



211172037184687



SECURITIES AND EXCHANGE COMMISSION

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 Tel:(632) 818-0921 Fax:(632) 818-5293 Email: mis@sec.gov.ph

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Company Information

SEC Registration No. CS201954923
 Company Name PHARMALLY PHARMACEUTICAL CORPORATION
 Industry Classification WHOLESALE OF MEDICINAL AND PHARMACEUTICAL PRODUCTS
 Company Type Stock Corporation

Document Information

Document ID 211172037184687
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 Period Covered December 31, 2019
 No. of Days Late
 Department
 Remarks

63507.0093.0000

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

63507.0093.0001

SEC Registration Number

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Company Name

P	H	A	R	M	A	L	L	Y		P	H	A	R	M	A	C	E	U	T	I	C	A	L				
C	O	R	P	O	R	A	T	I	O	N																	

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

F	O	R	T		V	I	C	T	O	R	I	A		2	2	N	D		F	L	O	O	R		T	O	W	E	R
B		U	N	I	T		8	&	9		R	I	Z	A	L		D	R	I	V	E		5	T	H		A	V	E
C	O	R		2	3	R	D		F	O	R	T		B	O	N	I	F	A	C	I	O							
T	A	G	U	I	G																								

Form Type

F	S
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Department requiring the report

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Secondary License Type, if Applicable

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COMPANY INFORMATION

Company's Email Address

ppharmally8@gmail.com

Company's Telephone Number/s

8	2	5	4	1	8	7	0
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Mobile Number

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No. of Stockholders

5

Annual Meeting
Month/Day

JUNE 30

Fiscal Year
Month/Day

31-Dec

CONTACT PERSON INFORMATION

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

Name of Contact Person

T	W	I	K	L	E		D	A	R	G	A	N	I
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Email Address

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Telephone Number/s

Mobile Number

Contact Person's Address

G	O	L	D	H	I	L	L		T	O	W	E	R		U	N	I	T		9	0	3		5		A	N	N	A
P	O	L	I	S		G	R	E	E	N	H	I	L	S	S		S	A	N		J	U	A	N					

Note: 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.

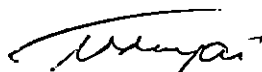
**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN**

63507.0093.0002

The management of **PHARMALLY PHARMACEUTICAL CORPORATION** are responsible for all information and representations contained in the Annual Income Tax Return as of December 31, 2019. 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 information and representations contained in all the other tax returns filed for the reporting period , including but not limited , to the value added tax and /or percentage tax returns , withholding tax returns and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements as of December 31,2019 and the accompanying Annual Income Tax Return are in accordance with books and records of **PHARMALLY PHARMACEUTICAL CORPORATION** complete and correct in all material respects. Management also 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 the 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 Revised Regulations No.8-2007 and other relevant issuances;
- c. **PHARMALLY PHARMACEUTICAL CORPORATION** 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 .


TWINKLE D. DARGANI
President of the Company


MOHIT C. DARGANI
Board Treasurer

March 26, 2020

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

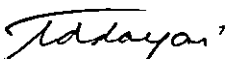
The management of **PHARMALLY PHARMACEUTICAL CORPORATION** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the year ended December 31, 2019, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

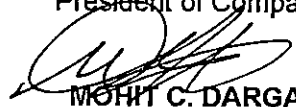
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going basis of accounting unless management either intend to liquidate the Company or to cease 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 financial statements including the schedules attached herein, and submits the same to the stockholders or members.

BELARMINO ACCOUNTING FIRM CPA, the independent auditors, appointed by the stockholders has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

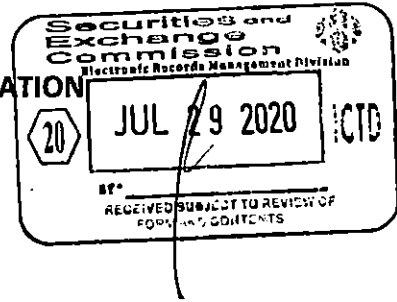

TWINKLE D. DAGRANI
President of Company


MOHIT C. DARGANI
Board Treasurer

Signed this 26th day of March 2020.

