



Tropical Disease Foundation, Inc.

ANNUAL REPORT 2018-2019

INTRODUCTION

On its 35th year founding anniversary, Tropical Disease Foundation celebrated the life of its Founder, Dr. Thelma E. Tupasi. She has passed on but her legacy lives on. Despite the loss, the foundation strives to continue its mandate and focus on service for all, education and training and research in infectious disease.

Dr. Thelma E. Tupasi
FOUNDER, TROPICAL DISEASE FOUNDATION, INC.



SERVICE

TDF continues to maintain its high standard of service through its continued accreditation as a DOTS & DOTS+ Satellite Treatment Center of the Department of Health and Philhealth. The Community Engagement project has been renewed by project sponsor Global Alliance for TB Drug Development USA for another two years. This project extension is focused on a new community partner - Pasay and exploring the new territory of private business processing organizations (BPO's) in Makati City. Its goal is to help find the missing TB cases and educate the masses on the safety of TB clinical trials.

RESEARCH

TDF with its forward looking approach has continued collaboration with existing sponsor partners. Tuberculosis related laboratory and clinic projects being continued are as follows:

- Continuing clinical trial "Two-month Regimens Using Novel Combinations to Augment Treatment Effectiveness for drug-sensitive Tuberculosis"
- "Trial of Faropenem and Cefadroxil (in Combination with Amoxicillin/Clavulanic Acid and Standard TB Drugs) in Patients with Pulmonary Tuberculosis: Measurement of Early Bactericidal Activity and Effects on Novel Biomarkers"
- "An Open-Label, Partially Randomized Trial to Evaluate the Efficacy, Safety and Tolerability of a 4-month Treatment of Bedaquiline plus Pretomanid plus Moxifloxacin plus Pyrazinamide (BPamZ) Compared to a 6-month Treatment of HRZE/HR (Control) in Adult Participants with Drug Sensitive Smear-Positive Pulmonary Tuberculosis (DS-TB) and a 6-month Treatment of BPamZ in Adult Participants with Drug Resistant, Smear-Positive Pulmonary Tuberculosis (DR-TB)."



TRAINING

The TDF TB laboratory has been consistent in its gold standard performance offering a complete set of TB assays including up-to-date line probe assay, awarded a DAIDS (Division of AIDS) certification and has mentored international collaboration in other South East Asian Region countries.

TDF is grateful for the continued support of sponsors, stakeholders, partners and collaborators to handle and implement projects and clinical trials related to tuberculosis. While we continue to pursue excellence in healthcare for all, new opportunities and partnership are being created to be able to provide a world-class sustainable healthcare solution, a mark proudly Filipino, proudly Dr. Thelma E. Tupasi.

ABOUT TDF

The Tropical Disease Foundation, Inc. is a private, non-stock, non-profit, nongovernment organization founded in 1984 by a group of physicians in the Research Institute for Tropical Medicine. The founding chairman was Dr. Jesus Azurin, then Secretary of Health. The TDF began a legacy of quality research, service and training in infectious diseases.

OUR VISION AND MISSION

The Tropical Disease Foundation, Inc. believes in equitable, universal access to health for economic prosperity. Its programs and projects encourage participation in the national and local communities through its research, training, health care service provision and advocacies.

OUR THRUSTS

1. To conduct research, training and service in infectious diseases of public health importance
2. To enter into partnership with public and private agencies in the implementation of programs in the control of infectious diseases
3. To ensure technology transfer in developing human resources for health nationally and internationally through collaboration with national and international institutions
4. To serve as a national and international training center for infectious diseases

PROJECTS

1. TDF TB-DOTS

TDF offers a public-private mixed DOTS clinic for patients who have symptoms suggestive of TB or who are suspected to have tuberculosis by healthcare providers. DOTS is the most effective means of controlling the spread of tuberculosis and by involving the public and the private sector, case finding and engagement to treatment is intensified.

TDF TB-DOTS Clinic caters to patients who live or work within the catchment area whether they are walk-in patients or referrals by physicians of nearby hospitals such as Makati Medical Center, diagnostic clinics, schools, business establishments and offices. For patients living outside the catchment area diagnosed in TDF DOTS clinic are being transferred to another DOTS facility near their residence for easier access to anti-TB drugs. To accommodate the working sector clinic operation is extended from early morning until late in the afternoon.

For patients who found to have a positive sputum test (usually Xpert), treatment is discussed, and options are presented to patients where they may avail of treatment. TDF-DOTS Clinic envisions achievement of the millennium development goal by serving more TB patients in the future. DOH-Certified TB DOTS Center Certification for TDF was renewed until Oct 30, 2020.

TDF TB-DOTS...

Sponsoring Organization

TB kits (drugs) and lab supplies are provided by Department of Health through Makati City Health Department.

