

# HOLY CROSS SAVINGS AND CREDIT COOPERATIVE

**We Improve lives.**

## 34th Annual General Assembly

Sequential Annual Regular General Assembly Meeting (ARGAM)

**March 17-22, 2024**

**Monday to Friday @ 1:00 P.M.**

**Via ZOOM Conference Platform**

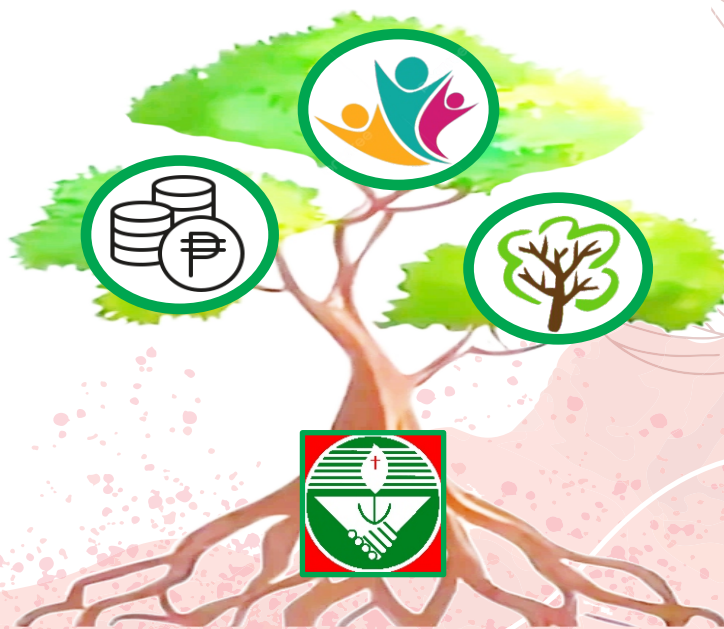
**PHCCCO Building, HCSCCO Head Office**

**Gen. T. De Leon, Valenzuela City**

**March 17, 2024 (Sunday) - Face to Face**

**1:00 - 3:00 P.M. @ HCSCCO Gymnasium**

## HCSCCO: Partner in Sustainable Development



## QUALITY POLICY

*HCSCCO is committed to continuously improve its standards to respond positively to the growing needs of members and communities;*

*Shall improve continuously its processes to effect quality financial and support services for members and their communities based on our Core Values;*

*Shall implement sustainable social programs and services responsive to the needs of members and communities;*

*Shall ensure compliance to regulatory requirements of the government and other related institutions;*

*Shall implement continuously and maintain local and international standards in governance and operations;*

*Shall provide products and services for the improvement, wellness and transformation of Christian families and communities;*

*Shall implement programs and projects to address the problem of challenges of the times and climate change*

## OUR CORE VALUES

### A - ACCOUNTABILITY

*We take responsibility for the things we do. We stand for whatever consequences our actions may bring.*

### B - BELIEF IN GOD

*We believe in one God: Father, Son and Holy Spirit.*

*We believe in the Goodness of God inherent in everyone and should be shared.*

### C - CONCERN FOR PEOPLE AND THE ENVIRONMENT

*We are committed to the communal welfare of our people and work for the protection of the environment*

### D - DEDICATION TO WORK AS A TEAM

*We value teamwork because unity is our strength.*

### E - EDUCATION FOR CONTINUOUS TRANSFORMATION

*We advocate for continuous learning to become responsible stewards of the cooperative*

### F - FOCUS ON FAMILY AND THE COMMUNITY

*Our programs and services are geared towards family stability and wellness of Christian family and community development.*

## OUR VISION

*A long term sustainable financial institution which aims to improve and transform the lives of members and their communities.*

## OUR MISSION

*Improving the quality of life of members and communities through:*

- Christian-Value formation;*
- Competitive financial services;*
- Programs socially responsive to the needs of members.*
- Programs for environmental protection and conservation*

## TABLE OF CONTENTS

|                                                                                            |       |
|--------------------------------------------------------------------------------------------|-------|
| Our Core Values, Our Vision, Mission and Quality Policy.....                               | 2     |
| Table of Contents.....                                                                     | 2     |
| Program of Activities for the 34th Annual General Assembly .....                           | 3     |
| Message: Dir. ALBERTO A. GUEVARRA, Chairperson .....                                       | 4     |
| Minutes of the 33rd ARGAM .....                                                            | 5-12  |
| Chairperson and Chief Executive Officer's (CEO) Report .....                               | 13-14 |
| The BOARD OF DIRECTORS & Other Officers of the Cooperative.....                            | 15    |
| AUDIT & ELECTION Committee Reports.....                                                    | 16    |
| ETHICS and GENDER & DEVELOPMENT (GAD) Committee Reports.....                               | 17    |
| EDUCATION & TRAINING and MEDIATION & CONCILIATION Committee Reports.....                   | 18    |
| The CEO & the Managers and The Management Staff.....                                       | 19-21 |
| Operational Goals for 2024 .....                                                           | 22-23 |
| Education & Training and Social Plan/Program .....                                         | 24    |
| 3-Year Development Plan 2022-2024 .....                                                    | 25    |
| Operational Budget for 2024 .....                                                          | 26    |
| 2023 Budget vs. Actual Expenditure .....                                                   | 27    |
| Independent Auditor's Report .....                                                         | 28-40 |
| Online Payments Platform .....                                                             | 41    |
| SOON New and Improved Digital Services .....                                               | 42    |
| Comparative Graph of HCSCCO's Assets, Loans Releases and Share Capital (Inside Back Cover) |       |

# 34TH ANNUAL GENERAL ASSEMBLY

## Annual Regular General Assembly Meeting (ARGAM)

March 17-22, 2024 - Sequential Via Zoom Meeting Platform  
(Sunday to Friday) / 1:00 PM to 3:00PM

March 17, 2024 (Sunday) - Business Meeting Face to Face  
/ 1:00 PM to 3:00 P.M. at HCSCCO Gymnasium

## HCSCCO: PARTNER IN SUSTAINABLE DEVELOPMENT

### PROGRAM OF ACTIVITIES

#### PART I - PROGRAM

March 17, 2024 OPENING - 1st Day of General Assembly

09:00 AM ONLINE Registration of Attending MEMBERS

#### PART II - PRELIMINARIES

01:00 PM OPENING  
Invocation  
Philippine National Anthem  
The Cooperative Pledge  
Vision, Mission and Core Values

Welcome Remarks - Dir. ALBERTO A. GUEVARRA  
BOD Chairperson

Messages

Presentation of Candidates for Election  
- Board of Directors  
- Audit Committee  
- Election Committee  
- Election Guidelines on Age Limit

Top Recruiter Award for Members

#### PART III - BUSINESS MEETING

01:30 P.M. Call to Order/Roll Call  
Proof of Due Notice/Proclamation of Quorum  
Declaration and Consideration of Presence of Quorum, Reading & Approval of the Previous Minutes of Meeting 2023  
Matters Arising from the Minutes of Meeting

#### PART III - BUSINESS MEETING

Consideration of 2023 Reports to the General Assembly:

1. Chairperson and CEO
2. Audit Committee
3. Election Committee
4. Ethics Committee
5. Mediation & Conciliation Committee
6. Gender and Development Committee
7. Education and Training Committee

For General Assembly Approval/Adoption/Confirmation:

1. Vision, Mission, Core Values & Quality Policy
2. Audited Financial Reports 2023
3. Operational Plan and Budget for 2024
4. External Auditor for 2024
5. Education and Training Plan 2024
6. Social/ Community Plan 2024
7. Plans and Programs for GA Consideration

Open Forum

March 22, 2024 CLOSING  
Last Day of General Assembly

4:00 PM Closing of Online  
Registration and Election

Announcement of Election Results

Other Matters

Daily Winners - Electronic Raffle Draw

Adjournment

Closing Remarks - Ms. LILLIAN D. SILUBRICO  
Chief Executive Officer



# HOLY CROSS SAVINGS AND CREDIT COOPERATIVE

PHCCCO Building HCSCCO Head Office Gen. T. De Leon, Valenzuela City

## Message

Malugod na pagbati sa buong kasapian ng Holy Cross Savings and Credit Cooperative sa ating ika-34 na Annual General Assembly!

Sa tema natin sa taong itong - *HCSCCO : Partner in Sustainable Development* ay ating ipinapahayag na sa pamamagitan ng ating kooperatiba, ang mga kasapi ay dapat na magkakatuwang sa patuloy na pagpapaunlad ng kabuhatan ng bawat- isa at ng ating komunidad. Kaakibat nito ay ang pangangalaga sa ating kapaligiran at likas na yaman para sa ating kapakinabangan at ng susunod pang henerasyon. Subalit ang lahat ng ito'y maisasakatuparan lamang natin sa tulong ng biyaya ng Diyos na siya nating tunay na katuwang sa pagpapabuti ng ating kalagayan sa buhay at kaayusan ng ating kapaligiran habang tayo ay naglalakbay sa buhay na ito.

Nawa lahat tayong bumubuo sa HCSCCO mula sa Board of Directors, Committees, Management Officers & Staff at mga kasapi ay maging karapat-dapat na katuwang ng isa't-isa at ng ating Panginoong Diyos sa pag-aangat ng antas ng ating buhay. Magkaroon rin nawa tayo ng mulat na pagsisikap at unti-unting pagkilos upang mapangalagaan at mapagyaman ang ating kalikasan.

Mabuhay ang buong kasapian ng HCSCCO at nawa'y patuloy tayong maging daluyan ng biyaya ng Poong Maykapal sa pamamagitan ng ating kooperatiba.



Dir. ALBERTO A. GUEVARRA  
Chairperson, Board of Directors

# Minutes of 33rd Annual Regular General Assembly Meeting

## FACE TO FACE - FIRST PART

The 33<sup>rd</sup> Annual Regular General Assembly Meeting (ARGAM) was conducted via face to face at the Holy Cross Gymnasium, Gen. Tiburcio De Leon, Valenzuela City on March 19, 2023. It was started at 1:30 pm with an Opening Prayer, Singing of National Anthem, and Reciting of the Vision, Mission and Core Values through an audio-visual presentation. It was followed by the Opening Remarks of the BOD Chairperson, Rev. Fr. Domingo M. Salonga and Message from the BOD Vice Chairperson, Dir. Zenaida D. Arenas represented by CEO Lillian D. Silubrico.

Election Committee Chairperson Nestor M. Balicao introduced the candidates for election 2023 for Board of Directors, Audit Committee and Election Committee. He also mentioned the recommended revision of election guidelines regarding the age qualification of elected officers from 70 to 75 years old.

The candidates for election 2023 are, as follows:

| For Board of Directors:       | For Audit Committee:    | For Election Committee:   |
|-------------------------------|-------------------------|---------------------------|
| 1. Almazan, Mary Grace P.     | 1. Briones, Rosella B.  | 1. Acebuche, Madonna G.   |
| 2. Camacho, Fr. Arnel M.      | 2. Domingo, Joseph D.   | 2. Bernardino, Marilou B. |
| 3. Delos Santos, Priscilla C. | 3. Malsi, Robert P.     | 3. De Gula, Luzviminda C. |
| 4. Francisco, Benita A.       | 4. Quinto, Nenita D.    | 4. Geronimo, Julieta V.   |
| 5. Garcia, Noel S.            | 5. Rabadon, Gavina P.   | 5. Gulmatico, Perlita B.  |
| 6. Leona, Emma C.             | 6. Sabang, Felicitia I. | 6. Naranjo, Raquel A.     |
| 7. Mejia, Teresita C.         |                         | 7. Rances, Dahlia O.      |
| 8. Moreno, Josefina D.        |                         |                           |
| 9. Ramos, Susana A.           |                         |                           |

The casting of votes was made electronically.

He also mentioned the proposed revision of the Election Guidelines in terms of age qualifications for the candidates for election of officers and subject for referendum and votes by the members.

Sumasang-ayon ba kayo na itaas ang age limit ng nanunungkulan sa ating kooperatiba mula sa dating 70 yrs old ay gawing 75 yrs old? OO HINDI

## SECOND PART: BUSINESS MEETING

Call to Order – The business meeting was called to order by BOD member, Dir. Alberto A. Guevarra at 2:00 pm.

Declaration and Consideration of Presence of Quorum – Since this is a sequential General Assembly, the determination of the quorum for the 33<sup>rd</sup> Annual Regular General Assembly Meeting (ARGAM) will be at the end of the sequential general assembly on March 24, 2023 prior to its adjournment.

Reading of the Minutes of the 32<sup>nd</sup> Annual Regular General Assembly Meeting (ARGAM) – Mr. Sonny Trinidad moved for the Dispensation of the Reading of the Minutes of the 32<sup>nd</sup> Annual Regular General Assembly Meeting (ARGAM). It was seconded by Ms. Cecilia Romano and was approved by the General Assembly.

Approval of the Minutes of the 32<sup>nd</sup> Annual Regular General Assembly Meeting (ARGAM) – Ms. Marcela Montelaba moved for the approval of the Minutes of the 32<sup>nd</sup> ARGAM and was seconded by Ms. Isabel Salangang. It was approved by the General Assembly.

Since there was no business arising from the previous minutes of the meeting, the reporting of the respective committees proceeded.

## CHAIRPERSON AND CEO'S REPORT

CEO Lillian D. Silubrico presented the Chairperson and CEO's report.

HCSCCO is very happy to share to the members the awards and recognitions it received in 2022: Asia's Pinnacle Award 2022 as "Asia's Most Excellent Financial Institution and Transformative Cooperative of the Year", CDA Gawad Parangal 2022 for not incurring any findings during the 2022 inspection, Dangal ng Valenzuela 2022 for bringing honor and prestige to the City of Valenzuela, Most Outstanding Cooperative (3<sup>rd</sup> place - Large Category) given during the VALKOOP Congress 2022.

### 1. Financial Performance

Except for the gross income and net surplus, 2022 was on an upward trend. The opening of business in 2022 provided a better Loan Releases compared in 2021. However, the main issue last year was the financial crisis felt by the members specially those businesses that were funded thru borrowed funds plus the effect of high inflation. Then it bounced back to the issue on collection on the part of the cooperative resulting to lower collection and higher delinquency rate that correspond to the decrease in gross income and net surplus.

Total Assets, Share Capital and Total Reserve gave a gradual increase that symbolizes a strong and reliable cooperative implying trust and confidence from the members despite the challenges the Coop is facing. Management programs and promotional activities in 2022 focused on collection and on how the Coop can provide a relief for those who lost their source of income. HCSCCO achieved 80.78% from target of Php60M despite of the challenges of the pandemic, inflation rate and global situations.

The main source of income is from the interest earned from loans released to members seconded by the interest earned from investments. Both transactions (loan releases and investments) were affected by the pandemic. There was an increase of 32% in the loans released in 2022 compared to 2021. This was attributed to the Freedom Loan offered to members in 2022.

### 2. MEMBERS SATISFACTION

Despite of the challenges, HCSCCO has a total of 975 new members and 895 closure of accounts for a net increase of 80 members in 2022. Closure of members were due to loan offsetting, loan payment, death, transfers of residence and financial difficulties mostly related to the pandemic, and the increasing cost of housing.

HCSCCO is serving a total of 38,370 members distributed as Common and Preferred A of 16,681, Preferred B (Depositors) of 6,077 and under Laboratory Cooperative (Kiddie Savers) of 15,612.

The management has conducted 4 sessions of Owners' Enrichment Seminar, 1 Pre-Membership Seminar on School and 4 sessions of Financial Literacy (2 sessions for members and 2 for students) in 2022 via zoom platform and face to face.

Despite of lockdown and restrictions due to COVID-19 pandemic, the management continuously delivered quality services to the members as shown by the 98.08% Members Satisfaction rating for the year 2022.

### 3. INTERNAL BUSINESS PROCESS

Managing the operation of the cooperative during the pandemic brought the management to become innovative and found ways to be of service to members. There were challenges encountered but the management overcame these challenges.

Board of Directors conducted the 3-year Strategic Plan, a new tax exemption certificate was issued by BIR in March 2022, policies and procedures were reviewed, online payments were provided to the

# Minutes of 33rd Annual Regular General Assembly Meeting

members; continuous conduct of sequential virtual annual general assembly and election of officers; HCSCCO participated in the Project Professionalization of ACCU; there was an increase of management staff from a total of 52 in December 2021 to a total of 55 in December 2022; Malanday and Mindanao Avenue Branches were consolidated to Head Office; and implemented of succession program through conduct of management trainee for CEO position.

#### 4. SOCIAL PROGRAM

It is very important to fulfill the mission as a cooperative in whatever challenges the Coop is facing. HCSCCO's Social Responsibility created an impact to members and communities.

The launching of Freedom Loan Promo helps the members overcome the effect of pandemic by giving them relief in renewing their loan and to start all over again; the Coop's Mortuary Benefits, Hospitalization Income Benefits (HIB), Life Saving Protection Plan and Damayan Program provide financial support to members especially in the hardest time; the financial support to 8 partner schools thru the Brigada Eskwela Program; the conduct of the online financial literacy program to the students; the donation to VCDC Disaster Fund; the provision of medical clinic within HCSCCO compound to provide medical consultation for free with free medicines to the members of the community in partnership with FUMC Primary Care Clinic;

HCSCCO continuously support the Peace and Order campaign in the communities where the Coop serves; the portion of lot with an area of 55.5 square meters to Barangay Gen. T. De Leon for the construction of drainage system in Santiago Street enable to prevent flooding in the area; the technical support given to the 3 small and micro cooperatives through providing complete set of computer system with installed accounting system in response to the Koop Kapatid Program of CDA, are the social programs implemented by the cooperative in 2022.

Result of operation can be measured through Net Surplus. Corresponding statutory reserves shall be deducted from the Net Surplus to arrive in the amount distributable to the members in a form of Dividends and Patronage Refund. For the year 2022, distribution was made at 78% (Dividend) and 22% (Patronage Refund). Scheme is approved by the Board of Directors and in compliance to the ruling of CDA. Interest on Share Capital is at 4.82% compared to last year of 5.27% and Patronage Refund of 9.22% compared to 10.22% in 2021. Overall, the rate of return for 2022 is at 6.18% compared to 7.03% in 2021.

Ms. Janet Pascual moved for the adoption and approval of the Chairperson and CEO's report. It was seconded by Ms. Cecil Gonzales and was approved by the General Assembly.

#### AUDIT COMMITTEE REPORT

Ms. Maria Ophelia C. De Guzman, Audit Committee Chairperson presented their report.

The year 2022 was the result of the effort of the Members, Board of Directors, Committee Officers and Management. This shows that with the Spirit of Cooperativism, HCSCCO can rise above any adversities. HCSCCO is steadfast in implementing Quality Policy, to which the Audit Committee remains the Vanguard that safeguards the Cooperative's Business Activities related to Coop's Assets and Finances.

Mandated by RA 9520, the Audit Committee is directly accountable and responsible to the General Assembly. Audit was conducted with a minimum of three (3) times a month, with an additional day as the need arises. Head Office was audited on a monthly basis and the three (3) branches: Malinta, Malanday and Punturin alternatively every other month. Mindanao Avenue Branch which transferred operation to the Head Office was audited together with the Head Office.

Audit was based on the following areas: 1) Financial; 2) Operational; 3) Compliance and 4) Social Performance.

Based on the observation and review, the following need to be addressed and complied: records management policy; full compliance to IT security; and, operational implementation of risk management manual.

Entering the Year 2023 under the New Normal, the Audit Committee promises to diligently attend to its mandate in the HCSCCO's Pursuit of Excellence in Cooperative Practices.

Ms. Corazon San Diego moved for the adoption and approval of the Audit Committee and was seconded by Ms. Amelita Sumera. It was approved by the General Assembly.

#### ELECTION COMMITTEE REPORT

The Election Committee Report was presented by its Chairperson, Mr. Nestor M. Balicao.

The accomplishments of the committee includes, a) requested the Loans Section the list of Members in Good Standing (MIGS); b) screened, evaluated and prepared the list of members qualified to become candidates; c) presented the list of candidates for approval during the Board meeting; d) after the approval of the Board, tarpaulins were printed indicating their credentials and were posted at the lobby of the church, the billboard of the Coop, and the venue of the advance election; e) conducted an online election for twelve (12) days in the presence of Audit Committee Chairperson, the Election Committee with the help of the Management Programmer, the OJT students, and the Cebu People's Coop staff; f) winners were immediately proclaimed before the GA 2022 ended, and g) posted the results in the lobby of the Coop and the bulletin board of the church.

The report of the Election Committee was moved for its adoption and approval by Ms. Cecil Gonzales. It was seconded by Ms. Genevieve Emlinez and was approved by the General Assembly.

#### ETHICS COMMITTEE REPORT

Ms. Jane Frances S. Karganilla, Chairperson of the Ethics Committee presented their report.

The accomplishments of the Ethics Committee for the year 2022 are as follows: attended meetings for updates and be on board with plans and projects of the cooperative; submitted report on the collated performance evaluation results of officers and management staff for year 2021, results ranged from "average to exceeded expectations"; reviewed and revised matrix for evaluation of board secretary and treasurer according to RA 9520 and duties and responsibilities of the above-mentioned officers; and, reviewed and revised the Code of Good Governance together with the BOD to be synced with Ethical Standards.

For 2023, the Ethics Committee plans to continue doing their duties and responsibilities according to RA 9520 and whatever functions given to the committee and assist in reviewing the performance of other officers according to the Code of Good Governance and Ethical Standards through their required meetings and reports.

# Minutes of 33rd Annual Regular General Assembly Meeting

Mr. Edwin Fajardo moved for the adoption and approval of the report of the Ethics Committee. It was seconded by Mrs. Alfreda Soria and was approved by the General Assembly.

## MEDIATION AND CONCILIATION COMMITTEE

Atty. Ida Kristina Z. Valenzuela-Noscal, Chairperson of the Mediation and Conciliation Committee presented their report.

The Committee congratulated the members, directors, officers of Holy Cross Savings and Credit Cooperative for a peaceful and productive year.

They were pleased to report that for the year 2022, no complaint or issue had been submitted or referred to the Committee for mediation and conciliation proceedings.

It is through the practice of Cooperative values and principles that the Coop, as an organization, is successful in attaining its objective of having a peaceful and harmonious Cooperative where members economically and spiritually thrive.

She ended her report on the quotation of Benjamin Watson, "Conflict, when handled correctly, strengthens.", and by John C. Danforth, "The loudest voices we hear are those who advocate conflict divisiveness."

Ms. Anabel Hipolito moved for the adoption and approval of the report of the Mediation and Conciliation Committee. It was seconded by Mr. Joseph Domingo and was approved by the General Assembly.

## GENDER AND DEVELOPMENT COMMITTEE

Dir. Benita A. Francisco, Chairperson of the Gender and Development (GAD) Committee presented their committee report.

For the year 2022, GAD committee continuously focused on the growth and development of each committee members. They attended the lecture and forum given by the Cooperative Development Authority (CDA) on GAD Mainstreaming and Monitoring Tool. They also supported the community and social projects conducted by the cooperative by encouraging the cooperative members to support and participate in the project.

Sex disaggregation of data to all reports has already been mainstreamed in the cooperative. Use of gender-neutral language in the policy, communication and correspondence is also implemented in the cooperative.

The committee also supported the ACCU's Sister Society project when it held its launching before the year ended.

in relation to sex disaggregation of data, monitoring of project beneficiaries & members patronizing cooperative products and services will be intensely implemented for the coming year and continuous education to officers, staff and members will also be included in the plan of the committee for the coming year.

Ms. Marites Celis moved for the adoption and approval of the Gender and Development (GAD) Committee and seconded by Ms. Florida Arana. It was approved by the General Assembly.

## EDUCATION AND TRAINING COMMITTEE REPORT

BOD Vice Chairperson Dir. Zenaida D. Arenas, Chairperson of the Education and Training Committee presented their report through an Audio-Visual Presentation.

Continuous learning is one of the HCSCCO's core values. Therefore, coop's management staff did not stop in attending trainings and seminars provided by

Cooperative Development Authority (CDA), cooperative federations and other government agencies.

The mandatory training for cooperative officers was also complied by attending the required trainings for Coop's new elected and appointed officers.

The cooperative also initiated trainings and seminars for management staff and officers. These seminars include: Spiritual Enhancement Seminar, Values Formation, Team Building & the like.

For 2023, HCSCCO will continue to attend seminars and trainings to be given by CDA, cooperative federations and other government agencies.

Continuous education for the management staff and of the Board of Directors, committees and other officers is still the priority of the cooperative. It will focus more on the skills training of frontline service providers and second-liners in compliance with the succession program.

Ms. Florita Cantomayor moved for the adoption and approval of the report of the Education and Training Committee and seconded by Mr. Arnel Buan. It was approved by the General Assembly.

## FOR GENERAL ASSEMBLY APPROVAL/ ADOPTION/ CONFIRMATION

### VISION, MISSION, CORE VALUES AND QUALITY POLICY

Dir. Alberto A. Guevarra presented the Vision, Mission, Core Values and Quality Policy of HCSCCO.

