



MEMORANDUM – 2023-005

TO : ALL TRADING PARTICIPANTS
SUBJECT : SUBMISSION OF 2022 ANNUAL AUDITED FINANCIAL STATEMENTS
DATE : 30 MARCH 2023

In connection with the submission of the Annual Audited Financial Statement ("AAFS") for the year 2022, all trading participants ("TPs") are required to observe the same schedule prescribed by the Securities and Exchange Commission ("Commission"). For reference, attached are the guidelines for the submission of the 2022 AAFS ("**Annex A**"), together with the *SEC Memorandum Circular No. 9, Series of 2022*, regarding the 2023 filing of annual financial statements and general information sheet ("**Annex B**"). Scanned copies of the 2022 AAFS shall be submitted to CMIC through electronic mail at acd@cmic.com.ph.

The TPs are also required to submit the information set forth in **Annex "C"** pertaining to the external auditor and the audit engagement, at least sixty (60) calendar days prior to the submission of the AAFS, depending on the filing date fixed by the Commission.

Should there be clarifications concerning the foregoing requirements, please contact Ms. Anna Bernadette S. Cordero at (02)8876-4578 or email acd@cmic.com.ph.

For information and guidance.

(originally signed)
DAISY P. ARCE
President

ACD	FHRAD	IED	SD

GUIDELINES ON SUBMISSION OF 2022 AUDITED FINANCIAL STATEMENTS OF TRADING PARTICIPANTS

1. Every Trading Participant ("TP") shall file its Annual Audited Financial Statements ("AAFS") for the year 2022 to the Securities and Exchange Commission ("Commission") and the Capital Market Integrity Corporation ("CMIC") in accordance with the schedule prescribed in SEC Memorandum Circular No. 1, Series of 2023.
2. Only the 2022 AAFS received by the Commission¹ and the Bureau of Internal Revenue ("BIR")² will be accepted by CMIC.
3. Only external auditors classified as "A" or "B" by the Commission are allowed to audit TPs. AAFS audited by non-accredited external auditors will be deemed **not submitted**.
4. Unless the TP notifies the Commission otherwise and receives written approval to change the date, 31st of December of each year shall be considered the close of its fiscal year.
5. The 2022 Audited Financial Report shall contain the following:
 - a. Statement of Management's Responsibility;
 - b. Statement of Financial Condition;
 - c. Statement of Comprehensive Income;
 - d. Statement of Cash Flows
 - e. Statement of Changes in Stockholder's Equity;
 - f. Statement of Changes in Liabilities Subordinated to Claim of General Creditors;
 - g. Computation of Risk-Based Capital Adequacy Requirement/Ratio (Top Sheet only);
 - h. Information relating to the Possession or Control Requirements;
 - i. Computation for Determination of Reserve Requirement;
 - j. Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit; and
 - k. Results of Monthly Securities Count Conducted as of the date of the balance sheet statements in the AAFS.
6. For other details regarding the submission of the AAFS, please refer to Article IX, Section 3 of the CMIC Rules.

¹ 2022 AAFS is considered received by the Commission when it has a barcode page indicating that the AAFS is received by the Commission.

² 2022 AAFS is considered received by the BIR when: (1) it is stamped "received" by the BIR or its authorized banks, or (2) it is with the system-generated Transaction Reference Number if filed through the BIR e-AFS system.

SEC MEMORANDUM CIRCULAR NO. 9

Series of 2022

TO: ALL CONCERNED CORPORATIONS

**SUBJECT: 2023 FILING OF ANNUAL FINANCIAL STATEMENTS
AND GENERAL INFORMATION SHEET**

DATE : 06 DECEMBER 2022

To maintain an organized and orderly filing of Annual Financial Statements (AFS) and General Information Sheet (GIS), and to comply with the zero-contact policy and automation of business-related transactions mandated by Republic Act No. 11032, otherwise known as the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018," the Securities and Exchange Commission (SEC), pursuant to its authority under Republic Act No. 11232, otherwise known as the "Revised Corporation Code of the Philippines," and Republic Act No. 8799, otherwise known as the "Securities Regulation Code," hereby adopts the following measures in the filing of annual reports with the Commission:

