



ZOYDO SABINES
Y MORENO, S.C.

Report of the Independent Auditors

January 18, 2019

To the Associates' Board of
Alianza Médica para la Salud, A.C.
Mexico City

Opinion

We have audited the financial statements of Alianza Médica para la Salud, A.C., which includes the balance sheet as of December 31, 2018 and 2017, the statement of activities and cash flows, corresponding to the periods ended on those dates, as well as the explanatory notes to the financial statements that include a summary of the policies significant countable

In our opinion, the accompanying financial statements reasonably present, in all material respects, the financial situation of the Alianza Médica para la Salud, A.C., as of December 31, 2018 and 2017, as well as the statements of activities and cash flows, corresponding to the year ended on that date, in accordance with the Mexican Financial Information Standards.

Base of opinion

We have carried out our audit in accordance with International Standards on Auditing (NIA). Our responsibility in accordance with these standards is described later in the "Auditor's Responsibilities in relation to the Audit of Financial Statements" section of our report. We are independent from the Institution in accordance with the ethical requirements applicable to our audit of the financial statements in Mexico and have fulfilled the other ethical responsibilities in accordance with those requirements.

Responsibilities of the Administration and those in charge of the government of the entity in relation to the financial statements

The Administration of Alianza Médica para la Salud, A.C., is responsible for the preparation and fair presentation of the accompanying financial statements in accordance with NIF, and for the internal control that the Administration deems necessary to allow the preparation of financial statements free of material deviation, due to fraud or error.

In the preparation of the financial statements, the Administration is responsible for assessing the ability of the Entity to continue as "Entity in operation", revealing, as appropriate, the matters related to the "Entity in operation" and using the accounting principle of "Entity in operation", except if the Administration intends to liquidate the Entity or cease operations, or there is no other alternative.

Responsibilities of the auditor in relation to the audit of the financial statements

Our objective is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, due to fraud or error, and issue an audit report that contains our opinion. Reasonable assurance is a high degree of security, but does not guarantee that an audit conducted in accordance with the ISA always detects a material misstatement when it exists. The inaccuracies may be due to fraud or error and are considered material if, individually or in an aggregate way, it can reasonably be expected to influence the economic decisions that users make based on the financial statements.

As part of an audit in accordance with International Standards on Auditing, we apply our professional judgment and maintain an attitude of professional skepticism throughout the entire audit. As well:

We identify and evaluate the risks of material deviation in the financial statements due to fraud or error, design and apply audit procedures to respond to such risks and obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material deviation due to fraud is higher than in the case of a material deviation due to error, since fraud can involve collusion, forgery, deliberate omissions, intentionally erroneous statements or circumvention of internal control.

We obtained knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate in accordance with the circumstances and not with the purpose of expressing an opinion on the effectiveness of the internal control of the Entity.

We evaluate the adequacy of the accounting policies applied, the reasonableness of the accounting estimates and the corresponding information revealed by the Administration.

We conclude on the adequacy of the use, by the Administration, of the accounting post of "Entity in operation" and, based on the obtained audit evidence, we conclude that there is no material uncertainty related to facts or conditions that can generate significant doubts about the Entity's ability to continue as "Entity in operation".

We evaluate the comprehensive presentation, structure and content of the financial statements, including the information disclosed.

We communicate with the Entity's Management regarding the scope and timing of the planned audit and the significant findings of the audit, including any significant deficiencies in internal control that we identified in the course of our audit.

Zoydo Sabines y Moreno, S.C.

C. P. C. Javier Moreno Ibarra
Partner

Mexico City, January 18, 2019

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Alianza Médica para la Salud, A.C.
Mexico City


Balance sheets as of December 31, 2018 and 2017
(In U.S. dollars)

Exhibit "A"

Assets	2018			2017	
	Temporarily restricted	Permanently restricted	Total	Total	Total
Current:					
Cash and cash equivalents (Note 4)	36,768	-	36,768	2,296	
Total current assets	<u>36,768</u>	<u>-</u>	<u>36,768</u>	<u>2,296</u>	
Non-current:					
Various debtors (Note 5)	2,038	-	2,038	1,070	
Tax advance	68	-	68	47	
Computer equipment, net (Notes 3-c and 6)	-	3,185	3,185	1,173	
	<u>2,106</u>	<u>3,185</u>	<u>5,291</u>	<u>2,290</u>	
Other assets:					
Guarantee deposits	1,574	-	1,574	1,271	
Total long-term assets	<u>3,680</u>	<u>3,185</u>	<u>6,865</u>	<u>3,561</u>	
Total assets	<u>40,448</u>	<u>3,185</u>	<u>43,632</u>	<u>5,857</u>	

The attached notes are an integral part of these financial statements


Lic. Rebeca Aguilar Alvarez Colunga
Executive Director


Lic. José Pacheco Meyer
Treasurer


Alianza Médica para la Salud, A.C.
Mexico City
Balance sheets as of December 31, 2018 and 2017
(In U.S. dollars)

