Estimates and judgments 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.

Judgments

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

a. *Classifying Financial Instruments*

The Company exercises judgment in classifying a financial instrument, or its components, on initial recognition either as a financial asset, financial liability or an equity in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the separate statement of financial position.

b. *Determination of Fair Value of Financial Instruments*

The Company classifies financial assets by evaluating, among others, whether a financial asset is quoted or not in an active market. Included in the evaluation on whether a financial asset is quoted in an active market is the determination of whether quoted prices are readily and regularly available, whether the market from which the price quotes were obtained can be considered deep enough to qualify as an "active" market, and whether those prices represent actual and regularly occurring market transactions on an arms' length basis.

Where the fair values of financial assets recorded in the separate statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The Company uses judgment to select from variety of valuation models and make assumptions regarding considerations of liquidity and model inputs such as correlation and volatility for longer dated financial instruments. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair value.

As at December 31, 2024 and 2023, the Company's financial assets measured at fair value amounted to P0.21 million and P16.27 million, respectively (see Note 6).

c. *Impairment of AFS Financial Assets*

The Company treats AFS equity securities as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment.

In 2024 and 2023, the Company did not recognize any impairment on its AFS equity investments.

d. *Ability to Continue as a Going Concern*

The separate financial statements have been prepared on the assumption that the Company will continue as a going concern. Management rendered its judgment in assuming that the financial and operational support of SEL would be sufficient to allow the Company to pay its obligation as they fall due and will enable the Company to recover its deficit in the foreseeable future.

Estimates and Assumptions

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

a. *Claims Liability Arising from Insurance Contracts*

For nonlife insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of the Incurred But Not Reported (IBNR) Losses claims at the reporting date. It can take a significant period of time before the ultimate claim costs can be established with certainty. At each reporting date, prior year claims estimates are assessed for adequacy and changes made are charged to provision. Nonlife insurance claims provisions are not discounted for the time value of money.

The main assumption underlying the estimation of the claims provision is that the Company's past claims development experience can be used to project future claims development, and hence, ultimate claim costs. Historical claims development is mainly analyzed by accident years as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development.

Additional qualitative judgment is used to assess the extent to which past trends may not apply in the future (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as, internal factors such as portfolio mix, policy conditions and claims handling procedures), in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking into account the uncertainties involved.

The carrying values of claims reported and IBNR amounted to P55.85 million and P68.32 million as at December 31, 2024 and 2023, respectively (see Note 12).

b. *Liability Adequacy Test*

At each reporting period, management performs liability adequacy test to determine if there is a need to set aside expected claims and expenses which could arise during the unexpired coverage period of the policies after the reporting date which is over and above the reserve for unearned premiums less. The Company calculated the best estimate of future claims and expenses for each line of business using actuarial valuation techniques. Expected future claims include policy maintenance and claims handling expenses.

As at December 31, 2024 and 2023, the carrying amount of the reserve for unearned premium, net of deferred acquisition cost, amounting to P31.13 million and P36.29 million, respectively, are adequate in light of the latest current estimates and taking into the provision of PFRS 4, *Insurance Contracts* (see Notes 9 and 12).

c. *Impairment of Insurance Receivable*
The Company reviews its insurance receivables at each reporting date to assess whether an allowance for impairment should be recorded in profit or loss. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

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, age of balances, financial status of counterparties, payment behavior, and known market factors. The Company reviews the age and status of receivables and identifies accounts that are to be provided with allowance on a regular basis.

Insurance receivables net of allowance for doubtful accounts amounted to P50.02 million and P58.03 million as at December 31, 2024 and 2023, respectively. The Company recognized provision for impairment losses on receivables amounting to P13.34 million and P4.93 million in 2024 and 2023, respectively (see Note 5).

d. *Valuation of Land and Office Condominium Units at Fair Value*
The Company's land and office condominium units are carried at fair value, which has been determined based on market data approach. In determining the fair value, the Company's external appraiser used generally accepted methodologies. There have been no significant changes on the valuation methodology used by the external appraiser. The valuation methodology and significant inputs used in the valuation are detailed in Note 10.

