



Republika ng Pilipinas  
Kagawaran ng Pananalapi  
Kawanihan ng Rentas Internas

# Annual Income Tax Return

For Corporation, Partnership and Other Non-Individual  
with MIXED Income Subject to Multiple Income Tax Rates or  
with Income Subject to SPECIAL/PREFERENTIAL RATE

Enter all required information in CAPITAL LETTERS using BLACK ink. Mark applicable boxes with an "X".  
Two copies MUST be filed with the BIR and one held by the taxpayer.

BIR Form No.

## 1702-MX

June 2013

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1 For <input type="checkbox"/> Calendar <input checked="" type="checkbox"/> Fiscal	3 Amended Return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	4 Short Period Return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	5 Alphanumeric Tax Code (ATC) IC 055 <input type="checkbox"/> Minimum Corporate Income Tax (MCIT) <input checked="" type="checkbox"/> IC 030 <input type="checkbox"/> Proprietary Educational Institutions <input checked="" type="checkbox"/>
2 Year Ended (MM/20YY) 05/2017			

### Part I - Background Information

6 Taxpayer Identification Number (TIN) 005-573-033-0000	7 RDO Code 071
8 Date of Incorporation/Organization (MM/DD/YYYY) 01/20/2005	
9 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) S T A R G L O W C E N T E R F O R A C A D E M I C S A N D A R T S , I N C .	
10 Registered Address (Indicate complete registered address) O L D B U S W A N G , K A L I B O , A K L A N	
11 Contact Number 0929 - 7540119	12 Email Address glendalie_nacubuan@yahoo.com
13 Main Line of Business E D U C A T I O N A L I N S T I T U T I O N	14 PSIC Code 8021
15 Method of Deduction <input checked="" type="checkbox"/> Itemized Deduction [Section 34 (A-J), NIRC]	

### Part II - Total Tax Payable

(Do NOT enter Centavos)

16 Total Income Tax Due (Overpayment) (From Part V Item 37D)	33,084
17 Less: Total Tax Credits/Payments (From Part V Item 38D)	
18 Net Tax Payable (Overpayment) (Item 16 Less Item 17)	33,084
19 Add: Total Penalties (From Part V Item 43)	
20 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Items 18 & 19) or (From Part V Item 44)	33,084
21 If Overpayment, mark "X" one box only (Once the choice is made, the same is irrevocable)	
<input type="checkbox"/> To be refunded	<input type="checkbox"/> To be issued a Tax Credit Certificate (TCC)
<input type="checkbox"/> To be carried over as a tax credit for next year/quarter	

We declare under the penalties of perjury, that this annual return has been made in good faith, verified by us, and to the best of our knowledge and belief is true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If Authorized Representative, attach authorization letter and indicate TIN)

Signature over printed name of President/Principal Officer/Authorized Representative <i>Helena R. Golez</i> HELENA R. GOLEZ	Signature over printed name of Treasurer/Assistant Treasurer
Title of Signatory	Number of pages filed 9
22 Community Tax Certificate (CTC) Number/SEC Reg. No. N 2 0 0 5 2 5 4 0 0	23 Date of Issue (MM/DD/YYYY) 02/10/2005
24 Place of Issue ILOILO CITY	25 Amount, #CTC

### Part III - Details of Payment

Details of Payment	Drawee Bank/ Agency	Number	Date (MM/DD/YYYY)	Amount
26 Cash/Bank Debit Memo	C A S H	1	09/13/2017	33,084
27 Check			/ /	
28 Tax Debit Memo			/ /	
29 Others (Specify below)			/ /	

Machine Validation/Revenue Official Receipt Details (if not filed with an Authorized Agent Bank)

Stamp of Receiving Office AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)

# Annual Income Tax Return

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**1702-MX**  
June 2013



TIN: **0 0 5 5 7 3 0 3 3 0 0 0 0** Registered Name: **STARGLOW CENTER FOR ACADEMICS AND ARTS,**

### Part IV - Basis of Tax Relief

**30 Basis of Tax Relief under Special Law or International Tax Treaty**  
If there is **only one activity/program** under EXEMPT and SPECIAL Tax Regimes, fill up spaces below.  If there are **more than one activities/programs** under EXEMPT and SPECIAL Tax Regimes, use as many Mandatory Attachments per Activity (Part VIII) as necessary and mark "X" the box at the left.

	A Exempt	B Special Rate	C Special Tax Relief (Under Regular/Normal Rate)
<b>31 Investment Promotion Agency (IPA) / Implementing Government Agency</b>		B I R	
<b>32 Legal Basis</b>		M E M O R A N D U M	
<b>33 Registered Activity/Program (Reg. No.)</b>		S C H O O L	
<b>34 Special Tax Rate</b>		1 0 - 0 %	
<b>35 From (MM/DD/YYYY)</b>		0 6 / 0 1 / 2 0 1 6	
<b>36 To (MM/DD/YYYY)</b>		0 5 / 3 1 / 2 0 1 7	

### Part V - Computation of Amount Payable per Tax Regime

Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
<b>37 TOTAL INCOME TAX DUE (OVERPAYMENT)</b> <i>(From Schedule 1 Item 16B/18C/18D) (To Part II Item 16)</i>	0.00	33,084	0	33,084
<b>38 Less: Tax Credits/Payments</b> <i>(From Schedule 8 Item 13) (To Part II Item 17)</i>	0	0	0	0
<b>39 NET TAX PAYABLE (OVERPAYMENT)</b> <i>(Item 37 Less Item 38) (To Part II Item 18)</i>	0	33,084	0	33,084
<b>Add Penalties</b>				
<b>40 Surcharge</b>				0
<b>41 Interest</b>				0
<b>42 Compromise</b>				0
<b>43 Total Penalties (Sum of Items 40 to 42) (To Part II Item 19)</b>				0
<b>44 TOTAL AMOUNT PAYABLE (OVERPAYMENT) (Sum of Items 39 and 43) (To Part II Item 20)</b>				33,084

