



ZOYDO SABINES
Y MORENO, S.C.

Report of the Independent Auditors

January 31, 2020

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, 2019 and 2018, 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, 2019 and 2018, as well as the statements of activities and cash flows, corresponding to the years ended on those dates, 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 31, 2020


Alianza Médica para la Salud, A.C.
Mexico City
Balance sheets as of December 31, 2019 and 2018
(In U.S. dollars)

Exhibit "A"

Assets	2,019		2,018	
	Temporarily restricted	Permanently restricted	Total	Total
Current:				
Cash and cash equivalents (Notes 3-b and 4)	128,276	5,474,417	5,602,693	36,768
Advance payments (Note 5)	5,488	-	5,488	2,038
Income tax	381	-	381	67
Total current assets	134,145	5,474,417	5,608,562	38,873
Non-current:				
Furniture and computer equipment, net (Notes 3-c and 6)	-	3,136	3,136	3,185
Guarantee deposits	1,640	-	1,640	1,574
Total long-term assets	1,640	3,136	4,776	4,759
Total assets	135,785	5,477,553	5,613,338	43,632

The attached notes are an integral part of these financial statements

"These financial statements were approved for issuance under the responsibility of the officials who subscribe them"


Rebeca Aguilar Alvarez Colunga
Executive Director


José Pacheco Meyer
Treasurer

Alianza Médica para la Salud, A.C.
Mexico City
Balance sheets as of December 31, 2019 and 2018
(In U.S. dollars)

Exhibit "A"

Liabilities	2,019		2,018
	Temporarily restricted	Permanently restricted	Total
Short term:			
American Express Company (México), S.A de C.V.	5,702	-	5,702
Payable accounts (Note 7)	3,391	-	3,391
Payable taxes (Note 8)	10,472	-	10,472
Total short-term liabilities	19,565	-	19,565
Equity account (Note 11):			
Equity of previous years	-	36,605	36,605
Net change in equity account	(95,101)	5,652,269	5,557,168
Total equity account	(95,101)	5,688,874	5,593,773
Total liabilities and equity account	(75,536)	5,688,874	5,613,338

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Rebeca Aguilar Alvarez Colunga
Executive Director


José Pacheco Meyer
Treasurer

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Mexico City
Activities statements ended on December 31, 2019 and 2018

(In U.S. dollars)

Exhibit "B"

	2019			2018
	Temporarily restricted	Permanently restricted	Total	Total
Income:				
National Philanthropic Trust (Note 9)	308,186	5,652,269	5,960,455	396,301
American Austrian Foundation (Note 12)	49,011	-	49,011	46,045
Asesores de Deuda Privada, S.C. (Nota 10)	209,307	-	209,307	-
University Oxford	19,378	-	19,378	-
General donations	4,749	-	4,749	3,755
Total Income	590,631	5,652,269	6,242,900	446,101
Operating cost				
Fees	173,351	-	173,351	122,674
Travel expenses	110,634	-	110,634	103,760
Labor taxes	8,739	-	8,739	6,511
Savings System for Retirement	7,055	-	7,055	4,822
INFONAVIT	6,473	-	6,473	4,826
Payroll tax	5,200	-	5,200	3,681
Office leases	22,627	-	22,627	20,312
Accounting and audit fees	10,761	-	10,761	13,333
VAT	22,715	-	22,715	21,902
Publicity	13,796	-	13,796	16,339
Others	638	-	638	491
Donations	36,834	-	36,834	132
Courses, events and seminars	50,433	-	50,433	51,930
Total cost of donation	469,255	-	469,255	370,713
Administrative expenses:				
Office material	2,004	-	2,004	2,821
Telephones	13,421	-	13,421	9,525
Depreciation	1,462	-	1,462	659
Fees and subscriptions	2,223	-	2,223	565
Computer equipment maintenance	31	-	31	585
VAT	51	-	51	157
Total administrative expenses	19,192	-	19,192	14,312
Financial products:				
Interest earned on investments	52,043	-	52,043	5,055
Exchange (loss) not realized	(244,842)	-	(244,842)	(15,366)
Total financial products	(192,799)	-	(192,799)	(10,311)
Provision income tax	4,486	-	4,486	-
Change in equity account	(95,101)	5,652,269	5,557,168	50,765
Equity account at the beginning of the year			36,605	(15,626)
Equity account at the end of the year			5,593,773	35,139

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Rebeca Aguilar Álvarez Colunga
Executive Director


José Pacheco Meyer
Treasurer

Alianza Médica para la Salud, A.C.

Mexico City

Cash flow statements for the ended on December 31, 2019 and 2018

(In U.S. dollars)

Exhibit "C"

	<u>2019</u>	<u>2018</u>
Cash flow of operation activities:		
Net change in equity account	5,557,168	50,765
Conciliation with the cash flow		
Depreciation	1,461	659
Change in:		
Advance payments	(3,364)	969
Payable accounts	10,716	(14,927)
Tax advance	(311)	(20)
Guarantee deposits	-	(302)
Cash flow of operation activities	<u>5,565,670</u>	<u>37,144</u>
Investment activities:		
Purchase of equipment	<u>(1,280)</u>	<u>(2,672)</u>
Cash used in investment activities	<u>(1,280)</u>	<u>(2,672)</u>
Net change in cash	5,564,390	34,472
Loss on exchange rate	1,535	-
Cash at the beginning of the year	36,768	2,296
Cash at the ending of the year	<u>5,602,693</u>	<u>36,768</u>

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