Objectives

1. Improve the continuum of effective and quality care of presumptive TB and TB patients.
2. Make treatment and quality services accessible to TB patients.
3. Timely results for prompt initiation of treatment.

Accomplishments:

- # of Patient Screened: 161
- # of Patient Enrolled: 60
- # of Patient Completed treatment:
 - Cured: 10
 - Treatment Completed: 17
 - Lost To Follow-Up: 5
 - Ongoing Treatment: 25
 - Failed: 1
 - Trans-out: 2

2. SATELLITE TREATMENT CENTER FOR MDR-TB

The performance of the Satellite Treatment Center in the past year is as follows:

- Number of All Presumptive DR-TB Screened: 380
- Number of All Presumptive DR-TB Tested: 380
- Number of All Confirmed Rifampicin Resistant TB: 26
- Number of cases registered: 36
 - o Bacteriologically-confirmed RR/MDR-TB: 23
 - o Clinically-diagnosed MDR-TB: 10
 - o Other Drug-resistant TB case: 3

As of 31 July 2018, the clinic census is at 17 patients, including patients decentralized to the health centers, as well as patients started on treatment by iDOTS centers. The STC currently has 1 PBSP-hired nurse on board. The number of presumptive DRTB patients screened and patients registered at TDF-STC has steadily decreased as a result of the opening of the Rapid TB Diagnostic Lab at East Rembo Health Center and the West Rembo PMDT STC, which also caters to patients from Pateros.

PROJECTS

3. TMC207-C211

A phase 2, open-label, multicenter, single-arm study to evaluate the pharmacokinetics, safety, tolerability and anti-mycobacterial activity of TMC207 in combination with a background regimen of multidrug resistant TB (MDR-TB) medications for the treatment of children and adolescents 0 months to <18 years of age who have confirmed or probably pulmonary MDR-TB.

Sponsor

Janssen Research and Development

Role

Country Central Mycobacteriology Laboratory

Tests Performed

- a. Interferon Gamma Release Assay (IGRA) using TSpot method
- b. GeneXpert MTB/RIF Assay
- c. AFB microscopy using fluorescent (Auramine O) method
- d. Liquid culture method using Mycobacterial Growth Indicator Tube

Update

The study started in 2017 and the first patient was enrolled in January of the said year. As of 31 July 2019, there are two subjects enrolled in the study and a total of 79 samples have been processed. Cohort 2 has been completed and the next cohort (2-5 y/o) will start on September 2019.

4. TRUNCATE-TB

Two-month Regimens Using Novel Combinations to Augment Treatment Effectiveness for drug-sensitive Tuberculosis. A randomized, open-label, multi-arm, multi-stage (MAMS), parallel group strategy trial.

Sponsor

University College London is the trial legal sponsor and has delegated responsibility for the management of the trial to the National University Hospital (Singapore).

Roles

- a. Central Mycobacteriology and Biorepository
- b. Clinical Site

Central Mycobacteriology and Biorepository

Tests Performed

- a. AFB microscopy using Ziehl Neelsen method
- b. GeneXpert MTB/RIF assay
- c. Liquid culture method using Mycobacterial Growth Indicator Tube
- d. Drug Susceptibility Testing
- e. Minimum Inhibitory Concentration (Sensitre Method)
- f. Resuscitating Promoting Factor (RPF) testing
- g. DNA extraction
- h. Storage of isolates
- i. Storage of samples

Update:

The first sample was submitted to TDF laboratory on March 21, 2018. Enrollment of patients for the study is expected to end on December 31, 2018 with the aim of enrolling 500 patients (100 patients per clinical site) in the Philippines. As of 31 July 2019, there are 98 patients enrolled in the study and a total of 973 samples were submitted to the laboratory.

Clinical Site

Update:

- Ethics Committee Initial Approval: 19 Jan 2017
- Investigators meeting: 18 Sep 2017
- Coordinators meeting: 09 Feb 2018
- Site Initiation visit: 12 Feb 2018
- First subject enrolled: 13 Apr 2018
- Total patients screened: 39
- Total patients randomized: 23

5. TRIAL OF FAROPENEM AND CEFADROXIL IN PATIENTS WITH PULMONARY TUBERCULOSIS: MEASUREMENT OF EARLY BACTERICIDAL ACTIVITY AND EFFECTS ON NOVEL BIOMARKERS

A Phase II randomized, controlled, open-label, early bactericidal activity trial.

Sponsor

National University Hospital
(Singapore)

Roles

- a. Central Laboratory
- b. Clinical Site

Central Laboratory

Tests Performed

- a. AFB Microscopy
using Ziehl Neelsen method
- b. GeneXpert MTB/RIF Assay
- c. Liquid TB culture using
Mycobacterial Growth Indicator Tube
- d. Colony Forming Units
- e. Storage of isolates
- f. Drug Susceptibility Testing

Update

The study started on February 8, 2019 and aims to enroll about 45 patients in total. As of 31 July 2019, a total of 13 patients have been enrolled in the study and 168 samples have been submitted to the laboratory. The grant closed on May 2019 and the study is expected to end after enrollment of a few more patients.