Exhibit "A"

Liabilities	2018		2017	
	Temporarily restricted	Permanently restricted	Total	Total
Short term:				
American Express Company (México), S.A de C.V.	203	-	203	13,327
Payable accounts (Note 7)	3,333	-	3,333	4,274
Payable taxes (Note 8)	4,958	-	4,958	3,873
Total short-term liabilities	8,494	-	8,494	21,474
Equity account (Note 9):				
Equity of previous years	-	(15,626)	(15,626)	2,054
Net change in equity account	-	50,765	50,765	(17,671)
Total equity account	-	35,139	35,139	(15,617)
Total liabilities and equity account	8,494	35,139	43,632	5,857

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Lic. Rebeca Aguilar Alvarez Colunga
Executive Director

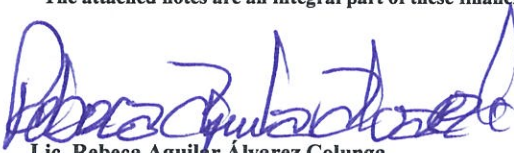

Lic. José Pacheco Meyer
Treasurer


Alianza Médica para la Salud, A.C.
Mexico City
Activities statements ended on December 31, 2018 and 2017
(In U.S. dollars)

Exhibit "B"

	2018			2017
	Temporarily restricted	Permanently restricted	Total	Total
Income:				
National Philanthropic Trust (Note 10)	-	396,301	396,301	279,315
American Austrian Foundation (Note 11)	-	46,045	46,045	51,274
General donations	3,755	-	3,755	8,329
Total Income	3,755	442,346	446,101	338,918
Cost of donations:				
Travel expenses	-	103,760	103,760	80,984
Fees	-	122,674	122,674	113,088
Labor taxes	-	6,511	6,511	5,531
Savings System for Retirement	-	4,822	4,822	4,092
INFONAVIT	-	4,826	4,826	3,972
Payroll tax	-	3,681	3,681	3,365
Office leases	-	20,312	20,312	19,100
Accounting and audit fees	-	13,333	13,333	8,135
Vat	-	21,902	21,902	21,554
Publicity	-	16,339	16,339	14,748
Others	-	491	491	1,937
Donations	-	132	132	2,615
Courses, events and seminars	-	51,930	51,930	65,257
Total cost of donation	-	370,713	370,713	344,378
Administrative expenses:				
Office material	2,821	-	2,821	1,319
Telephones	9,525	-	9,525	1,033
Depreciation	659	-	659	1,015
Fees and subscriptions	565	-	565	617
Maintenance of computer equipment	585	-	585	94
Vat	156	-	156	492
Total administrative expenses	14,312	-	14,312	4,570
Financial products:				
Interest earned on investments	-	5,054	5,054	36
exchange profit (loss) (net)	-	(15,366)	(15,366)	(7,678)
Total financial products	-	(10,311)	(10,311)	(7,642)
Change in equity account	(10,556)	61,321	50,765	(17,671)
Equity account at the beginning of the year			(15,626)	2,054
Equity account at the end of the year			35,139	(15,617)

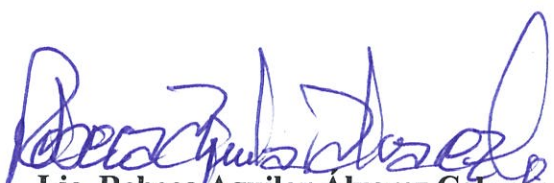
The attached notes are an integral part of these financial statements


Lic. Rebeca Aguilar Álvarez Colunga
Executive Director


Lic. José Pacheco Meyer
Treasurer

Alianza Médica para la Salud, A.C.**Mexico City****Cash flow statements for the ended on December 31, 2018 and 2017****(In U.S. dollars)****Exhibit "C"**

	<u>2018</u>	<u>2017</u>
Cash flow of operation activities:		
Net change in equity account	50,765	(17,671)
Conciliation with the cash flow		
Depreciation	659	1,015
Change in:		
Various debtors	666	(1,070)
Payable accounts	(14,927)	1,203
Tax advance	(20)	(18)
Cash flow of operation activities	<u>37,143</u>	<u>(16,541)</u>
Investment activities:		
Purchase of equipment	(2,671)	(662)
Cash used in investment activities	<u>(2,671)</u>	<u>(662)</u>
Net change in cash	34,473	(17,202)
Loss on exchange rate	-	904
Cash at the beginning of the year	2,296	18,594
Cash at the ending of the year	<u><u>36,768</u></u>	<u><u>2,296</u></u>

The attached notes are an integral part of these financial statements
Lic. Rebeca Aguilar Alvarez Colunga
Executive Director
Lic. José Pacheco Meyer
Treasurer