

**STATEMENT OF MANAGEMENT RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN**

February 9, 2021


The management of **MANATAL MULTI PURPOSE COOPERATIVE** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2020. 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 likewise responsible for all information and representations contained in all other tax returns filed for the reporting period, including, but not limited, withholding tax returns and anyall other tax returns.

In this regard, the management affirms that the attached audited financial statements for the year ended December 31, 2020 and the accompanying Annual Income Tax Return are in accordance with the books and records of **MANATAL MULTI PURPOSE 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 the financial accounting standards and the preparation of income tax return pursuant to the tax accounting rules has been reported as reconciling items and maintained in the cooperative's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) **MANATAL MULTI PURPOSE 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.



ERIC F. DIZON
Chairperson



JEMUEL C. FELICIANO
General Manager



MARIO S. CALUAG
Treasurer

MANATAL MULTI PURPOSE COOPERATIVE

Bunsuran 2nd, Pandi, Bulacan

CDA Registration No. 9520-03000647/CIN-0106030076

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of the **MANATAL MULTI PURPOSE COOPERATIVE**, is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the years ended December 31, 2020 and 2019, in accordance with the Philippine Financial Reporting Framework for Cooperatives in the Philippines 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'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 Cooperative or to cease operations, or has no realistic alternative but to do so.

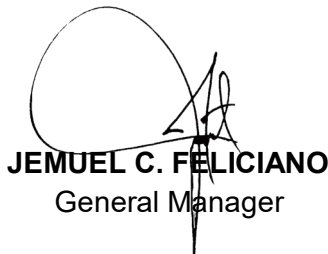
The Board of Directors is responsible for overseeing the financial reporting process of **MANATAL MULTI PURPOSE COOPERATIVE**.

The Board of Directors reviews and approves the financial statements including the schedules attached therein and submits the same to the general membership of the cooperative.

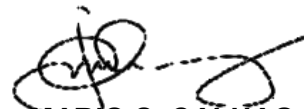
CARLOS C. SAMSON, the independent auditor appointed by the general assembly, has audited the financial statements of **MANATAL MULTI PURPOSE COOPERATIVE** in accordance with Philippine Standards on Auditing, and in his report to the members, has expressed his opinion on the fairness of presentation upon completion of such audit.



ERIC F. DIZON
Chairperson



JEMUEL C. FELICIANO
General Manager



MARIO S. CALUAG
Treasurer

STATEMENT OF REPRESENTATION

HON. ORLANDO R. RAVANERA

Chairman

Cooperative Development Authority

In connection with my examination of the financial statements of the **MANATAL MULTI PURPOSE COOPERATIVE** covering the year ended December 31, 2020, which are herewith submitted to the Cooperative Development Authority, I hereby represent the following:

1. That said financial statements herewith presented are in accordance with the Philippine Financial Reporting Framework (PFRF) for Cooperatives, and other accounting requirements under the laws, rules, regulations and principles promulgated by the Cooperative Development Authority (CDA);
2. That in the conduct of my audit, I adhere to the Philippine Standards on Auditing (PSA) and the Standard Audit System for Cooperatives (SASC) as required by the CDA;
3. That I am qualified as provided for in Section 14 of the Code of Professional Ethics for Certified Public Accountants and Articles 81 of R.A. 9520 (Philippine Cooperative Code of 2008);
4. That I am fully aware of my responsibility as an independent auditor for the audit report issued and attached to the financial statements and the sanctions to be bestowed on me for any misrepresentations that I may have willingly or unwillingly committed;
5. That I nor any member of immediate family do not have any direct or indirect financial interest with the Cooperative;
6. That I am not an employee nor an officer of a secondary cooperative or tertiary cooperative of which the cooperative is a member;
7. That I am not an employee of the CDA nor have I engaged an employee of the CDA in the course of audit; and
8. That I make representation as member of the Philippine Institute of Certified Public Accountants (PICPA) as an independent auditor.
9. That I am a member of PICPA - Bulacan Chapter.

It is however, understood that my accountability is based on matter within the normal coverage of an audit conducted in accordance with Philippine standards on Auditing.

CARLOS C. SAMSON

CPA Certificate No. 51267

TIN No. 116-752-601-000

PTR No. 1202524 January 05, 2021 - Bocaue, Bulacan

BIR 05-004364-001-2020 Valid until February 21, 2023

CDA No. 0955 Valid from January 27, 2020 to January 26, 2023

BOA No. 3308 Valid until October 13, 2023

February 9, 2021

Bocaue, Bulacan

REPORT OF INDEPENDENT AUDITOR

The General Assembly
Thru: The Board of Directors
MANATAL MULTI PURPOSE COOPERATIVE
Bunsuran 2nd, Pandi, Bulacan

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of **MANATAL MULTI PURPOSE COOPERATIVE**, which comprise the statements of financial condition as at December 31, 2020 and 2019, 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 **MANATAL MULTI PURPOSE COOPERATIVE** as at December 31, 2020 and 2019, 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 conducted my audits in accordance with Philippine Standards on Auditing (PSAs). 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 the 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.

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

Those charged with governance are responsible for overseeing the Cooperative'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 that includes my opinion. Reasonable assurance is a 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 my 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 Cooperative'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 Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to date of my auditor's report. However, future events or conditions may cause the Cooperative 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.

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

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, duties and license fees in Note 20 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.

CARLOS C. SAMSON

CPA Certificate No. 51267

TIN No. 116-752-601-000

PTR No. 1202524 January 05, 2021 - Bocaue, Bulacan

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February 9, 2021

Bocaue, Bulacan

MANATAL MULTI PURPOSE COOPERATIVE

Bunsuran 2nd, Pandi, Bulacan

CDA Registration No. 9520-03000647/CIN-0106030076

TIN - 005-313-498-000

STATEMENTS OF FINANCIAL CONDITION

As of December 31, 2020 and 2019

(Amounts in Philippine Pesos)

	Notes	2020	2019
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalent	3,5	216,051,954.48	157,736,847.31
Loans and Receivables	3,6	890,226,277.70	890,839,563.14
Inventories	3,7	15,222,052.14	14,262,713.36
Other Current Assets	3,8	3,124,750.44	1,965,967.17
Total Current Assets		1,124,625,034.76	1,064,805,090.98
NON-CURRENT ASSETS			
Financial Assets	3,10	6,460,966.05	6,080,578.23
Investment Property	3,11	79,267,390.34	70,237,390.34
Property and Equipment	3,9	66,036,267.16	62,300,775.66
Other Non-current Assets	3,12	469,967,273.80	340,791,904.15
Total Non-current Assets		621,731,897.35	479,410,648.38
TOTAL ASSETS		1,746,356,932.11	1,544,215,739.36
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Deposits Liabilities	3,13	859,078,127.59	719,567,707.37
Accounts and Other Payable	3,14	15,800,237.88	16,880,984.44
Accrued Expenses	3,15	1,153,329.38	1,162,359.75
Other Current Liabilities	3,16	26,360,053.36	33,011,923.76
Total Current Liabilities		902,391,748.21	770,622,975.32
NON-CURRENT LIABILITIES			
Retirement Fund Payable	3	25,764,161.22	24,977,334.48
Other Non-Current Liabilities	3,17	196,524,234.50	185,923,850.38
Total Non-current Liabilities		222,288,395.72	210,901,184.86
TOTAL LIABILITIES		1,124,680,143.93	981,524,160.18
EQUITY			
Share Capital	3,18	306,654,000.00	286,764,000.00
Preferred Capital	3,18	65,427,900.00	57,920,100.00
Total Paid-up Capital		372,081,900.00	344,684,100.00
Donation/Grants		2,324,829.11	2,324,829.11
Statutory Fund	3,19	247,270,059.07	215,682,650.07
Total Equity		621,676,788.18	562,691,579.18
TOTAL LIABILITIES AND EQUITY		1,746,356,932.11	1,544,215,739.36

See accompanying notes to financial statements.

MANATAL MULTI PURPOSE COOPERATIVE

Bunsuran 2nd, Pandi, Bulacan

CDA Registration No. 9520-03000647 / CIN - 0106030076

TIN - 005-313-498-000

STATEMENTS OF OPERATIONS*For the Years Ended December 31, 2020 and 2019**(Amounts in Philippine Pesos)*

	Notes	2020	2019
Net Surplus from Main	3,26	50,524,539.37	54,017,978.31
Net Surplus from Norzagaray	3,26	3,645,489.28	5,333,026.50
Net Surplus from Sta. Maria	3,26	2,201,408.47	2,030,229.25
Net Surplus from Hardware	3,26	1,604,348.90	1,994,617.78
Net Surplus from Feeds Supply	3,26	1,945,584.02	4,325,339.95
Net Surplus from Veterinary Supply (Farm & Agri)	3,26	80,706.47	580,140.42
Net Surplus from Feedmill	3,26	1,890,535.02	6,045,573.97
Net Surplus from Piggery/TSM (Animal Raising/ Livestock Production)	3,26	2,088,174.88	(2,044,061.19)
NET SURPLUS		63,980,786.41	72,282,844.99
DISTRIBUTED AS FOLLOWS:			
Reserve Fund		31,990,120.58	30,359,025.12
Cooperative Education and Training Fund		319,971.17	1,806,889.88
Due to Unions/Federations		319,971.17	1,806,889.88
Community Development Fund		1,919,599.22	2,168,234.59
Optional Fund		4,478,667.03	5,059,456.73
Interest on Share Capital		17,467,100.09	21,757,678.93
Patronage Refund Payable		7,485,357.15	9,324,669.86
NET SURPLUS AS DISTRIBUTED		63,980,786.41	72,282,844.99

See Accompanying Notes to Financial Statements.