Clinical Site

Update:

- Ethics Committee
Initial Approval: 21 May 2018
- Site Initiation Visit: 22 Nov 2018
- First subject enrolled: 06 Feb 2019
- Total patients enrolled: 10
- Total patients randomized: 4



6. NC-008 (B-PA-M-Z)/SIMPLICITB

An open-label, partially randomized trial to evaluate the efficacy, safety and tolerability of a 4-month treatment of Bedaquiline plus Pretomanid plus Moxifloxacin plus Pyrazinamide (BPaMZ) compared to a 6-month treatment of HRZE/HR (control) in adult participants with drug-sensitive, smear-positive pulmonary tuberculosis (DS-TB) and a 6-month treatment of BPaMZ in adult participants with drug-resistant, smear-positive pulmonary tuberculosis (DR-TB).

6. NC-008 (B-PA-M-Z)/SIMPLICITB...

Roles: a. Country Central Mycobacteriology Laboratory
b. Clinical Site

Sponsor
TB Alliance

Country Central Mycobacteriology Laboratory

Tests Performed:

- a. AFB Microscopy using fluorescent (Auramine O) method
- b. Line Probe Assay (LPA)
- c. Liquid TB culture using Mycobacterial Growth Indicator Tube
- d. Storage of TB isolates

Update:

The first sample for the study was submitted on February 14, 2019. As of 31 July 2019, there were a total of 12 enrolled patients in the study and 242 samples were submitted to the laboratory for processing.

Clinical Site

Update:

- Ethics Committee Initial Approval: 21 May 2018
- Site Initiation Visit: 23 January 2019
- First patient enrolled: 04 Mar 2019
- Total patients enrolled to date: 10
- Total patients randomized: 6

7. RAPID TB DIAGNOSTIC LABORATORY (RTDL) OF THE PMDT PROGRAM

TDF laboratory is also a Rapid TB Diagnostic Laboratory (RTDL) of the Programmatic Management of Drug-Resistant TB patients.

As an RTDL, TDF performs GeneXpert MTB/RIF assay for the patients of the program and participates in the bi-annual data quality check activity of PMDT.

In the recent fiscal year, GeneXpert MTB/RIF assay was conducted to a total of 908 samples from PMDT patients.

The image shows two laboratory technicians in a biosafety cabinet. They are wearing blue protective suits, blue hairnets, and white face masks. They are wearing white gloves and are working with several test tubes in a blue rack. A yellow pipette tip is visible in the foreground. The background is a stainless steel biosafety cabinet.

8. CULTURE LABORATORY OF THE PMDT PROGRAM

On 29 October 2019, a Memorandum of Agreement between TDF and PBSP was signed establishing the role of TDF as a TB culture laboratory for the PMDT program. As a TB culture laboratory, TDF renders its services to the following satellite treatment centers (STCs): North Daang Hari STC, Elias Aldana STC, TDF STC, West Rembo STC, BJMP MMDJ6 STC, and Masambong STC. The first sample was submitted on April 23, 2019 and, as of 31 July 2019, a total of 515 TB cultures on Ogawa medium (Modified Kudoh method) were performed for the program.

9. COMMUNITY ENGAGEMENT

Sponsor:

Global Alliance
for TB Drug
Development USA

Grant

Period:

Apr 15, 2017 to
Dec 31, 2018



9. COMMUNITY ENGAGEMENT...

Background

TDF, being a research foundation, has continuously worked with different stakeholder on various clinical trials for new drugs and TB treatment regimen, implemented operational researches and participated in demonstration projects for new TB diagnostic technologies. The Tropical Disease Foundation Inc. through a grant from the Global TB Alliance proposed to conduct a Community Engagement project to increase people's awareness on TB and its control in the target population of the community. The information campaign will include latest researches being conducted by the foundation in order to help the program achieve its goal.

