



# HOLY CROSS SAVINGS AND CREDIT COOPERATIVE

**We Improve lives.**

## THEME:

# 35

## YEARS OF COMMITMENT

*in Improving the Lives of Members*

## ANNUAL GENERAL ASSEMBLY 2025

Sequential Annual Regular General Assembly Meeting (ARGAM)

**March 16-21, 2025**

Sunday to Friday @ 1:00 P.M.

Via ZOOM Conference Platform

PHCCCO Building, HCSCCO Head Office

Gen. T. De Leon, Valenzuela City

**March 16, 2025 (Sunday) - Face to Face**

1:00 - 3:00 P.M. @ PHCCCO Gymnasium



## 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.*

## 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 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*

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# 35th ANNUAL GENERAL ASSEMBLY

## Sequential Annual Regular General Assembly Meeting (ARGAM)

March 16-21, 2025 - Sequential Via Zoom Meeting Platform  
(Sunday to Friday) / 1:00 PM to 3:00PM

March 16, 2025 - Business Meeting Face to Face  
(Sunday) / 1:00 PM to 3:00 P.M. at HCSCCO Gymnasium

**THEME: 35 YEARS OF COMMITMENT IN IMPROVING THE LIVES OF MEMBERS**

### Program of Activities

#### PART I - PROGRAM

March 16, 2025 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

GUEVARRA Welcome Remarks - Dir. ALBERTO A.  
BOD Chairperson

Messages

Presentation of Candidates for Election  
- Board of Directors  
- Audit Committee  
- Election Committee

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 2024  
Matters Arising from the Minutes of Meeting

#### PART III - BUSINESS MEETING

Consideration of 2024 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 2024
3. Operational Plan and Budget for 2025
4. 3-Year Strategic Development Plan 2025-2027
5. External Auditor for 2025
6. Education and Training Plan 2025
7. Social/ Community Plan 2025
8. Plans and Programs for GA Consideration

Open Forum

March 21, 2025 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 - Mr. ANTONIO M. ABILGOS JR.  
OIC-Chief Executive Officer



# HOLY CROSS SAVINGS AND CREDIT COOPERATIVE

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

## Message

Maligayang pagbati sa ika-35 taong anibersaryo ng ating kooperatiba!

Ang makaabot ng ika-35 taong anibersaryo ay mahalagang yugto para sa Holy Cross Savings Credit Cooperative (HCSCCO) sampu ng buong kasapian nito. Hindi lamang sa kadahilanang ito ay panahon upang magbalik-tanaw sa ating mga nagawa at naiambag sa ikauunlad ng kabuhayan ng ating kasapian at pamayanan mula nang maitatag ang HCSCCO tatlumput-limang taon na ang nakalilipas. Ito rin ay pagkakataon na nag-uudyok na ating suriin ang ating mga naging kakulangan at mga gampaning dapat pang pag-ibayuhin upang higit na mapaglingkuran ang ating mga kasapi na naayon sa "Vison & Mission" ng HCSCCO.

Kaalinsabay ng ating pag-alala sa ating mga nagawa at kakulangan upang mapabuti at maiangat ang uri ng pamumuhay ng ating mga kasapi at ambag sa kalalagayang pangkabuhayan ng ating pamayanan ay ang pagbibigay-pugay at paggunita sa mga taong naging bahagi ng ating kooperatiba mula sa pagiging karaniwan kasapi, bahagi ng "management staff", miyembro ng iba't-bang komite hanggang sa "Board of Directors". Tunay na sila ay mga naging mahalagang bahagi ng pundasyon ng ating kooperatiba. Ang kanilang mga naging kontribusyon at gampanin ay hindi matatawaran sa matatag nating kinatatayuan sa larangan ng "cooperative sector" sa kasalukuyan at tinatamasang magandang reputasyon, hindi lamang sa lungsod ng Valenzuela kundi maging sa buong bansa.

Sa temang "35 Years of Improving the Lives of our Members" ng ating pagdiriwang sa taong ito, nawa ay makita ng bawat kasapi na siya ay naging kasangkapan ng Poong Maykapal ng paghahatid ng pagpapala at biyaya sa kanyang kapwa sa pamamagitan ng ating kooperatiba.

Maraming salamat sa patuloy na pagsisikap at pagpupunyagi ng ating "Management Staff & Officers, Committees at Board of Directors" na makapaglingkod ng maayos at tapat sa buong kasapian. Higit sa lahat, sa ngalan ng bumubuo ng "Board of Directors" ay aking ipinaabot sa ating mga kasapi ang taos-pusong pasasalamat sa inyong pagtitiwala at pagsuporta sa mga namumuno sa ating kooperatiba gayundin sa inyong pagtangkilik sa ating mga programa.

Patuloy nawa tayong bigyan ng magandang kalusugan at malinaw na pananaw ng Poong Maykapal sa patuloy nating pagsisilbi sa ating kapwa at pamayanan sa pamamagitan ng ating kooperatiba.

  
Dir. ALBERTO A. GUEVARRA  
Chairperson, Board of Directors



# Minutes of the 34TH ANNUAL GENERAL ASSEMBLY

## PART I: (FACE-TO-FACE)

The actual / face to face 34th Annual Regular General Assembly (ARGAM) was held on 17 March 2024 at the Holy Cross Gymnasium, Gen. T. De Leon, Valenzuela City. The event commenced at 1:33 in the afternoon, starting with an Opening Prayer led by Ms. Jane Frances Karganilla, followed by the singing of the National Anthem and recital of VISION, MISSION and CORE VALUES. Upon presentation of the Members of the Board of Directors and other Officers, BOD Chairperson Alberto A. Guevarra delivered the OPENING REMARKS, followed by a MESSAGE from Vice Chairperson Fr. Arnel M. Camacho.

Subsequently, ELECOM Chairperson Andres L. Lopez proceeded with the Presentation of Candidates for the 34th ARGAM Election for the various positions as follows:

For Board of Directors:	For Audit Committee	For Election Committee
1. Noel S. Garcia	1. Felicita I. Sabang	1. Nestor M. Balicao
2. Marivic T. Pangan	2. Nora M. Echanes	2. Joseph P. Domingo
3. Alberto A. Guevarra	3. Gavina M. Rabadon	3. Albina P. Salipuran
4. Elvira A. Padlan	4. Ofelia F. Angeles	4. Perlita P. Gumatico
5. Zenaída DG Bernales		

Casting of votes shall be done electronically.

The 1st part of the meeting was concluded with the presentation of the Top Recruiters by Branch Operations Manager Mr. Alexander Q. Solayao, namely:

1. Laest R. Bautista	- 12 Recruits
2. Ma. Baby O. Estrada	- 7 Recruits
3. Janine G. Sarao	- 6 Recruits
4. Charlene M. Buenaventura	- 5 Recruits
5. Stella May G. Loveras	- 5 Recruits
6. Teresita C. Mejia	- 5 Recruits
7. Shane Ashlie M. Santiago	- 5 Recruits

## PART II: BUSINESS MEETING

**Call to Order:** BOD Chairperson Alberto A. Guevarra called the Business Meeting in order at 1:30 in the afternoon.

**Declaration of Quorum:** Considering the conducted 34th Annual Regular General Assembly is sequential in nature, commencing March 17 until March 22, 2024, hence, determination of quorum shall be concluded on the last day of the General Assembly or on 22 March 2024.

**Reading of the Minutes:** Given that the MINUTES of the 33RD Annual Regular General Assembly is already stipulated in the Souvenir Program, pages 5-12 thereof, Ms. Jane Frances Karganilla moved for the Dispensation of the Reading of the MINUTES; severally seconded by the body, and was approved by the General Assembly

**Approval of the Minutes:** Consequently, Mr. Domingo de Guzman moved for the approval of the MINUTES of the 33RD Annual Regular General Assembly, seconded by Ms. Flordeliza Bautista and was approved by the General Assembly.

Having no other matters arising from the Minutes of the Meeting, reports of respective Committees followed.

### CHAIRPERSON and CEO's REPORT:

HCSCCO, thru the CHAIRPERSON and CEO's REPORT, proudly share to all it's members how significant the year 2023 was.

Not only that this year marks the Cooperative's recovery from the effect of Pandemic, but at the same time, HCSCCO has also successfully reached its P2 Billion Asset mark, only eight (8) years after the 1st Billion mark the cooperative achieved after 25 years. Transcript of CHAIRPERSON and CEO's REPORT are as follows:

### I. FINANCIAL PERSPECTIVE

The Audited Financial Report for 2023 showed the following:

	2021 (Millions)	2022 (Millions)	% of Increase (Decrease)	2023 (Millions)	% of Increase (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	627.60	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 to 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:

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

# Minutes of the 34TH ANNUAL GENERAL ASSEMBLY

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

- a) 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.
- b) 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.
- c) 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.
- d) 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.
- e) 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.
- f) 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.

### 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 3rd 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 6 management staff were hired 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.

### 5. 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

To conclude, Chairperson and CEO both expressed their gratitude to the officers, management staff and members of HCSCCO for the collective efforts, dedication and commitment to achieve our sustainable success and extended their greetings for the success of the 34th Annual General Assembly.

Accordingly, member Elizabeth Villamanca moved for the adoption and approval of the CHAIRPERSON and CEO's Report seconded by member Azusena Ocasla and was approved by the General Assembly.

# Minutes of the 34TH ANNUAL GENERAL ASSEMBLY

## AUDIT COMMITTEE REPORT:

Audit Committee Chairperson Ms. Nenita D Quinto presented their report, citing the struggles HCSCCO have won thru combined efforts of Members, Board of Directors, Committee Officers and Management.

Pursuant to R.A. 9520, the committee audited HCSCCO head office thrice in a month; alternately visited Malinta, Malanday and Punturin branches; and monthly audited Mindanao Ave Branch as it is already consolidated to the Head Office.

Monitoring, including review of records/documents; queries and interviews with concerned Management Personnel and Staff based on the following aspects were likewise conducted:

- i. Financial
- ii. Operational
- iii. Compliance
- iv. Social Performance

The Committee also attended mandatory trainings and seminars on Internal Control for Audit Committee & Internal Auditor; Fundamentals of Cooperative; Governance and Management of Cooperative and Financial, Risk and Credit Management, to further enhance knowledge on audit process.

As audit result, the Committee recommends the following observations and reviews to be complied with and put closure to:

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

In closing, the Audit Committee ensures to come up with new achievements and undertake challenges the Cooperative may encounter in the coming years. Thereafter, member Ma. Ofelia de Guzman moved for the adoption and approval of the Audit Committee Report seconded by Malanday Branch member Flordeliza Balasbas and was approved by the General Assembly.

## ELECTION COMMITTEE REPORT:

Election Committee Chairperson Mr. Andres L. Lopez initiated their report citing the following significant activities that transpired in 2023:

The conduct of 33rd 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%.

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

1. Gathered the lists of qualified candidates from membership profile (2015-2020);
2. Screened, evaluated, and prepared the list of members qualified to become candidates;
3. Invited the qualified candidates through messenger, email, home visitation, viber, whatsapp, and phone;
4. Conducted Seminar for Eligible Officers (SEO) with the resource speaker CEO Lilian D, Silubrico.
5. 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.

Thereafter, member Ma. Ofelia de Guzman moved for the adoption and approval of the Election Committee Report seconded by member Remedios Caysip and was approved by the General Assembly.

## OTHER COMMITTEES' REPORT:

Considering copies of ETHICS, GENDER and DEVELOPMENT, EDUCATION and TRAINING, MEDIATION and CONCILIATION COMMITTEE REPORTS were likewise included in the 34th ARGAM Souvenir Program distributed to members/ attendees, pages 17-18 thereof, dispensation of actual reporting was moved by member Ma. Ofelia de Guzman, seconded by Ms. Jane Frances Karganilla, and was approved by the general assembly.

Accordingly, corresponding adoption and approval thereto of the aforementioned ETHICS, GENDER and DEVELOPMENT, EDUCATION and TRAINING, MEDIATION and CONCILIATION COMMITTEE REPORTS were likewise moved by Ms. Jane Frances Karganilla, seconded by Ms. Cecilia Bueno, and was approved by the general assembly.

## FOR GENERAL ASSEMBLY'S APPROVAL/ ADOPTION/ CONFIRMATION

Presiding Chairperson Alberto A. Guevarra presented the following matters, subject to the General Assembly's approval/ adoption /confirmation:

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

No revisions were noted to be made on HCSCCO's VISION, CORE VALUES and QUALITY POLICY.

With respect to the "MISSION", the phrase -" *Programs for environmental protection and conservation*" was included and made integral part thereof.