There were no changes in the Vision, Mission and Core Values. Ms. Cecilia Romano moved for the adoption and approval of the Vision, Mission and Core Values. It was seconded by Mr. Roel Aquino and was approved by the General Assembly.

There are additional proposed changes in the Quality Policy and these are, as follows:

- HCSCCO is committed to continuously improve its standards to respond positively to the growing needs of members and communities;
- Shall implement programs and projects to address the challenges of the times and climate change

Ms. Maricel F. Mauricio moved for the adoption and approval of the revision of the Quality Policy. It was seconded by Ms. Renelyn Casador and was approved by the General Assembly.

### AUDITED FINANCIAL REPORTS FOR 2022

Ms. Ma. Theresa A. Costimiano, Accounting and Finance Manager presented the 2022 Audited Financial Reports.

Ms. Marilyn Casador moved for the adoption and approval for the 2022 Audited Financial Reports. It was seconded by Ms. Cecilia Bueno and was approved by the General Assembly.

### 2023 OPERATIONAL PLAN AND BUDGET

Dir. Alberto A. Guevarra presented the 2023 Operational Plan and Budget. He explained that this will be the basis of expenditures from the daily operations of the cooperative.

Ms. Corazon San Diego moved for the approval and adoption of the Operational Plan and Budget for 2023. It was seconded by Mr. Joseph Domingo and was approved by the General Assembly.

# Minutes of 33rd Annual Regular General Assembly Meeting

## EXTERNAL AUDITOR FOR 2023

Dir. Alberto A. Guevarra recommended O.T. Oliveros & Co., CPA represented by Mr. Paolo T. Oliveros to be the External Auditor of HCSCCO for 2023.

Ms. Genevieve Martinez moved for the approval of O.T. Oliveros & Co, CPA to be the External Auditor of HCSCCO for 2023, and was seconded by Ms. Cecil Gonzales. It was approved by the General Assembly.

## 2023 EDUCATION AND TRAINING PLAN AND BUDGET

Dir. Alberto A. Guevarra presented that the amount of Cooperative Education and Training Fund (CETF) shall be allocated from the Net Surplus of not more than 10%. HCSCCO's By-Laws fixed it at 3%. The fund shall be used for the education, training, research, advocacy and other similar cooperative activities geared towards the growth and development of the cooperative members, officers and employees.

### Allocation from the 2023 Net Surplus

1. Due to Apex / Federation – 50% of the CETF shall be remitted to the federations (PFCCO-NCR, CLIMBS/NAFECOOP and other federations of which HCSCCO is a member
2. Local CETF - 50% shall be spent by the Cooperative for its education and training program for its Members (20%), Officers (12%), Management Staff (18%)

Ms. Alice Utana moved for the adoption and approval of the 2023 Education and Training Plan. It was seconded by Mr. Roel Aquino and was approved by the General Assembly.

## 2023 COMMUNITY DEVELOPMENT PLAN AND BUDGET

Dir. Alberto A. Guevarra presented the Social and Community Development Plan and Program for 2023.

He explained that the Community Development Plan shall be funded through the Community Development Fund which is at 3% of the net surplus of the previous year. It shall be used for projects or activities that will benefit the communities where the cooperative operates.

Community Development refers to the process where community members are supported by organizations, to identify and take collective actions on issues which are important to them. It empowers community members and create stronger and more connected communities, such as but not limited to projects on environment conservation and protection, health and sanitation, infrastructure, disaster risk reduction and management, and support to the vulnerable sectors of the society.

HCSCCO, being a large cooperative, 50% of the CDF shall be used for infrastructure projects, while the remaining amount shall be used for social services.

### Allocation from the 2022 Net Income/Net Surplus

- Infrastructure (50%)
- Health and Sanitation (15%)
- Disaster Risk and Reduction Management (5%)
- Environment Conservation & Protection to address Climate Change (10%)
- Support to the community & the vulnerable sector of the society under the GAD program (10%)
- To support Peace and Order Campaign in the communities we serve (5%)
- To provide technical and financial assistance to the Small Brother under the Koop Kapatid Program of CDA (5%)

Ms. Cecilia Romano moved for the adoption and approval of the Community Development Plans and Programs for 2023. It was seconded by Mr. Jessie Cadeva and was approved by the General Assembly.

## OPEN FORUM

Dir. Alberto A. Guevarra opened the floor for question and answer.

MS. JOCELYN MACAPAGAL: Mayroon po bang Housing for Members?

CEO: Mayroon po tayong housing loan for members. Ito yung kung nais nating bumili ng property at ipapabayad sa cooperative. Maari po kayong makipag-ugnayan sa ating Loan Section. Pero kung ang tinatanong ninyo ay kung may pabahay para sa mga miyembro ay wala po tayo nun. Dahil ang atin pong type of cooperative ay Credit Cooperative at hindi po Housing Cooperative. Nagpapautang lamang po tayo.

MR. NOEL AQUINO: Regarding po sa Souvenir Program, kung pwede po na ma-release agad ito at least one week before the General Assembly para may ample time kami na mabasa pa ito.

CEO: Pag-aaralan po natin ang possibility ng inyong mungkahi at suhestiyon.

MS. YOLANDA DE GALICIA: Bayad na po ako sa Tierra Santa, pero one year na hindi pa nari-release ang land title nila.

CEO: Sige po i-che-check po natin sa kanila ang inyong concern.

## THIRD PART: RAFFLE

A raffle draw was conducted prior to the adjournment of the General Assembly Meeting. Raffle prizes include gift items from City Councilor Sel Sabino and 500 peso cash.

Two winners will win the gift items from City Councilor Sel Sabino and 3 winners of 500 pesos cash. The winners are:

### Gift Items from City Councilor Sel Sabino

1. Mary Ann De Vera
2. Leidy Liza Bautista

### Cash prize worth 500 pesos

1. Alana Colango
2. Jemlou Ignacio
3. Prudencia Catubig

## ADJOURNMENT:

Mrs. Alfreda Soria moved for the adjournment of the face-to-face Annual Regular General Assembly Meeting. It was seconded by Mr. Arnel Birad.

Dir. Alberto A. Guevarra adjourned the face-to-face Annual Regular General Assembly Meeting at 2:30 pm.

Simultaneously, a virtual Annual Regular General Assembly Meeting was conducted.

# Congratulations!!

Officers, Management Staff and Members of

## HOLY CROSS SAVINGS AND CREDIT COOPERATIVE

### 33rd Annual Regular General Assembly Meeting



# Minutes of 33rd Annual Regular General Assembly Meeting

- I. The 33<sup>rd</sup> Annual Regular General Assembly Meeting (ARGAM) was held sequentially from March 19 to 24, 2023 via Zoom platform online. The meeting formally started at 1:00 pm with an Opening Prayer, Singing of the National Anthem, Cooperative Pledge and Recitation of Vision, Mission and Core Values. BOD Chairperson Fr. Domingo M. Salonga delivered the Welcome Remarks.
- II. Election Committee presented the Candidates for Election 2023 for Board of Directors, Audit Committee and Election Committee. A referendum question was also presented for selection by the members, "Sumasang-ayon ba kayo na itaas mula 70 hanggang 75 years old ang mga mamumuno sa ating Kooperatiba?"

The candidates for election are, as follows:

|                                                                                                                                                                                                                                                                   |                                                                                                                                                                            |                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| For Board of Directors:<br>1. Almazan, Mary Grace P.<br>2. Camacho, Fr. Arnel M.<br>3. Delos Santos, Priscilla C.<br>4. Francisco, Benita A.<br>5. Garcia, Noel S.<br>6. Leona, Emma C.<br>7. Mejia, Teresita C.<br>8. Moreno, Josefina D.<br>9. Ramos, Susana A. | For Audit Committee:<br>1. Briones, Rosella B.<br>2. Domingo, Joseph D.<br>3. Malsi, Robert P.<br>4. Quinto, Nenita D.<br>5. Rabadon, Gavina P.<br>6. Sabang, Felicitia I. | For Election Committee:<br>1. Acebuche, Madonna G.<br>2. Bernardino, Marilou B.<br>3. De Gula, Luzviminda C.<br>4. Geronimo, Julieta V.<br>5. Gulmatico, Perlita B.<br>6. Naranjo, Raquel A.<br>7. Rances, Dahlia O. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

The casting of votes was made electronically.

### III. BUSINESS MEETING IMMEDIATELY FOLLOWED.

- A. Call to Order – The business meeting was called to order by BOD Chairperson Fr. Domingo M. Salonga at 1:30 pm.
- B. Declaration and Consideration of Presence of Quorum – Since this is a sequential General Assembly, the determination of the quorum for the 33<sup>rd</sup> Annual Regular General Assembly Meeting (ARGAM) will be at the end of the sequential general assembly prior to its adjournment.
- C. Reading and Approval of the Minutes of the 32<sup>nd</sup> Annual General Assembly Several motions were made to move for the dispensation of the reading of the Minutes of the 32<sup>nd</sup> ARGAM. It was approved by the General Assembly.

Minutes of the 32<sup>nd</sup> ARGAM was adopted and was approved by the General Assembly through several motions.

- D. Business Arising from the Previous General Assembly Meeting – There was no business arising from the previous General Assembly Meeting, hence, proceed to the presentation of the reports for 2023.

- IV. Chairperson and CEO's Report, page 10-11
- V. Audit Committee Report, page 13
- VI. Election Committee Report, page 13
- VII. Ethics Committee Report, page 14
- VIII. Mediation and Conciliation Committee Report, page 14
- IX. Gender and Development Committee Report, page 15
- X. Education and Training Committee Report, page 15

The following committee reports were presented. Please see aforementioned pages on the Annual Souvenir Program.

Several motions were made for the adoption and approval of each Committee reports. It was approved by the General Assembly.

### XI. FOR CONFIRMATION BY THE GENERAL ASSEMBLY

1. VISION, MISSION, CORE VALUES AND QUALITY POLICY  
There were no changes in the Vision, Mission and Core Values.

Several motions were made for the confirmation, adoption and approval of the Vision, Mission and Core Values of the Holy Cross Savings and Credit Cooperative (HCSCCO). It was approved by the General Assembly.

The proposed changes in the Quality Policy were presented as follows:

- HCSCCO is committed to continuously improve its standards to respond positively to the growing needs of members and communities;
- Shall implement programs and projects to address the challenges of the times and climate change

Several motions were made for the approval for the change of Quality Policy. It was approved by the General Assembly.

2. 2022 AUDITED FINANCIAL REPORT  
Ms. Ma. Theresa A. Costimiano, Accounting and Finance Manager presented the 2022 Audited Financial Statement.

Several motions were made for the adoption and approval of the 2022 Audited Financial Report. It was approved by the General Assembly.

### 3. OPERATIONAL PLAN AND BUDGET FOR 2023

Several motions were made for the adoption and approval of the Operational Plans and Budget for 2023. It was approved by the General Assembly.

4. EXTERNAL AUDITOR FOR 2023  
BOD Chairperson Fr. Domingo M. Salonga upon recommendation by the Audit Committee introduced MR. PAOLO GERARD T. OLIVEROS, CPA. from O.T. Oliveros & Co. to be the External Auditor of HCSCCO to examine the financial report of HCSCCO for 2023.

Several motions were made for the confirmation and approval for the External Auditor for 2023. It was approved by the General Assembly.

### 5. EDUCATION AND TRAINING PLAN FOR 2023

Several motions were made for the adoption and approval of the Education and Training Plan for 2023. It was approved by the General Assembly.

6. SOCIAL AND COMMUNITY DEVELOPMENT PLAN 2023  
Several motions were made for the adoption and approval of the Social and Community Development Plan 2023. It was approved by the General Assembly.

### XII. OPEN FORUM:

Since there were no other matters to be discussed, the Zoom room was opened for Open Forum.

1. JULIUS JAYLO: Possible po kayang magkaroon ng office ng Saturday.  
JERRY S. CLAOUR: Suggestion po kung mayroong pagkakataon na makabisita sa office para ma-inform ang coop ng inyong mga suggestions.
2. MARIA CECILIA DIMAIWAT: Paano po kapag hindi nakapunta sa nakatakang araw para sa claiming ng dividends? May mga work po kami.  
JERRY S. CLAOUR: Ang inyong dibidendo ay automatic na maki-credit sa inyong account.

# Minutes of 33rd Annual Regular General Assembly Meeting

3. LUZVIMINDAACUNA: Ask ko lang kung possible bang makabalik ang Sunday service nyo? para sa mga nagwoork na empleyado  
JERRY S. CLAOUR: Mainam na makapasyal sa coop office para sa inyong suggestion.
4. JESSICA DUMAPI: Naka-medical bed rest po ako, hindi ako makakapunta sa office for update po ng account like dividends claim etc. maari naman akong magpadala ng authorization po?  
JERRY S. CLAOUR: May pagkakataon po na ina-allow natin ang withdrawal thru authorized representative, provided po na magma-match ang inyong pirma sa inyong withdrawal slip at sa inyong signature card.
5. JUANITA R. GALGUERRA: Meron po akong pamangkin na nakatira sa Orion, Bataan. Interested po sya mag member pero wala daw pong branch ang HCSCCO sa lugar nila. Ang mother nya at ako rin ay active member ng HCSCCO...puede po ba syang mag member online?  
JERRY S. CLAOUR: Sa ngayon kasi ay wino-work out pa ang online membership application. Wala pa tayong online membership application. Kailangan pa ring personal na pumunta sa ating kooperatiba para mag-apply ng membership.
6. ANALIE BERBO: Ano pa po ang other requirements para maqualify sa pagboto?  
JERRY S. CLAOUR: Ito po ang mga qualifications ng mga kasaping maaaring makaboto: Residente ng Valenzuela; Siya ay may Rating A, B, NR and NM; Siya ay updated sa kanyang loan payment; May minimum share capital na 5,000; Siya ay member in good standing.
7. KIM BENEDICT R. SANTIAGO: Paano yung nawalan ng voting rights. Paano magkaron ulit? Taga Valenzuela naman  
JERRY S. CLAOUR: Para magkaroon po ulit ng voting rights ay kailangan po nating makabalik sa Rating A or NR.
8. JUANITA R. GALGUERRA: Paano po mag member online? Puede po bang mag sign ng membership online at magdeposit na lang sa bank account ng HCSCCO?  
JERRY S. CLAOUR: Katulad po ng aming nasabi noong una na hindi pa available ang ating online membership application. Kailangan pa ring personal na pumunta sa ating kooperatiba upang makapag-apply ng membership.
9. MICAH A. DELA TORRE: Good afternoon. Counted po ba ang registration kahit non-voting member? Bakit din po nagiging non-voting member?  
JERRY S. CLAOUR: Opo, as long as na kayo ay nakapag-register na po. Kaya po tayo nagiging non-voting ay baka po tayo ay lumipat ng bahay or naging Rating C kayo.
10. JHONAZEL SANDOVAL: Pwede po ba idirektang ilagay na lang sa savings or share capital ang dividend?  
JERRY S. CLAOUR: Ang inyong dibidendo po ay ma-ke-credit sa inyong share capital kung ang inyong mortuary ay sapat na.
11. ANJEILA MAE M. LEJARDE: Paano po magiging A ulit from C? Catholic and Valenzuela Resident din po  
JERRY S. CLAOUR: Kailangan po ninyong ma-i-update ang inyong account kung nais po ninyong makabalik sa Rating A.
12. JOEL JAMITO BACARRA: Kung July 2022 po nakapag open ng share acct makakuha po ba ng dividend.  
JERRY S. CLAOUR: Ang mga kasapi po na may share capital as of December 31, 2022 ay magkaroon po ng dibidendo.
13. ANDRES ILOCTO: Hello po...Is there a possibility to open the office on Saturday or Sunday for us who are working and cannot beat the 4pm time during the weekends po.  
CEO: We will discuss with the Board of Directors the possibility na magkaroon ng satellite office para ma-accommodate kayo.  
DIR. AMBET: We will discuss with the Board of Directors and Management the possibility of your request.
14. SHEILA SIBUYO: About sa closing time, suggestion lang po magstaggered shift maybe? some start at 8, and some at 9... thanks  
CEO: Noted po iyan. We will consider po kung mag-extend ng time or magkaroon ng Saturday or Sunday.
15. ALEJANDRO BAUTISTA: Ma co-consider po ba na matanggal ang transaction fee pag nag babayad through Gcash or Bank online payment  
CEO: Wala po tayong magagawa doon, ang nagcha-charge doon ay ang GCash at Paymaya. Ang binabawas na transaction fee ay napupunta sa GCash at Paymaya.
16. DAYVID GALENDEZ: May penalty ba kung sakaling sa last day of grace period, at outside office hours ang member na makapagbayad ng loan thru gcash?  
JERRY S. CLAOUR: Kung ang pagbabayad po ninyo ay lagpas na sa grace period, ito po ay magkakaroon ng penalty. Pero kung ito po ay within the grace period po ay hindi po kayo mabibigyan ng penalty.
17. CRISTINA CORNELLA: Good pm po. Nabanggit po g cash to g cash ay wala pong transaction fee. Pwede po ba dun na lang po i sent s g cash number ng holy cross po. At di na po dadaan dun sa process ng g cash po na may transaction fee po. Salamat po  
JERRY S. CLAOUR: Wala po tayong GCash number. Ang atin pong registration sa GCash ay sa a Biller po. Kaya talagang pumapasok tayo sa apps ng GCash, Kaya warning po sa ating mga kasapi na kapag may nagtetest sa inyo from Holy Cross Savings and Credit Cooperative at nagre-request ng GCash ay huwag po kayong maniniwala. Wala pong GCash number ang Holy Cross Cooperative.
18. MELVIN MABAGA: Gud.pm,Po madam/sir ask ko Ing Po kung Mayron po kau na motorcycle loan  
DIR. AMBET: Pwede po tayong mag-loan para pambili ng motorcycle.
19. ABIGAIL MACATULAD: May binabawasan ba sa share capital account namin for that premium insurance na nasabi nyo?  
JERRY S. CLAOUR: Ang atin pong share capital po mismo ang nag-e-earn ng dibidendo. Ang binabawasan po ay ang ating Savings Deposit kung sakaling ang dibidendo nating natanggap ay hindi sapat para sa ating Mortuary.
20. GINA B. ANONUEVO: Panu po malalaman yung total balance sa saving at share capital. If hindi makakapunta sa Head office  
JERRY S. CLAOUR: Pwede po kayong mag-email sa aming accounting department kung nais ninyong malaman ang inyong total balance sa inyong savings at share capital.
21. CHARMAINE O. ADVINCULA: Sir Yung IK na incentive for attending today po sa savings account po papasok, paano po if hindi active yung savings account Sir?  
JERRY S. CLAOUR: Clarify lang po kung ano 'yung hindi ang savings account. Hindi po nagdo-dormant ng account ang ating kooperatiba. As long as po na kayo ay kasapi kahit hindi po kayo naglo-loan or nag-wi-withdraw or nagdadagdag ng inyong deposit ay hindi po mado-dormant ang inyong account.
22. GINA B. ANONUEVO: If ever po kulang yung dividend para sa mortuary sa saving po automatic kukunin?  
JERRY S. CLAOUR: Tama po.
23. GINA P. ESPINOSA: Matagal na po akong member and maintaining savings at share cap. Never pa po akong nag loan. May perks po ba or incentive kung nag loloan Ang member?  
JERRY S. CLAOUR: Kung kayo po ay may share capital, makakatanggap po kayo ng dibidendo. At kung kayo naman ay nag-lo-loan, makakatanggap kayo ng patronage refund.
24. GINA B. ANONUEVO: Nag sesend po ba kayo ng notification na kulang na yung savings para sa mortuary fund?  
JERRY S. CLAOUR: May mga pagkakataon pong nagesend ng notification sa mga kasapi pero hinihikayat namin na i-monitor din ninyo ang inyong account.
25. JENNLYN RUSTIA: Hindi ko po nakuha yung 500GC dun sa mga nag deposit ng 20k. Makukuha ko pa po ba yung gift check?  
JERRY S. CLAOUR: Ano po kayang dahilan kung bakit hindi nyo po nakuha ang inyong gift check? Sorry to tell po pero nagtapos na po ang ating redemption period noong January 31.
26. JANET D. MANDAM: Gud pm po, kapag nanganak po ba ang isang buntis ay may makukuha po ba? O kapag nakaconfine lng?  
JERRY S. CLAOUR: Regarding po sa Hospital Insurance Benefit (or HIB) na rider po sa ating Mortuary Insurance ay hindi po kasali ang mga confinement due to maternity. Ito lamang po ay para sa mga maysakit lamang po.
27. RIZZA OSAL: Gud pm po last year hindi po ako nakaatend ng assembly, ang dibidendo po ba kahit d makaatend ang member automatic po bang papasok sa account?  
JERRY S. CLAOUR: Yes po.

