

# AWARE

Alliance of Women for Action Towards Reform

A Non-Stock / Non-Profit Organization

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The management of **ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM, INC.**, is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2021. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all tax returns filed for the reporting period, including, but not limited, to the value-added tax returns, withholding tax returns, documentary stamp tax returns, and any all other tax returns.

In this regard, the Management affirms that the attached Audited financial statements for the year ended December 31, 2021 and the accompanying Annual Income Tax Returns are in accordance with the books and records of Alliance of Women for Action Towards Reform Inc., complete and correct in all material respect. Management likewise affirms that:

- (a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the company's books and records in accordance with the requirements of the Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) the Alliance of Women for Action Towards Reform, 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.

Signature:  
Name of President

  
CARMEN LOURDES VALDES

Signature:  
Name of Treasurer

  
SUSAN EVANGELINE QUIROS



Signed this 13<sup>th</sup> day of May 2022.

**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.**  
(A Nonstock, Not-for-Profit Corporation)

# **Financial Statements**

---

For the years ended December 31, 2021

With Auditors' Report

**BITHAO, AURELIO & PARTNERS**

**Certified Public Accountants**



## INDEPENDENT AUDITOR'S REPORT

The Members and the Board of Trustees  
**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.**  
(A Nonstock, Not-for-Profit Corporation)  
191 25D Zeta II Salcedo Legaspi Village San Lorenzo,  
City of Makati

### *Opinion*

We have audited the financial statements of **ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.** (the Company), which comprise the statement of financial position as at December 31, 2021, and the statement of activities, statement of changes in fund balance and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRSs) for Small Entities (SEs).

### *Basis for Opinion*

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

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

In preparing the 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.

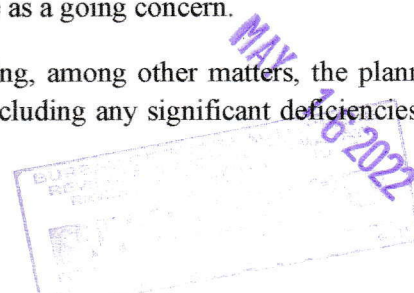
*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the 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 our 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We 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 we identify during our audit.





**Report on the Supplementary Information Required Under Revenue Regulation 15-2010.**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required by the Bureau of Internal Revenue in disclosed in **Note 8** to financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management. The information has been subjected to the auditing procedures applied in my audit of the basic financial statements. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

BITHAO, AURELIO & PARTNERS

  
ROLITO V. BITHAO  
Partner

CPA Certificate No. 151167

PRC-BOA Accreditation No. 7029 (Firm),

Valid until December 4, 2024

BIR Accreditation No. 07-000045-002-2021 (Firm),

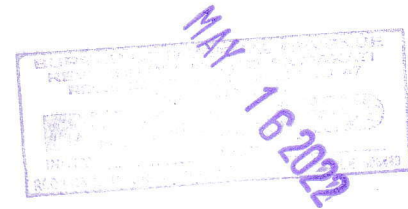
Valid until March 10, 2024

BIR Accreditation No. 07-000054-002-2021 (Individual),

Valid until March 30, 2024

PTR No. 2757913, March 10, 2022, Quezon City

TIN No. 223-492-047



May 13, 2022

Quezon City

**INDEPENDENT AUDITORS' REPORT  
TO ACCOMPANY INCOME TAX RETURN**


The Members and the Board of Trustees  
**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.**  
**(A Nonstock, Not-for-Profit Corporation)**  
191 25D Zeta II Salcedo Legaspi Village San Lorenzo,  
City of Makati

We have audited the financial statements of **ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.** for the year ended December 31, 2021, on which we have rendered the attached report dated May 13, 2022.

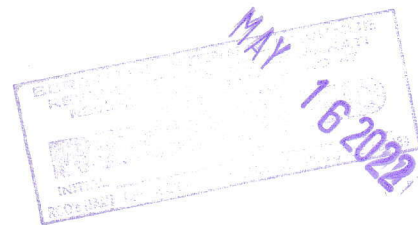
In compliance with Revenue Regulations V-20, we are stating the following:

1. The taxes paid or accrued by the company for the year December 31, 2021 are shown in the Schedule of Taxes and Licenses attached to the Income Tax Return.
2. No partner of our firm is related by consanguinity or affinity to the president, manager or the principal stockholder of the company.