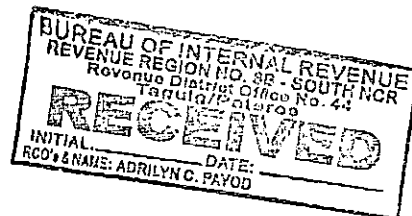
PHARMALLY PHARMACEUTICAL CORPORATION

STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2019
 (In Philippine Peso)



63507.0093.0004

	2019
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	599,450.32
TOTAL ASSETS	599,450.32
LIABILITIES AND SHAREHOLDERS EQUITY	
SHAREHOLDERS EQUITY	
Share capital	625,000.00
Retained earnings	-
Net Income(loss)	(25,549.68)
TOTAL SHAREHOLDERS' EQUITY	599,450.32
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	599,450.32



JUN 08 2020

PHARMALLY PHARMACEUTICAL CORPORATION

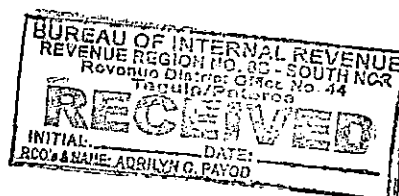
STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2019

(In Philippine Peso)

63507.0093.0005

	Notes	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	7	599,450.32
TOTAL ASSETS		599,450.32
LIABILITIES AND SHAREHOLDERS EQUITY		
CURRENT LIABILITIES		
SHAREHOLDERS EQUITY	8	599,450.32
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		599,450.32



JUN 08 2020

BELARMINO ACCOUNTING FIRM CPA

Unit 101 #65 Marang St. Proj 2-B, Anonas Quezon City
CPA Certificate No. 64477

Independent Auditor's Report

To the Board of Directors and Stockholders of
PHARMALLY PHARMACEUTICAL CORPORATION
Unit 8 & 9 22/F Fort Victoria Tower B, 5th Ave Cor 23rd St Bgc Fort Bonifacio
Taguig City

Report on the Audits of the Financial Statements

Opinion

I have audited the financial statements of **PHARMALLY PHARMACEUTICAL CORPORATION**, which comprise the statements of financial position as at December 31, 2019, and the statements of total comprehensive income, statements of changes in 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019, and its financial performance and its cash flows for the years then ended and in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SMEs).

Basis for Opinion

I have conducted my audits in accordance with Philippine Standards on Auditing (PSA). 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 in the Philippines, the Code of Ethics for Professional Accountants in the Philippines, 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

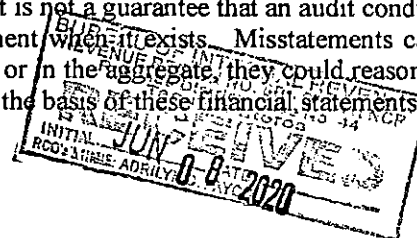
Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due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

My 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 PSA 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.



63507.0093.0007

As part of an audit in accordance with PSA, 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Bureau of Internal Revenue Requirement

My audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 14 to the 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 supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In my opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

BELARMINO ACCOUNTING FIRM CPA


DANILO G. BELARMINO

CPA Certificate No. 64477

SEC A.N. on process

PTR No. 8121549 January 04, 2020, Makati City

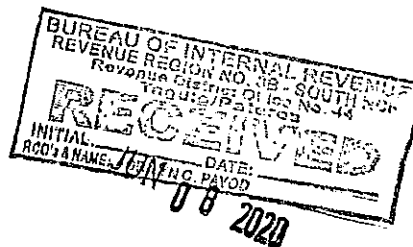
Tax Identification No. 109-172-177-000

BIR Accreditation No.: 08-006493-001-2019 until June 28, 2021

BOA Accreditation No. 1139, effective until June 22, 2022

Quezon City

March 14, 2020



BELARMINO ACCOUNTING FIRM CPA

Unit 101 #65 Marang St. Proj 2-B, Anonas Quezon City
CPA Certificate No. 64477

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE BUREAU OF INTERNAL REVENUE

To the Board of Directors and Stockholders of
PHARMALLY PHARMACEUTICAL CORPORATION
Unit 8 & 9 22/F Fort Victoria Tower B, 5th Ave Cor 23rd St Bgc Fort Bonifacio

I have audited the accompanying financial statements of **PHARMALLY PHARMACEUTICAL CORPORATION** for the period ended December 31, 2019 on which I have rendered my report dated March 14, 2020.

In compliance with the Revenue Regulation V-20, we are stating that:

1. I am e not related by consanguinity or affinity to the owner of the Company; and
2. The taxes paid or accrued by the company during the year are shown in Schedule of taxes and licenses attached in the Annual Income Tax Return.

BELARMINO ACCOUNTING FIRM CPA

Daniilo G. Belarmino
DANILO G. BELARMINO

CPA Certificate No. 64477

SEC A.N. on process

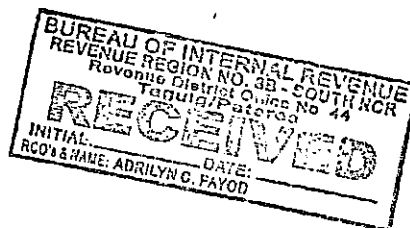
PTR No. 8121549 January 04, 2020, Makati City