The carrying value of properties carried at fair value amounted to P15.85 million and P15.31 million as at December 31, 2024 and 2023, respectively (see Note 10).

e. *Realizability of Deferred Tax Assets*
Deferred tax assets are recognized for all temporary future tax benefits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized. These assets are periodically reviewed to determine the amount of deferred tax assets that can be recognized. Periodic reviews cover the nature and amount of deferred income and expense items, expected timing when assets will be used or liabilities will be required to be reported, reliability of historical profitability of businesses expected to provide future earnings and tax planning strategies which can be utilized to increase the likelihood that deferred tax assets will be realized.

As at December 31, 2024 and 2023, unrecognized deferred tax assets amounted to P32.19 million and P23.97 million, respectively (see Note 23).

f. *Impairment of Investment in Subsidiary*
The Company assesses impairment on investment in subsidiary whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Company considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;

- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

An assessment is made at each reporting date of whether there is any indication of impairment of an asset, or whether there is any indication that an impairment loss previously recognized for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated at the higher of the asset's value in use or its net selling price.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged against current operations in the year in which it arises.

The carrying amount of investment in subsidiary is disclosed in Note 7.

4. Cash and Cash Equivalents

This account consists of:

	Note	**2024**	2023
Short-term placements	*30, 31*	**P544,052,265**	P988,054,326
Cash in banks	*30, 31*	**328,312,521**	77,098,979
Cash on hand		**62,000**	60,000
	28	**P872,426,786**	P1,065,213,305

Cash in banks and short-term placements were not subjected to any restrictions.

Cash in banks consist of peso and foreign currency-denominated savings and current accounts with interest rate ranging from 0.25% to 3.00 in 2024 and 2023.

Short-term placements pertain to time deposits denominated in Philippine peso with various financial institutions and with maturities ranging from overnight to ninety days and interest ranging from 2.84% to 6.80% and 5.00% to 5.75% per annum in 2024 and 2023, respectively.

Interest income from cash in bank and short-term placements recognized in profit or loss which is presented under "Investment income" amounted to P43.82 million and P52.08 million in 2024 and 2023, respectively (see Note 19).

5. Insurance Receivables - net

This account consists of:

	Note	**2024**	2023
Premiums receivable	*30, 31*	**P50,676,813**	P49,856,168
Due from ceding companies	*30, 31*	**8,940,656**	14,815,045
Funds held by ceding companies	*30, 31*	**12,372,039**	12,372,039
Reinsurance recoverable on paid losses	*30, 31*	**22,536,270**	12,147,242
		94,525,778	89,190,494
Less: Allowance for doubtful accounts		**44,505,539**	31,160,773
	28, 30	**P50,020,239**	P58,029,721

The Company utilizes reinsurance agreements to minimize its exposure to large losses in all aspects of its insurance business. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Company as direct insurer of the risk reinsured.

The rollforward analysis of the allowance for doubtful account is as follows:

	Note	Premiums Receivable	Reinsurance Recoverable on Paid Losses	Due from Ceding Company	Funds Held by Ceding Company	Total
Balance at January 1, 2023		P19,421,555	P1,161,775	P4,976,352	P669,955	P26,229,637
Provision	*20*	9,622,116	-	-	-	9,622,116
Reversal	*20*	-	(313,267)	(4,377,713)	-	(4,690,980)
December 31, 2023		P29,043,671	P848,508	P598,639	P669,955	P31,160,773
Balance at January 1, 2024		**P29,043,671**	**P848,508**	**P598,639**	**P669,955**	**P31,160,773**
Provision	*20*	**13,344,766**	-	-	-	**13,344,766**
Reversal	*20*	-	-	-	-	-
December 31, 2024		**P42,388,437**	**P848,508**	**P598,639**	**P669,955**	**P44,505,539**

