COVER SHEET

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INFORMATION CAPITAL
TECHNOLOGY VENTURES INC

(Company's full name)

2F STERLING CENTRE BLDG
DELA ROSA STREET CORNER
ESTEBAN STREET LEGASPI
VILLAGE MAKATI CITY

(Business Address: No. Street/City/Province)

ANGELINE L. MACASAET	750-0461
Contact Person	Company Telephone Number

12	31	SEC Form 17A For Fiscal Year ending December 31, 2009		
Month	Day	Form Type	Month	Day
			Annual Meeting	

2009
Fiscal Year

Secondary License Type, If Applicable

C F D
Dept. Requiring this doc.

Amended Articles Number/Section

Total amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

LCU

Cashier

STAMPS

Remark = pls. Use black ink for scanning purposes

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended **December 31, 2009**

2. SEC Identification Number **A199600179** 3. BIR Tax Identification No. **004-668-224**

4. Exact name of issuer as specified in its charter **INFORMATION CAPITAL TECHNOLOGY VENTURES, INC**

5. **Makati City, Philippines**
   Province, Country or other jurisdiction of incorporation or organization

6. [ ] (SEC Use Only)
   Industry Classification Code:

7. **2/F Sterling Centre Building Dela Rosa Street cor. Esteban and Ormaza Streets, Legaspi Village, Makati City** Address of principal office Postal Code **1229**

8. **(632)750-0461 ; (632) 750-0211**
   Issuer's telephone number, including area code

9. **11/F Multinational Bancorporation Center 6805 Ayala Avenue, Makati City**
   Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**1,317,278,350**

11. Are any or all of these securities listed on a Stock Exchange.

    Yes [/] No [ ]

    If yes, state the name of such stock exchange and the classes of securities listed therein:

    Philippine Stock Exchange **Common Stock**

12. Check whether the issuer:

    (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(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 [ ]

    (b) has been subject to such filing requirements for the past ninety (90) days.

    Yes [/] No [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form. (See definition of "affiliate" in "Annex B").

APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes [ ]　　　No [ ]

PART I - BUSINESS AND GENERAL INFORMATION

Item1. Business

A. Description of Business

(1) Business Development.

Information Capital Technology Ventures, Inc. ("ICTV" or the "Company") was originally incorporated on June 5, 1996 as MF Schroder & Co., Inc., initially to engage in the purchase and sale of securities. The Company was then a wholly-owned subsidiary of Amalgamated Investment Bancorporation (AIB), a full-fledged and duly licensed investment house.

In January 2002, the Company was renamed Cashrounds, Inc. (Cashrounds), with the primary purpose to engage in the business of securities brokerage relating to the sale, transfer or exchange of every description of shares of stock and bonds, and to execute such transactions with the use of information technology.

On March 22, 2005, a Memorandum of Agreement was executed by AIB and Gamboa Holdings, Inc. (Gamboa), whereby AIB agreed to sell and Gamboa agreed to purchase 18,171,286 or 2/3 of the shares of stock of Cashrounds at an aggregate purchase price of PhP74,395,000.00.

The sale of Cashrounds shares to Gamboa was made on June 3 and August 30, 2005 which resulted in Gamboa owning 66.67% of Cashrounds.

On April 28, 2006, Cashrounds entered into a Memorandum of Agreement (MOA) with Next Mobile, Inc. (NMI) and five controlling shareholders of NMI namely, Top Mega Enteprises Limited, Joycelink Holdings Limited, Gamboa Holdings, Inc., Emerald Investments Inc., Foodcamp Industries and Marketing, Inc. (the five companies collectively known as NMI Shareholders) whereby existing shares of NMI owned by the NMI Shareholders were swapped with new shares issued by the Company pursuant to an increase in authorized capital stock.

As a result of the above-mentioned exchange of shares of stock, the NMI Shareholders acquired 97% equity interest of the Company, while the Company acquired 19% of NMI. The SEC approved the increase in the authorized (to P1.320 Billion) and paid-up capital (to P1,317,278,350) of the Company as well as the change of the corporate name from Cashrounds, Inc. to Information Capital Technology Ventures, Inc. ("ICTV").

On July 24, 2008, the Securities and Exchange Commission approved the amendment of Article II of the Articles of Incorporation of the Corporation's Primary Purpose to read as follows:

> *To engage in the business of providing telecommunications, media and information technology products and services, such as but not limited to the research, development, production, management, marketing, and operation of the following: telecommunications value added services through companies duly licensed to engage in wired and wireless, fixed and mobile communications; software and hardware technology, business process outsourcing, call center and other information technology applications; digital media and other media except mass media; and to do all activities directly or indirectly connected therewith or incident thereto.*

On 10 December 2008, the Philippine Stock Exchange (PSE) approved the application of Information Capital Technology Ventures, Inc. (ICTV or the "Company") to list additional shares to cover its share-for-share swap transactions with the shareholders of Next Mobile, Inc. (NMI). In addition, PSE likewise approved ICTV's transfer from the SME Board to the Second Board of the Exchange.

On February 20, 2009, the Philippine Stock Exchange issued a circular informing the investing public of the Company's listing of additional 1,289,278,350 common shares effective February 24, 2009. This is to cover the share-for-share swap transactions with the shareholders of Next Mobile, Inc., namely, Top Mega Enterprise, Limited, Gamboa Holdings, Inc., Emerald Investments, Inc., Joycelink Holdings Limited and Food Camp Industries and Marketing, Inc., at a swap price of ₱1.00 per share.

On 12 March 2010, the Board approved the Company's transfer from the Second board to the Board to the First Board of the Exchange. In addition, the Board approved the Company's increase in authorized capital stock from P1.32 billion to P5 billion as well as the listing of the additional shares from the increase. Finally, the Board likewise approved the amendment of the Company's By-Laws that will allow waiver of pre-emptive rights.

(2) Business of the Company

The Company is working together with IMX Broadband, Inc. for purposes of research and development in connection with the plan to expand the Company's existing information technology platform in order to introduce related products and services and integrating wireless communication technologies. Technology research is still being done and until finalized, no estimate on cost of completion of development of product will be available.

Through the efforts of IMX Broadband Inc., a Certificate of Registration as a Value Added Service (VAS) Provider as Voice over Internet Protocol (VOIP) Provider was issued on March 10, 2006 by the National Telecommunications Commission (NTC) to the Company effective until March 9, 2007 up to March 8, 2010. On 08 April 2010, the Company's VAS Certificate was further extended by NTC from 09 March 2010 to 08 March 2011.

Pursuant to its new primary purpose, ICTV has recently shifted its operations into Telecommunications, Media and Technology (TMT). Its new primary purpose covers the business of providing telecommunications, media, and information technology products and services. These include telecommunications value-added service (VAS) through companies duly licensed to engage in wired and wireless, fixed and mobile communications; software and hardware technology, business process outsourcing, call center and other information technology applications; digital media and other media except mass media; as well as activities directly or indirectly connected to these.

Among the programs that ICTV management plans to undertake are: providing telecommunications VAS through iDEN, CDMA, GSM and broadband networks worldwide; and, entering the software development services industry by expanding the markets being served by proprietary enterprise solutions it has developed and will develop for inter-network deployment nationwide and worldwide. ICTV plans to develop and market worldwide mobile data applications that will run on different platforms. It also plans to develop and market digital media content.

On December 18, 2008, the Company signed a Development Partnership Agreement with REWSS A/S, a Danish based company with an operations and development hub in the Philippines, and Next Mobile, a MTS (mobile telephone system) operator in the Philippines. REWSS A/S provides Network Business Intelligence (NBI) software solutions for operators worldwide with clients in the USA, Europe, Africa and Asia for various network technologies including CDMA, GSM and UMTS (2G and 3G). Using NewtMobile's network infrastructure, REWSS A/S will develop its REWS Stools for the iDEN Motorola technology. The Company will handle the project management role and use the end solution for iDEN in handling NextMobile's Network Operations Center.

The Company has finished the development of its first telematics product the iScan. Telematics is a system that involves the integration of telecommunications and informatics, with products and services that will provide mobile services using Blackberry and Nokia phones. The Company is now planning how to launch these mobile application products and services.

The Company is not aware of any existing or probable governmental regulations that will have a material effect on the business.

The Company has not spent a material amount on development activities in the last three fiscal years.

The Company has no employees. Most, if not all, of the operations have been outsourced, including Research and Development.

Item 2. Properties

The Company currently has no principal property, but plans to acquire office equipment and furniture and fixtures in the next 12 months amounting to around PhP 2 million.

Item 3. Legal Proceedings

There are no legal proceedings against ICTV.

Item 4. Submission of Matters to a Vote of Security Holders

There was no submission of any matter that required voting decision by the Security Holders of the Company for the last quarter of 2009.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

On February 7, 2002, the Board of Directors approved the increase in the number of shares of the authorized capital stock of the Company from 4,000,000 shares to 40,000,000 shares and the reduction of par value from ₱ 10 per share to ₱ 1 per share.

On July 23, 2002, the BOD and stockholders approved the offer of up to 8,000,000 shares from the Company's unissued common stock through initial public offering (PO). The application for the IPO of the Company was approved by the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC), on June 11 and July 30, 2003, respectively. The Company was listed in the PSE on July 23, 2003. Issue manager and underwriter was Abacus Capital & Investment Corporation. The market price is at high of ₱ 7.50 and low of ₱ 1.02. The following table is the summary of ICTV's stock prices from July 2003 up to the first quarter of 2010:

Quarter/Period	High	Low	Average
3rd Quarter ending 30 Sep 2003	1.02	1.02	1.02
4th Quarter ending 31 Dec 2003	1.02	1.02	1.02
1st Quarter ending 31 Mar 2004	1.02	1.02	1.02
2nd Quarter ending 30 Jun 2004	1.02	1.02	1.02
3rd Quarter ending 30 Sep 2004	1.02	1.02	1.02
4th Quarter ending 31 Dec 2004	1.02	1.02	1.02
1st Quarter ending 31 Mar 2005	1.02	1.02	1.02
2nd Quarter ending 30 Jun 2005	3.95	3.95	3.95
3rd Quarter ending 30 Sep 2005	4.05	3.95	4.00
4th Quarter ending 31 Dec 2005	4.00	4.00	4.00
1st Quarter ending 31 Mar 2006	6.00	4.50	5.25
2nd Quarter ending 30 Jun 2006	4.50	4.00	4.01
3rd Quarter ending 30 Sep 2006	No transaction		
4th Quarter ending 31 Dec 2006	7.50	3.50	6.09
1st Quarter ending 31 Mar 2007	4.40	2.50	3.25
2nd Quarter ending 30 Jun 2007	5.0	3.0	4.06
3rd Quarter ending 30 Sep 2007	4.70	1.62	2.93
4th Quarter ending 31 Dec 2007	4.80	2.80	4.09
1st Quarter ending 31 Mar 2008	2.75	1.80	2.15
2nd Quarter ending 30 Jun 2008	2.10	1.20	1.98
3rd Quarter ending 30 Sep 2008	1.90	1.12	1.44
4th Quarter ending 31 Dec 2008	1.52	0.60	1.25
1st Quarter ending 31 Mar 2009	1.22	1.00	1.14
2nd Quarter ending 30 June 2009	1.60	1.00	1.31
3rd Quarter ending 30 Sep 2009	1.30	0.97	1.03
4th Quarter ending 31 Dec 2009	1.14	0.84	0.97
1st Quarter ending 31 Mar 2010	1.08	0.70	0.87

During the 02 June 2006 Annual Shareholders' Meeting of the Corporation, the shareholders approved the Memorandum of Agreement dated 28 April 2006 ("MOA") entered into by the Corporation with Next Mobile, Inc. and five other companies namely, Top Mega Enterprises Limited, Joycelink Holdings Limited, Gamboa Holdings, Inc., Emerald Investments, Inc., Food Camp Industries and Marketing, Inc. (the five companies collectively known as NMI Shareholders).

