

Item No.: 09
Date: 02 2025 SEP

Republic of the Philippines
PROVINCE OF LEYTE
SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACCO)
Barangay San Juan, Baybay City, Leyte

August 27, 2025

VICE GOVERNOR LEONARDO M. JAVIER, JR.
Presiding Officer, Sangguniang Panlalawigan
Province of Leyte

Sangguniang Panlalawigan
Province of Leyte
RECEIVED
Date: AUG 29 2025
By: FamM

Dear Vice Governor Javier, Jr.:

In response to your Notice of Call for Accreditation, kindly be informed that **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACCO)**, with office address at Barangay San Juan, Baybay City, Leyte would like to seek accreditation by the Sangguniang Panlalawigan.

In support of this application are the following administrative requirements:

1. Duly accomplished Application Form for Accreditation;
2. Duly approved Board Resolution signifying intention for accreditation for the purpose of representation in the local special body;
3. Certificate of Registration issued by the CDA;
4. List of Current Officers and Members;
5. CY 2024 Minutes of the Annual Meeting;
6. CY 2024 Annual Accomplishment Report; and
7. CY 2024 Financial Statements

Thank you.

Sincerely,


MARIO T. CAJES
Board of Director- Chairman

APPLICATION FORM FOR ACCREDITATION

Name of Organization: SAN JUAN – SAPA FARMERS CONSUMERS COOPERATIVE
Address: Brgy. San Juan, Baybay City, Leyte

Contact No.: 09754772529

Date Organized: June 18, 2016

Sector/s Represented: FARMERS

Purposes/Objectives:

1. To attain increased income, savings, investment productively and purchasing power and promote among the themselves equitable distribution and net surplus through maximum utilization of economies of scale, cost sharing and risk- sharing.
2. To provide optimum social and economic benefits to its member.
3. To teach members efficient ways of doing things in a cooperative manner.
4. To propagate cooperative practices and new ideas in a business and management.
5. To allow the lower income and less privilege group to increase their ownership in wealth of nation.
- 6 .To actively support the government, other cooperatives and people oriented organizations both local and foreign promoting cooperative as a practical means towards sustainable socio economic development under a truly just and and democratic society;
7. To institutionalize a dynamic savings mobilization and capital build up schemes to sustain its development activities and long term investment thereby ensuring optimum economic benefits to the member, their families and the general public
8. To implement policy guidelines that will ensure transparency, equitable access to its resources and services and promote the interest of the member and;
9. To adopt such as other plans as may help foster the welfare of the member their families and the community.

Services that the organization provides or can participate in:

1. Supply of Basic Commodities
2. Provide Cash Loans to the Members
3. Supply of feeds for livestock, poultry and fisheries
4. Purchase hogs for meat (sold at SAFACCO)
5. Copra Buying
6. Machinery Rental

Registering Agency:

Date Registered: March 20, 2017

- Securities and Exchange Commission (SEC)
- Cooperative Development Authority (CDA)
- Department of Labor and Employment (DOLE)
- Department of Human Settlements and Urban Development (DHSUD), formerly the Housing and Land Use Regulatory Board (HLURB)
- National Commission on Indigenous Peoples (NCIP) **certification*

Accrediting Agency (if any):

Date Accredited: CY 2022

- Commission on Population and Development (POPCOM)
- Department of Agriculture (DA)
- Department of Public Works and Highways (DPWH)

- Department of the Interior and Local Government (DILG)
- Department of Labor and Employment (DOLE)
- National Commission for Culture and the Arts (NCCA)
- Presidential Commission for the Urban Poor (PCUP)
- Philippine Drug Enforcement Agency (PDEA)
- Department of Labor and Employment (DOLE)
- Others (specify): LGU Baybay, PLGU Leyte

Organizational Level:

- Barangay-level
- Chapter
- Affiliate of a larger organization (identify organization): _____
- Others (specify): City of Baybay

Projects Implemented in the City of Baybay:

| Year | Project | Cost | Financing Source/Scheme | Beneficiaries | Status | |
|------|---|-------|-----------------------------|-----------------------------------|-----------|----------|
| | | | | | Completed | Ongoing |
| 2005 | Consumer store | 1.5 M | Members Contribution Grants | Members of the Cooperative | | On-going |
| 2021 | Swine Production Loan | 300k | Coop Fund & LGU Grant | Members of the Cooperative | | On-going |
| 2021 | Copra & Charcoal Buying | 300k | Coop Fund | Members of the Cooperative | | On-going |
| 2021 | Machinery Rental (Lowland hand Tractor) | | LGU Grant | Members of the cooperative | | On-going |
| 2024 | Rice Mill | | LGU Grant | Members of the coop & non-members | | On-going |

Depending on your organization's technical area of expertise and scope of activity, which Local Special Body are you most capable to be a member of?

- Local Development Council
- Local Health Board
- Local School Board
- Local Peace and Order Council

WE HEREBY CERTIFY to the correctness of the above information.


MARIO T. CAJES
Chairman


JULIREN A. BARCIAL
Secretary

TO THE APPLICANT

Kindly go through a self-assessment of the following requirements for your application. Please do not submit the Application Form without performing the said self-assessment.

| | |
|--|---|
| <input type="checkbox"/> | 1 Letter of Application |
| <input type="checkbox"/> | 2 Duly accomplished Application Form for Accreditation |
| <input type="checkbox"/> | 3 Duly approved Board Resolution signifying intention for accreditation for the purpose of representation in a local special body |
| <input type="checkbox"/> | 4 Certificate of Registration or existing valid Certificate of Accreditation from any NGA (or in the case of IPOs, certification issued by NCIP) |
| <input type="checkbox"/> | 5 List of current Officers |
| ADDITIONAL REQUIREMENTS FOR CSOs IN OPERATION FOR AT LEAST ONE (1) YEAR | |
| <input type="checkbox"/> | 6 Minutes of the Annual Meetings of the immediately preceding year as certified by the organization's board secretary or Certification from the board secretary certifying the annual meeting's conduct, including the date, location, attendees, and agenda |
| <input type="checkbox"/> | 7 Annual Accomplishment Report for the immediately preceding year |
| <input type="checkbox"/> | 8 Financial Statement, at the minimum, signed by the executive officers of the organization, of the immediately preceding year, and indicating therein other information such as revenue, expenses and the source(s) of funds |

**SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACCO)
BARANGAY SAN JUAN, BAYBAY CITY, LEYTE**

BOARD RESOLUTION NO. 018

Series of 2025

A RESOLUTION RESPECTFULLY REQUESTING THE SANGGUNIANG PANLALAWIGAN OF LEYTE TO ACCREDIT THE SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACCO)

WHEREAS, Section 108 of the Local Government Code of 1991 (RA 7160) provides for the accreditation of civil society organizations

WHEREAS, on June 23, 2025, the Department of the Interior and Local Government issued Memorandum Circular No. 2025-060, on the Guidelines on the Accreditation of Civil Society Organizations and Selection of Representatives to the Local Special Bodies;

WHEREAS, the San Juan-Sapa Farmers Consumers Cooperative (SAFACCO) is a civil society organization duly registered with the Cooperative Development Authority, and existing under Philippine laws;

WHEREAS, in the San Juan-Sapa Farmers Consumers Cooperative (SAFACCO) Officers' Meeting held at SAFACCO Office, Barangay San Juan, Baybay City, Leyte on July 3, 2025, the following resolution was approved and adopted:

RESOLVED, AS IT IS HEREBY RESOLVED, to signify our intention to be an accredited civil society organization with the Sangguniang Panlalawigan of Leyte, pursuant to the procedures and guidelines set forth in Section 108 of the Local Government Code of 1991 and DILG Memorandum Circular 2025-060, and to apply for membership in a local special body in the Province of Leyte.

RESOLVED FURTHER, to forward a copy of this RESOLUTION to the Chairman of the Sanggunian Committee on Accreditation, the Honorable Board Member Ronnan Christian M. Reposar.

RESOLVED FURTHERMORE, that the following representative of the Organization is authorized and directed to take any action necessary to effectuate the foregoing resolution:

| Name | Position | Signature |
|----------------|----------|---|
| MARIO T. CAJES | Chairman |  |

ADOPTED unanimously by the Officers of the SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACCO) this 3rd day of July 2025 in the City of Baybay.

| Name | Position | Signature |
|----------------------|------------------------|---|
| MARIO T. CAJES | Chairman |  |
| ANGELITA S. CABAHI | Vice Chairman |  |
| MARICEL T. MANLA | BOD Member |  |
| JOSEPHINE S. AMANCIO | BOD Member |  |
| MANUEL D. SOMBILON | BOD Member |  |
| JULIREN A. BARCIAL | Secretary |  |
| LILIA M. MANLA | Treasurer |  |
| ADELA T. IBAÑEZ | Bookkeeper |  |
| MARILYN M. SON | Manager |  |
| MADILIN C. IBAÑEZ | Audit Committee |  |
| MARITES C. SON | Election Committee |  |
| AIDA D. ESPERANZA | Educ and Training |  |
| ROSIE T. PONTILLA | Mediation/Conciliation |  |
| CRISPINA B. HUAVAS | Ethics Committee |  |
| THEA O. IBAÑEZ | Gender & Development |  |

SUBSCRIBED AND SWORN TO before me this 3rd day of March, 2025 in BAYBAY CITY, LEYTE exhibiting to me his/her _____ with valid identification no. _____ issued on _____ at _____.

Notary Public

Doc No: 27
Page No: 06
Book No: XXXIV
Series of 2025


ATTY. VIVIAN C. ENARIO-VIDALLON
Notary Public
Roll No. 62930
NC No. B-23-12-06 until December 31, 2025
PTR No. BC 0326352, 1/2/25, Baybay City, Leyte
IBP No. 495374, 1/2/25, Leyte
MCLE Compliance No. VIII-0014132





Republic of the Philippines
OFFICE OF THE PRESIDENT

COOPERATIVE DEVELOPMENT AUTHORITY

Registration No: 9520-1080000000037860

CERTIFICATE OF REGISTRATION

TO ALL WHOM THESE PRESENTS MAY COME, GREETINGS:

This is to certify that

**San Juan-Sapa Farmers Consumers Cooperative
(SAFACCO)**

Name of Coop

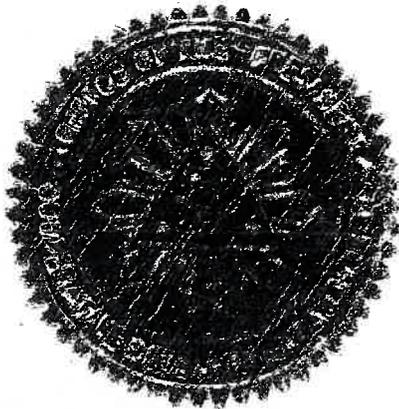
80201737860

CIN

with address at **Barangay San Juan, Baybay City, Leyte**, has presented and filed with the Authority its Articles of Cooperation and By-laws duly signed and acknowledged for its organization in accordance with the provisions of Republic Act 9520. This certifies further that the said Articles of Cooperation and By-laws have complied with the provisions of the said Republic Act 9520 and its Implementing Rules and Regulations.