Tax Identification No. 109-172-177-000

BIR Accreditation No.: 08-006493-001-2019 until June 28, 2021

BOA Accreditation No. 1139, effective until June 22, 2022

Quezon City
March 14, 2020



JUN 08 2020

63507.0093.0008

BELARMINO ACCOUNTING FIRM CPA

Unit 101 #65 Marang St. Proj 2-B, Anonas Quezon City
CPA Certificate No. 64477

TO THE SECURITIES AND EXCHANGE COMMISSION

In connection with our examination of the financial statements of **PHARMALLY PHARMACEUTICAL CORPORATION**, which are to be submitted to the Commission, We hereby represent the following:

1. That the said financial statements are presented in conformity with the Philippine Financial Reporting Standards where we shall express our opinion; except that in case of any 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 we shall fully meet the requirements of independence as provided in Section 14 of the Code of Professional Ethics of a CPA's.
3. That in the conduct of the audit, we shall comply with the Philippine Financial Reporting Standards promulgated by the Board of Accountancy, in case of any departure from such standards or any limitation in the scope of our examination. We shall indicate the nature of the departure and the extent of our liquidation, the reasons thereof on the expression of our opinion; and
4. That relative to the expression of our opinion on said Financial Statements; we shall not commit any act discreditable to the profession as provided in Section 23 of the Code of Professional Ethics of a CPA's;

As a CPA engages in public practice, we make these representations in our individual capacity.

BELARMINO ACCOUNTING FIRM CPA


DANILLO G. BELARMINO

CPA Certificate No. 64477

SEC A.N. on process

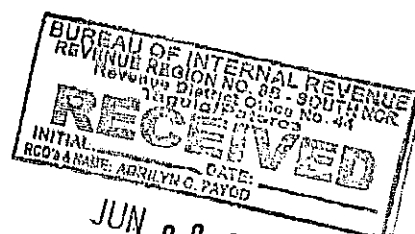
PTR No. 8121549 January 04, 2020, Makati City

Tax Identification No. 109-172-177-000

BIR Accreditation No.: 08-006493-001-2019 until June 28, 2021

BOA Accreditation No. 1139, effective until June 22, 2022

Quezon City
March 14, 2020

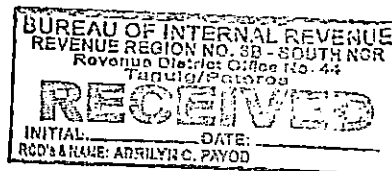


PHARMALLY PHARMACEUTICAL CORPORATION

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR THEN ENDED DECEMBER 31, 2019
(In Philippine Peso)**

63507.0093.0010

	2019
SALES	-
OPERATING EXPENSES	
Taxes and licenses	25,549.68
NET INCOME(LOSS)	(25,549.68)



JUN 08 2020

PHARMALLY PHARMACEUTICAL CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR THEN ENDED DECEMBER 31, 2019
(In Philippine Peso)

63507.0093.0011

	Notes	2019
SALES		-
COST OF SALES		-
GROSS PROFIT		-
OPERATING EXPENSES	9	25,549.68
NET INCOME(LOSS)		25,549.68

BUREAU OF INTERNAL REVENUE
REVENUE REGION NO. 8B - SOUTH ICR
Revenue District Office No. 44
Tarlac City, Pinarosa
RECEIVED
INITIAL: _____ DATE: _____
RCO's NAME: ADRILYN G. PAYCO

JUN 08 2020

PHARMALLY PHARMACEUTICAL CORPORATION

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR THEN ENDED DECEMBER 31, 2019
(In Philippine Peso)

63507.0093.0012

	2019
Share capital	625,000.00
Retained earnings (deficit)	-
Net income(loss) after tax	(25,549.68)
	(25,549.68)
TOTAL SHAREHOLDERS' EQUITY	599,450.32

BUREAU OF INTERNAL REVENUE
REVENUE REGION NO. 3D - SOUTH NCR
Revenue Division Office No. 14
Taguig/Paligaya
RECEIVED
INITIAL: _____ DATE: _____
RCO's & NAME: ADRILYN C. PAYOD

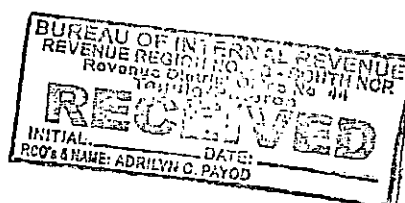
JUN 08 2020

PHARMALLY PHARMACEUTICAL CORPORATION

STATEMENTS OF CASH FLOWS
FOR THE YEAR THEN ENDED DECEMBER 31, 2019
(In Philippine Peso)

63507.0093.0013

	2019
CASH FLOW FROM OPERATING ACTIVITIES	
Net income (loss)	(25,549.68)
Adjustment to reconcile net income to net cash provided by operating activities	
Adjustment for:	
Depreciation	
(Increase) decrease in assets :	
Increase (decrease) in liabilities :	
Net cash provided (used) from operating activities	(25,549.68)
CASH FLOW FROM FINANCING ACTIVITIES	
Paid up capital	625,000.00
NET INCREASE (DECREASE) IN CASH	599,450.32
CASH BALANCE AT BEGINNING OF YEAR	-
CASH BALANCE AT END OF YEAR	599,450.32



