2020 - 2021 (Estimated)	₱ 49,127,957.00	₱ 12,876,438.00	₱ 13,500,000.00

[1]*Directos' Bonus*

Item 7: Independent Public Accountant

The external auditor, Punongbayan & Araullo, audited the Financial Statements of the corporation for fiscal year ended 31 May 2020. The same accounting firm is recommended for re-appointment at the annual stockholders' meeting for almost the same remunerations in the previous year.

Representatives of Punongbayan & Araullo are expected to be present at the stockholders' meeting; they will have the opportunity to make a statement if they desire to do so; and they are expected to be available to respond to appropriate questions.

Fees for services rendered:

External Auditor's Fee

Audit of annual financial statements FY 2019-2020	₱1,150,000.00 plus 12% VAT
Out of pocket expenses	₱ 92,000.00 plus 12% VAT

Except for the above mentioned external auditor's fees, there are no other fees (tax fees, all other fees) for services rendered by the external auditors.

The Audit Committee is chaired by Ms. Sherisa P. Nuesa, an Independent Trustee. The members are: Dr. Edilberto C. de Jesus (Independent Trustee), Dr. Paulino Y. Tan, and Ms. Angelina P. Jose (Alternate Member).

The Audit Committee's approval of the policies and procedures covering the examination of FEU's financial statements for fiscal year ending May 31, 2020, including other services, is covered by the minutes of the meeting of the Audit Committee dated August 14, 2020.

The signing partners of the external auditor shall be rotated every five (5) years of engagement. In case of a firm, the signing partner shall be rotated every after said period. The reckoning date for such rotation shall commence in year 2002. (SRC Rule 68 (3) (b) (iv).

There has been no recent change in and disagreements with accountants on accounting and financial disclosures.

Please see Audit Committee Report (Annex F).

Item 8: Compensation Plans

There are no matters or actions to be taken up in the meeting with respect to any compensation plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9: Authorization or Issuance of Securities Other than for Exchange

There are no matters or actions to be taken up with respect to authorization or issuance of securities.

Item 10: Modification or Exchange of Securities

There are no matters or actions to be taken up for the modification of any class of the Company's securities or the issuance or authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class.

Item 11: Financial and Other Information

The audited financial statements as of May 31, 2020, Management's Discussion and Analysis, Market Price of Shares and Dividends and other data related to the Company's financial information are attached hereto as Annex G.

Item 12: Mergers, Consolidations, Acquisitions and Similar Matters

There are no matters or actions to be taken up in the annual stockholders' meeting with respect to merger, consolidation, acquisition by sale, or liquidation of the Company.

Item 13: Acquisition or Disposition of Property

There are no matters or actions to be taken up in the annual stockholders' meeting with respect to acquisition or disposition of any property by the Company.

Item 14: Restatement of Accounts

No restatement of accounts to be taken up in the annual stockholders' meeting.

D. OTHER MATTERS

Item 15: Action with Respect to Reports

Approval of the Annual Report for the fiscal year ending 31 May 2020

a. Approval of the minutes of the Annual Stockholders' Meeting held on 19 October 2019 that includes the following:

1. Minutes of Annual Meeting held on 20 October 2018
2. Academic Report of the President, 2018 – 2019 and Annual Report of the Chair, 2018 – 2019
3. Approval, ratification and confirmation of the acts and resolutions during the past year of the Board of Trustees, Board and Management Committees, and Management and other officers of Far Eastern University, Inc. taken or adopted since the Annual Meeting of Stockholders last 20 October 2018 until 19 October 2019;
4. Approval of Declaration of Stock Dividend with corresponding Increase in Authorized Capital Stock from ₱2.0Bn to ₱5.0Bn and Amendment of Article Seventh of the Amended Articles of Incorporation:
   - declaration of a stock dividend of **46%** on the outstanding capital stock of the Corporation, or a total stock dividend of up to 7,579,414 shares of common stock, eliminating any fractional shares, payable out of the unrestricted retained earnings of the Corporation as of 31 May 2019, which stock dividends shall be sourced from the increase in authorized capital stock of the Corporation;
   - increase in the authorized capital stock of the Corporation from **TWO BILLION PESOS (₱2,000,000,000.00)** divided into **Twenty Million (20,000,000)** shares of common stock, with a par value of One Hundred Pesos (₱100.00) per share, to **FIVE BILLION PESOS (₱5,000,000,000.00)** divided into **Fifty Million (50,000,000)** shares of common stock, with a par value of One Hundred Pesos (₱100.00) per share
   - amendment to Article SEVENTH of the Amended Articles of Incorporation of the Corporation such that the same shall read as follows:

     SEVENTH: - That the authorized capital stock of the corporation is **FIVE BILLION PESOS (₱5,000,000,000.00)**, Philippine Currency, divided into **Fifty Million (50,000,000)** shares, with a par value of One Hundred Pesos (₱100.00) per share.
5. Election of Trustees and Independent Trustees for the fiscal year 2019 – 2020:

   Dr. Lourdes R. Montinola
   Mr. Aurelio R. Montinola III
   Dr. Michael M. Alba
   Ms. Angelina P. Jose
   Dr. Paulino Y. Tan
   Mr. Antonio R. Montinola
   Ms. Sherisa P. Nuesa (Independent Trustee)
   Dr. Edilberto C. de Jesus (Independent Trustee)
   Mr. Jose T. Sio (Independent Trustee)
6. Re-Appointment of Punongbayan & Araullo, Certified Public Accountants and the Philippine member firm of Grant Thornton International, Ltd. as External Auditor for the fiscal year 2019-2020;
7. Consideration of such other business as may properly come before the meeting

b. Summary of resolutions approved by the Board of Trustees for the fiscal year 2019 – 2020:

1. On 16 July 2019:

   Appointment of Ms. Sherisa P. Nuesa as Member of the Talent Management Committee, as approved during the Board of Trustees meeting held on 16 July 2019.

   Report received by SEC on 18 July 2019.

2. On 06 August 2019:

   Acquisition by FERN Realty Corporation of 1,249 FEU shares, lodged with PCD Nominee Corporation (Filipino).

   Report received by SEC on 07 August 2019.

3. On 16 August 2019:

   Joint Venture between Far Eastern University, Inc. (FEU) and Technological Institute of the Philippines (TIP).

   The incorporation of a new corporation, to be jointly owned by FEU and TIP, for the purpose of establishing and operating an educational institution offering enhanced basic education in the Senior High School level was approved on 12 April 2019.

   In this connection, FEU acquired shares i.e., 51%, of the joint venture corporation, called EDUSTRIA, INCORPORATED, resulting in the newly incorporated Edustria, Inc. becoming a subsidiary of FEU.

   Report received by SEC on 16 August 2019.

4. On 20 August 2019:
   (Two separate reports)

   Matters approved by the Board of Trustees in its meeting held on 20 August 2019:

   4.1 Resignation of Mr. Juan Miguel R. Montinola as Member of the Risk Management Committee of Far Eastern University effective 16 August 2019.

   4.2 Promotion of Mr. Joeven R. Castro from Assistant Vice President – Academic Services to Vice President – Academic Services effective 01 September 2019.

   All individual reports/17-C forms are received by SEC on 22 August 2019.

5. On 10 September 2019:
   (Six separate reports)

   Matters approved and/or adopted by the Board of Trustees in its meeting held on 10 September 2019:

   5.1 Promotion of Atty.Gianna R. Montinola from Vice President for Corporate Affairs to Senior Vice President for Corporate Affairs effective 16 September 2019.

5.2 Declaration of a stock dividend of 46% on the outstanding capital stock of the Corporation, or a total stock dividend of up to Seven Million Five Hundred Seventy Nine Thousand Four Hundred Fourteen (7,579,414) shares of common stock, eliminating any fractional shares, payable out of the unrestricted retained earnings of the Corporation as of 31 May 2019, which stock dividends shall be sourced from the increase in authorized capital stock of the Corporation.

5.3 Amendment to Article SEVENTH of the Amended Articles of Incorporation of the Corporation such that the same shall read as follows:

> SEVENTH: - That the authorized capital stock of the corporation is **FIVE BILLION PESOS (₱5,000,000,000.00)**, Philippine Currency, divided into **Fifty Million (50,000,000)** shares, with a par value of One Hundred Pesos (₱100.00) per share.

This amendment is a result of the approval of increase in the authorized capital stock of the Corporation from TWO BILLION PESOS (₱2,000,000,000.00) divided into Twenty Million (20,000,000) shares of common stock, with a par value of One Hundred Pesos (P100.00) per share, to FIVE BILLION PESOS (₱5,000,000,000.00) divided into Fifty Million (50,000,000) shares of common stock, with a par value of One Hundred Pesos (P100.00) per share.

5.4 Declaration of ₱10.00/share cash dividend on record as of 24 September 2019, payable on 09 October 2019.

5.5 Approval for the additional subscription by the Corporation of 153,000,000 Edustria Incorporated shares with a par value of ₱1.00 per share amounting to ₱153,000,000.00.

5.6 Appropriations of retained earnings of Far Eastern University as of 31 May 2019 be adjusted to One Billion Nine Hundred Nine Million Seven Hundred Thirty Three Thousand One Hundred Pesos (₱1,909,733,100.00) as follows:

Reserves for:		
Investment in Edustria, Incorporated	₱	780,000,000.00
Investment in FEU Alabang Phase 2		364,000,000.00
Construction in Progress of Lerma Property		304,000,000.00
Probable Contingency		180,000,000.00
Purchase of Furniture and Equipment		167,000,000.00
Expansion and Improvement of Facilities		111,000,000.00
Treasury Shares		3,733,100.00
Total	₱	1,909,733,100.00

All individual reports/17-C forms are received by SEC on 11 September 2019.

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6. On 19 October 2019:
(Three separate reports)

A. Resolutions adopted and approved in the FEU Annual Stockholders Meeting held on 19 October 2019:

6.1 SEC Form 17-C Amended – 2, regarding: Amendment to Article SEVENTH of the Amended Articles of Incorporation of the Corporation, originally disclosed on PSE Edge on 10 September 2019 and received by SEC on 11 September 2019.

*Amended - 2 (19 October 2019): To reflect the actual date of approval by stockholders - October 19, 2019

6.2 SEC Form 17-C Amended - 2, regarding: Declaration of Stock Dividend, originally disclosed on PSE Edge on 10 September and received by SEC on 11 September 2019.

*Amended - 2 (19 October 2019): To reflect the actual date of approval by stockholders - October 19, 2019

B. Matters approved during the Organizational Meeting of the Board of Trustees held on 19 October 2019:

6.3 Elected Corporate Officers and Appointed University Officials and Members of Board Committees for the term 2019-2020

a. List of Reelected and Reappointed Corporate Officers and University Officials

Corporate Officers

Dr. Lourdes R. Montinola	-	Chair Emeritus
Mr. Aurelio R. Montinola III	-	Chairman of the Board of Trustees
Dr. Michael M. Alba	-	President
Mr. Juan Miguel R. Montinola	-	Chief Finance Officer & Chief Risk Officer
Ms. Rosanna E. Salcedo	-	Treasurer
Atty. Santiago L. Garcia, Jr.	-	Corporate Secretary & VP for Compliance

University Officials

Atty. Gianna R. Montinola	-	Senior Vice President for Corporate Affairs
Dr. Maria Teresa Trinidad P. Tinio	-	Senior Vice President for Academic Affairs
Mr. Glenn Z. Nagal	-	Comptroller
Mr. Joeven R. Castro	-	Vice President for Academic Services
Engr. Edward R. Kilakiga	-	Vice President for Facilities & Technical Services
Dr. Myrna P. Quinto	-	Vice President for Academic Development
Mr. Renato L. Serapio	-	Vice President for Human Resources Development
Atty. Enrico G. Gilera	-	Chief Legal Counsel
Mr. Michael Q. Liggayu	-	Quality Management & Data Protection Officer
Mr. Rogelio C. Ormilon, Jr.	-	Chief Audit Executive
Mr. Victorino T. Tolosa II	-	Chief Information Officer
Mr. Gerald L. Villar	-	University Registrar

b. Reappointed Members of the various Board Committees and Lead Independent Trustee for the term 2019-2020:

Executive Committee

Mr. Aurelio R. Montinola III	-	Chairman
Dr. Michael M. Alba	-	President
Ms. Angelina P. Jose	-	Member
Mr. Juan Miguel R. Montinola	-	Member
Dr. Paulino Y. Tan	-	Member

Audit Committee

Ms. Sherisa P. Nuesa	-	Chairman (Independent Trustee)
Dr. Edilberto C. De Jesus	-	Member (independent Trustee)
Mr. Jose T. Sio	-	Member (Independent Trustee)
Ms. Angelina P. Jose	-	Alternate Member

Corporate Governance Committee

Dr. Edilberto C. De Jesus	-	Chairman (Independent Trustee)
Ms. Angelina P. Jose	-	Member
Atty. Gianna R. Montinola	-	Member
Ms. Sherisa P. Nuesa	-	Alternate Member (Independent Trustee)

Nomination Committee

Dr. Edilberto C. De Jesus	-	Chairman (Independent Trustee)
Mr. Antonio R. Montinola	-	Member
Atty. Gianna R. Montinola	-	Member
Dr. Paulino Y. Tan	-	Member

Risk Management Committee

Dr. Edilberto C. De Jesus	-	Chairman (Independent Trustee)
Dr. Michael M. Alba	-	Member
Ms. Sherisa P. Nuesa	-	Member (Independent Trustee)

Talent Management Committee

Mr. Aurelio R. Montinola III	-	Chairman
Mr. Juan Miguel R. Montinola	-	Member
Ms. Sherisa P. Nuesa	-	Member
Dr. Paulino Y. Tan	-	Member

c. Appointment of Dr. Edilberto C. De Jesus as Lead Independent Trustee
d. Amendment to indicated Mr. Jose T. Sio as Member (Independent Trustee) of the Audit Committee

All individual reports/17-C forms are received by SEC on 21 October 2019.

7. On 10 December 2019:

   Resignation of Mr. Renato L. Serapio as Vice President for Human Resource Development effective 31 December 2019, as approved during the Board of Trustees meeting held on 10 December 2019.

   Report received by SEC on 11 December 2019.

8. On 30 January 2020:

   Acquisition by FERN Realty Corporation of 1,000 FEU shares, lodged with PCD Nominee Corporation (Filipino).

   Report received by SEC on 31 January 2020.

9. Board of Trustees' meeting held on 18 February 2020:

   Declaration of ₱10.00/share cash dividend on record as of 04 March 2020, payable on 18 March 2020, as approved during the Board of Trustees meeting held on 18 February 2020.

   Report received by SEC on 20 February 2020.

10. On 24 February 2020:

    Acquisition by FERN Realty Corporation of 752 FEU shares, and lodged with PCD Nominee Corporation (Filipino).

    Report received on 26 February 2020.

11. On 16 March 2020:

    FEU Compliance to SEC Notice dated 12 March 2020 regarding the filing of current report under Section 17 of the Securities Regulation Code amid Covid-19 Pandemic.

    Report received by SEC on 16 March 2020.

12. On 19 March 2020:

    SEC Form 17-C Amended – 3, regarding: Amendment to Article SEVENTH of the Amended Articles of Incorporation of the Corporation, originally disclosed on PSE Edge on 10 September 2019 and received by SEC on 11 September 2019.

    Amended - 3 (March 19, 2020):

    a. To reflect the actual date of approval by the SEC to the increase of authorized capital of FEU - March 19, 2020. Attached to the report was copy of SEC Certificate of Approval of Increase of Capital Stock.
    b. To reflect the date of filing of the Amended Articles of Incorporation - March 19, 2020. Attached to the report was copy of Certificate of Filing of the Amended Articles of Incorporation.
    c. Where attachments submitted were photo images only of the approval papers obtained from SEC, due to the 'enhanced community quarantine' in effect, at the time of filing, in the region.
    d. Commitment to submit complete set of Amended Articles of Incorporation, as attachment to this disclosure, upon receipt of its physical copy from the SEC.

13. On 20 March 2020:

    Advisory to FEU Stockholders regarding distribution of cash dividend checks.

    Report filed on PSE Edge on 20 March 2020.

    (As per SEC Notice effective 17 March 2020, all reports filed on PSE Edge during the ECQ period shall be considered filed with the SEC.)

14. On 30 March 2020:

    Demise of Atty. Santiago L. Garcia, Jr., Corporate Secretary and Compliance Officer

    Report filed on PSE Edge on 30 March 2020.

    (As per SEC Notice dated 17 March 2020, regarding all reports filed on PSE Edge during the ECQ period shall be considered filed with the SEC.)

15. On 21 April 2020:

    Appointment of Atty. Anthony Raymond A. Goquingco as Acting Corporate Secretary

    Email submission on 21 April 2020; Submitted to SEC via chutebox system on 17 June 2020.

    (As per SEC Notice dated 30 March 2020, regarding guidelines on filing of reportorial requirements by electronic email, during the ECQ period.)

16. On 26 May 2020:

    SEC Form 17-C Amended – 4, regarding: Amendment to Article SEVENTH of the Amended Articles of Incorporation of the Corporation, originally disclosed on PSE Edge on 10 September 2019 and received by SEC on 11 September 2019.

    Amended - 4 (May 26, 2020), where submitted and attached to the report were the following:

    a. Actual copy of the complete set of Amended Articles of Incorporation, duly approved by the SEC on 19 March 2020.
    b. Actual copy of the complete set of Approval of Increase of Capital Stock, duly approved by the SEC on 19 March 2020.

    Email submission on 26 May 2020; Submitted to SEC via chutebox system on 17 June 2020.

    (As per SEC Notice dated 30 March 2020, regarding guidelines on filing of reportorial requirements by electronic email, during the ECQ period.)

Item 16: Matters Not Required to be Submitted

There are no matters to be taken up in the meeting that will not require the vote of the stockholders as of the record date.

Item 17: Amendment of Charter, By-Laws or Other Documents

There is no proposal to amend the Charter, By-Laws or other documents that needs to be submitted to the stockholders for approval.

Item 18: Other Proposed Action

No other proposed action to be taken up in the annual meeting other than those stated in the agenda.

Item 19: Voting Procedures:

Voting upon all questions at all meetings of the stockholders shall be made by shares of stock and not per capita or otherwise, each share of stock being counted as one vote.

Registrant's shares of stock entitle the holders thereof to one vote at any stockholders' meeting. Stockholders are given cumulative voting rights for the election of trustees.

All other matters to be decided shall require the affirmative vote of the majority of the corporation's shares present, or represented and entitled to vote at the Annual Meeting. Likewise, Trustees shall be elected with a majority vote of the shares present or represented.

With respect to the election of nine (9) trustees, each shareholder may vote such number of shares for as many as nine persons he may choose to be elected from the list of nominees, or he may cumulate said shares and give one candidate as many votes as the number of his shares multiplied by nine shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by nine.

Using cumulative voting, the formula for finding the total number of votes needed for one seat in the Board is:

$$x = \frac{A \times B}{C + 1}$$

where A = total number of shares voting
B = number of Directors desired to be elected
C = number of Directors to be elected

For this year's Annual Stockholders' Meeting, the Board of Trustees approved a resolution allowing stockholders to participate via remote communication and to vote in absentia. Stockholder's as of Record Date who have successfully registered their intention to participate in annual meeting via remote communication and to vote in absentia, duly verified and validated by the Corporation, shall be provided with unique log-in credentials to securely access the voting portal.

Stockholders and proxy holders can then cast their votes on specific matter for approval, including the election of directors. Votes will then be automatically tabulated and counted at the close of voting for each agenda item during the meeting.

Method by Which Votes Will be Counted

All matters subject to vote, except in cases where the law provides otherwise, shall be decided by the plurality vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present.

The Corporate Secretary is the officer authorized to count the votes to be cast in the forthcoming annual stockholders' meeting.

Pursuant to the Corporation's By-laws, duly accomplished proxy forms must be submitted to the Corporate Secretary at least twenty-four (24) hours before the day of the annual meeting. Electronic copies of the duly signed proxy forms shall therefore be submitted no later than 3:00 p.m. on 16 October 2020 (Friday) at the Office of the Corporate Secretary, Far Eastern University, Nicanor Reyes St., Sampaloc, Manila for validation. A sample format of the proxy form for individual and corporate stockholders are attached and are also available at https://www.feu.edu.ph/asm2020

The Corporate Secretary will lead the validation of proxies in coordination with the Corporation's stock and transfer agent.

The detailed guidelines for participation and voting for this meeting are set forth in the "Guidelines for Participation via Remote Communication and Voting in Absentia", attached as Annex "B" to this Information Statement.

PART II
INFORMATION REQUIRED IN A PROXY FORM

Items 1 and 2:

FAR EASTERN UNIVERSITY, INC.
2020 Annual Stockholders' Meeting
17 October 2020

PROXY

The undersigned stockholder of FAR EASTERN UNIVERSITY, INC. (FEU) hereby appoints _____ or in his/her absence,

Chairman of the Board of Trustees Aurelio R. Montinola III or in his absence,
Chair Emeritus Lourdes R. Montinola or in her absence,
the Chairman of the Meeting

as attorney-in-fact and proxy, with power of substitution, to represent and vote all shares registered in his/her/its name, as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of FEU on 17 October 2020 and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Approval of minutes of previous meeting.
❑ Yes ❑ No ❑ Abstain

2. Approval of annual report and Audited Financial Statements.
❑ Yes ❑ No ❑ Abstain

3. Ratification and confirmation of all acts and resolutions during the past year of the Board of Trustees, Board and Management Committees, and Management and other Officers.
❑ Yes ❑ No ❑ Abstain

4. Election of Trustees

❑ Vote for all nominees listed below:
Lourdes R. Montinola
Aurelio R. Montinola III
Michael M. Alba
Angelina P. Jose
Antonio R. Montinola
Paulino Y. Tan
Edilberto C. De Jesus (Independent Trustee)
Sherisa P. Nuesa (Independent Trustee)
Jose T. Sio (Independent Trustee)

❑ Withhold authority to vote for all nominees listed above.

❑ Withhold authority to vote for the nominees listed below:

_____
_____
_____

5. Appointment of Punongbayan & Araullo, Certified Public Accountants and the Philippine member firm of Grant Thornton International, Ltd.
❑ Yes ❑ No ❑ Abstain

6. At his/her discretion, the attorney-in-fact and proxy named above is authorized to vote upon such other business as may properly come before the meeting.
❑ Yes ❑ No ❑ Abstain

_____
PRINTED NAME OF STOCKHOLDER

_____
SIGNATURE OF STOCKHOLDER /
AUTHORIZED SIGNATORY

_____
DATE

This proxy should be received by the Corporate Secretary on or before 3:00 p.m. of 16 October 2020, the deadline for submission of proxies.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder/s. If no direction is made, this proxy will be voted "for" the election of all nominees and "for" the approval of the matters stated above and "for" such other matters as may properly come before the meeting in the manner described in the Information Statement and/or as recommended by Management or the Board of Trustees.

A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised. A proxy is also considered revoked if the stockholder attends the meeting in person and expressed his intention to vote in person.

Item 3: Revocability of Proxy

The person giving the proxy has the right to revoke the proxy by personal appearance or execution of a proxy at a later date, subject to the pertinent requirements of the law and SEC Circular Number 5, Series of 1996.

Item 4: Persons Making the Solicitation

The solicitation is being made by the Registrant for the purpose of having the matters subject of the annual meeting approved by the stockholders, namely:

a. approval of the minutes of the annual meeting of stockholders held on 19 October 2019;

b. approval of the Annual Report of the Chairman and the Academic Report of the President to the stockholders for fiscal year ending 31 May 2020;

c. ratification and confirmation of the actions of the Board of Trustees, Board and Management Committees, and Management and Other Officers;

d. election of Trustees/Independent Trustees;

e. appointment of External Auditor;

f. such other matters as may properly come before the meeting and other actions of the Board of Trustees done and taken during the preceding year.

None of the members of the Board of Trustees has informed the Registrant in writing that he/she intends to oppose any action intended to be taken up at the meeting as aforementioned.

All costs of solicitation for the proxies are approximately in the amount of ₱250,000.00 which shall be borne by the Registrant.

Solicitation shall be conducted by the Registrant through Stock Transfer Service, Inc. (STSI), the company's transfer agent by mail and personal delivery, and not by especially engaged employees. LBC Express, Inc., formerly known as Luzon Brokerage Corporation, the designated courier which will deliver the proxy statement has approximately 6,000 employees. It will charge a rate of ₱110.00 exclusive of 12% VAT for special delivery. No material features of the contract with the courier need to be disclosed. The Registrant has no knowledge if solicitation for purposes of opposing a solicitation will be conducted.

Item 5: Interest of Certain Persons in Matters to be Acted Upon

None of the members of the Board of Trustees or senior management has substantial interest in the matters to be acted upon by the stockholders in the annual stockholders' meeting.

PART III

SIGNATURE PAGE

Undertaking

Upon written request, the Corporation undertakes to furnish stockholders with a copy of SEC Form 17-A free of charge, except for the exhibits attached thereto which shall be charged at cost. Any written request for a copy of SEC Form 17-A shall be addressed to the following:

Far Eastern University
Nicanor Reyes Street
Sampaloc, Manila 1015

Attention: Atty. Anthony Raymond A. Goquingco
Acting Corporate Secretary

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Manila on 14 September 2020.

ISSUER : FAR EASTERN UNIVERSITY, INC.

SIGNATURE AND TITLE : Atty. ANTHONY RAYMOND A. GOQUINGCO
Acting Corporate Secretary

ANNEXES

ANNEX A

EXPLANATION OF AGENDA ITEMS

1. Call of meeting to order

Board of Trustees Chairman Aurelio R. Montinola III will preside and call the meeting to order at 3:00 p.m.

2. Proof of notice of meeting and determination of quorum

Acting Corporate Secretary Anthony Raymond A. Goquingco will certify that copies of the notice of meeting were sent to all stockholders of record as of 28 September 2020.

The Secretary will announce the percentage of those present, in person and by proxy, to the total issued and outstanding capital stock entitled to vote and represented at the meeting.

The Chairman of the Board will then declare the existence of a quorum.

3. Approval of minutes of the annual meeting of stockholders held on 19 October 2019

Stockholders who register for the online meeting can access the minutes of 19 October 2019 annual stockholders' meeting for their approval at: https://investors.feu.edu.ph/reports%20new%20format/2019/10242019/2019%20Minutes%20of%20Annual%20SHs'%20Meeting%20(1).pdf

4. Academic Report of the President

Copies of the President's Report for School Year 2019-2020 will be made available to those who register for the online meeting.

5. Approval of Annual Report and Audited Financial Statements

The Chairman will present the Annual Report with the Audited Financial Statements, advance copies of which will be made available to those who register for the online meeting.

6. Ratification and confirmation of all acts and resolutions during the past year of the Board of Trustees, Board and Management Committees, and Management and other Officers

All acts and resolutions of the Board of Trustees, Board and Management Committees, and Management and other Officers taken or adopted during the past year will be recommended to the stockholders for their ratification and confirmation.

7. Election of Trustees, including Independent Trustees

In accordance with the By-Laws, as amended, the Nomination Committee will determine whether the nominees for the Board of Trustees, including the nominees for Independent Trustees, have all the qualifications and none of the disqualifications to serve as members of the Board before submitting the nominees for election by the stockholders.

As determined by the Nomination Committee, the following were nominated (please see the profiles of the nominees to the Board of Trustees):

Trustees	Dr. Lourdes R. Montinola
	Mr. Aurelio R. Montinola III
	Dr. Michael M. Alba
	Ms. Angelina P. Jose
	Mr. Antonio R. Montinola
	Dr. Paulino Y. Tan
Independent Trustees	Dr. Edilberto C. De Jesus
	Ms. Sherisa P. Nuesa
	Mr. Jose T. Sio

8. Appointment of External Auditor

The firm Punongbayan & Araullo, Certified Public Accountants and the Philippine member firm of Grant Thornton International, Ltd., will be recommended for reappointment as External Auditor for the ensuing year.

9. Consideration of such other business as may properly come before the meeting

Stockholders may raise such other relevant matters or issues that may be taken up at the meeting.

10. Adjournment

Upon determination that there are no other matters to be considered, the Chairman, upon motion made and seconded, will declare the meeting adjourned.

BOARD OF TRUSTEES

2020

Lourdes R. Montinola

92, Filipino: Chair Emeritus (August 2013 to present), Chair (June 1989 to August 2013), Far Eastern University, Inc.

Other Corporate Affiliations: Chair, Board of Directors, FERN Realty Corporation; Chair and President, FEU Educational Foundation, Inc.; Chair Emeritus, Nicanor Reyes Educational Foundation, Inc.; Governor, Nicanor Reyes Memorial Foundation; Trustee, FEU-Dr. Nicanor Reyes Medical Foundation, Inc.; Chair, MEMORARE-Manila 1945 Foundation, Inc. and Board Member, The English Speaking Union. She is also a Member of the Oriental Ceramic Society, and HABI: The Philippine Textile Council, Inc.

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.

Aurelio R. Montinola III

69, Filipino: Chairman of the Board of Trustees (August 2013 to present), Vice Chairman (June 1989 to August 2013), Far Eastern University, Inc.

Other Corporate Affiliations: Chairman, Amon Trading Inc., East Asia Computer Center, Inc., Far Eastern College Silang, Inc., Nicanor Reyes Educational Foundation, Inc., FEU High School, Inc., FEU Alabang, Inc., Roosevelt College, Inc., and National Golf Association of the Philippines; Vice Chairman, Philippine Business for Education Foundation (PBED); Vice-President, Management Association of the Philippines, Director, BPI/MS Insurance Corporation; Trustee, Ramon Magsaysay Award Foundation; and Member, Makati Business Club.

He is also a Director of the Bank of the Philippine Islands, and Independent Director of Roxas and Company Incorporated, both listed corporations.

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. He was awarded the 2005 and 2009 Asian Banker Leadership Award for the Philippines and the MAP Management Man of the Year Award in 2012.

Michael M. Alba

63, Filipino: President and Trustee (October 2012 to present), Far Eastern University, Inc.

In the FEU Group of Schools, he is President concurrently of East Asia Computer Center, Inc.; Far Eastern College Silang, Inc.; FEU Alabang, Inc.; FEU High School, Inc.; Roosevelt College, Inc.; East Asia Educational Foundation, Inc.; and Nicanor Reyes Educational Foundation, Inc.; and Governor, Nicanor Reyes Memorial Foundation. His affiliations include, among others: FEU Public Policy Center (President); Edustria (Chairman); Philippine Association of Colleges and Universities (Board Member; Chair, Research Committee); Association of Southeast Asian Institutions of Higher Learning–National Council of the Philippines (President, 2018-2020); Presidents' Forum of Southeast and South Asia and Taiwan Universities (Member, Steering Committee); Foundation for Information Technology Education and Development (President); Philippine Economic Society (Lifetime Member and President, 2007); Action for Economic Reforms (Fellow); Management Association of the Philippines (Member); and Leadership Council of Sustainability Development Solutions Network, Philippines (Member 2020-2023).

He obtained his AB (Economics) degree from the Ateneo de Manila University in 1978, MA (Economics) degree from the University of the Philippines (Diliman) School of Economics in 1987, and PhD (Applied Economics) degree from Stanford University in 1993.

Angelina P. Jose

67, Filipino: Trustee (June 1990 to present), Far Eastern University, Inc.

Other Corporate Affiliations: Member, Board of Directors, FERN Realty Corporation and FEU Alabang, Inc.; Trustee, Nicanor Reyes Educational Foundation, Inc.; Treasurer and Trustee, FEU Educational Foundation, Inc.; Corporate Secretary and Governor, Nicanor Reyes Memorial Foundation; Member, Executive Committee, Far Eastern University, Inc.; Corporate Secretary and Director, Far Eastern College Silang, Inc.; Chair, Angel C. Palanca Peace Program Foundation, Inc.; Chair, Board of Trustees, (April 2014 – April 2015 and April 2017 to April 2020) and Enrolled Member (2013 to present) Ahon Sa Hirap, Inc.

She was also the Corporate Secretary of Far Eastern University from February 1998 to January 2017.

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

Antonio R. Montinola

67, Filipino: Trustee (November 2013 to present), Far Eastern University, Inc.

Other Corporate Affiliations: President and Director FERN Realty Corporation and Monti-Rey, Inc.; Vice Chairman, Treasurer and Director, AMON Trading Corp., Director, Far Eastern College Silang, Inc., and Nicanor Reyes Educational Foundation, Inc.; and Trustee, FEU Educational Foundation, Inc.

Sports Affiliations: Member, Board of Managing Directors, Universities Athletic Association of the Philippines (UAAP); Team Manager, FEU Tamaraws; Member, Manila Golf Club; Member, Tagaytay Midlands Golf Club; Member, The Rockwell Club.

He worked with Procter & Gamble and Jardine Davies, Inc. in the Philippines and with General Mills Corp., based in Minneapolis, Minnesota, U.S.A.

Mr. Montinola holds an A. B. Economics Degree (honors course) from Ateneo de Manila University (1973) and an M.B.A. from Stanford University, Palo Alto, California, U.S.A. (1978).

Paulino Y. Tan

74, Filipino: Trustee (June 1991 to present), Far Eastern University, Inc.

Other Corporate Affiliations: 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., East Asia Computer Center, Inc., Lyceum of Batangas, Lyceum of Laguna, SM (Shoemart) Foundation, Inc., Asia Pacific Technology Educational Foundation, Asia Pacific Computer Technology Center, Inc., FERN Realty Corporation, Far Eastern College Silang, Inc., FEU High School, Inc., FEU Alabang, Inc., Roosevelt College, Inc. and Foundation for Information Technology Education and Development, Inc., MFI Polytechnic Institute, Inc.

Dr. Tan obtained the Degree of Bachelor of Science in Chemical Engineering from De La Salle University. He obtained both his M.S. and Ph.D. in Chemical Engineering from the University of Notre Dame, Indiana, U.S.A.

Edilberto C. de Jesus

78, Filipino: Independent Trustee (August 2012 to present) Far Eastern University, Inc.

Other Corporate Affiliations: Member, Board of Directors, Cagayan de Oro College and Phinma Corp.; Member, Board of Trustees, Foundation for Liberty and Prosperity; Member, Makati Business Club and of the Advisory Board of Philippine Business for Education; Fellow, Institute of Corporate Directors; Professor Emeritus, Asian Institute of Management; Independent Trustee, Nicanor Reyes Educational Foundation, Inc. and Roosevelt College, Inc., Member, Institute for Solidarity in Asia, and Non-Resident Senior Research Fellow, Ateneo School of Government.

He obtained a BA Honors Degree in the Humanities, cum laude at the Ateneo de Manila University in 1962, and received his M. Phil. (1969) and Ph.D. degrees (1972) from Yale University. He served as president of: Far Eastern University (1995-2002); University of the Cordilleras (2008-2009); Asian Institute of Management (2009-2012); and Secretariat Director, Southeast Asia Ministers of Education Organization in Bangkok (2005-2007). He also served in the Cabinet of President Corazon Aquino as Deputy Peace Commissioner and Presidential Adviser on Rural Development (1987-1992) and as Secretary of Education in the Cabinet of President Gloria Arroyo (2002-2004).

Sherisa P. Nuesa

65, Filipino: Independent Trustee (August 2010 to present) Far Eastern University, Inc.

Other Corporate Affiliations: President and Board Director, ALFM Mutual Funds Group and Independent Director, East Asia Computer Center, Inc., FERN Realty Corporation and Far Eastern College Silang, Inc. She is also an Independent Director of Manila Water Company, Ayala Land, Inc., AC Energy Phils., and Integrated Micro-Electronics, Inc., all publicly-listed corporations. She also serves as a Senior Adviser to the Boards of Vicsal Development Corporation and Metro Retail Stores Group, Inc.

A former Managing Director of conglomerate Ayala Corporation, she held various senior management positions in Ayala subsidiaries: Ayala Land, Inc., Manila Water Company and Integrated Micro Electronics Inc.

Ms. Nuesa is a Trustee of the Institute of Corporate Directors (ICD), the Financial Executives Institute of the Philippines (FINEX) Foundation and the Judicial Reform Initiative, where she also serves as Chairperson.

She graduated with the degree of Bachelor of Science in Commerce (summa cum laude) at Far Eastern University in 1974 and received her Master of Business Administration degree from the Ateneo - Regis Graduate School of Business in 2010. She also attended post-graduate management programs at Harvard Business School and Stanford University. She received the ING -FINEX CFO of the Year award in 2008.

Jose T. Sio

80, Filipino: Independent Trustee (April 2019 to present), Far Eastern University

Other Corporate Affiliations: Chairman of the Board of Directors of SM Investments Corporation; Director of China Banking Corporation, Ortigas Land Corporation., Belle Corporation, NLEX Corporation, Carmen Copper Corporation, Atlas Consolidated Mining and Development Corporation, and First Asia Realty Development Corporation; Adviser to the Board of BDO Unibank, Inc.; Premium Leisure Corporation; Audit and Risk Oversight Committees of SM Prime Holdings, Inc.; President and Trustee of SM Foundation, Inc.; Trustee of Asia Pacific Technology Educational Foundation, Inc. (Asia Pacific College).

Previous Affiliations: Senior Partner of SGV & Co., Consultant at T. N. Soong & Co., CPA in Taipei, Taiwan and Audit Associate at Ernst and Whinney, CPA in New York, USA.

Mr. Sio was voted as CFO of the year in 2009 by the Financial Executives of the Philippines (FINEX). In various years, he received Asia's Best CFO Award from Hong Kong–based publications such as Alpha Southeast Asia, Corporate Governance Asia, Finance Asia and The Asset. In 2018, he received the Asian Corporate Director Award from Corporate Governance Asia.

Mr. Sio is a Certified Public Accountant. He obtained his Bachelor of Science in Commerce Major in Accounting from University of San Agustin, Iloilo City. He completed his Master of Business Administration Major in Corporate Finance and Management in New York University, New York, USA.

ANNEX B

FAR EASTERN UNIVERSITY, INCORPORATED
ANNUAL STOCKHOLDERS' MEETING 2020

Guidelines for Participating via Remote Communication and Voting in Absentia

The 2020 Annual Stockholders' Meeting (**ASM**) of Far Eastern University, Incorporated ("**FEU**" or the "**Company**") will be held on October 17, 2020 at 3:00 P.M. and the Board of Trustees of the Corporation has fixed the end of trading hours of the Philippine Stock Exchange, Inc. on **September 28, 2020** ("**Record Date**") as the record date for the determination of stockholders entitled to the notice of, to attend, and to vote at such meeting and any adjournment thereof.

The Board of Trustees of the Company has approved and authorized stockholders to participate in the ASM via remote communication and to exercise their right to vote in absentia or by proxy. This is in view of the community quarantine currently implemented in various areas of the country and in consideration of health and safety concerns of everyone involved.

REGISTRATION

The conduct of the meeting will be streamed live, and stockholders may attend the meeting by registering until October 11, 2020, 5:00 P.M. via https://asmregister.feu.edu.ph/ and by submitting the following requirements and documents, subject to verification and validation:

1. Individual Stockholders

1.1. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others in order to validate the registration of the stockholder (up to 2MB)

1.2. Stock certificate number

1.3. If appointing a proxy, copy of proxy form duly signed by stockholder (need not be notarized)

1.4. Active e-mail address/es of stockholder or proxy

1.5. Active contact number/s, with area and country codes, of stockholder or proxy

2. Multiple Stockholders or with joint accounts

2.1. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others in order to validate the registration of all registered stockholders (up to 2MB)

2.2. Stock certificate number/s

2.3 Proof of authority of stockholder voting the shares signed by the other registered stockholders, for shares registered in the name of multiple stockholders (need not be notarized)

2.4. Active e-mail addresses of authorized representative

2.5. Active contact numbers, with area and country codes, of authorized representative

3. Corporate Stockholders

3.1. Digital copy of the Secretary's Certificate (or equivalent for non-resident) attesting to the authority of the representative to vote for and on behalf of the corporation

3.2. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others to validate the registration of the authorized representative (no more than 2MB)

2.3. Stock certificate number/s

3.3. Active e-mail address/es of the authorized representative

3.4. Active contact number, with area and country codes, of authorized representative

4. PCD Participants/Brokers

4.1. Certification from broker as to the number of shares owned by stockholder

4.2. Valid government ID of stockholder

4.3. If appointing a proxy, copy of proxy form duly signed by stockholder (need not be notarized)

4.4. Active e-mail address/es of stockholder or proxy

4.5. Active contact number/s, with area and country codes, of stockholder or proxy

ONLINE VOTING

Stockholders who have successfully registered shall be notified via email of their unique login credentials for the voting portal. Stockholders can then cast their votes for specific items in the agenda, as follows:

1. Log-in to the voting portal by clicking the link, and using the log-in credentials sent via email, to the email address of the stockholder provided to the Company.

2. Upon accessing the portal, the stockholder can vote on each agenda item. A brief description of each item for stockholders' approval are appended to the Notice of Meeting.

   2.1 A stockholder has the option to vote "Yes", "No", or "Abstain" on each agenda item for approval.

2.2 With respect to the election of nine (9) trustees, each stockholder may:

- vote such number of shares for as many as nine persons he may choose to be elected from the list of nominees; or

- cumulate said shares and give one candidate as many votes as the number of his shares multiplied by nine shall equal, or

- may distribute them on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by nine.

3. Once the stockholder has finalized his vote, he can proceed to submit his vote by clicking the "Submit" button.

4. The stockholder can still change and re-submit votes, provided, such new votes are submitted using the same log-in credentials. Previous votes will be automatically overridden and replaced by the system with the new votes cast.

5. Stockholders with successful and validated registration may cast their votes at least twenty four (24) hours before the time set for the meeting as required by the By Laws, or no later than 3:00 p.m. of 16 October 2020. The appointment of the Proxy shall not affect your right to vote in the event you choose to attend the meeting.

ASM LIVESTREAM

The ASM will be broadcasted live and stockholders who have successfully registered will be provided access to participate via remote communication. Instructions on how to access the livestream will also be posted at https://www.feu.edu.ph/asm2020.

Video recordings of the ASM will be adequately maintained by the Company and will be made available to participating stockholders upon request.

OPEN FORUM

During the virtual meeting, the Company will have an Open Forum, during which, the meeting's moderator will read and where representatives of the Company shall endeavor to answer as many of the questions and comments received from stockholders as time will allow.

Stockholders may send their questions in advance by sending an email bearing the subject "ASM 2020 Open Forum" to asm2020@feu.edu.ph on or before 16 October 2020. A section for stockholder comments/questions or a "chatbox" shall also be provided in the livestreaming platform.

Questions/comments received but not entertained during the Open Forum due to time constraints will be addressed separately by the Company's Corporate Secretary.

For any concerns, please contact us via email at asm2020@feu.edu.ph.

For complete information on the annual meeting, please visit https://www.feu.edu.ph/asm2020

ANNEX C

PART II
INFORMATION REQUIRED IN A PROXY FORM

Items 1 and 2:

FAR EASTERN UNIVERSITY, INC.
2020 Annual Stockholders' Meeting
17 October 2020

PROXY

The undersigned stockholder of FAR EASTERN UNIVERSITY, INC. (FEU) hereby appoints _____ or in his/her absence,

Chairman of the Board of Trustees Aurelio R. Montinola III or in his absence,
Chair Emeritus Lourdes R. Montinola or in her absence,
the Chairman of the Meeting

as attorney-in-fact and proxy, with power of substitution, to represent and vote all shares registered in his/her/its name, as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of FEU on 17 October 2020 and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Approval of minutes of previous meeting.
   ❑ Yes ❑ No ❑ Abstain

2. Approval of annual report and Audited Financial Statements.
   ❑ Yes ❑ No ❑ Abstain

3. Ratification and confirmation of all acts and resolutions during the past year of the Board of Trustees, Board and Management Committees, and Management and other Officers.
   ❑ Yes ❑ No ❑ Abstain

4. Election of Trustees

   ❑ Vote for all nominees listed below:
   Lourdes R. Montinola
   Aurelio R. Montinola III
   Michael M. Alba
   Angelina P. Jose
   Antonio R. Montinola
   Paulino Y. Tan
   Edilberto C. De Jesus (Independent Trustee)
   Sherisa P. Nuesa (Independent Trustee)
   Jose T. Sio (Independent Trustee)

   ❑ Withhold authority to vote for all nominees listed above.

   ❑ Withhold authority to vote for the nominees listed below:

   _____

   _____

   _____

5. Appointment of Punongbayan & Araullo, Certified Public Accountants and the Philippine member firm of Grant Thornton International, Ltd.
   ❑ Yes ❑ No ❑ Abstain

6. At his/her discretion, the attorney-in-fact and proxy named above is authorized to vote upon such other business as may properly come before the meeting.
   ❑ Yes ❑ No ❑ Abstain

_____
PRINTED NAME OF STOCKHOLDER

_____
SIGNATURE OF STOCKHOLDER / AUTHORIZED SIGNATORY

_____
DATE

This proxy should be received by the Corporate Secretary on or before 3:00 p.m. of 16 October 2020, the deadline for submission of proxies.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder/s. If no direction is made, this proxy will be voted "for" the election of all nominees and "for" the approval of the matters stated above and "for" such other matters as may properly come before the meeting in the manner described in the Information Statement and/or as recommended by Management or the Board of Trustees.

A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised. A proxy is also considered revoked if the stockholder attends the meeting in person and expressed his intention to vote in person.

FAR EASTERN UNIVERSITY

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
(+632) 7777-FEU (338)
(+632) 849-4000
www.feu.edu.ph

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **SHERISA P. NUESA**, Filipino, of legal age and a resident of Muntinlupa City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of **Far Eastern University** and have been its Independent Director since August 2010 (where applicable).

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Vicsal Development Corporation	Senior Adviser to the Board	March 2012
ALFM Mutual Funds	*President and Board Director	May 2012
Institute of Corporate Directors (ICD)	Board Trustee	May 2012
FERN Realty Corporation	Independent Board Director	August 2012
Manila Water Company	Independent Director	April 2013
East Asia Computer Center, Inc.	Independent Director	March 2014
Judicial Reform Initiative (JRI)	**Chairperson and Board Trustee	January 2015
Metro Retail Stores Group, Inc. (MRSGI)	Senior Adviser to Board Directors	August 2015
Far Eastern College, Silang, Inc.	Independent Director	November 2016
Integrated Micro-Electronics, Inc.	Independent Director	April 2018
AC Energy Phils.	Independent Director	September 2019
Financial Executives Institute of the Phils. (FINEX) Foundation	Board Trustee	January 2020
Ayala Land, Inc.	Independent Director	April 2020

* became President as of April 2013
** serves as Chairperson as of May 2017

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Far Eastern University**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities and Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
Not applicable (N/A)		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
N/A		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the (head of the agency/department) to be an independent director in N/A, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

5. I shall inform the Corporate Secretary of **Far Eastern University** of any changes in the abovementioned information within five days from its occurrence.

Done, this AUG 2 6 2020 day of _____ 2020, at Manila.

SHERISA P. NUESA
Affiant

SUBSCRIBED AND SWORN to before me this AUG 2 6 2020 day of _____ 2020 at Manila, affiant personally appeared before me and exhibited to me her Tax Identification Number 132-204-906 issued in the Philippines.

Doc. No. 83
Page No. 18
Book No. XX
Series of 2020.

ENRICO G. GILERA
Notary Public for Manila
Until December 2020
PTR No. 9186556; 01.21.2020; Manila
IBP No. 105672; 01.09.2020; Manila III
Roll No. 35145; May 27, 1988
Compliance No. V 0021389; May 4, 2016
Unit 403 Dona Consuelo Bldg.,
929 Nicanor Reyes Street, Manila
Tel No. 8736-4975

FAR EASTERN UNIVERSITY

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
(+632) 7777-FEU (338)
(+632) 849-4000
www.feu.edu.ph

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **EDILBERTO C. DE JESUS**, Filipino, of legal age and a resident of Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of **Far Eastern University** and have been its Independent Director since August 2012 (where applicable).

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Philippine Business for Education	Member, Board of Advisers	2007
Phinma Corporation	Member, Board of Directors	2009
Makati Business Club	Member	2009
Institute of Corporate Directors	Fellow	2010
Asian Institute of Management	Professor Emeritus	2012
Foundation for Liberty and Prosperity	Member, Board of Trustees	2013
Cagayan de Oro College	Member, Board of Directors	2014
Nicanor Reyes Educational Foundation, Inc.	Independent Trustee	2014
Institute for Solidarity in Asia	Member	2014
Roosevelt College, Inc.	Independent Trustee	2016
Ateneo School of Government	Non-Resident Senior Research Fellow	2019

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Far Eastern University**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities and Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
Not applicable (N/A)		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
N/A		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the (head of the agency/department) to be an independent director in N/A, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

5. I shall inform the Corporate Secretary of **Far Eastern University** of any changes in the abovementioned information within five days from its occurrence.

Done, this ___ day of AUG 2 6 2020 2020, at Manila.

EDILBERTO C. DE JESUS
Affiant

SUBSCRIBED AND SWORN to before me this _____ day of AUG 2 6 2020 2020 at Manila, affiant personally appeared before me and exhibited to me his Tax Identification Number 103-104-968 issued in the Philippines.

Doc. No. 85
Page No. 18
Book No. XX
Series of 2020.

ENRICO G. GILERA
Notary Public for Manila
Until December 2020
PTR No. 9186556; 01.21.2020; Manila
IBP No. 105672; 01.09.2020; Manila III
Roll No. 35145; May 27, 1988
Compliance No. V 0021389; May 4, 2016
Unit 403 Dona Consuelo Bldg.,
929 Nicanor Reyes Street, Manila
Tel No. 8736-4975

FAR EASTERN UNIVERSITY

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
(+632) 7777-FEU (338)
(+632) 849-4000
www.feu.edu.ph

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **JOSE TAN SIO**, Filipino, of legal age and a resident of Bacoor, Cavite, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of **Far Eastern University** and have been its Independent Director since April 2019 (where applicable).

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
SM Investments Corporation	Chairman of the Board	2017 - Present
SM Prime Holdings, Inc.	Adviser – Audit Committee and Risk Oversight Committee	2015 - Present
Premium Leisure Corporation	Board Adviser	2012 - Present
Atlas Consolidated Mining and Development Corporation	Director	2011 - Present
Belle Corporation	Director	2009 - Present
China Bank	Director	2007 - Present
Banco De Oro Unibank, Inc.	Board Adviser	2006 - Present
Asia Pacific Technology Educational Foundation, Inc.	Trustee	2018 - Present
Ortigas Land Corporation	Director	2014 - Present
Carmen Copper Corporation	Director	2011 - Present
SM Foundation, Inc.	President	2011 - Present
NLEX Corporation	Director	2010 - Present
First Asia Realty Corporation	Director	2010 - Present
Asia Pacific Computer Technology Center, Inc.	Director	2004 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Far Eastern University**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities and Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
Not applicable (N/A)		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
N/A		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the __(head of the agency/department)__ to be an independent director in _____N/A_____, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

5. I shall inform the Corporate Secretary of **Far Eastern University** of any changes in the abovementioned information within five days from its occurrence.

Done, this SEP 1 0 2020 day of September 2020, at Manila.

JOSE T. SIO
Affiant

SUBSCRIBED AND SWORN to before me this SEP 1 0 2020 day of September 2020 at Manila, affiant personally appeared before me and exhibited to me her Tax Identification Number 103-433-285 issued in the Philippines.

Doc. No. 173
Page No. 36
Book No. XY
Series of 2020.

ENRICO G. GILERA
Notary Public for Manila
Until December 2020
PTR No. 9186556; 01.21.2020; Manila
IBP No. 105672; 01.09.2020; Manila III
Roll No. 35145; May 27, 1988
Compliance No. V 0021389; May 4, 2016
Unit 403 Dona Consuelo Bldg.,
929 Nicanor Reyes Street, Manila
Tel No. 8736-4975

ANNEX E

Republic of the Philippines
OFFICE OF THE PRESIDENT
COMMISSION ON HIGHER EDUCATION

29 August 2020

Mr. Vicente Graciano P. Felizmenio, Jr.
Director
Market and Securities Regulation Department
Securities and Exchange Commission
Secretariat Building, PICC Complex,
Roxas Boulevard, Pasay City, 1307

Dear **Director Felizmenio**:

Please be informed that Dr. Paulino Y. Tan, who is a member of the Board of Trustees of Far Eastern University, was appointed as Chairperson of the Technical Panel for Information Technology Education of this Commission, effective January 1, 2017 to December 31, 2017, per CHED Special Order No. 08, series of 2017.

CHED Special Order No. 06, series of 2018 provides that *"the designation of the Chairpersons and Members of the Technical Panels (TPs) and Technical Committees (TCs) for the different clusters of disciplines per CSO No. 08, series of 2017 will be on holdover capacity until replaced".*

This is in response to the request of Far Easter University for the submission of its Annual Information Sheet/Annual Report required by the Securities and Exchange Commission.

Very truly yours,

ATTY. CINDERELLA FILIPINA S. BENITEZ-JARO
Executive Director IV
Commission on Higher Education

CERTIFICATION

THIS IS TO CERTIFY that the following members of the Board of Trustees of The Far Eastern University, Incorporated, doing business under the name and style of Far Eastern University (FEU), namely:

Dr. Lourdes R. Montinola	Ms. Angelina P. Jose
Mr. Aurelio R. Montinola III	Mr. Antonio R. Montinola
Dr. Michael M. Alba	Ms. Sherisa P. Nuesa
Dr. Edilberto C. De Jesus	Mr. Jose T. Sio

and officers of FEU, namely:

Dr. Lourdes R. Montinola	Chair Emeritus
Mr. Aurelio R. Montinola III	Chairman, Board of Trustees
Dr. Michael M. Alba	President
Mr. Juan Miguel R. Montinola	Chief Finance Officer and Chief Risk Officer
Ms. Rosanna E. Salcedo	Treasurer
Atty. Anthony Raymond A. Goquingco	Acting Corporate Secretary

do not work in Government.

This Certification is issued under oath for whatever purpose it may legally serve.

IN WITNESS WHEREOF, I have hereunto set my hand ~~this~~ SEP 0 9 2020 ~~September~~ 2020 at Sampaloc, City of Manila, Metro Manila, Philippines.

Atty. ANTHONY RAYMOND A. GOQUINGCO
Acting Corporate Secretary

REPUBLIC OF THE PHILIPPINES)
MANILA CITY, METRO MANILA) S.S.

SUBSCRIBED AND SWORN to before me ~~this~~ SEP 0 9 2020 September 2020 in the City of Manila, Metro Manila, the affiant, Atty. Anthony Raymond A. Goquingco, exhibiting to me his Driver's License No.N03-92-132131 issued by the Land Transportation Office as competent evidence of identity.

Doc No. 169
Page No. 35
Book No. XX
Series of 2020.

ENRICO G. GILERA
Notary Public for Manila
Until December 2020
PTR No. 9186556; 01.21.2020; Manila
IBP No. 105672; 01.09.2020; Manila III
Roll No. 35145; May 27, 1988
Compliance No. V 0021389; May 4, 2016
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929 Nicanor Reyes Street, Manila
Tel No. 8736-4975

ANNEX F

FAR EASTERN UNIVERSITY

REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF TRUSTEES
For the Fiscal Year Ended May 31, 2020

The Board of Trustees
Far Eastern University, Inc.

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
(+632) 7777-FEU (338)
(+632) 849-4000
www.feu.edu.ph

The Audit Committee's roles and responsibilities are defined in the Audit Committee Charter approved by the Board of Trustees. It assists the Board of Trustees in fulfilling its oversight responsibility for the University's financial reporting process, the system of internal controls, the audit process, and the company's process for monitoring compliance with laws and regulations.

In compliance with the Audit Committee Charter, we confirm the following:

I. Audit Committee Structure and Process

1. The Audit Committee is composed of four (4) members, three (3) of whom are independent trustees including the Chair.
2. We had five (5) committee meetings which included one (1) joint meeting with the Risk Management Committee. All our meetings are covered by minutes of meetings approved by the members of the committee.

II. Internal and External Audits and Internal Controls

1. We recommended for approval of the Board and endorsement to the shareholders the reappointment of Punongbayan and Araullo (P&A) as the Company's external auditor for the fiscal year 2019-2020 and the related audit fees.

2. We discussed and approved the overall scope and the respective audit plans of the company's internal auditors and external auditors. We also discussed the results of their audits and their assessment of the company's internal controls and found that the systems are adequate and effective.

3. We have reviewed and approved all audit services provided to Far Eastern University, Inc. including the related audit fees. There were no other non-audit services provided by P&A.

4. We have reviewed the audit plan, the reports of internal auditors (including an Information Technology audit), and ensured that Management is taking the appropriate actions on the audit recommendations in a timely manner.

5. We conducted a joint meeting with the Risk Management Committee, to review the risk management process and activities in relation to the audit program.

6. We discussed and reviewed certain key corporate policies such as the Policy on Investments and the Rules on Material Related Party Transactions.

III. Financial Reporting

We reviewed, discussed, and endorsed for the approval of the Board, and subject to the limitations of the Committee's roles and responsibilities, the quarterly unaudited and annual audited consolidated statements of Far Eastern University, Inc. and Subsidiaries.

Based on the reviews and discussions undertaken, and subject to the limitations on our roles and responsibilities referred to above, the Audit Committee recommended to the Board of Directors the inclusion of the audited consolidated financial statements in the Annual Report for the fiscal year ended May 31, 2020 and the filing thereof with the Securities and Exchange Commission and the Philippine Stock Exchange.

September 11, 2020

SHERISA P. NUESA	EDILBERTO C. DE JESUS	JOSE T. SIO	ANGELINA P. JOSE
Chairperson	Member	Member	Member
Independent Trustee	Independent Trustee	Independent Trustee	

ANNEX G

MANAGEMENT REPORT

A. Brief Description of the General Nature and Scope of the Business of the Registrant and its Subsidiaries

B. Market Price and Dividends

C. Top 20 Stockholders as of 31 August 2020

D. Management Discussion and Analysis or Plan of Operation

E. Corporate Governance

F. Statement of Management's Responsibility for Financial Statements

G. Audited Parent and Consolidated Financial Statements as of and for the years ended May 31, 2020, 2019 and 2018 with accompanying notes to Financial Statements

Far Eastern University, Inc., was incorporated in 1933. It operates Far Eastern University in Manila, and is the majority shareholder of East Asia Computer Center (EACCI), Inc.; FEU Alabang, Inc.; Far Eastern College Silang, Inc.; FEU High School, Inc.; and Roosevelt College, Inc. In turn, EACCI does business under the names and styles FEU Institute of Technology and FEU Diliman, while Far Eastern College Silang, Inc., uses FEU Cavite.

Far Eastern University, Inc., also owns 51% of Edustria, Inc., a newly incorporated senior high school established and operated with the Technological Institute of the Philippines, Inc. (which has a 49% stake), in the Lipa-Malvar area in Batangas.

On 11 June 2019, FEU received the *Two Golden Arrowheads Recognition* for an above 90% score in the ASEAN Corporate Governance Scorecard (ACGS) and for being one of the Top 5 Philippine PLCs in the Services Sector. Among the 48 Top-Performing Philippine PLCs Overall and of the 30 in the Top 5 Philippine PLCs by Sector, FEU was the only educational institution.

On 30 August 2019, FEU won the *Award of Excellence* at the 17th Philippine Quill Awards (Division 4: Communication Skills, Category 21: Audio/Visual) for its “Be Brave: The Story of Far Eastern University” documentary.

FEU takes a holistic approach to education, which includes ensuring a safe and secure environment conducive for learning. As a testament of the University’s efforts, the FEU Administration Building was declared to have the cleanest toilets in the country under the educational institution category and FEU was awarded the champion of *Maynilad’s Golden Kubeta Awards* on November 19, 2019. FEU also bagged the over-all championship in the *1st Sampaloc Fire Olympics* held on August 25.

On 29 November 2019, FEU won the Asia-Pacific Entrepreneurship Awards (APEA) 2019 for the Philippines’ Corporate Excellence Category under the Education and Training Industry. The award recognizes institutions and companies for their continued innovation and sustainable leadership.

Most recently, FEU made it to the 2020 World’s Universities with Real Impact (WURI) rankings, which evaluate universities’ real contributions to society through creative and innovative approaches to research and education. FEU placed 91st in the Top 100 Most Innovative Universities and ranked 19th in the Top 50 Most Ethical Universities for the FEU Learning Journey Module.

A. Brief Discussion of Business

Mother Company

1. FAR EASTERN UNIVERSITY MANILA

Far Eastern University (FEU) was founded in 1928 as a private, non-sectarian institution of learning. Guided by the core values of Fortitude, Excellence, and Uprightness, it aims to be a university of choice in Asia. Committed to the highest intellectual, moral, and cultural standards, the university strives to produce principled and professionally competent graduates; and it nurtures a service-oriented and environment-conscious community that seeks to contribute to the advancement of the global society.

Tuition and other fees, which are the main sources of its financial stability, are moderate and subject to government regulation. Full and partial scholarship grants are also awarded to deserving students.

FEU maintains excellent facilities to best serve the schooling experience of its students. These include, among others, a library with an expanding electronic footprint; laboratories of various types; audio-visual and multi-media rooms including smart classrooms; conference, meeting, and multi-function rooms; auditoriums, gyms, and other sports facilities; a clinic; an information-technology enabled gate security system; and an integrated cloud-based, enterprise-software (NetSuite) to manage its enrollment and financial operations. All classrooms are spacious and air-conditioned – the ambient temperature powered campus-wide by an environmentally friendly and, apparently thus far, the only district-cooling system in the Philippines. It also uses a state-of-the-art learning management system, Canvas of Instructure.

The university's high standard of quality is substantiated by numerous recognitions from the Commission on Higher Education (CHED) as well as accrediting bodies such as the Philippine Association of Colleges and Universities Commission on Accreditation (PACUCOA) and the Philippine Accrediting Association of Schools, Colleges, and Universities (PAASCU). It is one of only 13 Philippine universities that are members of the ASEAN University Network – Quality Assurance (AUN-QA).

CHED first conferred on FEU (Manila) the autonomous university status on 25 July 2012. Subsequently, using the stricter quality-assurance framework of CHED Memorandum Order 46 Series of 2012, the Commission reaffirmed this status (per CHED Memorandum Order 20 Series of 2016) on 1 April 2016 for a term of three years (until 31 May 2019). CHED Memorandum Order 12 series of 2019 then reaffirmed FEU's Autonomous Status for another two years (from 1 June 2019 to 31 March 2021).

In its inaugural run, the results of which were released on 11 June 2020, World's Universities With Real Impact (WURI), a new ranking system that evaluates a university's contributions to society, identified FEU as among the Top 100 Innovative Universities in the world, the only Philippine university that made the cut.

Product: An institution of higher learning composed of seven institutes and an extension campus (in Makati), the university offers the following baccalaureate and graduate programs:

A. Institute of Accounts, Business, and Finance (IABF) – Manila and Makati Campuses

Baccalaureate Programs:

- *Bachelor of Science in Accountancy*
- *Bachelor of Science in Business Administration (Business Analytics Track)*
- *Bachelor of Science in Business Administration (Entrepreneurial Management Track)*
- *Bachelor of Science in Business Administration (Financial Management Track)*
- *Bachelor of Science in Business Administration (Leadership and Human Capital Management Track)*
- *Bachelor of Science in Business Administration (Marketing Management Track)*
- *Bachelor of Science in Internal Auditing*

Graduate Programs:

- *Master of Business Administration*

B. Institute of Architecture and Fine Arts (IARFA)

Baccalaureate Programs:

- *Bachelor of Fine Arts major in Studio Arts*
- *Bachelor of Fine Arts major in Visual Communication*
- *Bachelor of Science in Architecture (Building Construction Track)*
- *Bachelor of Science in Architecture (Housing Design Track)*
- *Bachelor of Science in Architecture (Urban Design Track)*

C. Institute of Arts and Sciences (IAS)

Baccalaureate Programs:

- *Bachelor of Arts in Communication (Convergent Media Track)*
- *Bachelor of Arts in Communication (Digital Cinema Track)*
- *Bachelor of Arts in Interdisciplinary Studies (Global Development and Sustainability Track)*
- *Bachelor of Arts in Interdisciplinary Studies (Philippine Arts, Culture and Society Track)*
- *Bachelor of Arts in Interdisciplinary Studies (Urban Spaces and Transitions Studies Track)*
- *Bachelor of Arts in International Studies (International Development and Cooperation)*
- *Bachelor of Arts in International Studies (International Relations and Diplomacy)*
- *Bachelor of Arts in Language and Literature Studies (English Studies Track)*
- *Bachelor of Arts in Language and Literature Studies (Literature Studies Track)*
- *Bachelor of Arts in Political Science (Philippine Politics and Foreign Relations Track)*
- *Bachelor of Science in Applied Mathematics (Data Science Track)*
- *Bachelor of Science in Applied Mathematics (Information Technology Track)*
- *Bachelor of Science in Biology (Medical Biology Track)*
- *Bachelor of Science in Biology (Microbiology Track)*
- *Bachelor of Science in Biology (Systematic Biology Track)*
- *Bachelor of Science in Medical Technology*
- *Bachelor of Science in Psychology*

Graduate Programs:

- *Doctor of Philosophy in Psychology major in Clinical Psychology*
- *Doctor of Philosophy in Psychology major in Forensic Psychology*
- *Doctor of Philosophy in Psychology major in Industrial Psychology*
- *Master of Arts in Communication*
- *Master of Arts major in Letters*
- *Master of Arts in Psychology with specialization in Clinical Psychology*
- *Master of Arts in Psychology with specialization in Industrial Psychology*
- *Master of Science in Biology*

D. Institute of Education (IE)

Baccalaureate Programs:

- *Bachelor of Elementary Education*
- *Bachelor of Physical Education*
- *Bachelor of Science in Exercise and Sports Science Major in Fitness and Sports Management*
- *Bachelor of Secondary Education major in English*
- *Bachelor of Secondary Education major in Mathematics*
- *Bachelor of Secondary Education major in Science*
- *Bachelor of Special Needs Education*

Certificate Program:

- *Teacher Certificate Program*

Graduate Programs:

- *Doctor of Education major in Curriculum and Instruction*
- *Doctor of Education major in Educational Administration*
- *Doctor of Education major in Language and Literature Education*
- *Master of Arts in Education major in Curriculum and Instruction*
- *Master of Arts in Education major in Educational Administration*
- *Master of Arts in Education major in English Language Teaching*
- *Master of Arts in Education major in Literature and Language Education (English)*
- *Master of Arts in Education major in Special Education*
- *Master in Physical Education*

E. Institute of Law (IL)

Graduate Program:

- *Juris Doctor*

F. Institute of Nursing (IN)

Baccalaureate Program:

- *Bachelor of Science in Nursing*

Graduate Programs:

- *Master of Arts in Nursing specialized in Community Health*
- *Master of Arts in Nursing specialized in Maternal-Child Health*
- *Master of Arts in Nursing specialized in Medical-Surgical Nursing*
- *Master of Arts in Nursing specialized in Mental Health and Psychiatric Nursing*
- *Master of Arts in Nursing specialized in Nursing Systems Administration*

G. Institute of Tourism and Hotel Management (ITHM)

Baccalaureate Programs:

- *Bachelor of Science in Hotel and Restaurant Management (Culinary Management Track)*
- *Bachelor of Science in Hotel and Restaurant Management (Hotel Operations Track)*
- *Bachelor of Science in Tourism Management (Events Management Track)*
- *Bachelor of Science in Tourism Management (Travel and Tours Management Track)*

All of these academic program offerings were approved and/or granted permits by the CHED or, in the case of the Juris Doctor program, the Legal Education Board as well as other relevant government agencies.

Program Accreditations

Far Eastern University continuously strives for excellence in teaching, research and development, and extension work. Validations of this institutional effort include CHED's citations of (a) the teacher-education programs of the IE as a Center of Excellence and (b) the Bachelor of Science in Business Administration program of the IABF as a Center of Development.

<u>Local Accreditations</u>

Almost all of the academic programs in the Manila campus are accredited by the PACUCOA. The following programs have PACUCOA Level IV accreditation status (the highest), for the period December 2015 to December 2020:

- *Bachelor of Arts in Communication*
- *Bachelor of Elementary Education*
- *Bachelor of Science in Accountancy*
- *Bachelor of Science in Applied Mathematics with Information Technology*
- *Bachelor of Science in Biology*
- *Bachelor of Science in Business Administration*
- *Bachelor of Science in Psychology*
- *Bachelor of Secondary Education*

The *Bachelor of Science in Nursing* is the only academic program in the Manila campus that is accredited by the PAASCU. It has Level III Reaccredited status for the period August 2018 to November 2021.

The programs with PACUCOA Level III reaccreditation status (January 2020–2022) are:

- *Doctor of Education*
- *Master of Arts in Education*
- *Master of Arts in Psychology*

The programs with PACUCOA Level II re-accreditation status (January 2020–2025) are:

- *Bachelor of Science in Tourism Management*
- *Bachelor of Arts in International Studies*
- *Bachelor of Fine Arts*
- *Bachelor of Science in Medical Technology*
- *Bachelor of Science in Architecture*

The programs with PACUCOA Level II re-accreditation status (May 2018–2023) are:

- *Bachelor of Arts in Language and Literature Studies*
- *Bachelor of Arts in Political Science*
- *Bachelor of Arts in Hotel and Restaurant Management*

In addition, two graduate programs were granted Candidate status by the PACUCOA from May 2018 to May 2020:

- *MS Biology*
- *MA Communication*

Three programs of FEU Makati were granted Candidate status by the PACUCOA effective March 2017 to March 2019:

- *Bachelor of Science in Accountancy*
- *Bachelor of Science in Accounting Technology*
- *Bachelor of Science in Business Administration*

International Accreditations

Far Eastern University is a member of the ASEAN University Network – Quality Assurance (AUN-QA), the International Center of Excellence in Tourism and Hospitality Education (THE-ICE), and the Association to Advance Collegiate Schools of Business (AACSB).

ITHM's Bachelor of Science in Tourism Management program is also accredited by the Asia-Pacific Institute for Events Management (APIEM) as a Center of Excellence, effective February 2017 to February 2021.

Both PAASCU and PACUCOA recommend the accreditation status they have assessed for an academic program to the Federation of Accrediting Agencies of the Philippines (FAAP), which is recognized by the CHED to approve and issue the certification of said accreditation status. A detailed description of the various program accreditation levels may be found in CMO 1 Series of 2005.

Subsidiaries and Other Related Parties

1. EAST ASIA COMPUTER CENTER, INC. (EACCI)

Although incorporated in 1992, East Asia Computer Center (EACCI), Inc., started doing business under the name and style FEU Institute of Technology (FIT or FEU Tech, for brevity) only in 2014. In March 2018, it began to use the name and style FEU Diliman as well.

a. FEU INSTITUTE OF TECHNOLOGY

FEU Tech is a private, non-sectarian institution that provides quality education in the fields of engineering and information technology. It is housed in two buildings: the Technology Building of the FEU Manila campus along Nicanor Reyes Street and the 17-story FEU Tech Building on P. Paredes Street. The school's facilities include well-equipped, air-conditioned classrooms, laboratories, and engineering workshops; a library with a large collection of digital media; a covered gym; a 25-meter four-lane swimming pool; study areas for both individual and collaborative work; exhibit areas; and multi-function rooms. Other notable features include scenic elevators; an e-building high-tech security system; and an observation deck that provides a scenic view of the Manila landscape.

FEU Tech offers innovative academic programs that are complemented by strong industry and academic partnerships, which provide students additional opportunities for immersive learning experiences. Students receive real-world training and work experience from an intense and well-designed internship program with industry partners – a network of some 800 technology and engineering corporations nationwide. In addition, study- and internship-abroad programs allow students to learn and be immersed in multicultural environments and cultures with partner schools in Taiwan and Korea.

FEU Tech offers the following programs and specializations:

1. College of Engineering:
- *Bachelor of Science in Civil Engineering*
- *Bachelor of Science in Computer Engineering*
- *Bachelor of Science in Electronics Engineering*
- *Bachelor of Science in Electrical Engineering*
- *Bachelor of Science in Mechanical Engineering*
- *Bachelor of Science in Manufacturing Engineering*

2. College of Computer Studies and Multimedia Arts
- *Bachelor of Multimedia Arts*
- *Bachelor of Science in Computer Science with specialization in Software Engineering*
- *Bachelor of Science in Information Technology, with specialization in:*
  - *Animation and Game Development*
  - *Digital Arts*
  - *Service Management and/or Business Analytics*
  - *Web and Mobile Applications*

b. FEU DILIMAN

FEU Diliman is a private, non-sectarian educational institution with a 10-hectare campus that is located in Mapayapa Village, Quezon City. Its offerings cover the full spectrum of kindergarten, grade school, junior high school, senior high school, and college.

For basic education, FEU Diliman delivers an advanced curriculum in English, Science, and Mathematics, which integrates 21st-century skills development. Students are provided with holistic development through engagement in sports, culture, values formation, and socio-civic activities and programs. Value-added courses are embedded primarily to prepare the FEU Diliman basic education graduates to pursue higher education in the top universities of the country.

For higher education, FEU Diliman is working toward becoming a professional institution that is recognized for the business and information technology fusion of its academic programs. Professional core courses for technical proficiency and internship for real-world practice form the core of the curriculum. Technology-driven, non-traditional delivery strategies allow higher levels of student engagement and motivation to achieve the intended learning goals. Graduates are envisioned to be technology-empowered, highly qualified, and principled professionals and leaders poised to provide innovative solutions to the future challenges of their workplaces.

FEU Diliman offers the following programs:

Basic Education
- *Kindergarten*
- *Grade School*
- *Junior High School*

Senior High School
- *Accountancy, Business, and Management (ABM)*
- *General Academic Strand (GAS)*
- *Humanities and Social Science (HUMSS)*
- *Science, Technology, Engineering, and Mathematics (STEM)*
- *Sports*

College of Accounts and Business
- *Bachelor of Science in Accountancy*
- *Bachelor of Science in Business Administration major in:*
  - *Financial Management and Business Analytics*
  - *Marketing Management and Multimedia Technology*
  - *Operations and Service Management*

College of Computer Studies
- *Bachelor of Science in Information Technology, with specialization in:*
  - *Animation and Game Development*
  - *Web and Mobile Applications*

2. <u>FEU ALABANG</u>

Founded in January 2013, FEU Alabang, Inc., carries Far Eastern University's mission to provide quality education to the south of Metro Manila. It is located in Filinvest City, Alabang, one of the most progressive areas in the southern Greater Manila area. Opened in August 2018, the 1.8-hectare campus welcomed students to its 15-story academic building, which is equipped with modern classrooms and laboratories, as well as a campus accented by lush green spaces and featuring a 200-seat chapel and gymnasium.
FEU Alabang offers the following programs:

Senior High School
- *Accountancy, Business, and Management (ABM)*
- *General Academic Strand (GAS)*
- *Humanities and Social Science (HUMSS)*
- *Science, Technology, Engineering, and Mathematics (STEM)*

College of Accounts and Business
- *Bachelor of Science in Accountancy*
- *Bachelor of Science in Business Administration major in Financial Management and Business Analytics*
- *Bachelor of Science in Business Administration major in Marketing Management and Multimedia Technology*
- *Bachelor of Science in Business Administration major in Operations and Service Management*

College of Engineering

- *Bachelor of Science in Civil Engineering*
- *Bachelor of Science in Computer Engineering*
- *Bachelor of Science in Electronics Engineering*
- *Bachelor of Science in Electrical Engineering*
- *Bachelor of Science in Mechanical Engineering*
- *Bachelor of Science in Manufacturing Engineering*

College of Computer Studies and Multimedia Arts

- *Bachelor of Multimedia Arts*
- *Bachelor of Science in Computer Science with specialization in Software Engineering*
- *Bachelor of Science in Information Technology, with specialization in:*
- *Animation and Game Development*
  - *Digital Arts*
  - *Service Management and/or Business Analytics*
  - *Web and Mobile Applications*

3. FAR EASTERN COLLEGE SILANG, INC.

Established in 2009, Far Eastern College Silang, Inc., does business under the name and style FEU Cavite (FEUC). Located inside MetroGate Silang Estates, a gated community in Silang, Cavite, it is the first subsidiary of Far Eastern University, Inc., operating outside Metro Manila. It admitted its first batch of pre-school, grade school, and college students in June 2010 and senior high school students in 2016. The Higher Education Department's (HED) Associate programs (ladderized curriculum) were offered in School Year (SY) 2018–2019. Effective SY 2020–2021, FEUC will accept freshmen for the three extension programs of FEU Manila: AB Communication, AB Political Science, and BS Medical Technology.

FEU Cavite aspires to be a school of choice in the Southern Tagalog region by pursuing the twin goals of inculcating a love for learning among its students and being an engine for the region's community development. It seeks to develop its students as values-driven, service-oriented, and future-ready global citizens through a technology-empowered and individualized learning system. Its social mission is to fuel community growth by heritage preservation and environmental stewardship.

FEU Cavite offers the following programs:

Basic Education Department (BED)

- *Pre-kindergarten*
- *Kindergarten*
- *Grade School*
- *Junior High School*

Senior High School (SHS) Department
(Academic Strands)

- *Accountancy, Business, and Management*
- *Humanities and Social Sciences*
- *Science, Technology, Engineering, and Mathematics*

Higher Education Department (HED)

- *Bachelor of Science in Accountancy*
- *Bachelor of Science in Accounting Information System*
- *Bachelor of Science in Business Administration (Financial Management Track)*
- *Bachelor of Science in Business Administration (Marketing Management Track)*
- *Bachelor of Science in Hospitality Management (Hotel Operations Track)*
- *Bachelor of Science in Hospitality Management (Culinary Management Track)*
- *Bachelor of Science in Information Technology*
- *Bachelor of Science in Tourism Management (Travel and Tours Management Track)*
- *Bachelor of Science in Tourism Management (Events Management Track)*
- *Bachelor of Science in Psychology*

TESDA-accredited course on Bread and Pastry Production

HED Ladderized Curriculum

- *Associate in Computer Technology* (leading to BS Information Technology)
- *Associate in Hospitality Services* (leading to BS Hospitality Management)
- *Associate in Service Management* (leading to BSBA major in Marketing Management)
- *Associate in Tourism Services* (leading to BS Tourism Management)

Far Eastern University's Extension Courses

- *Bachelor of Science in Medical Technology*
- *Bachelor of Arts in Political Science*
- *Bachelor of Arts in Communication (Convergent Media Track)*
- *Bachelor of Arts in Communication (Digital Cinema Track)*

4. FEU HIGH SCHOOL, INC.

FEU High School (FEU HS), Inc., was established as a subsidiary of Far Eastern University, Inc., in 2014 in response to Republic Act No. 10533, the "Enhanced Basic Education Act of 2013," which extended the Philippine basic education program to 13 years, adding Grades 11 and 12 to the secondary education level. Nestled inside the FEU Manila Campus and occupying the Nursing Building, FEU High School opened its doors to its first batch of senior high school students in June 2016.

Guided by the core values of Fortitude, Excellence, and Uprightness, FEU High School provides quality education that prepares its graduates for college, the world of work, and life. Its curriculum is student-centered, values-oriented, and competency-laden; its delivery methods are technology-enabled, and its learning activities are project-based.

FEU HS offers the following strands under the academic track of the senior high school program: Science, Technology, Engineering, and Mathematics (STEM); Accountancy, Business, and Management (ABM); Humanities and Social Sciences (HUMSS); and the General Academic Strand (GAS). The General Academic Strand in FEU High School has three specializations namely: GAS – Sports and Health, GAS – Arts and Design, and GAS – Tourism.

Its academic offerings are complemented by special programs that foster experiential learning and the development of leadership, social skills, and service in students. The school offers over 70 clubs and organizations for students to join, ranging from sports and arts to special interest groups.
On the same year in December, FEU High School's Sarimanok Dance Troupe qualified to the Finals Round of the Woobie's Street Dance Competition held at the World Trade Center, Pasay City.

Aside from participating in external events, FEU HS' clubs and orgs also organize events and competitions for other schools, such as the Cinemorayta Film Festival. This Film Festival is a program that provides FEU High School students from different FEU Basic Education units the opportunity to show their talents, skills, and interest in Film Making. Last 2019, the event was able to showcase eight (8) films directed and produced by FEU High School students.

5. ROOSEVELT COLLEGE, INC.

Roosevelt College, Inc. (RCI), has a long history of delivering quality, private, nonsectarian basic education, first as Marikina Academy in 1933 and as RCI starting 1946.

RCI became a member of the FEU Group of Schools in May 2016 when FEU purchased 79.72% (now 97.43%) of the outstanding capital stock of RCI and gained management control of all its existing campuses as well as affiliated companies. Significantly contributing to the expansion of the FEU group's geographic and demographic footprint and to the growth of its basic education program, RCI is expected to carry forward FEU's mark of offering quality education programs and facilities while improving its accessibility to more Filipino families.

During the annual stockholders' meeting in November 2019, the stockholders ratified the proposal of the RCI board of trustees for the corporation to do business under the name and style FEU Roosevelt (FEUR).

FEU Roosevelt envisions the formation of a productive and responsible citizenry empowered through education. It offers the following degree programs and short programs:

Basic Education

- *Developmental Kindergarten*
- *Kindergarten*
- *Grade School*
- *Junior High School*

Senior High School

(Academic Strands)

- *Accountancy, Business, and Management*
- *Humanities and Social Sciences*
- *Science, Technology, Engineering, and Mathematics*

(Technical Vocational Strands in FEUR Rodriguez and Marikina)

- *Home Economics*
- *Information and Computer Technology*

Higher Education

Baccalaureate Programs:

- *Bachelor of Early Childhood Education* (Cainta)
- *Bachelor of Elementary Education* (Cainta)
- *Bachelor of Secondary Education Major in English* (Cainta)
- *Bachelor of Secondary Education Major in Mathematics* (Cainta)
- *Bachelor of Secondary Education Major in Science* (Cainta)
- *Bachelor of Secondary Education Major in Filipino* (Cainta)
- *Bachelor of Secondary Education Major in Social Studies* (Cainta)
- *Bachelor of Secondary Education Major in Values Education* (Cainta)
- *Bachelor of Science in Hospitality Management* (Cainta)
- *Bachelor of Science in Information Technology* (Marikina)
- *Bachelor of Science in Business Administration (Human Resources Management Track)* (Cainta/Marikina)
- *Bachelor of Science in Business Administration* (*Operations Management Track*) (Cainta/Marikina)
- *Bachelor of Science in Business Administration* (*Marketing Management Track*) (Cainta/Marikina)

Certificate Program (in Cainta):

- *Teacher Certificate Program*

Graduate Programs (in Cainta):

- *Master of Arts in Education Major in Educational Management*
- *Master of Arts in Education Major in Educational Technology*
- *Master of Arts in Education Major in Teaching in the Early Grades*
- *Master of Arts in Education Major in Social Studies*
- *Master of Arts in Education Major in Filipino Education*
- *Master of Arts in Education Major in Mathematics Education*
- *Master of Arts in Education Major in Science Education*
- *Master of Arts in Education Major in English Studies & Instruction*
- *Master of Arts in Education Major in Guidance & Counselling*
- *Master of Arts in Education Major in Special Education*
- *Master of Arts in Education Major in Physical Education*
- *Master of Arts in Education Major in Values Education*

6. EDUSTRIA, INCORPORATED

Established in August 2019, Edustria, Inc., is the first venture of Far Eastern University in Batangas, in partnership with the Technological Institute of the Philippines (T.I.P). Doing business under the name and style Edustria High School, it admitted its first batch of Senior High School Grade 11 students in August 2020. Edustria is short for “Education for Industry” which rightly describes its primary purpose: to deliver education that is relevant to industry needs.

Strategically located in the Lima Technology Center at Lipa City where there are more than 100 manufacturing companies from various industries, Edustria aims to partner with key firms in the techno park to ensure that its students are taught the necessary knowledge, skills, and values for success. Work immersion is a key feature of the teaching and learning strategy of Edustria to guarantee the graduates’ readiness to work right after completing Grade 12. However, because the Academic strands are offered exclusively, graduates will be college-ready should they choose to continue with their formal education. The partnership with locator firms will cover many important aspects in the senior high school life cycle: the design of an enriched curriculum; the effective delivery of industry-relevant learning; opportunities for immersion in the locator companies for actual hands-on exposure, and future employment in the workplace.

The school will offer a unique curriculum in the Academic Track in three strands: Science, Technology, and Engineering (STEM); Accountancy, Business, and Management (ABM); and the General Academic Strand (GAS). With the release of the DepEd permit for Junior High School, it will welcome its pioneer batch of Grade 7 on October 5, 2020. Edustria plans to replicate this model in other industrial parks across the country.

7. FERN REALTY CORPORATION

Fern Realty Corporation was established in 1984 primarily to assist Far Eastern University and its sister schools in their real estate requirements. For this purpose, the corporation acquired several properties in Metro Manila, Makati City, and Silang, Cavite, which are currently leased to different FEU corporations. It has also constructed dormitory facilities, a staff house, and farm laboratories for the use of students and faculty members and officers in Silang.

Fern Realty Corporation is also engaged in acquiring and developing real properties for sale or lease. With Ayala Land, Inc., it co-developed the Ferndale Homes subdivision in Quezon City and Fern Parc in Silang Cavite. In addition, it owns prime condominium units and residential houses in Makati City, Taguig City, and Quezon City which are on leased to several parties.

B. Market Prices of Common Stocks: (Phil. Stock Exchange, Inc.) and Dividends Declared

The Philippine Stock Exchange, Inc. is the principal market where the shares of stock of the corporation are being traded.

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

Herewith are the high, low, and closing prices of shares of stock traded from June 2019 to August 2020:

2019	High	High (Adjusted)	Low	Low (Adjusted)	Close	Close (Adjusted)
June	890.00	609.59	890.00	609.59	890.00	609.59
July	895.00	613.01	890.00	609.59	895.00	613.01
Aug	900.00	616.44	890.00	609.59	890.00	609.59
Sep	920.00	630.14	890.00	609.59	919.00	629.45
Oct	925.00	633.56	890.00	609.59	925.00	633.56
Nov	926.00	634.25	890.00	609.59	910.00	623.29
Dec	893.00	611.64	890.00	609.59	890.00	609.59
2020						
Jan	893.50	611.99	890.00	609.59	893.50	611.99
Feb	930.00	636.99	800.50	548.29	800.50	548.29
Mar	830.00	568.49	800.00	547.95	800.00	547.95
Apr	830.00	568.49	830.00	568.49	830.00	568.49
May						
June	965.00	965.00	575.34	575.34	771.00	771.00
July	770.00		550.00		600.00	
Aug	605.00		552.00		575.00	
Sep*	550.00		550.00		550.00	

* As of September 18, 2020

Notes:
1. No trades for May 2020
2. Price adjustments made due to 46% stock dividend declaration effective 15 June 2020

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

a. June 01, 2020 - August 31, 2020

Period	High	High (Adjusted)	Low	Low (Adjusted)	Close	Close (Adjusted)
First Quarter	₱780.00	₱965.00	₱559.11	₱575.34	₱648.67	₱771.00

b. June 01, 2019 - May 31, 2020

Period	High	High (Adjusted)	Low	Low (Adjusted)	Close	Close (Adjusted)
First Quarter	₱895.00	₱613.01	₱890.00	₱609.59	₱891.67	₱610.73
Second "	923.67	632.65	890.00	609.59	918.00	628.77
Third "	905.50	620.21	860.17	589.16	861.17	589,96
Fourth "	830.00	568.49	815.00	558.22	815.00	558.22

c. June 01, 2018 - May 31, 2019

Period		High		Low		Close
First Quarter	₱	954.50	₱	901.67	₱	923.33
Second "		932.67		894.00		894.00
Third "		933.33		890.00		894.00
Fourth "		898.33		890.00		894.33

Dividends:

Cash Dividend:

June 1, 2019 – May 31, 2020

Payment Date	Outstanding Shares	Cash Dividend Rate	Amount
October 09, 2019	16,477,023	₱10.00/share	₱164,770,230.00
March 18, 2020	16,477,023	10.00/share	164,770,230.00
			₱329,540,460.00

June 1, 2018 – May 31, 2019

Payment Date	Outstanding Shares	Cash Dividend Rate	Amount
October 18, 2018	16,477,023	₱8.00/share	₱131,816,184.00
March 20, 2019	16,477,023	8.00/share	131,816,184.00
			₱263,632,368.00

Stock Dividend:

	Outstanding Shares as of May 31, 2020	Date of Declaration	Date of Record	Date of Payment		Amount
46% stock dividend equivalent to 7,579,414 shares of common stock	16,477,023	September 10, 2019	June 18, 2020	July 14, 2020	₱	757,941,400.00
674 fractional shares are eliminated				**Retained in Retained Earnings*		(67,400.00)
					₱	757,874,000.00

Restrictions on Dividends

Cash dividend on common shares shall be paid based on the approval of the Board of Trustees up to the amount of the unrestricted retained earnings, while stock dividend on common shares shall be paid based on the approval of the Board of Trustees, ratified by the stockholders, based on the unrestricted retained earnings up to the approved authorized capital stock.

Recent Sales of Unregistered or Exempt Securities

There are no sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction.

C. Number of Shareholders

There are 1,498 common stockholders holding a total of 24,055,763 outstanding shares as of 31 August 2020.

The following are the top 20 stockholders:

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	6,887,051 – D	Filipino	28.63
2. Common	Sysmart Corporation	5,204,608 – D	Filipino	21.64
3. Common	Desrey, Incorporated	1,924,956 – D	Filipino	8.00
4. Common	PCD Nominee Corporation (Filipino)	1,291,542 – D	Filipino	5.37
5. Common	Angelina D. Palanca	776,534 – D	Filipino	3.23
6. Common	Sr. Victorina D. Palanca	539,616 – D	Filipino	2.24
7. Common	ICM Sisters Phil. Mission Board, Inc.	527,352 – D	Filipino	2.19
8. Common	Aurelio Montinola III	458,165 – D	Filipino	1.90
9. Common	Marco P. Gutang	306,797 – D	Filipino	1.28
10. Common	Gonzaga-Lopez Enterprises, Inc	294,668 – D	Filipino	1.22
11. Common	Amon Trading Corporation	279,975 – D	Filipino	1.16
12. Common	Jomibel Agricultural Development Corporation	261,170 – D	Filipino	1.09
13. Common	ZARE, Inc.	121,707 – D	Filipino	0.51
14. Common	Rosario P. Melchor	118,292 – D	Filipino	0.49
15. Common	Antonio R. Montinola	113,021 – D	Filipino	0.47
16. Common	Juan Miguel R. Montinola	109,710 – D	Filipino	0.46
17. Common	Rosario Panganiban Melchor	107,385 – D	Filipino	0.45
18. Common	Gianna R. Montinola	106,033 – D	Filipino	0.44
19. Common	Consorcia P. Reyes	96,484 – D	Filipino	0.40
20. Common	The Caridad I. Santos Gifting Trust	81,678 – D	Filipino	0.34
	Total	**19,606,744**		**81.51**

D. Management's Discussion and Analysis or Plan of Operation

As an academic institution, The Far Eastern University, Incorporated and its subsidiaries (The Group or FEU) is fully aware of the importance of education in nation building and to its students who benefit from quality instruction, research and community extension.

