



LONoy FARMERS DAIRY COOPERATIVE (LFDC)
Zone V, Lonoy, Kananga, Leyte
6531
Mobile: +63917-154-9732 E-mail: lonoyfarmersdairycoop@gmail.com

Item No.: 31
Date: 21 2025 OCT

Annex D: Letter of Application

August 18, 2025

Dear Vice Governor Javier;

Sangguniang Panlalawigan
Province of Leyte

RECEIVED
OCT 09 2025

Date: _____
By: _____

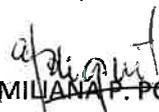
In response to your Notice of Call for Accreditation, kindly be informed that the Lonoy Farmers Dairy Cooperative, with office address at Zone 5, Lonoy, Kananga, Leyte would like to seek accreditation by the Sangguniang Panlalawigan.

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 Cooperative Development Authority or existing valid Certificate of Accreditation issued by Department of Agriculture
4. List of current Officers
5. CY 2025 Minutes of the Annual Meeting;
6. CY 2024 Annual Accomplishment Report
7. CY 2024 Financial Statement

Thank you.

Sincerely,


EMILIANA P. POLIQUIT
Chairperson- Lonoy Farmers Dairy Cooperative



LONOY FARMERS DAIRY COOPERATIVE (LFDC)
Zone V, Lono, Kananga, Leyte
6531

Mobile: +63917-154-9732 E-mail: lonoymfarmersdairycoop@gmail.com

Annex C. Application Form for Accreditation and Checklist of Requirements

APPLICATION FORM FOR ACCREDITATION

Name of

Organization: Lono Farmers Dairy Cooperative

Address: Zone 5, Lono, Kananga, Leyte

Contact No. 0917 154 9732 **Email address :** lonoymfarmersdairycoop@gmail.com

Date Organized: November 3, 2019 **Sector Represented:** Agriculture

Purposes/Objective

To be able to be recognize and participate in gatherings concerning agriculture development

Services that the organization provides or can participate in:

Supplier of dairy products
Community Development

Registering Agency:

Cooperative Development Authority (CDA)

Accrediting Agency

Date Accredited:

Department of Agriculture

April 25, 2023

Organization Level: Barangay level

Project implemented in the Municipality

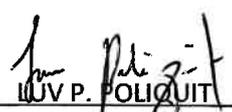
Year	Project	Cost	Financing Source	Beneficiaries	Status
2023	Sterilizing Facility	2.3M	Department of Agriculture	local dairy farmers	on going

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

WE HEREBY CERTIFY to the correctness of the above information.


EMILIANA P. POLIQUIT
Chairperson


LUV P. POLIQUIT
Secretary



LONoy FARMERS DAIRY COOPERATIVE (LFDC)
Zone V, Lonoy, Kananga, Leyte
6531

Mobile: +63917-194-9732 E-mail: lonoyfarmersdairycoop@gmail.com

Annex E Board Resolution – Intention for Accreditation

Lonoy Farmers Dairy Cooperative
Zone 5 Lonoy, Kananga, Leyte

BOARD RESOLUTIO NO. 05

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

WHEREAS, on February 18, 2022 the Department of Interior and Local Government issued Memorandum Circular No. 2022 on the Accreditation of Civil Society Organization and selection of Representative of Special Local Bodies.

WHEREAS, the Lonoy Farmers Dairy Cooperative is a civil society organization duly registered with the Cooperative Development Authority and are existing under Philippine laws

WHEREAS, in the Lonoy Farmers Dairy Cooperative Special Board Meeting held at Sitio Tabunok Poblacion, Kananga, Leyte on August 8, 2025 attended by the majority of the Board of Directors present the following resolution, was approved and adopted,

RESOLVED, AS IT IS HEREBY RESOLVED to signify our intension to be an accredited civil society organization with Sangguniang Panlalawigan pursuant to the procedure and guidelines set forth in Section 108 of the Local Government Code of 1991 and DILG Memorandum Circular 2022 and to apply for membership in a local special body in the Province of Leyte

Resolved Further, to forward a copy of the resolution to the Chair of the Sangguniang Committee on Accreditation the Honorable Councilor

RESOLVED FURTHERMORE, that the following representatives of the organization are authorized and directed to take any action and directed to take any action necessary to effectuate the foregoing resolution: Emiliana P. Poliquit and Angel Ignacio L. Veloso.

ADOPTED unanimously by the Board of Directors of Lonoy Farmer Dairy Cooperative this 8th of August 2025 in the Province of Leyte.



LONJOY FARMERS DAIRY COOPERATIVE (LFDC)
 Zone V, Lonoy, Kananga, Leyte
 6531

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Name	Position	Signature
Emiliana P. Poliquit	Chairman	
Elizabeth M. Canson	Vice Chairman	
Thomas Gerard G. Serafica	BOD	
Vicente Anthon T. Rodriguez	BOD	
Angel Ignacio L. Veloso	BOD	

EMILIANA P. POLIQUIT
 LFDC- Chairpeson

SUBSCRIBED AND SWORN TO before me this 02nd SEP 2025 day of August 2025 in Kananga. Affiant exhibiting to me his/her Senior ID with valid identification no. 20-0330 issued on February 2, 2020 at Kananga, Leyte.