I. AUDITED FINANCIAL STATEMENTS

1. All corporations, including branch offices, representative offices, regional headquarters and regional operating headquarters of foreign corporations, whose fiscal years ended on 31 December 2022, shall file their AFS through the SEC Electronic Filing and Submission Tool (eFAST), in accordance with the following schedule, depending on the last numerical digit of their SEC registration or license numbers:

Submission Dates	Last Digit of SEC Registration/ License Number
May 2,3,4,5	1 and 2
May 8, 9,10,11,12	3 and 4
May 15, 16,17,18,19	5 and 6
May 22, 23,24,25,26	7 and 8
May 29, 30, 31 and June 1, 2	9 and 0

All corporations under the jurisdiction of the SEC Extension Offices shall be governed by the same coding schedule in 2023.

2. The above filing schedule shall not apply to the following corporations:

Published:
Philippine Star, 14 December 2022
Philippine Daily Inquirer, 14 December 2022

Filed with UP Law Center: 14 December 2022

(a) Those whose fiscal years end on a date other than 31 December 2022. These entities shall file their AFS within 120 calendar days from the end of their respective fiscal years;

However, for brokers and dealers whose fiscal years end on December 31, SEC Form 52-AR shall be filed with the Commission depending on the last numerical digit of the brokers and dealers' registration numbers as prescribed by the Commission. Brokers and dealers whose fiscal years end on a date other than December 31 shall file SEC Form 52-AR, 110 calendar days after the close of their respective fiscal years;¹

(b) Those whose securities are listed on the Philippine Stock Exchange (PSE), those whose securities are registered but not listed on the PSE, those considered as public companies, and other entities covered under Sec.17.2 of the SRC. These entities shall file their AFS within 105 calendar days after the end of fiscal year, as attachment to their Annual Reports (SEC Form 17-A), in accordance with the Implementing Rules and Regulations of the SRC; and

(c) Those whose AFS are being audited by the Commission on Audit (COA), provided that the following documents are attached to their AFS:

- (i) An affidavit signed by the President and Treasurer (or Chief Finance Officer, where applicable) attesting to the fact that the company timely provided the COA with the financial statements and supporting documents and that the audit of the COA has just been concluded; and
- (ii) A letter from the COA confirming the information provided in the above affidavit.

3. All corporations may file their AFS regardless of the last numerical digit of their registration or license numbers before the first day of the coding schedule pertaining to said digit, as provided in Item 1 above.

4. Late filings or submissions after the due dates provided in Item 1 above shall be accepted starting 05 June 2023, and shall be subject to the prescribed penalties which shall be computed from the date of the last day of filing stated in the same Item 1.

5. The AFS to be submitted, other than the consolidated financial statements, shall be stamped "received" by the Bureau of Internal Revenue (BIR) or its authorized banks, unless the BIR allows an alternative proof of submission for its authorized banks (e.g., bank slips) and/or other facilities. For companies which filed their AFS through the BIR e-AFS system, they shall attach the system-generated Transaction Reference Number issued by the BIR, in lieu of the manual "received" stamp.

¹ Rule 52.1.5.2 of the 2015 SRC IRR

6. The AFS shall include the basic components prescribed under the Revised SRC Rule 68. Failure to comply with any of the formal requirements under said Rule, including the prescribed qualifications for independent auditors and/or any material deficiency or misstatement that may be found upon evaluation of the specific contents thereof, shall be considered a sufficient ground for the imposition of penalties by the SEC. The acceptance and receipt by the Commission of the financial statements shall be without prejudice to such penalties.