# Minutes of 33rd Annual Regular General Assembly Meeting

28. MA. AZENITH ROSE FELICIANO: Paano po pag Hindi nakapunta sa araw ng distribution ng dividendo? papasok paden po ba yun?  
JERRY S. CLAOUR: Yes po.
29. JENILYN GUILLERMO: Pwede po ba mag-bigay ng authorization letter kung talagang hindi po makapunta sa mga dates ng schedule of distribution?  
JERRY S. CLAOUR: Kung ano po ang ginagawa natin kapag tayo po ay nagwi withdraw ay maaari din po tayong magbigay ng authorization kung ike-claim natin ang ating dibidendo.
30. NORA U. LIM: Paano po makapag avail ng housing loan. Salamat  
JERRY S. CLAOUR: Yung inooffer po nating Housing Loan, makipag-coordinate lamang kayo sa ating Loan Section. Kakailanganin po ninyo ng TCT (title) at ipapa-appraise pa po ninyo ang inyong property kung magkano ang pwedeng ma-loan.
31. EDDY MARK FLORES: Ano po ung Kaya card?  
JERRY S. CLAOUR: Ito po ung ino-offer sa mga members na parang ATM ngunit hindi pwedeng i-link sa inyong existing account. Mayroon ding application na pwedeng i-monitor. Separate account po ang KAYA card. Walang available ATM machine dito sa atin pero pwedeng i-withdraw sa mga ATM machine na available.
32. SHIRLEY DE JESUS: Magkano pwedeng pang open sa KAYA card  
JERRY S. CLAOUR: As low as 100 pesos ay pwede nang mag-open ng KAYA account.
33. SHERILYN ESTRELLA: If my KAYA account or card, pwede ba ako mag deposit sa KAYA card using GCash.  
JERRY S. CLAOUR: I-che-check po natin kung may naka-link pong GCash app sa KAYA account.
34. JUNNAFE ORTEGA: Follow up po, regarding Gcash - Contributions (option) is SAVINGS, Loan (option) is for Loans, Ang Share Capital po need pumunta sa site po walang option through Gcash, right?  
JERRY S. CLAOUR: For GCash transaction, click lang po ang Contribution. Kailangan nyo pong i-email sa accounting para maipost nila at bigyan sila ng instruction kung saan iyon i-ke-credit. Ang rule po kasi natin na kapag walang instruction from the members, ilalagay po iyan sa Loan. Saka po siya ilalagay sa Savings Deposit or Share Capital.
35. SHIRLEY DE JESUS: Kung mag housing Loan po mga ilang year po ang payment?  
JERRY S. CLAOUR: Maximum of 10 years
36. JUNNAFE ORTEGA: Ang option lang po kasi sa Gcash ay Contribution or Loans, If pinili ko ang contribution how would I know po kung napunta sa savings or Share capital?  
CEO: Sa mga magbabayad po or magta-transact thru GCash, pwede nyo po ilagay sa remarks kung saan ike-credit ang inyong transactions.
37. ABEGAIL B. MIJARES: Regarding naman po sa loan payment through GCASH, nagsettle na po kasi before the due date given, nag sent po ako ng verification sa email ng accounting, nag acknowledged po si accounting, but after 3 banking days may nareceive po ako message from your office na I need na raw isettle loan payment ko. What does it mean po kaya? baka magkapenalty po kasi ako on the following loan payments ko.  
JERRY S. CLAOUR: Kung may nare-receive kayong notice or text messages, ito po ay reminder for your payment. Pero kung gusto ninyong malaman kung nareceive ang inyong payment, pwede kayong tumawag or mag-email sa accounting para magkaroon kayo ng peace of mind.
38. JOEL CRUZ: Meron po bang Vehicle loan product for business? e.g. TNVS  
JERRY S. CLAOUR: Pwede po kayong mag-avail ng loan for the reason of purchasing vehicle used for TNVS.
39. WELSON DACASIN: Sir good pm po tatanong ko lang po kung pwede po ba magpalit ng beneficiary.  
JERRY S. CLAOUR: Regarding po ba ito sa insurance. Technically, legal heirs po talaga ang binibigyang priority pero ina-allow naman po tayong magpalit or magdagdag ng beneficiaries.
40. LILIA SIMBORIO: sir ako po ay may LAD loan na hindi ko po nabyaran dahil umuwi po ako ng probinsya namin. ano po dpat kong gawin?  
JERRY S. CLAOUR: Mas mainam po na tayo ay makipag-ugnayan sa ating kooperatiba. Pwede po kayong tumawag sa ating Collection Section para matanong sa kanila at makapag-update po kayo ng inyong loan.
41. CHRISTINE LLANTO: Kung rating A ba ngaun tapos nadelay ng payment sa loan, automatic ba bababa agad rating?  
JERRY S. CLAOUR: Hindi naman siya automatic na bababa ang rating. Kapag kayo ay naka-miss ng payment ay hindi naman ito makaka-apekto agad. May rule po tayo na kapag sunod-sunod na delay ng 3 beses ang inyong payment ay ito po automatic na bababa ang inyong rating.
42. TERESITA SILVESTRE: Good pm po ask ko lang po re: sa insurance, kapag po ba at least 20K pataas ang share capital hindi na po mababawasan ng 900 for insurance?  
JERRY S. CLAOUR: Base po sa ating history, ang 20 thousand na share capital ay may 5 thousand dividend, ito ay kasya naman sa Mortuary premium rate.
43. CELIA BORROMEO: Good pm po ask ko lang din po yung regarding po sa BIR na lahat ng depositor ay need magkaroon ng Tax Account Number  
JERRY S. CLAOUR: Ang lahat po ng kasapi ay kinakailangang mag-submit ng kanilang TIN number dahil ito po ay requirement ng BIR. At tayo po ay nagkomply lamang po sa kanilang regulation.
44. SUSAN MARCELO: Pag hindi po nag-lo-loan hindi kikita yong share capital?  
JERRY S. CLAOUR: Kung kayo po ay may share capital, ito po ay kumikita sa pamamagitan ng dibidendo na inyong natatanggap. Pero hinihikayat pa rin po na tangkilikin ang ating mga produkto at serbisyo ng ating kooperatiba.
45. MARLENE FLORES: Could my father go on my behalf po? I issued him an SPA.  
JERRY S. CLAOUR: Maaari po ba naming makita ang copy ng SPA na inyong ginawa upang aming mabasa at mapag-aralan ang nilalaman nito.
46. JOSEPHINE CAMARILLO: Good pm po sa lahat, meron lang po akong komento. Maayos ang daloy ng meeting. Ngunit may request po sana ako. Napapansin ko po ang karamihan sa nagrereport ay English ang gamit na lenguahe sa kanilang report iba ay taglish. Nakakahigit sa atin o lahat tayo ay Pilipino naman. Sana po ay taglish o tagalog ang gamit na lenguahe para naiintindihan ng marami sa atin. Maraming salamat po.  
CEO: Noted po ang inyong komento and suggestion. Asahan po ninyo na sa ating susunod na General Assembly Meeting ay Tagalog na po ang ating gagamiting lenguahe.
47. VIVAN ABEJERO: Is there any chance for our office to have a weekends schedule again for those working on weekdays  
CEO: Amin pong pag-uusapan sa ating Board of Directors kung paano kami makakapag-serbisyo sa mga kasapi, either weekends or extended hours.
48. MA. NERISSA CORPUS: Good pm po sir, ask lng po meron pong lk na ibibigay po sa member kapag nag-register, ng vote at umattend ng zoom, pwede po ba un sa savings deposit ilagay or sa share capital lng po?  
JERRY S. CLAOUR: Ang atin pong cash gift ay credited na sa inyong savings deposit at pwede ninyong withdrawin sa March 29.
49. GEORGE GUTIERREZ: Sana po sa 80 yrs old sa 1st floor na lang ang transaction ng loan.  
CEO: Pwede naman po itawag sa guard para matugunan ang inyong pangangailangan. Bumababa naman po ang ating Loan Processor para mag-assist at makipag-transaction sa ating mga kasapi.
50. RACHELLE DOMAGCO: Good pm ask ko lang what if 3 yrs ng walang movement ang account wala po ba yun effect sa savings and share capital?  
JERRY S. CLAOUR: Kung tayo po ay kasapi ng coop, hindi naman po tayo nagdo-dormant ng account. Kahit na ang ating share capital or savings deposit ay walang movement, wala po itong epekto at hindi po ito magiging dormant.
51. AVELINO HOSTALERO JR.: Meron po bang easiest way from members Bank to coop savings to deposit  
JERRY S. CLAOUR: Mayroon na po tayong available online platform tulad ng GCash, Paymaya, PNB at BDO online banking transaction.
52. VIVIAN ABEJERO: Online banking po? Wherein we can view our account kahit po viewing lng ng loan status  
CEO: Sa ngayon po ay wala pa tayong online facility kung saan pwede natin makita ang ating loan status. Pinag-aaralan pa po namin dahil gusto namin na maging safe ang inyong account.

# Minutes of 33rd Annual Regular General Assembly Meeting

53. MA. DELIA GONZALES: Kung di po gumagalaw ang deposit namin at di kame nag lo loan kikitita pa rin po ba ang perks namin? Thanks, po  
 JERRY S. CLAOUR: Kumikita pa rin naman po ang inyong pera sa pamamagitan ng dibidendo.

54. MARIVI UBARCO: Pwede po bang mag apply ng loan thru authorized representative sa loan shared if nsa abroad?? Tnx.  
 CEO: Kung nasa abroad, need ng Special Power of Attorney na dapat ay may authentication ng consul o ng embassy kung saang bansa kayo.

55. MICHAEL CUEVAS: May hotline po ba for further question or online inquiry  
 JERRY S. CLAOUR: Ang ginagamit po natin ay sa pamamagitan ng ating Facebook Page. Mayroon din tayong official hotline number na ipost po namin sa ating Chatbox.

56. CECILIA GUEVARRA: Possible po ba na mag offer ng health plan ang coop to members?  
 CEO: Possible naman po. Pwede naman po nating pag-aralan. Hahanap lang po tayo ng health care provider na pwedeng mag-cater sa mga kasapi ng ating kooperatiba.

57. RACHELLE DOMAGCO: Open po ba yung free check-up sa mga members?  
 CEO: Ang ating free check-up ay open po sa lahat ng members. Ito ay open mula Monday to Friday in partnership with Fatima University Medical Center. Pumunta lamang kayo dito sa ating kooperatiba para sa inyong free check up.

58. RACHELLE DOMAGCO: Meron din po ba free seminars or short courses sa mga member?  
 CEO: Ang available nating seminar para sa mga kasapi ay ang Financial Literacy. Pero pwede po kayong mag-request ng mga nais ninyong livelihood trainings.

59. ARLENE PADILLA: Sir jerry im a member since 2019. maliit pa lang share capital ko possible po ba na makahiram ng doble ng share capital ko? just asking kasi po sa dati kong coop ganun po?  
 JERRY S. CLAOUR: Pwede naman po pero kayo po ay i-e-evaluate pa rin po kung ano ang status ninyo. Maaari po kayong bumisita sa aming opisina at makipag-coordinate sa aming Loan Section.

60. JOANA MARIE SAN JUAN: Good afternoon po, saan po makakahingi ng updated list of foreclosed properties for sale ng COOP?  
 CEO: Ang ating Collection Section ang mayroong listahan ng ating foreclosed properties. Maaari po kayong makipag-ugnayan sa kanila. Pero susubukan po namin na ma-i-post ito sa ating website.

61. JOSEPHINE CAMARILLO: Sa Health Care pwede ho ba khit senior na. Kasi po karamihan ng Health Card ay di na tinatanggap ang senior.  
 CEO: Hindi po namin masasagot kung pwedeng ma-icover ang senior citizens sa ating health care services. Dahil karamihan po ng mga health card providers ay hindi na tumatanggap ng senior citizens. Hahanap po tayo ng health care providers na all inclusive. Ibig sabihin ay pwede na ang mga senior citizens.

62. EMMALORIN: Ano po requirements para maka avail ng health card??  
 CEO: Pakihintay na lamang po dahil hahanap tayo ng health care provider na inclusive ang lahat.

63. VIVAN ABEJERO: Pwede po ba sumali sa atin ang ibang relihiyon?  
 JERRY S. CLAOUR: Welcome naman po kahit anong religion o sekta ang inyong kinabibilangan ay pwedeng sumali sa ating kooperatiba.

## XIII. PRESENCE OF QUORUM

The 33<sup>rd</sup> Annual Regular General Assembly Meeting (ARGAM) was attended by 10,236 members which is 61.73% from the 16,581 registered members. BOD Secretary Erlinda S. Ongjunco declared that there was a quorum when the ARGAM was adjourned on March 24, 2023 at 4:00 pm.

## XIV. ANNOUNCEMENT OF ELECTION RESULTS

Mr. Nestor M. Balicao announced the results of the election for 2023. He also proclaimed the winners to the Board of Directors, members of Audit Committee and Election Committee.

He also mentioned the results of the referendum for the revision of election guidelines with regards to the age qualifications of cooperative officers.

|                              |   |        |
|------------------------------|---|--------|
| Total Number of Members      | - | 16,581 |
| MEV                          | - | 8,053  |
| Number of Votes Casted       | - | 5,641  |
| Total Number of Registration | - | 10,236 |

The number of votes garnered are, as follows:

| BOARD OF DIRECTORS        | NUMBER OF VOTES | RANK |
|---------------------------|-----------------|------|
| Fr. Arnel M. Camacho      | 3,675           | 1    |
| Benita A. Francisco       | 3,039           | 2    |
| Mary Grace P. Almazan     | 2,490           | 3    |
| Priscilla C. Delos Santos | 2,486           | 4    |
| Noel S. Garcia            | 2,456           | 5    |
| Emma C. Leona             | 2,335           | 6    |
| Susana A. Ramos           | 2,300           | 7    |
| Teresita C. Mejia         | 2,134           | 8    |
| Josefina D. Moreno        | 1,649           | 9    |

## AUDIT COMMITTEE

|                    |       |   |
|--------------------|-------|---|
| Rosella B. Briones | 2,848 | 1 |
| Nenita D. Quinto   | 2,515 | 2 |
| Gavina P. Rabadon  | 2,087 | 3 |
| Felicita I. Sabang | 1,613 | 4 |
| Robert P. Malsi    | 1,372 | 5 |
| Joseph D. Domingo  | 897   | 6 |

## ELECTION COMMITTEE

|                       |       |   |
|-----------------------|-------|---|
| Luzviminda C. De Gula | 3,474 | 1 |
| Madonna G. Acebuche   | 2,847 | 2 |
| Mariou D. Bernardino  | 1,701 | 3 |
| Dahlia O. Rances      | 998   | 4 |
| Julietta V. Geronimo  | 816   | 5 |
| Perlita B. Gulmatico  | 805   | 6 |
| Raquel A. Naranjo     | 641   | 7 |

The declared winners are the following:

## BOARD OF DIRECTORS

Fr. Arnel M. Camacho  
 Benita A. Francisco  
 Mary Grace P. Almazan  
 Priscilla D. Delos Santos

## AUDIT COMMITTEE

Rosella B. Briones  
 Nenita D. Quinto

## ELECTION COMMITTEE

Luzviminda C. De Gula  
 Madonna G. Acebuche

For the question: "Sumasang-ayon ba kayo na itaas ang age limit ng manunungkulan sa ating kooperatiba mula sa dating 70 years old ay gawing 75 years old?"

|       |   |             |
|-------|---|-------------|
| OO    | - | 2,640 votes |
| HINDI | - | 3,181 votes |

There will be no revision on the Election Guidelines pertaining to age requirement.

## ADJOURNMENT

After the proclamation of the winners for the 2023 elections, a motion to move for the adjournment of the 33<sup>rd</sup> Annual Regular General Assembly Meeting (ARGAM) was made and has been seconded. BOD Chairperson Fr. Domingo M. Salonga adjourned the 33<sup>rd</sup> Annual Regular General Assembly Meeting at 4:00 pm of March 24, 2023.

Prepared by:

  
 ERLINDA S. ONGJUNCO  
 BOD Secretary

Attested by:

  
 FR. DOMINGO M. SALONGA  
 BOD Chairperson

# Chairperson and CEO's Report

2023 was indeed a significant year for HCSCCO. We were able to bounce back from the effect of Covid from 2020-2022. We emerged financially stable and continuously thriving. Resiliency and adaptability demonstrated by HCSCCO during these challenging times were commendable. It highlighted the strength and efficiency of our strategies and the collective efforts of the Board of Directors, officers, management staff and the untiring support of our members.

We, the Board of Directors, Officers and Management staff are proud to announce to you our dear members that we have reached the P2 Billion mark in 2023. We achieved the first 1 Billion Assets in 25 years and the 2<sup>nd</sup> 1 billion was achieved after 8 years only. This was made possible through our consistent effort, resiliency and willingness to confront the challenges of the cooperative sector. More importantly, the hard work, dedication and passion of the people inside the organization contributed to this success.

## I. FINANCIAL PERSPECTIVE

Audited Financial Report for 2023 showed the following:

|                | 2021<br>(Millions) | 2022<br>(Millions) | % of Increase<br>(Decrease) | 2023<br>(Millions) | % of Increase<br>(Decrease) |
|----------------|--------------------|--------------------|-----------------------------|--------------------|-----------------------------|
| Total Assets   | 1,864.954          | 1,925.378          | 3.24%                       | 2,060.922          | 7.04%                       |
| Loans Releases | 271.565            | 358.732            | 32.09%                      | 294.200            | (17.99%)                    |
| Share Capital  | 609.324            | 627.602            | 3%                          | 647.061            | 3.1%                        |
| Gross Income   | 126.830            | 116.108            | (8.45%)                     | 142.943            | 23.11%                      |
| Total Reserve  | 88.503             | 95.851             | 8.30%                       | 107.719            | 12.38%                      |
| Net Surplus    | 53.888             | 48.468             | (10.06%)                    | 61.527             | 26.94%                      |

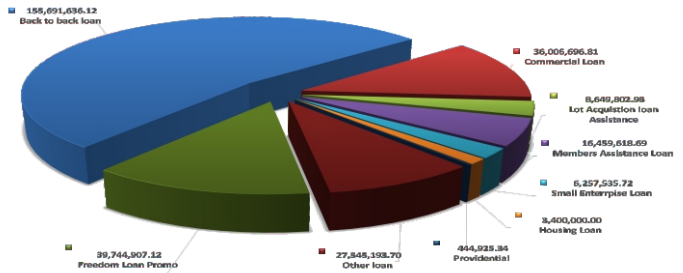
Analyzing the 2023 performance, it reflects a positive increase compared from 2022 except for the loan releases. In general, it shows a good financial result due to effective cost management, judicious investment placements, prudent financial planning and adapting to market conditions in spite of the fact that we are still facing economic challenges in the Philippines. Our goal to be sustainable and resilient amidst the adversities and disruptions we encountered is manifested by our ability to bounce back after the pandemic.

The main source of income of the cooperative is the interest income and other charges received from loan services augmented by the income generated from investments. There is a noticeable decrease in loan releases in 2023 compared to 2022. This can be attributed to tightened lending standards, economic uncertainty and reduced demand for loans. Further, the management became more careful in analyzing the market conditions, assessing credit risks and adapting lending strategies.

Summary of Loan Releases for the year 2023 are as follows:

|                                 |                |
|---------------------------------|----------------|
| Back to Back Loan               | 155,691,636.12 |
| Freedom Loan Promo              | 39,744,907.12  |
| Commercial Loan                 | 36,006,696.81  |
| Members Assistance Loan         | 16,459,618.69  |
| Lot Acquisition Loan Assistance | 8,649,802.93   |
| Small Enterprise Loan           | 6,257,535.72   |
| Housing Loan                    | 3,400,000.00   |
| Providential Loan               | 444,925.34     |
| Other Loan                      | 27,545,193.70  |

TOTAL: P 294,200,316.43



## 2. CUSTOMER/MEMBERS PERSPECTIVE

Despite of the challenges we are all facing, we have a net increase of 207 members in 2023 out of 953 new members and 746 accounts closure. The closure of membership were due to loan offsetting, loan payments, deaths, transfers of residence, financial difficulties and the increasing cost of living.

HCSCCO is serving a total of 35,174 members distributed as Common and Preferred A of 16,688, Preferred B (Depositors) of 22,731 and under Laboratory Cooperative (Kiddie Savers) of 12,443.

Membership Profile (Common & Pref A) as of December 31, 2023 is as follows:

- According to age :
  - 18-30 years old - 1,673 (10%)
  - 31-59 years old - 10,855 (64%)
  - 60 years old & above - 4,360 (26%)
- According to Gender
  - Male - 5,676 (34%)
  - Female - 11,212 (66%)

The management continues to deliver quality services to the members with Satisfaction rating of 98.07% for the year 2023 compared to 98.08% in 2022. The Satisfaction Rating reflects the effectiveness of the management strategies in the delivery of services to the members

## 3. LEARNING AND GROWTH

- Conducted 4 sessions of Owners' Enrichment Seminar and 4 sessions of Financial Literacy (2 for Members and 2 for Students) and 1 PMES in 2023 via zoom platform and face to face.
- Hosted 5 Lakbay Aral with different cooperatives during the year. Lakbay Aral is a sharing of best practices among cooperatives, to learn the success and challenges they encountered and how they overcome it. It is a two-way learning thus HCSCCO is also gaining from this program.
- Conducted a team building activity with the officers and management staff held last July 28-29, 2023 at Aureo Resort & Hotel in La Union. It fosters a positive work environment, boosts morale and improves overall team effectiveness, leading to increased productivity.
- Conducted sports activity scheduled on Sept. 2-23, 2023. It promotes physical well-being, reduces stress, fosters a healthier work-life balance, contributes to a more positive energized work environment and enhances team dynamics.
- Three (3) management staff joined the Lakbay-Aral in Bohol thru the project of Valenzuela Cooperative Development Council (VCDC), attended by different cooperatives in Valenzuela. Visited 2 successful cooperatives in the province of Bohol.
- Attended several trainings, fora, General Assembly Meeting of federations and different activities of the cooperative sector in the Philippines and even outside of the Philippines.

# Chairperson and CEO's Report

## 4. INTERNAL BUSINESS PROCESS

Managing the operations of a cooperative in such dynamic time requires a blend of innovation, resilience, and a strong focus on serving members effectively.

- a) The Board of Directors and Officers including Top Management conducted its yearly Strategic Planning at Hotel Casiana, Tagaytay City from January 23 to 24 2023. This annual activity signifies HCSCCO's proactive approach to shaping its future direction, aligning its resources, and ensuring its sustainability and effectiveness in serving its members.
- b) One of the strategies in achieving its target is thru promos offered to members. These include Share Capital and loan promos.
- c) It is our goal to be compliant to different government agencies like LGU, BFP, BIR, etc.. HCSCCO is required to submit Member's Tax Identification Number (TIN) under MC 124-2020 of BIR.
- d) We conducted for the 3<sup>rd</sup> time the Sequential Virtual Annual General Assembly and Election of Officers. There were 10,236 members who attended the assembly and we achieved the required quorum.
- e) Service & Recognition Award was given to the officers and Volunteers of the cooperative who served for more than 5 years. It is our way of acknowledging the contribution and dedication of the people who served the cooperative for a long time.
- f) To ensure continuous improvement and respond to changing circumstances, operational policies were reviewed and modified to be relevant and attuned to the needs of the members.
- g) Human Resource Management – From the total employees of 55 management staff in December of 2022, it decreased to 52 as of December 2023. There were 9 employees who resigned and hired 6 management staff during the year.
- h) In compliance to the requirement of DOLE and the LGU, all management staff has undergone drug testing. All were tested negative and HCSCCO is declared as a drug free workplace.
- i) In preparation to the retirement of the current Chief Executive Officer (CEO), the Board of Directors started to process the selection of the next CEO and was designated as Assistant to the CEO.
- j) To address the members' health care program, HCSCCO partnered with Climbs thru Clifsa and East West Health Care. The Prime Health Pro of East West Health Care was launched in October, 2023 and took effect on Dec. 1, 2023. There were 133 members who participated in this program to enjoy the benefits of the health card. This was offered thru loan or cash payment.
- k) The Board of Directors approved the revaluation of HCSCCO property acquired in 2017. From the original cost of Php15,000 and Php10,000.00 per square meter, it was appraised at Php40,000.00. per sqm, gaining a revaluation increase of Php104,101,598.50.

## SOCIAL PROGRAM

HCSCCO's dedication to social responsibility not only amplifies its impact on members and communities but also strengthens its mission. By addressing social, economic, and environmental issues, the cooperative plays a vital role in building a more sustainable and equitable future for the members and communities it serves. Our Cooperative:

- a) Provided access to financial services. Members have the chance to engage in business to become entrepreneurs, access to education and healthcare and sustain their financial needs that improved their lives.
- b) Provided social and financial benefits to the members thru Mortuary Benefits, Hospital Income Benefit, Life Savings Protection Plan and Damayan Program.
- c) Continuously made available medicines to the free medical consultation provided by the Fatima University Medical Center (FUMC) Primary Care Clinic in partnership with HCSCCO.
- d) Continuously supported the Peace and Order Campaign in the communities we serve.
- e) Supported 3 transport cooperatives in Valenzuela thru the Coop Kapatid Program (Big Brother Small Brother) of CDA and VCDC.
- f) Provided financial assistance to different projects in the church, communities and other organizations.
- g) Provided support to the VCDC Disaster Fund for immediate funding in case of calamities / disaster in Valenzuela or nearby towns and cities.
- h) Participated in the different programs related to environment and climate change such as urban gardening, clean up drive and tree planting.

## LOOKING FORWARD:

Addressing the sustainability and resiliency in this challenging time, the Board of Directors and management have the following programs and projects:

1. Construction of PHCCCO Annex Building
2. To establish /register a holding corporation
3. Service improvement towards digitalization
4. New programs and activities to be launched this year: May – Dec, 2024

In conclusion, we express our gratitude to the officers, management staff and members of HCSCCO for the collective efforts, dedication and commitment to achieve our sustainable success.

Congratulations! Happy 34<sup>th</sup> Annual General Assembly.



*Lillian D. Silubrico*  
Ms. LILLIAN D. SILUBRICO  
Chief Executive Officer



*Alberto A. Guevarra*  
Dir. ALBERTO A. GUEVARRA  
Chairperson, Board of Directors

# The Board of Directors



(standing from left to right)

Dir. Fr. ARNEL M. CAMACHO, Vice-Chairperson; Dir. BENITA A. FRANCISCO, Member; Dir. MARY GRACE P. ALMAZAN, Member; Dir. ZENAIDA G. BERNALES, Member; Dir. ERLINDA S. URRUTIA, Member; Dir. PRISCILLA C. DELOS SANTOS, Member and Dir. ALBERTO A. GUEVARRA, Chairperson.

# The Other Officers



(standing from left to right)

ATTY. LIBRADO S. VALENZUELA, Legal Counsel; Ms. JOSEFINA DE LEON-MORENO, Assistant Treasurer; Ms. STEFANIE L. GONZALES, BOD Secretary; Ms. ZENAIDA D. ARENAS, Treasurer; ATTY. JOSE MA R. ARCINAS, Legal Counsel.

# Audit Committee Report

# Election Committee Report

The Audit Committee wish to convey warm greetings to Holy Cross Savings & Credit Cooperative to its 34<sup>th</sup> Year Anniversary.

Every year brings a new challenge to Holy Cross Savings & Credit Cooperative. We won over the struggles in 2023 due to the combined efforts of Members, Board of Directors, Committee Officers and Management.

As mandated by R.A. 9520, the Audit Committee is directly accountable and responsible to the General Assembly. We audited the head office three (3) times a month; and visited the three (3) branches i.e. Malinta, Malanday and Punturin alternately. Since Mindanao Ave Branch is in the Head Office, we audited this branch on a monthly basis.

The monitoring we made consisted of reviews of the record/documents and inquiries/interviews with concerned Management and Staff based on the following aspects:

1. Financial
2. Operational
3. Compliance
4. Social Performance

We attended seminar to enhance our knowledge on audit process and in compliance to the trainings needed to be attended.

1. Internal Control for Audit Committee & Internal Auditor
2. Fundamentals of Cooperative
3. Governance and Management of Cooperative
4. Financial, Risk and Credit Management

As per Audit Committee's observations and reviews, the following need to be complied with and put closure to:

1. Records Management Policy:
  - a) Important records filed in plastic bare box.
  - b) Records retention program not in effect.
  - c) Records presentation log to indicate of offsite storage.
2. Full compliance of IT security
3. Risk management manual full operation

The Audit Committee assures to come up with new achievements and will undertake challenges that our Cooperative will face this 2024 and in the coming years.

MABUHAY!

## The Audit Committee



(standing left to right)

Dra. ROSELLA B. BRIONES, Secretary;  
Ms. NENITA D. QUINTO, Chairperson and  
Ms. OFELIA F. ANGELES, Vice-Chairperson

Warm greetings to everyone!