By virtue of the powers and duties vested upon me by law, the above named cooperative is hereby registered with the Cooperative Development Authority and shall continue to enjoy the rights and privileges in accordance with Republic Act 9520 and all other laws appurtenant thereto unless this Certificate is suspended or cancelled for cause.

Given in Quezon City, Philippines, this 20th day of March, 2017.




ORLANDO R. RAVANERA, CSEE, CEO VI
Chairman 

CERTIFIED PHOTOCOPY OF THE
ORIGINAL




Republic of the Philippines
PROVINCE OF LEYTE
SAN JUAN-SAPA FARMERS CONSUMER COOPERATIVE
(SAFACCO)
Brgy. San Juan Baybay City, Leyte

LIST OF OFFICERS;

Board of Directors

Chairman: Mr. Mario T. Cajés
Vice-Chairman: Ms. Angelita S. Cabahit
Members: Ms. Maricel T. Manla
Ms. Josephine S. Amancio
Mr. Manuel D. Sombilon

Secretary: Ms. Juliren A. Barcial

Treasurer: Ms. Lilia M. Manla

Bookkeeper: Ms. Adela T. Ibanez

Audit Committee

Chairman: Ms. Madilin C. Ibanez
Vice-Chairman: Ms. Jovelín G. Beniga
Members: Ms. Angelita I. Zurita

Election Committee

Chairman: Ms. Marites C. Son
Vice-Chairman: Ms. Mary Grace C. Coronel
Members: Ms. Ederlina B. Manla

Education and Training Committee

Chairman: Ms. Angelita S. Cabahit
Vice-Chairman: Ms. Aida D. Esperanza
Secretary: Ms. Dulcesima J. Temario

Ethics Committee

Chairman: Ms. Crispina B. Huavas
Vice-Chairman: Ms. Jocelyn T. Tejano
Secretary: Ms. Cecelia P. Sombilon

Mediation and Conciliation Committee

Chairman: Ms. Ma. Rosie T. Pontilla
Vice-Chairman: Ms. Jocelyn M. Arañez
Secretary: Ms. Jasmine A. Tagolgol

Gender and Development Committee

Chairman: Ms. Josephine S. Amancio
Vice-Chairman: Ms. Thea O. Ibañez
Secretary: Ms. Leslie P. Prado

Management Staff

Manager: Ms. Marilyn M. Son

Cashier: Ms. Mercedita A. Gonzaga

Sales Girl: Ms. Mamerta A. Cajos

Ms. Rocelyn T. Mania

List of Member

| No. | Name of Member |
|-----|-----------------------------|
| 1 | Abalora, Apolinaria V. |
| 2 | Adlawon, Remelyn S. |
| 3 | Adlawon, Ricky S. |
| 4 | Adlawon, Jenelou F. |
| 5 | Albarico, Roquina S. |
| 6 | Abalora, Demetria D. |
| 7 | Almorato, Lucita |
| 8 | Alkuino, Rea A. |
| 9 | Amancio, Gilbert S. |
| 10 | Amahan, Elma S. |
| 11 | Amahan, Isabela S. |
| 12 | Amahan, Jocelyn S. |
| 13 | Amahan, Lolita W. |
| 14 | Amancio, Felisa P. |
| 15 | Angcog, Rosana C. |
| 16 | Austero, Leah M. |
| 17 | Austero, Giovanne M. |
| 18 | Austero, Anecita B. |
| 19 | Tagolgol, Jascile A. |
| 20 | Briguera, Ma. Cristina B. |
| 21 | Balbero, Macelinda M. |
| 22 | Balbarino, Cencilita M. |
| 23 | Baloca, Letecia C. |
| 24 | Barolo, Sherwin V. |
| 25 | Beniga, Elizabeth N. |
| 26 | Barcos, Jovelyn E. |
| 27 | Bonayon, Merly B. |
| 28 | Bureros, Gloria A. |
| 29 | Cabahit, Justiniano S. |
| 30 | Cabahit, Nemesa Gracia S. |
| 31 | Cabahit, Nemesa Justelou S. |
| 32 | Cabaltera, Marilou |
| 33 | Cabaltera, Adelaida T. |
| 34 | Calibud, Jessel C. |

| | |
|----|--------------------------|
| 35 | Cabansag, Rodel C. |
| 36 | Cabansag, Ederlina C. |
| 37 | Calipayan, Elbenjie T. |
| 38 | Cagol, Rogelio B. |
| 39 | Cagol, Analyn P. |
| 40 | Cagol, Eugenio C. |
| 41 | Cagol, Toribio C. |
| 42 | Cagol, Angelito T. |
| 43 | Cajes, Marlito A. |
| 44 | Cajes, Alberto B. |
| 45 | Cajes, Charlie V. |
| 46 | Cajes, Danah Marie P. |
| 47 | Cajes, Dario U. |
| 48 | Cajes, Evelina T. |
| 49 | Oliva, Joan C. |
| 50 | Cajes, Generoso T. |
| 51 | Cajes, Julieta T. |
| 52 | Cajes, Virginia |
| 53 | Cajes, Maximo Jr. T. |
| 54 | Carbon, Raquel Gumapac |
| 55 | Coronel, Mercy D. |
| 56 | Cuizon, Virginia A. |
| 57 | Damicog, Michael C. |
| 58 | Dupal, Medelito D. |
| 59 | Dy, Hanna Noami A. |
| 60 | Dupal, Lolita |
| 61 | Esperanza, Dioscora H. |
| 62 | Esperanza, Riza M. |
| 63 | Esperanza, Arnold I. |
| 64 | Esyang, Manuel C. |
| 65 | Estrera, Maribel C. |
| 66 | Esperanza, Benita I. |
| 67 | Fuentes, Lope M. |
| 68 | Flores, Nilo Q. |
| 69 | Flores, Cerelina A. |
| 70 | Garciano, Thelma M. |
| 71 | Garciano, Marlito J. |
| 72 | Gaviola, Grace |
| 73 | Gomez, Marivic M. |
| 74 | Guardiano, Rose Marie D. |
| 75 | Heneta, Rodrigo B. |

| | |
|-----|----------------------------|
| 76 | Hilongos, Luzviminda P. |
| 77 | Hilongos, Ma. Assuncion S. |
| 78 | Huavas, Crispina B. |
| 79 | Ibanez, Calextra I. |
| 80 | Ibañez, Ronnie I. |
| 81 | Ibañez, Eliza G. |
| 82 | Ibañez, Leonarda G. |
| 83 | Ibañez, Marian C. |
| 84 | Ibañez, Emerlita A. |
| 85 | Ibañez, Gina N. |
| 86 | Ibañez, Emma D. |
| 87 | Ibañez, Dizza P. |
| 88 | Ibañez, Lucena B. |
| 89 | Ibañez, Nena A. |
| 90 | Ilhig, Bernarda T. |
| 91 | Isid, Milagros R. |
| 92 | Leoveras, Angelita I. |
| 93 | Lufrangco, Teofanis A. |
| 94 | Lufrangco, Jujie A. |
| 95 | Lufrangco, Eduardo H. |
| 96 | Luta, Epefania M. |
| 97 | Luta, Lyn A. |
| 98 | Manla, Perpetua I. |
| 99 | Manla, Mylene C. |
| 100 | Manla, Chona I. |
| 101 | Manla, Virginia C. |
| 102 | Manla, Delia A. |
| 103 | Malinao, Tefanie L. |
| 104 | Managbanag, Valeriana G. |
| 105 | Managbanag, Amada G. |
| 106 | Maociza, Lemuel |
| 107 | Mernado, Alejandro D. |
| 108 | Melendez, Jenefer |
| 109 | Millapez, Patmark P. |
| 110 | Millapez, Gemma V. |
| 111 | Molinas, Dominador |
| 112 | Mondal, Gemma G. |
| 113 | Mondal, Bonifacio A. |
| 114 | Mondal, Ma. Theresa P. |
| 115 | Mondal, Anabel R. |
| 116 | Mondal, Virginia S. |

| | |
|-----|------------------------|
| 117 | Montilla, Nenita L. |
| 118 | Noronio, Rose Marie S. |
| 119 | Oliva, Avelina C. |
| 120 | Oguimas, Elizabeth P. |
| 121 | Otero, Cecilia T. |
| 122 | Pacion, Lorena E. |
| 123 | Prado , Remelyn N. |
| 124 | Pueblas, Amelita G. |
| 125 | Pinapit, Julieta V. |
| 126 | Peroche, Helenita M. |
| 127 | Pontilla, Amelita C. |
| 128 | Pontilla, Ma.Rosie T. |
| 129 | Pontilla, Lucena S. |
| 130 | Pontilla, Ricky T. |
| 131 | Pontilla, Niezyl T. |
| 132 | Polinar, Leah Mae M. |
| 133 | Polinar, Sunnyboy T. |
| 134 | Polinar, Mercedita T. |
| 135 | Rosal, Hermogenes C. |
| 136 | Rongcales, Grace B. |
| 137 | Rolluna, Jorle |
| 138 | Rudas, Ricky |
| 139 | Sabalones, Lilibeth O. |
| 140 | Sombilon, Ritchel S. |
| 141 | Son, Marlyn M. |
| 142 | Suganob, Villa D. |
| 143 | Tanaid, Soledad |
| 144 | Tanaid, Angeline I. |
| 145 | Tagolgol, Nora |
| 146 | Tarefe, Teresita |
| 147 | Tenaja, Lorena M. |
| 148 | Torcino, Primitiva A. |
| 149 | Tutor, Ricardo Jr. B. |
| 150 | Ibañez, Jenelou T. |
| 151 | Varron, Rosita M. |
| 152 | Varron, Manolo M. |
| 153 | Villaber, Melitona T. |
| 154 | Villaber, Irish |
| 155 | Zurita, Angelita I. |
| 156 | Silagan, Justina |
| 157 | Son, Jerry S. |

