

COVER SHEET

A 2 0 0 2 0 8 7 6 2

S.E.C. Registration Number

F I R S T G E N T L E M A N
 F O U N D A T I O N , I N C .

(Company's Full Name)

4 \ F D O M I N G A B U I L D I N G
 2 1 1 3 C H I N O R O C E S A V E . ,
 M A K A T I C I T Y

(Business Address; No. Street City / Town / Province)

BENJAMIN V. RAMOS

Contact Person

819-1211

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

A F S

FORM TYPE

0 3 0 0

Month Day

Annual Meeting

Not Applicable

Secondary License Type, If Applicable

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

LCU

Cashier



STAMPS

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FIRST GENTLEMAN FOUNDATION, INC.

4th Floor, Dominga Building, Chino Roces Avenue, Makati City

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

SECURITIES AND EXCHANGE COMMISSION

SEC Building, Greenhills
EDSA, Mandaluyong City

The management of **FIRST GENTLEMAN FOUNDATION, INC.** is responsible for all information and representations contained in the financial statements for the year ended December 31, 2006. The financial statements have been prepared in conformity with generally accepted accounting principles and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The management likewise discloses to the company's audit committee and to its external auditors;

- I. All significant deficiencies in the design or operation of internal controls that could adversely affect its ability to record, process, and report financial data;
- II. Material weaknesses in the internal controls; and
- III. Any fraud that involves management or other employees who exercise significant roles in internal control.

SAN BUENAVENTURA & CO., CPAs, the independent auditors appointed by the Board of Trustees, have examined the financial statement of the company in accordance with generally accepted auditing standards and have expressed their opinion on the fairness of presentation upon completion of such examination, in its report to the Board of Trustees.


BENJAMIN V. RAMOS
Corporate Secretary





SAN BUENAVENTURA AND COMPANY
Certified Public Accountants

REPORT OF INDEPENDENT PUBLIC ACCOUNTANT

The Board of Trustees
FIRST GENTLEMAN FOUNDATION, INC.
(A Non-stock, Non-profit Organization)
2113 Chino Roces Avenue,
Makati City

Report on the Financial Statements

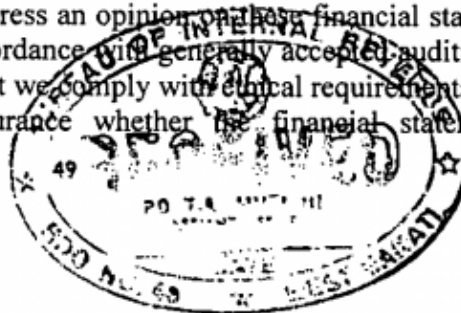
We have audited the accompanying financial statements of **FIRST GENTLEMAN FOUNDATION, INC.** which comprise the balance sheets as at December 31, 2006 and 2005, and the income statements and statements of changes in equity and cash flow statements for the years then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting principles in the Philippines. This responsibility includes; designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on my audit. We conducted our audit in accordance with generally accepted auditing standards in the Philippines. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.



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A member of



Kreston International
A worldwide network of independent
accountants and business advisors

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **FIRST GENTLEMAN FOUNDATION, INC.**, as of December 31, 2006 and 2005, and of its financial performance and its cash flows for the years then ended in accordance with generally accepted accounting principles in the Philippines.

SAN BUENAVENTURA & CO., CPA's

By:



IMELDA C. ARENAS- BUSTO

CPA LIC. No. 0048111

PTR No. 342753

January 26, 2007

Makati City

TIN 110-157-633

BIR A.N. 08-002602-1-2006

BOA A.N 02830-0233

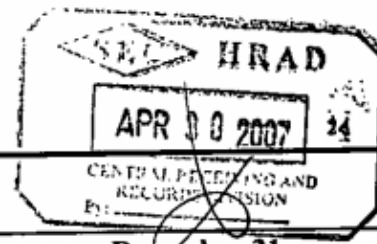
IC A.N. 002-F

April 16, 2007



FIRST GENTLEMAN FOUNDATION, INC.
(A NON-STOCK, NON-PROFIT ORGANIZATION)

BALANCE SHEETS



December 31,

	2006	2005
ASSETS		
Current Assets		
Cash (note 2)	P 6,079,060	P 5,782,582
Advances to officers	639,730	-
Total current assets	6,718,790	5,782,582
Property and equipment - net (Notes 2 and 3)	30,423	-
TOTAL ASSETS	P 6,749,214	P 5,782,582

LIABILITY AND FUND BALANCE

Accrued expense	P 33,600	P 44,800
Fund balance	6,715,614	5,737,782
TOTAL LIABILITY AND FUND BALANCE	P 6,749,214	P 5,782,582

See accompanying Notes to Financial Statements.