Doc No. 116
 Page No. 24
 Book No. 16
 Series of 2025

DOC STAMP NO.
03082112

ATTY. ALLAN R. CASTRO
 NOTARY PUBLIC
 Real St., Poblacion, Kananga, Leyte
 ATTORNEY'S ROLL NO. 56468
 N.C No. ORM 24-12-044-NC;
 valid until Dec. 31, 2026
 PTR No. 9403903; 1/2/2025; Leyte
 IBP ET No. 011676; Leyte
 TIN : 160-552-523



Republic of the Philippines
OFFICE OF THE PRESIDENT
COOPERATIVE DEVELOPMENT AUTHORITY

Registration No: 9520-100800031151

CERTIFICATE OF REGISTRATION

TO ALL WHOM THESE PRESENTS MAY COME,

This is to certify that

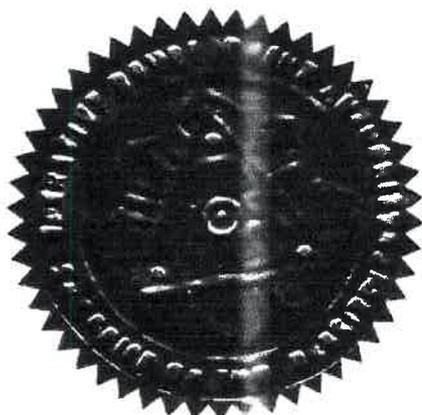
Lonoy Farmers Dairy Cooperative (LFDC)

Name of Cooperative

with address at **Zone 5, Lonoy, Kananga, Leyte, Region VIII (Eastern Visayas)**, 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 3rd day of November, 2020.




ORLANDO R. RAVANERA, CSEE, CEO IV
Chairman





LONOY FARMERS DAIRY COOPERATIVE (LFDC)
Zone V, Lono, Kananga, Leyte
6531

Mobile: +63917-154-9732 E-mail: lonoymfarmersdairycoop@gmail.com

Annex F List of Current Officers and Members

List of Current Officers of the Lono, Farmers Dairy Cooperative as August 8, 2025

LIST OF OFFICERS

Board of Directors

Chairman	EMILIANA P. POLIQUIT
Vice Chairman	ELIZABETH M. CANSON
Board Member	VICENTE ANTON T. RODRIGUEZ
Board Member	THOMAS GERARD G. SERAFICA
Board Member	ANGEL IGNACIO L. VELOSO III
Auditor	CESAR G. ASIS, JR.
Treasurer	MA. LUISA M. ASEO
Secretary	LUV P. POLIQUIT

Committees

Election	DIOSCORO PARILLA
Mediation	MELVIN N. CELLAR
GAD	VICENTE ANTON T. RODRIGUEZ
Ethics	KENNITH B. BLANCO

General Manager	BEA ISABEL B. OMANGAY
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Prepared by:


LUV P. POLIQUIT
LFDC - Secretary



LONoy FARMERS DAIRY COOPERATIVE (LFDC)
Zone V, Lono, Kananga, Leyte
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LIST OF MEMBERS

No.	Name of Member	Gender	
		Male	Female
1	Adlawan, Antonio S.	x	
2	Agas, Romeo	x	
3	Agnes, Nelson	x	
4	Armenio, Ricky S.	x	
5	Asis Jr., Cesar G.	x	
6	Baclohan, Lloyd Bryan I.	x	
7	Blanco, Kenneth B.	x	
8	Blanco, Richard Leo V.	x	
9	Bongbong, Alberto	x	
10	Cadenas, Joselito H.	x	
11	Canson, Alexander M.	x	
12	Canson, Joshua	x	
13	Caparos, Christopher B.	x	
14	Cartagena, Niño T.	x	
15	Cellar, Melvin N.	x	
16	Cerera, Alfredo	x	
17	Chua, Jude Ifraem G.	x	
18	Dagsaan, Elmer	x	
19	Diano, Rey Vincent S.	x	
20	Gacuma, Rene Peter Paul	x	
21	Galan, Albert P.	x	
22	Galaroza, Al C.	x	
23	Gonzales, Christopher C.	x	
24	Graciano, Jeson	x	
25	Henoguin, Jon Jon	x	
26	Jaballa, Ronan M.	x	
27	Jaballa, Roy M.	x	
28	Japson, Joseph Carlo C.	x	
29	Labang, Malvin H.	x	
30	Lambo, James R.	x	
31	Lisondra, Helenito	x	
32	Martinez, Jstel	x	
33	Mendez, Bryton Walter	x	
34	Merino, Robert I.	x	
35	Morquianos, Renny U.	x	
36	Niere, Carlos P.	x	
37	Osma, Ronald C.	x	
38	Palacio, Jimmy D.	x	



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39	Panuncio, Ralph Johann C.	x	
40	Paredes, Oligario Jr. F.	x	
41	Parilla, Dioscoro	x	
42	Pelande, Ricarte M.	x	
43	Pentinio, Macario	x	
44	Pernito, Rene A.	x	
45	Pio, Rodrigo	x	
46	Poliquit Jr., Cornelio P.	x	
47	Poliquit, Che P.	x	
48	Ricablanca, Eduardo	x	
49	Rodriguez, Vicente Anton T.	x	
50	Sabelino, Ruben A.	x	
51	Samson, Avelino	x	
52	Serafica, Thomas Gerard G.	x	
53	Serafica, Tomas	x	
54	Tiu, Felizardo	x	
55	Tiu, John Hanfil	x	
56	Tiu, Roland	x	
57	Toñacao, Goddy	x	
58	Utlang, Elmer	x	
59	Veloso III, Angel Ignacio L.	x	
60	Villo, Butch	x	
65	Abucay, Rena		x
66	Agnes, Yvette L.		x
67	Agromedo, Julita J.		x
68	Aleng, Fermina		x
69	Besana, Vilma M.		x
70	Bongbong, Larly Rose		x
71	Canson, Elizabeth M.		x
72	Diaz, Rodelyn		x
73	Eguio, Jennifer		x
74	Galan, Michelle P.		x
75	Gerologa, Gina		x
76	Managbanag, Riza Mae P.		x
77	Obenza, Bernadiza C.		x
78	Omangay, Ma. Isabel B.		x
79	Pentinio, Luisa E.		x
80	Peterson, Laila D.		x
81	Poliquit, Emiliana P.		x
82	Poliquit, Luv P.		x
83	Prado, Justine B.		x
84	Puso, Marian		x
85	Ricci, Ma. Virginia P.		x