Consequently, Head Office member Mr. Joseph Domingo moved for the adoption and approval of the VISION, MISSION, CORE VALUES AND QUALITY POLICY, seconded by Ms. Marife Celis and was approved by the General Assembly.

### 2. 2023 AUDITED FINANCIAL

The Audited Financial Reports for fiscal year 2023 was presented to the General Assembly by Accounting and Finance Manager, Ms. Ma. Theresa A. Costimiano.

Accordingly, HO member Ms. Ma. Dolores Elbo moved for the adoption and approval of the 2023 Audited Financial Reports, seconded by Mr. Noel Dimaano and was approved by the General Assembly.

### 3. OPERATIONAL GOALS 2024

The 3 Year Development Plan 2022-2024 and 2023 Operational Plan and Budget vs Actual Expenditures were presented to the body, followed by the Operational Budget for 2024.

Having no further queries, Mr. Joseph Domingo moved for the approval and adoption of the Operational Plan and Budget Reports for 2023-2024, seconded by Ms. Gigi Carandang and was approved by the General Assembly.

### 4. INDEPENDENT AUDITOR'S REPORT

The report of Independent Auditor - O.T. Oliveros & Co., CPA on the 2023 Financial Statement was thereby presented. Subsequently, the recommendation for the same firm - O.T. Oliveros & Co., CPA represented by Mr. Paolo T. Oliveros to remain as External Auditor of HCSCCO for 2024 was likewise submitted to the body.

Ms. Maria Richie Dimaandal moved for the approval of O.T. Oliveros & Co., CPA to be the External Auditor of HCSCCO for 2024, seconded by Ms. Cecilia Bueno and was approved by the General Assembly.

# Minutes of the 34TH ANNUAL GENERAL ASSEMBLY

## 5. EDUCATION and TRAINING PLANS

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

### CETF ALLOCATION

1. Pursuant 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 – the remaining 50% of the CETF shall be spent by the cooperative for education and training programs for its members, officers and management staff, with breakdown as follows:
  - 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

Consequently, Ms. Gigi Carandang moved for the approval of the EDUCATION and TRAINING PLANS / Programs for 2024, seconded by Ching Del Mundo and was approved by the General Assembly.

## 6. SOCIAL and COMMUNITY DEVELOPMENT PLANS

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

Ms. Marie Richie Dimaandal moved for the approval of the SOCIAL and COMMUNITY DEVELOPMENT PLANS, seconded by Ms. Marilyn Pamintuan and was approved by the General Assembly.

## 7. Confirmation for the acquisition of additional lots in Tierra Santa Memorial Park (to be offered/sold to members via loans).

Movant : Asuzena Ocasea  
2nd : Marife Celis

CONFIRMED BY THE GENERAL ASSEMBLY

## 8. Confirmation of Closure of HCSCCO Mindanao Ave. Branch and consolidation with Head Office; as well as consolidation of Malanday to Malinta Branch.

Movant : Asuzena Ocasea  
2nd : Marife Celis

CONFIRMED BY THE GENERAL ASSEMBLY

## 9. Construction of HCSCCO New Annex Building

Movant : Ofelia de Guzman  
2nd : Noel Dimaano

APPROVED BY THE GENERAL ASSEMBLY

## 10. Establishment/registration of a Holding Corporation of HCSCCO including amendment of the "PURPOSE" of Articles of Cooperation to include thereof: "To invest in a corporation"

Movant : Josephine Dimaano  
2nd : Jovy Calasin

APPROVED BY THE GENERAL ASSEMBLY

## OPEN FORUM

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

1. Mr. ANGELO DE GUZMAN requested /suggested revision to be made in the report of Election Committee re: age limit of officers as such appears confusing to members.



# Minutes of the 34TH ANNUAL GENERAL ASSEMBLY

## Original Report:

" The age limit of 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%"

## Suggested Revision :

"The age limit of serving Officers shall be amended to prohibit anyone beyond the age of seventy (70) to run in any position in the Cooperative (HCSCCO), pursuant to the result of the recently conducted plebiscite, where the No votes— disallowing officers beyond 70 yrs old to run, garnered 56% of total votes WON as against YES votes (allowing them to run), with only 44%".

2. OFELIA DE GUZMAN - Inquired matters with respect to the Construction of HCSCCO Annex Bldg., Amount of Project and period of construction, to which matters were duly answered and clarified by the BOD Chairman and CEO.

3. JOVITO PANGILINAN - asked how the investment of HCSCCO in the "to be constructed Annex Building" be returned? (ROI)

Management/BOD : "Thru rentables (rentals of the building lessee); further added that since the funds to be used in the construction of the Annex Building will be from "Optional Fund" , hence, will not be considered as "Expenses".

Miss Ofelia de Guzman requested to be noted in the Minutes that \*\*\* PRIORITY TENANTS are HCSCCO MEMBERS. \*\*\*\*

4. ANGELO DE GUZMAN - "Is there any provision allowing the amendment of Articles of Cooperation and include thereto "To invest in a Corporation?"

Management/BOD : There is no law that prohibits a COOPERATIVE to invest in a corporation, so long that it is indicated in the "Purpose" of its Articles of Cooperation.

5. JANE KARGANILLA - "What will be HCSCCO's role in the Corporation?"

Management/ BOD : The Corporation will be fully owned, controlled and managed by HCSCCO. Management of the corporation is still in the process of polishing and thorough perusal in order to be best beneficial to HCSCCO and members.

6. OFELIA DE GUZMAN - "Can we consider electing a new set of BOD for the Corporation and not limit its management to the BOD?"

Management/ BOD : The suggestion is duly noted however, we are still in the process of polishing details with respect to the "Corporation", but rest assured that due diligence will be practiced to ensure the utmost welfare of HCSCCO.

## RAFFLE

Lucky winners of P500.00 during the FACE to FACE ARGAM are as follows:

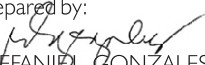
1. Gorgonia Robledo
2. Allan John Gatus
3. Rizaldy Dizon

## TEMPORARY SUSPENSION

Having no other topics to be discussed, Ms. Cecilia Bueno moved for the temporarily suspension of the Sequential 34th Annual Regular General Assembly (ARGAM) at 4:10 in the afternoon, seconded by Ms. Ofelia de Guzman and was approved by the General Assembly.

The continuation of the 34th Annual Regular General Assembly (ARGAM) will resume online on the succeeding days, from 18 March 2024 until 22 March 2024 at 1:00 in the afternoon via ZOOM platform.

Prepared by:

  
STEFANIEL GONZALES  
BOD Secretary

Approved by:

  
ALBERTO A. GUEVARRA  
BOD Chairperson

## ASSEMBLY MEETING (ARGAM) - (March 17-22, ONLINE)

I. The 34th Annual Regular General Assembly (ARGAM) was sequentially held online via ZOOM platform from March 18 to March 22, 2024. Meetings officially started at 1:00 in the afternoon, daily, starting with an Opening Prayer, followed by the singing of the National Anthem and recital of VISION, MISSION and CORE VALUES. Upon presentation of the Members of the Board of Directors and other Officers, BOD Chairperson Alberto A. Guevarra delivered the OPENING REMARKS, followed by a MESSAGE from Vice Chairperson Fr. Arnel M. Camacho.

Thereafter ELECOM Chairperson Andres L. Lopez proceeded with the presentation of candidates for the 34th ARGAM Election for the various positions as follows:

For Board of Directors:	For Audit Committee	For Election Committee
Noel S. Garcia	Felicita I. Sabang	Nestor M. Balicao
Marivic T. Pangan	Nora M. Echanes	Joseph P. Domingo
Alberto A. Guevarra	Gavina M. Rabadon	Albina P. Salipuran
Elvira A. Padlan	Ofelia F. Angeles	Perlita P. Gumatico
Zenaida DG Bernales		

Casting of votes shall be done electronically.

## II: BUSINESS MEETING

**Call to Order :** BOD Chairperson Alberto A. Guevarra called the Business Meeting in order at 1:30 in the afternoon.

**Declaration of Quorum:** Considering the conducted 34th Annual Regular General Assembly is sequential in nature, commencing March 17 until March 22, 2024, hence, determination of quorum shall be concluded on the last day of the General Assembly or 22 March 2024.

**Reading of the Minutes :** Given that the MINUTES of the 33RD Annual Regular General Assembly is stipulated in the Souvenir Program, pages 5-12 thereof, severally moved and seconded for the dispensation of the Reading of the MINUTES; and was approved by the General Assembly.

**Approval of the Minutes:** Accordingly, approval of the MINUTES of the 33RD Annual Regular General Assembly, were likewise severally moved and seconded and was approved by the General Assembly

Having no other matters arising thereof from the Minutes of the Meeting, reports of respective Committees followed.

CHAIRPERSON and CEO's REPORT :	Pages 13-14, Souvenir Program
AUDIT COMMITTEE REPORT :	Page 16, Souvenir Program
ELECTION COMMITTEE REPORT :	Page 16, Souvenir Program
ETHICS COMMITTEE REPORT :	Page 17, Souvenir Program
GENDER and DEVELOPMENT COMMITTEE REPORT :	Page 17, Souvenir Program
EDUCATION and TRAINING COMMITTEE REPORT :	Page 18, Souvenir Program
MEDIATION and CONCILIATION COMMITTEE REPORT :	Page 18, Souvenir Program

Upon presentation of the above stated Committee Reports, also indicated in the Souvenir Program, accordingly, adoption and approval thereof were severally moved, seconded and approved by the general assembly.

## FOR GENERAL ASSEMBLY'S APPROVAL/ADOPTION/ CONFIRMATION

Presiding Chairperson Alberto A. Guevarra presented the following matters, subject to the General Assembly's approval/adoption /confirmation:

# Minutes of the 34TH ANNUAL GENERAL ASSEMBLY

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

No revisions were noted to be made on HCSCCO's VISION, CORE VALUES and QUALITY POLICY.

With respect to the "MISSION", the phrase -

**" Programs for environmental protection and conservation "** was included and made integral part thereof.

Consequently, severally moved and seconded for the adoption and approval of the VISION, MISSION, CORE VALUES AND QUALITY POLICY, and was approved by the general assembly.

## 2. 2023 AUDITED FINANCIAL

The Audited Financial Reports for fiscal year 2023 was presented to the General Assembly by Accounting and Finance Manager, Ms. Ma. Theresa A. Costimiano. Severally moved and seconded for the adoption and approval of the 2023 Audited Financial Reports, and was approved by the General Assembly.

## 3. OPERATIONAL GOALS 2024

The 3 Year Development Plan 2022-2024 and 2023 Operational Plan and Budget vs Actual Expenditures were presented to the body, followed by the Operational Budget for 2024.

Having no further queries severally moved and seconded for the approval and adoption of the Operational Plan and Budget Reports for 2023-2024 and was approved by the General Assembly.

## 4. INDEPENDENT AUDITOR'S REPORT

Upon presentation of the report of Independent Auditor - O.T. Oliveros & Co., CPA on the 2023 Financial Statement, the recommendation for the same firm - O.T. Oliveros & Co., CPA represented by Mr. Paolo T. Oliveros to remain as External Auditor of HCSCCO for 2024 was likewise submitted, to which severally moved and seconded for the approval of O.T. Oliveros & Co, CPA to be the External Auditor of HCSCCO for 2024, and was approved by the General Assembly.

## 5. EDUCATION and TRAINING PLANS

Upon presentation, severally moved and seconded for the approval of the EDUCATION and TRAINING PLANS / Programs for 2024, and was approved by the General Assembly.

## 6. SOCIAL and COMMUNITY DEVELOPMENT PLANS

Upon presentation, severally moved and seconded for the approval of the SOCIAL and COMMUNITY DEVELOPMENT PLANS, and was approved by the General Assembly.

## 7. Confirmation for the acquisition of additional lots in Tierra Santa Memorial Park (to be offered/sold to members via loans).

Upon presentation, severally moved and seconded for the confirmation for the acquisition of additional lots in Tierra Santa Memorial Park and was confirmed by the General Assembly.

## 8. Confirmation of Closure of HCSCCO Mindanao Avenue Branch and consolidation with Head Office thereafter; as well as consolidation of Malanday Branch to Malinta Branch.

Upon presentation, severally moved and seconded for the confirmation of the Closure of HCSCCO Mindanao Ave. Branch and consolidation with Head Office thereafter as well as consolidation of Malanday Branch and was confirmed by the General Assembly.

## 9. Construction of HCSCCO New Annex Building

Upon presentation, severally moved and seconded for the approval of the Construction of HCSCCO New Annex building and was approved by the General Assembly.