General Objective:

To augment community participation in TB research through planning, cooperation, and providing health education to community health workers

Specific Objectives:

1. To identify target communities for health education through the establishment of a cooperation with the local government unit (LGU)
2. To identify together with local government and community health workers the focal point for health education (infection control and prevention, case finding, or case holding)
3. To conduct a seminar on the focal point identified by the community
4. To increase community awareness on focal points determined for health-teaching
5. To determine community perception of research studies through education on studies currently being done on TB

Date	Engagement Activity	Attendees (Number)	Topics Covered
26 SEP 2018	Training of Pateros Community Health Team (CHTs)	17	<ul style="list-style-type: none"> • Case Finding • Contact Tracing • Community Research Participation
18-24 OCT 2018	Health Center Monitoring	9	<ul style="list-style-type: none"> • Observation for improvement(s) in case finding

10. TB ALLIANCE WORLD TB DAY MINI-GRANT

Sponsor Global Alliance for TB Drug Development USA

Event Date / Venue March 22, 2019 / Barangay Tejeros, Makati

For World TB Day 2019, the Tropical Disease Foundation (TDF), took to the streets again with its Takpan ang Ubo caravan. For this year, upon the recommendation of the City Health Department, the caravan went around the streets of Barangay Tejeros in Makati. Barangay Tejeros is one of the areas in Makati which has a high prevalence for TB with a population of 13,696 according to the 2015 National Census. The activity was discussed with Barangay officials for the route to be taken by the caravan.

With National Elections drawing near, the Takpan ang Ubo jingle blaring through the PA system drew people out from their homes, curious if the jingle was for a political campaign. Taking advantage of this, staff of TDF approached the people, introducing the occasion to be commemorated. Staff engaged people to look out for TB symptoms and encouraged the community to seek consult if signs and symptoms are noted.



Cards were also distributed indicating the TDF hotline to provide alternative means of providing the community with information on TB and what to do should the disease be suspected. These were also printed on stickers which were installed in small stores and tricycles with the permission of the respective owners. To reinforce the point of infection control, face masks were also handed out with the message to cover your cough in both English and Filipino.



The activity was held in the morning of 22 March 2019, a few days before the National Commemoration of World TB Day. The caravan was able to go through all the streets of the Barangay and engaged members of the community from store owners, to informal workers, to the urban poor, and local transport service providers. It is hoped that the materials provided will be visible to other people and raise community awareness on infection control not only for TB, but for other airborne diseases as well.

Though not among the cities with high TB prevalence, and in spite of its reputation of having a largely commercial area, there are still communities in Makati that need to learn about TB, and are at risk for contracting the disease. If the world is to meet its goal to #EndTBNow, concerted efforts have to be taken. As many people as can be should be made aware. No one should be left behind.

TB 101: TB IN THE WORKSPACE

In May 2019, members of the TDF TB clinic conducted a short talk on behalf of GHIL Systems Philippines Inc. The talk was about TB in the workplace, and focused on measures that can be taken in the workplace to minimize the risk of contracting TB, as well as what should be done by both management and employees alike should one among them be diagnosed with the disease. The activity was coordinated by the Human resources Department of GHIL.

All employees were gathered for the activity together with department managers and supervisors. Discussions on infection control were suited to environmental controls applicable to the GHIL office as well as general work days experienced by most employees. Legislative provisions such as DOLE D.O. No. 73-05 or the Guidelines for the Implementation of Policy and Program of Tuberculosis Prevention and Control in the Workplace was also discussed in passing.



Referral for management of TB cases was stressed to ensure proper care is received by employees. Services of the TDF TB clinic were offered with the assurance that cases will be treated with utmost patient confidentiality. Lastly, the stigma of TB was also addressed, with emphasis on TB being a curable disease, and consistent with DOLE policy, workers with TB should not be discriminated, and should receive proper diagnosis and prompt treatment to help the worker return to productivity at the soonest.

TDF AS A MAJOR STAKEHOLDER IN PHILTRENET

The Department of Health together with 16 major institutions signed a Memorandum of Understanding among Stakeholders in TB research in the Philippines to establish the first Philippine TB Research Network (PhilTreNet) last April 26, 2019 at the Union APRC 2019 convention at the Philippine International Convention Center

The declaration of partnership involves forming a core network of TB researchers; increasing the pool of patients of future TB studies; improving and enabling the environment for the promotion; conduct and implement of globally competitive, GCP compliant researches and actively engage in research across all phases of the TB value chain.

Representing Tropical Disease Foundation Inc. in behalf of President, Dr. Roberta Romero is Ms. Leilani Naval, Vice President for Program Support. The other organizations included in the signing are Department of Science And

Technology - Philippine Council For Health Research And Development (DOST-PCHRD), Lung Center of the Philippines (LCP), Research Institute For Tropical Medicine (RITM) TB Study Group, De La Salle Medical and Health Sciences Institute - Center for TB Research (DLSMHSI-CTR) , University Of The Philippines - National Institutes Of Health, UP Prime TB Study Group, UST Adult And Pediatric Dots Center, Institute of Clinical Epidemiology (ICE), Philippine Tuberculosis Society, Inc. (PTSI), Tropical Disease Foundation (TDF), American College of Chest Physicians – Philippine Delegation (CHEST-PD), Philippine Coalition Against Tuberculosis (PHILCAT), Philippine College of Chest Physicians (PCCP), Philippine Pediatric Society (PPS), Philippine Society For Experimental & Clinical Pharmacology (PSECP), Philippine Society Of Microbiology And Infectious Diseases (PSMID).



