

COVER SHEET

SEC Registration Number

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COMPANY NAME

F	O	R	A		S	E	R	V	I	C	E	S	,		I	N	C	.		D	O	I	N	G		B	U	S	I
N	E	S	S		A	S		Q	U	E	S	T		H	O	T	E	L		T	A	G	A	Y	T	A	Y		

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

F	O	R	A		R	O	T	U	N	D	A		T	A	G	A	Y	T	A	Y	,		G	E	N	E	R	A	L
	E	M	I	L	I	O		A	G	U	I	N	A	L	D	O		H	I	G	H	W	A	Y	,		S	I	L
a	n	g		J	u	n	c	t	i	o	n	,		B	a	r	a	n	g	a	y		S	i	l	a	n	g	
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Form Type

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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	/	A
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COMPANY INFORMATION

Company's Email Address

katrina.clemente-lua@filinvestland.com
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Company's Telephone Number

7918-8188

Mobile Number

N/A

No. of Stockholders

6

Annual Meeting (Month / Day)

Last Friday of October

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Nancy R. Rivera

Email Address

nancy.rivera@filinvesthospitality.com

Telephone Number/s

+6346-8460278

Mobile Number

09989615762

CONTACT PERSON'S ADDRESS

Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway Silang Junction, Barangay Silang Crossing East Tagaytay, 4120 Cavite
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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.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATIONS CODE AND SRC RULE 17(2) (b) THEREUNDER

1. For the quarterly period ended **September 30, 2024**
2. SEC Identification Number **CS201818339**
3. BIR Tax Identification No. **010-114-986-000**
4. Exact name of issuer as specified in its charter
FORA SERVICES, INC. DOING BUSINESS AS QUEST HOTEL TAGAYTAY
5. Province, Country or other jurisdiction of incorporation or organization **Philippines**
6. Industry Classification Code: _____ (SEC Use Only)
7. Address of issuer's principal office
Fora Rotunda Tagaytay, General Emilio Aguinaldo
Highway Silang Junction, Barangay Silang Crossing
East Tagaytay
Postal Code **4120**
8. Issuer's telephone number, including area code **(46) 419-8799**
9. Former name, former address, and former fiscal year, if changed since last report **Not Applicable**
10. Securities registered pursuant to Section 8 and 12 of the SRC

Class	No. of Certificates Per Class	Offer Price per Certificate	Aggregate Offer Price per Class
Studio 23	63	Php187,700	Php11,825,100
Studio 27	61	Php220,400	Php13,444,400
Studio 29	18	Php236,700	Php4,260,600
Suite 44	18	Php359,100	Php6,463,800
Suite 54	4	Php440,700	Php1,762,800
TOTAL	164		Php37,756,700

11. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes

☐

No

☐ /

12. Indicate by check mark whether the issuer:

- (a) has filed reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA Rule 1(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes

☐ /

No

☐

- (c) has been subject to such filing requirements for the past 90 days.

Yes

☐ /

No

☐

TABLE OF CONTENTS

	Page No.
PART I FINANCIAL INFORMATION	
Item 1 Financial Statements	
Interim Statements of Financial Position as at September 30, 2024 and December 31, 2023	5
Interim Statements of Comprehensive Income for the Nine months ended September 30, 2024 and 2023	6
Interim Statement of Changes in Equity for the Nine months ended September 30, 2024 and 2023	7
Interim Statements of Cash Flows for the Nine months ended September 30, 2024 and 2023	8
Notes to Consolidated Financial Statements	9-25
Item 2 Management Discussion and Analysis of Financial Condition and Results of Operations	26-28
Aging of Receivables	29
 Part II OTHER INFORMATION	
Item 3 Sale of Securities	30
Item 4 Index to Supplementary Schedules	31
Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration	32-33
Annex B - Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered	34
Annex C - Supplementary Schedules Required by Annex 68-J	35-36
Item 5 Components of Financial Soundness Indicators	37-38
Item 6 Signature	39

PART 1 - FINANCIAL INFORMATION

**FOR A SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY**

Unaudited Interim Financial Statements

As at September 30, 2024 and December 31, 2023
and
For the Nine months ended September 30, 2024 and 2023

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF FINANCIAL POSITION

	September 30 2024 (Unaudited)	December 31 2023 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 4 and 12)	86,732,286	84,873,235
Receivables (Note 5)	3,514,622	12,216,060
Due from related parties (Note 12)	-	12,902,694
Inventories (Note 6)	1,233,261	1,996,179
Other currents assets (Note 7)	1,494,874	2,505,038
Total Current Assets	92,975,043	114,493,206
Noncurrent Assets		
Property and equipment (Note 8)	9,884,500	1,098,191
Software costs (Note 9)	710,713	856,587
Total Noncurrent Assets	10,595,213	1,954,778
	103,570,256	116,447,984
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 10 and 11)	30,344,260	32,270,001
Accrued interest payable	11,080,443	3,644,769
Contract liabilities (Note 13)	794,377	1,233,649
Due to related parties (Note 12)	7,651,861	18,083,250
Income tax payable	417,132	1,313,126
Total Current Liabilities	50,288,073	56,544,795
Non Current Liabilities		
Participation liability (Notes 11 and 12)	37,756,700	37,756,700
Total Non Current Liabilities	37,756,700	37,756,700
	88,044,773	94,301,495
Equity		
Capital stock (Note 16)	400,000	400,000
Retained earnings	21,746,489	13,839,545
Net income (loss)	(6,621,006)	7,906,944
Total Equity	15,525,483	22,146,489
Total Liabilities and Equity	103,570,256	116,447,984

See accompanying Notes to Financial Statements.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF COMPREHENSIVE INCOME
For the Nine months ended September 30, 2024

	Nine months Ended September 30 (Unaudited)	
	2024	2023
REVENUE		
Revenue from services		
Rooms	72,290,903	72,149,827
Other operating departments	1,212,163	1,608,700
Miscellaneous	-	556,822
	73,503,066	74,315,349
COST OF SERVICES (Note 14)	35,437,691	39,182,918
GENERAL AND ADMINISTRATIVE EXPENSES (Note 15)	29,174,541	25,900,057
OTHER INCOME (EXPENSE)		
Interest income (Note 4)	1,879,742	1,752,926
Interest expense (Note 11 and 12)	(16,592,679)	(3,492,498)
	(14,712,937)	(1,739,572)
INCOME (LOSS) BEFORE INCOME TAX	(5,822,103)	7,492,802
PROVISION FOR INCOME TAX (Note 17)	798,903	1,766,716
NET INCOME (LOSS) / TOTAL COMPREHENSIVE INCOME (LOSS)	(6,621,006)	5,726,086

See accompanying Notes to Financial Statements.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF CHANGES IN EQUITY

	September 30, 2024	September 30, 2023
	<i>Unaudited</i>	<i>Unaudited</i>
CAPITAL STOCK (Note 16)	₱ 400,000	₱ 400,000
RETAINED EARNINGS (DEFICIT)		
Balances at beginning of period January 1	21,746,489	13,839,545
Net income for the period	(6,621,006)	5,726,086
Balances at end of period	15,125,483	19,565,631
	15,525,483	19,965,631

See accompanying Notes to Financial Statements.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF CASH FLOWS

