



# SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307 Metro Manila Philippines  
Tel: (632) 818-0921 Fax: (632) 818-5293 Email: mis@sec.gov.ph



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## Company Information

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SEC Registration No.: CS201540355

Company Name: ALLIED CARE EXPERTS (ACE) MEDICAL CENTER-ZAMBOANGA CITY, INC.

Industry Classification: N85121

Company Type: Stock Corporation

## Document Information

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Document ID: OST1071320228599207

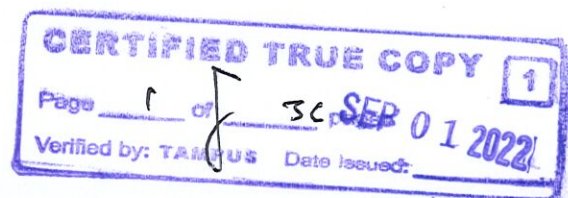
Document Type: Financial Statement

Document Code: FS

Period Covered: December 31, 2019

Submission Type: Amendment

Remarks: None



**COVER SHEET**  
for  
**AUDITED AMENDED FINANCIAL STATEMENTS**



SEC Registration Number

C S 2 0 1 5 4 0 3 5 5

**Company Name**

ALLIED CARE EXPERTS (ACE)  
MEDICAL CENTER - ZAMBOANGA  
CITY, INC.

**Principal Office ( No./Street/Barangay/City/Town/Province)**

64 TOMAS CLAUDIO ST.  
ZAMBOANGA CITY

Form Type

F S 1 9

Department requiring the report

S E C

Secondary License Type, if Applicable

N / A

**COMPANY INFORMATION**

Company's Email Address

acemczamboanga@gmail.com

Company's Telephone Number/s

991-3928

Mobile Number/s

09177799878

No. of Stockholders

FIFTY THREE (53)

Annual Meeting  
Month/Day

2ND SUNDAY OF MAY

Fiscal Year  
Month/Day

DECEMBER 31

**CONTACT PERSON INFORMATION**

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

JAMES ROBERTSON PICHEL

Email Address

acemczamboanga.corpsec@  
gmail.com

Telephone Number/s

991-9893

Mobile Number

09177799816

Contact Person's Address

133 CANELAR ST., ZAMBOANGA CITY

Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.  
Note 2: All boxes must be properly and completely filled up. Failure to do so shall cause the delay in updating the Corporation's record with the Commission and/or nonreceipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the Corporation from liability for its deficiencies.







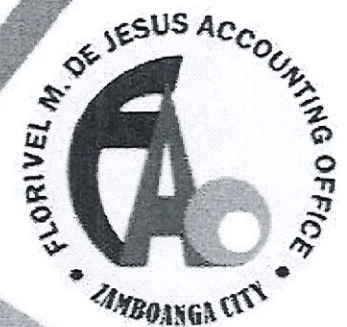
Securities and  
Exchange  
Commission  
PHILIPPINES

# ALLIED CARE EXPERTS (ACE) MEDICAL CENTER – ZAMBOANGA CITY, INC.

64 Tomas Claudio Street, Zamboanga City  
TIN: 478-905-770-000  
President: James Robertson C. Pichel

Audited Amended Financial Statements  
For the years ended December 31, 2019 and 2018

And Independent Auditor's Report  
(In Philippine Peso)



**FLORIVEL M. DE JESUS**  
Certified Public Accountant  
Contact No. (062) 991-1011 | 955-3563 | 955-5912  
Direct Line No. (062) 926-3874  
Accredited By: Bureau of Internal Revenue (BIR)  
Board of Accountancy (BOA)  
Securities & Exchange Commission (SEC)  
Cooperative Development Authority (CDA)

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## Statement of Management's Responsibility for Financial Statements

The management of ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC. is responsible for the preparation and fair presentation of the amended financial statements including the schedules attached therein, for the years ended December 31, 2019 and 2018, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of amended financial statements that are free from material misstatement, whether due to fraud or error.

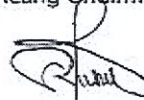
In preparing the amended financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

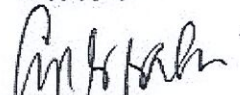
The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the amended financial statements including the schedules attached therein and submits the same to the shareholders.

Florivel M. De Jesus, the independent auditor appointed by the shareholders, has audited the amended financial statements of the Company in accordance with Philippine Standards on Auditing, and in her report to the shareholders, has expressed her opinion on the fairness of presentation upon completion of such audit.

  
**EDUARDO A. ONG**  
Acting Chairman of the Board

  
**JAMES ROBERTSON C. PICHEL**  
President

  
**LIEZA G. SAHI**  
Chief Financial Officer

Signed this 25th day of April 2022



## Statement of Management's Responsibility for Annual Income Tax Return

The management of **ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC.** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2019. Management is likewise responsible for all information and representations contained in the amended financial statements accompanying the Annual Income Tax Return or Annual Information 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 (VAT) 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 amended financial statements for the years ended December 31, 2019 and 2018 and the accompanying Annual Income Tax Return are in accordance with the books and records of **ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, 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 amended 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 (RR) No. 8-2007 and other relevant issuances;
- c) The management of **ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, 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.

The Board of Directors reviews the amended financial statements including the schedules attached therein, before such statements are approved and submitted to the shareholders of the Company.

Florivel M. De Jesus, the independent auditor appointed by the shareholders, has examined the amended financial statements of the Company in accordance with Philippine Standards on Auditing and has expressed her opinion on the fairness of presentation upon completion of such examination, in her report to the shareholders.

  
**JAMES ROBERTSON C. MICHEL**  
President

  
**EDUARDO A. ONG**  
Acting Chairman of the Board

  
**LIEZA O. SAPI**  
Chief Financial Officer

Signed this 25th day of April 2022







## FLORIVEL M. DE JESUS ACCOUNTING & AUDITING OFFICE

3rd Floor, JSB Building, Don Alfaro Street, Tetuan, Zamboanga City, Philippines 7000

Email Address: flordj36@yahoo.com

Contact No. (062) 991-1011 | 955-3563 | 955-8512 Direct Line No. 926-6408 | 926-6308 | 926-3874

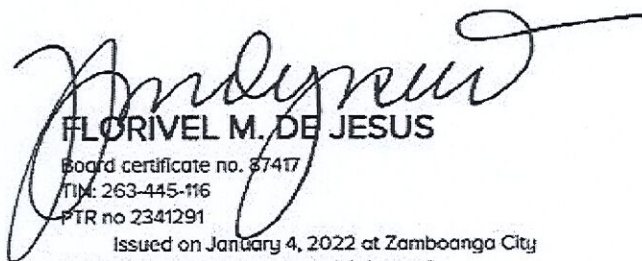
### TO THE SECURITIES AND EXCHANGE COMMISSION:



In connection with my examination of the amended financial statements of **ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC.** for the year ended December 31, 2019, which are herewith submitted to the Securities and Exchange Commission, I hereby represent the following:

1. That said amended financial statements herewith were prepared and presented in conformity with the Philippine Financial Reporting Standards for Small and Medium-Sized Entities (PFRS for SMEs) in all cases where I shall express an unmodified opinion; except that in case of any departure from such principles, I shall indicate the nature of the departure, the effects thereof and the reasons why compliance with the principles would result in a misleading statement, if such is a fact;
2. That as the conduct of my audit, I adhered to the Philippine Standards on Auditing promulgated by the Board of Accountancy; in case of any departure from such standards or any limitation in the scope of my examination, I shall indicate the nature of the departure and the extent of the limitation, the reasons therefore and the effects thereof on the expression of my opinion or which may necessitate the negation of the expression of an opinion;
3. That I am qualified as provided for in Section 14 of the Code of Professional Ethics for the Certified Public Accountants;
4. That I shall comply with the applicable rules and regulations of the Securities and Exchange Commission in the preparation and submission of the amended financial statements;
5. That I am fully aware of my responsibility as an independent auditor for the audit certificate issued and attached to the amended financial statements and the sanctions to be bestowed on me for any misrepresentations that I may have willingly or unwillingly committed; and
6. That I am an active officer of the PICPA Zamboanga-Basilan-Jolo, Sulu-Tawi-Tawi Chapter, in the active practice of the accounting profession and duly registered with the Board of Accountancy (BOA).

As a CPA engaged in public practice pursuant to Board Resolution No. 38, Series of 1990, Board of Accountancy, approved on February 19, 1990 by the Professional Regulation Commission, I make these representations in my individual capacity and as an accountant in the accounting firm of Florivel M. De Jesus Accounting and Auditing Office.