The Election Committee is pleased to share with you the accomplishment we had undertaken for the year 2023. We are grateful for the full support and cooperation extended by each team member and the rest of the HCSCCO management staff.

The following are the significant activities that transpired during that period:

1. The conduct of 33<sup>rd</sup> General Assembly (Sequential), from March 19-24, 2023 gained overwhelming support from the general membership. Seventy percent of the registered members exercised their rights to vote.

The age limit of the officers to serve in the cooperative was amended through the plebiscite wherein nobody over 70 years old is allowed to run for a position as officer of this institution. Based on the result, the NO votes garnered 56% over YES votes, 44%.

2. In preparation for the next GA 2024, the election committee did the following:

Gathered the lists of qualified candidates from membership profile (2015-2020);

Screened, evaluated, and prepared the list of members qualified to become candidates;

Invited the qualified candidates through messenger, email, home visitation, viber, whatsapp, and phone;

Conducted Seminar for Eligible Officers (SEO) with the resource speaker CEO Lilian D, Silubrico.

Prepared the necessary election materials for the coming ARGAM, March 2024.

The committee is hopeful and thankful for the optimism and resilience manifested by each member of this cooperative to lead us to a brighter tomorrow.

We stay committed to serve. To GOD be the glory.

## The Election Committee



(standing left to right)

Ms. MADONNA G. ACEBUCHE, Secretary;  
Mr. ANDRES L. LOPEZ, Chairperson and  
Ms. LUZVIMINDA C. DE GULA, Vice-Chairperson



# Ethics Committee Report

*"Ethics is not just a set of rules; it's a mindset that shapes the culture of an organization."*

## Promoting Ethical Excellence:

Our Ethics Committee has diligently monitored employees' compliance with the Code of Governance and Ethical Standards, ensuring a workplace environment rooted in integrity.

## Enhancing Awareness:

We have actively disseminated and promoted the Code of Ethics to our members, fostering a strong sense of ethical responsibility within our organization.

## Continuous Improvement:

In our commitment to continuous improvement, the Code of Ethics for members underwent a comprehensive review. Amendments were made to certain stipulations, and two additional guidelines were introduced to further strengthen our ethical framework.

## Proactive Risk Management:

Our proactive approach includes visiting the main office and branches to observe, gather information, and detect potential risks within the workplace. This hands-on strategy ensures a thorough understanding of our organizational dynamics.

## Distribution:

To ensure widespread understanding, copies of the Code of Ethics will be distributed to new members during the General Assembly. This also will be published in our website. This inclusive approach guarantees that every member is well-versed in our ethical standards.

## International Accessibility:

Recognizing the diversity within our organization, the Members' Code of Conduct underwent translation into English, making it accessible to a broader audience and promoting a global perspective on ethical conduct.

## Comprehensive Analysis and Recommendations:

The Ethics Committee successfully reviewed and analyzed the Code of Conduct, providing valuable recommendations based on thorough evaluations. The revised Code of Conduct for members reflects our commitment to maintaining the highest ethical standards.

## Future Endeavors:

Looking ahead, we aspire to further enhance our ethical framework by exploring innovative ways to engage our members in ethical discussions and activities. We aim to foster a culture where ethical conduct is not just a set of rules but a way of life.

## *The Ethics Committee*



(standing left to right)

Ms. FELICITA I. SABANG, Vice-Chairperson;  
Mr. NOEL S. GARCIA, Chairperson and  
Ms. DAHLIA O. RANCES, Secretary

# Gender and Development Committee Report

The activities of the Committee include: sex-disaggregation of data, use of gender-neutral/gender-fair language to all communication and correspondence of the Holy Cross Savings and Credit Cooperative.

Part of the sex-disaggregation of data of the members, includes the monitoring of the number of beneficiaries of the cooperative's community projects and the number of attendees to the different cooperative activities.

The committee ensures that gender-fair/gender neutral language is consistently used in all communication and correspondence of the cooperative and in the interaction to all the members.

The committee will continue to advocate for a more gender-friendly cooperative in dealing with members, officers, other stakeholders and to the community.

Part of the advocacy campaign is the preparation and development of the GAD primer.

The continuous learning of the committee members and the cooperative community will be given attention by the committee for the coming year.

Congratulations and more power!

## *The Gender and Development Committee*



Mr. NESTOR M. BALICAO, Member;  
(seated left to right)  
Ms. BENITA A. FRANCISCO, Chairperson and  
Ms. TERESITA C. MEJIA, Vice-Chairperson

# Education and Training Committee Report

## ACCOMPLISHMENTS:

1. Completion of the mandatory training for the new cooperative officers
2. Attendance to the seminars conducted by cooperative federations
3. Attendance of the management staff to the trainings, seminars and activities
4. Attendance and participation of the Board of Directors, Committees and Other Officers to thirty-eight (38) seminars and activities
5. Conduct of 33<sup>rd</sup> Annual Regular General Assembly (ARGAM) with 10,236 registered attendees
6. Conduct of seminars for the members such as: Owner's Enrichment Seminars (OES), Financial Literacy and Seminar for Eligible Officers (SEO)

## PLANS OF ACTION

1. To organize and conduct training workshops for different group of members, officers and management staff
2. To formulate and conduct a wholistic approach in educating the members involving the body, mind and soul
3. To classify the members and their needs in formulating educational programs

Thank you and God Bless Us all!

## The Education and Training Committee



(standing left to right)

Ms. GAVINA P. RABADON, Secretary;  
Dir. Fr. ARNEL M. CAMACHO, Chairperson and  
Ms. MARIVIC T. PANGAN, Vice-Chairperson

# Mediation and Conciliation Committee Report

Greetings of Good Health and Prosperity!

The Mediation and Conciliation Committee is delighted to report that for the year 2023, no complaint or issue had been submitted or referred to the Committee for mediation and conciliation proceedings.

We are successful in attaining our objective of having a successful and peaceful Cooperative, where members economically and spiritually thrive, through the practice of Cooperative values and principles.

"It is more rewarding to resolve a conflict than to dissolve a relationship."  
Josh McDowell

"To practice the process of conflict resolution, we must completely abandon the goal of getting people to do what we want"  
Marshall B. Rosenberg

Thank you and God bless us all!

## The Mediation and Conciliation Committee



(standing left to right)

Ms. NIMFA T. DEL MONTE, Secretary;  
ATTY IDA KRISTINA Z. VALENZUELA, Chairperson and  
Ms. SUSANA A. RAMOS, Vice-Chairperson

# *The CEO and The Managers*

standing from left to right:

**Ms. MA. THERESA A. COSTIMIANO,**

Accounting & Finance Manager;

**Mr. ANTONIO M. ABILGOS JR.,**

Assistant to the CEO;

**Ms. LILLIAN D. SILUBRICO,**

Chief Executive Officer;

**Mr. JONATHAN V. BALUYUT,**

Administrative Manager; and

**Mr. ALEXANDER Q. SOLAYAO,**

Branch Operations Manager



# *The Management Staff*

## **ACCOUNTING & FINANCE DIVISION**



standing from left to right

JOHN PAOLO P. GALANG, Teller; STELLA MAY G. LOVERAS, Teller; RICANELLE S. BALBIRAN, Teller; SARA R. SERAPION, Accounting Staff; GRACIE B. MANALO, Cashier; MARIA ANGELA A. MIRANDA, Accounting Staff; MA. THERESA A. COSTIMIANO, Accounting & Finance Manager; DAPHNE JOYCE M. NOCILLADO, Accounting Staff; MA. CORAZON S. BUNGAYAO, Bookkeeper; SHANE ASHLIE M. SANTIAGO, New Accounts Staff; JUBIE ANNE G. ANTONG, New Accounts Staff; SOFIA NICOLE S. FELIPE, Accounting Staff; CHRIS RYAN W. PADRINAO, Teller; and MARIA BABY O. ESTRADA, Accounting Section Head.

# The Management Staff

## ADMINISTRATIVE DIVISION



standing from left to right:

AGAPITO GALUPO JR and RELLIE A. MENDOZA., Utility & Maintenance Staff; JOSE ALVIN M. ANTONIO, Technical Support Staff; JONATHAN V. BALUYUT, Manager; MELANIE B. PAYCANA, Administrative Staff; FRANCISCO ZALDY A. CABRERA and ALLAN JOHN C. GATUS, Driver/ Liaison Staff

## HUMAN RESOURCE & COMPLIANCE SECTION



standing from left to right:

ABIGAIL CLARA P. SISCAR, Admin-Para Legal Staff; MA. LARA MAE D. FLORES, HR Staff; RENELYN DE JESUS-BURAGA, HR Section Head; ANTONIO M. ABILGOS JR., Assistant to the CEO; LILLIAN D. SILUBRICO, Chief Executive Officer; AGNES E. ARIAS, Compliance Section Head; CHARLENE M. BUENAVENTURA and VANIA JOYCE L. NIÑONUEVO, Compliance Staff;

## MEMBERSHIP & MARKETING DIVISION

standing from left to right:

RINA D. MAHINAY, Membership Staff;  
JERRY S. CLAOUR, OIC Membership & Marketing Officer;  
MARK JASON H. BERMEJO, Customer Care Staff and  
KRISHIA CAMILLE MARMOL, Marketing Staff.



# *The Management Staff*

## **CREDIT & COLLECTION DIVISION**



**standing from left to right**

JAY AN C. JAVIER, Collections Section Head; RESTITUTO L. DE LEON, Collector; NORBE M. CRUZ, Collector; JEFFREY M. BERNARDINO, CIBI Appraiser; CANDIE LIM-LAYOG, Loan Section Head; RON MICHAEL A. CALIWANAGAN, Assistant Loans Processor; JENNIFER D. TURADO, Collections Staff; MACARIO R. DE GULA JR., Assistant CIBI Appraiser Staff; ANDY C. FULLERO, Loans Processor; and ARVIN S. GAPUSAN, Assistant Collection Staff.

## **BRANCH OPERATIONS DIVISION**



**standing from left to right**

MARIAN B. VILLASEÑOR, Malinta Branch Teller; EPHRAIM A. BALBOA, Malinta Branch Accounting Staff; CRISTAL JUN GAY M. LORENZO, Malanday Branch Head; JANINE G. SARAO, Malinta Branch Staff; NANETTE G. ARABEJO, Mindanao Branch Staff; REGINA T. BATIDUAN, Mindanao Branch Head; ALEXANDER Q. SOLAYAO, Manager; VEVIEN S. HUISO, Branch Operations Accounting Head; JOY MARIE CRUZ-OLLERES, Malinta Branch Head; CASSANDRA M. MOLINA, Punturin Branch Accounting Staff; JEMALYN C. SORIANO, Punturin Branch Teller.

# Operational Goals 2024

As a result of the Annual Planning held at The LAKE Hotel, Tagaytay City on 19-20 January 2024, the goals/target for the year 2024 were identified as follows:

| GOAL/TARGET                                                                                                                                                                                    | STRATEGIES                                                                                                                                                                                                           | RESPONSIBLE GROUP                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| <b>FINANCIAL PERSPECTIVE</b>                                                                                                                                                                   |                                                                                                                                                                                                                      |                                                                                   |
| 1. Achieve financial success to support prospering as a financial cooperative                                                                                                                  |                                                                                                                                                                                                                      |                                                                                   |
| a. NET SAVINGS<br>To increase NET SURPLUS to P67.5 Million                                                                                                                                     | a) Develop Promos on the following areas: <ul style="list-style-type: none"> <li>• Membership</li> <li>• Share Capital &amp; Deposit</li> <li>• Loans</li> <li>• Collection</li> </ul>                               | Membership and Marketing Division<br>Credit & Collection Division                 |
| b. ASSETS<br>To increase by 6% or P123 Million for a total of P2.17 Billion                                                                                                                    | b) Innovate services to the members thru digitalization <ul style="list-style-type: none"> <li>• Generate QR code for online payment</li> <li>• Online Membership process</li> <li>• Online Loan services</li> </ul> | Youth Committee,<br>Board of Directors,<br>Livelihood & Social Services Committee |
| c. SHARE CAPITAL<br>To increase by 6% or P38 Million for a total of P685 Million                                                                                                               | c) Develop additional online services and monitoring of transactions <ul style="list-style-type: none"> <li>• Full Utilization of CIC services</li> <li>• Additional payment platform (Union Bank)</li> </ul>        | GAD Committee<br>Management Staff                                                 |
| d. LOAN RELEASES<br>To release loans by a total of P380 Million                                                                                                                                | d) Creation of loan products attractive and beneficial to members                                                                                                                                                    |                                                                                   |
| e. DELINQUENCY<br>To achieve DELINQUENCY rate of 20%                                                                                                                                           | e) Manage investment of financial assets<br>f) Strengthen collection policies and strategies                                                                                                                         |                                                                                   |
| 2. Achieve financial strength to support social programs and distribution of surplus to members<br>To achieve SATISFACTORY rating on Performance Audit Report or 81%-85% and 35% PEARLS Rating | Monitoring the implementation of the cooperative plans and program by balancing Business vs. Social                                                                                                                  |                                                                                   |

## LEARNING AND GROWTH

|                                                                                                                   |                                                                                                                                                                |                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| 1. Strengthen the knowledge and skills of the Board of Directors, Committees, Other Officers and Management Staff | Implement the education and training plan of HCSCCO<br>Participate / attend trainings offered by the federations (PFCCO-NCR / CLIMBS / Nafecoop)               | Education & Training Committee<br>Ethics Committee<br>Medication & Conciliation<br>Board of Directors, Committees and Other Officers |
| 2. Maintain the highest standard of professionalism and ethical conduct characterized by good governance          | Monitor compliance to the Code of Ethics<br>Completion of the mandatory training of the cooperative officers<br>Implement the Professional Development Program | HR Committee                                                                                                                         |

# Operational Goals 2024

| GOAL/TARGET                                                                                                                                                                                                                                                                                              | STRATEGIES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | RESPONSIBLE GROUP                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>CUSTOMER-MEMBER PERSPECTIVE</b></p> <p>1. Achieve membership growth &amp; loyalty (845 Common &amp; Pref-A Net of Closure)</p> <p>2. Focus on engaging young persons in the cooperative</p> <p>3. Implement social programs for the members to be self-sufficient and gain financial stability</p> | <p>a) Launch Membership Promo</p> <p>b) Develop online services for membership application, transaction and approval</p> <p>c) Keep and maintain an updated social media profile</p> <p>d) Strengthen the Loyalty Program for Members</p> <p>e) Develop an innovative, attractive and informative materials to promote, advertise and market cooperative products and services</p> <p>f) Elevate Lab Coop and Depositors into Regular/Common Members</p> <p>g) Continuous implementation of the Institutional Partnership Program</p> <p>h) Promote awareness to cooperative services and principles through cooperative education and training</p> <p>i) Support the eco-friendly campaign program of the government</p> <p>• Support Youth Program of the cooperative</p> <p>a) Implementation of social and community projects and activities</p> <p>b) Implement Social Program of the cooperative</p> <p>c) Mainstreaming of GAD programs in the cooperative</p>                                                 | <p>Membership and Marketing Division</p> <p>Credit &amp; Collection Division</p> <p>Youth Committee,</p> <p>Board of Directors,</p> <p>Livelihood &amp; Social Services Committee</p> <p>GAD Committee</p> <p>Management Staff</p>                                                        |
| <p><b>INTERNAL BUSINESS PROCESSES</b></p> <p>1. Achieve and maintain industry standard best practices</p> <p>2. Professional, dedicated and motivated officers and management staff who are contributing to the success of the cooperative, its members and communities we serve</p>                     | <p>a) Periodic review and updates of existing system, policies and procedures to respond to current needs and situation</p> <p>b) Develop new products and services for sustainable development</p> <p>c) Implement and monitor Education &amp; Training Plan</p> <p>d) Conduct of clean, orderly and peaceful election</p> <p>e) Continuous conduct of online election</p> <p>f) Strengthen the Internal Control System</p> <p>g) Monitor implementation of Good Governance Policy and Code of Ethics for officers, management staff and members</p> <p>h) Monitor the implementation of Business Continuity Plan (BCP)</p> <p>i) Maintain Harmonious Relationship among officers, management staff and members</p> <p>j) To conduct 3-Year Development Plan for 2025-2027</p> <p>a) Implement HR program</p> <p>b) Implement cross training and succession</p> <p>c) Implement Education &amp; Training Program</p> <p>d) Monitor and review of the Performance Evaluation of the Management Staff and Officers</p> | <p>Board of Directors,</p> <p>Management Staff</p> <p>Audit Committee</p> <p>Election Committee</p> <p>Education &amp; Training Committee</p> <p>HR Committee</p> <p>Chief Executive Officer</p> <p>BCP Committee</p> <p>Ethics Committee</p> <p>Mediation and Conciliation Committee</p> |

# Education and Training Plan/ Program 2024

The amount of Cooperative Education and Training Fund (CETF) shall be allocated from the Net Surplus (from the previous year) of not more than 10%. Our by-laws fixed it at 3%. The fund shall be used for the education, training, research, advocacy and other similar cooperative activities geared towards the growth and development of the cooperative members, officers and employees.

## ALLOCATION OF THE CETF

1. Due to Apex Organization / Federation – 50% of the CETF shall be remitted to the federations.
  - a. PFCCO-NCR – The federation has its lined-up training that the cooperative can participate. (refer to PFCCO-NCRL Training Calendar 2024)
  - b. CLIMBS / NAFECOOP– The federation has its Lined-up trainings that the cooperative can participate. (refer to NAFECOOP training calendar 2024)
  - c. Other Federations and Training Providers from which HCSCCO is an affiliate / member
2. Local CETF – 50 % of the CETF shall be spent by the cooperative for its education and training program for its members, officers and management staff.
  - a. Members (26%)
    - Owners' Enrichment Seminar
    - Financial Literacy Seminar
    - Entrepreneurship Seminar
    - Livelihood Training
    - Awareness Program (Climate Change, Disaster Risk Prevention, Mental Health)
  - b. Officers (10%)\*
    - RA required training
    - Risk Management and BCP Training
    - Skills Training
    - Officers Development Program
    - Leadership Training
    - Team Building
    - Exposure Program/ Lakbay-Aral
  - c. Management Staff (14%)\*
    - Skills Training
    - Staff Development Program
    - Risk Management and BCP Training
    - Leadership / Supervisors' Training
    - Values Formation / Spiritual Development
    - Professional Development
    - Team Building
    - Mental Health Awareness
    - Exposure Programs / Lakbay-Aral

\* Can be subsidized from the un-utilized CETF of the previous years

# Social and Community Development Plan/ Program 2024

The Community Development Plan shall be funded through the Community Development Fund which is at 3% of the net surplus of the previous year. It shall be used for projects or activities that will benefit the communities where the cooperative operates.

Community Development refers to the process where community members are supported by organizations, to identify and take collective actions on issues which are important to them. It empowers community members and create stronger and more connected communities, such as but not limited to projects on environment conservation and protection, health and sanitation, infrastructure, disaster risk reduction and management, and support to the vulnerable sector of the society.

HCSCCO being a large cooperative, 50% of CDF shall be used for infrastructure projects, while the remaining amount shall be used for social services.

## ALLOCATION FROM THE 2023 INCOME NET SURPLUS

- A. Infrastructure (50%)
  - Government Project
- B. Environment Conservation and Protection to address Climate Change (10%)\*
  - Urban Gardening
  - Tree Planting
  - Climate Change Awareness
  - Cleanliness
  - Environment protection and preservation
- C. Health and Sanitation (15%)\*
  - Medical Mission / Mobile Surgery
  - Free medical consultation and medicine (in partnership with OLFU)
  - Subsidized Laboratory Test
  - Fitness and Wellness program
- D. Disaster Risk Reduction and Management (5%)\*
  - Earthquake Drill
  - Fire Drill
  - First Aid Training
  - Participation to CERT (Cooperative Emergency Response Team)
- E. Support to the community and the Vulnerable Sector of the Society under the GAD Program (10%)\*
  - Livelihood program:
    - PWD
    - Children & Out of School Youth
    - Elderly and Senior Citizens
    - Women
    - Solo Parent
  - Financial Assistance\*
    - PWD, Elderly and Senior Citizens
    - Victims of Calamities
    - Brigada Eskwela
    - Sick and Disadvantage people
    - Church Projects / Activities
    - Community Projects
  - Implementation of Gender & Development (GAD) Program Youth Program
- F. To support Peace and Order Campaign in the communities we serve (5%)
  - To support Barangay and Police in maintaining peace and order in the community.
- G. To provide technical assistance to the Small Brother under the Koop Kapatid Program of CDA (5%)\*

\* funding will be subsidized from the un-utilized CDF of the previous years



# 3-Year Development Plan 2022-2024

In consideration with the current situation and dealing with the effect of COVID-19, Holy Cross Savings and Credit Cooperative focusses its Strategic Plan adopting with the new normal condition and coming up with the economic back-up and overcome the effect of the pandemic:

## I. LEARNING AND GROWTH (30%)

### LONG-TERM OBJECTIVES:

Strengthen the knowledge and skills of the Board of Directors, Committees, Other Officers and Management Staff

Be a role model in following the policies, rules and regulations being implemented

Live morally upright

### 2022-2024 PRIORITIES:

- Knowledge and technical skills development
- Continuous Personal Development (CPD)
- Transformative Leadership
- Continuous Career Development
- Employees Benefit

TEAMS: Board of Directors, Officers and Management Staff

## 2. INTERNAL BUSINESS PROCESSES (10%)

### LONG-TERM OBJECTIVES:

Achieve and maintain industry best practices.

We have professional, dedicated and motivated management and staff who are contributing to the success of the members and our communities.

### 2022-2024 PRIORITIES:

- Complete ACCESS Branding initiative.
- Develop work-life balance framework. Seek opportunities to improve operational efficiency while maintaining relationship with members and delivery of service according to our mission and vision.
- Leverage investments in technology to develop and implement new products and services to meet member needs and support sustainability and to cope up with the digitalization world.
- Institutionalization of system, procedures and policies.

TEAMS: Board of Directors, Officers, Management Staff and Internal Business Process Team

## 3. CUSTOMER-MEMBER PERSPECTIVE (30%)

### LONG-TERM OBJECTIVES:

To increase the share capital deposit of members and to address the standards or ideal percentage in terms of structure of assets from 35% to 45% (32.52% actual as of December 31, 2021) through Share Capital Promo

To implement "Green Policy" through deposit products, loan services and social programs that promote green environment.