The Group is committed to continuously uplift academic standards through updating of its curricula, developing the faculty, improving the services to its students and providing the best educational facilities.

Consolidated Financial Position

The consolidated financial position of the Group remains strong as of May 31, 2020, 2019 and 2018.

The Group's consolidated total assets of as of May 31, 2018 is recorded at P13,187.4 million. Current portion reached P4,749.5 million, while the non-current portion amounted to P8,437.9 million. Consolidated total liabilities amounted to P4,146.0 million, while consolidated total equity remains firm at P9,041.4 million. The portion of equity attributable to the owners of the Parent company and Non-controlling interest (NCI) amounted to P6,862.2 million and P2,179.2 million, respectively. Current and debt-to-equity ratios were at 1.73:1 and 46%, respectively.

As of May 31, 2019, consolidated total assets further increased to P14,080.0 million, which was 7% higher than the previous year's P13,187.4 million. The increase is mainly attributable to non-current assets which grew by 21%, from P8,437.9 million to P10,231.1 million. Current assets, on the other hand, dropped by 19%, from P4,749.5 million as of May 31, 2018, to P3,848.9 million as of May 31, 2019. Consolidated total liabilities grew by 2% to P4,211.9 million as of May 31, 2019 compared to the May 31, 2018 balance amounting to P4,146.0 million. The increase in total liabilities is mainly on the current portion which grew by 16% to P3,170.7 million as of May 31, 2019 compared to the P2,742.5 million balance as of May 31, 2018. Non-current liabilities, however, was reduced by 26% to P1,041.2 million from P1,403.5 million, as of May 31, 2019 and 2018, respectively. Consolidated total equity remains stable with portions attributable to the owners of the Parent company and NCI at P7,251.4 million and P2,616.7 million, respectively.

Current and debt-to-equity ratios as of May 31, 2019, remains favorable at 1.21:1 and 43%, respectively.

As of the end of the current fiscal year, consolidated total assets have reached another milestone as it reached P15,186.6 million, which was 8% above the previous year's balance of P14,080.0 million. Current assets grew by 18%, from P3,848.9 million as of May 31, 2019 to P4,531.8 million as of May 31, 2020, while non-current assets inched higher by 4%, from P10,231.1 million as of May 31, 2019 to 10,654.8 million as of May 31, 2020.

The growth in consolidated total assets is mainly from the results of operations during the current year, financing from borrowings and investments from NCI. The balances of Cash and cash equivalents and Trade and other receivables grew significantly due to improvements in operating activities resulting from the increase in student population. Property and equipment likewise registered a significant increase mainly due to the constructions undertaken by FEU Alabang, Inc. (FEUAI), East Asia Computer Center, Inc. (EACCI) and the University in its Manila campus.

Consolidated total liabilities increased by 13% to P4,768.8 million as of May 31, 2020 compared to previous year's P4,211.9 million. The increase is mainly attributable to the higher year-end balance of Trade and other payables resulting from payment recording cut-off, and the outstanding balance of additional bank loans obtained during the year.

Non-current liabilities grew to P1,855.2 million from previous year's P1,041.2 million, while current liabilities declined to P2,913.6 million from P3,170.7 million last year.

Consolidated total equity improved as well as it gained by 6%, from P9,868.1 million as of May 31, 2019 to P10,417.8 million as of May 31, 2020. The Group's consolidated equity is composed of the equity attributable to owners of the Parent company and NCI amounting to P7,556.5 million and P2,861.4 million, respectively.

The Group's financial position remained strong with its consistent liquidity and stable solvency indicators. Current and quick ratios were at 1.56:1 and 1.48:1, respectively, while a debt-to-equity ratio and equity-to-asset ratio are at very manageable levels of 46% and 69%, respectively.

For the past four years, consolidated total asset growth is at an average annual rate of 12% or P1,373.9 million; consolidated total liabilities also increased at around P824.6 million or at an average rate 40% a year. Over the same period, consolidated total stockholders' equity continues to build up at an annual average of P549.3 million or 6% yearly (*see Table 1*).

Table 1

(Amounts in Million Philippine Peso)

Fiscal Year Ending	Consolidated Total Assets	Increase		Consolidated Total Liabilities	Increase		Consolidated Net Assets	Increase	
		Amount	%		Amount	%		Amount	%
March 31, 2016	P 9,691.0	P -	-	P 1,470.3	P -	-	P 8,220.8	P -	-
May 31, 2017	11,959.8	2,268.8	23%	3,137.2	1,667.0	113%	8,822.6	601.8	7%
May 31, 2018	13,187.4	1,227.6	10%	4,146.0	1,008.8	32%	9,041.4	218.8	2%
May 31, 2019	14,080.0	892.6	7%	4,211.9	65.9	2%	9,868.1	826.7	9%
May 31, 2020	15,186.6	1,106.6	8%	4,768.8	556.9	13%	10,417.8	549.8	5%
Average		P 1,373.9	12%		P 824.6	40%		P 549.3	6%

The Group's solvency for the past four years has always been favorable. As of May 31, 2020, the Group has a P3.18 worth of assets to cover every P1.00 worth of liability.

As of the same report date, the Group remained liquid with P1.56 worth of the current asset available to cover every P1.00 worth of current liability *(see Table 2)*.

Table 2

(Amounts in Million Philippine Peso)

Fiscal Year Ending	Consolidated Total Current Assets	Consolidated Total Current Liabilities	Consolidated Net Current Assets
May 31, 2017	P 4,627.4	P 1,444.9	P 3,182.5
May 31, 2018	4,749.5	2,742.5	2,007.1
May 31, 2019	3,848.9	3,170.7	678.2
May 31, 2020	4,531.8	2,913.6	1,618.3

The stability in the Group's financial position, both in solvency and liquidity, was largely attributed to the Group's consistency in generating good results of operations as shown in its consolidated net income for the past four years. In line with this, the Group distributes reasonable amount of dividends to its shareholders annually.

Below is a four-year table which shows the Group's net income and total dividends declared and paid. During the current fiscal year, the Group declared stock dividends other that its usual semi-annual cash dividend declarations.

Table 3

(Amounts in Million Philippine Peso)

Fiscal Year Ending	Consolidated Net Income	Dividends	%	Excess of Net Income Over Dividends	%
May 31, 2017	P 806.5	P 397.8	49%	P 408.6	51%
May 31, 2018	547.6	300.2	55%	247.5	45%
May 31, 2019	808.5	298.6	37%	509.9	63%
May 31, 2020	683.0	1,084.4	159%	(401.5)	-59%
Four-year average			75%		25%

On average, around 25% of the Group's net income is retained in equity (*see Table 3*). As a result, the Group's consolidated stockholders' equity steadily improved (*see Table 4*).

Table 4

(Amounts in Million Philippine Peso)

Fiscal Year Ending	Consolidated Stockholders' Equity	Increase / (Decrease)	%
March 31, 2016	P 8,220.8	P -	-
May 31, 2017	8,822.6	601.8	7%
May 31, 2018	9,041.4	218.8	2%
May 31, 2019	9,868.1	826.7	9%
May 31, 2020	10,417.8	549.8	6%

As shown in Table 5, the consolidated total stockholders' equity as of May 31, 2020 accounts for 69% of the consolidated total assets, which means the Group is able to pay all its liabilities and still have remaining 98% of its consolidated non-current assets, assuming all current assets are used first to settle the Group's obligations.

Table 5

(Amounts in Million Philippine Peso)

	Amount	%
Consolidated Total Assets	P 15,186.6	100.0%
Consolidated Current Assets	4,531.8	30%
Consolidated Non-current Assets	10,654.8	70%
Consolidated Total Liabilities	4,768.8	31%
Consolidated Total Assets Net of Consolidated Total Liabilities	10,417.8	69%

Consolidated Results of Operations

The Group's results of operations continue to be positive as the consolidated net profit after tax remained hefty for the last three fiscal years.

The fiscal year ended May 31, 2018 was the second year of the K-12 program, wherein there were few enrollees for the first-year and second-year levels in tertiary. During the year, the Group's operations remained optimistic with an operating income amounting to P483.9 million, and other income amounting to P156.2 million. With the contribution of both income sources, net profit before tax reached P640.1 million. Tax expense for the year is at P92.5 million, resulting to a sound net profit after tax amounting to P547.6 million.

With the return of freshmen enrollees in tertiary, the Group's consolidated operating income for the fiscal year ended May 31, 2019 improved to P668.2 million from 2018's P483.9 million. Moreover, other income significantly grew to P266.4 million from preceding year's P156.2 million. Overall results showed a renewed boost as profit before tax landed at P934.6 million. After income tax expense of P126.1 million, net profit after tax was better this year 2019 at P808.5 million.

The Group's operating income for the fiscal year ended May 31, 2020 was registered at P771.9 million, a 16% improvement from last year. The main driver for this is the educational revenues that grew by 7%, to P3,556.3 million.

The educational revenues are generally expected to improve this year due to the increase in student population, as this is the second year that there were freshmen enrollees in the tertiary schools after the initial implementation of the K-12 program. The anticipated revenue growth, however, has been trimmed by fees rebates granted to students, amounting to P115.9 million. The University found it necessary to return the unutilized miscellaneous fees resulting from the shift to full online classes during the latter part of the second semester, as face-to-face classes were disallowed by the government to arrest the spread of the new corona virus disease (COVID-19). The University's second semester has been carried out normally during the first two months, and on full online mode during the remaining three months.

Moreover, the expected contribution to revenue increase from the trimestral schools of the Group, particularly EACCI and FEUAI, were also curtailed by the COVID-19 pandemic, as their third term which is supposed to start in April 2020, within the current fiscal year, has been moved to August 2020, next fiscal year. Revenues from the third term that should have been recognized during the current fiscal year amounts to an approximate of P153.0 million.

While organic operations still showed an improvement despite the looming effect of the COVID-19 pandemic, other income posted a significant decline as it dropped by 95%, to only P12.6 million from last year's P266.39 million. This is attributable to lower finance income already noted at the opening of year 2020 and exacerbated by the slump in the financial markets caused by the nationwide lockdowns from March to May 2020, and further pulled down by increased interest charges on a larger loan principal base.

Profit before tax settled at P784.6 million, while tax expense amounted to P101.6 million, resulting still to a sound net profit after tax amounting to P683.0 million.

Table 6

(Amounts in Million Philippine Peso)

Fiscal Year Ending	Consolidated Operating Income	Periodic Increase / (Decrease)		Consolidated Other Income	Periodic Increase / (Decrease)		Consolidated Net Profit Before Tax	Periodic Increase / (Decrease)	
		Amount	%		Amount	%		Amount	%
March 31, 2016	P 1,151.0	P -	-	P 232.2	P -	-	P 1,383.2	P -	-
May 31, 2017	767.3	(383.8)	-33%	160.5	(71.7)	-31%	927.7	(455.5)	-33%
May 31, 2018	483.9	(283.3)	-37%	156.2	(4.3)	-3%	640.1	(287.6)	-31%
May 31, 2019	668.2	184.3	38%	266.4	110.2	71%	934.6	294.4	46%
May 31, 2020	771.9	103.7	16%	12.6	(253.8)	95%	784.6	(150.0)	16%
Four-year Average	P 672.8	(P 94.8)	-4%	P 148.9	(P 54.9)	-15%	P 821.8	(P 149.7)	-8%

Still based on the last four fiscal years, average consolidated net profit before tax is at P821.8 million annually. Average contribution based on the same four-year period coming from Operating Income and Other Income amounted to P672.8 million and P148.9 million, respectively (*see Table 6*).

The significant contribution of operating income to the consolidated net profit before tax is due to the effective control of costs and operating expenses which posted an average annual increase of 11%, or P236.0 million, based on the same four-year period. The average annual increase in revenue is slightly lower at 5%, or P141.3 million (*see Table 7*). Such trend in revenues was observed as the Group is still operating under the K-12 periods; however, such is expected to slowly normalize as college freshmen enrollees already returned starting the current SY 2018-2019. Even with the challenges in its business environment, the Group manages to lessen any negative impact on its operating results.

Table 7

(Amounts in Million Philippine Peso)

Fiscal Year Ending	Consolidated Operating Revenue	Periodic Increase / (Decrease)		Consolidated Costs and Operating Expenses	Periodic Increase / (Decrease)		Consolidated Operating Income	Periodic Increase / (Decrease)	
		Amount	%		Amount	%		Amount	%
March 31, 2016	P 3,066.3	P -	-	P 1,915.3	P -	-	P 1,151.0	P -	-
May 31, 2017	2,862.8	(203.5)	-7%	2,095.6	180.2	9%	767.3	(383.8)	-33%
May 31, 2018	2,666.2	(196.6)	-7%	2,182.3	86.7	4%	483.9	(283.3)	37%
May 31, 2019	3,361.8	695.5	26%	2,693.6	511.3	23%	668.2	184.3	38%
May 31, 2020	3,631.4	296.6	8%	2,859.4	165.9	6%	771.9	103.7	16%
Four-year Average	P 3,130.5	P 141.3	5%	P 2,457.7	P 236.0	11%	P 672.8	(P 94.8)	-4%

The Group's revenue pertains mainly to Tuition and other school fees which is generated from educational services, being its core operations. Presented in Table 8 is the composition of the Group's consolidated revenues.

Table 8

(Amounts in Million Philippine Peso)

Fiscal Year Ending	Tuition and Other School Fees	%	Rental Income	%	Sale of Real Estate	%	Others	%	Total Revenue	%
May 31, 2017	P 2,816.8	98%	P 43.4	1.9%	P -	-	P 2.6	0.1%	P 2,862.8	100.0%
May 31, 2018	2,620.2	98%	42.0	1.9%	-	-	4.0	0.1%	2,666.2	100.0%
May 31, 2019	3,315.3	99%	43.8	0.9%	-	-	2.7	0.1%	3,361.8	100.0%
May 31, 2020	3,556.3	98%	33.4	0.9%	38.0	1%	3.6	0.1%	3,631.4	100.0%
Four-year Average	P 3,077.1	98%	P 40.7	1.6%	P 9.5	0.3%	P 3.2	0.1%	P 3,130.5	100.0%

A Look at What Lies Ahead

With the new corona virus disease (COVID-19) pandemic currently affecting the Philippines and almost all countries around the world, the management recognizes the Group's exposure to the risks in its business environment. Particularly, the schools' inability to hold face-to-face classes and the expected adverse economic impact on the general public's household income may be the significant factors which may lead to lower number of enrollments in the coming school year.

Accordingly, the management has activated business continuity plans, both at the corporate and the academic operational levels, to mitigate the perceived negative impacts on the overall operations.

Moving forward, continuous cost efficiency will have to prevail.

The Group endeavors to achieve constant effective and efficient management of its schools and other entities within the Group, to maintain resiliency and stability of operations.

The Group remains committed to the core values of affordable and accessible quality education for students and meaningful career for its faculty and employees.

Top Five (5) Key Performance Indicators

I. Test of Liquidity

Liquidity refers to the Group'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)

As of May 31,			
2020	2019	2018	2017
1.56 : 1	1.21 : 1	1.73 : 1	3.20 : 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)

As of May 31			
2020	2019	2018	2017
1.48 : 1	1.13 : 1	1.61 : 1	3.01 : 1

II. Test of Solvency

Solvency refers to the Group'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)

As of May 31,			
2020	2019	2018	2017
46%	43%	46%	36%

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

As of May 31,			
2020	2019	2018	2017
31%	30%	31%	26%

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

As of May 31,			
2020	2019	2018	2017
69%	70%	69%	74%

III. Test of Profitability

Profitability refers to the Group's earning capacity. It also refers to the Group'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).

For the Year Ended May 31,			
2020	2019	2018	2017
4%	6%	4%	7%

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).

For the Year Ended May 31,			
2020	2019	2018	2017
7%	8%	6%	9%

3) Earnings per share measure the net income per share.

For the Year Ended May 31,			
2020	2019	2018	2017
P 25.92*	P 31.41*	P 20.53*	P 45.61

***** *Restated after giving retrospective effect on the stock dividend declared on September 10, 2019*

IV. Product/Service Standards

- **FEU – Manila *(operated by FEU or the University)***

  - Designated the **Autonomous Status** by the Commission on Higher Education (CHED)

  - Member of the **ASEAN University Network – Quality Assurance (AU-QA)** and the **Association to Advance Collegiate Schools of Business (AACSB)**

  - ***Bachelor of Science in Business Administration*** was awarded **Center of Development** by the CHED

  - ***Teacher Education Program*** was awarded **Center of Excellence** by the CHED

  - ITHM's ***Bachelor of Science in Tourism Management*** program is also accredited by the **Asia-Pacific Institute for Events Management (APIEM)** as a **Center of Excellence**

  Various programs of the University are accredited by the Philippine Association of Colleges and Universities Commission on Accreditation (PACUCOA) and the Philippine Accrediting Association of Schools, Colleges and Universities (PAASCU).

- **FEU Institute of Technology *(operated by EACCI)***

  FEU Tech offers innovative academic programs that are complemented by strong industry and academic partnerships, which provide students additional opportunities for immersive learning experiences. Students have access to real-world training and work experience from an intense and well-designed internship program with industry partners, as well as a study- and internship-abroad programs allow students to learn and be immersed in multicultural environments and cultures with partner schools abroad.

  Certain engineering programs are granted Level II and Level I accreditation from PAASCU.

- **FEU Cavite *[operated by Far Eastern College - Silang, Inc. (FECSI)]***

  FEU Cavite aspires to be a school of choice in the Southern Tagalog region by pursuing the twin goals of inculcating a love for learning among its students and being an engine for the region's community development. It seeks to develop its students as values-driven, service oriented, and future-ready global citizens through a technology-empowered and individualized learning system. Its social mission is to fuel community growth by heritage preservation and environmental stewardship.

- **FEU Senior High School *(operated by FEU High)***

  Guided by the core values of Fortitude, Excellence, and Uprightness, FEU High provides quality education that prepares its graduates for college, the world of work, and life. Its curriculum is student-centered, values-oriented, and competency-laden; its delivery methods are technology-enabled, and its learning

activities are project-based.

- **FEU Alabang *(operated by FEU Alabang, Inc.)***

  FEU Alabang strengthens the Group's commitment to give students a complete academic experience. Being the sixth campus of FEU, it serves as the continuing realization of Dr. Nicanor Reyes Sr.'s aspiration that all graduates of the FEU community build rewarding careers in professions that will be beneficial to the country's growth.

  Opened in August 2018, the 1.8-hectare campus welcomed students to its 17-storey academic building, which is equipped with modern classrooms and laboratories, as well as a campus accented by lush green spaces and featuring a 200-seat chapel *(recent awardee in 2020-2021 for Best Public Service Architecture, by Asia Pacific Property Awards)* and gymnasium.

  FEU Alabang is set to become one of the pioneering academic institutions in the area.

- **Roosevelt College *[operated by Roosevelt College, Inc. (RCI)]***

  Roosevelt College lays claim to a long history of establishing good-quality nonsectarian private high schools, first as Marikina Academy in 1933 and as RCI starting 1946.

  In November 2019, the stockholders ratified the proposal of the RCI board of trustees for the corporation to do business under the name and style FEU Roosevelt (FEUR). Starting in 2016, as it became a member of the FEU group of schools, RCI is expected to carry forward FEU's mark of offering quality educational programs and facilities, while improving its accessibility to more Filipino families.

- **Edustria *[operated in partnership with Technological Institute of the Philippines (T.I.P.)]***

  Expanding the Group's reach down south of NCR particularly in the province of Batangas, FEU partnered with T.I.P. and established Edustria Inc. in August 2019, doing business under the name and style Edustria High School, primarily to operate an educational institution offering enhanced basic education from Kindergarten to Senior High School level. Edustria is short for "Education for Industry" which rightly describes its primary purpose: to deliver education that is relevant to industry needs.

  The School has not started commercial operations as at May 31, 2020. However, the Senior and Junior High School departments are set to welcome its first batch of Grade 11 students on August 24, 2020 and the pioneer batch of Grade 7 students on October 5, 2020, respectively.

V. Market Acceptability

Below is a schedule of the Group's first semester enrollment for the past five years.

School Year	No. of Students	Increase / (Decrease)
2015 - 2016	34,163	-
2016 - 2017	36,839	8%
2017 - 2018	33,256	-10%
2018 - 2019	39,892	20%
2019 - 2020	43,334	9%

The substantial enrollment, despite difficult times coupled with the effects of the K-12 program, is an indication that the FEU Group of Schools remains to be among the better choices among the various colleges and universities in Metro Manila, in Rizal and in Cavite provinces. Also, the Group continues to expand its reach in senior high school and basic education, with Edustria added to the fold for the school year 2020-2021.

FORMULA USED:

I. Liquidity

1 Current ratio = $\frac{\text{Current assets}}{\text{Current liabilities}}$

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

II. Solvency

1 Debt to Equity ratio = $\frac{\text{Total liabilities}}{\text{Total equity}}$

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

3 Equity to Asset ratio = $\frac{\text{Total equity}}{\text{Total assets}}$

III. Profitability

1 Return on assets = $\frac{\text{Net profit}}{\text{Total assets}}$

2 Return on owner's equity = $\frac{\text{Net profit}}{\text{Total equity}}$

3 Earnings per share = $\frac{\text{Net profit}}{\text{Weighted average outstanding shares}}$

DATA (Based on Consolidated Balances):

(Amounts in Million Philippine Pesos)

	May 31,			
	2020	2019	2018	2017
FINANCIAL POSITION				
Assets:				
Quick assets*	P 4,298.9	P 3,595.6	P 4,432.7	P 4,351.5
Current assets	4,531.9	3,848.9	4,749.5	4,627.4
Non-current assets	10,654.8	10,231.1	8,437.9	7,332.5
Total assets	15,186.6	14,080.0	13,187.4	11,959.8
Liabilities:				
Current liabilities	P 2,913.6	P 3,170.7	P 2,742.5	P 1,444.9
Non-current liabilities	1,855.2	1,041.2	1,403.5	1,692.3
Total liabilities	4,768.8	4,211.9	4,146.0	3,137.2
Equity:				
Total equity	P 10,417.8	P 9,868.1	P 9,041.4	P 8,822.6
• Attributable to owners of the Parent Company	7,556.5	7,251.4	6,862.2	6,712.1
• Non-controlling interest	2,861.3	2,616.7	2,179.2	2,110.5
RESULTS OF OPERATIONS				
Net Profit:				
Operating profit	P 772.0	P 668.2	P 483.9	P 767.3
Other income	12.6	266.4	156.2	160.5
Net income before tax	784.6	934.6	640.1	927.7
Net income after tax	683.0	547.6	547.6	806.5
• Attributable to owners of the Parent Company	621.4	753.3	492.2	749.5
• Non-controlling interest	61.6	55.2	55.4	56.9

** Quick assets include Cash and cash equivalents, Trade and other receivables – net (under Current Assets), Financial assets at fair value through profit or loss, Financial assets at fair value through other comprehensive income (under Current Assets), Investment securities at amortized cost (under Current Assets) and Short-term Investment which is included as part of Other current assets – net*

DATA (Based on Consolidated Balances):

	(Amounts in Philippine Peso and In Absolute Value Unless Otherwise Indicated)			
	May 31,			
	2020	2019	2018	2017
OTHERS:				
Weighted average number of shares outstanding	23,976,464	23,978,859	23,980,709	16,434,790
Earnings per share	P 25.92	P 31.41	P 20.53	P 45.61

Other Items

1. As of report date, certain economic factors affect the revenues and income from the Group's operations. Such factors include the implementation of K-12 program (starting SY 2016-2017), the possible competition from tuition-free State Universities and Colleges, and the current COVID-19 pandemic being experienced around the world.

2. There are no known events that would result in any default or acceleration of an obligation.

3. Other than those disclosed in the financial statements, there are no other known events that will trigger direct or contingent financial obligation that may be material to the Group.

4. There are no other material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

5. The Group does not foresee any cash flow or liquidity problem in the next 12 months immediately following the report date. The Group and each of the component entities can easily meet all its commitments with its present reserves and expected earnings.

6. There are no significant elements of income or loss from continuing operations.

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

8. Seasonal aspects that have material effect on the financial statements:

   For FEU Manila and FEU Cavite (Tertiary), there are three school terms within a fiscal year: Midyear Term (June to July for FEU Manila, while April to May for FEU Cavite), First Semester (August to December for FEU Manila, while June to October for FEU Cavite) and Second Semester (January to May for FEU Manila and November to March for FEU Cavite).

   The first semester has the highest number of students enrolled. The second semester enrollment is approximately at 90% of the first semester's enrollment,

while the midyear term is the lowest at an approximate of 33%. The maximum load, in terms of subject units, of a student during the summer term is only nine units, compared to 21 to 24 units during the first and second semesters.
For FEU Tech and FEU Alabang, there are three regular terms in a fiscal year: First Term (August to November), Second Term (November to March) and Third Term (March to June).

The tuition fee increase, if any, usually takes effect during the first semester of a particular school year. Thus, old rates are followed during the midyear term while new rates are applied during the first and second semesters. Since the first quarter is from June to August, the resulting income for the first quarter is at the lowest among the four quarters of the fiscal year.

9. The Group has no significant other operating segments beside education, its real estate activities are in place significantly to service the real estate needs of the operating schools. Investment and corporate activities are made to optimized reserve funds still with the objective of focusing resources in its core educational segment.

The Group reports geographical segments between metropolitan and provincial where campuses of FEU Schools are diversely located.

(Amounts in Thousand Philippine Peso)

Operating Segments by Geographical Location

	Metro Manila	**Provincial**	**Total**
Revenues	P 3,669,215	P 302,525	P 3,971,740
Costs and operating expenses	(2,598,145)	(323,802)	(2,921,947)
Operating income	P 1,071,069	(P 21,277)	P 1,049,793
Assets	P 17,425,706	P 2,889,399	P 20,315,105
Liabilities	P 6,203,940	P 1,120,913	P 7,324,853

E. Corporate Governance

Compliance with Leading Practices on Corporate Governance

1. Board of Trustee's Governance Responsibilities

1.1. Establish a Competent Board - Far Eastern University (FEU) is headed by a competent, working Board of Trustees (Board). The Board is composed of Trustees with a collective working knowledge, experience and expertise that are relevant to FEU's education industry.

1.2. Establish Clear Roles and Responsibilities of the Board - The fiduciary roles, responsibilities and accountabilities of the FEU Board as provided under the law, FEU's Articles of Incorporation and By-Laws, as amended, and other legal pronouncements and guidelines are clearly made known to all Trustees as well as to stockholders and other stakeholders of FEU.

1.3. Establish Board Committees - All of the Board Committees of FEU are set up to support the effective performance of the Board's functions. The composition, functions and responsibilities of all Board Committees established are contained in a publicly available Committee Charter.

1.4. Foster Board Commitment - To show their full commitment to FEU, its Trustees devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with FEU's business.

In amendments endorsed by the Corporate Governance Committee and ratified by the Board on 15 May 2018, FEU policies now (i) allow Trustees to attend meetings via tele-conferencing or videoconferencing conducted in accordance with SEC rules; (ii) provide that the absence of a Trustee in more than 50% of all Board meetings during his/her incumbency is a ground for disqualification in the succeeding election; (iii) limit Trustees from concurrently serving as directors/trustees to a maximum of five publicly listed companies; and (iv) require a Trustee to notify the Chairman of the Board when he/she is invited to join the board of directors/trustees of another company, and to review with the Corporate Governance Committee before he/she accepts the invitation any potential conflict issues that may need to be brought before the Board.

1.5 Reinforce Board Independence - The FEU Board endeavors to exercise objective and independent judgment on all corporate affairs. And the Board has three Independent Trustees, or one-third of the nine-member Board of Trustees.

1.6 Strengthen Board Ethics - The members of the FEU Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

2. Disclosure and Transparency

2.1. Enhance Disclosure Policies and Procedures - FEU had established corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

2.2. Strengthen External Auditor's Independence and Improve Audit Quality - FEU had established standards for the appropriate selection of an External Auditor, and exercised effective oversight of its External Auditor to strengthen the latter's independence and enhance audit quality.

2.3. Increase Focus on Non-Financial and Sustainability Reporting - FEU had ensured that the material and reportable non-financial and sustainability issues are disclosed.

2.4. Promote a Comprehensive and Cost-Efficient Access to Relevant Information - FEU maintains a comprehensive and cost-efficient communication channel for disseminating relevant information. The channel is crucial for informed decision-making by investors, stakeholders and other interested users.

3. Internal Control System and Risk Management Framework

3.1. Strengthen Internal Control System and Enterprise Risk Management Framework - FEU has a strong and effective internal control system and enterprise risk management framework that ensures the integrity, transparency and proper governance in the conduct of its affairs.

3.2. FEU seeks external technical support in risk management when such competence is not available internally.

4. Cultivate Synergic Relationship with Shareholders

4.1. Promote Shareholder Rights - FEU treats all shareholders fairly and equitably, and also recognizes, protects and facilitates the exercise of their rights.

4.2. The minutes of the 19 October 2019 (a Saturday) Annual Meeting of FEU Stockholders were posted on the FEU website on 23 October 2019, three business days from the end of the meeting.

5. Duties to Stakeholders

5.1. Respect Rights of Stakeholders and Effective Redress for Violation of Stakeholders' Rights - FEU respects the rights of stakeholders established by law, contractual relations and through voluntary commitments. In FEU, where stakeholders' rights and/or interests are at stake, stakeholders have the opportunity to obtain prompt and effective redress for the violation of their rights.

5.2. Encourage Employees' Participation - FEU had developed a mechanism for employee participation that creates a symbiotic environment to realize FEU's goals and participate in its governance processes.

FEU has an active Union of its rank-and-file employees and another working Union of its faculty members. Both Unions have a collective bargaining agreement with FEU.

5.3. Encourage Sustainability and Social Responsibility - FEU is socially responsible in all its dealings with the communities where it operates. FEU ensures that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced developments.

Financial Statements

Financial Statements including the applicable supplementary schedules to the consolidated financial statements are filed as Attachments of this report (found at the last part of this report, in the order as listed below).

Parent or Separate Financial Statements

- Statement of Management's Responsibility for Financial Statements
- Report of Independent Certified Public Accountants to Accompany Income Tax Return
- Report of Independent Auditors on the Financial Statements of Far Eastern University, Incorporated as of and for the years ended May 31, 2020, 2019 and 2018
- Supplemental Statement of Independent Auditors
- Statements of Financial Position of Far Eastern University, Incorporated as of May 31, 2020, 2019 and 2018
- Statements of Profit or Loss of Far Eastern University, Incorporated for the years ended May 31, 2020, 2019 and 2018
- Statements of Changes in Equity of Far Eastern University, Incorporated for the years ended May 31, 2020, 2019 and 2018
- Statements of Comprehensive Income of Far Eastern University, Incorporated for the years ended May 31, 2020, 2019 and 2018
- Statements of Cashflows of Far Eastern University, Incorporated for the years ended May 31, 2020, 2019 and 2018
- Notes to Financial Statements of Far Eastern University, Incorporated as of and for the years ended May 31, 2020, 2019 and 2018

Consolidated Financial Statements

- Statement of Management's Responsibility for Consolidated Financial Statements
- Report of Independent Auditors on the Financial Statements of Far Eastern University, Incorporated and Subsidiaries as of and for the years ended May 31, 2020, 2019 and 2018
- Statements of Financial Position of Far Eastern University, Incorporated and Subsidiaries as of May 31, 2020, 2019 and 2018
- Statements of Profit or Loss of Far Eastern University, Incorporated and Subsidiaries for the years ended May 31, 2020, 2019 and 2018
- Statements of Comprehensive Income of Far Eastern University, Incorporated and Subsidiaries for the years ended May 31, 2020, 2019 and 2018
- Statements of Changes in Equity of Far Eastern University, Incorporated and Subsidiaries for the years ended May 31, 2020, 2019 and 2018
- Statements of Cashflows of Far Eastern University, Incorporated and Subsidiaries for the years ended May 31, 2020, 2019 and 2018
- Notes to Consolidated Financial Statements of Far Eastern University, Incorporated and Subsidiaries as of and for the years ended May 31, 2020, 2019 and 2018

FAR EASTERN UNIVERSITY

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
www.feu.edu.ph

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Far Eastern University, Incorporated (the University)** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended May 31, 2020, 2019 and 2018 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Trustees is responsible for overseeing the University's financial reporting process.

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

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of **Far Eastern University, Incorporated** in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

Aurelio R. Montinola III
Chairman of the Board and
Chief Executive Officer

Michael M. Alba
President and Chief Operating Officer

Juan Miguel R. Montinola
Chief Finance Officer

Signed this SEP 07 2020 day of September 2020.

SUBSCRIBED AND SWORN to before me this SEP 07 2020, 2020, affiants exhibiting their Tax Identification Numbers (TIN) as follows:

Name	TIN	Place Issued
Aurelio R. Montinola III	135-558-086	Philippines
Michael M. Alba	157-483-273	Philippines
Juan Miguel R. Montinola	115-203-243	Philippines

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Book No. XX
Series of 2020.

ENRICO G. GILERA
Notary Public for Manila
Until December 2020
PTR No. 9186556; 01.21.2020; Manila
IBP No. 105672; 01.09.2020; Manila III
Roll No. 35145; May 27, 1988
Compliance No. V 0021389; May 4, 2016
Unit 403 Dona Consuelo Bldg.,
929 Nicanor Reyes Street, Manila
Tel No. 8736-4975

P&A Grant Thornton

An instinct for growth™

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

T +63 2 8988 22 88

Report of Independent Certified Public Accountants to Accompany Income Tax Return

The Board of Trustees and the Stockholders
Far Eastern University, Incorporated
Nicanor Reyes, Sr. Street
Sampaloc, Manila

We have audited the financial statements of Far Eastern University, Incorporated (the University) for the year ended May 31, 2020, on which we have rendered the attached report dated August 18, 2020.

In compliance with Revenue Regulations V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholders of the University.

PUNONGBAYAN & ARAULLO

By: Mailene Sigue-Bisnar
Partner

CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 8116539, January 2, 2020, Makati City
SEC Group A Accreditation
Partner - No. 0396-AR-3 (until Oct. 1, 2021)
Firm - No. 0002-FR-5 (until Mar. 26, 2021)
BIR AN 08-002511-20-2018 (until Jan. 25, 2021)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

August 18, 2020

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Report of Independent Auditors

The Board of Trustees and the Stockholders
Far Eastern University, Incorporated
Nicanor Reyes, Sr. Street
Sampaloc, Manila

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Far Eastern University, Incorporated (the University), which comprise the statements of financial position as at May 31, 2020, 2019 and 2018 and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and the notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the University as at May 31, 2020, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 27 in the notes to financial statements, which describes the likely impact of the business disruptions as a result of the coronavirus outbreak to the University's financial condition and performance after the end of the reporting period. Our opinion is not modified in respect to this matter.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the University to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended May 31, 2020 required by the Bureau of Internal Revenue as disclosed in Note 31 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit 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.

The engagement partner on the audits resulting in this independent auditors' report is Mailene Sigue-Bisnar.

PUNONGBAYAN & ARAULLO

By: Mailene Sigue-Bisnar
Partner

CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 8116539, January 2, 2020, Makati City
SEC Group A Accreditation
Partner - No. 0396-AR-3 (until Oct. 1, 2021)
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BIR AN 08-002511-20-2018 (until Jan. 25, 2021)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

August 18, 2020

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Supplemental Statement of Independent Auditors

The Board of Trustees and the Stockholders
Far Eastern University, Incorporated
Nicanor Reyes, Sr. Street
Sampaloc, Manila

We have audited the financial statements of Far Eastern University, Incorporated (the University) for the year ended May 31, 2020, on which we have rendered the attached report dated August 18, 2020.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the University has 1,497 stockholders owning one or more shares of the University's capital stock as of May 31, 2020, as disclosed in Note 25 to the financial statements.

PUNONGBAYAN & ARAULLO

By: Mailene Sigue-Bisnar
Partner

CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 8116539, January 2, 2020, Makati City
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Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

August 18, 2020

FAR EASTERN UNIVERSITY, INCORPORATED
STATEMENTS OF FINANCIAL POSITION
MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
A S S E T S				
CURRENT ASSETS				
Cash and cash equivalents	7	**P 193,452,523**	P 177,278,502	P 237,874,555
Receivables - net	8	**949,536,315**	626,892,849	574,309,614
Financial assets at fair value through profit or loss	9	**839,573,467**	807,352,045	-
Financial assets at fair value through other comprehensive income	9	**182,283,531**	184,742,421	-
Investment securities at amortized cost	9	**227,576,146**	263,808,437	-
Available-for-sale financial assets	9	**-**	-	2,119,491,677
Prepayments and other current assets - net	11	**70,331,751**	90,774,487	104,745,393
Total Current Assets		**2,462,753,733**	2,150,848,741	3,036,421,239
NON-CURRENT ASSETS				
Financial asset at fair value through other comprehensive income	9	**279,905,371**	280,583,659	-
Investment securities at amortized cost	9	**275,559,164**	497,963,134	-
Held-to-maturity investments	9	**-**	-	297,284,616
Investments in subsidiaries and an associate	12	**2,292,942,440**	2,037,942,443	2,045,820,563
Investment properties - net	13	**1,337,455,877**	1,358,701,703	1,380,122,640
Property and equipment - net	14	**3,652,159,278**	2,368,874,694	2,116,841,289
Refundable deposits	2	**4,794,962**	4,796,804	4,880,271
Deferred tax assets - net	23	**20,713,457**	14,384,357	8,654,108
Total Non-current Assets		**7,863,530,549**	6,563,246,794	5,853,603,487
TOTAL ASSETS		**P 10,326,284,282**	P 8,714,095,535	P 8,890,024,726
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Trade and other payables	16	**P 1,118,992,227**	P 931,080,307	P 876,394,851
Interest-bearing loans	17	**868,571,429**	1,143,571,429	1,033,571,429
Loans from related parties	24	**165,800,000**	115,800,000	85,800,000
Unearned tuition fees	18	**36,255,164**	105,960,946	83,737,964
Derivative liability	10	**-**	36,720,866	38,255,313
Subscription payable	12, 24	**76,499,997**	-	500,000
Total Current Liabilities		**2,266,118,817**	2,333,133,548	2,118,259,557
NON-CURRENT LIABILITIES				
Interest-bearing loans	17	**1,336,666,667**	965,000,000	1,333,571,429
Lease liabilities	15	**1,186,839,429**	-	-
Total Non-current Liabilities		**2,523,506,096**	965,000,000	1,333,571,429
Total Liabilities		**4,789,624,913**	3,298,133,548	3,451,830,986
EQUITY				
Capital stock	25	**1,651,435,400**	1,651,435,400	1,651,435,400
Stock dividends distributable	25	**757,941,400**	-	-
Treasury stock - at cost	25	**(3,733,100)**	(3,733,100)	(3,733,100)
Revaluation reserves	9	**10,380,827**	(7,438,560)	(31,806,994)
Retained earnings	25			
Appropriated		**1,909,733,100**	2,170,733,100	2,843,733,100
Unappropriated		**1,210,901,742**	1,604,965,147	978,565,334
Total Equity		**5,536,659,369**	5,415,961,987	5,438,193,740
TOTAL LIABILITIES AND EQUITY		**P 10,326,284,282**	P 8,714,095,535	P 8,890,024,726

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED
STATEMENTS OF PROFIT OR LOSS
FOR THE YEARS ENDED MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
EDUCATIONAL REVENUES	18			
Tuition fees - net		**P 1,858,315,744**	P 1,631,334,106	P 1,374,414,652
Other school fees		**56,495,777**	49,677,928	41,245,241
		1,914,811,521	1,681,012,034	1,415,659,893
OPERATING EXPENSES	19	**(1,698,361,547)**	(1,694,842,728)	(1,475,616,858)
OTHER OPERATING INCOME	13, 24	**88,211,113**	75,370,981	70,336,190
OPERATING INCOME		**304,661,087**	61,540,287	10,379,225
FINANCE INCOME	20	**328,592,810**	153,085,276	182,839,290
FINANCE COSTS	20	**(241,097,766)**	(100,474,005)	(63,575,305)
OTHER INCOME (CHARGES) - Net	21	**61,379,999**	160,217,724	30,598,844
INCOME BEFORE TAX		**453,536,130**	274,369,282	160,242,054
TAX EXPENSE	23	**(21,117,675)**	(27,264,562)	(14,279,771)
NET INCOME		**P 432,418,455**	P 247,104,720	P 145,962,283
Earnings Per Share				
Basic and Diluted	26	**P 17.98**	P 10.27	P 6.07

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Capital Stock (See Note 25)	Stock Dividends Distributable (See Note 25)	Treasury Stock - at Cost (See Note 25)	Revaluation Reserves (See Note 9)	Retained Earnings (See Note 25) Appropriated	Unappropriated	Total	Total Equity
Balance at June 1, 2019	P 1,651,435,400	P -	(P 3,733,100.00)	(P 7,438,560.00)	P 2,170,733,100	P 1,604,965,147	P 3,775,698,247	P 5,415,961,987
Transaction with owners:								
Stock dividends distributable	-	757,941,400	-	-	-	(757,941,400)	(757,941,400)	-
Cash dividends	-	-	-	-	-	(329,540,460)	(329,540,460)	(329,540,460)
	-	757,941,400	-	-	-	(1,087,481,860)	(1,087,481,860)	(329,540,460)
Appropriations of retained earnings:								
Appropriations during the year	-	-	-	-	75,000,000	(75,000,000)	-	-
Reversal of appropriations during the year	-	-	-	-	(336,000,000)	336,000,000	-	-
	-	-	-	-	(P 261,000,000.00)	261,000,000	-	-
Total comprehensive income:								
Net income for the year	-	-	-	-	-	432,418,455	432,418,455	432,418,455
Other comprehensive income - net	-	-	-	17,819,387	-	-	-	17,819,387
	-	-	-	17,819,387	-	432,418,455	432,418,455	450,237,842
Balance at May 31, 2020	**P 1,651,435,400**	**P 757,941,400**	**(P 3,733,100)**	**P 10,380,827**	**P 1,909,733,100**	**P 1,210,901,742**	**P 3,120,634,842**	**P 5,536,659,369**
Balance at June 1, 2018	P 1,651,435,400	P -	(P 3,733,100.00)	(P 554,642.00)	P 2,843,733,100	P 948,492,795	P 3,792,225,895	P 5,439,373,553
Transaction with owners –								
Cash dividends	-	-	-	-	-	(263,632,368)	(263,632,368)	(263,632,368)
Appropriations of retained earnings –								
Reversal of appropriations during the year	-	-	-	-	(673,000,000)	673,000,000	-	-
Total comprehensive income:								
Net income for the year	-	-	-	-	-	247,104,720	247,104,720	247,104,720
Other comprehensive loss - net	-	-	-	(6,883,918)	-	-	-	(6,883,918)
	-	-	-	(6,883,918)	-	247,104,720	247,104,720	240,220,802
Balance at May 31, 2019	P 1,651,435,400	P -	(P 3,733,100)	(P 7,438,560)	P 2,170,733,100	P 1,604,965,147	P 3,775,698,247	P 5,415,961,987

	Capital Stock (See Note 25)	Stock Dividends Distributable (See Note 25)	Treasury Stock - at Cost (See Note 25)	Revaluation Reserves (See Note 9)	Retained Earnings (See Note 25) Appropriated	Unappropriated	Total	Total Equity
Balance at June 1, 2017	P 1,651,435,400	P -	(P 3,733,100)	P 38,838,926	P 2,573,733,100	P 1,366,235,419	P 3,939,968,519	P 5,626,509,745
Transaction with owners –								
Cash dividends	-	-	-	-	-	(263,632,368)	(263,632,368)	(263,632,368)
Appropriations of retained earnings:								
Appropriations during the year	-	-	-	-	520,000,000	(520,000,000)	-	-
Reversal of appropriations during the year	-	-	-	-	(250,000,000)	250,000,000	-	-
	-	-	-	-	270,000,000	(270,000,000)	-	-
Total comprehensive income:								
Net income for the year	-	-	-	-	-	145,962,283	145,962,283	145,962,283
Other comprehensive loss - net	-	-	-	(70,645,920)	-	-	-	(70,645,920)
	-	-	-	(70,645,920)	-	145,962,283	145,962,283	75,316,363
Balance at May 31, 2018	P 1,651,435,400	P -	(P 3,733,100)	(P 31,806,994)	P 2,843,733,100	P 978,565,334	P 3,822,298,434	P 5,438,193,740

In 2019, the University adopted PFRS 9, *Financial Instruments*, which resulted to an increase (decrease) in the balances as of June 1, 2018 of Revaluation Surplus, Unappropriated Retained Earnings and Total Equity amounting to P31, 252,352, (P30,072,539) and P1,179,813, respectively.

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Note	2020	2019	2018
NET INCOME		**P 432,418,455**	P 247,104,720	P 145,962,283
OTHER COMPREHENSIVE INCOME (LOSSES)				
Items that will be reclassified subsequently to profit or loss				
Net fair value losses reclassified to profit or loss on debt securities classified as fair value through other comprehensive income	9	**(6,893,548)**	(21,852,529)	-
Net fair value gains (losses) during the year		**28,479,739**	(630,266)	(45,558,479)
Tax income (expense)		**(2,158,619)**	2,248,280	4,555,848
		19,427,572	(20,234,515)	(41,002,631)
Items that will not be reclassified subsequently to profit or loss				
Net fair value gains (losses) on equity securities classified as financial assets at fair value through other comprehensive income	9	**(1,786,872)**	14,833,997	(32,936,988)
Tax income (expense)		**178,687**	(1,483,400)	3,293,699
		(1,608,185)	13,350,597	(29,643,289)
Other Comprehensive Income (Losses) - net of tax		**17,819,387**	(6,883,918)	(70,645,920)
TOTAL COMPREHENSIVE INCOME		**P 450,237,842**	P 240,220,802	P 75,316,363

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax		**P 453,536,130**	P 274,369,282	P 160,242,054
Adjustments for:				
Dividend income	20	**(347,496,485)**	(60,844,367)	(62,511,365)
Depreciation and amortization	19	**276,787,127**	202,739,289	205,593,927
Interest expense on loans payable	20	**216,374,289**	91,678,350	81,465,141
Other investment loss (income) from financial assets at FVTPL and fair value through other comprehensive income (FVOCI) - net	20	**78,910,166**	(14,378,187)	-
Impairment losses on receivables from students	19	**56,345,366**	5,660,750	33,441,829
Interest income	20	**(54,945,725)**	(74,766,386)	(68,659,934)
Foreign exchange loss (gain) - net	20	**16,881,723**	6,654,774	(31,703,084)
Fair value loss (gain) on derivative liability	20	**(5,060,766)**	(3,096,336)	11,504,354
Gain on sale of investment in an associate	21	**-**	(139,121,880)	-
Impairment loss on investments	9	**-**	21,717	-
Other investment income from available-for-sale (AFS) financial assets and held-to-maturity (HTM) investments - net	20	**-**	-	(51,667,991)
Operating income before working capital changes		**691,331,825**	288,917,006	277,704,931
Increase in receivables		**(338,983,081)**	(42,065,797)	(34,070,652)
Decrease (increase) in prepayments and other current assets		**6,127,381**	11,908,362	(44,675,353)
Increase in trade and other payables		**191,390,294**	39,019,342	16,544,851
Increase (decrease) in unearned tuition fees		**(69,705,782)**	22,222,982	74,926,726
Cash generated from operations		**480,160,637**	320,001,895	290,430,503
Interest received		**1,162,142**	4,292,133	8,975,115
Income taxes paid		**(13,129,578)**	(29,387,346)	(13,806,762)
Net Cash From Operating Activities		**468,193,201**	294,906,682	285,598,856
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property and equipment	14	**(417,460,399)**	(399,697,248)	(257,381,320)
Dividend received	24	**307,498,485**	60,416,703	58,352,732
Proceeds from maturities of investment securities at amortized cost	9	**255,426,068**	94,483,206	-
Payment of subscription payable	12	**(178,500,000)**	(500,000)	(487,500,000)
Net disposals (acquisitions) of financial assets at FVTPL	9	**(113,539,266)**	203,267,311	-
Acquisitions of investment securities at amortized cost	9	**(39,769,449)**	(109,369,204)	-
Interest received	9	**36,914,430**	69,642,096	65,051,814
Net disposals of financial assets at FVOCI	9	**35,807,514**	181,305,795	-
Acquisitions of investment properties	13	**(178,080)**	-	-
Proceeds from sale of investment in an associate	12, 21	**-**	147,000,000	-
Acquisitions of HTM investments	9	**-**	-	(52,500,099)
Proceeds from maturities of HTM investments	9	**-**	-	96,128,844
Net acquisitions of AFS financial assets	9	**-**	-	(50,482,763)
Net Cash From (Used in) Investing Activities		**(113,800,697)**	246,548,659	(628,330,792)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from additional interest-bearing loan	17, 30	**993,000,000**	170,000,000	715,000,000
Repayment of interest-bearing loans	17,30	**(896,333,333)**	(428,571,429)	(227,857,142)
Dividends paid	25, 30	**(318,718,930)**	(246,431,807)	(245,031,711)
Additional loans obtained from a related party	24, 30	**230,000,000**	90,000,000	110,800,000
Repayment of loans from related parties	24, 30	**(180,000,000)**	(60,000,000)	(25,000,000)
Interest paid	17, 30	**(96,842,165)**	(126,867,306)	(70,628,935)
Repayment of lease liabilities	15, 30	**(68,180,005)**	-	-
Net Cash From (Used in) Financing Activities		**(337,074,433)**	(601,870,542)	257,282,212
Effect of Exchange Rate Changes on Cash and Cash Equivalents		**(1,144,050)**	(180,852)	3,724,051
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**16,174,021**	(60,596,053)	(81,725,673)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**177,278,502**	237,874,555	319,600,228
CASH AND CASH EQUIVALENTS AT END OF YEAR		**P 193,452,523**	P 177,278,502	P 237,874,555

Supplemental Information on Non-cash Investing and Financing Activities:

1) During the year ended May 31, 2020, in relation to the adoption PFRS 16, *Leases*, the University recognized right-of-use asset and lease liability amounting to P1.12 billion and P1.20 billion, respectively, and an adjustment to accrued rent expense amounting to P82.8 million (see Notes 2 and 15).

2) The University declared cash dividends totaling P329.5 million in 2020 and P263.6 million both in 2019 and 2018, of which P10.8 million, P17.2 million and P18.6 million, respectively, were not paid in the year of declaration (see Note 16 and 25).

3) During the years ended May 31, 2020 and 2018, certain subsidiaries of the University declared dividends totaling to P347.5 million, and P62.5 million, respectively. Related receivable amounting to P40.0 million and P30.0 million as of May 31, 2020 and 2018, respectively, is recognized as part of Receivables from related parties under Receivable account (see Notes 8 and 24).

4) In school year 2019-2020, the University made additional subscription to a certain subsidiary amounting to P255.0 million, of which subscription payable amounted to P76.5 million (see Note 12).

5) During the year ended May 31, 2019, the University capitalized borrowing costs amounting to P33.7 million as part of Property and Equipment (see Notes 14 and 20).

See Notes to Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

1.1 Organization and Operations

The Far Eastern University, Incorporated (the University or FEU) is a domestic educational institution founded in June 1928 and was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on October 27, 1933. It became a listed corporation in the Philippine Stock Exchange (PSE) on July 11, 1986.

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 Tourism and Hotel Management, and Institute of Law.

Several programs of FEU, such as Liberal Arts, Applied Mathematics, Biology, Accountancy, Business Administration and Education, are accredited by the Philippine Association of Colleges and Universities Commission on Accreditation.

The University also has a campus in Makati, which offers Law, Accountancy, Business and Information Technology education.

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

1.2 Approval of the Financial Statements

The financial statements of the University as of and for the year ended May 31, 2020 (including the comparative financial statements as of and for the years ended May 31, 2019 and 2018) were authorized for issue by the University's Board of Trustees (BOT) on August 18, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below and in the succeeding pages. 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, and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The University presents the statement of comprehensive income separate from the statement of profit or loss.

The University presents two comparative periods for the statement of financial position regardless whether the University has or does not have retrospective restatement of items in its financial statements, or reclassifies items in the financial statements.

The University realigned certain financial position and profit and loss accounts in 2019 and 2018 in order to regroup and align with the presentation and account classification of the 2020 financial statements.

These changes in groupings of certain accounts with a corresponding breakdown in the notes to the financial statements are allowed under PAS 1 following the principle of materiality and aggregation. The changes did not have an impact on retained earnings, current and non-current classification and net income, thus, management believes this will not trigger retrospective presentation of the statement of financial position.

(c) Functional and Presentation Currency

These financial statements are presented in Philippine pesos, the University's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the University are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the University operates.

2.2 Adoption of New and Amended PFRS

(a) Effective in Fiscal Year 2020 that are Relevant to the University

The University adopted the following new PFRS, amendments, interpretation and annual improvements to PFRS, which are mandatorily effective for the annual periods beginning on or after January 1, 2019:

PAS 19 (Amendments)	:	Employee Benefits – Plan Amendment, Curtailment or Settlement
PAS 28 (Amendments)	:	Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures
PFRS 9 (Amendments)	:	Financial Instruments – Prepayment Features with Negative Compensation
PFRS 16	:	Leases
International Financial Reporting Interpretations Committee (IFRIC) 23	:	Uncertainty over Income Tax Treatments

Annual Improvements to PFRS (2015-2017 Cycle)		
PAS 12 (Amendments)	:	Income Taxes – Tax Consequences of Dividends
PAS 23 (Amendments)	:	Borrowing Costs – Eligibility for Capitalization
PFRS 3 and 11 (Amendments)	:	Business Combinations and Joint Arrangements – Remeasurement of Previously Held Interests in a Joint Operation

Discussed as follows are relevant information about these pronouncements, unless otherwise noted, the application of these changes had no significant impact to the University's financial statements:

(i) PAS 19 (Amendments), *Employee Benefits – Plan Amendment, Curtailment or Settlement*. The amendments clarify that past service cost and gain or loss on settlement is calculated by measuring the net defined benefit liability or asset using updated actuarial assumptions and comparing the benefits offered and plan assets before and after the plan amendment, curtailment or settlement but ignoring the effect of the asset ceiling that may arise when the defined benefit plan is in a surplus position. Further, the amendments now require that if an entity remeasures its net defined benefit liability or asset after a plan amendment, curtailment or settlement, it should also use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after the change to the plan.

(ii) PAS 28 (Amendments), *Investments in Associates and Joint Ventures – Long-term Interest in Associates and Joint Ventures*. The amendments clarify that the scope exclusion in PFRS 9 applies only to ownership interests accounted for using the equity method. Thus, the amendments further clarify that long-term interests in an associate or joint venture – to which the equity method is not applied – must be accounted for under PFRS 9, which shall also include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture.

(iii) PFRS 9 (Amendments), *Financial Instruments – Prepayment Features with Negative Compensation*. The amendments clarify that prepayment features with negative compensation attached to financial assets may still qualify under the "solely payments of principal and interests" (SPPI) test. As such, the financial assets containing prepayment features with negative compensation may still be classified at amortized cost or at fair value through other comprehensive income (FVOCI).

(iv) PFRS 16, *Leases*. The new standard replaced PAS 17, *Leases*, and its related interpretation IFRIC 4, *Determining Whether an Arrangement Contains a Lease*, Standard Interpretations Committee (SIC) 15, *Operating Leases – Incentives*, and SIC 27, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. For lessees, it requires an entity to account for leases "on-balance sheet" by recognizing a "right-of-use" asset and lease liability arising from contract that is, or contains, a lease.

For lessors, the definitions of the type of lease (i.e., finance and operating leases) and the supporting indicators of a finance lease are substantially the same with the provisions under PAS 17. In addition, basic accounting mechanics are also similar but with some different or more explicit guidance related to variable payments, sub-leases, lease modifications, the treatment of initial direct costs and lessor disclosures.

The University has adopted PFRS 16 using the modified retrospective approach as allowed under the transitional provisions of the standard. The adoption of the standard has not resulted into adjustments in the opening balance of Retained Earnings for the current period. Accordingly, comparative information were not restated.

The new accounting policies of the University as a lessee are disclosed in Note 2.12(a), while the accounting policies of the University as a lessor, as described in Note 2.12(b), were not significantly affected.

Discussed below are the relevant information arising from the University's adoption of PFRS 16 and how the related accounts are measured and presented on the University's financial statements as at June 1, 2019.

a. For contracts in place at the date of initial application, the University has elected to apply the definition of a lease from PAS 17 and IFRIC 4 and has not applied PFRS 16 to arrangements that were previously not identified as leases under PAS 17 and IFRIC 4.

b. The University recognized lease liabilities in relation to leases which had previously been classified as operating leases under PAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the University's incremental borrowing rate as of June 1, 2019. The University's weighted average incremental borrowing rate applied to the lease liabilities on June 1, 2019 was 7.01%.

c. The University also elected to measure the right-of-use assets (ROUA) at an amount equal to the lease liability adjusted for any accrued rent expense that existed as at June 1, 2019.

d. For leases previously accounted for as operating leases of low-value assets, the University has applied the optional exemptions to not recognize ROUA but to account for the lease expense on a straight-line basis over the remaining lease term.

e. The University has also used the following practical expedients, apart from those already mentioned above, as permitted by the standard:

    i. application of a single discount rate to a portfolio of leases with reasonably similar characteristics;
    ii. reliance on its historical assessments on whether leases are onerous as an alternative to performing an impairment review on ROUA. As at June 1, 2019, the University has no onerous contracts; and,
    iii. use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The following table shows the effects of the adoption of PFRS 16 in the carrying amounts and presentation of certain accounts in the statement of financial position as at June 1, 2019.

	Notes	Carrying Amount (PAS 17) May 31, 2019	Remeasurement	Carrying Amount (PFRS 16) June 1, 2019
Assets –				
Property and equipment - net	2.2(a)(iv)(c)	P 2,368,874,694	P 1,121,187,406	P 3,490,062,100
Liabilities:				
Trade and other payables:				
Lease liabilities		-	21,787,513	21,787,513
Others	2.2(a)(iv)(b)	931,080,307	(82,846,217)	848,234,090
Lease liabilities		-	1,182,246,110	1,182,246,110
Impact on net assets			(P -)	

A reconciliation of the opening lease liabilities recognized at June 1, 2019 and the total operating lease commitments determined under PAS 17 at May 31, 2019 is shown below.

	Notes	
Operating lease commitments, May 31, 2019 (PAS 17)	28.1	P 1,121,195,522
Reasonably certain extension options	2.2(a)(iv)(e)(iii)	2,038,278,761
Operating lease commitments previously included		(98,191,663)
Lease discounts		(13,206,568)
Operating lease liabilities before discounting		3,048,076,052
Discount using incremental borrowing rate	2.2(a)(iv)(b)	(1,844,042,429)
Lease liabilities, June 1, 2019 (PFRS 16)	30	**P 1,204,033,623**

(v) IFRIC 23, *Uncertainty over Income Tax Treatments*. This interpretation provides clarification on the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates when there is uncertainty over income tax treatments. The core principle of the interpretation requires the University to consider the probability of the tax treatment being accepted by the taxation authority. When it is probable that the tax treatment will be accepted, the determination of the taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates shall be on the basis of the accepted tax treatment. Otherwise, the University has to use the most likely amount or the expected value, depending on the surrounding circumstances, in determining the tax accounts identified immediately above.

(vi) Annual Improvements to PFRS 2015-2017 Cycle. Among the improvements, the following amendments, which are effective from January 1, 2019, are relevant to the University but had no significant impact on the University's financial statements:

- PAS 12 (Amendments), *Income Taxes – Tax Consequences of Dividends.* The amendments clarify that an entity should recognize the income tax consequence of dividend payments in profit or loss, other comprehensive income or equity according to where the entity originally recognized the transactions that generated the distributable profits.

- PAS 23 (Amendments), *Borrowing Costs – Eligibility for Capitalization.* The amendments clarify that if any specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, such borrowing is treated as part of the entity's general borrowings when calculating the capitalization rate.

- PFRS 3, *Business Combinations* and PFRS 11, *Joint Arrangements – Remeasurement of Previously Held Interests in a Joint Operation.* The amendments to PFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to PFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

(b) Effective Subsequent to Fiscal Year 2020 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to fiscal year 2020, which are adopted by the FRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the University's financial statements:

(i) PAS 1 (Amendments), *Presentation of Financial Statements*, and PAS 8 (Amendments), *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material* (effective from January 1, 2020). The amendments provide a clearer definition of 'material' in PAS 1 by including the concept of 'obscuring' material information with immaterial information as part of the new definition, and clarifying the assessment threshold (i.e., misstatement of information is material if it could reasonably be expected to influence decisions made by primary users, which consider the characteristic of those users as well as the entity's own circumstances). The definition of material in PAS 8 has been accordingly replaced by reference to the new definition in PAS 1. In addition, amendment has also been made in other standards that contain definition of material or refer to the term 'material' to ensure consistency.

(ii) Revised Conceptual Framework for Financial Reporting (effective from January 1, 2020). The revised conceptual framework will be used in standard-setting decisions with immediate effect. Key changes include (a) increasing the prominence of stewardship in the objective of financial reporting, (b) reinstating prudence as a component of neutrality, (c) defining a reporting entity, which may be a legal entity, or a portion of an entity, (d) revising the definitions of an asset and a liability, (e) removing the probability threshold for recognition and adding guidance on derecognition, (f) adding guidance on different measurement basis, and, (g) stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements. No changes will be made to any of the current accounting standards. However, entities that rely on the framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised framework from January 1, 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised framework.

(iii) PFRS 10 (Amendments), *Consolidated Financial Statements*, and PAS 28 (Amendments), *Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between an Investor and its Associates or Joint Venture* (effective date deferred indefinitely). The amendments to PFRS 10 require full recognition in the investor's financial statements of gains or losses arising on the sale or contribution of assets that constitute a business as defined in PFRS 3, between an investor and its associate or joint venture. Accordingly, the partial recognition of gains or losses (i.e., to the extent of the unrelated investor's interests in an associate or joint venture) only applies to those sale of contribution of assets that do not constitute a business. Corresponding amendments have been made to PAS 28 to reflect these changes. In addition, PAS 28 has been amended to clarify that when determining whether assets that are sold or contributed constitute a business, an entity shall consider whether the sale or contribution of those assets is part of multiple arrangements that should be accounted for as a single transaction.

(iv) PFRS 16 (Amendments), *Leases – COVID-19-Related Rent Concessions* (effective June 1, 2020). The amendments permit lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. The amendment does not affect lessors.

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 also prepares consolidated financial statements as required under PFRS and is available for public use.

Subsidiaries are entities over which the University has control. The University controls an entity when (i) it has power over the entity, (ii) it is exposed, or has rights to, variable returns from its involvement with the entity, and, (iii) it has the ability to affect those returns through its power over the entity.

The University reassesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of controls indicated above.

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

The University's investments in subsidiaries and an associate are accounted for in these separate financial statements at cost, less any impairment loss (see Note 2.14).

2.4 Financial Assets

Financial assets are recognized when the University becomes a party to the contractual terms of the financial instrument. For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria of PAS 32, *Financial Instruments: Presentation*. All other non-derivative financial instruments are treated as debt instruments.

(a) Classification, Measurement and Reclassification of Financial Assets in Accordance with PFRS 9 (Beginning June 1, 2018)

The classification and measurement of financial assets is driven by the University's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification, measurement and reclassification of financial assets are described below and in the succeeding pages.

(i) Financial Assets at Amortized Cost

Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the University's business model whose objective is to hold financial assets in order to collect contractual cash flows ("held to collect"); and,
- the contractual terms of the instrument give rise, on specified dates, to cash flows that are SPPI on the principal amount outstanding.

Except for receivables that do not contain a significant financing component and are measured at the transaction price in accordance with PFRS 15, *Revenue on Contracts with Customers*, all financial assets meeting these criteria are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less allowance for expected credit loss (ECL).

Where the business model is to hold assets to collect contractual cash flows, the University assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the University considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement [see Note 3.1(e)]. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss (FVTPL).

The University's financial assets at amortized cost are presented in the statement of financial position as Cash and Cash Equivalents, Receivables (excluding advances to employees), Short-term investments (under Prepayments and Other Current Assets), Refundable Deposits, and Investment Securities at Amortized Cost.

Financial assets measured at amortized cost are included in current assets, except for those with maturities greater than 12 months after the end of reporting period, which are classified as non-current assets.

For purposes of cash flows reporting and presentation, cash and cash equivalents comprise accounts with original maturities of three months or less, including cash. These generally include cash on hand, cash in bank, and short-term deposits.

(ii) Financial Assets at FVOCI

The University accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective is to hold to collect the associated cash flows and sell; and,
- the contractual terms of the financial assets give rise to cash flows that are SPPI on the principal amount outstanding.

At initial recognition, the University can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the University for trading or as mandatorily required to be classified as fair value through profit or loss (FVTPL). The University has designated certain equity instruments as at FVOCI on initial recognition.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for any disposal costs. Gains and losses arising from changes in fair value, including the foreign exchange component for non-monetary items, are recognized in OCI, net of any effects arising from income taxes, and are reported as part of Revaluation Reserves account in equity. When the asset is disposed of, the cumulative gain or loss previously recognized in the Revaluation Reserves account is not reclassified to profit or loss but is reclassified directly to Retained Earnings, except for those debt securities classified as at FVOCI wherein fair value changes are recycled back to profit or loss.

Any dividends earned on holding these equity instruments are recognized in profit or loss as part of Other investment income under Finance Income account, when the University's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the University, and the amount of the dividend can be measured reliably, unless the dividends clearly represent recovery of a part of the cost of the investment.

(iii) Financial Assets at FVTPL

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorized at FVTPL. Further, irrespective of business model, financial assets whose contractual cash flows are not SPPI are accounted for at FVTPL. Also, equity securities are classified as financial assets at FVTPL, unless the University designates an equity investment that is not held for trading as at FVOCI at initial recognition. The University's financial assets at FVTPL include equity securities and investments in Unit Investment Trust Funds (UITF) which are held for trading purposes or designated as at FVTPL.

Financial assets at FVTPL are measured at fair value with gains or losses recognized in profit or loss as part of Other investment income under Finance Income account in the statement of profit or loss. Related transaction costs are recognized directly as expense in profit or loss. The fair values of these financial assets are determined by reference to active market transactions or using valuation technique when no active market exists.

Dividend income is reported as part of Other investment income under Finance Income in the statement of profit or loss.

Interest income on debt financial assets measured at amortized cost and FVOCI is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The University calculates interest income by applying the effective interest rate to the gross carrying amount of the financial assets, except for those that are subsequently identified as credit-impaired and or are purchased or originated credit-impaired assets.

For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the net carrying amount of the financial assets (after deduction of the loss allowance). If the asset is no longer credit-impaired, the calculation of interest income reverts to gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying a credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis even if the credit risk of the asset subsequently improves.

Interest income earned is recognized in the statement of profit or loss as part of Finance Income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

The University can only reclassify financial assets if the objective of its business model for managing those financial assets changes. Accordingly, the University is required to reclassify financial assets: (i) from amortized cost to FVTPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and, (ii) from FVTPL to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the University's business model will take effect only at the beginning of the next reporting period following the change in the business model.

(b) Classification and Measurement of Financial Assets in Accordance with PAS 39, Financial Instruments: Recognition and Measurement (Prior to June 1, 2018)

Financial assets other than those designated and effective as hedging instruments are classified into the following categories: financial assets at FVTPL, loans and receivables, Held-to-maturity (HTM) investments and Available-for-sale (AFS) 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.

Regular purchases and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at FVTPL are initially recognized at fair value plus any directly attributable transaction costs. Financial assets carried at FVTPL are initially recorded at fair value and the related transaction costs are recognized in profit or loss.

A more detailed description of categories of financial assets that are relevant to the University follows:

(i) Financial Assets at FVTPL

This category includes financial assets that are either classified as held for trading or that meets certain conditions and are designated by the entity to be carried at FVTPL upon initial recognition. All derivatives fall into this category, except for those designated and effective as hedging instruments. Assets in this category are classified as current if they are either held for trading or are expected to be realized within 12 months from the end of each reporting period.

Financial assets at FVTPL are measured at fair value, and changes therein are recognized in profit or loss. Financial assets (except derivatives and financial instruments originally designated as financial assets at fair value through profit or loss) may be reclassified out of FVTPL category if they are no longer held for the purpose of being sold or repurchased in the near term.

The University enters into a cross-currency swap agreement to manage its risks associated with fluctuations in foreign currency denominated investments in corporate bonds. The host instruments were classified as AFS financial assets, which were subsequently reclassified to HTM investments during the year ended May 31, 2018 (see Note 9.3). Such derivative financial instruments are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as assets when the fair value is favorable to the University and as liabilities when the fair value is favorable to the counterparty (see Note 2.8). Thus, if derivative asset is recognized, it is presented as Financial Asset at FVTPL; otherwise, it is presented as Derivative Liability in the statement of financial position.

The University's derivative instruments provide economic hedges under the University's policies but are not designated as accounting hedges. Consequently, any gains or losses arising from changes in fair value are taken up directly in profit or loss for the period [see Note 3.2(d)].

(ii) 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 those with maturities beyond 12 months after the end of each reporting period, which are classified as non-current assets.

The University's financial assets categorized as loans and receivables are presented as Cash and Cash Equivalents, Receivables (excluding advances to employees), as part of Prepayments and Other Current Assets (with respect to short-term investments) and Refundable Deposits in the statement of financial position. Cash and cash equivalents include cash on hand, demand deposits and short-term, highly liquid investments with original maturities of three months or less, readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment loss, if any.

(iii) HTM Investments

This category includes non-derivative financial assets with fixed or determinable payments and a fixed date of maturity that the University has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. If the University were to sell other than an insignificant amount of HTM investments, the whole category would be tainted and reclassified to AFS financial assets. The University currently holds corporate bonds designated into this category. Subsequent to initial recognition, HTM investments are measured at amortized cost using the effective interest method, less impairment losses, if any.

(iv) AFS Financial Assets

This category includes 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. They are included in non-current assets in the statement of financial position unless management intends to dispose of the investment within 12 months from the reporting period.

All financial assets within this category are subsequently measured at fair value, except for equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured which are measured at cost, less impairment loss, if any. Gains and losses from changes in fair value of AFS financial assets are recognized in other comprehensive income, net of any income tax effects, and are reported as part of the Revaluation Reserves account in equity. Interest and dividend income, impairment losses and foreign exchange differences on monetary assets are recognized in profit or loss.

When the financial asset is disposed of or is determined to be impaired, that is, when there is a significant or prolonged decline in the fair value of the security below its cost, the cumulative fair value gains or losses recognized in other comprehensive income is reclassified from equity to profit or loss and is presented as reclassification adjustment within other comprehensive income even though the financial asset has not been derecognized.

(c) Impairment of Financial Assets under PFRS 9 (Beginning June 1, 2018)

The University assesses its ECL on a forward-looking basis associated with its investment securities carried at amortized cost and debt instruments at FVOCI. No impairment loss is recognized on equity investments. Recognition of credit losses or impairment is no longer dependent on the University's identification of a credit loss event. Instead, the University considers a broader range of information in assessing credit risk and measuring the ECL, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets.

The University applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for all tuition and other school fee receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the University uses its historical experience, external indicators and forward-looking information (FLI) to calculate the ECL using a provision matrix. The University also assesses impairment of tuition and other school fee receivables on a collective basis as they possess shared credit risk characteristics, and have been grouped based on the number of semesters past due [see Note 4.2(b)].

For debt instruments measured at FVOCI and at amortized cost, the allowance for credit losses is based on the ECL associated with the probability of default of a financial instrument in the next 12 months, unless there has been a significant increase in credit risk since the origination of the financial asset, in such case, a lifetime ECL for a purchased or originated credit impaired, the allowance for credit losses is based on the change in the ECL over the life of the asset. The University has recognized a loss allowance for such losses at each reporting date.

The University's definition of credit risk and information on how credit risk is mitigated by the University are disclosed in Note 4.2.

The key elements used in the calculation of ECL are as follows:

- *Probability of Default (PD)* – it is an estimate of likelihood of a borrower defaulting on its financial obligation over a given time horizon, either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.

- *Loss Given Default (LGD)* – it is an estimate of loss arising in case where a default occurs at a given time (either over the next 12 months or 12-month LGD), or over the remaining lifetime (lifetime LGD). It is based on the difference between the contractual cash flows of a financial instrument due from a counterparty and those that the University would expect to receive, including the realization of any collateral. It is presented as a percentage loss per unit of exposure at the time of default.

- *Exposure at Default (EAD)* – it represents the gross carrying amount of the financial instruments subject to impairment calculation; hence, this is the amount that the University expects to be owed at the time of default over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD). In case of a loan commitment, the University shall include the undrawn balance (up to the current contractual limit) at the time of default should it occur.

The measurement of the ECL reflects: (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (ii) the time value of money; and, (iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

(d) Impairment of Financial Assets under PAS 39 (Prior to June 1, 2018)

The University assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. The University recognizes impairment loss based on the category of financial assets as shown below and in the succeeding page.

(i) Carried at Amortized Cost – Loans and Receivables and HTM Investments

If there is objective evidence that an impairment loss on loans and receivables or HTM investments carried at cost has been incurred, the amount of the impairment loss is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate or current effective interest rate determined under the contract if the loan has a variable interest rate.

The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognized in profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed by adjusting the allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date of the impairment is reversed. The amount of the reversal is recognized in profit or loss.

(ii) Carried at Fair Value – AFS Financial Assets

When a decline in the fair value of an AFS financial asset has been recognized in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss – measured as the difference between the acquisition cost (net of any principal repayment and amortization) and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is reclassified from Revaluation Reserves to profit or loss as a reclassification adjustment even though the financial asset has not been derecognized.

Impairment losses recognized in profit or loss on equity instruments are not reversed through profit or loss. Reversal of impairment losses is recognized in other comprehensive income, except for financial assets that are debt securities which are recognized in profit or loss only if the reversal can be objectively related to an event occurring after the impairment loss was recognized.

(e) Derecognition of Financial Assets

The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the University neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the University recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the University retains substantially all the risks and rewards of ownership of a transferred financial asset, the University continues to recognize the financial asset and also recognizes an associated liability for the proceeds received.

2.5 Prepayments and Other Assets

Prepayments and other current assets pertain to other resources controlled by the University as a result of past events. They are recognized in the financial statements when it is probable that the future economic benefits will flow to the University and the asset has a cost or value that can be measured reliably.

Other recognized assets of similar nature, where future economic benefits are expected to flow to the Group beyond one year after the end of the reporting period or in the normal operating cycle of the business, if longer, are classified as non-current assets.

Prepayment and other current assets of the University include inventoriables such as books and merchandise. These are valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method. The cost of these saleable inventories includes all costs directly attributable to acquisition, such as the purchase price, import duties, if any, and other taxes that are not subsequently recoverable from taxing authorities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

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, 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.

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

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

Leasehold improvements are amortized over the estimated useful lives of 20 years or the remaining term of the lease, whichever is shorter.

Construction in progress represents properties under construction and is stated at cost. This includes cost of construction, borrowing costs (see Note 2.16), if any, 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 2.14).

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

Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further charge for depreciation and amortization is made in respect of those assets.

An item of property and equipment, including the related accumulated depreciation, amortization and impairment losses, if any, 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 profit or loss in the year the item is derecognized.

2.7 Investment Properties

Investment properties are measured initially at acquisition cost. Subsequently, investment properties, except land, are carried at cost less accumulated depreciation and impairment in value, if any. Depreciation of investment properties, which consist of building and improvements, is computed using the straight-line method over its estimated useful life of 20 years. Land is carried at cost less impairment in value, if any.

Investment properties include construction in progress which represents properties under construction and is stated at cost. This includes cost of construction, applicable borrowing costs (see Note 2.16) and other direct costs. The account is not depreciated until such time that the assets are completed and available for use.

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

For the transfer from investment property to owner-occupied property, the cost of property for subsequent accounting is its carrying value at the date of change in use.

If an owner-occupied property becomes an investment property, the University accounts for such property in accordance with the policy stated under Property and Equipment up to the date of change in use (see Note 2.6).

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 profit or loss in the year of retirement or disposal.

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 2.14).

2.8 Financial Liabilities

Financial liabilities, which include interest-bearing loans, trade and other payables [except tax-related liabilities and National Service Training Program (NSTP) trust fund], non-current lease liabilities, advances from a related party, derivative liability and subscription payable, are recognized when the University becomes a party to the contractual terms of the instrument.

Trade and other payables account include deposits payable which represents funds collected from students or entities and are held by the University. The University has no control over its use and disburses the funds only upon instruction of the student or entity that made the deposit. This account also includes Trust funds which represent restricted funds of the University that are intended for student's NSTP and other specific educational purposes [see Note 2.11(a)]. The University administers the use of these funds based on the specific purpose such funds are identified with.

Interest-bearing loans are availed for capital expenditures and to provide general corporate funding requirements. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to profit or loss on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that these are not settled in the period in which they arise.

Financial liabilities are recognized initially at their fair values and subsequently measured at amortized cost, except derivative liability which is consistently measured at fair value, using the effective interest method for those with maturities beyond one year, less settlement payments. The University is a party to foreign cross-currency swaps.

Dividend distributions to shareholders are recognized as financial liabilities upon declaration by the University.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the end of the reporting period, or the University does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Otherwise, these are presented as non-current liabilities.

Financial liabilities are derecognized from the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

2.9 Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the statement of financial position when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and, must be legally enforceable for both entity and all counterparties to the financial instruments.

2.10 Provisions and Contingencies

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 obligation 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 end of the reporting period, including the risks and uncertainties associated with the present obligation. 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. When 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. The increase in the provision due to passage of time is recognized as interest expense. Provisions are reviewed at the end of each reporting period 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.

Similarly, possible inflows of economic benefits to the University that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements. On the other hand, any reimbursement that the University can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

2.11 Revenue and Expense Recognition

Revenue arises mainly from: (i) educational and related activities such as tuition and other school fees, income from sale of books and other merchandise, rental income from school buildings and food stalls; and, (ii) investment-related transactions such as, investment income, dividend income from subsidiaries, interest income and others.

The management determined that the revenues arising from educational and other related activities are within the scope of PFRS 15, while rental income is covered by PFRS 16 (see Note 2.12). Investment-related revenues are subject to the provisions of PFRS 9 (see Note 2.4).

Starting June 1, 2018, to determine whether to recognize revenue, the University follows a five-step process:

1. Identifying the contract with a customer;
2. Identifying the performance obligation;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and,
5. Recognizing revenue when/as performance obligations are satisfied.

The University determines whether a contract with customer exists by evaluating whether the following gating criteria are present:

(a) the parties to the contract have approved the contract either in writing, orally or in accordance with other customary business practices;
(b) each party's rights regarding the goods to be transferred or performed can be identified;
(c) the payment terms for the goods to be transferred or performed can be identified;
(d) the contract has commercial substance (i.e., the risk, timing or amount of the future cash flows is expected to change as a result of the contract); and,
(e) collection of the consideration in exchange of the goods and services is probable.

Revenue is recognized only when (or as) the University satisfies a performance obligation by transferring control of the promised goods or services to a customer. The transfer of control can occur over time or at a point in time.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

(a) the customer simultaneously receives and consumes the benefits provided by the University's performance as the University performs;
(b) the University's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,
(c) the University's performance does not create an asset with an alternative use to the University and the entity has an enforceable right to payment for performance completed to date.

The University enters into transactions involving tuition fees and other school fees, and other school-related activities such as sale of school merchandise and books. The significant judgments used in determining the transaction price and the amount allocated to the performance obligations are disclosed in Note 3.1(b). Developing the knowledge and enhancing the abilities of the students represent promises to transfer a series of distinct goods that are substantially the same and that have the same pattern of transfer to the customer; therefore, the services rendered represent one performance obligation that is satisfied over time. The transaction price of the single performance obligation is recognized as revenue as the performance obligation is satisfied, which is usually throughout the school year or the semestral period, whichever is applicable. With respect to the sale of school merchandise and books, the obligation is satisfied when the goods, particularly the merchandise and books are delivered to the customers. Hence, revenue is recognized at a point in time.

In addition, the following specific recognition criteria must also be met before revenue is recognized:

(a) *Educational revenues* – Revenue is recognized in profit or loss over the corresponding school term. Tuition fee received in advance and applicable to a school term after the reporting period is not recognized in profit or loss until the next reporting period and is presented as part of Unearned Tuition Fees account in the statement of financial position. Payment for tuition fees is due upon enrollment, which is before the school term starts, and can be made either in full payment or installment.

Revenues from NSTP trust fund (see Note 2.8) are recognized upon fulfillment of conditions attached to the fund and/or extent that the related expenses have been incurred. Restricted funds for which restrictions and conditions have not yet been met are classified as part of Other funds in the Trade and Other Payables account in the statement of financial position.

(b) *Income from sale of books and other educational-related merchandise* – Revenue is recognized at a point in time when the control of the goods has been transferred to the buyer. This is generally when the customer has acknowledged delivery of goods. Payment for the transaction price is due immediately at the point the customer purchases the goods.

(c) *Other fees* – This pertains to but is not limited to transcript, certification and graduation fees and fees for diplomas and identification cards. Revenue is recognized at the point the transaction has occurred. Invoices for the services are issued once request from students has been fulfilled.

Prior to June 1, 2018, 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.

Cost and expenses are recognized in profit or loss upon utilization of goods or services or at the date such cost and expenses are incurred. All finance costs are reported in profit or loss on an accrual basis, except capitalized borrowing costs which are included as part of the cost of the related qualifying asset (see Note 2.16).

2.12 Leases

The University accounts for its leases as follows:

(a) University as Lessee

(i) Accounting for Leases in Accordance with PFRS 16 (Beginning June 1, 2019)

For any new contracts entered into on or after June 1, 2019, the University considers whether a contract is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition, the University assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the University;

- the University has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and,

- the University has the right to direct the use of the identified asset throughout the period of use. The University assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the University recognizes a ROUA and a lease liability. The ROUA is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the University, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequently, the University depreciates the ROUA on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the ROUA or the end of the lease term. The University also assesses the ROUA for impairment when such indicators exist (see Note 2.14).

On the other hand, the University measures the lease liability at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily available or the University's incremental borrowing rate. Lease payments include fixed payments (including in-substance fixed) less lease incentives receivable, if any, variable lease payments based on an index or rate, amounts expected to be payable under a residual value guarantee, and payments arising from options (either renewal or termination) reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the ROUA, or profit and loss if the ROUA is already reduced to zero.

The University has elected to account for leases of low-value assets using the practical expedients. Instead of recognizing a ROUA and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

In the statement of financial position, ROUA and current portion of lease liabilities have been presented as part of Property and Equipment and Trade and Other Payables, respectively. Non-current portion of lease liabilities, on the other hand, has been presented separately in the statement of financial position.

(ii) Accounting for Leases in Accordance with PAS 17 (Prior to June 1, 2019)

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 (net of any incentive received from the lessor) are recognized as expense in profit or loss on a straight-line basis over the lease term. Associated costs, such as repairs and maintenance and insurance, are expensed as incurred.

(b) University as Lessor

The University classifies the sublease by reference to the ROUA arising from the head lease. The University classifies the sublease as an operating lease and retains the lease liability and ROUA relating to the head lease in the statement of financial position. The University recognizes a depreciation charge for the ROUA and interest on the lease liability, and recognizes lease income from the sublease.

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 in profit or loss on a straight-line basis over the lease term and is presented as part of Other Operating Income in the statement of profit or loss.

The University determines whether an arrangement is, or contains, a lease based on the substance of the arrangement. It makes an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

2.13 Foreign Currency Transactions and Translation

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 profit or loss.

Changes in the fair value of monetary financial assets denominated in foreign currency classified as Financial Assets at FVOCI (previously as AFS financial assets) are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in profit or loss, and other changes in the carrying amount are recognized in other comprehensive income.

2.14 Impairment of Non-financial Assets

The University's investments in subsidiaries and an associate, property and equipment (including ROUA), investment properties and other non-financial assets 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's 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 flows. In determining value in use, management estimates the expected future cash flows from each cash-generating unit and determines the suitable interest rate in order to calculate the present value of those cash flows.

The data used for impairment testing procedures are directly linked to the University's latest approved budget, adjusted as necessary to exclude the effects of asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors. 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. An impairment loss is reversed if the asset's or cash generating unit's recoverable amount exceeds its carrying amount.

2.15 Employee Benefits

The University provides post-employment benefits to employees through a defined contribution plan subject to compliance to a minimum guarantee required by Republic Act (RA) 7641, *The Retirement Pay Law*, which is accounted for as a defined benefit plan. Such application of the minimum guarantee prescribed by RA 7641 is based on the interpretations issued by the Philippine Interpretations Committee (PIC) in its Question and Answer on PAS 19 – *Accounting for Employee Benefits Under a Defined Benefit Contribution Plan Subject to the Requirements of RA 7641.*

(a) Post-employment Benefits

The University maintains a defined contribution plan that covers all regular full-time employees. Under its plan, the University pays fixed contributions based on the employees' monthly basic pay. The University, however, is covered by RA 7641, which provides for its qualified employees a defined benefit minimum guarantee. The defined benefit minimum guarantee is equivalent to 75% of the monthly salary of an employee at normal retirement age with the required credited years of service based on the provisions of RA 7641.

Accordingly, the University recognizes its post-employment benefit obligation based on the higher of the defined benefit obligation relating to the minimum guarantee and the obligation arising from the defined contribution plan.

For defined benefit minimum guarantee plan, the liability is determined based on the present value of the excess of the projected defined benefit obligation over the projected defined contribution obligation at the end of the reporting period. The defined benefit obligation is calculated annually by a qualified independent actuary using the projected unit credit method. The University determines the net interest expense (income) on the defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions to the plan or benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognized in profit or loss.

The defined contribution, on the other hand, is measured at the fair value of the defined contribution assets upon which the defined contribution benefits depend, with an adjustment for margin on asset returns, if any, where this is reflected in the defined contribution benefits.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service cost and the gain or loss on curtailment is recognized immediately in profit or loss. The University recognizes gains or losses on the settlement of a defined benefit plan when the settlement occurs.

(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 reporting period are discounted to their present value.

(c) Bonuses

The University recognizes a liability and an expense for bonuses. The University recognizes a provision where it is contractually obliged to pay the benefits, or where there is a past practice that has created a constructive obligation.

(d) Compensated Absences

Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the end of the reporting period. These are included in the Trade and Other Payables account in the statement of financial position at the undiscounted amount that the University expects to pay as a result of the unused entitlement.

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 directly 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.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

2.17 Income Taxes

Tax expense recognized in profit or loss comprises the sum of current tax and deferred tax not recognized in other comprehensive income or directly in equity, if any.

Current tax assets or current tax 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 end of the reporting period. They are calculated using 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 current tax liabilities are recognized as a component of tax expense in profit or loss.

Deferred tax is accounted for using the liability method on temporary differences at the end of the reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Under the 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 temporary differences can be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will be available to allow such deferred tax assets to be recovered.

Deferred tax assets and deferred tax 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, provided such tax rates have been enacted or substantively enacted at the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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.

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

Most changes in deferred tax assets or deferred tax liabilities are recognized as a component of tax expense in profit or loss. Only changes in deferred tax assets or deferred tax liabilities that relate to items recognized in other comprehensive income or directly in equity are recognized in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if the University has a legally enforceable right to set-off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

2.18 Related Party Transactions and Relationships

Related party transactions are transfers of resources, services or obligations between the University and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial and operating decisions. These parties include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the University; (b) associates; (c) individuals owning, directly or indirectly, an interest in the voting power of the University that gives them significant influence over the University and close members of the family of any such individual; and, (d) certain funded retirement plans administered by an organization, through its Retirement Board.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form. The University established policies and procedures on related party transactions in accordance with the regulations of the SEC. All material related party transactions, which exceed the established materiality thresholds, must undergo prior internal review from Audit Committee before endorsing the same to the BOT for approval. Further, the Chief Executive Officer, President, or any member of the Audit Committee may request that a related party transaction, regardless of amount, be reviewed by the Audit Committee if such related party transaction meet any of the qualitative factors affecting materiality threshold.

All individual material related party transactions shall be approved by at least two-thirds (2/3) vote of the BOT, with at least a majority of the independent trustees voting to approve such transactions. In case that a majority of the independent trustees' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two thirds (2/3) of the outstanding capital stock. For aggregate related party transactions within a twelve (12) month period that breaches the materiality threshold, the same board approval would be required for the transaction/s that meets and exceeds the materiality threshold covering the same related party.

2.19 Equity

Capital stock represents the nominal value of shares that have been issued.

Stock dividends distributable account is a stockholders' equity (paid-in capital) account credited for the par or stated value of the shares distributable when recording the declaration of a stock dividend until the stock is issued to shareholders.

Treasury stocks are stated at the cost of reacquiring such shares and are deducted from equity attributable to the University's equity holders until the shares are cancelled, reissued or disposed of.

Revaluation reserves comprise accumulated gains or losses arising from the revaluation of Financial Assets at FVOCI (previously AFS Financial Assets).

Retained earnings represent all current and prior period results of operations as reported in the statement of profit or loss, reduced by the amount of dividend declared. The appropriated portion represents the amount which is not available for distribution.

2.20 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 statement of profit or loss.

2.21 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the University's chief operating decision-maker. However, in the University's separate financial statements, there are no operating segments that are organized and managed separately according to the nature of the services provided.

2.22 Events After the End of the Reporting Period

Any post-year-end event that provides additional information about the University's financial position at the end of the reporting period (adjusting event) is reflected in the financial statements. Post year-end events that are not adjusting events are disclosed when material to the financial statements (see Note 27).

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the University's financial statements in accordance with PFRS requires 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 the 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 judgments, apart from those involving estimation. The following judgments have the most significant effect on the amounts recognized in the financial statements:

(a) Determination of Lease Term of Contracts with Renewal and Termination Options (2020)

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of university buildings, the factors that are normally the most relevant are (a) if there are significant penalties should the University pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the University is reasonably certain to extend and not to terminate the lease contract. Otherwise, the University considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The University availed the extension option for leases of university buildings, thus, the renewal period was included as part of the lease term for such leases.

The lease term is reassessed if an option is actually exercised or not exercised or the University becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the University.

(b) Determination of Timing of Satisfaction of Performance Obligations (2020 and 2019)

The management determines that its revenue from tuition fees shall be recognized over time. In making its judgment, the University considers the timing of receipt and consumption of benefits provided by the University to the students. This demonstrates that the customers simultaneously receive and consume the benefits as the University performs its obligation.

With respect to its revenues from sale of merchandise and books, and various school-related fees, the management deems that revenues shall be recognized at a point in time as control over the goods, particularly the merchandise, books and requested document, is transferred to the customers upon delivery.

(c) Determination of ECL on Tuition and Other Fee Receivables (2020 and 2019)

The University uses a provision matrix to calculate ECL for tuition and other fee receivables. The loss rates are based on actual write-off of student accounts or those which are outstanding for two semesters and have not enrolled for the succeeding term [see Note 4.2(b)].

The University's management intends to calibrate on an annual basis the matrix to consider the historical credit loss experience with forward-looking information. Details about the ECL on the University's tuition fees and other receivables are disclosed in Notes 4.2 and 8.