However, certain amendments were made to the MOA in view of the fact that upon further consultation with the PSE, it was determined that the Corporation could not revise its primary purpose at that time. Hence, the stockholders approved the amendment in the MOA that there will be no change in the primary purpose of the Corporation. In addition, the stockholders also approved the proposal that the Corporation shall acquire only nineteen percent (19%) equity interest in Next Mobile, Inc. and not 97%, as originally intended. It was agreed that the acquisition shall be based on the same terms and valuation stated in the MOA in the event that additional equity in Next Mobile, Inc. will be acquired by the Corporation in the future.

The amendment in the MOA was approved by the stockholders such that the shareholders of Next Mobile, Inc. will transfer to the Corporation shares of Next Mobile, Inc. in the aggregate number of 2,656,580 shares constituting 19% equity interest in Next Mobile in exchange for new shares of the Corporation with an aggregate value of ₱1,289,278,350 for 19% of Next Mobile, or effectively at a price of ₱485.315085 per Next Mobile share.

In accordance with the amendment in the MOA, the needed increase in authorized capital stock of the Corporation to accommodate the foregoing transaction is ₱1,280,000,000 at ₱1.00 par value per share. Accordingly, the stockholders approved the proposal to increase the authorized capital of the Corporation by ₱1,280,000,000.

On September 19, 2006, the SEC approved the increase in the authorized (to P1.320 Billion) and paid-up capital (to P1,317,278,350) of the Corporation as well as the change of the corporate name from Cashrounds, Inc. to Information Capital Technology Ventures, Inc.

On September 27, 2006, the Corporation submitted to the Philippine Stock Exchange a listing application of additional 1,289,278,350 common shares to cover its share-for-share swap transaction with NMI shareholders. Following the Company's re-application for listing of the same shares in October 2008, the Philippine Stock Exchange approved the same and were listed on February 24, 2009.

On 12 March 2010, the Board approved the Company's increase in authorized capital stock from P1.32 billion to P5 billion as well as the listing of the additional shares from the increase.

The movement in the number of shares and capital stock amount for the year ended December 31, 2009, 2008 and 2007 follow:

	2009		2008		2007	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance at beginning of year	1,317,278,350	**1,317,278,350**	**1,317,278,350**	**1,317,278,350**	**1,317,278,350**	**1,317,278,350**
Increase in number of shares as a result of reduction in par value	-	-	-	-	-	-
Issuance during the year	-	-				
	1,317,278,350	**1,317,278,350**	**1,317,278,350**	**1,317,278,350**	**1,317,278,350**	**1,317,278,350**

No party or person holds any voting trust over any of the Corporation's shares. Holders of Common Stock as of March 31, 2010 follow:

Name	Nationality	No. of shares	Percentage
Gamboa Holdings, Inc.	Filipino	330,302,050	25.07%
Emerald Investments, Inc.	Filipino	329,787,516	25.04%
Foodcamp Industries & Marketing, Inc.	Filipino	106,715,404	8.10%
Top Mega Enterprises Limited	Foreign	377,035,951	28.62%
Joyce Link Limited	Foreign	86,608,552	6.57%
Others		86,828,777	6.6%
Total		**1,317,278,350**	**100%**

Dividends

No cash dividends were declared in the past two years. There are no restrictions that limit the ability to pay dividends on common equity or that are likely to do so in the future.

Recent Sale of Unregistered Securities

There was neither sale of unregistered securities nor issuance of securities constituting an exempt transaction within the last three years.

Item 6. Management's Discussion and Analysis or Plan of Operation.

Plans and prospects for 2010

With the amendment of its primary purpose, ICTV is now ready to expand its previous on-line financial services under its old primary purpose to additional business pursuits and objectives in the field of **Telecommunications, Media and Technology ("TMT")**. Apart from ICTV's plan to investment in shares of stock of TMT companies (such as in mobile telephony, broadband/WIMAX, software development, and media/content), the company will pursue and implement in the next 2 to 3 years the following business activities on its own and in collaboration with other duly licensed companies.

ICTV's systems development, integration and management services provide clients opportunities to apply emerging technologies to solve business challenges and attain high performance at a cost-effective business approach. ICTV's team will supply deep experience and industrialized business processes to deliver services for multi-disciplinary solution areas:

- Web Enabled Collaborative System
- Security and Property Management Applications and Infrastructure
- Countrywide Broadband Network Infrastructure Leasing
- Global and Local Business Communication Infrastructure Management
- Mobile Technology Applications

The planned commercial launching of the products/services under the foregoing areas will be partly in the 2nd half of 2010 and partly in the 1st half of 2011. Product development and other pre-launching activities will start in the 2nd Quarter of 2009.

Key Performance Indicators

Profitability	Profit Margin	21.81%
	Return on Assets	0.05%
	Return on Equity	0.05%
	Book Value per share	1.0024
	Earnings per share	0.0005
Liquidity	Current Ratio	27.8203
Debt to Equity	Debt to Equity Ratio	0.00085

There are no known trends, demand, commitments, events or uncertainties that will have a material impact on the Company's liquidity, nor any events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation. No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

The Company plans to spend around PhP30 million to Php40 million in the next 2 years for capital expenditures in connection with the launch of its new products and services.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations. There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no material changes from period to period of the financial statements which include vertical and horizontal analyses of any material item.

As the business volume builds up progressively, ICTV also plans to beef up its organization by hiring the right talents particularly to join the telecommunications, media, information technology and product development and marketing teams.

The Company is also working together with IMX Broadband, Inc. for purposes of research and development in connection with the plan to expand the Company's existing information technology platform in order to introduce related products and services and integrating wireless communication technologies.

On March 10, 2006 a Certificate of Registration as a Value Added Service (VAS) Provider as Voice over Internet Protocol (VOIP) Provider was issued by the National Telecommunications Commission (NTC) to the Company effective until March 9, 2007. The registration allows the Company to operate and maintain VOIP service in all cities and municipalities nationwide. The original registration was until March 9, 2007 renewed until March 8, 2010. On 08 April 2010, the Company's VAS Certificate was further extended by NTC from 09 March 2010 to 08 March 2011

On December 18, 2008, the Company signed a Development Partnership Agreement with REWSS A/S, a Danish based company with an operations and development hub in the Philippines, and Next Mobile, a MTS (mobile telephone system) operator in the Philippines. REWSS A/S provides Network Business Intelligence (NBI) software solutions for operators worldwide with clients in the USA, Europe, Africa and Asia for various network technologies including CDMA, GSM and UMTS (2G and 3G). Using Next Mobile's network infrastructure, REWSS A/S will develop its REWS Stools for the iDEN Motorola technology. The Company will handle the project management role and use the end solution for iDEN in handling Next Mobile's Network Operations Center

Information on Independent Accountant

The auditing firm of SGV & Co. is the incumbent external auditor of the Company for the calendar year 2009 and is being recommended for re-appointment for the current year.

Audit and Audit Fees

The aggregate fees billed for each of the last three (3) fiscal years for professional services rendered by the external auditor for the audit of the Company's annual financial statements is Php70,000 for 2009, Php60,000 for 2008 ,and Php60,000.00 for 2007.

Except for its review conducted in May 2009 of the Company's Statement of Active Business Pursuits and Objectives, the external auditor does not render any other assurance and services related to the performance of the audit nor does it render any professional service for tax accounting, advice, planning and any other form of tax services.

Results of operations

<u>Year 2009</u>

The Company's financial performance in 2009 resulted to a net income of Php 0.68 M

The operating expenses increased by 155% in 2009, the increase was attributed largely due to Taxes and Licenses paid to Philippine Stock Exchange for Php 1.4M pertaining to the listing fee for the 1.289 billion shares of the Company, and to the National Telecommunications Commission for Php 250K on the renewal of Value-added Services license. Other operating expenses includes Light and Water at Php 447K. Communications, Reasearch & Development Costs, Transportation & Travel, Office Supplies, and Repairs & Maintenance for Php 285K.

Current Assets increased significantly by 230% while Noncurrent Assets decreased almost of the same percentage due to a reclassification of Loans Receivable including Interests due by August 30, 2010. It also includes a Php 3M Management and Advisory Fee collectible from Velarde, Inc. having acted as a financial advisor and arranger for various projects.

Current liabilities increased by 11% due to the increase of Income Tax payable from 38K in 2008 to 280K in 2009. The Income Tax payable increased due to the exhaustion of previous years NOLCO and MCIT.

Total Assets stood at ₱ 1.320 billion, while Liabilities at ₱ 1.12 million and Stockholders' Equity at ₱ 1.319 billion.

Year 2008

The Company's financial performance in 2008 resulted in a net income of Php 0.6 M.

The operating expenses increased by 220.30% in 2008, the increase was attributed largely due to professional fees and rental paid in view of its transfer of office in Makati City.

Current liabilities decreased by 69.40% due to the settlement of a non-interest bearing advances from associates.

Total Assets stood at ₱ 1.319 billion, while Liabilities at ₱ 1.0 million and Stockholders' Equity at ₱ 1.318 billion.

Year 2007

The Company's financial performance in 2007 resulted in a net income of Php 0.5 M.

The operating expenses decreased by 2,243% in 2007, since the abrupt increase in 2006 was attributed mainly to the Taxes & Licenses paid on the increase in capital stock of the Company.

Accounts payable increased by 608% due to non-interest bearing advances from stockholders for the working capital requirement of the Company.

Total Assets stood at ₱ 1.321 billion, while Liabilities at ₱ 3.277 million and Stockholders' Equity at ₱ 1.318 billion.

Item 7. Financial Statements

The audited financial statements are attached as "Annex A."

Item 8. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

The auditing firm of SGV & Co. is the incumbent external auditor of the Company for the calendar year 2009 and is being recommended for re-appointment for the current year. There had been no disagreements with SGV & Co. with regard to accounting policies and financial disclosures of the Company.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Under the By-laws of the Company, the members of the Board of Directors shall hold office for a term of one (1) year until their successors shall have been elected and qualified.

Board of Directors

Jose Manuel Romualdez, *age 62, Filipino, Chairman of the Board of Directors,* was elected Chairman of the Board of Directors on January 21, 2008. Mr. Romualdez is a Columnist at the Philippine Star, a Publisher of People Asia Magazine, and President of the Manila Overseas Press Club. He likewise serves as Chief Executive Officer of Stargate Media Corporation, a position he occupied since 2001. He is also currently the President and Chairman of the Board of BAROM International Group, and Executive Vice President of Philippines, Inc. He obtained his degree in B.S. Business Administration from the De La Salle College.

