

COVER SHEET

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SEC Registration Number

I	-	R	E	M	I	T	,		I	N	C	.		A	N	D		S	U	B	S	I	D	I	A	R	I	E	S		

(Company's Full Name)

2	6	/	F		D	i	s	c	o	v	e	r	y		C	e	n	t	r	e	,		2	5		A	D	B		A	v	e
n	u	e	,		O	r	t	i	g	a	s		C	e	n	t	e	r	,		P	a	s	i	g		C	i	t	y		

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

Mr. Fitzgerald S. Duba

(Contact Person)

(632) 706-9999 local 109

(Company Telephone Number)

1	2	3	1
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Month Day
(Fiscal Year)

1	7	-	C
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(Form Type)

0	7		
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Month Day
(Annual Meeting)

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(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

I-REMIT, INC.

SEC FORM 17-C



CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. July 13, 2015
Date of Report (Date of earliest event reported)
2. SEC Identification Number A200101631 3. BIR Tax Identification No. 210-407-466-000
4. I-REMIT, INC.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
6. Industry Classification Code: (SEC Use Only)
7. 26/F Discovery Centre, 25 ADB Avenue, Ortigas Center, Pasig City 1605
Address of issuer's principal office Postal Code
8. (632) 706-9999 local 100 / 105 / 109
Issuer's telephone number, including area code
9. Not applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Stock	612,775,122
11. Indicate the item numbers reported herein: Item 9. Other Events

Item 9. Other Events.

The issuer is reporting that it paid on July 13, 2015 a penalty of Twenty-Eight Thousand Five Hundred Pesos (PHP28,500.00) to the Securities and Exchange Commission ("SEC") due to non-compliance with the SEC's financial reporting requirements, specifically, material disclosure deficiency in the issuer's 2013 Consolidated Audited Financial Statements. Attached are the SEC's letter dated 01 July 2015 that was received by the issuer on 07 July 2015 and the SEC's Official Receipt dated 13 July 2015.

SIGNATURE

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

Issuer: **I-REMIT, INC.**

By:



HARRIS D. JACILDO
President & Chief Operating Officer

July 13, 2015



Republic of the Philippines
Department of Finance
Securities and Exchange Commission
 SEC Bldg. EDSA, Greenhills, Mandaluyong City

MARKETS AND SECURITIES REGULATION DEPARTMENT

July 1, 2015

I-REMIT, INC.
 26th Floor, Discovery Centre
 25 ADB Avenue, Ortigas Centre, Pasig City
 Tel. No. 632-0905

ATTENTION: MR. HARRIS ESEL D. JACIDLO
 President/COO

Gentlemen:

This refers to your letter which was filed with this Commission on May 29, 2015 relative to the Office of the General Accountant's (OGA) findings on the company's 2013 Consolidated Audited Financial Statements, pursuant to the application for accreditation of its external auditor, Ms. Rosarie S. Bernaldo.

We endorsed your explanation letter to OGA. In reply, attached thereto is the COMMENT AND RESPONSE SHEET of OGA, for your easy reference.

After appreciating your explanation and OGA's comments, we maintain OGA's evaluation/findings and find your explanation **without merit**.

The company is hereby assessed a penalty of **Twenty Eight Thousand Five Hundred Pesos (Php28,500.00)** computed based on the Scale of Fines for Non-compliance with the Financial Reporting Requirements of the Commission as follows:

Client-Company	1 st Violation	Retained Earnings	Penalty imposable on the Client Company ¹
I-Remit, Inc.	Material disclosure deficiency	RE P273,403,647.00	Basic penalty - P25,000.00 plus Daily fine (2/9/15 to 2/16/15) P500.00 x 7days - 3,500.00 Total P28,500.00

It is hereby directed to pay the said penalty by way of cash, Manager or Cashier's Check payable to the Securities and Exchange Commission within five (5) business days from receipt of a facsimile or hard copy of this letter, whichever is earlier.

Very truly yours,


VICENTE GRACIANO P. FELIZMENIO, JR.
 Director

¹ Based on SEC Memorandum Circular No. 8, Series of 2009.

COMMENT AND RESPONSE SHEET

Name of Corporate Client: L-Remit, Inc.