	September 30, 2024	September 30, 2023
	<i>Unaudited</i>	<i>Unaudited</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	(5,822,103)	7,492,802
Adjustments for:		
Depreciation and Amortization (Notes 8, 9 and 15)	2,926,682	509,857
Interest expense (Notes 11 and 12)	16,592,679	3,492,498
Interest income (Note 4)	(1,879,742)	(1,752,926)
Operating income before working capital changes	11,817,516	9,742,231
Changes in operating assets and liabilities:		
Decrease in:		
Receivables	8,701,438	354,098
Due from related parties	12,902,694	3,558,919
Inventories	762,918	(211,516)
Other current assets	1,010,163	(3,766,116)
Decrease in:		
Accounts and other payables	(1,925,741)	28,455,578
Contract liabilities	(439,272)	(1,940,128)
Due to related parties	(10,431,389)	(16,388,293)
Net cash generated from operations	22,398,327	19,804,773
Interest paid	(9,157,005)	-
Interest received	1,879,742	1,752,926
Income taxes paid	(1,694,897)	(1,766,716)
Net cash provided by operating activities	13,426,167	19,790,983
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment (Note 8)	(11,567,116)	(836,730)
Software	-	(566,201)
Cash used in investing activities	(11,567,116)	(1,402,931)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in non-current payable (Note 12)	-	25,816,000
Interest expense (Note 4)	-	(3,492,498)
Net cash provided by financing activities	-	22,323,503
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,859,051	40,711,558
CASH AND CASH EQUIVALENTS		
AT BEGINNING OF PERIOD, JANUARY 1	84,873,235	93,150,373
CASH AND CASH EQUIVALENTS		
AT END OF PERIOD (Note 4)	86,732,286	133,861,931

See accompanying Notes to Financial Statements.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Fora Services, Inc. doing business as Quest Hotel Tagaytay (the Company), a wholly owned subsidiary of Filinvest Hospitality Corporation, (FHC or Parent Company), was incorporated in the Philippines and was registered with Philippine Securities and Exchange Commissions (SEC) on August 24, 2018. Its primary purpose is to purchase and own real properties and personal property of all kinds to sell, lease, maintain and manage.

The Company also has secondary license to offer 164 Certificates of Participation to the public as approved by the SEC on May 17, 2023 (see Note 11).

The Company's registered address is Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway, Silang Junction, Barangay Silang Crossing East, Tagaytay, 4120 Cavite.

The Parent Company is a subsidiary of Filinvest Development Corporation (FDC), a publicly listed corporation. FDC is a subsidiary of A.L. Gotianun, Inc. (ALGI). FHC, FDC and ALGI are incorporated and domiciled in the Philippines.

Approval of the Financial Statements

The financial statements of the Company as at September 30, 2024 and 2023 and for each of nine months period ended September 30, 2024 were approved and authorized for issue by the BOD on November 13, 2024.

2. Material Accounting Policy Information

Basis of Preparation

The financial statements of the Company have been prepared on a historical cost basis and are presented in Philippine Peso (₱), which is also the Company's functional currency. All amounts are rounded off to the nearest Peso, except when otherwise indicated.

The Company's financial statements as at September 30, 2024 and 2023 and for the nine months ended September 30, 2024, and 2023 have been prepared as an attachment to the amended registration statement in relation to the Company's issuance of debt securities.

Statement of Compliance

The financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Company's financial statements are consistent with those of the previous financial years, except for the adoption of the following which became effective beginning January 1, 2024.

The adoption of the following pronouncements does not have significant impact to the Company's financial statements.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Standards, Amendments and Interpretations Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Company's financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

Deferred effectivity

Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Material Accounting Policies

The following accounting policies were applied in preparation of the Company's financial statements:

Financial Instruments - initial recognition, subsequent measurement and impairment

As of September 30, 2024 and 2023, the financial assets of the Company are classified at initial recognition as subsequently measured at amortized cost. In order for a financial asset to be classified and measured at amortized cost, it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding. This assessment is referred to as the 'solely payments of principal and interest test' and is performed at an instrument level.

As of September 30, 2024 and 2023, the Company's financial assets at amortized cost include cash and cash equivalents, receivables and due from related parties and security deposits (presented under other current assets).

The Company recognizes an allowance for expected credit loss (ECL) for all financial assets at amortized costs. The Company applies the following approach in estimating its allowance for ECL (a) low credit risk simplification approach for cash and cash equivalents; and (b) general approach for receivables and due from related parties.

The Company considers a financial asset in default when contractual payments are thirty (30) days past their due dates.

Financial liabilities - initial recognition and subsequent measurement

As of September 30, 2024 and 2023, the Company's financial liabilities pertain to loans and borrowings. These financial liabilities are recognized initially at fair value, net of directly attributable transaction costs and subsequently measured at amortized cost using effective interest method.

As of September 30, 2024 and 2023, the Company's financial liabilities include accounts and other payables, due to related parties, participation liabilities and other obligations that meet the above definition (other than liabilities covered by other accounting standards, such as, income tax payable, and other statutory liabilities).

Property and Equipment

Property and equipment consist of machineries, tools and computer equipment. Property and equipment are stated at cost less accumulated depreciation and any impairment in value. The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Depreciation is calculated on a straight-line method over the estimated useful lives (EUL) of the assets. The Company assessed that the useful life of property and equipment is three (3) years to five (5) years.

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. 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 assets) is included in the statement of comprehensive income when the asset is derecognized.

Software Costs

Software acquired separately is measured on initial recognition at cost. Following initial recognition, capitalized software is carried at cost less accumulated amortization and any accumulated impairment losses. The capitalized software is amortized on a straight-line basis over its estimated useful life of five (5) years.

Other Current Assets

Other assets are carried at costs and pertain to resources controlled by the Company as a result of past events and from which future economic benefits are expected to flow to the Company. These assets are regularly evaluated for any impairment in value. These comprise of input value-added tax (VAT), creditable withholding taxes, prepaid expenses and advances to suppliers and employees.

Impairment of Nonfinancial Assets

The Company assesses at each financial reporting date whether there is an indication that its nonfinancial (e.g., property and equipment and software costs) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGUs) fair value less costs to sell and its value in use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment loss is charged to operations in the year in which it arises.

Equity

Capital stock

Capital stock is measured at par value for all shares issued.

Retained earnings (Deficit)

Retained earnings (deficit) represents the accumulated net income (losses) of the Company and stock issuance costs.

Revenue Recognition

The Company primarily derives its revenue from room related services and other operating departments. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has generally concluded that it is acting as principal in all of its revenue arrangements.

The following specific recognition criteria must also be met before revenue is recognized.

Revenues from rooms and other operating departments

Revenues from rooms and other departments are recognized over the time the related services are rendered and/or facilities and amenities are used.

Income from insurance claim

Income from insurance claim is recognized when receipt is virtually certain or upon acceptance of the settlement offer from insurance company.

Contract Balances

Contract receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.

The contract liabilities also include payments received by the Company from the customers for which revenue recognition has not yet commenced. Accordingly, funds deposited by customers before event/service occurs (guest deposits) are recorded as contract liabilities until services are provided or goods are delivered.

Costs and Expenses Recognition

Direct costs and operating expenses are decreases in economic benefits during the accounting period in the form of outflows or depletion of assets or decrease of liabilities. These are measured at the amount paid or payable and are recognized when incurred.