FIRST GENTLEMAN FOUNDATION, INC.
(A NON-STOCK, NON-PROFIT ORGANIZATION)

STATEMENT OF RECEIPTS, EXPENSES AND FUND BALANCE

	For the Years Ended December 31	
	2006	2005
CASH RECEIPTS		
Donations	P 14,900,000	P 6,400,000
Interest income	166,844	2,946,099
	15,066,844	9,346,099
CASH DISBURSEMENT		
Donations to beneficiaries (Note 4)	13,950,525	38,594,763
Office supplies	58,211	35,898
Professional fee	35,858	22,400
Communications	19,251	16,313
Depreciation	4,227	-
Transportation and travel	400	-
Bank charges	340	1,619
Miscellaneous	20,201	10,207
	14,089,013	38,681,199
NET CASH RECEIPTS (DISBURSEMENT)	977,831	(29,335,100)
FUND BALANCE, BEGINNING	5,737,782	35,072,882
FUND BALANCE, ENDING	P 6,715,614	P 5,737,782

See accompanying Notes to Financial Statements.



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FIRST GENTLEMAN FOUNDATION, INC.
(A NON-STOCK, NON-PROFIT ORGANIZATION)
STATEMENT OF CASH FLOWS

	For the Years Ended December 31	
	2006	2005
CASH FLOW FROM OPERATING ACTIVITIES		
Excess of receipts over expenses	P 977,831	P (29,335,100)
Depreciation	4,227	-
	982,058	(29,335,100)
Increase (decrease) in accrued expenses	(11,200)	22,400
Increase in advances to officers and employees	(639,730)	-
Net cash provided (used) by operating activities	331,128	(29,312,700)
CASH FLOW FROM INVESTING ACTIVITY		
Acquisition of office equipment	(34,650)	-
NET INCREASE (DECREASE) IN CASH	296,478	(29,312,700)
CASH, BEGINNING BALANCE	5,782,582	35,095,282
CASH, ENDING BALANCE	P 6,079,060	P 5,782,582



FIRST GENTLEMAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

1. CORPORATE INFORMATION

FIRST GENTLEMAN FOUNDATION, INC. (the Foundation) was incorporated under the laws of the Republic of Philippines and registered with the Securities and Exchange Commission on May 28, 2002. The Company is a non-stock, non-profit and tax-exempt organization, its primary purpose is to engage in charity work to help improve economically depressed fellow citizens including out-of-school youth, such as by establishment of health, medical nutrition clinics, vocational training centers, community development projects, etc.

The Foundation is also registered as donee institution with the Government and Tax Exempt Corporation Division of the Bureau of Internal Revenue (BIR) in accordance with the provisions of BIR-NEDA Regulations No. 1-81 entitling the Foundation to the benefits set forth in Section 30 of the 1997 National Internal Revenue Code (NIRC), as amended by Batas Pambansa No. 45.

The Foundation's income which is intended for religious, charitable, athletic, or cultural purposes and no part of its net income or asset shall belong to or inure to the benefit of any individual, is exempt from income tax as set forth in Section 30(E) of the NIRC of 1997.

The registered office of the Company is located at 4/F Dominga Building, 2113 Chino Roces Ave., Makati City.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The accompanying financial statements have been prepared in compliance with accounting principles generally accepted in the Philippines and under historical cost basis.

Statements of Compliance

The Company has adopted Philippine Accounting Standards (PAS) # 1, which provides the framework for the presentation of Financial Statement. The Company's adoption of these accounting standards resulted mainly in the revision of the structure or format of its financial statements and disclosures of additional information on the face of the financial statements or in the notes.

Cash

Cash includes cash on hand and in banks.



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Property and equipment

Property and equipment are initially measured at its cost and stated net of accumulated depreciation and impairment losses. The cost of the asset consists of its purchase price and costs directly attributable to bringing the asset to its intended use.

Depreciation is computed on the straight-line method and spread over the estimated useful lives of the assets. The useful lives of property and equipment is 2-5 years.

The useful lives and depreciation method are reviewed periodically to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Minor repairs and maintenance cost are expensed as incurred, significant renewals and betterments are capitalized. When assets are sold or retired, their cost and accumulated depreciation and any impairment in value are eliminated from the accounts and any resulting gain or loss is included in the consolidated statements of income.

When assets are sold or retired, their cost, accumulated depreciation and any impairment in value are eliminated from the accounts. The gain or loss on disposal or retirement of an asset, which is charged to income, is determined as the difference between the sales proceeds and carrying amount of the asset.

3. PROPERTY AND EQUIPMENT

	2006		2005	
Office equipment	P	34,650	P	-
Accumulated depreciation		4,227		-
	P	30,423	P	-



4. DONATIONS

This account consists of donations for the following undertaking:

	2006	2005
Educational institution	P 4,746,868	P -
Medical assistance	2,844,506	15,904,350
Sports project	2,714,351	22,509,163
Civic organization	2,600,000	125,000
Financial assistance	624,800	56,250
Religious organization	420,000	-
	P 13,950,525	P 38,594,763

5. RECLASSIFICATION OF ACCOUNTS

Certain accounts in last year's financial statements were reclassified to conform with this year's presentation.

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