Mel V. Velarde, *age 46, Filipino, Vice Chairman of the Board of Directors,* was elected Vice-Chairman of the Company's Board of Directors on June 2, 2006 and served as such until March 22, 2007 when he was Chairman of the Board of Directors. On January 21, 2008, he resigned his chairmanship and was again elected as Vice Chairman of the Board, a position he occupies up to the present. Mr. Velarde has been the Chairman of the Executive Committee, Director, and Chief Executive Officer of Next Mobile, Inc. and Chairman and President of The Velarde Group, Inc., and its affiliates--Gamboa Holdings, Inc., Emerald Investments, Inc. Foodcamp Industries and Marketing, Inc., Top Mega Enterprises, Limited and Joyce Link Holdings, Limited--from 2002 to present. He is also a Philippine Commissioner to the United Nations Educational, Scientific and Cultural Organizations (UNESCO) and Chairman of the Committee of Science and Technology. Mr. Velarde has built a career in broadcasting, cable TV, telecommunications and information communications technology. He was former Executive Vice President and General Manager of Sky Cable, a cable TV company that became the largest in the Philippines. Mr. Velarde pursued his masteral studies in Business Economics at the University of Asia and the Pacific, and has taken Strategic Planning, Marketing and Finance at the Asian Institute of Management and at the University of Michigan. He completed the Owner/President Management Program at the Harvard Business School, Harvard University, Cambridge, Massachusetts.

Wilfred S. Racadio, *age 47, Filipino, President and Member of the Board of Directors,* served as a member of the Board of Directors from 2005 to January 2007 and from January 2008 to present. He was the Treasurer of the Corporation from 2005 to June 2006, when he was elected President to serve as such until January 2007 when he resigned the position. He was again elected as President of the Corporation on January 2008, a position which occupies up to the present. He is also Chief Finance Officer and Board Member of Next Mobile, Inc., is a Certified Public Accountant and a Lawyer. He has 20 years experience in investment banking, commercial law, finance, and audit. He is also the President and member of the Board of AGV-Phil-I, Inc. He also worked and held key management positions in various companies such as AACTC, Sycip Salazar Hernandez & Gatmaitan Law Offices, SyCip Gorres Velayo & Co. (SGV), and the University of the Philippines. He obtained his Bachelor of Laws and Bachelor of Science in Business Administration and Accountancy from the University of the Philippines.

Jose S. Alejandro, *age 74, Filipino, Director,* served as Chairman of the Board of Directors of the Company on June 2, 2006 until March 22, 2007 when he resigned from said position and was elected as the Company's President. He served as President until January 21, 2008. Mr. Alejandro has been a Member of the Board of Directors of Next Mobile, Inc. since 1989 and he now serves as the Board's Vice-Chairman. He is a business and management professional and leader with over 25 years of corporate experience. He was the former President and CEO of East Asia Power

Resources, a local publicly-listed independent power producer during the period of local economic crisis (1997-1999), Country Manager for the Power Systems Business of General Electric Co. (1987-1995), and Vice President - Marketing at GE Philippines, Inc. and General Manger of GE Appliance Co. In these capacities, he led the growth and success of this leading U.S. global diversified corporation in the Philippines. He holds a Bachelor of Arts and Bachelor of Law degrees from the Ateneo de Manila University, and is a member of the Philippine Bar.

John Philip J. Lesaca, *age 54, Filipino, Director,* was elected as a member of the Board of Directors of ICTV on December 22, 2007. Mr. Lesaca is the Chairman of the Intellectual Property Coalition, a position he occupied since 1998 up to the present. He has also served as Director and Vice President of FILSCAP since 2001 and Director of the Optical Media Board since 2004 to present. He likewise currently occupies the following positions—Vice President of AMP (since 1997), Secretary of PRSP (since 1998), Chairman of JDL MM Demcorp (since 1991). He obtained his Bachelor of Music degree from the University of the Philippines College of Music in 1988.

Francisco D. Lumen, *age 61, Filipino, Director,* was elected as a Member of the Board of Directors on March 22, 2007. Mr. Lumen was the President and Chief Executive Officer of Nation Broadcasting Corporation from July 1998 to December 2006, and Deputy Chairman of Music Source, Inc. from 1997 to December 2006. He likewise occupied the positions of President and Managing Director of Raven Broadcasting Corporation from 1987 to July 1997. He holds a Bachelor of Science Degree, Major in Business Administration from the University of the Philippines.

Michael T. Toledo, *age 49, Filipino, Independent Director,* is the President and Chief Executive Officer of Weber Shandwick Worldwide, a public relations firm with worldwide presence. The highlights of his career in the Public Sector include being the Presidential Spokesperson, the Acting Press Secretary, Undersecretary and Assistant Press Secretary in the Office of the Press Secretary, Malacanang. He was also a Director of the Cagayan Economic Zone Authority, Chairman of Pantranco North Express, Inc. and Legal Consultant (Vice President) of the Government Service Insurance System. Meanwhile, the highlights of his career in the Private Sector include being the Senior Vice-President, Corporate & Legal Affairs of the Fil-Estate Group of Companies, the Host of IYO ANG KATARUNGAN a Legal Public Service Program in IBC-13, the Host of Sports Special, Solar Sports, the News Anchor of the Big News in ABC Channel 5. He obtained his Master of Laws in Public International Law from the London School of Economics and Political Science, and his Bachelor of Laws and Bachelor of Arts (Major in Philosophy, Minor in Economics and Management) from the University of the Philippines.

Marcelito R. Ordonez, *age 56, American, Director,* was elected to this position on January 21, 2008. He worked with AB Capital & Investment Corporation for 19 years from 1981 to 2000. From 2000 to 2001, he was a member of the management team of ICTSI International, wherein he occupied the position of Vice-President for Finance. He is currently the Managing Director of ATR Kim-Eng Securities, Inc., one of the largest the largest independent investment houses in the country today. He obtained his degree in Bachelor of Science, Major in Business Administration from the University of the Philippines and his Masters in Business Administration from Columbia University.

Ma. Lida S. Sarmiento, *age 45, Filipino, Director, She also served as Treasurer* since June 2, 2006 up to the present. She is also currently a Director and/or Officer of various corporations, including Next Mobile, Inc. Gamboa Holdings, Inc., Emerald Investments, Inc. Foodcamp Industries and Marketing, Inc., from 2002 to present. She is a Certified Public Accountant and has over 15 years experience in corporate finance and accounting. She worked in various industries such as banking (RCBC), retail sales (Cinderella Marketing), food service (Jollibee -- franchises), broadcasting (NU 107 & Citylite 88.3), movie production (Premiere Entertainment Productions, Inc.) and internet service (One Virtual Corporation). She obtained her Bachelor of Science (Accountancy) Degree from the University of Santo Tomas.

Veronica T. Merk- age 56, Filipino, Director, is a President of MerkMedia, Inc., a Multimedia and creative production company that Produces Audio Post Productions, AVPS, Commercials, Music Video, Music Recording, Video Editing and Talent Management. She is also the President of Merk Communication, a full-service PR and Communication Agency that handles planning, project management, creative production and publicity. She served as a Director and/or Officer of various corporations, including International Association of Business Communications Philippine Chapter, Bank of the Philippine Islands, Ayala Group of Companies, ABS-CBN Cable Channels, Music Competitions for Young Artists Foundation, Inc., Prime Asia Magazine, Pinoy Global Access.

Angeline L. Macasaet- age *37, Filipino,* She is also currently the Corporate Secretary of the Company. She is a member of the Philippine Bar. She is also the Corporate Secretary of Velarde, Inc. and Acting Corporate Secretary of The Velarde Group Companies, including The Velarde Group, Inc., Gamboa Holdings, Inc., Foodcamp Industries and Marketing, Inc. and Emerald Investments, Inc. She ensures the compliance of these companies with all regulatory requirements as well as the legal requirements involving specific transactions. She also acts as legal counsel for various corporations such as Velarde, Inc. and IMX Broadband.

Independent Directors

Messrs. Michael T. Toledo and Francisco D. Lumen are the two (2) independent directors of the Company.

Management Team

The following are the members of the Company's management team:

Jose Manuel Romualdez	-	Chairman of the Board (See above.)
Mel V. Velarde	-	Vice Chairman of the Board (See above.)
Wilfred S. Racadio	-	President (See above.)
Angeline L. Macasaet	-	Corporate Secretary (See above.)

Non-executive Officers

Ma. Lida S. Sarmiento	-	Treasurer (See above.)

D. Enrique O. Co, *age 40, Filipino, Legal Counsel,* served as Legal Counsel of ICTV from January 2002 up to the present. He also served as the Corporate Secretary of the Company from 10 June 2004 until 30 August 2005 and from 1 November 2006 up to 21 January 2008. Upon the resignation of Atty. Carpio, he served as the Acting Corporate Secretary of the Company from August 1, 2008 until March 18, 2009. He is currently serving as Director and/or Corporate Secretary of several Philippine corporations. Atty. Co obtained his BS Business Administration (*cum laude*) and Law Degrees from the University of the Philippines.

Identity of Significant Employees

There is no person who is not an executive officer who is expected to make a significant contribution to the business of the Company.

Family Relationship

None of the Directors, Executive Officers and Management employees is related up to the fourth civil degree of consanguinity or affinity.

Involvement in Certain Legal Proceeding

There are no pending legal proceedings involving Bankruptcy Petition, Conviction by Final Judgment or being subject to any Order, Judgment or Decree, or Violation of a Securities commodities Law to which any director, any nominee for election as director, executive officer, underwriter or control person of the Company is a party thereof have occurred during the past five (5) years up to the latest date that are material to evaluation.

There are no pending legal proceedings to which the registrant or any of its subsidiaries or affiliates is a party or of which any of their property is the subject thereof Neither is the registrant involved in any proceedings known to be contemplated by government authorities and any other entity.

There are no pending legal proceedings involving Bankruptcy Petition, Conviction by Final Judgment or being subject to any Order, Judgment or Decree, or Violation of a Securities commodities Law to which any registrant or any of its subsidiaries or affiliates is a party, have occurred during the past five (5) years up to the latest date that are material to evaluation.

Item 10. Executive Compensation

The following table summarizes the aggregate compensation of the senior management of the Company.

Year	Name & Principal Position	Aggregate Compensation As a group(Amounts in Php)
Estimates for the year 2010	Management Executive	5,000,000
	All Board of Directors	**60,000**
	Treasurer	**6,000**
	Bonus	
For the year ending Dec 31, 2009	Management Executive	**None**
	All Board of Directors	**52,500**
	Treasurer	**4,500**
	Bonus	**None**
For the year ending Dec 31, 2008	Management Executive	**None**
	All Board of Directors	**63,000**
	Treasurer	**4,500**
	Bonus	**None**

Item 11. Security Ownership of Certain Beneficial Owners and Management

Voting Securities and Principal Holders Thereof

The Company has issued outstanding common shares totaling 1 317,278,350 shares as of March 31, 2010. All outstanding shares as of record date are entitled to notice and to vote, on a one-share – one vote basis.