BITHAO, AURELIO & PARTNERS

  
ROLITO V. BITHAO  
Partner

CPA Certificate No. 151167  
PRC-BOA Accreditation No. 7029 (Firm),  
Valid until December 4, 2024  
BIR Accreditation No. 07-000045-002-2021 (Firm),  
Valid until March 10, 2024  
BIR Accreditation No. 07-000054-002-2021 (Individual),  
Valid until March 30, 2024  
PTR No. 2757913, March 10, 2022, Quezon City  
TIN No. 223-492-047



May 13, 2022  
Quezon City



TO THE SECURITIES AND EXCHANGE COMMISSION

In connection with our examination of the financial statements of the client's corporation which are to be submitted to the Commission, we hereby represent the following:

1. That we are in active practice of the accounting profession and duly registered with the Board of Accountancy (BOA);
2. That said Financial Statements are presented in conformity with generally accepted accounting principles in all cases where we shall express an unqualified opinion, except that in case of any departure from such principles, we shall indicate the nature of the departure, the effects thereof, and the reasons why compliance with the principles would result in a misleading statements, if such is a fact;
3. That we shall fully meet the requirements of independence as provided for in Section 14 of the Code of Professional Ethics for CPAs.
4. That in the conduct of the audit, we shall comply with generally accepted auditing standards promulgated by the Board of Accountancy. In case of my departure from such standards or any limitation in the scope of my examination, we 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.
5. That we shall comply with the applicable rules and regulations of the Securities and Exchange Commission in the preparation and submission of financial statements;
6. That relative to the expression of our opinion on the said financial statements, we shall not commit any act discreditable to the profession as provided for in Section 23 of the Code of Professional Ethics for CPAs.

As CPAs engaged in public practice, we make these representation in our capacity as a firm.

BITHAO, AURELIO & PARTNERS



ROLITO V. BITHAO

Partner

CPA Certificate No. 151167

PRC-BOA Accreditation No. 7029 (Firm),

Valid until December 4, 2024

BIR Accreditation No. 07-000045-002-2021 (Firm),

Valid until March 10, 2024

BIR Accreditation No. 07-000054-002-2021 (Individual),

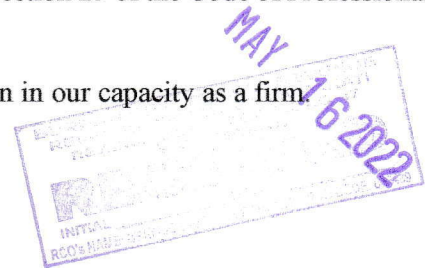
Valid until March 30, 2024

PTR No. 2757913, March 10, 2022, Quezon City

TIN No. 223-492-047

May 13, 2022

Quezon City



**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.**  
**(A Nonstock, Not-for-Profit Corporation)**

**STATEMENT OF FINANCIAL POSITION**

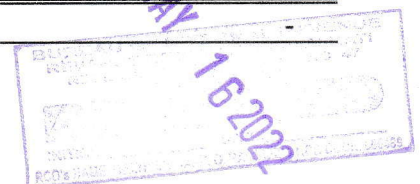
December 31, 2021

	Notes	
<b>ASSETS</b>		
Current		
Cash in bank	( 2,4 )	2,281,462
Total current assets		2,281,462
<b>TOTAL ASSETS</b>		<b>2,281,462</b>

**FUND BALANCE**

Fund balance	( 2 )	2,281,462
<b>TOTAL FUND BALANCE</b>		<b>2,281,462</b>

*see accompanying Notes to Financial Statements*





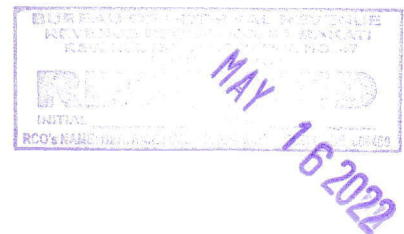
**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.**  
**(A Nonstock, Not-for-Profit Corporation)**