| | |
|-----|-----------------------|
| 158 | Son, Leny S. |
| 159 | Perlita, Belmores |
| 160 | Galeos, Alfredo |
| 161 | Esperanza, Estrellita |
| 162 | Son, Jemarie |
| 163 | Manla, Lyka T. |
| 164 | Villaber, Meraluna M. |
| 165 | Abalora, Anabel M. |
| 166 | Dupal, Wenceslao C. |
| 167 | Mondal, Dominador M. |
| 168 | Calvo, Mary Jane M. |
| 169 | Saludes, Bernadita D. |
| 170 | Loreto, Marilou |
| 171 | Son, Marcelina D.. |
| 172 | Respecio, Emelda |
| 173 | Cagol, Epifania B. |
| 174 | Urbona, Brigido |
| 175 | Guardiano, Oliva T. |
| 176 | Digman, Lynel |
| 177 | Gallego, Loresa |
| 178 | Cajes, Jonalyn t. |
| 179 | Espinosa, Rene |
| 180 | Gonzaga, Mariel |
| 181 | Sombilon, Ina Marie |
| 182 | Loreto, Celso |
| 183 | Sabellano, Belen |
| 184 | Lufrangco, Dino |
| 185 | Manla, Meo |

Prepared by:


JULIREN A. BARCIAL
 Secretary

Noted by:


MARIO T. CAJES
 Chairman



**Minutes of the Meeting
General Meeting**

Date: February 16, 2025

Time: 1:00 PM

Venue: Brgy. San Juan, Baybay City, Leyte

Chairperson: Mr. Mario Cajés

Recorder: Ms. Juliren A. Barcial

Attendees:

- Mr. Mario Cajés – Chairperson
- Ms. Angelita Cabahit - Vice Chairperson
- Ms. Maria Linda P. Odicta
- Ms. Josephine Amancio
- Mr. Manuel Sombilon

- Ms. Maricel Manla
- Ms. Juliren A. Barcial
- Other Board Members

Agenda:

1. Approval of Annual Development Plan 2025
2. Approval of Annual Budget 2025
3. Financial Statement
4. Other Matters

Minutes of the Meeting

1. **Call to Order**
 - The meeting was called to order at 1:00 PM by Mr. Mario Cajés.
2. **Preliminary Matters**
 - **Opening Prayer:** Led by Ms. Eliza Ibanez
 - **Singing of the Philippine National Anthem:** Led by Ms. Josephine Amancio
 - **Welcome Talk:** Mr. Mario Cajés
 - **Welcome Address:** Ms. Gloria A. Bueros
 - **Message:** Ma'am Maria Linda Odicta
 -
3. **Chairman's Time**
 - Mr. Mario Cajés welcomed all attendees and provided a brief overview of the meeting agenda.
4. **Approval of Annual Budget 2025**
 - Ms. Gloria A. Bueros moved to approve the Annual Budget 2025.
 - Seconded by: Ms. Adela Ibanez
5. **Approval of Annual Development Plan 2025**
 - Ms. Marilyn Jim moved to approve the Annual Development Plan 2025.
 - Seconded by: Ms. Josephine Amancio.

6. Financial Statement

- Ma'am Linda Odicta discussed membership collection and proper documentation.
- It was noted that any lending without collateral should be avoided.
- Financial reserves were reviewed and deposited in the bank.

7. Other Matters

- **Attendance Documentation:**
 - Ma'am Linda Odicta proposed the proper documentation of attendance and meeting minutes in a folder.
 - Motion seconded by: Mr. Juliren A. Barcial.
- **Vehicle Registration:**
 - Ma'am Linda suggested the registration of a vehicle for cooperative use (ISUZU ELF).
- **SAFACO History Documentation:**
 - Proposal for cooperative officers to visit SAFACO history records.
 - Motion seconded by: Ms. Gloria A. Bueros.

8. Adjournment

- Motion to close the meeting by Ms. Angelita Cabahit.
- Seconded by: Ms. Adela
- Meeting adjourned at 4:15 PM.

Minutes Prepared by:

- **Minutes Prepared by:**

Ms. Juliren A. Barcial

March 7, 2025

I hereby certify the correctness of the foregoing General Meeting minutes.


JULIREN A. BARCIAL
Secretary

Noted by:


MARIO A. CAJÉS
Chairman

ADJOURNMENT

There being no other matters to be discussed, Ms. Maricel T. Manla moved for adjournment duly seconded Ms. Josephine S. Amancio. The meeting adjourned at 5:00 o'clock in the afternoon.

I HEREBY CERTIFY to the correctness of the foregoing minutes.

Prepared by:


JULIREN A. BARCIAL
Secretary

Noted by:


MARIO T. CAJES
Chairman

SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE

| Name of Program/Project/Activity | Objective/s | Duration/Date | Status | | Budget | Remarks |
|---|--|----------------------|-----------|---------|--------------------------------------|---|
| | | | Completed | Ongoing | | |
| Consumers Store | To provide SAFACCO Members with the basic commodities needed; To provide feeds for livestock, poultry and tilapia ponds. | 2017 to date | | ✓ | P300,000 (Initial) to date is Php 5M | Members received interest on capital and patronage refunds. Members buy their basic needs in the cooperative store. |
| Construction of Slaughter House | To provide SAFACCO with clean slaughter area. | October 2021 | ✓ | | COOP FUND | OPERATIONAL |
| Copra Buying | To provide SAFACCO members market for copra. | January 2021 to date | | ✓ | COOP Fund Php 300,000.00 | Cooperative's copra price depends on the market. |
| Alay Linis in the barangay | To clean the surroundings, pathways & school premises | May 5, 2024 | ✓ | | Coop CDF Php 1,690.00 | The members participated especially the coming barangay fiesta celebration |
| Feeding Program to malnourished school children | To provide healthy and nutritious food to malnourished school children & also mandated by law | Nov. 27, 2024 | ✓ | | COOP CDF Php 4,058.00 | Was able to fed 70 school children |
| Machinery Rental (Lowland Tractor) | To provide easy access of machinery for the members of SAFACCO | 2021- up to present | | ✓ | LGU FUNDED | Rental is P300.00 per hour. |
| Swine Production Loan to Members in Good Standing | To alleviate income of members & the coop | 2020 to date | | ✓ | From the Jose de Venecia grant & | The coop buy back the fatteners for meat sold at the coop store, payment |

Annex H: Annual Accomplishment Report

| | | | | | | |
|--|---|---------------------------------|---|---|---------------------------|--|
| | | | | | received a grant from LGU | of loan deducted from the borrowers' proceeds |
| Established a Rice Mill | To assist rice farmers in milling their harvest thus reducing transportation cost | December, 2024 to date | | ✓ | Grant from LGU | Rice Mill is still subject for machine check up |
| Attended Trainings on: 1. Farmers & Fisherfolks Enterprise Development Information System 2. Financial Literacy for Cooperatives 3. Enterprise Development Management for Cooperative Institutional Development 4. Swine Production Seminar 5. Participated online Seminars of CDA | To register the cooperative with FFEDIS | October 25, 2024 | / | | None | The coop already received a certificate of registration. |
| | To promote Smart Money Management | September 12, 2024 | / | | Coop ETF Php 4k | Four officers attended the Training |
| | To build Management & Leadership Capacities of BODs | August 28, 2024 | / | | CETF Php 4k | Three Officers attended the Training |
| | To train the recipients of the swine production loan | March, 2024 | / | | Coop Fund Php 1k | 21 Recipients attended |
| | | | | | | |
| Renewed the Tax Exemption of SAFACCO | To renew the tax exemption of SAFACCO | November, 2024 | / | | Coop Fund Php 2k | Renewed the Tax Exemption November 14, 2024 |
| Attended CDC meetings & CSO Day | To collaborate with other CSOs in the City | May, September & December, 2024 | / | | Coop Fund Php 1k | Attended by the Chairman of the Coop |

Annex H: Annual Accomplishment Report

| | | | | | | |
|---|--|--------------------------------|--|---|-------------------|------------------------------------|
| Machinery Rental (Lowland Tractor) | To provide easy access of machinery for the members of SAFACCO. | 2021- up to present | | ✓ | LGU FUNDED | Rental is P300.00 per hour. |
|---|--|--------------------------------|--|---|-------------------|------------------------------------|

Prepared by:

Juliren A. Barcial
JULIREN A. BARCIAL
Secretary

Noted by:

Mario T. Cajés
MARIO T. CAJES
Chairman

THE AUDITED FINANCIAL STATEMENTS OF

**SAN JUAN-SAPA FARMERS
CONSUMERS COOPERATIVE
(SAFACO)**

Brgy. San Juan, Baybay City, Leyte

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

As of and for the year ended December 31, 2024

(With comparative figures as of and for the year ended December 31, 2023)

| | |
|--|--------------|
| <i>Auditor's Opinion</i> | 2-3 |
| <i>Statement of Representation</i> | 4 |
| <i>Report of Independent CPA</i> | 5 |
| <i>Statement of Financial Condition</i> | 6 |
| <i>Statement of Financial Operation</i> | 7 |
| <i>Statement of Changes in Equity</i> | 8 |
| <i>Statement of Cash Flows</i> | 9 |
| <i>Notes to Financial Statements</i> | 10-25 |



• Talisay, Libagon, Southern Leyte • CS Arriola Auditing Services • csarriolaauditingervices@gmail.com
• (+63) 953-2213-856 / (+63) 953-3767-228

REPORT OF INDEPENDENT PUBLIC ACCOUNTANT

To the Members and Board of Directors
SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)
Brgy. San Juan, Baybay City, Leyte

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)**, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of operation, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)** as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Cooperatives (PFRSs).

Basis for Opinion

I conducted the audits in accordance with Philippine Standards on Auditing (PSAs). My responsibility under those standards is further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Cooperative 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 my audit of the financial statements in the Philippines, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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 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 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 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 an auditor's report

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 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 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 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 our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. Our 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.

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.

