

**COVER SHEET**  
for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

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Company Name

W	E	S	T	E	R	N		G	U	A	R	A	N	T	Y		C	O	R	P	O	R	A	T	I	O	N	

Principal Office ( No./Street/Barangay/City/Town)Province)

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B	I	N	O	N	D	O	,		M	A	N	I	L	A													

Form Type

A	A	F	S
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Department requiring the report

I	C	T	D
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Secondary License Type, If Applicable

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**COMPANY INFORMATION**

Company's Email Address

customer@westernguaranty.ph

Company's Telephone Number/s

82417401 to 07

Mobile Number

09177136814

No. of Stockholders

8

Annual Meeting  
Month/Day

Last day of November

Fiscal Year  
Month/Day

December/31

**CONTACT PERSON INFORMATION**

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Carmelita M. Pestanio

Email Address

cmpestanio@westernguaranty.ph

Telephone Number/s

NA

Mobile Number

09177136814

Contact Person's Address

11Th Floor Ety Building, 484 Quintin Paredes St., Binondo Manila

**Note 1:** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**2:** All boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

# **2024**

## **AUDITED FINANCIAL STATEMENTS**

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### **WESTERN GUARANTY CORPORATION**

December 31, 2024 and 2023

**R. R. TAN AND ASSOCIATES**  
Certified Public Accountants



西 聯 保 險 有 限 公 司  
**WESTERN GUARANTY CORPORATION**


11<sup>th</sup> Floor, ETY Building, 484 Quintin Paredes Street, Binondo, Manila  
Tel. No. 8241-7401: Website: westernguaranty.ph

**STATEMENT OF MANAGEMENT RESPONSIBILITY  
FOR ANNUAL INCOME TAX RETURN**

The Management of **WESTERN GUARANTY CORPORATION** is responsible for all information and representations contained in the Annual Income Tax Return for the period ended December 31, 2024. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the management is responsible for all the information and representations contained in all other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the period ended December 31, 2024 and the accompanying Annual Income Tax Return are in accordance with the books and records of **WESTERN GUARANTY CORPORATION** complete and correct in all material respects. Management likewise affirms that:

- (a) The Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended and pertinent tax regulations and other issuance of the Department of Finance and the Bureau of Internal Revenue.
- (b) Any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) **WESTERN GUARANTY CORPORATION** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

  
**ATTY. LEVY EDWIN C. ANG**  
Chairman of the Board

  
**CHOA SIU TIN**  
President

  
**MARIA JOSELITA C. ANG**  
Treasurer

Signed this 14<sup>th</sup> day of May 2025.


***Report of Independent Public Accountants to Accompany Income Tax Return***

The Board of Directors and Stockholders  
**WESTERN GUARANTY CORPORATION**  
11<sup>th</sup> floor ETY Building  
484 Quintin Paredes St.,  
Binondo, Manila

We have audited the financial statements of **WESTERN GUARANTY CORPORATION** (the company) as at and for the year ended December 31, 2024, on which we have rendered the attached report dated May 14, 2025.

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 stockholder of the Company.

**R. R. TAN AND ASSOCIATES, CPAs**

  
By: **CHESTER NIMITZ F. SALVADOR**  
Partner  
CPA Certificate No. 129556  
Tax Identification No. 307-838-154  
PTR No. 3040540, January 7, 2025, Pasig City  
PRC-BOA Accreditation No. 0132/P-003, valid until August 13, 2027  
BIR Accreditation No. 07-100488-001-2022, valid until May 30, 2025  
IC accreditation No. IC-EA-2024-0020-R, valid for the audit of 2024 to 2026  
financial statements

May 14, 2025  
Pasig City



***Report of Independent Public Accountants***

The Board of Directors and Stockholders  
**WESTERN GUARANTY CORPORATION**  
11<sup>th</sup> floor ETY Building  
484 Quintin Paredes St.  
Binondo, Manila

***Report on the Audit of the Financial Statements***

***Opinion***

We have audited the financial statements of **WESTERN GUARANTY CORPORATION** (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

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

***Basis for Opinion***

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company 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 audit of the financial statements in the Philippines, and we have fulfilled our 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.