Income Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

Deferred tax

Deferred tax is provided on all taxable temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences and unused net operating loss carryover (NOLCO), to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences and NOLCO can be utilized.

Classification of accounts

Some accounts in 2023 have been reclassified to conform with the mapping of accounts in 2024. No impact has been identified to the total balances of net income and balance sheet accounts.

Segment Reporting

The Company's operating businesses are organized and managed according to the nature of the products and services provided. The Company has determined that it is operating as one operating segment as of and for the periods ended September 30, 2024 and 2023 (see Note 18).

3. Management's Accounting Judgments and Use of Estimates

The preparation of the Company's financial statements in compliance with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Future events may occur which can cause the assumptions used in arriving at those estimates to change. The effects of any changes in estimates will be reflected in the financial statements as they become reasonably determinable.

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.

Use of Estimates and Assumptions

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

Evaluation of impairment of receivables

The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

As of September 30, 2024 and 2023, the carrying value of receivables amounted to P3.51 million and P12.22 million, respectively. There is no provision for ECL recognized in 2024 and 2023 (Note 5).

4. Cash and Cash Equivalents

This account consists of

	2024	2023
Cash on hand	P310,000	P1,104,453
Cash in banks (Note 12)	19,662,501	58,535,550
Cash equivalents (Note 12)	66,759,785	25,233,232
	<u>P86,732,286</u>	<u>P84,873,235</u>

Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods up to 3 months and earns interest at the prevailing short-term investment rate of 3.27% to 6.00% and 3.00% to 5.00% in 2024 and 2023, respectively.

Interest income earned from cash and cash equivalents amounted to P1.88 million in 2024 (2023 - P1.75 million) (Note 12).

There are no restrictions on the Company's cash and cash equivalents as of September 30, 2024 and 2023.

5. Receivables

This account consists of:

	2024	2023
Contract receivables:		
Corporate, travel agency and individuals	P2,551,788	P9,871,433
Credit cards	241,793	1,265,759
Guest ledger	193,982	460,802
Others	527,059	618,066
	P3,514,622	P12,216,060

Corporate, travel agency and individuals pertain to receivables classified by market segments and are due within 30 to 90 days from billing.

Guest ledger pertains to receivables from in-house guests and are collectible once the guest checks out from the hotel.

Credit cards pertain to receivables from banks for sales settled through credit cards and are usually collectible within three (3) to five (5) days from transaction date.

Others pertain to advances to employees, third party receivables related to utilities and other reimbursables subject to liquidation.

6. Inventories

This account consists of:

	2024	2023
Supplies	P915,261	P1,655,476
Fuel	318,000	340,703
	P1,233,261	P1,996,179

Supplies include guest, engineering, cleaning and other operating supplies used to assist in day-to-day operations of the Company.

Fuel pertains to fuel and oil used in the day-to-day operations.

The cost of inventories recognized as part of "Cost of services" in the statement of comprehensive income amounted to P2.8 million and P2.18 million in 2024 and 2023, respectively (Note 14).

7. Other Current Assets

This account consists of:

	2024	2023
Prepaid expenses	P995,633	P1,630,318
Advances to suppliers	490,041	611,086
Input value-added tax (VAT) deferred	-	254,434
Security deposits	9,200	9,200
	P1,494,874	P2,505,038

Prepaid expenses pertain to the Company's prepayments on insurance, and e-commerce subscriptions. These are recognized as expense over a period not exceeding 12 months.

Advances to suppliers are down payments made to the suppliers for acquisitions of guest supplies and software costs. These are applied against billings which are received after the delivery of items and completion of services.

Input VAT are imposed on the Company by its suppliers and contractors for the acquisition of goods and services which can be applied against output VAT or can be claimed as tax credits.

8. Property and Equipment

The roll-forward analysis of this account follows:

	2024					
	Machineries Tools and Equipment	Vehicles	Computer Equipment	Operating Equipment	Furniture, Fixtures & Equipment	Total
Cost						
At beginning of period	673,395	-	947,597	-		1,620,992
Additions	-	733,650	-	1,431,994	9,401,472	11,567,116
At end of period	673,395	733,650	947,597	1,431,994	9,401,472	13,188,108
Accumulated Depreciation						
At beginning of period	183,876	-	338,925	-	-	522,801
Depreciation (Note 15)	329,262	120,282	53,118	404,758	1,873,387	2,780,807
At end of period	513,138	120,282	392,043	404,758	1,873,387	3,303,608
Net Book Values	160,257	613,368	555,554	1,027,234	7,528,085	9,884,500

	2023		
	Machineries, Tools and Equipment	Computer Equipment	Total
Cost			
At beginning of period	P456,007	P256,696	P712,703
Additions	217,388	690,901	908,289
At end of period	673,395	947,597	1,620,992
Accumulated Depreciation			
At beginning of period	102,101	33,296	135,397
Depreciation (Note 15)	81,775	305,629	387,404
At end of period	183,876	338,925	522,801
Net Book Values	P489,519	P608,672	P1,098,191

The Company's property and equipment are not pledged or used as collateral to secure any obligation as of September 30, 2024 and 2023.

9. Software Costs

The rollforward analysis of this account follows:

	2024	2023
Cost		
Balances at beginning of year	P1,572,243	P806,033
Additions	-	766,210
Balances at end of year	1,572,243	1,572,243
Accumulated Amortization		
Balances at beginning of year	715,656	422,504
Amortization (Note 15)	145,874	293,152
Balances at end of year	861,530	715,656
Net Book Value	P710,713	P856,587

10. Accounts and Other Payables

This account consists of:

	2024	2023
Trade payables	P4,577,617	P16,337,862
Accrued expenses	18,644,432	11,450,749
Wages and employee-related payables	1,477,523	2,489,718
Taxes payable	5,644,688	1,991,672
Subtotal	30,344,260	32,270,001
Accrued interest payables (Note 11)	11,080,443	3,644,769
Total Accounts and Other Payables	P41,424,703	P35,914,770

Trade payable consists of payables to suppliers and service providers for various acquisitions of goods and services used in the operations of the Company. These are normally settled on a 30 to 60 day term.

Accrued expenses represent accruals on telephone, utilities, security and manpower services and other operating expenses.

Accrued interest payables pertain to calculated participation interest distributable to certificate holders (Notes 11 and 12).

Wages and employee-related payables include employees' share on the service fees charged to customers. These are normally settled within one month.

Taxes payable includes local taxes, output VAT and withholding taxes.

11. Participation Liabilities

The Company entered into Condotel Participation Agreements (the Agreements) with unit buyers (the Participants) of the Fora Condotel Tower 1 (Condotel Project) with a term of 25 years. Pursuant to the provisions of the Agreement, the Participant shall pay the Company the Joining Fee, which shall be returned without interest at the end of the term of the Condotel Project, and the Company shall manage and operate the Participants' contributed units.

The Company may terminate the Agreements upon reasonable determination that the operation of the Condotel Project can no longer be sustained due to operating losses. In such event, the Company shall return the amount of the Joining Fee, pro rata, received from the participants.