## 10. Establishment / registration of a Holding Corporation of HCSCCO and amendment of the "PURPOSE" of Articles of Cooperation to include thereof : "To invest in a corporation"

Upon presentation, severally moved and seconded for the approval of Establishment / registration of a Holding Corporation of HCSCCO and amendment of the "PURPOSE" of Articles of Incorporation to include thereof : "To invest in a corporation" and was approved by the General Assembly.

## OPEN FORUM HIGHLIGHTS:

Having no other topics to discuss, Zoom Meeting was opened for Question and Answer portion. Various queries were raised by the members as follows:

## VOTING / NON- VOTING MEMBERS

Q: Degracia Premacio : May mga kasapi Po ba talaga na hindi pwedeng maka boto salamat po.

Q: Ma.Reyna Botin : Bakit may non-voting po? Since member din nman po cla?

A: HCSCCO - Vien : Qualifications for Voting Member (Mga Botanteng Kasapi)

1. Regular/Common Member (Share Capital 5k and up)
2. Religion is Roman Catholic
3. Resident of Valenzuela City
4. Rating A, B, NR, NM
5. Not Senior Member (SM account)

Q: Bernardino Jr Sanchez : magtatanung po ako mamaya kasi pag hindi po Catholic hindi pwede bumoto ang member bakit po kaya di pinapayagan.

A: BOD Chair : Since HCSCCO was originally a "Parish Based Cooperative" of the Parish of the Holy Cross, founded by the late Mons. Mar Arenas, it was initially intended to all its parishioners. However, as it grows bigger, many desires to be a member, that is why it was opened to public but with certain conditions. Nonetheless, rest assured that the matter will be raised for BOD's discussion.

Q: Belly Ray Ang : pag BOD po pwde kht born again po?

A: CEO Silubrico : Kasama po sa qualification ng BOD ang pagiging Katoliko.

Q: Ma Salome Domingo : Tanong KO lng po matagal na ako Di nakakaboto ok lang po ba yun nalipat po Kasi Kami Ng tirahan dito SA San Jose del monte.

A: CEO Silubrico : Requirement po dapat resident ng Valenzuela ang voters.

## MEMORIAL LOT PLAN / LOAN

Q: Aurora S. Gabriel : "Paano po ang terms and condition ng para sa memorial lot loan? "tanong ko po about memorial lot loan paano po ako mkka avail?"

A: HCSCCO-Jerry : Depende po yan sa age, kung anong plan ang nais nyong - avail at inyong mode of payment. Nakapost po sa ating FB page ang buong detalye tungkol dito.

Q: Almera Oliveros : Yung sa memorial lot po ...ilan po ang maximum years sa term of payments .

A: CEO Silubrico : Inquire lang po sa office to avail. Maximum of five (5) years to pay.

Q: Emma Nanieta Alcantara : Mayroon po ba columbary loan ?

A: CEO Silubrico : Being considered since may clamour.

Q: Belinda Gador : Ask ko lang din po, paano po kunyari kumuha ako ng para sa memorial tas 5 taon po yun para mabayaran ,di naman natin hinihingi bigla ako namatay pwede ko ba magamit yun memorial kahit di pa tapos bayaran ?

A: CEO Silubrico : Need po ng title proving na fully paid na.  
BOD Chair: Pwede po pasok sa insurance pag member gagamit.

# Minutes of the 34TH ANNUAL GENERAL ASSEMBLY

## HEALTH PLAN

Q: Elizabeth Sayco inquired on details of Health Plan offered by HCSCCO, which was answered by Mr. Jerry Claour detailing the prime health / HMO offered.

Q: Evelyn Alfonso : Question po: The prime health or HMO is applicable to member only? Can't be use to immediate family?

A: CEO Silubrico : For cardholders only. Non Transferrable.

Q: Jona M. Abella : 100K po ang covered sa Prime health, per illness po bay un?

A: HCSCCO Jerry : Yes po, per illness.

Q: Bernadette Nilibre : Magkano po ang bayad sa Prime health card, per month?

A: HCSCCO Jerry : Depende po sa plan.

## HOUSING LOAN

Q: Ronnalyn Alvarez : Wala pa din Po ba housing loan para sa mga members?

A: CEO Silubrico : Maa-address po yan pag natayo na yung Corporation.

Q: Joan Belarmino : Ano po requirements sa house renov loan? And nasa magkano range ng pede mahiram?

A: CEO Silubrico : Depende po sa capacity ng share and collateral.

Q: EMMA SANTOS : meron po ba kayong mga foreclosed property? thank you

A: CEO Silubrico : Meron po. Inquire lang po sa office.

## HOLDING CORPORATION

Q: Jose Rex Navarro: Do you have any specific programs for returning OFW Members?

A: CEO Silubrico : Yes po, possible investments and opportunities.

Q: Jose Rex Navarro: For the holding company, does it require another set of board members and consultants?

:Marami pong salamat. No further questions since it still has to be put up. But of course there will be other concerns. For example, how would the board and consultants be compensated.

A: CEO Silubrico : Since the Holding Corporation is fully owned by HCSCCO, it will be managed by the same member of the BOD of HCSCCO. Other matters are still under discussion and finalization.

## OTHER QUERIES

Q: Dennis Barrameda : Meron po ba tayong maximum amount for Share Capital?

A: CEO Silubrico : Meron po, must not exceed 10% of the total paid up capital.

Q: Jennifer Salamanca : Ano po and mas ok interest? Savings, share capital or paluwagan?

A: CEO Silubrico : Sa share capital po.

Q: Shiela Marie Manipol : Need po bang tapusin itong zoom to cast our votes? O need pang pumunta sa Coop?

A: HCSCCO Jerry : Hindi po. Kailangan nyo lang po makapagregister online.

## RAFFLE :

Lucky winners of P500.00 during ARGAM ONLINE:

- |                         |                      |
|-------------------------|----------------------|
| - Melinda D. Tapado     | - Mary Grace Almazan |
| - Rosalina Yao          | - Renato Nardo       |
| - Edrick Mathew Notarte | - Corazon Dimas      |
| - Miguela Bolongaita    | - Rosalina Mendoza   |

- |                      |                          |
|----------------------|--------------------------|
| - Precie Jane Ingcog | - Arzely Comawas         |
| - Jonathan Baluyut   | - Rachell Javier         |
| - Rolando De Leon    | - Floralyn Kris Padrinao |
| - Annabelle Matibag  | - Ferdinand Mendoza      |

## DETERMINATION OF QUORUM

The 34th Annual Regular General Assembly Meeting (ARGAM) has recorded a total number of 5,742 participating voting members equivalent to 71% of the total 8,068 voting members; or 34% of the total 16,768 registered members. Accordingly, presence of quorum is hereby declared by herein undersigned BOD Secretary, Stefanie L. Gonzales.

## ANNOUNCEMENT OF ELECTION RESULTS

The result of the conducted Election was officially announced by ELECOM Chairperson Andres L. Lopez based on the total number of votes they have garnered, as follows:

### For Board of Directors:

Elvira A. Padlan	-	3,815
Zenaida DG Bernales-		3,646
Alberto A. Guevarra	-	3,587
Marivic T. Pangan	-	3,167
Noel S. Garcia	-	3,011

### For Audit Committee

Ofelia F. Angeles	-	3,354
Gavina M. Rabadon	-	3,190
Felicita I. Sabang	-	3,050
Nora M. Echanes	-	1,890

### For Election Committee

Albina P. Salipuran	-	3,652
Perlita P. Gulmatico	-	3,104
Nestor M. Balicao	-	3,002
Joseph P. Domingo	-	1,726

Accordingly, the declaration of winners followed, thus:

### For Board of Directors:

Elvira A. Padlan	-	3,815
Zenaida DG Bernales	-	3,646
Alberto A. Guevarra	-	3,587

### For Audit Committee

Ofelia F. Angeles	-	3,354
Gavina M. Rabadon	-	3,190

### and For Election Committee

Albina P. Salipuran	-	3,652
Perlita P. Gulmatico	-	3,104

## ADJOURNMENT

After the proclamation of the winners for the concluded 2024 elections, a motion to move for the adjournment of the 34th Annual Regular General Assembly Meeting (ARGAM) was made and seconded. Accordingly the 34th Annual Regular General Assembly Meeting was thereby adjourned at 4:00 in the afternoon, 22 March 2024.

Prepared by:

  
STEFANIE D. GONZALES  
BOD Secretary

Approved by:

  
ALBERTO A. GUEVARRA  
BOD Chairperson

# CHAIRPERSON and CEO's Report

The year 2024 plays a significant role in HCSCCO's development. Not only that it has officially marked HCSCCO's successful recovery from the PANDEMIC, it also escalates our financial stability, showcasing consistent growth by adapting to changes and surpassing challenges.

With sturdy financial foundation, HCSCCO prudently invest in feasible opportunities and enhance services without compromising its core values of improving the lives of its members and to be of service to the community, maintaining us at the forefront in the industry.

Today, as we mark our 35th General Assembly, we give credit to all that has been part of this remarkable journey. Our success is purely a result of collaborative effort, where each and everyone of us plays a vital role. The Board of Directors and Officers provide sage visionary leadership ensuring HCSCCO to remain on track with its vision, mission and goals. The management staff with their unparalleled hard work and commitment, unceasingly develop, implement strategies and manage resources efficiently. YOU, our fellow members, for your interminable TRUST and continuous support to our cooperative - HCSCCO. And finally, the wisdom and blessing of our Almighty God and the guidance of our Founder, Ex-Officials and past Officers.

Along with our heartfelt appreciation and congratulations, we, the Board of Directors, Officers and Management Staff hereby present HCSCCO's achievements for the year 2024.

## I. FINANCIAL PERSPECTIVE

Audited Financial Report for 2024 showed the following:

	2022	2023	% of Increase	2024	% of Increase
	(Millions)	(Millions)	(Decrease)	(Millions)	(Decrease)
Total Assets	1,925.378	2,060.922	7.04%	2,143.764	4%
Loans Releases	358.732	294.200	(17.99%)	380.862	29%
Share Capital	627.602	647.061	3.1%	684.330	6%
Gross Income	116.108	142.943	23.11%	149.956	5%
Total Reserve	95.851	107.719	12.38%	119.829	11%
Net Surplus	48.468	61.527	26.94%	66.075	7%

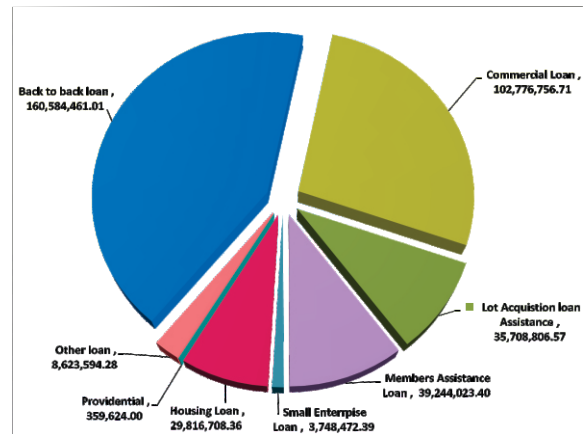
Despite many challenges, the financial performance showed significant increase from the year 2023, resulting from various marketing promotions and strategies, launched to escalate revenues and assets. Loan releases in particular ascended by 3.32%, as an outcome of competitive interest rate offered to our members. The total asset likewise increased by 3.95%; Share Capital by 5.76%; and gross income by 4.16%.

Overall, Net Surplus upsurged by 7.61% resulting from increase in Total Reserve, showcasing HCSCCO's strength and reliability. While the primary source of income remains to be from loan interests, nonetheless, income from investments maintain to have significant contribution to the Net Surplus.

Our objective is to have a long-term sustainability and resilience in the face of challenges.

Summary of Loan Releases for the year 2024 are as follows:

Back to back loan	160,584,461.01
Commercial Loan	102,776,756.71
Members Assistance Loan	39,244,023.40
Lot Acquisition loan Assistance	35,708,806.57
Housing Loan	29,816,708.36
Small Enterprise Loan	3,748,472.39
Providential	359,624.00
Other loan	8,623,594.28
=====	
TOTAL:	Php 380,862,446.72
=====	



## 2. CUSTOMER-MEMBER PERSPECTIVE

In the closing of the year 2024, HCSCCO served a total of 17,047 members, including both Common and Preferred A Shareholders, thus having a total of 802 new members, on top of 643 account closures, resulting to a positive net increase of 159 members. Although slightly lower than the 207 net increase in members in 2023, still the commitment to obtain new members remains on top of our priorities.