Signing of Memorandum of Understanding establishing the first Philippine TB Research Network (PhilTreNet) last April 26, 2019 at the Union APRC 2019 convention at the PICC.

RECOGNITION

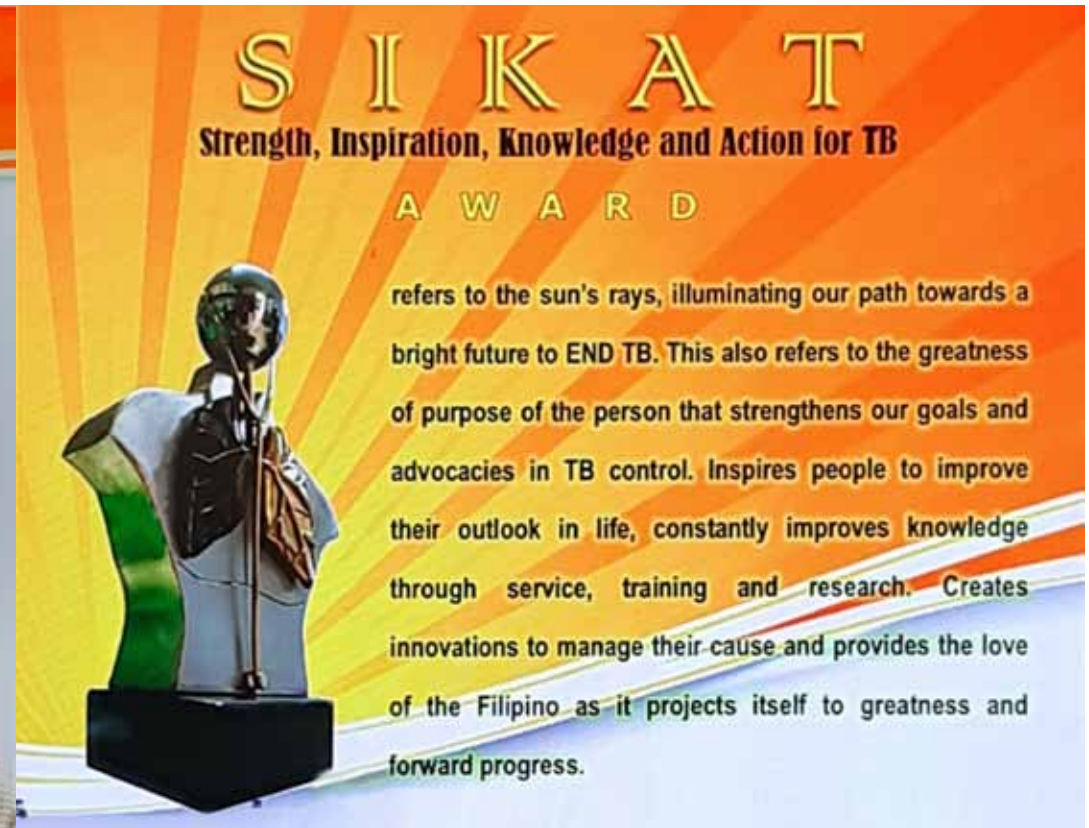
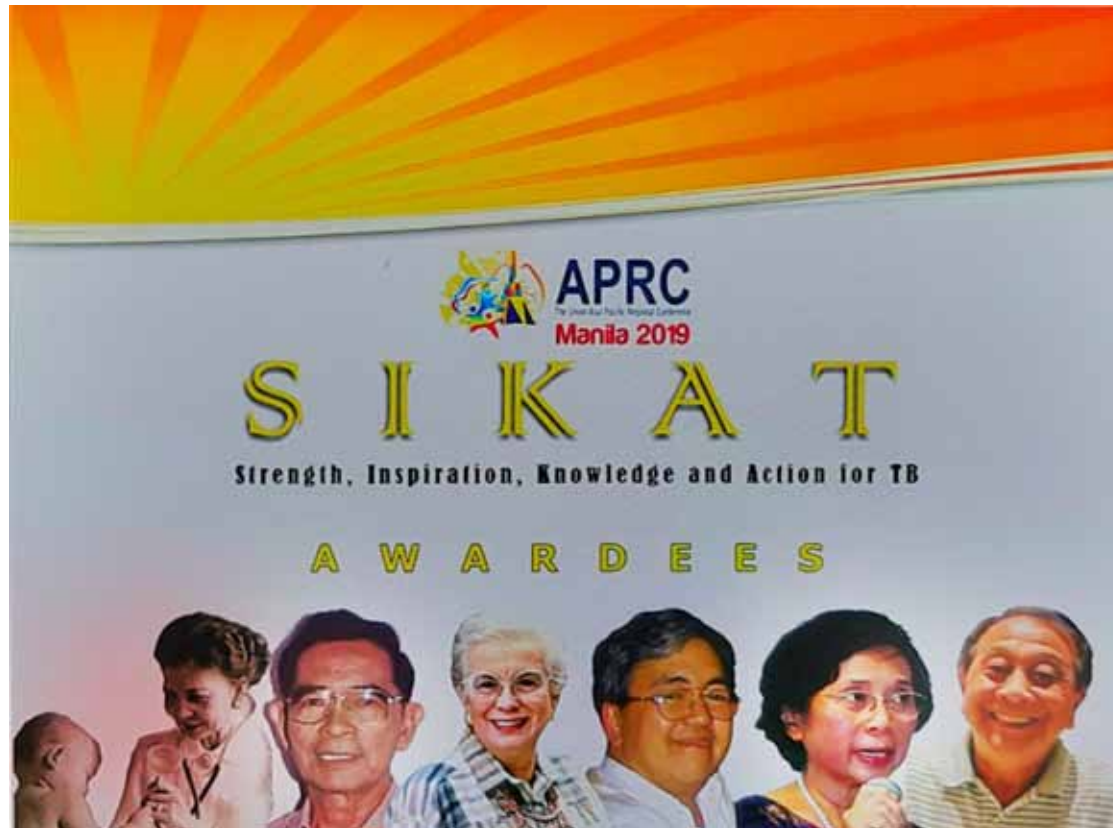
SIKAT AWARDS FOR DR. THELMA E. TUPASI