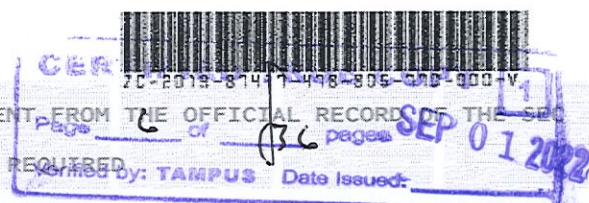
  
**FLORIVEL M. DE JESUS**  
Board certificate no. 87417  
TIN: 263-445-116  
PTR no 2341291

Issued on January 4, 2022 at Zamboanga City  
SEC accreditation no. 87417-SEC Group C  
Issued on February 22, 2021 until February 21, 2025  
BIR accreditation no: AN-15001997-1-2019  
Issued on July 12, 2019 until July 11, 2022  
BOA accreditation no.0727  
Issued on November 5, 2020 until January 29, 2024  
DTI no. 05900738  
Issued on March 12, 2019 until March 12, 2024  
CDA accreditation no. 0923  
Issued on June 4, 2020 until June 3, 2023

April 25, 2022

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# FLORIVEL M. DE JESUS ACCOUNTING & AUDITING OFFICE

3rd Floor, JSB Building, Don Alfaro Street, Tetuan, Zamboanga City, Philippines 7000

Email Address: flordj36@yahoo.com

Contact No. (062) 991-1011 | 955-3563 | 955-8512 Direct Line No. 926-6408 | 926-6308 | 926-3874

## INDEPENDENT AUDITOR'S REPORT

THE SHAREHOLDERS AND THE BOARD OF DIRECTORS  
ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC.  
64 Tomas Claudio Street, Zamboanga City



### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OPINION

I have audited the amended financial statements of ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC. (the Company), which comprise the statements of financial position as at December 31, 2019 and 2018, and the statements of comprehensive income, statements of changes in shareholders' equity, and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying amended financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Small and Medium-Sized Entities (PFRS for SMEs).

#### BASIS FOR OPINION

I conducted my audit in accordance with Philippine Standards on Auditing (PSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to my audit of the amended financial statements in the Philippines, and I have fulfilled my ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### OTHER MATTER

The financial statements of the Company for the year ended December 31, 2019 were amended due to the recent rectification of the Company's records pertaining to the calendar year then ended. As such, those charged with governance approved the amendment in the financial statements to properly reflect the financial position of the Company. My present opinion on the amended financial statements, as presented herein, does not differ from that expressed in my previous report dated March 30, 2020.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

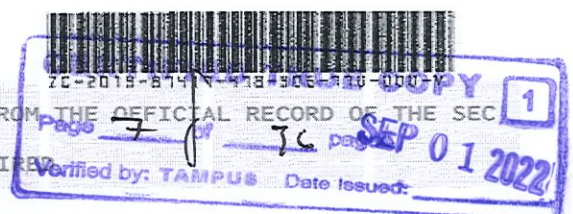
Management is responsible for the preparation and fair presentation of the amended financial statements in accordance with PFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of amended financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the amended financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the amended financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these amended financial statements.

As part of an audit in accordance with PSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the amended financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the amended financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the amended financial statements, including the disclosures, and whether the amended financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.







# FLORIVEL M. DE JESUS ACCOUNTING & AUDITING OFFICE

3rd Floor, JSB Building, Don Alfaro Street, Tetuan, Zamboanga City, Philippines 7000

Email Address: flordj36@yahoo.com

Contact No. (062) 991-1011 | 955-3563 | 955-8512 Direct Line No. 926-6408 | 926-6308 | 926-3874

## REPORT ON THE SUPPLEMENTARY INFORMATION REQUIRED UNDER REVENUE REGULATION 15-2010

My audit was conducted for the purpose of forming an opinion on the basic amended financial statements taken as a whole. The supplementary information on taxes, duties, and license fees in the notes to the amended financial statements is presented for purposes of filing with the Bureau of Internal Revenue (BIR) and is not a required part of the basic amended financial statements. Such information is the responsibility of the management of ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC. The information has been subjected to the auditing procedures applied in my audit of the basic amended financial statements. In my opinion, the information is fairly stated in all material respects, in relation to the basic amended financial statements taken as a whole.



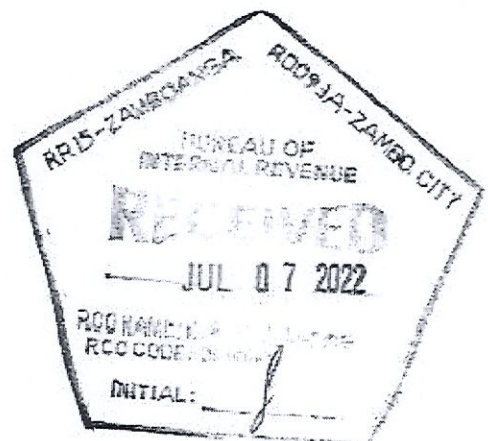
## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

My audit was conducted for the purpose of forming an opinion on the basic amended financial statements of ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC. as a whole. The supplementary information shown in the supporting schedules is presented for the purpose of additional analysis and is not a required part of the basic amended financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic amended financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic amended financial statements taken as a whole.

*Florivel M. de Jesus*  
**FLORIVEL M. DE JESUS**

- Board certificate no. 87417
- TIN: 763-445-116
- BIR no 2341291
- Issued on January 4, 2022 at Zamboanga City
- SEC accreditation no. 87417-SEC Group C
- Issued on February 22, 2021 until February 21, 2025
- BIR accreditation no: AN-15001997-1-2019
- Issued on July 12, 2019 until July 11, 2022
- BOA accreditation no.0727
- Issued on November 5, 2020 until January 29, 2024
- DTI no. 05900738
- Issued on March 12, 2019 until March 12, 2024
- CDA accreditation no. 0323
- Issued on June 4, 2020 until June 3, 2023

April 25, 2022



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# FLORIVEL M. DE JESUS ACCOUNTING & AUDITING OFFICE

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Email Address: flordj36@yahoo.com

Contact No. (062) 991-1011 | 955-3563 | 955-8512 Direct Line No. 926-6408 | 926-6308 | 926-3874

## CERTIFICATE OF TAXPAYER COMPLIANCE



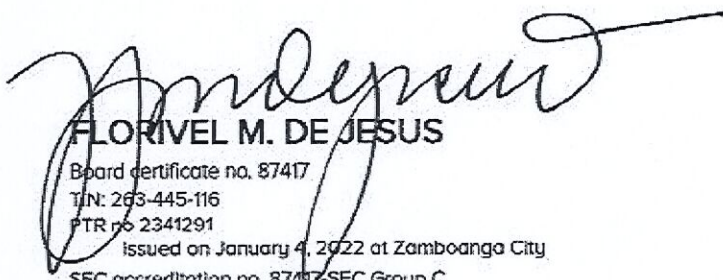
The Commissioner of Internal Revenue  
Department of Finance  
Manila

I have examined the amended financial statements of **ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC.** for the year ended December 31, 2019 on which I have rendered an independent auditor's report dated April 25, 2022.

In compliance with Revenue Regulation (RR) No. 3-90, I have performed the procedures necessary to determine the Company's tax obligation and verified the extent of its compliance with the requirements prescribed in said revenue regulation. My examination of the aforementioned returns and business records, which was made in accordance with pertinent Philippine Standards on Auditing, disclosed the following:

- a) The Company is a value-added tax (VAT) registered entity and thus, subject to VAT. Input taxes claimed for VAT purposes are duly covered by invoices received from VAT-registered suppliers.
- b) The Company will engage in VAT-exempt sales transactions in accordance with RR No. 16-2005. As such, medical, dental, hospital and veterinary services, except those rendered by professionals, are not subject to VAT. Additionally, laboratory services are also exempted (Sec. 4.109-1[G]).
- c) The monthly, quarterly, and annual returns of creditable income taxes withheld by the Company comply with the rules and regulations set by the National Internal Revenue Code applicable to withholding taxes.
- d) Items of income and deductions reflected in the Company's Annual Income Tax Return are substantially in accordance with existing provisions of the tax code and revenue rules and regulations.

Furthermore, in compliance with RR No. V-20, I hereby state that the kinds and amounts of taxes and licenses paid and accrued by the Company for the year ended December 31, 2019 are shown in the schedule of supplementary information as shown in the notes to the financial statements and I am not related by consanguinity or affinity within the fourth civil degree of relationship to the president, manager or principal shareholders of the Company and have no interest whatsoever in the Company directly or indirectly.

  
**FLORIVEL M. DE JESUS**  
Board certificate no. 87417  
TIN: 263-445-116  
PTR no 2341291

Issued on January 4, 2022 at Zamboanga City  
SEC accreditation no. 87407-SEC Group C  
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April 25, 2022

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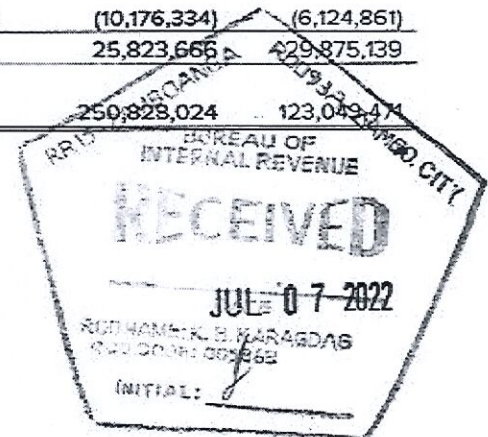


**STATEMENTS OF FINANCIAL POSITION**

As of December 31  
(In Philippine Peso)