To conduct Mental Health Awareness Seminar and Counseling, Coop Telekonsulta Financial Aid for COVID-19 victims, Vaccination Roll-Out for members and medical supplies such as vitamins and face mask

To leverage the technology available to introduce new products and services

To provide sustainable livelihood trainings and programs to uplift the standards of living of members and create additional jobs/income for them

### 2022-2024 PRIORITIES:

- Growth and Retention of Members
- Climate Action (United Nation's Sustainable Development Goal # 13)
- COVID 19 Response
- Artificial Intelligence
- Poverty Alleviation

TEAMS: Board of Directors, Officers, Management Staff

## 4. FINANCIAL PERSPECTIVE (30%)

### LONG-TERM OBJECTIVES:

Achieve sufficient financial success to support prospering as a financial cooperative

Our financial strength will help to support social programs and distribution of surplus to members

To achieve Fair rating or 81-85% on Performance Audit Report and 35% on PEARLS

### 2022-2024 PRIORITIES:

- Full provisioning of past due accounts (50-99% in over 12 mos.)
- To achieve net loans by 60% of total assets
- To achieve 5% Net Institutional Capital
- Reduce delinquency rate to 15%
- Non-earning asset should not exceed to 5%
- Interest on Share Capital should not be less than the Market Rate (inflation rate)
- Liquidity Ratio should be minimum of 15% over total deposits and 20% over total assets
- Increase in Membership by 12% in numbers
- Increase Assets by 8% per year
- Increase Net Surplus by 8% per year

TEAMS: Board of Directors, Officers, Management Staff

# Operational Budget for 2024

## HOLY CROSS SAVINGS AND CREDIT COOPERATIVE BUDGETED STATEMENT OF OPERATION For the Year 2024

| <b>REVENUES</b>                                            | <b>Head Office</b>    | <b>Branches</b>      | <b>Combined</b>       |
|------------------------------------------------------------|-----------------------|----------------------|-----------------------|
| Interest Income from Loans                                 | 87,000,000.00         | 29,465,000.00        | 116,465,000.00        |
| Service Fees/Insp.Fees/Coll. Fee/Appraisal Fee/Filing Fees | 9,100,000.00          | 2,400,000.00         | 11,500,000.00         |
| Fines, Penalties and Surcharges                            | 7,000,000.00          | 3,200,000.00         | 10,200,000.00         |
| Membership Fees                                            | 300,000.00            | 140,000.00           | 440,000.00            |
| Income/Interest from Investments & Deposits                | 19,700,000.00         | 2,300,000.00         | 22,000,000.00         |
| Miscellaneous Income                                       | 3,340,000.00          | 3,500,000.00         | 6,840,000.00          |
| <b>Total Revenues</b>                                      | <b>126,440,000.00</b> | <b>41,005,000.00</b> | <b>167,445,000.00</b> |
| <b>EXPENSES</b>                                            |                       |                      |                       |
| <b>Financing Costs</b>                                     |                       |                      |                       |
| Interest Expense on Deposits                               | 11,000,000.00         | 2,650,000.00         | 13,650,000.00         |
| <b>Total Financing Costs</b>                               | <b>11,000,000.00</b>  | <b>2,650,000.00</b>  | <b>13,650,000.00</b>  |
| <b>Administrative Costs</b>                                |                       |                      |                       |
| Salaries and Wages                                         | 12,900,000.00         | 4,500,000.00         | 17,400,000.00         |
| Employees Benefits                                         | 8,000,000.00          | 2,700,000.00         | 10,700,000.00         |
| SSS/ECC/Philhealth/Pag-ibig Contribution                   | 1,900,000.00          | 600,000.00           | 2,500,000.00          |
| Retirement Benefit Expense                                 | 2,200,000.00          | -                    | 2,200,000.00          |
| Officers Honorarium and Allowances                         | 2,300,000.00          | -                    | 2,300,000.00          |
| Officers Gratuity Expense                                  | 300,000.00            |                      | 300,000.00            |
| Depreciation                                               | 2,100,000.00          | 1,700,000.00         | 3,800,000.00          |
| Amortization                                               | 130,000.00            | -                    | 130,000.00            |
| Provision for Probable Losses on Loans                     | 6,000,000.00          | 6,200,000.00         | 12,200,000.00         |
| General Support Services                                   | 1,000,000.00          | 1,200,000.00         | 2,200,000.00          |
| Meetings & Conferences                                     | 900,000.00            | 10,000.00            | 910,000.00            |
| Power, Light and Water                                     | 1,500,000.00          | 800,000.00           | 2,300,000.00          |
| General Assembly Expenses                                  | 9,400,000.00          | 2,100,000.00         | 11,500,000.00         |
| Collection Expenses                                        | 600,000.00            | 100,000.00           | 700,000.00            |
| Office Supplies                                            | 1,000,000.00          | 450,000.00           | 1,450,000.00          |
| Repairs and Maintenance                                    | 800,000.00            | 700,000.00           | 1,500,000.00          |
| Professional Fees                                          | 1,200,000.00          | -                    | 1,200,000.00          |
| Communication Expense                                      | 600,000.00            | 500,000.00           | 1,100,000.00          |
| Travel and Transportation                                  | 4,300,000.00          | 1,200,000.00         | 5,500,000.00          |
| Gas, Oil and Lubricants                                    | 280,000.00            | 40,000.00            | 320,000.00            |
| Promotional Expenses                                       | 700,000.00            | 200,000.00           | 900,000.00            |
| Insurance Expense                                          | 400,000.00            | 370,000.00           | 770,000.00            |
| Rent Expense                                               | -                     | 600,000.00           | 600,000.00            |
| Members Benefits                                           | 300,000.00            | 200,000.00           | 500,000.00            |
| Representation Expense                                     | 200,000.00            | 30,000.00            | 230,000.00            |
| Taxes and Licenses                                         | 150,000.00            | 250,000.00           | 400,000.00            |
| Affiliation Fee/Annual Dues                                | 80,000.00             | 5,000.00             | 85,000.00             |
| Miscellaneous Expense                                      | 1,100,000.00          | 300,000.00           | 1,400,000.00          |
| Social & Community Expense                                 | 200,000.00            | 100,000.00           | 300,000.00            |
| Cooperative Expenses                                       | 900,000.00            |                      | 900,000.00            |
| <b>TOTAL ADMINISTRATIVE COSTS</b>                          | <b>61,440,000.00</b>  | <b>24,855,000.00</b> | <b>86,295,000.00</b>  |
| <b>TOTAL EXPENSES</b>                                      | <b>72,440,000.00</b>  | <b>27,505,000.00</b> | <b>99,945,000.00</b>  |
| <b>NET SAVINGS</b>                                         | <b>54,000,000.00</b>  | <b>13,500,000.00</b> | <b>67,500,000.00</b>  |

# 2023 Budget vs Actual Expenditures

## HOLY CROSS SAVINGS AND CREDIT COOPERATIVE

### Budget vs. Actual

### For the Year 2023

| REVENUES                                                  | 2023 Budget           | Actual Head Office    |                       | Actual Branches      | Variance              |
|-----------------------------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|
|                                                           |                       | & Branches            | Head Office           |                      |                       |
| Interest Income from Loans                                | 113,030,000.00        | 93,227,534.51         | 72,730,892.74         | 20,496,641.77        | (19,802,465.49)       |
| Service Fees/Insp.Fees/Coll. Fee/Appraisal Fee/Filing Fee | 10,950,000.00         | 7,430,178.37          | 5,851,778.57          | 1,578,399.80         | (3,519,821.63)        |
| Fines, Penalties and Surcharges                           | 11,300,000.00         | 8,071,240.16          | 5,431,123.02          | 2,640,117.14         | (3,228,759.84)        |
| Membership Fees                                           | 440,000.00            | 212,090.00            | 155,800.00            | 56,290.00            | (227,910.00)          |
| Income/Interest from Investments & Deposits               | 11,000,000.00         | 27,898,443.48         | 24,708,851.53         | 3,189,591.95         | 16,898,443.48         |
| Miscellaneous Income                                      | 5,860,000.00          | 6,104,110.91          | 3,045,031.72          | 3,059,079.19         | 244,110.91            |
| <b>Total Revenues</b>                                     | <b>152,580,000.00</b> | <b>142,943,597.43</b> | <b>111,923,477.58</b> | <b>31,020,119.85</b> | <b>(9,636,402.57)</b> |
| <b>EXPENSES</b>                                           |                       |                       |                       |                      |                       |
| <b>Financing Costs</b>                                    |                       |                       |                       |                      |                       |
| Interest Expense on Deposits                              | 13,650,000.00         | 10,025,925.41         | 8,578,245.83          | 1,447,679.58         | (3,624,074.59)        |
| <b>Total Financing Costs</b>                              | <b>13,650,000.00</b>  | <b>10,025,925.41</b>  | <b>8,578,245.83</b>   | <b>1,447,679.58</b>  | <b>(3,624,074.59)</b> |
| <b>Administrative Costs</b>                               |                       |                       |                       |                      |                       |
| Salaries and Wages                                        | 16,800,000.00         | 14,022,186.33         | 10,920,039.80         | 3,102,146.53         | (2,777,813.67)        |
| Employees Benefits                                        | 10,700,000.00         | 7,213,258.84          | 5,830,437.36          | 1,382,821.48         | (3,486,741.16)        |
| SSS/ECC/Philhealth/Pag-ibig Contribution                  | 2,000,000.00          | 1,746,768.41          | 1,409,642.78          | 337,125.63           | (253,231.59)          |
| Retirement Benefit Expense                                | 2,200,000.00          | 2,200,000.00          | 2,200,000.00          | -                    | -                     |
| Officers Honorarium and Allowances                        | 2,000,000.00          | 1,728,000.00          | 1,728,000.00          | -                    | (272,000.00)          |
| Depreciation                                              | 4,000,000.00          | 3,039,837.21          | 1,560,852.46          | 1,478,984.75         | (960,162.79)          |
| Amortization                                              | 100,000.00            | 118,219.72            | 118,219.72            | -                    | 18,219.72             |
| Provision for Probable Losses on Loans                    | 12,200,000.00         | 17,219,200.00         | 11,019,200.00         | 6,200,000.00         | 5,019,200.00          |
| General Support Services                                  | 2,000,000.00          | 1,802,541.50          | 808,620.00            | 993,921.50           | (197,458.50)          |
| Meetings & Conferences                                    | 910,000.00            | 604,942.20            | 603,100.20            | 1,842.00             | (305,057.80)          |
| Power, Light and Water                                    | 2,200,000.00          | 1,810,151.88          | 1,116,969.50          | 693,182.38           | (389,848.12)          |
| General Assembly Expenses                                 | 9,500,000.00          | 10,839,767.95         | 8,781,016.95          | 2,058,751.00         | 1,339,767.95          |
| Collection Expenses                                       | 1,080,000.00          | 471,024.10            | 441,571.24            | 29,452.86            | (608,975.90)          |
| Office Supplies                                           | 1,410,000.00          | 723,788.51            | 568,492.97            | 155,295.54           | (686,211.49)          |
| Repairs and Maintenance                                   | 1,500,000.00          | 774,961.69            | 578,292.12            | 196,669.57           | (725,038.31)          |
| Professional Fees                                         | 600,000.00            | 485,263.16            | 485,263.16            | -                    | (114,736.84)          |
| Communication Expense                                     | 950,000.00            | 634,933.21            | 346,786.11            | 288,147.10           | (315,066.79)          |
| Travel and Transportation                                 | 4,500,000.00          | 4,846,495.94          | 3,791,443.84          | 1,055,052.10         | 346,495.94            |
| Gas, Oil and Lubricants                                   | 300,000.00            | 147,417.93            | 135,417.93            | 12,000.00            | (152,582.07)          |
| Promotional Expenses                                      | 850,000.00            | 483,000.00            | 375,400.00            | 107,600.00           | (367,000.00)          |
| Insurance Expense                                         | 670,000.00            | 517,641.27            | 241,341.05            | 276,300.22           | (152,358.73)          |
| Rent Expense                                              | 500,000.00            | 442,105.28            | -                     | 442,105.28           | (57,894.72)           |
| Members Benefit                                           | 500,000.00            | -                     | -                     | -                    | (500,000.00)          |
| Representation Expense                                    | 330,000.00            | 57,306.30             | 45,292.30             | 12,014.00            | (272,693.70)          |
| Taxes and Licenses                                        | 235,000.00            | 296,034.52            | 124,958.14            | 171,076.38           | 61,034.52             |
| Affiliation Fee/Annual Dues                               | 45,000.00             | 58,948.00             | 58,948.00             | -                    | 13,948.00             |
| Miscellaneous Expense                                     | 1,000,000.00          | 562,478.00            | 220,118.00            | 342,360.00           | (437,522.00)          |
| Social & Community Service Expenses                       | 200,000.00            | 32,327.00             | -                     | 32,327.00            | (167,673.00)          |
| Cooperative Expenses                                      | 800,000.00            | 653,654.50            | 653,654.50            | -                    | (146,345.50)          |
| Training Expenses                                         | -                     | 203,224.85            | 203,224.85            | -                    | 203,224.85            |
| <b>TOTAL ADMINISTRATIVE COSTS</b>                         | <b>80,080,000.00</b>  | <b>73,735,478.30</b>  | <b>54,366,302.98</b>  | <b>19,369,175.32</b> | <b>(6,344,521.70)</b> |
| <b>TOTAL EXPENSES</b>                                     | <b>93,730,000.00</b>  | <b>83,761,403.71</b>  | <b>62,944,548.81</b>  | <b>20,816,854.90</b> | <b>(9,968,596.29)</b> |
| <b>NET SAVINGS</b>                                        | <b>58,850,000.00</b>  | <b>59,182,193.72</b>  | <b>48,978,928.77</b>  | <b>10,203,264.95</b> | <b>332,193.72</b>     |
| <b>Other Items</b>                                        |                       |                       |                       |                      |                       |
| Gain on Sale - Investment Property                        | -                     | 133,315.68            | 133,315.68            | -                    | 133,315.68            |
| Gain on Sale - RPA                                        | -                     | 814,548.35            | 814,548.35            | -                    | 814,548.35            |
| Rent of Property - RPA                                    | -                     | 222,000.00            | 144,000.00            | 78,000.00            | 222,000.00            |
| Optional Fund Subsidy                                     | 1,250,000.00          | 1,250,000.00          | -                     | 1,250,000.00         | -                     |
| Income Tax Due                                            | (100,000.00)          | (74,351.03)           | -                     | (75,351.03)          | -                     |
| <b>NET SAVINGS</b>                                        | <b>60,000,000.00</b>  | <b>61,602,057.75</b>  | <b>50,070,792.80</b>  | <b>11,455,913.92</b> | <b>1,602,057.75</b>   |

# Audited Financial Statement



**O.T. OLIVEROS & Co. - CPAs**

*146 Fortune Drive, Fortune Village 6, Valenzuela City*

---

## **REPORT OF INDEPENDENT AUDITORS**

**The Board of Directors and Members**

**HOLY CROSS SAVINGS AND CREDIT COOPERATIVE**

T. Bugallon St., Gen.T.de Leon

Valenzuela City

### **Report on the Audit of the Financial Statement**

#### Opinion

We have audited the accompanying financial statements of **HOLY CROSS SAVINGS AND CREDIT COOPERATIVE**, which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of operation, statements of changes in equity and statutory fund and consolidated statements of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **HOLY CROSS SAVINGS AND CREDIT COOPERATIVE**, as at December 31, 2023, and its and its financial performance for the year then ended in accordance with Philippine Financial Reporting Standard applicable to Cooperatives in the Philippines.

#### Basis for Opinion

We conducted our audits in accordance with Philippine Standard on Auditing (PSA). Our responsibilities under those standards are further discussed in the Auditor's Responsibilities for the Audit of the Financial Statements' section of this report. We are independent of the Cooperative in accordance with the Code of Ethics for Professional Accountants in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management are responsible for the preparation and fair presentation of the financial statements in accordance with PFRS applicable to Cooperatives in the Philippines and for such internal control as management determines is necessary to enable the preparation the financial statements that are free from material misstatement whether due to fraud or error. In preparing the financial statement, 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 Statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue and auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but 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 the users taken on the basis of these financial statements.

# Audited Financial Statement



**O.T. OLIVEROS & Co. - CPAs**

*146 Fortune Drive, Fortune Village 6, Valenzuela City*

As part of the audit accordance with PSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used 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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Cooperative to express an opinion on the financial statement. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on the Supplementary Information Required Under Revenue Regulations

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties, licenses and fees in Notes to the financial statements is presented for the purposes 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 our audits of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

**O. T. OLIVEROS & Co.**

**PAOLO GERARD T. OLIVEROS**

CPA Certificate No. 120693 – Sept 24, 2026

CDA CEA No. 1643

PTR No. 8809021 issued at Valenzuela City on Jan 8, 2024

Tax Identification No. 252-574-040-000

BIR A/N – 05-006979-001-2021 valid until March 8, 2024

BOA A/N – 7402 – Sept 24, 2024

February 23, 2024

# Audited Financial Statement

## HOLY CROSS SAVINGS & CREDIT COOPERATIVE CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION AS OF DECEMBER 31, 2023 AND 2022

(Amounts in Philippine Pesos)

|                                                | Notes | 2023                     | 2022                     |
|------------------------------------------------|-------|--------------------------|--------------------------|
| <b>ASSETS</b>                                  |       |                          |                          |
| <b>Current Assests</b>                         |       |                          |                          |
| Cash and cash equivalents                      | 5     | ₱355,146,263.06          | ₱332,077,994.46          |
| Short Term Investment                          | 6     | 454,391,893.50           | 430,999,974.83           |
| Loans Receivables - net                        | 7     | 703,715,471.89           | 765,159,222.00           |
| Other Current Receivables                      | 8     | 8,959,361.34             | 7,575,416.25             |
| Unused supplies & Prepayments                  |       | 2,032,092.98             | 1,446,943.04             |
| <b>Total Current Assets</b>                    |       | <b>₱1,524,245,082.77</b> | <b>₱1,537,259,550.58</b> |
| <b>Non-Current Assets</b>                      |       |                          |                          |
| HTM Investments                                | 9     | 145,441,868.18           | 144,561,287.64           |
| Investment in Non-Marketable Equity Securities | 10    | 17,887,139.62            | 17,569,451.26            |
| Investment Properties                          | 11    | 207,889,077.41           | 62,903,911.03            |
| Property and Equipment - net                   | 12    | 66,056,728.16            | 65,369,038.87            |
| Real and Other Properties Acquired             | 13    | 18,443,829.58            | 23,139,937.22            |
| Other Non-Current Assets                       | 14    | 80,958,466.69            | 74,574,983.85            |
| <b>Total Non-Current Assets</b>                |       | <b>536,677,109.64</b>    | <b>388,118,609.87</b>    |
| <b>TOTAL ASSETS</b>                            |       | <b>₱2,060,922,192.41</b> | <b>₱1,925,378,160.45</b> |
| <b>LIABILITIES &amp; MEMBERS' EQUITY</b>       |       |                          |                          |
| <b>LIABILITIES</b>                             |       |                          |                          |
| <b>Current Liabilities</b>                     |       |                          |                          |
| Deposit Liabilities                            | 15    | 1,082,792,597.52         | 1,116,706,684.52         |
| Other Current Liabilities                      | 16    | 32,966,531.65            | 10,825,194.30            |
| Due to Union/Federation                        | 28    | 922,915.60               | 727,031.77               |
| Interest on Share Capital Payable              | 28    | 35,993,708.43            | 28,354,239.19            |
| Patronage Refund Payable                       | 28    | 10,152,071.61            | 7,997,349.52             |
| <b>Total Current Liabilities</b>               |       | <b>₱1,162,827,824.81</b> | <b>₱1,164,610,499.30</b> |
| <b>Non Current Liability</b>                   |       |                          |                          |
| Retirement Fund Payable                        | 17    | 12,964,874.34            | 11,101,067.34            |
| Other Non current Liabilities                  | 18    | 10,411,801.28            | 10,376,539.81            |
| <b>Total Non Current Liabilities</b>           |       | <b>23,376,675.62</b>     | <b>21,477,607.15</b>     |
| <b>TOTAL LIABILITIES</b>                       |       | <b>1,186,204,500.43</b>  | <b>1,186,088,106.45</b>  |
| <b>MEMBERS' EQUITY</b>                         |       |                          |                          |
| Share Capital                                  | 19    | 647,061,200.00           | 627,602,500.00           |
| Statutory funds                                | 20    | 107,719,175.64           | 95,851,836.16            |
| Revaluation Surplus                            | 21    | 119,937,316.33           | 15,835,717.83            |
| <b>Total Members' Equity</b>                   |       | <b>874,717,691.97</b>    | <b>739,290,053.99</b>    |
| <b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>   |       | <b>₱2,060,922,192.41</b> | <b>₱1,925,378,160.45</b> |

See Notes to Financial Statements

# Audited Financial Statement

**HOLY CROSS SAVINGS & CREDIT COOPERATIVE**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

(Amounts in Philippine Pesos)

|                                          | Notes | 2023           | 2022           |
|------------------------------------------|-------|----------------|----------------|
| <b>REVENUES</b>                          |       |                |                |
| Income from Credit Operations            | 22    | 108,728,953.04 | 100,306,225.09 |
| Interest Income on Investments/ Deposits | 23    | 27,898,443.48  | 10,509,389.87  |
| Membership Fees                          | 23    | 212,090.00     | 212,480.00     |
| Miscellaneous Income                     | 23    | 6,104,110.91   | 5,080,819.26   |
| Total                                    |       | 142,943,597.43 | 116,108,914.22 |
| <b>EXPENSES</b>                          |       |                |                |
| Financing Costs                          | 24    | 10,025,925.41  | 10,250,182.77  |
| Administrative expenses                  | 25    | 73,735,478.29  | 60,627,447.90  |
| Total                                    |       | 83,761,403.71  | 70,877,630.67  |
| <b>NET SURPLUS BEFORE OTHER ITEMS</b>    |       | 59,182,193.72  | 45,231,283.55  |
| Other Items                              | 27    | 2,419,864.03   | 3,308,196.87   |
| Income Tax Due                           |       | 74,351.03      | 70,695.47      |
| <b>NET SURPLUS FOR DISTRIBUTION</b>      |       | 61,527,706.72  | 48,468,784.95  |

**DISTRIBUTION OF NET SURPLUS:**

|                                    | 2023          | 2022          |
|------------------------------------|---------------|---------------|
| General Reserve Fund               | 9,229,156.01  | 7,270,317.74  |
| Education and Training Fund -Local | 922,915.60    | 727,031.77    |
| Due to Union/Federation            | 922,915.60    | 727,031.77    |
| Community Development Fund         | 1,845,831.20  | 1,454,063.55  |
| Optional Fund                      | 2,461,108.27  | 1,938,751.40  |
| Interest on Share Capital          | 35,993,708.43 | 28,354,239.19 |
| Patronage Refund                   | 10,152,071.61 | 7,997,349.52  |
| NET SURPLUS AS DISTRIBUTED         | 61,527,706.72 | 48,468,784.95 |

*See Accompanying Notes to Financial Statements*

# Audited Financial Statement

## HOLY CROSS SAVINGS & CREDIT COOPERATIVE

### SEGREGATED STATEMENTS OF OPERATIONS

DECEMBER 31, 2023

(Amounts in Philippine Pesos)

|                                          | Notes | 2023                  |                     | Total                 |
|------------------------------------------|-------|-----------------------|---------------------|-----------------------|
|                                          |       | Non-Taxable Revenue   | Taxable Revenue     |                       |
| <b>REVENUES</b>                          |       |                       |                     |                       |
| Income from Credit Operations            | 22    | 108,728,953.04        | -                   | 108,728,953.04        |
| Interest Income on Investments/ Deposits | 23    | 27,898,443.48         | -                   | 27,898,443.48         |
| Membership Fees                          | 23    | 212,090.00            | -                   | 212,090.00            |
| Miscellaneous Income                     | 23    | 3,946,651.69          | 2,157,459.22        | 6,104,110.91          |
| <b>Total</b>                             |       | <b>140,786,138.21</b> | <b>2,157,459.22</b> | <b>142,943,597.43</b> |
| <b>EXPENSES</b>                          |       |                       |                     |                       |
| Financing Costs                          | 24    | 10,025,925.41         | -                   | 10,025,925.41         |
| Administrative expenses                  | 25    | 71,875,423.20         | 1,860,055.09        | 73,735,478.29         |
| <b>Total</b>                             |       | <b>81,901,348.61</b>  | <b>1,860,055.09</b> | <b>83,761,403.70</b>  |
| <b>NET SURPLUS BEFORE OTHER ITEMS</b>    |       | <b>58,884,789.60</b>  | <b>297,404.13</b>   | <b>59,182,193.73</b>  |
| Other Items                              | 27    | 2,419,864.03          | -                   | 2,419,864.03          |
| Income Tax Due                           |       | -                     | 74,351.03           | 74,351.03             |
| <b>NET SURPLUS FOR DISTRIBUTION</b>      |       | <b>61,304,653.63</b>  | <b>223,053.10</b>   | <b>61,527,706.73</b>  |



# Audited Financial Statement

**HOLY CROSS SAVINGS & CREDIT COOPERATIVE**  
**STATEMENTS OF CHANGES IN EQUITY AND STATUTORY FUNDS**  
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Amounts in Philippine Pesos)

|                                                              | 2023            | 2022            |
|--------------------------------------------------------------|-----------------|-----------------|
| <b>SHARE CAPITAL - 8,925,000 shares at P100.00 par value</b> |                 |                 |
| Common share Capital - 8,000,000 shares                      |                 |                 |
| Beginning Balance                                            | 608,801,100.00  | 592,117,000.00  |
| Add: Additional Capital Build-up                             | 33,041,100.00   | 39,894,000.00   |
| Less: Treasury Shares                                        | (15,017,700.00) | (23,209,900.00) |
| Total                                                        | 626,824,500.00  | 608,801,100.00  |
| Preferred Share A - 725,000 shares                           |                 |                 |
| Beginning Balance                                            | 14,260,800.00   | 12,589,800.00   |
| Add: Additional Capital Build-up                             | 1,451,100.00    | 2,702,400.00    |
| Less: Elevated to Common Shares                              | -               | -               |
| Less: Treasury shares                                        | (21,000.00)     | (1,031,400.00)  |
| Total                                                        | 15,690,900.00   | 14,260,800.00   |
| Preferred Share B - 200,000 shares                           |                 |                 |
| Beginning Balance                                            | 4,540,600.00    | 4,618,000.00    |
| Add: Additional (Terminated) Capital Build-up                | 20,600.00       | (68,000.00)     |
| Less: Treasury Shares                                        | (15,400.00)     | (9,400.00)      |
| Total                                                        | 4,545,800.00    | 4,540,600.00    |
| <b>TOTAL SHARE CAPITAL</b>                                   | 647,061,200.00  | 627,602,500.00  |
| <b>STATUTORY FUNDS</b>                                       |                 |                 |
| <b>RESERVE FUNDS</b>                                         |                 |                 |
| Beginning Balance                                            | 75,736,689.29   | 68,466,371.55   |
| Provisions                                                   | 9,229,156.01    | 7,270,317.74    |
| Total Reserve Funds                                          | 84,965,845.30   | 75,736,689.29   |
| <b>EDUCATION AND TRAINING FUND</b>                           |                 |                 |
| Beginning Balance                                            | 1,662,522.25    | 1,585,646.73    |
| Provisions                                                   | 922,915.60      | 727,031.77      |
| Usage                                                        | (879,814.65)    | (650,156.25)    |
| Total Education and Training Fund                            | 1,705,623.20    | 1,662,522.25    |
| <b>COMMUNITY DEVELOPMENT FUND</b>                            |                 |                 |
| Beginning Balance                                            | 4,290,967.51    | 4,978,259.29    |
| Provisions                                                   | 1,845,831.20    | 1,454,063.55    |
| Usage                                                        | (461,856.95)    | (2,141,355.33)  |
| Total Community Development Fund                             | 5,674,941.76    | 4,290,967.51    |
| <b>OPTIONAL FUND</b>                                         |                 |                 |
| Beginning Balance                                            | 14,161,657.11   | 13,472,905.71   |
| Provisions                                                   | 2,461,108.27    | 1,938,751.40    |
| Usage                                                        | (1,250,000.00)  | (1,250,000.00)  |
| Total Optional Fund                                          | 15,372,765.38   | 14,161,657.11   |
| <b>TOTAL STATUTORY FUNDS</b>                                 | 107,719,175.64  | 95,851,836.16   |
| <b>Unrealized Gain on Property Valuation</b>                 | 119,937,316.33  | 15,835,717.83   |
| <b>TOTAL MEMBERS' EQUITY</b>                                 | 874,717,691.97  | 739,290,053.99  |