Security Ownership of Certain Record and Beneficial Owners (More than 5% as of 31 March 2010)

Title of class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	Gamboa Holdings, Inc. 2244 Espana Ave., Mla.	Direct	Filipino	330,302,050 (d) _ (thru PCD)	25.07% (d) 0.50% (i)
Common	Emerald Investments, Inc. 2244 Espana Ave., Mla.	Direct	Filipino	329,787,616 (d)	25.04%
Common	Foodcamp Industries & Marketing, Inc. 2244 Espana Ave., Mla.	Direct	Filipino	106,715,404 (d)	8.10%
Common	Top Mega Enterprises, Limited 11/F Fortune House 61 Connaught Road Central, Hong Kong	Direct	Foreign	377,035,951 (d)	28.62%
Common	Joyce Link Holdings, Limited 11/F Fortune House 61 Connaught Road Central, Hong Kong	Direct	Foreign	86,608,552 (d)	6.57%

Security Ownership of Directors and Management as of 31 March 2010

The directors and officers of the Company have no security ownership in the capital stock of the Company other than the qualifying shares recorded in the names of the directors but beneficially owned by Gamboa Holdings, Inc. or Foodcamp Industries and Marketing Inc.:

Title of Class	**Name of Beneficial Owner**	**Amount and Nature of Beneficial Ownership**	**Citizenship**	**Percent of class**
Common	Jose Manuel Romualdez	1 (Indirect)	Filipino	<.01
Common	Mel V. Velarde	10 (Indirect)	Filipino	<.01
Common	Wilfred S. Racadio	1 (Indirect)	Filipino	<.01
Common	John Philip J. Lesaca	10 (Indirect)	Filipino	<.01
Common	Jose S. Alejandro	10 (Indirect)	Filipino	<.01
Common	Francisco D. Lumen	10 (Indirect)	Filipino	<.01
Common	Michael T. Toledo	10 (Direct)	Filipino	<.01

Common	Marcelito R. Ordonez	1 (Indirect)	American	<.01
Common	Angeline L. Macasaet	1 (Indirect)	Filipino	<.01
Common	Ma. Lida S. Sarmiento	1 (Indirect)	Filipino	<.01
Common	Veronica T. Merk	1 (Indirect)	Filipino	<.01

None of the members of the Company's directors and management owns 2.0% or more of the outstanding capital stock of the Company.

Item 12. Certain Relationships and Related Transactions

None of the Directors, Advisors and Executive Officers and Management employees are related by affinity or consanguinity. In the normal course of business, the following transactions have been entered into with related parties:

Related Party	Nature of Related Party Relationship	Nature of Transaction	Elements of Transactions			
			Balance Sheet Amount		Income Statement	
			2009	2008	2009	2008
IMXBroadband, Inc.	Associate	Loans & receivables	22,360,384	20,959,286		
		Accrued interest income			1,401,098	1,401,098
Emerald Investments, Inc.	Stockholder	Accounts Receivable		203,932	-	-
		Accounts payable	506,765			
		Rental			453,600	453,600
Next Mobile, Inc.	Associate	Accounts Receivable	918,550	907,200		
Velarde, Inc.	Associate	Accounts Receivable	3,472,688	600,000		
		Management fee			3,000,000	600,000

The Company is working together with IMX Broadband, Inc. for purposes of research and development in connection with the plan to expand the Company's existing information technology platform in order to introduce related products and services and integrating wireless communication technologies.

In 2005, the Company entered into an agreement to promote and market the telecommunications services of Next Mobile, Inc. (NMI) to the Company's clients for a period of three (3) years until May 2008. In consideration thereof, the Company billed NMI P5.0 million in 2006. Also, the Company entered into a financial advisory and arrangement agreement in relation to NMI's interest in obtaining additional private equity investments as well as loans and credit accommodations from local and international banks and financial institutions. The arrangement is effective until October 2006. A success fee of P850,000 plus the amount equivalent to 3% of the gross amount of investment and/or loan/credit accommodations obtained will be paid by NMI. In 2006, the Company billed NMI P3.1 million for its services.

In 2007, Emerald Investments, Inc. (EII) a stockholder of the Corporation gave non-interest bearing advances to the Corporation to fund the working capital requirement of the Company.

In 2008, the Company entered into an agreement with Emerald Investments, Inc. (EII) for the lease of a 270 square meter condominium unit in Makati. The lease shall be for four (4) years, commencing on January 1, 2008 ending on December 31, 2011. On January 28, 2009, the Company and EII amended the Sub-Lease Agreement to the effect that the monthly rental from January 1 to

December 31, 2008 be reduced from ₱400 to ₱100 per square meter, for a total monthly rental of ₱ 27,000. The parties shall annually review the monthly rental as prevailing circumstances may necessitate.

On November 17, 2008, Velarde, Inc. (Velarde) appointed the Company as Financial Advisor and Arranger in relation to Velarde's interest in selling part or all of its shareholdings in Altimax Broadcasting Co., Inc. The engagement is for a limited period of six months only. Income earned from this engagement amounted to ₱600,000.

On October 12, 2009, Velarde, Inc., appointed the Company as Financial Advisor and Arranger in relation to Velarde Inc.'s objective of acquiring equity interest in companies in the telecoms, media, and information technology (TMT) space. The engagement is for a limited period of nine (9) months only. Income earned from this engagement amounted to PhP3,000,000.00.

Compliance with Corporate Governance

Compliance with the principles of good corporate governance start with the Board of Directors. It is the Board's responsibility to foster the long-term success of the Corporation and secure its sustained competitiveness in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of the Corporation, its shareholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.

The Corporation has complied with the requirements of the Manual on Corporate Governance for the completed year, and that no deviation was made in any form as provided for in the Compliance System of the Model Manual. The Company has undertaken measures in adopting the leading practices on good corporate governance by regularly reviewing and discussing compliance with the said manual. Any plan to improve the Company's corporate governance will be discussed in the coming annual stockholders meeting.

PART IV - EXHIBITS AND SCHEDULES

Item 13. Exhibits and Reports on SEC Form 17-C

(a) Exhibits

The Company's audited financial statements are attached as Annex "A"

(b) Reports on SEC Form 17-C

The following were the reports on SEC Form 17-C filed during the year:

DATE	PARTICULARS
March 19, 2009	Resignation and Election of Officers; Board Approval of the change in business address and contact details of the company
June 05, 2009	Stockholders' Approval of Minutes of the Stockholders meeting on June 5, 2008; Election of Directors and Officers on 4 June 2009;
June 17, 2009	Approval by the Philippine Stock Exchange (PSE) of ICTV's application for Transfer from SME Board to Second Board.
June 24, 2009	Information Capital and its existing Shareholders who own at least ten percent (10%) of the outstanding shares of the company have signed and Escrow Agreement with Bank of Commerce-Trust Services Group.
June 29, 2009	PSE's Memorandum dated 25 June 2009, informing the public that the company shall be transferred from SEM Board to Second Board of the Exchange.
August 7, 2009	Appointment of new transfer agent Professional Stock Transfer, Inc.
Sept 03, 2009	Results of the 3 September 2009 Regular Board of Directors Meeting of ICTV
Dec 04, 2009	Results of the 3 December 2009 Regular Board of Directors Meeting

Quarterly Financial Reports (Form 17-Q) were submitted to the SEC for the quarter ending March, June and September 2009 on May 15, August 14 and November 16, 2009, respectively.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the Makati City on April 30, 2010,

By:

(Sgd.) Wilfred S. Racadio
President

(Sgd.) MA. LIDA S. SARMIENTO
Treasurer

SUBSCRIBED AND SWORN to before me this 29th day of April 2010 affiant(s) exhibiting to me their respective Tax Identification Number, as follows:

NAMES	TIN
Wilfred S. Racadio	**116-284-048**
Ma. Lida S. Sarmiento	**107-969-535**

ATTY. GERVACIO B. ORTIZ JR.
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2010
IBP NO. 656153 - LIFETIME MEMBER
PTR NO. 2075548 JAN. 4, 2010 MAKATI CITY
APPT - 84/201 ROLL NO. 40091

Doc. No. 146;
Page No. 37;
Book. No. VI;
Series of 2010.

Annex "A"

SGV & Co
Ernst & Young

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines
Phone: (632) 891 0307
Fax: (632) 819 0872
www.sgv.com.ph

BOA/PRC Reg. No. 0001
SEC Accreditation No. 0012-FR-2

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Information Capital Technology Ventures, Inc.
2nd Floor, Sterling Centre Building
Dela Rosa corner Esteban and Ormaza Streets
Legaspi Village, Makati City

We have audited the accompanying financial statements of Information Capital Technology Ventures, Inc., which comprise the balance sheets as at December 31, 2009 and 2008, and the statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2009 and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

SGV & Co
Ernst & Young

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Information Capital Technology Ventures, Inc. as of December 31, 2009 and 2008, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2009 in accordance with Philippine Financial Reporting Standards.

SYCIP GORRES VELAYO & CO.

Jose Pepito E. Zabat

Jose Pepito E. Zabat III
Partner
CPA Certificate No. 85501
SEC Accreditation No. 0328-AR-2
Tax Identification No. 102-100-830
PTR No. 2087583, January 4, 2010, Makati City

March 12, 2010

Annex "A"

SGV&Co
Ernst & Young

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6760 Ayala Avenue
1226 Makati City
Philippines

Phone (632) 891 0307
Fax (632) 819 0872
www.sgv.com.ph

BOA/PRC Reg. No. 0001
SEC Accreditation No. 0012-FR-2

INDEPENDENT AUDITORS' REPORT
TO ACCOMPANY INCOME TAX RETURN

The Stockholders and the Board of Directors
Information Capital Technology Ventures, Inc.
2nd Floor, Sterling Centre Building
Dela Rosa corner Esteban and Ormaza Streets
Legaspi Village, Makati City

We have audited the financial statements of Information Capital Technology Ventures, Inc. as of and for the year ended December 31, 2009, on which we have rendered the attached report dated March 12, 2010.

In compliance with Revenue Regulations V-20, we are stating the following:

1. The taxes paid or accrued by the above Company for the year ended December 31, 2009 are shown in the Schedule of Taxes and Licenses attached to the Annual Income Tax Return.

2. No partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholders of the Company.

SYCIP GORRES VELAYO & CO.