7. The following shall submit annual audited financial statements (AAFS), as provided under the general financial reporting requirements stated in Revised SRC Rule 68, which was approved by the Commission *En Banc* on 19 August 2019:

(a) Stock corporations with total assets or total liabilities of Six Hundred Thousand Pesos (Php600,000.00) or more, as prescribed under the RCC and any of its subsequent revisions or such amount as may be subsequently prescribed;

(b) Nonstock corporations with total assets or total liabilities of Six Hundred Thousand Pesos (Php600,000.00) or more as prescribed under the RCC and any of its subsequent revisions or such amount as may be subsequently prescribed;

(c) Branch offices/representative offices of stock foreign corporations with assigned capital in the equivalent amount of One Million Pesos (Php1,000,000.00) or more;

(d) Branch offices/representative offices of nonstock foreign corporations with total assets in the equivalent amount of One Million Pesos (Php1,000,000.00) or more;

(e) Regional operating headquarters of foreign corporations with total revenues in the equivalent amount of One Million Pesos (Php1,000,000.00) or more;

Financial statements of branch offices of foreign corporations licensed to do business in the Philippines by the Commission shall comply with the requirements of this Rule, unless they are otherwise determined by the Commission as not applicable.

8. Corporations, which do not meet the thresholds stated in Item 7 above, may submit their AFS accompanied by a duly notarized Treasurer's Certification only.

II. GENERAL INFORMATION SHEET (GIS)

1. All corporations shall file with the Commission, through eFAST, their GIS within 30 calendar days from:

(a) For Stock Corporations, the date of actual annual stockholders' meeting;

(b) For Nonstock Corporations, the date of actual annual members' meeting;



(c) For Foreign Corporations, the anniversary date of the issuance of their respective SEC licenses.

III. ALL REPORTS

1. All corporations, both stock and nonstock, are required to file their annual reportorial requirements through eFAST, formerly known as the Online Submission Tool (OST) and which may be accessed at <https://cifss-ost.sec.gov.ph/>, following the schedule provided in Part I, Item 1 above, in the case of AFS submissions. All filers of GIS and AFS, regardless of the number of reports to be filed with the Commission, shall be accommodated through eFAST.

Other reports not yet accepted through eFAST may be submitted through email at ictsubmission@sec.gov.ph. Submission of reports over the counter and/or through mail or courier under the SEC Express Nationwide Submission (SENS) facility shall no longer be accepted.

Any problem encountered in the enrollment and submission of AFS and GIS in the eFAST shall be accommodated through the email addresses and telephone numbers provided in the SEC Contact Center posted at <https://www.sec.gov.ph/contact-us/>.

2. The SEC shall accept all reports filed through eFAST regardless of their form and contents. Reports will be reverted only for the following reasons:

- (a) Poor image quality (e.g., blurred and unreadable);
- (b) Horizontal image orientation;
- (c) Wrong company profile; and
- (d) Wrong period covered.

3. The reckoning date for the receipt of reports is the date they are initially submitted through eFAST, if the filed report is compliant with the requirements stated above.

A report which is reverted, is considered not filed or not received. A notification will be sent to the filer, stating the reason(s) for the rejection of the report in the remarks box based on the reasons stated above.

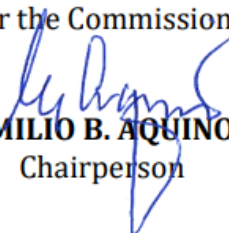
4. Reportorial requirements submitted by corporations shall be filed through eFAST, subject to review by the Commission, and further subject to fines and/or penalties for violation of existing laws, rules and regulations, if any.



All other circulars, memoranda and implementing rules and regulations inconsistent with the foregoing provisions shall be deemed modified or amended accordingly.

This Memorandum Circular shall be published in two newspapers of general circulation.