**STATEMENT OF ACTIVITIES**

For the year ended December 31, 2021

	Notes	
RECEIPTS	( 2,5 )	8,252,012
EXPENSES		
CAMPAIGN AND DONATIONS		5,822,980
ADMINISTRATIVE	( 2,6 )	207,570
EXCESS OF RECEIPTS OVER EXPENSES		2,221,462

*see accompanying notes to Financial Statements*



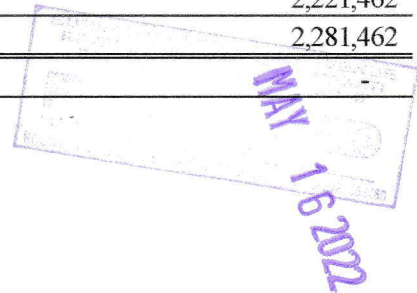
**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.**  
**(A Nonstock, Not-for-Profit Corporation)**

**STATEMENT OF CHANGES IN FUND BALANCE**

For the year ended December 31, 2021

	Total Fund balance
Initial capital contribution	60,000
Excess of receipts over expenses	2,221,462
Balance, December 31	2,281,462

*see accompanying notes to Financial Statements*





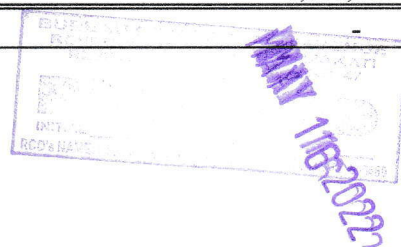
**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.**  
**(A Nonstock, Not-for-Profit Corporation)**

**STATEMENT OF CASH FLOW**

For the year ended December 31, 2021

	<b>Notes</b>	<b>2020</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Excess of receipts over expenses		2,221,462
Net Cash Generated/(Used) in Operating Activities		2,221,462
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Initial capital contribution	( 2 )	60,000
Net Cash Used in Investing Activities		60,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,281,462
CASH AND CASH EQUIVALENTS, BEGINNING		-
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>		<b>2,281,462</b>

*see accompanying notes to Financial Statements*



**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.**  
**(A Nonstock, Not-for-Profit Corporation)**

---

**NOTES TO FINANCIAL STATEMENTS**

**1. CORPORATE INFORMATION**

**ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.** (the company) was registered with the Securities and Exchange Commission (SEC) on October 15, 2021 under Company Registration No. 2021100029109-03 as a nonstock, not-for-profit corporation.

The company was organized for the purpose or purposes of to awaken women to an awareness of her potential and strengths as a political, economic, socio-cultural, and moral force through any of the following activities: to train women to develop their strengths and apply them effectively towards building a nation within the framework of love and peace; to train women leaders in good governance, civic duties, and leadership to enable them to take important and responsible roles in their respective communities; to enter into public-private partnerships to be able to work effectively with government agencies, non-government organizations, foundations and other partners to achieve AWARE's goals; to work with the educational system to include modules in educating and training women in preparation for leadership in society; and to advocate for positive change in society to help the Philippines reach the UN Sustainable Development Goals (SDGs)

The company's registered address is located at 191 25D Zeta II Salcedo Legaspi Village San Lorenzo, City of Makati.

The financial statements for the year ended December 31, 2021 was approved and authorized for issuance by the Board of Trustees on May 13, 2022.

---

**2. Summary of Significant Accounting Policies**

Basis of Preparation

The financial statements have been prepared using the historical cost basis and are presented in Philippine Peso.

Statement of Compliance

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

Basic and Other Financial Instruments

Basic and other financial assets and liabilities are recognized when the entity becomes a party to the contracts.

*Initial Recognition.* Basic financial instruments are measured at their transaction price including transactions costs. If the contract constitutes a financing arrangement, it is measured at the present value of future payments discounted at a market rate of interest for a similar instrument, unless the assets and liabilities are classified as current and do not incorporate a finance arrangement. If interest is not at a market rate, the fair value would be future payments discounted at a market rate of interest.



Other financial instruments are initially measured at fair value, which is usually their transaction price, and exclude transaction costs.

*Subsequent Recognition.* For basic financial instruments, at the end of each reporting period:

- debt instruments, such as an account, note, or loan receivables or payables, are measured at amortized cost using the effective interest rate;
- commitments to receive a loan are measured at cost less impairment; and,
- investments in nonconvertible preference shares and nonputtable ordinary, and preference shares that are publicly traded or their fair value can otherwise be reliably measured, are measured at fair value through profit and loss if a public market exists, otherwise at cost less impairment.