MANATAL MULTI PURPOSE COOPERATIVE

Bunsuran 2nd, Pandi, Bulacan

TIN - 005-313-498-000

STATEMENT OF CHANGES IN EQUITY, STATUTORY FUNDS, DUE TO CETF AND DONATIONS AND GRANTS

For the years ended December 31, 2020 and 2019

(Amount in Philippine Pesos)

	2020	2019
SHARE CAPITAL - COMMON		
<i>Authorized 414,816 shares at Php 1,000.00 par value</i>		
Balance Beginning	286,764,000.00	263,432,000.00
Add: Additional Capital	20,151,500.00	24,579,400.00
Total	306,915,500.00	288,011,400.00
Less: Treasury Share-Common	261,500.00	1,247,400.00
Total Share Capital	306,654,000.00	286,764,000.00
SHARE CAPITAL - PREFERRED		
<i>Authorized 1,382,720 shares at Php 100.00 par value</i>		
Balance Beginning	57,920,100.00	47,893,500.00
Add: Additional Capital	8,293,430.00	12,655,830.00
Total	66,213,530.00	60,549,330.00
Less: Treasury Share-Preferred	785,630.00	2,629,230.00
Total Share Capital	65,427,900.00	57,920,100.00
STATUTORY FUNDS		
RESERVE FUND		
Balance, Beginning	151,009,018.05	120,649,992.93
Add: Current Allocation	31,990,120.58	30,359,025.12
Adjustment	-	-
Balance, End	182,999,138.63	151,009,018.05
COOPERATIVE EDUCATION AND TRAINING FUND		
Balance, Beginning	2,318,065.11	2,697,836.30
Add: Current Allocations	319,971.17	1,806,889.88
Total	2,638,036.28	4,504,726.18
Less: Utilization	145,783.58	2,186,661.07
Balance, End	2,492,252.70	2,318,065.11
COMMUNITY DEVELOPMENT FUND		
Balance, Beginning	7,314,796.90	7,282,871.46
Add: Current Allocation	1,919,599.22	2,168,234.59
Total	9,234,396.12	9,451,106.05
Less: Utilization	2,614,765.43	2,136,309.15
Balance, end	6,619,630.69	7,314,796.90
OPTIONAL FUND		
Balance, Beginning	55,040,770.01	49,981,313.28
Add: Current Allocation	4,478,667.03	5,059,456.73
Total	59,519,437.04	55,040,770.01
Add (less) : Utilization Optional Fund Subsidy	(4,360,399.99)	-
Balance, End	55,159,037.05	55,040,770.01
TOTAL STATUTORY FUNDS	247,270,059.07	215,682,650.07
DUE TO UNION/FEDERATION		
Balance, Beginning	1,929,574.97	1,896,478.64
Add: Current Allocation	319,971.17	1,806,889.88
Total	2,249,546.14	3,703,368.52
Less: Charges (Remittance)	841,950.02	1,773,793.55
Balance, End	1,407,596.12	1,929,574.97
DONATIONS AND GRANTS		
Balance, Beginning	2,324,829.11	2,608,805.99
Addition (Deduction)- Donation & Grant Subsidy	-	(283,976.88)
Balance, End	2,324,829.11	2,324,829.11

See accompanying notes to financial statements.

MANATAL MULTI PURPOSE COOPERATIVE

Bunsuran 2nd, Pandi, Bulacan

CDA Registration No. 9520-03000647/CIN-0106030076

TIN - 005-313-498-000

STATEMENT OF CASH FLOW

As of December 31, 2020 and 2019

(Amounts in Philippine Pesos)

	Notes	2020	2019
CASH FLOW FROM OPERATING ACTIVITIES			
Net Surplus		63,980,786.41	72,282,844.99
Adjustment to reconcile net surplus to net cash provided by operating activities			
Depreciation	26	3,887,070.19	3,447,869.00
Depreciation- Written Off		(5,717,079.77)	(1,374,129.04)
Provision for Probable Loan Losses	26	21,419,000.00	14,820,000.00
Provision for Probable Losses - AR	26	500,000.00	1,397,600.00
(Written Off) - Recovery on Loans Receivable		8,800,744.66	(2,117,058.40)
(Written Off) - Recovery on Accounts Receivable		42,514.92	(6,515,219.32)
Change in assets and liabilities			
Decrease (Increase) in:			
Loans and Receivables	6	(30,148,974.14)	(203,800,744.99)
Inventories	7	(959,338.78)	7,700,945.01
Other Current Assets	8	(1,158,783.27)	3,799,345.72
Increase (Decrease) in:			
Accounts and Other Payables	14	(1,080,746.56)	(164,927.06)
Accrued Expenses		(9,030.37)	(100,454.31)
Due to Union/Federation	3, 16	(841,950.02)	(1,773,793.54)
Retirement Fund Payable	3	786,826.74	1,354,071.87
Net cash provided by (used in) operating activities		59,501,040.01	(111,043,650.07)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) Decrease in:			
Financial Assets	10	(380,387.82)	(2,825,258.34)
Property, Plant & Equipment	9	(1,905,481.91)	(13,159,335.41)
Investment Property	11	(9,030,000.00)	(9,927,981.05)
Biological Assets		0.00	557,379.01
Other Non Current Assets	12	(129,175,369.65)	(24,371,254.43)
Net cash provided by (used in) investing activities		(140,491,239.38)	(49,726,450.22)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in Deposit Liabilities		139,510,420.21	134,250,208.14
Payment on Interest on Share Capital		(21,757,678.93)	(18,121,646.11)
Payment on Patronage Refund Payable		(9,324,669.86)	(7,766,419.76)
Issuance of share capital - Common	3	19,890,000.00	23,332,000.00
Issuance(disposal) of share capital - Preferred	3	7,507,800.00	10,026,600.00
Increase (Decrease) in Non-current Liabilities	17	10,600,384.12	41,586,182.84
Donations and Grants		-	(283,976.88)
Change in statutory funds	19	(7,120,949.00)	(4,322,970.22)
Net cash provided by (used in) financing activities		139,305,306.54	178,699,978.01
NET INCREASE (DECREASE) IN CASH		58,315,107.17	17,929,877.72
ADD: CASH AND CASH EQUIVALENTS, JANUARY 1		157,736,847.31	139,806,969.59
CASH AND CASH EQUIVALENTS, DECEMBER 31		216,051,954.48	157,736,847.31

See accompanying notes to financial statements.

MANATAL MULTIPURPOSE COOPERATIVE

Bunsuran 2nd, Pandi, Bulacan

CDA Registration No. 9520-03000647/CIN-0106030076

TIN-005-313-498-000

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2020

(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

The **MANATAL MULTI-PURPOSE COOPERATIVE** (referred hereinafter as "**Cooperative**") was formed pursuant to Republic Act 6938, otherwise known as the Cooperative Code of the Philippines and was amended in 2009 under Republic Act 9520 otherwise known as the Philippine Cooperative

The following were the CDA Registered Operations of the Cooperative:

- 1 To encourage thrift and savings mobilization among its members for capital formation;
- 2 To create funds in order to grant loans for productive and providential purposes to its members;
- 3 To provide goods and services and other requirements of the members;
- 4 To provide goods related to pharmaceutical products of the members, e.g. medicines;
- 5 To undertake agricultural and / or industrial production purpose for the members;
- 6 To engage in the production of animal feeds for the members;
- 7 To engage in palay trading and milling operations for the members;
- 8 To engage in livestock production, animal raising and processing
- 9 To engage in the supply of production inputs to members and to
- 10 To engage in (which of the following: medical, dental care, hospitalization, power, irrigation, mar-
- 11 To engage in marketing of agricultural supplies, hardware and general
- 12 To engage in construction and/or renovation related activities, such as members' houses, farm to
- 13 To engage in selling and rental services to the members such as office spaces, vehicles, ac-
- 14 To engage in motor/vehicle trading to the members;
- 15 Establishment of the cooperative schools for the members;
- 16 To undertake other activities for the effective and efficient implementation of the provision of the
- 17 To act as microinsurance agent for the members;
- 18 To enter into mutual agreements and/or partnership in providing affordable health care and other
- 19 To provide memorial services for the members, which includes funeral home, mortuary, cremato-
- 20 To provide members with internet-based financial services, which includes money remittance, bills payment, e-wallet, and other similar arrangements as regulated by Bangko Sentral ng Pilipinas.