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ANNUAL ACCOMPLISHMENT REPORT

General Assembly : Conducted 1 General Assembly

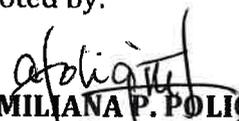
Recipient of Progressive Cooperative Excellent Award Micro to Small Cooperative during Araw ng Pagkilala Coop Month 2024.

- I. Board of Directors:
 1. Number of meetings conducted by BOD- 12
 2. Number of Resolution passed by Board of Director- 8
 3. Policies and Guidelines formulated by BOD
 - a) Financial Management Policy
 - b) Gender and Development Policy
 - c) Election Guidelines and Policy
 - d) Recruitment and Membership Policy
- II. Committee on Education
 1. Number of PMES conducted - 5
 2. Number of new members - 20
 3. Number of trainings attended by the officers and members - 2
- III. Mediation Committee
 1. Number of mediation hearing conducted - 0
- IV. Audit and Inventory Committee
 1. Number of Audit and Inventory conducted - 2
 2. Findings - different committees perform well
 3. Healthy financial condition of the cooperative
 4. Twenty additional members
 5. Forty members qualified to received stock certificate
- V. Gender and Development
 1. Conducted forum to discuss gender sensitivity issued during Women's Month
- VI. Ethics Committee
 1. No complaint received
- VII. Capitalization- please see attached Annual Financial Statements

Prepared by :


LUV P POLIQUIT
LFDC- Secretary

Noted by:


EMILIANA P. POLIQUIT
LFDC - Chairman



LONOY FARMERS DAIRY COOPERATIVE (LFDC)
Zone V, Lono, Kananga, Leyte
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Minutes of Annual General Assembly

Activity : Annual General Assembly

Participants : General Assembly

Date and Time : March 4, 2025 9:00 AM

Expectation for the Activity : To update General Assembly for the whole year cooperative operations.

General Objective : To comply coop mandate as stated in constitution and by-laws

Specific Objectives:

- update the general assembly regarding business operation and financial condition of the cooperative
- conduct election

Agenda:

1. Reading of previous minutes
2. Chairman's report
3. Treasurer's report
4. Cooperative amendments
5. Election

Preliminaries

Call to Order

- Meeting started at 9:30 AM at Tom's Agri Trading Poblacion, Kananga, Leyte
- The secretary declared quorum
- Reading of previous minutes
- Motion to approve previous minutes; Approved, unanimously.
- Presentation of agenda
- Motion to approve the agenda; Unanimously approved.
- Chairman's report:
 - The chair informed the body that the LFDC is fortunate because the coop is the recipient of the Kadiwa Grant amounting to ₱1,500,00.00 for a proposed project, Water Retort Facility. The project cost was ₱2,300,000.00 as per quotation of the supplier Visayas North Star from Lapu-lapu City, Cebu. The chair haggled a ₱100,000.00 discount. Hence, the coop's counterpart amounted to ₱700,000.00 but the available coop fund was only ₱350,000.00, short by 50% of the equity. Through the group chat, the chair appealed to the members to increase their CBUs to cover for the lacking amount. There were members who pledged certain amounts. BOD Canson, the chair and BOD Veloso contributed ₱4,000.00, ₱25,000.00, and ₱350,000.00, respectively. The chair asked everybody to extend our heartfelt gratitude to BOD Veloso who gave his full support without hesitation to fund the lacking amount.
 - DOST also conducted technical needs assessment to LFDC. They have visited the coop twice as we were seeking financial assistance to sponsor the Packaging Machine for Retortable Packaging Material. They gave their commitment that they will look for the fund to help the coop.
 - On the other hand, NDA, also expressed their support. Hence, we prepared a project proposal for the construction of the coop Warehouse Facility as storage facility for the sterilized milk.