All other financial instruments are measured at fair value at reporting date, except for equity instruments (and related contracts that would result in delivery of such instruments) that are not publicly traded and whose fair value cannot be reliably determined which are measured at cost less impairment.

#### Amortized Cost

The effective interest method is used to calculate the amortized cost of a financial asset or a financial liability and to allocate the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the carrying amount of the financial asset or financial liability. When calculating the effective interest rate, future credit losses are excluded. Fees, transaction costs and other premiums or discounts are amortized over the life of the instrument (or shorter if they relate to a shorter period).

#### Fair Value

The standard makes use of a fair value hierarchy and this is quoted prices in an active market, prices in recent transactions for the identical assets (adjusted if necessary), and use of a valuation technique (that reflects how the market would expect to price the asset and the inputs reasonably represent market expectations). Fair value, where there is no active market, is only considered reliable if the variability in the range of fair values is not significant and the probabilities of various estimates can be reasonably assessed. Fair value of a liability cannot be below the amount in a demand feature discounted to the reporting date.

#### Impairment of Basic and Other Financial Instruments

At each reporting date, an assessment is made as to whether there is objective evidence of a possible impairment. If there is objective evidence of impairment, the entity shall recognize an impairment loss in net income in the statement of comprehensive income immediately.

All equity instruments regardless of significance and other financial assets that are individually significant shall be assessed for impairment individually and all other financial assets shall be assessed for impairment either individually or grouped on the basis of similar credit risk characteristics. The impairment loss of basic financial instruments at amortized cost is the difference between carrying value and the revised cash flows discounted at the original effective interest rate. The impairment of basic financial instruments at cost less impairment is the difference between the carrying value and best estimate of the amount that would be received if the asset were 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 (such as an improvement in the debtor's credit rating), the entity shall reverse the previously recognized impairment loss either directly

or by adjusting an allowance account. The entity shall recognize the amount of the reversal in net income in the statement of comprehensive income immediately.

Other financial instruments carried at cost less impairment are impaired on the same basis as basic financial instruments measured in the same manner.

#### Derecognition

An entity derecognizes a financial asset when:

- The contractual rights to the cash flows from the financial asset expire or are settled;
- The entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or,
- The entity, 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.

The entity derecognizes a financial liability when extinguished.

#### Cash in bank

Cash in banks earn interest at prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amount of cash with original maturities of three months or less from dates of placement and are subject to an insignificant risk of changes in value.

#### Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and any impairment in value. The initial cost of property and equipment consists of its purchase price and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to expense in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance and the term can be measured reliably, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation commences once the property and equipment are available for use and are depreciated on a straight-line basis over its estimated useful lives.

The useful lives and depreciation method are reviewed at least annually to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

When property or equipment are retired or otherwise disposed of, the cost and their related accumulated depreciation and any impairment in value are removed from the accounts and any resulting gain or loss is recognized in the statement of comprehensive income.

#### Asset Impairment

The carrying values of property and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying values may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group or related assets) 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 statement of comprehensive income.



If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) 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 asset (or group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in statement of comprehensive income.

#### Fund balance

Fund balance represents the balance available for use by the company and is composed of the contributions by members and the cumulative excess of receipts over expenses.

#### Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Corporation and the revenue can be measured reliably.

#### *Donations*

Donations are recognized when received.

#### Costs and Expenses

Costs and expenses are expenditures that arise in the course of the ordinary operations of the Corporation. Such costs and expenses are recognized in the statement of income as incurred.

#### Taxes

##### Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

##### Deferred income tax

Deferred tax is provided on all temporary differences using the liability method, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate applicable to the period when the asset is expected to be realized or the liability is expected to be settled, based on tax rates and tax laws that have been enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are

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

#### Provisions

Provisions are recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### Contingencies

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

#### Related Party Relationship and Transactions

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

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

#### Events after the Reporting Period

Post year-end events up to date when the financial statements are authorized for issue that provide additional information about the Company's position at the financial reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the financial statements when material.