(d) Application of ECL to Investment Securities at Amortized Cost and at FVOCI (2020 and 2019)

The University uses a general approach to calculate ECL for all debt instruments at FVOCI and amortized cost. The allowance for credit loss is based on the ECLs associated with the probability of default of a financial instrument in the next 12 months, unless there has been a significant increase in credit risk since origination of the financial instrument, in such case, a lifetime ECL for the instrument is recognized.

The University has established a policy to perform an assessment, at the end of each reporting period, whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

(e) Evaluation of Business Model Applied in Managing Financial Instruments (2020 and 2019)

The University manages its financial assets based on business models that maintain adequate level of financial assets to match its expected cash outflows.

Upon adoption of PFRS 9, the University developed business models which reflect how it manages its portfolio of financial instruments. The University's business models need not be assessed at entity level or as a whole but shall be applied at the level of a portfolio of financial instruments and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument under PFRS 9, the University evaluates in which business model a financial instrument or a portfolio of financial instruments belong to taking into consideration the objectives of each business model established by the University as those relate to the University's investment, trading strategies.

(f) Testing the Cash Flow Characteristics of Financial Assets and Continuing Evaluation of the Business Model (2020 and 2019)

In determining the classification of financial assets under PFRS 9, the University assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are SPPI on the principal outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk) does not meet the amortized cost criteria.

In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, the University assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion. The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the University considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

In addition, PFRS 9 emphasizes that if more than an infrequent sale is made out of a portfolio of financial assets carried at amortized cost, an entity should assess whether and how such sales are consistent with the objective of collecting contractual cash flows. In making this judgment, the University considers certain circumstances documented in its business model manual to assess that an increase in the frequency or value of sales of financial instruments in a particular period is not necessarily inconsistent with a held-to-collect business model if the University can explain the reasons for those sales and why those sales do not reflect a change in the University's objective for the business model.

(g) Classification of Financial Assets as HTM Investments (2018)

In classifying non-derivative financial assets with fixed or determinable payments and fixed maturity, such as bonds and HTM investments, the University evaluates its intention and ability to hold such investments up to maturity. Management has confirmed its intention and determined its ability to hold the investments up to maturity. If the University fails to keep these investments to maturity other than for specific circumstances as allowed under the standard, it will be required to reclassify the whole class as AFS financial assets. In such a case, the investments would, therefore, be measured at fair value, not at amortized cost.

(h) Impairment of AFS Financial Assets (2018)

The determination when an investment is other-than-temporarily impaired requires significant judgment. In making this judgment, the University evaluates, among other factors, the significant and prolonged decline in the fair value of an investment below 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. The management considers more than 20% decline in fair value as significant and continuous decline in value beyond nine months to be prolonged.

Based on the recent evaluation of information and circumstances affecting the University's AFS Financial Assets, management concluded that the assets are not impaired as at May 31, 2018.

(i) 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-managed properties generate cash flows that are attributable not only to the property but also to other assets used in the process of providing educational services. 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 a 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.

(j) Distinction between Operating and Finance Lease (2019 and 2018)

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. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Currently, all of the University's lease agreements are determined to be operating leases.

(k) Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Accounting policies on recognition and disclosure of provisions and contingencies are discussed in Note 2.10 and relevant disclosures are presented in Note 28.

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 end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Determination of Appropriate Discount Rate in Measuring Lease Liabilities (2020)

The University measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the University's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(b) Estimating Allowance for Impairment of Financial Instruments (2020 and 2019)

The measurement of the allowance for ECL on financial assets at FVOCI and investment securities at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 4.2.

The University uses a provision matrix to calculate ECL for its trade receivables which are based on the University's historical observed default rates. The University's management intends to calibrate on an annual basis the matrix to consider the historical credit loss experience with forward-looking information.

(c) Estimating Impairment of Receivables (2018)

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 collectability of the accounts. These factors include, but are not limited to, history of the payment behavior of students and related parties, 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. The carrying value of receivables and the analysis of allowance for impairment on such financial assets are shown in Note 8.

(d) Determining Fair Value Measurement of Financial Assets

The University carries certain financial assets at fair value, which is subject to yearly assessment. 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 or loss and equity.

The carrying values of the University's Financial Assets at FVTPL and at FVOCI (previously AFS Financial Assets) and the amounts of fair value changes recognized during the years on those assets are disclosed in Note 9. On the other hand, the carrying value of the cross-currency swap is disclosed in Note 10 while fair value gains or losses on cross-currency swap agreements are presented as Fair value gain or loss on derivative liability under Finance Income or Finance Costs in the statement of profit or loss (see Note 20).

(e) Estimating Useful Lives of Investment Properties and Property and Equipment

The University estimates the useful lives of investment properties 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.

The carrying amounts of investment properties and property and equipment (including ROUA) are presented in Notes 13 and 14, respectively. Based on management's assessment as at May 31, 2020, 2019 and 2018, there is no change in the estimated useful lives of the assets during those periods. Actual results, however, may vary due to changes in factors mentioned above.

(f) Determining Fair Value of Investment Properties

Investment property is measured using the cost model. The fair value disclosed in Note 13 is determined by the University based on the appraisal report prepared by independent appraisers using the relevant valuation methodology as discussed in Note 6.4.

For investment properties with appraisal conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

A significant change in these elements may affect the prices and the value of the assets. As of May 31, 2020, 2019 and 2018, the University determined that there were no significant circumstances that may affect the fair value determination of investment properties.

(g) Estimating Impairment of Non-financial Assets

The University's policy on estimating the impairment of non-financial assets is discussed in detail in Note 2.14. Though management believes that the assumptions used in the estimation of recoverable amounts 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. Based on management assessment, no impairment loss is required to be recognized on the University's investment properties, property and equipment, and investments in subsidiaries and an associate as of May 31, 2020, 2019 and 2018.

(h) Determining Recoverable Amount of Deferred Tax Assets

The University reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Management assessed that the deferred tax assets recognized as at May 31, 2020, 2019 and 2018 are fully recoverable because those will be fully utilized in the coming years. The carrying value of deferred tax assets as of those dates is disclosed in Note 23.

(i) Valuation of Post-employment Defined Benefit Obligation

The determination of the University's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates, expected rate of return on plan assets, salary rate increase, and employee turnover rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment benefit obligation in the next reporting period.

The amounts of post-employment benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 22.2.

4. 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 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 in the succeeding pages.

4.1 Market Risk

(a) Foreign Currency Risk

Most of the University's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange risk arise from certain cash and cash equivalents, financial assets at FVOCI and investment securities at amortized cost that are primarily denominated in United States (US) dollars.

To mitigate the University's exposure to foreign currency risk, the University entered in a cross-currency swap agreement and keeps the amount of its US dollar deposit at a minimum level.

Financial assets denominated in US dollar, translated into Philippine pesos at the closing rate, as of May 31 are presented below:

	2020	2019	2018
Short-term exposure – Financial assets	**P 429,329,131**	P 555,813,599	P 371,436,018
Long-term exposure – Financial assets	**P 89,914,249**	P 126,324,751	P 196,418,315

The following table illustrates the sensitivity of the University's profit or loss before tax with respect to changes in Philippine peso against US dollar exchange rates. The percentage changes in rates have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous periods (for the periods ended May 31, 2020, 2019 and 2018) at a 95% confidence level.

	May 31, 2020			May 31, 2019			May 31, 2018		
	Reasonably possible change in rate	**Effect in profit before tax**	**Effect in equity**	Reasonably possible change in rate	Effect in profit before tax	Effect in equity	Reasonably possible change in rate	Effect in loss before tax	Effect in equity
PhP - USD	**4.38%**	**P 22,742,860**	**P 20,468,574**	3.83%	P 26,125,899	P 23,513,309	3.98%	P 22,600,602	P 20,340,542

Exposures to US dollar exchange risk vary during the year depending on the volume of foreign currency denominated transactions. Nonetheless, the analysis above is considered to be representative of the University's currency risk.

(b) Interest Rate Risk

The University is exposed to changes in market interest rates through its cash and cash equivalents, debt securities investments, and interest-bearing loans as of end of each reporting period, which are subject to variable interest rates, as shown below. All other financial assets and financial liabilities have fixed interest rates.

	Notes	**2020**	2019	2018
Cash and cash equivalents	7	**P 193,452,523**	P 177,278,502	P 237,874,552
Financial assets at FVOCI	9.2	**328,345,250**	330,316,652	-
Investment securities at amortized cost	9.3	**503,135,310**	761,771,571	-
HTM investments	9.3	**-**	-	297,284,616
AFS financial assets	9.2	**-**	-	960,958,390
Short-term investments	11	**4,481,523**	11,489,009	52,993,469
Interest-bearing loans	17	**(1,705,238,095)**	(1,333,571,429)	(1,702,142,857)
		(P 675,823,489)	(P 52,715,695)	(P 153,031,830)

The following table illustrates the sensitivity of profit or loss before tax 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 years ended May 31, 2020, 2019 and 2018, estimated at 95% level of confidence. The sensitivity analysis is based on the University's financial instruments held at May 31, 2020, 2019 and 2018.

	May 31, 2020		May 31, 2019		May 31, 2018	
	Reasonably possible change in rate	**Effect on profit before tax**	Reasonably possible change in rate	Effect on profit before tax	Reasonably possible change in rate	Effect on loss before tax
Cash and cash equivalents	**+/-0.45%**	**P 870,536**	+/-0.75%	P 1,329,589	+/-0.19%	P 451,962
Financial assets at FVOCI	**+/-2.81%**	**9,226,502**	+/-4.26%	14,071,489	-	-
Investment securities at amortized cost	**+/-2.81%**	**14,138,102**	+/-4.26%	32,451,469	-	-
HTM investments	**-**	**-**	-	-	+/-0.91%	2,705,290
AFS financial assets	**-**	**-**	-	-	+/-1.42%	13,645,609
Short-term investments	**+/-2.45%**	**109,797**	+/-2.73%	313,650	+/-1.42%	752,507
Interest-bearing loans	**+/-0.75%**	**(12,789,286)**	+/-2.73%	(36,406,500)	+/-0.56%	(9,532,000)
		P 11,555,651		P 11,759,697		P 8,023,368

(c) Other Price Risk

The University's exposure to price risk arises from its investments in equity securities, which are classified as part of the Financial Assets at FVOCI and Financial Assets at FVTPL accounts in the statement of financial position. These consist of publicly listed equity securities which are carried at fair value.

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

For equity securities listed in the Philippines, an average volatility have been observed for the years ended May 31, 2020, 2019 and 2018 which is shown on the table below.

	Change in Total Comprehensive Income					
	+/-%	**2020**	+/-%	2019	+/-%	2018
Financial assets at FVTPL	**32.79%**	**P 136,889,458**	13.26%	P 57,288,923	-	P -
Financial assets at FVOCI	**19.27%**	**25,786,424**	15.58%	21,029,362	-	-
AFS financial assets	**-**	**-**	-	-	10.57%	79,282,614

No sensitivity analysis was provided for government and corporate bonds, and investments in UITF classified as Financial Assets at FVTPL as management deemed that the risk at the end of the period is not representative of a risk inherent in the University's financial instruments.

Certain investments are considered medium to long-term strategic investments. In accordance with the University's policies, no specific hedging activities are undertaken in relation to these investments, except as discussed in Notes 9 and 10 in connection with its investment in certain foreign currency denominated corporate debt instruments which are subject to a cross-currency swap agreement. The investments are continuously monitored to ensure that returns of these equity instruments are timely utilized or reinvested in the University's favor.

4.2 Credit Risk

Credit risk represents the loss that the University would incur if the counterparty fails to perform its contractual obligations.

The University is mainly exposed to credit risk relating to its tuition and other school fees receivables due primarily to the student's possible inability to pay and to fully settle his or her 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 to minimize risks of non-collection. 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 balances, thus ensuring that collectability is reasonably assured. The University's exposure to credit risk on its other receivables from debtors and related parties is managed through close account monitoring and setting limits.

Other than the foregoing, the University is not exposed to significant credit risk and has no significant exposure to any individual customer or counterparty nor it has 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 debt instruments, the University's maximum exposure is equal to the carrying amount, before any allowances for impairment, of these instruments.

The maximum exposure to credit risk at the end of the reporting period is as follows:

	Notes	**2020**	2019	2018
Cash and cash equivalents	7	**P 193,452,523**	P 177,278,502	P 237,874,555
Receivables	8	**978,205,118**	649,840,987	589,848,181
Financial assets at FVOCI*	9.2	**328,345,250**	330,316,652	960,958,390
Investment securities at amortized cost**	9.3	**503,611,483**	762,247,744	297,284,616
Short-term investments	11	**4,481,523**	11,489,009	52,993,469
Refundable deposits		**4,794,962**	4,796,804	4,880,271
		P 2,012,890,859	P 1,935,969,698	P 2,143,839,482

**Previously classified as AFS Financial Assets in 2018*
***Previously classified as HTM Investments in 2018*

a. Cash and Cash Equivalents and Short-term Placements

The credit risk for cash and cash equivalents and short-term placements herein is considered negligible or the probability of default from these reputable banks is remote since there has been no history of default from these counterparties and because of their high quality external credit ratings.

Cash in banks are insured by the Philippine Deposit Insurance Corporation (PDIC) up to a maximum coverage of P0.5 million per depositor per banking institution, as provided for under RA No. 9576, *Amendment to Charter of PDIC*.

For cash and cash equivalents and financial assets of similar nature, the University applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the University's policy to measure ECL on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

As of May 31, 2020, 2019 and 2018, management assessed that the allowance for ECL on these financial instruments is not material.

b. Receivables

The University's receivables include tuition fees and other school receivables, receivables from related parties and others miscellaneous receivables.

The University writes off its receivables from students who have not enrolled for two semesters and are not expected by management to re-enroll in the near future.

The University applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for tuition fees and other receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the University uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. The loss rates are based on actual credit-impaired student accounts or those which are outstanding for two semesters and have not enrolled for the succeeding term. In practice and considering the nature of its business, particularly with respect to its educational activities, the University writes off such balances as collection becomes unlikely as the concerned students did not return for enrollment. The University also assesses impairment of tuition fees and other receivables on a collective basis as they possess shared credit risk characteristics.

The expected loss rates on these receivables are determined based on the history of credit-impaired student accounts. The University analyzes tuition and other school fees receivables based on the number of semesters the receivables have been outstanding. Student receivables that are outstanding for at least two semesters are assessed for credit impairment.

The historical loss rates, which are expressed as the relationship between the credit-impaired accounts and the related recognized tuition fees, are adjusted to reflect current and FLI on macroeconomic factors affecting the ability of the students to settle the receivables. The University assessed that the expected loss rates for tuition fees and other receivables are a reasonable approximation of the loss rates for these financial assets. As at May 31, 2020, 2019 and 2018, weighted average loss rates, adjusted with FLI, used in the measurement of ECL is at 4.2%, 4.1% and 5.4%, respectively.

The University incorporates FLI into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL. The most relevant macroeconomic variable used in the measurement of ECL is consumer spending as at May 31, 2020 and 2019 and inflation rate as at June 1, 2018, based on the correlation of historical loss rates and FLI.

For the years ended May 31, 2020, 2019 and 2018, the University recognized allowance for impairment loss amounting to P42.6 million, P30.3 million and P26.5 million, respectively. A reconciliation of the allowance for ECL as at May 31, 2020 and 2019 to the opening loss allowance is presented in Note 8.

With respect to advances to related parties, the University determines possible impairment based on the counterparties' ability to repay the receivables upon demand at the reporting date taking into consideration the historical defaults from the counterparties. Accordingly, the University recognized allowance amounting to P0.6 million in 2020 (see Note 8).

c. Debt Instruments Classified as Financial Assets at FVOCI and at Amortized Cost

Debt securities measured at amortized cost and at FVOCI are considered to have low credit risk, and therefore, the loss allowance during the period is determined to be equivalent to 12 months ECL. Management considers "low credit risk" for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The loss allowance provided are as follows:

Company Internal Credit Rating	External Credit Rating	ECL Rate	Estimated Gross Carrying Amount at Default	Allowance
2020				
Investment Securities at Amortized Cost				
Performing	A - AAA	0.00% - 0.06%	P 286,378,955	P 52,195
Underperforming	BB - BBB+	0.10% - 0.52%	217,546,529	423,978
Financial Assets at FVOCI				
Performing	AAA	0.0%	106,600,000	-
Underperforming	BBB+	0.00% - 0.11%	203,359,312	186,942
			P 813,884,796	**P 663,115**
2019				
Investment Securities at Amortized Cost				
Performing	A - AAA	0.00% - 0.06%	P 504,281,405	P 52,195
Underperforming	BB - BBB+	0.10% - 0.52%	257,934,691	423,978
Financial Assets at FVOCI				
Performing	AAA	0.0%	156,600,000	-
Underperforming	BBB+	0.00% - 0.11%	178,385,345	186,942
			P 1,097,201,441	P 663,115

In 2020, the University has not recognized additional or reversal of ECL for debt securities at amortized cost and debt securities at FVOCI.

d. Refundable Deposits

Management has assessed that these financial assets have low probability of default since these relate to continuing lease contracts and any outstanding deposit balance can be applied against future monthly rentals. Also, these are no longer discounted since management believes that the effect of discounting is not material to the financial statements.

The table below show the credit quality of the University's financial assets as of May 31, 2018 having past due components under PAS 39.

	Notes	Neither past due nor impaired	Past due and impaired	Total
Cash and cash equivalents	7	P 237,874,552	P -	P 237,874,552
Receivables	8	536,841,848	26,503,166	563,345,014
AFS financial assets (debt securities)	9.2	960,958,390	-	960,958,390
HTM investments	9.3	297,284,616	-	297,284,616
Short-term investments	11	52,993,469	-	52,993,469
Refundable deposits		4,880,271	-	4,880,271
		P 2,090,833,146	P 26,503,166	P 2,117,336,312

The University has no past due but unimpaired financial assets as at May 31, 2018.

As of May 31, 2018, the University's management considers that all of its financial assets are not impaired, except those specifically provided with allowance for impairment at the end of the reporting period, and of good credit quality. Cash and cash equivalents, AFS financial assets, HTM investments and other short-term investments (presented as part of Prepayments and Other Current Assets) are coursed through reputable financial institutions duly approved by the BOT.

4.3 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. As at May 31, 2020, 2019 and 2018, the University's financial liabilities (except Lease liabilities – see Note 15.1) have contractual maturities (or are expected to be settled within these periods) which are presented below.

	Current		**Non-current**
	Within 6 Months	**6 to 12 Months**	**1 to 5 Years**
2020			
Trade and other payables	P 1,057,060,899	P -	P -
Interest-bearing loans	761,269,133	261,903,478	1,387,566,785
Loans from related parties	165,800,000	-	-
Subscription payable	-	76,499,997	-
	P 1,984,130,032	**P 338,403,475**	**P 1,387,566,785**
2019			
Trade and other payables	P 853,657,992	P -	P -
Interest-bearing loans	1,001,157,584	220,090,570	1,057,178,460
Loans from related parties	115,800,000	-	-
Derivative liability	36,720,866	-	-
	P 2,007,336,442	P 220,090,570	P 1,057,178,460

	Current		Non-current
	Within 6 Months	6 to 12 Months	1 to 5 Years
2018			
Trade and other payables	P 803,823,961	P -	P -
Interest-bearing loans	875,016,594	212,542,259	1,434,692,826
Loans from related parties	85,800,000	-	-
Derivative liability	38,255,313	-	-
Subscription payable	-	500,000	-
	P 1,802,895,868	P 213,042,259	P 1,434,692,826

The contractual maturities presented above reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting period.

5. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

5.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair value of financial assets and financial liabilities measured at fair value and amortized cost, and an investment carried at amortized cost but whose fair value is required to be disclosed are shown below.

		2020		2019		2018	
	Notes	**Carrying Values**	**Fair Values**	Carrying Values	Fair Values	Carrying Values	Fair Values
Financial Assets:							
At FVOCI (2020 and 2019)/ AFS (2018):	9.2						
Debt securities		**P 328,345,250**	**P 328,345,250**	P 330,316,652	P 330,316,652	P 960,958,390	P 960,958,390
Equity securities		**133,843,652**	**133,843,652**	135,009,428	135,009,428	750,072,034	750,072,034
UITF		**-**	**-**	-	-	408,461,253	408,461,253
		462,188,902	**462,188,902**	465,326,080	465,326,080	2,119,491,677	2,119,491,677
At FVTPL:	9.1						
Equity securities		**417,473,189**	**417,473,189**	432,043,160	432,043,160	-	-
UITF		**422,100,278**	**422,100,278**	375,308,885	375,308,885	-	-
		839,573,467	**839,573,467**	807,352,045	807,352,045	-	-
At amortized cost (2020 and 2019)/ HTM (2018) investments –							
Debt securities	9.3	**503,135,310**	**507,984,400**	761,771,571	761,760,745	297,284,616	301,671,306
Refundable deposits		**4,794,962**	**4,794,962**	4,796,804	4,796,804	4,880,271	4,880,271
Receivables	8	**935,643,402**	**935,643,402**	619,584,265	619,584,265	563,345,015	563,345,015
		1,443,573,674	**1,448,422,764**	1,386,152,640	1,386,141,814	865,509,902	869,896,592
		P 2,745,336,043	**P 2,750,185,133**	P 2,658,830,765	P 2,658,819,939	P 2,985,001,578	P 2,989,388,268
Financial Liabilities:							
At amortized cost –							
Interest-bearing loans	16	**P 2,205,238,096**	**P 2,155,915,182**	P 2,108,571,429	P 2,064,520,387	P 2,367,142,858	P 2,280,240,097
Lease liabilities	15.2	**1,225,936,012**	**1,225,936,012**	-	-	-	-
At fair value –							
Derivative liability	10	**-**	**-**	36,720,866	36,720,866	38,255,313	38,255,313
		P 3,431,174,108	**P 3,381,851,194**	P 2,145,292,295	P 2,101,241,253	P 2,405,398,171	P 2,318,495,410

Except for the financial assets and financial liabilities presented above, the University has financial assets and/or financial liabilities that are not carried at fair value but are required to be disclosed at fair value as of May 31, 2020, 2019 and 2018 (see Note 6.3). Management determined that the carrying amounts of the other financial assets and financial liabilities that are carried at amortized costs are equal to or approximate their fair values.

See Notes 2.4 and 2.8 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 4.

5.2 Offsetting of Financial Assets and Financial Liabilities

The amounts of University's cash in bank, which is presented as part of the Cash and Cash Equivalents account, and portion of Short-term investments under the Prepayments and Other Current Assets account in the statements of financial position (see Notes 7 and 11) are subject to offsetting, enforceable master netting arrangements and similar agreements as at May 31, 2020, 2019 and 2018, as presented below.

	Gross amounts recognized in the statements of financial position		Net amount presented in the statements of financial position	Related amounts that can potentially be set-off in the statements of financial position		
	Financial assets	Financial liabilities set-off		Financial instruments	Cash collateral received	Net amount
2020	**P 164,244,979**	**P -**	**P 164,244,979**	**(P2,205,238,096)**	**P -**	**(P 2,040,993,117)**
2019	P 114,087,575	P -	P 114,087,575	(P2,108,571,429)	P -	(P 1,994,483,854)
2018	P 174,320,621	P -	P 174,320,621	(P2,367,142,858)	P -	(P 2,192,822,237)

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements above, each agreement between the University and its counterparties (i.e., depository bank) allows for net settlement of the relevant financial assets and financial liabilities (i.e., interest-bearing loans) when both elect to settle on a net basis.

All other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (i.e., related parties) will have the option to settle all such amounts on a net basis through the approval by both parties' BOT or Board of Directors (BOD). As such, the University's outstanding receivables from and payables to the same related parties can potentially be offset to the extent of their corresponding outstanding balances.

6. FAIR VALUE MEASUREMENT AND DISCLOSURES

6.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement,* the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The levels of the fair value hierarchy are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurable date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the University uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

6.2 Financial Instruments Measurement at Fair Value

The tables presented below show the fair value hierarchy of the University's classes of financial assets and financial liabilities measured at fair value in the statements of financial position on a recurring basis as of the years ended May 31, 2020, 2019 and 2018.

	Level 1	Level 2	Level 3	Total
May 31, 2020				
Financial assets at FVOCI:				
Debt securities:				
Government	P 202,462,446	P -	P -	P 202,462,446
Corporate	125,882,804	-	-	125,882,804
Equity securities	133,843,652	-	-	133,843,652
Financial assets at FVTPL – Equity securities	417,473,189	422,100,278	-	839,573,467
Investment securities at amortized cost	507,984,400	-	-	507,984,400
	P 1,387,646,491	**P 422,100,278**	**P -**	**P1,809,746,769**
May 31, 2019				
Financial assets at FVOCI:				
Debt securities:				
Government	P 161,338,064	P -	P -	P 161,338,064
Corporate	168,978,588	-	-	168,978,588
Equity securities	135,009,428	-	-	135,009,428
Financial assets at FVTPL – Equity securities	432,043,160	375,308,885	-	807,352,045
Investment securities at amortized cost	761,760,745	-	-	761,760,745
	P 1,659,129,985	P 375,308,885	P -	P 2,034,438,870
Derivative liability – Cross-currency swaps	P -	(P 36,720,866)	P -	(P 36,720,866)
May 31, 2018				
AFS financial assets:				
Debt securities:				
Government	P 240,339,612	P -	P -	P 240,339,612
Corporate	720,618,778	-	-	720,618,778
Equity securities	750,072,034	408,461,253	-	1,158,533,287
	P 1,711,030,424	P 408,461,253	P -	P 2,119,491,677
Derivative liability – Cross-currency swaps	P -	(P 38,255,313)	P -	(P 38,255,313)

There were neither transfers between levels nor changes in levels of classification of instruments in all years presented.

Following are the information about how the fair values of the University's classes of financial assets and financial liabilities are determined:

a) Equity securities

As of May 31, 2020, 2019 and 2018, instruments included in Level 1 comprise of listed common and preferred shares which are classified as and designated at financial assets at FVTPL and FVOCI, respectively. The corporate shares were valued based on their market prices quoted in the PSE at the end of each reporting period. On the other hand, the fair value of investments in UITF are classified as Level 2, since fair values are generally measured based on the net asset value of the University's investment, computed and determined at the end of each reporting period based on the closing market and trade prices of the securities comprising the fund's portfolio. This valuation approach takes into the account the period end performance of the funds including all trades made within the funds and the related income and expenses arising therefrom.

b) Debt securities

The fair value of the University's debt securities which consist of government and corporate bonds is estimated by reference to quoted bid price in active market at the end of the reporting period and is categorized within Level 1.

(i) Fair values of government debt securities issued by the Philippine government, are determined based on the reference price per Bloomberg which used BVAL. These BVAL reference rates are computed based on the weighted price derived using an approach based on a combined sequence of proprietary BVAL algorithms of direct observations or observed comparables.

(ii) For corporate and other quoted debt securities, fair value is determined to be the current mid-price, which is computed as the average of ask and bid prices as appearing on the Corporate Securities Board Summary.

c) Derivatives

Derivatives classified as financial liability at FVTPL are included in Level 2 as their prices are not derived from market considered as active due to lack of trading activities among market participants at the end or close to the end of the reporting period. The fair value of derivative financial instruments that are not quoted in an active market is determined through valuation techniques normally using the discounted cash flow.

Valuation techniques are used to determine fair values, which are validated and periodically reviewed. To the extent practicable, models use observable data, however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions and correlations could affect reported fair value of financial instruments.

6.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

As of May 31, 2020, 2019 and 2018 the fair value of debt securities categorized as investment securities at amortized cost amounts to P508.0 million, P761.8 million and P301.7 million, respectively, which is Level 1 in the hierarchy of fair values (see Note 5.1).

Other than the HTM investments (2018) and interest-bearing loans, management determined that due to the short-term duration of the other University's financial assets and financial liabilities measured at amortized cost, as described in Notes 2.4 and 2.8, their fair values as at May 31, 2020, 2019 and 2018 equal or approximate their carrying amounts. Accordingly, the University did not anymore present a comparison of their fair values with their carrying amounts and, correspondingly, their level in the hierarchy. Nevertheless, if presented in the hierarchy, only Cash and Cash Equivalents, Short-term investments (presented under Prepayments and Other Current Assets) and Refundable deposits would fall under Level 1 and the rest would be under Level 3.

6.4 Fair Value Measurement for Non-financial Assets

The table below shows the fair value of non-financial assets (i.e., investment properties) measured at cost but fair value is determined on a recurring basis (which is at Level 3) as of May 31, 2020, 2019 and 2018 (see Note 13).

	2020	2019	2018
Land	**P 3,054,560,000**	P 2,712,151,000	P 2,335,840,000
Building and improvements	**355,970,000**	382,545,000	376,311,000
	P 3,410,530,000	P 3,094,696,000	P 2,712,151,000

The fair values of the University's investment properties are determined on the basis of the latest appraisals performed by an independent appraiser in July 2020 covering the years ended May 31, 2020 and 2019, and in 2018, with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. To some extent, the valuation process was conducted by the appraiser in discussion with the University's management with respect to the determination of the inputs such as the size, age, and condition of the land and buildings, and the comparable prices in the corresponding property location with an average of 5% to 10% adjustment.

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as of:

	2020	2019	2018
Cash on hand and in banks	**P 192,444,507**	P 177,278,502	P 237,793,057
Short-term placements	**1,008,016**	-	81,498
	P 193,452,523	P 177,278,502	P 237,874,555

Cash in banks generally earn interest 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.

Effective annual interest earned from these short-term placements is as follows:

	2020	2018
Peso	**2.4%**	0.8% to 1.09%
Dollar	**-**	1.0%

Interest income earned from cash and cash equivalents is presented as part of Finance Income in the statements of profit or loss (see Note 20.1). The related interest receivable from short-term placements as of May 31, 2020, 2019 and 2018 is presented as part of Accrued interest under the Receivables account in the statements of financial position (see Note 8).

8. RECEIVABLES - Net

This account is composed of the following:

	Notes	**2020**	2019	2018
Tuition and other school fees receivables		**P 514,138,004**	P 300,078,677	P 242,380,288
Receivables from related parties	24	**456,857,444**	341,878,705	330,486,042
Advances to employees		**13,892,913**	7,308,584	10,964,599
Accrued interest	7, 9, 11	**5,981,939**	6,161,861	5,329,704
Others		**1,227,731**	1,721,744	11,652,147
		992,098,031	657,149,571	600,812,780
Allowance for impairment		**(42,561,716)**	(30,256,722)	(26,503,166)
		P 949,536,315	P 626,892,849	P 574,309,614

Advances to employees comprise of unsecured and noninterest-bearing advances given to officers and employees in the normal course of operations subject to liquidation within 15 days from the earlier between the release of the advances and the event to which the advances are utilized.

Others include various other receivables from third party debtors.

A reconciliation of the allowance for impairment on receivables at the beginning and end of May 31, 2020, 2019 and 2018 is presented below.

	Note	**2020**	2019	2018
Balance at beginning of year		**P 30,256,722**	P 26,503,166	P 32,619,479
Impairment losses during the year	19	**56,345,366**	5,660,750	33,441,829
Receivables written-off during the year		**(44,040,372)**	(1,907,194)	(39,558,142)
Balance at end of year		**P 42,561,716**	P 30,256,722	P 26,503,166

All of the University's receivables had been assessed for impairment. Starting 2019, the University applies the PFRS 9 simplified approach in measuring ECL taking into consideration the expected loss rates determined through the assessment of credit impairment, which was observed for student receivables that are outstanding for at least two semesters and are unenrolled in the previous terms [see Note 4.2(b)]. In 2018, full allowance is provided for receivables from uncollected tuition fees of the previous school term when the specific student from whom it is due does not enroll in the succeeding school term.

An allowance for impairment amounting to P0.7 million and P0.6 million was provided on other receivables and receivables from related parties, respectively, as of May 31, 2020 and nil as of May 31, 2019 and 2018.

9. FINANCIAL ASSETS

9.1 Financial Assets at FVTPL

The types of investments classified under Financial Assets at FVTPL as of May 31 are shown below.

		2020		2019
Equity securities	**P**	**417,473,189**	P	432,043,160
UITF		**422,100,278**		375,308,885
	P	**839,573,467**	P	807,352,045

The breakdown of Financial Assets at FVTPL as to currency denomination is as follows:

		2020		2019
Local	**P**	**450,823,714**	P	422,943,294
Foreign		**388,749,753**		384,408,751
	P	**839,573,467**	P	807,352,045

An analysis of the movements in the carrying amounts of the University's investments is presented below.

		2020		2019
Balance at beginning of year	**P**	**807,352,045**	P	1,020,523,050
Additions		**1,179,133,965**		1,679,559,036
Disposals	**(**	**1,065,594,699)**	(	1,882,826,347)
Foreign currency loss – net	**(**	**7,670,098)**	(	2,373,943)
Fair value loss – net	**(**	**73,647,746)**	(	7,529,751)
Balance at end of year	**P**	**839,573,467**	P	807,352,045

In 2019, the University reclassified certain financial assets at FVOCI amounting to P1,020.5 million as part of Financial Assets at FVTPL as a result of adoption of PFRS 9.

Investment income (loss) received from financial assets at FVTPL, which includes dividend income and gain or loss on disposal, has been reinvested as part of additions to financial assets at FVTPL. In 2020, total investment loss, including changes in fair value amounted to P91.0 million. In 2019, total investment income, including changes in fair values amounted to P6.8 million. These are presented as Other investment income (loss) from financial assets at FVTPL under Finance Income in the statements of profit or loss (see Note 20.1).

The related outstanding interest is presented as part of Accrued interest under Receivables account in the statements of financial position (see Note 8). The related interest income is presented under Finance Income (see Note 20.1).

9.2 Financial Assets at FVOCI (Classified as AFS Financial Assets in 2018)

As of May 31, the University's financial assets at FVOCI are classified in the statements of financial position as follows:

	2020	2019	2018
Current	**P 182,283,531**	P 184,742,421	P 2,119,491,677
Non-current	**279,905,371**	280,583,659	-
	P 462,188,902	P 465,326,080	P 2,119,491,677

The types of investments classified under Financial Assets at FVOCI as of May 31 are shown below.

	2020	2019	2018
Debt securities:			
Government	**P 202,462,446**	P 161,338,064	P 240,339,612
Corporate	**125,882,804**	168,978,588	720,618,778
	328,345,250	330,316,652	960,958,390
Equity securities:			
Corporate shares	**133,843,652**	135,009,428	750,072,034
UITF	**-**	-	408,461,253
	133,843,652	135,009,428	1,158,533,287
	P 462,188,902	P 465,326,080	P 2,119,491,677

Government securities bear annual interest rates ranging from 2.90% to 12.13% in 2020, 3.38% to 12.13% in 2019, and 2.13% to 12.13% in 2018. Corporate bonds bear interest ranging from 3.20% to 5.50% in 2020, 3.27% to 7.02% in 2019, and 3.20% to 6.88% in 2018.

The fair values of the equity securities and debt securities have been determined based on quoted prices in active markets (see Note 6.2).

The breakdown of quoted Financial Assets at FVOCI as to currency denomination is as follows:

	2020	2019	2018
Local	**P 437,192,160**	P 465,326,080	P 1,833,921,960
Foreign	**24,996,742**	-	285,569,717
	P 462,188,902	P 465,326,080	P 2,119,491,677

An analysis of the movements in the carrying amounts of the University's investments is presented below.

	2020	2019	2018
Balance at beginning of year	**P 465,326,080**	P 648,900,622	P 2,139,654,834
Disposals	**(150,690,479)**	(2,788,478,082)	(2,558,270,287)
Additions	**126,358,875**	2,620,522,884	2,608,753,050
Fair value gains (losses) – net	**21,446,446**	(16,391,446)	(69,044,772)
Foreign currency losses – net	**(429,930)**	(121,392)	-
Amortization of discount (premium) – net	**177,910**	893,494	(1,601,148)
Balance at end of year	**P 462,188,902**	P 465,326,080	P 2,119,491,677

In 2019, the University reclassified certain financial assets at FVOCI amounting to P1,470.6 million as part of Investment securities at Amortized Cost and Financial Assets at FVTPL as a result of adoption of PFRS 9.

Investment income from financial assets at FVOCI pertaining to interests and gain or loss on disposal has been reinvested as part of additions to financial assets at FVOCI. Total investment income from financial assets at FVOCI, including dividend income, totaling P31.2 million, P26.2 million and P97.2 million for the years ended May 31, 2020, 2019 and 2018, respectively, is presented separately as Interest income from financial assets at FVOCI and as Other investment income (loss) from financial assets at FVOCI under Finance Income in the statements of profit or loss (see Note 20.1). The related outstanding interest is presented as part of Accrued interest under the Receivables account in the statements of financial position (see Note 8).

The total fair value losses amounted to P6.9 million and P21.9 million for the year ended May 31, 2020 and 2019 (nil in 2018), respectively, which are presented as an item that will be reclassified subsequently to profit or, in the statements of comprehensive income. The total fair value losses amounting to P1.8 million and P32.9 million for the years ended May 31, 2020 and 2018, respectively, and total fair value gains amounting to P14.8 million for the year ended May 31, 2019, are presented as an item that will not be reclassified to profit or loss in the statements of comprehensive income.

In 2019, the University has recognized a reversal of ECL allowance of P0.2 million, respectively, for its debt securities at FVOCI, which is netted against the unrealized fair value gains under other comprehensive income during the year.

9.3 Investment Securities at Amortized Cost (Classified as HTM Investments in 2018)

As of May 31, the University's investment securities at amortized cost are classified in the statements of financial position as follows:

	2020	2019	2018
Current	**P 227,576,146**	P 263,808,437	P -
Non-current	**275,559,164**	497,963,134	297,284,616
	P 503,135,310	P 761,771,571	P 297,284,616

These investments are composed of government securities and corporate bonds denominated in Philippine pesos and US dollars which bear fixed interest rates ranging from 2.5% to 7.8% per annum in 2020 and 3.2% to 7.4% per annum in both 2019 and 2018 and have maturities ranging from one to 25 years.

The breakdown of investment securities at amortized cost as to currency denomination is as follows:

	2020	2019	2018
Local	**P 398,459,475**	P 465,288,447	P 15,000,000
Foreign	**105,152,008**	296,959,297	282,284,616
	503,611,483	762,247,744	297,284,616
Expected credit losses	**(476,173)**	(476,173)	-
	P 503,135,310	P 761,771,571	P 297,284,616

During 2020, portion of the investments, pertaining to foreign currency denominated bonds which are subject to cross-currency swap agreement over the same term of the bonds, with carrying values of P185.6 million and P190.5 million as at May 31, 2019 and 2018, respectively, and has fair values of P182.8 million and P251.5 million as of May 31, 2019 and 2018, respectively, have already matured.

An analysis of the movements in the carrying amount of the University's investment securities at amortized cost for the years ended May 31, 2020, 2019 and 2018, is presented below.

	2020	2019	2018
Balance at beginning of year	**P 762,247,744**	P 753,111,128	P 336,566,334
Additions	**39,769,449**	109,369,204	52,500,099
Maturities	**(287,086,168)**	(94,483,206)	(102,743,344)
Amortization of discount – net	**(3,328,497)**	(3,313,681)	(4,212,352)
Foreign currency gains (losses) – net	**(7,991,045)**	(2,435,701)	15,173,879
	503,611,483	762,247,744	297,284,616
Expected credit losses	**(476,173)**	(476,173)	-
Balance at end of year	**P 503,135,310**	P 761,771,571	P 297,284,616

In 2019, the University reclassified certain HTM financial assets with total fair value of P455.8 million as of date reclassification to amortized cost as a result of adoption of PFRS 9.

A reconciliation of the allowance for impairment loss on investment securities at amortized cost at the beginning and end of May 31, 2020 and 2019 is presented below:

	2020	2019
Balance at beginning of year	**P 476,173**	P 454,456
Impairment loss during the year	**-**	21,717
Balance at end of year	**P 476,173**	P 476,173

As of May 31, 2020, 2019 and 2018, the unamortized discount relating to financial assets at amortized cost amounts to P0.3 million, P3.6 million and P6.9 million, respectively. Net amortization of discount during the years ended May 31, 2020, 2019 and 2018 is netted against Interest income from investment securities at amortized cost (see Note 20.1).

10. CROSS-CURRENCY SWAPS

The University entered into cross-currency swaps to hedge its foreign currency exposure related to its foreign currency denominated investments in corporate bonds. As of May 31, 2019 and 2018, the fair value of these cross-currency swaps amounting to P36.7 million and P38.3 million, respectively, is presented as Derivative Liability in the statements of financial position. As of May 31, 2020, the balance of the Derivative Liability was nil due to the maturity of the related corporate bonds (see Note 9.3). The related fair value gain or loss is presented as Fair value gain (loss) on derivative liability under Finance Income (Finance Costs) in the statements of profit or loss (see Note 20).

Being denominated in foreign currency, the related interest receivable from cross-currency agreement has been adjusted to the prevailing exchange rate resulting in the recognition of cross-currency gain amounting to P0.9 million for the year ended May 31, 2020, and cross-currency loss amounting to P1.6 million and P0.3 million for the years ended May 31, 2019 and 2018, respectively, which is recognized as part of Foreign exchange gains (loss) under Finance Income (Finance Costs) in the statements of profit or loss (see Note 20).

11. PREPAYMENTS AND OTHER CURRENT ASSETS

The breakdown of this account is as follows:

	2020	2019	2018
Input value-added tax (VAT)	**P 34,358,831**	P 31,184,368	P 20,394,633
Prepaid expenses	**29,162,120**	15,396,038	15,103,221
Inventories	**6,414,098**	20,964,663	4,738,540
Short-term investments	**4,481,523**	11,489,009	52,993,469
Creditable withholding tax	**3,666,411**	17,983,608	16,596,527
Supplies	**3,282,945**	4,790,978	5,953,180
	81,365,928	101,808,664	115,779,570
Allowance for impairment of input VAT	**(11,034,177)**	(11,034,177)	(11,034,177)
	P 70,331,751	P 90,774,487	P 104,745,393

Prepaid expenses mainly consist of rentals and license and subscriptions.

Short-term investments, which consist of special savings deposits and investment in special deposit accounts, earn interest ranging from 0.88% to 2.38%, from 0.75% to 1.75%, and from 1.00% to 3.55% for the years ended May 31, 2020, 2019 and 2018, respectively. These investments are maturing beyond three months but within one year from the end of each of the reporting period. Related accrued interest is presented as part of the Receivables account in the statements of financial position (see Note 8).

Inventories consist of merchandise inventory items relating to the University's book store. Inventories of the University are subject to impairment and are valued at the lower of cost and net realizable value. As of May 31, 2020, 2019 and 2018, all inventories are valued at cost.

12. INVESTMENTS IN SUBSIDIARIES AND AN ASSOCIATE

This account consists of the following as of May 31:

	Explanatory Notes	% Interest Held	**2020**	2019	2018
Investments in:					
Subsidiaries:					
Roosevelt College, Inc. (RCI)	12.1	97.45%	**P 1,012,418,769**	P 1,012,418,769	P 1,012,418,769
FEU Alabang, Inc. (FEUAI)	12.2	100%	**749,999,875**	749,999,875	749,999,875
Edustria, Inc. (Edustria)	12.4	51%	**254,999,997**	-	-
East Asia Computer Center, Inc. (EACCI)		100%	**150,104,999**	150,104,999	150,104,999
Fern Realty Corporation (FRC)		38.04%	**64,419,300**	64,419,300	64,419,300
Far Eastern College – Silang, Inc. (FECSI)		100%	**51,000,000**	51,000,000	51,000,000
FEU High School, Inc. (FEU High)	12.3	100%	**9,999,500**	9,999,500	9,999,500
Associate –					
Juliana Management Company, Inc. (JMCI)	12.5	-	**-**	-	7,878,120
			P 2,292,942,440	P 2,037,942,443	P 2,045,820,563

Details of subscription payable as of May 31 are as pertain to the following investments:

	2020	2019	2018
Edustria	**P 76,499,997**	P -	P -
FEU High	**-**	-	500,000
	P 76,499,997	P -	P 500,000

Movement in the University's subscription payable is presented below.

	2020	2019	2018
Balance at beginning of year	**P -**	P 500,000	P 488,000,000
Additional subscription	**254,999,997**	-	-
Repayments	**(178,500,000)**	(500,000)	(487,500,000)
Balance at end of year	**P 76,499,997**	P -	P 500,00

Their place of incorporation which is similar to the place where they operate are summarized as follows:

RCI	-	J.P. Rizal Street, Lamuan, Marikina City
FEUAI	-	Lot 1, Corporate Woods cor. South Corporate Avenues, Woods District, Filinvest City, Alabang, Muntinlupa City
Edustria	-	Blocks R &T Lima Technology Center Barangay Bugtong na Pulo Lipa City, Batangas
EACCI	-	P. Paredes Street, Sampaloc, Manila
FRC	-	Administration Building, FEU Compound, Nicanor Reyes, Sr. Street, Sampaloc, Manila
FECSI	-	Metrogate Silang Estates, Silang, Cavite
FEU High	-	Nicanor Reyes Street, Sampaloc, Manila

Similar to the University, RCI, FEUAI, EACCI, FECSI, FEU High and Edustria were established to operate as educational institutions offering general courses of study. FRC, on the other hand, operates as a real estate company leasing most of its investment properties to the University and other related parties.

FEUAI was conferred as a school by the Department of Education and Commission on Higher Education upon completion of its school building. FEUAI started its operations in August 2018.

On April 12, 2019, the University's BOT approved the incorporation of Edustria, in partnership with the Technological Institute of the Philippines, with the purpose of delivering educational and other services, particularly the establishment and operation of an educational institution offering enhanced basic education in the Senior High School level. Accordingly, on August 27, 2019, Edustria was incorporated and became a subsidiary of the University. As of May 31, 2020, Edustria has not yet started educational operations. However, the Senior and the Junior high school departments are respectively set to welcome its first batch of Grade 11 and Grade 7 students on August 24, 2020 and October 5, 2020.

Although the University holds less than 50% of the voting shares of stock of FRC, it has control over FRC because it is exposed or has right to variable returns from its involvement with FRC and it has the ability to affect those returns through its power over FRC. It is able to do this primarily because the University has the power to cast the majority of votes at meetings of FRC's BOD and elect its officers. Accordingly, FRC is recognized as a subsidiary of the University.

The shares of stocks of the subsidiaries and associate are not listed in the PSE; hence, the book value based on the latest audited financial statements is the prima facie fair market value of the shares. Management believes that the carrying amounts of the investments as of May 31, 2020, 2019 and 2018 are fully recoverable.

During the years ended May 31, 2020, 2019 and 2018, the University earned dividends from FEU High, EACCI and FRC totaling P347.5 million, P60.8 million and P62.5 million, respectively, as detailed below (see Notes 20.1 and 24.1).

	2020	2019	2018
FEU High	**P 239,988,000**	P 29,998,500	P 29,998,500
EACCI	**99,999,485**	25,839,867	25,839,867
FRC	**7,509,000**	5,006,000	6,672,998
	P 347,496,485	P 60,844,367	P 62,511,365

12.1 Investment in RCI

On May 12, 2016, pursuant to the Share Purchase Agreement (SPA) entered into between FEU and the selling stockholders of RCI for the sale and purchase of 99.42% of RCI's issued and outstanding shares, the University acquired a total of 235,427 shares of stock of RCI. The acquired shares account for 79.72% of the total outstanding shares of RCI.

During the year ended May 31, 2017, the University acquired additional 52,349 shares of stock of RCI from various selling stockholders of RCI. The additional shares are equivalent to 17.73% of the total outstanding shares of RCI. As of May 31, 2020, 2019 and 2018, the University owns 97.45% of RCI's total outstanding shares.

12.2 Investment in FEUAI

In February 2017, the SEC approved the increase in authorized capital stock of FEUAI. The University subscribed to the increase in authorized common stock of FEUAI totaling 6.5 million shares and of which P162.5 million and P487.5 million have been paid as of May 31, 2017 and 2018, respectively.

No additional investment was made in 2020.

12.3 Investment in FEU High

As of May 31, 2018, the University has subscribed to 100,000 shares of FEU High, equivalent to P10.0 million, of which the University fully paid as of May 31, 2019.

No additional investment was made in 2020.

12.4 Investment in Edustria

The University subscribed to 101,999,997 shares of Edustria at P1.0 par value upon the latter's incorporation. On September 10, 2019, the University subscribed to an additional 153,000,000 shares. Both subscriptions accounts for 51% of the total subscribed shares as of the respective dates.

As of May 31, 2020, P76.5 million of the University's total subscription remains unpaid.

12.5 Investment in an Associate

JMCI was established to provide management and technical advice, assistance and services to commercial, manufacturing and other kinds of enterprises. As of May 31, 2018, management believed that the recoverable amount of its investment in JMCI is higher than the carrying value.

JMCI's total assets, total liabilities, total equity and net results based on its most recent audited financial statements as of and for the year ended December 31, 2018 were P15.1 million, P2.1 million, P15.1 million and P0.2 million, respectively.

In 2019, the University divested from its interest in JMCI in favor of a certain third party for a total consideration of P147.0 million, which resulted in a gain amounting to P139.1 million.

The gain on such transaction is presented by the University as part of Other Income (see Note 21 and 24.15).

As of May 31, 2018, management believed that the recoverable amount of its investment in JMCI is higher than the carrying value.

13. INVESTMENT PROPERTIES

This account consists of the building being leased out to FECSI, and a parcel of land that is being leased out to FEUAI where its school building and campus is situated.

The gross carrying amounts and accumulated depreciation of investment properties at the beginning and end of the years ended May 31, 2020, 2019 and 2018 are shown below.

	Land	Building and Improvements	Total
May 31, 2020			
Cost	P 1,076,829,849	P 428,614,821	P 1,505,444,670
Accumulated depreciation	-	(167,988,793)	(167,988,793)
Net carrying amount	**P 1,076,829,849**	**P 260,626,028**	**P 1,337,455,877**
May 31, 2019			
Cost	P 1,076,829,849	P 428,436,741	P 1,505,266,590
Accumulated depreciation	-	(146,564,887)	(146,564,887)
Net carrying amount	P 1,076,829,849	P 281,871,854	P 1,358,701,703
May 31, 2018			
Cost	P 1,076,829,849	P 428,436,741	P 1,505,266,590
Accumulated depreciation	-	(125,143,950)	(125,143,950)
Net carrying amount	P 1,076,829,849	P 303,292,791	P 1,380,122,640

A reconciliation of the carrying amounts of investment properties at the beginning and end of the years ended May 31, 2020, 2019 and 2018 is shown below.

	Land	Building and Improvements	Total
Balance at June 1, 2019, net of accumulated depreciation	P 1,076,829,849	P 281,871,854	P 1,358,701,703
Additions	-	178,080	178,080
Depreciation charges for the year	-	(21,423,906)	(21,423,906)
Balance at May 31, 2020, net of accumulated depreciation	**P 1,076,829,849**	**P 260,626,028**	**P 1,337,455,877**
Balance at June 1, 2018, net of accumulated depreciation	P 1,076,829,849	P 303,292,791	P 1,380,122,640
Depreciation charges for the year	-	(21,420,937)	(21,420,937)
Balance at May 31, 2019, net of accumulated depreciation	P 1,076,829,849	P 281,871,854	P 1,358,701,703
Balance at June 1, 2017, net of accumulated depreciation	P 1,076,829,849	P 324,713,728	P 1,401,543,577
Depreciation charges for the year	-	(21,420,937)	(21,420,937)
Balance at May 31, 2018, net of accumulated depreciation	P 1,076,829,849	P 303,292,791	P 1,380,122,640

The total rental income earned from investment properties is presented as Other Operating Income in the statements of profit or loss (see Notes 24.5 and 24.14). The direct operating expenses, which include depreciation and amortization, insurance, and taxes and licenses incurred by the University relating to the investment properties, totaling P24.1 million, P24.4 million and P24.2 million for the year ended May 31, 2020, 2019 and 2018, respectively, are presented as part of Depreciation and amortization, Insurance, and Taxes and licenses, respectively, under Operating Expenses in the statements of profit or loss (see Note 19).

Based on the latest appraisal report obtained from an independent appraiser, management determined that the total fair value of investment properties amounts to P3,410.5 million and P2,700.0 million as of May 31, 2020 and 2018, respectively. Management deemed that the 2018 fair value continue to exceed the carrying amount of investment property as of May 31, 2019. Information about the fair value measurement and disclosures related to investment properties are presented in Note 6.4.

14. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization at the beginning and end of years ended May 31, 2020, 2019 and 2018 are shown below.

	Land	Building and Improvements	Furniture and Equipment	Leasehold Improvements	Miscellaneous Equipment	Construction in Progress	Right-of-use Assets	Total
May 31, 2020								
Cost	P 389,229,440	P 1,665,648,698	P 617,654,252	P 894,078,489	P 223,924,350	P 611,515,107	P 1,121,187,406	P 5,523,237,742
Accumulated depreciation and amortization	-	(850,739,046)	(511,884,331)	(269,822,808)	(170,166,691)	-	(68,465,588)	(1,871,078,464)
Net carrying amount	**P 389,229,440**	**P 814,909,652**	**P 105,769,921**	**P 624,255,681**	**P 53,757,659**	**P 611,515,107**	**P 1,052,721,818**	**P 3,652,159,278**
May 31, 2019								
Cost	P 389,229,440	P 1,608,401,168	P 560,182,007	P 888,683,959	P 187,594,083	P 350,499,280	P -	P 3,984,589,937
Accumulated depreciation and amortization	-	(770,571,469)	(461,844,857)	(226,351,773)	(156,947,144)	-	-	(1,615,715,243)
Net carrying amount	P 389,229,440	P 837,829,699	P 98,337,150	P 662,332,186	P 30,646,939	P 350,499,280	P -	P 2,368,874,694
May 31, 2018								
Cost	P 389,229,440	P 1,588,350,527	P 503,710,712	P 854,298,895	P 176,913,118	P 38,735,488	P -	P 3,551,238,180
Accumulated depreciation and amortization	-	(692,549,957)	(410,863,785)	(183,949,503)	(147,033,646)	-	-	(1,434,396,891)
Net carrying amount	P 389,229,440	P 895,800,570	P 92,846,927	P 670,349,392	P 29,879,472	P 38,735,488	P -	P 2,116,841,289

A reconciliation of the carrying amounts of property and equipment at the beginning and end of periods ended May 31, 2020, 2019 and 2018 is shown below.

	Land	Building and Improvements	Furniture and Equipment	Leasehold Improvements	Miscellaneous Equipment	Construction in Progress	Right-of-use Assets	Total
Balance at June 1, 2019, net of accumulated depreciation and amortization								
As previously reported	P 389,229,440	P 837,829,699	P 98,337,150	P 662,332,186	P 30,646,939	P 350,499,280	P -	P 2,368,874,694
Effect of PFRS 16 [see Note 2.2(a)(iv)]	-	-	-	-	-	-	1,121,187,406	1,121,187,406
As restated	389,229,440	837,829,699	98,337,150	662,332,186	30,646,939	350,499,280	1,121,187,406	3,490,062,100
Additions	-	57,247,530	57,472,245	5,394,530	36,330,267	261,015,827	-	417,460,399
Depreciation and amortization charges for the year	-	(80,167,577)	(50,039,474)	(43,471,035)	(13,219,547)	-	(68,465,588)	(255,363,221)
Balance at May 31, 2020, net of accumulated depreciation and amortization	**P 389,229,440**	**P 814,909,652**	**P 105,769,921**	**P 624,255,681**	**P 53,757,659**	**P 611,515,107**	**P 1,052,721,818**	**P 3,652,159,278**
Balance at June 1, 2018, net of accumulated depreciation and amortization	P 389,229,440	P 895,800,570	P 92,846,927	P 670,349,392	P 29,879,472	P 38,735,488	P -	P 2,116,841,289
Additions	-	20,050,641	56,471,295	34,385,064	10,680,965	311,763,792	-	433,351,757
Depreciation and amortization charges for the year	-	(78,021,512)	(50,981,072)	(42,402,270)	(9,913,498)	-	-	(181,318,352)
Balance at May 31, 2019, net of accumulated depreciation and amortization	P 389,229,440	P 837,829,699	P 98,337,150	P 662,332,186	P 30,646,939	P 350,499,280	P -	P 2,368,874,694

	Land	Building and Improvements	Furniture and Equipment	Leasehold Improvements	Miscellaneous Equipment	Construction in Progress	Right-of-use Assets	Total
Balance at June 1, 2017, net of accumulated depreciation and amortization	P 312,398,552	P 966,195,855	P 96,307,735	P 625,766,119	P 30,918,162	P 12,046,536	P -	P 2,043,632,959
Additions	76,830,888	7,198,083	52,809,387	72,430,242	9,377,232	38,735,488	-	257,381,320
Reclassification	-	-	-	12,046,536		(12,046,536)	-	-
Depreciation and amortization charges for the year	-	(77,593,368)	(56,270,195)	(39,893,505)	(10,415,922)	-	-	(184,172,990)
Balance at May 31, 2018, net of accumulated depreciation and amortization	P 389,229,440	P 895,800,570	P 92,846,927	P 670,349,392	P 29,879,472	P 38,735,488	P -	P 2,116,841,289

In 2019, the University capitalized borrowing costs amounting to P33.7 million from the actual borrowing costs incurred on the loan obtained by the University to fund the construction of its new building located in Lerma St., Sampaloc, Manila. No similar transaction occurred in 2020 and 2018 (see Notes 17 and 20.2).

As of May 31, 2020, 2019 and 2018, certain fully depreciated and amortized assets with acquisition cost of P365.2 million, P547. 6 million and P450.4 million, respectively, are still being used in the University's operations.

The table below describes the nature of the University's leasing activities by type of ROUA recognized in the 2020 statement of financial position.

	Number of right-of-use assets leased	Range of remaining term	Average remaining lease term	Number of leases with extension options	Number of leases with termination options
University buildings	5	10 – 26 years	10 years	5	5

As at May 31, 2020, none of the University's Property and Equipment are used as collateral for any of the University's interest-bearing loans and borrowings.

Total rental income earned from the sublease of one of the University buildings amounted to P43.9 million, P41.8 million and 39.8 million, for the years ended May 31, 2020, 2019 and 2018, respectively, and is part of Other Operating Income in the statements of profit or loss. The amount of depreciation is presented as part of Depreciation and amortization which is presented under Operating Expenses account (see Note 19).

15. LEASES

The University has leases for certain university buildings, transportation equipment, and event venues. With the exception of leases of low-value underlying assets pertaining to transportation equipment and event venues, each lease is reflected on the 2020 statement of financial position as ROUA under Property and Equipment (see Note 14) and as Lease Liabilities.

Each lease generally imposes a restriction that, unless there is a contractual right for the University to sublet the asset to another party, the ROUA can only be used by the University. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an extension of the lease for a further term. The University is prohibited from selling or pledging the underlying leased assets as security. For leases of university buildings, the University must keep those properties in a good state of repair and return the properties in good condition at the end of the lease. Further, the University must insure the leased assets and incur maintenance fees on such items in accordance with the lease contracts.

15.1 Lease Liabilities

Current portion of lease liabilities are presented in the statement of financial position as part of Trade and Other Payables amounting to P39.10 million as at May 31, 2020 (see Note 16). On the other hand, the non-current portion amounting to P1,186.84 million is presented separately in the statement of financial position as at May 31, 2020.

The use of extension and termination options gives the University added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. An option is only exercised when consistent with the University's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost. As at May 31, 2020, the University exercised the extension option on its university buildings for an additional term of 14 years.

As at May 31, 2020, the University has no commitment to any lease contracts which had not commenced.

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at May 31, 2020 is as follows:

	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
Lease payments	P 42,607,482	P 198,654,455	P 117,625,370	P 122,827,172	P 123,616,949	P 2,363,265,294	P 2,968,596,722
Finance charges	(3,510,899)	(222,212,953)	(113,755,609)	(113,868,576)	(113,582,612)	(1,175,730,061)	(1,742,660,710)
Net present values	**P 39,096,583**	**(P 23,558,498)**	**P 3,869,761**	**P 8,958,596**	**P 10,034,337**	**P 1,187,535,233**	**P 1,225,936,012**

15.2 Lease Payments Not Recognized as Liabilities

The University has elected not to recognize a lease liability for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. The expenses relating to leases of low-value assets amounted to P1.2 million is presented as Rental under Operating Expenses in the 2020 statement of profit or loss (see Note 19).

At May 31, 2020, the total future cash outflows for lease of low-value assets amounted to P24,000.

15.3 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of leases amounted to P79.5 million in 2020. Interest expense in relation to lease liabilities amounted to P101.4 million and is presented as part of Interest expense under Finance Costs in the 2020 statement of profit or loss (see Note 20.2).

16. TRADE AND OTHER PAYABLES

As of May 31, this account consists of:

	Notes	2020	2019	2018
Accounts payable		**P 291,662,485**	P 243,445,487	P 150,205,447
Dividends payable	25.2(b)	**223,026,631**	212,205,101	195,004,540
Accrued expenses	17, 24.2 24.11	**203,489,988**	117,563,840	90,157,951
Deposits payable		**164,235,379**	77,331,331	69,246,585
Amounts due to students		**58,764,059**	33,174,522	27,982,010
Accrued salaries and employee benefits		**43,465,799**	95,138,108	61,330,277
Retention payable		**42,233,834**	42,233,834	179,544,963
Lease liabilities	15	**39,096,583**	-	-
Withholding and other taxes payable		**15,705,834**	16,274,680	14,994,229
Other funds		**7,128,911**	61,147,635	57,576,661
Others		**30,182,724**	32,565,769	30,352,188
		P 1,118,992,227	P 931,080,307	P 876,394,851

Accounts payable mainly pertains to unpaid amounts for security services, utilities and other expenses already billed by the University's service providers and suppliers.

Accrued expenses include the University's accrual for utilities, professional fees, outside services, trustees' bonuses and interest, among others.

Deposits payable are amounts held by the University on behalf of students and third parties for various specific activities. During the year ended May 31, 2020 and 2018, certain deposits payable recognized in prior years amounting to P57.3 million and P2.7 million, respectively, were recognized as income because the purpose for which the amounts were held have already been fulfilled. The related gains are presented as Reversal of deposits payable and NSTP fund under Other Income in the statements of profit or loss (see Note 21). No similar transactions occurred during the year ended May 31, 2019.

Retention payable pertains to a portion of the consideration for the acquisition of RCI in 2016 that is retained by the University to ensure compliance by the selling shareholders of RCI to certain terms of the SPA. In 2019, the University paid P137.3 million of the retention payable in compliance with the agreement. The balance of P42.2 million as of May 31, 2020 and 2019 pertain to amounts with is still outstanding claims from the selling shareholders from the University.

Amounts due to students represent excess payment of tuition and miscellaneous fees that are refundable to them.

The NSTP trust fund collected from students amounted to P27.1 million, P28.3 million and P8.0 million for the years ended May 31, 2020, 2019 and 2018. The outstanding balance of NSTP trust fund, reported as part of Other funds amounted to P19.0 million as of May 31, 2019 and nil as of May 31, 2020 and 2018.

17. INTEREST-BEARING LOANS

The University's interest-bearing loans as of May 31, 2020, 2019 and 2018 are as follows:

Original Principal Amount	Outstanding Principal Balance (in Million Pesos)			Interest Charges (in Million Pesos)			Accrued Interest (in Million Pesos)			Current Interest Rate*	Security	Maturity Date	Principal Repayment
	2020	2019	2018	**2020**	2019	2018	**2020**	2019	2018				
P 800.0	**P 495.2**	P 609.5	P 761.9	**P 27.4**	P 38.0	P 27.1	**P 6.2**	P 2.0	P 1.4	4.16%	Unsecured	May 2023	Quarterly
425.0	**425.0**	-	-	**16.3**	-	-	**6.4**	-	-	4.19%	Unsecured	July 2027	Quarterly
680.0	**291.4**	421.0	550.5	**17.2**	26.0	23.8	**2.7**	5.6	4.8	4.01%	Unsecured	June 2022	Quarterly
150.0	**150.0**	-	-	**4.2**	-	-	**2.3**	-	-	4.19%	Unsecured	July 2027	Quarterly
120.0	**120.0**	-	-	**1.5**	-	-	**1.5**	-	-	4.08%	Unsecured	July 2027	Quarterly
100.0	**100.0**	100.0	100.0	**5.6**	5.9	0.5	**0.4**	0.3	0.1	5.15%	Unsecured	June 2020	End of Term
100.0	**100.0**	100.0	-	**5.6**	1.6	-	**0.3**	0.5	-	5.15%	Unsecured	June 2020	End of Term
100.0	**100.0**	-	-	**0.2**	-	-	**0.2**	-	-	5.40%	Unsecured	August 2020	End of Term
150.0	**92.9**	114.3	142.8	**5.1**	7.0	5.1	**1.2**	0.3	0.3	4.16%	Unsecured	May 2023	Quarterly
200.0	**85.7**	123.8	161.9	**5.0**	7.6	7.1	**0.8**	1.8	1.6	4.01%	Unsecured	August 2022	Quarterly
80.0	**80.0**	80.0	80.0	**4.5**	4.5	0.6	**-**	0.2	0.1	5.15%	Unsecured	June 2020	End of Term
70.0	**70.0**	70.0	-	**4.0**	1.1	-	**0.2**	0.3	-	5.15%	Unsecured	June 2020	End of term
50.0	**50.0**	-	-	**2.9**	-	-	**0.1**	-	-	5.15%	Unsecured	June 2020	End of Term
100.0	**45.0**	65.0	85.0	**2.6**	4.0	3.6	**0.4**	1.0	0.9	4.01%	Unsecured	June 2022	Quarterly
200.0	**-**	200.0	200.0	**1.8**	11.2	5.8	**-**	0.3	0.1	6.50%	Unsecured	July 2019	End of Term
175.0	**-**	175.0	175.0	**1.5**	9.8	4.1	**-**	0.1	0.1	6.50%	Unsecured	July 2019	End of Term
50.0	**-**	50.0	50.0	**0.4**	2.8	1.8	**-**	0.1	-	6.50%	Unsecured	July 2019	End of Term
60.0	**-**	-	60.0	**-**	2.0	1.1	**-**	-	0.2	6.55%	Unsecured	January 2019	End of Term
148.0	**-**	-	-	**1.4**	-	-	**-**	-	-	5.75%	Unsecured	February 2020	End of Term
	P 2,205.2	P 2,108.6	P 2,367.1	**P 107.2**	P 121.5	P 80.6	**P 22.7**	P 12.5	P 9.6				

* For certain loans, interest rates are determined based on Philippine Dealing System Treasury Reference three-month bid yields for Philippine government securities plus 0.75% or prevailing rate on special deposit accounts.

On June 2015, the University availed a credit line facility with a local commercial bank amounting to P1.0 billion which was used to finance the construction of a campus, including acquisition of land (see Note 14). On May 2018, the University's BOT, through a board resolution, approved to accept the offer of the local commercial bank to increase the existing credit line up to P4.0 billion which will be utilized for the improvement of the facilities of the FEU system of schools. Total drawdown amounted to P3.2 billion as of May 31, 2020.

Likewise in 2016, a P3.0 billon credit facility was obtained with another local commercial bank to finance the University and its affiliates' capital expenditure requirements, strategic investments and general corporate funding requirements. Total drawdown as of May 31, 2020 amounted to P500.0 million.

The total interest incurred by the University on all of these loans, which are already exclusive of the capitalized borrowing costs on the property and equipment of the University, are presented as part of Interest expense under Finance Costs in the statements of profit or loss (see Notes 14 and 20.2), while any outstanding interest payable is recognized as part of Accrued expenses under the Trade and Other Payables account in the statements of financial position (see Note 16).

There are no assets used and/or required as collaterals as of May 31, 2020, 2019 and 2018 for the University's interest-bearing loans and borrowings.

Loans obtain with a local commercial bank are subject to loan covenants effective for the years ended May 31, 2020, 2019 and 2018, which require the University to maintain a debt service coverage ratio of at least 1.2x and debt-to-equity ratio of not more than 2:1. As of May 31, 2020, 2019 and 2018, the University has complied with its loan covenants.

18. EDUCATIONAL REVENUES

Details of net tuition and other school fees presented in the statements of profit or loss are as follows:

	2020	2019	2018
Tuition fees	**P 2,100,525,346**	P 1,726,270,508	P 1,463,456,258
Less:			
Rebates	**115,899,515**	-	-
Discounts:			
Scholarships	**106,136,182**	83,762,151	58,586,982
Cash	**17,357,961**	8,283,410	8,871,802
Family	**2,815,944**	2,890,841	21,582,822
	242,209,602	94,936,402	89,041,606
Tuition fees – net	**1,858,315,744**	1,631,334,106	1,374,414,652
Other school fees:			
Entrance fees	**12,919,539**	12,077,547	7,571,519
Diplomas	**9,066,625**	5,080,284	5,232,682
Transcript fees	**8,148,959**	10,422,008	9,193,844
Identification cards	**7,130,243**	6,279,102	4,994,414
International student fees	**6,941,959**	4,869,581	4,040,836
Graduation and commencement fees	**5,273,384**	4,006,402	3,737,252
Certification fee	**3,236,512**	4,309,613	4,107,048
Miscellaneous	**3,778,556**	2,633,391	2,367,646
	56,495,777	49,677,928	41,245,241
	P 1,914,811,521	P 1,681,012,034	P 1,415,659,893

18.1 Core Revenue Stream

The University derives revenues from transactions involving tuition fees, other school fees and other school-related activities such as sale of school merchandise and books. Revenues from tuition fees are recognized over time of instruction. On the other hand, all other revenue sources, such as other school fees and sale of school merchandise and books (presented as part of Other Income), are recognized at a point in time.

18.2 Unearned Tuition Fees

For the years ended May 31, 2020, 2019 and 2018, the University has collected advance tuition fee payments amounting to P36.3 million, P106.0, million and P83.7 million, respectively, from students which are applicable for the succeeding midyear term or first semester of the following school year. These collections are presented as Unearned Tuition Fees in the statements of financial position. These will be recognized as revenue once the performance obligation of the University has been rendered.

18.3 Tuition Fee Rebates

The implementation of the government measures in response to coronavirus disease (COVID-19) caused the temporary shutdown of University operations in March 2020 and succeeding months, together with the adoption of a skeletal workforce for designated employees with necessary and urgent functions.

The remaining second semester of school year 2019-2020 were continued via full online learning platform, the strategic implementation of Canvas since three school years ago, made the University's quick transition to full online mode easier, however, with the shift of the learning platform, the University found it necessary to return unutilized miscellaneous fees through a rebate to the students totaling P115.9 million as of May 31, 2020. Meanwhile, the University plans to adopt online learning activities and online classes for continuation of learning with students as the quarantine period ensues and until a vaccine is available to protect students and employees from the outbreak. The management expects the change in learning mode and corresponding effect of economic slowdown to significantly reduce student population thus bring down results of subsequent operations to near break-even point.

19. OPERATING EXPENSES

Costs and operating expenses consist of:

	Notes	**2020**	2019	2018
Salaries and allowances	22.1	**P 641,178,112**	P 602,006,169	P 592,168,992
Depreciation and amortization	13, 14	**276,787,127**	202,739,289	205,593,927
Employee benefits	22.1	**260,964,966**	222,998,565	216,142,688
Professional fees		**82,744,858**	60,469,777	52,948,416
Outside services		**69,689,918**	61,944,697	62,063,941
Supplies and materials		**63,787,714**	61,339,076	44,880,763
Utilities and communication		**59,668,492**	68,240,762	51,985,370
Impairment losses	8	**56,345,366**	5,660,750	33,441,829
Balance carried forward		**P 1,511,166,553**	P 1,285,399,085	P 1,259,225,926

	Notes	2020	2019	2018
Balance forwarded		**P 1,511,166,553**	P 1,285,399,085	P 1,259,225,926
Taxes and licenses	13, 31(f)	**50,718,016**	268,723,938	8,046,408
License and subscription		**41,890,001**	27,958,943	25,424,160
Repairs and maintenance		**25,061,275**	19,145,426	13,199,153
Transportation and travel		**15,765,575**	8,956,611	7,195,092
Training and seminars		**15,175,637**	14,449,328	12,561,405
Directors' bonus		**13,506,928**	12,625,000	13,500,000
Insurance	13	**6,561,082**	5,577,683	5,139,392
Advertising and promotions		**5,182,876**	5,708,951	7,320,860
Research		**2,933,002**	3,376,856	3,342,745
Rental	15.2, 24.3, 24.9	**1,223,715**	110,015,083	116,683,676
Others		**9,176,887**	3,805,824	3,978,041
		P 1,698,361,547	P 1,694,842,728	P 1,475,616,858

In 2020 and 2019, the University recognized and paid basic local taxes in arrears amounting to P22.2 million and P189.9 million, respectively, which collectively covers taxable calendar years 2009 through 2018, as assessed by the local government of City of Manila. The University has been discharged from all deficiency tax assessments and liabilities until the taxable year 2018 (see Note 28.3). The tax due for calendar year 2019 was paid in January 2020.

20. FINANCE INCOME AND FINANCE COSTS

20.1 Finance Income

This consists of the following:

	Notes	2020	2019	2018
Interest income from:				
Investment securities at amortized cost (2020 and 2019)/ HTM investments (2018)	9.3	**P 34,642,252**	P 47,690,430	P 21,252,824
Financial assets at FVOCI (2020 and 2019)/AFS financial assets (2018)	9.2	**19,141,331**	18,700,445	45,530,554
Short-term investments	11	**478,775**	5,124,524	1,074,194
Financial assets at FVTPL	9.1	**-**	2,659,771	-
Balance carried forward		**P 54,262,358**	P 55,493,474	P 67,857,572

	Notes	2020	2019	2018
Balance forwarded		**P 54,262,358**	P 55,493,474	P 67,857,572
Cash and cash equivalents	7	**683,367**	591,216	802,362
Dividend income	12, 24.1	**347,496,485**	60,844,367	62,511,365
Other investment income (loss) from:				
Financial assets at FVOCI	9.2	**12,054,800**	7,495,946	-
Financial assets at FVTPL	9.1	**(90,964,966)**	6,776,334	-
Reversal of impairment loss on financial assets at FVOCI	9.2	**-**	105,907	-
AFS financial assets and HTM investments – net	9	**-**	-	51,667,991
Fair value gain on derivative liability	10	**5,060,766**	3,096,336	-
		P 328,592,810	P 153,085,276	P 182,839,290

Other investment income (loss) from financial assets at FVOCI and FVTPL in 2020 and 2019, and AFS financial assets and HTM investments in 2018 comprised collectively of dividend income, gain or loss on disposal, and realized fair value gains or losses of securities held by trustee banks, as well as net amortization of discount and premium on HTM investments.

20.2 Finance Costs

This is broken down into the following:

	Notes	2020	2019	2018
Interest expense on:				
Interest-bearing loans	17, 24.11	**P 114,992,570**	P 91,678,350	P 81,465,141
Lease liabilities		**101,381,719**	-	-
Foreign exchange loss (gain)	9	**16,881,723**	6,654,774	(31,703,084)
Bank charges		**7,841,754**	2,119,164	2,308,894
Impairment loss on investment securities at amortized cost	9.3	**-**	21,717	-
Fair value loss on derivative liability	10	**-**	-	11,504,354
		P 241,097,766	P 100,474,005	P 63,575,305

In 2019, interest charges amounting to P33.7 million had been capitalized as part of construction in progress under Property and Equipment account, which arose solely from specific borrowings (see Note 14 and 17). No borrowing costs had been capitalized for the years ended May 31, 2020 and 2018.

21. OTHER INCOME (CHARGES) - Net

This consists of the following:

	Notes	2020	2019	2018
Reversal of deposits payable and NSTP fund	16	**P 57,267,684**	P -	P 2,717,902
Income (loss) from sale of books and other merchandise - net		**(183,031)**	16,880,100	10,293,910
Gain on sale of investment in JMCI	12.5	**-**	139,121,880	
Others		**4,295,346**	4,215,744	17,587,032
		P 61,379,999	P 160,217,724	P 30,598,844

Others include revenues from processing fees for various document requests of students, photocopying, locker rental and reimbursement of vaccine costs of employees.

22. EMPLOYEES' HEALTH, WELFARE AND RETIREMENT FUND

22.1 Salaries and Employee Benefits Expense

Details of salaries and employee benefits are presented below (see Note 19).

	2020	2019	2018
Short-term employee benefits	**P 827,195,774**	P 750,687,750	P 734,919,312
Post-employment defined benefits	**74,947,304**	74,316,984	73,392,368
	P 902,143,078	P 825,004,734	P 808,311,680

Subsequent to May 31, 2020 and in response to avert any significant impact of COVID-19 to the University's operations, as part of contingency measures, the University's management has provided notice of furlough to a number of employees, whose main functions are not necessary during the implementation of full online mode of instruction. Furthermore, the University has also identified other across the board contraction methods to minimize salary cover effective September 1, 2020 (see Note 27.2).

22.2 Post-employment Defined Benefit

(a) Characteristics of the Defined Benefit Plan

The University maintains a tax-qualified, 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 Plan (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 presented as part of Employee benefits under Operating Expenses in the statements of profit or loss amounted to P74.9 million, P74.3 million, P73.4 million for the periods ended May 31, 2020, 2019 and 2018, respectively (see Note 19).

As a policy of FEU, any contributions made by the University in the past years that were subsequently forfeited resulting from resignations of covered employees prior to vesting of their retirement pay can be applied to reduce employer contributions in the succeeding years.

(b) Explanation of Amounts Disclosed in the Financial Statements

Actuarial valuation is obtained to determine the higher of the defined benefit obligation relating to the minimum guarantee and the obligation arising from the defined contribution plan. All amounts presented in this section are based on the actuarial valuation reports obtained from an independent actuary in 2020, 2019 and 2018.

In determining the amounts of post-employment obligation as of May 31 in accordance with PAS 19 (Revised), the following significant actuarial assumptions were used:

	2020	2019	2018
Discount rates	**3.47%**	5.63%	6.54%
Salary growth rates	**3.00%**	3.50%	3.00%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 60 is 14 for both males and females. These assumptions were developed by management with the assistance of an independent actuary. Discount factor is determined close to the end of the reporting period by reference to the interest rates of zero coupon government bonds with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

As discussed in Note 2.15, the University's defined contribution plan is accounted for as a defined benefit plan with minimum guarantee starting in 2014 upon the University's adoption of the PIC Interpretation on PAS 19 (Revised). However, considering that the present value of the obligation as determined by an independent actuary is fully covered by the fair value of the plan assets, management opted not to recognize further the over funding of the obligation in consideration of the University's constructive obligation to pay a fixed amount of contribution to the fund.

An analysis of the University's defined benefit obligation as of May 31 following PIC Interpretation with respect to the defined benefit minimum guarantee under RA 7641 is presented below.

	2020	2019	2018
Fair value of plan assets	**P 767,475,645**	P 709,195,312	P 709,842,413
Present value of obligation	**(707,992,983)**	(700,562,596)	(697,738,212)
Over funding	**P 59,482,662**	P 8,632,716	P 12,104,201

The movements in the fair value of plan assets are presented below.

	2020	2019	2018
Balance at beginning of year	**P 709,195,312**	P 709,842,413	P 630,911,276
Actual contributions	**77,628,653**	74,669,720	74,512,972
Benefits paid	**(60,829,449)**	(47,980,553)	(52,030,869)
Interest income (expense)	**41,481,129**	(27,336,268)	56,449,034
Balance at end of year	**P 767,475,645**	P 709,195,312	P 709,842,413

The movements in the present value of the retirement benefit obligation recognized in the books are as follows:

	2020	2019	2018
Balance at beginning of year	**P 700,562,596**	P 697,738,212	P 624,983,652
Benefits paid	**(60,829,449)**	(47,980,553)	(52,030,869)
Interest expense	**39,441,674**	39,282,661	40,873,931
Current service cost	**28,436,530**	25,573,809	26,319,953
Actuarial loss (gain)	**381,632**	(14,051,533)	57,591,545
Balance at end of year	**P 707,992,983**	P 700,562,596	P 697,738,212

(c) Risks Associated with the Retirement Plan

The plan exposes the University to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment and Interest Rate Risks

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has relatively balanced investment in cash and cash equivalents, equity securities and debt securities. Due to the long-term nature of the plan obligation, a level of continuing equity investments is an appropriate element of the University's long-term strategy to manage the plan efficiently.

(ii) Longevity and Salary Risks

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) Other Information

The information on the sensitivity analysis for certain significant actuarial assumptions, the University's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are described in the succeeding pages.

(i) Sensitivity Analysis

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as of:

		Impact on Post-employment Benefit Obligation	
	Change in Assumption	**Increase/ (Decrease) in Assumption**	**Increase/ (Decrease) in Assumption**
May 31, 2020			
Discount rate	**+/- 0.5%**	**(P 402,278)**	**P 566,798**
Salary growth rate	**+/- 1.0%**	**1,382,434**	**(730,879)**
May 31, 2019			
Discount rate	+/- 0.5%	(P 486,352)	P 646,334
Salary growth rate	+/- 1.0%	1,322,191	(861,361)
May 31, 2018			
Discount rate	+/- 0.5%	(P 48,160)	P 56,881
Salary growth rate	+/- 1.0%	145,749	(82,791)

The sensitivity analysis above is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis above, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) Asset-liability Matching Strategies

To efficiently manage the retirement plan, the University through its Retirement Board, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in long-term fixed interest securities (i.e., government or corporate bonds) with maturities that match the benefit payments as they fall due and in the appropriate currency. The University actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations. In view of this, investments are made in reasonably diversified portfolio, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of the Fund's assets as of May 31, 2020, 2019 and 2018 consists of equities and debt securities, although the Fund also invests in cash equivalents. The majority of equity and debt instruments are in a diversified portfolio of local blue chip entities but none are invested in the University's listed shares with the PSE.

There has been no change in the University's strategies to manage its risks from previous periods.

(iii) Funding Arrangements and Expected Contributions

While there is no minimum funding requirement in the country, the size of the fund is also sufficient to cover the vested benefits when a significant number of employees are expected to retire in 14 years' time.

The University expects to make contribution of P76.1 million to the plan during the next reporting period.

The Fund's, which comprised of both employer and employee share contributions, audited statements of financial position show the following as of December 31:

	2019	2018
Assets		
Cash and cash equivalents	**P 43,951,699**	P 64,746,279
Receivables - net	**58,835,006**	50,056,975
Investment in debt securities:		
Corporate bonds and other debt instruments	**269,374,573**	297,941,782
Government securities	**235,406,954**	201,987,635
Investment in equity securities:		
Equity securities	**335,101,670**	267,831,112
UITF	**76,280,200**	55,709,024
Others	**160,961**	173,746
	1,019,111,063	938,446,553
Liabilities	**(29,687,421)**	(24,577,883)
Net Assets Available for Plan Benefits	**P 989,423,642**	P 913,868,670

Plan assets do not comprise any of the University's or its related parties' own financial instruments or any of its assets occupied and/or used in its operations.

Below is the breakdown of the employer's share in the Fund's net plan assets as to type of investments as of May 31.

	2020	2019	2018
Cash and cash equivalents	**P 39,300,689**	P 37,546,004	P 31,817,317
Domestic listed shares	**200,610,035**	283,751,057	275,433,328
Corporate bonds	**138,953,332**	128,563,323	118,586,342
Other securities and debt instruments	**22,887,356**	84,173,329	117,604,442
UITF	**59,556,414**	10,692,764	69,824,910
Government bonds	**241,846,837**	136,093,180	68,897,219
Fixed income loans	**-**	4,669,573	4,669,573
Others	**64,320,982**	23,706,082	23,009,282
	P 767,475,645	P 709,195,312	P 709,842,413

The Fund's financial assets are maintained in trust funds with credible trustee banks under control by the Fund through its Retirement Board.

The breakdown of the Fund's net plan assets is presented to show the composition of the plan assets used by the actuary in determining the net retirement obligation based on the minimum guarantee under RA 7641 as of May 31, 2020, 2019 and 2018 (see Note 24.14).

23. INCOME TAXES

Under the Philippine laws, the taxable income from operations related to school activities and passive investment income of private and proprietary (stock) educational institutions is subject to a tax of 10%. However, if 50% or more of the institution's total gross income is from unrelated business activities, the regular corporate income tax of 30% will apply to the entire taxable income instead of the 10% preferential rate. The University qualifies to avail of the 10% preferential rate given its revenue profile. In addition, the University is also not covered by the minimum corporate income tax provision of the new tax code.

The major components of tax expense reported in the statements of profit or loss are as shown below.

	2020	2019	2018
Current tax expense:			
Final tax at 20% and 15% (2020 and 2019) and 7.5% (2018)	**P 10,851,477**	P 15,287,346	P 13,713,079
Capital gains tax at 15%	**-**	14,100,000	-
Special rate at 10%	**16,595,298**	3,131,596	93,683
	27,446,775	32,518,942	13,806,762
Deferred tax expense (income) relating to origination and reversal of temporary differences	**(6,329,100)**	(5,254,380)	473,009
	P 21,117,675	P 27,264,562	P 14,279,771

A reconciliation of tax on pretax profit computed at the applicable statutory rates to tax expense reported in profit or loss is presented below.

	2020	2019	2018
Tax on pretax profit at 10%	**P 45,353,613**	P 27,436,928	P 16,024,205
Adjustments for income subjected to higher tax rates	**5,425,739**	22,174,096	6,856,538
Tax effects of:			
Non-taxable income	**(36,596,928)**	(22,346,462)	(8,600,972)
Non-deductible expenses	**6,935,251**	-	-
	P 21,117,675	P 27,264,562	P 14,279,771

The net deferred tax assets relate to the following:

	Statements of Financial Position			**Statement of Profit or Loss**		
	2020	2019	2018	**2020**	2019	2018
Deferred tax assets:						
Accrued expense	**P 10,668,700**	P 8,284,622	P 6,858,892	**(P 2,384,078)**	(P 1,425,730)	(P 1,394,203)
Unrealized fair value loss financial assets at FVTPL	**7,364,776**	-	-	**(7,364,776)**	-	-
Allowance for impairment on tuition and other school fees receivables	**4,256,172**	3,025,674	2,650,317	**(1,230,499)**	100,511	611,631
Unrealized foreign currency losses (gains)	**1,264,961**	430,884	(3,170,310)	**(834,077)**	(3,601,192)	234,243
Allowance for impairment on investments	**47,616**	47,616	-	**-**	(47,616)	-
Unrealized fair value losses - net	**-**	4,135,165	3,825,531	**4,135,165**	(309,634)	(488,985)
	23,602,225	15,923,961	10,164,430	**(7,678,265)**	(5,283,661)	(1,037,314)
Deferred tax liabilities – Prepaid expenses	**(2,888,768)**	(1,539,604)	(1,510,322)	**1,349,165**	29,281	1,510,322
Deferred tax assets – net	**P 20,713,457**	P 14,384,357	P 8,654,108			
Deferred tax expense (income) – net				**(P 6,329,100)**	(P 5,254,380)	P 473,008

The University claimed itemized deductions for income tax purposes in all of the years presented.

24. RELATED PARTY TRANSACTIONS

The University's related parties include its subsidiaries, the University's key management and others as described in Note 2.18. A summary of the University's transactions with its related parties is presented below (in thousands).

		May 31, 2020		May 31, 2019		May 31, 2018	
	Notes	**Amount of Transaction**	**Outstanding Receivable (Payable)**	Amount of Transaction	Outstanding Receivable (Payable)	Amount of Transaction	Outstanding Receivable (Payable)
Subsidiaries:							
Noninterest-bearing advances	24.2	**P -**	**P 235,565**	P 35,000	P 235,565	P 90,000	P 200,565
Interest-bearing loans	24.11	**50,000**	**(165,800)**	10,000	(95,800)	(110,800)	(85,800)
Lease liabilities	24.3	**1,190,516**	**(1,211,867)**	-	-	-	-
ROUA	24.3	**1,107,670**	**1,042,001**	-	-	-	-
Interest on lease liabilities –	15.2, 20.2	**(100,830)**	**-**	-	-	-	-
Rental expense	24.3, 24.9	**-**	**-**	(105,959)	(82,846)	(113,030)	(68,589)
Reimbursement of expenses –	24.6	**34,234**	**100,005**	16,960	65,771	22,369	48,812
Dividend income	24.1	**347,496**	**39,998**	60,844	-	62,511	29,999
Rental income	24.4, 24.5, 24.7, 24.8 24.10	**80,722**	**41,613**	69,429	6,565	68,927	24,710
Investment subscription (payments) - net	12	**255,000**	**(76,500)**	(500)	-	(487,500)	(500)
Stock dividends	24.16	**19,999**	**-**	163,295	-	-	-
Related parties under common management:							
Reimbursement of expenses –	24.6	**4,593**	**33,976**	7,089	29,383	17,399	22,294
Lease liabilities	24.3	**13,517**	**(14,069)**	-	-	-	-
ROUA	24.3	**13,517**	**10,721**	-	-	-	-
Interest on lease liabilities –	15.2, 20.2	**(552)**	**-**	-	-	-	-
Rental expense	24.3	**-**	**-**	3,136	(13,067)	(3,136)	(9,931)
Rental income	24.8	**-**	**2,921**	-	2,921	2,813	2,921
Noninterest-bearing advances	24.2	**1,106**	**2,779**	488	1,673	755	1,185
Interest-bearing loans	24.11	**(19,697)**	**-**	20,151	(20,151)	-	-
Key management personnel compensation	24.13	**82,223**	**-**	71,754	-	74,076	-
Retirement fund –	24.14						
Retirement plan assets		**-**	**767,476**	-	709,195	-	709,842

Details of the foregoing summary of transactions are discussed below and in the succeeding pages.

24.1 Dividend Income

For the years ended May 31, 2020, 2019 and 2018, the University recognized dividend income from cash dividend declarations made by FEU High, EACCI and FRC (see Note 12), which is presented as Dividend income under Finance Income in the statements of profit or loss (see Note 20.1). Dividend receivable amounting to P40.0 million and P30.0 million as of May 31, 2020 and 2018 (nil in 2019), respectively, is presented as part of Receivables from related parties under the Receivables account in statements of financial position (see Note 8).

24.2 Noninterest-bearing Advances

The University grants unsecured and noninterest-bearing advances to certain related parties for working capital purposes which are currently due on demand.

Summarized below are the outstanding receivables, shown as part of Receivables from related parties under the Receivables account in the statements of financial position, arising from these transactions (see Note 8).

	Beginning	Advances	Repayments	Ending
2020				
RCI	P 235,564,735	P -	P -	P 235,564,735
FEU Public Policy Foundation, Inc.	1,673,060	1,106,244	-	2,779,304
	P 237,237,795	**P 1,106,244**	**P -**	**P 238,344,039**
2019				
RCI	P 200,564,735	P 35,000,000	P -	P 235,564,735
FEU Public Policy Foundation, Inc.	1,185,000	488,060	-	1,673,060
	P 201,749,735	P 35,488,060	P -	P 237,237,795
2018				
RCI	P 160,564,735	P 90,000,000	(P 50,000,000)	P 200,564,735
FEU Public Policy Foundation, Inc.	430,000	755,000	-	1,185,000
	P 160,994,735	P 90,755,000	(P 50,000,000)	P 201,749,735

24.3 Lease of Land, Various Buildings and Facilities

The University had several lease agreements with FRC and NREF for its lease of land, various buildings and facilities. The lease agreements are long-term and renewable, and provides for yearly rental rates with yearly escalation rates.