Jose Pepito E. Zabat

Jose Pepito E. Zabat III
Partner
CPA Certificate No. 85501
SEC Accreditation No. 0328-AR-1
Tax Identification No. 102-100-830
PTR No. 2087583, January 4, 2010, Makati City

March 12, 2010

DELA ROSA
BIR BRANCH CODE 000222
TELLER INITIAL
APR 15 2010

INFORMATION CAPITAL TECHNOLOGY VENTURES, INC.
STATEMENTS OF INCOME

	Years Ended December 31		
	2009	2008	2007
REVENUES			
Marketing, management and consultancy fees (Note 7)	**₱3,000,000**	₱600,000	₱–
Interest (Note 7)	**1,435,092**	1,407,048	924,811
Others	**–**	–	25,740
	4,435,092	2,007,048	950,551
EXPENSES			
Taxes and licenses	**1,705,214**	184,110	72,839
Rental (Note 7)	**453,600**	453,600	–
Light and water	**447,273**	–	–
Professional fees	**330,245**	464,760	157,224
Communication	**91,368**	–	–
Research and development costs	**82,593**	–	–
Transportation and travel	**79,841**	–	–
Directors' fees	**57,000**	67,500	39,000
Office supplies	**41,261**	19,557	–
Insurance	**26,667**	35,000	–
Depreciation and amortization (Notes 8 and 9)	**20,753**	20,148	27,056
Repairs and maintenance	**10,404**	–	–
Training and development	**7,020**	25,000	–
Others	**114,445**	91,311	128,790
	3,467,684	1,360,986	424,909
INCOME BEFORE INCOME TAX	**967,408**	646,062	525,642
PROVISION FOR INCOME TAX (Note 11)			
Current:			
Income	**280,024**	101,640	18,821
Final	**6,799**	1,190	1,900
Deferred	**–**	(63,229)	–
	286,823	39,601	20,721
NET INCOME	**₱680,585**	₱606,461	₱504,921
Basic/Diluted Earnings Per Share (Note 12)	**₱0.0005**	₱0.0005	₱0.0004

See accompanying Notes to Financial Statements.

INFORMATION CAPITAL TECHNOLOGY VENTURES, INC.
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2009	2008
NET INCOME	₱680,585	₱606,461
OTHER COMPREHENSIVE INCOME	–	–
TOTAL COMPREHENSIVE INCOME	₱680,585	₱606,461

See accompanying Notes to Financial Statements.

INFORMATION CAPITAL TECHNOLOGY VENTURES, INC.

STATEMENTS OF CHANGES IN EQUITY

	Capital Stock	Retained Earnings	Total
Balances at December 31, 2007	₱1,317,278,350	₱816,856	₱1,318,095,206
Net income for the year	–	606,461	606,461
Other comprehensive income	–	–	–
Balances at December 31, 2008	1,317,278,350	1,423,317	1,318,701,667
Net income for the year	–	680,585	680,585
Other comprehensive income	–	–	–
Balances at December 31, 2009	₱1,317,278,350	₱2,103,902	₱1,319,382,252

See accompanying Notes to Financial Statements.

INFORMATION CAPITAL TECHNOLOGY VENTURES, INC.
STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2009	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱967,408**	₱646,062	₱525,642
Adjustments for:			
Depreciation and amortization (Notes 8 and 9)	**20,753**	20,148	27,056
Interest income	**(33,994)**	(5,950)	(9,500)
Operating income before working capital changes	**954,167**	660,260	543,198
Decrease (increase) in other current assets	**(58,994)**	658,787	(635,206)
Increase (decrease) in accounts payable and accrued expenses	**(635,345)**	754,183	(128,042)
Net cash generated from (used in) operations	**259,828**	2,073,230	(220,050)
Interest received	**33,994**	5,950	9,500
Income taxes paid	**(45,210)**	(20,011)	(121,298)
Net cash flows from (used in) operating activities	**248,612**	2,059,169	(331,848)
CASH FLOW FROM INVESTING ACTIVITIES			
Decrease (increase) in due from affiliates	**(4,267,336)**	5,186,693	800,753
Acquisition of office equipment (Note 8)	**(44,213)**	(26,768)	–
Net cash flows from (used in) investing activities	**(4,311,549)**	5,159,925	800,753
CASH FLOWS FROM A FINANCING ACTIVITY			
Increase (decrease) in due to a stockholder	**506,765**	(3,042,500)	3,042,500
NET INCREASE (DECREASE) IN CASH	**(3,556,172)**	4,176,594	3,511,405
CASH AT BEGINNING OF YEAR	**7,746,534**	3,569,940	58,535
CASH AT END OF YEAR	**₱4,190,362**	₱7,746,534	₱3,569,940

See accompanying Notes to Financial Statements.

INFORMATION CAPITAL TECHNOLOGY VENTURES, INC.
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Information Capital Technology Ventures, Inc. (the Company) was a wholly-owned subsidiary of Amalgated Investment Bancorporation (AIB), a full-fledged and duly licensed investment house when it was originally incorporated on June 5, 1996 as MF Shroder & Co., Inc., initially to engage in the purchase and sale of securities. In 2000, AIB expanded the services of the Company by establishing an IT-enabled facility geared towards servicing the private equity needs of Small and Medium Enterprises (SME) by matching them on-line with direct equity investors.

In January 2002, the Philippine Securities and Exchange Commission (SEC) approved the amendment of the articles of incorporation which provides for the change in name, from MF Shroder & Co. to Cashrounds, Inc., and the change in the primary purpose. The Company's primary purpose was changed to engage in the business of securities brokerage relating to the sale, transfer or exchange of every description of share of stock and bonds, be it publicly listed or privately held, and to execute such transactions with the use of information technology.

On March 22, 2005, a Memorandum of Agreement (MOA) was executed by AIB and Gamboa Holdings, Inc. (GHI), whereby AIB agreed to sell and GHI agreed to purchase 18,171,286 or two-thirds (2/3) of the shares of stock of the Company at an aggregate purchase price of ₱74,395,000.

The sale of the Company's shares to GHI was made on June 3, 2005 and August 20, 2005, which resulted in GHI owning 66.67% of the Company.

Through the efforts of IMX Broadband Inc. (IBI), a Certificate of Registration as a value added service provider and voice over internet protocol (VOIP) provider was issued on March 10, 2006 by the National Telecommunications Commission (NTC) to the Company. The registration allowed the Company to operate and maintain VOIP services in all cities and municipalities nationwide.

The Company's stockholders and the SEC approved the change in name from Cashrounds, Inc. to Information Capital Technology Ventures, Inc. on June 2, 2006 and September 19, 2006, respectively.

In July 2008, the SEC approved the amendment of the articles of incorporation which provides for the change in the primary purpose from a securities broker to a technology, media and telecommunications (TMT) company. This will enable the Company to start operations relating to various TMT services. These include telecommunications value added service (VAS) through companies duly licensed to engage in wired and wireless, fixed and mobile communications; software and hardware technology, business process outsourcing, call center and other information technology applications; digital media and other media except mass media; as well as activities directly or indirectly connected to these. With the amendment in the articles of incorporation, among the programs that management plans to undertake are providing telecommunications VAS through iDEN, CDMA, GSM and broadband networks worldwide; and, entering the software development services industry by expanding the markets being served by proprietary enterprise solutions it has developed and will develop for inter-network deployment nationwide and worldwide. The Company plans to develop and market worldwide mobile data applications that will run on different platforms. It also plans to develop and market digital media content.

On December 10, 2008, the Philippines Stock Exchange (PSE) approved the application of the Company to list additional 1,289,278,350 common shares to cover the share-for-share swap transactions with stockholders of Next Mobile, Inc. (NMI), namely, Top Mega Enterprise, Limited (Top Mega), Gamboa, Emerald Investments (Emerald), Inc., Joycelink Holdings Limited (Joycelink) and Food Camp Industries and Marketing, Inc. (Food Camp), collectively referred to as the NMI shareholders, at a swap price of ₱1.00 per share. Also, PSE had approved the application of the Company to transfer from SME Board to the Second Board of the PSE (see Note 5).

On February 20, 2009, the PSE issued a circular informing the investing public of the Company's listing of additional 1,289,278,350 shares effective February 24, 2009.

The PSE issued a Notice of Approval of the Company's application for transfer from SME Board to Second Board on June 11, 2009.

On March 12, 2010, the Board of Directors (BOD) had approved a plan to transfer the Company from the Second board to the First board of the PSE as well as the listing of additional shares from a BOD-approved increase in authorized capital stock.

The Company has no regular employees as of December 31, 2009 and 2008. Its administrative functions are being handled by the employees of Velarde, Inc. (Velarde) and NMI.

The Company's principal place of business is at the 2nd Floor Sterling Centre Building, Dela Rosa corner Esteban and Ormaza Streets, Legaspi Village, Makati City.

The financial statements of the Company were authorized for issue by the BOD on March 12, 2010.

2. Basis of Preparation and Changes in Accounting Policies and Disclosures

Basis of Preparation

The accompanying financial statements have been prepared under the historical cost basis, including the available-for-sale (AFS) investments that is not quoted in an active market. The financial statements are presented in Philippine peso, which is the Company's functional and presentation currency.

Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following new and amended PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations [based on the International Financial Reporting Interpretations Committee (IFRIC) interpretations] which became effective on January 1, 2009:

PFRS 7, *Financial Instruments: Disclosures*

The amended standard requires additional disclosure about fair value measurement and liquidity risk. Fair value measurements are to be disclosed by source of inputs using a three level hierarchy for each class of financial instrument. In addition, a reconciliation between the beginning and ending balance for Level 3 fair value measurements is now required, as well significant transfers between Level 1 and Level 2 fair value measurements. The amendments also clarify the requirements for liquidity risk disclosures. The fair value measurement disclosures are not significantly impacted by the amendments. The liquidity risk disclosures are presented in Note 13. As of December 31, 2009 and 2008, the Company does not have financial assets and liabilities to be presented under the fair value hierarchy required by PFRS 7.

PAS 1, *Presentation of Financial Statements*
The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented in a reconciliation of each component of equity. In addition, the Standard introduces the statement of comprehensive income: it presents all items of recognized income and expense, either in one single statement, or in two linked statements. The Company has elected to present two linked statements.

The following new and amended standards and interpretations did not have any impact on the accounting policies, financial position or performance of the Company:

New Standards and Interpretations

- PFRS 8, *Operating Segments* effective January 1, 2009
- Philippine Interpretation IFRIC 13, *Customer Loyalty Programmes*
- Philippine Interpretation IFRIC 16, *Hedges of a Net Investment in a Foreign Operation* effective October 1, 2008
- Philippine Interpretation IFRIC 18, *Transfers of Assets from Customers* effective July 1, 2009

Amendments to Standards

- PAS 23, *Borrowing Costs* (Revised)
- PAS 32 and PAS 1 Amendments - *Puttable Financial Instruments and Obligations Arising on Liquidation* effective January 1, 2009
- PFRS 1 and PAS 27 Amendments - *Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate* effective January 1, 2009
- PFRS 2 Amendment - *Vesting Conditions and Cancellations* effective January 1, 2009
- Philippine Interpretation IFRIC 9 and PAS 29 Amendments, *Embedded Derivatives* effective June 30, 2009
- Improvements to PFRSs (2009), with respect to the amendment to the Appendix to PAS 18, *Revenue*

New Accounting Standards, Philippine Interpretations, and Amendments to Existing Standards Effective Subsequent to December 31, 2009
The Company will adopt the following standards and interpretations enumerated below when these become effective. Except as otherwise indicated, the Company does not expect the adoption of these new and amended PFRS and Philippine Interpretations to have significant impact on its financial statements. The relevant disclosures will be included in the notes to the financial statements when these become effective.