The recent 7th Asia Pacific Regional Conference of The Union held last April 23 to 26, 2019 awarded Dr. Thelma Tupasi as one of the recipients of the Leadership SIKAT Awards. The awardees were honored as individuals who have contributed immensely to strengthen the goal towards TB control. They inspired communities, educators and researchers to be creative and innovative in spreading knowledge about treatment and prevention of TB.

Dr. Tupasi was regarded for her success in leading the 1997 and 2009 National TB Prevalence Surveys that steered the Department of Health to initiate public-private collaboration in TB care; for her vision towards universal access to health with bold efforts to address the problem of multidrug-resistant (MDR) TB with establishment of the world's first DOTS-Plus private project scaled up to programmatic management of drug-resistant TB (PMDT); and for her dynamic international leadership as Chair of the Stop TB Working Group for DR-TB.



Together with Dr. Tupasi the other Leadership SIKAT awards recipients were Dr. Fe Del Mundo for her contribution in developing guidelines in TB management in children & Dr. Jaime Y. Lagahid for his sustained advocacy in engaging the public and private sector, bridging the gaps critical in the effort to eliminate TB. Other SIKAT awardees were Dr. Mita Pardo de Tavera for community service, Dr. Fermin M. Manalo and Dr. Renato B. Dantes for research. SIKAT Award means Strength, Inspiration, Knowledge and Action for TB. The Union APRC 2019 was held the Philippine International Convention Center Manila.





The International Union Against Tuberculosis and Lung Disease (The Union) is an influential network of members, including over 850 staff based in 10 offices, and 25,000 rural health care providers, 15,000 community volunteers and thousands of partner organizations worldwide.

Dr. Thelma E. Tupasi
recognized at The Union
7th Asia Pacific Regional
Conference 2019



TRAININGS

FLORES, RUPERT REY J.
 DELA CRUZ, ELSIE MARIE B.
 54th PAMET Annual Convention
 December 3-5, 2018
 PICC

GERONIMO, ANTHONY A.
 VETO, RHOLINE GEM MARTIN S.
 PHILCAT Convention
 August 17-18, 2018
 Crown Plaza Galleria
 Mandaluyong City

MARTIN, NORWIN GAYLE DP
 VETO, RHOLINE GEM MARTIN S.
 PMDT Data Quality Check
 August 1-3, 2018

GERONIMO, ANTHONY A.
 5th Philippine Advanced Biorisk
 Officers Training (PhABOT 5)
 November 12-23, 2018
 Hotel Jen Manila, Pasay City

GERONIMO, ANTHONY A.
 5th Philippine Advanced Biorisk
 Officers Training (PhABOT 5)
 August 13-24, 2018
 Hotel Jen Manila

BELEN, JOVITA P.
 NUCUM, MARITA I.
 CATINDIG, ANGELITO M.
 CABANATAN, MA. LOURDES
 CARIDAD, MARIA TERESA
 Seminar on Tax Updates
 November 12, 2018
 BIR RDO 047
 Makati City

VETO, RHOLINE GEM MARTIN S.
 6th Pulmonary Post-Graduate
 Course: Back to Basics
 August 14, 2018
 Makati Medical Center