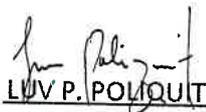


Lono Farmers Dairy
COOPERATIVE

LONOY FARMERS DAIRY COOPERATIVE (LFDC)
Zone V, Lono, Kananga, Leyte
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- The chair also informed the body that our cooperative received an award during the Araw ng Pagkilala during the culmination of the Cooperative Month, 2024. LFDC leveled up from micro to small coop category.
- The coop conducted a benchmarking for the Sterilizing Facility last August 6-9, 2024 and visited the Sta. Maria Multi-Purpose Cooperative in Bulacan and the Orchard Valley Inc, in Ilo-ilo. The team was composed of Atty. Tiu, BOD Serafica, BOD Rodriguez, Ms. Marian Puso, and the chairperson. During the visit, both entities were engaged in different businesses and they advised us that the only way to sustain the dairy cooperative is to go into multi-purpose.
- Treasurer's Report
 - The treasurer reported that our CBU collection for 2024 is 0.00. The coop income comes only from retailing of powdered milk and milk production.
 - The treasurer distributed the coop's audited financial statement for every member to give them the chance to examine the financial condition of the cooperative.
- Amendments
 - The coop's pending amendments were not yet processed due to problems on the online registration of CDA.
 - The chair informed the body that there is a necessity to our coop engage our coop to other business.
 - BOD Serafica motioned to revisit the previous amendments for further discussion and seconded by Mr. Dioscoro Parilla.
 - The coop name approved by the body during the previous assembly was Leyte Farmers Dairy Cooperative. On motion of BOD Veloso, the name should be amended from Lono Farmers Dairy Cooperative to Leyte Dairy Farmers Multi-Purpose Cooperative. It was approved unanimously.
 - The chair informed the body that the previous amendments stand still except the change of name. Hence, BOD Canson motioned to approve the changes in the amendments. It was approved unanimously.
- The chair declared a lunchbreak and advised the committee on election to prepare for the selection of new officers at 1:00 PM.
- Election
 - The chair on committee on election informed the body that there was a need to elect three BODs to fill-up the BODs who will end their term. She also appealed to the body to cooperate in the process.
 - The table was open for the nomination. The following were nominated, Mr. Veloso, Mr. Martinez, Mr. Jett Serafica, Mr. Rodriguez, and Atty. Tiu. After the voting, the ballots were collected and the counting was done with the following result: Jett Serafica with 28 votes, Mr. Veloso with 25 votes, Mr. Rodriguez with 20 votes, Atty. Tiu with 18 votes, and Mr. Martinez with 15 votes. The three highest votes were declared winner.
- The general assembly was adjourned at 3:00 PM.

Prepared by:


LUV P. POLIQUIT
Secretary



Republic of the Philippines
 Lonoy Farmers Dairy Cooperative (LFDC)
 CDA-Registration No. 9520-100800031151
 TIN: 772-366-555-000
 Zone V, Lonoy, Kananga, Leyte, 6531

ATTENDANCE SHEET

Date: March 4, 2025

Activity: General Assembly

NAME	ADDRESS	POSITION	SIGNATURE
1. Eduardo L. Ricabnona	Isabel, Leyte	Member	[Signature]
Russelle Varian	Palompon Leyte	Member	[Signature]
Reychele B. Dueducan	SABANG PAL, Leyte Palompon	Member	[Signature]
4. Thomas Gerard Serafin	Kananga, Leyte	POD	[Signature]
Julius Labagat	Brgy. San Isidro	Member	[Signature]
Liez Jane Dejanao	Sabang Pal, Leyte	Member	[Signature]
Anselmo Labagat	Brgy. San Isidro	Member	[Signature]
5. Jemel Anne Davison	Kananga, Leyte	Secretary	[Signature]
Sunshine Dueducan	Sabang Palompon Leyte	Member	[Signature]
Develyn B. Molon	Matawala, Palompon, Leyte	Member	[Signature]
Nestle A. Sandahan	Brgy. San Isidro Pal. Leyte	Member	[Signature]
WINDIE LOY MATHUSAY	PREY. SAN ISIDRO, PAL, LEYTE	MEMBER	[Signature]
Epiliana P. Poliquit	Lonoy Kananga Leyte	Chairman	[Signature]
MARICHRIS LASDOCE	MALAZARTE MATAPOB, LEYTE	MEMBER	[Signature]
Saverino M. Concillado	Palompon Leyte	Member	[Signature]
Marian M. Puro	Palompon, Leyte	Member	[Signature]
Shirley D. Ortega	Palompon Leyte	Member	[Signature]
LW P. POLQUIT	Kananga, Leyte	Secretary	[Signature]

LONoy FARMERS DAIRY COOPERATIVE

**AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2024 and 2023
AND
REPORT OF INDEPENDENT AUDITOR**

PHILIPPINE PESO

**ZELDA V. OGARIO
CERTIFIED PUBLIC ACCOUNTANT**

ZELDA V. OGARIO

Certified Public Accountant

 3rd Floor, RJIR Bldg., Carlos Tan St., Ormoc City, Leyte
(053) 255-7886 / 561-6135 | zeldaogario@yahoo.com 

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT TO ACCOMPANY INCOME TAX RETURN

The Board of Directors and Members
Lonoy Farmers Dairy Cooperative
Zone 5, Lonoy, Kananga, Leyte

I have audited the financial statements of **Lonoy Farmers Dairy Cooperative** for the year ended December 31, 2024; on which I have rendered the attached report dated April 7, 2025.

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

1. The Cooperative is exempt from all government taxes. However, when the Cooperative exceeds the limits set forth in the Cooperative Code, it will adopt the accounting standards for income taxes as applicable.
2. I am not related by consanguinity or affinity to the officers of the Cooperative.
3. I have no financial interests to/from the Cooperative.