Upon adoption of PFRS 16, the University, as a lessee, recognized ROUA and lease liabilities as at June 1, 2019, which is presented as ROUA and Lease Liabilities in the 2020 statement of financial position (see Note 15). Amortization of the ROUA arising from these transactions is presented as part of Depreciation and amortization under Operating Expenses of the 2020 statement of profit or loss. Total interest expense on lease liabilities is presented as part of Interest expense on lease liabilities under Finance Costs in the 2020 statement of profit or loss. The outstanding balances arising from these transactions as at May 31, 2020, are presented as part of ROUA under Property and Equipment, and Lease Liabilities (current portion under Trade and Other Payable) in the 2020 statement of financial position.

			Right-of-use asset		Lease Liabilities	
Lessor	Property	Lease term	Outstanding balance	Amortization expense	Outstanding balance	Interest expense
FRC	Manila campus premises – land and buildings	20 years	P 873,118,011	P 45,953,580	P 997,751,290	P 84,790,256
FRC	Makati campus premises – land	30 years	111,548,118	5,531,815	147,901,022	12,723,819
FRC	Building – gymnasium	10 years	48,665,389	10,068,701	57,026,785	2,765,250
FRC	Facilities – athlete's quarters	3 years	8,669,548	4,334,774	9,187,669	550,619
NREF	Facilities – Diliman sports facilities	10 years	10,720,752	2,796,718	14,069,246	551,775
			P 1,052,721,818	**P 68,685,588**	**P1,225,936,012**	**P 101,381,719**

Under PAS 17, total rental expense arising from these leases charged to operations amounting to P106.0 million, and P113.0 million, for the periods ended May 31, 2019 and 2018, respectively, is presented as part of Rental under Operating Expenses (see Note 19). Accrued rental amounting to P82.8 million and P68.6 million as at May 31, 2019 and 2018, respectively, is presented as part of Accrued expenses under the Trade and Other Payables account in the statements of financial position (see Note 16).

24.4 Lease of Certain Building Floor to FRC

The University leases to FRC the mezzanine floor of one of the University's buildings. The lease agreement is renewed for annually for one-year period. Rental income from FRC amounted to P1.0 million, P1.5 million and P1.6 million for the periods ended May 31, 2020, 2019 and 2018, respectively, and is shown as part of Other Operating Income in the statements of profit or loss. There are no outstanding receivables as of the end of each period related to this lease agreement.

24.5 Lease of Campus Premises to FECSI

In July 2012, a contract was signed between the University and FRC, where the University became the new owner and lessor of two school buildings to FECSI. However, FRC still retains the ownership of the land where the buildings are located. In previous years, FRC owned and leased the campus' buildings and land solely to FECSI. Subsequently, a new lease agreement was signed by the University, FRC and FECSI for a period of ten years from August 1, 2012 to July 31, 2022. The lease period is renewable subject to conditions mutually agreed upon by the parties. The annual rent is set at P1.3 million or 10% of FECSI's annual gross revenue net of some adjustments, whichever is higher. The rental fee is equally allocated between the University and FRC.

Total rental income earned from this transaction amounted to P5.2 million, P1.7 million, and P3.1 million for the years ended May 31, 2020, 2019 and 2018, respectively, and is presented as part of Other Operating Income in the statements of profit or loss (see Note 13). Related outstanding receivable arising from this transaction amounted to P2.0 million and P0.7 million for the year ended May 31, 2020 and 2018 (nil in 2019), respectively, which is presented as part of Receivables from related parties under the Receivables account in the statements of financial position (see Note 8). No impairment loss is recognized by the University on this receivable.

24.6 Reimbursement of Expenses

During the year ended May 31, 2020, 2019 and 2018, the University billed its subsidiaries and other related entities for the reimbursement of amounts it initially advanced to third party suppliers and service providers for certain expenses, and other various allocated expenses, at cost. These expenses pertain to those incurred in the normal course of operations of University and its related entities, which include utilities, license and subscriptions, legal fees, various supplies, janitorial and security services, use of facilities, and salaries and benefits of seconded employees, among others. The outstanding receivable as of May 31 is presented as part of Receivables from related parties under the Receivables account in the statements of financial position (see Note 8).

	2020	2019	2018
FEUAI	**P 25,892,648**	P 23,710,895	P 22,151,401
RCI	**24,689,599**	13,031,826	4,194,172
EACCI	**20,275,836**	7,188,798	3,635,796
NREF	**18,004,707**	18,875,375	15,002,747
FEU High	**16,546,809**	12,639,000	12,263,932
FECSI	**12,569,519**	9,110,667	6,471,145
FEU Public Policy Center Foundation, Inc.	**9,613,117**	5,615,114	2,399,102
EAEFI	**4,892,015**	4,892,015	4,892,015
FEUHWRFP	**1,466,088**	-	-
Edustria	**26,134**	-	-
FRC	**4,720**	90,449	96,036
	P 133,981,192	P 95,154,139	P 71,106,346

24.7 Sub-lease of Buildings to FEU High

Starting June 2016, the University sub-leased its Nursing Building (being leased out from FRC) to FEU High for a period of one year until May 31, 2017. In June 2017, the University and FEU High entered into a new lease agreement for a period of one year until May 31, 2018, covering both the Nursing and the Accounts, Business and Finance Buildings. Total rental income from this transaction amounted to P43.9 million, P41.8 million and P39.8 million for the years ended May 31, 2020, 2019 and 2018, respectively, and is presented as part of Other Operating Income in the statements of profit or loss for the year ended May 31, 2020, 2019 and 2018, respectively. Outstanding receivable arising from this transaction amounting to P23.2 million, P6.6 million and P22.0 million as of May 31, 2020, 2019 and 2018, respectively, is presented as part of Receivables from related parties under the Receivables account in the statements of financial position (see Note 8).

24.8 Lease of Certain Buildings to EAEF and EACCI

The University leases out certain buildings to EAEF for a period of one to five years until March 31, 2015. However, upon expiration of the term of the contract, the University and EAEF had mutually agreed not to renew such lease agreement. Instead, as of May 31, 2016, only certain floors of the buildings were leased out to EAEF. Related receivables arising from this transaction as of May 31, 2020, 2019 and 2018 amounting to P2.9 million, is presented as part of Receivables from related parties under the Receivables account in the statements of financial position (see Note 8).

Starting July 2016, upon take-over of EACCI of the EAEF's operations, the lease of the buildings was transferred to the custody of EACCI. A new lease contract for a period of ten years until June 30, 2026 was entered into by the University and EACCI. Monthly rental of P2.1 million (exclusive of VAT) from July 2016 to February 2017 and P2.0 million (inclusive of VAT) for March 2017 onwards, was billed to EACCI.

Total rental income from EACCI, presented as part of Other Operating Income in the statements of profit or loss, amounted to P24.5 million for the years ended May 31, 2020, 2019 and 2018. Outstanding receivables arising from this transaction amounting to P10.3 million and P2.0 million as of May 31, 2020 and 2018 (nil in 2019), respectively, is presented as part of Receivables from related parties under the Receivables account in the statement of financial position (see Note 8).

24.9 Lease of Facilities from EACCI

The University conducts certain Physical Education classes using EACCI's swimming facilities. Total rental expense charged to operations amounted to P0.6 million and P0.5 million for the years ended May 31, 2019 and 2018 (nil in 2020), respectively, and is presented as part of Rental under Operating Expenses (see Note 19). There was no outstanding balance from this transaction as of May 31, 2020, 2019 and 2018.

24.10 Lease of Campus Premises to FEUAI

In 2019, the University started to lease to FEUAI the land where the building occupied by the FEU Alabang Campus is located. The lease agreement covers a period of 15 years from January 1, 2019 to December 31, 2034, and which the parties also agreed that there shall be no rental fees for the first year of the lease. In subsequent years, the terms and conditions of the lease is to be determined annually, subject to conditions mutually agreed upon by both parties. For the period January 1 to June 30, 2020, the rate agreed is P1.2 million per month, subject to review and renewal on every year thereafter until the end of lease term.

Total rental income from FEUAI, presented as part of Other Operating Income in the 2020 statement of profit or loss, amounted to P6.1 million, which remains unpaid as of May 31, 2020, and is presented as part of Receivables from related parties under the Receivables account in the 2020 statement of financial position (see Note 8).

24.11 Interest-bearing Loan from FEU High, FEU HWFRP and EACCI

Interest-bearing loans obtained by the University from its related parties are disclosed as Loans from Related Parties in the statements of financial position as of May 31, 2020, 2019 and 2018.

Interest-bearing loan from FEU High

On various dates, the University obtained interest-bearing loans from FEU High. The loans were unsecured and bears interest based on a 91-day time deposit rate plus 0.10%. The term of the loans was initially at set at 90 days, with the option for extension as agreed between the parties. The agreements also provide for a 3% late payment interest on any unpaid principal and interest, computed per annum from date of maturity until full payment, in the event that of non-extension of the term. Details of the University's interest-bearing loans from FEU High are as follows.

Original Principal Amount	Outstanding Balance 2020	2019	2018	Interest Rate	Maturity Date
P 50,000,000	**P 50,000,000**	P -	P -	2.5%	August 2020
40,000,000	**40,000,000**	-	-	2.5%	July 2020
30,000,000	**25,800,000**	-	-	2.5%	August 2020
20,000,000	**20,000,000**	-	-	2.5%	August 2020
20,000,000	**20,000,000**	-	-	2.5%	August 2020
10,000,000	**10,000,000**	-	-	3.3%	May 2020
75,800,000	**-**	15,800,000	50,800,000	5.8%	August 2002
30,000,000	**-**	30,000,000	-	6.0%	August 2020
15,000,000	**-**	15,000,000	-	6.0%	August 2020
20,000,000	**-**	20,000,000	-	6.0%	July 2019
35,000,000	**-**	35,000,000	35,000,000	5.0%	January 2019
	P 165,800,000	P 115,800,000	P 85,800,000		

Related interest amounting to P7.1 million, P3.7 million and P0.9 million in May 31, 2020, 2019 and 2018, respectively, was recognized in profit or loss as part of Interest expense on interest-bearing loans under Finance Costs in the statements of profit or loss (see Note 20.2). Interest payable amounting to P7.1 million, P1.6 million and P0.5 million as of May 31, 2020, 2019 and 2018, respectively, are presented as part of Accrued expenses under the Trade and Other Payables account in the statements of financial position (see Note 16).

Interest-bearing loan from FEUHWRFP

In April 2019, the University obtained a loan from FEUHWRFP amounting to P20.0 million. The loan bears interest rates of 5% per annum with a term of 30-60 days. The loan was paid in full in August 2019. Related interest amounting to P0.2 million was recognized as part of Interest expense on interest-bearing loans under Finance Costs in the 2020 and 2019 statements of profit or loss (see Note 20.2). Accrued interest payable amounting to P0.2 million as of May 31, 2019, respectively, is presented as part of Accrued expenses under the Trade and Other Payables account in the statement of financial position (see Note 16).

In October 2019, the University obtained additional loans from FEUHWRFP amounting to P10.0 million. The loan bears interest rates of 2.35% per annum and was paid in full in January 2020.

Related interest amounting to P0.1 million was recognized in profit or loss as part of Finance Costs in the 2020 statement of profit or loss (see Note 20.2).

Interest-bearing loan from EACCI

In November 2019, the University obtained a loan from EACCI amounting to P50.0 million. The loan bears interest rates of 4% per annum. The loan is unsecured and has a term of 60 days. The loan was fully paid in May 2020.

In March 2020, the University obtained another loan from EACCI amounting to P10.0 million. The loan bears interest rates of 2.75% per annum. The loan is due for full repayment on June 2020.

Related interest amounting to P0.4 million was recognized as part of Interest expense on interest-bearing loans under Finance Costs in the 2020 statement of profit or loss (see Note 20.2). Interest payable amounting to P0.04 million as of May 31, 2020 is presented as part of Accrued expenses under the Trade and Other Payables account in the 2019 statement of financial position (see Note 16).

24.12 Financial Guaranty for Subsidiaries' Loans

In March 2017 and January 2018, the BOT approved that for and in consideration of the loan or credit facilities obtained by any subsidiary of the University, in which the University owns at least 75% of the outstanding voting capital stock of such subsidiary from a certain local commercial bank, the University gives its full consent and authority to act as surety up to P500 million for the subsidiary's obligations arising from any loan or availments from any credit facilities granted by the said local bank in favor of the subsidiary, as well as any renewals, increases, extensions of existing obligations obtained by or which may hereafter be obtained by the subsidiary from the local bank, whether direct or indirect, principal or secondary. As of May 31, 2020, 2019 and 2018, RCI has availed a loan amounting to P400.0 million, P150.0 million and P70.0 million from the said local bank (see Note 17).

24.13 Key Management Personnel Compensation

Total remuneration of the University's key management personnel presented as part of Salaries and allowances and Employee benefits under Operating Expenses (see Note 19) is as follows:

	2020	2019	2018
Salaries and short-term benefits	**P 70,729,477**	P 61,702,042	P 63,569,214
Post-employment benefits	**11,494,067**	10,051,651	10,507,050
	P 82,223,544	P 71,753,693	P 74,076,264

24.14 Retirement Fund

The University's retirement fund is in the form of trustee-banks managed accounts. The fair value of the University's retirement plan assets amounted to P767.5 million, P709.2 million and P709.8 million as of May 31, 2020, 2019 and 2018, respectively. Details of the retirement plan are presented in Note 22.2(d)(iii).

None of the retirement plan assets are invested in or provided to the University and/or its related parties, except for loans granted to the University.

The retirement fund neither provides any guarantee nor surety for any obligation of the University.

24.15 Sale of Investment in an Associate

In the fiscal year 2019, the University sold its investment in an associate to a third party amounting to P147.0 million. The net book value of the investment in associate amounted to P7.8 million at the date of disposal (see Note 12). There was no similar transaction in 2020.

24.16 Receipt of Stock Dividends

During the year ended May 31, 2020, FEU High declared a 50% stock dividend, which is distributable in June 2020. Accordingly, the University anticipates to receive additional 199,990 additional shares of FEU High.

25. EQUITY

25.1 Capital Stock

The University's authorized capital stock was 50,000,000 shares as of May 31, 2020 and 20,000,000 shares as of May 31, 2019 and 2018, of which 16,477,023 were issued and outstanding and with par value of P100 per share.

On September 10, 2019, the BOT approved the increase of the University's authorized capital stock. The same was ratified by the stockholders on October 19, 2019 and approved by the SEC on March 19, 2020.

In line with the increase in authorized capital stock of the University, the BOT also declared a 46% stock dividend which was subsequently ratified by the shareholders. Subsequently, the approval for the issuance of such stock dividends was granted by the SEC on June 2, 2020, with distribution date set on June 18, 2020 (see Note 25.2).

As of May 31, 2020, pending the approval from the SEC, the value of the stock dividends has been recognized and presented as Stock Dividends Distributable in the 2020 statement of financial position.

On July 11, 1986, the SEC approved the listing of the University's common shares, its only listed securities, at an offer price of P100 per share. As of May 31, 2020, 2019 and 2018, there are 16,477,023 listed shares which exclude those held in treasury. The University has a total of 10,857,840, 10,839,387 and 10,839,166 listed shares, which is equivalent to 65.90%, 65.78% and 65.78%, held by related parties as at May 31, 2020, 2019 and 2018, respectively, while there are 5,619,183, 5,637,636 and 5,637,857 listed shares owned by the public which is equivalent to 34.10%, 34.22% and 34.22% of the total outstanding shares as at May 31, 2020, 2019 and 2018, respectively.

As of May 31, 2020, there are 1,497 holders of the listed common shares owning at least one share.

All shares of the University are listed on the PSE. The closing price of the University's listed shares was P800, P890 and P900 per share as of May 31, 2020, 2019 and 2018, respectively.

25.2 Retained Earnings

Significant transactions affecting Retained Earnings are as follows:

(a) Appropriation of Retained Earnings

As of May 31, 2020, 2019 and 2018, the University's Appropriated Retained Earnings consists of appropriations for:

	2020	2019	2018
Property and investment acquisition	**P 1,448,000,000**	P 1,631,000,000	P 2,000,000,000
Contingencies	**180,000,000**	190,000,000	240,000,000
Purchase of equipment and improvements	**167,000,000**	92,000,000	135,200,000
Expansion of facilities	**111,000,000**	164,000,000	324,800,000
Treasury stock	**3,733,100**	3,733,100	3,733,100
General retirement	**-**	90,000,000	140,000,000
	P 1,909,733,100	P 2,170,733,100	P 2,843,733,100

The changes in Appropriated Retained Earnings are shown below.

	2020	2019	2018
Balance at beginning of year	**P 2,170,733,100**	P 2,843,733,100	P 2,573,733,100
Reversal of appropriations	**(336,000,000)**	(673,000,000)	(250,000,000)
Appropriations	**75,000,000**	-	520,000,000
Balance at end of year	**P 1,909,733,100**	P 2,170,733,100	P 2,843,733,100

(b) Dividend Declaration

The BOT approved the following dividend declarations during the periods ended:

	Declaration	Date of Record	Payment/Issuance		Amount
May 31, 2020					
Cash dividend of P10 per share	September 10, 2019	September 24, 2019	October 9, 2019	P	164,770,230
Cash dividend of P10 per share	February 19, 2020	March 4, 2020	March 18, 2020		164,770,230
Stock dividend of 46%	September 10, 2019	October 19, 2019	June 18, 2020		757,941,400
				P	**1,087,481,860**
May 31, 2019					
Cash dividend of P8 per share	September 18, 2018	October 2, 2018	October 18, 2018	P	131,816,184
Cash dividend of P8 per share	February 19, 2019	March 6, 2019	March 20, 2019		131,816,184
				P	263,632,368
May 31, 2018					
Cash dividend of P8 per share	September 19, 2017	October 4, 2017	October 18, 2017	P	131,816,184
Cash dividend of P8 per share	February 20, 2018	March 6, 2018	March 20, 2018		131,816,184
				P	263,632,368

Unclaimed checks related to dividends declared as of May 31, 2020, 2019 and 2018 are presented as Dividends payable under the Trade and Other Payables account in the statements of financial position (see Note 16).

26. EARNINGS PER SHARE

EPS were computed as follows:

		2020		2019		2018
Net income	**P**	**432,418,455**	P	247,104,720	P	145,962,283
Divided by number of outstanding shares, net of treasury stock of 37,331 shares		**24,055,763**		24,055,763*		24,055,763*
Basic and diluted earnings per share	**P**	**17.98**	P	10.27	P	6.07

**Restated after giving retrospective effect on the stock dividend declared on September 10, 2019.*

The weighted average number of shares outstanding as of May 31, 2020, 2019 and 2018 is computed as follows:

	Number of Shares	Months Outstanding	Weighted Number of Shares
Balance at beginning of year	14,477,023	12	197,724,276
Stock dividends distributable	7,578,740	12	90,944,880
Balance at end of year	24,055,763		288,669,156
Divided by total months in 2020		12	
Weighted average number of shares outstanding			**24,055,763**

In compliance with the requirement of PAS 33, *Earnings per Share*, retrospective adjustment to the earliest period presented was made on the University's earnings per share after considering that as if the stock dividends declared on September 10, 2019 occurred at the beginning of 2018. This adjustment was made to present comparative information but the amount of weighted average number of shares is not the actual amount and number of shares outstanding as of May 31, 2019 and 2018 (see Note 25.1).

The University has no dilutive potential common shares as of May 31, 2020, 2019 and 2018; hence, the diluted earnings per share is the same as the basic earnings per share in all the periods presented.

27. EVENTS AFTER THE END OF THE REPORTING PERIOD

27.1 Appropriations of Retained Earnings

On June 16, 2020, the University's BOT approved the following changes in the appropriation of retained earnings as of May 31, 2020:

	May 31, 2020	Reversal	June 16, 2020
Property and investment acquisition	P 1,448,000,000	(P 482,500,000)	P 965,500,000
Expansion of facilities	111,000,000	(111,000,000)	-
Contingencies	180,000,000	-	180,000,000
Purchase of equipment and improvements	167,000,000	(12,000,000)	155,000,000
Treasury stock	3,733,100	-	3,733,100
	P 1,909,733,100	**(P 605,500,000)**	**P 1,304,233,100**

As of report date, details of appropriations for property and investment acquisitions as of May 31, 2020 include additional subscriptions in Edustria Incorporated shares and appropriations for the FEU Alabang Phase 2 project amounting to P601.5 million and P364.0 million, respectively.

27.2 Impact of Coronavirus Outbreak

The University and other Philippine educational institutions have been significantly exposed to the risks brought about by the outbreak of the new coronavirus disease (COVID-19), which the University's management has determined such circumstance to adversely affect the health, safety, logistics and productivity of its employees and impede other operational aspects of the University. The Philippine Government has been undertaking measures to prevent the spread of COVID-19 including but not limited to the imposition of quarantine measures such as the Enhanced Community Quarantine (ECQ), Modified Enhanced Community Quarantine (MECQ), and General Community Quarantine (GCQ), and travel restrictions.

Relative to this, in addition to protocols required by the Philippine Government, the University has implemented measures to mitigate the transmission of COVID-19, such as avoidance of group gatherings or public assemblies, limiting face-to-face meetings, increasing the frequency of disinfection of facilities, ensuring availability of hand sanitizers within its premises, requiring temperature checks and accomplishment of contact tracing forms for employees or guests upon entry to any campus, and implementing monitored health protocols for employees, regardless of work situs. The implementation of these measures resulted to shutdown of school instructions on premise during the remaining three months of the second semester for the school year 2019 - 2020 (see Note 18.3). Also, the University's management has provided notice of furlough to a number of employees and identified other across the board contraction methods to minimize salary cover effective September 1, 2020 (see Note 22.1).

The University has activated business continuity plans, both at the corporate and the academic operational levels, and conducted scenario planning and analysis to activate contingency plans. One of the perceived significant impact of this pandemic is the continuing inability to hold normal school activities on campus which has by estimate may result to lower number of students for the coming school year 2020 - 2021. As a result, the University's Revenue and Net Income is expected to drop while Expenses are expected to remain flat.

Management is confident that there will be no significant impairment on its financial assets as the market share and popularity of the University's brands and services would not be significantly affected by the pandemic in the long run. Also, the University does not foresee any breaches from its existing loan covenants given its measures to address risk of losses and its healthy financial position.

The University has determined that these events are non-adjusting subsequent events. Accordingly, their impact was not reflected in the University's financial statements as of and for the year ended May 31, 2020.

28. COMMITMENTS AND CONTINGENCIES

The following are the significant commitments and contingencies involving the University:

28.1 Operating Lease Commitments – University as Lessee

(a) Lease Agreement with FRC

The University is a lessee under operating leases covering certain buildings for a period of ten years from July 1, 2015 to June 30, 2025, subject to annual escalation rate of 5%.

The University also entered into other contracts of lease for the land where the building occupied by FEU Makati is located for a period of 30 years and for the lease of various sports facilities covering a gymnasium, football field and classrooms for a period of ten years, as discussed in Note 24.3.

The future minimum rentals payable under these non-cancellable operating leases as of May 31, 2019 and 2018 are as follows:

	2019	2018
Within one year	P 98,191,664	P 98,273,575
After one year but not more than five years	548,535,457	548,535,457
More than five years	474,468,401	474,468,401
	P 1,121,195,522	P 1,121,277,433

28.2 Operating Lease Commitments – University as Lessor

The University leases out certain buildings to EAEF, EACCI, FEU High and FECSI and the mezzanine floor to FRC for a period of one to ten years (see Notes 13, 24.4 24.5, 24.7, 24.8 and 24.10).

Future minimum rental receivables as of May 31, excluding contingent rental, under these operating leases are as follows:

	2020	2019	2018
Within one year	**P 87,051,458**	P 76,908,599	P 68,587,044
After one year but not more than five years	**3,626,771**	3,974,034	2,719,343
	P 90,678,229	P 80,882,633	P 71,306,387

The University is also a lessor in various lease contracts with third party lessees. The terms of the lease vary but does not exceed one year. Total rentals earned from these operating leases amounted to P2.7 million, P2.7 million and P1.4 million for the years ended May 31, 2020, 2019 and 2018, respectively, which is presented as part of Other Operating Income in the statements of profit or loss.

28.3 Open Legal Cases

As of May 31, 2019, the University have a pending court case against the local government of the City of Manila where it is contesting the imposition of local business tax on the tuition fees collected.

The City of Manila granted tax amnesty for all local tax delinquencies effective July 1, 2019. Accordingly, the University availed of this amnesty and on December 6, 2019 paid the balance of P22.2 million and applied its payment made under protest in March 2019 amounting to P189.9 million to fully settle the basic local taxes in arrears for taxable calendar years 2009 to 2018. After such payments, the University has been released and discharged from all deficiency tax assessments and liabilities until the end of taxable calendar year 2018.

As of May 31, 2020, the University is a defendant in certain civil cases, which are pending before the National Labor Relations Commission, Court of Appeals and the Supreme Court. The parties are currently finalizing the settlement agreement to terminate the proceedings.

As of the same report date, no final decision has been rendered by the courts in the above-mentioned cases; hence, no provision for contingencies is recognized.

28.4 Others

There are other contingencies that arise in the normal course of business that are not recognized in the University's financial statements. Management believes that losses, if any, arising from these commitments and contingencies will not materially affect its financial statements, however, the University opted to appropriate portion of its retained earnings to cover for such contingencies (see Note 25.2).

29. 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 liabilities (net of unearned tuition fees) divided by total adjusted equity (comprised of capital stock, stock dividends distributable and retained earnings). Capital for the reporting periods May 31, 2020, 2019 and 2018 and is summarized below.

	2020	2019	2018
Total adjusted liabilities	**P 4,753,369,749**	P 3,192,172,602	P 3,368,093,144
Total adjusted equity	**5,530,011,642**	5,427,133,647	5,473,733,834
Debt-to-equity ratio	**0.86 : 1.00**	0.59 : 1.00	0.62 : 1.00

The University's goal in capital management is to maintain a lower adjusted liability compared with its adjusted equity or debt-to-equity structure ratio of not more than 1.00:1.00. This is in line with the University's bank covenants related to its interest-bearing loans to a certain bank which requires the University to maintain a debt-to-equity structure ratio of not more than 2.00:1.00 and debt service coverage ratio of at least 1.2x (see Note 17).

The University has complied with its covenant obligations, including maintaining the required debt-to-equity ratios and debt service credit reserve which are both based on the University's consolidated financial statements for all years presented.

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

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below is the reconciliation of liabilities arising various financing activities.

	Interest-bearing Loans (see Note 17)	Advances from a Related Party (see Note 24)	Dividends Payable (see Note 16)	Accrued Interest	Lease Liabilities (see Note 15)	Total
Balance at June 1, 2019	P 2,108,571,429	P 115,800,000	P 212,205,101	P 9,842,067	P -	P 2,446,418,597
Effect of adoption of PFRS 16	-	-	-	-	1,204,033,623	1,204,033,623
Cash flows from financing activities:						
Proceeds from additional loans	993,000,000	230,000,000	-	-	-	1,223,000,000
Repayment of loans	(896,333,333)	(180,000,000)	-	-	-	(1,076,333,333)
Repayment of lease liabilities	-	-	-	-	(68,180,005)	(68,180,005)
Dividends paid	-	-	(318,718,930)	-	-	(318,718,930)
Interest paid including capitalized borrowing cost	-	-	-	(85,542,840)	(11,299,325)	(96,842,325)
Non-cash financing activities:						
Dividend declaration	-	-	329,540,460		-	329,540,460
Interest amortization on lease liabilities	-	-	-	-	101,381,719	101,381,719
Accrual of interest on loans	-	-	-	114,992,570	-	114,992,570
Balance at May 31, 2020	**P 2,205,238,096**	**P 165,800,000**	**P 223,026,631**	**P 39,291,797**	**P 1,225,936,012**	**P 3,859,292,536**
Balance at June 1, 2018	P 2,367,142,858	P 85,800,000	P 195,004,540	P 11,376,514	P -	P 2,659,323,912
Cash flows from financing activities:						
Proceeds from additional loans	170,000,000	90,000,000	-	-	-	260,000,000
Repayment of loans	(428,571,429)	(60,000,000)	-	-		(488,571,429)
Dividends paid	-	-	(246,431,807)	-	-	(246,431,807)
Interest paid including capitalized borrowing cost	-	-	-	(126,867,306)	-	(126,867,306)
Non-cash financing activities:						
Dividend declaration	-	-	263,632,368		-	263,632,368
Accrual of interest on loans	-	-	-	91,678,350	-	91,678,350
Balance at May 31, 2019	P 2,108,571,429	P 115,800,000	P 212,205,101	P 9,842,067	-	P 2,446,418,597
Balance at June 1, 2017	P 1,880,000,000	P -	P 176,403,883	P 540,308	P -	P 2,056,944,191
Cash flows from financing activities:						
Proceeds from additional loans	715,000,000	110,800,000	-	-	-	825,800,000
Repayment of loans	(227,857,142)	(25,000,000)	-	-	-	(252,857,142)
Dividends paid	-	-	(245,031,711)	-	-	(245,031,711)
Interest paid including capitalized borrowing cost	-	-	-	(70,628,935)	-	(70,628,935)
Non-cash financing activities:						
Dividend declaration	-	-	263,632,368	-	-	263,632,368
Accrual of interest on loans	-	-	-	81,465,141	-	81,465,141
Balance at May 31, 2018	P 2,367,142,858	P 85,800,000	P 195,004,540	P 11,376,514	P -	P 2,659,323,912

Accrued interest on loans payable as of May 31, 2020, 2019 and 2018 is recognized as part of Accrued Expenses under Trade and Other Payables in the statements of financial position (see Notes 16 and 17).

31. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

The following supplementary information on taxes, duties and license fees paid or accrued during the taxable year required by the BIR under Revenue Regulation No. 15-2010 to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

(a) Output VAT

In fiscal year 2020, the University declared output VAT as follows:

	Tax Base	Output VAT
Rental	P 45,313,523	P 5,437,623
Sale of merchandise	36,296,138	4,355,537
Other gains and losses	195,061	23,407
	P 81,804,722	**P 9,816,567**

There is no outstanding output VAT payable as of May 31, 2020. Pursuant to Section 109, *VAT-Exempt Transactions*, of the National Internal Revenue Code of 1997, the University's receipts from tuition and other fees related to educational services amounting to P1,744,792,567 are VAT-exempt.

The tax base for rendering of services is based on the University's gross receipts for the year, hence, may not be the same with the amounts reported in the 2020 statement of profit or loss which is based on PFRS.

(b) Input VAT

Pursuant to Section 109, the University is not allowed any tax credit of input VAT on its purchases related to educational services.

The movements in input VAT are summarized below (see Note 11):

Balance at beginning of year	P 31,184,368
Services lodged under cost of services	5,996,548
Applied against output VAT	(2,822,085)
Balance at end of year	**P 34,358,831**

(c) Taxes on Importation

The University did not have any importations in fiscal year 2020.

(d) Excise Tax

The University did not have any transactions in fiscal year 2020, which are subject to excise tax.

(e) Documentary Stamp Tax

In fiscal year 2020, the University paid and accrued documentary stamp tax (DST) for certain loan agreements amounting to P8,645,916.

(f) Taxes and Licenses

Details of taxes and licenses in fiscal year 2020 are as follows (see Note 19):

Local business tax	P 22,211,282
Municipal licenses and permits	13,584,962
DST	8,645,916
SEC fees	6,061,070
Community tax	10,500
Annual registration fee	4,500
Miscellaneous	199,786
	P 50,718,016

(g) Withholding Taxes

Details of total withholding taxes for the fiscal year ended May 31, 2020 are shown below.

Compensation	P 113,668,542
Expanded	21,752,661
Final	9,948,948
	P 145,370,151

(h) Deficiency Tax Assessments and Tax Cases

In December 2019, the University availed of tax amnesty granted by the City of Manila (see Note 28.3).

As of May 31, 2020, the University does not have any final deficiency tax assessments from the BIR and any tax cases outstanding or pending in courts or bodies outside of BIR in any of the open taxable years.

P&A
Grant Thornton
An instinct for growth™

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

T +63 2 8988 22 88

Report of Independent Auditors

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

Opinion

We have audited the consolidated financial statements of Far Eastern University, Incorporated (the University) and subsidiaries (together hereinafter referred to as the Group), which comprise the consolidated statements of financial position as at May 31, 2020, 2019 and 2018 and the consolidated statements of profit or loss, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended May 31, 2020, and the notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at May 31, 2020, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended May 31, 2020 in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) *Recognition of Tuition and Other School Fees*

Description of the Matter

Tuition and other school fees amounted to P3.6 billion, which accounts for 99% of the total revenues of the Group, for the year ended May 31, 2020 as shown in the Group's consolidated statements of profit or loss and in Note 20 to the consolidated financial statements. It involves significant volume of transactions and the Group is dependent on its information technology infrastructure in processing such voluminous transactions. Relative to this, any potential misstatements on tuition and other school fees could be material to the consolidated financial statements. Growth in tuition and other school fees is also one of the key performance measures used to assess the Group's performance. We therefore identified the recognition of tuition and other school fees as a significant risk requiring special audit consideration.

The Group's policy for revenue recognition and significant judgements used by management related to revenue recognition are more fully described in Notes 2 and 3 to the consolidated financial statements.

How the Matter was Addressed in the Audit

Our audit procedures included, among others, the following:

- Obtaining an understanding of the tuition and other school fees revenue recognition policy of the Group and the related processes and controls, and evaluating the Group's compliance with the requirements of PFRS 15, *Revenue from Contracts with Customers*;

- Testing of design and operating effectiveness of internal controls, including information technology general controls (i.e., security administration, program maintenance and program execution) and application controls, related to the Group's recognition and recording of tuition and other school fees, including the related scholarship merits and tuition fee discounts, and payments from students;

- Examining students' enrollment transactions (i.e., through examination of tuition bills) and grant of scholarships merits and tuition fee discounts on a sampling basis during the school year;

- Performing revenue cut-off test procedures including, among others, examining tuition bill transactions near period end, and analyzing and reviewing revenue adjustments subsequent to period end to determine whether tuition and other school fees are appropriately recognized in the proper period; and,

- Performing substantive analytical review procedures over tuition and other school fees such as, but not limited to, current year's components of tuition and other school fees (e.g., by student population and by institute or college) as a percentage of total revenues, and yearly and monthly analyses of enrolment transactions based on our expectations, which include corroborating evidence from other audit procedures, and verifying the underlying data used in the analyses are valid and complete.

(b) *Assessment of Goodwill Impairment*

Description of the Matter

As at May 31, 2020, the balance of goodwill amounts to P186.5 million, which arose from the acquisition of Roosevelt College, Inc. (RCI) in May 2016 as disclosed in Note 1 to the consolidated financial statements. Under PFRS, goodwill, having indefinite useful life, is not subject to amortization but is required to be tested for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may be impaired. We have identified assessment of goodwill impairment as a key audit matter in our audit because management's assessment process is highly subjective being based on significant assumptions, such as revenue growth rate and discount rate, to determine the recoverable amount of the cash generating units (CGUs) where goodwill is allocated to and the future cash flows of that particular CGUs which are affected by expected future market or economic conditions. The more significant management's assumptions include:

- RCI, the CGU on which the goodwill is allocated to, will continue as a going concern;
- RCI will have sufficient financial resources to finance its working capital requirements to achieve its projected forecast and to support the business needs; and,
- RCI's growth in student population and viability of its performance forecasts for the next five years.

The Group's accounting policy on impairment of goodwill is included in Note 2 to the consolidated financial statements and the related disclosures are included in Notes 1 and 3.

How the Matter was Addressed in the Audit

With the firm's valuation specialists, we independently checked the reasonableness of the assumptions and methodologies (i.e., discounted cash flows method) used by management, particularly those relating to the forecasted tuition fee rates and number of students assumed to project revenue growth and profit margins of RCI. In doing so, we have considered historical and environmental trends. We also focused on the adequacy of the Group's disclosure about those assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of goodwill. In addition, based on the results of our audit of the financial statements of RCI as of and for the year ended May 31, 2020, we did not identify events or conditions that may cast significant doubt on RCI's ability to continue as a going concern.

(c) *Conduct of Audit Remotely*

Description of the Matter

As disclosed in Note 28 to the consolidated financial statements, a novel strain of coronavirus (COVID-19) started to become widespread in the Philippines in early March 2020. This caused the government to declare the country in a state of public health emergency followed by implementation of enhanced community quarantine (ECQ) and social distancing measures and restrictions within the Luzon area with other cities and provinces in the country enacting similar measures thereafter. The ECQ and social distancing measures implemented by the government resulted in performing a significant portion of the engagement remotely.

The change in working conditions is relevant and significant to our audit since it creates an increased risk of misstatements due to less in-person access to the Group's management and personnel, and lack of access to the physical records and original documents. Given the changes in how the audit will be performed, the audit requires exercising enhanced professional skepticism.

How the Matter was Addressed in the Audit

Our audit procedures to address the risk of performing the audit remotely included the following:

- Considering the nature of the engagement and the engagement team's knowledge of the entity and its environment when determining whether it is possible to perform a significant portion, if not all, of the engagement remotely;

- Following the requirements of PSA including providing proper supervision and review, even when working remotely;

- Obtaining information through electronic means, which includes sending and receiving of confirmation electronically, obtaining calculation in electronic form to check the mathematical accuracy, scanning of hard-copy items for review and using real-time inspection technology such as video and screen-sharing;

- Determining the reliability of audit evidence provided electronically using professional skepticism;

- Performing inquiries through video call in order to judge body language and other cues and to have a more interactive audit engagement;

- Reviewing of workpapers of component auditors remotely through share screening and constant communication; and,

- Examining critical electronic copy documents (e.g., contracts, progress billings, billing invoices, purchases invoices, and official receipts) in response to the risk in revenues and costs, which is considered to be significant.

(d) *Assessment of Impact of COVID-19 Outbreak*

Description of the Matter

As disclosed in Note 20 to the consolidated financial statements, the implementation of the government measures in response to COVID-19 caused the temporary shutdown of the Group's operations in March 2020 and succeeding months, together with the adoption of a skeletal workforce for designated employees with necessary and urgent functions. The remaining second semester of school year (SY) 2019-2020 was continued via full online learning platform. However, with the shift of the learning platform, the Group found it necessary to return unutilized miscellaneous fees through a rebate to the students totaling P115.9 million as of May 31, 2020.

The Group adopted online learning activities and online classes for continuation of learning with students as the quarantine period ensues and until a vaccine is available to protect students and employees from the outbreak. The management expects the change in learning mode and corresponding effect of economic slowdown to significantly reduce student population and may result in reduction in revenues and operating income subsequent to the reporting period ended May 31, 2020. The impact of this matter was not reflected in the consolidated financial statements as of and for the year ended May 31, 2020 as the events giving rise to this circumstance were determined as non-adjusting events as disclosed in Note 28 to the consolidated financial statements.

In view of the significant management judgment, including accounting estimation surrounding the uncertainty on the duration of COVID-19 outbreak, the length of the quarantine and social distancing measures, and the overall economic outlook which were considered by management in determining the financial impact of the outbreak, we have concluded the disclosure related to this area as a key audit matter requiring significant attention.

How the Matter was Addressed in the Audit

As part of audit procedures to address the significant risk related to this disclosure about material subsequent events, we have performed the following:

- Obtained an understanding of the Group's process in making judgment, including the assumptions that management used and how those were applied in the preparation of the proposed budget for SY 2020-2021;

- Inspected the proposed budget for SY 2020-2021 prepared by management and tested the reliability of the underlying data taking into consideration the facts and information available related to the outbreak including both company-specific and externally gathered information; and,

- Determined that the accounting estimation, including forecast information are consistent with other relevant and supportable budgets by management updated based on the Group's attained performance as of the date of the issuance of the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement) and SEC Form 17-A (but does not include the consolidated financial statements and our auditors' report thereon) and Annual Report for the year ended May 31, 2020. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended May 31, 2020 are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audits resulting in this independent auditors' report is Mailene Sigue-Bisnar.

PUNONGBAYAN & ARAULLO

By: Mailene Sigue-Bisnar
Partner

CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 8116539, January 2, 2020, Makati City
SEC Group A Accreditation
Partner - No. 0396-AR-3 (until Oct. 1, 2021)
Firm - No. 0002-FR-5 (until Mar. 26, 2021)
BIR AN 08-002511-20-2018 (until Jan. 25, 2021)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

August 18, 2020

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
A S S E T S				
CURRENT ASSETS				
Cash and cash equivalents	8	**P 1,798,366,234**	P 1,520,192,490	P 855,331,501
Trade and other receivables - net	9	**990,599,625**	620,161,736	540,342,199
Financial assets at fair value through profit or loss	11	**888,517,158**	837,414,512	-
Financial assets at fair value through other comprehensive income	11	**329,290,221**	277,750,721	-
Investment securities at amortized cost	11	**227,576,146**	263,808,437	-
Real estate held-for-sale	12	**123,533,559**	123,533,559	123,533,559
Available-for-sale financial assets	11	**-**	-	2,119,491,677
Other current assets - net	17	**173,963,347**	206,017,421	1,110,841,759
Total Current Assets		**4,531,846,290**	3,848,878,876	4,749,540,695
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income	11	**387,166,693**	428,946,151	-
Investment securities at amortized cost	11	**303,042,121**	523,684,713	-
Property and equipment - net	14, 15	**9,363,421,490**	8,708,590,224	7,205,631,433
Investment properties - net	16	**194,193,727**	154,874,322	150,919,929
Available-for-sale financial assets	11	**-**	-	176,523,803
Held-to-maturity investments	11	**-**	-	297,284,616
Investment in an associate - net	13	**-**	-	6,490,925
Goodwill	1	**186,487,019**	186,487,019	186,487,019
Deferred tax assets - net	24	**29,533,238**	25,673,121	18,135,377
Other non-current assets	17	**190,915,174**	202,823,408	396,380,611
Total Non-current Assets		**10,654,759,462**	10,231,078,958	8,437,853,713
TOTAL ASSETS		**P 15,186,605,752**	P 14,079,957,834	P 13,187,394,408
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Trade and other payables	15, 18	**P 1,902,035,050**	P 1,405,750,972	P 1,305,696,027
Interest-bearing loans	19	**868,571,429**	1,393,571,429	1,183,571,429
Derivative liability	10	**-**	36,720,866	38,255,313
Deferred revenues	2, 20	**94,744,453**	258,368,982	176,907,478
Provisions	21, 29	**18,698,054**	48,765,588	20,076,543
Income tax payable		**29,528,758**	27,535,754	17,953,833
Total Current Liabilities		**2,913,577,744**	3,170,713,591	2,742,460,623
NON-CURRENT LIABILITIES				
Lease liabilities	15	**34,507,453**	-	-
Interest-bearing loans	19	**1,736,666,667**	965,000,000	1,333,571,429
Post-employment benefit obligation	23	**61,917,618**	47,313,579	46,138,632
Deferred tax liabilities - net	24	**14,659,400**	22,684,801	19,489,685
Other non-current liabilities	29	**7,440,467**	6,171,400	4,336,911
Total Non-current Liabilities		**1,855,191,605**	1,041,169,780	1,403,536,657
Total Liabilities		**4,768,769,349**	4,211,883,371	4,145,997,280
EQUITY				
Equity attributable to owners of the parent company				
Capital stock	26	**1,651,435,400**	1,651,435,400	1,651,435,400
Stock dividends distributable	26	**755,431,300**	-	-
Treasury stock - at cost	26	**(67,194,836)**	(65,159,830)	(63,265,755)
Revaluation reserves	26	**18,041,175**	3,264,862	(25,739,204)
Other reserves	26	**(57,785,452)**	(57,785,452)	(57,785,452)
Retained earnings	26			
Appropriated		**1,909,733,100**	2,170,733,100	2,843,733,100
Unappropriated		**3,346,821,184**	3,548,864,966	2,513,808,195
Total equity attributable to owners of parent company		**7,556,481,871**	7,251,353,046	6,862,186,284
Non-controlling interests	26	**2,861,354,532**	2,616,721,417	2,179,210,844
Total Equity		**10,417,836,403**	9,868,074,463	9,041,397,128
TOTAL LIABILITIES AND EQUITY		**P 15,186,605,752**	P 14,079,957,834	P 13,187,394,408

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE YEARS ENDED MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
REVENUES				
Educational	20			
Tuition fees - net		**P 3,221,389,820**	P 3,028,259,008	P 2,429,326,661
Other school fees		**334,923,888**	286,993,109	190,854,536
		3,556,313,708	3,315,252,117	2,620,181,197
Rental	16	**33,430,485**	43,782,587	42,028,413
		3,589,744,193	3,359,034,704	2,662,209,610
OPERATING EXPENSES	21	**(2,859,432,193)**	(2,693,558,458)	(2,182,296,116)
OTHER OPERATING INCOME	16	**41,633,237**	2,720,649	3,998,242
OPERATING INCOME		**771,945,237**	668,196,895	483,911,736
FINANCE INCOME	22	**136,080,528**	152,094,620	193,493,393
FINANCE COSTS	22	**(246,065,317)**	(98,276,377)	(95,374,284)
OTHER INCOME	13, 14, 18	**122,603,549**	212,567,714	58,204,886
OTHER CHARGES	13	**-**	-	(94,876)
INCOME BEFORE TAX		**784,563,997**	934,582,852	640,140,855
TAX EXPENSE	24	**(101,572,455)**	(126,111,125)	(92,509,844)
NET INCOME		**P 682,991,542**	P 808,471,727	P 547,631,011
Net Income Attributable to:				
Owners of the parent company	27	**P 621,398,818**	P 753,271,625	P 492,229,280
Non-controlling interests		**61,592,724**	55,200,102	55,401,731
		P 682,991,542	P 808,471,727	P 547,631,011
Earnings Per Share				
Basic and Diluted	27	**P 25.92**	P 31.41	P 20.53

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
NET INCOME		**P 682,991,542**	P 808,471,727	P 547,631,011
OTHER COMPREHENSIVE INCOME (LOSSES)				
Items that will be reclassified subsequently to profit or loss				
Net fair value gains (losses) reclassified to profit or loss on debt securities classified as fair value through other comprehensive income	11	**(1,786,872)**	14,833,998	(47,306,106)
Net fair value gains (losses) during the year		**23,059,541**	4,382,957	(32,877,027)
Tax effect		**(2,127,267)**	(1,921,696)	8,018,313
		19,145,402	17,295,259	(72,164,820)
Item that will not be reclassified subsequently to profit or loss				
Net fair value gains (losses) on equity securities classified as financial assets at fair value through other comprehensive income	11	**898,729**	(15,525,963)	-
Gains (losses) on remeasurement of post-employment benefit plan	23	**(8,463,371)**	(8,557,937)	8,183,762
Tax effect		**756,464**	2,408,390	(818,376)
		(6,808,178)	(21,675,510)	7,365,386
Other Comprehensive Income (Loss) - net of tax		**12,337,224**	(4,380,251)	(64,799,434)
TOTAL COMPREHENSIVE INCOME		**P 695,328,766**	P 804,091,476	P 482,831,577
Total Comprehensive Income Attributable to:				
Owners of the parent company		**P 636,175,131**	P 749,527,120	P 426,782,511
Non-controlling interests		**59,153,635**	54,564,356	56,049,066
		P 695,328,766	P 804,091,476	P 482,831,577

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

		Attributable to Owners of the Parent Company										
							Retained Earnings					
	Notes	Capital Stock	Stock Dividends Distributable	Treasury Stock - at Cost	Revaluation Reserves	Other Reserves	Appropriated	Unappropriated	Total	Total	Non-controlling Interests	Total Equity
Balance at June 1, 2019		P 1,651,435,400	P -	(P 65,159,830)	P 3,264,862	(P 57,785,452)	P 2,170,733,100	P 3,548,864,966	P 5,719,598,066	P 7,251,353,046	P 2,616,721,417	P 9,868,074,463
Transactions with owners												
Issuance of shares of stock	26	-	-	-	-	-	-	-	-	-	86,000,125	86,000,125
Investment of non-controlling interest in a new subsidiary	26	-	-	-	-	-	-	-	-	-	171,500,000	171,500,000
Acquisition of treasury stock	26	-	-	(2,035,006)	-	-	-	-	-	(2,035,006)	(32,110,055)	(34,145,061)
Stock dividends distributable	26	-	755,431,300	-	-	-	-	(755,431,300)	(755,431,300)	-	-	-
Cash dividends	26	-	-	-	-	-	-	(329,011,300)	(329,011,300)	(329,011,300)	(39,910,590)	(368,921,890)
		-	755,431,300	(2,035,006)	-	-	-	(1,084,442,600)	(1,084,442,600)	(331,046,306)	185,479,480	(145,566,826)
Appropriations of retained earnings												
Reversal of appropriations during the year	26	-	-	-	-	-	(336,000,000)	336,000,000	-	-	-	-
Appropriations during the year	26	-	-	-	-	-	75,000,000	(75,000,000)	-	-	-	-
		-	-	-	-	-	(261,000,000)	261,000,000	-	-	-	-
Total comprehensive income (loss)												
Net income for the year		-	-	-	-	-	-	621,398,818	621,398,818	621,398,818	61,592,724	682,991,542
Other comprehensive loss	11, 23	-	-	-	14,776,313	-	-	-	-	14,776,313	(2,439,089)	12,337,224
		-	-	-	14,776,313	-	-	621,398,818	621,398,818	636,175,131	59,153,635	695,328,766
Balance at May 31, 2020		**P 1,651,435,400**	**P 755,431,300**	**(P 67,194,836)**	**P 18,041,175**	**(P 57,785,452)**	**P 1,909,733,100**	**P 3,346,821,184**	**P 5,256,554,284**	**P 7,556,481,871**	**P 2,861,354,532**	**P 10,417,836,403**
Balance at June 1, 2018		P 1,651,435,400	P -	(P 63,265,755)	P 7,009,367	(P 57,785,452)	P 2,843,733,100	P 2,468,633,785	P 5,312,366,885	P 6,849,760,445	P 2,179,210,844	P 9,028,971,289
Transactions with owners												
Issuance of shares of stock	26	-	-	-	-	-	-	-	-	-	335,500,000	335,500,000
Acquisition of treasury stock	26	-	-	(1,894,075)	-	-	-	-	-	(1,894,075)	-	(1,894,075)
Cash dividends	26	-	-	-	-	-	-	(262,805,944)	(262,805,944)	(262,805,944)	(35,788,283)	(298,594,227)
Stock dividends	26	-	-	-	-	-	-	(83,234,500)	(83,234,500)	(83,234,500)	83,234,500	-
		-	-	(1,894,075)	-	-	-	(346,040,444)	(346,040,444)	(347,934,519)	382,946,217	35,011,698
Appropriations of retained earnings												
Reversal of appropriations during the year	26	-	-	-	-	-	(673,000,000)	673,000,000	-	-	-	-
Total comprehensive income (loss)												
Net income for the year		-	-	-	-	-	-	753,271,625	753,271,625	753,271,625	55,200,102	808,471,727
Other comprehensive loss	11, 23	-	-	-	(3,744,505)	-	-	-	-	(3,744,505)	(635,746)	(4,380,251)
		-	-	-	(3,744,505)	-	-	753,271,625	753,271,625	749,527,120	54,564,356	804,091,476
Balance at May 31, 2019		P 1,651,435,400	P -	(P 65,159,830)	P 3,264,862	(P 57,785,452)	P 2,170,733,100	P 3,548,864,966	P 5,719,598,066	P 7,251,353,046	P 2,616,721,417	P 9,868,074,463

		Attributable to Owners of the Parent Company										
							Retained Earnings					
	Notes	Capital Stock	Stock Dividends Distributable	Treasury Stock - at Cost	Revaluation Reserves	Other Reserves	Appropriated	Unappropriated	Total	Total	Non-controlling Interests	Total Equity
Balance at June 1, 2017		P 1,651,435,400	P -	(P 49,362,563)	P 39,707,565	(P 57,785,452)	P 2,573,733,100	P 2,554,390,227	P 5,128,123,327	P 6,712,118,277	P 2,110,507,070	P 8,822,625,347
Transactions with owners												
Issuance of shares of stock	26	-	-	-	-	-	-	-	-	-	50,000,000	50,000,000
Acquisition of treasury stock	26	-	-	(13,903,192)	-	-	-	-	-	(13,903,192)	-	(13,903,192)
Cash dividends	26	-	-	-	-	-	-	(262,811,312)	(262,811,312)	(262,811,312)	(37,345,292)	(300,156,604)
		-	-	(13,903,192)	-	-	-	(262,811,312)	(262,811,312)	(276,714,504)	12,654,708	(264,059,796)
Appropriations of retained earnings												
Reversal of appropriations during the year	26	-	-	-	-	-	(250,000,000)	250,000,000	-	-	-	-
Appropriations during the year	26	-	-	-	-	-	520,000,000	(520,000,000)	-	-	-	-
		-	-	-	-	-	270,000,000	(270,000,000)	-	-	-	-
Total comprehensive income (loss)												
Net income for the year		-	-	-	-	-	-	492,229,280	492,229,280	492,229,280	55,401,731	547,631,011
Other comprehensive income (loss)	11, 23	-	-	-	(65,446,769)	-	-	-	-	(65,446,769)	647,335	(64,799,434)
		-	-	-	(65,446,769)	-	-	492,229,280	492,229,280	426,782,511	56,049,066	482,831,577
Balance at May 31, 2018		P 1,651,435,400	P -	(P 63,265,755)	(P 25,739,204)	(P 57,785,452)	P 2,843,733,100	P 2,513,808,195	P 5,357,541,295	P 6,862,186,284	P 2,179,210,844	P 9,041,397,128

In 2019, the Group adopted PFRS 9, *Financial Instruments* , which resulted to an increase (decrease) in the balances as of June 1, 2018 of Revaluation Surplus, Unappropriated Retained Earnings and Total Equity amounting to P32,748,571, (P45,174,410) and (P12,425,839), respectively.

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

	Notes	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax		**P 784,563,997**	P 934,582,852	P 640,140,855
Adjustments for:				
Depreciation and amortization	21	**471,828,849**	372,058,239	306,332,605
Fair value gains (losses) from financial assets at fair value through profit or loss (FVTPL)	11	**77,384,209**	(38,473,202)	-
Interest expense	22	**113,078,062**	95,072,981	83,798,889
Interest income	22	**(111,655,911)**	(121,134,236)	(100,670,612)
Impairment losses on receivables from students	9, 21	**81,673,482**	27,028,023	56,919,308
Other investment loss (income) from FVTPL and fair value through other comprehensive income (FVOCI) - net	22	**75,337,578**	(27,864,048)	-
Unrealized foreign exchange loss (gains) - net	22	**38,285,826**	3,153,258	(36,992,246)
Gain on sale of investment property	16	**(37,988,903)**	-	-
Fair value losses (gains) on derivative liability	22	**(5,060,766)**	(3,096,336)	11,504,354
Gain on sale of property and equipment	14	**(2,057,151)**	-	-
Gain on sale of investment in an associate	13	**-**	(140,509,075)	-
Impairment losses on investments	22	**-**	50,138	-
Other investment income from available-for-sale (AFS) financial assets	22	**-**	-	(55,830,535)
Impairment losses on property and equipment	14	**-**	-	2,804,401
Share in net losses of an associate	13	**-**	-	94,876
Operating income before working capital changes		**1,485,389,272**	1,100,868,594	908,101,895
Increase in trade and other receivables		**(434,362,977)**	(132,263,566)	(14,845,876)
Decrease (increase) in other assets		**20,722,729**	889,595,244	(858,672,419)
Increase in real estate held-for-sale		**-**	-	(2,913,559)
Increase in trade and other payables		**424,450,175**	47,656,559	283,442,601
Decrease in derivative liability		**(31,660,100)**	(3,098,063)	(6,614,500)
Increase (decrease) in deferred revenues		**(163,624,529)**	81,461,504	101,707,944
Increase (decrease) in provisions		**(30,067,534)**	28,689,045	382,168
Increase (decrease) in post-employment benefit obligation		**14,604,039**	1,174,947	(13,662,071)
Increase (decrease) in other non-current liabilities		**1,269,067**	1,834,489	(359,420)
Cash generated from operations		**1,286,720,142**	2,015,918,753	396,566,763
Income taxes paid		**(111,464,969)**	(120,871,832)	(73,130,079)
Net Cash From Operating Activities		**1,175,255,173**	1,895,046,921	323,436,684
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of financial assets at FVTPL	11	**(1,267,039,964)**	(1,690,108,239)	-
Acquisitions of property and equipment	14	**(1,029,365,136)**	(1,803,401,265)	(1,410,471,003)
Proceeds from disposal of financial assets at FVTPL	11	**1,048,518,806**	1,935,011,835	-
Proceeds from maturities of investment securities at amortized cost	11	**290,653,287**	102,167,384	-
Proceeds from disposal of financial assets at FVOCI	11	**245,059,480**	2,852,453,988	-
Acquisitions of financial assets at FVOCI	11	**(239,304,955)**	(2,741,291,123)	-
Interest received	11	**111,964,125**	120,173,787	107,764,312
Acquisitions of investment properties	16	**(87,639,288)**	(30,236,767)	(22,313,379)
Proceeds from disposal of investment property	16	**53,571,429**	-	-
Acquisitions of investment securities at amortized cost	11	**(41,769,449)**	(130,119,203)	-
Advances granted to related parties	25	**(18,666,407)**	9,229,702	(16,756,062)
Decrease in advances to suppliers and developers	17	**13,338,144**	196,037,010	113,751,593
Proceeds from disposal of porperty and equipment	14	**2,678,571**	-	-
Proceeds from sale of investment in an associate	13	**-**	147,000,000	-
Acquisitions of AFS financial assets	11	**-**	-	(2,664,941,069)
Proceeds from disposal of AFS financial assets	11	**-**	-	2,578,601,829
Proceeds from maturities of HTM investments	11	**-**	-	102,743,344
Acquisitions of HTM investments	11	**-**	-	(52,500,099)
Net Cash Used in Investing Activities		**(918,001,357)**	(1,033,082,891)	(1,264,120,534)
Balance carried forward		**P 257,253,816**	P 861,964,030	(P 940,683,850)

	Notes	2020	2019	2018
Balance brought forward		**P 257,253,816**	P 861,964,030	(P 940,683,850)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from additional interest-bearing loans	19, 31	**1,195,000,000**	270,000,000	795,000,000
Repayments of interest-bearing loans	19, 31	**(948,333,333)**	(428,571,429)	(227,857,142)
Dividends paid	26, 31	**(323,553,105)**	(249,095,841)	(242,812,818)
Interest paid	22, 31	**(115,687,250)**	(125,827,490)	(95,347,392)
Proceeds from issuance of preferred shares to a related party under common management	25	**86,000,000**	335,500,000	50,000,000
Acquisition of treasury shares	26	**(34,145,061)**	(1,894,075)	(13,903,192)
Repayments of lease liability	15, 31	**(1,597,281)**	-	-
Net Cash From (Used in) Financing Activities		**(142,316,030)**	(199,888,835)	265,079,456
Effect of Exchange Rate Changes on Cash and Cash Equivalents		**(8,264,042)**	2,785,794	4,734,647
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**106,673,744**	664,860,989	(670,869,747)
NET INCREASE IN CASH DUE TO CONSOLIDATION OF A NEW SUBSIDIARY	26	**171,500,000**	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**1,520,192,490**	855,331,501	1,526,201,248
CASH AND CASH EQUIVALENTS AT END OF YEAR		**P 1,798,366,234**	P 1,520,192,490	P 855,331,501

Supplemental Information on Noncash Investing and Financing Activities:

1.) In 2020, the Group recognized right-of-use asset and lease liability amounting to P13.5 million as at June 1, 2019 in relation to adoption of PFRS 16, *Leases*. Additional right-of-use asset and lease liability were recognized during the year both amounting to P34.7 million due to a lease agreement entered by the Group as a lessee. As of May 31, 2020, the outstanding balance of right-of-use assets and lease liabilities is P42.1 million and P46.6 million, respectively (see Notes 14 and 15.)

2.) During the year ended May 31, 2020, the University acquired 51% of the outstanding shares of Edustria, Inc. for a subscription price amounting to P255.0 million (see Note 26).

3.) In 2020, 2019 and 2018, the Group capitalized borrowing costs amounting to P17.0 million, P33.7 million and P15.9 million as part of acquisitions of property and equipment (see Notes 14 and 22).

4.) In 2019 and 2018, certain assets amounting to P8.5 million and P4.1 million, respectively, were reclassified from Investment Property to Property and Equipment, while certain assets amounting to P28.1 million, were reclassified from Real Estate Held for Sale to Investment Property during 2018 (see Notes 12, 14 and 16).

5.) The Group declared cash dividends totaling P329.0 million in 2020 and P262.8 million in both 2019 and 2018, of which, P10.8 million, P17.2 million and P18.6 million for years 2020, 2019 and 2018, respectively, were not paid in the year of declaration (see Notes 18 and 26).

See Notes to Consolidated Financial Statements.

FAR EASTERN UNIVERSITY, INCORPORATED
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MAY 31, 2020, 2019 AND 2018
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

1.1 Background of the University

The Far Eastern University, Incorporated (the University, FEU or parent company) is a domestic educational institution founded in June 1928, incorporated in the Philippines and was registered with the Securities and Exchange Commission (SEC) on October 27, 1933. On October 27, 1983, the University extended its corporate life to another 50 years. It became a listed corporation in the Philippine Stock Exchange (PSE) on July 11, 1986.

The University is a private, non-sectarian institution of learning comprising the following 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 Tourism and Hotel Management; and, Institute of Law.

Several programs of FEU, such as Liberal Arts, Applied Mathematics, Biology, Accountancy, Business Administration, Tourism, Fine Arts, and Education, are accredited by the Philippine Association of Colleges and Universities Commission on Accreditation.

As at May 31, 2020, 2019 and 2018, the University holds interest in the following subsidiaries and associate which were all incorporated and are operating in the Philippines (see Notes 1.2 and 13):

	Percentage of Effective Ownership		
Company Name	**2020**	2019	2018
Subsidiaries:			
East Asia Computer Center, Inc. (EACCI)	**100%**	100%	100%
Far Eastern College – Silang, Inc. (FECSI)	**100%**	100%	100%
FEU Alabang, Inc. (FEUAI)	**100%**	100%	100%
FEU High School, Inc. (FEU High)	**100%**	100%	100%
Roosevelt College, Inc. (RCI)	**97.43%**	97.43%	97.43%
Roosevelt College Educational Enterprises (RCEE)*	**97.43%**	97.43%	97.43%
Fern Realty Corporation (FRC)	**38.04%**	37.52%	37.52%
Edustria, Inc. (Edustria)	**51%**	-	-
Associate –			
Juliana Management Company, Inc. (JMCI)	**-**	-	49%

** Indirectly through the University's ownership of RCI which owns 100% ownership interest in RCEE (see Note 1.3)*

The parent company and its subsidiaries are collectively referred to herein as the Group.

Except FRC, which is a real estate company leasing most of its investment properties to the University and other related parties, all other directly owned subsidiaries are operating as educational institutions offering basic education, senior high school and/or tertiary and post graduate courses of study. RCEE, prior to the cessation of its operations, was engaged in selling educational school supplies and food items in campuses of RCI.

1.2 Investment in a Subsidiary

On April 12, 2019, the University's Board of Trustees (BOT) approved the incorporation of Edustria, in partnership with the Technological Institute of the Philippines, with the purpose of delivering educational and other services, particularly the establishment and operation of an educational institution offering enhanced basic education in the Senior High School level.

As of May 31, 2020, Edustria has not yet started educational operations. However, the Senior and the Junior high school departments are respectively set to welcome its first batch of Grade 11 and Grade 7 students on August 24, 2020 and October 5, 2020.

1.3 Goodwill Arising from Acquisition of a Subsidiary

As at the acquisition date of RCI on May 12, 2017, the fair value of the University's share in RCI's net identifiable assets amounts to P621.8 million resulting in the recognition of goodwill amounting to P186.5 million. The goodwill arising from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of the University and RCI. The goodwill recognized is subject to annual impairment testing [see Notes 2.4, 2.16 and 3.2(g)].

1.4 Other Corporate Information

The University also has a campus in Makati, which offers Law, Accountancy, Business and Information Technology education.

The registered offices and principal places of business of the University and its subsidiaries are as follows:

FEU and FEU High	-	Nicanor Reyes, Sr. Street, Sampaloc, Manila
EACCI	-	P. Paredes Street, Sampaloc, Manila
FECSI	-	Metrogate Silang Estates, Silang, Cavite
FEUAI	-	Lot 1, Corporate Woods cor. South Corporate Avenues, Woods District, Filinvest City, Alabang, Muntinlupa City
FRC	-	Administration Building, FEU Compound, Nicanor Reyes, Sr. Street, Sampaloc, Manila
RCI	-	No. 54 J. P. Rizal Street, Lamuan, Marikina City
RCEE	-	Roosevelt College Compound, Sumulong Highway, Cainta, Rizal
Edustria	-	Block R & T, Lima Technology Center, Brgy. Bugtong ng Pulo, Lipa City, Batangas

1.5 Approval for Issuance of Consolidated Financial Statements

The consolidated financial statements of the Group as of and for the year ended May 31, 2020 (including the comparative consolidated financial statements as of and for the periods ended May 31, 2019 and 2018) were authorized for issue by the Group's BOT on August 18, 2020.

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 and in the succeeding pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of the Consolidated 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 (IASB), and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of the Consolidated Financial Statements

The consolidated financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Group presents the consolidated statements of comprehensive income separate from the consolidated statements of profit or loss.

The Group presents two comparative periods for the consolidated statements of financial position regardless whether the Group has or does not have retrospective restatement of items in its consolidated financial statements, or reclassifies items in the consolidated financial statements.

In 2020, the Group realigned certain financial position accounts in 2019 and 2018 in order to regroup and align with the presentation and account classification of the 2020 financial statements.

These changes in groupings of certain accounts with a corresponding breakdown in the notes to the consolidated financial statements are allowed under PAS 1 following the principle of materiality and aggregation. The changes did not have an impact on retained earnings, current and non-current classification and net income, thus, management believes this will not trigger retrospective presentation of the consolidated statement of financial position.

(c) Functional Currency

These consolidated financial statements are presented in Philippine pesos, the Group's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the consolidated financial statements of the Group are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

2.2 Adoption of New and Amended PFRS

(a) Effective in Fiscal Year 2020 that are Relevant to the Group

The Group adopted PFRS, amendments, interpretation and annual improvements to PFRS, shown below, which are mandatorily effective for the annual periods beginning on or after January 1, 2019:

PAS 19 (Amendments)	:	Employee Benefits – Plan Amendment, Curtailment or Settlement
PAS 28 (Amendments)	:	Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures
PFRS 9 (Amendments)	:	Financial Instruments – Prepayment Features with Negative Compensation
PFRS 16	:	Leases
International Financial Reporting Interpretations Committee (IFRIC) 23	:	Uncertainty over Income Tax Treatments
Annual Improvements to PFRS (2015-2017 Cycle)		
PAS 12 (Amendments)	:	Income Taxes – Tax Consequences of Dividends
PAS 23 (Amendments)	:	Borrowing Costs – Eligibility for Capitalization
PFRS 3 and 11 (Amendments)	:	Business Combinations and Joint Arrangements – Remeasurement of Previously Held Interests in a Joint Operation

Discussed below and in the succeeding pages are relevant information about these pronouncements, unless otherwise noted, the application of these changes had no significant impact to the Group's financial statements:

(i) PAS 19 (Amendments), *Employee Benefits – Plan Amendment, Curtailment or Settlement*. The amendments clarify that past service cost and gain or loss on settlement is calculated by measuring the net defined benefit liability or asset using updated actuarial assumptions and comparing the benefits offered and plan assets before and after the plan amendment, curtailment or settlement but ignoring the effect of the asset ceiling that may arise when the defined benefit plan is in a surplus position. Further, the amendments now require that if an entity remeasures its net defined benefit liability or asset after a plan amendment, curtailment or settlement, it should also use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after the change to the plan.

(ii) PAS 28 (Amendments), *Investments in Associates and Joint Ventures – Long-term Interest in Associates and Joint Ventures*. The amendments clarify that the scope exclusion in PFRS 9 applies only to ownership interests accounted for using the equity method. Thus, the amendments further clarify that long-term interests in an associate or joint venture – to which the equity method is not applied – must be accounted for under PFRS 9, which shall also include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture.

(iii) PFRS 9 (Amendments), *Financial Instruments – Prepayment Features with Negative Compensation*. The amendments clarify that prepayment features with negative compensation attached to financial assets may still qualify under the "solely payments of principal and interests" (SPPI) test. As such, the financial assets containing prepayment features with negative compensation may still be classified at amortized cost or at fair value through other comprehensive income (FVOCI).

(iv) PFRS 16, *Leases*. The new standard replaced PAS 17, *Leases*, and its related interpretation IFRIC 4, *Determining Whether an Arrangement Contains a Lease*, Standard Interpretations Committee (SIC) 15, *Operating Leases – Incentives,* and SIC 27, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. For lessees, it requires an entity to account for leases "on-balance sheet" by recognizing a "right-of-use" asset and lease liability arising from contract that is, or contains, a lease.

For lessors, the definitions of the type of lease (i.e., finance and operating leases) and the supporting indicators of a finance lease are substantially the same with the provisions under PAS 17. In addition, basic accounting mechanics are also similar but with some different or more explicit guidance related to variable payments, sub-leases, lease modifications, the treatment of initial direct costs and lessor disclosures.

The Group has adopted PFRS 16 using the modified retrospective approach as allowed under the transitional provisions of the standard. The adoption of the standard has resulted in adjustments to the amounts recognized in the financial statements as at June 1, 2019 without cumulative effect on the opening balance of Retained Earnings for the current period.

The new accounting policies of the Group as a lessee are disclosed in Note 2.14(a), while the accounting policies of the Group as a lessor, as described in Note 2.14(b), were not significantly affected.

Discussed below and in the succeeding page are the relevant information arising from the Group's adoption of PFRS 16 and how the related accounts are measured and presented on the University's financial statements as at June 1, 2019.

a. For contracts in place at the date of initial application, the Group has elected to apply the definition of a lease from PAS 17 and IFRIC 4 and has not applied PFRS 16 to arrangements that were previously not identified as leases under PAS 17 and IFRIC 4.

b. The Group recognized lease liabilities in relation to leases which had previously been classified as operating leases under PAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of June 1, 2019. The University's weighted average incremental borrowing rate applied to the lease liabilities on June 1, 2019 ranges from 4.9% to 7.6% depending on the lease term.

c. The Group elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any accrued rent expense and estimated cost to restore the leased asset that existed as at June 1, 2019.

d. For leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, the University has applied the optional exemptions to not recognize right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

e. The Group has also used the following practical expedients, apart from those already mentioned above, as permitted by the standard:

   i. application of a single discount rate to a portfolio of leases with reasonably similar characteristics;

   ii. reliance on its historical assessments on whether leases are onerous as an alternative to performing an impairment review on right-of-use assets. As at June 1, 2019, the University has no onerous contracts; and,

   iii. use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The following table shows the effects of the adoption of PFRS 16 in the carrying amounts and presentation of certain accounts in the statement of financial position as at June 1, 2019.

	Carrying Amount (PAS 17) May 31, 2019	**Remeasurement**	**Carrying Amount (PFRS 16) June 1, 2019**
Assets –			
Property and equipment - Net	P 8,708,590,224	P 13,517,469	P 8,722,107,693
Liabilities:			
Trade and other payables	1,405,750,972	2,584,220	1,408,335,192
Lease liabilities	-	10,933,249	10,933,249
Impact on net assets		P -	

A reconciliation of the opening lease liabilities recognized at June 1, 2019 and the total operating lease commitments determined under PAS 17 at May 31, 2019 is shown below.

	Notes		
Operating lease commitments, May 31, 2019 (PAS 17)	29.2(b)	P	15,157,311
Discount using incremental borrowing rate	2.2(a)(iv)(b)	(	1,639,842)
Lease liabilities, June 1, 2019 (PFRS 16)	30	P	13,517,469

(v) IFRIC 23, *Uncertainty over Income Tax Treatments*. This interpretation provides clarification on the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates when there is uncertainty over income tax treatments. The core principle of the interpretation requires the University to consider the probability of the tax treatment being accepted by the taxation authority. When it is probable that the tax treatment will be accepted, the determination of the taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates shall be on the basis of the accepted tax treatment. Otherwise, the Group has to use the most likely amount or the expected value, depending on the surrounding circumstances, in determining the tax accounts identified immediately above.

(vi) Annual Improvements to PFRS 2015-2017 Cycle. Among the improvements, the following amendments, which are effective from January 1, 2019, are relevant to the Group:

- PAS 12 (Amendments), *Income Taxes – Tax Consequences of Dividends*. The amendments clarify that an entity should recognize the income tax consequence of dividend payments in profit or loss, other comprehensive income or equity according to where the entity originally recognized the transactions that generated the distributable profits.

- PAS 23 (Amendments), *Borrowing Costs – Eligibility for Capitalization*. The amendments clarify that if any specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, such borrowing is treated as part of the entity's general borrowings when calculating the capitalization rate.

- PFRS 3 (Amendments), *Business Combinations* and PFRS 11 (Amendments), *Joint Arrangements – Remeasurement of Previously Held Interests in a Joint Operation*. The amendments clarify that previously held interest in a joint operation shall be remeasured when the Group obtains control of the business. On the other hand, previously held interests in a joint operation shall not be remeasured when the Group obtains joint control of the business.

(b) Effective Subsequent to Fiscal Year 2020 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to fiscal year 2019, which are adopted by the FRSC. Management will adopt the relevant pronouncements shown below and in the succeeding page in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the Group's consolidated financial statements:

(i) PAS 1 (Amendments), *Presentation of Financial* Statements, and PAS 8 (Amendments), *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material* (effective from January 1, 2020). The amendments provide a clearer definition of 'material' in PAS 1 by including the concept of 'obscuring' material information with immaterial information as part of the new definition, and clarifying the assessment threshold (i.e., misstatement of information is material if it could reasonably be expected to influence decisions made by primary users, which consider the characteristic of those users as well as the entity's own circumstances). The definition of material in PAS 8 has been accordingly replaced by reference to the new definition in PAS 1. In addition, amendment has also been made in other standards that contain definition of material or refer to the term 'material' to ensure consistency.

(ii) Revised Conceptual Framework for Financial Reporting (effective from January 1, 2020). The revised conceptual framework will be used in standard-setting decisions with immediate effect. Key changes include (a) increasing the prominence of stewardship in the objective of financial reporting, (b) reinstating prudence as a component of neutrality, (c) defining a reporting entity, which may be a legal entity, or a portion of an entity, (d) revising the definitions of an asset and a liability, (e) removing the probability threshold for recognition and adding guidance on derecognition, (f) adding guidance on different measurement basis, and, (g) stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that rely on the framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised framework from January 1, 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised framework.

(iii) PFRS 10 (Amendments), *Consolidated Financial Statements*, and PAS 28 (Amendments), *Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between an Investor and its Associates or Joint Venture* (effective date deferred indefinitely). The amendments to PFRS 10 require full recognition in the investor's financial statements of gains or losses arising on the sale or contribution of assets that constitute a business as defined in PFRS 3, *Business Combinations*, between an investor and its associate or joint venture. Accordingly, the partial recognition of gains or losses (i.e., to the extent of the unrelated investor's interests in an associate or joint venture) only applies to those sale of contribution of assets that do not constitute a business. Corresponding amendments have been made to PAS 28 to reflect these changes. In addition, PAS 28 has been amended to clarify that when determining whether assets that are sold or contributed constitute a business, an entity shall consider whether the sale or contribution of those assets is part of multiple arrangements that should be accounted for as a single transaction.

(iv) PFRS 16 (Amendments), *Leases – COVID-19-Related Rent Concessions* (effective June 1, 2020). The amendments permit lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. The amendment does not affect lessors.

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the University and its subsidiaries as enumerated in Note 1.1 after the elimination of intercompany transactions. All intercompany balances and transactions with subsidiaries, including income, expenses and dividends, are eliminated in full. Unrealized profits and losses from intercompany transactions that are recognized in assets are also eliminated in full. In addition, shares of stock of the parent company held by the subsidiaries are recognized as treasury stocks and are presented as deduction in the consolidated statement of changes in equity (see Note 2.21). Intercompany losses that indicate impairment are recognized in the consolidated financial statements.

The following subsidiaries prepare their financial statements for their respective reporting periods using consistent accounting principles as that of the University:

Subsidiaries:	Reporting Period*
FECSI	March 31, 2020
FRC	March 31, 2020
FEU High	May 31, 2020
RCI	May 31, 2020
RCEE	May 31, 2020
Edustria	May 31, 2020
EACCI	June 30, 2020
FEUAI	June 30, 2020

**included in the Group's May 31, 2020 consolidated balances*

These subsidiaries follow their respective school years (i.e., trimestral and semestral), hence, the use of different reporting dates (non-coterminous year-ends) as compared with that of the University.

The University accounts for its investments in subsidiaries, an associate and NCIs as follows:

(a) Investments in Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date the Group obtains control. The Group reassesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of controls indicated above. Accordingly, entities are deconsolidated from the date that control ceases.

The acquisition method is applied to account for acquired subsidiaries (see Note 2.4).

(b) Investment in an Associate

An 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. Investment in an associate is initially recognized at cost and subsequently accounted for using the equity method.

Acquired investment in an 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 an 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, if any, are reported as Other Income or Other Charges, respectively, in the Group's consolidated statement of profit or loss and, therefore, affect the net results of operations of the Group.

Changes resulting from other comprehensive income of the associate or items recognized directly in the associate's equity are recognized in consolidated other comprehensive income or equity of the Group, as applicable. However, when the University's share of net losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits exceeds the accumulated share of net losses that has previously not been recognized.

Distributions received from the associate (e.g., dividends) are accounted for as a reduction of the carrying value of the investment.

In computing the University's share in net profit or loss of the associate, unrealized gains or losses on transactions between the University and its associate are eliminated to the extent of the University'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 NCIs

The Group's transactions with NCIs that do not result in loss of control are accounted for as equity transactions – that is, as transaction with the owners of the Group in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recognized in equity. Disposals of equity investments in NCIs result in gains and losses which the Group also recognizes in equity.

When the Group ceases to have control over a subsidiary, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in consolidated profit or loss. The fair value is the initial carrying amount for purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in consolidated comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in consolidated statement of other comprehensive income are reclassified to consolidated profit or loss.

2.4 Business Combinations

Business acquisitions are accounted for using the acquisition method of accounting. This requires recognizing and measuring the identifiable assets acquired, the liabilities assumed and any NCI in the acquiree. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the University, if any. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred and subsequent change in the fair value of contingent consideration is recognized directly in consolidated profit or loss.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the University recognizes any NCI in the acquiree, either at fair value or at the NCI's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Gain on bargain purchase, which is the excess of the Group's interest in the net fair value of net identifiable assets acquired over acquisition cost, is charged directly to income.

Gains and losses on disposal of an interest in a subsidiary include the carrying amount of goodwill relating to it.

If the business combination is achieved in stages, the acquirer is required to remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognize the resulting gain or loss, if any, in the consolidated profit or loss or consolidated other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, either in consolidated profit or loss or as a charge to consolidated other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

2.5 Financial Assets

Financial assets are recognized when the Group becomes a party to the contractual terms of the financial instrument. For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria of PAS 32, *Financial Instruments: Presentation*. All other non-derivative financial instruments are treated as debt instruments.

(a) Classification, Measurement and Reclassification of Financial Assets in Accordance with PFRS 9 (Beginning June 1, 2018)

The classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification measurement and reclassification of financial assets are described below and in the succeeding pages.

(i) Financial Assets at Amortized Cost

Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the Group's business model whose objective is to hold financial assets in order to collect contractual cash flows ("held-to-collect"); and,

- the contractual terms of the instrument give rise, on specified dates, to cash flows that are SPPI on the principal amount outstanding.

All financial assets meeting these criteria are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less any expected credit losses. Except for receivables that do not contain a significant financing component and are measured at the transaction price in accordance with PFRS 15, *Revenue from Contracts with Customers*, all financial assets meeting these criteria are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less allowance for expected credit loss (ECL).

Where the business model is to hold assets to collect contractual cash flows, the Group assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement [see Note 3.1(e)]. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss (FVTPL).

The Group's financial assets at amortized cost are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Trade and Other Receivables, Short-term investments presented under Other Current Assets, Long-term investments and Refundable deposits presented under Other Non-current Assets, and Investment Securities at Amortized Cost.

Financial assets measured at amortized cost are included in current assets, except for those with maturities greater than 12 months after the end of reporting period, which are classified as non-current assets.

For purposes of cash flows reporting and presentation, cash and cash equivalents comprise accounts with original maturities of three months or less, including cash. These generally include cash on hand, cash in bank, and short-term deposits.

(ii) Financial Assets at FVOCI

The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective is to hold to collect the associated cash flows and sell; and,

- the contractual terms of the financial assets give rise to cash flows that are SPPI on the principal amount outstanding.

At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Group for trading or as mandatorily required to be classified as FVTPL. The Group has designated certain equity instruments as at FVOCI on initial application of PFRS 9.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for any disposal costs. Gains and losses arising from changes in fair value, including the foreign exchange component, are recognized in OCI, net of any effects arising from income taxes, and are reported as part of Revaluation Reserves account in equity. When the asset is disposed of, the cumulative gain or loss previously recognized in the Revaluation Reserves account is not reclassified to profit or loss but is reclassified directly to Retained Earnings, except for those debt securities classified as FVOCI wherein fair value changes are recycled to profit or loss.

Any dividends earned on holding these equity instruments are recognized in profit or loss as part of Other investment income under Finance Income, when the Group's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably, unless the dividends clearly represent recovery of a part of the cost of the investment.

(iii) Financial Assets at FVTPL

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorized at FVTPL. Further, irrespective of business model, financial assets whose contractual cash flows are not SPPI are accounted for at FVTPL. Also, equity securities are classified as financial assets at FVTPL, unless the Group designates an equity investment that is not held for trading as at FVOCI at initial recognition. The Group's financial assets at FVTPL include equity securities and investments in unit investment trust fund (UITF) which are held for trading purposes or designated as at FVTPL.

Financial assets at FVTPL are measured at fair value with gains or losses recognized in profit or loss as part of Finance Income in the statement of profit or loss. Related transaction costs are recognized directly as expense in profit or loss. The fair values of these financial assets are determined by reference to active market transactions or using valuation technique when no active market exists.

Dividend income earned on these investments is reported as part of Other investment income under Finance Income in the consolidated statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

Interest income on financial assets measured at amortized cost and debt financial assets measured at FVOCI is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The Group calculates interest income by applying the effective interest rate to the gross carrying amount of the financial assets, except for those that are subsequently identified as credit-impaired and or are purchased or originated credit-impaired assets. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the net carrying amount of the financial assets (after deduction of the loss allowance). If the asset is no longer credit-impaired, the calculation of interest income reverts to gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying a credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis even if the credit risk of the asset subsequently improves.

Interest income earned is recognized in the statement of profit or loss as part of Finance Income.

The Group can only reclassify financial assets if the objective of its business model for managing those financial assets changes. Accordingly, the Group is required to reclassify financial assets: (i) from amortized cost to FVTPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and, (ii) from FVTPL to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the Group's business model will take effect only at the beginning of the next reporting period following the change in the business model.

(b) Classification and Measurement of Financial Assets in Accordance with PAS 39, Financial Instruments: Recognition and Measurement (Prior to June 1, 2018)

Financial assets other than those designated and effective as hedging instruments are classified into the following categories: financial assets at FVTPL, loans and receivables, held-to-maturity (HTM) investments and (available-for-sale) AFS 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.

Regular purchases and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at FVTPL are initially recognized at fair value plus any directly attributable transaction costs. Financial assets carried at FVTPL are initially recorded at fair value and the related transaction costs are recognized in profit or loss.

A more detailed description of categories of financial assets that are relevant to the Group follows:

(i) Financial Assets at FVTPL

This category includes financial assets that are either classified as held for trading or that meets certain conditions and are designated by the entity to be carried at fair value through profit or loss upon initial recognition. All derivatives fall into this category, except for those designated and effective as hedging instruments. Assets in this category are classified as current if they are either held for trading or are expected to be realized within 12 months from the end of each reporting period.

Financial assets at FVTPL are measured at fair value, and changes therein are recognized in profit or loss. Financial assets (except derivatives and financial instruments originally designated as financial assets at fair value through profit or loss) may be reclassified out of FVTPL category if they are no longer held for the purpose of being sold or repurchased in the near term.

The University enters into a cross-currency swap agreement to manage its risks associated with fluctuations in foreign currency denominated investments in corporate bonds. The host instruments were classified as AFS Financial Assets, which were subsequently reclassified to HTM investments during the year ended May 31, 2018 (see Note 11.3). Such derivative financial instruments are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as assets when the fair value is favorable to the University and as liabilities when the fair value is favorable to the counterparty (see Note 2.10). Thus, if derivative asset is recognized, it is presented as Financial Asset at FVTPL; otherwise, it is presented as Derivative Liability in the consolidated statement of financial position.

The University's derivative instruments provide economic hedges under the University's policies but are not designated as accounting hedges.

Consequently, any gains or losses arising from changes in fair value are taken up directly in profit or loss for the period [see Note 3.2(d)].

(ii) 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 those with maturities beyond 12 months after the end of each reporting period, which are classified as non-current assets.

The Group's financial assets categorized as loans and receivables are presented as Cash and Cash Equivalents, Trade and Other Receivables (excluding advances to employees), as part of Other Current Assets with respect to Short-term investments, and Refundable deposits and Long-term investments as part of Other Non-current Assets in the statement of financial position. Cash and cash equivalents include cash on hand, demand deposits and short-term, highly liquid investments with original maturities of three months or less, readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment loss, if any.

(iii) HTM Investments

This category includes non-derivative financial assets with fixed or determinable payments and a fixed date of maturity that the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. If the Group were to sell other than an insignificant amount of HTM investments, the whole category would be tainted and reclassified to AFS financial assets. The Group currently holds corporate bonds designated into this category.

Subsequent to initial recognition, HTM investments are measured at amortized cost using the effective interest method, less impairment losses, if any.

(iv) AFS Financial Assets

This category includes 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. They are included in non-current assets in the statement of financial position unless management intends to dispose of the investment within 12 months from the reporting period.

All financial assets within this category are subsequently measured at fair value, except for equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured which are measured at cost, less impairment loss, if any. Gains and losses from changes in fair value of AFS financial assets are recognized in other comprehensive income, net of any income tax effects, and are reported as part of the Revaluation Reserves account in equity. Interest and dividend income, impairment losses and foreign exchange differences on monetary assets are recognized in profit or loss.

When the financial asset is disposed of or is determined to be impaired, that is, when there is a significant or prolonged decline in the fair value of the security below its cost, the cumulative fair value gains or losses recognized in other comprehensive income is reclassified from equity to profit or loss and is presented as reclassification adjustment within other comprehensive income even though the financial asset has not been derecognized.

(c) Impairment of Financial Assets under PFRS 9 (Beginning June 1, 2018)

The Group assesses its ECL on a forward-looking basis associated with its investment securities carried at amortized cost and debt instruments at FVOCI. No impairment loss is recognized on equity investments. Recognition of credit losses or impairment is no longer dependent on the Group's identification of a credit loss event. Instead, the Group considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets.

The Group applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for all tuition and other school fee receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information (FLI) to calculate the ECL using a provision matrix. The Group also assesses impairment of tuition and other school fee receivables on a collective basis as they possess shared credit risk characteristics, and have been grouped based on the number of semesters past due [see Note 4.2(b)].

For debt instruments measured at FVOCI and at amortized cost, the allowance for credit losses is based on the ECL associated with the probability of default of a financial instrument in the next 12 months, unless there has been a significant increase in credit risk since the origination of the financial asset, in such case, a lifetime ECL for a purchased or originated credit impaired, the allowance for credit losses is based on the change in the ECL over the life of the asset. The Group recognized a loss allowance for such losses at each reporting date.

The Group's definition of credit risk and information on how credit risk is mitigated by the Group are disclosed in Note 4.2.

The key elements used in the calculation of ECL are as follows:

- *Probability of Default (PD)* – it is an estimate of likelihood of a borrower defaulting on its financial obligation over a given time horizon, either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.

- *Loss Given Default (LGD)* – it is an estimate of loss arising in case where a default occurs at a given time (either over the next 12 months or 12-month LGD), or over the remaining lifetime (lifetime LGD). It is based on the difference between the contractual cash flows of a financial instrument due from a counterparty and those that the Group would expect to receive, including the realization of any collateral. It is presented as a percentage loss per unit of exposure at the time of default.

- *Exposure at Default (EAD)* – it represents the gross carrying amount of the financial instruments subject to impairment calculation; hence, this is the amount that the Group expects to be owed at the time of default over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD). In case of a loan commitment, the Group shall include the undrawn balance (up to the current contractual limit) at the time of default should it occur.

The measurement of the ECL reflects: (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (ii) the time value of money; and, (iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

(d) Impairment of Financial Assets under PAS 39 (Prior to June 1, 2018)

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. The Group recognizes impairment loss based on the category of financial assets as shown below.

(i) Carried at Amortized Cost – Loans and Receivables and HTM Investments

If there is objective evidence that an impairment loss on loans and receivables or HTM investments carried at cost has been incurred, the amount of the impairment loss is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate or current effective interest rate determined under the contract if the loan has a variable interest rate.

The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognized in profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed by adjusting the allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date of the impairment is reversed. The amount of the reversal is recognized in profit or loss.

(ii) Carried at Fair Value – AFS Financial Assets

When a decline in the fair value of an AFS financial asset has been recognized in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss – measured as the difference between the acquisition cost (net of any principal repayment and amortization) and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is reclassified from Revaluation Reserves to profit or loss as a reclassification adjustment even though the financial asset has not been derecognized.

Impairment losses recognized in profit or loss on equity instruments are not reversed through profit or loss. Reversal of impairment losses is recognized in other comprehensive income, except for financial assets that are debt securities which are recognized in profit or loss only if the reversal can be objectively related to an event occurring after the impairment loss was recognized.

(e) Derecognition of Financial Assets

The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

2.6 Real Estate Held-for-Sale

Acquisition costs of raw land intended for sale, 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 the normal operating cycle of FRC.

2.7 Prepayments and Other Assets

Prepayments and other assets pertain to other resources controlled by the Group as a result of past events. They are recognized in the consolidated financial statements when it is probable that the future economic benefits will flow to the Group and the asset has a cost or value that can be measured reliably.

Where future economic benefits are expected to flow to the Group beyond one year after the end of the reporting period, these other assets are classified under the non-current category.