---

### **3. Significant Accounting Estimates and Assumptions**

The preparation of the financial statements in accordance with PFRS for SEs requires the Company to make judgments, estimates and assumptions that affect the amounts reported in the financial statements. The estimates and assumptions are based on management's evaluation of relevant facts and circumstances as at financial reporting date. Actual results could differ from the estimates and assumptions used.

#### Judgment

Management makes judgments in the process of applying the Company's accounting policies. Judgment that has the most significant effect on the reported amounts in the financial statements is discussed below:



*Determination of Functional Currency.* Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the Philippine peso. The Philippine peso is the currency of the primary economic environment in which the Company operates. It is the currency that mainly influences the Company's revenue and expenses.

#### Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation and uncertainty at the reporting date that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company based its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

*Estimating Allowance for Impairment Losses.* Allowance for impairment losses is maintained at a level adequate to provide for potentially uncollectible receivables. The level of allowance is based on the aging of the accounts receivable, past collection experience and other factors that may affect its recoverability. The allowance is established through charges to income in the form of provision for impairment losses. In addition, accounts that are specifically identified to be potentially uncollectible are also provided with adequate allowance.

*Estimating Useful Lives of Property and Equipment.* The costs of property and equipment are depreciated on a straight-line basis over their estimated useful lives. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore future depreciation charges could be revised.

*Impairment of Property and Equipment.* An impairment review is performed when events or changes in circumstances indicate that the carrying value may not be recoverable.

---

#### **4. Cash in bank**

This account consists of:

Cash in bank	2,281,462
	<u>P2,281,462</u>

#### **5. Receipts**

This account consists of:

Donations	8,252,012
	<u>P8,252,012</u>

## 6. Administrative

This account consists of:

Salaries and allowances	55,000
Other services	7,000
Bank charges	1,000
Miscellaneous	144,570
	<u>P207,570</u>

## 7. Income Tax

As a non-stock, non-profit corporation, the corporation falls under Section 30 (E) of the Republic Act No. 8424 entitled, "An Act Amending the National Internal Revenue Code, as Amended, and for Other Purposes". The receipts from activities conducted in pursuit of the objectives for which the corporation was established are exempt from income tax. However, any income arising from its real or personal properties, or from activities conducted for profit, regardless of the disposition made of such income, is subject to income tax.

The Corporate Recovery and Tax Incentives for Enterprises Act or "CREATE" was signed by President Rodrigo Duterte last March 26, 2021 as a law. The said law shall be effective 15 days upon publication in the official gazette or in a newspaper of general circulation. Implementing rules and regulations (IRR) should be promulgated within 90 days after the effectivity of the act by the Secretary of Finance upon the recommendation of the Commissioner of Internal Revenue.

The general features of the CREATE law are the following:

- Reduction in current income tax rate effective July 1, 2020. All domestic corporations with net taxable income not exceeding P5 million and with total assets not exceeding P100 million are now subject to 20% income tax rate while all other domestic corporations and foreign corporations are subject to 25% income tax rate;
- Proprietary educational institutions and hospitals which are nonprofit previously subject to a tax of 10% on their taxable income, shall be imposed a tax rate of 1% beginning July 1, 2020 until June 30, 2023;
- Increased threshold on sale of real estate properties that is exempt from VAT;
- Regional operating headquarters of multinational companies previously subject to a tax of 10% on their taxable shall be subject to the regular corporate income tax effective December 31, 2020; and
- Effective July 1, 2020 until June 30, 2023, the MCIT rate shall be one percent 1%.

The reconciliation of statutory income tax to the provision for income tax is shown as follows:

Provision for income tax computed at statutory income tax rate	444,292
Adjustment:	
Net Income exempted from income taxes	(444,292)
Provision for income tax	<u>-</u>



## **8. Supplementary Information Required Under Revenue Regulation (RR) 15-2010**

In compliance with the requirements set forth by RR 15-2010, hereunder are the information on taxes and license fees paid or accrued during the taxable year 2021:

The company has no taxes and licenses paid in 2021.


## **9. Effect of COVID-19 pandemic**

The COVID-19 pandemic has rapidly developed in 2020 and the Philippine government declared a nationwide state of public health emergency and implemented series of community quarantine starting March 16, 2020 which caused disruptions to the company's business operation. In 2021, the management believes that the impact of the pandemic is not significant to the business operation.