Several factors attributed to Account Closures, such as death, account offsetting, changes in residence, loan payments and other personal financial circumstances, which majority of such are beyond our control.

Consequently, the recent consolidation of Malanday to Malinta Branch and Mindanao Avenue to Head Office Branch provided an opportunity to streamline operations and enhance services for existing members, positively influencing the Cooperative's trajectory of moving forward.

Membership Profile for Common and Preferred A shareholders as of December 31, 2024:

a. According to Age		
18 – 30 years old	1,549	9%
31 – 59 years old	10,877	64%
60 years old and above	4,621	27%
b. According to Gender		
Male	5,745	34%
Female	11,302	66%

The 98.59% satisfaction rating by the member mirrored Management's continuous effort to deliver quality services to our members.

## 3. LEARNING AND GROWTH

In line with our pursuit of continuous learning and growth, the following programs were organized:

- Four (4) Owners' Enrichment Seminar; 2 face to face, the other 2 via online;
- Two (2) Financial Literacy Seminar; 1 face to face and 1 online; and
- Four (4) PMES for special groups; Isadora Fashionline, Maziv Builders Inc., AppCase Inc and London Industrial Product Inc.
- "Lakbay Aral" to Novaliches Development Cooperative (NOVADECI), one of the largest cooperatives in Metro Manila, to learn best practices in managing cooperative assets.
- Hosted "Lakbay Aral" to Sto. Cristo Parish Multipurpose Cooperative and shared our practices in the processes on membership, loan releases and collection.
- Officers and Staff Development, April 4-5, 2024 at Acuatico Beach Resort, Laiya, Batangas promoting work life balance, camaraderie, team building and cooperation among officers and staff.
- Two (2) spiritual formation seminars for officers and staff.
- Monthly Masses from September 24 onwards.

# CHAIRPERSON and CEO's Report

- i) Sports Fest Activity and Team Building, all Saturdays of September, to encourage physical health and well-being among the officers and staff.
- j) Competency courses for our Audit Committee members and Loan Officers, aiming to help concerned officers to have better understanding of their duties and responsibilities.
- k) Mandatory training courses for the new elected and appointed cooperative officers.
- l) Participation in various trainings, General Assembly of Federations and other cooperative activities in and outside the Philippines.
- m) Nine (9) sessions of Focus Group Discussion (FGD) composed of Youth, Adult, Senior, Business Owners, Non-Valenzuela Resident, Members Without Loan, Outside Valenzuela Self-Employed and Unemployed, as feedback mechanism and dialogue among various sectors for the betterment of HCSCCO products and services.
- n) Stress Management, Commitment and Honesty in the Workplace Seminars for management staff;
- o) Celebrated Coop month by participating in the Walk for Cause and Camaraderie Team Building organized by local CDO;
- p) Participated in the PFCCO-NCR Coop-Lympics together with other Valenzuela Cooperatives held at Amoranto Sports Complex.
- q) Participated in The CLIMBS Global Cooperative Summit in Thailand.

#### 4. INTERNAL BUSINESS PROCESSES

Towards our goal to success, the following undertakings aim to ensure long term progress and sustainability.

- a) Annual Planning at The LAKE Hotel in Tagaytay City on January 19 to 20, 2024: Attended by the Board of Directors and Officers including Top Management, focused on HCSCCO's annual goals and direction;
- b) Savings Deposit Promo (Special Time Deposit) aimed to be more competitive with commercial banks and digital banks;
- c) Share Capital, Loans and Collections Promo to encourage members to continuously avail products and services;
- d) Registration and documentation of Holycross Resource Corporation (HRC)
- e) Upgrading and improvement of online payment portal by acquiring additional partnership with banks offering payment thru POS and QR Code;
- f) Compliance with mandatory requirements of various government agencies for ease of doing business;
- g) Compliance and submission of various reports required by CDA for the issuance of Certificate of Compliance;
- h) Compliance with DOLE requirement for employees' random drug testing, making HCSCCO a Drug Free Workplace;
- i) Successfully conducted 4th Sequential Annual Regular General Assembly Meeting and Election of Officers, for the 34th ARGAM, duly participated by members;
- j) Reviewed and modified operational policies to respond and match members requirement;
- k) Implementation of Goodwill Program for retired Cooperative Officers who have rendered a minimum of 5 years and above services pursuant to CDA- MC- 2023-30;
- l) Successfully filled up vacant position in HR, Accounting and Loans Section.
- m) Human Resource Management – From a total employee of 52 management staff in December 2023, there were 8 employees who resigned and hired 7 management staff during the year. Turn-over of employees is not significant.

#### SOCIAL PROGRAMS

Living up with our mission and also our theme for the 35th ARGAM, of improving the lives of our members and the community, these programs are designed to extend help and assistance to the needy.

- a) Fast and easy financial assistance to members with low interest rates;
- b) Social and financial benefits to the members thru Mortuary Benefits, Hospital Income Benefit, Life Savings Protection Plan and Damayan Program;
- c) Regular Free Medical Consultation and assistance in partnership with Fatima University Medical Center;
- d) Regular Free Mobile Laboratory Tests in partnership with Healthy Link Medical and Diagnostic Center;
- e) "Plastic Mo, Kapalit ng Bigas Ko" program, providing 2 kilos of rice to every family in exchange of 20 empty plastic bottles every last Friday of the month;
- f) Family Farm, an Urban Gardening Project in partnership with Sister Society and Pamahalaang Barangay ng Gen. T. De Leon, Valenzuela City, providing knowledge and resources to develop flourishing backyard garden to promote healthy lifestyle aside from pleasant environment;
- g) Benefactor of Balik-Eskwela Program of the Department of Education for six (6) schools
- h) Financial assistance to Parish based programs/ activities (Parish Scholars, Pamaskong Handog, Drainage project, Christmas Decors);
- i) Continuously support for peace and order campaigns;
- j) Financial support to areas affected with calamities and natural disasters.
- k) Technical assistance such as accounting and bookkeeping of cooperative transactions to three (3) transport cooperatives in Valenzuela City thru the Koop Kapatid Program (Small Brother/Big Brother) of CDA and VCDC;
- l) Financial support to the vulnerable groups such as people with disabilities, elderly, children and youth;
- m) Free Venue to support Local government unit in its Rice and gift giving Activities;
- n) Renewed support to Koop Kapatid Program by the CDA to 3 New Coop Small Brothers.
- o) Monthly Free Zumba and Ballroom session;
- p) Housing Program for management staff;

#### LOOKING FORWARD:

Living with our fervent commitment to incessant success and to provide more services ensuring better welfare of members and the community, various programs developed from collective ideas and perusal are lined -up for the coming years:

- a. Implementation of the 3 year Strategic/Development Plan;
- b. Formulation of programs to increase member participation, education and leadership development within the Cooperative;
- c. Source and develop ways to integrate environmental awareness practice and social responsibility into cooperative operations;
- d. Leverage and adaptation of new technologies for a more efficient, convenient and upgraded services.
- e. Manage the operation of Holycross Resources Corporation (HRC) to prudently oversee / administer HCSCCO resources;



Mr. ANTONIO M. ABILGOS JR.  
OIC-Chief Executive Officer



Dir. ALBERTO A. GUEVARRA  
Chairperson, Board of Directors

# *The* BOARD OF DIRECTORS

(standing from left to right)

Ms. BENITA A. FRANCISCO, Member; Ms. MARY GRACE ETHELRIDA P. ALMAZAN, Member; Ms. ZENAIDA G. BERNALES, Member; Fr. ARNEL M. CAMACHO, Vice-Chairperson; Mr. ALBERTO A. GUEVARRA, Chairperson; Ms. ELVIRA A. PADLAN, Member; Ms. PRISCILLA C. DELOS SANTOS, Member.



# *The* OTHER OFFICERS

(standing from left to right)

Ms. JOSEFINA DE LEON-MORENO,  
Treasurer;

ATTY. LIBRADO S. VALENZUELA,  
Legal Counsel;

Ms. STEFANIE L. GONZALES,  
BOD Secretay



# AUDIT COMMITTEE *Report*

We, the Audit Committee profoundly express our gratitude to the Members, Board of Directors, Committee Officers, Management and Staff of Holy Cross Savings and Credit Cooperative in the celebration of its 35th Year Anniversary.

We effectively functioned as mandated by RA 9520 Philippine Cooperative Code of 2008 that Audit Committee is directly accountable and responsible for the General Assembly. We conducted audit three (3) times a month and visited Malinta and Punturin Branches quarterly. Our Committee continuously perform efficiently and diligently through these activities.

We conducted our audit based on the following aspects:

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

The Audit Committee attended various seminars and trainings to enhance, develop and strengthen our knowledge.

1. Audit Committee Competency Course
2. Environmental Scanning and Perspective
3. Focus Group Discussions Workshop

The monitoring that we made mainly consisted of observations and reviews that need to be complied and put closure to:

1. Records Management Policy
2. Important records filed in plastic bare box.
3. Records retention program not in effect.
4. Records presentation log to indicate of offsite storage.
5. Full compliance of IT Security.
6. Risk Management Manual Full Operation.

The Audit Committee commits unceasing learnings and services to our Cooperative. We will continue this journey with much more dedication than ever and will accept new challenges in 2025 and in the forthcoming years.

Thank you and God Bless!

## THE AUDIT COMMITTEE

(standing left to right)

Dra. ROSELLA B. BRIONES, Vice-Chairperson;

Ms. OFELIA F. ANGELES, Chairperson and

Ms. GAVINA P. RABADON, Secretary



# ELECTION COMMITTEE *Report*

A warmest greeting to our valued co-members of the Holy Cross Savings and Credit Cooperative!

The Election Committee gladly inform you regarding the accomplishments we have undertaken for the year 2024-2025. We are grateful for your continued support and cooperation for the success of every undertaking and performance of our duties as officers of this cooperative so that we continuously soar high.

As one of our roles as Election Committee, we are pleased to convey our attainment in the conduct of election and other related matters. The successful sequential 34th ARGAM Election held on March 17 to 22, 2024, proves that we are heading the right track and maintain the momentum in the conduct of such activities. We obtained the high percentage of cooperation and support of the members which was 71% of the total memberships participated in the election.

The preparation for the forthcoming GA 2025 was successfully achieved through the following activities:

1. Preparation of the list of eligible candidates from the membership section (with the rating 3As and above)
2. Screening of members' qualifications
3. Invitation to the selected qualified members for candidacy
4. Conduct of Seminar for Eligible Officers
5. Preparations of materials to be used for the 2025 Election

The Election Committee, on behalf of the HCSCCO management, would like to commend all of you for the invaluable support you extend to our cooperative.

God bless everyone.

## THE ELECTION COMMITTEE

(standing left to right)

Ms. ALBINA P. SALIPURAN, Vice-Chairperson

Ms. LUZVIMINDA C. DE GULA, Chairperson and

Ms. PERLITA B. GULMATICO, Secretary;



# ETHICS COMMITTEE *Report*

*"Ethics is the heart of trust, gently guiding our actions and strengthening the bonds that connect us."*

The Ethics Committee is proud to play a central role in fostering a culture of integrity, trust, and accountability within our organization. This year, the Committee has worked diligently to ensure compliance with the Code of Governance and Ethical Standards, strengthening our shared commitment to ethical responsibility.

By conducting a comprehensive review of the Code of Ethics, we introduced meaningful amendments and new guidelines to address evolving needs and reinforce our ethical foundation.

Proactively managing risks, the Committee undertook thorough checks and assessments of its processes, gathering insights to identify and address potential concerns while promoting an environment rooted in integrity.

Looking ahead, the Ethics Committee remains steadfast in its mission to support and enhance the organization's **ethical framework**. We are committed to increasing accuracy through **future ethical testing and assessments, helping us stay aligned with our values** while identifying opportunities for growth. By promoting open dialogue, offering thoughtful recommendations, and exploring innovative ways to engage members, the Committee seeks to inspire a culture where ethical conduct is not just a requirement but a shared way of life.

Together, we look forward to continuing our journey toward ethical excellence.

With dedication, the Ethics Committee.

## THE ETHICS COMMITTEE

(standing left to right)

Ms. FELICITA I. SABANG, Vice-Chairperson;  
Mr. NOEL S. GARCIA, Chairperson and  
Ms. NORA M. ECHANES, Secretary



# GENDER & DEVELOPMENT

## COMMITTEE *Report*

The Gender and Development (GAD) Committee has been steadfast in its mission to promote inclusivity, equality and holistic development within the workplace and community. Below are the key initiatives and accomplishments for the year:

Values Formation Seminar: "Commitment and Honesty in the Workplace on Date: August 8, 2024

The seminar emphasized the importance of integrity and dedication as core values, inspiring participants to uphold these principles in their professional and personal lives.

