



AVENUES INSURANCE BROKERS INC.

MANAGEMENT REPORT

16 February 2021

The Financial Statement of AIBI for **CY 2019** came out only last June 2020 due to the series of lockdowns brought about by the pandemic which affected our operations & sales. The extended lockdown took its toll also on our big retail clients & another major client was likewise hit with substantial outstanding premiums left behind with no specific date on. The ill effects may continue to be felt in 2021

We started reporting for work in pairs sometime in April last year to primarily attend to our renewals, collections & HMO claims. Overall efforts by the staff were commendable considering the situation although it was tough generating additional insurance business as this was not in the priority list by majority of clients. We are now on full operations except that some staff are still on WFH schedule on certain days of the week.

Our Broker's License with the Insurance Commission (IC) has been renewed for another three (3) years with the latest Certificate of Authority issued last Jan. 1, 2019 to to Dec, 31, 2019. The company however, still has to undergo audit by the IC personnel on a yearly basis. For now, we have complied with all the regulatory requirements of the IC.

The summary of results of operations for CY 2019 can be seen from the snapshot below of the Statement of Comprehensive income for the Year Ended December 31, 2019. This can be found in the Audit of the Financial Statements prepared by AMC & Associates which was subsequently filed with the BIR & the Insurance Commission which requires that the External Auditors should also be accredited with the commission. A copy of said Financial Report is attached for your reference & perusal.

A comparative is also provided between 2019 & 2018 just to highlight the variances/improvements between the years in review. Gross revenues & net income improved to Php 12.9M & Php 4.0M respectively by end of 2019.

Meantime, the Financial Statements for CY 2020 are in the process of being finalized by our External Auditors, AMC & Associates which hopefully, will be released sometime in April 2020.

AVENUES INSURANCE BROKERS, INC.
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
 (Amounts in Philippine Peso)

	2019	2018 (As Restated)
REVENUES (Note 11)	P 12,984,005	P 11,824,392
COST AND OTHER OPERATING EXPENSES (Note 12)		
Cost of services	5,246,891	4,954,988
Administrative expense	2,109,374	1,911,935
Other expenses	232,038	67,033
	7,588,303	6,933,956
OPERATING PROFIT	5,395,702	4,890,436
FINANCE INCOME (COSTS)		
Finance income (Notes 4 and 7)	467,835	64,936
Finance costs	-	(9,462)
	467,835	55,474
PROFIT BEFORE TAX	5,863,537	4,945,910
TAX EXPENSE (Note 14)	1,855,351	1,559,972
NET PROFIT	4,008,186	3,385,938
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME	P 4,008,186	P 3,385,938

See Notes to Financial Statements.



AIBI funds by year ending 31 December 2019 are summarized hereunder:

1. Peso Accounts	Php 8,125,091.10
2. USD Accounts @ US\$1=Php 50.744 (12.31.2019)	
\$16,361.14 @ 50.744	830,222.68
3. Other Fund Placements	8,012,016.09
4. Petty Cash	10,000.00
	Php 16,977,336.87*


 Ramon R. Ilustre Jr.