The management continues to take measures to mitigate the effects of COVID-19 such as implementing safety and health protocols, cost-cutting, etc.

\*\*\*

For BIR BCS/ Use Only Item:		<b>Republic of the Philippines</b> <b>Department of Finance</b> <b>Bureau of Internal Revenue</b>	
BIR Form No. <b>1702-EX</b> January 2018 (ENCS) v2 Page 1	<b>Annual Income Tax Return</b> <b>Corporation, Partnership and Other Non-Individual Taxpayer EXEMPT</b> <b>under the Tax Code, as Amended, [Sec. 30 and those exempted in Sec.</b> <b>27(C)] and Other Special Laws, with NO Other Taxable Income</b> <i>Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X".</i> <i>Two copies MUST be filled with the BIR and one held by the taxpayer.</i>		 1702-EX 01/18ENCS v2 P1
<div style="display: flex; justify-content: space-between;"> <div> <b>1</b> For <input checked="" type="radio"/> Calendar <input type="radio"/> Fiscal  <b>2</b> Year Ended (MM/DD/YY)            12/2021         </div> <div> <b>3</b> Amended Return? <input checked="" type="radio"/> Yes <input type="radio"/> No  <b>4</b> Short Period Return <input checked="" type="radio"/> Yes <input type="radio"/> No         </div> <div> <b>5</b> Alphanumeric Tax Code (ATC)  <div style="display: flex; justify-content: space-between;"> <div>IC 011 Exempt Corporation on Exempt Activities <input checked="" type="radio"/></div> <div>IC 021 General Professional Partnership <input type="radio"/></div> </div> </div> </div>			
<b>Background Information</b>			
<b>6</b> Taxpayer Identification Number (TIN) 603 - 754 - 102 - 0000 <span style="float: right;"><b>7</b> RDO Code 047</span>			
<b>8</b> Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.			
<b>9</b> Registered Address (Indicate complete address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1905) 2ND FLOOR ZETA II BLDG, UNIT 25D, 191 SALCEDO ST. LEGASPI VILLAGE, SAN LORENZO, MAKATI			
<b>10</b> Date of Incorporation/Organization (MM/DD/YYYY) 10/15/2021 <span style="float: right;"><b>11</b> Contact Number 09673812346</span>			
<b>12</b> Email Address inquiry@aware.com.ph			
<b>13</b> Method of Deductions <input checked="" type="radio"/> Itemized Deductions [Section 34 (A-J), NIRC] <input type="radio"/> Optional Standard Deduction (OSD) - 40% of Gross Income [applicable only to General Profession Partnership (GPP) per RA No. 10963]			
<b>14</b> Legal Basis of Tax Relief / Exemption (Specify) 5 <span style="float: right;"><b>15</b> Investment Promotion Agency (IPA) / Government Agency (specify) NA</span>			
<b>16</b> Registered Activity / Program (Registration Number) 94990 <span style="float: right;"><b>17</b> Effectivity Date of Tax Relief / Exemption (MM/DD/YYYY) From 12/13/2021 To 12/31/2022</span>			
<b>PART II - TOTAL TAX PAYABLE</b> (DO NOT ENTER CENTAVOS; 49 centavos or less drop down; 50 or more round up)			
<b>18</b> Tax Due (From Part IV Item 41)			0.00
<b>19</b> Less: Total Tax Credits/Payments (From Part IV Item 50)			0.00
<b>20</b> Total (Overpayment) (Item 18 Less Item 19) (From Part IV Item 51)			0.00
<b>21</b> Add: Penalty - Compromise			0.00
<b>22</b> TOTAL AMOUNT PAYABLE / (Overpayment) (Sum of Items 20 & 21)			0.00
If overpayment, mark one (1) box only. (Once the choice is made, the same is irrevocable) <input type="radio"/> To be refunded <input type="radio"/> To be issued a Tax Credit Certificate (TCC) <input type="radio"/> To be carried over as a tax credit for next year/quarter			
We declare under the penalties of perjury that this return and all its attachments, have been made in good faith, verified by us, and to the best of our knowledge and belief, are true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If signed by an Authorized Representative, indicate TIN and attach authorization letter)			
 <b>CARMEN LOZARES VALDES</b> Signature over Printed Name of President/Principal Officer/Authorized Representative		 <b>SUSAN EVANGELINE QUIROS</b> Signature over Printed Name of Treasurer/Assistant Treasurer	
Title of Signatory <b>PRESIDENT</b> TIN <b>138-201-899-000</b>		Title of Signatory <b>TREASURER</b> TIN <b>115-709-291-000</b>	
<b>Part III - Details of Payment</b>			
<b>Particulars</b>	<b>Drawee Bank/ Agency</b>	<b>Number</b>	<b>Date (MM/DD/YYYY)</b>
<b>24</b> Cash/Bank Debit Memo			
<b>25</b> Check			
<b>26</b> Tax Debit Memo			
<b>27</b> Others (Specify Below)			
<div style="display: flex; justify-content: space-between;"> <div>Machine Validation / Revenue Official Receipt Details [if not filed with an Authorized Agent Bank (AAB)]</div> <div>Stamp of Receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)</div> </div>			