The Unit Buyers' participation interest in the Condotel Project shall be evidenced by Certificates. Each of the Certificate of Participation corresponds to the 164 units in the Condotel Project. The SEC through its SEC MSRD Order No. 25, Series of 2023 issued on May 17, 2023, approved the registration of said 164 Certificates of Participation. The SEC likewise issued the Certificate of Permit to Offer Securities for Sale for said 164 Certificates, on the same date.

Relative to the Agreement, the Certificate Holders shall be entitled to: (a) the payment of distributable participation interest on an annual basis, subject to the terms hereof and the Agreement; and, (b) maximum of 14 nights room use privilege in the Condotel Project per calendar year.

The distributable participation interest is based on total participation income, as adjusted with the impact of provisions, reserves and noncash transactions.

As of September 30, 2024, the Company issued Certificate of Participation for 164 units in the Condotel Project amounting to ₱37.76 million, presented under Participation liabilities in the statement of financial position. As of September 30 2024, total participation interest recognized amounted to ₱16.60 million (2023 - ₱3.49 million).

12. Related Party Transactions

The Company has entered into various transactions with related parties. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decision or the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. Affiliates are entities under common control of the Parent Company, FDC and ALGI.

Terms and conditions of transactions with related parties

Outstanding balances at period-end are unsecured, interest-free and require settlement in cash, unless otherwise stated. There have been no guarantees provided or received for any related party receivables or payables. As of September 30, 2024, and December 31, 2023, the Company has not made any provision for ECL relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

The amounts and balances from the significant related party transaction follow:

		2024		
		Amount/ Volume	Outstanding balance	Terms Conditions
Cash and cash equivalents				
Affiliate				
a.	Cash and cash equivalents (Note 4)	7,994,220	84,143,059	Interest-bearing at prevailing market rate
	Interest income	1,878,146		
Due to related parties				
b.	Parent Company	(15,554)	(272,513)	Noninterest-bearing; due and demandable
c.	Filinvest Land, Inc. (FLI)	1,508,259	(865,284)	Noninterest-bearing; due and demandable
d.	Fora Restaurants, Inc. (FRI)	2,574,415	(3,740,084)	Noninterest-bearing; due and demandable
e.	Chroma Hospitality, Inc. (CHI)	461,407	(567,485)	Noninterest-bearing; due and demandable
f.	Entrata Hotel Services, Inc. (EHSI)	(76,314)	(169,126)	Noninterest-bearing; due and demandable
g.	Corporate Technologies, Inc. (CTI)	2,779,532	(1,227,610)	Noninterest-bearing; due and demandable

		2024			
		Amount/ Volume	Outstanding balance	Terms	Conditions
h.	Hospitality Enterprise Resources Corp. (HERC)	3,168,535	(809,759)	Noninterest-bearing; due and demandable	Unsecured
		(7,651,861)			
Due from related parties					
i.	FLI	(11,940,700)	-	Noninterest-bearing; due within 1 year	Unsecured
j.	FRI	(716,930)	-	Noninterest-bearing; due and demandable	Unsecured
k.	CHI	(217,329)	-	Noninterest-bearing; due and demandable	Unsecured
l.	EHSI	(27,735)	-	Noninterest-bearing; due and demandable	Unsecured
		P12,902,694	-		
Accrued expenses					
m.	Interest expense	16,592,679	11,080,443	Due in May 2025	Unsecured
		16,592,679	11,080,443		
Participation liabilities					
n.	Joining fee	1,224,300	27,040,300	Noninterest-bearing; due in 2048	Unsecured
		2023			
		Amount/ Volume	Outstanding balance	Terms	Conditions
Cash and cash equivalents					
Affiliate					
a.	Cash and cash equivalents (Note 4)	(P9,158,064)	P76,148,839	Interest-bearing at prevailing market rate	Unrestricted
	Interest income	2,528,164			
Due to related parties					
b.	Parent Company	(P59,129)	(P288,067)	Noninterest-bearing; due and demandable	Unsecured
c.	Filinvest Land, Inc. (FLI)	15,071,865	(2,373,545)	Noninterest-bearing; due and demandable	Unsecured
d.	Fora Restaurants, Inc. (FRI)	(1,248,911)	(6,314,499)	Noninterest-bearing; due and demandable	Unsecured
e.	Chroma Hospitality, Inc.	647,881	(1,028,891)	Noninterest-bearing;	Unsecured

		2023			
		Amount/ Volume	Outstanding balance	Terms	Conditions
	(CHI)			due and demandable	
f.	Entrata Hotel Services, Inc. (EHSI)	27,452	(92,812)	Noninterest- bearing;	Unsecured
g.	Corporate Technologies, Inc. (CTI)	(1,133,253)	(4,007,142)	ue and demandable Noninterest- bearing;	Unsecured
h.	Hospitality Enterprise Resources Corp. (HERC)	(3,978,294)	(3,978,294)	due and demandable Noninterest- bearing; due and demandable	Unsecured
(P18,083,250)					
Due from related parties					
i.	FLI	11,940,700	11,940,700	Noninterest- bearing;	Unsecured
j.	FRI	(3,345,013)	P716,930	due within 1 year Noninterest- bearing;	Unsecured
k.	CHI	196,066	217,329	due and demandable Noninterest- bearing;	Unsecured
l.	EHSI	27,735	27,735	due and demandable Noninterest- bearing; due and demandable	Unsecured
P12,902,694					
Accrued expenses					
m.	FLI (Rent)	P9,264,410	P—	Noninterest- bearing; due and demandable	Unsecured
n.	Interest expense	3,320,468	3,320,468	Due in May 2024	Unsecured
P3,320,468					
Participation liabilities					
o.	Joining fee	P25,816,000	P25,816,000	Noninterest- bearing; due in 2048	Unsecured

Significant transactions with related parties are as follows:

- a. The Company maintains cash and cash equivalents with East West Banking Corporation, an entity under common control with FDC.
- b. FHC advanced the Company's costs for incorporation, taxes and licenses and other costs incurred on its pre-opening period.

In 2022, the Company entered into an agreement with FHC, wherein the Company is annually charged with admin fee equivalent to one percent (1%) of the Company's gross operating revenue for receiving various administrative functions. The agreement has a term of one (1) year and automatically renewable every year for a similar term unless terminated by either party. As of September 30, 2024 and 2023, balance due to parent amounted to ₱0.57 million and ₱0.28 million, respectively.

- c. In 2019, FLI, an affiliate, advanced the Company's funding for its pre-operating costs and initial working capital to support its operations.

Rental

In 2019, the Company entered into a lease agreement with FLI for the lease of space in Quest Hotel for the purpose of the hotel and related operations. The contract pertains to leased premises which consist of hotel rooms owned by FLI. The lease commences beginning April 1, 2019 until March 31, 2021, subject to automatic renewal for a similar term unless terminated by either party. Effective May 17, 2023, the lease agreement between the Company and FLI was terminated. The termination came into effect as the participation agreement took precedence over the lease agreement. Under the participation agreement, new terms and conditions govern the relationship between the Company and FLI regarding the use of leased premises (see Note 11).

The Company agreed to pay variable lease payments equivalent to the Company's net income less outstanding receivables. In 2022, the Company and FLI confirmed that the composition of condotel revenue considered in the net income computation per its lease agreement to exclude proceeds from insurance claims earmarked for refurbishment, income generating activities from use of function rooms, parking fees and food and beverage operations, among others.