CONCESO S. ARRIOLA, CPA

Board Certificate No. 75760

BIR Accreditation No. 14-000015-1-2024 - issued on 02/01/24; effective until 02/01/27

BOA Accreditation No. 5403 - issued on 11/06/24; effective until 01/31/27

CDA CEA No. 988 - issued on 11/08/23; effective until 11/07/28

PTR No. 0593711 - issued on 01/08/25 for calendar year 2025, Maasin City

TIN: 101-146-844-000

Talisay, Libagon, Southern Leyte

March 9, 2025

STATEMENT OF REPRESENTATION

TO THE COOPERATIVE DEVELOPMENT AUTHORITY:

In connection with my examination of the financial statements of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)** for the year ended December 31, 2024, which are to be submitted to the Cooperative Development Authority, I hereby represent the following:

1. That I am in the active practice of the accounting professional and duly registered with the Board of Accountancy (BOA);
2. That said financial statements are presented in conformity with Philippines Financial Reporting Framework for Cooperatives in all cases where I shall express an unqualified opinion; except that in case of any departure from such principles, I shall indicate the nature of departure, the effects thereof, and the reasons why compliance with the principles would results in a misleading statement, if such is a fact;
3. That I shall fully meet the requirements of independence as provided under the Code of Professional Ethics for CPAs;
4. That in the conduct of the audit, I shall comply with the Philippines Standards on Auditing promulgated by the Auditing Standards and Assurance Council (AASC) of the Philippines; in case of any departure from such standards or any limitation in the scope of my examination, I shall indicate the nature of the departure and extent of the limitation, the reason thereof, and the effects thereof on the expression of an opinion or which may necessitate the negation of the expression of an opinion;
5. That I shall comply with applicable rules and regulations of the Cooperative Development Authority in the preparation and submission of financial statements; and
6. That relative to the expression of financial statements, I shall not commit any act discreditable to the profession as provided under the Code of Professional Ethics for CPAs.

As a CPA engaged in public practice, I make these representations in my individual capacity.

CONCESO S. ARRIOLA, CPA

Board Certificate No. 75760

BIR Accreditation No. 14-000015-1-2024 - issued on 02/01/24; effective until 02/01/27

BOA Accreditation No. 5403 - issued on 11/06/24; effective until 01/31/27

CDA CEA No. 988 - issued on 11/08/23; effective until 11/07/28

PTR No. 0593711 - issued on 01/08/25

TIN: 101-146-844-000

Talisay, Libagon, Southern Leyte

March 9, 2025



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT
TO ACCOMPANY INCOME TAX RETURN**

TO THE GENERAL ASSEMBLY
THRU THE BOARD OF DIRECTORS
SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)
Brgy. San Juan, Baybay City, Leyte

I have audited the financial statements of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)** for the calendar year ended December 31, 2024, on which I have rendered the attached report dated March 9, 2025.

In compliance with Section 8-A, Revenue Regulations V-20, I am stating the following:

1. That the taxes paid or accrued by the above taxpayer for the year ended December 31, 2024 is shown in the notes to financial statements.
2. That I am not related by consanguinity or affinity to the management and members of the Board of Directors;
3. That I, as the External Auditor of **C.S. ARRIOLA AUDITING SERVICES**, has no financial interest to the cooperative or any family relationships with its management.

CONCESO S. ARRIOLA, CPA

Board Certificate No. 75760

BIR Accreditation No. 14-000015-1-2024 - issued on 02/01/24; effective until 02/01/27

BOA Accreditation No. 5403 - issued on 11/06/24; effective until 01/31/27

CDA CEA No. 988 - issued on 11/08/23; effective until 11/07/28

PTR No. 0593711 - issued on 01/08/25

TIN: 101-146-844-000

Talisay, Libagon, Southern Leyte
March 9, 2025

SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)

Brgy. San Juan, Baybay City, Leyte
 CDA Certificate of Registration No. 9520-108000000037860

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2024
 (Amounts in Philippine Pesos)
 (with comparative figures of 2023)

| | Notes | 2024 | 2023 | Variance |
|---|-------|---------------------|---------------------|--------------------|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and Cash Equivalents | 5 | 187,047.62 | 108,599.20 | 78,448.42 |
| Loans and Receivables | 6 | 982,590.76 | 502,402.66 | 480,188.10 |
| Inventories | 7 | 1,012,812.95 | 700,214.20 | 312,598.75 |
| Total Current Assets | | 2,182,451.33 | 1,311,216.06 | 871,235.27 |
| NON-CURRENT ASSETS | | | | |
| Property and Equipment, net | 9 | 727,272.00 | 759,200.00 | (31,928.00) |
| Other Non-Current Assets | 10 | 12,531.00 | - | 12,531.00 |
| Total Non-Current Assets | | 739,803.00 | 759,200.00 | (19,397.00) |
| TOTAL ASSETS | | 2,922,254.33 | 2,070,416.06 | 851,838.27 |
| LIABILITIES AND EQUITY | | | | |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Deposit Liabilities | 11 | 478,604.35 | 262,916.88 | 215,687.47 |
| Trade and Other Payables | 12 | 593,889.00 | 440,101.30 | 153,787.70 |
| Interest on Share Capital Payable | 13 | 95,848.44 | 25,378.22 | 70,470.22 |
| Patronage Refund Payable | 14 | 95,848.44 | 25,378.22 | 70,470.22 |
| Due to Union/Federation | 15 | 63,175.51 | 47,200.77 | 15,974.74 |
| Total Current Liabilities | | 1,327,365.74 | 800,975.39 | 526,390.35 |
| NON-CURRENT LIABILITIES | | | | |
| Other Non-Current Liabilities | | - | - | - |
| Total Non-Current Liabilities | | - | - | - |
| TOTAL LIABILITIES | | 1,327,365.74 | 800,975.39 | 526,390.35 |
| EQUITY | | | | |
| Share Capital | | - | - | - |
| <i>Auth. Capital, common @ P100 par</i> | | <u>968,000.00</u> | <u>968,000.00</u> | - |
| Subscribed Capital, common | | 500,000.00 | 500,000.00 | - |
| Subscription Receivable | | - | - | - |
| Paid-up Capital | SCE | 500,000.00 | 500,000.00 | - |
| Deposit for Share Capital Subscription | SCE | 279,070.00 | 50,855.26 | 228,214.74 |
| Donations and Grants | 16 | 150,000.00 | 150,000.00 | - |
| Statutory Funds | 17 | 665,818.59 | 568,585.41 | 97,233.18 |
| TOTAL EQUITY | | 1,594,888.59 | 1,269,440.67 | 325,447.92 |
| TOTAL LIABILITIES AND EQUITY | | 2,922,254.33 | 2,070,416.06 | 851,838.27 |

See accompanying notes to financial statements



SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)

Brgy. San Juan, Baybay City, Leyte

CDA Certificate of Registration No. 9520-108000000037860

STATEMENT OF OPERATIONS

For the year ended December 31, 2024

(Amounts in Philippine Pesos)

(With comparative figures of 2023)

| | Notes | 2024 | 2023 |
|-----------------------------------|-------------|---------------------|-------------------|
| REVENUES | | | |
| Income from Consumer Operations | 18 | 1,136,189.86 | 726,270.28 |
| Other Income | 19 | 21,944.00 | 23,219.10 |
| Total Revenues | | 1,158,133.86 | 749,489.38 |
| EXPENSES | | | |
| Selling Costs | 20 | 226,486.94 | 173,103.56 |
| Administrative Costs | 21 | 612,152.12 | 491,791.74 |
| Total Expenses | | 838,639.06 | 664,895.30 |
| NET SURPLUS FOR ALLOCATION | | 319,494.80 | 84,594.08 |
| DISTRIBUTED AS FOLLOWS: | | | |
| Reserve Fund | 20% | 63,898.96 | 16,918.82 |
| Education and Training Fund-local | 5% | 15,974.74 | 4,229.70 |
| Due to Union/Federation | 5% | 15,974.74 | 4,229.70 |
| Community Development Fund | 3% | 9,584.84 | 2,537.82 |
| Optional Fund | 7% | 22,364.64 | 5,921.59 |
| Interest on Share Capital Payable | 30% | 95,848.44 | 25,378.22 |
| Patronage Refund Payable | 30% | 95,848.44 | 25,378.22 |
| NET SURPLUS AS DISTRIBUTED | 100% | 319,494.80 | 84,594.07 |

See accompanying notes to financial statements

SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)

Brgy. San Juan, Baybay City, Leyte

CDA Certificate of Registration No. 9520-1080000000037860

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2024

(Amounts in Philippine Pesos)

(With comparative figures of 2023)

| | 2024 | 2023 |
|---|---------------------|---------------------|
| SHARE CAPITAL-COMMON | | |
| Beginning Balance | 500,000.00 | 500,000.00 |
| Add: Additional Capital, net of withdrawal | | |
| Ending Capital | 500,000.00 | 500,000.00 |
| DEPOSIT FOR SHARE CAPITAL SUBSCRIPTION | | |
| Beginning Balance | 50,855.26 | 200,855.26 |
| Add: Additional Capital | 228,214.74 | - |
| Less: Withdrawal | | (150,000.00) |
| Ending Capital | 279,070.00 | 50,855.26 |
| DONATIONS AND GRANTS | | |
| Beginning Balance | 150,000.00 | 150,000.00 |
| Add: Donations and Grant Received | - | - |
| Less: Utilization | - | - |
| Ending capital | 150,000.00 | 150,000.00 |
| STATUTORY FUNDS | | |
| RESERVE FUNDS | | |
| Beginning Balance | 446,629.39 | 429,710.57 |
| Add: Allocation from Net Surplus | 63,898.96 | 16,918.82 |
| Less: Utilization | - | - |
| Ending Balance | 510,528.35 | 446,629.39 |
| EDUCATION AND TRAINING FUND | | |
| Beginning Balance | 42,505.50 | 38,275.80 |
| Add: Allocation from Net Surplus | 15,974.74 | 4,229.70 |
| Less: Utilization | (9,490.00) | - |
| Ending Balance | 48,990.24 | 42,505.50 |
| COMMUNITY DEVELOPMENT FUND | | |
| Beginning Balance | 13,369.46 | 10,831.64 |
| Add: Allocation from Net Surplus | 9,584.84 | 2,537.82 |
| Less: Utilization | (5,100.00) | - |
| Ending Balance | 17,854.30 | 13,369.46 |
| OPTIONAL FUND | | |
| Beginning Balance | 66,081.06 | 60,159.47 |
| Add: Allocation from Net Surplus | 22,364.64 | 5,921.59 |
| Less: Utilization | - | - |
| Ending Balance | 88,445.70 | 66,081.06 |
| TOTAL STATUTORY FUNDS | 665,818.59 | 568,585.41 |
| TOTAL EQUITY | 1,594,888.59 | 1,269,440.67 |

SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)

Brgy. San Juan, Baybay City, Leyte

CDA Certificate of Registration No. 9520-108000000037860

STATEMENT OF CASH FLOWS

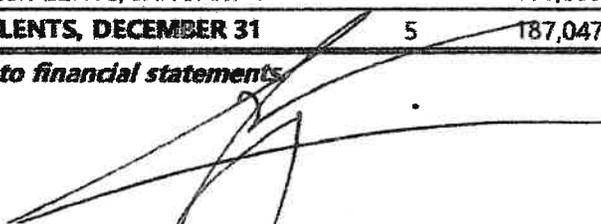
For the year ended December 31, 2024

(Amounts in Philippine Pesos)

(With comparative figures of 2023)

| | Notes | 2024 | 2023 |
|--|-------|--------------|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net Surplus(Loss) | SFO | 319,494.80 | 84,594.08 |
| <i>Adjustment to reconcile net surplus to net cash provided by operating activities:</i> | | | |
| Depreciation | 21 | 31,928.00 | 31,928.00 |
| Provision for Probable Loss | 21 | | |
| <i>Operating income before changes in Working Capital</i> | | 351,422.80 | 116,522.08 |
| <i>Changes in assets and Liabilities</i> | | | |
| <i>Decrease(increase) in:</i> | | | |
| Loans and Receivables | 6 | (480,188.10) | 339,319.31 |
| Inventories | 7 | (312,598.75) | 53,769.00 |
| <i>Increase(decrease) in:</i> | | | |
| Trade and Other Payables | 12 | 153,787.70 | 30,805.80 |
| Remittances to Union/Federation | 15 | - | |
| Net cash provided by(used) in operating activities | | (287,576.35) | 540,416.19 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments to acquire Properties and Equipment | 9 | | (317,459.00) |
| Decrease(increase) in Other Non-Current Assets | 10 | (12,531.00) | 16,971.00 |
| Net Cash provided by(used) in investing activities | | (12,531.00) | (300,488.00) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payments from(for) Deposit Liabilities | 11 | 215,687.47 | 35,424.37 |
| Payments of Interest on Share Capital | 13 | (25,378.22) | (25,129.54) |
| Payments of Patronage Refund | 14 | (25,378.22) | (25,129.54) |
| Increase(Decrease) in Non-Current Liabilities | 0 | | |
| Net proceeds from issuance of Share Capital | SCE | 228,214.74 | (150,000.00) |
| Receipts, net of utilization of Donation and Grants | SCE | | |
| Utilization of Statutory Funds | SCE | (14,590.01) | |
| Net Cash provided by(used in) financing activities | | 378,555.76 | (200,259.08) |
| NET INCREASE(DECREASE) IN CASH | | 78,448.41 | 4,244.74 |
| ADD: CASH AND CASH EQUIVALENTS, JANUARY 1 | | 108,599.21 | 104,354.47 |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | 5 | 187,047.62 | 108,599.21 |

See accompanying notes to financial statements.





SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)

Brgy. San Juan, Baybay City, Leyte

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2024

(Amounts in Philippine Pesos)

1 GENERAL INFORMATION

The **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)** (referred hereinafter as "Cooperative") was registered as a cooperative pursuant to RA 9520 for the purpose of encouraging thrift and granting loans to members for productive, educational and providential purposes, providing goods and services and other requirements of the members, among others.

These financial statements of the cooperative for the year ended December 31, 2024 were authorized for issue by the Board of Directors on March, 2025.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

A. Statement of Compliance

The financial statements have been prepared in conformity with Philippine Financial Reporting Framework applicable to the Cooperatives, which took effect for annual reporting periods beginning on or before January 1, 2016 and in adherence to the cooperative laws, policies, rules and regulations.

Pursuant to Republic Act No. 11364, Republic Act No. 9520, Republic Act No. 10744 and the respective Implementing Rules and Regulations (IRR), the Authority issued Memorandum Circular 2022-24 to prescribe the usage of Standard Chart of Accounts for Cooperatives and Memorandum Circular 2022-25 Amending the Philippine Financial Reporting Framework for Cooperatives in the accounting and financial reporting. The Cooperative adopted the SCA in the presentation of the of financial statements for the comparative period. The following are the relevant disclosure to notes:

- PAS 1 - Presentation of Financial Statements
- PAS 8 - Accounting Policies, Change in Accounting Estimates and Errors
- PAS 10 - Events after Balance Sheet Date
- PAS 16 - Property, Plant and Equipment
- PAS 19 - Employee Benefits
- PAS 24 - Related Party Transactions
- PAS 36 - Impairment of Assets
- PAS 41 - Agriculture
- PAS 2 - Inventories
- PAS 7 - Cash Flow Statements
- PAS 18 - Revenue
- PAS 32, 39 - Financial Instruments

PAS 18 - Revenue

Revenues are recognized on cash basis, like interest income on loans, service and filing fee which are recognized upon receipt of cash. Sales are recognized upon perfection of transaction.

PAS 32, 39 - Financial Instruments

It prescribes the accounting treatment, presentation and disclosure requirement for credit cooperatives' financial instruments. Financial instruments issued by the cooperative are passbooks instead of share certificates. This reflects the shareholdings of the members.

5. Functional & Presentation Currency

Items included in the Cooperative's financial statement are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Philippine Peso (₱), which is the Cooperative's functional and presentation currency.

Classification as Current and Non-Current

The Cooperative present current and non-current assets, and current and non-current liabilities, as separate classifications in its statement of financial condition, except when a presentation based on liquidity provides information that is reliable and more relevant.

Current assets

The Cooperative classify an asset as current when it:

- expects to realize the asset, or intends to sell or consume it, in the normal operating cycle;
- holds the asset primarily for the purpose of trading;
- expects to realize the asset within twelve months after the reporting date; or
- is cash or a cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

The Cooperative classify all other assets as non-current. When the cooperative's normal operating cycle is not clearly identifiable, its duration is assumed to be twelve months.

Current liabilities

The Cooperative classifies a liability as current when:

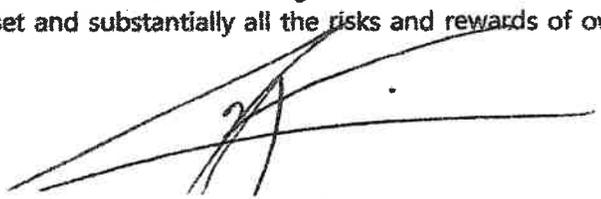
- it expects to settle the liability in the normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting date; or
- the cooperative does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date.

A cooperative classifies all other liabilities as non-current.

Financial Assets

Financial assets are recognized in the Cooperative's financial statements when the Cooperative becomes a party to the contractual provisions of the instruments. Transaction costs are included in the initial measurement of all financial assets. The Cooperative's financial assets include cash, loans and receivables and financial assets at cost.

De-recognition of financial assets occurs when the rights to receive cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.



Cash and Cash Equivalents

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

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Cooperative provides money or services directly to a member debtor with no intention of trading the receivables. Included in this category are those arising from direct loans to members and all receivables from members and other entities. The carrying amount of the asset shall be reduced either directly or through the use of allowance account. The amount of the loss shall be recognized in profit or loss. Interest income on these loans are recognized only upon collection.

Loans to members not paid in installment due date are considered as portfolio-at-risk (PAR). The CDA prescribes loss rates to be applied to PAR on the basis of the following:

| | |
|---|------|
| Past due for 30 days but less than 360 days | 35% |
| Past due for over 360 days | 100% |

Allowance for Probable Losses

Allowance for probable losses is maintained at a level considered adequate to provide for potential losses on loans and other resources. The allowance is increased by provision charged to operations and reduced by net write-offs and reversals. The level of allowance is set up at the higher of the amount determined based on management's evaluation of potential losses after consideration of prevailing and anticipated economic conditions, and the required allowance by the Cooperative Development Authority based on its Portfolio- at-risk.

Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services. Inventories are valued at the lower of cost and net realizable value.

Other Current Assets

This account refers to any other current assets not classified above which are expected to be realized, consumed or used within the year. Other current assets consist of prepaid expenses and the cost of supplies at hand at the end of the year. They are recognized in the financial statements when it is probable that the future economic benefits will flow to the entity and the asset has a cost or value that can be measured reliably.

Financial Assets at Cost

Financial assets at cost of the Cooperative refer to financial assets in the form of debt or equity securities which are not quoted in an active market and are expected to be realized in cash within a certain period of time from the reporting period. These financial assets are carried at cost less impairment, if any.

An assessment is made at each reporting date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognized in the statements of operations. Impairment loss, if any, is determined as the present value of future cash flows discounted at the current market rate of return for a similar financial asset.

If an impairment is subsequently reversed, the carrying amount of the asset is increased to the revised carrying amount, but not in excess of the original cost of the asset. A reversal of impairment is recognized immediately in the statement of operations.

The Cooperative recognizes dividends and other distributions from investments as income without regard as to whether the distribution is from accumulated profits of the investee arising before or after the date of acquisition. These are recorded as "Interest income from investments" in the Cooperative's statement of operations.

Assets Acquired in Settlement of Loans and Real Properties Acquired

The Assets acquired in settlement of loans refer to the non-real properties acquired by the Cooperative in settlement of loans from defaulting borrowers through foreclosure or "dacion en pago". These are classified under "Other current assets" in the statement of financial condition.

Real properties acquired refer to the parcel of land and buildings acquired by the Cooperative in settlement of loans from defaulting borrowers through foreclosure or "dacion en pago". These are classified as "Real properties acquired" in the statement of financial condition.

These properties are *initially* recognized at fair value or the carrying amount of the loan, whichever is lower, plus directly attributable costs incurred such as legal fees, transfer taxes and other transaction costs. If the fair value of the property is lower than the carrying amount of the loan, the difference is retained as loans receivable to be collected from the members.