BIR Form No. <b>1702-EX</b> January 2018 (ENCS) v2 Page 2	<b>Annual Income Tax Return</b> Corporation, Partnership and Other Non-Individual Taxpayer EXEMPT under the Tax Code, as Amended, [Sec. 30 and those exempted in Sec. 27(C)] and Other Special Laws, with NO Other Taxable Income	 1702-EX 01/18ENCS v2 P2
TIN 603    754    102    0000		Registered Name ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.


  

Part IV - Computation of Tax		(Do NOT enter Centavos; 49 centavos or less drop down; 50 or more round up)
28 Sales/Receipts/Revenues/Fees		8,252,012.00
29 Less: Sales Returns, Allowances and Discounts		0.00
30 Net Sales/Receipts/Revenues/Fees (Item 28 less Item 29)		8,252,012.00
31 Less: Cost of Sales/Services		0.00
32 Gross Income from Operation (Item 30 Less Item 31)		8,252,012.00
33 Add: Other Income		0.00
34 Total Gross Income (Sum of Items 32 and 33)		8,252,012.00
Less: Deductions Allowable under Existing Law		
<b>A. Itemized Deduction</b>		
35 Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)		6,030,550.00
36 Special Allowable Itemized Deductions (From Part VI Schedule II Item 5)		0.00
37 Total Itemized Deductions (Sum of Items 35 and 36)		6,030,550.00
<b>B. Optional Standard Deduction (OSD)</b>		
38 OSD (40% of Item 34) (applicable to GPP per RA No. 10963)		0.00
39 Net Taxable Income / (Loss) (If Itemized: Item 34 Less Item 37; If OSD: Item 34 Less Item 38)		2,221,462.00
40 Tax Rate	0 %	
41 Tax Due (Item 39 x Item 40) (To Part II Item 18)		0.00
Less: Tax Credits / Payments (attach proof)		
42 Prior Year's Excess Credits		0.00
43 Income Tax Payment from Previous Quarter/s		0.00
44 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307		0.00
45 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		0.00
46 Foreign Tax Credits, if applicable		0.00
47 Tax Paid in Return Previously Filed, if this is an Amended Return		0.00
Other Tax Credits / Payments (specify)		
48		0.00
49		0.00
50 Total Tax Credits / Payments (Sum of Items 42 to 49) (To Part II Item 19)		0.00
51 Total (Overpayment) (Item 41 Less Item 50) (To Part II Item 20)		0.00

Part V - Tax Relief Availment	
52 Regular Income Tax Otherwise Due (Item 39 of Part IV x Applicable Income Tax Rate)	444,292.00
53 Special Allowable Itemized Deductions (Item 36 of Part IV x Applicable Income Tax Rate)	0.00
54 Total Tax Relief Availment (Sum of Items 52 and 53)	444,292.00