See Accompanying Notes to Financial Statements

# Audited Financial Statement

## HOLY CROSS SAVINGS AND CREDIT COOPERATIVE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Amounts in Philippine Peso)

|                                                            | 2023                    | 2022                   |
|------------------------------------------------------------|-------------------------|------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                |                         |                        |
| Net Surplus before distribution                            | 61,527,706.72           | 48,468,784.95          |
| Adjustments for:                                           |                         |                        |
| Depreciation                                               | 1,999,813.89            | 2,075,872.53           |
| Provision for probable losses on loan                      | 17,219,200.00           | 12,252,200.00          |
| Unrealized Gain on Property Valuation                      | 104,101,598.50          | -                      |
| Net Surplus before working capital changes                 | 184,848,319.11          | 62,796,857.48          |
| <b>(Increase) Decrease in:</b>                             |                         |                        |
| Loans and Receivables, net                                 | 61,443,750.11           | 15,641,075.74          |
| Other Current Receivables                                  | (1,383,945.09)          | (1,366,997.05)         |
| Unused Office Supplies                                     | (585,149.94)            | 210,232.78             |
| <b>Increase (Decrease) in:</b>                             |                         |                        |
| Deposit Liabilities                                        | (33,914,087.00)         | 28,894,150.56          |
| Trade, Non-Trade and Other Payables                        | 22,141,337.35           | 232,666.91             |
| Due to Union/Federation                                    | 195,883.83              | (757,344.05)           |
| <b>Net cash provided by operating activities</b>           | <b>232,746,108.36</b>   | <b>105,650,642.37</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                |                         |                        |
| Addition to HTM Investments                                | (880,580.54)            | 140,632.77             |
| Addition to Investment in Non-Marketable Equity Securities | (317,688.36)            | (5,861,288.00)         |
| Deduction (Additions) to Real and Other Property Acquired  | 4,696,107.64            | 4,078,073.59           |
| Additions to/Reclassification of Property and Equipment    | (2,687,504.18)          | 33,540,743.50          |
| Other Funds and Deposits                                   | -                       | 67,190,392.70          |
| Other Non-Current Assets                                   | (6,383,482.84)          | (70,803,499.70)        |
| <b>Net cash used in investing activities</b>               | <b>(5,573,148.28)</b>   | <b>28,285,054.86</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                |                         |                        |
| Increase (Decrease) in:                                    |                         |                        |
| Net Proceeds from Issuance of Share Capital                | 19,458,700.00           | 18,277,700.00          |
| Decrease (Increase) to Investment Property                 | (144,985,166.38)        | (40,394,378.18)        |
| Interest on share Capital and Patronage Refund             | 9,794,191.33            | (4,065,117.55)         |
| Changes in Retirement fund payable                         | 1,863,807.00            | 5,864,872.69           |
| Increase (Decrease) in Non-current Liabilities             | 35,261.47               | 4,628,152.94           |
| Uses of Statutory Funds                                    | 11,867,339.48           | 7,348,652.88           |
| Provision for probable losses on loan                      | (17,219,200.00)         | (12,252,200.00)        |
| Distribution of Net surplus for the year                   | (61,527,706.72)         | (48,468,784.95)        |
| <b>Net cash provided (used) by financing activities</b>    | <b>(180,712,773.82)</b> | <b>(69,061,102.16)</b> |
| <b>NET INCREASE IN CASH &amp; CASH EQUIVALENT</b>          | <b>46,460,186.26</b>    | <b>64,874,595.07</b>   |
| CASH AT BEGINNING OF YEAR                                  | 763,077,970.30          | 698,203,375.23         |
| <b>CASH &amp; CASH EQUIVALENT AT END OF YEAR</b>           | <b>809,538,156.57</b>   | <b>763,077,970.30</b>  |

See Accompanying Notes to Financial Statements

# Audited Financial Statement

**HOLY CROSS SAVINGS & CREDIT COOPERATIVE  
NOTES TO FINANCIAL STATEMENTS  
AS OF DECEMBER 31, 2023 AND 2022**

**1. COOPERATIVE INFORMATION**

The Holy Cross Savings and Credit Cooperative was established and registered as Cooperative pursuant to Republic Act 6938 and 6939 with its former name as "Parish of the Holy Cross Credit Cooperative" under Registration and Confirmation No Q-121-0215 on December 21, 1992. A new Certificate of Registration with No.9520-16002450 was issued on November 12, 2009 by the Authority in compliance with the requirements of Article 144 of RA 9520 otherwise known as the "Philippine Cooperative Code of 2008". It was established for the primary purpose of encouraging thrift and savings, creating funds and granting loans to members for productive purposes, educational and providential goods and services, and to engage in other services such as product distributorship and any other services useful to the members.

On February 21, 2022, the Bureau of Internal Revenue has approved the Certificate of Tax Exemption for Cooperative, with registration No. Coop-0000015-22-RR-5-RDO-024 which is valid until February 21, 2026. This entitles the Cooperative to tax exemptions and incentives provided under Art. 60 of RA 9520 like payment of income tax and value added tax on CDA registered operations, donor's tax and other taxes subject to certain provisions.

The Cooperative's principal office is located at T. Bugallon St., Gen.T.de Leon, Valenzuela City. The cooperative recruits its members within the City of Valenzuela and anywhere in Luzon Island. It operates business in Metro Manila, Region I, II, III, IV, & V. At present, the Cooperative has four (4) branches, Malinta, Punturin, Mandalay, and Mindanao Avenue. The operations of the Mindanao Avenue branch are conducted temporarily at the Head Office. The Cooperative operates with 52 regular management and staff.

The accompanying consolidated financial statements of Cooperative were authorized for issue by the Board of Directors on February 23, 2024.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Basis of Preparation of Financial Statements**

**a. Statement of Compliance with Philippine Financial Reporting Standards**

The consolidated financial statements of the Cooperative have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board, and approved by the Philippine Board of Accountancy and Cooperative Development Authority.

The financial statements have been prepared using the measurement bases specified by PFRS for each type of assets, liabilities, income and expense. The measurement bases are more fully described in the accounting policies that follow.

**b. Functional and Presentation Currency**

These financial statements are presented in Philippine peso, the Cooperative's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

- a. A change in accounting estimate that results from new information or new developments is not the correction of an error; and
- b. The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. The application of these amendments had no significant impact on the Cooperative's financial statements. Earlier application is permitted.
- iii. PAS 12 (Amendments), *Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction*. The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying PFRS 16 at the commencement date of a lease. Following the amendments to PAS 12, an entity is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in PAS 12. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period, an entity recognizes:
  - A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary differences associated with:
  - Right-of-use assets and lease liabilities
  - Decommissioning, restoration, and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset.
  - The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. Earlier application is permitted.

The application of these amendments had no significant impact on the Cooperatives' financial statements.

**Annual Improvements to PFRS Standards 2018-2022 Cycle**

i. Annual Improvements to PFRS 2018-2022 Cycle. Among the improvements, the following amendments, which are effective from January 1, 2023, are not relevant to the Cooperative:

- PFRS 1, *First Time Adoption of Philippine Financial Reporting Standards – Subsidiary as a First-time Adopter*
- PAS 41, *Agriculture – Taxation in Fair Value Measurements*

**Effective Subsequent to 2023 but not Adopted Early**

There are amendments to existing standards effective for annual periods subsequent to 2023, which are adopted by the FRSC. Management will adopt the following relevant

Items included in the financial statements of the Cooperative are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Cooperative operates.

**Adoption of New and Amended to PFRS**

**a. Effective in the fiscal year 2023 that are Relevant to the Cooperative**

The Cooperative adopted for the first time the following amendments and annual improvements to PFRS, which are mandatory effective for annual periods beginning on or after January 1, 2023:

|                                                  |                                                                                                   |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------|
| PAS 1 and PFRS Practice Statement 2 (Amendments) | : Presentation of Financial Statements – Disclosure of Accounting Policies                        |
| PAS 8 (Amendments)                               | : Accounting Estimates – Definition of Accounting Estimates                                       |
| PAS 12 (Amendments)                              | : Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction |

Discussed below are the relevant information about these pronouncements:

i. PAS 1 and PFRS Practice Statement 2 (Amendments), *Presentation of Financial Statements – Disclosure of Accounting Policies*. The amendments change the requirements in PAS 1 with regard to the disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraphs in PAS 1 are also amended to clarify that accounting policy information that relates that immaterial transactions, other events, or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events, or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events, or conditions is itself material. Early application is permitted in applying amendments to PAS 1.

The amendments are applied prospectively. The amendments to PFRS Practice Statement 2 do not contain an effective date or transition requirements. The application of these amendments had no significant impact on the Cooperative's financial statements.

ii. PAS 8 (Amendments), *Accounting Estimates – Definition of Accounting Estimates*. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted. However, the management retained the concept of changes in accounting estimates in the Standard with the following clarifications:

pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have a significant impact on the Cooperative's financial statements:

- i. PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current* (effective January 1, 2024)
- ii. PAS 12 (Amendments), *Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction* (effective from January 1, 2023)
- iii. PFRS 10 (Amendments), *Consolidated Financial Statements, and PAS 28 (Amendments), Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between an Investor and its Associates or Joint Venture* (effective date deferred indefinitely).

**Current versus Non-Current Classification**

The Cooperative presents assets and liabilities in the statements of financial position based on current and non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred income tax assets and liabilities are classified as non-current assets and liabilities.

**Cash and cash equivalents**

Cash include cash on hand and in banks held to meet short-term cash commitments rather than for investment or other purposes. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and with original maturities of three months or less and that are subject to an insignificant risk of change in value.

**Financial Instruments**

**Financial Assets**

Financial assets are recognized in the Cooperative's financial statements when the Cooperative becomes a party to the contractual provisions of the instruments. Transaction costs are included in the initial measurement of all financial assets. The Cooperative's financial assets include cash, loans and receivables and financial assets at cost. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired. The designation of financial assets is re-evaluated at every reporting date at which date a choice of classification or accounting treatment is available, subject to compliance with specific provisions of applicable accounting standards.

# Audited Financial Statement

Regular sales and purchases of financial assets are recognized on their trade date. All financial assets that are not classified as at fair value through profit or loss are initially recognized at fair value, plus transaction costs.

The financial instruments of the Cooperative are as follows:

#### Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Cooperative provides money or services directly to a debtor with no intention of trading the receivables. Included in this category are those arising from direct loans to members and all receivables from members and other companies. Loan and other receivables are subsequently measured at amortized cost using the effective interest method, less impairment losses, if any. Increases in estimates of future cash receipts from such financial assets shall be recognized as an adjustment to the effective interest rate from the date of the change in estimate rather than as an adjustment to the carrying amount of the financial asset at the date of the change in estimate.

De-recognition of financial assets occurs when the rights to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

#### Allowance for Probable Losses

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

#### Unearned Interest and Discounts

Unearned Interest and Discounts represent interest income from loans already received but not yet earned. They are presented as a deduction from Loans Receivable in order to determine the net amortized cost.

#### Held to Maturity Investments

This includes non-derivative financial assets with fixed or determinable payments and a fixed date of maturity. Investments are classified as HTM if the Cooperative has the positive intention and ability to hold them until maturity. Investments intended to be held for an undefined period are not included in this classification. Subsequent to initial recognition, the HTM investments are measured at amortized cost using the effective interest method, less impairment losses, if any. Impairment loss, which is the difference between the carrying value and the present value of estimated future cash flows of the investment, is recognized when there is objective evidence that the investment has been impaired. Any changes to the carrying amount of the investment, including impairment loss, are recognized in profit or loss.

#### Financial Liabilities

The Cooperative's financial liabilities pertain to trade and other payables, as well as interest on share capital and patronage refund payable to the Cooperative's members. These financial liabilities are recognized at nominal value. Interest on share capital and Patronage Refund Payable are recognized as financial liabilities based on Cooperative's By-Laws and Coop laws and regulations. Financial liabilities are derecognized from the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration.

#### Prepayments and Other Current Assets

Prepayments and other current assets pertain to other resources controlled by the Cooperative as a result of past events. They are recognized in the financial statements when it is probable that the future economic benefits will flow to the entity and the asset has a cost or value that can be measured reliably.

#### Investment Property

Investment property, carried at cost less accumulated depreciation and any impairment in value, is property (i.e., land, building and land improvements) held either to earn rental income or for capital appreciation or for both, but not used in the production or supply of goods or services or for administrative purposes. Depreciation is computed on the straight-line basis over the estimated useful lives of the investment property of 10 to 50 years.

An investment property's carrying amount is written down immediately to its recoverable amount if the property's carrying amount is greater than its estimated recoverable amount. An item of investment property, including the related accumulated depreciation, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognized.

#### Investment in Non-marketable Equity Securities (INMES)

Investment in non-marketable equity securities (INMES) refers to equity instruments that do not have a quoted market price in an active market, of which fair market value cannot be reliably measured but is carried at cost.

#### Property and Equipment

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

Except for Land and Construction in progress. Depreciation and amortization is computed on the straight-line basis over the estimated useful lives of the assets as follows:

|                             |            |
|-----------------------------|------------|
| Land improvements           | 5-10 years |
| Building improvements       | 5-25 years |
| Leasehold improvements      | 3-5 years  |
| Office furniture & fixtures | 5 years    |
| Transportation equipment    | 5-10 years |

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. The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at each statement of financial position date. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognized.

#### Leases - Cooperative as a Lessor

Leases which do not transfer to the lessee substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating leases is recognized as income in profit or loss on a straight-line basis over the lease.

The Cooperative determines whether an arrangement is, or contains a lease based on the substance of the arrangement. It makes an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

#### Impairment of Non-financial Assets

The Cooperative's property and equipment and investment property are subject to impairment testing. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, assets are tested for impairment either individually or at the cash-generating unit level.

Impairment loss is recognized for the amount by which the asset or cash generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use, based on an internal evaluation of discounted cash flow. Impairment loss is charged pro-rata to the other assets in the cash-generating unit.

#### Employee Benefits

The Cooperative provides short term benefits and post-employment benefits to employees through a defined benefit plan, as well as various defined contribution plans.

##### a. Short-term Benefits

Wages, salaries and bonuses are recognized as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognized when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognized when the absences occur.

##### b. Post-employment Defined Benefit Plan

A defined benefit plan is a post-employment plan that defines an amount of post-employment benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for any benefits from this kind of post-employment plan remains with the Cooperative, even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long-term benefit fund. The Cooperative's post-employment defined benefit plan covers all regular full-time employees. The post-employment plan is tax-qualified, noncontributory and administered by a trustee.

##### c. Defined Contribution Plan

A defined contribution plan under which the Cooperative pays fixed contributions into an independent entity such as Social Security System (SSS), Philhealth and Pag-ibig. The Cooperative has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

#### Provisions

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the statement of financial position date, including the risks and uncertainties associated with the present obligation.

#### Account Peculiar to Cooperatives:

The following accounts are peculiar to a Cooperative due to its nature as well as adherence to Cooperative Law, issued policies, rules and regulations as well as cooperative principle and practices:

##### Assets:

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

*Other Funds and Deposits* – refers to funds set aside for funding of reserves (Statutory and Other Reserves) established by cooperatives such as General Reserved Fund, Education and Training Fund, Due to Union/Federation, Community Development Fund, and Optional Fund.

##### Liabilities:

*Patronage Refund Payable* – is liability of the Cooperative to its members and patrons for patronage refund, which can be determine only at the end of the calendar year.

*Interest on Share Capital Payable*- refer to liability of the cooperative to its members for interest on share capital, which can be determined only at the end of calendar year.

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

##### Statutory funds:

The Cooperative's by laws explicitly provides the manner of distribution of the net surplus to statutory funds. These mandatory funds are established in accordance with Art. 86 and 87 of the Cooperative Code as follows:

*Reserve Fund* – this account refers to the amount set aside annually for the stability of the Cooperative and to meet net losses in its operations. It is equivalent to at least 15% of net surplus. The fund is set up in form of time deposit with local banks and 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.

*Coop. Education & Training Fund* – this account refers to the amount retained by the cooperative for education and training of its members, officers and staff out of mandatory allocation as stipulated in the cooperative's by-Laws, which is 3% of net surplus. The Cooperative distributes the fund equally to its own education and training activities and other organization.

*Community Development fund*- this accounts refers to the fund set aside from the net surplus which should not be less than 3% for projects and/or activities that will benefit the community where the cooperative operates.

*Optional Fund* – this account refers to fund set aside from net surplus for future acquisition of land, building, and equipments which shall be 4% of the net surplus.

##### Expenses:

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

# Audited Financial Statement

**Members' Benefit** – all expenses incurred for the benefit of the members.

**Affiliation Fee** - amount incurred to cover membership or registration fees and annual dues to a federation or union.

**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 PAS for income taxes because of its tax-exempt nature. However, should the cooperative exceed the limits as set forth in the cooperative code, it will adopt the accounting standards for income taxes as stated in the PAS 12.

**Income and Expense Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Cooperative and the revenue can be reliably measured. As a rule, cooperatives adopt the accrual basis of accounting. However, for credit and other cooperatives, recognition of revenues is on a modified accrual basis; i.e., interest income, fines, penalties and surcharges shall be the basis of income or revenue. Also, due to cash-based income distribution scheme of a cooperative as well as the inherent limitations of small-scale countryside credit cooperatives, it cannot adopt the effective interest method in recognizing interest income on loans receivables. The Cooperative recognized revenues on cash basis transactions.

Cost and expenses are recognized in the statement of operations upon receipt of goods and utilization of the service or at the date they are incurred.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of the Cooperative's financial statements in accordance with CDA & PFRS requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. 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 circumstances. Actual results may ultimately differ from these estimates.

**Critical Management Judgments in Applying Accounting Policies**

In the process of applying the Cooperative's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements:

**a. Determination of Functional Currency**

The Cooperative has determined that its functional currency is the Philippine peso, which is the currency of the primary environment in which the Cooperative operates.

**b. Distinction Between Investment Properties and Owner-managed Properties**

The Cooperative determines whether a property qualifies as an investment property. In making its judgment, the Cooperative considers whether the property generates cash flows largely independent of the other assets held by the Cooperative. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in its operations.

Some properties comprise a portion that is held to earn rental and another portion that is held for use for administrative purposes. If these portions can be sold separately or leased out separately under finance lease the Cooperative accounts for the portions separately. If the portion cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for administrative purposes. Judgment is applied in

|                             |            |
|-----------------------------|------------|
| Leasehold improvements      | 3-5 years  |
| Office furniture & fixtures | 5 years    |
| Transportation equipment    | 5-10 years |

The carrying amounts of property and equipment and investment property are analyzed in Notes 11 and 12, respectively.

**d. Fair Value Measurement for Property and Equipment and Investment Property**

Investment property is measured using the cost model. The fair value disclosed in Note 8 to the financial statements is determined by the Cooperative using the discounted cash flows valuation technique since the information on current or recent prices of investment property is not available. The Cooperative uses assumptions that are mainly based on market conditions existing at the end of each reporting period. The principal assumptions underlying management's estimation of fair value are those related to the receipt of contractual rentals, expected future market rentals, maintenance requirements and appropriate discount rates. These valuations are regularly compared to actual market yield rate and actual transactions by the Cooperative and those reported by the market.

**Provision for Probable losses on loans**

Provision is made for specific and groups of accounts, where objective evidence of impairment exists. The Cooperative evaluates these accounts for receivables based on available facts and circumstances, including, but not limited to the length of the Cooperative's relationship with members, the members' current credit status based on third party credit reports and known market forces, average age of accounts, collection experience and historical loss experience. Provision for probable losses on loans is maintained at a level considered adequate to provide for potentially uncollectible accounts. Allowance for Probable losses on loan amounted to P176,403,938.00 and P158,529,316.00 as of end of 2023 and 2022, respectively. There is no bad debt written off for both year 2023 and 2022.

**4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Cooperative is exposed to certain financial risks which arise in the normal course of the cooperative business activities. In seeking to manage risk, the cooperative defines an objective or a set of objectives in deciding how and when to manage and what to do about risk. A common goal for cooperative is to increase shareholder value through increasing the present value of its future expected cash flows. In normal circumstances, in pursuing the goal of increased shareholder value, cooperative is likely to evaluate risk management decisions on the basis of two criteria: the cost of reducing risk and the cost of setting risk levels at an acceptable level – that is, in line with the particular risk appetite or risk tolerance. The cooperative evaluates risk on the basis of cost-benefit criteria. The cooperative risk management is coordinated with the Board of Directors, and focuses on actively securing the Cooperative's short to medium-term cash flows by minimizing the exposure to financial risks.

The financial risks to which the Cooperative is exposed to, are described below:

**Foreign Exchange Risk**

The Cooperative has financial instruments – bank deposits denominated in foreign currencies. The Cooperative performs foreign currency sensitivity analysis by applying an adjustment to the spot rates prevailing at year-end, if any. The Cooperative does not have financial instruments subject to floating interest rate. As such, the management believes that foreign exchange risks are not material.

determining whether ancillary services are so significant that a property does not qualify as investment property. The Cooperative considers each property separately in making its judgment.

**c. Distinction between Operating and Finance Leases**

The Cooperative has entered into various lease agreements as a lessor. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Based on management judgment, current lease arrangements were determined to be operating leases.

**d. Recognition of Provisions and Contingencies**

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of relevant provisions and disclosures of contingencies are discussed in Notes 6.

**Key Sources of Estimation Uncertainty**

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**a. Impairment of Loan and Other Receivables**

Adequate amount of allowance for impairment is provided for specific and groups of accounts, where objective evidence of impairment exists. The Cooperative evaluates these accounts based on available facts and circumstances, including, but not limited to, the length of the Cooperative's relationship with the members, the members' current credit status based on third party credit reports and known market forces, average age of accounts, collection experience and historical loss experience. The carrying value of trade and other receivables and the analysis of allowance for impairment on such financial assets are shown in Note 7.

**b. Determination of Net Realizable Value of Inventories**

In determining the net realizable value of inventories, management takes into account the most reliable evidence available at the dates the estimates are made as well as the factors that affect the realizable value of inventories.

**c. Estimation of Useful Lives of Property and Equipment and Investment Property**

The Cooperative estimates the useful lives of property and equipment and investment property based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment and investment property 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 assets. In addition, estimation of the useful lives of property and equipment and investment property is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in 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 property and equipment and investment property would increase recorded operating expenses and decrease non-current assets.

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

|                       |            |
|-----------------------|------------|
| Land improvements     | 5-10 years |
| Building improvements | 5-25 years |

**Credit Risks**

Generally, the maximum credit risk of financial assets is the carrying amount of the financial assets as shown on the face of the statement of financial condition. The Cooperative's financial assets are summarized below:

|                           | 2023                     | 2022                     |
|---------------------------|--------------------------|--------------------------|
| Cash and cash equivalents | P355,146,263.06          | P332,077,994.46          |
| Short Term Investment     | 454,391,893.50           | 430,999,974.83           |
| Loans Receivables - net   | 703,715,741.89           | 765,159,222.00           |
| <b>Total</b>              | <b>P1,513,253,628.45</b> | <b>P1,528,237,191.29</b> |

The age of financial assets that are past due but not impaired as of December 31, 2023 and 2022 are as follows:

|                                | 2023                   | 2022                   |
|--------------------------------|------------------------|------------------------|
| Past due - one (1) month       | P7,264,581.68          | P6,614,899.55          |
| - two (2) - twelve (12) months | 48,698,395.86          | 60,145,366.41          |
| - over twelve (12) months      | 222,388,039.04         | 213,763,246.55         |
| <b>Total</b>                   | <b>P278,351,016.58</b> | <b>P280,523,512.51</b> |

The Cooperative's loans and receivables are actively monitored to avoid significant concentration of credit risk. The Cooperative's policy is to deal only with credit worthy members/courtparties. The Cooperative's management considers that all above financial assets that are not impaired or past due for each balance sheet dates are of good quality. With respect to loan and other receivables, the Cooperative is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Based on historical information about member's default rates management consider the credit quality of loan receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, money market funds, debentures and derivative financial instruments is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

**Liquidity Risks**

Liquidity or funding risk is the risk that an entity will incur difficulty in raising to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their values; or counterparty failing on repayment of contractual obligations, or inability to generate cash flows as anticipated.