ZELDA V. OGARIO, CPA

PRC License No.: 81944 valid until February 4, 2028
Tax Identification Number (TIN): 109-974-945
BIR AN: 14-002112-1-2022 valid until July 31, 2025
BOA Accreditation No.: 1621 valid until February 28, 2028
CDA CEA Reg. No.: 062 valid until August 14, 2029
PTR No.: 8342443; January 2, 2025; Ormoc City

April 7, 2025
Ormoc City, Philippines

ZELDA V. OGARIO

Certified Public Accountant



3rd Floor, RJIR Bldg., Carlos Tan St., Ormoc City, Leyte

(053) 255-7886 / 561-6135 | zeldaogario@yahoo.com



REPORT OF INDEPENDENT AUDITOR

The Board of Directors and Members
Lonoy Farmers Dairy Cooperative
Zone 5, Lonoy, Kananga, Leyte

Opinion

I have audited the financial statements of **Lonoy Farmers Dairy Cooperative**, which comprise the statements of financial condition as at December 31, 2024 and 2023 and the statements of operations, 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 **Lonoy Farmers Dairy Cooperative** 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 Framework for Cooperatives.

Basis for Opinion

I have conducted my audit in accordance with Philippine Standards on Auditing (PSAs) and the Standard Audit System for Cooperatives (SASC). My responsibilities under those standards are 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 Philippine Financial Reporting Framework for Cooperatives, 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.

Report on the Supplementary Information Required under Revenue Regulations 15-2010 of the Bureau of Internal Revenue

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes and licenses in the notes to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in my audit of the basic financial statements. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


ZELDA V. OGARIO, CPA

PRC License No.: 81944 valid until February 4, 2028

Tax Identification Number (TIN): 109-974-945

BIR AN: 14-002112-1-2022 valid until July 31, 2025

BOA Accreditation No.: 1621 valid until February 28, 2028

CDA CEA Reg. No.: 062 valid until August 14, 2029

PTR No.: 8342443; January 2, 2025; Ormoc City

April 7, 2025

Ormoc City, Philippines

LONOY FARMERS DAIRY COOPERATIVE
Zone 5, Lonoy, Kananga, Leyte

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

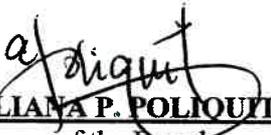
The management of **Lonoy Farmers Dairy Cooperative** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2024 and 2023**, in accordance with the prescribed financial reporting framework indicated therein, 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 Cooperative 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 Cooperative or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Cooperative's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the members.

ZELDA V. OGARIO, CPA, the independent auditor appointed by the Cooperative, has audited the financial statements of the Cooperative in accordance with Philippine Standards on Auditing, and in her report to the members, has expressed her opinion on the fairness of presentation upon completion of such audit.


EMILIANA P. POLIQUIT
Chairman of the Board


MA LUISA M. ASEO
Treasurer

April 7, 2025

LONOY FARMERS DAIRY COOPERATIVE

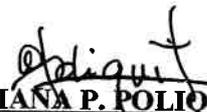
Zone 5, Lonoy, Kananga, Leyte

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The management of **Lonoy Farmers Dairy Cooperative** is responsible for all information and representations 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 the **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, documentary stamp tax returns, and any and all other tax returns.

In this regard, the management affirms that the attached audited 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 **Lonoy Farmers Dairy Cooperative**, 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. the management of **Lonoy Farmers Dairy Cooperative** 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.


EMILIANA P. POLIQUIT
Chairman of the Board

LONoy FARMERS DAIRY COOPERATIVE
Zone 5, Lonoy, Kananga, Leyte

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2024 and 2023
(Amounts in Philippine Peso)

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1. COOPERATIVE INFORMATION

Lonoy Farmers Dairy Cooperative (“the Cooperative”) was registered as a cooperative pursuant to R.A. 9520 for the purpose of encouraging thrift and granting loans to members for productive, education and providential purposes, providing goods and services and other requirements of the members, among others.

The registered address of the Cooperative is at Zone 5, Lonoy, Kananga Leyte.

The Cooperative was registered on November 3, 2020 under Cooperative Development Authority (CDA) Registration No. 9520-100800031151. Under R.A. 9520, the Cooperative is exempt from payment of income and sales taxes, provided that a substantial portion of its net surplus is returned to members in the form of interest and patronage refunds. As provided for by law, the net surplus of the Cooperative is also subject to allocation for statutory reserves.

The Cooperative was also registered with the Bureau of Internal Revenue on December 1, 2020 under TIN 772-366-555-000. On September 17, 2021, it was granted a Certificate of Tax Exemption which shall be valid for five (5) years unless sooner revoked.

The financial statements of the Cooperative as of and for the years ended December 31, 2024 and 2023 were approved and authorized for issue by the Board of Directors on April 7, 2025.

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2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

Basis of Preparation

The financial statements of the Cooperative have been prepared on a historical cost basis. The financial statements are presented in Philippine pesos, which is the Cooperative’s functional currency. All amounts are presented in absolute amounts, except when otherwise indicated.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

Statement of Compliance

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) for Small and Medium-sized Entities (SMEs) applicable to cooperatives in the Philippines, taking into consideration cooperative laws, principles and practices.

Accounting Policies Adopted

The following sections that have been published by the International Accounting Standards Board (IASB) and adopted by the Philippine Financial Reporting Standards Council (PFRSC) which became effective for accounting periods beginning on or after July 1, 2009 were adopted by the Cooperative:

Section 3	-	Financial Statement Presentation
Section 4	-	Statement of Financial Position
Section 5	-	Statement of Comprehensive Income and Income Statement
Section 6	-	Statement of Changes in Equity
Section 7	-	Statement of Cash Flows
Section 8	-	Notes to the Financial Statements
Section 17	-	Property and Equipment
Section 22	-	Liabilities and Equity
Section 23	-	Revenue
Section 32	-	Events after the End of the Reporting Period

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3. ACCOUNTS PECULIAR TO COOPERATIVES

The following accounts are peculiar to the 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 Other Cooperative Federation – refers to money deposited in federations which are unrestricted and readily available when needed. These are treated as cash and cash equivalents.