In 2024, the Company amended the agreement with FLI to recognize additional rent expense. This represents the amount of receivables as of SEC registration date that was fully collected subsequently. This additional rent expense will not affect the computation of the distributable participation interest in 2024. The Company incurred rent expense amounting to ₱6.09 million and ₱9.26 million in 2024 and 2023, respectively.

- d. FRI, an affiliate, charges its revenue from food and beverage to the Company as part of the guest's charge upon bill-out.
- e. In July 2018, the Company entered into a management service agreement with CHI, an entity owned by FDC, whereby CHI provides technical services to the Company with regard to the development and establishment of the hotel during the stages of feasibility, conceptualization, design and construction, and fit-out.
- f. EHSI, an affiliate, charges the Company for intercompany expenses.
- g. CTI, an affiliate, charges the Company for telecommunication and IT solutions expenses.
- h. In 2023, the Company entered into an agreement wherein HERC is to provide services related to compensation and benefits and recruitment, accounting and finance, revenue management and reservation, and supply chain.
- i. As of September 30, 2024, Due from Affiliates was reclassified to fixed assets account.
- j. The Company charges FHC, FLI, FRI, CHI and EHSI for intercompany expenses.

- k. Participation liabilities pertain to joining fee received from FLI which is equivalent to the offer price paid for a certificate and will be repaid upon end of the term of the Condotel Participation Agreement. Each certificate is entitled to participation interest distributed annually (see Note 11).

Compensation of key management personnel

Compensation of key management personnel of the Company consists of employee salaries and benefits amounting to ₱1.40 million and ₱1.38 million for the nine months ended September 30, 2024 and 2023, respectively.

13. Revenue, Income and Contract Balances

Revenue from Contracts with Customers

The Company deals with guests who are required to pay hotel room charges which cover room services and use of other ancillary services.

Revenue from rooms and other operating department is recognized over the time the related services are rendered and/or facilities and amenities are used. Transaction price is determined to be the invoice amount, and each transaction is considered as a single performance obligation, therefore it is not necessary to allocate the transaction price. The hotel room rate is fixed and has no variable consideration. The service is capable of being distinct from the other services and the transaction price for each service is separately identifiable.

Guest usually pays in advance either in full or partially to guarantee reservation. Guests are required to settle all outstanding bills before check-out. Corporate accounts and travel agencies are required to pay 30 to 90 days from billing date.

Other income consists of smoking fees, forfeiture of unclaimed deposits and others. This is recognized over the time the related services are rendered and/or facilities and amenities are used.

Contract Liabilities

Contract liabilities pertain to advance or partial payments received from guests to guarantee reservations. This represents the obligation to provide services to the customer for which the Company has received consideration. These are guest deposits which are expected to be recognized as revenue when the event has taken place or refunded to the customers upon cancellation.

The following summarizes the activities related to contract liabilities with customers as of September 30, 2024 and December 31, 2023:

	2024	2023
Balances at beginning of year	₱1,233,649	₱3,200,181
Additions	12,432,948	14,609,419
Recognized as revenue	(12,872,220)	(16,575,951)
Balances at end of year	₱794,377	₱1,233,649

14. Cost of Services

This account consists of:

	2024	2023
Salaries, wages, and benefits	P6,141,758	P5,661,051
Utilities	6,218,329	11,127,475
Rental	6,085,758	9,264,409
Association dues	3,519,765	-
Operating supplies	2,779,590	2,182,539
Laundry and linens	2,520,884	2,261,593
Commission	2,422,904	3,103,605
E-Commerce fee	2,182,591	2,068,039
Contract services	1,335,808	986,008
Spa services	1,027,801	1,160,490
Others	1,202,503	1,367,709
	P35,437,691	P39,182,918

Others include payment for office supplies, cable, uniforms, printing, decorations and other miscellaneous expenses.

15. General and Administrative Expenses

This account consists of:

	2024	2023
Salaries, wages, and benefits	P5,817,238	P5,925,693
Contract services	3,042,614	2,421,156
Depreciation and amortization	2,926,681	509,857
Management fees	2,687,838	2,475,520
E-Commerce fee	2,177,912	2,122,834
System costs	1,887,152	1,834,124
Credit and collection	1,561,095	1,288,398
Insurance premium	1,420,299	1,516,780
Repairs and maintenance	1,418,340	1,329,705
Security services	1,303,535	1,713,357
Legal, audit and professional fees	963,992	382,259
Telecommunication	916,229	994,715
Administration Fee	826,021	837,079
Corporate office reimbursable	631,448	466,094
Travel and transportation	508,676	292,358
Sales office expenses	494,143	445,489
Taxes and licenses	119,859	225,132
Training	99,308	50,890
Others	372,161	1,068,617
	P29,174,541	P25,900,057

Others include recruitment expenses, medical expenses, postage and mailing charges, printing, dues and subscription and other operating expenses from various administrative departments of the Company.

16. Equity

As of September 30, 2024 and 2023, the capital stock of the Company consists of:

	No. of Shares	Amount
Authorized - P100 par value	16,000	P1,600,000
Subscribed and issued shares	4,000	400,000

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes in 2024 and 2023.

The Company considers its capital stock and participation liabilities amounting to P0.40 million and P37.76 million and, as of September 30, 2024 and 2023, respectively, as its capital employed. The Company is not subject to externally imposed capital requirements.

Subsequent events

Pursuant to the Corporation's Registration Statement covered by SEC MSRD No. 25 Series of 2023 and the corresponding Permit to Sell, the Company is authorized to have a reserve for Joining Fee amortization until it is repaid to the Certificate Holders without interest, that is, upon end of the Term of the Condotel Project which is twenty-five (25) years from issuance of the Permit to Sell.

On November 13, 2024, BOD approved, confirmed and ratified the yearly appropriation from its accumulated retained earnings for the amortization of the Joining Fee, until it is repaid to the Certificate Holders on May 17, 2048. For 2024, the appropriation is amounting to P2.45.

In addition, the BOD also approved the appropriation from its accumulated retained earnings the amount of P7.75 for its future refurbishment.

17. Income Taxes

The provision for income tax consists of current income tax amounting to P0.80 million (2023 - P0.62 million).

The reconciliation of the income tax computed at statutory rate of 25% to provision for income tax follows:

	2024	2023
Income tax at statutory income tax rate	(1,455,526)	683,255
Tax effects of:		
Interest income subjected to final tax	(93,987)	(59,389)
Net operating loss carry over (NOLCO)	1,549,513	-
Minimum corporate income tax (MCIT)	798,903	-
	798,903	623,836

18. Segment Reporting

The Company has determined that it is operating as one operating segment. Based on management's assessment, no part or component of the business of the Company meets the qualifications of an operating segment as defined by PFRS 8, *Operating Segments*.

The Company's hotel operations is its only income generating activity and such is the measure used by the chief operating decision maker (CODM) in allocating resources. Rooms revenue recognized from government contracts represent 5% and 14% of the Company's total revenue for the periods ended September 30, 2024 and 2023, respectively. The decrease is due to the market mix and lower government contracts in 2024 compared to last year.

19. Financial Assets and Financial Liabilities

Fair Value Information

The carrying values of cash and cash equivalents, receivables, security deposits (presented under other current assets), accounts and other payables (except statutory payables) and due from and to related parties approximate their fair values as of September 30, 2024 and 2023 due to the short-term nature of the transactions.