Subsequent to initial recognition, assets acquired in settlement of loans and real properties acquired is stated at cost less accumulated depreciation and any impairment losses.

Assets acquired in settlement of loans and real properties acquired are *derecognized* upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of the asset is recognized in the statement of operations in the year of retirement or disposal.

Property, Plant and Equipment

Property and equipment are carried at cost less accumulated depreciation and impairment in value. Depreciation is computed using the straight-line method over the estimated useful lives of the properties.

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and impairment losses are removed from the accounts and any resulting gain or loss is reflected in the Statement of Operations for the period.

Except for land, the Depreciation commences once the property and equipment are available for use and is computed on a straight-line basis over the following estimated useful lives of the assets:

| | |
|-----------------------------------|------------|
| Land Improvements | 5-10 years |
| Building and Improvements | 5-25 years |
| Furniture, Fixtures and Equipment | 3-5 years |
| Machineries, Tools and Equipment | 3-5 years |
| Transportation Equipment | 5 years |

Construction in progress is stated at cost. This includes cost of construction, property and equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and are available for operational use.

Property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of the asset is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and is included in the statement of operations in the year the asset is derecognized. When assets are retired or otherwise disposed of, both the cost and the related accumulated depreciation and amortization and any impairment in value are removed from the accounts while any resulting gain or loss is included in statement of operations.

Computerization Cost

Computerization cost pertains to the software purchased by the Cooperative recognized at cost. The amortization expense on computerization cost is recognized as 'Depreciation and amortization' in the statement of operations. This account is presented at cost net of amortization under "Other Non-Current Assets".

Other Funds and Deposits

Other funds and deposits refer to the restricted funds set aside for funding of statutory and other reserves. These include time deposits, investments in mutual funds and other funds externally managed by banks and other financial institutions which may be convertible to cash when needed. These are presented under "Other Non-Current Assets" in the statement of financial condition and are carried at cost less impairment, if any.

Impairment of Assets

The carrying amounts of the Cooperative's non-current assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indications exist, the asset's recoverable amount is estimated. The impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Estimated Useful Lives

The useful life of each of the Cooperative's property or equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above.

Financial Liabilities

Financial liabilities include bank loans, trade and other payables, as well as Interest on Share Capital and Patronage Refund Payable to the cooperative's members. These are recognized when the cooperative becomes a party to the contractual agreements of the instruments. All interest related charges are recognized as an expense in the Statement of Operation under the caption Finance Costs.

Trade payables are recognized at their nominal value. Interest on Share Capital and Patronage Refund payable are recognized as financial liabilities based on the Cooperative's By-laws as Cooperative laws and regulations.

Financial liabilities are derecognized from the balance sheet only when the obligations are extinguished either through discharge, cancellation or expiration.

Deposit Liabilities

This account refers to deposits made by members that can be withdrawn at a given period.

Loans Payable

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using either the effective or straight-line interest amortization method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR method. The EIR and straight-line amortization is included as "Finance costs" in the statement of operations.

Share Capital

Share capital is recognized at par value for all shares issued. The share capital is presented as equity taking into consideration accounting requirements under the laws, rules, regulations and principles promulgated by the Cooperative Development Authority. The Cooperative is authorized to issue common and preferred shares.

Deposit for Share Capital Subscription

Deposit for share capital subscription represents payments made on subscription of shares which cannot be directly credited to 'Common shares' or 'Preferred shares' or includes amounts paid by members for capital subscription equivalent to the value of less than one share and additional subscriptions in excess of authorized capital pending approval of the amendments to increase authorized share capital with the Cooperative Development Authority. This account is classified under equity.

Donations and Grants

Donation and grant are assistance by another entity in the form of a transfer of resources to a cooperative in return for past or future compliance with specified conditions relating to the operating activities of the cooperative. Donations and grants exclude those forms of assistance that cannot reasonably have a value placed upon them and transactions with government that cannot be distinguished from the normal trading transactions of the cooperative.

The Cooperative recognize donations and grants in equity when the assets are received. Donations and grants are measured at the fair value of the asset received. When the donation or a grant relates to a depreciable asset, any donations and grants initially recognized in equity shall be recognized in profit or loss over the useful life of the depreciable asset.

Accounts Peculiar to Cooperatives

The following accounts are peculiar to a Cooperative due to its nature as well as adherence to Cooperative laws, issued policies, rules and regulations, as well as cooperative principles and practices.

ASSETS

Cash in Cooperative Federation – refers to money deposited in federations which are unrestricted and readily available when needed. These are treated as cash and other cash equivalents.

Due from Accountable Officers and Employees – refers to total collectibles from shortages and other losses due from accountable officers and employees that are subject to immediate settlement/collection. These are recognized at cost less, allowance for impairment, if any.

Other funds and deposits – refer to funds set aside for funding of reserves (Statutory) and other reserves established by the cooperative such as retirement, mutual benefit and other funds. This is recorded at cost.

LIABILITIES

Interest on Share Capital Payable – refers to liability of the cooperative to its members for interest on share capital which can be determined at the end of every fiscal year.

Patronage Refund Payable – is the liability of the cooperative to its members and patrons for patronage refund which can be determined only at the end of every fiscal year.

Due to Union/Federation (CETF) – is an amount set aside for the education and training fund of an apex organization, which is 50% of the amount allocated, by the cooperative in accordance with the provision of the cooperative's by-laws and the cooperative code. The apex organization may either be a federation or union of which the cooperative is a member.

Revolving Capital Payable – is the deferred payment of interest on share capital and patronage refunds whose payment has been withheld, which should be agreed upon in the General Assembly.

Project Subsidy Fund Payable – Unused Portion of the donation/grant for training, salaries and wages, etc.

Mutual Benefit and Other Fund Payable – are funds for special purpose such as members welfare & benefits, i. e. loan protection, hospitalization, death, scholarships assistance, etc. including KBGF/CGF, provision for accidents not taken from net surplus.

EQUITY

Donation/grants – are amounts received by the cooperative as award, subsidies, grants, aids and others. This shall not be available for distribution as interest on share capital and patronage refund, and shall form part of the member's equity of the Statement of Financial Condition.

Statutory Funds – are mandatory funds established/set up in accordance with Articles 86 and 87 of the Cooperative Code. They are as follows:

Reserve Fund – Amounts set aside annually for the stability of the cooperative and to meet net losses in its operations. It is equivalent to at least 10% of the net surplus. A corresponding fund should be set up either in the form of time deposit with local banks or government securities. Only the amount in excess of the paid-up share capital may be used for the expansion and authorized investment of the cooperative as provided in its by-laws.

Education and Training Fund – an amount retained by the cooperative out of the mandatory allocation as stipulated in the cooperative's by laws.

Community Development Fund – This is computed at 3% of cooperative's net surplus. This is used for projects or activities that will benefit the community where the cooperative operates.

Optional Fund – set aside from the net surplus for future use such as land and building, community developments, etc.

EXPENSES

General Assembly Meeting – expenses incurred in the conduct of regular/special general assembly.

Member's Benefit – all expenses incurred for the benefit of the members.

Affiliation Fee – Amount incurred to cover membership or registration fees and annual dues to a federation or union.

Social and Community Service – expenses incurred by the cooperative in its social community involvement including solicitations and donations to the charitable institutions.

Provision for CGF(KBGF) – amount set up for the provisions of CGF(KBGF).

Cooperative Celebration Expense - expenses incurred in the celebration, to include but not limited to, anniversary, cooperative month and Christmas.

OTHER ITEMS

Project Subsidy – refers to the amount deducted from Project subsidy fund to subsidize project expenses. This shall appear in the statement of operation as contra account to Subsidized Project Expenses.

Donation and Grant Subsidy – refers to an amount deducted from Donations and grants account to subsidize depreciation funded by donations and grants.

Optional Fund Subsidy – refers to an amount deducted from Optional Fund to Subsidize depreciation funded by Optional Fund and/or community development expense.

Income Taxes

The cooperative code transacting business only with its members is exempt from all government taxes, and therefore cannot apply the PAS for income taxes because of its tax-exempt nature. However, should the cooperative exceed the limits as set forth in the cooperative code, it will adopt the accounting standards for income taxes as stated in PAS 12.

Revenue Recognition

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Cooperative and the amount of revenue can be measured reliably. Revenues from transactions of the Cooperative are recognized on a modified accrual basis.

Cost and Expenses Recognition

Costs and expenses, not directly attributable to capitalizable assets or projects, are recognized and charged to operations as incurred.

Income Recognition

As a rule, cooperatives adopt the accrual basis of accounting. However, for credit and other cooperatives, recognition of revenues is on a modified accrual basis; i.e., interest income, fines, penalties and surcharges shall be recognized when earned and actually collected. This is so because only interest income, fines, penalties and surcharges on loans receivable that has been realized (i.e., earned and collected) shall be the basis of the income available for distribution to its members through interest on share capital and patronage refund.

Also due to the cash-based income distribution scheme of a cooperative as well as the inherent limitations of small-scale countryside credit cooperative, it cannot adopt the effective interest method in recognizing interest income on loans receivable.

Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the Philippines requires the Cooperative to make estimates and assumptions that affect the reported amounts on income, expenses, resources, liabilities, and disclosure of contingent resources and liabilities. Actual results could differ from those estimates.

Provisions

Provisions are recognized when the Cooperative has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Cooperative expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of operations, net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an 'Interest expense' in the statement of operations.

Contingent Liabilities and Contingent Assets

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized but are disclosed in the financial statements when an inflow of economic benefits is probable.

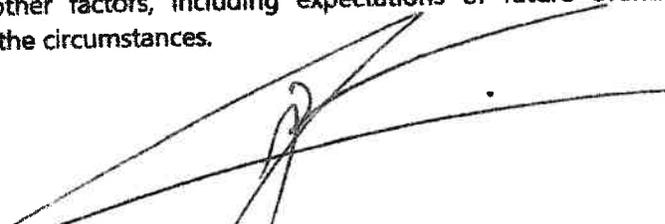
Events After the Reporting Period

Post-year-end events that provide additional information about the Cooperative's position at the reporting date (adjusting events), are reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material in the notes to the financial statements.

3 MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

3.1 Judgments

The preparation of the Cooperative's financial statements in conformity with Financial Reporting Framework (in reference to the Generally Accepted Accounting Principles of the Philippines) requires management to make estimates and assumptions that affect the amounts reported in the Cooperative's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Cooperative's financial statements. Actual results could differ from such estimates, judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



3.2 Estimates

In the application of the Cooperative's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following represents a summary of the significant estimates and judgments and related impact and associated risks in the Cooperative's financial statements.