	Notes	2019	2018
<b>ASSETS</b>			
<i>Current assets</i>			
Cash	4	136,144,341	65,962,501
Other current asset	16.3	8,998,505	4,389,288
<b>Total current assets</b>		<b>145,142,846</b>	<b>70,351,789</b>
<i>Noncurrent assets</i>			
Property and equipment, net	5	34,045,009	18,220,878
Construction in progress	6	71,640,169	34,470,804
<b>Total noncurrent assets</b>		<b>105,685,178</b>	<b>52,691,682</b>
<b>TOTAL ASSETS</b>		<b>250,828,024</b>	<b>123,043,471</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<i>Current liabilities</i>			
Trade and other payables	7	4,358	4,400
<i>Noncurrent liabilities</i>			
Due to related parties	15	-	3,163,932
Loans payable	8	225,000,000	90,000,000
<b>Total noncurrent liabilities</b>		<b>225,000,000</b>	<b>93,163,932</b>
<b>Total liabilities</b>		<b>225,004,358</b>	<b>93,168,332</b>
<i>Shareholders' equity</i>			
Share capital	9	36,000,000	36,000,000
<i>Authorized 180,000 preferred shares at Php1,000 par value; 179,400 common shares at Php1,000 par value; 600 founder shares at Php1,000 par value</i>			
<i>Issued and outstanding 135,250 preferred shares at par; 134,650 common shares at par; 600 founder shares at par</i>			
Retained earnings (deficit)	10	(10,176,334)	(6,124,861)
<b>Total shareholders' equity</b>		<b>25,823,666</b>	<b>429,875,139</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>250,828,024</b>	<b>123,043,471</b>

See notes to the financial statements





## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31  
(In Philippine Peso)

	Notes	2019	2018
Revenues	11	-	-
Cost of revenues	12	-	-
Gross profit		-	-
Operating expenses	13	(3,038,973)	(967,541)
Operating loss		(3,038,973)	(967,541)
Finance cost	8	(1,012,500)	(675,000)
Loss before provision for income tax		(4,051,473)	(1,642,541)
Provision for income tax	14	-	-
<b>NET LOSS</b>		<b>(4,051,473)</b>	<b>(1,642,541)</b>

*See notes to the financial statements*





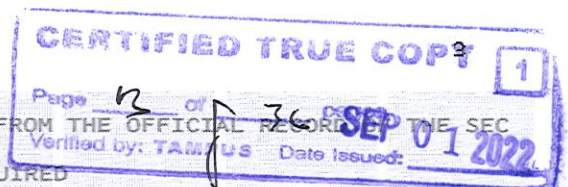
## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended December 31

(In Philippine Peso)

	Notes	2019	2018
<i>Share capital</i>			
<i>Authorized</i>			
Preferred shares - 180,000 shares, Php1,000 par value		180,000,000	180,000,000
Common shares - 179,400 shares, Php1,000 par value		179,400,000	179,400,000
Founder shares - 600 shares, Php1,000 par value		600,000	600,000
<b>Total authorized share capital</b>	<b>9</b>	<b>360,000,000</b>	<b>360,000,000</b>
<i>Subscribed</i>			
Preferred shares at January 1		135,250,000	135,250,000
Additional subscriptions		-	-
Preferred shares at December 31	9	135,250,000	135,250,000
Common shares at January 1		134,650,000	134,650,000
Additional subscriptions		-	-
Common shares at December 31	9	134,650,000	134,650,000
Founder shares at January 1		600,000	600,000
Additional subscriptions		-	-
Founder shares at December 31	9	600,000	600,000
<i>Subscription receivable</i>			
Balance at January 1		(234,500,000)	(234,500,000)
Additions during the year		-	-
Collections during the year		-	-
Balance at December 31	9	(234,500,000)	(234,500,000)
<b>Total paid-up share capital</b>	<b>9</b>	<b>36,000,000</b>	<b>36,000,000</b>
<i>Retained earnings (deficit)</i>			
<i>Unappropriated</i>			
Balance at January 1		(6,124,861)	(4,482,320)
Net loss		(4,051,473)	(1,642,541)
Balance at December 31	10	(10,176,334)	(6,124,861)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>25,823,666</b>	<b>29,875,139</b>

See notes to the financial statements





## STATEMENTS OF CASH FLOWS

For the years ended December 31

(In Philippine Peso)

	Notes	2019	2018
<i>Cash flows from operating activities:</i>			
Loss before provision for income tax		(4,051,473)	(1,642,541)
Adjustments to reconcile loss before provision for income tax to operating loss before working capital changes:			
Finance cost	8	1,012,500	675,000
Depreciation	5	150,691	15,464
Operating loss before working capital changes		(2,888,282)	(952,077)
Working capital changes:			
Decrease (increase) in:			
Other current asset	16.3	(4,609,217)	(239,929)
Increase (decrease) in:			
Trade and other payables	7	(42)	(8,675,914)
Net cash used in operating activities		(7,497,541)	(9,867,920)
<i>Cash flows from investing activities:</i>			
Acquisitions of property and equipment	5	(15,974,822)	(832,634)
Additions to construction in progress	6	(37,169,365)	(1,233,436)
Net cash used in investing activities		(53,144,187)	(2,066,070)
<i>Cash flows from financing activities:</i>			
Proceeds from loans	8	135,000,000	90,000,000
Finance cost paid	8	(1,012,500)	(675,000)
Payment of loans from related parties	15	(3,163,932)	(12,000,000)
Net cash provided by financing activities		130,823,568	77,325,000
Net increase in cash		70,181,840	65,391,010
Cash at January 1		65,962,501	571,491
<b>CASH AT DECEMBER 31</b>	4	<b>136,144,341</b>	<b>65,962,501</b>

*See notes to the financial statements*



## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

(All amounts are shown in Philippine Peso, unless otherwise stated)

### 1. CORPORATE INFORMATION AND STATUS OF OPERATIONS

ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC. is a domestic stock corporation registered with the Philippines' Securities and Exchange Commission (SEC) on December 18, 2015 with the SEC Registration No. of CS201540355. The Company is governed by a Board of Directors (BOD) consisting of fifteen (15) individuals.

The Company is a value-added tax (VAT) registered entity with the Bureau of Internal Revenue (BIR). However, it is not listed as a public entity with the Philippine Stock Exchange (PSE).

The primary purpose of the Company is to establish maintain, operate, own, and manage hospitals, medical and related healthcare facilities and business such as but without restriction to clinical laboratories, diagnostic centers, ambulatory clinics, condo-hospitals, scientific research, and other allied undertakings and services which shall provide medical, surgical, nursing, therapeutic, paramedic, or similar care, provided that purely professional, medical, or surgical services shall be performed by duly qualified and licensed physicians or surgeons who may or may not be connected with the hospitals and whose services shall be freely and individually contracted by the patients.

The principal office of the Company is located at 64 Tomas Claudio Street, Zamboanga City, Philippines. In 2019, the Company has fifteen (15) key management personnel and nine (9) employees.

The amended financial statements as of and for the years ended December 31, 2019 and 2018 were authorized for issuance by the BOD on April 25, 2022.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these amended financial statements are summarized below. These policies have been consistently applied to all periods presented, unless otherwise stated.

#### Basis of Presentation

The amended financial statements have been prepared by ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC. under the historical cost convention basis and are presented in Philippine Peso (Php), which is also the Company's functional currency. The Company uses the calendar year accounting period and adopts the accrual basis of accounting. The end of the Company's reporting period is on December 31. All values are rounded to the nearest peso, except when otherwise indicated.



## Statement of Compliance

The preparation of financial statements in conformity with the Philippine Financial Reporting Standards for Small and Medium-Sized Entities (PFRS for SMEs) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.



The financial statements have been prepared in conformity with the applicable PFRS for SMEs issued by the Financial Reporting Standards Council (FRSC). The FRSC approved the issuance of the new and revised accounting standards which are based on the International Financial Reporting Standards for Small and Medium-Sized Entities issued by the International Accounting Standards Board (IASB). PFRS for SMEs replaced Philippine Accounting Standards 101, *Financial Reporting Standards for Non-Publicly Accountable Entities*.

## Significant Accounting Policies

### Revenue recognition

Revenue is the gross inflow of economic benefits arising from the ordinary operating activities of the Company. Revenue should be measured at the fair value of the consideration received or receivable. The fair value of the consideration received, or receivable takes into account the amount of any trade discounts, prompt settlement discounts, and volume rebates allowed by the Company. Revenue is recognized when it meets the following criteria: (a) it is probable that any future economic benefit associated with the item of revenue will flow to the Company and (b) the amount of revenue can be measured with reliability.

The Company's revenues mainly come from hospital services and room fees, pharmacy sales, laboratory fees and vaccine sales. The Company excludes from revenues all amounts collected on behalf of third parties such as sales taxes, goods and services taxes, and value-added taxes (VAT).

The following specific recognition criteria must also be met before revenue is recognized:

### *Sale of goods*

Revenue arising from the sale of goods should be recognized when all of the following criteria have been satisfied: (a) the seller has transferred to the buyer the significant risks and rewards of ownership, (b) the seller retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, (c) the amount of revenue can be measured reliably, (d) it is probable that the economic benefits associated with the transaction will flow to the seller, and (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### *Rendering of services*

The Company shall recognize revenue involving the rendering of services by reference to the stage of completion of the transaction at the end of the reporting period, when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company, the stage of completion of the transaction at the end of the reporting period can be measured reliably, and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

### Cost of revenues

Cost of revenues is composed of the costs directly related to the sale of the goods and services of the Company. It includes the cost of the goods sold and the freight to obtain the goods, direct labor, and direct overhead. The cost of revenues is presented in the statement of comprehensive income





as deduction to its related revenue account and recognized when the goods are sold and the services are rendered to the patients.