### Part VI - Information - External Auditor/Accredited Tax Agent

**45 Name of External Auditor/Accredited Tax Agent**  
**G L E N D A L I E R N A C U B U A N**

**46 TIN** **2 4 3 9 9 3 0 1 9 0 0 0**

**47 Name of Signing Partner (If External Auditor is a Partnership)**

**48 TIN**

**49 BIR Accreditation No.** **1 1 - 0 0 2 1 4 6 - 0 1 0 - 2 0 1 5** **50 Issue Date (MM/DD/YYYY)** **1 0 / 1 9 / 2 0 1 5** **51 Expiry Date (MM/DD/YYYY)** **1 0 / 1 9 / 2 0 1 8**

ATC	DESCRIPTION	TAX RATE	TAX BASE	ATC	DESCRIPTION	TAX RATE	TAX BASE
<b>DOMESTIC CORPORATION</b>				<b>DOMESTIC CORPORATION</b>			
IC 010	1. a. In General	30%	Taxable Income from All Sources	IC 011	7. Exempt Corporation	0%	
IC 055	b. Minimum Corporate Income Tax (MCIT)	2%	Gross Income	IC 010	a. On Exempt Activities		
IC 030	2. Proprietary Educational Institutions	10%	Taxable Income from All Sources	IC 021	b. On Taxable Activities	30%	Taxable Income from All Sources
	a. Proprietary Educational Institutions whose gross income from unrelated trade, business, or other activity exceeds fifty percent (50%) of the total gross income from all sources	30%	Taxable Income from All Sources		8. General Professional Partnership (GPP)	exempt	
IC 055	b. Minimum Corporate Income Tax (MCIT)	2%	Gross Income		9. Corporation covered by Special Law		
IC 031	3. Non-Stock, Non-Profit Hospitals	10%	Taxable Income from All Sources	<b>RESIDENT FOREIGN CORPORATION</b>			
	a. Non-Stock, Non-Profit Hospitals whose gross income from unrelated trade, business, or other activity exceeds fifty percent (50%) of the total gross income from all sources	30%	Taxable Income from All Sources	IC 070	1. a. In general	30%	Taxable Income from Within the Philippines
IC 055	b. Minimum Corporate Income Tax (MCIT)	2%	Gross Income	IC 055	b. Minimum Corporate Income Tax (MCIT)	2%	Gross Income
IC 040	4. a. Government-Owned and Controlled Corporation (GOCC), Agencies & Instrumentalities	30%	Taxable Income from All Sources	IC 080	2. International Carriers	2.5%	Gross Philippine Billing
IC 055	b. Minimum Corporate Income Tax (MCIT)	2%	Gross Income	IC 101	3. Regional Operating Headquarters	10%	Taxable Income
IC 041	5. a. National Government and Local Government Units (LGU)	30%	Taxable Income from All Sources		4. Corporation covered by Special Law		
IC 055	b. Minimum Corporate Income Tax (MCIT)	2%	Gross Income	IC 190	5. Offshore Banking Units (OBUs)		
IC 060	6. a. Taxable Partnership	30%	Taxable Income from All Sources		a. Foreign Currency Transactions not subjected to Final Tax	10%	Gross Taxable Income on Foreign Currency Transaction not subjected to Final Tax
IC 055	b. Minimum Corporate Income Tax	2%	Gross Income		b. Other than Foreign Currency Transaction	30%	Taxable Income Other Than Foreign Currency Transaction
				IC 191	6. Foreign Currency Deposit Units (FCDUs)		
					a. Foreign Currency Transactions not subjected to Final Tax	10%	Gross Taxable Income on Foreign Currency Transaction not subjected to Final Tax
					b. Other than Foreign Currency Transaction	30%	Taxable Income Other Than Foreign Currency Transaction

# Annual Income Tax Return

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BIR Form No.  
**1702-MX**  
June 2013



1702-MX06.13P3

TIN

0 0 5 5 7 3 0 3 3 0 0 0 0

Registered Name

STARGLOW CENTER FOR ACADEMICS AND ARTS,

Instructions: A. Fill up the applicable columns below, if there is **only one activity/program** under **EXEMPT** and/or **SPECIAL Tax Regimes**.  
B. Use as many Part VIII-Mandatory Attachments per Activity as necessary, if there are **more than one activities/programs** under **EXEMPT** and/or **SPECIAL Tax Regimes**. Consolidated amounts from Part VIII Mandatory Attachments **PER TAX REGIME** shall be reflected under the corresponding columns below.