Attendance in Training on Gender & Development Committee and Training of Safe Spaces Act on Date: September 13, 2024

The committee actively participated in a comprehensive training on the Safe Spaces Act, reinforcing its commitment to fostering a harassment-free environment and ensuring the safety and well-being of all members.

Gender and Development Seminar: Guidelines on Mainstreaming Gender and Development on Date: October 17, 2024

The seminar provided essential insights and practical guidelines for incorporating gender-responsive approaches in policies and programs, furthering the advocacy for equality

### Health and Wellness Programs

Free Zumba Classes: conducted every Friday from 5:30 to 6:30 pm, these sessions have been instrumental in promoting physical fitness and mental well-being.

Free Ballroom Dancing Classes: starting January 21, 2025, the program runs every 3rd Tuesday every month from 4:00 to 7:00 pm, offering participants a fun and engaging way to stay active and foster community interaction.

The GAD Committee remains dedicated to advancing gender equality, nurturing a values-driven workplace, and supporting the physical and emotional health of its members. These programs highlight our shared commitment to creating an inclusive and supportive environment for all.

## THE GENDER AND DEVELOPMENT COMMITTEE

(standing left to right)

Ms. MADONNA G. ACEBUCHÉ, Secretary  
Mr. NESTOR M. BALICAO, Vice-Chairperson; and  
Ms. MARY GRACE P. ALMAZAN, Chairperson





# EDUCATION AND

## TRAINING *Report*

The Education Committee is happy to report that different seminars and training workshops were attended by:

1. The Board of Directors, Committees, and other officers (57 seminars and trainings) to foster a culture of continuous learning and improvement.
2. The Management Staff (83 seminars and trainings) to promote commitment and leadership within the cooperative.
3. The Members and Community (10 seminars and trainings, including ARGAM) to enhance their understanding of cooperative principles and practices; and improve members' financial and management skills.

For 2025, we will continue to focus on providing relevant and engaging educational opportunities for our members and non-members.

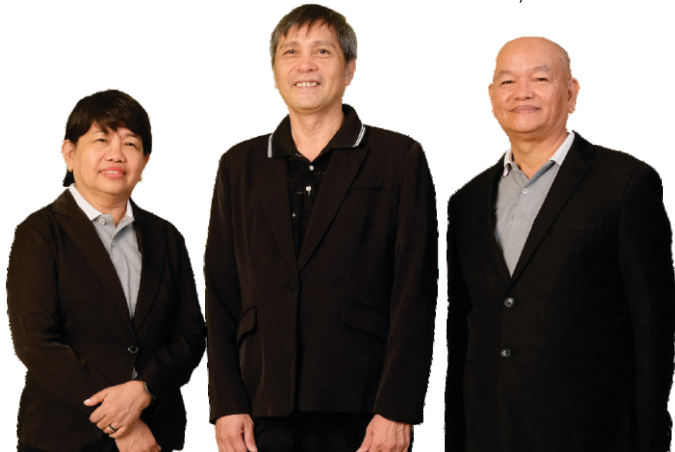
The education committee aim to improve and provide educational training to empower our members and strengthen our cooperative. We thank you all members for your continuous participation and support.

Thank you and God Bless Us All!

### THE EDUCATION AND TRAINING COMMITTEE

(standing left to right)

Ms. MARIVIC T. PANGAN, Vice-Chairperson  
Fr. ARNEL M. CAMACHO, Chairperson and  
Mr. ANDRES L. LOPEZ, Secretary;



# MEDIATION AND

## CONCILIATION *Report*

Greetings of Good Health and Prosperity!

The Mediation and Conciliation Committee is delighted to report that for the year 2024, 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.

- *If there is to be peace in the world,  
There must be peace in the nations.*
- *If there is to be peace in the nations,  
There must be peace in the cities.*
- *If there is to be peace in the cities,  
There must be peace between neighbors.*
- *If there is to be peace between neighbors,  
There must be peace in the home.*
- *If there is to be peace in the home,  
There must be peace in the heart.*

*Laozi*

Thank you and God bless us all!

### THE MEDIATION AND CONCILIATION COMMITTEE

(standing left to right)

Ms. SUSANA A. RAMOS, Vice-Chairperson;  
ATTY. IDA KRISTINA Z. VALENZUELA, Chairperson and  
Ms. HIPOLITA C. PABATAO



# The CEO and the MANAGERS

Mr. JONATHAN V. BALUYUT,  
Administrative Manager;

Mr. ANTONIO M. ABILGOS JR.,  
Officer-in-Charge-Chief Executive Officer;

Mr. ALEXANDER Q. SOLAYAO,  
Branch Operations Manager;

Ms. MA. THERESA A. COSTIMIANO,  
Accounting & Finance Manager;



## The MANAGEMENT STAFF

### ACCOUNTING & FINANCE *Division*

standing from left to right

JUBIE ANNE G. ANTONG, New Accounts Staff; CHRIS RYAN W. PADRINAO, Teller; NINYA G. AGARIN, Accounting Staff; JANINE G. SARAO, New Accounts Staff; GRACIE B. MANALO, Cashier; SHANE ASHLIE M. SANTIAGO, Teller; MARIA BABY O. ESTRADA, Accounting Section Head; REGINA T. BATIDUAN, Assistant Cashier; MA. THERESA A. COSTIMIANO, Accounting & Finance Manager; SARA R. SERAPION, Accounting Staff; VEVIEN S. HUIISO, Branch Operation Accountant; DAPHNE JOYCE N. BISCARRA, Accounting Staff; MA. CORAZON S. BUNGCAAYAO, Bookkeeper and JOHN PAOLO P. GALANG, Teller.



# The MANAGEMENT STAFF

## ADMINISTRATIVE *Division*

**standing from left to right:**

ALLAN JOHN C. GATUS,  
Driver/ Liaison Staff;  
FRANCISCO ZALDY A. CABRERA,  
Driver/ Liaison Staff;  
JOSEMARIE N. DELA ROSA,  
Utility & Maintenance Staff;  
JOSE ALVIN M. ANTONIO,  
Technical Support Staff; and  
AGAPITO GALUPO JR.,  
Utility & Maintenance Staff.

**seated from left to right:**

MELANIE B. PAYCANA, Administrative Staff;  
JONATHAN V. BALUYUT, Administrative Manager;  
STELLA MAY G. LOVERAS, Administrative 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.



## HUMAN RESOURCE & COMPLIANCE *Sections*

**standing from left to right:**

CRISTAL JUN GAY M. LORENZO,  
HR Assistant;  
VANIA JOYCE L. NIÑONUEVO,  
Compliance Staff;  
LOVELEEN JOY L. HONOR,  
HR Staff and  
ABIGAIL CLARA P. SISCAR,  
Admin-Para Legal Staff;

**seated from left to right:**

AGNES E. ARIAS,  
Compliance Section Head;  
ANTONIO M. ABILGOS JR.,  
OIC-Chief Executive Officer;  
RENELYN DE JESUS-BURAGA,  
HR Section Head.



# The MANAGEMENT STAFF

## CREDIT & COLLECTION *Division*

standing from left to right

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



## BRANCH OPERATIONS *Division*

standing from left to right

MARIAN B. VILLASEÑOR, Malinta Branch Teller; JEMALYN C. SORIANO, Punturin Branch Teller; EPHRAIM A. BALBOA, Malinta Branch Accounting Staff; VEVIEN S. HUISO, Branch Operations Accounting Head; RON MICHAEL A. CALIWANAGAN, Punturin Branch Head; ALEXANDER Q. SOLAYAO, Branch Operations Manager; CASSANDRA M. MOLINA, Punturin Branch Accounting Staff; JOY MARIE CRUZ-OLLERES, Malinta Branch Head; CHARLENE M. BUENAVENTURA, Malinta Branch Staff; and NANETTE G. ARABEJO, Punturin Branch Staff;



# EDUCATION & TRAINING

## Plans/Program 2025

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

- I. Due to Apex Organization / Federation – 50% of the CETF shall be remitted to the federations.
  - a. PFCCO-NCR - The federation has its lined-up trainings that the cooperative can participate. (refer to PFCCO-NCRL Training Calendar 2025)
  - b. CLIMBS / NAFECOOP -The federation has its Lined-up trainings that the cooperative can participate. (refer to NAFECOOP training calendar 2025)
  - c. NATCCO- The federation has its lined-up trainings that the cooperative can participate. (refer to NATCCO Training Calendar 2025)
  - d. 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 (for EP)
    - Training for Employable Skills (for LP)
    - Awareness Program (Climate Change, Disaster Risk Prevention, Mental Health)
  - b. Officers (10%)\* -please refer to Officers Training Plan RA required training
    - Coop By-Laws and Policies
    - Skills Training
    - Risk Management and BCP Training
    - Officers Development Program
    - Leadership Training
    - Team Building & Spiritual Development
    - Exposure Program/ Lakbay-Aral
  - c. Management Staff (14%)\*
    - Skills Training
    - Staff Development Program
    - Risk Management and BCP Training
    - Leadership / Supervisors' Training
    - Team Building/ Spiritual Development
    - Professional Development
    - Mental Health Awareness
    - Exposure Programs / Lakbay-Aral

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

# SOCIAL & COMMUNITY

## Development Plans/Program 2025

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 2024 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
  - Environment protection and preservation
- C. Health and Sanitation (15%)\*
  - Medical Mission / Mobile Surgery
  - Free medical consultation and medicine (in partnership with OLFU Primary Care)
  - 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:
    - Entrepreneurial Poor
    - PWD, Children & Out of School Youth
    - Elderly and Senior Citizens
    - Women & Solo Parent
  - Financial Assistance\*
    - Entrepreneurial Poor
    - Laboring Poor
    - PWD, Elderly and Senior Citizens
    - Brigada Eskwela
    - Sick and Disadvantage people
    - Victims of Calamities
    - 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 2025-2027

As the result of the 3-Year Strategic Planning held at The Monticello Tagaytay City on January 22-24, 2025. In the next three years (2025-2027) HCSCCO aims to reach new horizons by proactively focusing on service, leadership, and innovation initiatives. We want to achieve a higher distinction as the most dependable and trusted Savings and Credit Cooperative in the City of Valenzuela and in the surrounding towns and cities. We set our goals, define objectives and set actionable plans to achieve our mission as a cooperative.

## STATEMENT OF VISION, MISSION, CORE VALUES AND QUALITY POLICY OF THE HCSCCO

The statement of Vision, Mission, Core Values and Quality Policy of the HCSCCO which was approved on January 19-20, 2024 Annual Planning has been re-affirmed in the January 22-24, 2025 Strategic Planning Workshop.

## TARGET CONSTITUENCY

During the Strategic Planning Workshop it has been determined that our Cooperative is dominantly composed of the middle class. Based on further analysis, this contributed to the growth and financial stability of our Cooperative through the years. Consequently, most of the programs and services our Cooperative is geared towards the financial needs of the middle class.

However, we want to extend our reach and contribute in the reduction of poverty and hunger (SDG 1,2) in Gen. T. De Leon and Valenzuela in general, we need to include in our membership roll the members of poverty groups like the **entrepreneurial poor and the laboring poor**.

It has been agreed that the following constituencies of the Cooperative located in Gen. T. De Leon, Valenzuela will be prioritized accordingly:



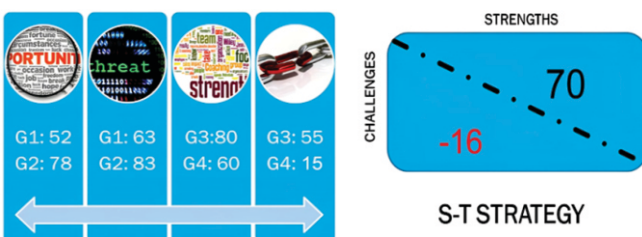
It goes without saying that the implication of this choice is to develop appropriate financial programs and services for these vulnerable sectors.

## SWOT ANALYSIS & STRATEGY

Based on our SWOT analysis of the situation of our Cooperative, we came to the conclusion that our Coop is facing **STRENGTH-CHALLENGES SITUATION**.

It basically means that our Coop is comparatively strong as evidenced by our financial growth and stability contributed by the large middle class membership. This strength is enough leverage to address the challenges confronting our Coop. These challenges are basically coming from our difficult engagement with regulatory government bodies like the BIR.

The overall ratings of our SWOT were as follows:



With this result, we are strong inside but has many challenges outside.