6. Financial Assets

This account consists of:

	Note	**2024**	2023
Held-to-maturity (HTM) Investments		**P328,352,094**	P322,917,537
Loans and receivables	*22*	**4,157,453**	1,696,062
AFS financial assets		**214,456**	16,273,113
Investment at FVPL		**115,195**	109,670
Advances to a subsidiary	*22*	**200,000,000**	4,000,000
	28, 30, 31	**P532,839,198**	P344,996,382

The assets included in each of the categories above are detailed below:

a) *HTM Investments*

The Company's HTM investments consist of investments in government securities amounting to P322.92 million and P227.30 million as at December 31, 2024 and 2023, respectively.

The carrying value of HTM Investments has been determined as follows:

	Note	**2024**	2023
Balance at the beginning of the year		**P322,917,537**	P227,304,522
Additions		**294,934,936**	287,531,483
Maturities		**(295,800,000)**	(199,800,000)
Amortization		**6,299,621**	7,881,532
Balance at the end of the year	*28, 30, 31*	**P328,352,094**	P322,917,537

The interest income earned from HTM investments amounted to P18.52 million and P14.53 million in 2024 and 2023, respectively (see Note 19).

b) *Loans and Receivables*

	Note	**2024**	2023
Accrued interest receivable		**P3,801,812**	P1,455,819
Employee salary advances		**355,641**	240,243
	28, 30, 31	**P4,157,453**	P1,696,062

In 2024 and 2023, no impairment losses have been recognized for loans and receivables.

c) *AFS Financial Assets*

	Note	**2024**	2023
Quoted securities - at fair value			
common shares		**P89,101**	P147,758
Golf and club shares		**-**	16,000,000
		89,101	16,147,758
Unquoted securities - at cost			
common shares		**125,355**	125,355
	28, 30, 31	**P214,456**	P16,273,113

The fair value of AFS financial assets has been determined as follows:

	Note	**2024**	2023
Balance at the beginning of the year		**P16,273,113**	P13,294,655
Sale		**(16,000,000)**	-
Unrealized fair value gain (loss)		**(58,657)**	2,978,458
Balance at the end of the year	*28, 30, 31*	**P214,456**	P16,273,113

The rollforward analysis of the reserves on AFS financial assets is as follow:

	2024	2023
Balance at the beginning of the year	**P11,961,626**	P9,727,782
Transferred to profit or loss during the year, net of tax	**(11,881,250)**	-
Changes in fair value gain (loss) during the year, net of tax	**(43,993)**	2,233,844
Balance at the end of the year	**P36,383**	P11,961,626

d) *Investment at FVPL*

	Note	**2024**	2023
Balance at the beginning of the year		**P109,670**	P103,338
Additions		**277,793,857**	-
Redemption		**(284,687,036)**	-
Realized fair value gain		**6,893,179**	-
Unrealized fair value gain		**5,525**	6,332
Balance at the end of the year	*28, 30, 31*	**P115,195**	P109,670

e) *Advances to a subsidiary*

In 2024 and 2023, the Company has outstanding advances to its subsidiary amounting to P200.00 million and P4.00 million, respectively.

In 2022, the advances to associate and to shareholders of associate amounting to P27.40 million and P48.65 million, respectively. The full amount of P48.65 million advances to shareholders of associate and P23.40 million out of the advances to associates pertains to the payments made by the Company to acquire shares of OWN Bank to the previous shareholders and unsubscribed shares, respectively. These advances amounting to P76.05 million was transferred to Investment in subsidiary in 2023 upon completion of the transfer of stock certificates of OWN Bank to the Company.

While the remaining P4.00 million in 2022 under advances to associate were made by the Company for the use of the associate in its operation and was reclassified as advances to a subsidiary in 2023 as a result of the aforementioned stock transfer.

In 2024, the Company paid P200.00 million to OWN Bank for subscription of additional common shares wherein the latter is still on the process of increasing its authorized capital.