As at December 31, 2023 and 2022, the Cooperative's maximum liquidity risk is the carrying amount of total current liabilities which amounted to P1,162,827,824.81 in 2023 and P1,164,610,499.30 in 2022. And the maximum liquidity risks for noncurrent liabilities with maturities of one to five (1-5) years amounted to the carrying amount of P23,376,675.62 in 2023 and P21,477,607.15 in 2022.

The Cooperative's manages its liquidity needs by deposit liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly. The Cooperative maintains cash to meet its liquidity requirements for up to a 60-day period.

# Audited Financial Statement

Notes to Financial Statement  
Page | 13

## 5. CASH AND CASH EQUIVALENTS

This account consists of:

|                      | 2023                   | 2022                   |
|----------------------|------------------------|------------------------|
| Cash in Bank         | P351,548,866.94        | P323,745,580.39        |
| Cash on Hand         | 2,993,303.79           | 7,758,353.85           |
| Revolving Fund       | 310,000.00             | 310,000.00             |
| Petty Cash Fund      | 30,000.00              | 26,000.00              |
| Ticketing Fund       | 64,092.33              | 38,060.22              |
| KAYA Settlement Fund | 200,000.00             | 200,000.00             |
| <b>Total</b>         | <b>P355,146,263.06</b> | <b>P332,077,994.46</b> |

The cash and cash equivalents represent cash and deposits with several local and commercial banks in terms of savings account, current account and time deposits, that earn interest at the rate of 0.25% per annum.

## 6. SHORT TERM INVESTMENT

As at December 31, 2023 and 2022, the Cooperative has short-term investments amounting to P454,391,893.50 and P430,999,974.83, respectively to various commercial banks and financial institution in a form of time deposits. The maturities of these investments ranging from 30 to 60 days and with interest rates 1% to 5% p.a.

## 7. LOANS RECEIVABLES, (net)

This account consists of members' loans classified into as follows:

|                                              | 2023                   | 2022                   |
|----------------------------------------------|------------------------|------------------------|
| Back to back loan                            | P115,629,503.94        | P113,155,084.72        |
| Providential Loan                            | 92,970.75              | 88,697.95              |
| Unsecured Loan                               | 34,660,033.26          | 31,712,169.09          |
| Secured Loan                                 | 728,728,783.04         | 784,629,398.65         |
| Business Assistance Loan                     | 237,479.34             | 187,916.49             |
| Others                                       | 770,639.35             | 1,143,538.21           |
| <b>Total Loans Receivables</b>               | <b>880,119,409.68</b>  | <b>930,916,805.11</b>  |
| Less: Allowance for Probable losses on Loans | 176,403,937.79         | 158,529,316.00         |
| Unearned Interests                           | -                      | 7,228,267.11           |
| Loans Receivables, net                       | 703,715,471.89         | 765,159,222.00         |
| Add: Other Current Receivables               | 8,959,361.34           | 7,575,416.25           |
| <b>Total Loans and Receivables, net</b>      | <b>P712,674,833.23</b> | <b>P772,734,638.25</b> |

### AGING OF LOANS RECEIVABLES:

|                                | 2023                   | 2022                   |
|--------------------------------|------------------------|------------------------|
| Current                        | P601,768,393.10        | P650,393,292.60        |
| Past due - one (1) month       | 7,264,581.68           | 6,614,899.55           |
| - two (2) - twelve (12) months | 48,698,395.86          | 60,145,366.41          |
| - over twelve (12) months      | 222,388,039.04         | 213,763,246.55         |
| <b>Total</b>                   | <b>P880,119,409.68</b> | <b>P930,916,805.11</b> |

Notes to Financial Statement  
Page | 14

### Movement of Probable Losses on Loans:

|                             | 2023                   | 2022                   |
|-----------------------------|------------------------|------------------------|
| Beginning Balance           | P158,529,316.00        | P145,501,903.52        |
| Add: Provision for the year | 17,219,200.00          | 12,200,000.00          |
| Adjustments                 | 655,421.79             | 827,412.48             |
| <b>Ending Balance</b>       | <b>P176,403,937.79</b> | <b>P158,529,316.00</b> |

The total loans receivables amount to P880,119,409.68 in year 2023 and P930,916,805.11 in year 2022, which includes unearned interest amounting to P7,228,267.11 for year 2022. Provision for probable losses on loan amounts to P176,403,937.79 and P158,529,316.00 in years 2023 and 2022, respectively. The management notes that 95.99% of its loan portfolio is fully secured either by land title, members deposit and share capital. Of the total past due amount of P278,351,016.58, 93.75% of that is secured by a collateral which means only P17,396,938.54, 6.25% is not secured. The amount of allowance for probable losses on loans is P176,403,937.79, as of December 31, 2023.

However as per standard the cooperative should provide 100% provision for loan probable loss accounts with more than twelve (12) months past due and 35% of accounts for one (1) to twelve (12) months past due. The Financial Reporting Standards applicable to Cooperatives in the Philippines recognized the Unearned Interest Income, interest already earned but not yet received, must be presented as a contra asset account to conform with IAS 39, 46. IAS 39, 36 measures the loans receivables at its net carrying value or amortized cost.

### DOSRI Accounts:

As of December 31, 2023 and 2022 the DOSRI accounts are as follows:

|                               | 2023                  | 2022                  |
|-------------------------------|-----------------------|-----------------------|
| Board of Directors & Officers | P20,265,298.24        | P27,553,182.29        |
| Management Staff              | 23,369,193.37         | 16,640,314.95         |
| <b>Total</b>                  | <b>P43,634,491.61</b> | <b>P44,193,497.24</b> |

## 8. OTHER CURRENT RECEIVABLES

This account consists of the following:

|                                          | 2023                 | 2022                 |
|------------------------------------------|----------------------|----------------------|
| Accounts Receivables-Foreclosed Accounts | P3,753,534.01        | P2,852,039.47        |
| Other Current Receivables                | 5,205,827.33         | 4,723,376.78         |
| <b>Total</b>                             | <b>P8,959,361.34</b> | <b>P7,575,416.25</b> |

Management considers the carrying amounts of these receivables to be a reasonable approximation of their fair values.

## 9. HELD TO MATURITY - INVESTMENTS

This account consists of investment in financial institution held to maturity:

|                               | 2023           | 2022           |
|-------------------------------|----------------|----------------|
| DBP-Government Securities     | P74,891,091.34 | P49,816,394.90 |
| Sun Life Asset Management Co. | 16,470,340.71  | 16,470,340.71  |
| Chinabank RTB                 | 15,041,653.11  | 20,041,653.11  |
| CLIMBS Mutual Fund            | 10,000,000.00  | 10,000,000.00  |
| COL Financial                 | 2,000,000.00   | 2,000,000.00   |

Notes to Financial Statement  
Page | 15

|                                                 |                        |                        |
|-------------------------------------------------|------------------------|------------------------|
| Metro Bank Money Market Fund                    | 10,038,783.02          | 11,038,783.02          |
| Philippine Axa Life                             | 9,000,000.00           | 9,000,000.00           |
| PNB - Fixed rate bond                           | 5,000,000.00           | 5,000,000.00           |
| Securily Bank Equity Investment                 | 5,000,000.00           | 5,000,000.00           |
| Phil Am Life NCMF Philippines, Inc.             | -                      | 18,194,115.90          |
| <b>Total</b>                                    | <b>P147,441,868.18</b> | <b>P146,561,287.64</b> |
| Less: Allowance for Probable Loss on Investment | 2,000,000.00           | 2,000,000.00           |
| <b>Total</b>                                    | <b>P145,441,868.18</b> | <b>P144,561,287.64</b> |

There is no objective evidence that the investment has been impaired, the management did not recognize any impairment.

## 10. INVESTMENT IN NON-MARKETABLE EQUITY SECURITIES

This account consists of investments to various Cooperatives which are as follows:

|                                                                 | 2023                  | 2022                  |
|-----------------------------------------------------------------|-----------------------|-----------------------|
| Climbs Life and General Insurance Cooperative                   | P16,337,213.92        | P16,337,213.92        |
| Phil. Resort, Travel and Education Service Corp.                | 2,000,000.00          | 1,950,000.00          |
| CLIFSA                                                          | 1,661,000.00          | 1,500,000.00          |
| Metro South Cooperative Bank                                    | 1,591,000.00          | 1,591,000.00          |
| PFCCO - NCR                                                     | 1,722,925.70          | 1,681,237.34          |
| National Federation of Cooperative Primaries in the Philippines | 75,000.00             | 10,000.00             |
| <b>Total</b>                                                    | <b>P23,387,139.62</b> | <b>P23,069,451.26</b> |
| Less: Allowance for Probable Loss on Investment                 | 5,500,000.00          | 5,500,000.00          |
| <b>Total</b>                                                    | <b>P17,887,139.62</b> | <b>P17,569,451.26</b> |

Investments are initially valued at transaction price and fair valuation is subsequently measured. Investment in non-publicly traded securities is valued at cost and market valuation is regularly monitored.

## 11. INVESTMENT PROPERTY

The Cooperative's investment property pertains to the portion of land and building held for lease. The gross carrying amounts and the accumulated depreciation of investment property are shown below:

|                                   | Land                   | Building              | Memorial Lot          | Total                  |
|-----------------------------------|------------------------|-----------------------|-----------------------|------------------------|
| Cost 12/31/2023                   | P153,546,000.00        | P20,800,466.21        | P41,923,591.20        | P216,270,057.41        |
| Accum. Depreciation               | -                      | 8,380,980.00          | -                     | 8,380,980.00           |
| <b>Net Book Value 12/31/2023</b>  | <b>P153,546,000.00</b> | <b>P12,419,486.21</b> | <b>P41,923,591.20</b> | <b>P207,889,077.41</b> |
| <b>Net Book Value -1/1/2022</b>   | <b>P49,444,401.50</b>  | <b>P13,459,509.53</b> | <b>-</b>              | <b>P62,903,911.03</b>  |
| Additions/Adjustments             | 104,101,598.50         | -                     | 41,923,591.20         | 146,025,189.70         |
| Depreciation / Amortization       | -                      | (1,040,023.32)        | -                     | (1,040,023.32)         |
| <b>Net Book Value -12/31/2022</b> | <b>P153,546,000.00</b> | <b>P12,419,486.21</b> | <b>P41,923,591.20</b> | <b>P207,889,077.41</b> |

|                                  | Land                  | Building              | Memorial Lot | Total                 |
|----------------------------------|-----------------------|-----------------------|--------------|-----------------------|
| Cost 12/31/2022                  | P49,444,401.50        | P20,800,466.21        | -            | P70,244,867.71        |
| Accum. Depreciation              | -                     | 7,340,956.68          | -            | 7,340,956.68          |
| <b>Net Book Value 12/31/2022</b> | <b>P49,444,401.50</b> | <b>P13,459,509.53</b> | <b>-</b>     | <b>P62,903,911.03</b> |

Notes to Financial Statement  
Page | 16

|                                   |                       |                       |          |                       |
|-----------------------------------|-----------------------|-----------------------|----------|-----------------------|
| Net Book Value -1/1/2021          | P8,010,000.00         | P14,499,532.85        | -        | P22,509,532.85        |
| Additions                         | 41,434,401.50         | -                     | -        | 41,434,401.50         |
| Depreciation / Amortization       | -                     | (1,040,023.32)        | -        | (1,040,023.32)        |
| <b>Net Book Value -12/31/2022</b> | <b>P49,444,401.50</b> | <b>P13,459,509.53</b> | <b>-</b> | <b>P62,903,911.03</b> |

On December 29, 2023 the cooperative purchased 387 memorial lots of different classifications amounting to P41,923,591.20. The cooperative paid down payment amounting to P23,930,000.00 and include the balance in other current liabilities (see note 16).

## 12. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation of property and equipment at the beginning and end of 2023 and 2022 are shown below:

|                          | Cost 12/31/2023        | Accum. Depreciation    | Net Book Value 12/31/2023 |
|--------------------------|------------------------|------------------------|---------------------------|
| Land & Imprvmt           | P56,629,797.78         | -                      | P56,629,797.78            |
| Building & Imprvmt       | P21,806,363.58         | (16,807,178.01)        | P4,999,185.57             |
| Office Imprvmt           | P4,621,483.53          | (4,621,411.53)         | P72.00                    |
| Office Equip, Fur & Fix  | P12,213,913.18         | (10,883,844.12)        | P1,330,069.06             |
| Transpo. Eqpmt           | P6,410,021.95          | (4,658,447.20)         | P1,751,574.75             |
| Construction in progress | P1,346,030.00          | -                      | P1,346,030.00             |
| <b>Total</b>             | <b>P103,027,610.02</b> | <b>(36,970,880.86)</b> | <b>P66,056,728.16</b>     |

|                          | Net Book Value 1/1/2022 | Additions/ Disposal | Depreciation / Amortization | Net Book Value 12/31/2023 |
|--------------------------|-------------------------|---------------------|-----------------------------|---------------------------|
| Land & Imprvmt           | P54,445,207.60          | 2,184,590.18        | -                           | P56,629,797.78            |
| Building & Imprvmt       | P5,413,599.13           | 241,000.00          | (655,413.56)                | P4,999,185.57             |
| Office Imprvmt           | P72.00                  | -                   | -                           | P72.00                    |
| Office Equip, Fur & Fix  | P2,024,803.89           | 261,915.00          | (956,648.83)                | P1,330,070.06             |
| Transpo. Eqpmt           | P2,139,326.25           | -                   | (387,751.50)                | P1,751,574.75             |
| Construction in progress | P1,346,030.00           | -                   | -                           | P1,346,030.00             |
| <b>Total</b>             | <b>P65,369,038.87</b>   | <b>2,687,504.18</b> | <b>(1,999,813.89)</b>       | <b>P66,056,728.16</b>     |

|                          | Cost 12/31/2022        | Accum. Depreciation  | Net Book Value 12/31/2022 |
|--------------------------|------------------------|----------------------|---------------------------|
| Land & Imprvmt           | P54,445,207.60         | -                    | P54,445,207.60            |
| Building & Imprvmt       | P21,565,363.58         | (16,151,764.45)      | P5,413,599.13             |
| Office Imprvmt           | P4,621,483.53          | (4,621,411.53)       | P72.00                    |
| Office Equip, Fur & Fix  | P12,523,943.22         | (10,499,139.33)      | P2,024,803.89             |
| Transpo. Eqpmt           | P6,410,021.95          | (4,270,695.70)       | P2,139,326.25             |
| Construction in progress | P1,346,030.00          | -                    | P1,346,030.00             |
| <b>Total</b>             | <b>P100,912,049.88</b> | <b>35,543,011.01</b> | <b>P65,369,038.87</b>     |

|                          | Net Book Value 1/1/2021 | Additions/ Disposal | Adjustments          | Depreciation / Amortization | Net Book Value 12/31/2022 |
|--------------------------|-------------------------|---------------------|----------------------|-----------------------------|---------------------------|
| Land & Imprvmt           | P89,287,679.50          | 7,979,429.60        | 42,821,901.50        | -                           | P54,445,207.60            |
| Building & Imprvmt       | P5,079,094.91           | 901,173.00          | -                    | (566,668.78)                | P5,413,599.13             |
| Office Imprvmt           | P72.00                  | -                   | -                    | -                           | P72.00                    |
| Office Equip, Fur & Fix  | P2,650,732.16           | 392,256.90          | 8,298.50             | (1,026,483.67)              | P2,024,803.89             |
| Transpo. Eqpmt           | P2,622,046.33           | -                   | -                    | (482,720.08)                | P2,139,326.25             |
| Construction in progress | P1,346,030.00           | -                   | -                    | -                           | P1,346,030.00             |
| <b>Total</b>             | <b>P100,985,654.90</b>  | <b>9,272,860.50</b> | <b>42,813,603.00</b> | <b>(2,075,872.53)</b>       | <b>P65,369,038.87</b>     |

# Audited Financial Statement

Notes to Financial Statement  
Page | 17

### 13. REAL AND OTHER PROPERTIES ACQUIRED (ROPA)

In the ordinary course of granting loan, the Cooperative accepts real and other properties used as collaterals to secure their loans. This account consists of acquired properties by the Cooperative in settlement of loans and receivables through foreclosure and for any other reasons. Total amount of acquired real and other properties amounted to P18,443,829.58 and P23,139,937.22 for years 2023 and 2022, respectively.

### 14. OTHER NON CURRENT ASSETS

This account consists of:

|                                              | 2023                  | 2022                  |
|----------------------------------------------|-----------------------|-----------------------|
| Other Funds and Deposits                     | 77,435,974.80         | 70,794,272.24         |
| Rental deposits and other non-current assets | 3,522,491.89          | 3,672,491.89          |
| Computerization cost, net                    | -                     | P108,219.72           |
| <b>Total Other Non-current assets</b>        | <b>P80,958,466.69</b> | <b>P74,574,983.85</b> |

Other Funds and Deposits consists of deposits to various commercial banks and financial institution in a form of time deposits and placements for future funding of the statutory and other reserves in compliance to cooperative laws and regulations.

### 15. DEPOSIT LIABILITIES

This account consists of the following:

|                                  | 2023                     | 2022                     |
|----------------------------------|--------------------------|--------------------------|
| Savings Deposits                 | P530,481,744.00          | P517,996,719.22          |
| Koop Paluwagan                   | 273,399,855.43           | 303,195,516.58           |
| Time Deposits                    | 158,022,148.95           | 172,218,600.52           |
| Laboratory Coop                  | 61,280,783.52            | 61,714,966.34            |
| Pension Savings Deposits         | 59,608,065.62            | 61,580,881.86            |
| <b>Total Deposit Liabilities</b> | <b>P1,082,792,597.52</b> | <b>P1,116,706,684.52</b> |

Interest on Deposits Liabilities on Coop Paluwagan is 1.50%, Pension Savings earn 2.5% and time deposit is .75% per annum.

### 16. OTHER CURRENT LIABILITIES

The details of this account are shown below:

|                                                | 2023                  | 2022                  |
|------------------------------------------------|-----------------------|-----------------------|
| Memorial Lot Payable                           | P17,993,591.20        | -                     |
| Unearned Interest Payable                      | 6,777,059.21          | -                     |
| Account Payable – Others                       | 4,042,782.24          | 2,677,470.31          |
| Other Payable                                  | 1,783,858.81          | 5,425,598.48          |
| Accrued Expenses Payable                       | 1,420,824.90          | 1,564,251.34          |
| Rental Deposits Payable                        | 606,399.55            | 546,399.55            |
| Unrealized Gain on sale of investment property | 115,065.60            | 248,381.28            |
| SSS/ECC/Philhealth & Pagibig Payable           | 86,950.40             | 84,390.08             |
| SSS/Pagibig Loan Payable                       | 73,210.20             | 70,447.70             |
| Withholding Tax Payable                        | 49,326.33             | 23,405.14             |
| Percentage Tax Payable                         | 17,463.21             | 4,350.42              |
| Housing Deposits Payable                       | -                     | 180,500.00            |
| <b>Total</b>                                   | <b>P32,966,531.65</b> | <b>P10,825,194.30</b> |

Notes to Financial Statement  
Page | 19

### 21. REVALUATION SURPLUS

As of December 31, 2023, the Cooperative has Unrealized Gains on Property Valuation of Land located at Gen. T de Leon and Malinta, Valenzuela City to a total amount of P119,937,316.33. This was made by an independent appraiser.

### 22. INCOME FROM CREDIT OPERATION

This account consists of the following:

|                                           | 2023                   | 2022                   |
|-------------------------------------------|------------------------|------------------------|
| Interest Income on Loans                  | P93,227,534.51         | P84,650,551.36         |
| Service/Filing/Inspection/Collection fees | 7,430,178.37           | 8,319,191.50           |
| Fines, Penalties and Surcharges           | 8,071,240.16           | 7,336,482.23           |
| <b>Total</b>                              | <b>P108,728,953.04</b> | <b>P100,306,225.09</b> |

### 23. OTHER INCOME

The detail of this account is as follows:

|                                         | 2023                  | 2022                  |
|-----------------------------------------|-----------------------|-----------------------|
| Interest Income on Investments/Deposits | P27,898,443.48        | P10,509,389.87        |
| Membership Fees                         | 212,090.00            | 212,480.00            |
| Miscellaneous income                    | 6,104,110.91          | 5,080,819.26          |
| <b>Total</b>                            | <b>P34,214,644.39</b> | <b>P15,802,689.13</b> |

|               | 2023                 | 2022                 |
|---------------|----------------------|----------------------|
| Rental Income |                      |                      |
| Members       | P593,067.00          | P1,068,593.00        |
| Non Members   | 2,157,459.22         | 1,765,560.98         |
| Other Income  | 3,353,584.69         | 2,246,665.28         |
| <b>Total</b>  | <b>P6,104,110.91</b> | <b>P5,080,819.26</b> |

### 24. FINANCING COSTS

Financing cost pertains to interest expense on deposits liabilities. The interests paid and accrued to members' deposits amounts to P10,025,925.41 in year 2023 and P10,250,182.77 in year 2022. Interest rate on varies from the rate of 0.5% to 2.5% depending upon the type of deposits.

### 25. ADMINISTRATIVE EXPENSES

The detail of this account is as follows:

|                                        | 2023           | 2022           |
|----------------------------------------|----------------|----------------|
| Provision for Probable Losses on Loans | P17,219,200.00 | P12,252,200.00 |
| Salaries and Wages                     | 14,022,186.33  | 13,662,852.10  |
| General Assembly                       | 10,839,767.95  | 4,578,304.88   |
| Officers and Employees Benefits        | 7,213,258.84   | 7,126,968.44   |
| Travel and Transportation              | 4,846,495.94   | 2,712,957.00   |
| Depreciation and Amortization          | 3,158,056.93   | 3,177,100.39   |
| Retirement Benefits Expense            | 2,200,000.00   | 2,200,000.00   |
| Light, Water and Power                 | 1,810,151.88   | 1,388,902.94   |
| General Support Services               | 1,802,541.50   | 1,758,759.51   |
| SSS, PHIC & HDMF Contributions         | 1,746,768.41   | 1,533,764.50   |

Notes to Financial Statement  
Page | 18

### 17. RETIREMENT FUND PAYABLE

Under Republic Act No. 7641, all organizations with ten (10) or more are required to provide a minimum retirement benefits to qualified retiring employees. The cooperative retirement plan is a non-contributory and of the defined benefit type which provides a retirement benefit equivalent to one hundred percent (100%) of the plan salary for every year of credited service. The cooperative provides for the estimated retirement benefits based on actuarial valuation made by the insurance provider. Actuarial valuations are made annually to update the retirement benefit costs and the amount of contributions. The retirement payable as of December 31, 2023 and 2022 amounts to P12,964,874.34 and P11,101,067.34, respectively.

### 18. OTHER NONCURRENT LIABILITIES

This account pertains to annual insurance premium of P900.00 paid by a full pledge member, the amount being set aside as mortuary fund. As of December 31, 2023 and 2022, other non-current liability amounts to P10,411,801.28 and P10,376,539.81 respectively.

### 19. SHARE CAPITAL

The breakdown of this account is as follows:

|              | Authorized P100/par value | Paid-Up Share Capital No. of Shares | Amount                | Treasury Shares      | Total Share Capital   |
|--------------|---------------------------|-------------------------------------|-----------------------|----------------------|-----------------------|
| Common       | 800,000,000.00            | 6,418,422.00                        | 641,842,200.00        | 15,017,700.00        | 626,824,500.00        |
| Preferred A  | 72,500,000.00             | 157,119.00                          | 15,711,900.00         | 21,000.00            | 15,690,900.00         |
| Preferred B  | 20,000,000.00             | 45,612.00                           | 4,561,200.00          | 15,400.00            | 4,545,800.00          |
| <b>Total</b> | <b>892,500,000.00</b>     | <b>6,621,153.00</b>                 | <b>662,115,300.00</b> | <b>15,054,100.00</b> | <b>647,061,200.00</b> |

The authorized share capital of the Cooperative is P892,500,000, divided into 8,925,000 shares with par value of P100.00 per share, of which P800,000,000 is for common shares and P72,500,000 of Preferred A and P20,000,000 for Preferred B shares.