For the Commission:



EMILIO B. AQUINO
Chairperson

SEC MEMORANDUM CIRCULAR NO. 1

Series of 2023

TO : ALL CONCERNED CORPORATIONS

SUBJECT : EXTENSION OF DEADLINES FOR THE 2023 FILING OF ANNUAL FINANCIAL STATEMENTS

To demonstrate commitment to ensuring high-quality financial reports, the Commission provides sufficient time for external auditors to complete their statutory audits of the financial statements of corporations amidst recent challenges encountered by the auditing firms. The Commission recognizes the role of external auditors as essential in safeguarding the public interest through the conduct of independent audits to provide reasonable assurance to the public that the financial statements are free from material misstatements, whether due to fraud or error, thus, establishing credibility and reliability of the financial statements of corporations. The Commission hereby revised Sections I.1 and I.4 of the Memorandum Circular (MC) No. 9, Series of 2022, *2023 Filing of Annual Financial Statements and General Information Sheets*:

Audited Financial Statements of Companies Whose Calendar Year Ends on 31 December 2022:

1. All corporations, including branch offices, representative offices, regional headquarters and regional operating headquarters of foreign corporations, whose calendar year ended on 31 December 2022, shall file their AFS through the SEC Electronic Filing and Submission Tool (eFAST), in accordance with the following revised filing schedules, depending on the last numerical digit of their SEC registration or license numbers:

Revised Filing Schedules	Last Digits of SEC Registration/License Number
May 29, 30, 31, June 1, 2	1 and 2
June 5, 6, 7, 8, 9	3 and 4
June 13, 14, 15, 16	5 and 6
June 19, 20, 21, 22, 23	7 and 8
June 26, 27, 29, 30	9 and 0

All corporations under the jurisdiction of the SEC Extension Offices shall be governed by the same coding schedules in 2023.

2. Late filings or submissions after the due dates provided in Item 1 above shall be accepted starting **03 July 2023** and shall be subject to the prescribed penalties, which shall be computed from the date of the last day of filing stated in Item 1.

Published:

Philippine Star, 4 March 2023
Philippine Daily Inquirer, 4 March 2023

Filed with UP Law Center: 1 March 2023

All provisions under MC No. 9, Series of 2022, except for Sections I.1 and I.4, as revised, remain to be effective. To reiterate, Section I.2 of the said circular, the above revised filing schedule shall not apply to the following corporations:

- a) Those whose fiscal year ends on a date other than December 31, 2022. These entities shall file their AFS within 120 days from the end of their fiscal year.

However, for brokers and dealers whose fiscal years end on December 31, SEC Form 52-AR shall be filed with the Commission depending on the last numerical digit of the brokers and dealers' registration numbers as prescribed by the Commission. Brokers and dealers whose fiscal years end on a date other than December 31 shall file SEC Form 52-AR, 110 calendar days after the close of their respective fiscal years;

- b) Those whose securities are listed on the Philippine Stock Exchange (PSE), those whose securities are registered but not listed on the PSE, those considered as public companies, and other entities covered under Sec.17.2 of the SRC. These entities shall file their AFS within 105 calendar days after the end of fiscal year, as attachment to their Annual Reports (SEC Form 17-A), in accordance with the Implementing Rules and Regulations of the SRC; and
- c) Those whose AFS are being audited by the Commission on Audit (COA), provided that the following documents are attached to their AFS:
 - i. An affidavit signed by the President and Treasurer (or Chief Finance Officer, where applicable) attesting to the fact that the company timely provided the COA with the financial statements and supporting documents and that the audit of the COA has just been concluded; and
 - ii. A letter from the COA confirming the information provided in the above affidavit.

All other circulars, memoranda and implementing rules and regulations that may be inconsistent with the foregoing provisions shall be deemed modified or amended accordingly.

This Memorandum Circular shall take effect immediately after its publication in two newspapers of general circulation.

Makati City.

27 February 2023

For the Commission:


EMILIO B. AQUINO
Chairperson

Trading Participant: _____

1. Auditor

a) Name of Auditing Firm / Auditor _____

b) Name of Engagement Partner _____

c) Engagement Partner's PTR _____

d) Telephone Number/s _____

e) Email Address _____

f) Classification by SEC (A or B only) _____

2. Audit Timetable

a) Expected start of audit _____

b) Expected release of 2021 Audited
Financial Statement _____

3. Conform by External Auditor

(Signature over printed name)

(Position)

Prepared by:

(Signature over printed name)

(Position)

Approved by:

(Signature over printed name)

(Position)