- PFRS 3, *Business Combinations* (Revised) and PAS 27, *Consolidated and Separate Financial Statements* (Amended)
  The revised standards are effective for annual periods beginning on or after July 1, 2009.

The Revised PFRS 3 introduces a number of changes in the accounting for business combinations occurring after this date. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. The changes will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. The Amended PAS 27 requires, among others, that (a) change in ownership interests of a subsidiary (that do not result in loss of control) will be accounted for as an equity transaction and will have no impact on goodwill nor will it give rise to a gain or loss; (b) losses incurred by the subsidiary will be allocated between the controlling and non-controlling interests (previously referred to as 'minority interests'); even if the losses exceed the non-controlling equity investment in the subsidiary; and (c) on loss of control of a subsidiary, any retained interest will be remeasured to fair value and this will impact the gain or loss recognized on disposal. The changes introduced by the Revised PFRS 3 must be applied prospectively, while the Amended PAS 27 must be applied retrospectively with certain exceptions. These changes will affect future acquisitions and transactions with non-controlling interests.

- Philippine Interpretation IFRIC 15, *Agreement for Construction of Real Estate*
  This Philippine Interpretation, effective for annual periods beginning on or after January 1, 2012, covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The Interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contract qualifies as construction contract to be accounted for under PAS 11, *Construction Contracts*, or involves rendering of services in which case revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis will also be accounted for based on stage of completion.

- Philippine Interpretation IFRIC 17, *Distributions of Non-Cash Assets to Owners*
  This Philippine Interpretation is effective for annual periods beginning on or after July 1, 2009 with early application permitted. It provides guidance on how to account for non-cash distributions to owners. The interpretation clarifies when to recognize a liability, how to measure it and the associated assets, and when to derecognize the asset and liability. The Company does not expect the Philippine Interpretation to have an impact on the financial statements as the Company has not made non-cash distributions to shareholders in the past.

Amendments to Standards

- PAS 39 Amendment - *Eligible Hedged Items*
  The amendment to PAS 39, *Financial Instruments: Recognition and Measurement*, effective for annual periods beginning on or after July 1, 2009, clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations. The Company has concluded that the amendment will have no impact on the financial position or performance of the Company, as the Company has not entered into any such hedges.

- PFRS 2 Amendments - *Group Cash-settled Share-based Payment Transactions*
  The amendments to PFRS 2, *Share-based Payments*, effective for annual periods beginning on or after January 1, 2010, clarify the scope and the accounting for group cash-settled share-based payment transactions. The Company has concluded that the amendment will have no impact on the financial position or performance of the Company as the Company has not entered into any such share-based payment transactions.

Improvements to PFRS in 2009
The omnibus amendments to PFRS issued in 2009 were issued primarily with a view to removing inconsistencies and clarifying wording. The amendments are effective for annual periods beginning on or after January 1, 2010 except otherwise stated. The Company has not yet adopted the following amendments and anticipates that these changes will have no material effect on the financial statements.

- PFRS 2, *Share-based Payment*: clarifies that the contribution of a business on formation of a joint venture and combinations under common control are not within the scope of PFRS 2 even though they are out of scope of Revised PFRS 3. The amendment is effective for financial years on or after July 1, 2009.

- PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*: clarifies that the disclosures required in respect of non-current assets and disposal groups classified as held for sale or discontinued operations are only those set out in PFRS 5. The disclosure requirements of other PFRS only apply if specifically required for such non-current assets or discontinued operations.

- PFRS 8, *Operating Segment Information*: clarifies that segment assets and liabilities need only be reported when those assets and liabilities are included in measures that are used by the chief operating decision maker.

- PAS 1, *Presentation of Financial Statements*: clarifies that the terms of a liability that could result, at anytime, in its settlement by the issuance of equity instruments at the option of the counterparty do not affect its classification.

- PAS 7, *Statement of Cash Flows*: explicitly states that only expenditure that results in a recognized asset can be classified as a cash flow from investing activities.

- PAS 17, *Leases*: removes the specific guidance on classifying land as a lease. Prior to the amendment, leases of land were classified as operating leases. The amendment now requires that leases of land are classified as either 'finance' or 'operating' in accordance with the general principles of PAS 17. The amendments will be applied retrospectively.

- PAS 36, *Impairment of Assets*: clarifies that the largest unit permitted for allocating goodwill, acquired in a business combination, is the operating segment as defined in PFRS 8 before aggregation for reporting purposes.

- PAS 38, *Intangible Assets*: clarifies that if an intangible asset acquired in a business combination is identifiable only with another intangible asset, the acquirer may recognize the group of intangible assets as a single asset provided the individual assets have similar useful lives. Also clarifies that the valuation techniques presented for determining the fair value of intangible assets acquired in a business combination that are not traded in active markets are only examples and are not restrictive on the methods that can be used.

- PAS 39, *Financial Instruments: Recognition and Measurement*: clarifies the following:
  - that a prepayment option is considered closely related to the host contract when the exercise price of a prepayment option reimburses the lender up to the approximate present value of lost interest for the remaining term of the host contract.
  - that the scope exemption for contracts between an acquirer and a vendor in a business combination to buy or sell an acquiree at a future date applies only to binding forward contracts, and not derivative contracts where further actions by either party are still to be taken.
  - that gains or losses on cash flow hedges of a forecast transaction that subsequently results in the recognition of a financial instrument or on cash flow hedges of recognized financial instruments should be reclassified in the period that the hedged forecast cash flows affect profit or loss.

- Philippine Interpretation IFRIC 9, *Reassessment of Embedded Derivatives*: clarifies that it does not apply to possible reassessment at the date of acquisition, to embedded derivatives in contracts acquired in a business combination between entities or businesses under common control or the formation of joint venture.

- Philippine Interpretation IFRIC 16, *Hedge of a Net Investment in a Foreign Operation*: states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity or entities within the group, including the foreign operation itself, as long as the designation, documentation and effectiveness requirements of PAS 39 that relate to a net investment hedge are satisfied.

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3. **Summary of Significant Accounting Policies**

Cash
Cash includes cash on hand and with banks.

Financial Instruments
Financial instruments are recognized in the balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates this designation at each balance sheet date.

All regular way purchases and sales of financial assets are recognized on the settlement date. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial instruments are recognized initially at fair value of the consideration given (in the case of an asset) or received (in the case of a liability). Except for financial assets at fair value through profit or loss (FVPL), the initial measurement of financial assets includes transaction costs.

Financial assets under PAS 39, are classified as either financial assets at FVPL, loans and receivables, held to maturity (HTM) investments or AFS investments. The Company's financial assets are of the nature of loans and receivables and AFS investments. As of December 31, 2009 and 2008, the Company has no outstanding financial assets at FVPL and HTM investments.

Under PAS 39, financial liabilities are classified as FVPL or other financial liabilities. The Company's financial liabilities are of the nature of other financial liabilities. As of December 31, 2009 and 2008, the Company has no outstanding financial liabilities at FVPL.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. These are not entered into with the intention of immediate or short-term resale and are not classified as financial assets held for trading, designated as AFS investments or designated at FVPL. This accounting policy relates to "Cash" and "Due from affiliates" accounts in the balance sheet.

Loans and receivables are recognized initially at fair value, which normally pertains to the billable amount. After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate method, less allowance for impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization, if any, is included in the "Interest income" account in the statement of income. The losses arising from impairment of loans and receivables are recognized in the statement of income. The level of allowance for impairment losses is evaluated by management on the basis of factors that affect the collectibility of accounts (see accounting policy on Impairment of Financial Assets). Loans and receivables are classified as current assets when it is expected to be realized within 12 months from the balance sheet date or within the normal operating cycle, whichever is longer.

AFS Investments
AFS investments are those investments which are designated as such or do not qualify to be classified as designated as FVPL, HTM investments or loans and receivables. They are purchased and held indefinitely and may be sold in response to liquidity requirements or changes in market conditions.

After initial measurement, AFS investments are subsequently measured at fair value. The unrealized gains and losses arising from the fair valuation of AFS investments are excluded, net of tax, from reported earnings and are reported as a separate account (net of tax where applicable) in the equity section of the balance sheet.

When the investment is disposed of, the cumulative gains or losses previously recognized in equity is recognized in the statement of income. Dividends earned on holding AFS investments are recognized when the right of payment has been established. The losses arising from impairment of such investments are recognized as provision for impairment losses in the statement of income.

This accounting policy relates to the Company's "Investments" account in the balance sheets.

Other financial liabilities
Issued financial instruments or their components, which are not designated at FVPL, are classified as other financial liabilities, where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole, the amount separately determined as the fair value of the liability component on the date of issue.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate.

This accounting policy applies primarily to the Company's "Accounts payable and accrued expenses", "Due to a stockholder" and other obligations that meet the above definition (other than liabilities covered by accounting standards, such as income tax payable). Other financial liabilities are classified as current liabilities when it is expected to be settled within 12 months from the balance sheet date or the Company has an unconditional right to defer settlement for at least 12 months from balance sheet date.

Impairment of Financial Assets

Financial Assets Carried at Amortized Cost

If there is objective evidence that an impairment loss on financial assets carried at amortized cost (e.g., receivables) has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Time value is generally not considered when the effect of discounting is not material. The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in the statement of income.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the statement of income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

AFS Investments

For AFS financial investments, the Company assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the statement of income - is removed from other comprehensive income and recognized in the statement of income. Impairment losses on equity investments are not reversed through the statement of income; increased in their fair value after impairment are recognized directly in other comprehensive income.

Derecognition of Financial Assets and Liabilities

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized where:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a 'pass-through' arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Company's continuing involvement is the amount of the transferred asset that the Company may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Company's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (a) the consideration received (including any new asset obtained less any new liability assumed) and (b) any cumulative gain or loss that has been recognized directly inequity is recognized in the statement of income.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Derivative Financial Instruments

Derivative instruments are initially recognized at fair value on the date in which a derivative transaction is entered into or bifurcated, and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. An embedded derivative is separated from the host contract and accounted for as derivative if all the following conditions are met:

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristic of the host contract;

- a separate instrument with the same terms as the embedded derivative would meet the definition of the derivative; and
- the hybrid or combined instrument is not recognized at FVPL.

The Company assesses whether embedded derivatives are required to be separated from host contracts when the Company first becomes party to the contract. Reassessment only occurs if there is a change in the terms of the contracts that significantly modifies the cash flows that would otherwise be required. As of December 31, 2009 and 2008, the Company has no bifurcated embedded derivatives.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is generally not the case with master netting agreements, and the related assets and liabilities are presented gross in the balance sheet.

Office Equipment
Office equipment is carried at cost less accumulated depreciation and impairment in value, if any.

The initial cost of office equipment comprises its purchase price, including import duties, nonrefundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Depreciation is computed on a straight-line basis over the estimated useful life of the office equipment of two years.

The residual values, useful lives and depreciation method are reviewed periodically to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated assets are maintained in the accounts until these are no longer in use. When assets are retired or otherwise disposed of, the cost, related accumulated depreciation and any allowance for impairment losses are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Computer Software
Computer software is initially recognized at cost. Following initial recognition, the computer software is carried at cost less accumulated amortization and any accumulated impairment in value.