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

Other Funds and Deposits – refers 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 the liability of the Cooperative to its members for interest on share capital, which can be determined only at the end of every accounting period.

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 accounting period.

Due to Apex (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 provisions 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.

Equity:

Undivided Net Surplus – is the accumulated net surplus of the Cooperative that should be allocated and distributed at the end of each accounting period in accordance with the Cooperative Code. It is used for interim financial statements presentation only.

Donations/Grants (Donated Capital) – are amounts received by the Cooperative as awards, subsidies, grants, aids, etc. This shall not be available for distribution as interest on share capital and patronage refund and shall form part of the members' equity in the statement of financial condition.

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

Reserve Fund – amount aside annually for the stability of the Cooperative and to meet net losses in its operations. 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 for 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 for the training, development and similar other cooperative activities geared towards the growth of the cooperative movement.

Community Development Fund – an amount retained by the Cooperative out of the mandatory allocation as stipulated in the Cooperative's by-laws to be used for projects or activities that will benefit the community where the Cooperative operates.

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

Income Recognition

To safeguard the interest of the Cooperative, revenue recognition is as follows:

- a. Interest income, penalties and income from other sources are recognized when the income is earned and collected.
- b. Service and membership fees are recognized when the loans are granted and corresponding charges were deducted from the proceeds and when members are accepted as such in the Cooperative and paid such fees.
- c. Sales are recognized as the revenue is earned and accounts receivable is set up for collection.
- d. Revenues from service operations are recognized when the income is earned and collected from its member/non-member patrons.

Cost and Expenses

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

Financial Statement Presentation:

Presentation of the financial statements of a cooperative in accordance with cooperative laws, issued policies, rules and regulations and cooperative principles and practices are as follows:

- i. Statement of Financial Condition (instead of Balance Sheet)
- ii. Statement of Operations (instead of Income Statement)
- iii. Statement of Cash Flows
- iv. Statement of Changes in Equity – presents changes in:
 - a. Share Capital
 - b. Deposits for Share Capital Subscription
 - c. Donations and Grants
 - d. Statutory Funds
 - Reserve Fund
 - Cooperative Education and Training Fund
 - Community Development Fund
 - Optional Fund
 - e. Unrealized Gains/Losses
- v. Notes to Financial Statements

Current Liabilities

Payables peculiar to cooperatives to be treated as separate line items are as follows:

- i. Due to Apex (CETF)
- ii. Interest on Share Capital and Patronage Refund Payable

Equity

Presentation of the equity section for cooperatives shows the following accounts:

- i. Share Capital
- ii. Deposits for Share Capital Subscription
- iii. Donation and Grants
- iv. Statutory Funds
- v. Unrealized Gains/Losses

Income Taxes

The Cooperative Code states that a cooperative transacting business only with its members is exempt from all government taxes, and therefore cannot apply the PRFS for SMEs for income taxes because of its tax-exempt nature. The same exemption was likewise extended on transaction with non-members, provided that the accumulated reserves and undivided net savings do not exceed P10 million. Should the cooperative exceed the limits as set forth in the Cooperative Code, it will adopt the accounting standards for income taxes as applicable.

4. CASH AND CASH EQUIVALENTS

This account consists of the following:

	2024	2023
Cash on hand	246,100.00	46,000.00
Cash in bank	203,055.00	251,710.80
	449,155.00	297,710.80

5. PROPERTY, PLANT AND EQUIPMENT

This account consists of the following:

	2024	2023
Land (500 square meters)	750,000.00	750,000.00
	750,000.00	750,000.00

6. INTEREST ON SHARE CAPITAL PAYABLE

This account consists of the following:

	2024	2023
Beginning balance	14,768.57	3,431.00
Add: Allocation of net surplus	13,128.39	11,337.57
Total	27,896.96	14,768.57
Less: Payments	-	-
	27,896.96	14,768.57

7. **PATRONAGE REFUND PAYABLE**

This account consists of the following:

	2024	2023
Beginning balance	9,845.38	2,287.00
Add: Allocation of net surplus	8,752.26	7,558.38
Total	18,597.64	9,845.38
Less: Payments	-	-
	18,597.64	9,845.38

8. **DUE TO CETF (COOPERATIVE UNION/FEDERATION)**

This account consists of the following:

	2024	2023
Beginning balance	6,298.65	-
Add: Allocation of net surplus	7,293.55	6,298.65
Total	13,592.20	6,298.65
Less: Remittances	-	-
	13,592.20	6,298.65

9. **SHARE CAPITAL - COMMON**

This account consists of the following:

	2024	2024
Authorized: 2,800 shares @ P100 par value		
Beginning balance	1,078,201.00	978,201.00
Add: Additional subscriptions	-	100,000.00
Total	1,078,201.00	1,078,201.00
Less: Withdrawals of capital	-	-
	1,078,201.00	1,078,201.00

10. **STATUTORY FUNDS**

This account consists of the following:

	2024	2023
Reserve fund	30,945.60	(63,870.55)
Cooperative education and training fund - local	13,973.20	6,679.65
Community development fund	8,689.32	4,313.19
Optional fund	19,258.08	9,047.11
	72,866.20	(43,830.60)

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11. INCOME FROM OPERATIONS

This account consists of the following:

	2024	2023
Sales	7,940,830.00	3,648,135.00
	7,940,830.00	3,648,135.00

.....
12. DIRECT COSTS

This account consists of the following:

	2024	2023
Purchases	7,739,650.00	3,458,375.00
	7,739,650.00	3,458,375.00

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13. OTHER INCOME

This account consists of the following:

	2024	2023
Catering income	-	-
Membership fee	-	2,400.00
	-	2,400.00

.....
14. ADMINISTRATIVE COSTS

This account consists of the following:

	2024	2023
Insurance	-	-
Salaries and wages	-	-
Gas, oil and lubricants	-	-
Land preparation cost	-	-
Trainings and seminars	4,370.00	13,160.00
Professional fees	27,000.00	10,600.00
Travel and transportation	-	23,766.00
Reproduction expense	-	337.00
Supplies	5,000.00	-
Taxes, fees and charges	2,439.00	2,749.00
Other expenses	16,500.00	15,575.00
	55,309.00	66,187.00

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15. SUPPLEMENTARY INFORMATION REQUIRED UNDER RR 15-2010 OF THE B.I.R.

The following information on taxes, duties and license fees paid or accrued during the taxable year is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements.

a. Output VAT

The Cooperative is exempt from Value Added Tax, by virtue of the implementing rules and regulations of R.A. 9520, which states that Cooperatives that transact members only shall be exempt from both income tax and Value Added Tax.

b. Input VAT

The Cooperative, being exempt from Value Added Tax, does not claim input taxes and records its input taxes as part of the cost of goods sold or cost of services rendered.

c. Taxes, fees and charges

This pertains to mayor's permit being paid by the Cooperative amounting 2,439.00 in 2024 and 2,749.00 in 2023.

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16. ALLOCATION AND DISTRIBUTION OF NET SURPLUS

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

a. Reserve fund

Fifty percent (50%) shall be set aside for the reserve fund. This shall be used for the stability of the Cooperative and to meet net losses in its operation.

RA. 9520 provides that an amount for the reserve fund shall be at least 10% of net surplus. Provided, that in the first five (5) years of operation after registration, this amount shall not be less than fifty percent (50%) of the net surplus.

The general assembly may decrease the amount allocated to the reserve fund when it already exceeds the amount of share capital.

Upon dissolution of the Cooperative, the reserve fund shall not be distributed among the members. It will be governed by the provisions of R.A. 9520, Art. 86, no. 1c.

In 2024, the amount allocated to reserve fund is sixty five percent (65%) of net surplus, in accordance with established CDA ruling, since the reserve fund has a negative balance due to past losses. This will be observed until the reserve fund will have a positive balance.

b. Cooperative education and training fund

This is ten percent (10%) of the Cooperative's net surplus. This fund shall provide for the training, development and similar other Cooperative activities geared towards the growth of the Cooperative movement.

Half of the amounts or five percent (5%) transferred to this fund annually shall be spent for Cooperative education and training purposes. The other five percent (5%) will be remitted to a union or federation chosen by the cooperative or of which it is a member.

Upon dissolution of the cooperative, the unexpended balance of CETF of the Cooperative shall be credited to the CETF of the chosen union or federation.

In 2024, five percent (5%) of the net surplus was allocated to this fund and five percent (5%) was allocated as payable to a union or federation.

c. Community development fund

This is three percent (3%) of the Cooperative's net surplus. This shall be used for projects or activities that will benefit the community where the Cooperative operates.

In 2024, three percent (3%) of the net surplus was allocated to this fund.

d. Optional fund

This is seven percent (7%) of the Cooperative's net surplus. This is intended for an optional fund, a land and building, and any other necessary fund.

In 2024, seven percent (7%) of the net surplus was allocated to this fund.

e. Interest on share capital and patronage refunds

The remaining net surplus shall be made available to the members in the form of interest on share capital not to exceed the normal rate of return on investments and patronage refunds.

Interest on share capital shall be allocated in proportion to the individual member's average share monthly, while patronage refund is divided according to the individual member's patronage.

In 2024, after the allocation to all statutory funds, the remaining net surplus to be distributed was only fifteen percent (15%). This was allocated to interest on share capital and patronage refund at 60:40 ratio respectively.

17. EVENTS AFTER BALANCE SHEET DATE

There were no events after balance sheet date that would require a disclosure or adjustment on the financial statements

18. COMMITMENTS AND CONTINGENCIES

There were no significant commitments and contingencies involving the Cooperative as of balance sheet date.

19. GOING CONCERN

There were no going concern issues that have to be disclosed involving the Cooperative as of balance sheet date.

LONOY FARMERS DAIRY COOPERATIVE
Zone 5, Lonoy, Kananga, Leyte
STATEMENTS OF FINANCIAL CONDITION
(Amounts in Philippine Peso)