## Part VII - SCHEDULES

### Schedule 1 - COMPUTATION OF TAX Per Tax Regime

Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
<b>1 Net Sales/Revenues/Receipts/Fees</b> <i>(From Schedule 3 Item 6) and (From all of Part VIII Sched B Item 1)</i>	0	10,321,592	0	10,321,592
<b>2 Less: Cost of Sales/Services</b> <i>(From Schedule 3 Item 27) and (From all of Part VIII Sched B Item 2)</i>	0	5,664,214	0	5,664,214
<b>3 Gross Income from Operation</b> <i>(Item 1 Less Item 2)</i>	0	4,657,378	0	4,657,378
<b>4 Add: Other Taxable Income not Subjected to Final Tax</b> <i>(From Schedule 4 Item 4) &amp; (From all of Part VIII Sched B Item 4)</i>	0	583,913	0	583,913
<b>5 Total Gross Income/Gross Taxable Income</b> <i>(Sum of Items 3 &amp; 4)</i>	0	5,241,291	0	5,241,291
<b>6 Ordinary Allowable Itemized Deductions</b> <i>(From Schedule 5 Item 4C) and (From all of Part VIII Sched B Item 6)</i>	0	4,910,449	0	4,910,449
<b>7 Special Allowable Itemized Deductions</b> <i>(From Schedule 6 Item 5) and (From all of Part VIII Sched B Item 7)</i>	0	0	0	0
<b>8 NOLCO</b> [only for those taxable under Sec. 27(A to C); Sec. 28(A)(1) & (A)(6)(b) of the Tax Code] <i>(From Schedule 7A Item 8D) and (From all of Part VIII Sched B Item 8)</i>	0	0	0	0
<b>9 Total Itemized Deductions</b> <i>(Sum of Items 6, 7 &amp; 8)</i>	0	4,910,449	0	4,910,449
<b>10 Net Taxable Income/Net Income</b> <i>(Item 5 Less Item 9)</i>	0	330,842	0	330,842
<b>11 Applicable Income Tax Rate</b> <i>(i.e., Special or Regular/Normal rate)</i>	0%	10,00%	30,00%	
<b>12 Income Tax Due other than MCIT</b> <i>(Item 5 OR Item 10 X Item 12)</i>	0.00	33,084	0	33,084
<b>13 Less: Share of Other Govt. Agencies, if remitted directly</b>		0	0.00	0
<b>14 Net Income Tax Due to National Government</b> <i>(Item 12 Less Item 13)</i>		33,084	0	33,084
<b>15 MCIT (2% of Gross Income in Item 5)</b>			0	0
<b>16 Total Income Tax Due (Overpayment)</b> <i>(Item 16B = Item 14B); (Item 16C = Normal Income Tax in Item 12C or MCIT in Item 15C, whichever is higher); (Item 16D = Sum of Items 16B &amp; 16C) (To Part V Item 37B/37C/37D)</i>		33,084	0	33,084

### Schedule 2 - Tax Relief Availment

Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
<b>1 Regular Income Tax Otherwise Due</b> <i>(30% of the Net Taxable Income in Item 11A for Exempt &amp; Item 11B for Special Rate)</i>	0	99,253		99,253
<b>2 Special Allowable Itemized Deductions</b> <i>(30% of the applicable Total in Schedule 6 Item 5)</i>	0	0	0	0
<b>3 Sub-Total</b> <i>(Sum of Items 1 and 2)</i>	0	99,253	0	99,253
<b>4 Less: Income Tax Due</b> <i>(From Sched 1 Item 13B)</i>	0.00	33,084		33,084
<b>5 Tax Relief Availment before Special Tax Credit</b> <i>(Item 3 Less Item 4)</i>	0	66,169	0	66,169
<b>6 Add: Special Tax Credits</b> <i>(From Schedule 8 Item 10)</i>	0	0	0	0
<b>7 Total Tax Relief Availment</b> <i>(Sum of Items 5 &amp; 6)</i>	0	66,169	0	66,169

# Annual Income Tax Return

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BIR Form No.  
**1702-MX**  
June 2013



1702-MX06:13P4

<b>TIN</b>	<b>Registered Name</b>
0 0 5 5 7 3 0 3 3 0 0 0 0	<b>STARGLOW CENTER FOR ACADEMICS AND ARTS,</b>

Schedule 3 - Sales/Revenues/Receipts/Fees	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Sale of Goods/Properties	0	0	0	0
2 Sale of Services	0	10,321,592	0	10,321,592
3 Lease of Properties	0	0	0	0
4 Total (Sum of Items 1 to 3)	0	10,321,592	0	10,321,592
5 Less: Sales Returns, Allowances & Discounts	0	0	0	0
<b>6 Net Sales/Revenues/Receipts/Fees</b> <i>(Item 4 Less Item 5) (To Schedule 1 Item 1)</i>	0	10,321,592	0	10,321,592

Schedule 3A - Cost of Sales (For those engaged in Trading)	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Merchandise Inventory, Beginning	0	0	0	0
2 Add: Purchases of Merchandise	0	0	0	0
3 Total Goods Available for Sale <i>(Sum of Items 1 &amp; 2)</i>	0	0	0	0
4 Less: Merchandise Inventory, Ending	0	0	0	0
<b>5 Cost of Sales</b> <i>(Item 3 Less Item 4) (To Item 27)</i>	0	0	0	0

Schedule 3B - Cost of Sales (For those engaged in Manufacturing)	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
6 Direct Materials, Beginning	0	0	0	0
7 Add: Purchases	0	0	0	0
8 Materials Available for Use <i>(Sum of Items 6 &amp; 7)</i>	0	0	0	0
9 Less: Direct Materials, Ending	0	0	0	0
10 Raw Materials Used <i>(Item 8 Less Item 9)</i>	0	0	0	0
11 Direct Labor	0	0	0	0
12 Manufacturing Overhead	0	0	0	0
13 Total Manufacturing Cost <i>(Sum of Items 10 to 12)</i>	0	0	0	0
14 Add: Work in Process, Beginning	0	0	0	0
15 Less: Work in Process, Ending	0	0	0	0
16 Cost of Goods Manufactured <i>(Sum of Items 13 &amp; 14 Less Item 15)</i>	0	0	0	0
17 Add: Finished Goods, Beginning	0	0	0	0
18 Less: Finished Goods, Ending	0	0	0	0
<b>19 Cost of Goods Manufactured &amp; Sold</b> <i>(Sum of Items 16 &amp; 17 Less Item 18) (To Item 27)</i>	0	0	0	0

Schedule 3C - Cost of Services (For those engaged in Services, indicate only those directly incurred or related to the gross revenue from rendition of services)	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
20 Direct Charges - Salaries, Wages & Benefits	0	3,407,900	0	3,407,900
21 Direct Charges - Materials, Supplies & Facilities	0	1,000,694	0	1,000,694
22 Direct Charges - Depreciation	0	932,293	0	932,293
23 Direct Charges - Rental	0	0	0	0
24 Direct Charges - Outside Services	0	323,327	0	323,327
25 Direct Charges - Others	0	0	0	0
<b>26 Total Cost of Services</b> <i>(Sum of Items 20 to 25) (To Item 27)</i>	0	5,664,214	0	5,664,214