From this assessment, the Strategic planning Workshop has determined that the most optimal strategy that should be adopted by the Cooperative:

- To maintain the mandate and structure of our Coop as Savings and Credit Cooperative.
- To establish a new and separate corporate entity to serve as an investment arm of the Coop.

Given that our Coop has significant strength as an institutional entity it is only logical that we maintain the mandate and structure of a savings and credit cooperative. However, given the limitations imposed by the coop law, we find it difficult to use our surplus funds for other investment initiative that can help us propel ourselves into higher financial growth.

Establishing a separate corporate entity as an investment arm can provide several advantages for HCSCCO;

- Regulatory Compliance & Flexibility
- Diversification of Income
- Improved Access to Financial Markets
- Legal Protection & Liability Limitation
- Regulatory Advocacy & Influence
- Increased Member Confidence & Participation
- Strategic Expansion
- Enhanced Capital Mobilization
- Professional Management
- Tax Efficiency
- Risk Management

## THREE YEAR GOALS AND OBJECTIVES (January 2025 – December 2027)

### I. IN THE FIELD OF MEMBERSHIP

**GOAL:** To expand the membership base of our Cooperative especially among the entrepreneurial poor and laboring poor. We should have achieved a **30 percent** increase in membership based on membership count at the end of 2024, broken down per sector:

Membership Social Class	Target Percentage	No. of New Members by End of 2027
Middle Class	20%	1,800
Entrepreneurial Poor	6%	538
Laboring Poor	4%	350
<b>TOTAL</b>	<b>30%</b>	<b>2,688</b>

### II. IN THE FIELD OF LEADERSHIP & MANAGEMENT

#### A. For the Board of Directors

**GOAL:** Strengthen the knowledge and skills of the Board of Directors leadership stewards of the Cooperative by upgrading their general knowledge and skills in the following areas: such as **Enhanced Governance Skills, Financial Acumen, Strategic Planning Skills, Diversity and Inclusion, Conflict Resolution and Team Dynamics**

#### B. Committees and other officers

**GOAL:** Upgrade the knowledge and skill of Committee Members and other officers in doing their responsibilities in their respective committees. They should have acquired specialized knowledge and skills in their areas of responsibilities, namely: Secretary, Treasurer, Audit, Election, Ethics, Mediation, GAD, Human Resource, and Education.

### III. IN THE FIELD OF HUMAN RESOURCE DEVELOPMENT

**GOAL:** Achieve and maintain industry best practices in management. Management staff should have acquired general and specialized knowledge and skills in the different areas of operation such as Membership Recruitment, Member Relations, Marketing, Credit & Collection, Accounting and Financial Management, Administrative and technical services, Social/Service Programs and other areas of operations. The culture of equity, professionalism and work-life balance is inculcated in the coop workplace.

# 3-YEAR DEVELOPMENT *Plan 2025-2027*

## IV. IN THE FIELD OF PROGRAMS AND SERVICES

**GOAL:** It is the mission of the cooperative to address the specific needs of members depending their class be it middle class, entrepreneurial poor or laboring poor. Our target is to introduce new products and services for savings, loans, share capital, social protection, health/nutrition/sanitation and other services.

Sector	Savings	Loans	Share Capital	Social Protection /Insurance	Health/ Nutrition and Sanitation	Other Services
Middle Class	Retirement Savings/ Pension Savings Plan	Travel Loan, Housing Program, Car Loan, Motorcycle Loan, Lot Loan, RE Loan, (for solar)	Share Capital Promo	Retirement Plan	HMO Free Medical & Lab services, Medical Mission	Advance Financial Literacy, Livelihood Training,  On-line services : membership & loan application  Mobile apps, Membership account inquiry
Entrepreneurial Class	Savings Deposit for Entrepreneurial Poor (SDE Savings)	Livelihood Loan  SDE loan	Special Deposit for Share Capital	Group Accident Insurance, Retirement Plan	Free Medical & Lab services, Medical Mission	Livelihood Training Financial Literacy
Laboring Poor	Savings Deposit for Laboring Poor (SDL Savings)	Salary Loan SDL loan	Special Deposit for Share Capital	Group Accident Insurance, Retirement Plan	Free Medical & Lab services, Medical Mission	Employable Training, Skills Training, Financial Literacy

## V. IN THE FIELD OF ADVOCACY AND NETWORKING

### GOAL:

1. Participate in the local & national advocacy work related to coop legislation to strengthen the cooperative legal framework.
2. Cooperatives being a social enterprise should support social advocacy (SDGs, Human Rights, Environment Protection, Coop law reforms, Government reforms (corruption), etc.)

## VI. IN THE FIELD OF FINANCE

By the end of 2027, HCSCCO should have achieved the desired sustainability and growth rate in order to serve its various members effectively and efficiently;

### It is our goal to :

1. Achieve financial growth to provide fair and sustainable financial benefits to improve the lives of members.
2. Provide support to social programs for members and communities we serve.
3. Achieve sufficient financial success to support prospering as a financial cooperative.

### Financial Targets

	Target Increase (Decrease)	Target Amount
Assets	12% increase/year	Php 3 Billion by 2027
Net Surplus	14% increase/year	Php 98.8 Million by 2027
Loan Releases	10% increase/year	Php507 Million by 2027
Collection Rate	15% increase/year	76% by 2027
Delinquency Rate	Decrease of 5%/year	15% by the end of 2027
Holy Cross Corporation	1st Year- Break Even	10% Return of Investment
STEPS Rating	4% increase/year	89% by 2027
PEARLS Rating	4% increase/year	37% by 2027

The 3-year strategic plan sets a clear and actionable roadmap for our organization's growth and transformation over the next three years. Extending our reach to Entrepreneurial and Laboring Poor, will further align our mission and vision with targeted objectives and measurable initiatives. We are well-positioned to capitalize on market opportunities, enhance operational efficiency and strengthen members' engagement. The plan ensures the **successful establishment, growth, and sustainability** of the investment arm while protecting the cooperative's core **financial services and members' interests**

# OPERATIONAL GOALS *for 2025*

As a result of the Annual Planning held at PHCCCO Building 3rd Floor Multi-Purpose Hall on February 13, 2025, the goals/target for the year 2025 were identified as follows:

GOAL/TARGET	STRATEGIES	RESPONSIBLE GROUP
<p><b>FINANCIAL PERSPECTIVE</b></p> <p>1. Achieve financial success to support and prosper as a financial institution</p> <p>a) NET SAVINGS</p> <ul style="list-style-type: none"> <li>To increase Net Surplus by Php 76 Million</li> </ul> <p>b) ASSETS</p> <ul style="list-style-type: none"> <li>To increase by 12% or Php 257.27 Million for a total of Php 2.4 Billion</li> </ul> <p>c) SHARE CAPITAL</p> <ul style="list-style-type: none"> <li>To increase by 14% or Php 95.8 Million for a total of Php 780 Million</li> </ul> <p>d) LOAN RELEASES</p> <ul style="list-style-type: none"> <li>To increase by 10% or a total of Php 419 Million</li> </ul> <p>e) DELINQUENCY</p> <ul style="list-style-type: none"> <li>To decrease the Delinquency rate of the Cooperative and not go beyond 20%.</li> </ul> <p>2. Achieve financial strength to support the social programs and distribution of the net surplus to the members of the Cooperative</p> <ul style="list-style-type: none"> <li>To achieve SATISFACTORY rating on Performance Audit Report or 81% - 85% and 35% PEARLS Rating</li> </ul>	<p>a) Improve marketing strategies to attract potential clients and increase membership;</p> <p>b) Continuously provide members with various seminars in Financial Literacy to educate them of becoming responsible borrower;</p> <p>c) Orient members on proper utilization of loan proceeds;</p> <p>d) Invest prudently to fully utilize the Cooperative's assets &amp; yield higher returns;</p> <p>e) Optimize online services and monitoring of transactions;</p> <p>f) Create special loan packages for loyal members/patronizers;</p> <p>g) Upgrading &amp; digitalization of Cooperative's product, making it more accessible and convenient to members.</p> <p>h) Strengthen and improve collection policies and strategies best fitted to the needs of members;</p> <p>i) Formulate collection program that would entice borrowers to pay on time;</p> <p>j) Establish an investment corporation fully owned by the cooperative.</p> <p>a) Ensure implementation of the Cooperative's plans and programs notwithstanding social-responsibility and core values.</p> <p>b) Promote and patronize cooperative programs and services;</p>	<ul style="list-style-type: none"> <li>Board of Directors</li> <li>Education and Training Committee</li> <li>Livelihood &amp; Social Services Committee</li> <li>GAD Committee</li> <li>Membership &amp; Marketing Division</li> <li>Credit &amp; Collection Division</li> <li>Management Staff</li> </ul>
<p><b>CUSTOMER-MEMBER PERSPECTIVE</b></p> <p>1. Attain membership growth &amp; patronage (5% Net Increase from 2024 Total Membership of 17,047)</p> <p>2. Focus on encouraging young people in the cooperative;</p> <p>3. Implement social programs for members to be self-sufficient and financially stable;</p>	<p>a) Offer Special Deposit Product: "SAVINGS FOR SHARE CAPITAL"</p> <p>b) Optimize social media presence</p> <p>c) Develop online services for membership application, transaction and approval</p> <p>d) Intensify "One Member, One Recruit" Program</p> <p>e) Utilize digital marketing and promotion</p> <p>f) Conduct hybrid seminars for members (PMES, OES and Financial Literacy)</p> <p>g) Strengthen the Institutional Partnership Program;</p> <p>h) Membership and Marketing Division working together in membership programs and Loan products promotions/marketing and advertisement;</p> <p>i) Establish partnership with members with businesses or products that can be offered with discounts to members availing loans;</p> <p>j) Support the eco-friendly campaign program of the government</p> <p>a) Support Youth Program of the Cooperative;</p> <p>b) Implementation of Youth Oriented social and community projects and activities;</p> <p>c) Actively promote and support GAD programs;</p>	<ul style="list-style-type: none"> <li>Membership and Marketing Division</li> <li>Youth Committee</li> <li>Livelihood and Social Services Committee</li> <li>GAD Committee</li> <li>Board of Directors</li> <li>Management Staff</li> </ul>



# OPERATIONAL GOALS *for 2025*

GOAL/TARGET	STRATEGIES	RESPONSIBLE GROUP
<p><b>INTERNAL BUSINESS PROCESS</b></p> <p>1. Achieve and maintain industry standard best practices;</p> <p>2. Achieve and maintain industry best practices in management. Ensure that management staff should possess general knowledge, specialized skills and keen judgement in designated areas of operation.</p> <p>3. Participate in both local &amp; national advocacy relative to coop legislation.</p>	<p>a) Establish and strengthen a compliance section to mandate and monitor adherence to government and cooperative policies and requirements.</p> <p>b) Regularly review, improve &amp; update existing systems, policies, and procedures to align with current trends and best practices.</p> <p>c) Develop new products and services to promote sustainable development.</p> <p>d) Implement, monitor, and continuously improve the education and training plan.</p> <p>e) Conduct clean, orderly, and honest elections, including continuous online elections.</p> <p>f) Review and refine election guidelines, particularly candidate's qualifications.</p> <p>g) Strengthen the Internal Control System.</p> <p>h) Enforce the Good Governance Policy and Code of Ethics for officers, management staff, and members.</p> <p>i) Ensure the effective implementation of the Business Continuity Plan (BCP).</p> <p>a) Establish a Human Resource and Remuneration Committee to focus on HR policies and remuneration.</p> <p>b) Upgrade and equip the HR Department.</p> <p>c) Provide continuous, ladderized training for employee development, emphasizing leadership, succession, organizational, and operational skills.</p> <p>d) Develop a policy for performance evaluation and remuneration, and review policies on succession, job rotation, the code of ethics, and personnel management.</p> <p>e) Implement exposure programs, education and training.</p> <p>f) Conduct team-building and spiritual activities to promote values formation and foster harmonious relationships among officers and employees.</p> <p>g) Develop and implement a job classification or realignment system based on employees' qualifications.</p> <p>h) Upgrade and review the performance evaluation system for management staff and officers.</p> <p>a) Establish Advocacy Group to handle coop issues related to cooperative legislative and executive agenda.</p> <p>b) Represent cooperative &amp; collaborate with federations, unions, coop chamber, civil societies and other organizations.</p> <p>c) Promote coop identity, values &amp; principles thru seminars and trainings.</p> <p>d) Active participation in local and national activities related to SDGs, Human Rights, Environment Protection, Coop law reforms, Government reforms (corruption), etc.)</p>	<ul style="list-style-type: none"> <li>• Board of Directors</li> <li>• Management Staff</li> <li>• Audit Committee</li> <li>• Election Committee</li> <li>• Ethics Committee</li> <li>• Mediation &amp; Conciliation Committee</li> <li>• Education &amp; Training Committee</li> <li>• HR Committee</li> <li>• Chief Executive Officer</li> <li>• BCP Committee</li> </ul>