#### Operating expenses

Operating expenses are the general and administrative expenses of the Company, normally incurred in the daily operations and in administering the business such as outside services, transportation and travel, salaries and wages, meetings and forums, and others that are recognized when incurred during the year.

#### Cash

Cash consists of cash on hand and cash in bank. Bank overdrafts, if any, are shown within borrowings as current liabilities in the statement of financial position.

As of December 31, 2019 and 2018, the Company has no cash equivalents and bank overdrafts.

#### Financial instruments

##### *Date of recognition*

The Company recognizes a financial asset or a financial liability in the statement of financial position when it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the settlement date.

##### *Initial recognition*

All financial instruments are initially recognized at transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are subsequently measured at fair value through profit or loss). However, if the arrangement constitutes a financing transaction, the company shall measure the financial asset or financial liability at the present value of the future payments discounted at a market rate of interest for a similar debt instrument as determined at initial recognition.

##### *Subsequent measurement*

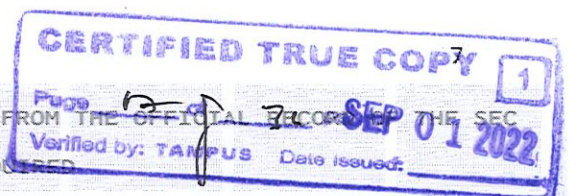
Debt instruments are measured at amortized cost using the effective interest method. Debt instruments that are classified as current assets or current liabilities shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received, unless the arrangement constitutes, in effect, a financing transaction.

Commitments to receive a loan shall be measured at cost less impairment.

Investments in non-convertible preference shares and non-puttable ordinary or preference shares shall be measured at fair value with changes in fair value recognized in profit or loss if the shares are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort. However, if the fair value cannot be measured reliably without undue cost or effort, the investments shall be measured at cost less impairment.

##### *Determination of fair value*

The fair value for financial instruments traded in active markets at statement of financial position date is measured using a fair value hierarchy. For level 1, the fair value is the quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date, which is usually the current bid price. If level 1 is not available, level 2 is used, that is, the price in a





binding sale agreement or a recent transaction for an identical asset (or similar asset) in an arm's length transaction between knowledgeable, willing parties. If the level 1 and level 2 are not available, level 3 is used i.e., using another valuation technique.



*Impairment of financial assets measured at cost or amortized cost*

At the end of each reporting period, the Company shall assess whether there is objective evidence of impairment of any financial assets that are measured at cost or amortized cost. If there is objective evidence of impairment, the company shall recognize an impairment loss in profit or loss immediately.

The impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For a financial asset measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the company shall reverse the previously recognized impairment loss either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognized. The company shall recognize the amount of the reversal in profit or loss immediately.

For the years ended December 31, 2019 and 2018, there were no impairment losses and reversals of impairment losses of financial assets recognized.

*Derecognition*

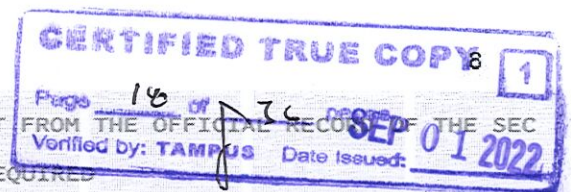
Financial assets are derecognized only when either:

- the contractual rights to the cash flows from the financial asset expire or are settled;
- when the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- when the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

If a transfer does not result in derecognition, the company shall continue to recognize the transferred asset in its entirety and shall recognize a financial liability for the consideration received. The asset and liability shall not be offset. In subsequent periods, the company shall recognize any income on the transferred asset and any expense incurred on the financial liability.

The Company derecognizes a financial liability (or a part of a financial liability) only when it is extinguished—i.e. when the obligation specified in the contract is discharged, is cancelled or expires.

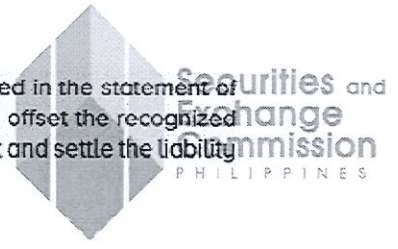
The Company recognizes in profit or loss any difference between the carrying amount of the financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed.





*Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position 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.



Other current assets

Current assets represent assets that can reasonably be expected to be realized for no more than twelve (12) months after the reporting date. Otherwise, they are classified as noncurrent assets.

*Input VAT carry-over*

Input VAT carry over occurs when input VAT exceeds output VAT. The excess shall be carried over to the next calendar year.

Property and equipment

Property and equipment are tangible assets that:

- a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- b) are expected to be used during more than one period.

The Company shall initially measure an item of property and equipment at its cost. This is the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the cost is the present value of all future payments.

The initial cost of property and equipment consists of its purchase price net of trade discounts and rebates, including import duties and non-refundable purchase taxes plus any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use plus any initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

*Subsequent measurement*

After initial recognition, the Company shall measure all items of property and equipment, except land, at cost less accumulated depreciation and any impairment losses. Land and non-depreciable land improvements are shown at cost less any impairment in value.

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The following are the Company's property and equipment with their estimated useful life:

Container van	10 years
Office equipment	5 years
Furniture and fixtures	10 years

Land is a non-depreciable asset.

Provision for depreciation is established a year following the asset's acquisition. The assets' residual values, useful lives, and depreciation methods are reviewed and adjusted prospectively, if appropriate, if there is an indication of a significant change since the last reporting date. This is to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment. An asset's carrying





amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Presently, the Company has a building under construction. The construction is estimated to be completed in 2022. Depreciation on the said asset shall commence once the asset is available for use. This asset is classified as Construction in Progress under noncurrent assets in the statement of financial position.

Construction in progress is a long-term asset account in which the costs of constructing long-term assets are recorded. The account is reported in the statement of financial position.

The costs of a constructed asset are accumulated until the asset is placed into service. When the asset is completed and placed into service, the account construction in progress will be credited for the accumulated costs of the asset and will be debited to the appropriate property and equipment account. Depreciation begins after the asset has been placed into service.

#### *Derecognition*

When assets are disposed of or are permanently withdrawn from use, and no future economic benefits are expected from their disposals or retirements, the cost and the related accumulated depreciation and impairment losses, if any, are removed from the accounts, and the resulting gains or losses arising from the disposals or retirements are reflected in the results of the current operations.

As of December 31, 2019 and 2018, no property and equipment were pledged as security for liabilities. Also, the Company has no contractual commitments to acquire property and equipment pending as of year-end.

For the years ended December 31, 2019 and 2018, the Company has no acquisitions of property and equipment through business combination, and there were no transfers to and from investment property carried at fair value through profit or loss.

#### Impairment of assets

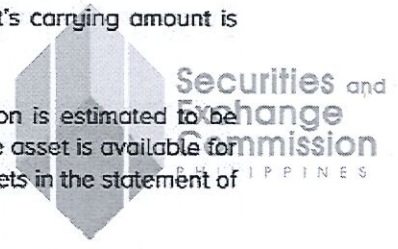
An impairment loss occurs when the carrying amount of an asset exceeds its recoverable amount. At each end of the reporting period, the Company assesses whether there is any indication that its tangible assets may be impaired. When an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. If it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the higher of an asset's or cash generating unit's fair value less cost 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.

For the years ended December 31, 2019 and 2018, there were no impairment losses and reversals of impairment losses of assets recognized.

#### Trade and other payables

Trade and other payables are obligations on the basis of normal credit terms and do not bear interest. These payables arise from past transactions and events, the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits.





Trade and other payables are recognized initially at transaction price including transaction costs. Due to the short-term maturity of the accounts and an absence of a significant financing component, the payables are classified as current liabilities and subsequently measured at the undiscounted amount of the cash expected to be paid.



#### Income taxes

Income taxes include all domestic and foreign taxes that are based on taxable profit. Income tax also includes taxes such as withholding taxes, that are payable by a subsidiary, associate, or joint venture on distributions to the reporting entity.

#### *Current income tax*

The amount of income tax payable (recoverable) in respect of the taxable profit (loss) for a period is the current tax expense. This is also the amount of tax required to be paid to the BIR. Any unpaid current tax for the current and prior periods is recognized as a liability as 'income tax payable' in the statement of financial position under current liabilities. If the amount paid for the current and prior periods exceeds the amount payable for those periods, the excess is recognized as a current tax asset presented in a separate line item in the statement of financial position. When a tax loss is used to recover current tax of a previous period, the Company recognizes the benefit as an asset in which the tax loss occurs because it is probable that the benefit will flow to the Company and the benefit can be reliably measured.

Current tax liabilities (assets) for the current and prior periods shall be measured at the amount expected to be paid to (recovered from) the taxation authorities, using tax rates and tax laws that have been enacted by the end of the reporting period.

#### *Deferred income tax*

Deferred tax is provided, using the asset-liability method or also called as the balance sheet liability method, on all temporary differences at the statement of financial position date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are the amounts of income tax payable in the future periods in respect of deductible temporary differences, the carry-forward of unused tax losses and the carry-forward of unused tax credits. On the other hand, deferred tax liabilities are the amounts of income tax payable in future periods in respect of taxable temporary differences. Temporary differences are differences between the carrying amount of an asset or liability in the statement of financial position and its tax base. It may either be taxable temporary differences or deductible temporary differences.