- *Allowance for doubtful accounts*

The cooperative assesses whether objective evidence of impairment exist for receivables and due from related parties that are individually significant and collectively for receivables that are not individually significant. Allowance for doubtful accounts is maintained at a level considered adequate to provide for potentially uncollectible receivables.

- *Impairment of Available-for sale Financial Assets*

The Cooperative follows the guidance of PAS 39 in determining when an asset is other than temporarily impaired. This determination requires significant judgment, the Cooperative evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; the financial health of and near-term business outlook of the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If the assumption made regarding the duration that, and extent to which the fair value is less than cost, the Cooperative would suffer an additional loss in its financial statements, representing the write down of cost at its fair value.

- *Estimated Useful Lives of Property, Plant and Equipment*

The Cooperative estimates the useful lives of property, plant and equipment based on the period over which the property, plant and equipment are expected to be available for use. The estimated useful lives of the property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical and material obsolescence and legal or other limits on the use of the property, plant and equipment. In addition, the estimation of the useful lives of property, plant and equipment is based on the collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future performance could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets.

The Company assesses the value of property, plant and equipment which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, and require the Company to make estimates and assumptions that can materially affect the financial statements. Future events could cause the Company to conclude that property, plant and equipment and other long-lived assets are impaired. Any resulting impairment loss could have a material adverse impact on the Company's financial condition and results of operations.

The preparation of the estimated future cash flows involves significant judgments and estimations. While the Company believes that its assumptions are appropriate and reasonable, significant changes in these assumptions may materially affect the Company's assessment of recoverable values and may lead to future additional impairment charges.

Revenue Recognition

The company's revenue recognition policies require the *use of estimates and assumptions* that may affect the reported the reported amounts of revenues and receivables. Differences between the amounts initially recognized and actual settlements are taken up in the accounts upon reconciliation. However, there is no assurance that such use of estimates may not result to material adjustments in future periods.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The cooperative is exposed to credit, liquidity, and other risks that arise in the normal course of its business. Its risk and control framework includes a focus on minimizing negative effects on the Company's financial performance due to unpredictability of financial markets that drives the risks.

Credit Risk

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the statement of financial condition.

The Cooperative continuously monitors defaults of customers and other counterparties, and incorporate this information into its credit risk controls. The Cooperative's policy is to deal only with creditworthy counterparties. The Cooperative's management considers that all the above financial assets that are not impaired or past due for each balance sheet dates are good credit quality.

With respect to trade and other receivables, the Cooperative is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity Risk

Liquidity or funding risk is the risk that an entity will incur difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of contractual obligation; or inability to generate cash flows as anticipated. In order to minimize liquidity risk, the Cooperative maintains sufficient cash and has the availability of funding through an adequate amount of committed credit facilities.

Other Price Risk Sensitivity

The Cooperative's market price risk arises from its investments carried at fair value (financial assets classified as financial assets at fair value through profit or loss and available-for-sale financial assets). It manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

5 CASH AND CASH EQUIVALENTS

This accounts consists of the following:

| | 2024 | 2023 |
|--|-------------------|-------------------|
| Cash on Hand | 160,047.62 | 108,599.20 |
| Cash in Bank | 27,000.00 | |
| Total Cash and Cash Equivalents | 187,047.62 | 108,599.20 |

These are highly liquid assets. Cash in banks are not restricted. Cash and cash equivalents are valued to face amount.

6 TRADE AND OTHER RECEIVABLES

This accounts consists of the following:

| | 2024 | 2023 |
|--|-------------------|-------------------|
| Trade receivables-(current) | 982,590.76 | 502,402.66 |
| Total Trade and Other Receivables | 982,590.76 | 502,402.66 |

The fair values of trade and other receivables have not been disclosed as, due to their short duration, management considers the carrying amounts recognized in the balance sheet to be a reasonable approximation of their fair values. Hence, Trade and other receivables are valued at cost net of estimated impairment losses.

7 INVENTORY

This account consists of the following:

| | 2024 | 2023 |
|------------------------|---------------------|-------------------|
| Merchandise Inventory | 1,012,812.95 | 700,214.20 |
| Total Inventory | 1,012,812.95 | 700,214.20 |

The store operation has conducted a physical inventory on December 31, 2024 with the presence of the management. The inventories were measured at lower of costs or net realizable value.

8 OTHER NON-CURRENT ASSETS

| | 2024 | 2023 |
|----------------------|----------|----------|
| Miscellaneous Assets | - | - |
| Total | - | - |

9 PROPERTY AND EQUIPMENT

| | 2024 | 2023 |
|--------------------------------|-------------------|-------------------|
| Furnitures and Equipment | 817,459.00 | 817,459.00 |
| Less: Accumulated Depreciation | 90,187.00 | 58,259.00 |
| Net Carrying Value | 727,272.00 | 759,200.00 |

10 OTHER NON-CURRENT ASSETS

This account consists of the following:

| | 2024 | 2023 |
|---------------------------------------|------------------|------------------|
| Deposit on Returnable Containers | 12,531.00 | 12,531.00 |
| Total Other Non-Current Assets | 12,531.00 | 12,531.00 |

The carrying valued of these assets are believed to be a reasonable approximation of their fair values.

11 DEPOSIT LIABILITIES

This account consists of the following:

| | 2024 | 2023 |
|----------------------------------|-------------------|-------------------|
| Savings Deposits | 478,604.35 | 262,916.88 |
| Time Deposit | | |
| Total Deposit Liabilities | 478,604.35 | 262,916.88 |

These deposits are non-interest bearing...

12 TRADE AND OTHER PAYABLES

This account consists of the following:

| | 2024 | 2023 |
|---------------------------------------|-------------------|-------------------|
| Accounts Payable-Trade | 593,889.00 | 440,101.30 |
| Loans Payable | | |
| Total Trade and Other Payables | 593,889.00 | 440,101.30 |

13 INTEREST ON SHARE CAPITAL PAYABLE

This account consists of the following:

| | 2024 | 2023 |
|----------------------------------|------------------|------------------|
| Beginning Balance | 25,378.22 | 25,129.54 |
| Add: Allocation from Net Surplus | 95,848.44 | 25,378.22 |
| Less: Payments | (25,378.22) | (25,129.54) |
| Ending Balance | 95,848.44 | 25,378.22 |

14 PATRONAGE REFUND PAYABLE

This account consists of the following:

| | 2024 | 2023 |
|----------------------------------|------------------|------------------|
| Beginning Balance | 25,378.22 | 25,129.54 |
| Add: Allocation from Net Surplus | 95,848.44 | 25,378.22 |
| Less: Payments | (25,378.22) | (25,129.54) |
| Ending Balance | 95,848.44 | 25,378.22 |

15 DUE TO UNION/FEDERATION

This account consists of the following:

| | 2024 | 2023 |
|----------------------------------|------------------|------------------|
| Beginning Balance | 47,200.77 | 42,971.07 |
| Add: Allocation from Net Surplus | 15,974.74 | 4,229.70 |
| Add: adjustments | | |
| Ending Balance | 63,175.51 | 47,200.77 |

16 DONATIONS AND GRANTS

This account consists of the following:

| | 2024 | 2023 |
|-----------------------------------|------|-------------------|
| Livelihood Assistance Grants-DSWD | | 150,000.00 |
| Total Donation and Grants | | 150,000.00 |

17 STATUTORY FUNDS

This account consists of the following:

| | 2024 | 2023 |
|-----------------------------------|-------------------|-------------------|
| Reserve Fund | 510,528.35 | 446,629.39 |
| Education and Training Fund-local | 48,990.24 | 42,505.50 |
| Community Development Fund | 17,854.30 | 13,369.46 |
| Optional Fund | 88,445.70 | 66,081.06 |
| Total Statutory Funds | 665,818.59 | 568,585.41 |

18 INCOME FROM CONSUMER OPERATION

| | 2024 | 2023 |
|--------------------------------|----------------|--------------|
| Sales | 13,268,183.00 | 9,969,702.26 |
| Less: Cost of Sales | | |
| Beginning Inventory | 700,214.20 | 753,983.20 |
| Add: Purchases | 12,313,025.89 | 9,103,640.48 |
| Freight In | 131,566.00 | 86,022.50 |
| Total Goods Available for Sale | 13,144,806.09 | 9,943,646.18 |
| Less: Ending Inventory | (1,012,812.95) | (700,214.20) |
| Cost of Sales | 12,131,993.14 | 9,243,431.98 |
| Income from Consumer Operation | 1,136,189.86 | 726,270.28 |

19 OTHER INCOME

This account consists of the following

| | 2024 | 2023 |
|----------------------|-----------|-----------|
| Membership Fees | 2,600.00 | 2,900.00 |
| Miscellaneous Income | 19,344.00 | 20,319.10 |
| Total Other Income | 21,944.00 | 23,219.10 |

20 SELLING COSTS

This account consists of the following

| | 2024 | 2023 |
|---------------------|------------|------------|
| Salaries and Wages | 96,000.00 | 48,000.00 |
| Store Supplies | 100,033.11 | 99,389.68 |
| Spoilage | 30,453.83 | 25,713.88 |
| Total Selling Costs | 226,486.94 | 173,103.56 |

21 ADMINISTRATIVE COST

This account consists of the following

| | 2024 | 2023 |
|------------------------------------|------------|------------|
| Officers Honorarium and Allowances | 441,700.00 | 361,250.00 |
| Power, Light and water | 16,208.12 | 23,707.74 |
| Travel and transportation | 8,590.00 | 8,805.00 |
| Taxes and licenses | 8,038.00 | 3,985.00 |
| Professional fees | 14,293.00 | 14,425.00 |
| Representation | 5,120.00 | |
| Meetings and Conferences | 18,384.00 | |
| Employees Benefits Expense | 20,500.00 | |
| Members' Benefit Expense | 30,816.00 | 30,562.00 |
| General Assembly | 2,920.00 | |
| Miscellaneous | 13,655.00 | 17,129.00 |
| Depreciation | 31,928.00 | 31,928.00 |
| Total Administrative Costs | 612,152.12 | 491,791.74 |

22 ALLOCATION AND DISTRIBUTION OF NET SURPLUS

The cooperative constitution and by-laws explicitly provides that its net surplus at the end of the fiscal year shall be distributed in the following manner:

- a.) **Reserve Fund** - Twenty percent (20%) shall be set aside for reserve fund. The reserve fund shall be used for the stability of the cooperative and to meet net losses in its operations.
- b.) **Education and Training Fund** - Ten percent (10%) for the education and training fund. Half of the amount transferred to the education & training fund annually under this subscription may be spent by the cooperative for educ. & training and other purposes; while the other half shall be credited to the Cooperative education and training fund of the apex organization of which the cooperative is a member.
- c.) **Community Development Fund** - This is computed at three percent (3%) of the cooperative's net surplus. This is used for projects or activities that will benefit the community where the cooperative operates.
- d.) **Optional Fund** - This is computed at seven percent (7%) of the cooperative's net surplus.
- e.) **Interest on Share Capital and Patronage Refunds** - After deduction of the statutory accounts, any remaining net surplus shall be distributed to the cooperative's member's in the form of interest not to exceed the normal rate of return on investments and patronage refunds. Interest on Fixed Deposits shall be allocated in proportion to the individual members' average share monthly, while patronage refund is divided according to their individual patronage; i.e., volume of loans availed.