# OPERATIONAL GOALS *for 2025*

GOAL/TARGET	STRATEGIES	RESPONSIBLE GROUP
<p><b>INTERNAL BUSINESS PROCESS</b></p> <p>4. Expansion of Cooperative membership at the same time extending help to our community by offering products and services to entrepreneurial and laboring poor;</p>	<p>a) Creation of new products and services specifically designed to cater the needs of middle class, entrepreneurial poor and laboring poor.</p> <ul style="list-style-type: none"> <li>• Deposit Products</li> <li>• Loan products</li> <li>• Insurance products</li> <li>• Benefits to members</li> <li>• Social Services to the members and communities</li> <li>• Education &amp; Trainings</li> </ul> <p>b) Extensive marketing campaign using social media platforms such as Tiktok, Reels, You Tube and to improve HCSCCO website.</p> <p>c) Improvement of service quality to maintain members satisfaction and patronage;</p> <ul style="list-style-type: none"> <li>• Good customer relation of the management staff to the members.</li> <li>• Timely, reliable and transparent services:</li> <li>• Engage members to coop activities (sports fest, team bldg., F2F GA, family day/x-mas party)</li> <li>• Make use of FGD result, focusing on members suggestions in improving our services;</li> </ul>	<ul style="list-style-type: none"> <li>• Board of Directors</li> <li>• Education and Training Committee</li> <li>• Livelihood &amp; Social Services Committee</li> <li>• GAD Committee</li> <li>• Membership &amp; Marketing Division</li> <li>• Credit &amp; Collection Division</li> <li>• Management Staff</li> </ul>
<p><b>LEARNING AND GROWTH</b></p> <p>1. Enhance knowledge and skills of the Board of Directors, Committees' Officers, Other Offices and Management Staff;</p> <p>2. Maintain professionalism and ethical criterion characterized by good governance pursuant to government and international standards;</p> <p>3. Highly reliable and motivated officers and management staff, unceasingly contributing to the success of cooperative and welfare of members and the community;</p>	<p>a) Implement the education and training plan of HCSCCO</p> <p>b) Participate/ attend trainings offered by federations (PFCCO-NCR/CLIMBS/ NAFECOOP/NATCCO)</p> <p>c) For BODs, Committees and other officers: Continuous Education and Training/ Exposure Program /Skills development /Team Building</p> <p>d) Ensure compliance of Code of Ethics at all times;</p> <p>e) Completion of mandatory trainings for cooperative officers;</p> <p>f) Implementation of Professional Development Program;</p> <p>g) Mandate Human Resource programs on necessary trainings for officers and staffs;</p> <p>h) Equip and train officers and staffs to minimize if not eliminate out sourcing services from professional/ experts on job analysis and career advancement;</p> <p>i) Maintain harmonious relationship among officers, management staff and members;</p> <p>j) Intensify Training and development programs of Human Resource Section;</p> <p>k) Implement cross training and succession program;</p> <p>l) Intensive training of the employees in line with their field of expertise or current position.</p> <p>m) Create a motivation scheme to promote employee job satisfaction.</p> <p>n) Review cooperative education module for integration of loan products and services and concept of gender equality;</p> <p>o) Creation of PMES team consist of Membership and Loan Staff as members;</p>	<ul style="list-style-type: none"> <li>• Education &amp; Training Committee</li> <li>• Ethics Committee</li> <li>• Mediation &amp; Conciliation Committee</li> <li>• Board of Directors, Committees and Other Officers</li> <li>• HR Committee</li> </ul>

# OPERATIONAL BUDGET *for 2025*

## HOLY CROSS SAVINGS AND CREDIT COOPERATIVE BUDGETED STATEMENT OF OPERATION For the Year 2025

REVENUES	Head Office	Branches	Combined
Interest Income from Loans	87,500,000.00	26,200,000.00	113,700,000.00
Service Fees/Insp.Fees/Coll. Fee/Appraisal Fee	9,000,000.00	2,000,000.00	11,000,000.00
Fines, Penalties and Surcharges	10,000,000.00	2,500,000.00	12,500,000.00
Membership Fees	200,000.00	60,000.00	260,000.00
Income/Interest from Investments & Deposits	30,000,000.00	3,000,000.00	33,000,000.00
Miscellaneous Income	8,000,000.00	3,300,000.00	11,300,000.00
<b>Total Revenues</b>	<b>144,700,000.00</b>	<b>37,060,000.00</b>	<b>181,760,000.00</b>
<b>EXPENSES</b>			
<b>Financing Costs</b>			
Interest Expense on Deposits	13,000,000.00	1,300,000.00	14,300,000.00
<b>Total Financing Costs</b>	<b>13,000,000.00</b>	<b>1,300,000.00</b>	<b>14,300,000.00</b>
<b>Administrative Costs</b>			
Salaries and Wages	15,100,000.00	4,500,000.00	19,600,000.00
Employees Benefits	8,500,000.00	2,900,000.00	11,400,000.00
SSS/ECC/Philhealth/Pag-ibig Contribution	2,000,000.00	420,000.00	2,420,000.00
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	3,200,000.00	1,630,000.00	4,830,000.00
Amortization	130,000.00	-	130,000.00
Provision for Probable Losses on Loans	7,000,000.00	4,700,000.00	11,700,000.00
General Support Services	1,500,000.00	1,150,000.00	2,650,000.00
Meetings & Conferences	900,000.00	10,000.00	910,000.00
Power, Light and Water	1,700,000.00	950,000.00	2,650,000.00
General Assembly Expenses	9,200,000.00	2,500,000.00	11,700,000.00
Collection Expenses	700,000.00	70,000.00	770,000.00
Office Supplies	1,300,000.00	250,000.00	1,550,000.00
Repairs and Maintenance	1,200,000.00	600,000.00	1,800,000.00
Communication Expense	600,000.00	300,000.00	900,000.00
Travel and Transportation	4,600,000.00	1,000,000.00	5,600,000.00
Gas, Oil and Lubricants	280,000.00	15,000.00	295,000.00
Promotional Expenses	700,000.00	50,000.00	750,000.00
Insurance Expense	500,000.00	280,000.00	780,000.00
Rent Expense	-	600,000.00	600,000.00
Professional Fees	1,200,000.00	-	1,200,000.00
Members Benefits	700,000.00	100,000.00	800,000.00
Representation Expense	200,000.00	30,000.00	230,000.00
Taxes and Licenses	150,000.00	320,000.00	470,000.00
Affiliation Fee/Annual Dues	100,000.00	5,000.00	105,000.00
Miscellaneous Expense	1,340,000.00	320,000.00	1,660,000.00
Social & Community Expense	200,000.00	60,000.00	260,000.00
Cooperative Expenses	900,000.00	-	900,000.00
<b>TOTAL ADMINISTRATIVE COSTS</b>	<b>68,700,000.00</b>	<b>22,760,000.00</b>	<b>91,460,000.00</b>
<b>TOTAL EXPENSES</b>	<b>81,700,000.00</b>	<b>24,060,000.00</b>	<b>105,760,000.00</b>
<b>NET SAVINGS</b>	<b>63,000,000.00</b>	<b>13,000,000.00</b>	<b>76,000,000.00</b>

# 2024 BUDGET vs ACTUAL *Expenditures*

## HOLY CROSS SAVINGS AND CREDIT COOPERATIVE

### BUDGET vs ACTUAL

#### For the Year 2024

REVENUES	Actual Head Office				Variance
	2024 Budget	& Branches	Head Office	Actual Branches	
Interest Income from Loans	116,465,000.00	86,969,649.46	68,798,390.16	18,171,259.30	(29,495,350.54)
Service Fees/Insp.Fees/Coll. Fee/Appraisal Fee	1,500,000.00	8,190,580.26	6,529,485.00	1,661,095.26	(3,309,419.74)
Fines, Penalties and Surcharges	10,200,000.00	9,514,543.56	7,325,663.46	2,188,880.10	(685,456.44)
Membership Fees	440,000.00	176,550.00	135,810.00	40,740.00	(263,450.00)
Income/Interest from Investments & Deposits	2,000,000.00	39,298,360.92	36,405,910.54	2,892,450.38	17,298,360.92
Miscellaneous Income	6,840,000.00	5,807,226.88	2,850,674.54	2,956,552.34	(1,032,773.12)
<b>Total Revenues</b>	<b>167,445,000.00</b>	<b>149,956,911.08</b>	<b>122,045,933.70</b>	<b>27,910,977.38</b>	<b>(17,488,088.92)</b>
<b>EXPENSES</b>					
<b>Financing Costs</b>					
Interest Expense on Deposits	13,650,000.00	9,598,821.53	8,520,611.41	1,078,210.12	(4,051,178.47)
<b>Total Financing Costs</b>	<b>13,650,000.00</b>	<b>9,598,821.53</b>	<b>8,520,611.41</b>	<b>1,078,210.12</b>	<b>(4,051,178.47)</b>
<b>Administrative Costs</b>					
Salaries and Wages	17,400,000.00	13,374,086.27	10,738,421.96	2,635,664.31	(4,025,913.73)
Employees Benefits	10,700,000.00	7,961,138.50	6,312,867.01	1,648,271.49	(2,738,861.50)
SSS/ECC/Philhealth/Pag-ibig Contribution	2,500,000.00	1,783,920.10	1,470,083.76	313,836.34	(716,079.90)
Retirement Benefit Expense	2,200,000.00	2,200,000.00	2,200,000.00	-	-
Officers Honorarium and Allowances	2,300,000.00	1,700,000.00	1,700,000.00	-	(600,000.00)
Officers Gratuity Expense	300,000.00	300,000.00	300,000.00	-	-
Depreciation	3,800,000.00	2,820,524.45	1,381,415.61	1,439,108.84	(979,475.55)
Amortization	130,000.00	-	-	-	(130,000.00)
Provision for Probable Losses on Loans	12,200,000.00	15,809,801.35	11,059,800.00	4,750,001.35	3,609,801.35
General Support Services	2,200,000.00	1,813,839.50	814,200.00	999,639.50	(386,160.50)
Meetings & Conferences	910,000.00	388,340.70	383,346.20	4,994.50	(521,659.30)
Power, Light and Water	2,300,000.00	1,873,081.80	1,147,550.84	725,530.96	(426,918.20)
General Assembly Expenses	11,500,000.00	11,028,661.65	8,799,032.15	2,229,629.50	(471,338.35)
Collection Expenses	700,000.00	512,093.84	505,503.84	6,590.00	(187,906.16)
Office Supplies	1,450,000.00	1,011,290.64	819,962.12	191,328.52	(438,709.36)
Repairs and Maintenance	1,500,000.00	1,067,735.14	855,890.14	211,845.00	(432,264.86)
Professional Fees	1,200,000.00	754,210.54	754,210.54	-	(445,789.46)
Communication Expense	1,100,000.00	612,527.17	338,175.63	274,351.54	(487,472.83)
Travel and Transportation	5,500,000.00	4,415,585.50	3,528,755.83	886,829.67	(1,084,414.50)
Gas, Oil and Lubricants	320,000.00	160,716.42	153,216.42	7,500.00	(159,283.58)
Promotional Expenses	900,000.00	244,650.00	207,250.00	37,400.00	(655,350.00)
Insurance Expense	770,000.00	458,501.72	232,464.68	226,037.04	(311,498.28)
Rent Expense	600,000.00	442,105.28	-	442,105.28	(157,894.72)
Members Benefit	500,000.00	383,645.00	354,645.00	29,000.00	(116,355.00)
Representation Expense	230,000.00	116,752.07	99,875.07	16,877.00	(113,247.93)
Taxes and Licenses	400,000.00	329,528.67	111,163.09	218,365.58	(70,471.33)
Affiliation Fee/Annual Dues	85,000.00	61,084.40	61,084.40	-	(23,915.60)
Miscellaneous Expense	1,400,000.00	3,234,169.60	2,938,869.60	295,300.00	1,834,169.60
Social & Community Service Expenses	300,000.00	15,000.00	15,000.00	-	(285,000.00)
Cooperative Expenses	900,000.00	651,524.30	651,524.30	-	(248,475.70)
<b>TOTAL ADMINISTRATIVE COSTS</b>	<b>86,295,000.00</b>	<b>75,524,514.61</b>	<b>57,934,308.19</b>	<b>17,590,206.42</b>	<b>(10,770,485.39)</b>
<b>TOTAL EXPENSES</b>	<b>99,945,000.00</b>	<b>85,123,336.14</b>	<b>66,454,919.60</b>	<b>18,668,416.54</b>	<b>(14,821,663.86)</b>
<b>NET SAVINGS</b>	<b>67,500,000.00</b>	<b>64,833,574.94</b>	<b>55,591,014.10</b>	<b>9,242,560.84</b>	<b>(2,666,425.06)</b>
<b>Other Items</b>					
Gain on Sale - Investment Property	-	190,396.24	190,396.24	-	190,396.24
Rent of Property - RPA	-	18,000.00	-	18,000.00	18,000.00
Optional Fund Subsidy	-	1,250,000.00	-	1,250,000.00	1,250,000.00
Income Tax Due	-	(216,590.84)	-	(216,590.84)	-
<b>NET SAVINGS</b>	<b>67,500,000.00</b>	<b>66,075,380.34</b>	<b>55,781,410.34</b>	<b>10,293,970.00</b>	<b>(1,424,619.66)</b>