Prepayment and other current assets of the Group include inventoriable items such as books and merchandise. These are valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method. The cost of these saleable inventories includes all costs directly attributable to acquisition, such as the purchase price, import duties, if any, and other taxes that are not subsequently recoverable from taxing authorities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

2.8 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, 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.

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
Furniture and equipment	3 – 6 years
Miscellaneous equipment	5 years

Construction in progress represents properties under construction and is stated at cost. This includes cost of construction, borrowing costs and other direct costs (see Note 2.18). The account is not depreciated until such time that the assets are completed and available for use.

Leasehold improvements are amortized over the estimated useful lives of 20 years or the remaining term of the lease, whichever is shorter.

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 2.16).

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

Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further charge for depreciation and amortization is made in respect of those assets.

An item of property and equipment, including the related accumulated depreciation, amortization and impairment losses, 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 consolidated profit or loss in the period the item is derecognized.

2.9 Investment Properties

Investment properties are measured initially at acquisition cost. Subsequently, investment properties, except land, are carried at cost less accumulated depreciation and impairment in value, if any. Depreciation of investment properties, which consist of building and improvements, is computed using the straight-line method over its estimated useful life of 20 years. Land is carried at cost less impairment in value, if any.

Investment properties include construction in progress which represents condominium units of FRC that are still under construction and are stated at cost. This includes cost of construction, applicable borrowing costs (see Note 2.18) and other direct costs. The account is not depreciated until such time that the assets are completed and available for use.

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

For a transfer from investment property to owner-occupied property or inventories, the cost of property for subsequent accounting is its carrying value at the date of change in use. If an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under Property and Equipment up to the date of change in use (see Note 2.8).

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 consolidated profit or loss in the year of retirement or disposal.

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 2.16).

2.10 Financial Liabilities

Financial liabilities, which include trade and other payables [except tax-related liabilities, Deposits payable and National Service Training Program (NSTP) trust fund], lease liabilities, interest-bearing loans, derivative liability and refundable deposits (presented under Other Non-current Liabilities) are recognized when the Group becomes a party to the contractual terms of the instrument.

Trade and other payables account include deposits payable which represents funds collected from students or entities and are held by the Group. The Group has no control over its use and disburses the funds only upon instruction of the student or entity that made the deposit. This account also includes trust funds which represent restricted funds of the University, FECSI and EACCI that are intended for student's NSTP and other specific educational purposes [see Note 2.13(a)]. The University, FECSI and EACCI administer the use of these NSTP trust funds based on the specific purpose for which such funds are identified with.

Interest-bearing loans are availed for capital expenditures and to provide general corporate funding requirements. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to profit or loss on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that these are not settled in the period in which they arise.

Lease liabilities are recognized initially at their fair values and subsequently measured at amortized cost, using the effective interest method for maturities beyond one year, less settlement payments.

Financial liabilities are recognized initially at their fair values and subsequently measured at amortized cost, except derivative liability which is consistently measured at fair value, using the effective interest method for maturities beyond one year, less settlement payments in which the Group is a party to various foreign cross-currency swaps.

Dividend distributions to shareholders are recognized as financial liabilities upon declaration by the respective entities' BOD or BOT.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the reporting period, or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Otherwise, these are presented as non-current liabilities.

Financial liabilities are derecognized from the consolidated statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

2.11 Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the consolidated statement of financial position when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and, must be legally enforceable for both entity and all counterparties to the financial instruments.

2.12 Provisions and Contingencies

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 end of the reporting period, including the risks and uncertainties associated with the present obligation. 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. When 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. The increase in the provision due to passage of time is recognized as interest expense. Provisions are reviewed at the end of each reporting period 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. Similarly, possible inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the consolidated financial statements. On the other hand, any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

2.13 Revenue and Expense Recognition

Revenue arises mainly from: (i) educational and related activities such as tuition and other school fees, income from sale of books and other merchandise, rental income from real estate and school campus' food concessionaires; and, (ii) investment-related transactions such as, investment income, dividend income from Financial Assets at FVTPL and at FVOCI, interest income and others.

The management determined that the revenues arising from educational and related activities are within the scope of PFRS 15, while rental income is covered by PFRS 16 (see Note 2.14). Investment-related revenues are subject to the provisions of PFRS 9 (see Note 2.5).

To determine whether to recognize revenue, the Group follows a five-step process:

1. identifying the contract with a customer;
2. identifying the performance obligation;
3. determining the transaction price;
4. allocating the transaction price to the performance obligations; and,
5. recognizing revenue when/as performance obligations are satisfied.

The Group determines whether a contract with customer exists by evaluating whether the following gating criteria are present:

(a) the parties to the contract have approved the contract either in writing, orally or in accordance with other customary business practices;
(b) each party's rights regarding the goods to be transferred or performed can be identified;
(c) the payment terms for the goods to be transferred or performed can be identified;
(d) the contract has commercial substance (i.e., the risk, timing or amount of the future cash flows is expected to change as a result of the contract); and,
(e) collection of the consideration in exchange of the goods and services is probable.

Revenue is recognized only when (or as) the Group satisfies a performance obligation by transferring control of the promised goods or services to a customer. The transfer of control can occur over time or at a point in time.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
(b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,
(c) the Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

The Group enters into transactions involving the tuition fees and other school fees and other school-related activities such as sale of school merchandise and books, and sale of real estate. The significant judgments used in determining the transaction price and the amount allocated to the performance obligations are disclosed in Note 3.1(b). Developing the knowledge and enhancing the abilities of the students represent promises to transfer a series of distinct goods that are substantially the same and that have the same pattern of transfer to the customer; therefore, the services rendered represent one performance obligation that is satisfied over time. The transaction price of the single performance obligation is recognized as revenue as the performance obligation is satisfied, which is usually throughout the school year or the semestral/trimestral period, whichever is applicable. With respect to the sale of school merchandise and books, the obligation is satisfied when the goods, particularly the merchandise and books are delivered to the customers. Hence, revenue is recognized at a point in time. As for real estate sales, the obligation is satisfied at the point the control over the properties is transferred by the FRC to the buyers.

In addition, the following specific recognition criteria must also be met before revenue is recognized:

(a) *Educational revenues* – Revenue is recognized in profit or loss over the corresponding school term. Tuition fee received in advance and applicable to a school term after the reporting period is not recognized in profit or loss until the next reporting period and is presented as part of Deferred Revenues account in the consolidated statement of financial position. Payment for tuition fees is due upon enrollment, which is before the school year starts, and can be made either in full payment or installment.

    Revenues from NSTP trust fund (see Note 2.10) are recognized upon fulfillment of conditions attached to the fund and/or extent that the related expenses have been incurred. Restricted funds for which restrictions and conditions have not yet been met are classified as NSTP trust funds (liability) recorded as part of the Trade and Other Payables account in the consolidated statement of financial position.

(b) *Income from sale of books and other educational-related merchandise* – Revenue is recognized at a point in time when the risks and rewards of ownership of the goods have been passed to the buyer. The sale of this merchandise is made for the Group's students. Payment for the transaction price is due immediately at the point the customer purchases the goods.

(c) *Other fees* – This pertains to but not limited to transcripts, certification and graduation fees and fees for diplomas and identification cards. Revenue is recognized at the point the related academic document is made available to requestors. Invoices for the services are issued once request from students have been fulfilled.

(d) *Real estate sales* – This pertains to sale of lots and completed townhouses of FRC. Revenue is recognized at the point the control to the property is passed to the customer, that is, when the property is transferred to the buyer.

In obtaining customer contracts, the Group incurs incremental costs. As the expected amortization period of these costs, if capitalized, would be less than one year, the Group uses the practical expedient in PFRS 15 and expenses such costs as incurred. The Group also incurs costs in fulfilling contracts with customers. However, as those costs are within the scope of other financial reporting standards, the Group accounts for those costs in accordance with accounting.

Prior to June 1, 2018, and prior periods, 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.

Cost and expenses are recognized in profit or loss upon utilization of goods or services or at the date such cost and expenses are incurred. All finance costs are reported in profit or loss on an accrual basis, except capitalized borrowing costs which are included as part of the cost of the related qualifying asset (see Note 2.18).

2.14 Leases

The Group accounts for its leases as follows:

(a) Group as Lessee

(i) Accounting for Leases in Accordance with PFRS 16 (beginning June 1, 2019)

For any new contracts entered into on or after June 1, 2019, the Group considers whether a contract is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;

- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and,

- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequently, the Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist (see Note 2.16).

On the other hand, the Group measures the lease liability at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments include fixed payments (including in-substance fixed) less lease incentives receivable, if any, variable lease payments based on an index or rate, amounts expected to be payable under a residual value guarantee, and payments arising from options (either renewal or termination) reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

In the consolidated statement of financial position, right-of-use assets and current portion of lease liabilities have been presented as part of Property and Equipment and Trade and Other Payables, respectively. Non-current portion of lease liabilities, on the other hand, has been presented separately in the consolidated statement of financial position.

(ii) Accounting for Leases in Accordance with PAS 17 (Prior to June 1, 2019)

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 (net of any incentive received from the lessor) are recognized as expense in profit or loss on a straight-line basis over the lease term. Associated costs, such as repairs and 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 in profit or loss on a straight-line basis over the lease term and is presented as Rental in the consolidated statement of profit or loss.

The Group determines whether an arrangement is, or contains, a lease based on the substance of the arrangement. It makes an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

2.15 Foreign Currency Transactions and Translation

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 statement of profit or loss.

Changes in the fair value of monetary financial assets denominated in foreign currency classified as financial assets at FVOCI and at FVTPL are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in consolidated profit or loss, and other changes in the carrying amount are recognized in consolidated other comprehensive income.

2.16 Impairment of Non-financial Assets

The Group's investment in an associate, property and equipment, investment properties, and certain other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is tested for impairment annually.

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

An impairment loss is recognized in the consolidated profit or loss for the amount by which the asset's or CGU'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 flows. In determining value in use, management estimates the expected future cash flows from each CGU and determines the suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of asset enhancements.

Discount factors are determined individually for each CGU and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors. Impairment loss is charged pro-rata to the other assets in the CGU.

All assets, except goodwill for which impairment loss is not reversed (see Note 2.4), are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or CGU's recoverable amount exceeds its carrying amount.

2.17 Employee Benefits

The Group, except RCI, provides post-employment benefits to employees through a defined contribution plan subject to compliance to a minimum guarantee required by Republic Act (RA) No. 7641, *The Retirement Pay Law*, which is accounted for as a defined benefit plan, and various compensations mandated by law. Such application of the minimum guarantee prescribed by RA No. 7641 is based on the interpretations issued by the Philippine Interpretations Committee (PIC) in its Question and Answer on PAS 19 – *Accounting for Employee Benefits Under a Defined Benefit Contribution Plan Subject to the Requirements of RA 7641*.

(a) Post-employment Benefits

The Group maintains defined contribution and defined benefit plans. Under the defined contribution plan, the Group (except RCI) pays fixed contributions based on the employees' monthly salaries.

RCI, which does not have a formal post-employment benefit plan, bases its determination of post-employment benefit obligation on RA No. 7641, which is considered a defined benefit plan. RA No. 7641 provides for a qualified employee a defined benefit minimum guarantee. The defined benefit minimum guarantee is equivalent to 75% of the last monthly salary of an employee at normal retirement age with the required credited years of service based on the provisions of RA No. 7641. The legal obligation for any benefits from this kind of post-employment plan remains with the entity even if plan assets, if any, for funding the defined benefit plan have been acquired.

The whole Group, however, is covered by RA No. 7641. Accordingly, the Group, (except RCI), recognizes its post-employment benefit obligation based on the higher of the defined benefit obligation relating to the minimum guarantee required by RA No. 7641 and the obligation arising from the defined contribution plan. On the other hand, RCI accrues its post-employment benefit obligation solely based on minimum guarantee requirement of RA No. 7641.

For defined benefit minimum guarantee plan, the liability is determined based on the present value of the excess of the projected defined benefit obligation over the projected defined contribution obligation at the end of the reporting period. The defined benefit obligation is calculated annually by a qualified independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows for expected benefit payments using a discount rate derived from the interest rates of a zero coupon government bonds [using the reference rates published by Bloomberg using its valuation technology, Bloomberg Valuation (BVAL)], that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related post-employment liability. BVAL provides evaluated prices that are based on market observations from contributed sources. The Group determines the net interest expense (income) on the defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognized in profit or loss.

The defined contribution, on the other hand, is measured at the fair value of the defined contribution assets upon which the defined contribution benefits depend, with an adjustment for margin on asset returns, if any, where this is reflected in the defined contribution benefits.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in consolidated profit or loss. The Group recognizes gains or losses on the settlement of a defined benefit plan when the settlement occurs.

(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: (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or, (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting period are discounted to their present value.

(c) Bonuses

The Group recognizes a liability and an expense for bonuses. The Group recognizes a provision where it is contractually obliged to pay the benefits, or where there is a past practice that has created a constructive obligation.

(d) Compensated Absences

Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the end of the reporting period. These are included in the Trade and Other Payables account in the consolidated statement of financial position at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

2.18 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 directly 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.

Investment income, if any, earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

2.19 Income Taxes

Tax expense recognized in profit or loss comprises the sum of current tax and deferred tax not recognized in other comprehensive income or directly in equity, if any.

Current tax assets or current tax 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 end of the reporting period. They are calculated using 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 profit or loss.

Deferred tax is accounted for using the liability method on temporary differences at the end of the reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Under the 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 deductible temporary differences can be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will be available to allow such deferred tax assets to be recovered.

Deferred tax assets and deferred tax 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 provided such tax rates have been enacted or substantively enacted at the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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.

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

Most changes in deferred tax assets or deferred tax liabilities are recognized as a component of tax expense in the consolidated profit or loss. Only changes in deferred tax assets or liabilities that relate to items recognized in the consolidated other comprehensive income or directly in equity are recognized in the consolidated other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset only if the Group or any of its subsidiaries has a legally enforceable right to set-off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

2.20 Related Party Transactions and Relationships

Related party transactions are transfers of resources, services or obligations between the Group and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial and operating decisions. These parties include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Group; (b) associates; (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual; and, (d) certain funded retirement plans administered by an organization, through its Retirement Board.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form. The Group established policies and procedures on related party transactions in accordance with the regulations of the SEC. All material related party transactions, which exceed the established materiality thresholds, must undergo prior internal review from Audit Committee before endorsing the same to the BOT for approval. Further, the Chief Executive Officer, President, or any member of the Audit Committee may request that a related party transaction, regardless of amount, be reviewed by the Audit Committee if such related party transaction meet any of the qualitative factors affecting materiality threshold.

All individual material related party transactions shall be approved by at least two-thirds (2/3) vote of the BOT, with at least a majority of the independent trustees voting to approve such transactions. In case that a majority of the independent trustees' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two thirds (2/3) of the outstanding capital stock. For aggregate related party transactions within a twelve (12) month period that breaches the materiality threshold, the same board approval would be required for the transaction that meets and exceeds the materiality threshold covering the same related party.

2.21 Equity

Capital stock represents the nominal value of shares that have been issued.

Stock dividends distributable account is a stockholders' equity (paid-in capital) account credited for the par or stated value of the shares distributable when recording the declaration of a stock dividend until the stock is issued to shareholders.

Treasury stocks are stated at the cost of reacquiring such shares and are deducted from equity attributable to the University's equity holders until the shares are cancelled, reissued or disposed of. This also includes shares of the parent company held by a certain subsidiary (see Note 2.3).

Revaluation reserves comprise accumulated gains or losses arising from the revaluation of Financial Assets at FVOCI (previously AFS Financial Assets) and remeasurements of post-employment defined benefit plan.

Other reserves refer to the amount attributable to the parent company arising from the changes in the ownership of the NCI in the Group.

Retained earnings, both restricted and available for dividend declaration, represent all current and prior period results of operations as reported in the consolidated statement of profit or loss. The appropriated portion represents the amount which is not available for distribution.

NCI represents the interests not held by the Group in FRC and RCI. It also includes the preferred shares of stock of EACCI and FEUAI issued to a stockholder outside of the Group but under the Group's common management (see Note 26.5).

2.22 Earnings Per Share

Basic earnings per share (EPS) is determined by dividing net profit or loss attributable to equity holders of the University by the weighted average number of shares subscribed and issued during the period after giving retroactive effect to stock dividend declared, stock split and reverse stock split during the current year, if any.

Diluted EPS is 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 EPS in the consolidated statement of profit or loss.

2.23 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's strategic steering committee, its chief operating decision-maker. The strategic steering committee is responsible for allocating resources and assessing performance of the operating segments.

In identifying its operating segments, management generally follows the Group's major geographical areas as disclosed in Note 7, which represent the breadth and reach of the Group's educational services.

Each of these operating segments is managed separately as each of these geographical areas requires different technologies and other resources, as well as marketing approaches. All intersegment transfers are carried out at arm's length prices.

The measurement policies the Group uses for segment reporting under PFRS 8, *Operating Segments*, are the same as those used in its consolidated financial statements.

In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment. There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

2.24 Events After the End of the Reporting Period

Any post-year-end event that provides additional information about the Group's consolidated financial position at the end of the reporting period (adjusting event) is reflected in the consolidated financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material to the consolidated financial statements (see Note 28).

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the consolidated 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 the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management 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. The following judgments have the most significant effect on the amounts recognized in the consolidated financial statements:

(a) Determination of Lease Term of Contracts with Renewal and Termination Options (2020)

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of buildings, the factors that are normally the most relevant are (a) if there are significant penalties should the Group pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend and not to terminate the lease contract. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The Group did not include the renewal period as part of the lease term for leases of university buildings because the terms are renewable upon the mutual agreement of the parties.

The lease term is reassessed if an option is actually exercised or not exercised or the Group becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

(b) Determination of Timing of Satisfaction of Performance Obligations (2020 and 2019)

The management determines that its revenue from tuition fees shall be recognized over time. In making its judgment, the Group considers the timing of receipt and consumption of benefits provided by the Group to the students. This demonstrates that the customers simultaneously receive and consume the benefits as the Group performs its obligation. As for revenues from sale of merchandise and books, and various school-related fees, the management deems that revenues shall be recognized at a point in time as control over the goods, particularly the merchandise, books and requested documents is transferred to the customers upon delivery.

With respect to sale of lots and completed townhouses, the Group satisfies the performance obligation at the point in time when the property is transferred to the customer (i.e., upon acknowledgment of the customer).

(c) Determination of ECL on Tuition and Other Fee Receivables (2020 and 2019)

The Group uses a provision matrix to calculate ECL for tuition and other fee receivables. The loss rates are based on actual credit-impaired student accounts or those which are outstanding for two semesters and have not enrolled for the succeeding term [see Note 4.2(b)].

The Group's management intends to calibrate on an annual basis the matrix to consider the historical credit loss experience with forward-looking information. Details about the ECL on the Group's tuition fees and other receivables are disclosed in Notes 4.2 and 9.

(d) *Application of ECL to Investment Securities at Amortized Cost and Financial Assets at FVOCI (2020 and 2019)*

The Group uses a general approach to calculate ECL for all debt instruments at FVOCI and amortized cost. The allowance for credit loss is based on the ECLs associated with the probability of default of a financial instrument in the next 12 months, unless there has been a significant increase in credit risk since origination of the financial instrument, in such case, a lifetime ECL for the instrument is recognized.

The Group has established a policy to perform an assessment, at the end of each reporting period, whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

(e) *Evaluation of Business Model Applied in Managing Financial Instruments (2020 and 2019)*

The Group manages its financial assets based on business models that maintain adequate level of financial assets to match its expected cash outflows.

Upon adoption of PFRS 9, the Group developed business models which reflect how it manages its portfolio of financial instruments. The Group's business models need not be assessed at entity level or as a whole but shall be applied at the level of a portfolio of financial instruments and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument under PFRS 9, the Group evaluates in which business model a financial instrument or a portfolio of financial instruments belong to taking into consideration the objectives of each business model established by the Group as those relate to the Group's investment, trading strategies.

(f) *Testing the Cash Flow Characteristics of Financial Assets and Continuing Evaluation of the Business Model (2020 and 2019)*

In determining the classification of financial assets under PFRS 9, the Group assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are SPPI on the principal outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk) does not meet the amortized cost criteria.

In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, the Group assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion. The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the Group considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

In addition, PFRS 9 emphasizes that if more than an infrequent sale is made out of a portfolio of financial assets carried at amortized cost, an entity should assess whether and how such sales are consistent with the objective of collecting contractual cash flows. In making this judgment, the Group considers certain circumstances documented in its business model manual to assess that an increase in the frequency or value of sales of financial instruments in a particular period is not necessarily inconsistent with a held-to-collect business model if the Group can explain the reasons for those sales and why those sales do not reflect a change in the Group's objective for the business model.

(g) Classification of Financial Assets as HTM Investments (2018)

In classifying non-derivative financial assets with fixed or determinable payments and fixed maturity, such as bonds, as HTM investments, the Group evaluates its intention and ability to hold such investments up to maturity. Management has confirmed its intention and determined its ability to hold the investments up to maturity. If the Group fails to keep these investments to maturity other than for specific circumstances as allowed under the standard, it will be required to reclassify the whole class as AFS financial assets. In such a case, the investments would, therefore, be measured at fair value, not at amortized cost.

(h) Impairment of AFS Financial Assets (2018)

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. The management considers more than 20% decline in fair value as significant and continuous decline in value beyond nine months to be prolonged.

Based on the recent evaluation of information and circumstances affecting the Group's AFS financial assets, management concluded that the assets are not impaired as at May 31, 2018. Future changes in those information and circumstance might significantly affect the carrying amount of the assets.

(i) Determination of Control of Entities in which the University Holds Less than 50%

Management considers that the University has de facto control of FRC even though it holds less than 50% of the ordinary shares and voting rights in the latter. Although the University holds less than 50% of the voting shares of stock of FRC, it has control over FRC because it is exposed or has right to variable returns from its involvement with FRC and it has the ability to affect those returns through its power over FRC. It is able to do this primarily because the University has the power to cast the majority of votes at meetings of the BOD and elect officers of FRC. Accordingly, FRC is recognized as a subsidiary of the University (see Note 1.1).

On the other hand, in prior years, JMCI is not considered a subsidiary because the Group does not make financial or operational decisions for the benefit of JMCI. It only has significant influence over the entity.

In 2019, the Group sold its interest in JMCI to certain third party (see Note 13).

(j) Amortization of Leasehold Improvements

The Group's leasehold improvements, are amortized over 20 years, which is the estimated useful life of the asset (see Notes 2.8 and 14) regardless of the term of the lease contracts which is usually shorter than the expected useful life of the improvements because it is highly probable that the lease contract will be renewed before the end of such contract. A decision by management not to renew its lease agreement will result in a significant impact on its consolidated profit or loss in the period such decision is made.

(k) 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-managed properties generate cash flows that are attributable not only to the property but also to other assets used in the process of providing educational services.

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 a 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.

(l) Distinction between Real Estate for Sale and Investment Properties

Real estate for sale comprise lots that are held for sale in the ordinary course of business (see Note 12). Meanwhile, investment properties (see Note 16) comprise of land and buildings which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. The Group considers management's intention over these assets in making its judgement.

(m) Distinction between Operating and Finance Lease (2019 and 2018)

The Group has entered into various lease agreements as either a lessor or a lessee. 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. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Currently, all of the Group's lease agreements are determined to be operating leases.

(n) Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Accounting policies on recognition and disclosure of provisions and contingencies are discussed in Note 2.12 and relevant disclosures are presented in Note 28.

3.2 Key Sources of Estimation Uncertainty

The key assumptions shown below and in the succeeding page concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Determination of Appropriate Discount Rate in Measuring Lease Liabilities (2020)

The Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the Group's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(b) Estimation of Allowance for Impairment of Financial Instruments (2020 and 2019)

The measurement of the allowance for ECL on financial assets at FVOCI and at investment securities at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 4.2.

The Group uses a provision matrix to calculate ECL for its trade receivables which are based on the Group's historical observed default rates. The Group's management intends to calibrate on an annual basis the matrix to consider the historical credit loss experience with forward-looking information.

(c) Estimation of Impairment of Trade and Other Receivables (2018)

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 collectability 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.
The methodology and assumptions used in estimating future cash flows are reviewed regularly by the Group to reduce any difference between loss estimates and actual loss experience. The carrying value of trade and other receivables and the analysis of allowance for impairment on such financial assets are shown in Note 9.

(d) Determination of Fair Value Measurement for Financial Instruments

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

The carrying values of the Group's Financial Assets at FVTPL and at FVOCI (previously AFS Financial Assets) and the amounts of fair value changes recognized during the years on those assets are disclosed in Note 11. On the other hand, the carrying value of the cross-currency swap is disclosed in Note 10 while fair value gains or losses on cross-currency swap agreements are presented as Fair value gain or loss on derivative liability under Finance Income or Finance Costs in the consolidated statement of profit or loss (see Note 22).

(e) Estimation of Useful Lives of Investment Properties and Property and Equipment

The Group estimates the useful lives of investment properties 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.

The carrying amounts of investment properties and property and equipment are presented in Notes 14 and 16, respectively. Based on management's assessment as at May 31, 2020, 2019 and 2018, there is no change in the estimated useful lives of the assets during those years. Actual results, however, may vary due to changes in factors mentioned above.

(f) Determination of Fair Value of Investment Properties

Investment properties are measured using the cost model. The fair value disclosed in Note 16 is determined by the Group based on the appraisal report prepared by independent appraisers using the relevant valuation methodology as discussed in Note 6.4.

For investment properties with appraisal conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

The principal assumptions underlying management's estimation of fair value are those related to the receipt of contractual rentals, expected future market rentals, and appropriate discount rates. These valuations are regularly compared to actual to market yield data, and actual transactions by the Group and those reported by the market.

A significant change in these elements may affect the prices and the value of the assets. As of May 31, 2020, 2019 and 2018, the Group determined that there were no significant circumstances that may affect the fair value determination of investment properties.

(g) Estimation of Impairment of Non-financial Assets

The Group's policy on estimating the impairment of non-financial assets is discussed in detail in Note 2.16. Though management believes that the assumptions used in the estimation of recoverable amounts 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.

Based on management's assessment, no impairment loss is required to be recognized on the Group's investment in an associate, investment properties, property and equipment, goodwill and certain other non-financial assets as for the years ended May 31, 2020 and 2019. In 2018, the Group impaired certain items of property and equipment of RCI due to the closure of its Cubao and San Mateo campuses (see Note 14).

Prior to 2018, the Group recognized goodwill arising from the University's acquisition of the net assets of RCI from which the University had expected future economic benefits and synergies that will result from combining the operations of the acquired school with that of the University (see Note 1.3). Goodwill is subject to annual impairment testing and whenever there is an indication of impairment.

For purposes of assessing impairment, the Group based on the value in use of the CGU (that is, RCI) to which the carrying value of goodwill is compared. This methodology is in accordance with PAS 36, *Impairment of Assets*. The management considers that the benefits of acquisition accrue to the University as a whole and not to a specific business unit nor department only.

In determining the value in use, discounted cash flows method was used. Some of the key assumptions that have been considered which have significant impact on the results of the determination of the value in use are as follows:

- RCI will continue as a going concern entity and will have sufficient financial resources to finance its working capital requirements to achieve its projected forecast and to support its business needs;
- RCI's performance forecasts for the next five years from the end of each reporting period;
- In estimating the terminal value of the CGU, long-term growth rates at 1.0%, 1.2% and 1.2% (based on forecasted gross domestic product growth rate) as of May 31, 2020, 2019 and 2018 was used, respectively; and,
- In discounting the projected free cash flows, weighted average cost of capital of 4.76%, 6.79% and 5.43% was used in 2020, 2019 and 2018, respectively.

For the years ended May 31, 2020, 2019 and 2018, the Group has assessed that the recoverable amount of the goodwill of P3.0 billion, P1.6 billion and P1.9 billion, respectively, exceeds its carrying amount. Accordingly, no impairment loss is required to be recognized in 2020, 2019 and 2018.

(h) Determination of Recoverability of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Management assessed that the deferred tax assets as at May 31, 2020, 2019 and 2018 are fully recoverable and will be fully utilized within the prescribed periods, except for the related benefits of net operating loss carryover (NOLCO) and other temporary differences of certain subsidiaries which are not recognized, because it expects that the Group will generate sufficient taxable profits in the future against which the assets can be applied (see Note 24).

(i) Valuation of Post-employment Defined Benefit Obligation

The determination of the obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates, expected rate of return on plan assets, salary rate increase, and employee turnover rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment benefit obligation in the next reporting period.

The amounts of post-employment benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment defined benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 23(b).

(j) Business Combinations

On initial recognition, the assets and liabilities of the acquired business and the consideration paid for them are included in the consolidated financial statements at their fair values. In measuring fair value, management used the expertise of an independent appraiser (for property and equipment) and estimates of future cash flows and discount rates. Any subsequent change in these estimates would affect the amount of goodwill if the change qualifies as a measurement period adjustment. Any other change would be recognized in consolidated profit or loss in the subsequent period.

4. 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 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 and in the succeeding pages.

4.1 Market Risk

(a) Foreign Currency Risk

Most of the Group's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange risk arise from certain cash and cash equivalents, financial assets at FVOCI and investment securities at amortized cost that are primarily denominated in United States (US) dollars.

To mitigate the Group's exposure to foreign currency risk, the Group entered in a cross-currency swap agreement and keeps the amount of its US dollar deposit at a minimum level.

Financial assets denominated in US dollar, translated into Philippine pesos at the closing rate, as of May 31 are presented below.

	2020	2019	2018
Short-term exposure – Financial assets	**P 409,534,498**	P 561,752,399	P 371,436,018
Long-term exposure – Financial assets	**P 162,277,191**	P 228,040,069	P 196,418,315

The following table illustrates the sensitivity of the Group's profit or loss before tax with respect to changes in Philippine peso against US dollar exchange rates. The percentage changes in rates have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous periods (for the periods ended May 31, 2020, 2019 and 2018) at a 95% confidence level.

	2020			2019			2018		
	Reasonably possible change in rate	**Effect in profit before tax**	**Effect in equity**	Reasonably possible change in rate	Effect in profit before tax	Effect in equity	Reasonably possible change in rate	Effect in loss before tax	Effect in equity
PhP - USD	**4.38%**	**P 25,045,352**	**P 22,540,817**	3.83%	P 30,249,052	P 27,224,146	3.98%	P 22,600,602	P 20,340,542

Exposures to US dollar exchange risk vary during the year depending on the volume of foreign currency denominated transactions. Nonetheless, the analysis above is considered to be representative of the Group's currency risk.

(b) Interest Rate Risk

The Group is exposed to changes in market interest rates through its cash and cash equivalents, short and long-term debt securities investments, and interest-bearing loans as of end of each reporting period, which are subject to variable interest rates, and is shown below. All other financial assets and financial liabilities have fixed interest rates.

	Notes	**2020**	2019	2018
Cash and cash equivalents	8	**P 1,798,366,234**	P 1,520,192,490	P 855,331,501
Financial assets at FVOCI	11	**542,005,510**	537,594,985	-
Investment securities at amortized cost	11	**530,618,267**	787,493,150	-
AFS financial assets	11	**-**	-	1,121,608,384
HTM investments	11	**-**	-	297,284,616
Short-term investments	17	**64,562,591**	76,269,824	917,501,695
Long-term investments	17	**11,280,724**	16,425,700	11,527,360
Interest-bearing loans	19	**(2,105,238,095)**	(1,333,571,429)	(1,702,142,857)
		P 841,595,231	P 1,604,404,720	P 1,501,110,699

The table shown in the succeeding page illustrates the sensitivity of profit or loss before tax for the periods with regard 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 periods ended May 31, 2020, 2019 and 2018, estimated at 95% level of confidence. The sensitivity analysis is based on the Group's financial instruments held at May 31, 2020, 2019 and 2018.

	2020		2019		2018	
	Reasonably possible change in rate	**Effect on profit before tax**	Reasonably possible change in rate	Effect on profit before tax	Reasonably possible change in rate	Effect on loss before tax
Cash and cash equivalents	**+/-0.45%**	**P 8,092,648**	+/-0.75%	P 11,401,444	+/-0.19%	P 1,625,130
Financial assets at FVOCI	**+/-2.81%**	**15,230,355**	+/-4.26%	22,901,546	-	-
Investment securities at amortized cost	**+/-2.81%**	**14,910,373**	+/-4.26%	33,547,208	-	-
AFS financial assets	**-**	**-**	-	-	+/-1.42%	15,926,839
HTM investments	**-**	**-**	-	-	+/-0.91%	2,705,290
Short-term investments	**+/-2.45%**	**1,581,783**	+/-2.73%	2,082,166	+/-1.42%	13,028,524
Long-term investments	**+/-2.81%**	**316,988**	+/-4.84%	795,004	+/-0.91%	104,899
Interest-bearing loans	**+/-0.75%**	**(15,789,286)**	+/-2.73%	(36,406,500)	+/-0.56%	(9,336,000)
		P 24,342,861		P 34,320,868		P 24,054,682

(c) Other Price Risk

The Group's exposure to price risk arises from its investments in equity securities, which are classified as part of the Financial Assets at FVOCI and Financial Assets at FVTPL accounts in the consolidated statements of financial position. These consist of publicly listed equity securities which are carried at fair value.

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

For equity securities listed in the Philippines, an average volatility have been observed for the years ended May 31, 2020, 2019 and 2018 which was shown on the table below.

	Effect on Total Comprehensive Income					
	+/-%	**2020**	+/-%	2019	+/-%	2018
Financial assets at FTVPL	**32.81%**	**P 153,750,667**	13.26%	P 67,619,740	-	P -
Financial assets at FVOCI	**19.00%**	**25,786,424**	15.58%	21,029,362	-	-
AFS financial assets	**-**	**-**	-	-	10.57%	79,282,614

No sensitivity analysis was provided for government and corporate bonds, and investments in UITF classified as Financial Assets at FVTPL as management deemed that the risk at the end of the period is not representative of a risk inherent in the Group's financial instruments.

Certain investments are considered medium to long-term strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments, except as discussed in Notes 10 and 11 in connection with its investment in certain foreign currency denominated corporate debt instruments which are subject to a cross-currency swap agreement. The investments are continuously monitored to ensure that returns of these equity instruments are timely utilized or reinvested in the Group's favor.

4.2 Credit Risk

Credit risk represents the loss that the Group would incur if the counterparty fails to perform its contractual obligations.

The Group is mainly exposed to credit risk relating to its tuition and other school fees receivables due primarily to the student's possible inability to pay and to fully settle his or her 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 to minimize risks of non-collection. 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 balances, thus ensuring that collectability is reasonably assured. The Group's exposure to credit risk on its other receivables from debtors and related parties is managed through close account monitoring and setting limits.

Other than the foregoing, the Group is not exposed to significant credit risk and has no significant exposure to any individual customer or counterparty nor it has 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 debt instruments, the Group's maximum exposure is equal to the carrying amount, before any allowances for impairment, of these instruments.

The maximum exposure to credit risk at the end of the reporting period is as follows:

	Notes	**2020**	2019	2018
Cash and cash equivalents	8	**P 1,798,366,234**	P 1,520,192,490	P 855,331,501
Trade and other receivables	9	**970,146,864**	608,223,874	528,325,137
Financial assets at FVOCI*	11	**542,005,510**	537,594,985	1,121,608,384
Investment securities at amortized cost**	11	**530,618,267**	787,493,150	297,284,616
Short-term investments	17	**64,562,591**	76,269,824	917,501,695
Long-term investments	17	**11,280,724**	16,425,700	11,527,360
Refundable deposits	17	**16,235,991**	9,975,338	8,493,476
		P 3,933,216,181	P 3,556,175,361	P 3,740,072,169

**Previously classified as AFS financial assets*
***Previously classified as HTM financial assets*

a. Cash and Cash Equivalents and Short-term Placements

The credit risk for cash and cash equivalents and short-term placements herein is considered negligible or the probability of default from these reputable banks is remote since there has been no history of default from these counterparties and because of their high quality external credit ratings.

Cash in banks are insured by the Philippine Deposit Insurance Corporation (PDIC) up to a maximum coverage of P0.5 million per depositor per banking institution, as provided for under RA No. 9576, *Amendment to Charter of PDIC*.

For cash and cash equivalents and financial assets of similar nature, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECL on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

As of May 31, 2020, 2019 and 2018, management assessed that the allowance for ECL on these financial instruments is not material.

b. Trade and Other Receivables

The Group's trade and other receivables include tuition fees and other school receivables, rental receivables, and other miscellaneous receivables.

The Group applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for tuition fees and other receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. The loss rates are based on actual credit-impaired student accounts or those which are outstanding for two semesters and have not enrolled for the succeeding term. In practice and considering the nature of its business, particularly with respect to its educational activities, the Group writes off such balances as collection becomes more unlikely as the concerned students did not return for enrollment. The Group also assesses impairment of tuition fees and other receivables on a collective basis as they possess shared credit risk characteristics.

The expected loss rates on these receivables are determined based on the history of credit-impaired student accounts. The Group analyzes tuition and other school fees receivables based on the number of semesters the receivables have been outstanding. Student receivables that are outstanding for at least two semesters are assessed for credit impairment.

The historical loss rates, which are expressed as the relationship between the credit-impaired accounts and the related recognized tuition fees, are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the students to settle the receivables. The Group assessed that the expected loss rates for tuition fees and other receivables are a reasonable approximation of the loss rates for these financial assets. As at May 31, 2020, 2019 and 2018, the weighted average loss rate, adjusted with FLI, used in the measurement of ECL is at 8.4%, 4.7% and 13.0%, respectively.

The Group incorporates FLI into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL. The most relevant macro-economic variable used in the measurement of ECL is consumer spending as at May 31, 2020 and 2019 and inflation rate as at June 1, 2018, based on the correlation of historical loss rates and FLI.

The Group writes off its receivables from students who have not enrolled for two semesters and are not expected by management to re-enroll in the near future.

For the years ended May 31, 2020, 2019 and 2018, the Group recognized total impairment losses amounting to P81.7 million, P27.0 million and P56.9 million, respectively. A reconciliation of the allowance for ECL as at May 31, 2020, 2019 and 2018 to the opening loss allowance is presented in Note 9.

On the other hand, to calculate the ECL of rental receivables, these have been grouped based on shared credit risk characteristics and the days past due (age buckets). The rental receivables which relate to both third party and related party receivables have substantially the same risk characteristics. The Group has therefore concluded that the expected loss rates for all rental receivables, whether from third party or related party, are the same. The expected loss rates are based on the payment profiles of sales over a period of 36 months before May 31, 2020, 2019 and June 1, 2018, respectively, and the corresponding historical credit losses experienced within such period. The Group has identified the Philippine inflation rate to be the most relevant factor and has accordingly adjusted the historical loss rates based on expected changes in this factor. There are no past due rental receivables for the years ended May 31, 2020, 2019 and 2018.

On that basis, there is no additional loss allowance recognized based on management's assessment as of March 31, 2020, 2019 and 2018, as the expected credit losses are assessed to be insignificant to the Group's consolidated financial statements.

c. Debt Instruments Classified as Financial Assets at FVOCI and Amortized Cost

Debt securities measured at amortized cost and at FVOCI are considered to have low credit risk, and therefore, the loss allowance during the period is determined to be equivalent to 12 months ECL. Management considers "low credit risk" for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The loss allowance are as follows:

Company Internal Credit Rating	External Credit Rating	ECL Rate	Estimated Gross Carrying Amount at Default	Allowance
2020				
Investment Securities at Amortized Cost				
Performing	A - AAA	0.00% - 0.06%	P 313,600,494	P 104,778
Underperforming	BB - BBB+	0.10% - 0.52%	217,546,529	423,978
Financial Assets at FVOCI				
Performing	AAA	0.0%	338,646,198	-
Underperforming	BBB+	0.00% - 0.11%	203,546,254	186,942
			P 1,073,339.475	**P 715,698**

Company Internal Credit Rating	External Credit Rating	ECL Rate	Estimated Gross Carrying Amount at Default	Allowance
2019				
Investment Securities at Amortized Cost				
Performing	A - AAA	0.00% - 0.06%	P 530,063,053	P 80,616
Underperforming	BB - BBB+	0.10% - 0.52%	257,934,691	423,978
Financial Assets at FVOCI				
Performing	AAA	0.0%	359,209,640	-
Underperforming	BBB+	0.00% - 0.11%	178,572,287	186,942
			P 1,325,779,671	P 691,536

In 2020, the Group did not recognized additional or reversal of ECL for debt securities at amortized cost and debt securities at FVOCI.

d. Refundable Deposits

Management has assessed that these financial assets have low probability of default since these relate to continuing lease contracts and any outstanding deposit balance can be applied against future monthly rentals. Also, these are no longer discounted since management believes that the effect of discounting is not material to the consolidated financial statements.

The tables below show the credit quality of the Group's financial assets as of May 31, 2018 having past due components (under PAS 39).

	Notes	Neither past due nor impaired	Past due and impaired	Total
Cash and cash equivalents	8	P 855,331,501	P -	P 855,331,501
Trade and other receivables - net	9	470,897,639	57,427,498	528,325,137
AFS financial assets (debt securities)	11.2	1,121,608,384	-	1,121,608,384
HTM investments	11.3	297,284,616	-	297,284,616
Short-term investments	17	917,501,695	-	917,501,695
Long-term investments	17	11,527,360	-	11,527,360
Refundable deposits	17	8,493,476	-	8,493,476
		P 3,682,644,671	P 57,427,498	P 3,740,072,169

The Group has no past due but unimpaired financial assets as at May 31, 2018.

As of May 31, 2018 the Group's management considers that all of its financial assets are not impaired, except those specifically provided with allowance for impairment at the end of the reporting period, and of good credit quality. Cash and cash equivalents, AFS financial assets, HTM investments and other short-term investments (presented as part of Other Current Assets) are coursed through reputable financial institutions duly approved by the BOT.

4.3 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.

As at May 31, 2020, 2019 and 2018, the Group's financial liabilities (excluding lease liabilities – see Note 15) have contractual maturities which are presented below.

	Current		Non-current
	Within 6 Months	6 to 12 Months	1 to 5 Years
2020			
Trade and other payables	P 1,593,203,461	P -	P -
Interest-bearing loans	761,269,133	261,903,478	1,787,566,785
Refundable deposits (presented under Other Non-current Liabilities)	-	-	7,440,466
	P2,354,472,594	**P 261,903,478**	**P 1,795,007,251**
2019			
Trade and other payables	P 837,651,708	P 345,811,952	P -
Interest-bearing loans	1,253,245,255	220,090,570	1,057,178,460
Derivative liability	36,720,866	-	-
Refundable deposits (presented under Other Non-current Liabilities)	-	-	4,796,804
	P 2,127,617,829	P 565,902,522	P 1,061,975,264
2018			
Trade and other payables	P 732,522,260	P 259,477,993	P -
Interest-bearing loans	1,026,119,060	212,542,259	1,434,692,826
Derivative liability	38,255,313	-	-
Refundable deposits (presented under Other Non-current Liabilities)	-	-	4,336,911
	P 1,796,896,633	P 472,020,252	P 1,439,029,737

The contractual maturities presented above reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting period.

5. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

5.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of financial assets and financial liabilities measured at fair value and an investment carried at amortized cost but whose fair value is required to be disclosed are shown in the succeeding page.

	Notes	2020 Carrying Values	2020 Fair Values	2019 Carrying Values	2019 Fair Values	2018 Carrying Values	2018 Fair Values
Financial Assets							
At FVOCI (2020 and 2019) / AFS (2018):							
Debt securities	11	**P 542,005,510**	**P 542,005,510**	P 537,594,985	P 537,594,985	P 1,121,608,384	P 1,121,608,384
Equity securities	11	**170,819,604**	**170,819,604**	166,271,887	166,271,887	1,174,407,096	1,174,407,096
Golf club shares	11	**3,631,800**	**3,631,800**	2,830,000	2,830,000	2,830,000	2,830,000
		716,456,914	**716,456,914**	706,696,872	706,696,872	2,298,845,480	2,298,845,480
At FVTPL							
UITF	11	**456,883,944**	**456,883,944**	392,036,006	392,036,006	-	-
Equity securities	11	**431,633,214**	**431,633,214**	445,378,506	445,378,506	-	-
		888,517,158	**888,517,158**	837,414,512	837,414,512	-	-
At Amortized Cost (2020 and 2019) / HTM (2018)							
Investments –							
Debt securities	11	**530,618,267**	**535,734,400**	787,493,150	787,986,918	297,284,616	301,671,306
Refundable deposits	17	**16,235,991**	**17,235,991**	9,975,338	9,975,338	8,493,476	8,493,476
Receivables	9	**970,146,864**	**970,146,864**	608,223,874	608,223,874	528,325,137	528,325,137
		1,517,001,122	**1,523,117,255**	1,405,692,362	1,406,186,130	834,103,229	838,489,919
		P 3,121,975,194	**P 3,128,091,327**	P 2,949,803,746	P 2,950,297,514	P 3,132,948,709	P 3,137,335,399
Financial Liabilities							
At amortized cost –							
Interest-bearing loans	19	**P 2,605,238,096**	**P 2,555,915,182**	P 2,358,571,429	P 2,326,214,523	P 2,517,142,858	P 2,430,240,097
Lease liabilities	15	**46,572,571**	**46,572,571**	-	-	-	-
Derivative liability – Cross-currency swaps	10	**-**	**-**	36,720,866	36,720,866	38,255,313	38,255,313
		P 2,651,810,667	**P 2,602,487,753**	P 2,395,292,295	P 2,362,935,389	P 2,555,398,171	P 2,468,495,410

Except for the financial assets and financial liabilities presented above, cash and cash equivalents, short-term investments, long-term investments, trade and other payables and refundable deposit, the Group has no other financial assets and/or financial liabilities that are carried at fair value or that are not carried at fair value but are required to be disclosed at fair value (see Note 6.3).

Management determined that the carrying amounts of the other financial instruments are equal to or approximate their fair values; hence, no further comparison between their carrying amounts and fair values is presented.

See Notes 2.5 and 2.10 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 4.

5.2 Offsetting of Financial Assets and Financial Liabilities

The Group's cash in bank, which is presented as part of the Cash and Cash Equivalents account, and portion of Short-term investments under the Other Current Assets account in the consolidated statements of financial position (see Notes 8 and 17) are subject to offsetting, enforceable master netting arrangements and similar agreements as at May 31, 2020, 2019 and 2018, such as loan agreements, as presented below.

	Gross amounts recognized in the consolidated statements of financial position		**Net amount presented in the consolidated financial statements of position**	**Related amounts that can potentially be set-off in the consolidated statements of financial position**		
	Financial assets	**Financial liabilities set-off**		**Financial instruments**	**Cash collateral received**	**Net amount**
May 31, 2019	**P 188,339,418**	**P -**	**P 188,339,418**	**(P2,605,238,095)**	**P -**	**(P2,416,898,677)**
May 31, 2019	P 189,368,822	P -	P 189,368,822	(P2,358,571,429)	P -	(P 2,169,202,607)
May 31, 2018	P 207,031,419	P -	P 207,031,419	(P 2,517,142,858)	P -	(P 2,310,111,439)

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements above, each agreement between the Group and counterparties (i.e., depository bank) allows for net settlement of the relevant financial assets and financial liabilities (i.e., interest-bearing loans) when both elect to settle on a net basis.

All other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (i.e., related parties) will have the option to settle all such amounts on a net basis through the approval by both parties' BOT or BOD. As such, the Group's outstanding receivables from and payables to the same related parties, if any, can potentially be offset to the extent of their corresponding outstanding balances.

6. FAIR VALUE MEASUREMENT AND DISCLOSURES

6.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy is shown below.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurable date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

6.2 Financial Instruments Measurement at Fair Value

The foregoing tables show the fair value hierarchy of the Group's classes of financial assets and financial liabilities measured at fair value in the consolidated statements of financial position on a recurring basis as of:

	Level 1	Level 2	Level 3	Total
May 31, 2020				
Financial assets at FVOCI:				
Debt securities:				
Government	P 285,289,832	P -	P -	P 285,289,832
Corporate	256,715,678	-	-	256,715,678
Equity securities	170,819,604	-	-	170,819,604
Golf club shares	-	3,631,800	-	3,631,800
Financial assets at FVTPL –				
Equity securities	431,633,214	456,883,944	-	888,517,158
Investment securities at amortized cost	507,984,400	-	27,750,000	535,734,400
	P 1,652,442,728	**P 460,515,744**	**P 27,750,000**	**P 2,140,708,472**
Derivative liability – Cross-currency swaps	**P -**	**P -**	**P -**	**P -**
May 31, 2019				
Financial assets at FVOCI:				
Debt securities:				
Government	P 242,080,283	P -	P -	P 242,080,283
Corporate	295,514,702	-	-	295,514,702
Equity securities	166,271,887	-	-	166,271,887
Golf club shares	-	2,830,000	-	2,830,000
Financial assets at FVTPL –				
Equity securities	445,378,506	392,036,006	-	837,414,512
Investment securities at amortized cost	787,986,918	-	-	787,986,918
	P 1,937,232,296	P 394,866,006	P -	P 2,332,098,302
Derivative liability – Cross-currency swaps	P -	(P 36,720,866)	P -	(P 36,720,866)
May 31, 2018				
AFS financial assets:				
Debt securities:				
Government	P 303,794,340	P -	P -	P 303,794,340
Corporate	817,814,044	-	-	817,814,044
Equity securities	755,294,472	419,112,624	-	1,174,407,096
Other non-current asset – Investment in golf club shares	-	2,830,000	-	2,830,000
	P 1,876,902,856	P 421,942,624	P -	P 2,298,845,480
Derivative liability – Cross-currency swaps	P -	(P 38,255,313)	P -	(P 38,255,313)

There were neither transfers between levels nor changes in levels of classification of instruments in all the years presented.

Following are the information about how the fair values of the Group's classes of financial assets and financial liabilities are determined.

a) Equity Securities

As of May 31, 2020, 2019 and 2018, instruments included in Level 1 comprise of listed common and preferred shares which are classified as and designated at financial assets at FVTPL and FVOCI, respectively. The corporate shares were valued based on their market prices quoted in the PSE at the end of each reporting period. On the other hand, the fair value of investments in UITF are classified as Level 2, since fair values are generally measured based on the net asset value of the Group's investment, computed and determined at the end of each reporting period based on the closing market and trade prices of the securities comprising the fund's portfolio. This valuation approach takes into the account the period end performance of the funds including all trades made within the funds and the related income and expenses arising therefrom.

b) Golf Club Shares

The Group's golf club shares are included in Level 2 as their prices are not derived from market considered as active due to lack of trading activities among market participants at the end or close to the end of the reporting period.

c) Debt Securities

The fair value of the Group's debt securities which consist of government and corporate bonds is estimated by reference to quoted bid price in active market at the end of the reporting period and is categorized within Level 1.

(i) Fair values of government securities issued by the Philippine government, are determined based on the reference price per Bloomberg which used BVAL. These BVAL reference rates are computed based on the weighted price derived using an approach based on a combined sequence of proprietary BVAL algorithms of direct observations or observed comparable.

(ii) For corporate and other quoted debt securities, fair value is determined to be the current mid-price, which is computed as the average of as and bid prices as appearing on the Corporate Securities Board Summary.

d) Derivatives

Derivatives classified as financial liability at FVTPL are included in Level 2 as their prices are not derived from market considered as active due to lack of trading activities among market participants at the end or close to the end of the reporting period. The fair value of derivative financial instruments that are not quoted in an active market is determined through valuation techniques normally using the discounted cash flow.

Valuation techniques are used to determine fair values, which are validated and periodically reviewed. To the extent practicable, models use observable data, however, areas such as credit risk (both own and counterparty), volatilities require management to make estimates. Changes in assumptions and correlations affect reported fair value of financial instruments.

6.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

As of May 31, 2020, 2019 and 2018, the fair value of debt securities categorized as Investment Securities at Amortized Cost (2018: HTM Investments) amounted to P535.7 million, P788.0 million and P301.7 million, respectively, which is Level 1 in the hierarchy of fair values (see Note 5.1).

On the other hand, the fair value of the Group's interest-bearing loans amounted to P2,555.9 million, P2,326.2 million and P2,430.2 million as of May 31, 2020, 2019 and 2018, respectively. For interest-bearing loans with more than one year of maturity, its estimated fair value represents the discounted amount of the future cash flows expected to be paid which are discounted at current market rates. The fair values of the Group's interest-bearing loans are classified under Level 3 of the fair value hierarchy.

Other than the investment securities at amortized cost and interest-bearing loans, management determined that due to the short-term duration of the other financial assets and financial liabilities measured at amortized costs of the Group, as described in Notes 2.5 and 2.10, their fair values as at May 31, 2020, 2019 and 2018 equal or approximate their carrying amounts. Accordingly, the Group did not anymore present a comparison of their fair values with their carrying amounts and correspondingly, their level in the fair value hierarchy. Nevertheless, if presented in the hierarchy, only cash and cash equivalents and short-term investments would fall under Level 1 and the rest would be under Level 3.

6.4 Fair Value Measurement for Non-financial Assets

(a) Determining Fair Value of Investment Properties

As of May 31, 2020, 2019 and 1028, the total estimated fair value of the Group's parcels of land and building and improvements classified as investment property are categorized as Level 3 in the fair value hierarchy (see Note 16.2).

	2020	2019	2018
Building and improvements	**P 189,530,407**	P 151,549,095	P 138,865,461
Land	**44,498,295**	53,572,000	35,412,000
	P 234,028,702	P 205,121,095	P 174,277,461

The fair value of the Group's investment properties, except for certain investment properties owned by FRC which were determined using the discounted cash flows technique since information on appraisal reports is not readily available, are determined on the basis of the appraisals performed by an independent appraiser with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. To some extent, the valuation process was conducted by the appraiser in discussion with the Group's management with respect to the determination of inputs such as the size, age, and condition of the land and buildings, and the comparable prices in the corresponding property location.

In estimating the fair value of these properties, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management's assessment, the best use of the Group's non-financial assets indicated above is their current use.

yearThe fair values of these non-financial assets were determined based on the following approaches:

(i) Fair Value Measurement for Land

The Level 3 fair value of land was derived using the market comparable approach that reflects the recent transaction prices for similar properties in nearby locations. Under this approach, the observable recent prices of the reference properties were adjusted for differences in key attributes such as property size, zoning, and accessibility. The most significant input into this valuation approach is the price per square foot, hence, the higher the price per square foot, the higher the fair value.

(ii) Fair Value Measurement for Building and Improvements

The Level 3 fair value of the buildings and improvements included under the Investment Properties account was determined using the cost approach that reflects the cost to a market participant to construct an asset of comparable usage, construction standards, design and layout, adjusted for obsolescence. The more significant inputs used in the valuation include direct and indirect costs of construction such as but not limited to, labor and contractor's profit, materials and equipment, surveying and permit costs, electricity and utility costs, architectural and engineering fees, insurance and legal fees. These inputs were derived from various suppliers and contractor's quotes, price catalogues, and construction price indices. Under this approach, higher estimated costs used in the valuation will result in higher fair value of the properties.

There has been no change to the valuation techniques used by the Group during the year for its non-financial assets. Also, there were no transfers into or out of the different levels of the fair value hierarchy as of May 31, 2020, 2019 and 2018.

The carrying amount of investment properties included in Level 3 is presented in Note 16.

(b) Other Fair Value Information

There were no transfers into or out of Level 3 fair value hierarchy during the years ended May 31, 2020, 2019 and 2018.

7. SEGMENT INFORMATION

7.1 Geographic Segments

In identifying its operating segments, management generally follow the Group's two major geographical areas, namely Metro Manila and provincial. These are the basis of the Group in reporting to its strategic steering committee for its strategic decision-making activities.

7.2 Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist primarily of operating cash and cash equivalents, trade and other receivables, financial assets at FVTPL and FVOCI, investment securities at amortized cost, real estate held-for-sale, investment properties, and property and equipment.

Segment assets do not include investments in an associate, deferred tax assets and other assets which are not allocated to any segment's assets.

Segment liabilities include all operating liabilities as presented in the consolidated statements of financial position, except for deferred tax liabilities.

7.3 Intersegment Transactions

Segment revenues, expenses and performance include revenues and purchases between geographical segments. Such services and purchases are eliminated in consolidation.

7.4 Analysis of Segment Information

The Group's geographical segment, which is based from location of all the Group's school campuses, for the years ended May 31, 2020, 2019 and 2018 follows (in thousands).

	Metro Manila	Provincial	Total
May 31, 2020			
Segment revenues			
From external customers	P 3,423,300	P 302,525	P 3,725,825
Intersegment revenues	207,926	-	207,926
Total revenues	3,631,226	302,525	3,933,751
Operating expenses	(2,598,145)	(323,802)	(2,921,947)
Segment operating profit	**P 1,033,081**	**(P 21,277)**	**P 1,011,804**
Total segment assets	**P 17,425,706**	**P 2,889,399**	**P 20,315,105**
Total segment liabilities	**P 6,203,940**	**P 1,120,913**	**P 7,324,853**
May 31, 2019			
Segment revenues			
From external customers	P 3,220,265	P 290,765	P 3,511,130
Intersegment revenues	186,547	-	186,547
Total revenues	3,406,912	290,765	3,697,677
Operating expenses	(2,412,688)	(280,871)	(2,693,559)
Segment operating profit	P 994,224	P 9,894	P 1,004,118
Total segment assets	P 14,931,368	P 1,593,890	P 16,525,258
Total segment liabilities	P 4,219,484	P 839,040	P 5,058,524

	Metro Manila	Provincial	Total
May 31, 2018			
Segment revenues			
From external customers	P 2,534,009	P 321,693	P 2,855,702
Intersegment revenues	178,647	-	178,647
Total revenues	2,712,656	321,693	3,034,349
Operating expenses	(1,844,757)	(327,523)	(2,172,280)
Segment operating profit	P 867,899	(P 5,830)	P 862,069
Total segment assets	P 13,816,667	P 1,430,224	P 15,246,891
Total segment liabilities	P 3,988,829	P 661,628	P 4,650,457

7.5 Reconciliation

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its consolidated financial statements (in thousands).

	2020	2019	2018
Revenue			
Total segment revenues	**P 3,933,751**	P 3,697,677	P 3,034,349
Elimination of intersegment revenues	**(207,926)**	(186,547)	(178,647)
Finance income	**(136,081)**	(152,095)	(193,493)
Revenues as reported in consolidated profit or loss	**P 3,589,744**	P 3,359,035	P 2,662,209
Profit or loss			
Segment operating profit	**P 1,011,804**	P 1,004,118	P 862,069
Other income	**164,237**	212,568	58,205
Finance costs	**(246,065)**	(101,778)	(95,374)
Other charges	**-**	-	(95)
Other unallocated expense	**(145,411)**	(180,325)	(184,664)
Tax expense	**(101,572)**	(126,111)	(92,510)
Group net profit as reported in profit or loss	**P 682,992**	P 808,472	P 547,631
Assets			
Segment assets	**P 20,315,105**	P 16,525,258	P 15,246,891
Investment in an associate	**-**	-	6,491
Deferred tax assets – net	**29,533**	25,673	18,135
Goodwill	**186,487**	186,487	186,487
Elimination of intercompany accounts	**(5,344,519)**	(2,657,460)	(2,270,610)
Total Assets	**P 15,186,606**	P 14,079,958	P 13,187,394
Liabilities			
Segment liabilities	**P 7,324,853**	P 5,058,524	P 4,650,457
Deferred tax liabilities – net	**14,659**	22,685	19,490
Elimination of intercompany accounts	**(2,570,744)**	(869,326)	(523,950)
Total Liabilities	**P 4,768,769**	P 4,211,883	P 4,145,997

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components:

	2020	2019	2018
Cash on hand and in banks	**P 748,186,077**	P 549,674,206	P 640,127,921
Short-term placements	**1,050,180,157**	970,518,284	215,203,580
	P 1,798,366,234	P 1,520,192,490	P 855,331,501

Cash in banks generally earn interest 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.

These placements earn effective annual interest as follows:

	2020	2019	2018
Peso placements	**1.5% to 6.5%**	0.8% to 6.0%	0.8% to 3.4%
USD-denominated placements	**-**	-	1.0%

Interest income earned from cash and cash equivalents are presented as part of Finance Income in the consolidated statements of profit or loss (see Note 22.1). The related interest receivable from placements as of May 31, 2020, 2019 and 2018 is presented as part of Accrued interest under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 9).

9. TRADE AND OTHER RECEIVABLES

This account is composed of the following:

	Notes	**2020**	2019	2018
Non-related parties:				
Tuition and other school fees		**P 866,914,767**	P 577,801,471	P 434,299,627
Rental receivables		**34,214,279**	28,195,961	14,910,402
		901,129,046	605,997,432	446,947,070
Related parties:				
Other advances	25.1, 25.2, 25.7	**102,398,435**	43,732,028	52,961,730
Rental receivables	25.3(a), 25.3(b)	**13,122,403**	10,643,063	11,358,633
		115,520,838	54,375,091	64,320,363
Balance carried forward		**P 1,016,649,885**	P 660,372,523	P 511,267,433

	Notes	2020	2019	2018
Balance brought forward		**P 1,016,649,885**	P 660,372,523	P 511,267,433
Others:				
Advances to officers and employees		**20,452,761**	11,937,862	12,017,062
Accrued interest	8, 11, 17	**5,981,939**	6,290,153	5,329,704
Miscellaneous		**49,770,963**	20,909,743	66,892,539
		76,205,663	39,137,758	84,239,305
		1,092,855,547	699,510,281	597,769,697
Allowance for impairment on tuition and other school fees receivables		**(102,255,922)**	(79,348,545)	(57,427,498)
		P 990,599,625	P 620,161,736	P 540,342,199

Rental receivables relates to the FRC's receivables from its lease contracts with non-related parties.

Advances to officers and employees comprise of unsecured and noninterest-bearing advances, subject to liquidation within 15 days from the earlier date between the release of the advances and the event to which the advances are utilized.

A reconciliation of the allowance for impairment on receivables at the beginning and end of each of the reporting period is shown below.

	Note	2020	2019	2018
Balance at beginning of year		**P 79,348,545**	P 77,327,375	P 56,518,591
Impairment losses during the year	21	**81,673,482**	27,028,023	56,919,308
Recovery of previously Written-off receivables		**724,809**	-	-
Receivables written-off during the year		**(59,490,914)**	(25,006,853)	(56,010,401)
Balance at end of year		**P 102,255,922**	P 79,348,545	P 57,427,498

All of the Group's receivables, which are subject to credit risk exposure [see Note 4.2(b)] have been reviewed for impairment. Starting 2019, the Group applies the PFRS 9 simplified approach in measuring expected credit losses taking into consideration the expected loss rates determined through the assessment of credit impairment was observed for student receivables that are outstanding for at least two semesters/terms and are unenrolled in the previous term. In 2018, full allowance is provided on receivables from students for uncollected tuition fees of the previous school term when the specific student from whom it is due does not enroll in the succeeding school term.

During the years ended May 31, 2020, 2019 and 2018, tuition and other school fees receivables were assessed for impairment and corresponding impairment loss is recognized as part of Impairment losses under Cost and Operating Expenses in the consolidated statements of profit or loss (see Note 21). The allowance for impairment loss on receivables from students as of May 31, 2020, 2019 and 2018 pertains to amounts which have been outstanding for more than one semester or term and are specifically identified to be impaired.

Miscellaneous receivables significantly pertain to due from brokers that is receivable by the Group's trust funds and receivables from tenants for utilities.

10. CROSS-CURRENCY SWAPS

The Group has existing cross-currency swaps to hedge its foreign currency exposure related to its foreign currency denominated investments in corporate bonds. As of May 31, 2019 and 2018, the fair value of these cross-currency swaps amounting to P36.7 million and P38.3 million, respectively, is presented as Derivative Liability in the statements of financial position. As of May 31, 2020, the balance of the Derivative Liability was nil due to the maturity of the related corporate bonds (see Note 11). The related fair value gain or losses is presented as part of Fair value gains (losses) on derivative liability under Finance Income (Costs) in the consolidated statements of profit or loss (see Note 22).

Being denominated in foreign currency, the related interest receivable from cross-currency agreement has been adjusted to the prevailing exchange rate resulting in the recognition of cross-currency gain amounting to P0.9 million for the year ended May 31, 2020, and cross-currency loss amounting to P1.6 million and P0.3 million for the years ended May 31, 2019 and 2018, respectively, which is recognized as part of Foreign exchange gains (loss) on derivative liability under Finance Income (Costs) in the consolidated statements of profit or loss (see Note 22).

11. FINANCIAL ASSETS

11.1 Financial Assets at FVTPL

The types of investments classified under Financial Assets at FVTPL as of May 31 are shown below.

		2020		2019
Equity securities	**P**	**431,633,214**	P	445,378,506
UITF		**456,883,944**		392,036,006
	P	**888,517,158**	P	837,414,512

The breakdown of Financial Assets at FVTPL as to currency denomination is as follows:

		2020		2019
Local	**P**	**499,767,405**	P	447,066,961
Foreign		**388,749,753**		390,347,551
	P	**888,517,158**	P	837,414,512

An analysis of the movements in the carrying amounts of the Group's investments is presented below:

	2020	2019
Balance at beginning of year	**P 837,414,512**	P 1,036,396,859
Additions	**1,267,039,964**	1,690,108,239
Disposals	**(1,130,883,011)**	(1,925,191,984)
Foreign currency loss – net	**(7,670,098)**	(2,371,804)
Fair value gains – net	**(77,384,209)**	38,473,202
Balance at end of year	**P 888,517,158**	P 837,414,512

Investment income or losses from FVTPL financial assets, which includes dividend income, gain or loss on disposal and realized fair value gains or losses, totaling P94.7 million and P13.6 million for the year ended May 31, 2020 and 2019, respectively, has been reinvested as part of additions to FVTPL financial assets and is presented separately as Other investment loss from financial assets at FVTPL under Finance Costs in 2020 and Other investment income from financial assets at FVTPL under Finance Income in 2019 in the consolidated statements of profit or loss (see Note 22). No similar transaction for the year ended May 31, 2018.

The related outstanding interest is presented as part of Accrued interest under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 9).

11.2 Financial Assets at FVOCI (2018: AFS Financial Assets)

As of May 31, the Group's financial assets at FVOCI are classified in the consolidated statements of financial position as follows:

	2020	2019	2018
Current	**P 329,290,221**	P 277,750,721	P 2,119,491,677
Non-current	**387,166,693**	428,946,151	176,523,803
	P 716,456,914	P 706,696,872	P 2,296,015,480

The types of investments classified under Financial Assets at FVOCI as of May 31 are shown below.

	2020	2019	2018
Debt securities:			
Government	**P 285,289,832**	P 242,080,283	P 303,794,340
Corporate	**256,715,678**	295,514,702	817,814,044
	542,005,510	537,594,985	1,121,608,384
Equity securities:			
Corporate shares	**170,819,604**	166,271,887	755,294,472
Golf club shares	**3,631,800**	2,830,000	-
UITF	**-**	-	419,112,624
	174,451,404	169,101,887	1,174,407,096
	P 716,456,914	P 706,696,872	P 2,296,015,480

Government securities bear annual interest rates ranging from 2.9% to 12.1% in 2020, 3.4% to 12.1% in 2019 and 2.1% to 12.1% in 2018. Corporate bonds bear interest rates ranging from 3.2% to 5.5% in 2020, 3.3% to 7.0% in 2019, and 3.2% to 6.9% in 2018. These securities were not used as collaterals for any borrowings of the Group.

The fair values of equity securities and debt securities have been determined based on quoted prices in active markets (see Note 6.2).

The breakdown of quoted financial assets at FVOCI as to currency denomination is as follows:

	2020	2019	2018
Local	**P 644,093,972**	P 593,416,086	P 1,978,558,725
Foreign	**72,362,942**	113,280,786	317,456,755
	P 716,456,914	P 706,696,872	P 2,296,015,480

In 2019, certain HTM investments were reclassified as part of Investment Securities at Amortized Cost (see Note 11.3).

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

	2020	2019	2018
Balance at beginning of year	**P 706,696,872**	P 800,667,386	P 2,278,646,580
Disposals	**(257,527,621)**	(2,842,111,934)	(2,577,439,726)
Additions	**239,304,955**	2,741,291,123	2,664,941,069
Fair value gains (losses) – net	**31,831,992**	3,957,638	(72,164,820)
Unrealized foreign exchange gains - net	**(3,849,284)**	2,892,659	2,032,377
Balance at end of year	**P 716,456,914**	P 706,696,872	P 2,296,015,480

Investment income from Financial assets at FVOCI, which includes dividend income, gain or loss on disposal, and realized fair value gains or losses, totaling P38.5 million, P35.2 million, and P46.6 million for the years ended May 31, 2020, 2019 and 2018, respectively, have been reinvested as part of additions to AFS financial assets and are presented separately as Interest income from AFS financial assets and as Other investment income from AFS financial assets under Finance Income in the consolidated statements of profit or loss (see Note 22.1). The related outstanding interest is presented as part of Accrued interest under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 9).

The total fair value gains and losses from equity securities amounted to P0.9 million and P15.5 million for the years ended May 31, 2020 and 2019 respectively, which are presented as an item that will not be reclassified subsequently to profit or loss, in the consolidated statements of comprehensive income. The total fair value gains amounting to P14.8 million in 2019, and total fair value losses amounting to P1.8 million and P47.3 million in 2020 and 2018, from debt securities are presented as an item that will be reclassified to profit or loss in the consolidated statements of comprehensive income.

In 2019, the Group has recognized an ECL allowance of P0.1 million for its debt securities at FVOCI, which is netted against the unrealized fair value gains under other comprehensive income during the year.

11.3 Investment Securities at Amortized Cost (2018: HTM Investments)

As of May 31, 2020, 2019 and 2018, the Group's investment securities at amortized cost are classified in the consolidated statements of financial position as follows:

	2020	2019	2018
Current	**P 227,576,146**	P 263,808,437	P -
Non-current	**303,042,121**	523,684,713	297,284,616
	P 530,618,267	P 787,493,150	P 297,284,616

These investments are composed of investment in government and corporate bonds denominated in Philippine pesos and US dollars which bear fixed interest rates ranging from 3.2% to 7.4% per annum. These debt securities have maturities ranging from one to 25 years.

The breakdown of investment securities at amortized cost as to currency denomination is as follows:

	2020	2019	2018
Local	**P 425,995,015**	P 491,159,855	P 15,000,000
Foreign	**105,152,008**	296,837,889	282,284,616
	531,147,023	787,997,744	297,284,616
Allowance for ECL	**(528,756)**	(504,594)	-
	P 530,618,267	P 787,493,150	P 297,284,616

During 2020, portion of the investments, pertaining to foreign currency-denominated bonds which are subject to cross-currency swap agreement over the same term of the bonds, with carrying values of P185.6 million and P190.5 million as at May 31, 2019 and 2018, respectively, and has fair values of P182.8 million and P251.5 million as of May 31, 2019 and 2018, respectively, have already matured.

An analysis of the movements in the carrying amount of the Group's investment securities at amortized cost for the years ended May 31, 2020, 2019, and 2018 is presented below.

	2020	2019	2018
Balance at beginning of year	**P 787,997,744**	P 765,942,441	P 336,566,334
Additions	**41,769,449**	130,119,203	52,500,099
Maturities	**(287,357,470)**	(102,167,384)	(102,743,344)
Amortization of discount – net	**(3,271,655)**	(3,460,815)	(4,212,352)
Unrealized foreign currency gains (losses) – net	**(7,991,045)**	(2,435,701)	15,173,879
	531,147,023	787,997,744	297,284,616
Expected credit losses	**(528,756)**	(504,594)	-
Balance at end of year	**P 530,618,267**	P 787,493,150	P 297,284,616

A reconciliation of the allowance for impairment loss on investment securities at amortized cost at the beginning and end of May 31, 2019 is presented below:

	2020	2019
Balance at beginning of year	**P 504,594**	P 454,456
Impairment loss during the year	**24,162**	50,138
Balance at end of year	**P 528,756**	P 504,594

Net amortization of discount during the years ended May 31, 2020, 2019 and 2018, amounting to P0.5 million, P3.3 million and P4.2 million, respectively, is presented as net of Other investment income from financial assets at FVOCI and FVTPL (see Note 22.1).

12. REAL ESTATE HELD-FOR-SALE

Real estate held-for-sale represents inventory of the Group's lots and townhouse units for sale located in Silang, Cavite and Ferndale Villas in Quezon City. The carrying amounts of real estate held-for-sale as of March 31, 2020, 2019 and 2018 is P123.5 million.

Management assessed that the carrying values of these assets are lower than their net realizable values considering present market values; hence, no impairment loss is recognized in fiscal years 2020, 2019 and 2018.

13. INVESTMENT IN AN ASSOCIATE

This account consists of the following:

	2019	2018
Acquisition cost	P -	P 7,878,121
Accumulated equity in net losses:		
Balance at beginning of period	(1,387,196)	(1,292,320)
Disposal	1,387,196	-
Share in net losses	-	(94,876)
Balance at end of period	-	(1,387,196)
	P -	P 6,490,925

The Group's share in the net losses of the JMCI is presented as Other Charges in the 2018 consolidated statements of profit and loss.

Presented below is JMCI's summary of financial information in its most recent audited financial statements as of and for the year ended December 31, 2018.

Total assets	P	15,121,734
Total liabilities		2,161,410
Total equity		12,860,324
Net loss		193,625

** JMCI has no available audited financial information as of May 31, 2018 but management believes that it will not materially differ from the preceding.*

JMCI was established to provide management and technical advice, assistance and services for commercial, manufacturing and other kinds of enterprises.

As of May 31, 2018, management believed that the recoverable amount of its investment in JMCI is higher than the carrying value.

In 2019, the Group sold its interest in JMCI to a certain third party which resulted in a gain amounting to P140.5 million. The gain on such transaction is presented as part of Other Income in the 2019 consolidated statement of profit or loss (see Note 22).

14. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of each of the reporting period are as follows:

	Land	Building and Improvements	Furniture and Equipment	Miscellaneous Equipment	Construction in Progress	Right-of-use Assets	Total
May 31, 2020							
Cost	P 2,946,706,267	P 6,371,717,489	P 943,813,225	P 417,582,943	P 1,142,397,297	P 48,169,852	P11,870,387,073
Accumulated impairment loss	-	(2,804,402)	-	-	-	-	(2,804,402)
Accumulated depreciation and amortization	-	(1,522,120,790)	(690,656,530)	(285,318,050)	-	(6,065,811)	(2,504,161,181)
Net carrying amount	**P 2,946,706,267**	**P 4,846,792,297**	**P 253,156,695**	**P 132,264,893**	**P 1,142,397,297**	**P 42,104,041**	**P 9,363,421,490**
May 31, 2019							
Cost	P 2,946,706,267	P 4,887,285,315	P 817,197,709	P 313,829,168	P 1,811,445,855	P -	P10,776,464,314
Accumulated impairment loss	-	(2,804,401)	-	-	-	-	(2,804,401)
Accumulated depreciation and amortization	-	(1,229,478,205)	(596,987,928)	(238,603,556)	-	-	(2,065,069,689)
Net carrying amount	P 2,946,706,267	P 3,655,002,709	P 220,209,781	P 75,225,612	P 1,811,445,855	P -	P 8,708,590,224
May 31, 2018							
Cost	P 2,942,991,320	P 3,830,649,516	P 657,057,538	P 271,731,888	P 1,229,203,637	P -	P 8,931,633,899
Accumulated impairment loss	-	(2,804,401)	-	-	-	-	(2,804,401)
Accumulated depreciation and amortization	-	(999,001,670)	(509,328,897)	(214,867,498)	-	-	(1,723,198,065)
Net carrying amount	P 2,942,991,320	P 2,828,843,445	P 147,728,641	P 56,864,390	P 1,229,203,637	P -	P 7,205,631,433

A reconciliation of the carrying amounts of property and equipment at the beginning and end of periods ended May 31, 2020, 2019 and 2018 is shown below.

	Land	Building and Improvements	Furniture and Equipment	Miscellaneous Equipment	Construction in Progress	Right-of-use Assets	Total
Balance at June 1, 2019 net of accumulated depreciation and amortization							
As previously reported	P 2,946,706,267	P 3,655,002,709	P 220,209,781	P 75,225,612	P 1,811,445,855	P -	P 8,708,590,224
Effect of PFRS 16 [see Note 2.2 (a)(iv)]	-	-	-	-	-	13,517,469	13,517,469
As restated	2,946,706,267	3,655,002,709	220,209,781	75,225,612	1,811,445,855	13,517,469	8,722,107,693
Additions	-	53,701,712	123,482,696	89,603,049	779,586,869	34,652,383	1,081,026,709
Disposals	-	-	-	(621,420)	-		(621,420)
Reclassifications from (to) - net	-	1,430,730,461	3,132,820	14,772,146	(1,448,635,427)	-	-
Depreciation and amortization charges for the year	-	(292,642,585)	(93,668,602)	(46,714,494)	-	(6,065,811)	(439,091,492)
Balance at May 31, 2020 net of accumulated depreciation and amortization	**P 2,946,706,267**	**P 4,846,792,297**	**P 253,156,695**	**P 132,264,893**	**P 1,142,397,297**	**P 42,104,041**	**P 9,363,421,490**

	Land	Building and Improvements	Furniture and Equipment	Miscellaneous Equipment	Construction in Progress	Right-of-use Assets	Total
Balance at June 1, 2018 net of accumulated depreciation and amortization	P 2,942,991,320	P 2,828,843,445	P 147,728,641	P 56,864,390	P 1,229,203,637	P -	P 7,205,631,433
Additions	-	146,901,055	160,167,006	42,768,034	1,487,219,679	-	1,837,055,774
Disposals	-	-	(26,835)	(670,754)	-	-	(697,589)
Reclassifications from (to) - net	3,714,947	909,734,744	-	-	(904,977,461)	-	8,472,230
Depreciation and amortization charges for the year	-	(230,476,535)	(87,659,031)	(23,736,058)	-	-	(341,871,624)
Balance at May 31, 2019 net of accumulated depreciation and amortization	P 2,946,706,267	P 3,655,002,709	P 220,209,781	P 75,225,612	P 1,811,445,855	P -	P 8,708,590,224
Balance at June 1, 2017 net of accumulated depreciation and amortization	P 2,808,790,543	P 2,945,974,112	P 128,397,536	P 61,807,949	P 111,327,723	P -	P 6,056,297,863
Additions	76,830,888	108,544,022	78,660,551	13,893,630	1,147,241,912	-	1,425,171,003
Reclassifications from (to) - net	57,369,889	(42,874,494)	17,824,818	1,126,540	(29,365,998)	-	4,080,755
Impairment loss	-	(2,804,401)	-	-	-	-	(2,804,401)
Depreciation and amortization charges for the year	-	(179,995,794)	(77,154,264)	(19,963,729)	-	-	(277,113,787)
Balance at May 31, 2018 net of accumulated depreciation and amortization	P 2,942,991,320	P 2,828,843,445	P 147,728,641	P 56,864,390	P 1,229,203,637	P -	P 7,205,631,433

Construction in progress pertains to the costs incurred for the on-going constructions of the school buildings of Edustria in Batangas, RCI in Rizal, EACCI in Manila, FEUAI in Alabang and the new building of the University located at Lerma St., Sampaloc, Manila, which are both substantially complete as of May 31, 2020.

In 2020 and 2019, RCI capitalized borrowing costs amounting to P17.0 million and P4.7 million, respectively, representing the actual borrowing costs incurred on loans obtained to fund the construction project with effective rate of 4.58%.

In 2019, borrowing costs amounting to P33.7 million were capitalized, using the average effective rate of 6.60%, incurred on the loan obtained by the University to fund the construction of the new building in Lerma. No additional borrowing costs were capitalized for the construction of the school building of EACCI and FEUAI as these properties are already substantially complete.

For the year ended May 31, 2018, borrowing costs amounting to P15.9 million were capitalized, using the effective rate of 8.53% on the construction of FEUAI school building.

As of May 31, 2020, 2019 and 2018, certain fully depreciated assets with acquisition cost of P810.2 million, P723.8 million and P628.4 million, respectively, are still being used in the Group's operations.

In 2018, the Group recognized impairment on certain building and improvements of RCI due to the closure of its Cubao and San Mateo campuses amounting to P2.8 million, and is presented as part of Impairment losses under Cost and Operating Expenses in the 2018 consolidated statement of profit or loss (see Note 21). There was no similar transaction for the year ended May 31, 2020 and 2019.

In 2020, the Group recognized gain on disposal of miscellaneous equipment amounting to P2.1 million and is shown as Other Income in the 2020 statements of profit or loss. No similar transaction for the years ended May 31, 2019 and 2018.

As at May 31, 2020, 2019 and 2018, none of the Group's property and equipment are used as collateral for any of the Group's interest-bearing loans and borrowings.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized in the consolidated statement of financial position.

	Number of right-of-use assets leased	Range of remaining term	Average remaining lease term	Number of leases with extension options	Number of leases with termination options
University building and lot	2	4 years	4 years	2	2

As at May 31, 2020, none of the Group's right-of-use assets are used as collateral for any of the Group's interest-bearing loans and borrowings.

The amount of depreciation on right-of-use assets is presented as part of Depreciation and amortization presented under Cost and Operating Expenses account (see Note 21).

15. LEASES

The Group has leases for certain university buildings, transportation equipment, and event venues. With the exception of leases of low-value underlying assets, Right-of-use Assets and current portion of lease liabilities are presented under Property and Equipment and Trade and Other Payables, respectively. Non-current portion of lease liabilities, on the other hand, has been presented separately in the 2020 consolidated statement of financial position.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an extension of the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over offices, the Group must keep those properties in a good state of repair and return the properties in good condition at the end of the lease. Further, the Group must insure the leased assets and incur maintenance fees on such items in accordance with the lease contracts.

15.1 Lease Liabilities

Current portion of lease liabilities are presented in the consolidated statement of financial position as part of Trade and other payables amounting to P12.1 million as of May 31, 2020 (see Note 18). On the other hand, the non-current portion amounting to P34.5 million is presented separately in the consolidated statement of financial position as of May 31, 2020. The use of extension and termination options gives the Group added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. An option is only exercised when consistent with the Group's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost.

Lease liabilities are presented in the consolidated statement of financial position as at May 31, 2020 as follows:

Current	P 12,065,118
Non-current	34,507,453
	P 46,572,571

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at May 31, 2020 is as follows:

	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Total
Lease payments	P 14,789,087	P 12,082,672	P 12,780,428	P 13,611,060	P 53,263,247
Finance charges	(2,723,969)	(2,084,606)	(1,352,823)	(529,278)	(6,690,676)
Net present value	**P 12,065,118**	**P 9,998,066**	**P 11,427,605**	**P 13,081,782**	**P 46,572,571**

15.2 Lease Payments Not Recognized as Liabilities

The Group has elected not to recognize a lease liability for leases of low-value assets and short-term leases. Payments made under such leases are expensed on a straight-line basis. The expenses relating to leases of low-value assets and short term leases amounted to P14,4 million and is presented as Rental under Operating Expenses in the May 31, 2020 consolidated statement of profit or loss (see Note 21).

At May 31, 2020, the total future cash outflows for lease of low-value assets amounted to P59,000.

15.3 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of leases amounted to P2.8 million in 2020. Interest expense in relation to lease liabilities amounted to P1.2 million and is presented as part of Interest expense under Finance Costs in the 2020 consolidated statement of profit or loss (see Note 22.2).

16. INVESTMENT PROPERTIES

The gross carrying amounts and accumulated depreciation and amortization of investment properties at the beginning and end of each of the reporting period are shown below.

	Land	Land Improvements	Building and Improvements	Construction in Progress	Total
May 31, 2020					
Cost	P 6,810,000	P 11,143,171	P 372,675,205	P 56,646,472	P 447,274,848
Accumulated depreciation and amortization	-	(6,474,161)	(246,606,960)	-	(253,081,121)
Net carrying amount	**P 6,810,000**	**P 4,669,010**	**P 126,068,245**	**P 56,646,472**	**P 194,193,727**
May 31, 2019					
Cost	P 6,810,000	P 10,821,740	P 460,004,458	P 15,423,919	P 493,060,117
Accumulated depreciation and amortization	-	(4,892,787)	(333,293,008)	-	(338,185,795)
Net carrying amount	P 6,810,000	P 5,928,953	P 126,711,450	P 15,423,919	P 154,874,322
May 31, 2018					
Cost	P 10,524,947	P 5,680,641	P 434,712,133	P 8,001,388	P 458,919,109
Accumulated depreciation and amortization	-	(4,151,118)	(303,848,062)	-	(307,999,180)
Net carrying amount	P 10,524,947	P 1,529,523	P 130,864,071	P 8,001,388	P 150,919,929

A reconciliation of the carrying amounts of investment properties at the beginning and end of each of the reporting period are shown below.

	Land	Land Improvements	Building and Improvements	Construction in Progress	Total
Balance at June 1, 2019, net of accumulated depreciation and amortization	P 6,810,000	P 5,928,953	P 126,711,450	P 15,423,919	P 154,874,322
Additions	-	321,429	46,095,306	41,222,553	87,639,288
Disposal	-	-	(15,582,526)	-	(15,582,526)
Depreciation and amortization charges for the period	-	(1,581,372)	(31,155,985)	-	(32,737,357)
Balance at May 31, 2020, net of accumulated depreciation and amortization	**P 6,810,000**	**P 4,669,010**	**P 126,068,245**	**P 56,646,472**	**P 194,193,727**
Balance at June 1, 2018, net of accumulated depreciation and amortization	P 10,524,947	P 1,529,523	P 130,864,071	P 8,001,388	P 150,919,929
Additions		3,655,721	4,531,264	22,049,782	30,236,767
Reclassifications - net	(3,714,947)	1,485,378	20,761,061	(14,627,251)	3,904,241
Depreciation and amortization charges for the period	-	(741,669)	(29,444,946)	-	(30,186,615)
Balance at May 31, 2019, net of accumulated depreciation and amortization	P 6,810,000	P 5,928,953	P 126,711,450	P 15,423,919	P 154,874,322
Balance at June 1, 2017 net of accumulated depreciation and amortization	P 42,505,907	P 1,497,226	P 135,222,639	P 6,621,971	P 185,847,743
Additions	-	546,785	306,826	21,459,769	22,313,380
Reclassifications - net	(31,980,960)	-	24,038,936	(20,080,352)	(28,022,376)
Depreciation and amortization charges for the period	-	(514,488)	(28,704,330)	-	(29,218,818)
Balance at May 31, 2018, net of accumulated depreciation and amortization	P 10,524,947	P 1,529,523	P 130,864,071	P 8,001,388	P 150,919,929

In 2020, the Group recognized gain on disposal of building and improvements amounting to P38.0 million and is shown as part of Other Operating Income in the 2020 statements of profit or loss. No similar transaction for the years ended May 31, 2019 and 2018.

16.1 Related Income and Direct Expenses

The total rental income earned by the Group from its investment properties amounting to P33.4 million, P43.8 million and P42.0 million for the periods ended May 31, 2020, 2019 and 2018, respectively, are presented as Rentals in the revenues section of the consolidated statements of profit or loss. The direct operating expenses, which include depreciation and amortization, insurance, and real property taxes incurred by the Group relating to investment properties, are presented as part of Depreciation and amortization, Property insurance, and Taxes and licenses, under Operating Expenses in the consolidated statements of profit or loss (see Note 21).

16.2 Fair Values of Investment Properties

Based on the latest appraisal report of an independent appraiser, the total fair value of investment properties amounted to P234.0 million, P205.1 million and P174.3 million as of May 31, 2020, 2019 and 2018, respectively. Information about the fair value measurement and disclosures related to investment properties are presented in Note 6.4.

17. OTHER ASSETS

The breakdown of this account is as follows:

	2020	2019	2018
Current:			
Short-term investments	**P 64,562,591**	P 76,269,824	P 917,501,695
Prepaid expenses	**58,324,013**	68,142,305	51,082,868
Input value-added tax (VAT)	**42,015,482**	38,935,032	129,709,053
Inventories	**7,981,951**	25,940,353	4,738,540
Others	**12,113,487**	7,710,804	18,790,500
	184,997,524	216,998,318	1,121,822,656
Allowance for impairment of input VAT	**(11,034,177)**	(10,980,897)	(10,980,897)
	P 173,963,347	P 206,017,421	P 1,110,841,759
Non-current:			
Advances to suppliers and developers	**P 162,215,170**	P 174,553,314	P 370,590,324
Long-term investments	**11,280,724**	16,425,700	11,527,360
Refundable deposits	**16,235,991**	9,975,348	8,493,476
Loans to employees	**1,183,289**	1,869,046	2,939,451
Other equity investments	**-**	-	2,830,000
	P 190,915,174	P 202,823,408	P 396,380,611

Short-term investments, which consist of special savings deposits and investment in special deposit accounts, earn interest ranging from 0.88% to 2.50%, from 0.80% to 2.50% and from 1.00% to 3.55% for the years ended May 31, 2020, 2019 and 2018, respectively (see Note 22.1). These investments are maturing beyond three months but within one year from the end of each reporting period. Related accrued interest is presented as part of the Trade and other Receivables account in the consolidated statements of financial position (see Note 9).

Inventories consist of merchandise inventory items relating to the University's book store.

Advances to developers represent the amount paid for FRC's condominium units purchased at pre-selling stage that are not yet ready for occupancy or fully constructed at the end of the reporting periods. Advances to suppliers pertain to advances made by FEUAI to its suppliers for the construction of its campus, which will be applied as payment for progress billings of the contractors within 12 months from the end of the reporting periods.

Long-term investments consist of investment in time deposit accounts, which earn interest based on effective rate of 6.13% to 6.63% and 6.63% for the years ended May 31, 2020 and 2019, respectively. These investments are maturing beyond one year from the end of each reporting period.

On June 1, 2018, the Group reclassified other equity investments amounting to P2.8 million to Financial Assets at FVOCI (see Note 11.2).

18. TRADE AND OTHER PAYABLES

This account consists of:

	Notes	**2020**	2019	2018
Non-related parties:				
Trade payables		**P 435,821,724**	P 307,494,724	P 400,324,241
Accrued expenses	19	**524,772,506**	289,320,583	165,004,291
Deposits payable		**228,268,324**	150,324,252	120,688,679
Dividends payable	26.4(b), 31	**223,026,631**	215,371,368	201,661,265
Retention payable		**217,842,363**	208,812,713	265,708,916
Amounts due to students		**63,899,888**	37,446,294	33,201,125
NSTP trust fund		**39,570,686**	51,068,981	35,771,765
Lease liabilities	15	**12,065,118**	-	-
		1,745,267,240	1,224,597,180	1,187,101,025
Related parties:				
Advances from related parties		**39,496,131**	24,389,415	6,343,848
Others:				
Withholding taxes and other payables		**28,927,461**	56,135,814	47,474,350
Accrued salaries and employee benefits		**43,465,799**	48,470,538	19,547,330
Miscellaneous		**44,878,419**	16,916,290	8,517,717
		117,271,679	121,522,642	75,539,397
		P 1,902,035,050	P 1,405,750,972	P 1,305,696,027

Accrued expenses include the Group's accrual for salaries, professional's fees, interest, utilities, rentals and directors' bonuses, among others.