BIR Form No. <b>1702-EX</b> January 2018 (ENCS) v2 Page 3	<b>Annual Income Tax Return</b> Corporation, Partnership and Other Non-Individual Taxpayer EXEMPT under the Tax Code, as Amended, [Sec. 30 and those exempted in Sec. 27(C)] and Other Special Laws, with NO Other Taxable Income	 1702-EX 01/18ENCS v2 P3
Tax Identification Number (TIN) 603 754 102 0000		Registered Name ALLIANCE OF WOMEN FOR ACTION TOWARDS REFORM INC.
<b>Part VI - Schedules</b>		
(Do NOT enter Centavos; 49 centavos or less drop down; 50 or more round up)		
<b>Schedule 1 - Ordinary Allowable Itemized Deductions</b> (attach additional sheet/s, if necessary)		
1 Ammortizations		0.00
2 Bad Debts		0.00
3 Charitable and Contributions		5,822,980.00
4 Depletion		0.00
5 Depreciation		0.00
6 Entertainment, Amusement and Recreation		0.00
7 Fringe Benefits		0.00
8 Interest		0.00
9 Losses		0.00
10 Pension Trusts		0.00
11 Rental		0.00
12 Research and Development		0.00
13 Salaries, Wages, and Allowances		55,000.00
14 SSS, GSIS, Philhealth, HDMF, and Other Contributions		0.00
15 Taxes and Licenses		0.00
16 Transportation and Travel		0.00
17 Others (Deductions Subject to Withholding Tax and Other Expenses) [Specify below; Add additional sheet(s) if necessary]		
a Janitorial and Messengerial Services		0.00
b Professional Fees		0.00
c Security Services		0.00
d OTHER SERVICES		7,000.00
e BANK CHARGES		1,000.00
f MISCELLANEOUS		144,570.00
g		0.00
h		0.00
i		0.00
<b>18 Total Ordinary Allowable Itemized Deductions</b> (Sum of Items 1 to 17i) (To Part IV Item 35)		6,030,550.00
<b>Schedule 2 - Special Allowable Itemized Deductions</b> (attach additional sheet/s, if necessary)		
Description	Legal Basis	Amount
1		0.00
2		0.00
3		0.00
4		0.00
<b>5 Total Special Allowable Itemized Deductions</b> (Sum of Items 1 to 4) (To Part IV Item 36)		0.00
<b>Schedule 3 - Reconciliation of Net Income per Books Against Taxable Income</b> (attach additional sheet/s, if necessary)		
1 Net Income(loss) per Books		2,221,462.00
Add: Non-Deductible Expenses/Other Income		
2		0.00
3		0.00
4 Total (Sum of Items 1 to 3)		2,221,462.00
Less: A) Non-Taxable Income and Income Subjected to Final Tax		
5		0.00
6		0.00
B) Special Deductions		
7		0.00
8		0.00
9 Total (Sum of Items 5 to 8)		0.00
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)		2,221,462.00





Cynthia Roxas &lt;cynthia.s.roxas14@gmail.com&gt;

**Fwd: Tax Return Receipt Confirmation**

1 message

**inquiry@aware.com.ph** <inquiry@aware.com.ph>  
To: cynthia.s.roxas14@gmail.com  
Cc: Narzalina Lim <narzalina.lim@gmail.com>

Sat, May 14, 2022 at 11:14 AM

----- Original Message -----

**Subject:** Tax Return Receipt Confirmation  
**Date:** 2022-05-14 10:57  
**From:** ebirforms-noreply@bir.gov.ph  
**To:** inquiry@aware.com.ph

This confirms receipt of your submission with the following details subject to validation by BIR:

File name: 603754102000-1702EXv2018C-122021V9.xml

Date received by BIR: 14 May 2022

Time received by BIR: 10:33 AM

Penalties may be imposed for any violation of the provisions of the NIRC and issuances thereof.

**FOR RETURNS WITH PAYMENT**

Please print this e-mail together with the RETURN and proceed to pay through the Authorized Agent Bank / Collection Agent / GCASH or use other payment options.

This is a system-generated email. Please do not reply.

Bureau of Internal Revenue

=====  
DISCLAIMER  
=====

This email and its attachments may be confidential and are intended solely for the use of the individual or entity to whom it is addressed.

If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you disseminate, distribute or copy this e-mail. Please contact the sender immediately if you believe you have received this email in error.

E-mail transmission cannot be guaranteed to be secure or error-free. The recipient should check this email and any attachments for the presence of viruses. The Bureau of Internal Revenue does not accept liability for any errors or omissions in the contents of this message which arise as a result of e-mail transmission.