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**ISM COMMUNICATIONS CORPORATION  
(formerly, Itogon-Suyoc Mines, Inc.)**

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(Company's Full Name)

**3F Alegria Alta Bldg. 2294 Chino Roces Ave., Makati City**

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(Company's Address)

**(02) 310-1916**

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(Telephone Number)

**December 31**

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(Fiscal Year Ending)  
(month & day)

**Quarterly Report Pursuant to Section 17  
of the Securities Regulation Code and SRC Rule 17  
(2) (b) Thereunder**

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Form Type

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Amendment Designation (if applicable)

**March 31, 2018**

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Period Ended Date

**N/A**

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(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended March 31, 2018
2. Commission identification number 808                      3. BIR Tax Identification No. 000-162-935V
4. Exact name of issuer as specified in its charter                      ISM Communications Corporation
5. Province, country or other jurisdiction of incorporation or organization                      Philippines
6. Industry Classification Code:  (SEC Use Only)
7. Address of issuer's principal office                      3F Alegria Alta Bldg. 2294 Chino Roces Ave., Makati City  
Postal Code                      1232
8. Issuer's telephone number, including area code                      (632) 310-1916
9. Former name, former address and former fiscal year, if changed since last report  
The Penthouse, Alphaland Southgate Tower, 2258 Chino Roces Avenue corner EDSA, Makati City

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
Common P1.00 par value	1,074,324,234 common shares, exclusive of 841,945,107 of treasury shares

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

Yes  No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 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 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

## Part I – Financial Information

Item 1. Financial Statements See attached

### Basis of Preparation

*The interim financial statements have been prepared in accordance with the Philippine Financial Reporting Standards.*

There are no changes in estimates of amounts reported in the prior financial periods.

The Company has not declared any dividends for the last three fiscal years.

There is no disclosure on segment information in the Company's annual financial statements.

There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements.

There are no contingent liabilities or contingent assets since the last annual balance sheet date.

There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

### Earnings Per Share

The Earnings per Share (EPS) is determined by dividing net income for the period by the weighted average number of common shares outstanding during the period. Diluted Earnings per Share, on the other hand, is computed as aforementioned and assuming further that all outstanding options and warrants are exercised at the beginning of the period.

The weighted average number of common shares used in determining basic and diluted earnings per share is shown below:

	Basic	Diluted
March 31, 2018	1,074,324,234	1,074,324,234
March 31, 2017	1,074,324,234	1,074,324,234

### Initial Recognition of Financial Instruments

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The fair value of the consideration given or received is determined by reference to the transaction price or other market prices. If such market prices are not reliably determinable, the fair value of the consideration is estimated as the sum of all future cash payments or receipts, discounted using the prevailing market rate of interest for similar instruments with similar maturities. The initial measurement of financial instruments, except for those designated at fair value through profit or loss (FVPL), includes transaction cost.

Subsequent to initial recognition, the Company classifies its financial assets in the following categories: held-to-maturity (HTM) financial assets, available-for-sale (AFS) financial assets, FVPL financial assets, and loans and receivables. The classification depends on the purpose for which the investments are acquired and whether they are quoted in an active market. Management determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-

evaluates such designation at every reporting date. The measurement of financial instruments subsequent to initial recognition is described below.

- *Cash and Cash Equivalents.* Cash includes cash on hand and in banks and is stated at its face value. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and that are subject to an insignificant risk of changes in value.
- *Loans and Receivables.* Loans and receivables are non-derivative financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market. They are not entered into with the intention of immediate or short-term resale and are not designated as AFS or financial assets at FVPL. After initial measurement, the loans and receivables are subsequently measured at amortized cost using the effective interest rate method, less allowance for impairment. Gains and losses are recognized in the consolidated statements of income when the loans and receivables are derecognized or impaired, as well as through amortization process.

The Company's receivables are included in this category.