Deferred tax assets and liabilities shall be 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 by the end of reporting period. When different tax rates apply to different levels of taxable income, deferred tax assets and deferred tax liabilities are measured using the average rates that are expected to apply to the taxable profit (loss) of the periods in which the temporary differences are expected to reverse.

The measurement of the deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The carrying amount of deferred tax assets shall be reviewed at the end of each reporting period. The Company shall reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax assets to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available. Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability





in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income or loss.

Deferred tax expense (benefit) represents the net changes in the deferred tax liabilities and deferred tax assets during the period. If the increase in deferred tax liabilities exceeds the increase in deferred tax assets, the difference is referred to as deferred tax expense. Otherwise, the difference will be referred to as deferred tax benefit.

#### *Offsetting of current and deferred income tax*

Current tax assets and current tax liabilities can only be offset in the statement of financial position if the Company has the legal right and the intention to settle on a net basis.

On the other hand, deferred tax assets and deferred tax liabilities can only be offset in the statement of financial position if the Company has the legal right to settle current tax amounts on a net basis and the deferred tax amounts are levied by the same taxing authority on the same entity or different entities that intend to realize the asset and settle the liability at the same time.

#### Employee benefits

Employee benefits are all forms of consideration given by the entity to its employees in exchange for services rendered or for the termination of employment. It is categorized as short-term employee benefits, termination benefits, post-employment benefits and other long-term benefits.

#### *Short-term benefits*

Short-term employee benefits include items such as the following, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the current employees render the related services (such as wages, salaries, SSS contributions, paid annual and sick leave, and bonuses). The entity shall recognize the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service either as an expense or a liability, after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, an entity shall recognize that excess as an asset.

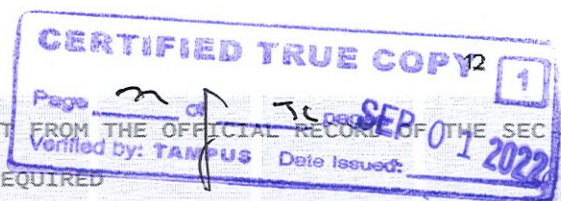
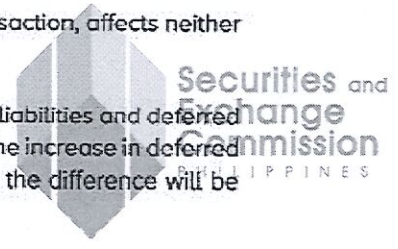
The law mandates certain contributions that should be provided by an employer to his employees, namely contributions to: (1) the Social Security System, (2) PhilHealth and (3) Pag-IBIG Fund.

The Social Security System (SSS) provides the following benefits to employees, in addition to its Loan Programs: Sickness, Maternity, Disability, Death/Funeral and Retirement benefits. So long as an employer has employees who are below sixty (60) years old, the employer is mandated to remit to the SSS, as employer's contribution, approximately 60% of the total monthly SSS contribution for each employee.

Once an employer/employee is a member of the SSS, he is also a member of the PhilHealth program. The contribution to the PhilHealth is shared by the employer and employee equally.

Finally, all SSS members who are earning at least five thousand pesos (Php5,000) are also required to become a member of the Pag-IBIG Fund, which is basically a savings and loan association. Just like the PhilHealth program, the employers and employees share the monthly contribution equally with a minimum of one hundred pesos (Php100) each per month.

Salaries and wages given to employees are based on the minimum wage and are reviewed periodically to determine its adequacy and to determine possible increase. In addition, the Labor Code of the Philippines provides for the payment of a 13th month of salary or a proportionate amount, in case employees render service for a fraction of a year during the current period.





The Philippine Labor Code also mandates the granting of vacation leave and sick leave, which are known as compensated absences. They are called compensated absences because employees receive compensation for their absences during the period covered by their leave.

Female employees are also entitled maternity leave for a period provided in the Labor Code. Male employees, on the other hand, are granted paternity leave when their spouses give birth.

Liabilities and payments with regards to short-term employee benefits are recognized as expenses when the employees have rendered service entitling them to such benefits.

#### *Termination benefits*

Since termination benefits do not provide an entity with future economic benefits, a company shall recognize them as an expense in profit or loss immediately.

The Company shall recognize termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date; or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The Company shall measure termination benefits at the best estimate of the expenditure that would be required to settle the obligation at the reporting date. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

When the termination benefits are due more than twelve months after the end of the reporting period, they shall be measured at their discounted present value.

Presently, the Company has not yet recognized any termination benefit due to non-operation.

#### *Post-employment benefits*

Post-employment benefits are employee benefits other than termination benefits and short-term employee benefits that are payable after the completion of employment. Post-employment benefits are formal or informal arrangements under which the Company provides post-employment benefits for one or more employees. Post-employment benefit plans are classified as either defined contribution plans or defined benefit plans, depending on the economic substance of the plan as derived from its principal terms and conditions.

For defined contribution plans, the Company shall recognize the contribution payable for a period as a liability, after deducting any amount already paid. If contribution payments exceed the contribution due for service before the reporting date, the Company shall recognize that excess as an asset or as an expense.

For defined benefit plans, the Company shall recognize a liability for its obligations under defined benefit plans net of plan assets—its 'defined benefit liability' and recognizes the net change in that liability during the period as the cost of its defined benefit plans during the period.

Under Section 28 of PFRS for SMEs, "Employee Benefits," the cost of defined retirement benefits, including those mandated under Presidential Decree No. 442, "Labor Code of the Philippines," as amended, and RA No. 7641, "Retirement Pay Law," should be determined using the accrued benefit valuation method or the projected benefit method. The law further stipulates that in the absence of a formal retirement plan or agreement providing for retirement benefits of employees in the Company, employees upon reaching the age of sixty (60) years or more, but not beyond sixty five (65) years which is declared to be the compulsory retirement age, who has served at least five (5) years in the Company, may retire and shall be entitled to retirement pay equivalent to at least one-half (1/2) month salary for every year of service, a fraction of at least six (6) months being considered



as one whole year. Unless the parties provide for broader inclusions, the term one-half (1/2) month salary shall mean fifteen (15) days plus one-twelfth (1/12) of the 13th month pay and the cash equivalent of not more than five (5) days of service incentive leaves. The law likewise provides that retail, service and agricultural establishments or operations employing not more than ten (10) employees or workers are exempted from the coverage of the said law.

As of reporting date, the Company has not yet established any sort of post-employment benefits plan due to non-operation.

**Borrowings and borrowing costs**

Borrowings are recognized initially at the transaction price that is the present value of the payable including transaction costs. Borrowings are subsequently stated at amortized cost. Borrowings are classified as current liabilities unless the Corporation has an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting date.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs include interest expense calculated using the effective interest method and other finance charges. The Company shall recognize all borrowing costs as an expense in the statement of comprehensive income in the period in which they are incurred.

**Share capital**

Share capital is the amount fixed in the articles of incorporation to be subscribed and paid in or secured to be paid in by the shareholders of the corporation, either in money or property or services, at the organization of the corporation, or afterwards and upon which the corporation is to conduct its operations.

Share capital is measured at par value for all shares issued. When the Company issues more than one class of share capital, a separate account is maintained for each class of share capital and the number of shares issued. When the shares are sold at a premium, the difference between the proceeds and the par value is credited to "additional paid-in capital" account. Incremental costs incurred directly attributable to the issuance of new shares are shown in the equity as deduction from proceeds, net of tax.

A preferred stock is a class of ownership that has a higher claim on its assets and earnings than common stock. Preferred shares have a dividend that must be paid out before dividends to common shareholders. These shares usually do not carry voting rights.

Ordinary shares or common shares shall be entitled to receive dividends as may be declared after the requirements with respect to preferential dividends on preferred shares have been met. After distribution in full of the preferential amounts to be distributed to the holders of preferred shares in event of voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Company, the holders of commons shares shall be entitled to receive all remaining assets of the Company for whatever kind available for distribution to shareholders ratably proportion to the number of common shares held by them respectively. Except as may be otherwise required by law or by Articles of Incorporation, each holder of common shares shall have one vote in respect of each share held.

Founder's shares are shares exclusively issued to the originators of the Company. The holders of these shares have the exclusive right to vote and be voted upon in the election of directors for a limited period not to exceed five (5) years from the date of incorporation.

***Subscribed share capital***

Subscribed share capital is part of the authorized share capital which has been sold, whether paid or not by shareholders and is measured at par value.





### *Subscription receivable*

Subscription receivable is the portion of issued share capital that remained unpaid as of reporting date. This is presented as part of the current assets if maturity is within twelve (12) months from the financial reporting period. Otherwise, it is presented as a deduction from equity.



### Retained earnings

Retained earnings represents the cumulative balance of periodic net income or loss, dividend contributions, prior period adjustments, effects of changes in accounting policy and other capital adjustments, if any. When retained earnings account has a debit balance, it is called "deficit." A deficit is not an asset but a deduction from equity.

### *Appropriated retained earnings*

These pertain to the restricted portion of the Company's accumulated profits that are appropriated for Company and capital expenditures.