The secondary objectives of the Co-operative are as follows:

- 1 To provide goods and services to its members to enable them to attain increased income, savings, investments, productivity, and purchasing power, and promote among themselves equitable distribution of net surplus through maximum utilization of economies of scale, cost- sharing and
- 2 To provide optimum social and economic benefits to its members;
- 3 To teach members efficient ways of doing things in a cooperative manner;
- 4 To develop the knowledge of the members on the values, principles, policies and practices of good cooperative governance to enable them to actively and competently participate in managing

- 5 To propagate Cooperative practices and innovative ideas in business undertakings and management to the members;
- 6 To empower through provision of access, ownership, control and opportunities to the poor, vulnerable, lower income and less privileged members to increase their ownership in the wealth of the nation;
- 7 To actively support the government, other cooperatives and people oriented organizations, both local and foreign, in promoting cooperatives as a practical means towards sustainable socio-economic development under a truly just and democratic society for the members;
- 8 To institutionalize a dynamic savings mobilization and capital build- up scheme to sustain its development activities and long-term investments, thereby ensuring optimum economic benefits to the members and their families;
- 9 To adopt membership expansion mechanism/scheme, thereby ensuring growth of the Cooperative movement for the members;
- 10 To implement the policy guidelines that will ensure transparency, equitable access to its resources and services, and promote the interest of their members;
- 11 To coordinate with other Cooperatives on learning exchanges, coop trade, and information exchanges in fostering sustainable development for the members;
- 12 To be the voice and the institution of the members who are poor and the excluded in resisting the growth-centered development aggression and instead promote people-centered development;
- 13 To promote programs for the protection of the environment for the members and their families; and
- 14 To adopt such other plans as may help the welfare of the members and their families.

The area of operation of this cooperative includes the entire Province of Bulacan and its nearby provinces and its registered principal office is at Bunsuran 2nd Pandi Bulacan and has branch offices located at Norzagaray and Sta. Maria Bulacan.

The Cooperative has complied with the requirements for the issuance of the New Certificate of Registration under RA 9520 otherwise known as the Philippine Cooperative Code of 2008 and was registered by the Cooperative Development Authority (CDA) under Registration No. 9520-03000647 with Cooperative Identification No. CIN 0106030076 on October 15, 2009. The Cooperative is entitled to tax exemption provided for under Article 60 of the Code, as implemented by Section 7 of the Joint Rules and Regulations Implementing Articles 60, 61 and 144 of RA 9520. The Bureau of Internal Revenue (BIR) issued its Certificate of Tax Exemption (CTE) on July 11, 2016 under CTE No. COOP-000019-16-RR-05-RDO-40 which will expire on July 11, 2021.

The Cooperative was created for the purpose of alleviating poverty among its members. It was able to outgrow all trials and has proven its excellence in serving its members for twenty eight (29) years now. The success of the cooperative can be traced from the commitment of its officers and cooperation of its active members who belong to the basic sector and low income group.

Under the new Code, co-operatives are exempted from the payment of all national, city, provincial, municipal, or barangay taxes of whatever name and nature, including exemption from customs duties, advance sales of compensating taxes on its importation of machinery, equipment and spare parts which are not available locally as certified by the Department of Trade and Industry. Co-operatives shall enjoy exemptions from government taxes or fees imposed under internal revenue laws provided that the co-operative transact business with members only. However, if the cooperative transact business with non-members, the transactions with non-members will be subjected to all taxes and fees as enumerated in Sec. 8 (b) of the Joint Rules and Regulations Implementing Articles 60, 61 and 144 of

The members of the Cooperative have rights to the properties which is in proportion to their respective shares in the co-operative. Each share shall earn only limited interest, the maximum rates of which are fixed time to time by the cooperative regulating agency, the Cooperative Development Authority and the Constitution of the Philippines, all embodied on the Republic Act 9520 or the Cooperative

The financial statements of the co-operative as of December 31, 2020, were authorized for issue by its board of directors on February 9, 2021.

2. STATEMENT OF COMPLIANCE

The accompanying financial statements have been prepared in compliance with the Philippine Financial Reporting Framework (PFRF) for Cooperatives as published by the Cooperative Development Authority (CDA) per their Memorandum Circular No. 2015-06, Series of 2015 dated September 16, 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies are the specific principles, bases, conventions, rules and practices applied by the Cooperative in preparing and presenting the financial statements. The accounting policies used in the preparation of the financial statements of the Cooperative are based or in conformity with the Philippine Financial Reporting Framework for Cooperatives. The following have been considered in the formulation of the accounting policies by the Cooperative:

- Chapter 9 – Accounting Policies, Estimates and Errors
- Chapter 10 – Financial Instruments
- Chapter 11 – Investments in Associates, Joint Ventures and Subsidiaries
- Chapter 12 – Property, Plant and Equipment
- Chapter 13 – Intangible assets
- Chapter 14 – Allocation and Distribution of Net Surplus
- Chapter 15 – Statutory Fund
- Chapter 16 – Provisions and Contingencies
- Chapter 17 – Liabilities and Equity
- Chapter 18 – Donations and Grant
- Chapter 19 – Impairment of Assets
- Chapter 20 – Employee Benefits
- Chapter 21 – Events After the End of the Accounting Period
- Chapter 22 – Related Party Disclosures
- Chapter 23 – Specialized Activities

3.1 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 Cooperative Functional Currency.

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

3.2 Cash

Cash includes cash on hand and cash in banks that are unrestricted and available for current operations and are stated at face amount. Cash on hand as of the end of the period were deposited the next banking day. Cash in banks are deposits held at call with banks either savings or current. The company reconciles the books and bank balances regularly as part of its cash monitoring and internal control measures. Cash on hand includes Petty Cash or Revolving Fund which are used for small payments not covered by checks. Cash are subject to insignificant risk of changes in value.

3.3 Trade and Other Receivables

Loans and receivable are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market. The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognized in profit or loss.

Other receivables are recorded initially at transaction cost and subsequently measured at cost less impairment, if any. Other receivables include advances to officers and employees and Due from accountable officer and employees.

Loans receivable are presented in the financial statement at its realizable value. Provision for Probable losses is estimated based on historical loss experience, current economic conditions and other risk factors obtained during the collection process. Credit review is made periodically by an officer duly delegated with such responsibility. The basis of the rate use in estimating the allowance for probable losses were minimum as follows:

35% for 1 month to 12 mos past due accounts
100% for more than 12 months past due accounts

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 operation 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 evaluation of potential losses after consideration of prevailing and anticipated economic condition.

3.4 Financial Assets

Financial assets are initially measured at the transaction price, including transaction costs. However, the transaction costs are expensed immediately if the instrument is measured at fair value through profit or loss. These are subsequently measured at fair value through profit or loss, amortized cost or cost less impairment depending on the instruments.

Financial assets are recognized when the Cooperative becomes a party to the contractual provisions of the instrument.

Financial assets include cash or currency, cash in bank, accounts receivable, notes receivable, loans receivable, bonds receivable and investment in shares or other equity instruments issued by other entities, such as financial assets held for trading.

3.5. Prepayments

Prepayments are advanced payments for services to be received in the future which is expected to be realized within 12 months after the balance sheet date. Prepayments are measured initially at transaction price and subsequently measured at amortized cost less any impairment losses.

3.6. Other Current Assets

Other current assets refer to any other assets which are expected to be realized, consumed or used within the year. It also includes any other current assets that are not assigned to cash and cash equivalents, and loans and receivables.

3.7 Current Investments

Current investment is an investment that is by its nature readily realizable and is intended to be held for not more than one (1) year.

3.8. Property and Equipment

Property and equipment are initially measured at cost less any subsequent accumulated depreciation, amortization and impairment losses.

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

Any addition in the estimated life of the property and equipment would decrease the Cooperative's recorded direct cost and operating expenses and increase non-current assets.

The useful lives and depreciation are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Fully depreciated and fully amortized assets are retained in accounts until they are no longer in use and no further change in depreciation is made with respect to those assets.

The items included in the property and equipment account are land and building held for capital appreciation. This is not presented as investment property in the statement of financial position because the fair value of the land and building cannot be determined reliably without undue cause or effort on the part of the management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Depreciation	Useful Life
Building	25 years
Office Equipment	1-5 years
Furniture and Fixtures	1-5 years
Transportation Equipment	3-10 years
Leasehold Improvements	5- 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

3.9 Intangible Assets

Intangible Assets is defined as identifiable non-monetary assets without physical substance. An asset meets the identifiability criterion in the definition of an intangible asset when:

- It is separable, meaning, the asset is capable of being separated from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with related contract, asset or liability.
- It arises from contractual or other legal rights, regardless of whether these rights are transferable or separable from the entity or from other rights and obligations.