<b>27 Total Cost of Sales/Services</b> <i>(Sum of Items 5, 19 &amp; 26, if applicable) (To Schedule 1 Item 2)</i>	0	5,664,214	0	5,664,214
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# Annual Income Tax Return

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<b>TIN</b>	<b>Registered Name</b>
0 0 5 5 7 3 0 3 3 0 0 0 0	<b>STARGLOW CENTER FOR ACADEMICS AND ARTS,</b>

Schedule 4 - Other Taxable Income not Subjected to Final Tax <i>(Attach additional sheet/s, if necessary)</i>	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 UNIFORM	0	583,913	0	583,913
2	0	0	0	0
3	0	0	0	0
<b>4 Total Other Taxable Income not Subjected to Final Tax</b> <i>(Sum of Items 1 to 3) (To Schedule 1 Item 4)</i>	0	583,913	0	583,913

Schedule 5 - Ordinary Allowable Itemized Deductions <i>(Attach additional sheet/s, if necessary)</i>	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Advertising and Promotions	0	26,827	0	26,827
Amortizations <i>(Specify on Items 2, 3 &amp; 4)</i>				
2	0	0	0	0
3	0	0	0	0
4	0	0	0	0
5 Bad Debts	0	0	0	0
6 Charitable Contributions	0	0	0	0
7 Commissions	0	0	0	0
8 Communication, Light and Water	0	704,463	0	704,463
9 Depreciation	0	0	0	0
10 Depreciation	0	0	0	0
11 Director's Fees	0	0	0	0
12 Fringe Benefits	0	0	0	0
13 Fuel and Oil	0	0	0	0
14 Insurance	0	38,878	0	38,878
15 Interest	0	778,411	0	778,411
16 Janitorial and Messengerial Services	0	0	0	0
17 Losses	0	0	0	0
18 Management and Consultancy Fee	0	0	0	0
19 Miscellaneous	0	8,250	0	8,250
20 Office Supplies	0	1,027,454	0	1,027,454
21 Other Services	0	0	0	0
22 Professional Fees	0	10,000	0	10,000
23 Rental	0	0	0	0
24 Repairs and Maintenance <i>(Labor or Labor &amp; Materials)</i>	0	891,300	0	891,300
25 Repairs and Maintenance <i>(Materials/Supplies)</i>	0	0	0	0
26 Representation and Entertainment	0	104,015	0	104,015
27 Research and Development	0	0	0	0
28 Royalties	0	0	0	0
29 Salaries and Allowances	0	0	0	0
30 Security Services	0	127,308	0	127,308
31 SSS, GSIS, Philhealth, HDMF and Other Contributions	0	89,050	0	89,050
32 Taxes and Licenses	0	10,787	0	10,787
33 Tolling Fees	0	0	0	0
34 Training and Seminars	0	96,060	0	96,060
35 Transportation and Travel	0	410,196	0	410,196

# Annual Income Tax Return

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June 2013



1702-MX06/13P

TIN 0 0 5 5 7 3 0 3 3 0 0 0 0	Registered Name <b>STARGLOW CENTER FOR ACADEMICS AND ARTS,</b>
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### Schedule 5 - Ordinary Allowable Itemized Deductions (Continued from Previous Page)

Others [Specify below; Attach additional sheet(s), if necessary]	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
36 EVENTS PROGRAMS AND ACTIVITIES	0	266,755	0	266,755
37 UNIFORMS	0	262,220	0	262,220
38 TUTORIALS	0	58,475	0	58,475
39	0	0	0	
<b>40 Total Ordinary Allowable Itemized Deductions</b> <i>(Sum of Items 1 to 39) (To Schedule 1 Item 6)</i>	0	4,910,449	0	4,910,449

Schedule 6 - Special Allowable Itemized Deductions <i>(Attach additional sheet/s, if necessary)</i>		A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
Description	Legal Basis				
1		0	0	0	
2		0	0	0	
3		0	0	0	
4		0	0	0	
<b>5 Total Special Allowable Itemized Deductions</b> <i>(Sum of Items 1 to 4) (To Schedule 1 Item 7)</i>		0	0	0	

### Schedule 7 - Computation of Net Operating Loss Carry Over (NOLCO) [only for those taxable under Sec. 27(A)(c); Sec. 28(A) (A)(1) & (A)(6)]

1 Gross Income	
2 Less: Total Deductions Exclusive of NOLCO & Deduction Under Special Law	
3 Net Operating Loss <i>(Item 1 Less Item 2) (To Schedule 7A)</i>	

### Schedule 7A - Computation of Available Net Operating Loss Carry Over (NOLCO)

Year Incurred		Net Operating Loss		B) NOLCO Applied Previous Year	
		A) Amount			
4	2 0 1 7	0			
5		0			
6		0			
7		0			

### Continuation of Schedule 7A (Item numbers continue from table above)

	C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied)
4	0	0	
5	0	0	
6	0	0	
7	0	0	
8 <b>Total NOLCO</b> <i>(Sum of Items 4D to 7D) (To Schedule 1 Item 8)</i>		0	

Schedule 8 - Tax Credits/Payments- Attach proof	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Prior Year's Excess Credits Other Than MCIT	0	0	0	
2 Income Tax Payments under MCIT from Previous Quarter/s	0	0	0	
3 Income Tax Payments under Regular/Normal Rate from Previous Quarter/s	0	0	0	
4 Excess MCIT Applied this Current Taxable Year <i>(From Schedule 9 Item 4F)</i>	0	0	0	
5 Creditable Tax Withheld from Previous Quarter/s	0	0	0	
6 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter	0	0	0	

# Annual Income Tax Return

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**1702-MX**  
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1702-MX06/13P7