Listed Client

Consolidated Audited Financial Statements as of: December 31, 2013

External Auditor: Rosario S. Bernaldo

Notes to Financial Statements	COMMENTS/FINDINGS Brief Description of Non-Compliance (See applicable rule/standard as cited, for complete reference)	RESPONSE OF APPLICANT-EXTERNAL AUDITOR	RESULT OF OGA'S EVALUATION	COMPANY'S EXPLANATION	RESULT OF EVALUATION	MATERIALITY
Forward Contract	There is no accounting policy on Forward Contract Transaction (PAS 39, PFRS 7, PAS 1).	<p>Not applicable. The forward contracts entered into by the company during the year are few and are transactions not designated as hedges. It is also believed that such contracts are not significant to the company's operation, hence, were not considered in the disclosures on significant accounting policies. However, should the Commission consider this important, this will be observed in the preparation and presentation of the financial statements in the next reporting period.</p> <p>Supplemental reply submitted on 16 February 2015:</p> <p>Disclosure provided in Note 4.02.03 in the consolidated financial statements, the company's foreign currency receivables and payables as of December 31, 2013 amounting to P570,055,046 and P569,593,858, respectively, pertains to set-up of dollar receivable and payable in foreign trading transactions; and are classified as financial instruments held for trading. Note 4.02.03 indicates that a derivative that is not designated and effective as a hedging instrument is classified as financial asset held for</p>	While the cited information Note 4.02.03 may be applicable to the recognition and measurement of the Forward Contract Transaction, it is understood that specific accounting policy on such account is critical to an understanding of the treatment used and evaluation thereof.	<p>The management of the company believes that it had complied with the provisions of SRC Rule 68, as amended, and expresses its consideration as follows:</p> <ol style="list-style-type: none"> 1. Forward trades started by the company in November 2013 were in the nature of test transactions. 2. These transactions were initially classified as regular trade receivables on account of its purpose which was to determine the economic benefit of doing forward as against spot trading, not as financial instrument contemplated under IFRS 39. 3. Appropriate disclosures were made for foreign currency receivables in Note 8 (Trade and Other Receivables) and foreign currency payables in Note 15 (Beneficiaries and Other Payables) of the 2013 Consolidated Audited Financial Statements of the company. 4. Disclosures were not in the 	<p>We find the company's explanation without merit. The required specific accounting policy on Forward Contract Transaction was not addressed by the explanation thus, we maintain our position that the required information should have been provided in the 2013 CAFS.</p> <p>Further, the inclusion of the accounting policy of Derivative Financial Instruments that pertains to Foreign Exchange Forward Contracts in Note 4.06 of the 2014 CAFS shows the company's effective admission of the deficiency.</p>	<p>Material disclosure deficiency - foreign currency receivable and payable represent 19.9% and 31.8% of total current assets and total current liabilities, respectively.</p>

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Notes to Financial Statements	COMMENTS/FINDINGS Brief Description of Non-Compliance (See applicable rule/standard as cited, for complete reference)	RESPONSE OF APPLICANT-EXTERNAL AUDITOR	RESULT OF OGA'S EVALUATION	COMPANY'S EXPLANATION	RESULT OF EVALUATION	MATERIALITY
		<p>trading. These financial assets are stated at fair value with gains and losses arising on the remeasurement recognized in profit or loss subsequently. Also, as disclosed in Note 32.01.01, it is the company's policy that all daily foreign currencies, which arise as a result of its remittance transactions, must be traded in with bank partners only at prevailing foreign exchange rates in the market. Hence, it can be inferred that the foreign currency receivable and payable falls within Level 1 in the fair value hierarchy.</p> <p>Considering all the circumstances surrounding the facts into the financial statements, such non-disclosure of significant accounting policy will not affect the fairness of the financial statements, in all material respects, since such amounts were properly measured and presented in accordance with PFRS. However, though it will not affect the financial statement as a whole, we agree with you on the requirement of PFRS, that it is necessary to provide policies on material accounts in the financial statements and to be able to provide information about the financial position, financial performance and cash flows of an entity that is useful to a wide range of users in making economic decision. Necessary compliance will be made by the Management to properly disclose the required information in the subsequent financial statements.</p>		<p>form of separate notes in the Consolidated AFS and Section A of SRC Rule 68, as amended, on account of initial classification of foreign currency receivables under Trade and other receivables and foreign currency payable under Beneficiaries and other payables.</p> <p>The company has appropriately classified its foreign currency receivables as financial assets at fair value through profit or loss with a separate disclosure in Note 9 of the 2014 CAFS of the company in compliance with SRC Rule 68, as amended. Likewise, for foreign currency payables, the same was disclosed in Note 16 of the 2014 AFS of the company.</p>		



OFFICIAL RECEIPT
 Republic of the Philippines
DEPARTMENT OF FINANCE
SECURITIES & EXCHANGE COMMISSION
 SEC Building, EDSA, Greenhills
 City of Mandaluyong, 1554



Accountable Form No. 51 Revised 2006	ORIGINAL
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DATE July 13, 2015	No. 1293957
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PAYOR	IREMIT, INC. PASIG CITY
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NATURE OF COLLECTION	ACCOUNT CODE	RESPONSIBILITY CENTER	AMOUNT
PENALTIES/FINES	609	NRD	28,500.00



TOTAL	PHP 28,500.00
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AMOUNT IN WORDS TWENTY EIGHT THOUSAND FIVE HUNDRED PESOS AND 0/100
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Received <input type="checkbox"/> Cash <input type="checkbox"/> Treasury Warrant <input checked="" type="checkbox"/> Check <input type="checkbox"/> Money Order	Received the Amount Stated Above Marissa L. Pagdanga COLLECTING OFFICER
Treasury Warrant, Check, Money Order Number Check-Sterling Bank-000039352/ 07/10/2015/	O.R. No. 1293957

NOTE: Write the number and date of this receipt on the back of treasury warrant, check or money order received.