7. Investment in a Subsidiary

As at December 31, 2024 and 2023, this account is carried at cost amounting to P81.82 million.

The summarize financial information of the Own Bank as at and for the years ended December 31 is as follows:

	2024	2023
Total assets	**P7,519,227,092**	P801,750,734
Total liabilities	**7,594,169,032**	734,003,091
Net assets	**(74,941,940)**	67,747,643
Net income	**(142,689,583)**	13,082,124

OWN Bank is a subsidiary of the Company having 59.99% of ownership as of December 31, 2023. OWN Bank is a rural bank located in Cavite City, Philippines. The bank's products and services are traditional deposits, offers various types of loans and is engaged in all aspects of rural banking, financing and real estate. In January 26, 2022, OWN Bank was granted by the Technology Risk and Supervision Department (TRISD) of the BSP a license to offer Type-A Advanced Electronic Payment Facility System (EPFS). OWN Bank's Mobile Banking App was launched on June 15, 2022 with products and services such as banking on mobile platform, savings and time deposit account opening and interbank fund transfer. OWN Bank is registered and incorporated in Cavite City, Philippines.

On June 30, 2021, the Company entered into a Purchase Agreement with previous owners of OWN Bank to set up an escrow fund to purchase 366,000 shares amounting to P58.19 million. During the year, the Company was able to purchase 365,998 shares.

The 60,000 shares or P9.53 million of OWN Bank's common shares were acquired from previous owners representing 9.84% of all subscribed and paid shares. While the 305,998 shares amounting to P48.65 million or 50.16% represent the common shares from OWN Bank's previous owners and shall be issued to the Company upon approval by the SEC of the amendments to by-laws (see Note 6).

Further, the Company acquired additional 234,000 shares for P23.40 million and paid P0.23 million direct attributable cost from the Bank's unsubscribed shares to maintain the 60% ownership on December 23, 2022 subject to the approval of the amendments to by-laws (see Note 6).

As at December 31, 2023, these transactions has been fully settled and is accounted as investment in subsidiary following the SEC's approval of OWN Bank increase in authorized capital and the completion of the transfer of stock certificates to the Company on November 11, 2023.

In the special meeting of the BOD of the Company on November 16, 2023, it authorized the execution of the deed of assignment of 599,997 shares of stock of OWN Bank with the Parent Company. To date, the Company and the Parent Company is yet to agree on the terms of agreement.

8. Reinsurance Assets

This account consists of:

	Note	**2024**	2023
Deferred reinsurance premiums	*12*	**P7,413,381**	P10,079,230
Reinsurance recoverable on unpaid losses	*12*	**37,969,776**	53,691,582
		45,383,157	63,770,812
Less: Allowance for doubtful accounts		**707,111**	707,111
	28	**P44,676,046**	P63,063,701

The rollforward analysis of allowance for doubtful accounts of reinsurance asset is as follows:

	Note	**2024**	2023
Balance at the beginning of the year		**P707,111**	P2,392,127
Reversal	*20*	**-**	(1,685,016)
Balance at the end of the year		**P707,111**	P707,111

9. Deferred Acquisition Costs and Deferred Reinsurance Commissions

The details of deferred acquisition costs and deferred reinsurance commissions follow:

	Note	**2024**	2023
Deferred Acquisition Costs			
Balance at the beginning of the year		**P12,708,059**	P13,721,548
Cost deferred during the year		**22,964,078**	28,354,370
Amortization during the year		**(25,749,317)**	(29,367,859)
Balance at the end of the year	*28*	**P9,922,820**	P12,708,059

	Note	**2024**	2023
Deferred Reinsurance Commissions			
Balance at the beginning of the year		**P2,162,306**	P2,699,559
Income deferred during the year		**3,667,524**	4,622,242
Amortization during the year		**(4,181,074)**	(5,159,495)
Balance at the end of the year	*28*	**P1,648,756**	P2,162,306

10. Property and Equipment - net

This account consists of property and equipment measured as follows:

	Note	**2024**	2023
At appraised value		**P15,854,000**	P15,310,000
At cost		**512,164**	410,653
Balance at end of year	*28*	**P16,366,164**	P15,720,653

The rollforward analysis of property and equipment accounted for under the cost model is as follows:

Furniture, Fixtures and Office Equipment - At Cost	***Note***	**2024**	2023
Cost			
Balance at the beginning of the year		**P1,479,501**	P1,415,217
Additions		**337,112**	64,284
Balance at end of year		**1,816,613**	1,479,501
Accumulated Depreciation			
Balance at the beginning of the year		**1,068,848**	851,943
Depreciation	*20*	**235,601**	216,905
Balance at end of year		**P1,304,449**	1,068,848
Net Book Value as at December 31		**P512,164**	P410,653

The rollforward analysis of property and equipment accounted for under the revaluation model is as follows:

2024	**Land**	**Office Condominium**	**Total**
At Appraised Value			
Balance at the beginning of the year	**P5,735,000**	**P9,575,000**	**P15,310,000**
Revaluation	**217,000**	**327,000**	**544,000**
Balance at end of year	**5,952,000**	**9,902,000**	**15,854,000**
Accumulated Depreciation			
Balance at the beginning of the year	-	-	-
Depreciation	-	**379,178**	**379,178**
Reversal	-	**(379,178)**	**(379,178)**
Balance at end of year	-	-	-
Net Book Value as of December 31, 2024	**P5,952,000**	**P9,902,000**	**P15,854,000**

2023	Land	Office Condominium	Total
At Appraised Value			
Balance at the beginning of the year	P5,513,000	P8,838,000	P14,351,000
Revaluation	222,000	737,000	959,000
Balance at end of year	5,735,000	9,575,000	15,310,000
Accumulated Depreciation			
Balance at the beginning of the year	-	-	-
Depreciation	-	379,178	379,178
Reversal	-	(379,178)	(379,178)
Balance at end of year	-	-	-
Net Book Value as of December 31, 2023	P5,735,000	P9,575,000	P15,310,000

Accumulated depreciation on the appraisal increases on office condominium subsequently reversed through equity due to revaluation amounted to P0.38 million in 2024 and 2023.

Had the office condominiums been carried at cost less accumulated depreciation, the amounts would have been as follows:

	2024	2023
Cost	**P3,570,155**	P3,570,155
Less accumulated depreciation	**2,372,801**	1,993,623
Net carrying amount	**P1,197,354**	P1,576,532

Below is the rollforward of the revaluation reserve on property and equipment:

	2024	2023
Beginning	**P5,988,834**	P5,269,584
Revaluation	**408,000**	719,250
Revaluation Reserve on Property and Equipment, End (after tax)	**P6,396,834**	P5,988,834

The fair values of the office condominium units, considered as Level 2, were determined using the market data approach. This means that the valuation performed by the appraiser is based on sales, listings, and other market data of comparable properties registered within the vicinity of subject property. The technique requires reducing reasonably comparative sales and listings to a common denominator in order to conform to the subject property. The comparison among the subject property and the comparable units was premised on the factors of location, size and shape of the lot, highest and best use, and the time element. The fair values of the properties and equipment are based on the valuations performed by an independent professionally qualified appraiser, E-Value Phils., Inc.

The Company's latest appraisal report was made on February 10, 2025 for the office condominiums and February 24, 2025 for land for the year ended December 31, 2024.

Description of the valuation techniques used and key inputs to valuation on properties and equipment follow:

	Valuation Techniques	**Unobservable Inputs Used**	**Range (Weighted Average)**	
			2024	2023
Office Condominium Carried at Fair Value				
Keppel Building, Cebu Business Park, Cebu City	Market data approach	Price per square meter	**104,400 to 113,399 (110,000)**	98,175 to 117,300 (106,000)
Land carried at fair value representing deemed cost Brgy. Merville Paranaque City	Market data approach	Price per square meter	**12,018 to 15,038 (13,400)**	12,042 to 13,989 (12,900)

There were no transfers to or out of Level 3 hierarchy in respect of the above office condominium units as at December 31, 2024 and 2023. Significant increase (decrease) in price per square meter would result in a significantly higher (lower) fair value.