<b>TIN</b>	<b>Registered Name</b>
0 0 5 5 7 3 0 3 3 0 0 0 0	<b>STARGLOW CENTER FOR ACADEMICS AND ARTS,</b>

Schedule 8 - Tax Credits/Payments (Continued from Previous Page)				
Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
<b>7</b> Foreign Tax Credits, if applicable	0	0	0	0
<b>8</b> Tax Paid in Return Previously Filed, if this is an Amended Return	0	0	0	0
<b>9</b> Income Tax Payments under Special Rate from Previous Quarter/s	0	0	0	0
<b>10</b> Special Tax Credits (To Schedule 2 Item 6)	0	0	0	0
Other Credits/Payments (Specify below):				
<b>11</b>	0	0	0	0
<b>12</b>	0	0	0	0
<b>13 Total Tax Credits/Payments</b> <i>(Sum of Items 1 to 12) (To Part V Item 38)</i>	0	0	0	0

Schedule 9 - Computation of Minimum Corporate Income Tax (MCIT) [Applicable only to those taxable under Sec. 27 (A to C) & Sec. 28(A)(2)]			
Year	A) Normal Income Tax as Adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
<b>1</b>	0	0	0
<b>2</b>	0	0	0
<b>3</b>	0	0	0

Continuation of Schedule 9 (Item numbers continue from table above)				
	D) Excess MCIT Applied/Used for Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s
<b>1</b>	0	0	0	0
<b>2</b>	0	0	0	0
<b>3</b>	0	0	0	0
<b>4 Total Excess MCIT</b> <i>(Sum of Column for Items 1F to 3F) (To Schedule 8 Item 4)</i>			0	

Schedule 10 - Reconciliation of Net Income per Books Against Taxable Income <i>(Attach additional sheet/s, if necessary)</i>				
	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
<b>1</b> Net Income (Loss) per books	0	330,842	0	330,842
Add: Non-deductible Expenses/Taxable Other Income				
<b>2</b>	0	0	0	0
<b>3</b>	0	0	0	0
<b>4 Total</b> <i>(Sum of Items 1 to 3)</i>	0	330,842	0	330,842
Less: A) Non-taxable income and Income Subjected to Final Tax				
<b>5</b>	0	0	0	0
<b>6</b>	0	0	0	0
B) Special Deductions				
<b>7</b>	0	0	0	0
<b>8</b>	0	0	0	0
<b>9 Total</b> <i>(Sum of Items 5 to 8)</i>	0	0	0	0
<b>10 Net Taxable Income (Loss)</b> <i>(Item 4 Less Item 9)</i>	0	330,842	0	330,842



# Annual Income Tax Return

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**1702-MX**  
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1702-MX06/13P1

<b>TIN</b>	<b>Registered Name</b>
0 0 5 5 7 3 0 3 3 0 0 0 0	STARGLOW CENTER FOR ACADEMICS AND ARTS,

## Schedule 13 - Supplemental Information *(Attach additional sheet/s, if necessary)*

i) Gross Income/Receipts Subjected to Final Withholding	A) Exempt	B) Actual Amount/Fair Market Value/Net Capital Gains	C) Final Tax Withheld/Paid
1 Interests	0	0	0
2 Royalties	0	0	0
3 Dividends	0	0	0
4 Prizes and Winnings	0	0	0

ii) Sale/Exchange of Real Properties	A) Sale/Exchange #1	B) Sale/Exchange #2
5 Description of Property <i>(e.g., land, improvement, etc.)</i>		
6 OCT/TCT/CCT/Tax Declaration No.		
7 Certificate Authorizing Registration (CAR) No.		
8 Actual Amount/Fair Market Value/Net Capital Gains	0	0
9 Final Tax Withheld/Paid	0	0

iii) Sale/Exchange of Shares of Stock	A) Sale/Exchange #1	B) Sale/Exchange #2
10 Kind <i>(PS/CS)</i> / Stock Certificate Series No.	P S /	P S /
11 Certificate Authorizing Registration (CAR) No.		
12 Number of Shares	0	0
13 Date of Issue <i>(MM/DD/YYYY)</i>	□□/□□/□□□□	□□/□□/□□□□
14 Actual Amount/Fair Market Value/Net Capital Gains	0	0
15 Final Tax Withheld/Paid	0	0

iv) Other Income <i>(Specify)</i>	A) Other Income #1	B) Other Income #2
16 Other Income Subject to Final Tax Under Sections 57(A)/127/others of the Tax Code, as amended <i>(Specify)</i>		
17 Actual Amount/Fair Market Value/Net Capital Gains	0	0
18 Final Tax Withheld/Paid	0	0

<b>19 Total Final Tax Withheld/Paid</b> <i>(Sum of Items 1C to 4C, 9A, 9B, 15A, 15B, 18A &amp; 18B)</i>	0
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## Schedule 14 - Gross Income/Receipts Exempt from Income Tax

1 Return of Premium <i>(Actual Amount/Fair Market Value)</i>	0
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i) Personal/Real Properties Received thru Gifts, Bequests, and Devises	A) Personal/Real Properties #1	B) Personal/Real Properties #2
2 Description of Property <i>(e.g., land, improvement, etc.)</i>		
3 Mode of Transfer <i>(e.g. Donation)</i>		
4 Certificate Authorizing Registration (CAR) No.		
5 Actual Amount/Fair Market Value	0	0

ii) Other Exempt Income/Receipts	A) Other Exempt Income #1	B) Other Exempt Income #2
6 Other Exempt Income/Receipts Under Sec. 32 (B) of the Tax Code, as amended <i>(Specify)</i>		
7 Actual Amount/Fair Market Value/Net Capital Gains	0	0

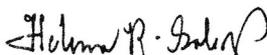
<b>8 Total Income/Receipts Exempt from Income Tax</b> <i>(Sum of Items 1, 5A, 5B, 7A &amp; 7B)</i>	0
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## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The Management of STARGLOW CENTER FOR ACADEMICS AND ARTS, INC. is responsible for all information and representations contained in the Annual Income Tax Return for the fiscal years ended May 31, 2017 and 2016. 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, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the fiscal years ended May 31, 2017 and 2016 and the accompanying Annual Income Tax Return are in accordance with the books and records of STARGLOW CENTER FOR ACADEMICS AND ARTS, INC., complete and correct in all material respects. 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 Revenue Regulations No. 8-2001 and other relevant issuances;
- (c) the STARGLOW CENTER FOR ACADEMICS AND ARTS, INC. has filed all applicable tax returns, reports and statements required to be filed under the 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.