- *Other Financial Liabilities.* This category pertains to financial liabilities that are not held for trading or not designated as at FVPL at the inception of the liability. Other financial liabilities are initially measured at fair value plus transaction costs. Subsequently, these are measured at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount and any directly attributable transaction costs.

Included in this category are the Company's accounts payable and accrued expenses.

#### New or Revised Standards, Amendments to Standards and Interpretations Not Yet Adopted

A number of new and revised standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2016, and have not been applied in preparing these interim financial statements. None of these is expected to have a significant impact on the interim financial statements of the Company, except for PFRS 9, Financial Instruments, which becomes mandatory for the Company's 2018 financial statement and could change the classification and measurement of financial assets including a new expected credit loss model for calculating impairment, guidance on own credit risk on financial liabilities measured at fair value and supplements the new general hedge accounting requirements published in 2013. PFRS 9 incorporates new hedge accounting requirements that represent a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management. The Company does not plan to adopt this standard early and the extent of the impact has not been determined.

The Company will adopt the following new and revised standards and amendments to standards in the respective effective dates:

*Effective January 1, 2019, with early adoption permitted*

- PFRS 16 Leases (superseding PAS 17 Leases)

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The current capitalization of the Company, and expected future revenues from its various investment activities are projected to sufficiently meet the Company's operating cash requirements. The Company intends to utilize internally generated funds to finance the acquisition of computer and other equipment, if any. These acquisitions, and facilities, are not expected to be of material amounts.

The Company does not expect to conduct any product research and development in the foreseeable future.

No extraordinary purchase or sale of plant and equipment are expected beyond those in the regular course of the Company's operations. All purchases will be financed through internally-generated funds and existing capitalization.

Hiring of employees will be done in the regular course of business, if necessary.

There are no known trends, events or uncertainties that are reasonably expected to have a material impact on the Company's revenues or continuing operations.

### RESULTS OF OPERATION

	January to March	
<b>INCOME STATEMENT</b>	<b>2018</b>	<b>2017</b>
Other Income - net	18,019,550	(12,021,931)
Expenses	5,932,323	6,454,934
Net Income	12,087,227	(18,476,866)
Retained Earnings at Beginning of Period	836,040,202	1,177,459,565
Retained Earnings at End of Period	848,113,705	1,158,904,093
<b>BALANCE SHEET</b>		
Current Assets	1,165,384,859	1,403,235,392
Total Assets	1,912,154,302	2,169,270,041
Total Liabilities	2,076,651	2,076,651
Total Equity	1910,823,388	2,167,193,390

#### Results of Operation for the First Three Months of 2018 and 2017 (Based on Income Statement (IS) for Mar 31 2018 and Mar 31 2017)

In 2017, the Company entered into a service agreement to provide administrative services to its associate. Income earned from this agreement is booked under Other Income – net.

Total other income – net of the Company for the first three months of 2018 totaled ₱18.02 million, which is higher than the (₱12.02) million other income for the same period in the previous year. This is mainly due to higher foreign exchange gain and the Company's share in the earnings of its associate, which incurred a lower net loss in the first three months of 2018.

The Company generated a net income of ₱12.09 million in the first three months of 2018 while the Company generated a net loss of ₱18.48 million pesos for the same period the year before.

The Company's key performance indicators for the three months ended March 31, 2018 and 2017 are the following:

<b>Financial Ratios</b>	<b>Mar 31, 2018</b>	<b>Mar 31, 2017</b>
Current Ratio (Current Assets/Current Liabilities)	<b>875.63 : 1.00</b>	675.72 : 1.00
Asset to Equity Ratio (Total Assets / Total Equity)	<b>1.00 : 1.00</b>	1.00 : 1.00
Debt to Asset Ratio (Total Liabilities / Total Assets)	<b>0.00 : 1.00</b>	0.00 : 1.00
Debt to Equity Ratio (Total Liabilities / Total Equity)	<b>0.00 : 1.00</b>	0.00 : 1.00
Return on Total Assets (Net Income / Total Assets)	<b>0.63%</b>	-0.86%
Return on Total Equity (Net Income / Total Equity)	<b>0.63%</b>	-0.86%

Discussion on the Balance Sheets (BS) for the periods ending March 31, 2018 and December 31, 2017:

#### *Cash and Cash Equivalents*

Cash and cash equivalents stood at ₱20.39 million at end of March 31, 2018 compared to ₱71.06 million at December 31, 2017. The decrease can be attributed to the placement of additional funds in repurchase transactions, which are classified as short-term receivables.