3.10 Financial Assets

Non-current or long-term investment is an investment other than a current investment or investment intended to be held for more than one (1) year.

3.11 Trade and Other Payables

Trade payables are liabilities to pay for services that have been received.

Trade and other payables are obligations incurred on the basis of normal credit terms and do not bear interest. Trade payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method.

3.12 Financial Liabilities

Financial liabilities are initially measured at the transaction price, including transaction costs. However, the transaction costs are expensed immediately if the instrument is measured at fair value through profit or loss. These are subsequently measured at fair value through profit or loss, amortized cost or cost less impairment depending on the instruments.

Financial liabilities are recognized when the Cooperative becomes a party to the contractual provisions of the instrument. Financial liabilities are derecognized from the balance sheet only when the obligations are extinguished either through discharge, cancellation or expiration.

Financial liabilities include notes payable, loans payable, bonds payable, preference shares with mandatory redemption date or preference shares redeemable at the option of the holder, interest on share capital and patronage refund.

3.13 Provision

Provision is recognized when the Cooperative has a present obligation (legal or constructive) and it is probable that as a result of past events, an outflow of assets embodying economic benefits will be required to settle the obligations and reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessments of the time value of money and where, appropriate, risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

3.14 Employee Benefits

The Cooperative provides short-term benefits given to its employees which includes salaries and wages, social security contributions, short-term compensated absences, bonuses and other non-monetary benefits, if any.

The Cooperative provides for retirement benefit of employees based on the minimum benefits required under Republic Act No. 7641, Retirement Pay Law. Retirement benefit that a qualified employee shall receive upon retirement depends on such factors as age, years of service and compensation.

3.15. Related Party Transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. The Cooperative is not covered by the requirements and procedures for related party transactions provided under Revenue Regulation (RR) No. 34-2020.

Transactions between related parties are accounted for at arms' length prices or on terms similar to those offered to non-related entities in an economically comparable market.

The compensation of the key management personnel or Directors, Officers, Staff and Related Interest (DOSRI) of the Cooperative pertains to the usual monthly salaries and government mandated bonuses; there are no other special benefits paid to management personnel.

3.16 Share Capital

Share capital is the portion of the paid-in capital representing the total par or stated value of the shares issued. Subscribed share capital is the portion of the authorized share capital that has been subscribed but not yet fully paid and therefore still unissued. Subscription receivable shall preferably be reflected as a deduction from the related subscribed share capital.

3.17 Allocation and Distribution of Net Surplus

The Cooperative's constitution and by-laws explicitly provides that its net surplus at the end of the fiscal year shall be distributed to Reserve Fund – minimum of ten percent (10%), Education and Training Fund - not more than ten percent (10%), Community Development Fund - minimum of three percent (3%), Optional Fund -maximum of seven percent (7%)and any remaining net surplus shall be distributed to the cooperative's members in the form of interest not to exceed the normal rate of return on investments and patronage refunds.

3.18 Revenue and Expense Recognition

Revenues

Revenue comprises the fair value of the consideration received and services in the ordinary course of the Cooperative's activities.

The Cooperative recognizes revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the Cooperative's activities, as described below.

Finance Income

Finance income comprises interest income on bank deposits, dividend and foreign currency gains. Interest income recognized in profit or loss as it accrues, using the effective interest method. Interest on Share Capital from membership with Cooperative unions and federations is recognized on the date that the Company's right to receive payment is established and foreign exchange gains are recognized based on the translation of foreign exchange rates of monetary assets and liabilities dominated in foreign currencies.

Expenses

Expenses are recognized in the year in which they are incurred and specific criteria have been met for each of the Cooperative's activities, as described below.

Operating Expenses

Operating expenses represent expenses for the general and administrative functions ordinarily incurred during the year. Ordinarily, operating expenses include taxes and licenses, when applicable, and other miscellaneous expenses.

3.19 Taxes

The Cooperative has been granted the Certificate of Tax Exemption No. COOP-000019-16-RR-5-RDO-025A last July 11, 2016 and accordingly is exempt from any taxes and fees imposed under the internal revenue laws and other tax laws notwithstanding the fact that it is transacting with non-members as the accumulated reserve and undivided net savings is more than Ten Million Pesos (Ps10,000,000). However, in the event that its accumulated reserve and undivided net savings is more than Ten Million Pesos (Ps10,000,000), the transactions with non-members will be subjected to all taxes and fees as enumerated in Sec. 8 (b) of the Joint Rules and Regulations Implementing Articles 60, 61 and 144 of RA 9520.]

3.20 Contingencies

Contingent liabilities are disclosed but not recognized in the financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

3.21 Events After the Reporting Date

Post year-end events that provide additional information about the Cooperative's position at the statements of financial condition date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to the financial statements when material. As of the financial condition date, there is no material post year-end event that should be disclosed or reflected in the financial statements.

3.22 Information about judgment

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 and accompanying notes. The estimates and assumptions used 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.

3.23 Information about Key sources of estimation uncertainty

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.

The 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. In making this judgement, 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 or commercial 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 financial 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 noncurrent assets.

Depreciation is computed on a straight-line method over the estimated useful lives of the assets as follows:

Depreciation	Useful Life
Building	25 years
Office Equipment	1-5 years
Furniture and Fixtures	1-5 years
Transportation Equipment	3-10 years
Leasehold Improvements	5-10 years

The Cooperative 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 judgment 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 Cooperative's revenue recognition policies require the use of estimates and assumptions that may affect 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

Due to Union/Federation

Due to Union/Federation is the liability of the cooperative to a federation or union to which the cooperative is a member. In compliance with Section 87 of the Cooperative Code of the Philippines, the cooperative has set aside not more than ten percent (10%) of net surplus for Education and Training Fund. One Half of this amount shall be utilized by the cooperative for its own education and training activities 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.

Interest on Share Capital Payable

Interest on Share capital Payable is the liability of the cooperative to its members for interest on Share Capital, which can be determined only at the end of every reporting period. The MMPC distributes and credited the said interest on share capital to the member's savings account every end of the year upon completion of the audited financial statements.

Patronage Refund Payable

Patronage Refund Payable is the liability of the cooperative to its members -patrons for patronage refund, which can be determined only at the end of every reporting period. The MMPC distributes and credited the amount of patronage refund to the members's savings account every end of the year upon completion the audited financial statements.

Unearned Interest Income

Unearned interest income is interest income from loans already received but not yet earned.

Statutory Funds

Statutory funds are mandated by Sections 86 and 87 of the RA 9520, otherwise known as the Cooperative Code of the Philippines, to be set up by the Cooperative. They are as follows:

- a. Reserve Fund;
- b. Education and Training Fund;
- c. Optional Fund;
- d. Community Development Fund;

The Board of Directors has approved the distribution of net surplus for the year 2020 as follows:

Reserve Fund	- 50% of Net Surplus
Educational Fund	- 1% of Net Surplus broken down as follows: .05% Local .05% Due to Apex
Community Development Fund	- 3% of Net Surplus
Optional Fund	- 7% of Net Surplus

The remaining balance of the net surplus is available for interest on share capital and patronage refund to be distributed at 70% and 30% respectively.

The basis for the computation of the interest on share capital is the average share capital while the total interest rate is used in determining the patronage refund.

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 risks and control framework includes a focus on minimizing negative effects on the Cooperative's financial performance due to unpredictability of financial markets that drives the risks.

Credit Risk

Credit risk refers to the risk of inability to service a debt and the potential loss arising from default of a borrower. The Cooperative has no significant concentration of credit risk. It has policies and procedures regarding its loan portfolio. Status of receivables are being monitored and reviewed regularly.

Liquidity Risk

Liquidity risk is the risk that the Cooperative will not be able to meet its financial obligations as they fall due. The Cooperative is not exposed to liquidity risk even if it has deposit liabilities because it has been maintaining sufficient cash to address obligations and payables. Liquidity position is being monitored and evaluated regularly by the Board through continuously monitoring forecasts and actual cash flows.

Interest Rate Risk

The primary source of the Cooperative's interest risk relates to cash and cash equivalents. The Cooperative's management believes that any 10% change in interest rate risk will not have any material impact on the financial statements.