The computer software is amortized on a straight-line basis over its estimated useful economic life of three years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization commences when the computer software is available for use. The amortization period and the amortization method for the computer software are reviewed at each financial year end. Changes in the estimated useful life is accounted for by changing the amortization period or method, as appropriate, and treated a changes in accounting estimates. The amortization expense is recognized in "Depreciation and amortization" account in the statement of income.

Impairment of Nonfinancial Assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired when events or changes in circumstances indicate that the carrying values may not be recoverable. 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 fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their estimated recoverable amount. In assessing value in use, 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 losses of continuing operations are recognized in the statement of income in those expense categories consistent with the function of the impaired nonfinancial asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in statement of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

Provisions
Provisions, if any, are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are made by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of income, net of any reimbursement.

Income Taxes
Current Income Tax
Current income tax liabilities for the current and prior periods are measured at the amount expected to be paid to the tax authority. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted at the balance sheet date.

Deferred Income Tax
Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences, carry forward benefits of unused tax credits from excess minimum corporate income tax (MCIT) and unused net operating loss carryover (NOLCO) to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward benefits of unused tax credits from excess MCIT and unused NOLCO, can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Capital Stock
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction from proceeds. The excess of proceeds from issuance of share over the par value are credited to share premium.

Where the Company purchases its own shares (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity until the shares are cancelled, reissued or disposed. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in the equity section in the balance sheet.

Revenue Recognition
Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognized:

Marketing, management and consultancy fees
Fees are recognized when the related services have been rendered.

Interest
Interest income is recognized as interest accrues using the effective interest rate method.

Leases
The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date and involves as assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Company as lessee
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of income in accordance with the terms of the lease agreements.

Earnings Per Share (EPS)
Basic EPS is computed by dividing net income for the year attributable to common stockholders by the weighted average number of common shares issued and outstanding during the year adjusted for any subsequent stock dividends declared. Diluted EPS is computed by dividing net income for the year by the weighted average number of common shares issued and outstanding during the year after giving effect to assumed conversion of potential common shares.

Contingencies
Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefit is probable.

Events After the Reporting Period
Post year-end events that provide additional information about the Company's financial position at the balance sheet date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

Segment Reporting
The Company operates mainly in one reportable business segment. The Company is in the business of security brokerage in the Philippines. However, in December 2008, it has amended its primary business purpose from a security broker to a technology, media and telecommunications company (see Note 1). As of December 31, 2009, it has not yet engaged in activities pertaining to its new primary purpose. Accordingly, neither business nor geographical segment is presented.

4. Significant Accounting Judgments and Estimates

The Company's financial statements prepared in accordance with PFRS require management to make judgments and estimates that affect amounts reported in the financial statements and related notes. The judgments and estimates used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Company's financial statements. Actual results could differ from such estimates.

Operating lease commitment - Company as lessee
The Company has entered into a commercial property lease on its office. The Company has determined that it does not retain all the significant risks and rewards of ownership of the properties which are leased under operating lease arrangements.

Estimating Allowance for Impairment losses of Due from Affiliates
The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on age and status of the financial asset, as well as on historical loss experience. Allowance for impairment loss is provided when management believes that the balance cannot be collected or realized after exhausting all efforts and courses of action. The Company did not recognize impairment loss on due from affiliates in 2009 and 2008.

Due from affiliates amounted to ₱26.7 million and ₱22.5 million as of December 31, 2009 and 2008, respectively (see Note 7).

Estimating Useful Lives of Computer Software and Office Equipment
The Company estimated the useful lives of its office equipment based on the period over which the assets are expected to be available for use. The Company reviews annually the estimated useful lives of the office equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental and anticipated use of the assets tempered by related industry benchmark information. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

As of December 31, 2009 and 2008, the carrying amount of computer software and office equipment amounted to ₱36,844 and ₱13,384, respectively (see Notes 8 and 9).

Estimating Impairment of Computer Software and Office Equipment
The Company assesses impairment on assets 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 impairment loss is recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount. The estimated recoverable amount is the higher of the asset's fair value less costs to sell and value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amount is estimated for an individual asset or, if it is not possible, for the cash-generating unit to which the asset belongs.

In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Company is required to make estimates and assumptions that can materially affect the financial statements. No impairment loss was recognized in 2009 and 2008.

As of December 31, 2009 and 2008, the carrying amount of computer software and office equipment amounted to ₱36,844 and ₱13,384, respectively (see Notes 8 and 9).

Estimating Valuation and Impairment of Unquoted AFS Investments
Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's-length market transactions;
- current fair value of another instrument that is substantially the same

- the expected cash flows discounted at current rates applicable for investments with similar terms and risk characteristics; or
- other valuation models.

AFS investments amounted to ₱1,289,278,350 as of December 31, 2009 and 2008 (see Note 5).

The Company carried out an impairment testing of its AFS investments due to noted indicators of impairment. These indicators include recurring losses of the investee. For impairment testing, the determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. Based on the Company's impairment testing, the value in use is greater than the carrying amount of the investment. Therefore, no impairment loss was recognized as of December 31, 2009 and 2008.

Estimating Realizability of Deferred Income Tax Assets
The Company reviews the carrying amounts of deferred income tax assets at each balance sheet date and reduces the amounts to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. However, there is no assurance that the Company will generate sufficient taxable profit to allow all or part of its deferred income tax assets to be utilized.

In 2008, the Company recognized deferred income tax assets on the carry forward benefits of unused NOLCO and unused tax credits from MCIT totalling to ₱412,941 (see Note 11). There were no temporary differences in 2009.

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5. **Investments**

The investment account represents the Company's investment in Next Mobile, Inc. (NMI) classified as AFS investment.

On April 28, 2006, the Company entered into a Memorandum of Agreement (MOA) with NMI and five controlling stockholders of NMI namely, Top Mega Enterprises Limited, Joycelink Holdings Limited, GHI, Emerald Investments, Inc. (EII), Food Camp Industries and Marketing, Inc. (the five companies collectively known as NMI stockholders) to swap or exchange shares of stock.

Under the MOA, there shall be a new issuance of shares of stock by the Company in exchange solely for NMI shares owned and controlled by the NMI stockholders. The agreed upon swap of shares was subject to certain conditions, including necessary corporate and regulatory approvals. The MOA was approved by the Company's stockholders during the June 2, 2006 Annual Stockholders' Meeting.

However, certain amendments were subsequently made to the MOA in view of the fact that upon further consultation with the PSE, it was determined that the Company could not revise its primary purpose at that time. Hence, the stockholders approved the amendment in the MOA that there will be no change in the primary purpose of the Company. In addition, the stockholders also approved the proposal that the Company shall acquire only nineteen percent (19%) equity interest in NMI and not 97%, as originally intended. As a result, the NMI stockholders will transfer to the Company 2,656,580 NMI shares in exchange for new shares of the Company with an aggregate value of ₱1,289,278,350, or effectively at a price of ₱485.315085 per NMI share.

To comply with the provisions of the amended MOA, the Company increased its authorized capital stock to accommodate the foregoing transaction (see Note 6).

In September 2006, the SEC issued Certificate of Approval of Valuation of shares of stock of NMI and Certificate of Increase Capital Stock of the Company.

As mentioned in Note 1, in 2008, the PSE approved the application for the listing of the additional 1,289,278,350 common shares to cover the share-for-share swap transactions with NMI shareholders.

As of December 31, 2009 and 2008, the Company's investment in NMI amounted to ₱1,289,278,350.

6. Capital Stock

On April 28, 2006, the BOD and stockholders approved the increase in the authorized capital stock from 40,000,000 shares to 1,320,000,000 shares at ₱1 par value per share. This was subsequently approved by the SEC on September 19, 2006.

On November 11, 2006, in accordance with the MOA, the Company issued the additional 1,289,278,350 shares at par value in exchange for the 2,656,580 shares of NMI (see Note 5).

7. Related Party Transactions

a. In 2005, the Company entered into an agreement to promote and market the telecommunication services of NMI to the Company's clients for a period of three years until May 2008. In consideration thereof, the Company billed NMI ₱5.0 million in 2006. Also, the Company entered into a financial advisory and arrangement agreement in relation to NMI's interest in obtaining additional private equity investments as well as loans and credit accommodations from local and international banks and financial institutions. The arrangement is effective until October 2006. A success fee of ₱850,000 plus the amount equivalent to 3% of the gross amount of investment and/or loan/credit accommodations obtained would be paid by NMI. In 2006, the Company billed NMI ₱3.1 million for its services.

   On January 30, 2008, the Company sent a demand letter to NMI regarding the collectability of the amount due. In the reply dated February 15, 2008, NMI acknowledged the debt and manifested their intent to pay within 2008. Receivable from NMI amounting to ₱7.7 million was subsequently collected in 2008. Due from NMI as of December 31, 2009 and 2008 amounted to ₱901,750 and ₱907,200, respectively. From the foregoing events, these advances are due and demandable.

b. On August 30, 2005, the Company entered into a Loan Agreement with IBI for research and development purposes in connection with IBI's plan to expand its Information Technology (IT) platform and introduce IT related products and services. The loan is subject to 9% interest per annum and is payable no later than August 30, 2010. Partial pre-payments on the principal may be made prior to this date. The interest is due and demandable only on maturity date.

On April 25, 2007, the Company and IBI agreed to reduce the interest to 5.5% per annum effective for 2007. Subsequent to 2007, the interest shall be subject to annual repricing. The prevailing market interest rate agreed by both parties in 2009 and 2008 is 9%. Interest income amounted to ₱1.4 million in 2009 and 2008 and ₱915,311 in 2007.

IBI is under common ownership with the Company.

c. On October 12, 2009, Velarde appointed the Company as Financial Advisor and Arranger in relation to Velarde's objective of acquiring equity interests in companies in the telecoms, media, and information technology (TMT) space (the "Project"). The Project includes but not limited to targeting potential investments in software development, digital content, and BPO/KPO/LPO companies. The engagement shall be for a limited period of 9 months only. Income earned from this engagement amounted to ₱3,000,000.

   Due from Velarde amounted to ₱3.5 million and ₱600,000 as of December 31, 2009 and 2008, respectively.

   Velarde is a stockholder of the Company.

d. In 2008, the Company entered into a Sub-Lease Agreement (Agreement) with EII for the lease of a 270 square meter condominium unit in Makati. The lease shall be for four (4) years, commencing on January 1, 2008 until December 31, 2011. Rental expense charged to operations amounted to ₱453,600 in 2009 and 2008.

   On January 28, 2009, the Company and EII amended the Agreement to the effect that the monthly rental from January 1 to December 31, 2008 be reduced from ₱400 to ₱100 per square meter, for a total monthly rental of ₱27,000. The rental shall be increased annually at the rate of 10% per annum. The parties shall annually review the monthly rental as prevailing circumstances may necessitate. In 2009, the 10% annual increase in rental was suspended until otherwise agreed upon in writing by the parties.

   EII is a stockholder of the Company.

e. Due to a stockholder pertains to non-interest bearing advances from EII for working capital requirements. These advances are due and demandable.