As of September 30, 2024 and December 31, 2023, the Company's participation liabilities has a carrying value and fair value of P37.76 million. The estimated fair value of participation liabilities is determined by discounting the sum of future cash flows using the prevailing market rates of 6.12%.

Financial Risk Management Objectives and Policies

The Company's financial instruments include the Company's cash, due from related parties, security deposits (presented under other current assets), accounts and other payables (except statutory payables), and due from and to related parties.

The main purpose of these financial instruments is to finance the Company's operations. The main objectives of the Company's financial risk management are as follows:

- To identify and monitor such risks on an ongoing basis;
- To minimize and mitigate such risks; and
- To provide a degree of certainty about costs.

The main risks arising from the Company's financial instruments are liquidity risk and credit risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. It is the Company's practice that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The table below shows the summary of maximum credit risk exposure on financial assets:

	2024	2023
Cash and cash equivalents*	P86,422,286	P83,768,782
Receivables	3,514,622	12,216,060
Due from related parties	-	12,902,694
Security deposits	9,200	9,200
	P89,946,108	P108,896,736

*Excludes cash on hand.

As of September 30, 2024 and December 31, 2023, all financial assets classified as neither past due nor impaired has high grade in terms of credit quality rating. High grade is the highest possible rating, which pertains to accounts with very low credit risk exposure. High grade also pertains to receivables with no possible default in payment based on historical experience and evaluation of financial conditions of the creditor.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations when due. The Company monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows.

Maturity profile of the Company's financial instruments as at December 31 follow:

	2024				Total
	On demand	Less than 3 months	3 to 12 months	More than 12 months	
Financial assets					
Cash and cash equivalents	19,972,501	66,759,785	–	–	P86,732,286
Receivables	–	3,514,622	–	–	3,514,622
Due from related parties	–	–	–	–	–
	19,972,501	70,274,407	–	–	90,246,908
Financial liabilities					
Accounts and other payables*	–	24,699,572	11,080,443	–	35,780,015
Due to related parties	7,651,861	–	–	–	7,651,861
Participation liabilities	–	–	–	37,756,700	37,756,700
	7,651,861	24,699,572	11,080,443	37,756,700	81,188,576

*Excludes statutory payables amounting to P5.64 million.

	2023				Total
	On demand	Less than 3 months	3 to 12 months	More than 12 months	
Financial assets					
Cash and cash equivalents	P59,640,003	P25,233,232	P–	P–	P84,873,235
Receivables	–	12,216,060	–	–	12,216,060
Due from related parties	12,902,694	–	–	–	12,902,694
	P72,542,697	P37,449,292	P–	P–	P109,991,989
Financial liabilities					
Accounts and other payables*	P–	P27,788,611	P3,644,769	P–	P31,433,380
Due to related parties	18,083,250	–	–	–	18,083,250
Participation liabilities	–	–	–	37,756,700	37,756,700
	P18,083,250	P27,788,611	P3,644,769	P37,756,700	P87,273,330

*Excludes statutory payables amounting to P4.48 million.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

Management's Discussion and Analysis of Financial Condition and Results of Operation

Nine Months Ended September 30

	2024	2023	Change Increase (Decrease) Php	%
	(Unaudited)	(Unaudited)		
REVENUE				
Revenue from services	72,290,903	72,149,827	141,076	0.2%
Other operating departments	1,212,163	1,608,700	(396,537)	-25%
Miscellaneous	-	556,822	(556,822)	-100%
	73,503,066	74,315,349	(812,283)	-1%
COST OF SERVICES	35,437,691	39,182,918	(3,745,227)	-10%
GENERAL AND ADMINISTRATIVE EXPENSES	29,174,541	25,900,057	3,274,484	13%
INCOME BEFORE OTHER INCOME (EXP)	8,890,834	9,232,374	(341,540)	-4%
OTHER INCOME (EXPENSE)				
Interest income	1,879,742	1,752,926	126,816	7%
Interest expense	(16,592,679)	(3,492,498)	(13,100,181)	375%
	(14,712,937)	(1,739,572)	(12,973,365)	746%
INCOME (LOSS) BEFORE INCOME TAX	(5,822,103)	7,492,802	(13,314,905)	-178%
PROVISION FOR INCOME TAX	798,903	1,766,716	(967,813)	-55%
NET INCOME (LOSS) / TOTAL COMPREHENSIVE INCOME (LOSS)	(6,621,006)	5,726,086	(12,347,092)	-216%

As of September 30, 2024 the company reported a net loss of ₱6.62 million lower by ₱12.35 million or 216% than last period which is mainly attributed to the increase in Interest Expense or the participation interest distributable to the Unit Owners.

Revenue

For the nine months ended September 30, 2024 the company revenue from services increased by 0.2% from last year offset by lower other operating departments income due to the phase out of minibar operations. The increase in the revenue from services is mainly driven by higher average daily rate of ₱2,831 (same period last year, ₱2,720) with the change in the market mix. The average occupancy for 2024 and 2023 are at 57% and 59%, respectively.

Cost of Services

Cost of Services decreased by 10% or ₱3.75 million mainly due to the lower recognition of rental expense this period.

General and Administrative Expenses

General and Admin Expenses amounted to ₱29.17 million, 13% or ₱3.27 million higher than last year mainly due to higher depreciation, contract services and professional fees.

Other Income (Expenses)

Interest Income pertains to interest earned from deposits and short term investment.

Interest Expense attributed to accrued distributable participation interest.

Provision for Income tax

For the Nine months ended September 30, 2024, the provision for income tax is recognized based on 25% effective income tax rate. This is mainly driven by the results of operations.

	September 30 2024 (Unaudited)	December 31 2023 (Audited)	Change Increase (Decrease) Php	%
ASSETS				
Current Assets				
Cash and cash equivalents	86,732,286	84,873,235	1,859,051	2%
Receivables	3,514,622	12,216,060	(8,701,438)	-71%
Due from related parties	-	12,902,694	(12,902,694)	-100%
Inventories	1,233,261	1,996,179	(762,918)	-38%
Other currents assets	1,494,875	2,505,038	(1,010,163)	-40%
Total Current Assets	92,975,044	114,493,206	(21,518,162)	-19%
Noncurrent Assets				
Property and equipment	9,884,500	1,098,191	8,786,309	800%
Software costs	710,713	856,587	(145,874)	-17%
Total Noncurrent Assets	10,595,213	1,954,778	8,640,435	442%
	103,570,256	116,447,984	(12,877,728)	-11%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	41,424,703	35,914,770	5,509,933	15%
Contract liabilities	794,377	1,233,649	(439,272)	-36%
Due to related parties	7,651,861	18,083,250	(10,431,389)	-58%
Income tax payable	417,132	1,313,126	(895,994)	-68%
Total Current Liabilities	50,288,073	56,544,795	(6,256,722)	-11%
Non Current Liabilities				
Participation liability	37,756,700	37,756,700	-	100%
Total Non Current Liabilities	37,756,700	37,756,700	-	100%
	88,044,773	94,301,495	(6,256,722)	-7%
Equity				
Capital stock	400,000	400,000	-	0%
Retained earnings	15,125,483	21,746,489	(6,621,006)	-30%
Total Equity	15,525,483	22,146,489	(6,621,006)	-30%
	103,570,256	116,447,984	(12,887,728)	-11%

As of September 30, 2024 the financial position of the company remained strong with total assets of ₱103.57 million, a decrease of ₱12.88 million compared to last year.