VETO, RHOLINE GEM MARTIN S.
 FLORES, RUPERT REY J.
 Data Quality Check
 January 31 to Feb. 1, 2019

JOSON, EVELYN S.
 Project Monitoring & Evaluation
 February 27, 2019
 Aurora Tower, Araneta Ctr.
 Cubao QC

PEREZ, MARIE THERESE JOSEFA
 SANTIAGO, MARIA CRISTINA
 Grant Proposal Writing Workshop
 March 20-21, 2019
 Baguio City

VETO, RHOLINE GEM MARTIN S.
 BALIWAGAN, MA. BEGONIA R.
 BALANE, GLENN I.
 DALUZ, ABIGAIL S.
 PARALE, REYANNE C.
 World TB Day Caravan
 March 22, 2019
 Brgy. Tejeros Makati City

SANTIAGO, MARIA CRISTINA
 7th Conference of the
 Union Asia Pacific Region
 April 23-26, 2019
 PICC Manila

SANTIAGO, MARIA CRISTINA
 VETO, RHOLINE GEM MARTIN
 USAID Partnerships for
 Enhanced Engagement
 in Research (PEER) Symposium
 April 23, 2019
 Diamond Hotel, Manila

GERONIMO, ANTHONY A.
 1st PAMET National Laboratory
 Management Congress
 June 24-25, 2019
 Crowne Plaza Galeria, QC

GUDA, GLAIZA ERIKA B.
 2nd PSMS National Summit
 "Exploring Rights, Welfare & Safety"
 May 30, 2019 to June 1, 2019
 Winford Manila Resort and Casino

BALIWAGAN, MA. BEGONIA R.
 Post Graduate Course
 July 18-19, 2019
 Novotel ManilaAraneta Center
 Cubao, QC

CATINDIG, ANGELITO M.
 CARIDAD, MARIA TERESA A.
 NGOs in Action
 July 19, 2019
 PICPA, Mandaluyong City

FINANCIAL SUMMARY

TROPICAL DISEASE FOUNDATION, INC.
(A Non-stock, Non-profit Organization)
STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCES

		July 31	
	Note	2019	2018
ASSETS			
Current Assets			
Cash and cash equivalents	4	₱10,990,314	₱9,926,870
Receivables	5	5,434,760	2,814,753
Financial assets at fair value	6	93,380,220	121,441,205
Other current assets	7	377,415	321,153
Total Current Assets		110,182,709	134,503,981
Noncurrent Assets			
Available-for-sale (AFS) investments	8	71,712	58,824
Investment property	9	6,088,937	7,090,002
Property and equipment	10	65,673,032	68,000,128
Other noncurrent assets	11	535,736	1,165,366
Total Noncurrent Assets		72,369,417	76,314,320
		₱182,552,126	₱210,818,301

		July 31	
	Note	2019	2018
LIABILITIES AND FUND BALANCES			
Current Liability			
Accrued expenses and other payables	12	₱5,439,888	₱5,203,894
Noncurrent Liability			
Net retirement benefit liability	19	13,916,460	17,771,259
Total Liabilities		19,356,348	22,975,153
Fund Balances			
General fund		91,364,347	112,696,444
Capital fund		39,388,969	42,717,130
Restricted fund	14	32,373,000	32,373,000
Reserve for fair value changes of AFS investments	8	69,462	56,574
Total Fund Balances		163,195,778	187,843,148
		₱182,552,126	₱210,818,301

See accompanying Notes to Financial Statements.



TROPICAL DISEASE FOUNDATION, INC.
(A Non-stock, Non-profit Organization)

STATEMENTS OF REVENUES AND EXPENSES

	Note	Years Ended July 31	
		2019	2018
REVENUES			
Sources of funds	15	P13,725,516	P9,862,759
Rental income	21	2,583,000	2,444,625
Investment income	6	2,325,701	5,806,788
		18,634,217	18,114,172
PROGRAM EXPENSES	16	(32,012,014)	(26,698,890)
GENERAL AND ADMINISTRATIVE EXPENSES	17	(12,275,947)	(3,367,765)
OTHER INCOME - Net	18	1,157,326	180,770
EXCESS OF EXPENSES OVER REVENUES BEFORE INCOME TAX		(24,496,418)	(11,771,713)
PROVISION FOR CURRENT INCOME TAX	20	163,840	214,412
EXCESS OF EXPENSES OVER REVENUES		(24,660,258)	(11,986,125)
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Item to be reclassified to profit or loss when realized</i>			
Unrealized gain (loss) on fair value changes of AFS investments	8	12,888	(1,656)
TOTAL COMPREHENSIVE LOSS		(P24,647,370)	(P11,987,781)

See accompanying Notes to Financial Statements.