### *Unappropriated retained earnings*

These pertain to the unrestricted portion of the Company's accumulated profits that are available to meet current operational needs.

### Related party transactions

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subjected to common control or common significant influence. Related parties may be individuals or corporate entities.

Transactions between related parties are recorded in the books of the Company as "Due to/from Related Parties." In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

### Provisions and contingencies

Provisions are liabilities of uncertain timing or amount. The Company recognizes provisions if, and only if: (a) a present obligation (legal or constructive) has arisen as a result of a past event (the obligating event), (b) payment is probable and (c) the amount can be estimated reliably.

An obligating event is an event that creates a legal or constructive obligation and, therefore, results in the Company having no realistic alternative but to settle the obligation. A constructive obligation arises if past practice creates a valid expectation on the part of a third party.

The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the balance sheet date, that is, the amount that the Company would rationally pay to settle the obligation at the balance sheet date or to transfer it to a third party. In reaching its best estimate, the Company should take into account the risks and uncertainties that surround the underlying events. If some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement should be recognized as a separate asset, and not as a reduction of the required provision, when, and only when, it is virtually certain that reimbursement will be received if the Company settles the obligation. The amount recognized should not exceed the amount of the provision.





Contingent liabilities are possible obligations depending on whether some uncertain future event occurs or present obligations but payment is not probable or the amount cannot be measured reliably. A possible obligation (a contingent liability) is disclosed but not accrued. However, disclosure is not required if payment is remote.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets should not be recognized but should be disclosed where an inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

As of December 31, 2019 and 2018, the Company has no provisions or contingencies.

#### Events after the end of the reporting period

Events after the end of the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Post year-end events that provide additional information about the position of the Company at the end of the reporting period (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.

There were no events after the end of the reporting period that were material enough to require adjustments to the amounts shown on the face of the amended financial statements nor of the accompanying notes.

#### **Management's Use of Judgements and Estimates**

The preparation of the amended financial statements in conformity with Philippine Financial Reporting Standards for Small and Medium-Sized Entities requires management to make estimates and assumptions that affect certain reported amounts and disclosures. In preparing the financial statements, management has made its best estimates and judgments of certain amounts, giving due consideration to materiality. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Accordingly, actual results could differ from those estimates, and such estimates will be adjusted accordingly.

The following are the key assumptions that have significant risk of material adjustment to the carrying amounts of assets and liabilities within the financial year.

#### *Estimating the useful life of property and equipment*

The useful life of each of the Company's items of property and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of similar businesses, internal technical evaluation, and experience with similar assets.

The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any item of property and equipment would increase the recorded depreciation expense and decrease the carrying value of property and equipment.





### *Evaluating impairment of property and equipment*

Property and equipment are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

The factors that the business considers important which could trigger an impairment review include a 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.

If there is an indication of possible impairment, the recoverable amount of any affected property and equipment is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statement of comprehensive income.

If an impairment loss is subsequently reversed, the carrying amount of the property and equipment is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognized for the property and equipment in prior years. A reversal of impairment loss is recognized immediately in the statement of comprehensive income.

For the years ended December 31, 2019 and 2018, there were no impairment losses and reversals of impairment losses of property and equipment recognized.

### *Judgments*

In the process of applying the Company's accounting policies, management exercised sound judgment including those involving estimates that have a significant effect on the amounts recognized in the amended financial statements.

### 3. PFRS FOR SMEs

Small and Medium-sized Entities are entities that do not have public accountability and publish general purpose financial statements for external users. An entity has public accountability if:

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); or
- it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (most banks, credit unions, insurance companies, securities brokers/dealers, mutual funds and investment banks would meet this second criterion).

The Philippine Securities and Exchange Commission issued Memorandum Circular No. 5-2018, where it adopted a definition of 'small and medium-sized entities' that includes a size criterion. Medium-sized entities are those that meet all of the following criteria:

1. Total assets of more than Php100 million to Php350 million, or total liabilities of more than Php100 million to Php250 million. If the entity is a parent company, the said amounts shall be based on the consolidated figures;
2. Are not required to file financial statements under Part II of SRC Rule 68;
3. Are not in the process of filing its financial statements for the purpose of issuing any class of instruments in a public market; and
4. Are not holders of secondary licenses issued by regulatory agencies.





Medium-sized entities shall use as their financial reporting framework the PFRS for SMEs as adopted by the Commission. However, the following medium-sized entities shall be exempt from the mandatory adoption of the PFRS for SMEs and may instead apply, at their option, the full PFRS:



1. An SME which is a subsidiary of a parent company reporting under the full Philippine Financial Reporting Standards ("full PFRS");
2. An SME which is a subsidiary of a foreign parent company that will be moving towards International Financial Reporting Standards (IFRS) pursuant to the foreign country's published convergence plan;
3. An SME, either as a significant joint venture or associate, is part of a group that is reporting under full PFRS;
4. An SME which is a branch office or regional operating headquarter of a foreign company reporting under full PFRS;
5. An SME which has a subsidiary that is mandated to report under the full PFRS;
6. An SME which has a short-term projection that show that it will breach the quantitative thresholds set in the criteria for an SME. The breach is expected to be significant and continuing due to its long-term effect on the company's asset or liability size;
7. An SME which has concrete plans to conduct an initial public offering within the next two years;
8. An SME which has been preparing financial statements using full PFRS and has decided to liquidate;
9. Such other cases that the Commission may consider as valid exceptions from the mandatory adoption of PFRS for SMEs.

The International Accounting Standards Board (IASB) has published amendments to its 'International Financial Reporting Standards for Small and Medium-sized Entities' (IFRSs for SMEs). The amendments are the result of the first comprehensive review of that standard, which was originally issued in 2009. They affect 21 of the 35 sections of the standard (not counting consequential amendments) and the glossary, however, most of the changes are rather minor. The amendments were adopted in the Philippines effective 1 January 2017.

The vast majority of the changes concern clarifications to the current text and, hence, will not constitute changes to the way entities account for certain transactions and events.

Three amendments are however of larger impact:

- The standard now allows an option to use the revaluation model for property, plant and equipment as not allowing this option has been identified as the single biggest impediment to adoption of the PFRS for SMEs in some jurisdictions in which SMEs commonly revalue their property, plant and equipment and/or are required by law to revalue property, plant and equipment;
- The main recognition and measurement requirements for deferred income tax have been aligned with current requirements in PAS 12 Income Taxes (in developing the IFRSs for SMEs, the IASB had already anticipated finalization of its proposed changes to IAS 12, however, these changes were never finalized); and
- The main recognition and measurement requirements for exploration and evaluation assets have been aligned with PFRS 6 Exploration for and Evaluation of Mineral Resources to ensure that the PFRS for SMEs provides the same relief as full PFRS for these activities.

The Company's financial statements as of and for the years ended December 31, 2019 and 2018 have been prepared using the accounting policies that comply with the PFRS for SMEs.

In preparing these financial statements in accordance with the PFRS for SMEs, the Company has applied all the mandatory exceptions and certain of the optional exemptions from full retrospective application of the PFRS for SMEs.





4. CASH

The cash account of the Company as of December 31, 2019 and 2018 is composed of the following:

	2019	2018
Cash	136,144,341	65,962,501

The Company's cash are all unrestricted in use and free from any liens or encumbrances.

5. PROPERTY AND EQUIPMENT

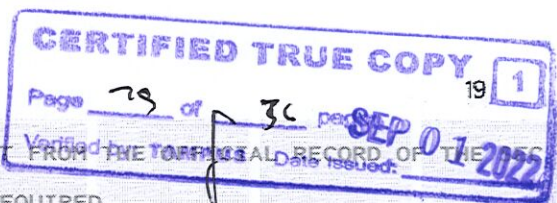
The property and equipment account of the Company as of December 31, 2019 and 2018 is composed of the following:

	1-Jan-19 Balance	Additions/ Provisions	31-Dec-19 Balance
<i>Cost</i>			
Land	16,837,210	15,575,494	32,412,704
Container van	1,313,000	-	1,313,000
Office equipment	96,953	353,065	450,018
Furniture and fixtures	-	46,263	46,263
<b>Total cost</b>	<b>18,247,163</b>	<b>15,974,822</b>	<b>34,221,985</b>
<i>Accumulated depreciation</i>			
Container van	-	131,300	131,300
Office equipment	26,285	19,391	45,676
Furniture and fixtures	-	-	-
<b>Total accumulated depreciation</b>	<b>26,285</b>	<b>150,691</b>	<b>176,976</b>
<i>Net book value</i>			
Land	16,837,210		32,412,704
Container van	1,313,000		1,181,700
Office equipment	70,668		404,342
Furniture and fixtures	-		46,263
<b>Property and equipment, net</b>	<b>18,220,878</b>		<b>34,045,009</b>

	01-Jan-18 Balance	Additions/ Provisions	31-Dec-18 Balance
<i>Cost</i>			
Land	16,837,210	-	16,837,210
Container van	500,000	813,000	1,313,000
Office equipment	77,319	19,634	96,953
<b>Total</b>	<b>17,414,529</b>	<b>832,634</b>	<b>18,247,163</b>
<i>Accumulated depreciation</i>			
Container van	2212	-	-
Office equipment	10,821	15,464	26,285
<b>Total</b>	<b>10,821</b>	<b>15,464</b>	<b>26,285</b>
<i>Net book value</i>			
Land	16,837,210		16,837,210
Container van	500,000		1,313,000
Office equipment	66,498		70,668
<b>Property and equipment, net</b>	<b>17,403,708</b>		<b>18,220,878</b>

No retirements or disposals were made in 2019 and 2018.