  
HELENA R. GOLEZ  
Chairman and CEO

  
FÉLIX M. GOLEZ  
Chief Financial Officer

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

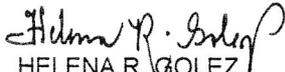
The management of STARGLOW CENTER FOR ACADEMICS AND ARTS, INC. is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the fiscal years ended May 31, 2017 and 2016, in accordance with the prescribed financial reporting framework 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 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.

The Board of Trustees is responsible for overseeing the Company's financial reporting process.

The Board of Trustees reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

GLENDALIE R. NACUBUAN, the independent auditor 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 members, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
HELENA R. GOLEZ  
Chairman of the Board

  
HELENA R. GOLEZ  
Chief Executive Officer

  
FELIX M. GOLEZ  
Chief Financial Officer

Signed this 13<sup>th</sup> day of September 2017.

**THUCYDIDES M. YEBAN**  
Certified Public Accountant  
Bulwang, Numancia, Aklan 5604 Philippines

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**PRACTITIONER'S COMPILATION REPORT**

The Board of Trustees  
**STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.**  
Old Buswang, Kalibo, Aklan

I have compiled the accompanying financial statements of STARGLOW CENTER FOR ACADEMICS AND ARTS, INC. based on information you have provided. These financial statements comprise the statements of financial position of STARGLOW CENTER FOR ACADEMICS AND ARTS, INC. as at May 31, 2017 and 2016, the statements of financial performance, statements of changes in equity and statements of cash flows for the fiscal years then ended, and a summary of significant accounting policies and other explanatory information.

I performed this compilation engagement in accordance with Philippine Standard on Related Services 4410 (Revised), Compilation Engagements.

I have applied my expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with Philippine Financial Reporting Standard for Small and Medium-sized Entities (PFRS for SMEs). I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, I am not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, I do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with PFRS for SMEs.

**THUCYDIDES M. YEBAN**  
PRC Board Cert. No. 0052636  
Issued on October 23, 1983  
TIN 279-835-184  
PTR No. 5458605, Kalibo, Aklan, 01-03-17  
BOA Accreditation No. 4696  
Issued on August 12, 2016  
Until December 31, 2018

September 13, 2017  
Numancia, Aklan

**GLENDA LIE R. NACUBUAN**  
Certified Public Accountant

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STATEMENT OF REPRESENTATION  
(SRC Rules 68 and 68.1, as amended)

TO THE SECURITIES AND EXCHANGE COMMISSION

In connection with my examination of the financial statements of STARGLOW CENTER FOR ACADEMICS AND ARTS, INC. which are to be submitted to the Commission, I hereby represent the following:

1. That I am in the 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 whereof shall express an unqualified opinion except that in case of any departure from such principles, I shall indicate the nature of the departure, the effects thereof, and the reasons why compliance with the principles would result in a misleading statement, if such is a fact;
3. That I shall fully meet the requirement of independence as provided for in Section 14 of the Code of Professional Ethics for CPAs;
4. That in the conduct of the audit, I shall comply with the 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, I shall indicate the nature of departure and the extent of the limitation, the reasons thereof;
5. That I shall comply with the applicable rules and regulations of the Securities and Exchange Commission in the preparation and submission of financial statements, and;
6. That relative to the expression of my opinion on the said financial statements, I shall not commit any act discreditable to the profession as provided for in Section 23 of the Code of Professional Ethics for CPAs.

As a CPA engaged in public practice, I make these representations in my individual capacity and as an independent auditor.

**GLENDA LIE R. NACUBUAN**

PRC Board Cert. No. 0114968  
Issued on July 21, 2005  
TIN 243-993-019  
PTR No. 5446376, Kalibo, Aklan, 01-03-17  
BOA Accreditation No. 5028  
Issued on July 24, 2015  
Until December 31, 2017  
BIR Accreditation No. 11-002146-10-2015  
Issued on October 19, 2015  
Until October 19, 2018

September 13, 2017  
Numancia, Aklan

GLENDALIE R. NACUBUAN  
Certified Public Accountant

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To the Board of Trustees  
**STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.**  
Old Buswang, Kalibo, Aklan

Gentlemen:

I have audited the financial statements of **STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.** for the fiscal years ending May 31, 2017 and 2016, on which I have rendered the attached report dated September 13, 2017.

**STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.** being a nonstock, nonprofit organization does not have any shareholders. Its activities are being managed by the Board of Trustees.

GLENDALIE R. NACUBUAN  
PRC Board Cert. No. 0114968  
Issued on July 21, 2005  
TIN 243-993-019  
PTR No. 5446376, Kalibo, Aklan, 01-03-17  
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Issued on October 19, 2015  
Until October 19, 2018

September 13, 2017  
Numancia, Aklan

GLENDA LIE R. NACUBUAN  
Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
**STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.**  
Old Buswang, Kalibo, Aklan

**Report on the Audit of the Financial Statements**

***Opinion***

I have audited the consolidated financial statements of **STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.**, which comprise the statements of financial position as at May 31, 2017 and 2016, and the statements of financial performance, statement of changes in equity and statements of cash flows for the fiscal years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the **STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.** as at May 31, 2017 and 2016, and its financial performance and cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) for Small and Medium-sized Entities (SMEs) issued by Philippine Financial Reporting Standards Council.