5. CASH AND CASH EQUIVALENTS

This account consists of the following:

	2020	2019
Cash on Hand	2,865,093.99	4,075,385.11
Cash in Banks	211,444,558.11	150,092,006.20
Check & Other Cash Item	1,676,802.38	3,504,956.00
Change Fund	14,000.00	14,000.00
Petty Cash Fund	31,500.00	30,500.00
Revolving Fund	20,000.00	20,000.00
Total Cash and cash equivalents	216,051,954.48	157,736,847.31

6. LOANS AND RECEIVABLES

This account consists of the following:

	2020	2019
Loans Receivable		
Current	902,142,446.33	903,139,719.81
Past Due	119,924,602.07	69,841,732.99
Total	1,022,067,048.40	972,981,452.80
Less: Allowance for Probable Losses on Loans Receivable	136,624,695.11	106,428,950.45
Unearned Interests and Discounts*	9,737,329.02	2,051,808.99
Total	146,362,024.13	108,480,759.44
6.1 Total Loans Receivables, Net	875,705,024.27	864,500,693.36
Trade Receivables	21,542,264.85	31,741,019.20
Less: Allowance for probable losses	10,149,745.92	9,583,231.00
6.2 Trade and Other Receivables	11,392,518.93	22,157,788.20
6.3 Advances to Officers and Employees-Define*	449,424.50	481,885.58
6.4 Other Receivables	2,679,310.00	3,699,196.00
TOTAL LOANS AND RECEIVABLE	890,226,277.70	890,839,563.14

* This account represents the money advanced by the officers and employees which is subject for liquidation and expenses are recognized upon liquidation.

The movement in allowance for probable losses on loan receivable determined on an individual basis follow:

	2020	2019
Balance at beginning of year	106,428,950.45	93,726,008.85
Additions	21,395,000.00	31,743,532.37
Recovery (Written-off) of receivables	8,800,744.66	(19,040,590.77)
Balance at end of year	136,624,695.11	106,428,950.45

Loans receivable as of December 31, 2020 and 2019 are classified into the following:

	2020	2019
A/R-Cur Loan	753,330.00	1,050,461.00
Agri Buss Loan	146,905,843.08	133,356,511.00
Agricultural Loan	3,804,533.00	368,016.00
Back to back Loan	68,262,930.59	63,916,069.82
Balance Transfer	95,337,763.00	146,747,858.00
Brgy Official Cash Assistant	90,268.00	47,454.00
Business Loan	234,224,778.50	252,421,355.50
Calamity Loan	2,034,352.00	1,143,000.00
Chattel Loan	57,803,088.00	62,225,082.00
Check Rediscounting	30,146,633.63	29,863,079.54
Commercial Loan	1,528,035.00	1,577,066.00
Covid Recovery Program - I	33,967,530.32	-

Covid Recovery Program - II	22,177,518.59	-
Flexi Loan	47,728,486.00	35,856,265.00
Food Production Loan	63,759.00	-
Housing Loan	40,606,705.00	32,485,667.00
Itik pa-itlog Program	563,000.00	-
Land Acquisition	168,824,947.00	134,651,954.00
Micro finance	952,406.20	1,137,252.91
Multi purpose loan	553,167.00	672,045.00
My Coop Auto Loan	14,815,220.00	16,299,544.90
My Coop Motor loan	2,579,249.87	3,133,691.70
OFW Cash Assistance loan	1,686,817.00	2,098,783.00
Other Receivable	647,168.62	453,682.85
Providential Loan	27,755,681.00	33,378,192.58
Quick Loan	507,800.00	433,600.00
Restructured	857,753.00	857,753.00
Salary Loan	1,627,157.00	1,671,537.00
SME Loan	4,161,664.00	7,135,531.00
Special Purpose Loan	11,099,464.00	10,000,000.00
TOTAL	1,022,067,048.40	972,981,452.80

7. INVENTORIES

This account consists of the following:

	2020	2019
Hardware*	7,017,150.71	5,380,526.66
Feedmill*	1,084,577.36	-
Feed Supply*	694,121.30	884,035.83
Credit & Savings (other CDA Registered Operations)	6,424,537.08	7,998,150.87
Piggery/TSM*(Animal Raising/Livestock Production)	1,665.69	-
Total Inventory	15,222,052.14	14,262,713.36

**Net of allowance for decline in value*

8. OTHER CURRENT ASSETS

This account consists of the following:

	2020	2019
Unused Supplies	1,655,105.43	1,695,882.03
Assets Acquired in Settlement of Loans	54,658.89	54,658.89
Prepaid Expenses	1,414,986.12	215,426.25
Total Other Current Assets	3,124,750.44	1,965,967.17

9. PROPERTY, PLANT AND EQUIPMENT

This account consists of the following:

	2019	Addition		Deduction		2020
		Acquired	Internal Purchases/ Adjustment	Disposal/Sale	Adjustment/Close	
COST						
Land	48,464,972.59	-	-	-	-	48,464,972.59
Land Improvement	6,433,530.80	45,118.00	83,092.00			6,561,740.80
Building	98,071,332.51	4,106,704.80	220,835.95	-	496,748.51	101,902,124.75
Office Equipment	11,004,361.73	969,466.08	146,320.75	135,048.64	1,000,469.67	10,984,630.25
Furniture & Fixture	4,802,562.19	141,729.17	12,077.33	39,187.50	162,397.64	4,754,783.55
Transportation Equipment	22,784,264.11	1,358,290.45	924,610.00	1,025,058.16	3,097,132.00	20,944,974.40
Tools & Machineries	9,521,644.00	138,333.25	54,880.00	26,600.00	313,333.75	9,374,923.50
Leasehold Improvement	228,160.00	59,292.00	19,500.00	-	78,792.00	228,160.00
Total Cost	201,310,827.93	6,818,933.75	1,461,316.03	1,225,894.30	5,148,873.57	203,216,309.84
ACCUMULATED DEPRECIATION						
Land						
Land Improvement	6,371,216.62	11,657.00	-	-	-	6,382,873.62
Building	93,005,247.51	491,878.30	-	-	132,434.20	93,364,691.61
Office Equipment	8,406,632.04	1,123,750.54	-	135,043.65	973,186.48	8,422,152.45
Furniture & Fixture	3,875,734.37	395,006.36	-	39,166.50	162,369.64	4,069,204.59
Transportation Equipment	19,849,276.20	1,296,702.47	-	1,025,043.15	3,049,978.70	17,070,956.82
Tools & Machineries	7,324,027.03	551,504.72	-	26,599.00	173,258.46	7,675,674.29
Leasehold Improvement	177,918.50	16,570.80	-	-	-	194,489.30
Total Accumulated	139,010,052.27	3,887,070.19	-	1,225,852.30	4,491,227.48	137,180,042.68
NET BOOK VALUE	62,300,775.66	2,931,863.56	1,461,316.03	42.00	657,646.09	66,036,267.16

	2018	Addition		Deduction		2019
		Acquired	Internal Purchases/ Adjustment	Disposal/ Sale	Adjustment/ Close*	
Land	40,906,176.89	7,443,550.00	115,245.70	-	-	48,464,972.59
Land Improvement	6,433,530.80	-	-	-	-	6,433,530.80
Building	97,304,492.90	223,295.00	1,508,805.88	965,261.27	-	98,071,332.51
Office Equipment	9,410,724.03	1,681,204.22	67,235.00	-	154,801.52	11,004,361.73
Furniture and Fixture	4,574,826.18	236,828.95	38,113.00	39,089.50	8,116.44	4,802,562.19
Transportation Equipment	20,261,683.39	2,048,657.72	760,600.00	239,132.00	47,545.00	22,784,264.11
Tools and Machineries	8,852,202.83	667,347.17	8,015.00	-	5,921.00	9,521,644.00
Construction in Progress	-	656,296.08	2,366,553.38	-	3,022,849.46	0.00
Leasehold Improvement	407,855.50	-	-	-	179,695.50	228,160.00
Total Cost	188,151,492.52	12,957,179.14	4,864,567.96	1,243,482.77	3,418,928.92	201,310,827.93

* This reflects unserviceable items.