***Report on the Supplementary Information Required Under Revenue Regulations (RR) 15-2010 of the Bureau of Internal Revenue***

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information disclosed in Note 32 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**R. R. TAN AND ASSOCIATES, CPAs**



**By: CHESTER NIMITZ F. SALVADOR**

Partner

CPA Certificate No. 129556

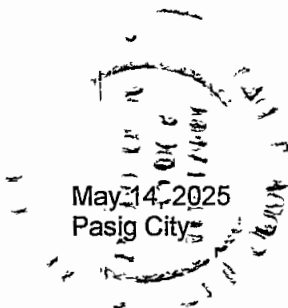
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IC accreditation No. IC-EA-2024-0020-R, valid for the audit of 2024 to 2026  
financial statements



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R. R. Tan & Associates, CPAs

Unit 1705, Antel Global Corporate Center, Doña Julia Vargas Avenue, Ortigas Center, Pasig City 1605

**WESTERN GUARANTY CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2024 AND 2023**

	Notes	2024	2023
<b>ASSETS</b>			
Cash and Cash Equivalents	8 P	150,669,974 P	189,327,513
Short-term Investments	9	32,805,615	37,857,874
Financial Assets			
Fair Value Through Profit or Loss (FVPL)	5,10	129,107,561	75,478,936
Available-for-Sale (AFS)	5,10	36,949,425	21,344,550
Held-to-Maturity (HTM)	5,10	462,271,647	377,872,186
Insurance Balance Receivables	11	971,153,434	867,356,687
Reinsurance Assets	12	747,416,536	271,242,509
Deferred Acquisition Costs	15	180,561,743	155,758,660
Investment Properties	13	220,768,389	218,868,389
Property and Equipment - Net	14	469,701,201	221,452,925
Accrued Investment Income	16	4,430,145	2,537,283
Other Assets	17	66,918,450	49,092,620
<b>TOTAL ASSETS</b>		<b>P 3,472,754,120 P</b>	<b>2,488,190,132</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Reserve for Unearned Premiums	18 P	530,153,046 P	477,120,682
Insurance Claims Payable	19	807,752,627	259,715,131
Accounts Payable and Accrued Expenses	20	171,427,670	174,874,838
Reinsurance Liabilities	21	89,734,596	32,583,886
Deferred Commission Income	15	3,688,777	3,026,284
Deferred Tax Liabilities - Net	30	9,616,606	12,015,954
Lease Liability	31	4,082,430	4,906,944
<b>Total Liabilities</b>		<b>1,616,455,752</b>	<b>964,243,719</b>
<b>EQUITY</b>			
Share Capital	22	900,000,000	607,000,000
Contributed Surplus		350,000	350,000
Revaluation Reserve on:			
Property and Equipment - net		41,336,673	41,336,673
AFS Financial Assets	10	(18,192,742)	(16,797,617)
Retained Earnings - December 31		932,804,437	892,057,357
<b>Total Equity</b>		<b>1,856,298,368</b>	<b>1,523,946,413</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P 3,472,754,120 P</b>	<b>2,488,190,132</b>

See Accompanying Notes to Financial Statements



**WESTERN GUARANTY CORPORATION**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<i>Notes</i>	2024	2023
<b>REVENUES</b>			
Gross Premiums Earned	24	P 1,485,720,406	P 1,163,650,177
Reinsurance Premium Ceded	24	155,622,312	163,381,193
Net Insurance Revenue		1,330,098,094	1,000,268,984
Commission Income	27	11,336,983	15,643,915
Interest and Other Investment Income - Net	25	30,302,937	16,436,922
		1,371,738,014	1,032,349,821
<b>CLAIMS, LOSSES AND ADJUSTMENT EXPENSES</b>			
Insurance Claims, Losses and Adjustment Expenses Paid - Net of			
Salvages and Recoveries	26	592,560,180	534,753,576
Paid Insurance Claims, Losses and Adjustment Expenses			
Recovered from Reinsurers	26	(108,113,077)	(139,857,734)
Changes in Insurance Claims Payable		548,037,496	(9,228,751)
Changes in Reinsurers' Share of Claims, Losses and Adjustment Expenses		(364,055,931)	20,029,371
Other Underwriting Expenses		11,321,638	11,616,076
		679,750,306	417,312,538
<b>COSTS AND EXPENSES</b>			
Commission Expense	27	324,441,680	247,325,205
General and Administrative Expenses	28	321,859,610	288,651,530
Finance cost	31	374,937	373,597
		646,676,227	536,350,332
<b>INCOME BEFORE INCOME TAX EXPENSE</b>		45,311,481	78,686,951
<b>INCOME TAX EXPENSE</b>	30	4,564,401	15,175,002
<b>PROFIT FOR THE YEAR</b>		40,747,080	63,511,949
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
Item to be reclassified to profit or loss in subsequent periods:			
Fair value changes in AFS investments	10	(1,395,125)	(3,019,975)
<b>TOTAL COMPREHENSIVE INCOME</b>		P 39,351,955	P 60,491,974