#### *Receivables*

There is a decrease in the net receivable of the Company from December 31, 2017 to March 31, 2018 due to the conversion of ₱290.98 million of the short-term loans to preferred shares in Acentic.

The outstanding balance is a sum of the repurchase transaction placements of ₱1,070.71 million, remaining balance from the sale of ETPI assets of ₱307.77, short term loans to Acentic GmbH, including interest of ₱68.35 million. The outstanding balance also includes the provision of ₱307.77 million allowance for doubtful accounts.

#### *Other Current Assets*

The increase in other current assets is mainly due to the increase in input VAT.

#### *Property and Equipment – net*

As of March 31, 2018, property and equipment net of depreciation amounted to ₱1,030.82 million. This consists of the Company's transportation equipment, leasehold improvement, office and computer equipment and other fixed assets.

#### *Investments in associates, AFS and shares of stock*

As of reporting date, the book values of the Company's investments are as follows – a.) in PBCom: ₱114.89 million; b.) SBC IMA: ₱326.81 million; c.) in Acentic: ₱301.98 million; d.) in Alphaforce: ₱2.0 million; and e.) in ISM Equities: ₱0.06 million.

#### *Accounts Payable and Accrued Expenses*

The substantial decrease is attributable to the closure of the due to non-affiliated companies' account.

#### *Notes Payable*

This has been fully paid on November 2016.

## Quantitative and Qualitative Disclosures on Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables and accounts payable and accrued expenses. The main risks arising from the use of these financial instruments are credit risk, liquidity risk and market risk.

### *Credit Risk*

The carrying amounts of the financial assets represent the Company's maximum credit exposure. The maximum exposure to credit risk at March 31, 2017 as follows:

Receivables – net	₱1,139,462,620
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The aging of receivables as of March 31, 2018 is shown on a separate schedule.

### *Liquidity Risk*

The risk that the Company will be unable to meet its obligations as they fall due. To effectively manage liquidity risk, the Company monitors its cash flows and ensures that credit facilities are available to meet its obligation when they fall due.

The Company's ratio of current assets to current liabilities as of March 31, 2018 was at 875.63:1.

### *Market Risk*

The risk that changes in market prices, such as foreign exchange rates, interest rates and other market prices will affect the Company's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### *Fair Values*

The fair values of the Company's financial instruments approximate their carrying amounts as of balance sheet date either because of their relatively short-term nature or the interest rates they carry approximate interest rates for comparable instruments in the market.

There are no known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

The current capitalization of the Company and expected future revenues from its investments are projected to sufficiently meet the Company's operating cash requirements. Acquisition of computer and other equipment, if any, will be financed by existing capitalization and internally generated funds. These acquisitions and facilities are not expected to be of material amounts.

No extraordinary purchase or sale of plant and equipment are expected beyond those in the regular course of the Company's operations. All purchases will be financed through internally-generated funds and existing capitalization.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the Company's revenues or continuing operations.

There are no seasonal aspects that had a material effect on the Company's financial condition or results of operations.

## Part II – Other Information

There are no disclosures not reported under SEC Form 17-C.