Deposits payable are amounts held by the Group on behalf of students and third parties for various specific activities. During the year ended May 31, 2020 and 2018, certain deposits payable recognized in prior years amounting to P57.3 million and P2.7 million, respectively, were recognized as income because the purpose for which the amounts were held have already been fulfilled. The related gains are presented as part of Other Income in the consolidated statements of profit or loss. No similar transactions occurred during the year ended May 31, 2019.

As of May 31, 2020, 2019 and 2018, retention payable includes portion of the consideration given for the acquisition of RCI which is retained by the University to ensure compliance by the selling shareholders of RCI to certain terms of the share purchase agreement. This amounts to P42.2 million as of May 31, 2020 and 2019 and P179.5 million as of May 31, 2018, and is currently maintained in an escrow account with a local bank. In 2019, the University paid P137.3 million of the retention payable in compliance with the agreement. On the other hand, the remaining portion of retention payable pertains to the amounts owed to the Group's contractors of its ongoing construction projects (see Note 14).

Amounts due to students represent excess payment of tuition and miscellaneous fees that are refundable to them.

The NSTP trust funds collected from students by the University, FECSI and EACCI amounted to P27.1 million, P28.3 million and P8.0 million for the periods ended May 31, 2020, 2019 and 2018, respectively. As of May 31, 2020, 2019 and 2018, remaining balance of P35.2 million, P30.5 million and P0.5 million, respectively, is set aside as a contingency fund and is presented as NSTP trust fund.

19. INTEREST-BEARING LOANS

The Group's interest-bearing loans as of May 31, 2020, 2019 and 2018 are as follows:

Original Principal Amount	Outstanding Principal Balance (in Million Pesos)			Interest Charges (in Million Pesos)			Accrued Interest (in Million Pesos)			Current Interest Rate*	Security	Maturity Date	Principal Repayment
	2020	2019	2018	**2020**	2019	2018	**2020**	2019	2018				
P 800.0	**P 495.2**	P 609.5	P 761.9	**P 27.4**	P 38.0	P 27.1	**P 6.2**	P 2.0	P 1.4	4.16%	Unsecured	May 2023	Quarterly
425.0	**425.0**	-	-	**16.3**	-	-	**6.4**	-	-	4.19%	Unsecured	July 2027	Quarterly
680.0	**291.4**	421.0	550.5	**17.2**	26.0	23.8	**2.7**	5.6	4.8	4.01%	Unsecured	June 2022	Quarterly
300.0	**300.0**	-	-	**12.7**	-	-	**3.1**	-	-	4.67%	Unsecured	July 2027	End of Term
150.0	**150.0**	-	-	**4.2**	-	-	**2.3**	-	-	4.19%	Unsecured	July 2027	Quarterly
120.0	**120.0**	-	-	**1.5**	-	-	**1.5**	-	-	4.08%	Unsecured	July 2027	Quarterly
100.0	**100.0**	-	-	**4.3**	-	-	**1.1**	-	-	4.30%	Unsecured	July 2027	End of Term
100.0	**100.0**	100.0	100.0	**5.6**	5.9	0.5	**0.4**	0.3	0.1	5.15%	Unsecured	June 2020	End of Term
100.0	**100.0**	100.0	-	**5.6**	1.6	-	**0.3**	0.5	-	5.15%	Unsecured	June 2020	End of Term
100.0	**100.0**	-	-	**0.2**	-	-	**0.2**	-	-	5.40%	Unsecured	August 2020	End of Term
150.0	**92.9**	114.3	142.8	**5.1**	7.0	5.1	**1.2**	0.3	0.3	4.16%	Unsecured	May 2023	Quarterly
200.0	**85.7**	123.8	161.9	**5.0**	7.6	7.1	**0.8**	1.8	1.6	4.01%	Unsecured	August 2022	Quarterly
80.0	**80.0**	80.0	80.0	**4.5**	4.5	0.6	**-**	0.2	0.1	5.15%	Unsecured	June 2020	End of Term
70.0	**70.0**	70.0	-	**4.0**	1.1	-	**0.2**	0.3	-	5.15%	Unsecured	June 2020	End of term
50.0	**50.0**	-	-	**2.9**	-	-	**0.1**	-	-	5.15%	Unsecured	June 2020	End of Term
100.0	**45.0**	65.0	85.0	**2.6**	4.0	3.6	**0.4**	1.0	0.9	4.01%	Unsecured	June 2022	Quarterly
200.0	**-**	200.0	200.0	**1.8**	11.2	5.8	**-**	0.3	0.1	6.50%	Unsecured	July 2019	End of Term
175.0	**-**	175.0	175.0	**1.5**	9.8	4.1	**-**	0.1	0.1	6.50%	Unsecured	July 2019	End of Term
100.0	**-**	100.0	-	**1.5**	2.7	-	**-**	-	-	4.00%	Unsecured	August 2019	End of Term
80.0	**-**	80.0	80.0	**1.2**	2.2	1.7	**-**	-	-	4.00%	Unsecured	August 2019	End of Term
70.0	**-**	70.0	70.0	**1.1**	1.9	1.5	**-**	-	-	4.00%	Unsecured	August 2019	End of Term
50.0	**-**	50.0	50.0	**0.4**	2.8	1.8	**-**	0.1	-	6.50%	Unsecured	July 2019	End of Term
60.0	**-**	-	60.0	**-**	2.0	1.1	**-**	-	0.2	6.55%	Unsecured	January 2019	End of Term
148.0	**-**	-	-	**1.4**	-	-	**-**	-	-	5.75%	Unsecured	February 2020	End of Term
	P 2,605.2	P 2,358.6	P 2,517.1	**P 128.0**	P 128.3	P 83.8	**P 26.9**	P 12.5	P 9.6				

On May 2018, the Group's BOT, through a board resolution, approved to accept the offer of the local commercial bank to increase the existing credit line of P1.0 billion up to P4.0 billion which will be utilized for the improvement of the facilities of the FEU system of schools. Total drawdown amounted to P3.2 billion as of May 31, 2020.

Likewise in 2016, a P3.0 billon credit facility was obtained with another local commercial bank to finance the Group's capital expenditure requirements, strategic investments and general corporate funding requirements. Total drawdown as of May 31, 2020 amounted to P500.0 million.

The total interest incurred by the Group on all of these loans, which are already exclusive of the capitalized borrowing costs on the property and equipment of the Group, are presented as part of Interest expense under Finance Costs in the consolidated statements of profit or loss (see Notes 14 and 22.2), while any outstanding interest payable is recognized as part of Accrued expenses under the Trade and Other Payables account in the consolidated statements of financial position (see Note 18).

There are no assets used and/or required as collaterals as of May 31, 2020, 2019 and 2018 for the Group's interest-bearing loans and borrowings.

Loans obtain with a local commercial bank are subject to loan covenants effective for the years ended May 31, 2020, 2019 and 2018, respectively, which require the Group to maintain a debt service coverage ratio of at least 1.2x and debt-to-equity ratio of not more than 2:1. As of May 31, 2020, 2019 and 2018, the Group has complied with its loan covenants.

20. EDUCATIONAL REVENUES

Details of net tuition and other school fees presented in the consolidated statements of profit or loss are as follows:

	2020	2019	2018
Tuition fees	**P 3,565,824,098**	P 3,243,801,630	P 2,582,521,522
Less rebates:	**115,899,515**	-	-
	3,449,924,583	3,243,801,630	2,582,521,522
Less discounts:			
Scholarship	**190,479,279**	176,166,019	122,714,158
Cash	**23,178,799**	19,767,376	17,819,823
Family	**14,876,685**	19,609,227	12,660,880
	228,534,763	215,542,622	153,194,861
Balance carried forward	**P 3,221,389,820**	P 3,028,259,008	P 2,429,326,661

	2020	2019	2018
Balance brought forward	**P 3,221,389,820**	P 3,028,259,008	P 2,429,326,661
Other school fees:			
Senior high school miscellaneous fees	**78,210,312**	87,115,575	65,646,275
Developmental fees	**54,126,154**	54,299,978	33,571,200
Graduation and commencement fees	**15,081,427**	8,675,865	11,171,702
Entrance fees	**12,919,539**	16,840,529	10,757,103
Diplomas	**9,066,625**	4,286,406	5,336,548
Transcript fees	**8,148,959**	10,884,526	9,720,984
Identification cards	**7,821,011**	6,883,409	7,520,149
Certification fees	**3,236,512**	4,770,475	5,298,399
Other registration fees	**-**	16,472,695	2,276,586
Miscellaneous	**146,313,349**	76,763,651	39,555,590
	334,923,888	286,993,109	190,854,536
	P 3,556,313,708	P 3,315,252,117	P 2,620,181,197

20.1 Core Revenue Stream

The Group derives revenues from transactions involving tuition fees, other school fees and other school-related activities such as sale of school merchandise and books. Revenues from tuition fees are recognized over time. On the other hand, all other revenue sources, such as other school fees and sale of school merchandise and books (presented as part of Other Income), are recognized at a point in time.

20.2 Unearned Tuition Fees

For the year ended May 31, 2018, the Group, except FRC, collected tuition fees amounting to P176.9 million from students for summer classes of the school year which started after the reporting period. For the years ended May 31, 2020 and 2019, the Group, except FRC and Edustria, has collected advance tuition fee payments from students who enrolled for the next school year which amounted to P94.7 million and P258.4 million, respectively. These collections are presented as Deferred Revenues in the consolidated statements of financial position. These will be recognized as revenue once the performance obligation of the Group has been rendered.

Miscellaneous fees include various fees such as transportation fees, insurance fees, laboratory fees, subject fees and other miscellaneous fees, which are required to be paid together with the tuition fees upon student enrollment.

In relation to the adoption of PFRS 15 in 2019, the Group presents below and in the succeeding page the disaggregation of its revenue based on school units for the years ended May 31, 2020 and 2019. The Group recognizes revenues over time in the following education levels:

	2020			
	Levels			
Nature	Tertiary Education	Secondary Education	Basic Education	Total
Tuition fees - net	P 2,664,403,788	P 410,161,875	P 146,824,157	P 3,221,389,820
Other school fees	172,386,351	158,399,267	4,138,270	334,923,888
Total	**P 2,836,790,139**	**P 568,561,142**	**P 150,962,427**	**P 3,556,313,708**

	2019			
	Levels			
Nature	Tertiary Education	Secondary Education	Basic Education	Total
Tuition fees - net	P 2,542,498,599	P 397,271,065	P 88,489,344	P 3,028,259,008
Other school fees	131,380,427	151,508,144	4,104,538	286,993,109
Total	P 2,673,879,026	P 548,779,209	P 92,593,882	P 3,315,252,117

20.3 Tuition Fee Rebates

The implementation of the government measures in response to Coronavirus disease (COVID-19) caused the temporary shutdown of Group's operations in March 2020 and succeeding months, together with the adoption of a skeletal workforce for designated employees with necessary and urgent functions.

The remaining second semester of school year 2019-2020 was continued via full online learning platform, the strategic implementation of Canvas since three school years ago, made the Group's quick transition to full online mode easier. However, with the shift of the learning platform, the Group found it necessary to return unutilized miscellaneous fees through a rebate to the students totaling P115.9 million as of May 31, 2020. Meanwhile, the Group plans to adopt online learning activities and online classes for continuation of learning with students as the quarantine period ensues and until a vaccine is available to protect students and employees from the outbreak. The management expects the change in learning mode and corresponding effect of economic slowdown to significantly reduce student population, thus, brings down results of subsequent operations to near break-even point.

21. OPERATING EXPENSES

Operating expenses consist of:

	Notes	**2020**	2019	2018
Salaries and allowances	25.5	**P 1,087,287,688**	P 997,763,344	P 946,100,325
Depreciation and amortization	14, 16.1	**471,828,849**	372,058,239	306,332,605
Employee benefits	23, 25.5	**371,749,116**	276,697,715	259,333,585
Utilities		**146,519,499**	177,052,070	114,058,792
Outside services		**130,857,284**	113,987,193	90,753,292
Professional fees		**119,120,187**	103,608,222	74,961,282
Supplies and materials		**98,277,046**	82,156,258	11,831,385
Taxes and licenses	16.1	**91,478,300**	286,500,769	20,560,591
Impairment losses	9, 14	**81,673,482**	27,028,023	59,723,709
Repairs and maintenance		**37,882,439**	29,345,602	30,418,369
Trainings and seminars		**31,036,447**	28,956,177	14,607,370
Rental	15.2	**14,418,547**	14,556,299	12,309,895
Publicity and promotions		**15,615,449**	20,117,994	18,250,831
Directors' bonus		**14,506,928**	13,125,000	14,000,000
Property insurance	16.1	**9,095,568**	4,637,657	6,420,929
Others		**138,085,364**	145,967,896	202,633,156
		P 2,859,432,193	P 2,693,558,458	P 2,182,296,116

In 2019, the University and EACCI recognized and paid basic local taxes in arrears amounting to P225.3 million, presented as part of Taxes and licenses, which covers taxable calendar years 2009 to 2018, as assessed by the local government of City of Manila (see Note 29.3).

Others include transportation, shuttle services, research and graduation expenses incurred by the Group.

22. FINANCE INCOME AND FINANCE COSTS

22.1 Finance Income

This consists of the following:

	Notes		**2020**		2019		2018
Interest income from:							
Short-term investments	17	**P**	**47,842,264**	P	41,234,815	P	13,142,560
Investment securities at amortized cost (2020 and 2019)/ HTM investments (2018)	11.3		**34,657,034**		48,563,514		21,252,824
Financial assets at FVOCI (2020 and 2019)/AFS financial Assets (2018)	11.2		**19,141,331**		20,924,170		46,570,284
Cash and cash equivalents	8		**10,015,282**		7,751,966		19,704,944
Financial assets at FVTPL	11.1				2,659,771		-
Other investment income from:							
Financial assets at FVOCI	11.2		**19,363,851**		14,299,692		-
Financial assets at FVTPL	11.1		**-**		13,564,356		-
AFS financial assets and HTM investments	11.2, 11.3		**-**		-		55,830,535
Fair value gain on derivative liability	10		**5,060,766**		3,096,336		-
Foreign exchange gains-net	11		**-**		-		36,992,246
		P	**136,080,528**	P	152,094,620	P	193,493,393

22.2 Finance Costs

This account is broken down into the following:

	Notes	2020	2019	2018
Interest expense from:				
Interest-bearing loans	19	**P 110,973,948**	P 95,072,981	P 83,798,889
Lease liabilities	15.3	**1,183,812**	-	-
Deficiency tax		**920,302**	-	-
Other investment loss from financial asset at FVTPL	11.1	**94,701,429**	-	-
Foreign exchange loss-net	10, 11	**38,285,826**	3,153,258	-
Fair value loss on derivative liability	10	**-**	-	11,504,354
Impairment loss on investment securities at amortized cost	11.3	**-**	50,138	-
Others		**-**	-	71,041
		P 246,065,317	P 98,276,377	P 95,374,284

In 2020, 2019 and 2018, an interest expense amounting to P17.0 million, P33.6 million and P15.9 million, respectively, have been capitalized as part of construction in progress under property and equipment account, which arose solely from specific borrowings (see Note 14).

23. EMPLOYEES' HEALTH, WELFARE AND RETIREMENT FUND

(a) Characteristics of the Defined Contribution and Defined Benefit Plans

(i) The University, FECSI and EACCI

The University, FECSI and EACCI maintain tax-qualified, funded and contributory retirement plans, which fall under a defined contribution type of retirement plan, covering regular teaching and non-teaching personnel members. The University, FECSI and EACCI's retirement plans were maintained since 1967, 2013 and 2017, respectively.

The retirement funds are under the administration of organizations, the FEU Health, Welfare and Retirement Fund, the FEU Cavite Health, Welfare and Retirement and Private Education Retirement Annuity Association (the Funds), through their respective Board of Governors.

Contributions to these funds are in accordance with the defined contribution established by the Retirement Board, which is the sum of the employees' and the University, FECSI and EACCI's contributions. Retirement expense presented as part of Employee benefits under Operating Expenses in the consolidated statements of profit or loss amounted to P71.6 million, P82.0 million and P80.7 million for the years ended May 31, 2019, 2018 and 2017, respectively (see Note 21).

As a policy, any contributions made by the University, FECSI and EACCI in the past years that were subsequently forfeited resulting from resignations of covered employees prior to vesting of their retirement pay can be applied to reduce employer contributions in the succeeding years.

(ii) RCI

RCI has not yet established a formal post-employment plan. However, it accrues the estimated cost of post-employment benefits, actuarially determined, required by the provisions of RA No. 7641, which is an unfunded and non-contributory post-employment defined benefit plan covering all regular full-time employees. Under RA No. 7641, RCI is required to provide minimum post-employment benefits to qualified employees. RA No. 7641, does not, however, require it to be funded.

(b) Explanation of Amounts Disclosed in the Consolidated Financial Statements

Actuarial valuations are obtained: (i) to determine the higher of the defined benefit obligation relating to the minimum guarantee and the obligation arising from the defined contribution plan (for FEU, FECSI and EACCI); and, (ii) to update the retirement benefit costs and the amount of contributions (for RCI). All amounts presented below are based on the actuarial valuation reports obtained from an independent actuary for the years ended May 31, 2020, 2019 and 2018 (for FEU, FECSI and RCI) and June 30, 2020, 2019 and 2018 (for EACCI).

The post-employment benefit obligation amounting to P61.9 million and P47.3 million and P46.1 million as of May 31, 2020, 2019 and 2018, respectively, pertains to RCI and EACCI's defined benefit liability, which is presented under non-current liabilities in the consolidated statements of financial position. Movements in the present value of the post-employment benefit obligation recognized in the books are as follows:

	2020	2019	2018
Balance at beginning of year	**P 47,313,579**	P 46,138,632	P 59,800,703
Gain on curtailment	**-**	-	(12,259,787)
Current service cost	**2,509,463**	1,773,812	3,629,981
Interest expense	**5,703,460**	3,182,786	3,151,497
Benefits paid	**(2,072,257)**	(12,339,588)	-
Remeasurements – actuarial (gain) losses arising from:			
Experience adjustments	**1,099,145**	4,562,562	(5,808,052)
Changes in financial assumptions	**7,364,228**	3,995,375	(2,375,710)
Balance at end of year	**P 61,917,618**	P 47,313,579	P 46,138,632

The components of amounts recognized in profit or loss (as part of Employee benefits under Cost and Operating Expenses) and in other comprehensive income in respect of the post-employment defined benefit plan is shown below:

	2020	2019	2018
Reported in profit or loss:			
Interest expense	**P 5,703,460**	P 3,182,786	P 3,151,497
Current service cost	**2,509,463**	1,773,812	3,629,981
Gain on curtailment	**-**	-	(12,259,787)
	P 8,212,923	P 4,956,598	(P 5,478,309)
Reported in other comprehensive income:			
Actuarial gains (losses) from:			
Experience adjustments	**(P 1,099,145)**	(P 4,562,562)	P 5,808,052
Changes in financial assumptions	**(7,364,228)**	(3,995,375)	2,375,710
	(P 8,463,373)	(P 8,557,937)	P 8,183,762

In determining the amounts of post-employment obligation in accordance with PAS 19 (Revised), the following significant actuarial assumptions were used:

	2020	2019	2018
FEU, FECSI and EACCI			
Discount rates	**3.39% - 5.06%**	5.63% - 7.27%	6.54% - 7.27%
Salary growth rate	**3.00% - 5.00%**	2.00% - 3.50%	2.00% - 3.00%
RCI			
Discount rates	**3.87%**	5.71%	6.99%
Salary growth rate	**5.00%**	5.00%	5.00%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the following ages are as follows:

FEU (at age 60)	-	14 years for males and 14 years for females
FECSI (at age 60)	-	21 years for males and 21 years for females
EACCI (at age 60)	-	38 years for males and 38 years for females
RCI (at age 60)	-	14 years for males and 18 years for females

These assumptions were developed by management with the assistance of an independent actuary. Discount factor is determined close to the end of the reporting period by reference to the interest rates of a zero coupon government bond with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

As discussed in Note 2.17, the defined contribution plans of FEU, FECSI and EACCI are also accounted for as a defined benefit plan with minimum guarantee starting in 2014 upon the University's adoption of the PIC Interpretation on PAS 19 (Revised). However, considering that the present value of the obligation as determined by an independent actuary approximates the fair value of the plan assets, management opted not to recognize further the overfunding of the obligation for the years ended May 31, 2020, 2019 and 2018, in consideration of the Group's constructive obligation to pay a fixed amount of contribution to the fund

An analysis of the defined benefit obligation of FEU, FECSI and EACCI following PIC Interpretation with respect to the defined benefit minimum guarantee under RA No. 7641 is presented below.

	2020	2019	2018
Fair value of plan assets	**P 892,599,993**	P 756,932,798	P 756,979,018
Present value of obligation	**(842,784,116)**	(755,712,233)	(751,398,293)
Excess of plan assets over retirement obligation	**P 49,815,877**	P 1,220,565	P 5,580,725

The movements in the fair value of plan assets are presented below.

	2020	2019	2018
Balance at beginning of year	**P 756,932,798**	P 756,979,018	P 632,111,250
Interest income (expense)	**41,639,607**	(27,185,137)	56,528,153
Actual contributions	**96,844,479**	75,278,883	120,654,579
Benefits paid	**(55,520,750)**	(47,980,553)	(52,314,964)
Expected return	**52,703,859**	(159,413)	-
Balance at end of year	**P 892,599,993**	P 756,932,798	P 756,979,018

The movements in the present value of the retirement benefit obligation are as follows:

	2020	2019	2018
Balance at beginning of year	**P 755,712,233**	P 751,398,293	P 626,911,736
Current service cost	**41,569,069**	26,025,489	67,749,774
Interest expense	**42,663,425**	39,438,177	43,357,419
Benefits paid	**(55,870,154)**	(47,980,553)	(52,101,693)
Actuarial gain (loss)	**58,709,543**	(13,169,173)	65,481,057
Balance at end of year	**P 842,784,116**	P 755,712,233	P 751,398,293

(c) Risks Associated with the Retirement Plan

The plan exposes the University, FECSI and EACCI to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk, while RCI is exposed to interest rate, longevity and salary risks.

(i) Investment and Interest Risks

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has relatively balanced investment in cash and cash equivalents, equity securities and debt securities. Due to the long-term nature of the plan obligation, a level of continuing equity investments is an appropriate element of the Group's long-term strategy to manage the plan efficiently.

Currently, the University's plan is significantly composed of equity securities and debt securities. Due to the long-term nature of the plan obligation, a level of continuing equity investments is an appropriate element of the University's long-term strategy to manage the plans efficiently. FECSI, on the other hand, has investments in cash and cash equivalents and loans.

(ii) Longevity and Salary Risks

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) Other Information

The information on the sensitivity analysis for certain significant actuarial assumptions, the asset-liability matching strategy of the University, FECSI and EACCI, and the timing and uncertainty of future cash flows related to the retirement plan are described in the succeeding pages.

(i) Sensitivity Analysis

The table shown below summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as of:

		Impact on Post-employment Benefit Obligation	
	Change in Assumption	**Increase/ (Decrease) in Assumption**	**Increase/ (Decrease) in Assumption**
May 31, 2020			
RCI:			
Discount rate	**+/-0.5%**	**(P 2,227,124)**	**P 2,417,190**
Salary growth rate	**+/-1.0%**	**4,671,546**	**(4,055,783)**
University:			
Discount rate	**+/-0.5%**	**(P 402,278)**	**P 566,798**
Salary growth rate	**+/-1.0%**	**1,382,434**	**(730,879)**
FECSI:			
Discount rate	**+/-1.0%**	**(P 388,285)**	**P 468,134**
Salary growth rate	**+/-1.0%**	**478,443**	**(402,463)**
EACCI:			
Discount rate	**+/- 0.5%**	**(P 522,416)**	**P 849,669**
Salary growth rate	**+/- 7.0%**	**2,200,865**	**(26,872,389)**
May 31, 2019			
RCI:			
Discount rate	+/-0.5%	(P 1,767,052)	P 1,645,369
Salary growth rate	+/-1.0%	3,460,562	(3,041,321)
University:			
Discount rate	+/-0.5%	(P 486,352)	P 646,334
Salary growth rate	+/-1.0%	1,322,191	(861,361)
FECSI:			
Discount rate	+/-1.0%	(P 367,333)	P 442,623
Salary growth rate	+/-1.0%	456,168	(383,387)
May 31, 2018			
RCI:			
Discount rate	+/-0.5%	(P 1,514,042)	P 1,418,705
Salary growth rate	+/-1.0%	2,959,682	(2,647,790)
University:			
Discount rate	+/-0.5%	(P 48,160)	P 56,881
Salary growth rate	+/-1.0%	145,749	(82,791)
FECSI:			
Discount rate	+/-1.0%	(P 203,026)	P 241,685
Salary growth rate	+/-1.0%	228,849	(194,952)
EACCI:			
Discount rate	+/-0.5%	(P 64,777)	P 78,989
Salary growth rate	+/- 7.0%	167,764	(1,948,882)

The sensitivity analysis shown above is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the consolidated statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) Asset-liability Matching Strategies

To efficiently manage the retirement plan, the University through its Retirement Board, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in long-term fixed interest securities (i.e., government or corporate bonds) with maturities that match the benefit payments as they fall due and in the appropriate currency. The University actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations.

In view of this, investments are made in reasonably diversified portfolio, such that the failure of any single investment would not have a material impact on the overall level of assets.

There has been no change in the University's strategies to manage its risks from previous periods.

Currently, EACCI and FECSI have no specific matching strategy between the plan assets and the plan liabilities.

(iii) Funding Arrangements and Expected Contributions

While there is no minimum funding requirement in the country for defined benefit plans, the size of the fund, bearing that it is significantly under a defined contribution regime, is also sufficient to cover the vested benefits of the higher between the RA No. 7641 or the Group's retirement plan itself, when a significant number of employees are expected to retire in 13 to 20 years' time.

The University and EACCI expect to make contribution of P76.1 million and P9.7 million, respectively, to their plans during the next reporting period; FECSI does not expect to make contributions to its plan during the next reporting period; while, RCI's management is yet to determine when it shall establish a formal plan to fund its post-employment benefit obligation.

The maturity profile of RCI's undiscounted expected benefit payments from the plan as of May 31 is shown below.

	2020	2019	2018
Within one year	**P 8,672,753**	P 9,896,529	P 12,374,536
More than one year to five years	**19,895,300**	17,648,623	15,843,602
More than five years to 10 years	**24,611,035**	29,547,720	37,605,296
More than 10 years to 15 years	**35,982,283**	34,686,504	26,393,563
More than 15 years to 20 years	**36,977,745**	35,173,132	32,395,065
More than 20 years	**227,980,603**	164,732,922	164,604,710
	P 354,119,719	P 291,685,430	P 289,216,772

The weighted average duration of RCI's defined benefit obligation at the end of the reporting period is 15 years.

The latest available audited statements of financial position of the University's Fund, which comprised of both employer and employee share contributions, show the following as of December 31:

	2019	2018
Assets		
Cash and cash equivalents	**P 43,951,699**	P 64,746,279
Receivables - net	**58,835,006**	50,056,975
Investment in debt securities:		
Corporate bonds and other debt instruments	**269,374,573**	297,941,782
Government securities	**235,406,954**	201,987,635
Investment in equity securities:		
Equity securities	**335,101,670**	267,831,112
UITF	**76,280,200**	55,709,024
Others	**160,961**	173,746
	1,019,111,063	938,446,553
Liabilities	**(29,687,421)**	(24,577,883)
Net Assets Available for Plan Benefits	**P989,423,642**	P913,868,670

Shown in the succeeding page is the breakdown of the employer's share in the University's Fund's net plan assets as to type of investments as of May 31, 2020, 2019 and 2018. These financial assets are maintained in trust funds under credible trustee-banks under control by the Fund through its Board of Governors.

	2020	2019	2018
Cash and cash equivalents	**P 39,300,689**	P 37,546,004	P 31,817,317
Domestic listed shares	**200,610,035**	283,751,057	275,433,328
Corporate bonds	**138,953,332**	128,563,323	118,586,342
Other securities and debt instruments	**22,887,356**	84,173,329	117,604,442
UITF	**59,556,414**	10,692,764	69,824,910
Government bonds	**241,846,837**	136,093,180	68,897,219
Fixed income loans	**-**	4,669,573	4,669,573
Others	**64,320,981**	23,706,082	23,009,282
	P767,475,645	P709,195,312	P709,842,413

The breakdown of the Fund's net plan assets, as shown above, is presented to show the composition of the plan assets used by the actuary in determining the net retirement obligation based on the minimum guarantee under RA 7641 as of May 31, 2020, 2019 and 2018.

24. INCOME TAXES

Under Philippine laws, the taxable income from operations related to school activities and passive investment income of private and proprietary (stock) educational institutions is subject to a tax of 10%. However, if 50% or more of the institution's total gross income is from unrelated business activities, the regular corporate income tax (RCIT) of 30% will apply to the entire taxable income instead of the 10% preferential rate. The University, FECSI, EACCI, FEU High and RCI are qualified to avail of the 10% preferential rate given their revenue profiles. In addition, they are not covered by the minimum corporate income tax (MCIT) provision of the 1997 Tax Code.

The major components of tax expense (income) reported in the consolidated statements of profit or loss are as follows:

	2020	2019	2018
Current tax expense:			
Special rate at 10%	**P 62,279,854**	P 61,477,258	P 43,116,509
Final tax at 20%, 15% and 7.5%	**20,120,720**	42,408,929	20,766,238
RCIT at 30%	**30,709,972**	23,066,223	20,153,746
MCIT	**-**	1,776	-
	113,110,546	126,954,186	84,036,493
Deferred tax expense (income) arising from the origination and reversal of temporary differences	**(11,538,091)**	(843,061)	8,473,351
	P 101,572,455	P 126,111,125	P 92,509,844

A reconciliation of tax on pretax income computed at the applicable statutory rates to tax expense (income) reported in consolidated profit or loss is presented below:

	2020	2019	2018
Tax on pretax income	**P 78,456,400**	P 93,458,285	P 64,014,086
Adjustments for income subjected to:			
RCIT	**30,709,972**	23,066,223	27,066,613
Final tax	**20,120,720**	33,630,167	8,498,906
	129,287,092	150,154,675	99,579,605
Tax effects of:			
Non-taxable income	**(36,755,676)**	(20,366,046)	-
Excess of optional standard deduction (OSD) over itemized deductions	**(9,920,465)**	(5,705,993)	(5,640,511)
Unrecognized NOLCO	**(2,093,027)**	1,304,555	7,103,922
Unrecognized deferred tax asset (DTA) on allowance for impairment	**875,751**	516,142	130,948
Non-deductible expenses	**11,091,941**	111,971	-
Unrecognized MCIT		1,776	10,143
Others	**9,086,839**	94,045	(8,674,263)
	P 101,572,455	P 126,111,125	P 92,509,844

The net deferred tax assets and net deferred tax liabilities of the Group, as of May 31, 2020, 2019 and 2018, relates to the following:

	Consolidated Statements of Financial Position			Consolidated Statements of Profit or Loss		
	2020	2019	2018	**2020**	2019	2018
Deferred tax assets:						
Accrued rent expense	**P 9,527,751**	P 7,074,962	P 7,236,133	**(P 2,450,789)**	(P 1,378,431)	(P 1,378,150)
Post-employment benefit	**885,137**	6,480,407	6,531,592	**5,595,270**	51,187	495,283
Allowance for impairment losses on trade and other receivables – net	**7,252,112**	5,760,356	4,129,024	**(1,491,756)**	557,209	126,714
Unrealized fair value gains (losses)	**7,364,776**	4,135,165	3,825,531	**(3,229,611)**	(309,634)	(488,985)
Prepaid rent expense	**-**	920,622	(3,170,308)	**920,622**	-	1,291,686
Allowance for impairment of investment	**47,616**	504,691	(1,510,323)	**457,075**	-	(1,510,328)
Unrealized foreign currency gains (losses)	**1,265,251**	430,884	-	**(825,367)**	(3,601,192)	1,744,416
Accrued income	**1,281,128**	360,506	360,506	**(920,622)**	-	234,093
NOLCO	**1,909,467**	5,528	-	**(1,903,939)**	5,528	-
Unearned rental income	**-**	-	733,222	**-**	-	-
Deferred tax assets – net	**P 29,533,238**	P 25,673,121	P 18,135,377			
Deferred tax expense (income)				**(P 3,849,117)**	(4,675,333)	514,729
Deferred tax liabilities:						
Accrued rent receivable	**(P 24,599,108)**	(P 21,716,091)	(P 17,285,426)	**2,883,017**	4,212,028	5,370,857
Revaluation surplus on land	**-**	(6,471,071)	-	**(6,471,071)**	-	-
Post-employment benefit	**5,306,624**	4,722,024	(1,917,728)	**(248,173)**	687,112	592,877
Unearned rental income	**147,536**	813,874	626,474	**666,338**	(187,400)	2,994,690
Unrealized foreign currency gains (losses)	**4,068,705**	(450,380)	(913,005)	**(4,519,085)**	(462,625)	(999,802)
Accrual of expenses	**416,843**	416,843	-	**-**	(416,843)	-
Deferred tax liabilities – net	**(P 14,659,400)**	(P 22,684,801)	(P 19,489,685)			
Deferred tax expense (income)				**(P 7,688,974)**	3,832.272	7,958,622
Deferred tax expense (income) – net				**(P 11,538,091)**	(P 843,061)	P 8,473,351

RCI's deferred tax expense amounting to P0.3 million and P0.7 million relates to the remeasurement of post-employment benefit plan during the years ended May 31, 2020 and 2019, respectively, and is recognized as a component of tax expense reported in the consolidated statement of comprehensive income.

The net deferred tax assets of the University are not allowed to be offset against net deferred tax liabilities of other subsidiaries, or vice versa, for purposes of consolidation.

Presented below are the details of the Group's NOLCO.

Period Incurred	Original Amount	Expired Balance in 2019	NOLCO Applied in Prior Years	Remaining Balance	Valid Until
May 31, 2020	P 20,227,721	P -	P -	P 20,227,721	2023
May 31, 2019	11,354,332	-	4,016,727	7,337,605	2022
May 31, 2018	40,777,757	-	14,754,740	26,023,017	2021
May 31, 2017	25,468,716	19,181,753	6,286,963	-	2020
	P 97,828,526	**P 19,181,753**	**P 25,058,430**	**P 53,588,343**	

The companies within the Group that were not entitled to avail of the preferential rate of 10% is subject to MCIT, which is computed at 2% of gross income as defined under the tax regulations, or RCIT, whichever is higher.

	2020		2019		2018	
	Tax Base	**Tax Effect**	Tax Base	Tax Effect	Tax Base	Tax Effect
FEUAI –						
NOLCO	**P -**	**P -**	P 23,238,638	P 2,323,864	P 26,213,495	P 7,864,049
MCIT	**11,919**	**11,919**	519,080	519,080	507,161	507,161
RCI:						
NOLCO	**P 34,493,676**	**P 3,449,368**	P 48,019,928	P 4,801,993	P 63,725,065	P 6,372,507
Allowance for impairment	**3,639,180**	**363,918**	5,161,420	516,142	15,270,692	1,527,069
FECSI:						
NOLCO	**P 1,414,118**	**P 141,412**	P 55,276	P 5,528	P -	P -
Allowance for impairment	**710,177**	**71,018**	5,528	5,528	-	-
Edustria:						
NOLCO	**P 17,680,549**	**-**	-	-	-	-

No deferred tax assets were recognized by certain subsidiaries since management of the respective subsidiaries believes that no sufficient taxable profit will be realized against which deferred tax assets can be applied within the prescriptive period.

25. RELATED PARTY TRANSACTIONS

The Group's related parties include related parties under common management, key management personnel and others as described in Note 2.20. The following are the Group's transactions with such related parties:

	Notes	2020		2019		2018		Terms	Conditions
		Amount of Transaction	**Outstanding Receivable**	Amount of Transaction	Outstanding Receivable	Amount of Transaction	Outstanding Receivable		
Related Parties Under Common Management:									
Subscription of preferred stock	25.1	**P 126,000,000**	**P 40,000,000**	P112,500,000	P -	P -	P -	nonredeemable; non-controlling	not applicable
Advances to related parties	25.2	**18,666,407**	**57,506,420**	(9,229,702)	38,840,013	16,756,062	48,069,715	due and demandable; noninterest-bearing	unsecured
Reimbursement of expenses	25.7	**-**	**4,892,015**	-	4,892,015	(4,302,990)	4,892,015	due and demandable;	unsecured
Rental income	25.3(a) 25.3(b)	**19,222,576**	**13,122,403**	19,951,790	10,643,063	20,823,538	11,358,633	payable within 30 days; noninterest-bearing	unsecured
Lease liabilities	25.3(c)	**13,517,469**	**(14,069,245)**	-	-	-	-	due and demandable; interest bearing	not applicable
Right-of-use asset	25.3(c)	**13,517,469**	**10,720,751**	-	-	-	-	not applicable	not applicable
Rental expense	25.3(c)	**-**	**-**	(3,135,996)	(13,066,649)	(3,135,996)	(9,930,653)	payable within 30 days; noninterest-bearing	unsecured
Advances from related party	25.2(b)	**-**	**-**	(6,343,848)	-	2,019,088	(6,343,848)	due and demandable; noninterest-bearing	unsecured
Others	25.8	**-**	**-**	-	-	110,014	(1,452,500)	due and demandable; noninterest-bearing	unsecured

Forward

	Note	2020 Amount of Transaction	2020 Outstanding Receivable	2019 Amount of Transaction	2019 Outstanding Receivable	2018 Amount of Transaction	2018 Outstanding Receivable	Terms	Conditions
Retirement Funds:	25.4								
Retirement plan assets		**P -**	**P 892,599,993**	P -	P 756,932,798	P -	P756,979,018	not applicable	not applicable
Reimbursement of fund		**-**	**-**	-	-	-	-	due and demandable; noninterest-bearing	unsecured; not-impaired
Others –									
Key management personnel compensation	25.5	**138,776,867**	**-**	145,341,733	-	143,995,830	-	not applicable	not applicable

In 2020, 2019 and 2018, the Group reviewed its receivables from related parties and were accordingly assessed for impairment. Based on the management's assessment, no impairment loss was necessary to be recognized in all years presented.

25.1 Subscription of Preferred Shares of Stock

(a) EACCI

During the years ended May 31, 2020 and 2019, EAEF also entered into a subscription agreement for the purchase of 100,000 and 112,500 preferred shares with total consideration of P100.0 million and P112.5 million, respectively. Outstanding receivable arising from the transaction amounting P40.0 million in as of May 31, 2020 (nil as of May 31, 2019), is presented as part of Other advances to related parties under Trade and Other Receivables account. No similar transaction occurred during the year ended May 31, 2018.

(b) FEUA

During the year ended May 31, 2020, EAEF, a related party under common management, entered into a subscription agreement for the purchase of 26,000 preferred shares of FEUA [see Note 26.5 (b)]. The total consideration paid by EAEF amounted to P26.0 million. There was no outstanding receivable arising from the transaction as the amount was fully paid by EAEF in the year of subscription.

25.2 Noninterest-bearing Advances

(a) Advances of the University to a Related Party

The University grants unsecured and noninterest-bearing advances, which are due and demandable to FEU Public Policy Foundation, Inc., related party under common management of the Group for working capital purposes.

Summarized below are the outstanding receivables from these advances as of May 31, 2020, 2019 and 2018 recorded as part of Other advances to related parties under Trade and Other Receivables account in the consolidated statements of financial position (see Note 9):

	2020	2019	2018
Balance at beginning of year	**P 1,673,060**	P 1,185,000	P 430,000
Additional advances during the year	**1,106,244**	488,060	755,000
Balance at end of year	**P 2,779,304**	P 1,673,060	P 1,185,000

As of May 31, 2020, 2019 and 2018, management believes that these outstanding balances are collectible in full in all the years presented; thus, no allowance for impairment on these receivables are recognized.

(b) Advances between EACCI and EAEF

During the years ended May 31, 2020, 2019 and 2018, EACCI granted to and obtained from EAEF cash advances for working capital requirements and other purposes. These advances are noninterest-bearing, unsecured and payable in cash upon demand. As of May 31, 2020, 2019 and 2018, outstanding advances to EAEF amounting to P51.7 million, P34.1 million and P42.5 million, respectively, are presented as part of Non-trade advances to related parties under the Trade and Other Receivables account, while the outstanding advances from EAEF is presented as Other advances from related parties under the Trade and Other Payables account in the consolidated statements of financial position (see Notes 9 and 18). No impairment loss is recognized by the Group on the receivables arising from advances.

(c) Advances of RCI to its Related Party

RCI grants noninterest-bearing and unsecured advances to RCEE, Roosevelt College Scholarship Foundation and Roosevelt College Center for Teacher Education, related parties under common management, for working capital purposes. These advances are generally collectible in cash and are due upon demand or through offsetting arrangement. The outstanding balance from these transactions amounts to P3.1 million, P3.0 million and P4.4 million as of May 31, 2020, 2019 and 2018, respectively, are presented as part of Other advances to related parties under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 9).

25.3 Leases

(a) Lease of Certain Floors to EAEF

Outstanding receivables, arising from prior years' lease of certain floors by the University and EACCI to EAEF, amounted to P2.9 million as of May 31, 2020, 2019 and 2018, and is presented as part of Rental receivable under Trade and Other Receivables account in the consolidated statement of financial position (see Note 9).

(b) Lease of Buildings to Nicanor Reyes Educational Foundation (NREF)

FRC leased out certain buildings to NREF effective from June 1, 2007 to May 31, 2017 for an annual rental of P14.0 million or 10% of gross annual revenue, whichever is higher. In January 2013, an amended lease agreement was executed by both parties which stated that the lease term shall now be from January 31, 2013 to December 31, 2023 for an annual rental fee of P1.2 million or 10% of NREF's annual gross income, whichever is higher.

Total rental income of FRC from NREF amounted to P19.2 million, P20.0 million and P20.8 million for the years ended May 31, 2020, 2019 and 2018, respectively, which is recorded as part of Rental under Revenues in the consolidated statements of profit or loss. Outstanding receivables from this transaction amount to P10.2 million, P7.7 million and P8.4 million as of May 31, 2020, 2019 and 2018, respectively, are presented as part of Rental receivable under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 9). No impairment loss is recognized by the Group on this receivable from NREF.

(c) Lease of Building from NREF

The University had lease agreement with NREF for its lease of facilities. The lease agreements are long-term and renewable.

Upon adoption of PFRS 16, the Group, as a lessee, recognized right-of-use asset and lease liabilities as at June 1, 2019. Amortization of the right-of-use asset arising from these transactions amounting to P2.8 million is presented as part of Depreciation and amortization under Cost and Operating Expenses in the 2020 consolidated statement of profit or loss. Total interest expense on lease liabilities amounting to P0.6 million is presented as part of Interest expense on lease liabilities under Finance Costs in the 2020 consolidated statement of profit or loss. The outstanding balances arising from these transactions as at May 31, 2020, are presented as part of right-of-use asset under Property and Equipment, and Lease Liabilities (current portion under Trade and Other Payable) in the 2020 consolidated statement of financial position amounting to P10.7 million and P14.1 million, respectively.

Under PAS 17, total rental expense arising from the lease charged to operations amounting to P3.1 million for the years ended May 31, 2019 and 2018, is presented as part of Rental under Cost and Operating Expenses in 2019 and 2018 consolidated statements of profit or loss (see Note 21). Outstanding payable arising from the transaction amounting to P13.1 million and P9.9 million as at May 31, 2019 and 2018, respectively, is presented as part of Accrued expenses under the Trade and Other Payables account in the consolidated statements of financial position (see Note 18).

25.4 Retirement Funds

The University, FECSI and EACCI's retirement funds are in the form of trustee-banks managed accounts. The fair value of the University's retirement plan assets amounted to P892.6 million as of May 31, 2020 and P757.0 million as of May 31, 2019 and 2018 [see Note 23(b)]. The University, FECSI and EACCI have no transactions with the retirement plans other than contributions and benefit payments in all periods presented.

None of the retirement plan assets are invested in or provided to the University or FECSI, their related parties, and to their officers in the form of advances or loans.

The retirement funds neither provide any guarantee nor surety for any obligation of the University and FECSI.

25.5 Key Management Personnel Compensation

Total remunerations of the Group's key management personnel for the years ended May 31, 2020, 2019 and 2018, which are presented as part of Employee benefits under Operating Expenses in the consolidated statement of profit or loss (see Note 21), are as follows:

	2020	2019	2018
Short-term benefits	**P 123,069,612**	P 131,260,806	P 130,048,233
Post-employment benefits	**13,591,593**	14,080,927	13,947,597
	P 136,661,205	P 145,341,733	P 143,995,830

25.6 Financial Guaranty for Subsidiaries' Loans

In March 2017 and January 2018, the BOT approved that for and in consideration of the loan or credit facilities obtained by any subsidiary of the University, in which the University owns at least 75% of the outstanding voting capital stock of such subsidiary, from a certain local commercial bank, the University gives its full consent and authority to act as surety up to P500 million for the subsidiary's obligations arising from any loan or availments from any credit facilities granted by the said local bank in favor of the subsidiary, as well as any renewals, increases, extensions of existing obligations obtained by or which may hereafter be obtained by the subsidiary from the local bank, whether direct or indirect, principal or secondary. As of May 31, 2020, 2019 and 2018, RCI has availed a loan amounting to P400.0 million, P150.0 million and P70.0 million from the said local bank (see Note 19).

25.7 Reimbursement of Expenses

During the years ended May 31, 2019, 2018 and 2017, the University billed EAEF for related services such as security and janitorial services, light and water and other utilities at cost. Accordingly, the outstanding receivable amounting to P4.9 million as of May 31, 2020, 2019 and 2018, is presented as part of Other advances to related parties under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 9).

25.8 Others

Others include amounts due to non-controlling interest for the unclaimed payments arising from the fractional shares, treated as treasury stocks in 2007 and 2015 by FRC. Outstanding payable to non-controlling interest amounted to P1.5 million as of May 31, 2018 (nil as of May 31, 2020 and 2019), and is presented as part of Other payables to related parties under the Trade and Other Payables account in the consolidated statements of financial position (see Note 18).

26. EQUITY

26.1 Capital Stock

The University's authorized capital stock was 50,000,000 shares as of May 31, 2020 and 20,000,000 shares as of May 31, 2019 and 2018, of which 16,477,023 were issued and outstanding and with par value of P100 per share. On September 10, 2019 the BOT approved the increase of the University's authorized capital stock. The same was ratified by the stockholders on October 19, 2019, and approved by the SEC on March 19, 2020.

In line with the increase in authorized capital stock of the University, the BOT also declared, which was subsequently ratified by the shareholders, a 46% stock dividends amounting to P755.4 million. The approval for the issuance of such dividend shares was granted by the SEC on June 2, 2020, with distribution date set on June 18, 2020 (see Note 26.2). As of May 31, 2020, pending the approval from the SEC, the value of the stock dividends has been recognized and presented as Stock Dividends Distributable in the 2020 statement of financial position.

On July 11, 1986, the SEC approved the listing of the University's common shares, its only listed securities, at an offer price of P100 per share. As of May 31, 2020, 2019 and 2018, there are 16,422,355, 16,425,356 and 16,425,387 listed shares, respectively, which exclude those held in treasury and shares held by FRC. The University has a total of 10,803,172, 10,787,720 and 10,787,530 listed shares, which is equivalent to 65.78%, 65.68% and 65.68%, held by related parties as at May 31, 2020, 2019 and 2018, respectively, while there are 5,619,183, 5,637,636 and 5,637,857 listed shares owned by the public which is equivalent to 34.22%, 34.32% and 34.32% of the total outstanding shares as at May 31, 2020, 2019 and 2018, respectively.

As of May 31, 2020, there are 1,497 holders of the listed common shares owning at least one share.

All shares of the University are listed on the PSE. The closing price of the University's listed shares was P800, P890 and P900 per share as of May 31, 2020, 2019 and 2018, respectively.

26.2 Treasury Stock

This account includes the University's common shares held and acquired by FRC in various dates during the periods ended May 31, 2020, 2019 and 2018, amounting to P54.8 million, P52.7 million and P47.0 million, respectively. The changes in market values of these shares, recognized as fair value gains or losses by FRC, were reclassified to treasury stocks, as presented in the consolidated statements of changes in equity. Accordingly, the Group's treasury stocks amounted to P67.2 million as at May 31, 2020, which consists of 92,968 shares, P65.2 million as at May 31, 2019, which consists of 89,967 shares, and P63.3 million as at May 31, 2018, which consist of 88,967 shares.

A portion of the University's retained earnings is restricted from dividend declaration up to the cost of treasury stocks, excluding the amount acquired and held by FRC as this is considered as a cross-holding as of the end of the reporting period.

26.3 Revaluation Reserves

The components and reconciliation of items of other comprehensive income (loss) presented in the consolidated statements of changes in equity at their aggregate amount under Revaluation Reserves account, are shown below and on the succeeding page.

	Financial Assets at FVOCI	Retirement Benefit Obligation	Total
Balance as of June 1, 2019	P 2,638,168	P 626,694	P 3,264,862
Remeasurements of retirement benefit obligation	-	(8,463,371)	(8,463,371)
Fair value gains on financial assets at FVOCI	24,881,497	-	24,881,497
Tax effect	(2,488,150)	846,337	(1,641,813)
Other comprehensive income	22,393,347	(7,617,034)	14,776,313
Balance as of May 31, 2020	**P 25,031,515**	**(P 6,990,340)**	**P 18,041,175**

	Financial Assets at FVOCI	Retirement Benefit Obligation	Total
Balance as of June 1, 2018	(P 34,068,042)	P 8,328,838	(P 25,739,204)
Effect of adoption of PFRS 9	32,748,571	-	32,748,571
As restated	(1,319,471)	8,328,838	7,009,367
Remeasurements of retirement benefit obligation	-	(8,557,937)	(8,557,937)
Fair value gains on financial assets at FVOCI	4,397,376	-	4,397,376
Tax effect	(439,737)	855,793	416,056
Other comprehensive income	3,957,639	(7,702,144)	(3,744,505)
Balance as of May 31, 2019	P 2,638,168	P 626,694	P 3,264,862

26.4 Retained Earnings

Significant transactions affecting Retained Earnings are shown below.

(a) Appropriation of Retained Earnings

As of May 31, 2020, 2019 and 2018, the University's Appropriated Retained Earnings consists of appropriations for:

	2020	2019	2018
Property and investment acquisition	**P 1,448,000,000**	P 1,631,000,000	P 2,000,000,000
Contingencies	**180,000,000**	190,000,000	240,000,000
Purchase of equipment and improvements	**167,000,000**	92,000,000	135,200,000
Expansion of facilities	**111,000,000**	164,000,000	324,800,000
General retirement	**-**	90,000,000	140,000,000
Treasury stock	**3,733,100**	3,733,100	3,733,100
	P 1,909,733,100	P 2,170,733,100	P 2,843,733,100

The changes in the appropriated retained earnings during the year ended May 31, 2019 are shown below.

	2020	2019	2018
Balance at beginning of year	**P 2,170,733,100**	P 2,843,733,100	P 2,573,733,100
Reversal of appropriations	**(336,000,000)**	(673,000,000)	(250,000,000)
Appropriations	**75,000,000**	-	520,000,000
Balance at end of year	**P 1,909,733,100**	P 2,170,733,100	P 2,843,733,100

(b) Dividend Declaration

The University's BOT approved the following dividend declarations during the years ended:

	Date of Declaration	Date of Record	Date of Payment/Issuance		Amount
May 31, 2020					
Cash dividend of P10 per share	September 10, 2019	September 24, 2019	October 9, 2019	P	164,505,650
Cash dividend of P10 per share	February 18, 2020	March 4, 2020	March 18, 2020		164,505,650
Stock dividend of 46%	September 10, 2019	October 19, 2019	June 18, 2020		755,431,300
				P	**1,084,442,600**
May 31, 2019					
Cash dividend of P8 per share	September 18, 2018	October 2, 2018	October 18, 2018	P	131,405,532
Cash dividend of P8 per share	February 19, 2019	March 6, 2019	March 20, 2019		131,400,412
				P	262,805,944
May 31, 2018					
Cash dividend of P8 per share	September 19, 2017	October 4, 2017	October 18, 2017	P	131,408,216
Cash dividend of P8 per share	February 20, 2018	March 6, 2018	March 20, 2018		131,403,096
				P	262,811,312

Unclaimed checks related to dividends declared as of May 31, 2020, 2019 and 2018 are presented as Dividends payable under the Trade and Other Payables account in the consolidated statements of financial position (see Note 18).

26.5 Subsidiaries with Material Non-controlling Interest

(a) FRC

The University holds 38.04% interest in FRC as of May 31, 2020 and 37.52% interest as of May 31, 2019 and 2018. Management considers that the University has de facto control over FRC even though it holds less than 50% of the voting shares of stock of FRC, because it is exposed or has right to variable returns through its power over FRC [see Notes 1.1 and 3.1(i)]. The accumulated NCI of FRC amounted to P2.9 billion, P2.6 billion and P2.2 billion as of May 31, 2020, 2019 and 2018, respectively.

A summary of financial information of FRC as of and for the years ended May 31, 2020, 2019 and 2018 before intragroup eliminations are shown below.

	2020	2019	2018
Current assets	**P 321,925,382**	P 302,698,009	P 292,225,357
Non-current assets	**1,132,066,986**	1,077,932,619	1,294,102,242
Current liabilities	**53,845,991**	24,316,472	15,267,406
Non-current liabilites	**28,610,615**	28,311,279	23,112,993
Total equity	**1,371,535,762**	1,328,002,877	1,255,721,843
Total revenue	**198,056,890**	151,811,691	149,955,554
Net profit for the year	**99,498,571**	88,596,837	87,625,316
Other comprehensive loss for the year	**(3,936,554)**	(1,694,419)	(6,890,106)
Total comprehensive income for the year	**95,562,017**	86,902,418	80,735210
Net cash from (used in) operating activities	**(P 3,817,297)**	P 93,631,571	P 91,921,687
Net cash from (used in) investing activities	**6,510,122**	(72,201,069)	(117,912,552)
Net cash used in financing activities	**(23,579,708)**	(13,502,726)	(23,584,107)
	(P 20,886,883)	P 7,927,776	(P 49,574,972)

(b) EACCI and FEUAI

Prior to 2017, EACCI issued its newly authorized preferred shares to EAEF, a related party under common management. In 2020 and 2019, EACCI issued additional authorized preferred shares to NREF, a related party under common management (see Note 25.1). Total cost of preferred shares issued and outstanding amounts to P1.3 billion as of May 31, 2020 and P1.2 billion as of May 31, 2019 and 2018.

In 2020, 2019 and 2018, FEUAI also issued its newly authorized preferred shares to EAEF (see Note 25.1). Total cost of preferred shares issued and outstanding amounts to P728.0 million, P702 million and P529.0 million as of May 31, 2020, 2019 and 2018, respectively.

Both non-controlling interests in EACCI and FEUAI relate to non-voting shares.

EACCI and FEUAI's preferred shares have the following features:

(a) Holders of the preferred stock have no pre-emptive right to subscribe to any or all issues or other disposition of shares of common stock or preferred stock of EACCI or FEUAI, including treasury stock, if any;

(b) Subject to availability of retained earnings and sufficient cash as may be determined by EACCI's BOT or FEUAI's BOD, holders of the preferred stock are entitled to receive, out of unrestricted retained earnings of the EACCI or FEUAI, non-cumulative dividends at the rate of 3% per annum based on the issue value of each share, payable annually on such date as may be determined by the EACCI's BOT or FEUAI's BOD from time to time;

(c) Preferred stock shall be non-voting (except in instances specifically provided by law) and non-participating as to the payment of dividends;

(d) Preferred stock may be redeemed at the option of the issuer regardless of existence of unrestricted retained earnings at an issue price equal to the issue value and under terms and conditions as determined by the EACCI's BOT or FEUAI's BOD; and,

(e) In the event of any voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of EACCI or FEUAI's operations, the holders of preferred stock shall have preference and priority as to the net assets of EACCI or FEUAI or proceeds thereof over the holders of common stock.

During the years ended May 31, 2020, 2019 and 2018, the BOT of EACCI declared cash dividend to all of their stockholders. Accordingly, EAEF received P27.5 million, P27.5 million and P26.3 million from each of the said declarations in 2020, 2019 and 2018, respectively.

A summary of financial information of FEUAI and EACCI as of and for the years ended May 31, 2020, 2019 and 2018, before intragroup eliminations are shown below and in the succeeding page (in thousands).

	EACCI	FEUAI
May 31, 2020		
Current assets	P 1,860,273	P 112,785
Non-current assets	1,384,587	1,923,861
Current liabilities	288,943	312,231
Non-current liabilities	553,883	207,000
Total equity	2,690,977	1,517,414
Total revenue	758,062	288,003
Net income for the year	259,128	58,519
Other comprehensive income for the year	2,065	-
Total comprehensive income for the year	261,193	58,519
Net cash from operating activities	330,366	123,801
Net cash used in investing activities	(28,493)	(141,603)
Net cash used in financing activities	(22,010)	(67,000)
	P 279,863	**(P 84,802)**

	EACCI	FEUAI
May 31, 2019		
Current assets	P 1,262,321	P 195,763
Non-current assets	1,455,043	1,854,664
Current liabilities	219,988	317,608
Non-current liabilities	93	300,000
Total equity	2,497,283	1,432,819
Total revenue	908,383	132,716
Net income (loss) for the year	416,511	(2,571)
Other comprehensive income for the year	11,206	-
Total comprehensive income (loss) for the year	427,717	(2,571)
Net cash from (used in) operating activities	1,250,030	(24,676)
Net cash used in investing activities	(231,428)	(364,133)
Net cash from (used in) financing activities	(303,340)	473,000
	P 715,262	P 84,191
May 31, 2018		
Current assets	P 1,102,000	P 184,509
Non-current assets	1,134,124	1,432,413
Current liabilities	148,836	363,420
Non-current liabilities	776	-
Total equity	2,086,512	1,253,502
Total revenue	646,492	429
Net income (loss) for the year	288,532	(3,746)
Other comprehensive loss for the year	(3,614)	-
Total comprehensive income (loss) for the year	285,018	(3,746)
Net cash from (used in) operating activities	(510,943)	45,567
Net cash used in investing activities	(70,590)	(326,059)
Net cash from (used in) financing activities	(2,090)	160,000
	(P 583,623)	(P 120,492)

(c) Edustria

Upon incorporation of Edustria, the Parent Company subscribed to 255.0 million shares of Edustria. The shares acquired represent 51% of the total issued and outstanding shares of Edustria. The NCI of Edustria amounting to P171.5 million is presented part of Non-controlling Interest account in the 2020 consolidated statements of financial position.

A summary of financial information of Edustria as of and for the years ended May 31, 2020 before intragroup eliminations are shown below.

Current assets	P	282,581,121
Non-current assets		85,946,223
Current liabilities		8,760,304
Non-current liabilities		26,230,652
Total equity		333,536,388
Total revenue		-
Net loss for the year	(	16,463,612)
Other comprehensive income for the year		-
Total comprehensive income for the year	(	16,463,612)
Net cash used in operating activities	(	14,024,851)
Net cash used in investing activities	(	50,935,849)
Net cash from financing activities		347,218,907
	P	**282,258,207**

27. EARNINGS PER SHARE

EPS amounts were computed as follows:

		2020		2019		2018
Net profit attributable to owners of the parent company	**P**	**621,398,818**	P	753,271,625	P	492,229,280
Divided by weighted average number of shares outstanding, net of treasury stock of 92,968, 89,967 and 88,967 as of May 31, 2020, 2019 and 2018, respectively		**23,976,464**		23,978,859*		23,980,709*
Basic and diluted EPS	**P**	**25.92**	P	31.41	P	20.53

**Restated after giving retrospective effect on the stock dividend declared on September 10, 2019.*

In compliance with the requirement of PAS 33, *Earnings per Share*, retrospective adjustment to the earliest period presented was made on the University's earnings per share after considering that as if the stock dividends declared on September 10, 2019 occurred at the beginning of 2018. This adjustment was made to present comparative information but the amount of weighted average number of shares is not the actual amount and number of shares outstanding as of May 31, 2019 and 2018 (see Note 26.1).

The University has no dilutive potential common shares as of May 31, 2020, 2019 and 2018; hence, the diluted earnings per share is the same as the basic earnings per share in all the periods presented.

The weighted average number of shares outstanding as of May 31, 2020 is computed below.

	Number of Shares	Months Outstanding	Weighted Number of Shares
May 31, 2020			
Balance at beginning of year	16,424,387	12	197,092,644
Adjustment for stock dividends Distributable	7,553,639	12	90,643,668
Purchase of treasury stock during the period –			
August 2019	(1,249)	10	(12,490)
February 2020	(1,000)	4	(4,000)
March 2020	(752)	3	(2,256)
Balance at end of period	23,975,025		287,717,566
Divided by total months during the year			12
Weighted average number of shares outstanding as of May 31, 2020			**23,976,464**

28. EVENTS AFTER THE END OF THE REPORTING PERIOD

As of reporting date, there were no significant events that have any impact on the Group's consolidated financial statements for the year ended May 31, 2020.

28.1 Appropriations of Retained Earnings

On June 16, 2020, the University's BOT approved the following changes in the appropriation of retained earnings as of May 31, 2020:

	May 31, 2020	Reversal	June 16, 2020
Property and investment acquisition	P 1,448,000,000	(P 482,500,000)	P 965,500,000
Expansion of facilities	111,000,000	(111,000,000)	-
Contingencies	180,000,000	-	180,000,000
Purchase of equipment and improvements	167,000,000	(12,000,000)	155,000,000
Treasury stock	3,733,100	-	3,733,100
	P 1,909,733,100	(P 605,500,000)	P 1,304,233,100

As of report date, details of appropriations for property and investment acquisitions as of May 31, 2020 include additional subscriptions in Edustria and appropriations for the FEU Alabang Phase 2 project amounting to P601.5 million and P364.0 million, respectively.

28.2 Impact of Coronavirus Outbreak

The Group and other Philippine educational institutions have been significantly exposed to the risks brought about by the outbreak of the new coronavirus disease (COVID-19), which the Group's management has determined such circumstance to adversely affect the health, safety, logistics and productivity of its employees and impede other operational aspects of the Group. The Philippine Government has been undertaking measures to prevent the spread of COVID-19 including but not limited to the imposition of quarantine measures such as the Enhanced Community Quarantine, Modified Enhanced Community Quarantine, and General Community Quarantine, and travel restrictions.

Relative to this, in addition to protocols required by the Philippine Government, the Group has implemented measures to mitigate the transmission of COVID-19, such as avoidance of group gatherings or public assemblies, limiting face-to-face meetings, increasing the frequency of disinfection of facilities, ensuring availability of hand sanitizers within its premises, requiring temperature checks and accomplishment of contact tracing forms for employees or guests upon entry to any campus, and implementing monitored health protocols for employees, regardless of work situs. The implementation of these measures resulted to shutdown of school instructions on premise during the remaining three months of the second semester for the school year 2019 - 2020. Also, the Group's management has provided notice of furlough to a number of employees and identified other across the board contraction methods to minimize salary cover effective September 1, 2020.

The Group has activated business continuity plans, both at the corporate and the academic operational levels, and conducted scenario planning and analysis to activate contingency plans. One of the perceived significant impact of this pandemic is the continuing inability to hold normal school activities on campus which has by estimate may result to lower number of students for the coming school year 2020 - 2021. As a result, the Group's Revenue and Net income is expected to drop while Expenses are expected to remain flat.

Management is confident that there will be no significant impairment on its financial assets as the market share and popularity of the Group's brands and services would not be significantly affected by the pandemic in the long run. Also, the Group does not foresee any breaches from its existing loan covenants given its measures to address risk of losses and its healthy financial position.

The Group has determined that these events are non-adjusting subsequent events. Accordingly, their impact was not reflected in the Group's consolidated financial statement as of and for the year ended May 31, 2020.

29. COMMITMENTS AND CONTINGENCIES

The following are the significant commitments and contingencies involving the Group:

29.1 Capital Commitments – Related to Condominium Units Acquired

As of May 31, 2020, 2019 and 2018, FRC has commitments of about P84.1 million, P116.6 million and P143.4 million, respectively, for the condominium units acquired at pre-selling stage that are currently under construction.

29.2 Operating Lease Commitments

(a) Group as Lessor

As discussed in Note 25.3(a), FRC lease out certain buildings to EAEF and NREF for varying periods. FRC also lease out certain land and buildings to several non-related parties for a period of one to ten years. FRC also receives customer and security deposits relevant to its leasing activities as a lessor which is recognized under Other Non-current Liabilities in consolidated statements of financial position.

Future minimum rental receivables, excluding contingent rental, under these operating leases are shown below.

	2020	2019	2018
Within one year	**P 12,880,020**	P 23,123,123	P 12,000,000
After one year but not more than five years	**22,528,952**	42,890,129	48,000,000
More than five years	**808,245**	7,568,490	8,000,000
	P 36,217,216	P 73,581,742	P 68,000,000

(b) Group as Lessee

The Group is a lessee under operating lease agreements covering rentals of event venues, transportation vehicles and small items of equipment used for various students' and employees' activities.

The future minimum rentals payable under these non-cancellable operating leases as of May 31, 2019 and 2018 are as follows:

	2019	2018
Within one year	P 3,135,996	P 3,135,996
After one year but not more than five years	12,021,315	12,543,982
More than five years	-	2,613,329
	P 15,157,311	P 18,293,307

29.3 Open Legal Cases

As of May 31, 2019, the University and EACCI both have a pending court case against the local government of City of Manila where it is contesting the imposition of local business tax on the tuition fees collected. The local business tax being contested covers taxable years 2009 to 2013 and 2013 to 2017 for the University and EACCI, respectively.

In March 2019, the University and EACCI paid under protest the aforementioned deficiency local business taxes amounting to P189.9 million and P35.4 million, respectively. The payment was made under protest and was not to be construed as a waiver of rights to exercise legal remedies in connection with the aforementioned case and to claim for refund of the payment.

Effective July 1, 2019, The City of Manila granted tax amnesty for all local tax delinquencies. Accordingly, the University availed of this amnesty and on December 6, 2019 paid P22.2 million and applied its payment made under protest in March 2019 amounting to P189.9 million to fully settle the basic local taxes in arrears for taxable calendar years 2009 to 2018. After such payments, the University has been released and discharged from all deficiency tax assessments and liabilities until the end of taxable calendar year 2018. Tax due for local business tax for the calendar year 2019 was paid by the University in January 2020.

Also, as of the May 31, 2020, the University is a defendant in certain civil cases, which are pending before the National Labor Relations Commission, Court of Appeals and the Supreme Court.

As of the same report date, no final decision has been rendered by the courts in the above-mentioned cases; hence, no provision for contingencies is recognized.

29.4 Provisions and Contingencies

The Group has entered into transactions which resulted to obligations that will probably result to an outflow of economic resources. Accordingly, the management has recognized the probable losses as Provisions in its statements of financial position. However, as allowed by relevant accounting standards, the Group did not disclose the nature and details of its provisions because it may prejudice the interest and position currently being taken by the Group.

There are other provisions and contingencies that arise in the normal course of business that are not recognized in the Group's consolidated financial statements. Management believes that losses, if any, arising from these provisions, commitments and contingencies will not materially affect its consolidated financial statements, however, the Group opted to generally appropriate portion of its retained earnings to cover for such contingencies (see Note 26.3).

30. 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, issue new shares or obtain debt financing.

The Group 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 Group's external environment and the risks underlying the Group's business, operation and industry.

The University monitors capital on the basis of debt-to-equity ratio, which is calculated as total liabilities excluding deferred revenues divided by total adjusted equity (comprised of capital stock, stock dividends distributable and retained earnings) attributable to owners of the parent company. Capital for the reporting periods under review is summarized below.

	2020	2019	2018
Total adjusted liabilities	**P 4,674,024,896**	P 3,953,514,389	P 3,969,089,802
Total adjusted equity attributable to owners of the parent company	**7,663,420,984**	7,371,033,466	7,008,976,695
Debt-to-equity ratio	**0.61 : 1.00**	0.54 : 1.00	0.57 : 1.00

The Group's goal in capital management is to maintain a lower liability compared with its adjusted equity or debt-to-equity structure ratio of not more than 1.00 : 1.00. This is in line with the Group's bank covenants related to its borrowings, which requires the Group to maintain debt-to-equity ratio of not more than 2.00 : 1.00 and debt service coverage ratio of at least 1.2x.

The Group has complied with its covenant obligations, including maintaining the required debt-to-equity ratio and debt service coverage ratio for all the years presented

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

31. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below is the reconciliation of liabilities arising from various financing activities in fiscal year 2020 and 2019.

	Interest-bearing Loans (see Note 19)	Lease Liabilities (see Note 15)	Dividends Payable (see Note 18)	Accrued Interest (see Note 19)	Total
Balance at June 1, 2019	P 2,358,571,429	P -	P 215,371,368	P 12,515,531	P 2,586,458,328
Effect of adoption of PFRS 16	-	13,517,469	-	-	13,517,469
Cash flows from financing activities:					
Repayment of loans	(948,333,333)	-	-	-	(948,333,333)
Repayment of lease liabilities	-	(1,597,281)	-	-	(1,597,281)
Proceeds from additional loans	1,195,000,000	-	-	-	1,195,000,000
Dividends paid	-	-	(323,553,105)	-	(323,553,105)
Interest paid	-	(1,183,812)	-	(114,503,438)	(115,687,250)
Non-cash financing activities:					
Dividend declaration	-	-	331,208,368	-	331,208,368
Additional lease liabilities	-	34,652,383	-	-	34,652,383
Interest amortization in lease liabilities	-	1,183,812	-	-	1,183,812
Accrual of interest	-	-	-	111,894,250	111,894,250
Capitalized borrowing cost	-	-	-	17,009,188	17,009,188
Balance at May 31, 2020	**P 2,605,238,096**	**P 46,572,571**	**P 223,026,631**	**P 26,915,531**	**P 2,901,752,829**
Balance at June 1, 2018	P 2,517,142,858	P -	P 201,661,265	P 9,615,531	P 2,728,419,654
Cash flows from financing activities:					
Proceeds from additional loans	270,000,000	-	-	-	270,000,000
Repayment of loans	(428,571,429)	-	-	-	(428,571,429)
Dividends paid	-	-	(249,095,841)	-	(249,095,841)
Interest paid	-	-	-	(125,827,490)	(125,827,490)
Non-cash financing activities:					
Dividend declaration	-	-	262,805,944	-	262,805,944
Accrual of interest	-	-	-	95,072,981	95,072,981
Capitalized borrowing cost	-	-	-	33,654,509	33,654,509
Balance at May 31, 2019	P 2,358,571,429	P -	P 215,371,368	P 12,515,531	P 2,586,458,328
Balance at June 1, 2018	P 1,950,000,000	P -	P 181,662,771	P 5,240,308	P 2,136,903,079
Cash flows from financing activities:					
Proceeds from additional loans	795,000,000	-	-	-	795,000,000
Repayment of loans	(227,857,142)	-	-	-	(227,857,142)
Dividends paid	-	-	(242,812,818)	-	(242,812,818)
Interest paid	-	-	-	(95,347,392)	(95,347,392)
Non-cash financing activities:					
Dividend declaration	-	-	262,811,312	-	262,811,312
Accrual of interest	-	-	-	83,798,889	83,798,889
Capitalized borrowing cost	-	-	-	15,923,726	15,923,726
Balance at May 31, 2019	P 2,517,142,858	P -	P 201,661,265	P 9,615,531	P 2,728,419,654

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
INDEX TO SUPPLEMENTAL SCHEDULES
MAY 31, 2020

Statement of Management's Responsibility for the Consolidated Financial Statements

Independent Auditor's Report on the SEC Supplementary Schedules Filed Separately from the Basic Financial Statements

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

		Page
Schedule A	Financial assets	2
Schedule B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)	9
Schedule C	Amounts Receivable from Related Parties Which are Eliminated During the Consolidation of Financial Statements	27
Schedule D	Long-term Debt	28
Schedule E	Indebtedness to Related Parties (Long-term Loans from Related Companies)	29
Schedule F	Guarantees of Securities of Other Issuers	N/A
Schedule G	Capital Stock	30

Other Required Information

Reconciliation of Retained Earnings Available for Dividend Declaration	31
Map Showing the Relationships Between and Among the University and Its Related Parties	32
Financial Indicators	33

FAR EASTERN UNIVERSITY

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
(+63 2) 735 5621
www.feu.edu.ph

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Far Eastern University, Incorporated and Subsidiaries (the Group)** is responsible for the preparation and fair presentation of the consolidated financial statements, including the schedules attached therein, for the years ended May 31, 2020, 2019 and 2018 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Trustees is responsible for overseeing the Group's financial reporting process.

The Board of Trustees reviews and approves the consolidated financial statements, including the schedules attached therein, and submits the same to the stockholders.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the consolidated financial statements of **Far Eastern University, Incorporated and Subsidiaries** in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

Aurelio R. Montinola III
Chairman of the Board and
Chief Executive Officer

Michael M. Alba
President and Chief Operating Officer

Juan Miguel R. Montinola
Chief Finance Officer

Signed this SEP 0 7 2020 day of September 2020.

SUBSCRIBED AND SWORN to before me this SEP 0 7 2020, 2020, affiants exhibiting their Tax Identification Numbers (TIN) as follows:

Name	TIN	Place Issued
Aurelio R. Montinola III	135-558-086	Philippines
Michael M. Alba	157-483-273	Philippines
Juan Miguel R. Montinola	115-203-243	Philippines

Doc. No. 97
Page No. 21
Book No. XX
Series of 2020.

NOTARY PUBLIC

ENRICO G. GILERA
Notary Public for Manila
Until December 2020
PTR No. 9186556; 01.21.2020; Manila
IBP No. 105672; 01.09.2020; Manila III
Roll No. 35145; May 27, 1988
Compliance No. V 0021389; May 4, 2016
Unit 403 Dona Consuelo Bldg.,
929 Nicanor Reyes Street, Manila
Tel No. 8736-4975

P&A
Grant Thornton

An instinct for growth™

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Consolidated Financial Statements

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

T +63 2 8988 22 88

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

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Far Eastern University, Incorporated and subsidiaries (the Group) for the year ended May 31, 2020, on which we have rendered our report dated August 18, 2020. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code Rule 68, and is not a required part of the basic consolidated financial statements prepared in accordance with Philippine Financial Reporting Standards. Such supplementary information is the responsibility of the Group's management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

PUNONGBAYAN & ARAULLO

By: Mailene Sigue-Bisnar
Partner

CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 8116539, January 2, 2020, Makati City
SEC Group A Accreditation
Partner - No. 0396-AR-3 (until Oct. 1, 2021)
Firm - No. 0002-FR-5 (until Mar. 26, 2021)
BIR AN 08-002511-20-2018 (until Jan. 25, 2021)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

August 18, 2020

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule A - Marketable Securities
May 31, 2020

Name of Issuing Entity and Association of Each Issue	*Number of Shares or Principal Amount of Bonds and Notes*		*Amounts Shown on the Statements of Financial Position*		*Income Received and Accrued*
Bank of the Philippine Islands (BPI) Trust Account:					
Government Securities					
FXTN 2017MR	P	4,500,000	P	6,174,159	
FXT1060MR		1,544,188		1,598,948	
FXT2511MR		3,438,971		3,662,894	
FXT2023		36,700,000		49,200,454	
FXT1064		3,700,000		4,583,617	
FXT25-5		1,000,000		1,358,452	
RTB201		16,000,000		19,300,889	
RTB251		3,700,000		4,455,770	
Corporate Bonds					
SMCGPDBDM	P	15,000,000	P	15,255,145	
AC BOND		15,000,000		15,334,761	
AC BOND		34,500,000		37,799,463	
APC-BONDM		2,000,000		1,936,520	
SMPH-BOND		20,000,000		20,081,977	
SMIC-BNDM		9,200,000		9,457,215	
ALI BOND		5,000,000		5,086,975	
CPI-BOND		7,900,000		7,907,606	
MCC-DSPN		13,000,000		13,023,142	
Equity Securities					
Common Shares					
BDO		110,233	P	11,067,393	
BPI		111,620		7,400,406	
MBT		136,632		4,809,446	
SECB		31,390		2,564,563	
AP		101,400		2,818,920	
MER		11,070		3,132,810	
JFC		28,150		3,059,905	
URC		47,840		6,267,040	
AC		15,515		11,597,463	
AEV		148,860		6,386,094	
AGI		169,860		1,019,160	
DMC		243,050		957,617	
GTCAP		4,774		1,847,538	
JGS		100,790		4,918,552	
MPI		577,390		1,668,657	
SM		23,742		21,723,930	
ALI		413,216		13,222,912	
MEG		735,760		2,096,916	
RLC		77,316		1,142,730	
SMPH		486,780		14,676,417	
TEL		5,275		6,725,625	
ICT		23,450		2,056,565	
PGOLD		13,170		605,820	
RRHI		32,900		2,227,330	
SCC		80,540		887,551	
ASNC		1,969		12,554	
Preferred Shares					
FGENG		50,000	P	5,150,000	
ACPB1		100,000		50,000,000	
APB2R		35,800		17,971,600	
DMPA1		50,000		25,254,391	
Mutual Funds					
WELGDGA		5,631	P	8,909,036	
PIMGBAI		3,381		5,914,511	
Unit Investment Trust Fund (UITF)					
STF UITF		171,435	P	26,574,139	
BPI USSTF		561		8,797,043	
PDBIF		1,075		13,218,966	
Totals for BPI Trust Account (FEU)			**P**	**512,901,590**	

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule A - Marketable Securities
May 31, 2020

Name of Issuing Entity and Association of Each Issue	*Number of Shares or Principal Amount of Bonds and Notes*		*Amounts Shown on the Statements of Financial Position*		*Income Received and Accrued*
Bank of the Philippine Islands (BPI) Trust Account:					
Government Securities					
FXT1064 5.5% 1/19, 7/19	P	4,350,000	P	5,485,914	
FXT2023 5.4% 7/24, 1/24		4,700,000		6,569,723	
FXT2023 5.4% 7/24, 1/24		1,000,000		1,397,813	
RTB5-12 5% 9/12, 3/12				1,114,592	
FXT2017MR 6.4% 1/19, 7/19		4,300,000		6,038,304	
RTB3-9 3.9% 12/13, 6/13		5,100,000		5,210,101	
RTB 10-2 5.9%		1,600,000		1,646,064	
Corporate Bonds					
MBT Bond 6.3% 7/11, 10/11, 1/11, 4/11	P	3,000,000	P	3,103,439	
SMC GP 7.178% 7/24, 10/24, 1/24, 4/24		2,000,000		2,099,525	
ALI Bond 6.369%		5,000,000		5,359,475	
AC Energy 4.75% 7/29, 1/29		200,000		10,567,848	
Equity Securities					
Preferred Shares					
ACPB2		8,000	P	4,024,000	
Mutual Funds					
PIMBGAI 00700 (PIMBAI)		1,030	P	1,789,746	
PEIF		318,692		26,878,483	
Wellington Global Quality Growth Fund		880		1,430,755	
Unit Investment Trust Fund (UITF)					
STF UITF (PHP)		14,516	P	2,253,174	
STF UITF (USD)		1,655		25,582,538	
Powershares QQQ ETF (QQQ.ETF)		50		616,895	
iShares Core MSCI EM IMI UCITS (EIMI.ETF)		914		1,231,071	
Totals for BPI Trust Account (EACCI)			**P**	**112,399,461**	

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule A - Marketable Securities
May 31, 2020

Name of Issuing Entity and Association of Each Issue	*Number of Shares or Principal Amount of Bonds and Notes*	*Amounts Shown on the Statements of Financial Position*	*Income Received and Accrued*
Banco De Oro (BDO) Trust Account:			
Government Securities			
FXTN 10-59 (IMA-TX)	P 1,237,933	P 1,286,907	
FTXN 20-11 (TX) IMA	1,600,000	2,203,511	
FXTN 10-55 (IMA-TX)	2,000,000	2,075,786	
FXTN 10-54 (TX) IMA	2,700,000	2,830,859	
RETAIL TREASURY BOND 25-1 (TX-IMA)	3,000,000	3,612,885	
FXTN 5-74 (IMA-TX)	11,160,000	11,376,741	
FXTN 5-75 (IMA-TX)	8,000,000	8,505,923	
RETAIL TREAS BOND (R5-11) IMA	10,000,000	10,408,966	
RETAIL TREASURY BOND (R5-12) IMA	12,000,000	13,273,641	
RETAIL TREASURY BOND 10-4 (TX-IMA)	3,000,000	3,037,173	
FXTN 7-61 (IMA-TX)	5,000,000	5,571,099	
FXTN 3-24 (IMA-TX)	5,000,000	5,181,364	
RETAIL TREASURY BOND (R3-10) IMA	22,000,000	22,849,162	
FXTN 10-64 (IMA-TX)	8,000,000	9,911,442	
RETAIL TREASURY BOND 10-5 (TX-IMA)	10,000,000	10,001,801	
FXTN 7-57 (TX) IMA	62,209,000	62,274,322	
Corporate Bonds			
San Miguel Brewery Bond 10Yrs	9,000,000	8,997,534	
Rockwell Land Corp. Bond (TX) I	5,500,000	5,499,300	
Aboitiz Equity Ventures 7-Yr	20,200,000	20,200,000	
PLDT Fixed Rate Corp Bond - 7Yr	41,000,000	40,982,736	
Filinvest Land Inc Bond - 7Yrs	5,730,000	5,716,272	
Globe Telecom Bond 7 Years (TX)	10,000,000	9,991,790	
Ayala Land Inc. Corporate Bond	16,230,000	16,225,553	
Ayala Multiple Put Bonds (IMA)	9,100,000	9,094,513	
JG Summit Holdings - 7Yr Bond (TX)	1,000,000	997,984	
Filinvest Dev Corp Bond - 10Yrs	3,000,000	3,006,381	
Ayala Land Inc. Corporate Bond	1,000,000	990,776	
Aboitiz Power Corp Bonds (Tax)	29,700,000	29,656,787	
Robinsons Land Corp. Fixed Rate	17,500,000	17,495,029	
Ayala Corporation Bond (TX-IMA)	2,000,000	2,143,379	
Aboitiz Equity Ventures 7 Year	5,000,000	4,963,334	
Megaworld Corp Bond (IMA-TX)	31,470,000	31,461,377	
Ayala Land Inc. Corporate Bond	8,000,000	7,997,808	
Petron Corp. 5Yr Bonds (IMA)	5,000,000	4,996,985	
UBP Fixed Rate Bonds (IMA-TX)	1,100,000	1,098,748	
BDO Fixed Rate Bonds (IMA-TX)	27,600,000	27,551,645	
RCBC Unsec. Sub. Notes (IMA-TX)	12,720,000	12,705,525	
Security Bank Bonds (IMA-TX)	9,000,000	8,984,232	
Less: Allowance for impairment	-	(476,173)	
Long Term Negotiable Certificate of Deposit (LTNCD)			
SECURITY BANK CORP. LTNCD (IMA	33,000,000	32,942,184	
BPI LTNCD (IMA-TX) HTM	17,500,000	17,485,283	

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule A - Marketable Securities
May 31, 2020

Name of Issuing Entity and Association of Each Issue	*Number of Shares or Principal Amount of Bonds and Notes*	*Amounts Shown on the Statements of Financial Position*	*Income Received and Accrued*
Banco De Oro (BDO) Trust Account (continuation):			
Equity Securities			
Common Shares			
MEG	974,160	P	2,776,356
GLO	1,702		3,904,388
TEL	4,522		5,765,550
URC	51,600		6,759,600
RLC	265,730		3,927,489
PCOR	73,440		207,101
ALI	408,620		13,075,840
JGS	146,810		7,164,328
ICT	64,350		5,643,495
JFC	19,495		2,119,107
MBT	149,303		5,255,466
BPI	126,497		8,386,751
AC	17,184		12,845,040
MPI	1,257,070		3,632,932
SMPH	485,688		14,643,493
AEV	120,430		5,166,447
MER	16,020		4,533,660
DMC	267,430		1,053,674
BDO	120,840		12,132,336
SM	27,128		24,822,120
AP	248,660		6,912,748
PGOLD	49,690		2,285,740
GTCAP	7,469		2,890,503
SCC	123,810		1,364,386
RRHI	106,460		7,207,342
DNL	53,880		245,154
MWIDE	-		-
WLCON	173,490		2,637,048
FGEN	99,100		2,021,640
Preferred Shares			
ALTUS	4,452	P	4,452
DD	49,000		4,900,000
FGENF	145,000		14,935,000
FPHP	56,000		28,000,000
GLOBE PREF	96,240		48,986,160
GT Captial Holdings Inc. Series	4,500		4,455,000
UITF			
BDO-TRUST & INV	206,351	P	25,164,402
Totals for BDO Trust Account (FEU)		**P**	**790,935,311**

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule A - Marketable Securities
May 31, 2020

Name of Issuing Entity and Association of Each Issue	*Number of Shares or Principal Amount of Bonds and Notes*		*Amounts Shown on the Statements of Financial Position*		*Income Received and Accrued*
Banco De Oro (BDO) Trust Account:					
Government Securities					
FXTN 10-59 (IMA-TX)	P	5,000,000	P	5,260,628	
FXTN 10-61 (IMA-TX)		5,000,000		5,492,295	
FXTN 10-64 (IMA-TX)		3,500,000		4,414,203	
FXTN 3-24 (IMA-TX)		3,000,000		3,124,909	
FXTN 5-75 (IMA-TX)		7,000,000		7,472,124	
FXTN 7-58 (TX)		1,200,000		1,233,234	
FXTN 7-61 (TX)		3,000,000		3,378,920	
FXTN 7-62 (TX)		1,000,000		1,162,594	
RETAIL TREAS BONDS (R3-10) IMA		7,000,000		7,315,288	
RETAIL TREAS BONDS (R3-11) IMA		8,000,000		8,373,481	
RETAIL TREAS BONDS (R5-12) IMA		7,300,000		8,137,201	
Corporate Bonds					
ABOITIZ EQUITY VENTURES (TXI)		1,000,000		989,798	
ABOITIZ POWER CORP BONDS (TXI)		1,000,000		989,798	
AYALA CORP. FXD RATE BNDS (TX-		1,400,000		1,386,899	
AYALA LAND CORP BND TRNCHE2 (I		3,900,000		3,864,776	
AYALA LAND INC. CORP BOND (IMA		5,000,000		4,954,841	
AYALA LAND INC. CORP. BOND (IM		1,000,000		990,968	
BDO FIXED RATE BONDS (IMA-TX)		3,100,000		3,067,460	
MEGAWORLD CORP. BOND (IMA-TX)-		4,030,000		3,993,602	
NLEX CORP 7YR (IMA-TX)-HTC		1,620,000		1,602,178	
PETRON CORP. 5 YR BONDS (IMA -		1,000,000		990,642	
RCBC FIXED RATE BONDS (IMA-TX)		1,700,000		1,683,190	
SECURITY BANK BONDS (IMA-TX) H		2,000,000		1,979,006	
SMC BONDS (TX-IMA)-HTC		1,000,000		989,798	
Long Term Negotiable Certificate of Deposit (LTNCD)					
ROBINSONS BANK PESO LTNCD (IMA		5,000,000		5,064,965	
SECURITY BANK CORP. LTNCD (IMA		1,000,000		1,008,101	
Equity Securities					
Common Shares					
ABOITIZ EQUITY VENTURES		20,660	P	940,030	
ABOITIZ POWER CORP		20,730		559,710	
AYALA CORP.		1,230		955,710	
AYALA LAND		45,320		1,531,816	
BANK OF THE PHILIPPINE ISLANDS		10,729		772,488	
BDO UNIBANK INC		11,954		1,171,492	
DMCI HOLDINGS		26,520		108,732	
FIRST GEN CORPORATION		6,400		156,800	
GLOBE TELECOMS INC.		160		331,200	
GT CAPITAL HOLDINGS INC.		749		340,196	
INT'L CONTAINER		5,990		613,975	
JG SUMMIT HOLDINGS INC.		12,680		822,298	
JOLLIBEE FOODS CORP.		2,300		322,000	
MANILA ELECTRIC COMPANY		2,783		745,844	
MEGAWORLD CORPORATION		81,160		247,538	
METRO PACIFIC INVESTMENTS CORP		86,310		319,347	
METROPOLITAN BANK & TRUST COMP		12,974		480,038	
PLDT		490		612,500	
PUREGOLD PRICE CLUB INC.		2,140		99,189	
ROBINSON'S LAND		24,394		426,407	
ROBINSONS RETAIL HOLDINGS INC.		5,650		367,250	
SEMIRARA MINING CORP		7,520		95,354	
SM INVESTMENTS CORP		2,460		2,309,940	
SM PRIME HOLDINGS		70,660		2,250,521	
UNIVERSAL ROBINA		4,944		642,720	
WILCON DEPOT		10,170		157,432	
Preferred Shares					
GT Captial Holdings Inc. Series		1,000	P	1,005,000	
UITF					
BDO-TRUST & INV		30,516	P	3,727,453	
Totals for BDO Trust Account (EACCI)			**P**	**111,033,879**	

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule A - Marketable Securities
May 31, 2020

Name of Issuing Entity and Association of Each Issue	*Number of Shares or Principal Amount of Bonds and Notes*	*Amounts Shown on the Statements of Financial Position*	*Income Received and Accrued*
HSBC Account:			
UITF			
SEI GBL MSTR FD PLC - GBL FX INC FD USD	19,585	P 17,942,560	
SEI GBL MSTR FD PLC - US CORE FX INC	31,839	34,967,019	
SEI GBL MSTR FD PLC - EMRG MKTS DBT FD USD	10,607	15,227,048	
SEI GBL MSTR FD PLC - GBL OPP FX INC USD	19,189	19,682,494	
SEI GBL MSTR FD PLC - HGH YLD FX INC USD	4,654	10,375,422	
SEI GBL MSTR FD PLC - EMRG MKTS EQTY USD	5,668	8,409,385	
SEI GBL MSTR FD PLC - GBL EQTY USD	90,920	54,607,081	
SEI GBL MSTR FD PLC - GBL MGD VOL FD USD H	29,151	17,256,952	
SEI GBL MSTR FD PLC - PAN EURO SML CAP USD	5,023	3,646,184	
SEI GBL MSTR FD PLC - US SML COMPNS FD USD	1,398	5,636,246	
VINTAGE 2018 CARLYLE LP A USD	500,000	9,677,190	
HSBC DIVERSIFIED LOAN SCSP RAIF A USD	500,000	26,302,149	
SCHRODER ISF GLOBAL CREDIT INCOME A USD MCS	2,901	14,578,457	
Totals for HSBC Account (FEU)		**P 238,308,188**	

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule A - Marketable Securities
May 31, 2020

Name of Issuing Entity and Association of Each Issue	*Number of Shares or Principal Amount of Bonds and Notes*	*Amounts Shown on the Statements of Financial Position*	*Income Received and Accrued*
Other Investment Accounts			
Equity Securities (BPI Securities)			
Commons Shares			
CEU	2,273,007	P 12,728,839	
TECB2	281,000	11,973,601	
Preferred Shares			
GTPPA	7,940	P 7,860,600	
Total		**P 32,563,040**	
UITF (BPI)			
BPI SHORT TERM UITF	139,926	P 21,689,922	
BPI US DOLLAR SHORT TERM FUND	2,564	40,306,396	
BGF EURO SPL SITS FN NON DIS A2 USD HDGE	20,134	18,792,608	
BGF EURO SPL SITS FN NON DIS A2 USD HDGE	13,157	12,280,439	
BGF CONTINENTAL FN NON DIS A2 USD HDGE	2,300	1,691,745	
BGF EURO SPL SITS FN NON DIS A2 USD HDGE	913	852,173	
BGF CONTINENTAL FN NON DIS A2 USD HDGE	945	1,437,152	
BGF ASN GRWTH LDERS FN NON DIS A2	3,131	2,760,400	
BGF GLO EQTY IN FN NON DIS A2	4,398	3,681,106	
BGF EUROPN SPCL SITS FN NON DIS A2 USD	278	724,989	
BGF GLO MULTI ASSET IN FN DIS A6 USD	5,765	2,602,577	
BGF EMERGING EUROPE FN NON DIS A2	628	3,218,032	
Total		**P 110,037,540**	
Corporate Bonds (BPI)			
PETRON CORPORATION (3.2%, 10/27/2021)	P 15,000,000	P 15,000,000	
Filinvest DVP Cay Islands	200,000	10,009,291	
Braskem Finance Ltd Perpetual	70,667	3,536,616	
VLL International Inc	200,000	10,009,291	
AYC Finance Limited	500,000	25,023,226	
Bank of the Philippine Islands	200,000	10,009,291	
ICBCIL Finance Co. Ltd.	200,000	10,009,291	
Bank of the Philippine Islands	700,000	35,032,517	
BRASKEM FINANCE LTD PERPETUAL (remaining)	70,667	3,239,673	
VLL INTERNATIONAL INC	400,000	20,445,636	
AYC FINANCE LIMITED (1)	500,000	25,725,930	
ICBCIL FINANCE CO LTD	300,000	15,237,759	
AC ENERGY FIN INTL LTD (1)	200,000	10,099,795	
BANK OF THE PHILIPPINE ISLANDS	200,000	10,112,414	
AYC FINANCE LIMITED (3)	200,000	10,145,400	
AC ENERGY FIN INTL LTD (2)	200,000	10,145,400	
Total		**P 223,781,530**	
Others			
Anvaya Cove Beach and Nature Club	1	P 605,300	
Anvaya Cove Beach and Sports Club	1	3,026,500	
Total		**P 3,631,800**	
Grand Totals		**P 2,135,592,339**	**P 73,162,216**

Note:

The financial assets in this schedule is presented in the 2020 consolidated statement of financial position as follows.