ACCUM. DEPRECIATION

Land Improvement	6,356,768.62	14,448.00	-	-	-	6,371,216.62
Building	93,318,731.89	490,911.51	-	804,395.89	-	93,005,247.51
Office Equipment	7,554,534.22	1,006,883.34	-	154,037.56	747.96	8,406,632.04
Furniture and Fixture	3,457,665.03	465,284.28	-	47,214.94	-	3,875,734.37
Transportation Equipment	19,316,109.19	841,689.01	-	307,713.00	809.00	19,849,276.20
Tools and Machineries	6,632,875.66	570,666.56	-	(125,925.31)	5,440.50	7,324,027.03
Leasehold Improvement	299,627.70	57,986.30	-	179,695.50	-	177,918.50
Total Accum. Depreciation	136,936,312.31	3,447,869.00	-	1,367,131.58	6,997.46	139,010,052.27
NET BOOK VALUE	51,215,180.21	9,509,310.14	-	(123,648.81)	3,411,931.46	62,300,775.66

10. FINANCIAL ASSETS

This account consists of the following:

	2020	2019
Cash in Cooperative	6,460,966.05	6,080,578.23
Total Financial Assets	6,460,966.05	6,080,578.23

11 INVESTMENT PROPERTY

This account consists of the following:

	2020	2019
Investment Property - Land	78,702,277.40	69,672,277.40
Investment Property - Building	565,112.94	565,112.94
Total Investment Property	79,267,390.34	70,237,390.34

12 OTHER NON CURRENT ASSETS

This account consists of the following:

	2020	2019
Other Funds and Deposits	402,650,373.84	264,718,271.82
Real Properties Acquired	66,805,966.62	75,862,698.99
Bond to SSS	300,000.00	-
Bond to Meralco	210,933.34	210,933.34
Total Other Non Current Assets	469,967,273.80	340,791,904.15

13 DEPOSIT LIABILITIES

This account consists of the following:

	2020	2019
Savings Deposit	318,844,954.81	274,478,818.96
Time Deposit	540,233,172.78	445,088,888.41
Total Deposit Liabilities	859,078,127.59	719,567,707.37

14 ACCOUNTS AND OTHER PAYABLE

This account consists of the following:

	2020	2019
Accounts Payable	6,233,619.26	6,695,778.66
Other Payable	9,566,618.62	10,185,205.78
Total Accounts and Other Payable	15,800,237.88	16,880,984.44

15 ACCRUED EXPENSES

This account consists of the following:

	2020	2019
SSS, ECC, Philhealth & HDMF Payable	186,371.46	189,887.88
SSS & HDMF Loan payable	50,793.10	50,429.48
Withholding Tax Payable	155,988.91	140,511.45
Accrued Expenses	600,000.00	638,329.99
Accrued Interest Payable	160,175.91	143,200.95
TOTAL ACCRUED EXPENSES	1,153,329.38	1,162,359.75

16 OTHER CURRENT LIABILITIES

This account consists of the following:

	2020	2019
Interest on share Capital Payable	17,467,100.09	21,757,678.93
Patronage Refund Payable	7,485,357.15	9,324,669.86
Due to Union/Federation	1,407,596.12	1,929,574.97
TOTAL OTHER CURRENT LIABILITIES	26,360,053.36	33,011,923.76

17 OTHER NON CURRENT LIABILITIES

This account consists of the following:

	2020	2019
Employees Providential Fund	6,787,475.60	15,002,449.07
General Assembly Fund	7,731,195.14	6,936,611.82
Members Future Benefit Fund Payable	111,411,069.17	93,277,777.60
Other Non-Current Liabilities	41,588,985.51	41,699,983.97
Project Subsidy - Donations & Grants	5,509.08	7,027.92
Calamity Fund Payable	29,000,000.00	29,000,000.00
Total Other Non-Current Liabilities	196,524,234.50	185,923,850.38

18 MEMBERS EQUITY - SHARE CAPITAL

This account consists of the following:

	2020	2019
Common Php 1,000.00 par value issued	306,915,500.00	288,011,400.00
Less: Treasury shares capital - common	261,500.00	1,247,400.00
Paid-up share capital-common	306,654,000.00	286,764,000.00
Preferred Php 100.00 par value issued	66,213,530.00	60,549,330.00
Less: Treasury shares capital- preferred	785,630.00	2,629,230.00
Paid-up share capital-preferred	65,427,900.00	57,920,100.00

19 STATUTORY FUND

This account consists of the following:

2020						
	Reserve Fund	Education and Training Fund	Community Dev't Fund	Optional Fund	Total	
Main	120,242,093.19	2,437,157.69	6,127,887.70	31,839,742.85	160,646,881.43	
Norzagaray	9,848,228.90	17,862.90	107,541.93	4,125,566.27	14,099,200.00	
Sta Maria	1,953,300.74	10,566.76	66,042.25	402,657.16	2,432,566.91	
Hardware	5,893,148.01	7,861.31	48,130.47	503,278.35	6,452,418.14	
Feeds & Agri Supply	18,348,487.39	9,533.36	56,616.49	3,163,091.44	21,577,728.68	
Veterinary Supply (Farm & Agri)	1,607,255.35	-	-	227,196.91	1,834,452.26	
Feedmill	17,331,819.34	9,263.62	56,148.89	11,826,684.75	29,223,916.60	
Piggery/TSM(Animal Raising/	7,774,805.71	7.06	157,262.96	3,070,819.32	11,002,895.05	
Total	182,999,138.63	2,492,252.70	6,619,630.69	55,159,037.05	247,270,059.07	

This account consist of the following:

2019						
	Reserve Fund	Education and Training Fund	Community Dev't Fund	Optional Fund	Total	
Main	97,680,133.50	1,627,352.96	6,154,761.80	32,162,393.59	137,624,641.85	
Norzagaray	7,978,822.00	120,276.20	204,320.97	3,930,382.02	12,233,801.19	
Sta Maria	984,460.87	67,996.95	151,619.12	273,558.57	1,477,635.51	
Hardware	4,657,799.36	126,334.35	110,115.59	510,171.75	5,404,421.05	
Feeds and Agri Supply	16,830,931.85	217,063.95	98,144.61	3,111,900.56	20,358,040.97	
Veterinary Supply (Farm & Agri)	1,526,548.88	70,770.98	72,136.50	227,196.91	1,896,653.27	
Feedmill	15,648,297.90	59,032.09	164,596.25	11,754,347.30	27,626,273.54	
Piggery/TSM (Animal Raising/Livestock Pro- duction)	5,702,023.69	29,237.63	259,102.06	3,070,819.31	9,061,182.69	
Total	151,009,018.05	2,318,065.11	7,314,796.90	55,040,770.01	215,682,650.07	

20 SUPPLEMENTARY TAX INFORMATION UNDER RR 15-2010

	2020	2019
<i>Tax Withheld on Compensation</i>		
Tax Withheld Jan-Dec.	130,962.08	183,385.60
Total	130,962.08	183,385.60
Tax Due	130,962.08	183,385.60
Refund	-	-
<i>Withholding Taxes</i>		
Expanded Withholding Tax *	1,704,291.57	2,211,426.29
Withholding Tax - Compensation	130,962.08	183,385.60
<i>Total Withholding Taxes**</i>	1,835,253.65	2,394,811.89

* Amount of expanded Withholding tax is inclusive of Input tax charged by the suppliers.

**Taxes withheld and remitted for taxable year 2020 contain herein reflects the appropriate and correct applicable taxes.

	<i>Lending</i>	<i>Other CDA Registered Op- erations</i>	<i>Lending</i>	<i>Other CDA Regis- tered Operations</i>
<i>Taxes and Licenses</i>				
Municipal/Barangay/Community Tax	9,169.43	51,587.05	27,966.95	28,449.61
Vehicles Registration	72,408.83	96,063.06	72,851.62	76,630.00
Real Estate Tax	1,678.84		56,362.32	
Other Taxes	734,630.00	12,324.70	57,544.47	12,810.00
<i>Total Taxes and Licenses</i>	817,887.10	159,974.81	214,725.36	117,889.61

21 ALLOCATION AND DISTRIBUTION OF NET SURPLUS:

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

- Reserve Fund - Fifty percent (50%) shall be set aside for the reserve fund. The reserve fund shall be used for the stability of the cooperative and to meet net losses in its operation.
- Education and Training Fund - One percent (1%) shall be set aside for education fund and half shall be transferred to the education and training fund annually under this subscription may be spent by the cooperative for education and 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.
- Community Development Fund - This is computed at three percent (3%) of cooperative net surplus. This is used for
- Optional Fund - This computed at seven percent (7%) of the cooperative net surplus.
- Interest on Share Capital and Patronage Refunds - After deduction of the statutory accounts, any remaining net surplus shall be distributed to the cooperative's members in the form of interest not to exceed the normal rate of return of 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., vol-

22 EMPLOYEE BENEFITS

a. Retirement Benefits

Republic Act (RA) No. 7641 (New Retirement Law) took effect January 7, 1993. Under the law, the Cooperative is required to provide minimum retirement benefits to qualified retiring employees. This amount was set up by the cooperative in compliance with such law. Minimum guarantee is equivalent to a certain percentage of the monthly salary payable to an employee at normal retirement age with the required credited years of service based on the provision of RA 7641.

23 RELATED PARTY TRANSACTIONS

Related parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making the financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

The cooperative has been operating in various CDA registered operations, all dealing with members. Each CDA registered operation, maintain separate financial accounting but are consolidated in this report.

The Cooperative is not covered by the requirements and procedures for related party transactions provided under Revenue Regulation (RR) No. 34-2020.

24 EVENTS AFTER REPORTING DATE

There are no events after reporting date that would require a disclosure or adjustment on the financial statements of the Cooperative.

25 RECLASSIFICATION

Certain accounts in 2019 were reclassified to conform with the 2020 presentation of financial statements.