### SIGNATURES

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

#### ISM COMMUNICATIONS CORPORATION

Registrant

  
JUSTINNE DIZON-DE LUZURIAGA  
Acting Treasurer

  
ERIC O. RECTO  
Chairman/CEO

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May \_\_, 2018

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*Quarterly Report – January 1, 2018 to March 31, 2018*



**ISM Communications Corporation**  
**STATEMENTS OF FINANCIAL POSITION**

	Mar 31 2018 (Unaudited)	Dec 31 2017 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 1)	20,385,072	35,939,677
Receivables - net (Note 2)	1,139,462,620	1,411,240,082
Other current assets - net (Note 3)	5,537,167	5,396,534
<b>Total Current Assets</b>	<b>1,165,384,859</b>	<b>1,452,576,293</b>
<b>Noncurrent Asset</b>		
Available-for-sale financial assets (Note 4)	443,695,518	452,456,823
Investments in associates and a subsidiary (Note 5)	302,043,108	3,093,689
Property and equipment - net (Note 6)	1,030,817	1,405,407
<b>Total Noncurrent Assets</b>	<b>746,769,443</b>	<b>456,955,919</b>
<b>TOTAL ASSETS</b>	<b>1,912,154,302</b>	<b>1,909,532,212</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses (Note 7)	1,314,768	359,955
Income tax payable	16,145	2,420
<b>Total Current Liabilities</b>	<b>1,330,913</b>	<b>362,375</b>
<b>Total Liabilities</b>	<b>1,330,913</b>	<b>362,375</b>
<b>Equity</b>		
Capital stock	1,916,269,341	1,916,269,341
Additional paid-in capital	455,329,483	455,329,483
Retained earnings	848,113,705	836,040,202
Cumulative unrealized fair value loss on available-for-sale financial assets	(13,969,348)	(13,008,811)
Cumulative translation adjustment	(15,133,765)	(5,674,352)
Treasury stock	(1,279,786,026)	(1,279,786,026)
<b>Total Equity</b>	<b>1,910,823,389</b>	<b>1,909,169,837</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,912,154,302</b>	<b>1,909,532,212</b>

**ISM Communications Corporation**  
**STATEMENTS OF COMPREHENSIVE INCOME**

	Mar 31 2018 (Unaudited)	Mar 31 2017 (Unaudited)
<b>INCOME</b>	-	-
<b>OPERATING COSTS AND EXPENSES</b> (Note 8)	<b>5,932,323</b>	6,454,934
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>(5,932,323)</b>	<b>(6,454,934)</b>
<b>OTHER INCOME (EXPENSES)</b>		
Interest income	5,616,865	7,905,091
Foreign exchange gain (loss)	29,513,571	913,837
Others - net	60,000	600,000
	<b>35,190,435</b>	<b>9,418,928</b>
<b>EQUITY IN NET EARNINGS (LOSSES) OF ASSOCIATES</b>	<b>(17,170,885)</b>	<b>(21,440,859)</b>
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>12,087,227</b>	<b>(18,476,865)</b>
<b>INCOME TAX EXPENSE</b>	<b>13,725</b>	<b>78,606</b>
<b>NET INCOME (LOSS)</b>	<b>12,073,503</b>	<b>(18,555,471)</b>
<b>EARNINGS (LOSS) PER SHARE</b>		
Basic	0.0112	(0.0173)
Diluted	0.0112	(0.0173)
Trailing 12 months	(0.2226)	(0.0124)

**ISM Communications Corporation**  
**STATEMENTS OF CHANGES IN EQUITY**

	<b>Mar 31 2018</b> <b>(Unaudited)</b>	<b>Mar 31 2017</b> <b>(Unaudited)</b>
<b>CAPITAL STOCK</b>		
(Authorized - 2,800,000,000 shares @ P1.00 par; Issued and subscribed – 1,916,269,341, inclusive of 841,945,107 treasury shares)	<b>1,916,269,341</b>	1,916,269,341
<b>ADDITIONAL PAID IN CAPITAL</b>	<b>455,329,483</b>	455,329,483
<b>RETAINED EARNINGS</b>		
Balance at beginning of the year	<b>836,040,202</b>	1,177,459,565
Net Income (Loss) for the period	<b>12,073,503</b>	<b>(18,555,472)</b>
	<b>848,113,705</b>	1,158,904,093
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>	<b>(29,103,115)</b>	<b>(83,523,501)</b>
<b>TREASURY SHARES – 841,945,107 shares at cost</b>	<b>(1,279,786,026)</b>	<b>(1,279,786,026)</b>
	<b>1,910,823,388</b>	2,167,193,390

