



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



**REMINDER**

**TO: ALL CORPORATIONS**

**SUBJECT: FILING OF FINANCIAL STATEMENTS**

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FOR the guidance of all corporations, the Securities and Exchange Commission has summarized below the requirements of financial statements that are required to be filed under the Corporation Code, Securities Regulation Code (SRC) and applicable rules, regulations and circulars.

**Financial statements that do not comply with these requirements shall not be accepted.**

**1. FORM AND CONTENTS**

- a. At least one copy shall bear the original stamp of the Bureau of Internal Revenue or authorized receiving bank. The rest of the copies can be photocopies;
- b. The submission shall contain the following documents and arranged as follows:
  - b.1. Statement of Management's Responsibility signed by ALL of the following:
    - Chairman of the Board;
    - Chief Executive Officer or President;
    - Chief Financial Officer or Treasurer/Comptroller.

(For listed or public companies, the signature shall be under oath.)

The Statement of Management's Responsibility for branch offices of foreign corporations shall be signed by the local manager in charge of its operations in the Philippines. The third paragraph of the Statement may be deleted if the Philippine Branch does not have a local board of directors or stockholders.

**b.2. The Auditor's Report shall:**

- be dated;
- bear the handwritten signature of the certifying external auditor;
- identify the financial statements covered (should be two years);

- state the PRC License Number, Tax Identification Number (TIN), Professional Tax Receipt (PTR) number, Board of Accountancy or Professional Regulation Commission registration number as a public practitioner;
  - state the complete principal office and business mailing addresses of the client-corporation and auditor;
  - clearly indicate the name of the signing partner, if the report is made under the name of an accounting firm;
  - comply with the five-paragraph report requirement of Philippine Standards on Auditing (PSA) No. 700, as revised;
  - SEC Accreditation Number, if covered by the SEC Guidelines on Accreditation of External Auditors, such as, listed companies, public companies, broker dealers, pre-need companies and other holders of secondary licenses from the SEC
- b.3. Balance Sheet;
- b.4 . Income Statement (if not for profit, statement of activities);
- b.5. Statement of Cash Flows;
- b.6. Statement of Changes in Equity or members' contributions for non-stock corporations;
- b.7. Notes to Financial Statements. It should present the basis for the preparation of the financial statements, list of standards adopted, summary of significant accounting policies, explanatory note on each material account and other required disclosures under effective accounting standards and interpretations;

*The foregoing components of the financial statements shall be presented in two-year comparative format.*

- b.8. Supplemental written statement of the External Auditor on the number of stockholders of the company as required under paragraph (3) (d) of SRC Rule 68.

## **2. PRESCRIBED PERIODS**

- a. For ordinary corporations, the audited financial statement shall be filed within 120 calendar days after the end of the fiscal year, as specified in the by-laws. For branch or representative offices, the AFS shall be filed within 120 calendar days from the end of their operating period;
- b. For corporations whose securities are registered under the SRC, the due date shall be 105 days from the end of their operating period.

### **3. ATTESTATION OF FINANCIAL STATEMENTS**

- a. The financial statements of the following corporations shall be audited by an independent Certified Public Accountant registered with the Board of Accountancy:
  - a.1. stock corporations with paid-up capital of PhP50,000.00 or more;
  - a.2. non-stock corporations with annual gross receipts of PhP100,000.00 or more, or total assets of PhP500,000 or more;
  - a.3. branch office with assigned capital of PhP50,000 or more;
  - a.4. branch office of non-stock foreign corporation with total assets of PhP500,000 or more;
  - a.5. representative office with total assets of PhP500,000 or more.
  
- b. At the minimum, the following statements shall be certified under oath by the treasurer of the corporation:
  - b.1. stock corporations with paid-up capital of less than PhP50,000.00;
  - b.2. non-stock corporations with annual gross receipts of less than PhP100,000.00 or total assets of less than PhP500,000.00;
  - b.3. stock branch office with assigned capital of less than PhP50,000.00;
  - b.4. non-stock branch office with total assets of less than PhP500,000.00;
  - b.5. representative office with total assets of less than PhP500,000.00.

### **4. OTHER RELEVANT SUBMISSIONS**

- a. Financial Statements that show annual gross sales or gross revenue of at least PhP5,000,000.00 shall be submitted in electronic format (i.e., on diskette or compact disc) together with the audited financial statements, or 30 days after the due date. A template for these financial statements can be downloaded from the SEC website.
  
- b. If submitted in electronic format, the treasurer, chief financial officer, or any person occupying an equivalent rank in the company shall certify under oath that, "except for certain details/breakdowns required in the General Form of Financial Statement and Special Form of Financial Statement, the Generally Accepted Accounting Principles in the Philippines or Philippine Financial Reporting Standards prescribed accounts and figures provided in electronic documents are based on the contents of the FS submitted to the SEC."

5. **PHYSICAL REQUIREMENTS**

- a. The cover sheet shall show the following information:
- Company Name
  - Registration Number
  - Complete business mailing address
  - Fiscal Year (month/day)
  - Form Type (AFS, GFFS or SFFS)
  - Reporting Period
  - Department in the SEC requiring the document or report
  - Total number of stockholders
- b. Paper Size: A4
- c. Print:
- Black printing on white unglazed paper;
  - Onion skin or carbon copies are not allowed;
  - Only one face of the paper shall be used.

6. **EFFECT OF RECEIPT OF THE FINANCIAL STATEMENTS**

The receipt by the SEC of the financial statements does not mean that they are considered as in full compliance with the requirements. Their acceptance is without prejudice to their evaluation by the SEC to determine their compliance with the requirements and, where appropriate, the imposition of sanctions for violations that may be found in the process.

February 22, 2008, Mandaluyong City, Philippines.

*F. B. Barin*  
**F. B. BARIN**  
Chairperson