8. Office Equipment

	2009
Cost:	
At January 1	₱26,768
Additions	44,213
At December 31	70,981
Accumulated depreciation:	
At January 1	13,384
Depreciation for the year	20,753
At December 31	34,137
Net book value at end of year	₱36,844

	2008
Cost:	₱26,768
Accumulated depreciation:	
At January 1	–
Depreciation for the year	13,384
At December 31	13,384
Net book value at end of year	₱13,384

9. Computer Software

	2009	2008
Cost	**₱81,168**	₱81,168
Accumulated amortization:		
Beginning balance	**81,168**	74,404
Amortization for the year	–	6,764
Ending balance	**81,168**	81,168
Net book value at end of year	**₱–**	₱–

10. Accounts Payable and Accrued Expenses

	2009	2008
Output value-added tax and withholding tax payable	**₱11,557**	₱724,810
Accrued expenses	**80,200**	75,200
Others	**242,506**	169,598
	₱334,263	₱969,608

11. Income Taxes

The provision for income tax represents regular corporate income tax for 2009 and 2008 and MCIT in 2007.

The reconciliation of the Company's statutory income tax to provision for income tax follows:

	2009	2008	2007
Statutory income tax at 30% in 2009 and 35% in 2008 and 2007	**₱290,222**	₱226,121	₱183,975
Tax effects of:			
Unrecognized deferred income tax assets on MCIT	–	–	18,821
Applied MCIT	–	(63,229)	–
Applied NOLCO	–	(122,399)	(181,700)
Tax penalties	–	–	1,050
Interest income subjected to final tax	**(3,399)**	(892)	(1,425)
	₱286,823	₱39,601	₱20,721

In 2008, the Company recognized deferred income tax assets on the carryforward benefits of unused NOLCO and unused tax credits from excess MCIT totalling to ₱412,941.

As of December 31, 2009, the Company has no available NOLCO that can be claimed as deduction from future taxable income and has no available MCIT that can be used against payment of regular income tax payable.

Republic Act (RA) No. 9337
On May 24, 2005, the new Expanded Value-Added Tax (E-VAT) law was signed as RA No. 9337 or the E-VAT Act (The Act) of 2005. The E-VAT law took effect on November 01, 2005 following the approval on October 19, 2005 of Revenue regulations (RR) 16-2005 which provided for the implementation of the rules and regulations of the new E-VAT law. The Act, among others, introduced the following changes:

- Regular corporate income tax for domestic corporations, and resident and non-resident foreign corporations is increased from 32% to 35% for the next three years effective on November 1, 2005 and will be reduced to 30% starting January 1, 2009 and thereafter; and
- Increased nondeductible interest expense rate from 38% to 42% with reduction thereof to 33% beginning January 1, 2009.

12. Basic/Diluted EPS

The following table presents information necessary to compute the basic/dilutive EPS:

	2009	2008	2007
Net income	**₱680,585**	₱646,060	₱504,921
Weighted average number of outstanding common shares for both basic and dilutive EPS	**1,317,278,350**	1,317,278,350	1,317,278,350
Basic/dilutive EPS (a/b)	**₱0.0005**	₱0.0005	₱0.0004

For the three years in the period ended December 31, 2009, there were no shares of stock that have a potentially dilutive effect on the basic EPS of the Company.

13. Financial Instruments

Categories of Financial Instruments

Assets

	Loans and Receivables	AFS Investment	2009
Cash and cash equivalents	₱4,190,362	₱–	**₱4,190,362**
Due from affiliates	26,734,822	–	**26,734,822**
Other current assets	33,089	–	**33,089**
Investment	–	1,289,278,350	**1,289,278,350**
	₱30,958,273	₱1,289,278,350	**₱1,320,236,623**

	Loans and Receivables	AFS Investment	2008
Cash and cash equivalents	₱7,746,534	₱–	₱7,746,534
Due from affiliates	22,467,486	–	22,467,486
Investments	–	1,289,278,350	1,289,278,350
	₱30,214,020	₱1,289,278,350	₱1,319,492,370

Liabilities

Other financial liabilities	**2009**	2008
Accounts payable and accrued expenses	**₱284,060**	₱300,098
Due to stockholder	**506,765**	–
	₱790,825	₱300,098

The Company's financial instruments are composed of cash, due from affiliates, investment, accounts payable and accrued expenses and due to a stockholder.

The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and manage the Company's exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the Company's activities.

The main risks arising from the Company's financial instruments are liquidity risk and credit risk. The Company is not exposed to interest rate risk since a significant portion of the Company's due from affiliates has fixed interest rates. The BOD reviews and approves the policies for managing each of these risks and they are summarized below.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objectives to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking adverse effect on the Company's credit standing.

The tables below summarize the maturity profile of the Company's financial liabilities as of December 31, 2009 and 2008, based on contractual undiscounted cash flows. The tables also analyses the maturity profile of the Company's financial assets in order to provide a complete view of the Company's contractual commitments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates.

	On demand	Within 1 year	1 to 5 years	**2009**
Financial liabilities:				
Accounts payable and accrued expenses	₱284,060	₱–	₱–	**₱284,060**
Due to a stockholder	506,765	–	–	**506,765**
	₱790,825	₱–	₱–	**₱790,825**

	On demand	Within 1 year	1 to 5 years	2009
Financial assets:				
Cash and cash equivalents	₱4,190,362	₱–	₱–	**₱4,190,362**
Due from affiliates	4,374,438	22,360,384	–	**26,734,822**
Other current assets	33,089	–	–	**33,089**
Investments	–	–	1,289,278,350	**1,289,278,350**
	₱8,597,889	₱22,360,384	₱1,289,278,350	**₱1,320,236,623**

	On demand	Within 1 year	1 to 5 years	2008
Financial liabilities:				
Accounts payable and accrued expenses	₱300,098	₱–	₱–	₱300,098
Financial assets:				
Cash and cash equivalents	₱7,746,534	₱–	₱–	₱7,746,534
Due from affiliates	1,508,200	–	20,959,286	22,467,486
Investments	–	–	1,289,278,350	1,289,278,350
	₱9,254,734	₱–	₱1,310,237,636	₱1,319,492,370

The Company monitors its cash flow position through cash planning. The Company believes that cash advances by stockholders are sufficient to mitigate the effects of fluctuation in cash flow and to cover disbursements for the day-to-day operations of the Company.

All of the Company's financial liabilities are contractually due within one year.

Credit Risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's due from affiliates.

The Company's management believes that there is no significant risk in the amounts due from affiliates. The BOD continually reassures the Company's strategies for managing accounts with creditors, including related parties. Advances are monitored on an ongoing basis with the result that the Company's exposure to doubtful accounts and account discrepancies is not significant. In addition, the Company manages credit risk by monitoring its credit exposures and assessing the creditworthiness of counterparties.

As of December 31, 2009 and 2008, the Company's maximum exposure to credit risk is equal to the carrying amount of its financial assets.

Credit quality per class of financial asset
The credit quality of financial assets is being managed by the Company using internal credit ratings. The Company's considers its financial assets that are neither past due nor impaired amounting to ₱1.3 billion as of December 31, 2009 and 2008 as standard grade financial assets. Standard grade financial assets are those that are current and collectible.

The Company does not have any impaired financial assets.

Fair Value and Categories of Financial Instruments
The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Cash, Accounts Payable and Accrued Expenses and Due to a Stockholder
The carrying amounts of cash, accounts payable and accrued expenses and due to a stockholder approximate their fair values due to the short-term maturity of these financial instruments.

Due from Affiliates
In 2008, the fair values of due from affiliates were calculated based on discounted value of future cash flows using the applicable risk free rates for similar types of accounts and adjusted for credit risk.

As of December 31, 2009, due from affiliates are already due within 12 months and accordingly, the carrying value already approximates its fair value.

AFS Investments
Unquoted equity securities are carried at cost or its available net book value since fair value of these AFS security cannot be reliably determined as these securities are not listed and have no available bid price.

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments as of December 31, 2009 and 2008:

	2009		2008	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Loans and receivables:				
Cash	**₱4,190,362**	**₱4,190,362**	₱7,746,534	₱7,746,534
Due from affiliates	**26,734,822**	**26,734,822**	22,467,486	22,144,713
Other current assets	**33,089**	**33,089**	–	–
	₱30,958,273	**₱30,958,273**	₱30,214,020	₱29,891,247
AFS investments:				
Investments	**₱1,289,278,350**	**₱1,289,278,350**	₱1,289,278,350	₱1,289,278,350

	2009		2008	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Other financial liabilities:				
Accounts payable and accrued expenses	**₱284,060**	**₱284,060**	₱300,098	₱300,098
Due to a stockholder	**506,765**	**506,765**	–	–
	₱790,825	**₱790,825**	₱300,098	₱300,098

Fair Value Hierarchy
The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted (unadjusted) process in active markets for identical assets or liabilities
- Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3: Those inputs for the asset or liability that are not based on observable market data (unobservable inputs)

As of December 31, 2009 and 2008, the Company does not have any financial instruments to be presented under the fair value hierarchy required by PFRS 7.

Capital Management
The primary objective of the Company's capital management is to ensure that the Company maintains strong credit rating and stable capital ratios in order to support its business and maximize shareholders' 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, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended December 31, 2009 and 2008.

The following table pertains to the account balance the Company considers as its core economic capital:

	2009	2008
Capital stock	**₱1,317,278,350**	₱1,317,278,350
Retained earnings	**2,103,902**	1,423,317
	₱1,319,382,252	₱1,318,701,667

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The Management of **Information Capital Technology Ventures, Inc. (ICTV)** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2009. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2009 and the accompanying Annual Income Tax Return are in accordance with the books and records of Information Capital Technology Ventures, Inc., complete and correct in all material respects. Management likewise affirms that:

(a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;

(b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;

(c) the Information Capital Technology Ventures, Inc. has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

JOSE MANUEL G. ROMUALDEZ
Chairman of the Board

WILFRED S. RACADIO
President

MA. LIDA S. SARMIENTO
Treasurer

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Information Capital Technology Ventures, Inc. (ICTV)** is responsible for all information and representations contained in the financial statements for the year ended December 31, 2009. The financial statements have been prepared in conformity with generally accepted accounting principles and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

The Board of Directors reviews the financial statements before such statements are approved and submitted to the stockholders of the Company.

SyCip Gorres Velayo & Co., the independent auditors and appointed by the stockholders, has examined the financial statements of the Company in accordance with generally accepted auditing standards and has expressed its opinion on the fairness of presentation upon completion of such examination, in its report to stockholders.

JOSE MANUEL G. ROMUALDEZ
Chairman of the Board

WILFRED S. RACADIO
President

MA. LIDA S. SARMIENTO
Treasurer

SUBSCRIBED AND SWORN TO before me this 30th day of April 2010, at Makati City, affiant exhibiting to me their Tax Identification Number 106-206-739; 116-284-048;107-969-535.

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Page No. 31;
Book No. VI;
Series of 2010.

ATTY. GERVACIO B. ORTIZ JR.
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2010
IBP NO. 695135 – [illegible]
PTR NO. 2975848 JAN [illegible]
APPT – 04/201 [illegible]