**ISM Communications Corporation**  
**STATEMENTS OF CASH FLOWS**

	Mar 31 2018 (Unaudited)	Mar 31 2017 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) before income tax	12,087,227	(18,555,472)
Adjustments for:		
Equity in net losses (gains) of associates	17,170,885	21,440,859
Depreciation	441,287	535,816
Unrealized foreign exchange loss (gain) - net	(29,513,571)	(913,837)
Interest income	(5,616,865)	(7,905,090)
Operating income before working capital changes	(5,431,036)	(5,397,724)
Decrease (increase) in:		
Receivables	39,922	47,992,391
Other current assets	(140,633)	(75,387)
Increase (decrease) in:		
Accounts payable and accrued expenses	954,813	231,242
Cash generated from (absorbed by) operations	(4,576,934)	42,750,522
Interest received	4,446,848	4,671,876
Net cash provided by (used in) operating activities	(130,086)	47,422,398
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(66,696)	(88,856)
Advances made to affiliated company	(16,065,450)	(21,036,622)
Repurchase agreements	(1,838,388)	(4,592,032)
Net cash provided by (used in) an investing activity	(17,970,534)	(25,717,510)
<b>EFFECTS OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS</b>		
	2,546,015	365,323
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(15,554,605)</b>	<b>22,070,211</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>35,939,677</b>	<b>48,990,202</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>20,385,072</b>	<b>71,060,413</b>

**ISM Communications Corporation**  
NOTES TO FINANCIAL STATEMENTS

Note 1 – Cash and cash equivalents

	Mar 31 2018 (Unaudited)	Dec 31 2017 (Audited)
<b>Cash and cash equivalents</b>		
Petty Cash	15,000.00	15,000.00
Cash in banks	9,069,281.63	35,924,677.38
Short term investments	11,300,790.08	-
	<b>20,385,071.71</b>	<b>35,939,677.38</b>

Note 2 – Receivables (net)

	Mar 31 2018 (Unaudited)	Dec 31 2017 (Audited)
<b>Receivables - net</b>		
Short term receivables	1,070,705,304.12	1,068,866,916.34
Sale of ETPI assets	307,777,692.00	307,777,692.00
Notes receivable	68,294,810.77	327,001,787.46
Interest receivable	55,090.48	15,216,905.00
Others	407,414.68	154,472.93
Subtotal	1,447,240,312.05	1,719,017,773.73
Allowance for impairment	(307,777,692.00)	(307,777,692.00)
	<b>1,139,462,620.05</b>	<b>1,411,240,081.73</b>

Note 3 – Other current assets (net)

	Mar 31 2018 (Unaudited)	Dec 31 2017 (Audited)
<b>Other current assets - net</b>		
Input VAT	7,229,560.20	7,082,436.10
Prepaid expenses	2,702,118.07	2,708,609.32
Subtotal	9,931,678.27	9,791,045.42
Allowance for impairment - VAT	(4,394,511.76)	(4,394,511.76)
	<b>5,537,166.51</b>	<b>5,396,533.66</b>

Note 4 – Available-for-sale (AFS) financial assets

	Mar 31 2018 (Unaudited)	Dec 31 2017 (Audited)
<b>Available-for-sale financial assets</b>		
Quoted	441,695,567.62	450,456,872.79
Unquoted	1,999,950.33	1,999,950.33
	<b>443,695,517.95</b>	<b>452,456,823.12</b>