Financial assets at fair value through profit or loss	*P*	*888,517,158*
Financial assets at fair value through other comprehensive income		*716,456,914*
Investment securities at amortized cost		*530,618,267*
	P	*2,135,592,339*
		(0.00)

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
ABAD, DIEGO JOSE	P 1,244	P -	P -	P -	P 1,244	P -	P 1,244
ABAD, Kastle Lee	-	-	(1,080)	-	(1,080)	-	(1,080)
Abala, Genelin	155	-	-	-	155	-	155
ABALOS, JOHN CARLO	(200)	-	(380)	-	(580)	-	(580)
ABANTAO, BANILINE	(1,790)	-	(980)	-	(2,770)	-	(2,770)
Abanto, Flordeliz L.	(19,005)	-	(2,175)	-	(21,180)	-	(21,180)
ABARETE, JOHN LLOYD	-	-	(900)	-	(900)	-	(900)
Abarrientos, Johnny	5,188	-	(5,188)	-	-	-	-
ABAYON, DARWIN	(282)	31,600	(33,400)	-	(2,082)	-	(2,082)
ABBAS, JAMAL	(681)	-	-	-	(681)	-	(681)
ABEJERO, ANGELO	(2,499)	-	(1,080)	-	(3,579)	-	(3,579)
ABELARDO, LUZVIMINDA	7,440	-	-	-	7,440	-	7,440
Abella, Maria Corazon	-	19,777	(19,777)	-	-	-	-
ABELLANA, EPHRAIMUEL JOSE	-	8,382	-	-	8,382	-	8,382
ABELLANA, FAE MARIE A.	-	63,000	-	-	63,000	-	63,000
Abello, Susan	10,062	-	-	-	10,062	-	10,062
Abenoja, Hazel	(709)	-	-	-	(709)	-	(709)
Abila, Charce Pearl	-	-	(1,120)	-	(1,120)	-	(1,120)
Abitria, Rommel	(2,008)	-	(654)	-	(2,662)	-	(2,662)
ABLAO, CARL JOSEPH	-	-	(900)	-	(900)	-	(900)
Ablola, Ferissa	-	-	(1,140)	-	(1,140)	-	(1,140)
Abordo, Alecks Megxel	-	-	(2,700)	-	(2,700)	-	(2,700)
ABOY, ZEUS	-	-	(900)	-	(900)	-	(900)
Abrantes, Rogelio	-	20,920	(4,295)	-	16,625	-	16,625
Abrenica, Vergenee Marree	(2,218)	-	(748)	-	(2,966)	-	(2,966)
ABRIGO, ALDREN	(1,001)	-	(560)	-	(1,561)	-	(1,561)
Abueva, Anna Marie	-	-	(1,800)	-	(1,800)	-	(1,800)
Acero, Francis	(177)	-	(308)	-	(485)	-	(485)
ACHACOSO, MARC DAVID	(500)	-	-	-	(500)	-	(500)
ACOL, ARCADIO	(572)	-	-	-	(572)	-	(572)
ACOMULAR JR., MELQUIADES A	112,000	-	-	-	112,000	-	112,000
ACOMULAR, MICHELLE S	(1,660)	-	-	-	(1,660)	-	(1,660)
ACUñA, JOHN PAUL	-	-	(300)	-	(300)	-	(300)
ADOLFO, DOMELYN	-	-	(900)	-	(900)	-	(900)
ADOLFO, KEVIN	-	-	(440)	-	(440)	-	(440)
Ador, Lauro	529	-	-	-	529	-	529
Adorable, Joshtien F	-	-	(1,020)	-	(1,020)	-	(1,020)
Adriano, Jose Arsenio	(280)	-	(1,160)	-	(1,440)	-	(1,440)
ADVINCULA, AL OTAYDE	-	22,732	(22,732)	-	-	-	-
Advincula, Helen	-	11,844	(8,367)	-	3,477	-	3,477
ADVINCULA, JASMIN	-	-	(900)	-	(900)	-	(900)
AGAR, ANNE GERALDINE	(681)	-	(800)	-	(1,481)	-	(1,481)
AGGABAO, JENNY ROSE	-	-	(1,800)	-	(1,800)	-	(1,800)
Agnes, Reynold D.	4,175	7,480	(4,336)	-	7,319	-	7,319
AGPAOA, VERLE	(1,009)	-	-	-	(1,009)	-	(1,009)
Agub, Christian	(881)	-	-	-	(881)	-	(881)
Aguila, Eirene Jhone	(1,090)	-	(740)	-	(1,830)	-	(1,830)
Aguila, Fitzgerald	9,105	-	-	-	9,105	-	9,105
AGUILA, RHEA KARIZZE	-	-	(900)	-	(900)	-	(900)
AGUILAR MAESTRO, MELROSE	(1,063)	-	-	-	(1,063)	-	(1,063)
AGUIRRE, MARIA LOURDES	-	-	(840)	-	(840)	-	(840)
AGUSTIN, ALLIE	(2,132)	-	-	-	(2,132)	-	(2,132)
AGUSTIN, John Michael	-	-	(1,800)	-	(1,800)	-	(1,800)
Agustin, Maria Theresa A.	8,640	30,646	(582)	-	38,704	-	38,704
Agustin, Rowena De Vera FERN.	-	-	38,000	-	38,000	-	38,000
AHMAD, INOCENCIA	(663)	-	-	-	(663)	-	(663)
AHMADZADEH, TERESITA	6,220	-	-	-	6,220	-	6,220
AKBAR, MARIA CHRISTINA (Alombro-Akbar)	(1,072)	-	(1,800)	-	(2,872)	-	(2,872)
AKRAM, THERMINA	-	-	(996)	-	(996)	-	(996)
Alabarca, Wilma	842	-	-	-	842	-	842
ALAGARAN II, JOSE REUBEN	-	-	(2,500)	-	(2,500)	-	(2,500)
Alava, Karla Jane D.	8,300	-	-	-	8,300	-	8,300
Alba, Michael	(91,037)	780,113	(92,045)	-	597,030	-	597,030
Albano, Allan Rey	5,188	9,000	(6,313)	-	7,875	-	7,875
Alberto, Julianne S	1,772	-	-	-	1,772	-	1,772
ALCALA, LOREN	-	-	(1,140)	-	(1,140)	-	(1,140)
ALCANO, ERNESTO	(1,862)	-	(1,700)	-	(3,562)	-	(3,562)
ALCANTARA, APRIL DE GUZMAN	(1,363)	-	-	-	(1,363)	-	(1,363)
ALCORAN, JOSEPH	-	-	(1,340)	-	(1,340)	-	(1,340)
ALDEA, MARY GRACE	(1,608)	-	-	-	(1,608)	-	(1,608)
ALEGRE, HADJI	-	-	(1,920)	-	(1,920)	-	(1,920)
Alejandro, Grecebio Jonathan	(400)	-	(1,720)	-	(2,120)	-	(2,120)
Alejandro, Ma. Michelle	2,229	-	-	-	2,229	-	2,229
Alejo, Cinderella	(491)	-	-	-	(491)	-	(491)
Alentajan, Carlo Bonifacio	(1,533)	-	(420)	-	(1,953)	-	(1,953)
ALER, DIOSDADO	(1,290)	-	(1,760)	-	(3,050)	-	(3,050)
ALFONSO, ANNA LIZA	-	-	(900)	-	(900)	-	(900)
ALFONSO, HANNAH JOYCE	(681)	-	-	-	(681)	-	(681)
ALFORTE, JUVY IRENE	119	-	-	-	119	-	119
Allam, Marion	(999)	-	-	-	(999)	-	(999)
ALMA, GERMAINE LOUISE	(500)	-	-	-	(500)	-	(500)
ALMANZOR, NIDHAL	-	-	(2,700)	-	(2,700)	-	(2,700)
ALOG, IMMAN PAUL A	-	13,290	(12,932)	-	358	-	358
ALOG, JACKYLENE C.	-	30,500	-	-	30,500	-	30,500
Alvendia, Balani	530	-	(2,020)	-	(1,490)	-	(1,490)
ALVERO, EDWARDO	17,095	-	(10,375)	-	6,720	-	6,720
ALVIOR, ELIZABETH	(1,363)	-	(1,800)	-	(3,163)	-	(3,163)
Amacan, Normita	5,778	-	-	-	5,778	-	5,778
Amarante, Nora	(35,756)	-	-	-	(35,756)	-	(35,756)
Amaranto, Roni Lyn	-	-	(2,000)	-	(2,000)	-	(2,000)
Amboy, Inoh Mark	-	-	(840)	-	(840)	-	(840)
AMION, ERICKSON	(1,172)	-	-	-	(1,172)	-	(1,172)
Amlog, Jocelyn A.	45,000	-	-	-	45,000	-	45,000
Amoncio, Lilia	(600)	-	-	-	(600)	-	(600)
AMORADO, JOSE AMOR	-	-	(2,405)	-	(2,405)	-	(2,405)
Amoroso, Dranyl	(77)	-	(1,389)	-	(1,466)	-	(1,466)
Ampatin, Estrella V.	82,536	-	-	-	82,536	-	82,536
Anagbogu, Ignatius	-	5,000	(5,000)	-	-	-	-
ANCHETA, JOIE FE	-	20,124	(20,855)	-	(731)	-	(731)
ANCHO, INERO	(504)	-	-	-	(504)	-	(504)
Andal, Elvira	(663)	-	-	-	(663)	-	(663)
Andal Jr., Sergio	(2,948)	-	(640)	-	(3,588)	-	(3,588)
ANDAYA, EDWARD	326	-	-	-	326	-	326
ANDAYA, MARK	(326)	-	-	-	(326)	-	(326)
Andrada, Gayleen H.	200	-	-	-	200	-	200
Andrade, Ru-gie Ann	1,400	-	-	-	1,400	-	1,400
ANES, JOHANNA	(681)	-	-	-	(681)	-	(681)
Ang-Angco Jr., Alfredo	2,017	-	-	-	2,017	-	2,017
ANGAT, BERNADETTE G	13,671	-	-	-	13,671	-	13,671
Angeles, Emerito	-	-	(500)	-	(500)	-	(500)
Angeles, Jocelyn Angelita	13,684	-	(12,789)	-	894	-	894

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
Anido, Cecilia I.	P 79,257	P -	P -	P -	P 79,257	P -	P 79,257
Anot Jr., Juanito	(794)	-	-	-	(794)	-	(794)
Ansano, Bela R.	11,590	-	-	-	11,590	-	11,590
ANTIG, LUIS DOMINICK	(1,363)	8,705	(8,705)	-	(1,363)	-	(1,363)
AñONUEVO, Leo Angelo Miguel	-	-	(2,100)	-	(2,100)	-	(2,100)
AñONUEVO, MELVIN	-	-	(420)	-	(420)	-	(420)
Apego, Christian	-	-	(900)	-	(900)	-	(900)
Apilado, Kathleen	1,300	-	-	-	1,300	-	1,300
APOLONIO, ROCEL	308,000	-	-	-	308,000	-	308,000
Apor, Rowee Andrew	-	-	(1,800)		(1,800)		(1,800)
AQUINO, ABNER	(672)	-	-	-	(672)	-	(672)
AQUINO, ALFIE	-	-	(880)	-	(880)	-	(880)
Aquino, Anna Esperanza	(645)	-	(400)	-	(1,045)	-	(1,045)
Aquino, David Robert	1,254	-	-	-	1,254	-	1,254
Aquino, Jefferson	2,880	-	(2,880)	-	-	-	-
Aquino, Raul	-	-	(1,800)	-	(1,800)	-	(1,800)
Aquino, Tetchie	(427)	-	-	-	(427)	-	(427)
Aquino, Timoteo	(1,825)	-	-	-	(1,825)	-	(1,825)
Aragones, Mary Ann F.	422	-	-	-	422	-	422
Araneta-Alana, Ma Nina	(899)	-	-	-	(899)	-	(899)
ARANZAMENDEZ, ROSALINA	(511)	-	-	-	(511)	-	(511)
Arboleda, Allen Dave	(436)	-	-	-	(436)	-	(436)
ARCEGA, RAYMUNDO P	-	-	(270)	-	(270)	-	(270)
ARCEO, ALELI	(424)	-	-	-	(424)	-	(424)
Arciaga, Roberto	-	-	(3,060)	-	(3,060)	-	(3,060)
Ardona, Glen Villaceran	-	-	(1,360)	-	(1,360)	-	(1,360)
ARENAS, MINERVA	-	23,026	(23,026)	-	-	-	-
Areola, Vina	7,700	-	-	-	7,700	-	7,700
Arevalo, Jeremy Jerome	-	-	(1,800)	-	(1,800)	-	(1,800)
Arizabal, Axel	(563)	-	-	-	(563)	-	(563)
ARGONIA, ADAM	-	-	(900)	-	(900)	-	(900)
ARLOS, AISA	-	-	(900)	-	(900)	-	(900)
Armingol, Kevin	39,326	-	(1,339)	-	37,987	-	37,987
AROJADO, LAWRENCE	10,375	19,000	(12,750)	-	16,625	-	16,625
ARPON, APRIL ROSE	(336)	-	-	-	(336)	-	(336)
Arreca, Emma	1,237	-	-	-	1,237	-	1,237
ARREDO, Ma. Kathern.	48,750	-	-	-	48,750	-	48,750
ARRIOLA, AXEL	-	-	(420)	-	(420)	-	(420)
Arroyo, Emil R.	(980)	-	-	-	(980)	-	(980)
Arshed, Muhammad	(354)	9,407	(9,407)	-	(354)	-	(354)
Artus, Glaiza	5,188	-	-	-	5,188	-	5,188
ARZADON, SYCHEM	(681)	-	-	-	(681)	-	(681)
Aseremo, Aleli Jihan	-	4,352	(4,792)	-	(440)	-	(440)
ASIA, JOSEPHUS	(745)	-	-	-	(745)	-	(745)
Asiatico, Ma. Dinah	1,908	-	-	-	1,908	-	1,908
Asis, Josephus Joannes	(709)	-	(588)	-	(1,297)	-	(1,297)
ASISTIO, EUNICE	(681)	-	-	-	(681)	-	(681)
ASPA, ROBERT	(818)	-	-	-	(818)	-	(818)
Astrologo, John Gervin	5,188	-	(5,188)	-	-	-	-
ASUNCION, ERIC JAYSON V	11,000	2,530	(2,530)	-	11,000	-	11,000
Asuncion, Janin Azeq Laxau R.	270	-	-	-	270	-	270
Asuncion, Miguel	753	-	-	-	753	-	753
Asuncion, Ruben	663	-	-	-	663	-	663
Atanacio, Fe A.	975	-	-	-	975	-	975
Atanacio, Heidi	112,000	-	-	-	112,000	-	112,000
ATANACIO, JOHN DAVID	-	785	(2,012)	-	(1,228)	-	(1,228)
ATENDIO, GIOVANNI	-	-	(900)	-	(900)	-	(900)
ATON, PEDRITO	(1,136)	-	-	-	(1,136)	-	(1,136)
Avila, Virgilio	654	-	-	-	654	-	654
Awi, Eric	1,254	-	-	-	1,254	-	1,254
AYAP, SEAN JUSTIN	10,375	19,000	(12,750)	-	16,625	-	16,625
Ayson, Arcelli R.	41,600	-	(41,600)	-	-	-	-
AZARCON, JOCELYN	(1,363)	-	-	-	(1,363)	-	(1,363)
BABARAN, RIZA GONZALES	1,772	-	-	-	1,772	-	1,772
Baccay, Yolanda	-	3,997	(3,997)	-	-	-	-
BACONG, JEANIE ROSE.	(1,666)	-	-	-	(1,666)	-	(1,666)
Badilla, Nelson S.	69	-	-	-	69	-	69
Badditi, Edilwasif	1,908	-	(820)	-	1,088	-	1,088
BAGTAS, ELENA	(318)	-	-	-	(318)	-	(318)
BAGUSI, ALAIN	(409)	-	-	-	(409)	-	(409)
BAILON, AMPARO	-	-	(1,680)	-	(1,680)	-	(1,680)
Baja, Lauro L.	996	-	-	-	996	-	996
BAJAI, MA. GEENELL Q	-	16,250	(18,050)	-	(1,800)	-	(1,800)
BAJAMUNDE III, LORENZO	-	9,000	(1,125)	-	7,875	-	7,875
BALADAD, MARJORIE ANNE U	-	-	(299)	-	(299)	-	(299)
Balasa, Mark	(1,844)	-	-	-	(1,844)	-	(1,844)
BALAWANG, BEA JOSEFINA O	-	-	(500)	-	(500)	-	(500)
Balbastro, Maria Theresa R.	2,007	-	-	-	2,007	-	2,007
Balbuena, Prikem	200	-	-	-	200	-	200
BALDOVINO, CARMELO JR	(1,281)	-	(1,600)	-	(2,881)	-	(2,881)
BALILO, HIROO	-	-	(900)	-	(900)	-	(900)
BALINGIT, LEA	-	-	(1,800)	-	(1,800)	-	(1,800)
BALISCAO, MARIA ELAINE	-	56,000	(56,000)	-	-	-	-
BALOG, PERSIEUS	(681)	-	-	-	(681)	-	(681)
Balte, Rocell Mari Ejoy	-	-	(2,700)	-	(2,700)	-	(2,700)
BANA III, NORBERTO	(1,971)	50,385	(52,185)	-	(3,771)	-	(3,771)
BANAL, RUSTON JR.	(572)	-	-	-	(572)	-	(572)
Bano, Eric Samovar	-	-	(2,700)	-	(2,700)	-	(2,700)
Bantayan, Maria Emilia R.	5,710	-	-	-	5,710	-	5,710
BARILE, MONIQUE	(2,044)	-	-	-	(2,044)	-	(2,044)
BARO, GERALD DICK.	(2,944)	-	(680)	-	(3,624)	-	(3,624)
Baroque Jr, Teodoro	(1,190)	-	(1,620)	-	(2,810)	-	(2,810)
BARREDO, MA. KATHRYN	(51,575)	-	-	-	(51,575)	-	(51,575)
Barrios, Jonathan	2,344	-	-	-	2,344	-	2,344
Barro, Liana	-	12,780	(12,780)	-	-	-	-
BARTOLOME, MA. SOCORRO	(900)	-	(1,480)	-	(2,380)	-	(2,380)
BARTOLOME, NORIZCELLE PEAR	-	-	(900)	-	(900)	-	(900)
BARTOLOME, REODERICK	500	-	-	-	500	-	500
BARTONICO, RENZ	(781)	-	-	-	(781)	-	(781)
Basinilio, Catherine	(844)	-	-	-	(844)	-	(844)
BATALLA, VERONICA	4,093	-	-	-	4,093	-	4,093
Batang, Delia	-	-	-	-	-	-	-
Batiller Jr., Gregorio	(177)	-	-	-	(177)	-	(177)
Batin, Judith J.	975	-	(975)	-	-	-	-
Baul, Bernadette	-	-	(1,800)	-	(1,800)	-	(1,800)
Bautista, Aimee Dresa	(1,363)	-	-	-	(1,363)	-	(1,363)
Bautista, Clinton Kingsley	5,188	9,000	(6,313)	-	7,875	-	7,875
Bautista, Danilo	655	-	-	-	655	-	655
BAUTISTA, JEROME CHARLES	(282)	-	-	-	(282)	-	(282)
Bautista, Juan Andres	11,214	-	-	-	11,214	-	11,214
Bautista, Meinard	353	-	-	-	353	-	353

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
Bautista, Michelle	P 20,750	P -	(P 20,750)	P -	P -	P -	P -
BAUTISTA, REINER CHAN	(1,581)	-	(2,700)	-	(4,281)	-	(4,281)
Bautista, Teresita	(1,128)	-	-	-	(1,128)	-	(1,128)
BAYAN, KARLA MAY	-	19,000	(2,375)	-	16,625	-	16,625
BAYANI, MARY ANN	-	-	(2,700)	-	(2,700)	-	(2,700)
BAYBAYON, GILBERT	-	-	(900)	-	(900)	-	(900)
BEJO, NOEL	-	4,365	(4,365)	-	-	-	-
Belardo, Amy	10,375	-	(12,750)	-	(2,375)	-	(2,375)
BELLEN, MARIANGELA	(252)	-	-	-	(252)	-	(252)
Belleza, Asuncion L.	11,201	19,000	(12,750)	-	17,451	-	17,451
BELLO, CHARLIE	-	17,420	-	-	17,420	-	17,420
Bello, Maria Eliza	(906)	19,000	-	-	18,094	-	18,094
Bello, Yolanda	-	514	(514)	-	-	-	-
BELTRAN, FRANCES	-	-	(900)	-	(900)	-	(900)
Beltran, Loysabel	41,600	-	-	-	41,600	-	41,600
Benico, Ericson	14,500	-	-	-	14,500	-	14,500
Benicta, Eugeene Emmanuel	(681)	19,036	(20,556)	-	(2,201)	-	(2,201)
Benoya, Serknight	-	-	(1,800)	-	(1,800)	-	(1,800)
Bercede, Daniel	-	-	(1,800)	-	(1,800)	-	(1,800)
Bermachea, Ann Daryl	529	-	-	-	529	-	529
BERMUDEZ, Neil	-	-	(2,800)	-	(2,800)	-	(2,800)
BERMUDEZ, ROSEMARIE	(1,363)	-	-	-	(1,363)	-	(1,363)
Bernaldez, Isachar	1,854	-	(900)	-	954	-	954
Bernardino, Maria Aleli	-	-	(3,020)	-	(3,020)	-	(3,020)
Bernardo, Emily	889	-	-	-	889	-	889
BERNARDO, REDANTE R	-	-	(179)	-	(179)	-	(179)
Bernardo, Rodrigo	28,411	-	-	-	28,411	-	28,411
Berosil, Jaderick N.	-	28,220	(30,420)	-	(2,200)	-	(2,200)
BESA, GRACE F.	59,360	-	(59,360)	-	-	-	-
Betia, Jem Ryn	6,168	9,000	(6,313)	-	8,855	-	8,855
Betita, Eva	(980)	-	-	-	(980)	-	(980)
Bilan, Jeanette L.	1,326	-	-	-	1,326	-	1,326
Billoso, Manuel	-	1,423	(1,423)	-	-	-	-
BINARAO ,ROMAEL	(781)	-	-	-	(781)	-	(781)
Bingculado, Roger	24,300	-	-	-	24,300	-	24,300
BINUYA, MARIA VERONICA	(609)	-	-	-	(609)	-	(609)
BISCOCHO, GLYZA VANETH	(636)	-	-	-	(636)	-	(636)
Blas, Maria Theresa	(345)	-	(1,035)	-	(1,380)	-	(1,380)
Blas, Nikki	1,663	-	-	-	1,663	-	1,663
BO, MA. MELISSA	(691)	-	-	-	(691)	-	(691)
BOBADILLA, THANIA	13,234	-	-	-	13,234	-	13,234
BOBON, MARIE ANTONNETE	(2,471)	-	-	-	(2,471)	-	(2,471)
BOLO JR., BENJAMIN ARCANGEL	(681)	1,709	-	-	1,028	-	1,028
BONAOBRA, SALVADOR	-	7,393	(7,393)	-	-	-	-
BONCAN, MARINIZA	(29,695)	-	-	-	(29,695)	-	(29,695)
BONGOLAN, JENNY SHIEL S.	(725)	-	(2,175)	-	(2,900)	-	(2,900)
BONTUYAN, PETER ALLAN	(1,281)	-	-	-	(1,281)	-	(1,281)
Borines, Marissa	(391)	-	-	-	(391)	-	(391)
BORJA, CATHERINE	(1,499)	-	(489)	-	(1,988)	-	(1,988)
BORJA, GENESIS	(663)	-	-	-	(663)	-	(663)
Borja, Sofriano	10,375	19,000	(12,750)	-	16,625	-	16,625
Borja, Victoria Ana	-	11,905	(11,905)	-	-	-	-
BORROMEO, AGUSTIN MIGUEL	-	-	(900)	-	(900)	-	(900)
Botaslac, Benjamin	10,375	19,000	(12,750)	-	16,625	-	16,625
BRAGAIS, MA. ROSA	-	-	(900)	-	(900)	-	(900)
Bragas,Bernard	(681)	-	-	-	(681)	-	(681)
Bravo, Arnel	(725)	-	(2,175)	-	(2,900)	-	(2,900)
Bremner, Pamela Rose	-	-	(1,440)	-	(1,440)	-	(1,440)
Briones, Domingo	11,376	-	-	-	11,376	-	11,376
Briones, Ritchelle	(3,758)	-	-	-	(3,758)	-	(3,758)
BRIOSO, JOHN OLIVER	497	6,423	(6,919)	-	-	-	-
Brito, Razel	225	-	-	-	225	-	225
BRODBECK, ANNA MARIE G.	22,520	-	-	-	22,520	-	22,520
Bronce, Roentgen	(1,163)	-	(588)	-	(1,751)	-	(1,751)
BRUGADA, KRISTOFFER	(361)	-	-	-	(361)	-	(361)
BUEN, RONALD	(169)	-	(360)	-	(529)	-	(529)
Buenafe, Maria Belinda	80,822	14,400	(18,842)	-	76,380	-	76,380
BUENAVENTURA, DINA	(681)	-	-	-	(681)	-	(681)
BUENAVENTURA, ERNESTO M.	166,465	-	(731)	-	165,734	-	165,734
BUENCAMINO, FELIPE	(1,108)	-	-	-	(1,108)	-	(1,108)
BUENCONSEJO, ROSEMARIE	224,000	20,640	(20,640)	-	224,000	-	224,000
Bueno, Harold	(2,900)	-	-	-	(2,900)	-	(2,900)
Bueno, Marivie	10,371	-	-	-	10,371	-	10,371
BUNAG, JOSE ANGELO	-	-	(740)	-	(740)	-	(740)
Bunuan, Edita	4,500	-	-	-	4,500	-	4,500
Buquid, Apolonio A.	11,487	-	-	-	11,487	-	11,487
Bustamante, Maria Christine	499	-	-	-	499	-	499
BUTIONG, ARNULFO	-	-	(960)	-	(960)	-	(960)
Buzon, Nancy	2,175	-	-	-	2,175	-	2,175
Caagbay, Elpidio Z.	22,245	19,000	(23,125)	-	18,120	-	18,120
CAAWAY, JOSE JAMIR	10,000	-	-	-	10,000	-	10,000
CabaCaba, Mart Clever	(427)	-	-	-	(427)	-	(427)
CABACUNGAN, LEIGH ARNIE	-	11,583	(13,383)	-	(1,800)	-	(1,800)
Caballero, Dominador	(318)	-	-	-	(318)	-	(318)
Caballes, Bernadette	1,142	-	-	-	1,142	-	1,142
Cabaltica, Leilani A.	2,130	-	-	-	2,130	-	2,130
Cabaluna, Sarah	-	-	(1,800)	-	(1,800)	-	(1,800)
CABANERO, ROBERT	-	-	(540)	-	(540)	-	(540)
CABANZA III, LEO GUARIN	2,044	-	-	-	2,044	-	2,044
CABARLOC, BYRON	-	-	(900)	-	(900)	-	(900)
Cabasada, Albert R. III	(38,248)	-	-	-	(38,248)	-	(38,248)
Cabasal, Herwin	(776)	4,001	(4,001)	-	(776)	-	(776)
CABIEDES, VANNESA GRACE	-	10,681	(10,681)	-	-	-	-
Cabral, Raymond Nonnatus	82	-	-	-	82	-	82
Cabrera Jr., Epifanio	-	-	(1,800)	-	(1,800)	-	(1,800)
Cabrera, Roberlyn	3,318	-	-	-	3,318	-	3,318
Cabuhayan, Erlyn	(931)	-	-	-	(931)	-	(931)
Cabungan, Mike Christian	-	9,000	(1,125)	-	7,875	-	7,875
Cachero, Jason Decena	869	-	(900)	-	(31)	-	(31)
Cada, Mary Christine A.	-	48,017	(51,617)	-	(3,600)	-	(3,600)
Cadorna, Rosemarie S.	656	-	-	-	656	-	656
CAHILIG, CHARLES JASON	(681)	-		-	(681)	-	(681)
CAHIWAT, MARY LORNA C	-	-	(900)	-	(900)	-	(900)
Cajucom, Klarise Anne	-	-	(2,900)	-	(2,900)	-	(2,900)
Cajuday, Noel	31,650	21,800	(17,650)	-	35,800	-	35,800
Calaque, Precy Mae	881	-	-	-	881	-	881
CALDERON, FRANCIS ADRIAN	-	16,250	(18,050)	-	(1,800)	-	(1,800)
CALIMPAS, JOAN	(23,857)	7,000	(7,000)	-	(23,857)	-	(23,857)
CaLINGASAN, Recto	613	-		-	613	-	613
CALUNSAG, JEDIDIAH	(2,044)	-		-	(2,044)	-	(2,044)
CALUPAZ, MA. LUTGARDA	(100)	-	(100)	-	(200)	-	(200)

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
Calzado, Catherine	P -	P -	(P 880)	P -	(P 880)	P -	(P 880)
Camacho, Paolo Francisco B	820	-	(459)	-	361		361
Camaclang, Merlita J.	3,068	-	-	-	3,068	-	3,068
CAMANA, LOVE	(375)	-	(1,125)	-	(1,500)	-	(1,500)
CAMARAO, MARY CRYSTAL	(282)	16,250	(17,150)	-	(1,182)	-	(1,182)
CAMARISTA, RENAND	(681)	-	-	-	(681)	-	(681)
Cambe, Dhonna	5,760	15,201	(20,961)	-	-	-	-
Campos, Maria Paz	753	-	-	-	753	-	753
CAMUS, RAFAEL LAO	(640)	-	(640)	-	(1,280)	-	(1,280)
Canares, Jonathan	23,750	9,213	(3,306)	-	29,658	-	29,658
CANDIDO, FRANCIS JOHN	-	3,861	(4,441)	-	(580)	-	(580)
Cañero, Marvin	(2,389)	-	(604)	-	(2,993)	-	(2,993)
CANETE, GERALDINE	(681)	-	(900)	-	(1,581)	-	(1,581)
CANIZARES, EMMANUEL G	-	9,797	-	-	9,797	-	9,797
Canoza, Geraldine	(4,600)	86,703	(34,996)	-	47,107	-	47,107
Cao, Marilou F.	131,416	7,409	(7,409)	-	131,416	-	131,416
CAOAGDAN, MARIA ALMA	(1,363)	-	(1,320)	-	(2,683)	-	(2,683)
Caparas, Maria Vida	(781)	-	-	-	(781)	-	(781)
Caramanza, Edward M.	6,300	-	-	-	6,300	-	6,300
Caranguan, Rey	(1,526)	-	(1,400)	-	(2,926)	-	(2,926)
Carbonera, Jay Eulogio	2,344	-	-	-	2,344	-	2,344
CARDENAL, JOFFREY	-	-	(2,843)	-	(2,843)	-	(2,843)
CARDENAS, REINALYN	(1,363)	-	-	-	(1,363)	-	(1,363)
CARILLO-RIVERA, KRISTINE BERNADETTE	-	71,462	(56,000)	-	15,462	-	15,462
CARILLO, MARIA VERNICA	(681)	-	-	-	(681)	-	(681)
CARILLO, RENZ ROE	(1,363)	-	-	-	(1,363)	-	(1,363)
CARINO -Mendoza. Rachel	582	-	-	-	582	-	582
CARIT, LALY I	-	-	(820)	-	(820)	-	(820)
Carpio, Miguel M.	(67,585)	-	-	-	(67,585)	-	(67,585)
CARPIO, NIMROD	(854)	-	-	-	(854)	-	(854)
Carpio, Rustica	1,413	-	-	-	1,413	-	1,413
Casaclang, Editha	(1,285)	-	-	-	(1,285)	-	(1,285)
Casado, Eric	-	9,260	(9,260)	-	-	-	-
Casas, Criselda	-	16,428	(14,858)	-	1,570	-	1,570
CASBADILLO. FREEDOM	-	-	(900)	-	(900)	-	(900)
Casis, Ferdinand	(1,396)	-	(779)	-	(2,175)	-	(2,175)
CASTIL, KATHERINE	-	-	-	-	-	-	-
CASTILLO, CAROLINA	1,170	-	-	-	1,170	-	1,170
CASTILLO, DIANAFE	(681)	12,158	(13,058)	-	(1,581)	-	(1,581)
Castillo, Flordeliza	725	-	(725)	-	-	-	-
Castillo, Jan	2,456	-	-	-	2,456	-	2,456
CASTILLO, JEFFREY	(963)	-	-	-	(963)	-	(963)
CASTILLO, Kim	-	-	(1,020)	-	(1,020)	-	(1,020)
CASTILLO, LAWRENCE	(681)	-	-	-	(681)	-	(681)
CASTILLO, Paul	-	-	(451)	-	(451)	-	(451)
Castillo, Perlita C.	5,000	-	-	-	5,000	-	5,000
Castrence, Bob Chaerwin	-	-	(1,760)	-	(1,760)	-	(1,760)
Castro, Joeven	(89,187)	424,750	(250,502)	-	85,061	-	85,061
CASTRO, JOHN MIKE	-	-	(900)	-	(900)	-	(900)
Castro, Lawrence Christopher	896	-	-	-	896	-	896
CATAMORA, CATHERINE	497	1,932	(2,429)	-	-	-	-
CATRONUEVO, ELLAINE	-	19,000	(2,375)	-	16,625	-	16,625
Catchillar, Ulysses	(1,119)	2,973	(2,973)	-	(1,119)	-	(1,119)
Cebu, Teodora Arlene	25,025	-	-	-	25,025	-	25,025
CELENDRO, MARVIN KIM	-	-	(1,800)	-	(1,800)	-	(1,800)
CELESTINO, LEONORA	-	-	(720)	-	(720)	-	(720)
CELIZ, PRETTY B	-	-	(900)	-	(900)	-	(900)
Ceniza, Sergio	(1,417)	-	(640)	-	(2,057)	-	(2,057)
Centeno, Raf Sopia	-	-	(3,600)	-	(3,600)	-	(3,600)
Cersa, Roger Don	(777)	-	-	-	(777)	-	(777)
Cervantes-Poco, Maria Patricia	(177)	-	(1,020)	-	(1,197)	-	(1,197)
Chan, Gerard	800	-	-	-	800	-	800
Chanco, Christine R.	975	-	-	-	975	-	975
Chastein, Cherry P.	10,000	-	-	-	10,000	-	10,000
CHAVEZ, JAYSON	(79,265)	-	-	-	(79,265)	-	(79,265)
Chavez, Joel	(13,515)	-	-	-	(13,515)	-	(13,515)
CHAVEZ, MYCAH AMELITA	-	16,739	(16,739)	-	-	-	-
CHENG, ARNOLD	(890)	-	-	-	(890)	-	(890)
CHUA, ALEXIS	(192)	-	(900)	-	(1,092)	-	(1,092)
Chua, Wilson	3,720	-	-	-	3,720	-	3,720
CIUBAL, Willie	-	2,008	(2,008)	-	-	-	-
CIPRIANO, ROSEL O	-	-	(266)	-	(266)	-	(266)
CIVIL, JERWIN JOHN Y	-	-	(900)	-	(900)	-	(900)
CLARAVALL, MAYRAH ROSE	(636)	-	-	-	(636)	-	(636)
CLAUD, FREEDIERICK	-	-	(760)	-	(760)	-	(760)
Clemente, Jellyn	1,254	-	-	-	1,254	-	1,254
CLEMENTE, WINNIE	-	-	(900)	-	(900)	-	(900)
CO, JESSICA ANNE	(1,127)	-	(444)	-	(1,570)	-	(1,570)
CO, LEAH REBECCA C.	2,072	56,000	(57,800)	-	272	-	272
Cobarrubias, Normita	(5,778)	31,149	-	-	25,371	-	25,371
Coladilla, Marilyn	(1,363)	-	-	-	(1,363)	-	(1,363)
COLLADO, KLERVIN	-	-	(900)	-	(900)	-	(900)
CONCHA, EZEKIEL	-	-	(900)	-	(900)	-	(900)
Conde, Alita	(288)	-	-	-	(288)	-	(288)
Conde Jr., Francisco	1,581	-	-	-	1,581	-	1,581
Constantino, Michelle Anne	10,375	-	(14,375)	-	(4,000)	-	(4,000)
CORDERO, ALYSSA	-	-	(900)	-	(900)	-	(900)
CORDOBA, ENRICO	(1,663)	-	(620)	-	(2,283)	-	(2,283)
Cordova, Maria Fleur	5,907	-	-	-	5,907	-	5,907
CORILLO, MARY JANE	-	-	(1,720)	-	(1,720)	-	(1,720)
CORNELI, DARYL ACE	(854)	-	-	-	(854)	-	(854)
CORPUS, DAVID	(681)	-	-	-	(681)	-	(681)
Corpuz, Christina	1,748	-	-	-	1,748	-	1,748
Corpuz, Donn Christian	2,344	-	-	-	2,344	-	2,344
CORTEZ, DANILO	-	-	(420)	-	(420)	-	(420)
CORTES, LURHEN	(681)	17,690	(19,490)	-	(2,481)	-	(2,481)
CORTEZ, Brigette Faye	-	-	(1,800)	-	(1,800)	-	(1,800)
CORTEZ, MARIA CATHERYN	-	-	(900)	-	(900)	-	(900)
Cortez, Myrna	16,289	-	-	-	16,289	-	16,289
CORTEZ, SALVE REGINA	(1,744)	-	(1,051)	-	(2,796)	-	(2,796)
COTORNO, LORINE	-	18,733	(18,733)	-	-	-	-
CRUDA JR/, VICTORIANO L	-	-	(720)	-	(720)	-	(720)
Cruz- LICOP, ANNA PAULINE	-	10,080	(10,080)	-	-	-	-
CRUZ, ARIES	1,318	-	-	-	1,318	-	1,318
Cruz, Benjamin F.	2,000	-	-	-	2,000	-	2,000
CRUZ, CHESTER ANTHONY	(681)	-	-	-	(681)	-	(681)
CRUZ, DREXEL HEINZ	(482)	-	(680)	-	(1,162)	-	(1,162)
Cruz, Eloisa G.	3,363	-	-	-	3,363	-	3,363
Cruz, Elvin	753	-	-	-	753	-	753
Cruz, Jayson	1,000	3,967	-	-	4,967	-	4,967
Cruz, Jim	-	-	(1,800)	-	(1,800)	-	(1,800)

Forward

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			Amounts Collected	*Amounts Written-Off*			
CRUZ, JOYCE VERNADETH	P 681	P -	P -	P -	P 681	P -	P 681
CRUZ, Kathleen Mae	-	-	(1,800)	-	(1,800)	-	(1,800)
CRUZ, KIMMY	(681)	-	-	-	(681)	-	(681)
CRUZ, LOUIS	-	-	(840)	-	(840)	-	(840)
Cruz, Maria Ruth M.	(37,500)	-	-	-	(37,500)	-	(37,500)
Cruz, Michael Steve	-	-	(1,800)	-	(1,800)	-	(1,800)
CRUZ, NATHANIEL	(1,254)	-	-	-	(1,254)	-	(1,254)
CRUZ, NESTLY ANNE	2,044	-	-	-	2,044	-	2,044
CRUZ, RAQUEL	-	-	(900)	-	(900)	-	(900)
CRUZ, RICARDO	(318)	-	-	-	(318)	-	(318)
Cruz, Sandra Lyn	44,781	-	-	-	44,781	-	44,781
Cruz, Teresita	1,054	-	-	-	1,054	-	1,054
CU, NEUGENE	-	-	(780)	-	(780)	-	(780)
CUADRA, KURT	(1,953)	-	-	-	(1,953)	-	(1,953)
Cuario, Rishirl	(163)	-	(900)	-	(1,063)	-	(1,063)
Cuason, Willy	(2,217)	-	(1,800)	-	(4,017)	-	(4,017)
CUCIO, MARIA RITA	(776)	-	-	-	(776)	-	(776)
CUDOG, VENMAR	(681)	-	-	-	(681)	-	(681)
CUERPO, VON BRYAN	-	-	(2,499)	-	(2,499)	-	(2,499)
CUEVAS, CAROLYN	(391)	-	(880)	-	(1,271)	-	(1,271)
Cuevas, George	836	-	-	-	836	-	836
Cuibillas, Jorge	(8,400)	-	-	-	(8,400)	-	(8,400)
Culala, Harold John O. with cr from old	(3,246)	19,000	(2,375)	-	13,379	-	13,379
Cunanan, Fernando M.	1,025	-	-	-	1,025	-	1,025
CUSI, EDGAR	-	-	-	-	-	-	-
CUSTODIO, ,MARIE FRANCES	(536)	-	-	-	(536)	-	(536)
Dacela, Mark Anthony	-	-	(1,080)	-	(1,080)	-	(1,080)
DADUFALZA, GRACE	(1,363)	12,784	(13,684)	-	(2,263)	-	(2,263)
Dadulla Jr, Jose Pepito Yamongan	(0)	-	(900)	-	(900)	-	(900)
Dagal, Keneth Adrian	(931)	-	-	-	(931)	-	(931)
Dagalangit, Rahabansa	1,908	-	-	-	1,908	-	1,908
DAGOHOY, FRANCISCO	681	-	-	-	681	-	681
Dalao, Joseph	(999)	-	(900)	-	(1,899)	-	(1,899)
Dalit, Alexandre	1,563	-	-	-	1,563	-	1,563
DALOOS, MONICA	-	-	(380)	-	(380)	-	(380)
Dalton, Juanita	618	-	-	-	618	-	618
DANGARAN, SHARMAINE	2,689	-	-	-	2,689	-	2,689
DANIPOG, LORRAINE L	-	-	(212)	-	(212)	-	(212)
DASALLA, MARIA ARDHAIL	-	-	(1,720)	-	(1,720)	-	(1,720)
Dating, Jaclyn	-	-	(1,800)	-	(1,800)	-	(1,800)
DATU, ERLIN	(1,663)	-	-	-	(1,663)	-	(1,663)
DAVID, JOSE ANGELO	(1,408)	-	-	-	(1,408)	-	(1,408)
Dayag, Kate Ashlyn	(1,698)	-	(900)	-	(2,598)	-	(2,598)
DAYEGO, VICTORINO	10,375	-	(10,375)	-	-	-	-
De Castro, Deo Lorenzo	(745)	-	-	-	(745)	-	(745)
DE CASTRO, JEFFREY	-	-	(1,480)	-	(1,480)	-	(1,480)
DE CHAVEZ, AVELINO	(513)	-	(1,440)	-	(1,953)	-	(1,953)
De Guzman, Danielle	(449)	-	-	-	(449)	-	(449)
De Guzman, Guillerma	10,872	26,683	(20,930)	-	16,625	-	16,625
De Guzman, Jericho D.	8,460	-	-	-	8,460	-	8,460
De Guzman, Jonathan	5,188	9,000	(6,313)	-	7,875	-	7,875
DE GUZMAN, KYLE PATRICK	-	-	(1,800)	-	(1,800)	-	(1,800)
De Jesus, Edilberto	9,368	202,510	-	-	211,878	-	211,878
DE JESUS, EUGENE	(631)	-	(1,760)	-	(2,391)	-	(2,391)
DE JESUS, IRISSE BIANCA	-	-	(1,800)	-	(1,800)	-	(1,800)
DE JESUS, JELIANNE SHAREE	-	-	(900)	-	(900)	-	(900)
DE LEO, RAN	-	-	(900)	-	(900)	-	(900)
De Leon, Allan	-	19,000	-	-	19,000	-	19,000
De Leon, Angelito	10,375	-	(21,850)	-	(11,475)	-	(11,475)
De Leon, Avegail	-	-	(425)	-	(425)	-	(425)
De Leon, Dino Robert	(1,899)	-	(526)	-	(2,425)	-	(2,425)
DE LEON, EDWARD	(681)	-	-	-	(681)	-	(681)
De Leon, Emma Rose H.	5,940	-	-	-	5,940	-	5,940
De Leon, Jocelyn	249,020	176,923	-	-	425,942	-	425,942
De Leon, John Angelo	(10,167)	-	-	-	(10,167)	-	(10,167)
DE LEON, JONATHAN	(1,363)	-	-	-	(1,363)	-	(1,363)
DE LEON, Kriselle	-	-	(1,080)	-	(1,080)	-	(1,080)
De Leon, Lemuel	10,375	19,000	(12,750)	-	16,625	-	16,625
DE LEON, MARVIN	(1,317)	-	-	-	(1,317)	-	(1,317)
DE LEON, RYAN	-	-	(2,040)	-	(2,040)	-	(2,040)
DE LEON, WENDY	(681)	-	(900)	-	(1,581)	-	(1,581)
DE MESA, JAN ELMER A	-	-	(900)	-	(900)	-	(900)
De Rosas, Dario	-	9,000	(1,125)	-	7,875	-	7,875
DE ROXAS, DIANNE	(318)	-	-	-	(318)	-	(318)
De Torres, Ana Maria Josefina	1,563	-	-	-	1,563	-	1,563
De Torres, Noreen	-	-	(2,700)	-	(2,700)	-	(2,700)
DE VEGA, NORIEVA	(2,044)	-	(851)	-	(2,895)	-	(2,895)
De Vera, Antonio	2,492	-	-	-	2,492	-	2,492
DE VERA, DALE	-	-	(1,440)	-	(1,440)	-	(1,440)
De Vera, Jose Rizalito	-	36,139	(30,193)	-	5,946	-	5,946
DE VERA, JULIE	-	-	(1,000)	-	(1,000)	-	(1,000)
DE VERA, MELVIN	491	-	-	-	491	-	491
De Vera, Michael	58,088	4,260	(5,000)	-	57,348	-	57,348
DE VERA, NIKHOLE	(338)	-	(500)	-	(838)	-	(838)
DE VERA,ROWENA	-	-	(38,000)	-	(38,000)	-	(38,000)
De Viana, Lorelei	28,633	-	-	-	28,633	-	28,633
De Villa, Sienna Marie	-	-	(1,800)	-	(1,800)	-	(1,800)
Deabanico, Eden Gay	-	-	(1,800)	-	(1,800)	-	(1,800)
Decena, Jennelyn	-	-	(680)	-	(680)	-	(680)
Defensor, Marshal	979	-	-	-	979	-	979
DEL OCAMPO, REYJANE	-	-	(900)	-	(900)	-	(900)
DEL ROSARIO, ELAINE	(2,458)	-	-	-	(2,458)	-	(2,458)
DEL ROSARIO, FRANCES MARIE	(32,500)	-	-	-	(32,500)	-	(32,500)
DEL ROSARIO, JHOMEL	(681)	-	-	-	(681)	-	(681)
DEL ROSARIO, JOHNCENT	-	8,841	(2,841)	-	6,000	-	6,000
Del Rosario, Julius	5,845	9,000	(6,313)	-	8,532	-	8,532
Del Rosario, Maria Theresa	1,458	-	(900)	-	558	-	558
Del Rosario, Mark	-	-	(1,500)	-	(1,500)	-	(1,500)
DEL ROSARIO, RUTH O.	-	75,000	-	-	75,000	-	75,000
Dela Cerna, Lyle	691	-	-	-	691	-	691
DELA CRUZ, ALEXIS IAN	(597)	-	-	-	(597)	-	(597)
DELA CRUZ, ALMA EMERITA V	137,091	118,981	-	-	256,072	-	256,072
Dela Cruz, Bryan	1,500	-	-	-	1,500	-	1,500
Dela Cruz, Joseph	-	-	(1,020)	-	(1,020)	-	(1,020)
Dela Cruz Jr., Leonard	-	-	(598)	-	(598)	-	(598)
DELA CRUZ, MARCHAEL JOSEPH	-	15,915	(16,006)	-	(90)	-	(90)
DELA CRUZ, MARICAR	(1,363)	-	-	-	(1,363)	-	(1,363)
Dela Cruz, Mantes J.	8,552	-	-	-	8,552	-	8,552
DELA CRUZ, NOEL	6,455	-	-	-	6,455	-	6,455
Dela Cruz, Rebecca S.	16,195	-	-	-	16,195	-	16,195
Dela Paz, Ellen	2,403	-	-	-	2,403	-	2,403

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Dela Paz, Emily C.	P 6,459	P -	P -	P -	P 6,459	P -	P 6,459
Dela Paz, Erica Silk	681	-	-	-	681	-	681
Dela PAZ, JONALYN	(1,363)	-	-	-	(1,363)	-	(1,363)
Dela Paz, Rosalinda Z. - OLD	10,336	-	-	-	10,336	-	10,336
DELAS ALAS, ARIEL	(681)	-	(900)	-	(1,581)	-	(1,581)
Delgado, Emy	(2,928)	10,258	(1,754)	-	5,576	-	5,576
DELOS REYES, HERBERT	8,722	-	-	-	8,722	-	8,722
DELOS REYES, MARK JOED	-	-	(1,800)	-	(1,800)	-	(1,800)
DELOS SANTOS, ANALYN	(1,208)	-	-	-	(1,208)	-	(1,208)
DELOS Santos, Cesael	3,113	-	-	-	3,113	-	3,113
DELOS SANTOS, JOHN VINCENT	-	-	(900)	-	(900)	-	(900)
DELOS SANTOS, MARY GRACE	(2,525)	-	-	-	(2,525)	-	(2,525)
Delumen, Wilkie	(781)	-	-	-	(781)	-	(781)
DENOSTA, MARVIC	(561)	-	-	-	(561)	-	(561)
DESPUIG, ARVIN JAMES	1,290	-	-	-	1,290	-	1,290
Destura, Blanca	900	40,377	(40,377)	-	900	-	900
Deveraturda, Joana Paula	(2,099)	-	(491)	-	(2,590)	-	(2,590)
DEYTO, JEFFREY	-	4,352	(5,352)	-	(1,000)	-	(1,000)
Diaz, Fideliz	(740)	-	-	-	(740)	-	(740)
Diaz Jr., Reynaldo	16,040	9,000	(6,313)	-	18,727	-	18,727
DIAZ, ROBERTO D	-	-	(4,820)	-	(4,820)	-	(4,820)
DIGO, IRISH SHERINA	-	-	(900)	-	(900)	-	(900)
DIJAN, ANANSA	-	6,240	(6,240)	-	-	-	-
DILI, RAMCES	-	-	(720)	-	(720)	-	(720)
DILLO, JIMMY JR	-	-	-	-	-	-	-
Dimalibot, Ma. Martina Geralkline combine old	2,127	-	-	-	2,127	-	2,127
Dimarucot, Heildenberg	-	-	(541)	-	(541)	-	(541)
DIMAYUGA, MARK ARNIE	(781)	-	-	-	(781)	-	(781)
Dimzon, Marnelli	5,188	9,000	(6,313)	-	7,875	-	7,875
DINO-APARICIO, CHENEE	(766)	-	(732)	-	(1,498)	-	(1,498)
Dionisio, Joseph	-	14,415	-	-	14,415	-	14,415
Dionisio, Maricar	308,000	489	(56,489)	-	252,000	-	252,000
Dizon, Kenneth Earl I.	200	-	-	-	200	-	200
DIZON, Raynand	-	-	(1,611)	-	(1,611)	-	(1,611)
DIZON, RICARDO	(681)	-	-	-	(681)	-	(681)
DOBLE, FRANCISCO C	0	-	-	-	0	-	0
Doble, Jon Derek	130,800	-	-	-	130,800	-	130,800
DOCE, BRIAN	493	-	-	-	493	-	493
DOCOT, RUDOLPH	(21,557)	13,430	(14,110)	-	(22,237)	-	(22,237)
Doctor, Marites	1,381	-	-	-	1,381	-	1,381
Doctolero, Priscila	8,284	-	-	-	8,284	-	8,284
Dolor, Princess Patricia	-	-	(3,600)	-	(3,600)	-	(3,600)
Dolores, Rea	-	-	(1,800)	-	(1,800)	-	(1,800)
Domingo, Efren	(681)	-	-	-	(681)	-	(681)
Domingo, Jonas	1,254	-	-	-	1,254	-	1,254
Dominico, Ruby	-	2,300	(2,300)	-	-	-	-
DONESA, LYNN	112,000	-	(84,000)	-	28,000	-	28,000
Dorega, John John J	(938)	-	-	-	(938)	-	(938)
DUBLIN, MARIETTA	-	1	(1)	-	-	-	-
Ducut, Mirela	0	68,534	(25,050)	-	43,484	-	43,484
Dulay, Greg	76,157	-	-	-	76,157	-	76,157
Dulay, Sofronio	(477,740)	5,354	(5,354)	-	(477,740)	-	(477,740)
Dumbrique, Marcelo	21,165	-	-	-	21,165	-	21,165
DUMILAG, RICHARD	-	4,992	(4,992)	-	-	-	-
DURAN, DEBBIE JIM	-	-	(360)	-	(360)	-	(360)
Dy, Alexander	(1,023)	-	(1,020)	-	(2,043)	-	(2,043)
Ebersole, Chester	-	-	(960)	-	(960)	-	(960)
Eboy, Shariff	1,254	-	-	-	1,254	-	1,254
EBRON, GREGORIO JR	-	-	(900)	-	(900)	-	(900)
Echauz, Lydia	16,320	-	-	-	16,320	-	16,320
ECO, KRISTAN KEITH	179	-	-	-	179	-	179
Edillon, Marcial	(1)	-	-	-	(1)	-	(1)
ELEPANO, MARK ANDREW	(1,363)	-	-	-	(1,363)	-	(1,363)
ELLAO, JANESSANN	-	-	(737)	-	(737)	-	(737)
Elman, Mario B.	15,936	-	-	-	15,936	-	15,936
ELPUSAN, NEIL EVERETT	(500)	-	-	-	(500)	-	(500)
EMBA, Melziel	-	-	(1,740)	-	(1,740)	-	(1,740)
Embalsado Jr., Florencio	(806)	-	-	-	(806)	-	(806)
ENRIQUEZ, HELENDINA	848	-	-	-	848	-	848
Enriquez, Judee Anne	1,563	-	-	-	1,563	-	1,563
Enriquez, Maria Aurelia	-	-	(1,560)	-	(1,560)	-	(1,560)
ENSOMO, ANNE CHRISTINE	2,044	-	-	-	2,044	-	2,044
Era, Joy	-	17,759	-	-	17,759	-	17,759
ERMINO, ALVIN	(7,688)	-	-	-	(7,688)	-	(7,688)
Escano, Juan Paolo Lorenzo	-	9,000	(1,125)	-	7,875	-	7,875
ESCARAMAN, ELAINE R	2,458	-	-	-	2,458	-	2,458
ESCLETO, WILBERTO	-	-	(533)	-	(533)	-	(533)
ESCOBIA, IRMA	(20,777)	-	-	-	(20,777)	-	(20,777)
ESCOBIA, JAIME	1,305	-	-	-	1,305	-	1,305
ESCOLANO, MARY CADE	-	-	(900)	-	(900)	-	(900)
Eser, Myline S.	33,036	-	-	-	33,036	-	33,036
ESGUERRA, DONDIE	(300)	-	-	-	(300)	-	(300)
ESPALDON, JOSANNE	-	-	(620)	-	(620)	-	(620)
Espejo, Neal	-	-	(1,840)	-	(1,840)	-	(1,840)
Esperanza, Nikko	-	-	-	-	-	-	-
ESPESO, LORNA	(408)	-	-	-	(408)	-	(408)
ESPINELI, HERSHEY ANN	-	11,583	(11,583)	-	-	-	-
Espino, Marcon	5,500	16,891	-	-	22,391	-	22,391
Espino, Marjorie Theresa Ann	-	-	(1,120)	-	(1,120)	-	(1,120)
Espinosa, Aldrine Jay	2,756	-	-	-	2,756	-	2,756
Espinosa, William V.	3,325	-	-	-	3,325	-	3,325
Esquibel, Brian	4,596	-	-	-	4,596	-	4,596
Esquibel, Elizabeth	5,000	-	-	-	5,000	-	5,000
Esquibel, Melissa	(6,225)	19,000	(12,750)	-	25	-	25
Esquivas, Joahnna Pia	-	-	(1,800)	-	(1,800)	-	(1,800)
ESTEBAN, ALEJANDRO	-	12,601	(12,601)	-	-	-	-
ESTEBAN, FRANCIZ/s	(819)	-	-	-	(819)	-	(819)
ESTOQUE, HOMELO	-	-	(900)	-	(900)	-	(900)
Estrada, Gemee	1,500	-	-	-	1,500	-	1,500
ESTRADA,ROMA	(1,294)	-	(340)	-	(1,634)	-	(1,634)
Estrella, Gloria R.	1,460	-	-	-	1,460	-	1,460
Estrella, Luisito	10,375	32,277	(26,027)	-	16,625	-	16,625
Estrope, Basilisa	(11,685)	-	-	-	(11,685)	-	(11,685)
EVANGELISTA, ANNA	-	-	(900)	-	(900)	-	(900)
Evangelista, Erika	17,375	-	-	-	17,375	-	17,375
Evangelista, Imelda	-	-	(2,400)	-	(2,400)	-	(2,400)
EVANGELITA, LLOYD	-	-	(820)	-	(820)	-	(820)
EVANGELISTA, MICHELLE	(681)	-	-	-	(681)	-	(681)
EVIZA, ALYSSA FAYE R	-	5,000	(5,000)	-	-	-	-
FABELLON, SAMANTHA MAE	(681)	-	-	-	(681)	-	(681)
Fabi, Kate	(1,363)	-	-	-	(1,363)	-	(1,363)

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
FABIAN, JOSEPH MARI	P 681	P -	P -	P -	P 681	P -	P 681
FABILLARAN, BRUIN DWAYNE	-	-	(900)	-	(900)	-	(900)
FABOR, GRACE	-	-	(2,999)	-	(2,999)	-	(2,999)
FABRICANTE, OLIVER.	(900)	-	-	-	(900)	-	(900)
FABROA, MAXINE	-	-	(900)	-	(900)	-	(900)
Fabros, Marietta	5,296	-	-	-	5,296	-	5,296
FAJARDO, JOSE HENRY	-	19,000	(19,000)	-	-	-	-
FAJARDO, RENATO	(2,044)	-	-	-	(2,044)	-	(2,044)
FAJARILLO, SHERWIN	-	-	(720)	-	(720)	-	(720)
FAJATIN, ADRIANNE	-	-	(2,700)	-	(2,700)	-	(2,700)
Falcis III, Jesus	1,272	-	-	-	1,272	-	1,272
Farolan, Mikhail E.	1,275	-	-	-	1,275	-	1,275
Faundo, Aurora L.	3,971	-	-	-	3,971	-	3,971
FELICILDA, JOSHUA	(1,363)	-	-	-	(1,363)	-	(1,363)
FELIPE, PATRICK JULIUS	-	57,000	(57,000)	-	-	-	-
FELISCO, CLARISSE KIM	-	-	(1,480)	-	(1,480)	-	(1,480)
FELISMINO, SIMON PAUL	(20,007)	-	-	-	(20,007)	-	(20,007)
FERNANDEZ, KAREN	-	-	(1,400)	-	(1,400)	-	(1,400)
FERNANDEZ, MELVIN	-	-	(300)	-	(300)	-	(300)
FERNANDEZ, VICKY	(3,716)	-	(820)	-	(4,536)	-	(4,536)
FERRAREN, JENNYLYN	-	-	(1,947)	-	(1,947)	-	(1,947)
FERRER, ETHELDREDA.	(725)	-	(2,175)	-	(2,900)	-	(2,900)
Ferreras, Alejandro	1,118	-	-	-	1,118	-	1,118
Fesalbon, Hermond F.	7,729	-	-	-	7,729	-	7,729
Fiesta, Erlinda	994	-	-	-	994	-	994
Figer, Reggy C.	24,300	-	-	-	24,300	-	24,300
FILOTEO, JOYCELYN	-	7,931	(4,579)	-	3,352	-	3,352
FLORENDO, JOSEFINA	(269,176)	-	-	-	(269,176)	-	(269,176)
FLORENTINO, NESTLE M	-	25,720	(9,095)	-	16,625	-	16,625
Flores, Arbie Diane	-	-	(1,560)	-	(1,560)	-	(1,560)
FLORES-TONGOL, CHRISDIE	681	38,532	(40,072)	-	(859)	-	(859)
Flores, Eunice	2,232	-	-	-	2,232	-	2,232
Flores, Joyce Ann	-	-	(598)	-	(598)	-	(598)
Flores, Miguela	2,802	-	-	-	2,802	-	2,802
Flores, Roberto	16,888	9,000	(6,313)	-	19,575	-	19,575
FLORES, RODANTE	(681)	-	-	-	(681)	-	(681)
FLORES, RONALD	-	-	(173)	-	(173)	-	(173)
FLORIDA, JENNIFER	35,091	-	-	-	35,091	-	35,091
FOLLO, DENNIS	-	-	(900)	-	(900)	-	(900)
FORNILLOS, JEAN	-	-	(840)	-	(840)	-	(840)
FORONDA, ALEXIS	-	-	(900)	-	(900)	-	(900)
FORTEM, JASON.	23,166	-	-	-	23,166	-	23,166
FORTIN, DALTON	-	-	(820)	-	(820)	-	(820)
Francisco, Dyan Nicole	-	-	(1,620)	-	(1,620)	-	(1,620)
Francisco, Edgar	1,958	-	-	-	1,958	-	1,958
FRANCISCO, Niko Paolo	-	-	(1,700)	-	(1,700)	-	(1,700)
Francisco, Paul Micah	-	5,054	(5,054)	-	-	-	-
Francisco, Virlyn	1,581	-	-	-	1,581	-	1,581
Fresnido, Roberto	-	9,000	(1,125)	-	7,875	-	7,875
FUERTES, ELIJAH	-	-	(900)	-	(900)	-	(900)
Fulgar III, Ildefonso	(116)	-	-	-	(116)	-	(116)
FULGUERAS, MARJORIE	(3,361)	-	(640)	-	(4,001)	-	(4,001)
GABELO, NERISSA.	(3,207)	-	-	-	(3,207)	-	(3,207)
Gabriel, Karen Joyce	681	-	-	-	681	-	681
Gabunilas, Joana Marie Carina	-	-	(592)	-	(592)	-	(592)
Galang Jr., Romeo	(540)	-	-	-	(540)	-	(540)
Galicia, Reynaldo	4,000	-	-	-	4,000	-	4,000
Galiza, Miguela S.	45,000	-	-	-	45,000	-	45,000
Gallardo, Armenio	1,199	-	-	-	1,199	-	1,199
Gallardo, John	13,000	-	-	-	13,000	-	13,000
Gallego, Nelven	-	-	(1,800)	-	(1,800)	-	(1,800)
GAMBOA, RON OLIVER	(1,009)	-	-	-	(1,009)	-	(1,009)
Gan, Louwie	(681)	-	-	-	(681)	-	(681)
Ganchoon, Fretti	(1,445)	-	(820)	-	(2,265)	-	(2,265)
Ganeb, Maribel	-	-	(1,800)	-	(1,800)	-	(1,800)
GANIBE, JUCELE	(600)	-	-	-	(600)	-	(600)
Ganzon, John Julius	2,419	-	-	-	2,419	-	2,419
Garcia, Abigail	-	-	(1,800)	-	(1,800)	-	(1,800)
Garcia, Arvin	(337,420)	-	-	-	(337,420)	-	(337,420)
GARCIA, CHANELL	(681)	-	-	-	(681)	-	(681)
GARCIA, CHOLSON	(672)	-	-	-	(672)	-	(672)
Garcia, Dolores	50,000	-	-	-	50,000	-	50,000
Garcia, Earl Jimson R.	6,000	-	-	-	6,000	-	6,000
GARCIA, ERWINA	(354)	-	-	-	(354)	-	(354)
GARCIA, GINO RAY	(627)	-	(680)	-	(1,307)	-	(1,307)
GARCIA, JESSY VENICE	-	-	(740)	-	(740)	-	(740)
Garcia, Leonardo	(47)	-	(539)	-	(586)	-	(586)
GARCIA, MARIA VICTORIA	-	-	(900)	-	(900)	-	(900)
GARCIA, MIGUEL	(2,100)	-	(1,038)	-	(3,138)	-	(3,138)
Garcia, Muriel	6,225	9,000	(5,275)	-	9,950	-	9,950
Garcia, Mylene	(186)	855	(1,890)	-	(1,221)	-	(1,221)
Garcia, Jr., Santiago L	(21,059)	2,900	(2,900)	-	(21,059)	-	(21,059)
Garcia, Severino M.	320	-	-	-	320	-	320
GARCIA-DANDAN, MARIA ARA	(1,499)	-	(680)	-	(2,179)	-	(2,179)
GARDOSE, LOVE	(681)	-	-	-	(681)	-	(681)
Gariguez, Mariflor N.	10,591	-	-	-	10,591	-	10,591
GARMA, PAUL FROILAN	(645)	-	(660)	-	(1,305)	-	(1,305)
Garmsen, David Joash	(536)	-	-	-	(536)	-	(536)
GASCON, MELVIN	(3,407)	-	-	-	(3,407)	-	(3,407)
GASCON, RONDELL	(2,044)	-	-	-	(2,044)	-	(2,044)
Gaspillo, Rudy	5,613	-	-	-	5,613	-	5,613
Gatbonton, Ryan	-	-	(1,440)	-	(1,440)	-	(1,440)
Gatcho, Manuel	491	-	-	-	491	-	491
Gavieta, Rommel	(2,069)	-	(1,280)	-	(3,349)	-	(3,349)
GAZO, SHENLY	(681)	-	-	-	(681)	-	(681)
GELLA, FREDERICK S	-	3,731	(3,731)	-	-	-	-
GENAVIA, SHANA	-	-	(2,600)	-	(2,600)	-	(2,600)
GENESE, JOHN ALLENBER	(681)	-	-	-	(681)	-	(681)
GENILO, JOSE EDUARDO	(1,299)	-	(604)	-	(1,903)	-	(1,903)
GENTALIAN, XAVIER DWIGHT	(681)	-	-	-	(681)	-	(681)
Geocaniga, Rommel	(454)	-	(1,260)	-	(1,714)	-	(1,714)
Gicaraya, Francis	-	-	(1,800)	-	(1,800)	-	(1,800)
GIDALAGA, MARIELLE	-	-	(900)	-	(900)	-	(900)
Gilera, Enrico	102,866	47,900	(27,801)	-	122,964	-	122,964
GLORIA, Luisa Alyanna	-	-	(1,020)	-	(1,020)	-	(1,020)
Go, David Michael	-	-	(2,100)	-	(2,100)	-	(2,100)
GO IMON, KEENE RALPH	-	-	(295)	-	(295)	-	(295)
GODOY, MARIETTE E	-	-	(2,114)	-	(2,114)	-	(2,114)
GOMEZ, MARIA LOURDES	-	-	(2,300)	-	(2,300)	-	(2,300)
GOMEZ, RAYMUND	(3,380)	-	-	-	(3,380)	-	(3,380)
Gongora, Marian	681	-	-	-	681	-	681

Forward

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May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
GONZAGA, GIAN CARLO	P -	P -	(P 900)	P -	(P 900)	P -	(P 900)
GONZALEZ, Aurelle Marie	40,694	-	-	-	40,694	-	40,694
Gonzales Jr., Benedicto	(1,616)	-	-	-	(1,616)	-	(1,616)
Gonzales, Brian Benedict	(536)	-	-	-	(536)	-	(536)
GONZALES, EMMANUEL	-	25,048	(25,048)	-	-	-	-
Gonzales, Jayson	(2,075)	9,000	(6,313)	-	613	-	613
Gonzales, Julieta	(473)	-	(900)	-	(1,373)	-	(1,373)
Gonzales Jr., Manolito	5,188	9,000	(6,313)	-	7,875	-	7,875
GONZALEZ, NOEL A	5,188	9,000	(6,313)	-	7,875	-	7,875
GONZALEZ, Paola Katherina	-	-	(1,260)	-	(1,260)	-	(1,260)
GOQUINGCO, ANTHONY RAYMOND	116,620	-	-	-	116,620	-	116,620
Gorospe, Rene	(2,244)	-	-	-	(2,244)	-	(2,244)
GREGORIO, JOEL EMERSON	(91)	-	(689)	-	(779)	-	(779)
Gregorio, Karen	2,344	-	-	-	2,344	-	2,344
Guariño, Rebecca	(213,298)	-	-	-	(213,298)	-	(213,298)
Gudani, Vicente C	(2,300)	5,161	(5,161)	-	(2,300)	-	(2,300)
GUEVARRA, MICHELLE	(282)	16,250	(17,150)	-	(1,182)	-	(1,182)
Guevarra, Remedios	956	-	-	-	956	-	956
GUIA, CLARISSA	536	-	-	-	536	-	536
Guillermo, Nemesio	5,512	-	-	-	5,512	-	5,512
GUILLERMO, NERISSA	536	-	-	-	536	-	536
Guillermo, Odranreb	(337)	-	-	-	(337)	-	(337)
Guinto, Roel Jr	-	-	(1,800)	-	(1,800)	-	(1,800)
GULMATICO, ALVIN	-	-	(380)	-	(380)	-	(380)
Gumanay, Lyka Marie	(400)	-	-	-	(400)	-	(400)
Guño Ed Patrick	-	-	(1,040)	-	(1,040)	-	(1,040)
Gutierez, Jan Patrick	(531)	-	-	-	(531)	-	(531)
Gutierrez-POLIDO, Maria Myrel P.	3,844	-	-	-	3,844	-	3,844
GUTIERREZ, MARK ALFRED.	(297)	-	(460)	-	(757)	-	(757)
Gutierrez, Mary Victory	252,000	56,000	(56,000)	-	252,000	-	252,000
GUTIERREZ, RONALDO	(1,499)	-	-	-	(1,499)	-	(1,499)
Haciñas, Elizabeth	-	14,807	(14,807)	-	-	-	-
HAGOSOJOS, BERNARDINO	2,044	-	(660)	-	1,384	-	1,384
Halcon, Frederick	(3,000)	-	-	-	(3,000)	-	(3,000)
Halili, Marj Ingrid	-	-	(1,800)	-	(1,800)	-	(1,800)
Halili, Mercyden	(400)	-	-	-	(400)	-	(400)
Hamero, Roselyn	5,188	9,000	(6,313)	-	7,875	-	7,875
HAW, ALBERT	(672)	-	(299)	-	(972)	-	(972)
Hebron, Daniel Eufracio	681	-	-	-	681	-	681
HEJE, MARTIN	(10,706)	-	-	-	(10,706)	-	(10,706)
HERNAL, NARY JOUYCE	681	-	-	-	681	-	681
HERNANDEZ, CARLOS ROMELLE	(674)	-	-	-	(674)	-	(674)
Hernandez, Jan Joseph S.	20,911	-	-	-	20,911	-	20,911
HERNANDEZ, JEAN PAOLO	681	-	-	-	681	-	681
HERNANDEZ, JOEY FRANCIS	-	-	(1,200)	-	(1,200)	-	(1,200)
HERNANDEZ, MARK RYAN	(591)	-	-	-	(591)	-	(591)
HERNANDEZ, Mary Hyacinth	-	-	(1,800)	-	(1,800)	-	(1,800)
HERNANDEZ, PAMELA	-	20,850	-	-	20,850	-	20,850
Hernandez, Paul	(869)	-	-	-	(869)	-	(869)
Herrera, Michael	(3,053)	-	-	-	(3,053)	-	(3,053)
Hieras, Cydnie	-	-	(800)	-	(800)	-	(800)
Hilario, Jacqueline E.	1,124	-	-	-	1,124	-	1,124
Hiso, Christopher John B	(1,592)	-	-	-	(1,592)	-	(1,592)
HOBO III, ROMULO G		-	(640)	-	(640)	-	(640)
HOFILENA, RIZALDY	-	-	(540)	-	(540)	-	(540)
Honorica, Wenceslao	-	19,000	(2,375)	-	16,625	-	16,625
HONTIVEROS, RYAN	(2,026)	9,407	(9,407)	-	(2,026)	-	(2,026)
Hosaka, Jenicka Elizabeth	-	-	(640)	-	(640)	-	(640)
Hosingco, Bryan Darwin	-	-	(680)	-	(680)	-	(680)
Hsu, Hao Wei	(6,500)	-	-	-	(6,500)	-	(6,500)
HUELAR, MARIA CORAZON	-	-	(900)	-	(900)	-	(900)
HYATT, JANETH	2,044	-	-	-	2,044	-	2,044
Ibarra, Jose Vener	(77)	-	(489)	-	(566)	-	(566)
Ignacio, Louie Benedict	(400)	-	-	-	(400)	-	(400)
Ignacio, Lourdes D.	(132)	738	-	-	606	-	606
IGNACIO, MICHAEL JORGE	(373)	-	-	-	(373)	-	(373)
Ignalaga Jr., Francisco	1,090	-	-	-	1,090	-	1,090
IMPORTADO, FERDINAND	(278)	-	(380)	-	(658)	-	(658)
Impreso, Jenny Rose	-	-	(1,080)	-	(1,080)	-	(1,080)
Inciong, Cherry Wyne	4,190	-	-	-	4,190	-	4,190
Ingles, Ignatius Michael	(3,126)	-	-	-	(3,126)	-	(3,126)
INSON, JESSAMAINE GAIL M	-	-	(2,540)	-	(2,540)	-	(2,540)
INTERNO, MARJIE	(681)	-	-	-	(681)	-	(681)
IRENEO, RAFAEL	-	-	(754)	-	(754)	-	(754)
Isip, Mark Gracer	-	9,000	(1,125)	-	7,875	-	7,875
ISON, MARY ROSE	10,375	19,000	(12,750)	-	16,625	-	16,625
Israel, Dr. Marietta	(19,762)	-	-	-	(19,762)	-	(19,762)
JABEGUERO, HILARIO	-	4,762	(4,762)	-	-	-	-
JABOLA, JEDDAHLYN	2,396	-	-	-	2,396	-	2,396
Jacinto, Archie	(2,044)	-	(900)	-	(2,944)	-	(2,944)
Janagap, Fe Q.	5,131	-		-	5,131	-	5,131
JAO, THOMAS RONERICK M	-	-	(380)	-	(380)	-	(380)
Javier, Nancy Joan	5,296	-	-	-	5,296	-	5,296
JONSON, ANNA PAMELA	-	5,284	-	-	5,284	-	5,284
JONSON, KISSARNE ALLYSA L	-	21,646	(2,642)	-	19,004	-	19,004
Jorda, Erwin	2,038	-	-	-	2,038	-	2,038
Joromal, Richmond	2,250	-	-	-	2,250	-	2,250
Jose, Angelina	(115,732)	657,141	(54,000)	-	487,409	-	487,409
Juada, Raissa Vincena	-	-	(6,300)	-	(6,300)	-	(6,300)
JUBAC JR., ANECITO.	(900)	-	(900)	-	(1,800)	-	(1,800)
JULIAN, RAFAEL	(681)	6,894	(7,794)	-	(1,581)	-	(1,581)
JULIANDA, SHIELA MAY	-	-	(900)	-	(900)	-	(900)
Jumamil, Ana Nelia	(531)	-	-	-	(531)	-	(531)
Jumrani, Aliakhbar	(1,363)	-	(491)	-	(1,854)	-	(1,854)
Junio, Jobeth	(16,002)	-	-	-	(16,002)	-	(16,002)
Junio, Nenitha	240	-	-	-	240	-	240
JUNTADO, DOMINIQUE	(681)	-	-	-	(681)	-	(681)
Katigbak, Jovito Jose	-	-	(1,080)	-	(1,080)	-	(1,080)
KAW, EUGENE	(1,499)	-	(489)	-	(1,988)	-	(1,988)
Kenny, Isabel	64,000	-	-	-	64,000	-	64,000
KILAKIGA, EDWARD	31,147	99,456	(41,684)	-	88,920	-	88,920
Kim, Chul Su	(96)	-	-	-	(96)	-	(96)
Khiatchko, John Manuel	(781)	-	-	-	(781)	-	(781)
Kuan, Robert	157,300	-	-	-	157,300	-	157,300
KUAN, YVONNE Y.	(157,289)	-	-	-	(157,289)	-	(157,289)
Kwan, Kinna Mae	-	-	(840)	-	(840)	-	(840)
LA VIñA, ANTONIO GABRIEL	(1,954)	-	(634)	-	(2,588)	-	(2,588)
LABAJO, PAOLA	(1,427)	-		-	(1,427)	-	(1,427)
LABRADOR, ALTHEA LISBET O	-	-	(440)	-	(440)	-	(440)
Lacaden, Raffy	363,119	-	-	-	363,119	-	363,119
Lacanilao, Gary	375	-	-	-	375	-	375

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
LACERNA, ANTOINETE	(P 427)	P -	P -	P -	(P 427)	P -	(P 427)
LACHICA, ALAN	-	-	(900)	-	(900)	-	(900)
LACHICA, PERLA	-	-	(900)	-	(900)	-	(900)
LACORTE, LAARNI HANNAH C	-	-	(900)	-	(900)	-	(900)
LACSON, ANNELYN	(1,363)	-	(900)	-	(2,263)	-	(2,263)
Ladera, Renville	20,023	-	-	-	20,023	-	20,023
LADIC, RAINIER	-	-	(900)	-	(900)	-	(900)
LADORES, IVAN	(1,590)	-	(526)	-	(2,116)	-	(2,116)
LAGMAY, MA. LUISA	(1,363)	-	-	-	(1,363)	-	(1,363)
Lago, Vanessa	(894)	-	-	-	(894)	-	(894)
LAJA, KRISELLE JOY R	(1,060)	-	-	-	(1,060)	-	(1,060)
Lajara, Galilea R.	3,600	-	-	-	3,600	-	3,600
Lalangan, Christopher	-	-	(1,560)	-	(1,560)	-	(1,560)
LALU, ERICKSON	-	-	(2,720)	-	(2,720)	-	(2,720)
LAMEYRA, ERICSON	(2,162)	-	(680)	-	(2,842)	-	(2,842)
Lamorena, Juditha M.	1,136	-	-	-	1,136	-	1,136
LANDAGAN, MYRA DELOS REYES	-	-	(900)	-	(900)	-	(900)
Landicho, Michel	(391)	-	-	-	(391)	-	(391)
LANDINGIN, JOHN GIL	(545)	-	-	-	(545)	-	(545)
Lansang Jr., Nicolas	(97)	-	-	-	(97)	-	(97)
Lantican, Mark Lixcel	56,000	-	-	-	56,000	-	56,000
Lao, Gilbert	8,300	-	-	-	8,300	-	8,300
Lapastora, Milagros	2,569	-	(497)	-	2,072	-	2,072
LAQUI, MARITA	(2,130)	-	-	-	(2,130)	-	(2,130)
LARDA, EDMUNDO	1,294	-	-	-	1,294	-	1,294
Lascota, Karen	300	-	-	-	300	-	300
Las Pinas, Mary Grace	174,443	-	(29,366)	-	145,077	-	145,077
Latosa, Augustus Ceasar	-	-	(1,800)	-	(1,800)	-	(1,800)
Lauro, Jocelyn	-	16,624	(16,624)	-	-	-	-
Lauzon, Nicolas	(548)	-	-	-	(548)	-	(548)
LAVILLA, ROMANO	(2,044)	-	(1,800)	-	(3,844)	-	(3,844)
Laza, Benilda	3,755	-	-	-	3,755	-	3,755
Lazarte, Bernabe Jr	-	-	(1,080)	-	(1,080)	-	(1,080)
LAZARO, THOMAS	463	-	(1,460)	-	(997)	-	(997)
LAZO, REYMARK	1,281	-	-	-	1,281	-	1,281
LECAROZ JR, F - Laurent	37,502	-	-	-	37,502	-	37,502
LECCIONES, GENIRELL	-	-	(900)	-	(900)	-	(900)
LEDESMA, GIAN CARLO	(681)	-	-	-	(681)	-	(681)
LEDESMA, RODOLFO	(536)	-	(900)	-	(1,436)	-	(1,436)
Lee, Chang Woo	8,300	-	-	-	8,300	-	8,300
LEE, JASMIN	(1,254)	-	(400)	-	(1,654)	-	(1,654)
LEE, Kyung Su	-	-	(1,840)	-	(1,840)	-	(1,840)
LEE, NESTOR	(136,975)	-	-	-	(136,975)	-	(136,975)
LEGASPI, RONEL	(318)	-	-	-	(318)	-	(318)
LEGASPINA, HALIVIER	(1,363)	3,931	(5,731)	-	(3,163)	-	(3,163)
LENGSON, MARIA OLIVIA	(681)	-	-	-	(681)	-	(681)
Leonardo, Raul	3,738	-	-	-	3,738	-	3,738
Libante, Karl Nikko	(645)	-	-	-	(645)	-	(645)
Liberato, Amante	1,272	-	-	-	1,272	-	1,272
Licayan, Kebart	(2,725)	-	-	-	(2,725)	-	(2,725)
LIM, IVY	(1,979)	-	(1,140)	-	(3,119)	-	(3,119)
Lim, Jhon Nityananda	-	9,000	(1,125)	-	7,875	-	7,875
Lim, John Elvin	-	-	(1,080)	-	(1,080)	-	(1,080)
Lim, Mary Rocelyn	(2,314)	-	-	-	(2,314)	-	(2,314)
Lim, Nathaniel	149	-	-	-	149	-	149
Lim, Rene Rose	49,115	-	-	-	49,115	-	49,115
Lim, Richmond	(906)	-	-	-	(906)	-	(906)
Limjap, Auxencia	(4,217)	-	-	-	(4,217)	-	(4,217)
Limkian, Mary Ann	2,419	-	-	-	2,419	-	2,419
Limson, Gladys Anne Marie	-	-	(1,720)	-	(1,720)	-	(1,720)
Lindo, Alicia	1,209	-	-	-	1,209	-	1,209
Lipardo, Fernando	(2,507)	-	-	-	(2,507)	-	(2,507)
LIRIO, CHRISTOPHER	(278)	-	-	-	(278)	-	(278)
Lirio, Mary Rose	2,344	-	-	-	2,344	-	2,344
Liwanag, Marichu	-	31,922	(21,728)	-	10,194	-	10,194
Lizada, Hannah	1,581	-	-	-	1,581	-	1,581
Llacuna, john Lemuel	1,272	-	-	-	1,272	-	1,272
LLAVE-SALIGUMBA, JACQUELYN JOY	-	28,800	-	-	28,800	-	28,800
LLAVE, WARREN SYDNEY.	(92)	-	-	-	(92)	-	(92)
Lluz, Samarlita	5,192	-	-	-	5,192	-	5,192
Loanzon, Victoria	981	-	(1,380)	-	(399)	-	(399)
Longboy, Joseph	-	-	(2,400)	-	(2,400)	-	(2,400)
LONTOC, DON JONSON	(327)	-	(320)	-	(647)	-	(647)
Lopena, Cleo	362	-	-	-	362	-	362
LOPEZ, CRISTINA	(419)	-	-	-	(419)	-	(419)
LOPEZ, JILIAN VANESSA T	-	7,722	(8,462)	-	(740)	-	(740)
LOPEZ, JOMELYN	53,587	95,000	(65,462)	-	83,125	-	83,125
Lopez, Joseph	-	-	(2,700)	-	(2,700)	-	(2,700)
Lopez, Martin Z.	60,958	86,920	(32,173)	-	115,706	-	115,706
Lopez Jr., Renato	(722)	-	(489)	-	(1,211)	-	(1,211)
Lopez, Ricardo	262	-	-	-	262	-	262
Loresco, Julie Ann	1,853	-	-	-	1,853	-	1,853
Lozano, Jennete J	2,289	-	-	-	2,289	-	2,289
Luansing, Glenn	-	-	(3,180)	-	(3,180)	-	(3,180)
LUMABI, BETHANY	-	-	(900)	-	(900)	-	(900)
Lumacad, Jonathan	2,344	-	-	-	2,344	-	2,344
LUMAGBAS, PRINCESS	-	-	(900)	-	(900)	-	(900)
LUNA, Rommel	-	-	(1,840)	-	(1,840)	-	(1,840)
MAALA, ALEXCEE	(2,044)	-	(1,120)	-	(3,164)	-	(3,164)
MABASA, DRAXEN	-	-	(900)	-	(900)	-	(900)
Mabbagu, Reymund	-	-	(1,800)	-	(1,800)	-	(1,800)
Mabuan, Romualdo	-	-	(560)	-	(560)	-	(560)
Macadangdang Jr. Romulo	(1,363)	9,407	(9,407)	-	(1,363)	-	(1,363)
Macapagal, Arnualdo	(180)	23,086	(17,603)	-	5,303	-	5,303
Macapinlac, Joven	(806)	-	(1,600)	-	(2,406)	-	(2,406)
Macaraeg, Paul - OLD	6,436	-	-	-	6,436	-	6,436
Macaraig, Melinda	4,849	-	-	-	4,849	-	4,849
MACARAYAN, ANTHONY.	(620)	-	-	-	(620)	-	(620)
Macaspac, John Aries	1,054	-	-	-	1,054	-	1,054
MACATUNO, JERRY	(681)	-	-	-	(681)	-	(681)
Madrazo, Arnel	(400)	-	-	-	(400)	-	(400)
Madriaga, Joventina	(725)	-	(2,175)	-	(2,900)	-	(2,900)
Madrid, Lady DIANNE	(681)	-	-	-	(681)	-	(681)
Madurar, A	-	39,666	-	-	39,666	-	39,666
MAGALONA, HENRY	(1,254)	-	-	-	(1,254)	-	(1,254)
Magana, Samantha	-	-	(1,800)	-	(1,800)	-	(1,800)
Magat, Fran Christ	-	-	(900)	-	(900)	-	(900)
Magat, Wendell	-	1,886	(1,886)	-	-	-	-
Magbujos, Mary Rose	(197)	-	-	-	(197)	-	(197)
Magdalaga, Luffe V.	5,188	-	-	-	5,188	-	5,188
MAGKASI, MA. ELIZA MARGARITA	40,233	-	-	-	40,233	-	40,233