		As of December 31	
	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalents	4	449,155.00	297,710.80
Accounts receivable		50,700.00	-
Investment		11,999.00	11,999.00
Total current assets		511,854.00	309,709.80
Noncurrent assets			
Property, plant and equipment (net)	5	750,000.00	750,000.00
Biological assets		12,150,000.00	12,150,000.00
Other noncurrent assets		299,300.00	5,573.20
Total noncurrent assets		13,199,300.00	12,905,573.20
TOTAL ASSETS		13,711,154.00	13,215,283.00
LIABILITIES AND MEMBERS' EQUITY			
Liabilities			
Current liabilities			
Interest on share capital payable	6	27,896.96	14,768.57
Patronage refund payable	7	18,597.64	9,845.38
Advances from cooperative members		350,000.00	-
Due to CETF (cooperative union/federation)	8	13,592.20	6,298.65
Total current liabilities		410,086.80	30,912.60
Noncurrent liabilities			
Accounts payable (long-term)		12,150,000.00	12,150,000.00
Total noncurrent liabilities		12,150,000.00	12,150,000.00
Total liabilities		12,560,086.80	12,180,912.60
Members' Equity			
Share capital			
Paid-up share capital	9	1,078,201.00	1,078,201.00
Statutory funds			
Reserve fund	16	30,945.60	(63,870.55)
Cooperative education and training fund (local)	16	13,973.20	6,679.65
Community development fund	16	8,689.32	4,313.19
Optional fund	16	19,258.08	9,047.11
Total statutory funds		72,866.20	(43,830.60)
Total members' equity		1,151,067.20	1,034,370.40
TOTAL LIABILITIES AND MEMBERS' EQUITY		13,711,154.00	13,215,283.00

See accompanying Notes to Financial Statements.

LONOY FARMERS DAIRY COOPERATIVE

Zone 5, Lonoy, Kananga, Leyte

STATEMENTS OF OPERATIONS*(Amounts in Philippine Peso)*

		For the Years Ended December 31	
	Notes	2024	2023
Income from operations	11	7,940,830.00	3,648,135.00
Less: Direct costs	12	(7,739,650.00)	(3,458,375.00)
Gross income		201,180.00	189,760.00
Add: Other income	13	-	2,400.00
Total income		201,180.00	192,160.00
Less: Administrative costs	14	(55,309.00)	(66,187.00)
Net surplus		145,871.00	125,973.00
Distributed as follows:			
Reserve fund		94,816.15	81,882.45
Cooperative education and training fund - local		7,293.55	6,298.65
Community development fund		4,376.13	3,779.19
Optional fund		10,210.97	8,818.11
Due to CETF - cooperative union/federation		7,293.55	6,298.65
Interest on share capital payable		13,128.39	11,337.57
Patronage refund payable		8,752.26	7,558.38
Net surplus as distributed		145,871.00	125,973.00

See accompanying Notes to Financial Statements.

LONOY FARMERS DAIRY COOPERATIVE
Zone 5, Lonoy, Kananga, Leyte
STATEMENTS OF CHANGES IN EQUITY
(Amounts in Philippine Peso)

	For the Years Ended December 31	
	2024	2023
Share capital - common		
(Authorized 2,800 shares @ P100 par value)		
Balance, beginning of period	1,078,201.00	978,201.00
Add: Additional capital build-up	-	100,000.00
Total	1,078,201.00	1,078,201.00
Less: Withdrawal of capital	-	-
Balance, end of period	1,078,201.00	1,078,201.00
Reserve fund		
Balance, beginning of period	(63,870.55)	(145,753.00)
Add: Current allocation	94,816.15	81,882.45
Adjustments	-	-
Total	30,945.60	(63,870.55)
Less: Charges	-	-
Balance, end of period	30,945.60	(63,870.55)
Cooperative education and training fund (local)		
Balance, beginning of period	6,679.65	381.00
Add: Current allocation	7,293.55	6,298.65
Total	13,973.20	6,679.65
Less: Charges	-	-
Balance, end of period	13,973.20	6,679.65
Community development fund		
Balance, beginning of period	4,313.19	534.00
Add: Current allocation	4,376.13	3,779.19
Total	8,689.32	4,313.19
Less: Charges	-	-
Balance, end of period	8,689.32	4,313.19
Optional fund		
Balance, beginning of period	9,047.11	229.00
Add: Current allocation	10,210.97	8,818.11
Total	19,258.08	9,047.11
Less: Charges	-	-
Balance, end of period	19,258.08	9,047.11
Total statutory funds	72,866.20	(43,830.60)
TOTAL MEMBERS' EQUITY	1,151,067.20	1,034,370.40

See accompanying Notes to Financial Statements.

LONoy FARMERS DAIRY COOPERATIVE
Zone 5, Lonoy, Kananga, Leyte
STATEMENTS OF CASH FLOWS
(Amounts in Philippine Peso)

	For the Years Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net surplus (loss)	145,871.00	125,973.00
Adjustments to reconcile net surplus (loss) to net cash provided by operating activities		
Depreciation	-	-
Provision for probable losses on loans	-	-
Operating income before working capital changes	145,871.00	125,973.00
(Increase)/decrease in:		
Current assets	(50,700.00)	-
Increase/(decrease) in:		
Current liabilities (except current allocations)	350,000.00	-
Net cash provided by (used in) operating activities	445,171.00	125,973.00
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-	-
Acquisition of biological assets	-	(12,150,000.00)
Change in other noncurrent assets	(293,726.80)	(5,573.20)
Net cash provided by (used in) investing activities	(293,726.80)	(12,155,573.20)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	-	100,000.00
Change in accounts payable (long-term)	-	12,150,000.00
Withdrawal of share capital	-	-
Change in statutory funds (except current allocations)	-	-
Net cash provided by (used in) financing activities	-	12,250,000.00
Net increase in cash and cash equivalents	151,444.20	220,399.80
Cash and cash equivalents, beginning	297,710.80	77,311.00
CASH AND CASH EQUIVALENTS, END	449,155.00	297,710.80
CASH AND CASH EQUIVALENTS, END		
Cash on hand	246,100.00	46,000.00
Cash in bank	203,055.00	251,710.80
	449,155.00	297,710.80

See accompanying Notes to Financial Statements.