26 INCOME FROM CDA REGISTERED OPERATIONS OF THE COOPERATIVE

Computation of income from CDA Registered Operations is as follows:

2020											
ACCOUNT	Main		Norzagaray	Sta. Maria	Hardware	Feeds Supply	Vet Supply (Farm & Agri)	Feedmill	Piggery/TSM (Animal Raising/Livestoc k Production)	ELIMINATION INTRA-BUSINESS	TOTAL
	Lending	Other CDA Registered Operation									
REVENUES											
Income from Credit Operations											
Interest Income from Loans	109,117,746.38	-	13,481,543.89	4,277,914.84	1,587,605.88	1,635,421.79	-	-	5.00	-	130,100,237.78
Filing Fees	12,548,892.37	-	1,549,722.00	834,529.00	-	11,820.88	-	-	-	-	14,944,964.25
Fines, Penalties, Surcharge	4,627,112.88	-	443,845.00	266,707.00	-	-	-	-	-	-	5,337,664.88
Total Income from Credit Operation	126,293,751.63	-	15,475,110.89	5,379,150.84	1,587,605.88	1,647,242.67	-	-	5.00	-	150,382,866.91
Gross Margin from CDA Operations											
Sales (Exempt-Members Only)	-	30,733,400.00	-	-	51,725,180.55	82,272,371.65	-	29,433,833.70	48,722.00	(29,570,051.37)	164,643,456.53
Less: Sales Return & Allowances	-	-	-	-	(332,711.30)	(176,405.70)	-	(77,391.43)	(203.75)	-	(586,712.18)
Net Sales	-	30,733,400.00	-	-	51,392,469.25	82,095,965.95	-	29,356,442.27	48,518.25	(29,570,051.37)	164,056,744.35
Less: Cost of Goods Sold											
Beginning Inventory	-	8,849,909.87	-	-	10,180,176.07	2,246,680.86	-	4,559,471.45	5,371.27	-	25,841,609.52
Purchases	-	26,154,804.83	-	-	44,057,339.95	75,154,648.58	-	23,438,349.09	35,119.00	(29,570,051.37)	139,270,210.08
Freight	-	-	-	-	141,000.00	149,901.51	-	-	-	-	290,901.51
Purchase Discounts	-	-	-	-	(81,205.27)	(534,525.83)	(490.90)	(241,638.83)	-	-	(857,860.83)
Direct Labor	-	-	-	-	328,219.00	-	-	449,274.45	-	-	777,493.45
Overhead	-	-	-	-	238,169.60	-	-	504,994.06	32.00	-	743,195.66
Inventory loss	-	(36,302.48)	-	-	(17,326.62)	(33,809.10)	-	-	-	-	(87,438.20)
Ending Inventory	-	(7,619,993.60)	-	-	(11,799,473.50)	(2,128,628.50)	-	(3,084,577.36)	(1,665.69)	-	(24,634,338.65)
Cost of Goods Sold	-	27,348,418.62	-	-	43,046,899.23	74,854,267.52	(490.90)	25,625,872.86	38,856.58	(29,570,051.37)	141,343,772.54
Income from CDA Registered Operations	-	3,384,981.38	-	-	8,345,570.02	7,241,698.43	490.90	3,730,569.41	9,661.67	-	22,712,971.81
TOTAL GROSS REVENUES FROM OPERATION											
	126,293,751.63	3,384,981.38	15,475,110.89	5,379,150.84	9,933,175.90	8,888,941.10	490.90	3,730,569.41	9,666.67	-	173,095,838.72
Add: Other Income											
Interest/Income from Deposits/Investment	5,322,277.79	16,746.67	32,624.02	62,167.89	20,540.04	801,394.54	102,753.71	1,164,096.43	441,262.03	(1,687,502.74)	6,276,360.38
Service Income	3,069,920.05	4,500.00	467,576.84	209,687.39	-	-	-	-	-	-	3,751,684.28
Membership Fee	411,300.00	-	49,300.00	32,700.00	-	-	-	-	-	-	493,300.00
Miscellaneous Income*	3,210.92	10,194.83	259,185.59	9,556.57	20,207.91	32,454.13	-	52,803.00	98,765.54	-	486,378.49
Total Other Income	8,806,708.76	31,441.50	808,686.45	314,111.85	40,747.95	833,848.67	102,753.71	1,216,899.43	540,027.57	(1,687,502.74)	11,007,723.15
TOTAL GROSS REVENUES											
	135,100,460.39	3,416,422.88	16,283,797.34	5,693,262.69	9,973,923.85	9,722,789.77	103,244.61	4,947,468.84	549,694.24	(1,687,502.74)	184,103,561.87
LESS: EXPENSES											
Financing Cost:											
Interest on deposits	17,671,247.63	-	729,815.92	498,273.72	-	-	-	-	-	-	18,899,337.27
Interest on borrowings	259,486.11	2,083.33	1,605,416.67	-	-	16,974.96	-	-	-	(1,687,502.74)	196,458.33
Total Financing Costs	17,930,733.74	2,083.33	2,335,232.59	498,273.72	-	16,974.96	-	-	-	(1,687,502.74)	19,095,795.60
Selling & Marketing Costs											
Advertising and Promotion	48,941.67	-	1,260.00	-	3,360.00	360.00	-	-	-	-	53,921.67
Freight Out/Delivery Expense	-	-	-	-	360,918.26	115,459.12	-	-	-	-	476,377.38
Total Selling/Marketing Costs	48,941.67	-	1,260.00	-	364,278.26	115,819.12	-	-	-	-	530,299.05

*** This account refers to all other income earned by the cooperative from its members, from internal transactions and from other CDA registered operations for which no specific account has been set up in compliance with the CDA Standard Chart of Accounts

**** This account refers to all other expenses incurred by the cooperative for which no specific account has been set up in compliance with the CDA Standard Chart of Accounts

***** The Gain on Sale of Property represents sale of cooperative's fully depreciated properties through inter business transactions and to the members.

26 INCOME FROM CDA REGISTERED OPERATIONS OF THE COOPERATIVE

Computation of income from CDA Registered Operations is as follows:

2019

ACCOUNT	Main		Norzagaray	Sta. Maria	Hardware	Feeds Supply	Vet Supply (Farm & Agri)	Feedmill	Piggery/TSM (Animal Raising/Livestock Production)	ELIMINATION INTRA-BUSINESS	TOTAL
	Lending	Other CDA Registered Operation									
REVENUES											
Income from Credit Operations											
Interest Income from Loans	109,382,600.89	-	16,351,600.00	4,321,926.74	1,708,580.70	1,622,631.36	3,003.00	-	6,301.00	-	133,396,643.69
Filing Fees	14,113,865.50	-	2,620,275.00	999,375.00	-	7,438.46	-	-	-	-	17,740,953.96
Fines, Penalties, Surcharge	4,491,299.66	-	374,474.00	282,187.94	-	-	-	-	-	-	5,147,961.60
Total Income from Credit Operation	127,987,766.05	-	19,346,349.00	5,603,489.68	1,708,580.70	1,630,069.82	3,003.00	-	6,301.00	-	156,285,559.25
Gross Margin from CDA Operations											
Sales (Exempt-Members Only)	-	17,200,180.67	-	-	62,095,497.15	140,406,751.37	4,301,162.39	98,413,876.05	54,594,906.99	(107,171,376.23)	269,840,998.39
Less: Sales Return & Allowances	-	-	-	-	(326,023.08)	(72,295.00)	(1,467.50)	(303,720.67)	(809,491.02)	-	(1,512,997.27)
Net Sales	-	17,200,180.67	-	-	61,769,474.07	140,334,456.37	4,299,694.89	98,110,155.38	53,785,415.97	(107,171,376.23)	268,328,001.12
Less: Cost of Goods Sold											
Beginning Inventory	-	11,847,300.15	-	-	9,848,007.65	2,336,442.68	461,418.59	8,641,929.27	2,567,379.55	-	35,702,477.89
Purchases	-	12,721,727.77	-	-	52,116,224.33	128,302,379.85	3,262,775.74	82,134,788.72	46,448,996.39	(107,171,376.23)	217,815,516.57
Freight	-	-	-	-	147,980.00	195,689.50	-	-	30,300.00	-	373,969.50
Purchase Discounts	-	(533,921.89)	-	-	(286,984.44)	(693,992.92)	(22,656.06)	(1,441,736.14)	(629,720.40)	-	(3,609,011.85)
Direct Labor	-	-	-	-	359,087.18	-	-	1,186,096.76	319,199.27	-	1,864,383.21
Overhead	-	-	-	-	197,337.79	-	-	906,856.20	3,445,986.89	-	4,550,180.88
Inventory loss	-	-	-	-	(1,532.00)	(9,662.61)	-	(99,852.74)	(2,248,914.17)	-	(2,359,961.52)
Ending Inventory	-	(8,849,909.87)	-	-	(10,180,176.07)	(2,246,680.86)	-	(4,559,471.45)	(5,371.27)	-	(25,841,609.52)
Cost of Goods Sold	-	15,185,196.16	-	-	52,199,944.44	127,884,175.64	3,701,538.27	86,768,610.62	49,927,856.26	(107,171,376.23)	228,495,945.16
Income from CDA Registered Operations											
	-	2,014,984.51	-	-	9,569,529.63	12,450,280.73	598,156.62	11,341,544.76	3,857,559.71	-	39,832,055.96
GROSS REVENUES FROM OPERATION											
	127,987,766.05	2,014,984.51	19,346,349.00	5,603,489.68	11,278,110.33	14,080,350.55	601,159.62	11,341,544.76	3,863,860.71	-	196,117,615.21
Add: Other Income											
Interest/Income from Deposits/Investment	5,885,885.83	3,172.59	13,973.94	50,095.20	16,120.12	589,802.89	90,060.06	853,834.10	218,475.40	(2,022,601.44)	5,698,818.69
Service Income	4,534,964.33	87,050.00	668,736.21	234,270.25	-	-	-	-	-	-	5,525,020.79
Membership Fee	360,700.00	-	71,100.00	36,900.00	-	-	-	-	-	-	468,700.00
Miscellaneous Income*	173,899.19	10,872.14	14,541.83	9,729.81	18,405.71	53,421.18	273,883.62	203,555.71	431,308.02	0	1,189,617.21
Total Other Income	10,955,449.35	101,094.73	768,351.98	330,995.26	34,525.83	643,224.07	363,943.68	1,057,389.81	649,783.42	(2,022,601.44)	12,882,156.69
TOTAL GROSS REVENUES	138,943,215.40	2,116,079.24	20,114,700.98	5,934,484.94	11,312,636.16	14,723,574.62	965,103.30	12,398,934.57	4,513,644.13	(2,022,601.44)	208,999,771.90
LESS: EXPENSES											
Financing Cost:											
Interest on deposits	15,418,788.35	-	515,823.18	431,632.78	-	-	-	-	-	-	16,366,244.31
Interest on borrowings	19,956.96	-	1,616,805.56	358,197.29	10,666.67	16,974.96	-	-	-	(2,022,601.44)	-
Total Financing Costs	15,438,745.31	-	2,132,628.74	789,830.07	10,666.67	16,974.96	-	-	-	(2,022,601.44)	16,366,244.31
Advertising and Promotion											
	85,101.00	-	42,811.66	41,851.66	1,698.83	-	-	-	2,896.00	-	174,359.15
Freight Out/Delivery Expense	-	-	-	-	536,914.70	208,698.13	-	-	48,852.91	-	794,465.74
Total Selling/Marketing Costs	85,101.00	-	42,811.66	41,851.66	538,613.53	208,698.13	-	-	51,748.91	-	968,824.89

