

**SEAFRONT RESOURCES CORPORATION
MINUTES OF THE AUDIT COMMITTEE MEETING**

20 February 2015, 12:30 p.m.

Conference Room 2, 47th Floor, Yuchengco Tower, RCBC Plaza Bldg.
6819 Cor. Sen. Gil J. Puyat and Ayala Avenues, Makati City

PRESENT:

Mr. Nicasio I. Alcantara	–	Chairman/Independent Director
Dr. Reynaldo B. Veal	–	Member
Mr. Medel T. Nera	–	Member

ALSO PRESENT:

Seafront Resources Corporation:

Ms. Carlota R. Viray	–	Chief Financial Officer
Atty. Samuel V. Torres	–	Corporate Secretary
Atty. Arlan P. Profeta	–	Asst. Corporate Secretary

House of Investments, Inc.:

Mr. Allan G. Galang
Ms. Maria Elisa Elviña-De Lara

SGV & Co. – External Auditors:

Mr. Michael C. Sabado
Ms. Wenda Lynn M. Loyola
Ms. Jonina Carla V. Casidsid

I. Determination of Quorum/Call to Order

All the members being present, and there being a legal quorum, the Chairman, Mr. Nicasio I. Alcantara, called the meeting to order and declared the purpose for which the meeting was called for, open for deliberation.





II. Approval of Minutes of the Previous Meeting

The Chairman requested the Committee to review the Minutes of November 13, 2014 Regular Audit Committee Meeting. Upon motion duly made and seconded, the Committee approved the minutes of the previous meeting.

III. Financial Report

A. Presentation of Financial Highlights and Accounting Issues

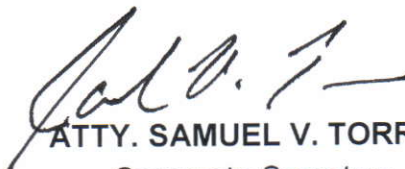

The external auditors, SGV & Co., led by the Engagement Partner, Mr. Michael C. Sabado, presented the financial highlights of the 2014 Audited Financial Statements and discussed recent accounting issues affecting the Company. Please see **Annex "A"** – Presentation to Audit Committee and **Annex "B"** – Draft Financial Statements for Audit Committee Approval.

B. Approval of the 2014 Audited Financial Statements

Following the presentation by SGV & Co., the Committee approved and resolved to endorse the 2014 Audited Financial Statements to the Board of Directors for approval.

IV. Adjournment

There being no other matter to discuss, the meeting was adjourned.


ATTY. SAMUEL V. TORRES
Corporate Secretary 

Minutes read and approved:



NICASIO I. ALCANTARA

Chairman



REYNALDO B. VEA
Member



MEDEL T. NERA
Member



Seafront Resources Corporation

Audit Committee Presentation
December 31, 2014 Audit

February 20, 2015

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Agenda



- ▶ **Financial Highlights**
- ▶ **Communication with the Audit Committee**

Financial Highlights

Seafront Resources Corporation Statements of Financial Position

(in Philippine Peso)

	2014	2013	Movement	%
ASSETS				
Current Assets				
Cash and cash equivalents	10,100,819	6,124,858	3,975,961	65%
Short-term investments	18,307,362	17,774,642	532,720	3%
Financial assets at fair value through profit or loss	47,627,704	46,402,709	1,224,995	3%
Receivables	716,954	3,418,447	(2,701,493)	-79%
Other current assets	689,257	611,211	78,046	13%
Total Current Assets	77,442,096	74,331,867	3,110,229	4%
Noncurrent Assets				
Available-for-sale financial assets	123,018,872	119,737,389	3,281,483	3%
	200,460,968	194,069,256	6,391,712	3%

**Seafront Resources Corporation
Statements of Financial Position**

(In Philippine Peso)	2014	2013	Movement	%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	255,875	534,757	(278,882)	-52%
Subscriptions payable	19,468,634	19,468,634	-	0%
Total Current Liabilities	19,724,509	20,003,391	(278,882)	-1%
Equity				
Capital stock - 1 par value				
Authorized - 388,000,000 shares				
Issued and outstanding - 163,000,000 shares	163,000,000	163,000,000	-	0%
Net unrealized gains on available-for-sale financial assets	10,141,454	6,859,971	3,281,483	48%
Retained earnings	7,595,005	4,205,894	3,389,111	81%
Total Equity	180,736,459	174,065,865	6,670,594	4%
	200,460,968	194,069,256	6,391,712	3%

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**Seafront Resources Corporation
Statements of Income**

(In Philippine Peso)	2014	2013	Movement	%
Gain on sale of available-for-sale financial assets	-	2,795,425	(2,795,425)	-100%
Interest income	755,773	960,324	(204,551)	-21%
Dividend income	306,664	468,811	(162,147)	-35%
Other income	603,924	334,617	269,307	80%
	4,893,995	5,022,793	(128,798)	-3%
EXPENSES				
General and administrative expenses	1,498,239	1,834,529	(336,290)	-18%
Foreign exchange loss - net	(402)	(2,658)	2,256	-85%
	1,497,837	1,831,871	(334,034)	-18%
INCOME BEFORE INCOME TAX	3,396,158	3,190,922	205,236	6%
PROVISION FOR INCOME TAX	7,047	6,692	355	5%
NET INCOME	3,389,111	3,184,230	204,881	6%
BASIC EARNINGS PER SHARE	0.02079	0.01954	0.00125	6%

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