Cash and Cash equivalents

This account includes cash on hand and in bank and short-term investment that earns interest at the prevailing rate of 5.8%. For the Nine months ended September 30, 2024 total cash balance increased by 2% attributed to the increase in operating cash flow.

Receivables

As of September 30, 2024 total accounts receivables amounted to ₱3.51 million. 71% decrease due to improved collection.

Due from related parties

As of September 30, 2024 total Due from related parties decreased due to reclassification mainly to fixed asset accounts.

Inventories

This account consists of supplies (including guest, engineering, cleaning, and other operating supplies used to assist in day-to-day operations of the company) and fuel. Ending inventory as of September 30, 2024, a decrease of 38% compared to last year.

Other Current Assets

Other Assets consists mainly of advances to suppliers, creditable withholding taxes, and prepaid expenses.

Noncurrent Assets

Noncurrent assets consist of property and equipment and software cost.

Accounts and Other Payables

As of September 30, 2024, Accounts and other payables amounted to ₱41.42 million. The increment was driven by additional accrual of participation interest, additional rental, electricity, contract services, system and operating requirements incurred during the period.

Contract Liabilities

Contract liabilities represent obligation to provide services to the customer for which the Company has received consideration.

For the Nine months ended September 30, 2024, contract liabilities went down to 36% attributed to additional deposits from guests offset against usage of deposits from room reservation.

Due to related parties

The company has entered various transaction with related parties that are unsecured, interest-free and require settlement in cash. As of September 30, 2024 and December 31, 2023 total due to related party amounted to ₱7.65 million and ₱18.08 million, respectively.

Noncurrent Liability

This account pertains to the joining fee equivalent to the Offer Price paid by an initial Unit Owner for a Certificate, which will be repaid to the Certificate Holders upon end of the Term of the Condotel Project, without interest.

Equity

Overall decrease of 30% mainly attributed to net loss earned during the period.

ATTACHMENT-I

**FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY**

AGING OF ACCOUNTS RECEIVABLE
SEPTEMBER 30, 2024

	Current	1-30 days	31-60 days	61-90 days	>120 days	Total
Trade Receivables	-	3,514,622	-	-	-	3,514,622
TOTAL	-	3,514,622	-	-	-	3,514,622

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
OTHER INFORMATION

SALE OF SECURITIES

Fora Services Inc. (FOSI) received from SEC the Certificate of Permit to Offer Securities dated 17 May 2023, relating to the following 164 Certificates of Participation ("Certificates") in the Quest Hotel Tagaytay Project covered under SEC MSRD Order No. 25, Series of 2023, viz:

Class	No. of Certificates per Class	Offer Price per Certificate	Aggregate Offer Price per Class
Studio 23	63	₱187,700	₱11,825,100
Studio 27	61	₱220,400	₱13,444,400
Studio 29	18	₱236,700	₱ 4,260,600
Suite 44	18	₱359,100	₱ 6,463,800
Suite 54	4	₱440,700	₱ 1,762,800
TOTAL	164		₱37,756,700

The Certificates shall have a term of twenty-five year counted from the date of the SEC Permit to Sell for the Project, subject to renewal or extension for a similar or shorter period at the sole option of FOSI. The Certificates will be offered and sold by FOSI exclusively to Unit Owners of the Project. The Offer Price will be repaid to the Certificate Holders upon the end of the term of the Project.

The foregoing securities have been registered pursuant to the requirements of Sections 8 and 12 of the Securities Regulation Code and its amended Implementing Rules and Regulations.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
INDEX TO SUPPLEMENTARY SCHEDULES

- Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration
- Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered
- Annex C: Supplementary Schedules Required by Revised SRC Rule 68 (Annex 68-J)
- Schedule A. Financial Assets
 - Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
 - Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
 - Schedule D. Long-term Debt
 - Schedule E. Indebtedness to related parties
 - Schedule F. Guarantees of securities of other issuers
 - Schedule G. Capital stock

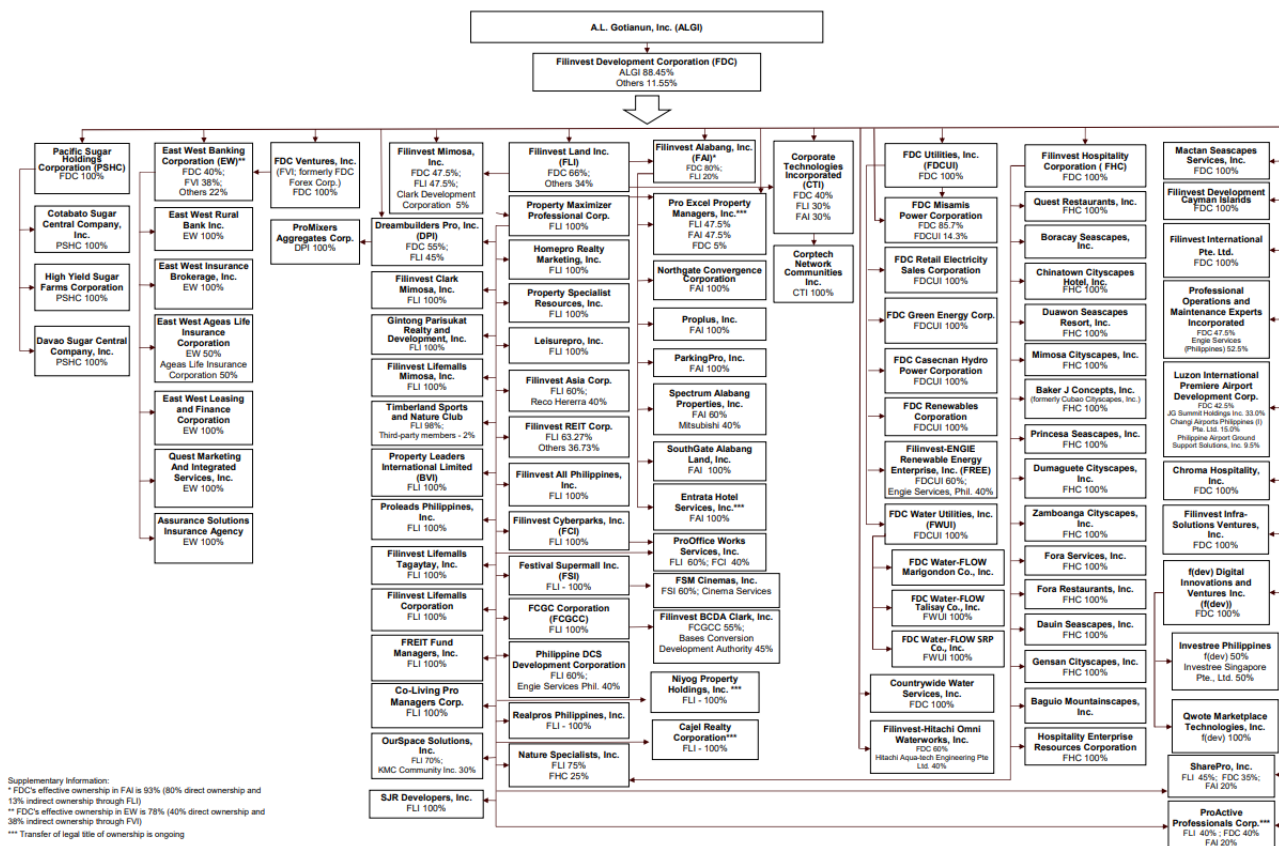
FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR
DIVIDEND DECLARATION
SEPTEMBER 30, 2024