6. CONSTRUCTION IN PROGRESS

As of December 31, 2019 and 2018, the movement of this account are as follows:

	01-Jan-19 Balance	Additions	31-Dec-19 Balance
Construction in progress	34,470,804	37,169,365	71,640,169

	01-Jan-18 Balance	Additions	31-Dec-18 Balance
Construction in progress	33,237,368	1,233,436	34,470,804



7. TRADE AND OTHER PAYABLES

As of December 31, 2019 and 2018, this account represents amounts payable to contractors. Trade and other payables are non-interest bearing and are payable within one year after reporting period. These are fully settled upon maturity on a lump-sum basis and impose no restrictions on the Company.

The balance of this account is as follows:

	2019	2018
Trade and other payables	4,358	4,400

8. LOANS PAYABLE

In 2018, the Company had a term loan agreement with the Development Bank of the Philippines (DBP) amounting to Php450,000,000 to finance its capital expenditures, particularly the construction of the hospital building. This term loan will mature on December 3, 2033, which is 15 years from the date of agreement, inclusive of 3 years grace period. This loan bears interest of 5.25% per annum and has an availability period until December 2021.

Of the Php450,000,000 agreed loan, the Company has only availed a cumulative amount of Php225,000,000 and php90,000,000 as of December 31, 2019 and 2018, respectively. The movement of the loan payable account for the years then ended are as follows:

Bank	01-Jan-19 Balance	Additions	Payments	31-Dec-19 Balance
DBP	90,000,000	135,000,000	-	225,000,000

Bank	01-Jan-18 Balance	Additions	Payments	31-Dec-18 Balance
DBP	-	90,000,000	-	90,000,000

Since the Company's loan is a term loan, there were no payments of principal made in 2019 and 2018.

This loan is wholly secured by the Company's real estate properties, with the following book value as of December 31, 2019:

	2019	2018
Land	32,412,704	16,837,210
Construction in progress	71,640,169	34,470,804
Total net book value	104,052,873	51,308,014





For the years ended December 31, 2019 and 2018, the Company paid the following finance charges:

	2019	2018
Documentary stamp tax	1,012,500	675,000

Documentary stamp taxes are remitted to the BIR by the related intermediary financial institution.

The Company did not incur any default in paying the interests of the loan and no restrictive covenants were imposed by DBP.

#### 9. SHARE CAPITAL

At the date of incorporation, the Company has authorized share capital of Php360,000,000, comprised of 180,000 preferred shares with Php1,000 par value per share, 179,400 ordinary shares at Php1,000 par value per share, and 600 founder shares at Php1,000 par value per share.

Of the authorized shares, the following shares were subscribed by the shareholders:

	2019	2018
135,250 preferred shares at par	135,250,000	135,250,000
134,650 common shares at par	134,650,000	134,650,000
600 founder shares at par	600,000	600,000
Total	270,500,000	270,500,000

However, only Php36,000,000 were collected as of December 31, 2019 and 2018, thereby recognizing a subscription receivable of Php234,500,000.

The following are the number of shares per class that are fully paid by the shareholders as of December 31, 2019 and 2018.

	2019	2018
Preferred shares	18,000	18,000
Common shares	17,400	17,400
Founder	600	600
Total	36,000	36,000

#### 10. RETAINED EARNINGS

The Company's deficit increased to Php10,176,334 in 2019 from Php6,124,861 in 2018. This increase was due to the net loss incurred in 2019 which amounted to Php4,051,473. There were no appropriations and dividend declarations made for the years ended December 31, 2019 and 2018.

#### 11. REVENUES

The Company did not start its operations yet. It has no revenue for the years ended December 31, 2019 and 2018.

#### 12. COST OF REVENUES

The Company did not incur any cost of revenues for the years ended December 31, 2019 and 2018.





### 13. OPERATING EXPENSES

The operating expenses account of the Company for the years ended December 31, 2019 and 2018 is composed of the following:

	2019	2018
Salaries and wages	1,700,000	116,834
Outside services	324,967	444,821
Transportation and travel	263,119	125,711
Security salaries	192,970	-
Meetings and forums	170,145	95,289
Depreciation	150,691	15,464
Professional fees	109,000	91,000
Supplies	47,939	20,837
Pantry supplies	38,916	15,638
Communication, light, and water	18,681	26,803
Fuel and oil	-	893
Taxes and licenses	-	1,868
Miscellaneous	22,545	12,383
<b>Operating expenses</b>	<b>3,038,973</b>	<b>967,541</b>

### 14. INCOME TAX

The current corporate income tax rate in the Philippines is 30%.

The Company is not yet subject to Minimum Corporate Income Tax (MCIT) under the provisions of Republic Act No. 8424, otherwise known as "Tax Reform Act of 1997." The Act imposes on a domestic corporation a minimum corporate tax of two percent (2%) of the gross income as of the end of the taxable year, beginning the fourth (4th) taxable year immediately following the taxable year in which such corporation commenced its business operations.

The computation of provision for income tax for 2019 and 2018 follows:

	2019	2018
Loss before provision for income tax	(4,051,473)	(1,642,541)
Multiply by: statutory tax rate	30%	30%
<b>Provision for income tax</b>	<b>-</b>	<b>-</b>

### 15. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subjected to common control or common significant influence. Related parties may be individuals or corporate entities.

The Company, in the normal course of business, has transactions with related parties as follows:

*Due to related parties*

Some shareholders paid some of the expenses incurred by the Company. This amount will be reimbursed once the Company starts its operations. Due to the relationship of the Company to its creditors, the liability has no foreseeable maturity, does not bear interest, and is unsecured and unimpaired. The obligation is to be settled in the form of cash consideration, unless both parties agree a different form of

**CERTIFIED TRUE COPY** 22  
 Page 32 of 36 pages  
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consideration in the future. The Company is committed to pay its shareholders when there is sufficient cash flow.

The balance of this account as of December 31, 2019 and 2018 is as follows:



	Terms	Transactions for the period ended December 31		Outstanding balance as of December 31	
		2019	2018	2019	2018
Loan from related parties	No interest, unsecured	(3,163,932)	(12,000,000)	-	3,163,932

*Key management personnel*

The Company's key management personnel did not receive any form of compensation for the years ended December 31, 2019 and 2018.

**16. SUPPLEMENTARY INFORMATION**

The BIR issued RR No. 15-2010 on December 13, 2010 prescribing additional requirements for the submission of financial statements by individual and corporate taxpayers, thereby amending Section 2 of RR No. 21-2002.

The regulation now requires taxpayers to include information on taxes, duties, and license fees paid or accrued during the taxable year in addition to the disclosures mandated by the PFRS for SMEs.

Pertinent information regarding the Company's compliance to the preceding regulation are as follows:

**16.1. Annual registration fee**

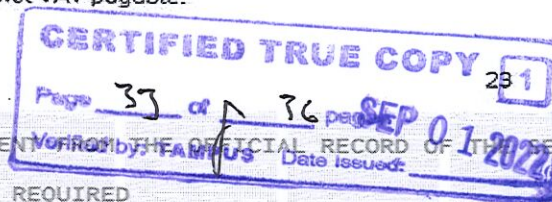
Particulars	Date	Amount
Registration Fee	29-Jan-19	500

**16.2. Withholding tax**

Month	Date	Professional fee	Rent	Services	Goods	Tax Withheld
January	08-Feb-19	-	-	-	-	-
February	11-Mar-19	14,000	-	-	-	1,400
March	29-Apr-19	7,000	-	-	-	700
April	04-May-19	-	-	-	-	-
May	10-Jun-19	14,000	-	58,929	-	2,579
June	30-Jul-19	7,000	-	-	-	700
July	13-Aug-19	32,000	121,875	244,777	37,054	14,560
August	10-Sep-19	-	-	-	-	-
September	30-Oct-19	14,000	-	4,108,280	17,240,223	255,968
October	07-Nov-19	7,000	104,464	489,326	550,143	21,209
November	10-Dec-19	7,000	-	-	-	700
December	31-Jan-20	7,000	60,714	29,201	4,201	4,358
		109,000	287,054	4,930,513	17,831,621	302,174

**16.3. Value-added tax**

The Company is a registered VAT entity and remits monthly VAT of 12% based on net taxable revenues less the corresponding input VAT. Output VAT represents the VAT arising from revenues while input VAT represents the VAT arising from purchases and expenses and applicable as deductions from output VAT when computing for net VAT payable.





VAT payable is computed by deducting the input VAT and any VAT withheld from the output VAT and which should be remitted to the BIR. The amount presented as current liabilities on the statement of financial position is the VAT payable for the month of December which has yet to be settled as of reporting date.

The VAT schedule for the year ended December 31, 2019 is presented below.