**Common shares** is open to all natural persons who are Filipino citizen of legal age and with initial share capital of P5,000.00.

**Preferred shares A** shall be issued to all natural persons who are Filipino senior-citizen and with share capital less than P5,000.00.

**Preferred shares B** shall be issued to all natural persons who are Filipino citizen with a minimum share capital of P200.00.

### 20. STATUTORY FUNDS

The movement of this account is presented below:

|                           | Beg. Balance          | Usage                | Provision             | End Balance            |
|---------------------------|-----------------------|----------------------|-----------------------|------------------------|
| General Reserve Fund      | P75,736,689.29        | -                    | 9,229,156.01          | P84,965,845.30         |
| Education & Training Fund | 1,662,522.25          | 879,814.65           | 922,915.60            | P1,705,623.20          |
| Community Dev. Fund       | 4,290,967.51          | 461,856.95           | 1,845,831.20          | P5,674,941.76          |
| Optional Fund             | 14,161,657.11         | 1,250,000.00         | 2,461,108.27          | P15,372,765.38         |
| <b>Total</b>              | <b>P95,851,836.16</b> | <b>P2,591,671.60</b> | <b>P14,459,011.08</b> | <b>P107,719,175.64</b> |

Notes to Financial Statement  
Page | 20

|                                     |                       |                       |
|-------------------------------------|-----------------------|-----------------------|
| Officers' Honorarium and Allowances | 1,728,000.00          | 1,547,500.00          |
| Repairs and Maintenance             | 774,961.69            | 519,808.84            |
| Office Supplies                     | 723,788.51            | 931,895.19            |
| Cooperative Expenses                | 653,654.50            | 513,374.75            |
| Communication                       | 634,933.21            | 567,703.43            |
| Meetings and Conferences            | 604,942.20            | 515,126.97            |
| Insurance Expense                   | 517,641.27            | 439,900.63            |
| Professional Fees                   | 485,263.16            | 463,289.48            |
| Promotional Expense                 | 483,000.00            | 569,788.00            |
| Collection Expense                  | 471,024.10            | 640,631.65            |
| Rental                              | 442,105.28            | 442,105.28            |
| Taxes and Licenses                  | 296,034.52            | 705,152.54            |
| Training Expense                    | 203,224.85            | -                     |
| Gas, Oil and Lubricants             | 147,417.93            | 170,240.52            |
| Annual Dues                         | 58,948.00             | -                     |
| Representation and Entertainment    | 57,306.30             | 107,800.86            |
| Social & Community Service Expenses | 32,327.00             | 37,000.00             |
| Provision for Loss on Investments   | -                     | 2,000,000.00          |
| Affiliation Fee                     | -                     | 32,000.00             |
| Miscellaneous Expense               | 562,478.00            | 32,320.00             |
| <b>Total</b>                        | <b>P73,735,478.50</b> | <b>P60,627,447.90</b> |

Expenses chargeable to Taxable Income

|                          | 2023                 | 2022                 |
|--------------------------|----------------------|----------------------|
| Depreciation             | P1,054,106.04        | P832,743.77          |
| General Support Services | 583,680.00           | 437,261.45           |
| Taxes and Licenses       | 100,661.02           | 96,461.91            |
| Power, Light and Water   | 90,796.08            | 89,935.01            |
| Repairs and Maintenance  | 30,811.95            | 26,376.95            |
| <b>Total</b>             | <b>P1,860,055.09</b> | <b>P1,482,779.09</b> |

### 26. EMPLOYEE BENEFITS

**Salaries and Employees' Benefits** - Expenses recognized for salaries and employees' benefits short term amounts to P21,235,445.17.

**Post-employment Defined Benefit Plan** - Characteristics of the Defined Benefit Plan: The Cooperative's employee retirement plan is non-contributory and of the defined benefit type which provides a retirement benefit equivalent to one hundred percent (100%) of Plan Salary for every year of credited service. Benefits are paid in a lump sum upon retirement in accordance with the terms of the Plan. The normal retirement age is 60 with a minimum of 20 years of credited service. The plan also provides for an early retirement age of 55 but also with a minimum 20 years of credited service. There was no curtailment or settlement recognized for the financial year ended December 31, 2023 and 2022. Actuarial valuations are made annually to update the retirement benefit costs and the amount of contributions. All amounts presented below are based on the actuarial valuation report obtained from an independent actuary in 2023 and 2022.

# Audited Financial Statement

Notes to Financial Statement  
Page | 21

## 27. OTHER ITEMS

The detail of this account is as follows:

|                                    | 2023                 | 2022                 |
|------------------------------------|----------------------|----------------------|
| Optional Fund Subsidy              | ₱1,250,000.00        | ₱1,250,000.00        |
| Gain on Sale - ROPA                | 814,548.35           | 1,429,112.07         |
| Rent of Property - ROPA            | 222,000.00           | 373,200.00           |
| Gain on sale - Investment Property | 133,315.68           | 255,884.80           |
|                                    | <b>₱2,419,864.03</b> | <b>₱3,308,196.87</b> |

## 28. ALLOCATION AND DISTRIBUTION OF NET SURPLUS

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

- At least fifteen (15%) percent shall be set aside as General Reserve Fund. This is created to provide for the stability of the cooperative and to absorb losses in its business operation.
- Three (3%) percent of the net surplus shall be set aside for cooperative education and training fund. 50% of this shall be utilized by the Cooperative for its own education and training activities while the other 50% shall be credited to cooperative education and training fund of the Apex organization of which the cooperative is a member.
- Four (4%) percent of net surplus is distributed to Optional fund. The fund shall be used for acquisition Land, Building and equipment and/or replacement fund for Property and Equipment.
- Three (3%) is distributed for the Community Development Fund of the Cooperative. The Fund shall be used for projects or activities that will benefit the community where the cooperative operates.
- The remaining net surplus shall be distributed to members in a form of interest on share capital and patronage refund. As prescribed under IRR No. 9520, Rule 10 Section 14, the amount allocated for patronage refund shall not be less than 30% of the net surplus, provided that it shall not be more than twice the rate of interest on share capital. Hence, the Board approved for the remaining net surplus to be distributed as follows: 78% for interest on share capital and 22% for patronage refund.

The net surplus for distribution for the years 2023 and 2022 are shown below:

|                                    | 2023                  | 2022                  |
|------------------------------------|-----------------------|-----------------------|
| General Reserve Fund               | ₱9,229,156.01         | ₱7,270,317.74         |
| Education and Training Fund -Local | 922,915.60            | 727,031.77            |
| Due to Union/Federation            | 922,915.60            | 727,031.77            |
| Community Development Fund         | 1,845,831.20          | 1,454,063.55          |
| Optional Fund                      | 2,461,108.27          | 1,938,751.40          |
| Interest on Share Capital          | 35,993,708.44         | 28,354,239.19         |
| Patronage Refund                   | 10,152,071.61         | 7,997,349.52          |
| <b>NET SURPLUS AS DISTRIBUTED</b>  | <b>₱61,527,706.73</b> | <b>₱48,468,784.94</b> |

## 29. SEGMENTAL OPERATIONS

The Cooperative segmental income and expenses in 2023 are as follows:

|             | Revenue         | Expenses       | Other Items   | Income Tax Due | Net Surplus    |
|-------------|-----------------|----------------|---------------|----------------|----------------|
| Head Office | ₱111,923,477.58 | ₱62,944,548.81 | ₱1,091,864.03 | -              | ₱50,070,792.80 |
| Malinta     | 16,693,136.98   | 10,023,086.78  | 1,250,000.00  | 74,351.03      | 7,845,699.17   |
| Punturin    | 9,483,680.73    | 6,991,034.52   | -             | -              | 2,492,646.21   |

Notes to Financial Statement  
Page | 22

|              |                        |                       |                      |                   |                       |
|--------------|------------------------|-----------------------|----------------------|-------------------|-----------------------|
| Mindanao     | 3,051,451.50           | 2,439,903.67          | 78,000.00            | -                 | 689,547.83            |
| Malanday     | 1,791,850.64           | 1,362,829.92          | -                    | -                 | 429,020.72            |
| <b>Total</b> | <b>₱142,943,597.43</b> | <b>₱83,761,403.70</b> | <b>₱2,419,864.03</b> | <b>₱74,351.03</b> | <b>₱61,527,706.73</b> |

## 30. CONTINGENCIES AND COMMITMENTS

### Contingencies

During the course of regular business, the Cooperative is involved with various legal cases upon default of payment of members, however none of which in the opinion of management and its legal counsel, is expected to have material adverse effect on the cooperative's financial position. The management has incurred a minimal litigation expenses and charged to current operation.

### Lease Commitments

The Cooperative has entered into a lease contract for the office of its branches with on to five years contract with private individuals which may be extended for further term or shorter at option of the parties and the rate will be based on the prevailing rate subject to the mutual agreement. The total amount of net expense. The future minimum rent expense payments are estimated based on the lease contract agreement which will amount to ₱540,000.00 in year 2023 only.

## 31. RELATED PARTY TRANSACTIONS

The related party transactions made by the Cooperative for the year ended December 31, 2023 is with regards to loans and transactions of directors, officers, staffs and related interest (DOSRI). Under the Cooperative policy which is line with the Articles under RA 9520 the Philippine Cooperative Code of 2008 these loans and other transactions are made substantially with the same ceilings and term of agreements as with other members of the cooperative under the cooperative by-laws. The total loan receivables from DOSRI accounts for 2023 and 2022 amount to ₱43,634,491.61 and ₱44,193,497.24, respectively. The DOSRI accounts are regularly monitored and reviewed by the board.

## 32. EVENTS AFTER THE REPORTING DATE

There were no events after reporting date that would require disclosure or adjustments on the consolidated financial statements.

## 33. TAXES

The Cooperative has been duly registered with the Cooperative Development Authority (CDA) pursuant to RA No. 9520 and with Certificate of Registration dated November 19, 2009. The Cooperative has Certificate of Tax Exemption dated February 21, 2022, valid until February 21, 2026.

As cooperative dealing with both members with accumulated reserves and undivided net savings of more than ten (10) million, the cooperative is entitled to the tax exemption and incentives under Section 61 of RA No. 9520 as implemented by Sect. 7 of the Joint Rules and Regulations, implementing Art. 60, 61 and 144 of RA 9520 and circularized by the Revenue Memorandum Circular No. 012-10 dated February 11, 2010, as follows:

- Exemption from Income Tax on income from CDA registered operations;
- Exemption from Value Added tax on CDA registered sales or transactions;
- Exemption from Percentage Tax;
- Exemption from Donor's Tax on donations to duly accredited charitable, research and educational institution and reinvestment to socio-economics projects within the area of operation of the cooperative;

Notes to Financial Statement  
Page | 23

- Exemption from Excise Tax which it is directly liable;
- Exemption from documentary Stamp Tax; provided however that the other party to the taxable document/transaction who is not exempt shall be the one directly liable for the tax. All payments for documentary stamp tax - REM (Real Estate Mortgage) are paid directly by the member-borrowers;
- Exemption from Annual Registration Fee of P500.00;
- Exemption from all taxes on transactions with insurance companies and banks including but not limited to 20% final income tax on interest deposit and 7.5% final income tax on interest derived from a depository bank under the expanded foreign currency deposit system.

## 34. SUPPLEMENTARY INFORMATION REQUIRED BY THE BIR

Presented below is the supplementary information which is required by the BIR under its existing revenue regulations to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

### Requirements under Revenue Regulations (RR) 15-2010:

The information on taxes, licenses and permit fees paid or accrued during the year required under RR15-2010 issued on November 25, 2010 are as follows:

#### (1) Percentage Tax

As a cooperative with income from non-members, it observes the minimum requirements of percentage taxes. For the year 2023, the company has paid one percent (1%) percentage tax amounting to ₱44,035.34.

|                | Paid       | Accrued    |
|----------------|------------|------------|
| Percentage Tax | ₱26,572.13 | ₱17,463.21 |

#### (2) Landed cost, custom duties, tariff fees, and excise tax

The Cooperative has no transaction which was subjected to custom duties, tariff fees and excise tax for the taxable year 2023.

#### (3) Taxes and licenses

The details of taxes and licenses and permit fees for the year ended December 31, 2023 are as follows:

|                          |                    |
|--------------------------|--------------------|
| Business and Local Taxes | ₱129,249.17        |
| Penalty - BIR            | 54,000.00          |
| Penalty - DENR           | 49,000.00          |
| Percentage Tax           | 44,035.35          |
| Car Registration         | 19,750.00          |
| <b>TOTAL</b>             | <b>₱296,034.52</b> |

#### (4) Withholding Taxes

The details of total withholding taxes for the taxable year ended December 31, 2023 are shown below:

|                  | Tax Base     | Tax withheld |
|------------------|--------------|--------------|
| Compensation     | 442,105.28   | ₱22,105.26   |
| Honorarium       | 1,728,000.00 | 86,400.00    |
| Professional Fee | 485,263.16   | 24,263.16    |

Notes to Financial Statement  
Page | 24

|                            |                       |                    |
|----------------------------|-----------------------|--------------------|
| Rental                     | 442,105.28            | 22,105.26          |
| General Support & Services | 7,844,166.02          | 156,883.32         |
| Purchase of Goods          | 763,773.87            | 7,637.74           |
| Health Card                | 1,022,417.01          | 20,448.34          |
|                            | <b>₱28,206,421.93</b> | <b>₱540,071.38</b> |

There were no transactions that were subjected to final withholding tax.

#### (5) Tax Cases and Tax Assessments

The Cooperative has no tax case and or any deficiency tax assessment during the year.

### Requirements under Revenue Regulations No. 19-2011

RR 19-2011 requires schedules of taxable revenues and other non-operating income, costs of sales and services, and itemized deductions and other significant tax information, to be disclosed on the notes to financial statement. The Cooperative revenues and non-operating income are exempt from income taxes.

#### a. Taxable Revenue

|               | 2023                 |
|---------------|----------------------|
| Rental Income |                      |
| Non Members   | ₱2,157,459.22        |
| <b>Total</b>  | <b>₱2,157,459.22</b> |

#### b. Itemized Deductions

|                          | 2023                 |
|--------------------------|----------------------|
| Depreciation             | ₱1,054,106.04        |
| General Support Services | 583,680.00           |
| Taxes and Licenses       | 100,661.02           |
| Power, Light and Water   | 90,796.08            |
| Repairs and Maintenance  | 30,811.95            |
| <b>Total</b>             | <b>₱1,860,055.09</b> |

## 35. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the 2022 financial statements were classified to conform to 2023 financial statement presentation of accounts.

\*\*\*



# Online Payment Platforms

Pay your loan or make your deposit transactions through our available Online Payment Platforms at your most convenient time. Please email your confirmation receipts at [hscoco\\_accounting@yahoo.com](mailto:hscoco_accounting@yahoo.com). Transactions will be posted after 2 to 3 banking days. Applicable convenience/service fees shall be applied.



- STEP 1:** LOG-IN TO YOUR GCASH APP. AND CHOOSE "BILLS".
- STEP 2:** CLICK "LOANS" AND SEARCH "HOLY CROSS SAVINGS AND CREDIT COOPERATIVE".
- STEP 3:** ENTER THE FOLLOWING REQUIRED DETAILS:
- AMOUNT TO PAY or DEPOSIT
  - NEW 10-DIGIT ACCOUNT NUMBER
  - ACCOUNT NAME
  - TYPE OF PAYMENT (LOAN or CONTRIBUTIONS)
  - E-MAIL ADDRESS (optional)
- STEP 4:** REVIEW THE DETAILS AND CLICK "CONFIRM" TO SEND.
- STEP 5:** E-MAIL THE CONFIRMATION RECEIPT TO: [hscoco\\_accounting@yahoo.com](mailto:hscoco_accounting@yahoo.com)

**NOTE:**

- FOR LOANS PAYMENT, CHOOSE "LOANS" AND CHOOSE "CONTRIBUTIONS" FOR SAVINGS AND SHARE CAPITAL DEPOSITS.
- TRANSACTION WILL BE POSTED WITHIN THREE (3) BANKING DAYS.
- P20.00 CONVENIENCE FEE WILL BE CHARGED.



- STEP 1:** LOG-IN TO YOUR MAYA APP. AND CHOOSE "BILLS".
- STEP 2:** CLICK "LOANS" AND SEARCH "HOLY CROSS SAVINGS AND CREDIT COOPERATIVE".
- STEP 3:** ENTER THE FOLLOWING REQUIRED DETAILS:
- NEW 10-DIGIT ACCOUNT NUMBER
  - AMOUNT
  - BILL DATE
  - ACCOUNT TYPE (LOAN or SAVINGS)
  - ACCOUNT NAME
- STEP 4:** REVIEW THE DETAILS AND CLICK "PAY" TO PROCEED.
- STEP 5:** E-MAIL THE CONFIRMATION RECEIPT TO: [hscoco\\_accounting@yahoo.com](mailto:hscoco_accounting@yahoo.com)

**NOTE:**

- FOR LOAN PAYMENT, CHOOSE "LOANS" AND CHOOSE "SAVINGS" FOR SAVINGS AND SHARE CAPITAL DEPOSITS.
- IN "BILL DATE", INDICATE YOUR LOAN'S DUE DATE AND FOR SAVINGS AND SHARE CAPITAL DEPOSITS, INDICATE THE DATE TODAY.
- TRANSACTION WILL BE POSTED WITHIN FOUR (4) BANKING DAYS.
- CUT-OFF TIME IS 3:00 PM DAILY.
- P20.00 CONVENIENCE FEE WILL BE CHARGED.



- STEP 1:** LOG-IN TO YOUR BDO APP. AND CHOOSE "PAY BILLS".
- STEP 2:** UNDER PAY BILLS, CLICK DEPOSIT ACCOUNT AND CLICK "PAY BILLS".
- STEP 3:** ENTER THE FOLLOWING REQUIRED DETAILS:
- PAY FROM: CHOOSE DEPOSIT ACCOUNT
  - PAY THIS COMPANY BILLER: HOLY CROSS SAVINGS AND CREDIT COOPERATIVE
  - PAYMENT SCHEDULE: CHOOSE IMMEDIATE
  - AMOUNT: ENTER AMOUNT DUE or AMOUNT TO DEPOSIT
  - REMARKS: ENTER YOUR COOP 10- DIGIT ACCOUNT NUMBER, ACCOUNT NAME, BRANCH OF ACCOUNT & TYPE OF DEPOSIT
- STEP 4:** REVIEW THE DETAILS AND CLICK "CONTINUE" TO SEND.
- STEP 5:** E-MAIL THE CONFIRMATION RECEIPT TO: [hscoco\\_accounting@yahoo.com](mailto:hscoco_accounting@yahoo.com)

**NOTE:**

- ENROLL HOLY CROSS SAVINGS AND CREDIT COOPERATIVE AS BILLER, BEFORE MAKING ANY TRANSACTIONS.
- P15.00 CONVENIENCE FEE WILL BE CHARGED TO HCSCCO'S MEMBERS ACCOUNT.
- TRANSACTION WILL BE POSTED WITHIN THREE (3) BANKING DAYS.



- STEP 1:** LOG-IN TO YOUR PNB DIGITAL MOBILE APP. AND CHOOSE "PAY BILLS".
- STEP 2:** CLICK "OTHERS" AND SEARCH "HOLY CROSS SAVINGS AND CREDIT COOPERATIVE" AS BILLER.
- STEP 3:** ENTER THE FOLLOWING REQUIRED DETAILS, THEN CLICK "CONTINUE":
- SUBSCRIBER NUMBER INPUT YOUR COOP. 10-DIGIT ACCOUNT NUMBER
  - REMARKS (Ex. LAD LOAN PAYMENT ; SHARE CAPITAL or SAVINGS DEPOSIT)
  - AMOUNT TO TRANSACT AND
  - PAYMENT DATE (INPUT THE DUE DATE or DATE TODAY)
- STEP 4:** REVIEW THE DETAILS AND CLICK "CONFIRM" TO SEND.
- STEP 5:** E-MAIL THE CONFIRMATION RECEIPT TO: [hscoco\\_accounting@yahoo.com](mailto:hscoco_accounting@yahoo.com)

**NOTE:**

- P10.00 SERVICE FEE WILL BE CHARGED TO HCSCCO'S MEMBERS ACCOUNT.
- TRANSACTION WILL BE POSTED WITHIN THREE (3) BANKING DAYS.

Get ready for *New and Improved Digital Services, SOON!*

## IN COLLABORATION WITH OUR ESTEEMED PARTNERS:



**POINT OF SALE (POS):** Enjoy cash-less transactions using your ATM or Debit Card to pay and transact with HCSCCO Point of Sale (POS) in partnership through China Bank Savings.



**EPAY CARD:** Introducing HCSCCO EPay Card (ATM or Debit Card), a convenient and cost-efficient payment channel in partnership with Union Bank.



**BILLS PAYMENT:** Now you can easily make payments to HCSCCO as a **Biller** through Union Bank.

## ONLINE SERVICES:

- **MEMBERSHIP APPLICATION AND APPROVAL:** Apply for hassle-free online membership application and approval.

**LOAN AGAINST DEPOSIT (LAD) LOAN APPLICATION AND APPROVAL:** Apply LAD Loan online application, approval and disbursement of loan proceeds will be facilitated through the HCSCCO EPay Card (ATM or Debit Card) through Union Bank.

*Stay connected for more updates and don't miss out on this exciting development!*

PRINTED BY:



# PRINCE JO ENTERPRISES

## PRINTING PRESS

### EASY PRINTING SOLUTION

Call us for your printing needs  
☎ 8293-7757 / 8352-0563 / 84637090  
📞 0956-1868453

[cmprincejo@yahoo.com](mailto:cmprincejo@yahoo.com)  
Prince Jo Enterprises

**PRINT ON DEMAND**  
RISOGRAPH PRINTING  
(Black and White Print)

**OFFSET PRINTING**  
For High volume printing with lowest price possible.  
OFFICE FORMS  
BROCHURES  
CALENDARS  
RECEIPTS AND INVOICES  
SOUVENIR PROGRAMS  
ENVELOPES  
LETTERHEADS  
STICKER  
AND MORE

**DIGITAL PRINT**  
For High quality printing using full color digital printer at low price.  
BROCHURES  
CALENDARS  
SOUVENIR PROGRAMS  
ENVELOPES  
LETTERHEADS  
BUSINESS CARDS  
FLYERS  
POSTER (A4)  
AND MORE

# COMPARATIVE GRAPH

## HCSCCO's ASSETS, SHARE CAPITAL AND LOANS RELEASED

**2019-2023**  
*(In Million Pesos)*

|                | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|----------------|-------------|-------------|-------------|-------------|-------------|
| ASSETS         | 1,700.54    | 1,740.42    | 1,864.95    | 1,925.37    | 2,060.92    |
| SHARE CAPITAL  | 545.91      | 580.63      | 609.32      | 627.60      | 647.06      |
| LOANS RELEASED | 511.76      | 278.37      | 271.56      | 358.73      | 294.20      |



# **HOLY CROSS SAVINGS & CREDIT COOPERATIVE**

phccoop@yahoo.com.ph \* holycrosscoop@gmail.com

www.holycrosscoop.com

**HEAD OFFICE:** PHCCCO Building HCSCCO Head Office, Gen. T. De Leon, Valenzuela City  
8-293-3845 \* 8-293-2820 \* 8-291-5368 \* 8-277-4738  
Fax No. 8-291-9481

**MALINTA BRANCH:** HCSCCO Building, Maysan Road, Malinta, Valenzuela City  
Telefax No. 8-291-9460 \* 8-366-8651 \* 8-366-8650 \* Cellphone No. 0942-2601904

**PUNTURIN BRANCH:** Kabesang Purong St., Punturin, Valenzuela City  
Telefax No. 8-983-3305 \* Cellphone No. 0932-1278493

**MINDANAO AVENUE BRANCH:** PHCCCO Building HCSCCO Head Office,  
Gen. T. De Leon, Valenzuela City  
Telefax No. 8-293-2820 \* Cellphone No. 0923-1765213

**MALANDAY BRANCH:** HCSCCO Building, Maysan Road, Malinta, Valenzuela City  
Telefax No. 8-291-9460 \* 8-366-8651 \* 8-366-8650 \* \* Cellphone No. 0922-5672600

## **AFFILIATIONS:**



**World Council  
of Credit Unions**



**ASSOCIATION OF ASIAN  
CONFEDERATION OF  
CREDIT UNIONS (ACCUCF)**



**CLIMBS Life Insurance  
and Mutual Benefit Services**



**METRO SOUTH  
COOPERATIVE BANK**



**Philippine Federation of Credit Cooperatives  
National Capital Region (PFCCO-NCR)**



**National Federation of Cooperative  
Primaries in the Philippines (Nafe-Coop)**