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
MAGNO, ROSEMARIE	P -	P -	(P 620)	P -	(P 620)	P -	(P 620)
Magpantay, Lorna	2,238	-	-	-	2,238	-	2,238
MAGSALIN, CAMILLE	(681)	12,158	(13,058)	-	(1,581)	-	(1,581)
MAGSINO, RIZA	(1,793)	-	(1,800)	-	(3,593)	-	(3,593)
Magtibay, Marie Danielle	-	-	(1,800)	-	(1,800)	-	(1,800)
Magumun, Van Angelo	1,908	-	(380)	-	1,528	-	1,528
MAINIT, KAREN	-	5,054	(5,054)	-	-	-	-
Malabanan, Laila	(518)	-	-	-	(518)	-	(518)
MALABI, NADIA	(681)	-	-	-	(681)	-	(681)
MALACURA, BILLY RAY	-	5,419	(880)	-	4,539	-	4,539
Malagar, Marlo	(1,690)	-	-	-	(1,690)	-	(1,690)
Malang, Zainudin	-	-	(1,700)	-	(1,700)	-	(1,700)
MALAY JR, ERNESTO	-	-	(880)	-	(880)	-	(880)
Maliwat, Herminia	14,373	-	-	-	14,373	-	14,373
MALLARI, MARIE JUNEAU	(681)	-	-	-	(681)	-	(681)
Mallari, Mary Anne	2,235	-	-	-	2,235	-	2,235
Mallari, Neil	(5,524)	-	(840)	-	(6,364)	-	(6,364)
Mallari, Roel	-	2,900	(725)	-	2,175	-	2,175
Malonzo, Ella Margarita	2,104	-	-	-	2,104	-	2,104
Malonzo, John	409	-	-	-	409	-	409
Mamaradlo, Leo	(582)	-	-	-	(582)	-	(582)
MANAHAN, ANTONINO.	(100)	-	(200)	-	(300)	-	(300)
MAñALAC, ELISA	180,971	610,439	(80,000)	-	711,411	-	711,411
Manalansan, Efren	(482)	-	-	-	(482)	-	(482)
Manalastas, Ma Barbara C	(715)	-	(1,380)	-	(2,095)	-	(2,095)
MANALO, ADREAN	(1,363)	-	(1,700)	-	(3,063)	-	(3,063)
MANALOTO, JOHN MANUEL	-	-	(1,000)	-	(1,000)	-	(1,000)
MANANSALA, MA. MELANIE	-	-	(900)	-	(900)	-	(900)
MANANSALA, LORRAINE CHARMAYNE	563	-	(1,680)	-	(1,117)	-	(1,117)
MANANSALA, Mary Jane Joyce	-	-	(1,800)	-	(1,800)	-	(1,800)
MANANTAN, GEORGINE	-	-	(900)	-	(900)	-	(900)
MANAOIS, FELY ROSE.	(300)	3,659	(4,559)	-	(1,200)	-	(1,200)
MANAOIS, MARIO	3,636	-	-	-	3,636	-	3,636
MANAPSAL, JENNYLIN	(5,144)	-	-	-	(5,144)	-	(5,144)
Manarpiiz, Candido	(226,347)	-	-	-	(226,347)	-	(226,347)
MANAS, KIREINA OTOKO M	-	-	(1,140)	-	(1,140)	-	(1,140)
Mance, Marilyn	78	-	-	-	78	-	78
Mandapat, Raymond	1,908	-	-	-	1,908	-	1,908
MANGARAN, MON KARLO	1,717	-	-	-	1,717	-	1,717
Mangente, Myra	(830)	-	-	-	(830)	-	(830)
MANGILA, GENE BETTINA	(2,044)	-	-	-	(2,044)	-	(2,044)
MANGUILIN, RAIZONELL	-	-	(1,620)	-	(1,620)	-	(1,620)
MANIGAN, ALMA	31,125	57,000	(38,250)	-	49,875	-	49,875
MANILA, ANTONIO	(1,145)	-	(960)	-	(2,105)	-	(2,105)
Manlapaz, Divine Grace - OLD	5,000	-	-	-	5,000	-	5,000
Manlapaz, Maria Theresa	-	1,393	(1,393)	-	-	-	-
Mano, Razna	-	-	(2,860)	-	(2,860)	-	(2,860)
Manongsong, Marie Joyce	(609)	-	(1,260)	-	(1,869)	-	(1,869)
Manrique, Elenita - OLD	17,000	-	-	-	17,000	-	17,000
MANSON, DON	(36,004)	-	-	-	(36,004)	-	(36,004)
Mansueto, Christian Michael	654	-	-	-	654	-	654
MANUEL, AIMIE DOLLY	-	-	(760)	-	(760)	-	(760)
MANUEL, CYNTHIA D.	-	12,200	(12,200)	-	-	-	-
MANUEL, LEODEGARIO	-	-	(1,340)	-	(1,340)	-	(1,340)
Manzanares, William	-	-	(1,800)	-	(1,800)	-	(1,800)
Manzano, Ronald	10,447	-	-	-	10,447	-	10,447
MARANAN, CAROLINE	(225)	-	(540)	-	(765)	-	(765)
MARASIGAN, LOUIE	(1,263)	-	(1,400)	-	(2,663)	-	(2,663)
Marcial, Johnny	390	-	-	-	390	-	390
MARCIAL, MARIDEL	1,086	-	-	-	1,086	-	1,086
MARCOS, PATRICIA	-	-	(900)	-	(900)	-	(900)
MARIANO, ANNALISA	(681)	-	-	-	(681)	-	(681)
Mariano, Maria Lourdes	3,233	101,041	(43,233)	-	61,041	-	61,041
Mariñas, Luzviminda	2,900	-	-	-	2,900	-	2,900
Mariscotes, Maria Norlinda	-	3,409	-	-	3,409	-	3,409
MAROLLANO, CARMELO	(2,044)	-	-	-	(2,044)	-	(2,044)
MARQUESES, JERWIN	(954)	-	(340)	-	(1,294)	-	(1,294)
Marquez, Maria Gwendolyn	(830)	-	-	-	(830)	-	(830)
Marillo, Pocholo	645	-	-	-	645	-	645
Martin, Grace	116	-	-	-	116	-	116
Martin, Romeo	1,799	-	-	-	1,799	-	1,799
Martinez, Maria Teresa	1,506	-	(746)	-	760	-	760
Martinez, Oliver	(1,363)	-	-	-	(1,363)	-	(1,363)
MASANGYA, RAYMART	(1,363)	-	-	-	(1,363)	-	(1,363)
MASAOAY, SHIELA MARIE	-	-	(900)	-	(900)	-	(900)
MATANDAG, MARIVEL	1,084	-	(2,222)	-	(1,138)	-	(1,138)
MATEO, AVERY PAUL	-	-	(300)	-	(300)	-	(300)
MATEO, Patricio	-	-	(1,800)	-	(1,800)	-	(1,800)
Medillo. Robert Joseph	-	-	(414)	-	(414)	-	(414)
Medina, Buenaventura Jr. S.	1,050	-	-	-	1,050	-	1,050
MEDINA, JOHN CARLOS	-	-	(400)	-	(400)	-	(400)
Medina, Joy	3,462	-	-	-	3,462	-	3,462
MEDINA, RANNIE	2,671	-	(299)	-	2,372	-	2,372
MELANO, REYNO	15,014	42,384	(55,228)	-	2,170	-	2,170
Membrebe Jr., Zosimo	(509)	-	-	-	(509)	-	(509)
MENDENILLA, DONRICK	(427)	-	(1,680)	-	(2,107)	-	(2,107)
Mendez, Frances Nicola	(1,561)	-	-	-	(1,561)	-	(1,561)
MENDILLO, BENJAMIN	(2,044)	-	-	-	(2,044)	-	(2,044)
Mendoza, Catherine	10,080	-	-	-	10,080	-	10,080
Mendoza, Ferdinand	(315)	-	-	-	(315)	-	(315)
MENDOZA, FRANCIS ROBERT	29,050	-	(9,130)	-	19,920	-	19,920
Mendoza, Gloria	-	2,559	(2,559)	-	-	-	-
Mendoza, Jobert	10,000	-	-	-	10,000	-	10,000
Mendoza, Malaya S.	7,650	-	-	-	7,650	-	7,650
Mendoza, Norberto	-	3,445	-	-	3,445	-	3,445
MENESES, BENITA	(1,363)	6,240	(6,720)	-	(1,843)	-	(1,843)
Menorca, Joderick	(2,181)	-	-	-	(2,181)	-	(2,181)
MERCADO, JOY UBASA	(591)	-	(900)	-	(1,491)	-	(1,491)
MERCADO, MARK JOSEPH	(681)	-	-	-	(681)	-	(681)
MERCADO, MARY CLAIRE	-	-	(900)	-	(900)	-	(900)
Mercado, Ryan Christian	(270)	-	-	-	(270)	-	(270)
Mesina, Karen	(4,000)	-	-	-	(4,000)	-	(4,000)
Miano, Mary Jane P.	6,225	-	-	-	6,225	-	6,225
Miguel, Emmanuel - OLD	6,620	-	-	-	6,620	-	6,620
MIGUEL, VERLANDO	-	203,200	-	-	203,200	-	203,200
Milagrosa, Alexander	6,225	9,000	(7,350)	-	7,875	-	7,875
MILANO, AMEERAH	(1,826)	6,893	(7,793)	-	(2,726)	-	(2,726)
Miñas, Geraldine C.	4,031	-	-	-	4,031	-	4,031
MIRANDA, CARLS JAY-R	(636)	-	-	-	(636)	-	(636)
Miranda, Dennis	-	9,000	(1,125)	-	7,875	-	7,875
Miranda, Jack Andrew	(1,630)	-	(1,380)	-	(3,010)	-	(3,010)

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
MITRA, JORDAN	₱ (445)	₱ -	₱ (340)	₱ -	₱ (785)	₱ -	₱ (785)
MOJICA, MICHAELA JAN	(681)	-	-	-	(681)	-	(681)
Molate, Marie Locelle M.	(923)	-	-	-	(923)	-	(923)
Molina, Caryl Monique	-	9,000	(1,125)	-	7,875	-	7,875
Molina, Mark Oliver	272,152	19,000	(12,750)	-	278,402	-	278,402
MONDOY, MELISA	(1,553)	-	-	-	(1,553)	-	(1,553)
MONES, Joscle Achilles	-	-	(1,540)	-	(1,540)	-	(1,540)
Moneza, Bethlehem	(1,363)	-	-	-	(1,363)	-	(1,363)
Monfero, Rowena	4,956	-	-	-	4,956	-	4,956
Monong, Cora - OLD	6,000	-	-	-	6,000	-	6,000
Monsada, Marie Diane Y.	-	23,166	(25,246)	-	(2,080)	-	(2,080)
Monsod, Katrina Diane	1,769	-	(689)	-	1,080	-	1,080
Montano, Moses M.	942	-	-	-	942	-	942
MONTEMAYOR, LAARNI	1,363	-	-	-	1,363	-	1,363
Montinola, Antonio	15,680	119,000	(19,000)	-	115,680	-	115,680
Montinola, Aurelio	72,624	207,314	(53,144)	-	226,793	-	226,793
Montinola, Gianna	218,667	46,724	-	-	265,391	-	265,391
Montinola, Juan Miguel R.	546,245	868,441	(1,206,680)	-	208,006	-	208,006
MONTINOLA, LOURDES R.	-	106,047	-	-	106,047	-	106,047
Monton, Jade	-	-	(3,600)	-	(3,600)	-	(3,600)
MORADA, NOREENA	(1,363)	-	-	-	(1,363)	-	(1,363)
MORAGA, MELVIN	(2,003)	-	(680)	-	(2,683)	-	(2,683)
Morales, Miren	(32,643)	-	-	-	(32,643)	-	(32,643)
MORAN, ZACARIAS	(427)	-	-	-	(427)	-	(427)
MORANO, GLENDA	-	-	(2,700)	-	(2,700)	-	(2,700)
Morante, Kathleen	(318)	-	-	-	(318)	-	(318)
MORTOS, ANGELINA	(200)	-	-	-	(200)	-	(200)
MUNOZ, KYRIE ELEISON	(681)	-	-	-	(681)	-	(681)
Munson, Don	10,582	-	-	-	10,582	-	10,582
Muria, Ramel	(4,022)	-	-	-	(4,022)	-	(4,022)
MUTUC -- SHS	-	4,549	-	-	4,549	-	4,549
Nagal, Glenn Z.	(12,729)	19,000	(12,750)	-	(6,479)	-	(6,479)
NAGUIT, JASMINE ELLEINE	-	-	(380)	-	(380)	-	(380)
NAGUIT, RAYMOND JOHN	-	-	(760)	-	(760)	-	(760)
NAKAMURA, MARIE	-	-	(1,720)	-	(1,720)	-	(1,720)
NALUS, BENIGNO	(409)	-	(640)	-	(1,049)	-	(1,049)
Napoles, Myra	1,690	-	-	-	1,690	-	1,690
Narag, George	-	-	(2,990)	-	(2,990)	-	(2,990)
Narciso, Wilfreda - OLD	5,296	-	-	-	5,296	-	5,296
Narval, Antonio G.	7,975	13,799	(12,750)	-	9,024	-	9,024
Natera, Malvin - OLD	4,122	-	-	-	4,122	-	4,122
NATIVIDAD, JESSA MARIE	(681)	-	-	-	(681)	-	(681)
Navarrete, Angelica	-	-	(900)	-	(900)	-	(900)
Navarro, Donnie Arth P.	4,900	-	-	-	4,900	-	4,900
Nebril, Jonathan	4,907	-	-	-	4,907	-	4,907
Neo, Helen Azor cr from old	1,717	-	-	-	1,717	-	1,717
NERIDA, CLARISSE MAE	94,170	25,208	(29,333)	-	90,045	-	90,045
NERY, LEO ANGELO	(19,986)	-	-	-	(19,986)	-	(19,986)
NERY-CURA, MA. LOURDES S	-	-	(2,700)	-	(2,700)	-	(2,700)
NG, JEDRECK.	(1,666)	-	(1,589)	-	(3,255)	-	(3,255)
Nicdao, Lazaro	1,200	-	-	-	1,200	-	1,200
Nicer, Joselito C.	320	-	-	-	320	-	320
NICOLAS, JHON PATRIC	(681)	-	-	-	(681)	-	(681)
Nicolas, Lloyd Mark	8,675	29,235	(37,910)	-	-	-	-
Nierras Jr., Julius Felicisimo	5,188	9,000	(6,313)	-	7,875	-	7,875
Nietes, Reymon - OLD	16,689	-	-	-	16,689	-	16,689
NIVALES, MAURIE LIZA	10,405	-	-	-	10,405	-	10,405
Nisperos, Dulce Marie	1,250	-	-	-	1,250	-	1,250
Noble, Gina	1,254	-	-	-	1,254	-	1,254
Nocellado, James	894	-	-	-	894	-	894
NOCOM, HANS CHESTER	(223)	-	-	-	(223)	-	(223)
Nocon, Christopher Rey	7,263	-	-	-	7,263	-	7,263
Nolido, Reginald	692	-	-	-	692	-	692
Nora, Jon Paolo	20,750	38,000	(25,500)	-	33,250	-	33,250
NOTARIO, ANTHONY	-	-	(900)	-	(900)	-	(900)
NUCUM, JONALYN	(681)	46,666	-	-	45,985	-	45,985
NUESA, SHERISA P.	-	100,000	-	-	100,000	-	100,000
Nuestro, Me Naicol Anthony	719	-	-	-	719	-	719
Nuestro, Sarah Joyce	11,032	-	-	-	11,032	-	11,032
NUNEZ, KRYZTL BOPEEP	(681)	-	-	-	(681)	-	(681)
Nuque, Ariz Adrian	-	-	(3,600)	-	(3,600)	-	(3,600)
Nuqui, Paula Bianca	-	-	(1,800)	-	(1,800)	-	(1,800)
Nuqui, Romeo	(18,327)	-	(8,653)	-	(26,980)	-	(26,980)
Nuqui, Romeo	15,000	8,653	-	-	23,653	-	23,653
Oamil, Erwin	-	-	(933)	-	(933)	-	(933)
OBERAS, SALVADOR	(261)	-	-	-	(261)	-	(261)
Obsid, Beatriz	-	-	(1,800)	-	(1,800)	-	(1,800)
Ocampo, Elizabeth	-	-	(100)	-	(100)	-	(100)
OCAMPO, PATRICIA ARIELLE	-	-	(900)	-	(900)	-	(900)
OCAMPO, RAMIL	(872)	-	-	-	(872)	-	(872)
OCAMPO, RYAN JASON	(500)	-	(100)	-	(600)	-	(600)
Ocampo, Walther	181	-	-	-	181	-	181
Ocampo, Wilfredo - OLD	1,150	19,000	(2,375)	-	17,775	-	17,775
Ochotorena, Fe	-	5,000	(5,000)	-	-	-	-
ODCHIMAR, DIEGO	(1,363)	-	(12,784)	-	(14,147)	-	(14,147)
Ogot, Maria Kristina	(515)	30,166	-	-	29,651	-	29,651
Ojimba, Edmund	-	25,405	(25,405)	-	-	-	-
OLAZO, FRISHAN	(112)	-	-	-	(112)	-	(112)
OLIMPO, RHEA	-	-	(380)	-	(380)	-	(380)
Olipany, Ruby	-	5,571	(5,571)	-	-	-	-
Olipas, Lorina - OLD	200	-	-	-	200	-	200
Oliver, Michael	8,300	-	-	-	8,300	-	8,300
Olivia, Christian	-	-	(920)	-	(920)	-	(920)
Olivo, Shirley	(869)	-	-	-	(869)	-	(869)
ONDEVILLA, MIEL KRISTIAN	47,086	-	-	-	47,086	-	47,086
Ong, Johnson	2,300	-	-	-	2,300	-	2,300
Ong, Paul	(2,300)	-	-	-	(2,300)	-	(2,300)
ORBEGOSO, MICHAEL	-	-	(1,320)	-	(1,320)	-	(1,320)
ORDIZ, LADY MAY P	-	14,400	(14,400)	-	-	-	-
Origen, Glaiza	(9,074)	-	-	-	(9,074)	-	(9,074)
Orillos, Emely B	1,781	-	-	-	1,781	-	1,781
ORMILON JR., ROGELIO C	75,470	-	(19,131)	-	56,339	-	56,339
ORMITA, LUZELLE	1,800	-	-	-	1,800	-	1,800
ORNUM, ROSARIO STEPHANIE F	-	-	(900)	-	(900)	-	(900)
Orolfo, Jasmin Elena	-	-	(2,700)	-	(2,700)	-	(2,700)
Orolfo, Teodora	988	-	-	-	988	-	988
Orozco, Glorina	13,553	-	-	-	13,553	-	13,553
Orozco, Jayson	1,908	-	-	-	1,908	-	1,908
ORTUA, SHEREE ANN	-	-	(900)	-	(900)	-	(900)
Pabiton, Jose Marlon	(5,276)	-	(900)	-	(6,176)	-	(6,176)
Pablo, Victor	-	9,000	(1,125)	-	7,875	-	7,875

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
Pacquing, Elizabeth	₱ (1,131)	₱ -	₱ -	₱ -	₱ (1,131)	₱ -	₱ (1,131)
PADILLA, DAREN	(1,363)	-	-	-	(1,363)	-	(1,363)
Padilla, Maria Eleonor - OLD	1,431	-	-	-	1,431	-	1,431
PADILLA, UNICE	-	-	(680)	-	(680)	-	(680)
Pagdanganan, John Kenneth	-	-	(1,800)	-	(1,800)	-	(1,800)
PAGUD, ANNA LIEZLE	-	-	(900)	-	(900)	-	(900)
Paguio, Carolina	11,583	-	-	-	11,583	-	11,583
Paguio, Floyd	111	-	-	-	111	-	111
Pahutan, Ludivinia	(1,256)	48,560	(10,560)	-	36,744	-	36,744
Pajuyo, Driselle	20,750	38,000	(25,500)	-	33,250	-	33,250
Palenzuela, Rowena	8,160	6,240	(8,160)	-	6,240	-	6,240
PALILEO, VIRGINIA	-	28,650	-	-	28,650	-	28,650
PALIS, FERNANDO	-	3,108	(1,920)	-	1,188	-	1,188
PALISOC, KATHERINE	-	-	(900)	-	(900)	-	(900)
Palma, Merryrose Red	-	-	(900)	-	(900)	-	(900)
PALMERO, HAJJI	(1,036)	-	(560)	-	(1,596)	-	(1,596)
Pamilar, Ernesto F.	4,596	-	-	-	4,596	-	4,596
PAMITTAN JR., GENEROSO	86,531	10,160	(10,160)	-	86,531	-	86,531
Pancho, Fiachra Gil	618	-	-	-	618	-	618
PANELA, KAREN LEE V.	681	-	-	-	681	-	681
Panesa, Isabelita	(3,308)	28,149	(14,060)	-	10,780	-	10,780
Pangan, Eryka, Marie	-	-	(1,800)	-	(1,800)	-	(1,800)
Pangan, Nielson	(5,686)	-	(654)	-	(6,340)	-	(6,340)
Panganiban, Carolina A.	8,340	-	-	-	8,340	-	8,340
Panganiban, Christopher	-	-	(1,280)	-	(1,280)	-	(1,280)
PANGANIBAN, VICENTE	1,608	-	-	-	1,608	-	1,608
Pangilinan, Daisy	(844)	-	-	-	(844)	-	(844)
PANO, DIANA ABIGAIL	890	-	(748)	-	141	-	141
PANTOLLA, HERNAN	-	7,862	(9,662)	-	(1,800)	-	(1,800)
Panzo, Salome U.	725	-	-	-	725	-	725
Papa, Adriano Jr.	5,500	-	-	-	5,500	-	5,500
Parafina, Ria Zenice	-	-	(1,240)	-	(1,240)	-	(1,240)
PARAGUA, SHELLA	-	-	(900)	-	(900)	-	(900)
Paraiso, Lourdes Oliva- OLD	84,848	-	-	-	84,848	-	84,848
Paras, Eugene	(1,599)	-	(705)	-	(2,304)	-	(2,304)
PARAS, PERCIVAL	(681)	-	-	-	(681)	-	(681)
Paras, Renato - OLD	50,000	-	-	-	50,000	-	50,000
PARCON, REY	-	-	(746)	-	(746)	-	(746)
Park, Bobae	5,188	9,000	(6,313)	-	7,875	-	7,875
Park, David Philip	-	-	(1,800)	-	(1,800)	-	(1,800)
Parrilla, Krizzia Mae	(409)	-	-	-	(409)	-	(409)
Parungao, Edwardo	(336)	-	-	-	(336)	-	(336)
Pasaol. Jayson	-	-	(680)	-	(680)	-	(680)
Pascua, Esperanza	1,908	-	-	-	1,908	-	1,908
Pascua, George	10,088	9,000	(6,313)	-	12,775	-	12,775
Pascua, Jennifer - OLD	45,628	-	-	-	45,628	-	45,628
Pascual, Danilo	9,175	-	-	-	9,175	-	9,175
Pascual, Jhaydee	-	-	(1,680)	-	(1,680)	-	(1,680)
PASCUAL, MA. CRISTINA A.	-	-	-	-	-	-	-
PASION, ELLINE ISABELLE	-	38,000	(4,750)	-	33,250	-	33,250
PASON, ALVIN	-	-	(1,800)	-	(1,800)	-	(1,800)
PATACSIL JERWIN	(300)	-	-	-	(300)	-	(300)
Patadlas, Marie Grace	(1,119)	-	-	-	(1,119)	-	(1,119)
Patdu, Ivy	(415)	-	-	-	(415)	-	(415)
PATRICIO, STEPHEN SUCCOR	-	-	(3,200)	-	(3,200)	-	(3,200)
PATRIMONIO, MARY JEANNIE	39,303	-	-	-	39,303	-	39,303
PAUAL, MELBA	-	1,149	-	-	1,149	-	1,149
Paulo, Lorie May G.	(409)	-	-	-	(409)	-	(409)
PAVON, NICOLE	-	16,250	-	-	16,250	-	16,250
PAVON, OLIVE	(282)	-	-	-	(282)	-	(282)
PAZ, MARIA ELENA	-	19,000	(2,375)	-	16,625	-	16,625
PE, MURPHY	(1,363)	-	-	-	(1,363)	-	(1,363)
Pe Benito, Galahad Richard	(799)	-	(611)	-	(1,411)	-	(1,411)
Pearson, Lou Dominic	57,664	-	-	-	57,664	-	57,664
PEDREGOSA, GLAIZA O	10,574	7,626	-	-	18,199	-	18,199
Pedregosa, Jeremy Floyd	-	-	(7,626)	-	(7,626)	-	(7,626)
PEDRON, DIVINA	(2,317)	-	-	-	(2,317)	-	(2,317)
Pelias, Christopher	0	37,884	(28,165)	-	9,719	-	9,719
PENA, GIDEON	(2,102)	-	(459)	-	(2,561)	-	(2,561)
Penaruba, Christopher	(5,660)	-	-	-	(5,660)	-	(5,660)
Peralis, Marie Dale	-	-	(1,800)	-	(1,800)	-	(1,800)
PERALTA, EDITHA	(409)	-	-	-	(409)	-	(409)
PERANTE, KARLA MARIELLE	-	121,527	(9,027)	-	112,500	-	112,500
PEREDA, JACQUELINE MARJORIE	(1,880)	23,517	(23,517)	-	(1,880)	-	(1,880)
Perez, Angelito Rene	3,602	-	-	-	3,602	-	3,602
Perez, Hector	19,615	-	-	-	19,615	-	19,615
PEREZ, LOPIE ADRIAN	(954)	-	-	-	(954)	-	(954)
Permalino, Albert Emmanuel S.	7,061	-	-	-	7,061	-	7,061
PICADIZO, RAMON	938	-	-	-	938	-	938
PICHAY, ARITOTEL	-	-	(300)	-	(300)	-	(300)
PICHAY, Jane Laarni	-	-	(2,720)	-	(2,720)	-	(2,720)
Pilapil, Angelo Carlo	-	-	(1,680)	-	(1,680)	-	(1,680)
PILAR, DULCE AMOR.	(1,965)	-	-	-	(1,965)	-	(1,965)
Pineda, Annabelle SJ	-	-	(1,800)	-	(1,800)	-	(1,800)
Pineda, Matilde	9,663	-	-	-	9,663	-	9,663
PINEDA, ROBERT	-	27,860	(23,253)	-	4,607	-	4,607
PINEDA, RODOLFO	974	-	-	-	974	-	974
PINZON, ROSARIO	(627)	-	(800)	-	(1,427)	-	(1,427)
PITA, ADRIAN	-	-	(680)	-	(680)	-	(680)
PLA, ANTHONY	(1,363)	-	-	-	(1,363)	-	(1,363)
PLECERDA, KURT FRANCIS	(709)	-	-	-	(709)	-	(709)
POBLACION, SAMANTHA	(1,975)	-	-	-	(1,975)	-	(1,975)
POBLETE, RONALDO	(1,971)	-	(400)	-	(2,371)	-	(2,371)
Policarpio, Ma. Lourdes	(1,000)	-	-	-	(1,000)	-	(1,000)
Polido, Jelyca	31,125	57,000	(38,672)	-	49,453	-	49,453
PONES, RAYMOND	(1,281)	-	(720)	-	(2,001)	-	(2,001)
PONSARAN, LEVY	690	-	(690)	-	-	-	-
Poquiz, Salvador	836	-	-	-	836	-	836
PORTEM, JAYSON	(24,719)	-	-	-	(24,719)	-	(24,719)
PORTENTO, ALLAN J	-	-	(100)	-	(100)	-	(100)
PORTUGAL, MERWIN R	-	-	(900)	-	(900)	-	(900)
PORTUGUEZ, MARY ANNE	(1,181)	-	(720)	-	(1,901)	-	(1,901)
POSADAS, GRACE CATHERINE	-	-	(1,120)	-	(1,120)	-	(1,120)
Prudencio, Philip	-	36,625	(25,120)	-	11,506	-	11,506
Publico, Hilario - OLD	5,377	-	-	-	5,377	-	5,377
Pulido, Dennis	2,344	-	-	-	2,344	-	2,344
PUNZALAN, JEDDA	(2,044)	-	(900)	-	(2,944)	-	(2,944)
Punzalan, Noel Oliver	(830)	-	(489)	-	(1,320)	-	(1,320)
Quan, Ryan Jeremiah	(999)	-	(966)	-	(1,965)	-	(1,965)
Querijero, Glen Hilario - OLD	5,000	-	-	-	5,000	-	5,000
QUERO, MARC DELVIN	-	-	(820)	-	(820)	-	(820)

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
QUERO, MEYNARD	(P 194)	P -	P -	P -	(P 194)	P -	(P 194)
Quesada, Suzette	2,344	-	-	-	2,344	-	2,344
Quijencio Jr., Wilfredo	(100)	-	(900)	-	(1,000)	-	(1,000)
Quilatan, John Hegz	-	-	(1,800)	-	(1,800)	-	(1,800)
QUIAMBIA, CAMILLE	-	-	(238)	-	(238)	-	(238)
Quindoza, Micaiah Rhys	-	-	(1,800)	-	(1,800)	-	(1,800)
Quines, Dante	19,168	-	-	-	19,168	-	19,168
Quintanar, Janeth - OLD	5,367	-	-	-	5,367	-	5,367
QUINTO, ARTURO	-	-	(814)	-	(814)	-	(814)
Quinto, Myrna	163,637	987,399	(353,660)	-	797,376	-	797,376
QUINTOS, MARK ANTHONY	(681)	-	-	-	(681)	-	(681)
QUIZON, VENER	-	20,464	-	-	20,464	-	20,464
RABANG, John Rey	-	-	(1,840)	-	(1,840)	-	(1,840)
RABANG, RISA JENICA	1,140	-	-	-	1,140	-	1,140
Racela, Raoul Cesar.	5,188	9,000	(6,313)	-	7,875	-	7,875
RAMILO, RYAN	1,500	-	-	-	1,500	-	1,500
RAMIREZ, JONATHAN	(681)	-	-	-	(681)	-	(681)
RAMIREZ, NEOFIDEL	(256)	-	-	-	(256)	-	(256)
Ramirez, Percival	(513)	-	-	-	(513)	-	(513)
RAMIREZ, ROBERT	-	-	(1,823)	-	(1,823)	-	(1,823)
RAMO, PATRICIA LIANA	(2,044)	13,411	(14,311)	-	(2,944)	-	(2,944)
Ramos, Bernadette	-	1,830	(1,830)	-	-	-	-
RAMOS, CHRISTINE	-	-	(2,700)	-	(2,700)	-	(2,700)
RAMOS, DIOSDADO	(572)	-	-	-	(572)	-	(572)
Ramos, Eduardo Teodoro	(750)	-	-	-	(750)	-	(750)
Ramos, Jona Anne	1,490	-	-	-	1,490	-	1,490
RAMOS, MARK ANTHONY	(681)	-	(900)	-	(1,581)	-	(1,581)
Ramos, Raymond Kenneth	(844)	-	-	-	(844)	-	(844)
Ramos, Rosemarie	22,210	30,567	(25,571)	-	27,206	-	27,206
RAñESES, MARLON	(909)	-	(900)	-	(1,809)	-	(1,809)
Rañola, Yves	6,141	-	-	-	6,141	-	6,141
Raniai, Hanna Rafidah	-	-	(1,520)	-	(1,520)	-	(1,520)
Rapirap, Raquel	30,000	-	-	-	30,000	-	30,000
RASGO, CRISTINA	-	-	(540)	-	(540)	-	(540)
Razon, Benedict E.	975	-	-	-	975	-	975
Realin, John Guiller	-	-	(1,062)	-	(1,062)	-	(1,062)
Rebosa, Antonio Alejandro	(318)	-	(489)	-	(808)	-	(808)
Reconose, Marina	-	-	(1,800)	-	(1,800)	-	(1,800)
REFUERSO, CARA JAMILA	(591)	8,003	(8,003)	-	(591)	-	(591)
Refugia Jr., Manolo	5,188	9,000	(6,313)	-	7,875	-	7,875
Regalia, Marites R	-	-	(960)	-	(960)	-	(960)
Regidor, Marilou A.	5,188	9,000	(6,313)	-	7,875	-	7,875
Regudo, Heidi K.	1,875	-	-	-	1,875	-	1,875
REGUNAY, CATHERINE	(1,036)	-	-	-	(1,036)	-	(1,036)
Rejano, Emrick Salven	-	-	(1,800)	-	(1,800)	-	(1,800)
Relente, Miguelito	(7,850)	-	-	-	(7,850)	-	(7,850)
Relucio, Stephanie Joyce	1,554	19,774	(21,574)	-	(246)	-	(246)
REMIENDO, NORA LIZA	-	5,000	(5,000)	-	-	-	-
REQUIDAN, JEROME	112,000	-	-	-	112,000	-	112,000
Reoperez, Marie Grace	45,448	-	-	-	45,448	-	45,448
Retoriano, Kerfeleel	580	-	-	-	580	-	580
Retuerma, Vanessa	750	-	-	-	750	-	750
Rey, Noel Dennis Antonio	(536)	-	-	-	(536)	-	(536)
REYES, Athena	-	-	(1,800)	-	(1,800)	-	(1,800)
Reyes, Cecil	(270)	-	-	-	(270)	-	(270)
REYES, JAYMIE ANN	-	-	(2,620)	-	(2,620)	-	(2,620)
REYES, JASON	2,689	-	-	-	2,689	-	2,689
REYES, JIEGO MIGUEL	-	-	(1,260)	-	(1,260)	-	(1,260)
REYES, KEVIN ANGELO	(391)	-	-	-	(391)	-	(391)
Reyes, Ma. Editha	40,196	58,221	(50,771)	-	47,646	-	47,646
Reyes, Marlen	31,469	-	(880)	-	30,589	-	30,589
Reyes, Maria Fleur de liz	(5,907)	-	-	-	(5,907)	-	(5,907)
Reyes, Maria Veronica	10,375	19,000	(12,750)	-	16,625	-	16,625
Reyes-FAJARDO, Marian Ivy	-	-	(4,040)	-	(4,040)	-	(4,040)
REYES, MARVIN	(513)	-	(720)	-	(1,233)	-	(1,233)
Reyes, Melodia S.	13,621	19,000	(22,830)	-	9,791	-	9,791
Reyes, Mercedes	13,067	-	-	-	13,067	-	13,067
Reyes, Oliver Xavier	(454)	-	-	-	(454)	-	(454)
REYES, PIERRE MARTIN	(1,145)	-	(960)	-	(2,105)	-	(2,105)
Reyes, Richard Glenn	(2,322)	20,600	(15,070)	-	3,208	-	3,208
Reyes, Robert	2,344	-	-	-	2,344	-	2,344
Reyes, Rowena	33,594	68,670	(12,750)	-	89,513	-	89,513
REYNOSO, LESLIE	(681)	-	-	-	(681)	-	(681)
REYNOSO, LINO	(553)	-	-	-	(553)	-	(553)
RICAFORT, LINA MARIE	(681)	-	(680)	-	(1,361)	-	(1,361)
RICAFRENTE, MARK IVAN	(2,044)	17,994	(19,714)	-	(3,764)	-	(3,764)
Riego, James bRyan	12,230	-	-	-	12,230	-	12,230
Riguera, Manuel	(3,053)	-	(640)	-	(3,693)	-	(3,693)
Rimano, Joy	3,850	-	-	-	3,850	-	3,850
Rio, Rommel Marvin	91	-	-	-	91	-	91
Rito, Estrellita S.	(75,479)	-	-	-	(75,479)	-	(75,479)
Ritualo III, Servillano	1,663	-	-	-	1,663	-	1,663
RIVERA III, GINO ANTONIO	-	-	(900)	-	(900)	-	(900)
RIVERA, MA. THERESA M	72,176	92,773	(52,966)	-	111,983	-	111,983
Rivera, Marla	3,388	9,000	(6,313)	-	6,075	-	6,075
Rivera, Mayla	-	-	(900)	-	(900)	-	(900)
Rivera, Vim Kiester	-	-	(900)	-	(900)	-	(900)
Rizardo, Romalyn	-	-	(700)	-	(700)	-	(700)
Rodriguez, Gabrielle	-	-	(1,800)	-	(1,800)	-	(1,800)
ROJO, JANE CATHERINE	(1,950)	-	-	-	(1,950)	-	(1,950)
ROLLAN, ZEMIR H	-	-	(780)	-	(780)	-	(780)
Roma, Dominic	1,581	-	-	-	1,581	-	1,581
ROMA, MARGIE	-	-	(680)	-	(680)	-	(680)
Roman, John Romney	-	-	(1,560)	-	(1,560)	-	(1,560)
Romero, Paul	5,188	9,000	(6,313)	-	7,875	-	7,875
ROMERO, RONALD P	-	-	(460)	-	(460)	-	(460)
RONDA, MARIA LEA A	-	-	(640)	-	(640)	-	(640)
Rondaris, Mary Ann	1,363	-	-	-	1,363	-	1,363
Rosal, Josefina	1,000	13,268	(8,590)	-	5,679	-	5,679
Rosales, Alvin	(681)	-	-	-	(681)	-	(681)
Rosales, Rhoel	-	-	(1,800)	-	(1,800)	-	(1,800)
Roxas, James Ibraim	-	-	(920)	-	(920)	-	(920)
Rubio, Marisa	-	27,600	(12,730)	-	14,870	-	14,870
RUIZ, CAESAR FRANZ	(1,363)	-	-	-	(1,363)	-	(1,363)
Rufo, Rowena	(1,464)	12,615	(10,335)	-	817	-	817
SABAS, HERC B	-	-	(900)	-	(900)	-	(900)
SABORNAY, RICKY	(899)	-	-	-	(899)	-	(899)
SACLAYAN, SAM KEVIN	(318)	-	-	-	(318)	-	(318)
SACUEZA, APRIL GRACE M.	-	655	(655)	-	-	-	-
SACUEZA, APRIL ROSE	-	-	-	-	-	-	-
Saguinsin, James Owen	-	1,261	(1,261)	-	-	-	-

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
Sagun, Jose Arnold C.	P 1,063	P -	P -	P -	P 1,063	P -	P 1,063
Sagut, Jeysie S.	-	3,250	(813)	-	2,438	-	2,438
Salcedo, Rosanna	10,214	3,611	(29,640)	-	(15,816)	-	(15,816)
Salcedo, Vera Shayne	(1,172)	-	(588)	-	(1,760)	-	(1,760)
SALDO, LENY	-	-	(800)	-	(800)	-	(800)
SALGADO, MAJAH	(927)	-	-	-	(927)	-	(927)
Salgado, Ronnie Leon	1,930	-	-	-	1,930	-	1,930
SALIGUMBA, JACQUELYN JOY L	-	-	(28,800)	-	(28,800)	-	(28,800)
SALIK, SITTIE	(1,009)	-	-	-	(1,009)	-	(1,009)
Salise, Percival	1,613	-	-	-	1,613	-	1,613
Salles, Karen	2,344	-	-	-	2,344	-	2,344
SALLOMAN, PHILIP	82	-	-	-	82	-	82
Saloma, Hershe Fe	(681)	-	-	-	(681)	-	(681)
SALONGA, REDENTOR	(1,663)	-	(182)	-	(1,844)	-	(1,844)
SALUD, JOSE	(3,471)	-	(588)	-	(4,059)	-	(4,059)
SALUDARIO, RUBI ANA A	-	-	(640)	-	(640)	-	(640)
Salunga, Loida - OLD	14,961	-	-	-	14,961	-	14,961
Salustiano, Rosalinda	981	-	-	-	981	-	981
Salvado, Rowena- OLD	22,160	-	-	-	22,160	-	22,160
SALVADOR, ALLAN	(1,163)	-	(1,800)	-	(2,963)	-	(2,963)
SALVADOR, HAZEL	(594)	-	(540)	-	(1,134)	-	(1,134)
Salvador, Norina	-	6,494	(3,969)	-	2,525	-	2,525
SAMARITA, MERCY CRISTY	-	-	(2,525)	-	(2,525)	-	(2,525)
SAMBAT, KYLYN	-	-	(900)	-	(900)	-	(900)
Sampan, Melodia	-	5,122	(942)	-	4,181	-	4,181
Samson, Jaypee	(981)	-	-	-	(981)	-	(981)
Samson, Leylani	83,990	-	(15,000)	-	68,990	-	68,990
Samson, Ronald	(454)	-	-	-	(454)	-	(454)
SAN ANTONIO, MARICON	-	-	(900)	-	(900)	-	(900)
SAN AGUSTIN, JENORIE	-	-	(1,320)	-	(1,320)	-	(1,320)
SAN DIEGO, CYNTHIA	10,375	19,000	(12,750)	-	16,625	-	16,625
SAN DIEGO, Immanuel	(43,690)	-	-	-	(43,690)	-	(43,690)
San Gregorio, Randell	(4,113)	9,000	(6,313)	-	(1,425)	-	(1,425)
SAN JUAN, SARA MAE	(681)	12,158	(13,058)	-	(1,581)	-	(1,581)
SAN JUAN-TORRES, MARIA JOSEFINA	(1,890)	-	(928)	-	(2,818)	-	(2,818)
San Luis, Michelle Reyes	-	-	(2,700)	-	(2,700)	-	(2,700)
San Mateo, Andres Ignacio	(300)	-	-	-	(300)	-	(300)
SANA, MARGO	(1,499)	-	(489)	-	(1,988)	-	(1,988)
SANALILA, CHRISTOPHER	(1,363)	-	-	-	(1,363)	-	(1,363)
SANALILA, CHRISTOPHER	(781)	-	-	-	(781)	-	(781)
SANAPO, MARGARET	(681)	-	-	-	(681)	-	(681)
Sanchez, Annlyn	(681)	-	-	-	(681)	-	(681)
Sanchez, Jennifer	200	-	(3,000)	-	(2,800)	-	(2,800)
Sanchez, Timothy	(1,763)	-	(722)	-	(2,485)	-	(2,485)
Sandoval, KhRistina	32,000	-	-	-	32,000	-	32,000
SANGCAP, REYJOHN MARK	(681)	-	-	-	(681)	-	(681)
Sangel, Marites	-	4,827	(4,827)	-	-	-	-
SANTANDER, JHUREN VICSON	(681)	-	-	-	(681)	-	(681)
SANTIAGO, MARK	-	2,703	(2,703)	-	-	-	-
Santiago, Marvin	1,581	-	-	-	1,581	-	1,581
Santiago, Rey Paolo	(1,699)	-	-	-	(1,699)	-	(1,699)
Santos, Buenvenida	(228,551)	-	-	-	(228,551)	-	(228,551)
SANTOS, Celmer	-	57,000	(4,750)	-	52,250	-	52,250
SANTOS, CRISTINA C	419	-	-	-	419	-	419
Santos, Florentino	(2,221)	-	-	-	(2,221)	-	(2,221)
Santos, Fritz Michael	-	9,000	(1,125)	-	7,875	-	7,875
Santos, Joey andrew	(15,323)	-	-	-	(15,323)	-	(15,323)
Santos, Joseph Vincent	5,678	9,000	(6,313)	-	8,365	-	8,365
SANTOS, LEO ANGELO	(1,363)	25,272	(25,272)	-	(1,363)	-	(1,363)
SANTOS, NATHALIE	-	-	(620)	-	(620)	-	(620)
SAPINOSO, FRANCESCA MARIE	10,375	19,000	(12,750)	-	16,625	-	16,625
Sapitula, Preciosa - OLD 1,586.57	1,587	-	-	-	1,587	-	1,587
Saplala, Mariano	11,775	-	(10,375)	-	1,400	-	1,400
SAQUING, PURAMARYVER	7,501	-	-	-	7,501	-	7,501
Saret, Angelyn R.	19,771	38,000	(25,500)	-	32,271	-	32,271
SARMIENTO, ALDOUS JEROME R	-	-	(900)	-	(900)	-	(900)
Sarmiento, Ma. Victoria	(1,484)	-	-	-	(1,484)	-	(1,484)
Sarmiento, Randy	(856)	-	-	-	(856)	-	(856)
SARTE, SOFIA	-	-	(360)	-	(360)	-	(360)
SAYAT, CARMELO	800	-	-	-	800	-	800
SAYAT, RUBY	31,825	22,252	(33,025)	-	21,052	-	21,052
Seducon, Glen Mark	1,581	-	-	-	1,581	-	1,581
SEGOVIA, JULIUS ANTHONY	(672)	-	-	-	(672)	-	(672)
Segun, VAnesa	-	-	(1,720)	-	(1,720)	-	(1,720)
Segundo, Jonnah Liza	-	-	(920)	-	(920)	-	(920)
SEKITO, RALPH EDWARD R	-	-	(2,700)	-	(2,700)	-	(2,700)
SELGA, JOHN LESTER	(600)	-	-	-	(600)	-	(600)
Sembrano, Edgar Allan Manzano	1,880	-	-	-	1,880	-	1,880
SEMBRANO, GILBERT	(3,100)	-	(1,020)	-	(4,120)	-	(4,120)
Senanin, Ferdinand	(1,745)	-	-	-	(1,745)	-	(1,745)
SERAPIO, Renato	62,851	19,000	(29,375)	-	52,476	-	52,476
Sergio, Joan Liezel	1,100	-	-	-	1,100	-	1,100
SERIOSA, JERALD B	-	-	(2,220)	-	(2,220)	-	(2,220)
Serquina, Pauline Reyanne	-	-	(1,800)	-	(1,800)	-	(1,800)
Serra, Christine Albuquerque	2,500	-	-	-	2,500	-	2,500
Serrano, Chellie Mae	-	-	(1,800)	-	(1,800)	-	(1,800)
SEVILLA, CAMILLE	-	-	(900)	-	(900)	-	(900)
SIAPIAN, ALVIN II	-	-	(680)	-	(680)	-	(680)
Sibal, Regina	172,721	15,513	-	-	188,233	-	188,233
SIBUG, JOHN PAUL H	-	-	(266)	-	(266)	-	(266)
Sido, Ma. Victoria	-	5,058	(5,058)	-	-	-	-
Simo, Rickson Jay P.	200	-	-	-	200	-	200
SIO, JOSE T	-	100,000	-	-	100,000	-	100,000
Siongco, Josephine	(1,281)	13,288	(9,275)	-	2,732	-	2,732
SIRUG, WINSTON	(3,407)	-	-	-	(3,407)	-	(3,407)
Sison, Erlinda G.	4,658	-	-	-	4,658	-	4,658
SIONGCO, MA TERESITA	-	10,727	(4,013)	-	6,714	-	6,714
Sioson, Yolanda - OLD	57,480	-	-	-	57,480	-	57,480
Sison, Walterdrudes M.	961	-	-	-	961	-	961
SISTOSO, RAMON	-	-	(238)	-	(238)	-	(238)
SOBERANO, ISRAEL	(2,044)	-	-	-	(2,044)	-	(2,044)
Sobretodo, Redel	(672)	-	-	-	(672)	-	(672)
Solis, Ma. Geraldine	2,218	-	-	-	2,218	-	2,218
SOLIMAN, ELMER	(1,363)	-	(560)	-	(1,923)	-	(1,923)
Soliman, Rian Ceasar	(906)	-	-	-	(906)	-	(906)
Solitario, Rachelle	(318)	-	-	-	(318)	-	(318)
SOLIVEN, MONICA	(27)	-	(380)	-	(407)	-	(407)
Solivio, Rosalie	(128,910)	-	-	-	(128,910)	-	(128,910)
Solomon, Rommel	-	800	-	-	800	-	800
SOMERA, AURELIO	1,600	-	-	-	1,600	-	1,600
Soquerata, Charles Dwane			(1,800)	-	(1,800)	-	(1,800)

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
SORIANO, DAENIEL NICCOLA	P -	P -	(P 820)	P -	(P 820)	P -	(P 820)
SORIANO, DOMINIQUE	(800)	-	-	-	(800)	-	(800)
SORIANO, ROWENA	(2,065)	-	(509)	-	(2,574)	-	(2,574)
SORIANO, WILMA	-	-	(860)	-	(860)	-	(860)
SOSA, JEROME	-	-	(1,120)	-	(1,120)	-	(1,120)
Sta. Maria, Hipolito	10,375	19,000	(12,750)	-	16,625	-	16,625
Sta. Maria, Melencio	329,798	133,482	(130,748)	-	332,531	-	332,531
Sta. Mina, Joel	5,188	9,000	(6,313)	-	7,875	-	7,875
STO. TOMAS, MICHELLE	-	-	(900)	-	(900)	-	(900)
Sualog, Cyrus Victor	(1,490)	-	(491)	-	(1,981)	-	(1,981)
SUAREZ, GINA	(1,217)	-	(900)	-	(2,117)	-	(2,117)
SUATENGCO, ROSARITO	10,375	19,000	(12,750)	-	16,625	-	16,625
Suba, Gerald Manalo	(1,302)	-	(1,460)	-	(2,762)	-	(2,762)
Suba, Sally	(218,134)	-	-	-	(218,134)	-	(218,134)
Subijano, Reiner	1,581	-	-	-	1,581	-	1,581
Sucgang, David Sean	-	-	(1,800)	-	(1,800)	-	(1,800)
SUELO, LYOMARI	(1,363)	-	-	-	(1,363)	-	(1,363)
SUGAY, JUDITH	(681)	28,800	(900)	-	27,219	-	27,219
SULIT, KRISTINE	(636)	-	-	-	(636)	-	(636)
Sumulong, Dan Nathaniel	-	-	(900)	-	(900)	-	(900)
SUNGA, JANINE	8,807	-	-	-	8,807	-	8,807
SUNGA-Tagal, Johana	22,792	-	(3,000)	-	19,792	-	19,792
Suriaga, Christian Dale	-	-	(1,160)	-	(1,160)	-	(1,160)
Sy, Dexter	(781)	-	-	-	(781)	-	(781)
SY, MICHELLE	-	-	(1,440)	-	(1,440)	-	(1,440)
SY, RICHARD	(1,010)	-	-	-	(1,010)	-	(1,010)
TABA, PATRICIA	(1,190)	-	-	-	(1,190)	-	(1,190)
TABAR, EUREZE	(67)	-	(600)	-	(667)	-	(667)
Tabuzo, Victor	10,000	-	-	-	10,000	-	10,000
TACUBOY, SHERYL	(1,488)	-	-	-	(1,488)	-	(1,488)
TAGAAN, TITUS ROLAND	(258)	-	-	-	(258)	-	(258)
Tajonera, Joan Patrick	12,089	-	-	-	12,089	-	12,089
Talion, Daniel C	-	-	(1,800)	-	(1,800)	-	(1,800)
TALUSAN, IRISH	-	-	(900)	-	(900)	-	(900)
TALUSAN, RONNEL	-	12,158	(13,058)	-	(900)	-	(900)
Tamares, John Joseph	-	-	(1,620)	-	(1,620)	-	(1,620)
TAMARGO JR., FRANKLIN	(1,063)	-	(640)	-	(1,703)	-	(1,703)
Tan, Alvin O.	621	-	-	-	621	-	621
TAN, ANDREW	(1,390)	-	-	-	(1,390)	-	(1,390)
TAN, ELISHA	-	-	(900)	-	(900)	-	(900)
Tan, Ma Floran	111,069	279,501	(238,752)	-	151,818	-	151,818
Tan, Melanie	-	-	(1,800)	-	(1,800)	-	(1,800)
TAN, PAULINO Y.	-	100,000	-	-	100,000	-	100,000
Tan, Rowena Nieves	(1,913)	-	(1,740)	-	(3,653)	-	(3,653)
Tana, Kenneth Bryan	(2,544)	-	-	-	(2,544)	-	(2,544)
TANAWAN, CHARISH	(681)	-	-	-	(681)	-	(681)
Tapalgo, Elyn	18,166	28,161	(46,807)	-	(480)	-	(480)
TAPAR, MARK	-	-	(700)	-	(700)	-	(700)
Tapia, Maria Carolina M.	103	-	-	-	103	-	103
TARECTECAN, RICO	(1,363)	-	-	-	(1,363)	-	(1,363)
Taroy, Jose Carlos	-	-	(1,800)	-	(1,800)	-	(1,800)
Taton, Maria Thelma	10,375	19,000	(12,750)	-	16,625	-	16,625
TAY, MARIA DOLORES	-	-	(1,360)	-	(1,360)	-	(1,360)
TAYAMORA. MICHI REY	2,044	-	-	-	2,044	-	2,044
TECSON, MA. CHRISTINA	(300)	-	-	-	(300)	-	(300)
TEH, LADIE KRISTINE	(1,954)	-	(409)	-	(2,363)	-	(2,363)
TEM, JOSELITO	-	1,500	(1,500)	-	-	-	-
Temprosa, Francis Tom	(146)	-	(1,940)	-	(2,086)	-	(2,086)
Tenoso, Isidro	1,563	-	-	-	1,563	-	1,563
TERAñA, EDWARD	-	-	(400)	-	(400)	-	(400)
THELMO, ALESSANDRA	-	-	(900)	-	(900)	-	(900)
TIANELA, CRISTINA	-	-	(900)	-	(900)	-	(900)
Ticman Jr., Modesto	763	-	(820)	-	(57)	-	(57)
Tinaya, Galilee	4,900	-	-	-	4,900	-	4,900
TINGA, ABRICAM	-	-	(1,140)	-	(1,140)	-	(1,140)
Tino, Maria Teresa	112,861	390,826	(242,088)	-	261,599	-	261,599
Tiotangco, angelina	(22,082)	-	-	-	(22,082)	-	(22,082)
Tirao, Jerrifer	2,235	-	-	-	2,235	-	2,235
Tirazona, Renato	-	22,044	(9,500)	-	12,544	-	12,544
TIU, ANDREA CRISZLE	(309)	-	-	-	(309)	-	(309)
TIU, MICHAEL	(3,280)	-	(1,380)	-	(4,660)	-	(4,660)
Tobias, Ana Patricia	(392)	-	-	-	(392)	-	(392)
Toledo, John Patrick	(763)	-	-	-	(763)	-	(763)
Tolenada, Charlene Princess	-	-	(840)	-	(840)	-	(840)
Tolentino, Edna	873	-	-	-	873	-	873
TOLENTINO, ERNIDA	-	-	(900)	-	(900)	-	(900)
TOLENTINO, Florence	-	-	(1,360)	-	(1,360)	-	(1,360)
Tolentino, Rosula	12,224	-	-	-	12,224	-	12,224
TOLOSA, VICTORINO	-	26,701	(10,076)	-	16,625	-	16,625
Tongol, Jan Frederick	(881)	-	-	-	(881)	-	(881)
TORIO, KARLO	(854)	-	-	-	(854)	-	(854)
Torrato, James Philip	-	-	(1,000)	-	(1,000)	-	(1,000)
Torregrosa, Rosalyn P	-	-	(680)	-	(680)	-	(680)
Torres, Melinda	64,978	-	(64,978)	-	-	-	-
TRAJANO, ALEXANDER CHAN	(1,608)	-	-	-	(1,608)	-	(1,608)
Trajeco, Ma. Shirley	6,249	-	-	-	6,249	-	6,249
Trinidad, Bryan	2,300	-	-	-	2,300	-	2,300
Trinidad, Josefina	(439)	-	-	-	(439)	-	(439)
TUASON, JOHN LESTER	(800)	9,967	(9,967)	-	(800)	-	(800)
TUAZON, ALICIA	-	-	(900)	-	(900)	-	(900)
Tuble, Marnel	(500)	-	-	-	(500)	-	(500)
Tugade, Luzviminda O	674	-	-	-	674	-	674
TULUD, RENZ CHRISTIAN	(345)	-	(1,035)	-	(1,380)	-	(1,380)
TUMBAGA, RONALIN	-	-	(1,040)	-	(1,040)	-	(1,040)
TUMBALI, MARY VIDA	-	-	(780)	-	(780)	-	(780)
TUPAZ, ANTHONY EDSEL	(2,664)	-	(1,020)	-	(3,684)	-	(3,684)
TUPPAL, CYRUZ P	-	-	(900)	-	(900)	-	(900)
TURLA, AMRIEDELLE	-	-	(900)	-	(900)	-	(900)
TY, CARL	(427)	-	-	-	(427)	-	(427)
Ubas, Janry	-	9,000	(1,125)	-	7,875	-	7,875
Ugaddan, Karla	270	-	-	-	270	-	270
ULANDAY, GIANNE	(1,181)	-	-	-	(1,181)	-	(1,181)
Ulep, Michael Lawrence	1,363	-	-	-	1,363	-	1,363
Umpad, Mara	22,200	-	-	-	22,200	-	22,200
Urian, Joselito	5,188	-	(4,150)	-	1,038	-	1,038
URQUICO, CRYSTAL	-	-	(900)	-	(900)	-	(900)
USACDIN, LEAH B	-	19,800	-	-	19,800	-	19,800
Usita, Laarni D.	12,211	19,916	(10,000)	-	22,128	-	22,128
Ustaris, Christina Stella	-	-	(2,460)	-	(2,460)	-	(2,460)
UY, CARLO ANTHONY	-	-	(2,340)	-	(2,340)	-	(2,340)
Uy, Moira	270,000	8,681	(5,539)	-	273,141	-	273,141

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
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May 31, 2020

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			Amounts Collected	*Amounts Written-Off*			
UYSECO, WAYNE WINTER	P -	P -	(P 1,800)	P -	(P 1,800)	P -	(P 1,800)
Uyson, Leslie Marie C.	9,258	-	-	-	9,258	-	9,258
Valderama, Marvin Gilbert C.	5,188	9,000	(6,313)	-	7,875	-	7,875
Valderrama, RUth	-	-	(32,400)	-	(32,400)	-	(32,400)
VALDEZ, MARCELINO	(194)	-	-	-	(194)	-	(194)
Valdez Jr., Marcos	10,375	19,794	(21,395)	-	8,774	-	8,774
VALENCIA, ALMA	(916)	-	-	-	(916)	-	(916)
Valencia, Mary Clydeen	-	-	(1,600)	-	(1,600)	-	(1,600)
VALERA, STEPHEN RUSSEL	(1,145)	-	(960)	-	(2,105)	-	(2,105)
Valerio, Francis	16,600	-	-	-	16,600	-	16,600
VANZUELA, JEZEL F	-	-	-	-	-	-	-
VARGAS, MA. CRISTINA.	(2,044)	-	-	-	(2,044)	-	(2,044)
Varilla, Edglyn - OLD	5,141	-	-	-	5,141	-	5,141
VASQUEZ, VILMA	-	-	(3,600)	-	(3,600)	-	(3,600)
VELASCO, MARK ANTHONY	2,725	-	-	-	2,725	-	2,725
Velasquez III, Damian	341	-	-	-	341	-	341
Velasquez, Ma. Charisma B.	3,160	-	-	-	3,160	-	3,160
VELASQUEZ, ROCHELLE	(681)	-	-	-	(681)	-	(681)
VENCIO, GRACE	-	4,060	(1,245)	-	2,815	-	2,815
Veneracion, Victor Emmanuel	5,188	9,000	(6,313)	-	7,875	-	7,875
Ventenilla, JohnFrancis	-	-	(1,196)	-	(1,196)	-	(1,196)
Vera, Roderick	(3,416)	-	(654)	-	(4,070)	-	(4,070)
Verano, Aldrick	(781)	-	-	-	(781)	-	(781)
Verano, Jacqueline Christine	2,903	-	-	-	2,903	-	2,903
VERANO, JAY NEIL	(154)	-	-	-	(154)	-	(154)
Vicente, Gudani	2,300	-	-	-	2,300	-	2,300
VICENTE, MARIGLO	(2,044)	-	-	-	(2,044)	-	(2,044)
VICTOR, RAMON	(3,625)	-	(1,800)	-	(5,425)	-	(5,425)
VICTORIA, JANUARY	(427)	-	-	-	(427)	-	(427)
VICTORIO, MA. SOCORRO	-	-	(880)	-	(880)	-	(880)
VICTORIA, MICHAEL	12,358	19,000	(12,750)	-	18,608	-	18,608
Victoria, Wendelliza	10,000	-	-	-	10,000	-	10,000
Vilchez, Maria Gladys	(2,447)	-	(634)	-	(3,081)	-	(3,081)
Villacorta, Enrico	(1,481)	-	-	-	(1,481)	-	(1,481)
Villafranca, Rica Mae	-	-	(1,800)	-	(1,800)	-	(1,800)
VILLALBA, MABEL LYN	(681)	-	-	-	(681)	-	(681)
Villaluz, Gerardo	(1,103)	-	(428)	-	(1,532)	-	(1,532)
Villamin, Jojo	(1,331)	-	-	-	(1,331)	-	(1,331)
VILLANUEVA, ANTONIO JR	(1,145)	-	(800)	-	(1,945)	-	(1,945)
VILLANUEVA, ARHIMEDES	(282)	-	-	-	(282)	-	(282)
VILLANUEVA, GABRIEL	(2,065)	-	(1,009)	-	(3,074)	-	(3,074)
VILLANUEVA, Jay Pee	-	-	(1,920)	-	(1,920)	-	(1,920)
Villanueva, Ma. Concepcion L.	22,311	-	-	-	22,311	-	22,311
Villanueva, Romulo	(673)	-	-	-	(673)	-	(673)
VILLANUEVA, SARAH CAPARAS	1,545	-	-	-	1,545	-	1,545
Villar, Gerald	139,858	21,550	(12,750)	-	148,658	-	148,658
Villareal III, Benito	182	-	-	-	182	-	182
VILLARINO, JOHN KEBYN	(318)	-	(1,220)	-	(1,538)	-	(1,538)
VILLARINO, Joseph Jino	-	9,000	(1,125)	-	7,875	-	7,875
Villasis, Christian	25	-	-	-	25	-	25
VILLAVICENCIO, PETER PAUL	(681)	-	-	-	(681)	-	(681)
VILLAVIZA, GREGORIO	(2,188)	-	(680)	-	(2,868)	-	(2,868)
VILLEGAS JR,M AMADO	-	1,800	(1,600)	-	200	-	200
VILLEGAS, Reynaldo	-	-	(800)	-	(800)	-	(800)
Villegas, Ronchette Lee I	5,188	-	(5,188)	-	-	-	-
VILLEGAS, VIDA LUZ	-	-	(900)	-	(900)	-	(900)
Villena, Jean Marie	(999)	-	(604)	-	(1,603)	-	(1,603)
VILORIA, BENITA	(536)	-	-	-	(536)	-	(536)
VILORIA, ERIKA STEPHANIE	-	-	(1,640)	-	(1,640)	-	(1,640)
Vinas, Ana Marie	1,908	-	-	-	1,908	-	1,908
Vinluan, Lourdes	0	-	-	-	0	-	0
Vinluan, Renato *	4,875	-	-	-	4,875	-	4,875
VIOLA, ALDRIN	-	-	(2,100)	-	(2,100)	-	(2,100)
VIRAY, MARIAH MIKAILA	-	-	(1,800)	-	(1,800)	-	(1,800)
VIRAY, RICHMOND	(536)	-	(460)	-	(996)	-	(996)
VISPERAS, NIKKO	-	-	(900)	-	(900)	-	(900)
Vitug, Marianne Claire	(2,544)	-	-	-	(2,544)	-	(2,544)
VITUG, SOLITA	(681)	-	(900)	-	(1,581)	-	(1,581)
Vizcayno, Wilfredo	4,900	-	-	-	4,900	-	4,900
WANG, EVA MARIE	(39,269)	-	-	-	(39,269)	-	(39,269)
WONG, MARC JASON	-	-	(1,445)	-	(1,445)	-	(1,445)
Yan, Edwin	400	-	-	-	400	-	400
Yangco, Brandon Kyle	-	-	(1,800)	-	(1,800)	-	(1,800)
Yaon, Michelle	-	9,000	(1,125)	-	7,875	-	7,875
Yap, Avelina	9,405	-	-	-	9,405	-	9,405
YAP, MARGAUX	(781)	-	-	-	(781)	-	(781)
YAP, ROSALIE	(1,772)	-	-	-	(1,772)	-	(1,772)
Yarcia, Lee Edson	-	-	(770)	-	(770)	-	(770)
YATO, MASAHIRO	-	-	(1,000)	-	(1,000)	-	(1,000)
Ycasas, Ma. Neila S	5,188	9,000	(6,313)	-	7,875	-	7,875
YCONG, MA CECILIA	681	-	-	-	681	-	681
YLAGAN, ANGELA	(2,680)	-	(851)	-	(3,531)	-	(3,531)
Yu, Antonio O.	100	-	-	-	100	-	100
Yudelmo,Walter	(1,363)	-	-	-	(1,363)	-	(1,363)
Zafra, Reynele Bren G.	346	-	-	-	346	-	346
Zaldivar, Felicia P.	43,830	-	-	-	43,830	-	43,830
Zamora, Elizar	-	2,688	(2,688)	-	-	-	-
Zamudio, Rowena B.	(5,100)	-	-	-	(5,100)	-	(5,100)
Zapra, Reynelle Bren	-	-	(1,840)	-	(1,840)	-	(1,840)
Zerna, Cromwell Matheau	(969)	-	-	-	(969)	-	(969)
ZIPAGAN, ROXANNE	-	-	(1,260)	-	(1,260)	-	(1,260)
Abanto, Flordeliz	-	13,018	(13,018)	-	-	-	-
ACOMULAR, MICHELLE S	48,719	262,989	(255,231)	-	56,477	-	56,477
Alba, Michael	48,248	11,163	(11,163)	-	48,248	-	48,248
ALFONSO, MARIA CARMENCITA	-	29,800	(29,800)	-	-	-	-
ALVAREZ JR., ABEL	7,000	68,581	(75,581)	-	-	-	-
Ampatin, Estrella V.	(33,860)	-	-	-	(33,860)	-	(33,860)
Andaya, Marie Jina	3,356	-	-	-	3,356	-	3,356
Andrade, Alexander	550	-	-	-	550	-	550
BAILE, LIAN KAITHLYN	-	227,160	(238,085)	-	(10,925)	-	(10,925)
BALDO, CERLINDA	-	29,000	(29,000)	-	-	-	-
Baldes, Ramil	9,613	-	-	-	9,613	-	9,613
Barro, Liana	-	5,667	(5,667)	-	-	-	-
BARTOLOME, LIEZL	-	66,903	(66,903)	-	-	-	-
Basilio, Rosalinda	-	435,617	(426,161)	-	9,456	-	9,456
Bautista, Michelle	-	30,056	(30,056)	-	-	-	-
BEJO, NOEL	-	85,939	(85,939)	-	-	-	-
BELTRAN, EDNA	-	7,000	(7,000)	-	-	-	-
Beltran, Loysabel	2,980	-	-	-	2,980	-	2,980
Benicta, Eugeene	(7,706)	-	-	-	(7,706)	-	(7,706)
Bingculado, Roger	(35,172)	67,229	(52,629)	-	(20,572)	-	(20,572)

Forward

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Blardony, Rosario	P 17,449	P -	P -	P -	P 17,449	P -	P 17,449
Blas, Maria Theresa	1,451	-	-	-	1,451	-	1,451
Borgona, Earl Joseph	(1,535)	-	-	-	(1,535)	-	(1,535)
Bravo, Arnel	12,000	24,500	(36,500)	-	-	-	-
BRIOSO, JOHN OLIVER	40,065	13,442	(13,442)	-	40,065	-	40,065
Bueno, Harold	(0)	-	-	-	(0)	-	(0)
BULANHAGUI, NIDA	4,234	435,124	(302,124)	-	137,234	-	137,234
Bustamante- Bunzalan, Maria Christine	-	20,000	(20,000)	-	-	-	-
CAAWAY, JOSE JAMIR	(10,000)	-	-	-	(10,000)	-	(10,000)
Caagbay, Elpidio Z.	-	123,390	(123,390)	-	-	-	-
Cabasada, Albert R. III	(39,409)	-	-	-	(39,409)	-	(39,409)
Canoza, Geraldine	-	720	(720)	-	-	-	-
Cao, Marilou F.	(96,493)	59,267	(146,617)	-	(183,843)	-	(183,843)
CAPATI, ARIEL	-	109,000	(89,000)	-	20,000	-	20,000
CAPERAL, MELANY	-	30,405	(30,405)	-	-	-	-
Carillo - Rivera , Kristine Bernadette	(5,935)	-	-	-	(5,935)	-	(5,935)
Castillo, Flordeliza	15,581	14,031	(29,611)	-	0	-	0
Castro, Joeven	29,424	-	-	-	29,424	-	29,424
Catamora, Catherine	38,993	-	-	-	38,993	-	38,993
Chavez, Joel	(28,182)	-	-	-	(28,182)	-	(28,182)
CHUA, RICK JOHN B	(3,356)	12,505	(12,505)	-	(3,356)	-	(3,356)
CIUBAL, Willie	-	-	-	-	-	-	-
CO, STEPHEN JAY	72,289	-	(78,000)	-	(5,711)	-	(5,711)
COBARRUBIAS, NORMITA	-	57,644	(76,009)	-	(18,365)	-	(18,365)
CONCHA, JHONALYN	2,990	52,650	(52,500)	-	3,140	-	3,140
Cruz, Benjamin F.	(2,000)	-	-	-	(2,000)	-	(2,000)
Cruz, Jayson	-	75,691	(76,634)	-	(943)	-	(943)
Cuibillas, Jorge	2,585	54,650	-	-	57,235	-	57,235
DANABAR, PHILLINE	-	20,000	(20,000)	-	-	-	-
DAVID, PHILIP	(34,247)	-	-	-	(34,247)	-	(34,247)
De Leon, Jocelyn	(235,018)	594,888	(601,188)	-	(241,318)	-	(241,318)
De Vera, Michael	(116,706)	-	-	-	(116,706)	-	(116,706)
Vera, Michael	58,088	-	-	-	58,088	-	58,088
De Viana, Lorelei	11,793	-	-	-	11,793	-	11,793
DEL ROSARIO, JOHNCENT M	85	62,193	(52,642)	-	9,636	-	9,636
Del Rosario, Maria Theresa	(2,831)	-	-	-	(2,831)	-	(2,831)
Rosario, Maria Theresa	1,255	-	-	-	1,255	-	1,255
DELA CRUZ, ALMA EMERITA V	(30,531)	-	-	-	(30,531)	-	(30,531)
Paz, Rosalinda Z.	18,000	-	-	-	18,000	-	18,000
Paz, Emily C.	8,561	-	-	-	8,561	-	8,561
DELOS SANTOS, MARIE LENORE N	(72,062)	128,300	(61,534)	-	(5,296)	-	(5,296)
Diaz Jr., Reynaldo	(10,852)	21,840	(21,840)	-	(10,852)	-	(10,852)
DIJAN, ANANSA	6,240	103,965	(110,205)	-	-	-	-
DISIMULACION, MARIA ARLENE	500	-	(500)	-	-	-	-
DUKA, JHELMAR	63	90,011	(40,011)	-	50,063	-	50,063
Echauz, Lydia	(5,606)	-	-	-	(5,606)	-	(5,606)
ERUM, FILJU	33,000	8,000	(41,000)	-	-	-	-
ESTEBAN, FRANCIS M	11,800	26,035	(37,835)	-	-	-	-
EVIZA, ALYSSA FAYE R	1,686	194,173	(199,173)	-	(3,314)	-	(3,314)
FENNIS, ROGELYN	(27,588)	149,212	(123,193)	-	(1,569)	-	(1,569)
FERNANDEZ, MAGDALAINE	3,600	41,985	(45,585)	-	-	-	-
FEU High School, Inc.	500	-	-	-	500	-	500
Flores, Roberto	(11,500)	-	-	-	(11,500)	-	(11,500)
Fulgar III, Ildefonso	116	-	-	-	116	-	116
Galang Jr., Romeo	540	-	-	-	540	-	540
GARCIA, MERRIE CAROLYNE	(492)	-	-	-	(492)	-	(492)
GELLECANAO JR., FRANCISCO R	-	7,383	(7,383)	-	-	-	-
GIANAN, ANGELICA	-	239,034	(239,034)	-	-	-	-
GIANAN, VINCE MARK GIL	-	148,030	(148,030)	-	-	-	-
Gonzales, Emmanuel	-	25,234	(17,815)	-	7,419	-	7,419
Gonzales, Jayson	4,972	-	-	-	4,972	-	4,972
GONZALES, MARK NIKCO	-	4,801	(2,542)	-	2,259	-	2,259
GONZALEZ, NOEL A	-	20,000	-	-	20,000	-	20,000
GOQUINGCO, ANTHONY RAYMOND	(117,680)	-	-	-	(117,680)	-	(117,680)
Grasparil, James Andrew	(11,271)	81,809	(69,706)	-	832	-	832
GUEVARRA, RISEL	-	729,146	(729,146)	-	-	-	-
HEMBRADOR, EMIR T	-	100,000	(100,000)	-	-	-	-
HERNANDEZ, PAMELA	-	-	(3,750)	-	(3,750)	-	(3,750)
Inciong, Cherry Wyne	14,000	6,000	(6,000)	-	14,000	-	14,000
Inocencio, Ma. Fe R.	-	21,306	(21,306)	-	-	-	-
ISLA, JHON MARK L	-	63,900	(63,900)	-	-	-	-
JONSON, KISSARNE ALLYSA L	1,843	486,314	(335,469)	-	152,688	-	152,688
Junio, Jobeth	12,700	-	-	-	12,700	-	12,700
Junio, Nenitha	(23,531)	-	-	-	(23,531)	-	(23,531)
KILAKIGA, EDWARD	-	2,000,000	-	-	2,000,000	-	2,000,000
Kim, Chul Su	96	-	-	-	96	-	96
Lacaden, Raffy	(28,000)	-	-	-	(28,000)	-	(28,000)
LAMSEN, JUDY ANN G	-	624,570	(633,917)	-	(9,347)	-	(9,347)
Landicho, Jerrold	(46,024)	349,865	(369,519)	-	(65,678)	-	(65,678)
LAPUZ, MARIA CARMEN B	-	33,750	(33,750)	-	-	-	-
LARANANG, ARIANE	-	31,000	-	-	31,000	-	31,000
Las Pinas, Mary Grace	(145,767)	70,000	(70,000)	-	(145,767)	-	(145,767)
Laza, Benilda	(7,375)	80,742	(39,086)	-	34,281	-	34,281
Licudine, Mary Grace	-	68,724	(30,724)	-	38,000	-	38,000
Liggayu, Michael	-	12,928	(12,928)	-	-	-	-
Lim, Richmond	40,065	-	-	-	40,065	-	40,065
Limjap, Auxencia	38,747	-	-	-	38,747	-	38,747
LIPATA, URIEL PATRICK	-	56,363	(53,441)	-	2,922	-	2,922
Liwanag, Marichu	36,000	3,330	(49,524)	-	(10,194)	-	(10,194)
LOPEZ, JOMELYN	-	7,172	(7,172)	-	-	-	-
Lopez, Martin Z.	303,701	577,512	(575,509)	-	305,704	-	305,704
Maclang, Ian Margarette	-	6,960	(6,960)	-	-	-	-
Madriaga, Joventina	11,287	-	-	-	11,287	-	11,287
MAGKASI, MA. ELIZA MARGARITA	3,051	-	-	-	3,051	-	3,051
MAMAAT, JOSE EDWARDO	23,585	-	-	-	23,585	-	23,585
MAñALAC, ELISA	(3,240)	-	-	-	(3,240)	-	(3,240)
MANAOIS, FELY ROSE V	-	7,165	(7,165)	-	-	-	-
MANUEL, MA. ROWENA	-	57,976	(41,776)	-	16,200	-	16,200
MARANAN, ARNOLD	-	35,128	(34,185)	-	943	-	943
Martillo, Pocholo	-	74,726	(74,725)	-	1	-	1
Martinez, Maria Teresa	-	5,000	(5,000)	-	-	-	-
MASANGKAY,FREDERICK R	80,484	44,986	(45,531)	-	79,939	-	79,939
Medermott, Linglingay	-	11,603	(11,603)	-	-	-	-
Mendoza. Sophia	-	15,006	(15,006)	-	-	-	-
MILANEZ, GIOVANNI	-	317,756	(270,354)	-	47,402	-	47,402
Mintu, Cynthia	(780)	-	-	-	(780)	-	(780)
Molina, Mark Oliver	(272,223)	1,199,669	(1,433,759)	-	(506,313)	-	(506,313)
Montinola, Antonio	86,840	-	-	-	86,840	-	86,840
Montinola, Juan Miguel R.	(33,439)	-	-	-	(33,439)	-	(33,439)
Morabe, Babsie	-	17,019	(17,019)	-	-	-	-
Narval, Antonio G.	5,282	12,317	(12,317)	-	5,282	-	5,282

Forward

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
NATIVIDAD, REUBEN RAMIRO	P 59	P 158,973	(P 159,032)	P -	P 0	P -	P 0
Neo, Helen Azor	3,262	-	-	-	3,262	-	3,262
NERIDA, CLARISSE MAE T	37,613	263,605	(292,077)	-	9,141	-	9,141
Nieto, Rowena	-	8,133	(8,133)	-	-	-	-
Nisperos, Dulce Marie	(1,250)	-	-	-	(1,250)	-	(1,250)
NOVIO, EDREA DANIELLE C	(4,124)	-	-	-	(4,124)	-	(4,124)
OCTA, KENNEDY P	-	44,703	(41,144)	-	3,559	-	3,559
Ogasawara, Musashi	17,194	-	-	-	17,194	-	17,194
Olivo, Shirley	6,765	-	-	-	6,765	-	6,765
ORDIZ, LADY MAY P	-	1,200	(800)	-	400	-	400
ORMITA, LUZELLE ANNE	(3,675)	875,580	(817,580)	-	54,325	-	54,325
PAGUIRIGAN, VIVIANA	(12,822)	-	-	-	(12,822)	-	(12,822)
Pajuyo, Driselle	48,695	-	-	-	48,695	-	48,695
PAMITTAN JR., GENEROSO	(30,531)	-	-	-	(30,531)	-	(30,531)
PANDAPATAN, RAIHANA	-	7,823	(7,823)	-	-	-	-
Pascua, Jennifer	-	104,000	(104,000)	-	-	-	-
PASION, ELLINE ISABELLE	-	3,000	(3,000)	-	-	-	-
Pedregosa, Jeremy Floyd	11,873	-	-	-	11,873	-	11,873
Penarubia, Christopher	(1,600)	-	-	-	(1,600)	-	(1,600)
PERANTE, KARLA MARIELLE	-	164,863	(277,363)	-	(112,500)	-	(112,500)
Peren, Anelyn	(0)	-	-	-	(0)	-	(0)
Polido, Jelyca	293,999	182,700	(476,701)	-	(1)	-	(1)
Quinto, Myrna	81,998	-	-	-	81,998	-	81,998
Ramos, Rosemarie	(21)	44,196	(44,196)	-	(21)	-	(21)
Rapirap, Raquel	(85,180)	-	-	-	(85,180)	-	(85,180)
Relente, Miguelito	(6,837)	-	-	-	(6,837)	-	(6,837)
REMIENDO, NORA LIZA	-	120,712	(120,712)	-	-	-	-
Requidan, Jerome	(56,000)	-	-	-	(56,000)	-	(56,000)
RETARDO, VICTOR	935	-	(935)	-	-	-	-
Reyes, Rowena	-	5,202	(5,202)	-	-	-	-
Rito, Estrellita S.	9,798	-	-	-	9,798	-	9,798
RIVERA, MA. THERESA M	-	15,336	-	-	15,336	-	15,336
Rosal, Josefina	-	49,750	(2,250)	-	47,500	-	47,500
Saguinsin, James Owen	500	-	-	-	500	-	500
Sagut, Jeysie S.	-	10,437	(9,052)	-	1,384	-	1,384
Salcedo, Rosanna	11,782	-	-	-	11,782	-	11,782
Saldivar, Adelaida	(20)	-	-	-	(20)	-	(20)
Santos, Marie Lenore	3,536	-	-	-	3,536	-	3,536
SANTOS, MELANNIE C	140	15,062	(15,062)	-	140	-	140
SAYAT, CARMELO	-	-	-	-	-	-	-
SAYAT, RUBY	-	15,062	(15,062)	-	-	-	-
SAYSON, ERWIN	(3,350)	-	-	-	(3,350)	-	(3,350)
SELDA, KAREN LAINE (June2019)	-	325,953	(313,553)	-	12,400	-	12,400
Sido, Ma. Victoria	19,451	59,320	(20,615)	-	58,156	-	58,156
Sioson, Yolanda - OLD	-	55,000	(55,000)	-	-	-	-
Sison, Roger Amadeo	4,650	-	-	-	4,650	-	4,650
Solomon, Rommel	-	5,600	(5,600)	-	-	-	-
SORIA, EULEGIO	-	100,082	(100,003)	-	79	-	79
Sta. Maria, Melencio	(109,432)	-	-	-	(109,432)	-	(109,432)
TABUENA, RICHARD	16,086	-	-	-	16,086	-	16,086
Tabuzo, Victor	(11,751)	-	-	-	(11,751)	-	(11,751)
Talampas, Maria Cristina	340,000	-	-	-	340,000	-	340,000
Talusan, Danilo B.	9,962	-	-	-	9,962	-	9,962
Tem, Joselito	10,118	-	-	-	10,118	-	10,118
TENORIO, MARY JANE	(210)	-	-	-	(210)	-	(210)
Tinio, Maria Teresa	(36,998)	-	-	-	(36,998)	-	(36,998)
Tolentino, Rosula	6,965	-	-	-	6,965	-	6,965
TUASON, JOHN LESTER	38,600	306,069	(291,779)	-	52,890	-	52,890
Valdez Jr., Marcos	117	-	-	-	117	-	117
Valencia, Jean Pauline	15,034	445,705	(431,001)	-	29,737	-	29,737
Villanueva, Romulo	673	-	-	-	673	-	673
VILLAROSA, DEAN T	(65)	-	-	-	(65)	-	(65)
Visda, Eric John	(1)	355,400	(355,400)	-	(1)	-	(1)
Yago, Rowena	-	47,309	(47,309)	-	-	-	-
Yap, Avelina	(30,385)	-	-	-	(30,385)	-	(30,385)
YAP, SANDRA	30,385	173,900	(118,327)	-	85,958	-	85,958
YSLA, MARK SALVADOR	22,834	-	(22,982)	-	(148)	-	(148)
Zamudio, Rowena B.	1,273	258,308	(253,757)	-	5,823	-	5,823
Various Employees with minimal individual amounts	32,178		(23,363)		8,815		8,815
Total for Parent Company	**P 6,992,885**	**P 27,635,537**	**(P 21,191,853)**	**P -**	**P 13,436,569**	**P -**	**P 13,436,569**
Advances to officers and employees - subsidiaries							**P 7,016,192**
TOTAL							**P 20,452,761**

Note:
The total amount is included as part of Advances to Officers and Employees under the Trade and Other Receivables account in the 2020 consolidated statement of financial position .

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule C - Amounts Receivable from Related Parties Which are Eliminated During the Consolidation of Financial Statements
May 31, 2020

Name and Designation of Debtor	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Current*	*Non-Current*	*Balance at End of Period*
			Amounts Collected	*Amounts Written-Off*			
FEU							
Reimbursement of expenses	P 65,771,635	P 34,233,630	P -	P -	P 100,005,265	P -	P 100,005,265
Dividend receivables from FEU High	-	39,998,000	-	-	39,998,000	-	39,998,000
Rental receivable	6,565,503	80,721,921	(45,674,484)	-	41,612,940	-	41,612,940
	P 72,337,138	**P 154,953,551**	**(P 45,674,484)**	**P -**	**P 181,616,205**	**P -**	**P 181,616,205**
FRC							
Rental receivable	**P 20,222,124**	**P 9,938,847**	**-**	P -	**P 30,160,971**	P -	**P 30,160,971**
FECSI							
Reimbursement of expenses	**P 554,678**	**(P 286,150)**	P -	P -	**P 268,528**	P -	**P 268,528**
EACCI							
Interest-bearing loans to FEU Alabang	**P 300,000,000**	**-**	**(P 93,000,000)**	P -	**-**	**P 207,000,000**	**P 207,000,000**
FEU High School, Inc.							
Interest-bearing loans to FEU	P 95,800,000	P 160,000,000	(P 100,000,000)	P -	P 155,800,000	P -	P 155,800,000
Interest receivable on loans to FEU	2,494,428	4,595,403	-	-	7,089,831	-	7,089,831
	P 98,294,428	**P 164,595,403**	**(P 100,000,000)**	**P -**	**P 162,889,831**	**P -**	**P 162,889,831**

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule D - Long Term Debt
May 31, 2020

Title of Issue and Type of Obligation	*Amount Authorized by Indenture*	*Amount Shown Under Caption "Current Portion of Long Term Debt" in Related Balance Sheet*	*Amount Shown Under Caption "Long Term Debt" in Related Balance Sheet*
PN 800050169029 (Interest-bearing loan)	P 800,000,000	P 152,380,952	P 342,857,143
PN 800050130433 (Interest-bearing loan)	680,000,000	129,523,810	161,904,762
PN 800050196305 (Interest-bearing loan)	425,000,000	-	425,000,000
PN 800050181161 (Interest-bearing loan)	200,000,000	38,095,238	47,619,048
PN 800050178327 (Interest-bearing loan)	150,000,000	28,571,429	64,285,714
PN 800050197641 (Interest-bearing loan)	150,000,000	-	150,000,000
PN 800050199879 (Interest-bearing loan)	120,000,000	-	120,000,000
PN 800050182326 (Interest-bearing loan)	100,000,000	20,000,000	25,000,000
PN 12375824 (Interest-bearing loan)	100,000,000	100,000,000	-
PN 12990243 (Interest-bearing loan)	100,000,000	100,000,000	-
PN 13018944 (Interest-bearing loan)	100,000,000	100,000,000	-
PN 12999801 (Interest-bearing loan)	80,000,000	80,000,000	-
PN 12990243 (Interest-bearing loan)	70,000,000	70,000,000	-
PN 12458703 (Interest-bearing loan)	50,000,000	50,000,000	-
PN 800050196532 (Interest-bearing loan)	300,000,000	-	300,000,000
Interest-bearing loan	100,000,000	-	100,000,000
TOTAL		**P 868,571,429**	**P 1,736,666,667**

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule E - Indebtedness to Related Parties
May 31, 2020

Name of Related Party	*Balance at Beginning of Year*	*Balance at End of Year*
FEU Health, Welfare and Retirement Fund Plan	P 20,000,000	P -

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Schedule G - Capital Stock
May 31, 2020

Title of Issue	*Number of Shares Authorized*	*Number of Shares Issued and Outstanding as Shown Under Related Balance Sheet Caption*	*Number of Shares Reserved for Options, Warrants, Conversion and Other Rights*	*Number of Shares Held by Related Parties*	*Directors, Officers and Employees*	*Others*
Common shares - P100 par value	20,000,000	16,477,023	-	9,781,572	1,076,268	-

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

T +63 2 8988 22 88

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Financial Statements

The Board of Trustees and the Stockholders
Far Eastern University, Incorporated
Nicanor Reyes, Sr. Street
Sampaloc, Manila

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of Far Eastern University, Incorporated for the year ended May 31, 2020, on which we have rendered our report dated August 18, 2020. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The following applicable supplementary information are presented for purposes of additional analysis in compliance with the requirements under the Revised Securities Regulation Code Rule 68, and are not required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards.

a. Reconciliation of Retained Earnings Available for Dividend Declaration; and,

b. Map Showing the Relationship Between and among the University and its Related Parties.

Such supplementary information are the responsibility of management. The supplementary information have been subjected to the auditing procedures applied in the audit 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: Mailene Sigue-Bisnar
Partner

CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 8116539, January 2, 2020, Makati City
SEC Group A Accreditation
Partner - No. 0396-AR-3 (until Oct. 1, 2021)
Firm - No. 0002-FR-5 (until Mar. 26, 2021)
BIR AN 08-002511-20-2018 (until Jan. 25, 2021)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

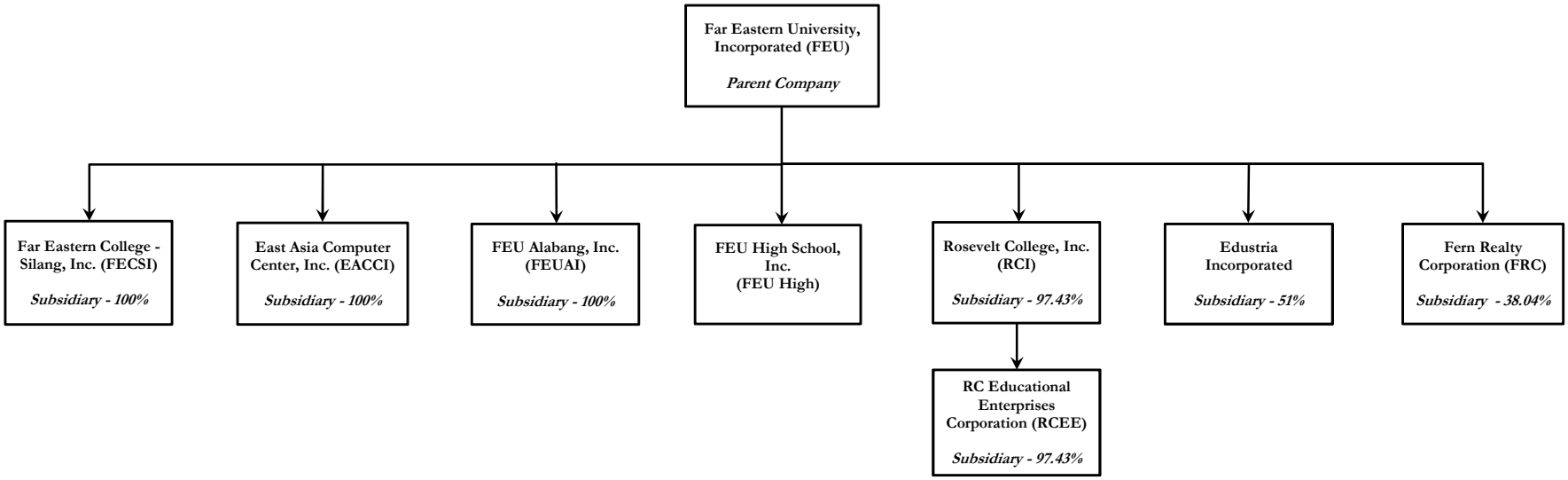
August 18, 2020

FAR EASTERN UNIVERSITY, INCORPORATED
Nicanor Reyes Sr. Street, Sampaloc, Manila

Reconciliation of Retained Earnings Available for Dividend Declaration
For the Year Ended May 31, 2020

Unappropriated Retained Earnings at Beginning of Year		
As previously reported		P 1,604,965,147
Prior Years' Outstanding Reconciling Items, net of tax		
Deferred tax income		(15,923,961)
Unappropriated Retained Earnings Available for Dividend Declaration at Beginning of Year, as Adjusted		1,589,041,186
Net Profit Realized during the Year		
Net profit per audited financial statements		432,418,455
Non-actual/unrealized income, net of tax −		
Unrealized foreign exchange loss	12,649,612	
Deferred tax income	(6,329,100)	6,320,512
		438,738,967
Other Transactions During the Year		
Reversal of appropriations during the year	336,000,000	
Appropriation during the year	(75,000,000)	
Dividends declared	(1,087,481,860)	(751,481,860)
Unappropriated Retained Earnings Available for Dividend Declaration at End of Year		**P 1,276,298,293**

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Map Showing the Relationships Between and Among the University and Its Related Parties
May 31, 2020



Note:

Percentages indicated pertain to FEU's effective ownership over the respective related parties, which are also disclosed in the consolidated financial statements.

P&A
Grant Thornton
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Report of Independent Auditors on Components of Financial Soundness Indicators

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

T +63 2 8988 22 88

The Board of Trustees and the Stockholders
Far Eastern University, Incorporated
Nicanor Reyes, Sr. Street
Sampaloc, Manila

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Far Eastern University, Incorporated and subsidiaries (the Group) for the years ended May 31, 2020, 2019 and 2018, on which we have rendered our report dated August 18, 2020. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at May 31, 2020, 2019 and 2018 and for each of the three years in the period ended May 31, 2020 and no material exceptions were noted.

PUNONGBAYAN & ARAULLO

By: Mailene Sigue-Bisnar
Partner

CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 8116539, January 2, 2020, Makati City
SEC Group A Accreditation
Partner - No. 0396-AR-3 (until Oct. 1, 2021)
Firm - No. 0002-FR-5 (until Mar. 26, 2021)
BIR AN 08-002511-20-2018 (until Jan. 25, 2021)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

August 18, 2020

FAR EASTERN UNIVERSITY, INCORPORATED AND SUBSIDIARIES
Supplemental Schedule of Financial Soundness Indicators
May 31, 2020, 2019 and 2018

Indicators	Formula	Ratios / Percentages/ Amounts		
		2020	2019	2018
Current ratio	Total Current Assets / Total Current Liabilities	**1.56**	1.21	1.73
Acid test ratio	Cash and cash equivalents + Trade and other receivables - net + Investments / Total Current Liabilities	**1.48**	1.13	1.62
Debt-to-asset ratio	Total Liabilities / Total Assets	**0.31**	0.30	0.31
Equity-to-asset ratio	Total Equity / Total Assets	**0.69**	0.70	0.69
Debt-to-equity ratio	Total Liabilities / Total Equity	**0.46**	0.43	0.46
Assets-to-equity ratio	Total Assets / Total Equity	**1.46**	1.43	1.46
Interest rate coverage ratio	Earnings before Interest and Taxes / Interest Expense	**7.94**	10.83	8.64
Return on equity	Net Profit / Total Equity	**7%**	8%	6%
Return on assets	Net Profit / Total Assets	**4%**	6%	4%
Net profit margin	Net Profit / Total Revenue	**19%**	24%	21%
Earnings per share	Net Profit / Average outstanding shares	**P 25.92**	P 31.41	P 20.53