***Basis for Opinion***

I conducted my audit in accordance with Philippine Standards on Auditing (PSA). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Philippine Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants in the Philippines together with the ethical requirements that are relevant to my audit of the financial statements in Philippines, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the PESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRSs, 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 consolidated 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 is 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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

GLENDA LIE R. NACUBUAN  
Certified Public Accountant

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conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

GLENDA LIE R. NACUBUAN  
PRC Board Cert. No. 0114968  
Issued on July 21, 2005  
TIN 243-993-019  
PTR No. 5446376, Kalibo, Aklan, 01-03-17  
BOA Accreditation No. 5028  
Issued on July 24, 2015  
Until December 31, 2017  
BIR Accreditation No. 11-002146-10-2015  
Issued on October 19, 2015  
Until October 19, 2018

September 13, 2017  
Numancia, Aklan

STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.  
Old Buswang, Kalibo, Aklan

STATEMENTS OF FINANCIAL POSITION  
As of May 31, 2017 and 2016

	2017	2016
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	P 610,650.88	P 303,245.53
Unused supplies	412,857.00	475,263.00
Total Current Assets	1,023,507.88	778,508.53
<b>NON-CURRENT ASSETS</b>		
Property and equipment ( <b>Note 4</b> )	27,120,762.18	15,120,762.18
Less: Accumulated depreciation	7,760,112.21	6,827,818.67
Net Book Value	19,360,649.97	8,292,943.51
<b>TOTAL ASSETS</b>	P 20,384,157.85	P 9,071,452.04
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
SSS, PHIC and HDMF payable	P 48,345.00	P 30,480.00
Income tax payable	33,084.00	45,231.00
Accrued expenses	12,385.37	3,155.82
Accounts payable	6,000,000.00	-
Total Current Liabilities	6,093,814.37	78,866.82
<b>NON-CURRENT LIABILITIES</b>		
Advances from officers	1,000,000.00	4,000,000.00
Loans payable	8,000,000.00	-
Total Non-Current Liabilities	9,000,000.00	4,000,000.00
Total Liabilities	15,093,814.37	4,078,866.82
<b>MEMBERS' EQUITY</b>		
Members' contribution	2,500,000.00	2,500,000.00
Undivided surplus, beginning	2,492,585.22	1,959,835.83
Net income	297,758.26	532,749.39
Undivided surplus	2,790,343.48	2,492,585.22
Total Members' Equity	5,290,343.48	4,992,585.22
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	P 20,384,157.85	P 9,071,452.04

STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.  
Old Buswang, Kalibo, Aklan

STATEMENTS OF FINANCIAL PERFORMANCE  
For the fiscal years ending May 31, 2017 and 2016

	2017	2016
REVENUE ( <i>Note 5</i> )	P 10,321,591.95	P 10,629,881.33
COST OF SERVICES ( <i>Note 6</i> )	5,664,214.29	5,497,609.08
GROSS INCOME	4,657,377.66	5,132,272.25
OTHER INCOME	583,913.45	302,289.93
TOTAL GROSS INCOME	5,241,291.11	5,434,562.18
OPERATING EXPENSES		
School and office supplies	1,027,454.00	1,465,846.72
Repairs and maintenance and labor	891,299.80	911,075.25
Transportation and travel and allowances	410,196.12	515,806.99
Communication, light and water	704,463.11	500,201.66
SSS, PHIC and HDMF contributions	89,050.00	294,976.00
Events, programs and activities	266,754.75	292,563.00
Seminars, meetings and conferences	96,059.75	241,556.00
Uniforms	262,220.00	137,650.00
Security services	127,307.94	127,307.94
Representation and entertainment	104,015.13	123,455.00
Interest	778,411.11	-
Tutorials	58,475.00	76,819.97
Professional fees	10,000.00	54,750.00
Taxes and licenses	10,786.58	47,747.10
Insurance	38,878.36	21,266.26
Advertising	26,827.20	16,210.00
Miscellaneous	8,250.00	15,386.90
Total Operating Expenses	4,910,448.85	4,842,618.79
NET INCOME	330,842.26	591,943.39
PROVISION FOR INCOME TAX	33,084.00	59,194.00
NET INCOME	P 297,758.26	P 532,749.39

STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.  
Old Buswang, Kalibo, Aklan

STATEMENTS OF CHANGES IN MEMBERS' EQUITY  
For the fiscal years ending May 31, 2017 and 2016

	2017	2016
MEMBERS' EQUITY	P 2,500,000.00	P 2,500,000.00
RETAINED EARNINGS		
Appropriated		
Balance at beginning of the year	-	-
For building expansion	1,000,000.00	-
Retained Earnings Appropriated	1,000,000.00	-
Unappropriated		
Balance at beginning of the year	2,492,585.22	1,959,835.83
Net income for the year	297,758.26	532,749.39
Total	2,790,343.48	2,492,585.22
Less: Transfer to appropriation for building renovation	1,000,000.00	-
Retained Earnings Unappropriated	1,790,343.48	2,492,585.22
Total Retained Earnings	2,790,343.48	2,492,585.22
 TOTAL MEMBERS' EQUITY	 P 5,290,343.48	 P 4,992,585.22

STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.  
Old Buswang, Kalibo, Aklan

