Securities and Exchange Commission
PHILIPPINES

OFFICE OF THE CHAIRPERSON

SEC MEMORANDUM CIRCULAR NO. 2
SERIES OF 2020

TO: **ALL CONCERNED CORPORATIONS**

SUBJECT: **2020 FILING OF ANNUAL FINANCIAL STATEMENTS AND GENERAL INFORMATION SHEET**

To maintain an organized and orderly filing of Audited Financial Statements (AFS) and General Information Sheet (GIS), the Commission, pursuant to its authority under the Revised Corporation Code and the Securities Regulation Code, adopts the following measures in the filing of annual reports:

I. AUDITED FINANCIAL STATEMENTS OF COMPANIES WHOSE FISCAL YEAR ENDS ON DECEMBER 31, 2019:

1. All corporations, including branch offices, representative offices, regional headquarters and regional operating headquarters of foreign corporations, shall file their AFS depending on the last numerical digit of their SEC registration or license number in accordance with the following schedule:

April 20, 21, 22, 23, 24	:	1 and 2
April 27, 28, 29, 30	:	3 and 4
May 4, 5, 6, 7, 8	:	5 and 6
May 11, 12, 13, 14, 15	:	7 and 8
May 18, 19, 20, 21, 22	:	9 and 0

All SEC Satellite Offices and Extension Offices in Cebu, Iloilo and Davao shall be governed also by the above coding schedule in 2020. However, any corporations may file on or before its respective filing dates.

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

   (a) Those whose fiscal year ends on a date other than December 31, 2019. These entities shall file their AFS within 120 calendar days from the end of their fiscal year;

   However, for Broker Dealer whose fiscal year ends on December 31, SEC Form 52-AR shall be filed with the Commission depending on the last numerical digit of its registration number as prescribed by the Commission. Broker Dealers whose fiscal year ends on date other than December 31 shall file SEC Form 52-AR, 110 calendar days after the close of such fiscal year.[1]

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[1] Rule 52.1.5.2 of the 2015 SRC IRR

(b) Those whose securities are listed on the Philippine Stock Exchange (PSE) and those whose Securities are registered but not listed in PSE and Public Companies, covered under Sec.17.2 of the Securities Regulation Code (SRC). These entities shall continue to observe the due date of filing of 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 Securities Regulation Code.

(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 COA with the financial statements and supporting documents and that the audit of COA has just been concluded; and

(ii) A letter from 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 number on or before the first day stated in the coding schedule in paragraph 1 pertaining to said digit;

4. Late filings or filing after respective due dates shall be accepted starting May 25, 2020 and shall be subject to the prescribed penalties which shall be computed from the date of the last day of filing schedule stated in paragraph 1;

5. The AFS, other than the consolidated financial statements, shall have the 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);

6. The basic components of the Audited Financial Statements (AFS) as prescribed under SRC Rule 68, as amended, shall be submitted by filers. 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 SEC. The acceptance and receipt by the Commission of the financial statements shall be without prejudice to such penalties.

7. The General Financial Reporting Requirements as stated in the Revised Securities Regulation Code (SRC) Rule 68 which was approved by the Commission En Banc on August 19, 2019, states the threshold for an Audited Financial Statements as follows:

a) Stock corporation with total assets or total liabilities of Six Hundred Thousand Pesos (P600,000) or more as prescribed under the Revised Corporation Code of the Philippines (Revised Corporation Code) and any of its subsequent revisions or such amount as may be subsequently prescribed;

b) Non-stock corporations with total assets or total liabilities of Six Hundred Thousand Pesos (P600,000) or more as prescribed under the Revised Corporation Code 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 (P1 Million) or more;

d) Branch offices/representative offices of non-stock foreign corporation with total assets in the equivalent amount of One Million Pesos (P1 Million) or more.

e) Regional operating headquarters of foreign corporations with total revenues in the equivalent amount of One Million Pesos (P1 Million) 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 otherwise determined by the Commission as not applicable.

8. Corporations which do not meet the threshold stated in item no. 7 herein, may submit their Annual Financial Statements accompanied by a duly notarized Treasurer's Certification only (rather than an Auditor's Report).

II. GENERAL INFORMATION SHEET (GIS)

1. All corporations shall file their GIS within 30 calendar days from:

   a. Stock Corporations – date of actual annual stockholders' meeting
   b. Non-Stock Corporations – date of actual annual members meeting
   c. Foreign Corporations – anniversary date of the issuance of the SEC License.

III. ALL REPORTS

All corporations may directly file their AFS and GIS in SEC Head Office, PICC Building, all Satellite Offices (Ali Mall-Cubao Quezon City, SM Manila, SM North EDSA, Robinson's Galleria, Muntinlupa City Hall and SM Mall of Asia) and Extension Offices (Cebu, Davao and Iloilo) applying the SEC issued number coding schedule for AFS.

All filers of GIS and AFS, regardless of the number of reports to be filed at SEC, complying with the circularized SEC-issued number coding schedule (for AFS only) may choose to avail of any of the following options:

a). **SEC Express Nationwide Submission (SENS)** with the following procedures:

- Filer downloads SEC Express Nationwide Submission Checklist and Undertaking Form (SENS Form)
- Filer accomplishes and signs SENS Form
- Filer attaches checklist with signed undertaking to each report to be submitted
- Filer encloses the documents and accomplished checklist with undertaking in an envelope
- Filer proceeds to the nearest courier area of their choice for his offsite submission and pay the service fee and courier fee
- Courier delivers the receiving copy to filer within the agreed period of time

b). **Any Courier/Regular Mail** with no return copy of reports submitted:

- Filer downloads SEC Express Nationwide Submission Checklist and Undertaking Form (SENS Form)
- Filer accomplishes and signs SENS Form
- Filer attaches checklist with signed undertaking to each report to be submitted
- Filer encloses the documents and accomplished checklist with undertaking in an envelope
- Filer proceeds to courier of his choice or post office

The reckoning date of submission of GIS and AFS through courier is the date the courier has actually sent or delivered the filed reports to the SEC.

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 be published in two newspapers of general circulation.

Philippine International Convention Center (PICC), Manila, Philippines.

21 January 2020.

For the Commission:

EMILIO B. AQUINO
Chairman