Month	NonVAT	VATable expenses	VAT input	VAT input carried over	VAT due
January	-	-	-	4,389,288	(4,389,288)
February	-	14,000	1,680	4,389,288	(4,390,968)
March	-	7,000	840	4,390,968	(4,391,808)
April	-	7,000	840	4,391,808	(4,392,648)
May	64,416	12,621,222	1,514,547	4,392,648	(5,907,195)
June	-	7,000	840	5,907,195	(5,908,035)
July	86,427	3,374,474	404,937	5,908,035	(6,312,971)
August	-	3,545,445	425,453	6,312,971	(6,738,425)
September	-	17,319,531	2,078,344	6,738,425	(8,816,769)
October	1,189	1,290,612	154,873	8,816,769	(8,971,642)
November	1,836	76,032	9,124	8,971,642	(8,980,766)
December	-	147,823	17,739	8,980,766	(8,998,505)
<b>Total</b>	<b>153,868</b>	<b>38,410,139</b>	<b>4,609,217</b>		

17. COMPLIANCE WITH RR 15-2010

RR 15-2010 Provisions	
1. The amount of VAT output declared during the year and the account title and amount's upon which the same was based. If there are zero-rated sales-receipts and/or exempt sales/receipts, a statement to that effect and the legal basis therefore;	The Company is a VAT registered entity engaged in providing medical services that paid the amount of Php None as output tax pursuant to RR 16-2005 and based on the amount reflected in the Revenue account of Php None.
2. The amount of VAT Input claimed broken down into: a. Beginning of the year; b. Current year's domestic purchases/ payments for: I. Goods for resale/ manufacture or further processing II. Goods other than for resale or manufacture III. Capital goods subject to amortization IV. Capital goods not subject to amortization V. Services lodged under cost of revenues VI. Services lodged under other accounts c. Claims for tax credit/ refund and other adjustments; and d. Balance at the end of the year	The amount of VAT input claimed are broken down as follows: a. Beginning of the year..... Php 4,389,288 b. Current year's purchases: I. Goods for resale/manufacture or further processing..... Php None II. Goods other than for resale or manufacturing..... Php None III. Capital goods subject to amortization..... Php None IV. Capital goods not subject to amortization..... Php None V. Services lodged under cost of revenues..... Php None VI. Services lodged under other accounts..... Php 4,609,217 c. Claims for tax credit/refund and other adjustments..... Php None d. Balance at the end of the year....Php 8,998,505

**CERTIFIED TRUE COPY**  
Page 34 of 34  
Date Issued: SEP 07 2022  
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3. The landed cost of imports and the amount of customs duties and tariff fees paid or accrued thereon:	The landed cost of the Company's importations amounted to Php None for the year, with paid/accrued amount of Php None as customs duties and Php None as tariff taxes.																	
4. The amount of excise tax/es, classified per major product category, i.e. tobacco products, alcohol products, automobiles, minerals, oil and petroleum, etc. paid on- a. Locally produced excisable items; and b. Imported excisable items.	<p>The amount of excise tax/es, classified as follows:</p> <table border="1" data-bbox="801 362 1353 546"> <thead> <tr> <th rowspan="2">Product category</th> <th colspan="2">Excise Tax/es Paid/Accrued</th> </tr> <tr> <th>Locally Produced</th> <th>Imported</th> </tr> </thead> <tbody> <tr> <td>Tobacco</td> <td>Php None</td> <td>Php None</td> </tr> <tr> <td>Alcohol</td> <td>Php None</td> <td>Php None</td> </tr> <tr> <td>Automobiles</td> <td>Php None</td> <td>Php None</td> </tr> <tr> <td>Oil/Petroleum</td> <td>Php None</td> <td>Php None</td> </tr> </tbody> </table>	Product category	Excise Tax/es Paid/Accrued		Locally Produced	Imported	Tobacco	Php None	Php None	Alcohol	Php None	Php None	Automobiles	Php None	Php None	Oil/Petroleum	Php None	Php None
Product category	Excise Tax/es Paid/Accrued																	
	Locally Produced	Imported																
Tobacco	Php None	Php None																
Alcohol	Php None	Php None																
Automobiles	Php None	Php None																
Oil/Petroleum	Php None	Php None																
5. Documentary stamp tax (DST) on loan instruments, shares of stock and other transactions subject thereto;	<p>The DST paid/accrued on the following transactions are:</p> <table border="1" data-bbox="801 631 1353 725"> <thead> <tr> <th>Transaction</th> <th>Amount</th> <th>DST thereon</th> </tr> </thead> <tbody> <tr> <td>Loan Instruments</td> <td>Php None</td> <td>Php None</td> </tr> <tr> <td>Shares of stocks</td> <td>Php None</td> <td>Php None</td> </tr> </tbody> </table>	Transaction	Amount	DST thereon	Loan Instruments	Php None	Php None	Shares of stocks	Php None	Php None								
Transaction	Amount	DST thereon																
Loan Instruments	Php None	Php None																
Shares of stocks	Php None	Php None																
6. All other taxes, local and national, including real estate taxes, license and permit fees lodged under the Taxes and Licenses account both under the cost of revenues and operating expenses accounts;	<p>Other Taxes and Licenses:</p> <p>a. Local</p> <p>Real Estate Taxes..... Php None</p> <p>Mayor's Permit..... Php None</p> <p>PTR..... Php None</p> <p>b. National</p> <p>BIR Annual Registration..... Php 500</p> <p>Percentage Taxes..... Php None</p>																	
7. The amount of withholding taxes categorized into: i. Tax on compensation and benefits ii. Creditable withholding tax/es iii. Final withholding tax/es	<p>The amount of withholding taxes paid/accrued for the year amounted to:</p> <p>i. Tax on compensation..... Php None</p> <p>ii. Creditable withholding tax/es..... Php 302,174</p> <p>iii. Final withholding tax/es..... Php None</p>																	
8. Periods covered and amount/s of deficiency tax assessments, whether protested or not;	The Company has not received a final assessment notice from the Regional Office covering the taxable year 2019 amounting to Php None, inclusive of penalties for deficiency income/ VAT/ percentage/ withholding tax, which has been protested/ agreed upon.																	
9. Tax cases and amounts involved, under preliminary investigation, litigation and/or prosecution in courts or bodies outside the BIR.	The Company has no RATE case under preliminary investigation of the Department of Justice (DOJ) involving deficiency income tax for the taxable year 2019.																	

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**CERTIFIED TRUE COPY** 25  
 Page 37 of 36 pages  
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Contact No. (062) 991-1011 | 955-3563 | 955-8512 Direct Line No. 926-6408 | 926-6308 | 926-3874

SEC Revised SRC Rule 68, Annex 68-B, Supplemental Written Statement of Auditor  
As Amended on August 19, 2019



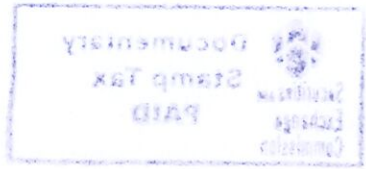
TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS  
**ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC.**  
64 Tomas Claudio Street, Zamboanga City

I have audited the amended financial statements of **ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ZAMBOANGA CITY, INC.** for the year ended December 31, 2019, on which I have rendered the attached report dated April 25, 2022.

In compliance with the Revised Securities Regulation Code Rule 68, I am stating that the said company has a total number of fifty-three (53) shareholders owning one hundred (100) or more shares each.

SEP 01 2022

CTC IS BASED ON OCT COPY



*Handwritten signature of Florivel M. de Jesus*

**FLORIVEL M. DE JESUS**

Board certificate no. 87417

TIN: 263-445-116

PTR no. 2341291

Issued on January 4, 2022 at Zamboanga City

SEC accreditation no. 87417, SEC Group C

Issued on February 22, 2021 until February 21, 2025

BIR accreditation no: AN-15001997-1-2019

issued on July 12, 2019 until July 11, 2022

BOA accreditation no. 0727

Issued on November 5, 2020 until January 29, 2024

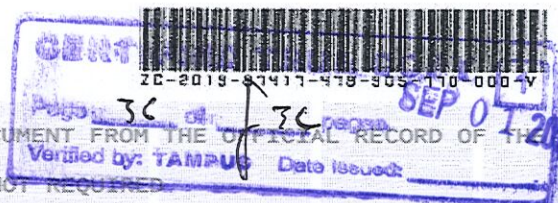
DTI no. 05900738

Issued on March 12, 2019 until March 12, 2024

CDA accreditation no. 0323

Issued on June 4, 2020 until June 3, 2023

April 25, 2022



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SIGNATURE NOT REQUIRED



Republic of the Philippines  
**SECURITIES and EXCHANGE COMMISSION**

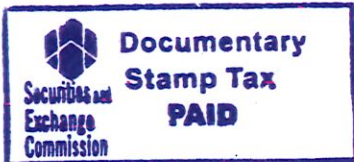
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I hereby certify that (a) this is a true copy of the document stored in the SEC Official Records to which proper security measures were employed to ensure data integrity, consisting of THIRTY SIX (36) page (s); and (b) at all material times, the SEC System for Records Retrieval, Storage and Maintenance were operating in a manner that did not affect the integrity of the electronic document.

ALLIED CARE EXPERT (ACE) MEDICAL CENTER-  
ZAMBOANGA CITY, INC

Verified by: LOURENCE N. TAMPUS Fees Php 410 paid under  
O.R. No. 2165955 Dated: SEP 01 2022

**CTC IS BASED ON OST COPY**



  
**ROMEO B. CAMANO**  
SEC Administrative Officer IV  
Electronic Records Management Division  
Information and Communication Technology Department