*See accompanying notes to financial statements*

**WESTERN GUARANTY CORPORATION**  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<i>Notes</i>	2024	2023
<b>SHARE CAPITAL</b>			
	22		
Balance, January 1		P 607,000,000	P 450,000,000
Issuance during the year		293,000,000	157,000,000
Balance, December 31		900,000,000	607,000,000
<b>CONTRIBUTED SURPLUS</b>			
		350,000	350,000
<b>REVALUATION RESERVE</b>			
Property and equipment - Net of Tax		41,336,673	41,336,673
<b>Available-for-Sale Financial Assets</b>			
	10		
Balance, January 1		(16,797,617)	(13,777,642)
Changes in Fair Values		(1,395,125)	(3,019,975)
Balance, December 31		(18,192,742)	(16,797,617)
<b>RETAINED EARNINGS</b>			
Balance, January 1		892,057,357	828,545,408
Profit for the Year		40,747,080	63,511,949
Balance, December 31		932,804,437	892,057,357
		P 1,856,298,368	P 1,523,946,413

*See accompanying notes to financial statements*

**WESTERN GUARANTY CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	Notes	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income Before Income Tax Expense	P	45,311,481	P 78,686,951
Adjustments for:			
Amortizations of:			
Premium (Discount) on Held-To-Maturity Investments	10	(942,193)	(1,816,316)
Deferred Acquisition Cost - Net	15	(24,140,591)	(45,065,463)
Reserve for Unearned Premiums - net	24	(1,314,932)	100,989,543
IBNR and Other Reserves - Net		(342,139,339)	24,356,848
Depreciation and amortization	28	15,850,493	14,250,408
Unrealized Loss on Foreign Exchange	25	368,712	186,747
Gain on Sale of Available-for-Sale Investments	25	(158,082)	-
Interest Income	25	(29,522,447)	(15,837,263)
Dividend Income	25	(448,357)	(314,240)
Interest Expense	31	374,937	373,597
Operating Income (Loss) Before Working Capital Changes		(336,760,318)	155,810,812
Decrease (Increase) in Operating Assets:			
Insurance Balance Receivables		(103,796,747)	(70,304,615)
Reinsurance Assets		(57,767,396)	21,095,339
Other Assets		(7,588,412)	(10,353,154)
Increase (Decrease) in Operating Liabilities:			
Accounts Payable and Accrued Expenses		(3,447,168)	21,476,354
Reinsurance Liabilities		57,150,710	(18,186,855)
Insurance Claims Payable		526,117,501	(13,556,228)
Cash Provided by Operations		73,908,170	85,981,653
Income Taxes Paid		(18,314,244)	(16,211,083)
<b>Net Cash Provided by Operating Activities</b>		<b>55,593,926</b>	<b>69,770,570</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale/Maturities of:			
Financial Assets:			
Short-term Investments		37,857,874	40,766,848
Fair Value Through Profit or Loss		75,478,936	-
Available-for-Sale		3,158,082	-
Held-to-Maturity		27,250,000	165,500,000
Acquisitions of:			
Property and Equipment	14	(262,188,048)	(73,095,897)
Financial Assets:			
Short-term Investments		(32,805,615)	(37,857,874)
Fair Value Through Profit or Loss	10	(129,107,561)	(75,478,936)
Available-for-Sale	10	(20,000,000)	-
Held-to-Maturity	10	(110,707,268)	(207,208,291)
Interest and Dividend Received		28,077,943	14,832,874
<b>Net Cash Used in Investing Activities</b>		<b>(382,985,657)</b>	<b>(172,541,276)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of Lease Liability, including interest expense	31	(3,897,096)	(3,926,774)
Proceeds from Issuance of Share Capital	22	293,000,000	157,000,000
<b>Net Cash Provided by Financing Activities</b>		<b>289,102,904</b>	<b>153,073,226</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(38,288,827)</b>	<b>50,302,520</b>
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>		<b>(368,712)</b>	<b>(186,747)</b>
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>		<b>189,327,513</b>	<b>139,211,740</b>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	P	<b>150,669,974</b>	<b>P 189,327,513</b>

See accompanying notes to financial statements