11. Other Assets

This account consists of:

	Note	**2024**	2023
Creditable withholding taxes (CWT)		**P16,978,766**	P16,951,282
Input VAT - net		**4,195,142**	-
Others		**1,602,892**	1,303,296
Balance at the end of the year	*28*	**P22,776,800**	P18,254,578

CWTs pertain to taxes withheld at source by its customers and are creditable against the income tax liability of the Company.

Input VAT - net pertains to 12% tax paid by the Company on commissions and local purchase of goods or services. It is used to offset against output VAT due to the BIR.

Others include other deposit fund and prepayment.

12. Insurance Contract Liabilities

Insurance contract liabilities analyzed as follows:

		2024		
	Note	**Insurance Contract Liabilities**	**Reinsurers' Share of Liabilities** (Note 8)	**Net**
Provision for claims reported and loss adjustment expenses	*30, 31*	**P52,218,550**	**P36,269,447**	**P15,949,103**
Provision for IBNR		**3,626,573**	**1,700,329**	**1,926,244**
Total claims reported and IBNR	*30*	**55,845,123**	**37,969,776**	**17,875,347**
Provision for unearned premiums		**41,049,545**	**7,413,381**	**33,636,164**
Total Insurance Contract Liabilities	*28*	**P96,894,668**	**P45,383,157**	**P51,511,511**

		2023		
	Note	Insurance Contract Liabilities	Reinsurers' Share of Liabilities (Note 8)	Net
Provision for claims reported and loss adjustment expenses	*30, 31*	P64,400,805	P51,774,886	P12,625,919
Provision for IBNR		3,914,514	1,916,696	1,997,818
Total claims reported and IBNR	*30*	68,315,319	53,691,582	14,623,737
Provision for unearned premiums		48,996,956	10,079,230	38,917,726
Total Insurance Contract Liabilities	*28*	P117,312,275	P63,770,812	P53,541,463

Provisions for claims reported by policyholders and IBNR analyzed as follows:

		2024		
	Note	**Insurance Contract Liabilities**	**Reinsurers' Share of Liabilities** (Note 8)	**Net**
Balance at the beginning of the year		**P68,315,319**	**P53,691,582**	**P14,623,737**
Claims incurred during the year		**19,437,982**	**(678,030)**	**20,116,012**
Claims paid during the year, net of salvage and subrogation	*18*	**(31,620,237)**	**(14,827,409)**	**(16,792,828)**
Increase in IBNR		**(287,941)**	**(216,367)**	**(71,574)**
Balance at the end of the year	*30*	**P55,845,123**	**P37,969,776**	**P17,875,347**

		2023		
	Note	Insurance Contract Liabilities	Reinsurers' Share of Liabilities (Note 8)	Net
Balance at the beginning of the year		P18,464,271	P12,263,390	P6,200,881
Claims incurred during the year		76,374,387	49,790,971	26,583,416
Claims paid during the year, net of salvage and subrogation	*18*	(27,312,069)	(8,911,270)	(18,400,799)
Increase in IBNR		788,730	548,491	240,239
Balance at the end of the year	*30*	P68,315,319	P53,691,582	P14,623,737

Provision for unearned premiums may analyzed as follows:

		2024		
	Note	**Insurance Contract Liabilities**	**Reinsurers' Share of Liabilities** (Note 8)	**Net**
Balance at the beginning of the year		**P48,996,956**	**P10,079,230**	**P38,917,726**
New policies written during the year	*16*	**89,882,818**	**21,781,596**	**68,101,222**
Premiums earned during the year	*16*	**(97,830,229)**	**(24,447,445)**	**(73,382,784)**
Balance at the end of the year		**P41,049,545**	**P7,413,381**	**P33,636,164**