23 SUPPLEMENTARY INFORMATION REQUIRED AS PER BIR RR No. 15-2010

In compliance with the BIR RR No. 15-2010 issued by the Bureau of Internal Revenue on November 25, 2010, mandating all taxpayers to disclose information on taxes, duties and license fees paid or accrued during the taxable year.

Of the information to be disclosed by RR No. 15-2010, only certain taxes are applicable to the Cooperative. The following are the applicable supplementary tax information required for the taxable year ended December 31, 2024:

TAXES AND LICENSES

This consists of the following:

| | 2024 | 2023 |
|--------------------------|----------|----------|
| Business Permit | 8,038.00 | 3,985.00 |
| Total Taxes and Licenses | 8,038.00 | 3,985.00 |



22 ALLOCATION AND DISTRIBUTION OF NET SURPLUS

The cooperative constitution and by-laws explicitly provides that its net surplus at the end of the fiscal year shall be distributed in the following manner:

- a.) **Reserve Fund** - Twenty percent (20%) shall be set aside for reserve fund. The reserve fund shall be used for the stability of the cooperative and to meet net losses in its operations.
- b.) **Education and Training Fund** - Ten percent (10%) for the education and training fund. Half of the amount transferred to the education & training fund annually under this subscription may be spent by the cooperative for educ. & training and other purposes; while the other half shall be credited to the Cooperative education and training fund of the apex organization of which the cooperative is a member.
- c.) **Community Development Fund** - This is computed at three percent (3%) of the cooperative's net surplus. This is used for projects or activities that will benefit the community where the cooperative operates.
- d.) **Optional Fund** - This is computed at seven percent (7%) of the cooperative's net surplus.
- e.) **Interest on Share Capital and Patronage Refunds** - After deduction of the statutory accounts, any remaining net surplus shall be distributed to the cooperative's member's in the form of interest not to exceed the normal rate of return on investments and patronage refunds. Interest on Fixed Deposits shall be allocated in proportion to the individual members' average share monthly, while patronage refund is divided according to their individual patronage; i.e., volume of loans availed.

23 SUPPLEMENTARY INFORMATION REQUIRED AS PER BIR RR No. 15-2010

In compliance with the BIR RR No. 15-2010 issued by the Bureau of Internal Revenue on November 25, 2010, mandating all taxpayers to disclose information on taxes, duties and license fees paid or accrued during the taxable year.

Of the information to be disclosed by RR No. 15-2010, only certain taxes are applicable to the Cooperative. The following are the applicable supplementary tax information required for the taxable year ended December 31, 2024:

TAXES AND LICENSES

This consists of the following:

| | 2024 | 2023 |
|--------------------------|----------|----------|
| Business Permit | 8,038.00 | 3,985.00 |
| Total Taxes and Licenses | 8,038.00 | 3,985.00 |



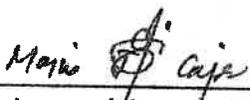
STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)**, Brgy. San Juan, Baybay City, Leyte is responsible for all information and representations contained in the financial statements for the fiscal year ended December 31, 2024. 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 of materiality.

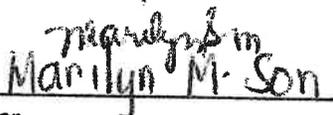
In this regard, the management maintains a system of accounting and reporting which provides for the necessary internal controls and ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The management likewise, discloses to its external auditor, (i) all significant deficiencies in the design and operation of internal control that would 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 of other employees who exercise significant roles in the internal control.

The Board of Directors reviews the financial statements before such statements are approved and submitted to the members of the cooperative as well as to the different government agencies and regulatory bodies. The same was reviewed and approved on January, 2025.

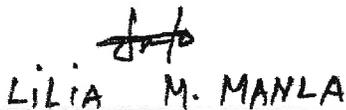
CONCESO S. ARRIOLA, CPA/Sole Private Practitioner, the independent auditor appointed by the Board of Directors and members, has audited the financial statements of the Cooperative in accordance with Philippine Standards on Auditing and has expressed his opinion on the fairness of presentation upon completion of such audit, in his report to the Members and the Board of Directors.



Chairman of the Board



Manager



Treasurer

Signed this 9th day of March, 2025.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX

The management of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)** of Brgy. San Juan, Baybay City, Leyte is responsible for all information contained in the Annual Income Tax Return for the year ended, December 31, 2024. Management is likewise responsible for all information and representations contained in the financial statements accompanying 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, and any all-other tax returns.

In this regard, the Management affirms that the attached financial statements for the year ended December 31, 2024 and the accompanying Annual Income Tax Return are in accordance with the books and records of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)**, 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. 8-2007 and other relevant issuances.
- c.) **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)** has filed all applicable tax returns, reports and statements required to be filed under 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.

Mario D. Caja

Chairman of the Board

Marilyn M. Son

Manager

Lilia M. Manla

LILIA M. MANLA

Treasurer

Signed this 9th day of March, 2025

22. ALLOCATION AND DISTRIBUTION OF NET SURPLUS

The cooperative constitution and by-laws explicitly provides that its net surplus at the end of the fiscal year shall be distributed in the following manner:

- a.) **Reserve Fund** - Twenty percent (20%) shall be set aside for reserve fund. The reserve fund shall be used for the stability of the cooperative and to meet net losses in its operations.
- b.) **Education and Training Fund** - Ten percent (10%) for the education and training fund. Half of the amount transferred to the education & training fund annually under this subscription may be spent by the cooperative for educ. & training and other purposes; while the other half shall be credited to the Cooperative education and training fund of the apex organization of which the cooperative is a member.
- c.) **Community Development Fund** - This is computed at three percent (3%) of the cooperative's net surplus. This is used for projects or activities that will benefit the community where the cooperative operates.
- d.) **Optional Fund** - This is computed at seven percent (7%) of the cooperative's net surplus.
- e.) **Interest on Share Capital and Patronage Refunds** - After deduction of the statutory accounts, any remaining net surplus shall be distributed to the cooperative's member's in the form of interest not to exceed the normal rate of return on investments and patronage refunds. Interest on Fixed Deposits shall be allocated in proportion to the individual members' average share monthly, while patronage refund is divided according to their individual patronage; i.e., volume of loans availed.

23. SUPPLEMENTARY INFORMATION REQUIRED AS PER BIR RR No. 15-2010

In compliance with the BIR RR No. 15-2010 issued by the Bureau of Internal Revenue on November 25, 2010, mandating all taxpayers to disclose information on taxes, duties and license fees paid or accrued during the taxable year.

Of the information to be disclosed by RR No. 15-2010, only certain taxes are applicable to the Cooperative. The following are the applicable supplementary tax information required for the taxable year ended December 31, 2024:

TAXES AND LICENSES

This consists of the following:

| | 2024 | 2023 |
|--------------------------|----------|----------|
| Business Permit | 8,038.00 | 3,985.00 |
| Total Taxes and Licenses | 8,038.00 | 3,985.00 |



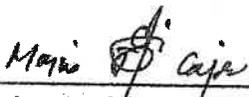
STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)**, Brgy. San Juan, Baybay City, Leyte is responsible for all information and representations contained in the financial statements for the fiscal year ended December 31, 2024. 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 of materiality.

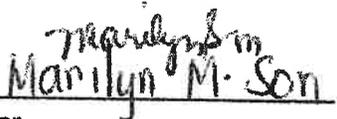
In this regard, the management maintains a system of accounting and reporting which provides for the necessary internal controls and ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The management likewise, discloses to its external auditor, (i) all significant deficiencies in the design and operation of internal control that would 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 of other employees who exercise significant roles in the internal control.

The Board of Directors reviews the financial statements before such statements are approved and submitted to the members of the cooperative as well as to the different government agencies and regulatory bodies. The same was reviewed and approved on January, 2025.

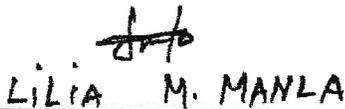
CONCESO S. ARRIOLA, CPA/Sole Private Practitioner, the independent auditor appointed by the Board of Directors and members, has audited the financial statements of the Cooperative in accordance with Philippine Standards on Auditing and has expressed his opinion on the fairness of presentation upon completion of such audit, in his report to the Members and the Board of Directors.



Chairman of the Board



Manager



Treasurer

Signed this 9th day of March, 2025.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX

The management of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)** of Brgy. San Juan, Baybay City, Leyte is responsible for all information contained in the Annual Income Tax Return for the year ended, December 31, 2024. Management is likewise responsible for all information and representations contained in the financial statements accompanying 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, and any all-other tax returns.

In this regard, the Management affirms that the attached financial statements for the year ended December 31, 2024 and the accompanying Annual Income Tax Return are in accordance with the books and records of **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)**, 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. 8-2007 and other relevant issuances.
- c.) **SAN JUAN-SAPA FARMERS CONSUMERS COOPERATIVE (SAFACO)** has filed all applicable tax returns, reports and statements required to be filed under 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.

Mario D. Laja

Chairman of the Board

Marilyn M. San

Manager

Lilia M. Manla

LILIA M. MANLA

Treasurer

Signed this 9th day of March, 2025