TROPICAL DISEASE FOUNDATION, INC.
(A Non-stock, Non-profit Organization)

STATEMENTS OF CHANGES IN FUND BALANCES

	Note	Years Ended July 31	
		2019	2018
GENERAL FUND BALANCE			
Balance at beginning of year		P112,696,444	P120,879,580
Excess of expenses over revenues		(24,660,258)	(11,986,125)
Transfer from capital fund	10	7,673,169	7,314,592
Transfer to capital fund	10	(4,345,008)	(3,511,603)
Balance at the end of year		91,364,347	112,696,444
CAPITAL FUND BALANCE			
Balance at beginning of year		42,717,130	46,520,119
Transfer to operating fund	10	(7,673,169)	(7,314,592)
Additions to property and equipment	10	4,345,008	3,511,603
Balance at the end of year		39,388,969	42,717,130
RESTRICTED FUND BALANCE	14	32,373,000	32,373,000
RESERVE FOR FAIR VALUE CHANGES OF AFS INVESTMENTS			
Balance at beginning of year		56,574	58,230
Unrealized gain (loss) on fair value changes of AFS investments	8	12,888	(1,656)
Balance at the end of year		69,462	56,574
		P163,195,778	P187,843,148

See accompanying Notes to Financial Statements.

TROPICAL DISEASE FOUNDATION, INC.
(A Non-stock, Non-profit Organization)

STATEMENTS OF CASH FLOWS

	Notes	Years Ended July 31	
		2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of expenses over revenues before income tax		(P24,496,418)	(P11,771,713)
Adjustments for:			
Depreciation	10	7,673,169	7,314,592
Investment income	6	(2,325,701)	(5,806,788)
Retirement benefit expense (income)	19	1,905,480	(11,834,705)
Reversal of liability	18	(1,042,567)	-
Interest income	4	(13,097)	(14,979)
Advances written-off	5	-	86,531
Excess of expenses over revenues before working capital changes		(18,299,134)	(22,027,062)
Increase in:			
Receivables		(2,620,007)	(1,475,303)
Other current assets		(56,262)	(34,529)
Deferred input VAT		(33,316)	(215,479)
Accrued expenses and other payables		1,278,561	298,731
Net cash used for operations		(19,730,158)	(23,453,642)
Benefits paid	19	(5,760,279)	-
Income tax paid		(163,840)	(214,412)
Interest received		13,097	14,979
Net cash used in operating activities		(25,641,180)	(23,653,075)

	Notes	Years Ended July 31	
		2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from withdrawals of financial assets at fair value		72,868,551	32,350,331
Additions to:			
Financial assets at fair value		(42,481,865)	-
Property and equipment	10	(4,345,008)	(3,511,603)
Decrease (increase) in advances to a supplier		662,946	(662,948)
Net cash provided by investing activities		26,704,624	28,175,780
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,063,444	4,522,705
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		9,926,870	5,404,165
CASH AND CASH EQUIVALENTS AT END OF YEAR		P10,990,314	P9,926,870

See accompanying Notes to Financial Statements.



INDEPENDENT AUDITORS' REPORT

The Members and the Board of Trustees
Tropical Disease Foundation, Inc.
Philippine Institute of Tuberculosis Building
Amorsolo corner Urban Avenue
Barangay Pio Del Pilar, Makati City

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Tropical Disease Foundation, Inc. (the Foundation), a non-stock, non-profit organization, which comprise the statements of assets, liabilities and fund balances as at July 31, 2019 and 2018, and the statements of revenues and expenses, statements of changes in fund balances and statements of cash flows for the years then ended, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at July 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small and Medium-sized Entities (PFRS for SME).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to the audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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 SME, 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.



© 2018 MEMBER
RSM

THE POWER OF BEING UNDERSTANDING
JOSEF LAY, CEA, CFP®

Reyes Tacandong & Co. is a member of the RSM network. Each member of the RSM network is an independent accounting and consulting firm, and practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

In preparing the financial statements, management is responsible for assessing the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our 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 auditors' 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, these could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation 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 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 audits.

Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010 of the Bureau of Internal Revenue

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes and licenses in Note 22 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 information is the responsibility of the management of the Tropical Disease Foundation, Inc. The information has been subjected to the auditing procedures applied in our audits of the basic financial statements and in our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

REYES TACANDONG & Co.

Pamela Ann P. Escudero
PAMELA ANN P. ESCUDERO

Partner
CPA Certificate No. 128829
Tax Identification No. 216-321-918-000
BOA Accreditation No. 4782; Valid until August 15, 2021
SEC Accreditation No. 1471-09-1 Group A
Valid until June 9, 2021
BIR Accreditation No. 08-005144-013-2017
Valid until March 8, 2020
PTR No. 7334345
Issued January 3, 2019, Makati City

October 21, 2019
Makati City, Metro Manila