JUN 08 2020

PHARMALLY PHARMACEUTICAL CORPORATION
Notes to Financial Statements
December 31, 2019

1. CORPORATE INFORMATION

PHARMALLY PHARMACEUTICAL CORPORATION was registered with Securities and Exchange Commission (SEC) on September 4, 2019 with SEC Registration No. CS201954923. The Company is primarily engaged in the business of selling, distributing, marketing at wholesale, insofar as permitted by law, all kinds of pharmaceutical products, including machineries and equipment and electronic nicotine delivery systems, to enter into all kinds of contracts or the import, purchases, acquisition sale at wholesale and other disposition for its own account as principal or representative capacity as manufacturer's representative. Merchandise broker, indent or commission merchant, factors or agents, upon consignment of all kinds of pharmaceutical products, machineries and equipment.

The company gained a Net Loss of about & (P 25,549.68) pesos for the year ended December 31, 2019 . A major stockholder however offers its financial support to the company to enable it to continue its business operations.

The Company's principal office is registered at Fort Victoria 22nd Floor, Tower B Unit 08 & 09 Rizal Drive 5th Avenue Cor. 23rd Fort Bonifacio Taguig City.

The accompanying financial statements were approved and authorized for issue by the Company's Board of Directors on March 26, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Basis of Preparation

The financial statements of the Company have been prepared on a fair value measurement. The financial statements are presented in Philippine pesos, which is the Company's functional currency. All amounts are rounded to the nearest Philippine peso, except when otherwise indicated.

The accompanying financial statements have been prepared on a going concern basis, which contemplate the realization of assets and settlement of liabilities in the normal course of business.

The significant sections and practices of the Company are set forth to facilitate the understanding of the financial statements:

Statement of Compliance

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) for Small and Medium sized Entities (SMEs).

Financial Assets

Financial assets include Cash, Trade and Other Receivables.

Cash

Cash includes cash in banks and petty cash fund. Cash on hand as of the end of the period were deposited the next banking day. Cash in banks are deposits held at call with banks. The company reconciles the books and bank balances regularly as part of its cash monitoring and internal control measures. Petty Cash Fund is used for small payments not covered by checks.

Trade Receivables

Trade receivables represent accounts receivable and are measured initially at invoice price and subsequently measured at their fair value as reduced by appropriate allowances for doubtful accounts and impairment, if any. The allowance for doubtful accounts is the estimated amount of probable losses arising from non-collection

based on past collection experience and management's review of the current status of the long-outstanding receivables. The doubtful accounts expense is recognized in the statements of income.

Other Current Assets

Other current assets include prepayments such as prepaid taxes and prepaid expenses that are initially recorded at transaction cost and subsequently measured at cost less impairment loss, if any.

Equipments

Equipments are stated at cost less accumulated depreciation and any impairment in value. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition and location for its intended use.

Subsequent expenditure relating to an item of equipments that have already been recognized are added to the carrying amount of the assets when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the company. All other subsequent expenditures are recognized as expenses in the period in which those are incurred.

When assets are sold or retired, their costs and accumulated depreciation, amortization and impairment losses, if any, are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of operations of such period.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives.

Equipments under installation are stated at cost, which includes purchase price and other direct costs. Such assets are not depreciated until such time when the relevant assets are available for use.

The carrying values of equipments are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

An item of equipments is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of income in the year the asset is derecognized.

The asset's residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end.

Financial Liabilities

Financial liabilities are recognized initially at fair value.

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities include Trade and Other Payables and Loans Payable.

Payables

Payables include statutory obligation as of the end of the period such as withholding tax payable.

Non-Current Liabilities

Non-current liabilities represent account payable-others and miscellaneous deposit which initially recorded at transaction price and subsequently measured at their cost less settlement payments.

Financial Instruments

Date of Recognition

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

PHARMALLY PHARMACEUTICAL CORPORATION
For the Year Ended December 31, 2019

REGULATORY FRAMEWORK

The operations of the company are also subject to the regulatory requirements of SEC and BIR . Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions

	<u>2019</u>
7 Cash and cash equivalents	
This account consists of:	
Cash and cash equivalents	<u>599,450.32</u>
8 Share capital	
This account consists of:	
Issued and paid up capital	<u>625,000.00</u>
Retained earnings (deficit) beg	-
Net income (loss)	<u>(25,549.68)</u>
Retained earnings (deficit) end	<u>599,450.32</u>
Total	
9 Operating expenses	
This account consists of:	
Taxes and licenses	25,549.68
	<u>25,549.68</u>

63507.0093.0016