Unappropriated Retained Earnings, beginning of reporting period			₱21,746,489
Add: Items that are directly credited to Unappropriated Retained Earnings			
Reversal of retained earnings appropriation	–		
Effect of restatements	–		
Others	–		
Less: Items that are directly debited to Unappropriated Retained Earnings			
Dividend declaration during the reporting period			
Retained earnings appropriated during the reporting period	10,207,973		
Effect of restatements	–		
Others – deferred tax assets recognized	–		10,207,973
Unappropriated Retained Earnings, as adjusted			11,538,516
Add/Less: Net income (loss) for the current year			(6,621,006)
Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)			
Equity in net income of associate/joint venture, net of dividends declared	–		
Unrealized foreign exchange gain, except those attributable to cash and equivalents	–		
Unrealized fair value adjustment (marked-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–		
Unrealized fair value gain of investment property	–		
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	–		
Sub-total			–
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)			
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	–		
Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss FVTPL)	–		
Realized fair value gain of Investment Property	–		
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–		
Sub-total			–
Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)			
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	–		

Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of Investment Property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	
Sub-total		-
Adjusted Net Income/Loss		(6,621,006)
Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	
Sub-total		-
Add/Less: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others	-	
Sub-total		-
Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	
Sub-total		-
Total Retained Earnings, end of reporting period available for dividend		P 4,917,510

**MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANY AND ITS ULTIMATE PARENT COMPANY, MIDDLE PARENT, SUBSIDIARIES OR CO-SUBSIDIARIES, ASSOCIATES
SEPTEMBER 30, 2024**

Supplementary Information:
 * FDC's effective ownership in FAI is 93% (80% direct ownership and 13% indirect ownership through FLI)
 ** FDC's effective ownership in EW is 78% (40% direct ownership and 38% indirect ownership through FVI)
 *** Transfer of legal title of ownership is ongoing



FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED BY REVISED SRC RULE 68
(ANNEX 68-J)
SEPTEMBER 30, 2024

Philippine Securities and Exchange Commission (SEC) issued the amended Securities Regulation Code Rule SRC Rule 68 and 68.1 which consolidates the two separate rules and labeled in the amendment as “Part I” and “Part II”, respectively. It also prescribes the additional information and schedule requirements for issuers of securities to the public.

Below are the additional information and schedules required by Revised SRC Rule 68 and 68.1 as amended that are relevant to Fora Services, Inc. (“the Company”). This information is presented for purposes of filing with the SEC and is not required part of the basic financial statements.

Schedule A. Financial Assets

The entity’s Financial Assets comprises of cash and cash equivalents, receivables and security deposits. As stated in the regulation, before mentioned amount should be provided if the aggregate cost or the market value of FVTPL as of the end of the reporting period is 5% or more of the total current asset. As of September 30, 2024, the entity recorded the financial assets as financial assets at amortized cost, therefore it is deemed assumed that this schedule is not applicable to the Company.

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related parties)

As of September 30, 2024, all amounts receivable from employees and related parties pertain to items arising in the ordinary course of business and does not meet the minimum required balance as stated in the Revised SRC Rule to be presented in the report. This schedule is not applicable to the Company.

Schedule C. Amounts Receivable from Related Parties, which are eliminated during the consolidation of financial statements

As of September 30, 2024, there is no outstanding receivables from related parties of the Company, as presented in the financial statements as of September 30, 2024. There were no amounts written off during the year. This schedule is not applicable to the Company.

Schedule D. Long-term Debt

This schedule is not applicable since the Company does not have any long-term debt as of September 30, 2024.

Schedule E. Indebtedness to Related Parties

As of September 30, 2024, due to a related party pertains to Participation liabilities.

Name of Related Party	Balance at beginning of the year	Movement	Balance at end of the period
Filinvest Land, Inc.	P25,816,000	1,224,300	P27,040,300

Schedule F. Guarantees of Securities of Other Issuers

This schedule is not applicable since the Company does not have guarantees of securities of other issuers as of September 30, 2024.

Schedule G. Capital Stock

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	16,000	4,000	–	3,995	5	None

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Ratio	Formula	2024	2023
Current Ratio	Total Current Assets divided by Total Current Liabilities	1.85	1.40
	Total Current Assets 92,975,043		
	Divide by: Total Current Liabilities 50,288,073		
	Current Ratio 1.85		
Debt Ratio	Total Liabilities divided by Total Assets	0.85	0.87
	Total Liabilities 88,044,773		
	Divide by: Total Assets 103,570,256		
	Debt Ratio 0.85		
Quick Asset Ratio	Quick Assets (<i>total current assets less inventories</i>) divided by Current Liabilities	1.82	1.39
	Total Current Assets 92,975,043		
	Less: Inventories 1,233,261		
	Quick Assets 91,741,782		
	Divide by: Total Current Liabilities 50,288,073		
	Quick Asset Ratio 1.82		
Solvency Ratio	Net Income/Loss before Depreciation (<i>net income plus depreciation</i>) divided by Total Liabilities	(0.04)	0.05
	Net Loss (6,621,006)		
	Add: Depreciation 2,926,681		
	Net Loss before Depreciation (3,694,325)		
	Divide by: Total Liabilities 88,044,773		
	Solvency Ratio (0.04)		
Interest Coverage Ratio	Earnings before Interest and Other Charges and Income Tax (EBIT) divided by Interest Expense	0.54	2.64
	EBIT 8,890,834		
	Divide by: Interest Expense 16,592,679		
	Interest Coverage Ratio 0.54		
Net Profit Margin	Net Income /Loss divided by Revenue	(0.09)	0.08
	Net Loss (6,621,006)		
	Divide by: Revenue 73,503,066		
	Net Profit Margin (0.09)		

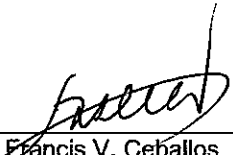
Return on Equity	Net Income/Loss divided by Total Equity	(0.43)	0.29
	Net Loss (6,621,006)		
	Divide by: Total Equity 15,503,066		
	Return on Equity (0.43)		
Return on Assets	Net Income/Loss divided by Average Total Assets	(0.06)	0.07
	Net Loss (6,621,006)		
	Divide by: Average Total Assets 110,009,120		
	Return on Equity (0.06)		
Asset-to-Equity Ratio	Total Assets divided by Total Equity	6.67	7.86
	Total Assets 103,570,256		
	Divide by: Total Equity 15,525,483		
	Return on Equity 6.67		

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FORA SERVICES, INC. DOING BUSINESS AS QUEST HOTEL TAGAYTAY

Signature: _____



Francis V. Ceballos
President/CEO

Title:

Signature: _____



Nancy Rivera
Treasurer and Chief Financial Officer

Title:

November 13, 2024