Administrative Costs	260.00	-	150.00	50.00	-	-	-	100.00	-	560.00
Bank Charges	201,690.66	-	500.00	-	-	-	-	-	-	205,214.66
Collection Expense	254,701.05	-	104,140.41	23,098.99	3,024.00	22,438.79	1,817.00	15,262.17	18,194.07	459,067.79
Communication	1,675,887.60	74,160.68	275,651.34	176,562.74	510,230.34	188,355.96	2,123.45	254,867.41	290,029.48	3,447,869.00
Depreciation	5,002,242.95	139,269.22	599,456.92	391,749.14	1,188,775.21	886,040.38	81,673.36	480,245.67	742,309.86	9,511,762.71
Employees Benefit	1,000,000.00	15,858.90	300,000.00	37,245.29	83,121.51	257,064.33	7,135.50	9,225.00	57,087.34	1,766,737.87
Employees Providential Expense	391,641.18	500.00	77,150.69	31,902.63	5,199.09	43,013.15	-	17,782.76	100,533.92	667,723.42
Gas, Oil & Lubricants	354,284.16	-	61,007.55	13,200.00	115,972.11	5,706.12	-	-	-	550,169.94
Security/Janitorial/Other Support Services	352,540.52	953.46	44,092.72	15,828.86	89,991.13	107,875.42	1,344.49	35,571.57	61,230.76	709,428.93
Insurance	1,083,139.51	-	-	-	-	-	-	-	-	1,083,139.51
Litigation Expense	1,558,113.42	37,605.14	179,627.31	48,007.53	186,364.22	251,076.32	10,180.50	233,245.30	77,879.47	2,582,099.21
Meetings and Conference	26,249.20	33,970.97	11,885.20	150.32	1,710.00	700.01	-	1,748.05	11,444.00	87,857.75
Miscellaneous Expense**	967,076.23	48,843.00	77,158.51	50,609.24	176,609.09	128,368.27	20,614.55	118,476.80	95,897.52	1,683,653.21
Office Supplies	1,273,702.51	27,373.17	83,606.28	21,962.56	97,596.93	241,117.04	4,474.39	264,501.72	-	2,014,334.60
Directors fees	1,019,662.78	3,066.98	214,310.59	88,636.53	188,860.45	88,861.64	13,569.45	21,283.49	40,362.21	1,658,614.12
Power, Light and Water	387,849.23	1,827.39	7,057.84	1,281.26	3,045.66	7,918.71	431.50	141,207.17	55,055.56	605,674.32
Professional Fees	-	-	-	-	250,000.00	181,633.00	5,000.00	-	634,668.39	1,071,301.39
Decline in Value of Inventory	1,925,000.00	40,000.00	30,000.00	15,000.00	30,000.00	150,000.00	22,500.00	110,000.00	30,000.00	2,352,500.00
General Assembly Expense	27,868,971.14	305,000.00	4,152,000.00	815,000.00	2,320,500.00	4,052,481.95	38,004.00	3,852,500.00	485,980.00	43,890,437.09
Provision for Members Future Benefit	10,420,000.00	-	4,100,000.00	300,000.00	-	-	-	-	-	14,820,000.00
Probable Losses - Loans	24,000.00	-	-	-	-	320,000.00	-	-	1,053,600.00	1,397,600.00
Probable Losses - A/R	108,000.00	-	115,789.46	-	-	-	-	-	600,000.00	823,789.46
Rentals	672,870.32	26,885.00	84,315.01	13,204.00	285,265.01	91,869.75	-	194,006.28	130,214.49	1,498,629.86
Repairs & Maintenance	94,231.28	2,369.89	24,768.86	2,234.58	4,448.80	3,585.46	49.01	11,885.82	11,646.50	155,220.20
Representation	1,099,868.64	12,998.65	264,000.00	84,209.72	363,979.66	271,647.42	10,901.46	66,207.15	145,067.38	2,318,880.08
Retirement Benefit	10,548,233.43	310,446.48	1,568,486.33	838,820.38	2,521,584.45	2,520,576.57	146,915.96	541,632.42	1,701,053.26	20,697,749.28
Salaries and Wages	1,067,269.83	17,382.62	143,634.42	70,059.10	257,618.94	236,986.19	14,463.93	81,876.90	202,447.67	2,091,739.60
SSS, Philhealth, ECC, Pag-Ibig Premium	156,865.04	-	20,324.85	37,535.47	33,943.49	43,473.49	2,847.00	8,617.49	37,658.14	341,264.97
Taxes, Fees & Charges	861,021.68	25,104.95	67,119.79	16,225.62	31,482.78	72,070.61	2,616.33	87,692.31	39,434.39	1,202,768.46
Travel and Transportation	70,395,372.36	1,123,616.50	12,606,234.08	3,072,573.96	8,768,738.18	10,172,860.58	386,661.88	6,547,935.48	6,621,794.41	119,695,787.43
Total Administrative Cost	85,919,218.67	1,123,616.50	14,781,674.48	3,904,255.69	9,318,018.38	10,398,533.67	386,661.88	6,547,935.48	6,673,543.32	(2,022,601.44) 137,030,856.63
TOTAL EXPENSES										
NET SURPLUS BEFORE OTHER REVENUE	53,023,996.73	992,462.74	5,333,026.50	2,030,229.25	1,994,617.78	4,325,040.95	578,441.42	5,850,999.09	(2,159,899.19)	- 71,968,915.27
Add: Other Items										
Donation & Grant subsidy	1,518.84	-	-	-	-	-	-	193,976.88	90,000.00	285,495.72
Gain on Sale of Property	-	-	-	-	-	299.00	1,699.00	598.00	25,838.00	28,434.00
Total Other Items	1,518.84	-	-	-	-	299.00	1,699.00	194,574.88	115,838.00	313,929.72
NET SURPLUS	53,025,515.57	992,462.74	5,333,026.50	2,030,229.25	1,994,617.78	4,325,339.95	580,140.42	6,045,573.97	(2,044,061.19)	- 72,282,844.99

* This account refers to all other income earned by the cooperative from its members, from internal transactions and from other CDA registered operations for which no specific account has been set up in compliance with the CDA Standard Chart of Accounts

** This account refers to all other expenses incurred by the cooperative for which no specific account has been set up in compliance with the CDA Standard Chart of Accounts