STATEMENTS OF CASH FLOWS  
For the fiscal years ending May 31, 2017 and 2016

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income after tax	P 297,758.26	P 532,749.39
Adjustment for		
Depreciation	932,293.54	932,293.54
Net income before working capital changes	1,230,051.80	1,465,042.93
(Increase) Decrease in operating assets		
Unused supplies	62,406.00	(439,978.00)
Increase (Decrease) in operating liabilities		
SSS, PHIC and HDMF payable	17,865.00	3,460.00
Income tax payable	(12,147.00)	5,443.00
Accrued expenses	9,229.55	(1,076.29)
	6,000,000.00	-
Net cash provided by operating activities	7,307,405.35	1,032,891.64
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Non-Current Assets		
School building	(5,000,000.00)	(2,000,000.00)
Improvements	(7,000,000.00)	-
Net cash used in investing activities	(12,000,000.00)	(2,000,000.00)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances from officers	(3,000,000.00)	1,000,000.00
Loans payable	8,000,000.00	-
Net cash used in financing activities	5,000,000.00	1,000,000.00
NET INCREASE IN CASH	307,405.35	32,891.64
CASH AND CASH EQUIVALENTS, JUNE 1	303,245.53	270,353.89
CASH AND CASH EQUIVALENTS, MAY 31	P 610,650.88	P 303,245.53

## **STARGLOW CENTER FOR ACADEMICS AND ARTS, INC.**

Notes to Financial Statements

For the fiscal years ending May 31, 2017 and 2016

### **1. CORPORATE INFORMATION**

Starglow Center for Academics and Arts, Inc. was duly approved by the Securities and Exchange Commission in accordance with the Corporation Code of the Philippines on February 10, 2005 with SEC Registration No. CN200525400 and subsequently registered with the Bureau of Internal Revenue on April 15, 2005 with Tax Identification No. 005-573-033.

The Company's primary purpose is to operate an educational institution that offers services namely pre-school education; elementary education; junior and senior high school education; tutorial and review services; and arts, music, sports and other related education courses; to engage in social services like mass feeding, medical camp, free formal and non-formal education and other programs that shall benefit the local community; to operate a canteen, book store, and other related businesses that shall generate other income to support the operation of the corporation.

The registered office address of the Company is at Old Buswang, Kalibo, Aklan.

The accompanying financial statement was authorized for issue by the Board of Directors on September 13, 2017.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Basis of Preparation

The Company's financial statements have been prepared on a historical cost basis. They are presented in Philippine Peso, which is the company's functional currency.

#### Statement of Compliance

The Company's financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) for Small and Medium-sized Entities (SMEs) issued by Philippine Financial Reporting Standards Council.

#### Cash and Cash Equivalents

Cash are stated at face value. Cash includes cash on hand, in banks which consist of current and savings account and petty cash fund which is being utilized to fund expenses on a day to day transaction of the company.

Cash equivalents, if any, are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

#### Property and Equipments

Buildings are stated at deemed cost based on revaluations on June 1, 2014, less any impairment in value. Other property and equipments are stated at cost less accumulated depreciation and any accumulated impairment loss. The initial cost of property and equipments comprises its purchase price and other directly attributable costs of bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when that cost is incurred if the recognition criteria are met. It excludes the costs of day-to-day servicing

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using straight-line method.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

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

#### Impairment of Assets

At each reporting date, property and equipments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

#### Other Current Liabilities

Other current liabilities represent statutory liabilities and are measured initially at their nominal values and subsequently recognized at amortized cost less settlement payments. Obligations to the government including Output Tax are remitted on the following month after being withheld from various income recipients.

#### Equity

Capital stock is recognized as issued when the stock is paid for or subscribed under a binding subscription agreement and is measured at par value.

#### Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be reliably measured. However, when an uncertainty arises about the collectability of an amount already included in the revenue, the uncollectible amount, or the amount in respect of which recovery has ceased to be probable, is recognized as an expense, rather than as an adjustment of the amount of revenue originally recognized.

### **3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of financial statements in conformity with the PFRS for SMEs requires the use of certain critical accounting estimates. It also requires managements to exercise judgment in the process of applying the Corporation's accounting policies.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumption are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimate is revised, revision affects only the current period, or in the period of revision and future periods if the revision affect both current and future periods.

**4. PROPERTY AND EQUIPMENT**

The composition of this account as of May 31, 2017 and 2016 are as follows:

		<b>2017</b>		<b>2016</b>
School building	P	16,318,920.43	P	9,318,920.43
Improvements		7,276,733.29		276,733.29
Furniture and fixtures		2,809,468.53		2,809,468.53
School equipments		689,566.40		689,566.40
Library / Books		26,073.53		26,073.53
<b>Total Property and Equipment</b>	<b>P</b>	<b>27,120,762.18</b>	<b>P</b>	<b>13,120,762.18</b>

Depreciation charge to operation amounts to P932,293.54 in 2017 and P832,293.54 in 2016.

**5. REVENUE**

The revenue account as of May 31, 2017 and 2016 are as follows:

		<b>2017</b>		<b>2016</b>
Tuition fees	P	9,438,409.89	P	9,532,887.91
Entrance / Application fees		625,493.01		808,343.97
Program fees		93,006.85		144,791.30
Development fees		10,500.00		13,000.00
Tutorial fees		154,182.20		130,858.15
<b>Total Revenue</b>	<b>P</b>	<b>10,321,591.95</b>	<b>P</b>	<b>10,629,881.33</b>

**6. COST OF SERVICES**

The cost of services account as of May 31, 2017 and 2016 are as follows:

		<b>2017</b>		<b>2016</b>
Salaries, benefits and allowances	P	3,407,900.00	P	3,162,146.69
Educational supplies, materials and facilities		1,000,694.00		1,186,355.25
Depreciation		932,293.54		932,293.54
Outside services		323,326.75		216,813.60
<b>Total Cost of Services</b>	<b>P</b>	<b>5,664,214.29</b>	<b>P</b>	<b>5,497,609.08</b>

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**From:** ebirforms-noreply@bir.gov.ph (ebirforms-noreply@bir.gov.ph)  
**To:** glendalie\_nacubuan@yahoo.com;  
**Date:** Wednesday, September 13, 2017 12:47 PM

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