Note 5 – Investment in associates and in subsidiary

	Mar 31 2018 (Unaudited)	Dec 31 2017 (Audited)
<b>Investments in associates and a subsidiary</b>		
Investment in associate	301,980,607.67	3,031,188.95
Investment in subsidiary	62,500.00	62,500.00
	<b>302,043,107.67</b>	<b>3,093,688.95</b>

Note 6 – Property and equipment (net)

	Transportation Equipment	Computer Equipment	Furniture and Fixtures	Office Equipment	Computer Software	Leasehold Improvements	Network and Data Equipment	Total
<b>Cost</b>								
1-Jan-16	8,741,102	915,966	1,106,848	179,207	96,370	10,303,700	1,965,625	23,308,818
Additions (Disposal)	535,714	-	-	-	-	-	-	535,714
31-Dec-16	9,276,816	915,966	1,106,848	179,207	96,370	10,303,700	1,965,625	23,844,532
Additions (Disposal)	-	-	-	88,856	-	-	-	88,856
31-Dec-17	9,276,816	915,966	1,106,848	268,063	96,370	10,303,700	1,965,625	23,933,388
Additions (Disposal)	66,696	-	-	-	-	-	-	66,696
31-Mar-18	9,343,512	915,966	1,106,848	268,063	96,370	10,303,700	1,965,625	24,000,084
<b>Accumulated Depreciation</b>								
1-Jan-16	4,530,864	760,806	1,031,848	111,116	60,336	10,303,700	1,965,625	18,764,295
Depreciation and amortization	1,803,276	89,520	20,000	24,563	9,637	-	-	1,946,996
31-Dec-16	6,334,140	850,326	1,051,848	135,679	69,973	10,303,700	1,965,625	20,711,291
Depreciation and amortization	1,705,873	65,639	20,000	15,542	9,637	-	-	1,816,691
31-Dec-17	8,040,013	915,965	1,071,848	151,221	79,610	10,303,700	1,965,625	22,527,982
Depreciation and amortization	430,174	-	5,000	3,704	2,409	-	-	441,287
31-Mar-18	8,470,187	915,965	1,076,848	154,925	82,019	10,303,700	1,965,625	22,969,269
<b>Carrying Amount</b>								
31-Dec-16	2,942,676	65,640	55,000	43,528	26,397	-	-	3,133,241
31-Dec-17	1,236,803	1	35,000	116,842	16,760	-	-	1,405,406
31-Mar-18	873,326	1	30,000	113,138	14,351	-	-	1,030,816

Note 7 – Accounts payable and accrued expenses

	Mar 31 2018 (Unaudited)	Dec 31 2017 (Audited)
Trade payables	39,285.71	39,285.71
Accrued expenses	1,006,243.47	14,577.57
Payable to government agencies	269,238.43	306,091.72
	<b>1,314,767.61</b>	<b>359,955.00</b>

Note 8 – Operating costs and expenses

	Jan to Mar 2018 (Unaudited)	Jan to Mar 2017 (Unaudited)
Salary and administrative	3,580,604	3,387,967
Professional fees	837,694	1,049,550
Representation and entertainment	355,874	382,221
Depreciation and amortization	441,287	535,816
Taxes and licenses	16,377	11,861
Transportation and travel	54,636	358,202
Rentals	208,060	207,600
Utilities	135,773	100,841
Printing and office supplies	15,065	62,887
Miscellaneous	286,954	357,988
	<u>5,932,323</u>	<u>6,454,933</u>

**ISM Communications Corporation**  
 AGING OF RECEIVABLES

	Balance	Current	> 30 but < 60	> 60 but < 90	> 90 but < 120	> 120
Loans Receivable	68,294,811	68,294,811	-	-	-	-
Interest Receivable	55,090	39,922	-	-	-	15,168
Short-term Receivables	1,070,705,304	1,070,705,304	-	-	-	-
Other Receivables	407,415	58,396	67,798	69,501	-	211,720
	<b>1,139,462,621</b>	<b>1,139,098,433</b>	<b>67,798</b>	<b>69,501</b>	<b>-</b>	<b>226,888</b>