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

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

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## **REPORT OF INDEPENDENT AUDITOR**

**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, 2024 and 2023, 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, 2024, 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*

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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.**

*O. T. Oliveros*

**OFELIA T. OLIVEROS**

CPA Certificate No. 0028421 – Sept 30, 2026

PTR No. 9113290 issued at Valenzuela City on Jan 17, 2025

Tax Identification No. 290-106-562-000

CDA CEA No. 1643 valid until July 10, 2025

BIR A/N – 05-002845-001

BOA A/N – 4602 – September 30, 2026

March 05, 2025

# AUDITED FINANCIAL *Statement*

## HOLY CROSS SAVINGS & CREDIT COOPERATIVE CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

AS OF DECEMBER 31, 2024 AND 2023

(Amounts in Philippine Pesos)

	Notes	2024	2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	₱384,606,779.41	₱355,146,263.06
Short Term Investment	6	471,723,998.43	454,391,893.50
Loans Receivables - net	7	716,502,482.38	703,715,471.89
Other Current Receivables	8	10,100,749.35	8,959,361.34
Unused supplies & Prepayments		1,764,259.48	2,032,092.98
<b>Total Current Assets</b>		<b>₱1,584,698,269.05</b>	<b>₱1,524,245,082.77</b>
<b>Non-Current Assets</b>			
HTM Investments	9	135,400,215.07	145,441,868.18
Investment in Non-Marketable Equity Securities	10	22,368,996.27	17,887,139.62
Investment Properties	11	204,945,924.37	207,889,077.41
Property and Equipment - net	12	73,175,221.54	66,056,728.16
Real and Other Properties Acquired	13	23,622,100.25	18,443,829.58
Other Non-Current Assets	14	99,554,231.80	80,958,466.69
<b>Total Non-Current Assets</b>		<b>559,066,689.30</b>	<b>536,677,109.64</b>
<b>TOTAL ASSETS</b>		<b>₱2,143,764,958.35</b>	<b>₱2,060,922,192.41</b>
<b>LIABILITIES &amp; MEMBERS' EQUITY</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposit Liabilities	15	1,123,784,653.00	1,082,792,597.52
Other Current Liabilities	16	24,166,626.95	32,966,531.65
Due to Union/Federation	28	991,130.71	922,915.60
Interest on Share Capital Payable	28	38,654,097.49	35,993,708.43
Patronage Refund Payable	28	10,902,437.76	10,152,071.61
Income Tax Payable		38,525.21	-
<b>Total Current Liabilities</b>		<b>₱1,198,537,471.12</b>	<b>₱1,162,827,824.81</b>
<b>Non Current Liability</b>			
Retirement Fund Payable	17	12,037,376.76	12,964,874.34
Other Non current Liabilities	18	9,093,767.40	10,411,801.28
<b>Total Non Current Liabilities</b>		<b>21,131,144.16</b>	<b>23,376,675.62</b>
<b>TOTAL LIABILITIES</b>		<b>1,219,668,615.28</b>	<b>1,186,204,500.43</b>
<b>MEMBERS' EQUITY</b>			
Share Capital	19	684,330,000.00	647,061,200.00
Statutory funds	20	119,829,026.74	107,719,175.64
Revaluation Surplus	21	119,937,316.33	119,937,316.33
<b>Total Members' Equity</b>		<b>924,096,343.07</b>	<b>874,717,691.97</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>		<b>₱2,143,764,958.35</b>	<b>₱2,060,922,192.41</b>

See Notes to Financial Statements

# AUDITED FINANCIAL *Statement*

## HOLY CROSS SAVINGS & CREDIT COOPERATIVE CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in Philippine Pesos)

	Notes	2024	2023
<b>REVENUES</b>			
Income from Credit Operations	22	104,674,773.28	108,728,953.04
Interest Income on Investments/ Deposits	23	39,298,360.92	27,898,443.48
Membership Fees	23	176,550.00	212,090.00
Miscellaneous Income	23	5,807,226.88	6,104,110.91
<b>Total</b>		<b>149,956,911.08</b>	<b>142,943,597.43</b>
<b>EXPENSES</b>			
Financing Costs	24	9,598,821.53	10,025,925.41
Administrative expenses	25	75,524,514.61	73,735,478.29
<b>Total</b>		<b>85,123,336.14</b>	<b>83,761,403.71</b>
<b>NET SURPLUS BEFORE OTHER ITEMS</b>		<b>64,833,574.94</b>	<b>59,182,193.72</b>
Other Items	27	1,458,396.24	2,419,864.03
Income Tax Due		216,590.84	74,351.03
<b>NET SURPLUS FOR DISTRIBUTION</b>		<b>66,075,380.34</b>	<b>61,527,706.72</b>
<b>DISTRIBUTION OF NET SURPLUS:</b>			
		2024	2023
General Reserve Fund		9,911,307.05	9,229,156.01
Education and Training Fund -Local		991,130.71	922,915.60
Due to Union/Federation		991,130.71	922,915.60
Community Development Fund		1,982,261.41	1,845,831.20
Optional Fund		2,643,015.21	2,461,108.27
Interest on Share Capital		38,654,097.49	35,993,708.43
Patronage Refund		10,902,437.76	10,152,071.61
<b>NET SURPLUS AS DISTRIBUTED</b>		<b>66,075,380.34</b>	<b>61,527,706.72</b>

See Accompanying Notes to Financial Statements



# AUDITED FINANCIAL *Statement*

**HOLY CROSS SAVINGS & CREDIT COOPERATIVE**  
**STATEMENTS OF CHANGES IN EQUITY AND STATUTORY FUNDS**  
 FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in Philippine Pesos)

	2024	2023
<b>SHARE CAPITAL - 8,925,000 shares at P100.00 par value</b>		
Common share Capital - 8,000,000 shares		
Beginning Balance	626,824,500.00	608,801,100.00
Add: Additional Capital Build-up	52,797,500.00	33,041,100.00
Less: Treasury Shares	(10,744,300.00)	(15,017,700.00)
Total	668,877,700.00	626,824,500.00
Preferred Share A - 725,000 shares		
Beginning Balance	15,690,900.00	14,260,800.00
Add: Additional Capital Build-up	-	1,451,100.00
Less: Elevated to Common Shares	(4,740,100.00)	-
Less: Treasury shares	(13,300.00)	(21,000.00)
Total	10,937,500.00	15,690,900.00
Preferred Share B - 200,000 shares		
Beginning Balance	4,545,800.00	4,540,600.00
Add: Additional (Terminated) Capital Build-up	-	20,600.00
Less: Treasury Shares	(31,000.00)	(15,400.00)
Total	4,514,800.00	4,545,800.00
<b>TOTAL SHARE CAPITAL</b>	<b>684,330,000.00</b>	<b>647,061,200.00</b>
<b>STATUTORY FUNDS</b>		
<b>RESERVE FUNDS</b>		
Beginning Balance	84,965,845.30	75,736,689.29
Provisions	9,911,307.05	9,229,156.01
Total Reserve Funds	94,877,152.35	84,965,845.30
<b>EDUCATION AND TRAINING FUND</b>		
Beginning Balance	1,705,623.20	1,662,522.25
Provisions	991,130.71	922,915.60
Usage	(1,093,193.10)	(879,814.65)
Total Education and Training Fund	1,603,560.81	1,705,623.20
<b>COMMUNITY DEVELOPMENT FUND</b>		
Beginning Balance	5,674,941.76	4,290,967.51
Provisions	1,982,261.41	1,845,831.20
Usage	(1,074,670.18)	(461,856.95)
Total Community Development Fund	6,582,532.99	5,674,941.76
<b>OPTIONAL FUND</b>		
Beginning Balance	15,372,765.38	14,161,657.11
Provisions	2,643,015.21	2,461,108.27
Usage	(1,250,000.00)	(1,250,000.00)
Total Optional Fund	16,765,780.59	15,372,765.38
<b>TOTAL STATUTORY FUNDS</b>	<b>119,829,026.74</b>	<b>107,719,175.64</b>
<b>Unrealized Gain on Property Valuation</b>	<b>119,937,316.33</b>	<b>119,937,316.33</b>
<b>TOTAL MEMBERS' EQUITY</b>	<b>924,096,343.07</b>	<b>874,717,691.97</b>

See Accompanying Notes to Financial Statements

# AUDITED FINANCIAL *Statement*

## HOLY CROSS SAVINGS & CREDIT COOPERATIVE CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in Philippine Pesos)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Surplus before distribution	66,075,380.33	61,527,706.72
Adjustments for:		
Depreciation	2,820,524.45	1,999,813.89
Provision for Probable Losses on Loan	15,809,801.35	17,219,200.00
Unrealized Gain on Property Valuation	-	104,101,598.50
<b>Net Surplus before working capital changes</b>	<b>84,705,706.13</b>	<b>184,848,319.11</b>
<b>(Increase) Decrease in:</b>		
Loans and Receivables, net	(12,787,010.49)	61,443,750.11
Other Current Receivables	(1,141,388.01)	(1,383,945.09)
Unused Office Supplies	267,833.50	(585,149.94)
<b>Increase (Decrease) in:</b>		
Deposit Liabilities	40,992,055.48	(33,914,087.00)
Trade, Non-Trade and Other Payables	(8,761,379.49)	22,141,337.35
Due to Union/Federation	68,215.11	195,883.83
<b>Net cash provided by operating activities</b>	<b>103,344,032.22</b>	<b>232,746,108.36</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to HTM Investments	10,041,653.11	(880,580.54)
Addition to Investment in Non-Marketable Equity Securities	(4,481,856.65)	(317,688.36)
Deduction (Additions) to Real and Other Property Acquired	(5,178,270.67)	4,696,107.64
Additions to/Reclassification of Property and Equipment	(9,939,017.83)	(2,687,504.18)
Other Funds and Deposits	-	-
Other Non-Current Assets	(18,595,765.11)	(6,383,482.84)
<b>Net cash used in investing activities</b>	<b>(28,153,257.15)</b>	<b>(5,573,148.28)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (Decrease) in:		
Net Proceeds from Issuance of Share Capital	37,268,800.00	19,458,700.00
Decrease (Increase) to Investment Property	2,943,153.04	(144,985,166.38)
Interest on share Capital and Patronage Refund	3,410,755.22	9,794,191.33
Changes in Retirement fund payable	(927,497.58)	1,863,807.00
Increase (Decrease) in Non-current Liabilities	(1,318,033.88)	35,261.47
Uses of Statutory Funds	12,109,851.10	11,867,339.48
Provision for probable losses on loan	(15,809,801.35)	(17,219,200.00)
Distribution of Net surplus for the year	(66,075,380.33)	(61,527,706.72)
<b>Net cash provided (used) by financing activities</b>	<b>(28,398,153.79)</b>	<b>(180,712,773.82)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>46,792,621.28</b>	<b>46,460,186.26</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>809,538,156.57</b>	<b>763,077,970.30</b>
<b>CASH &amp; CASH EQUIVALENT AT END OF YEAR</b>	<b>856,330,777.84</b>	<b>809,538,156.57</b>

See Accompanying Notes to Financial Statements

# AUDITED FINANCIAL Statement

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**HOLY CROSS SAVINGS & CREDIT COOPERATIVE**  
**NOTES TO FINANCIAL STATEMENTS**  
AS OF DECEMBER 31, 2024 AND 2023

**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-0009013-22-RR-5-RDO-024 which is valid until February 21, 2026. This entails, the Cooperative is 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. J. 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 two (2) branches, Malinta and Panturan. The operations of the Malanday and Mindanao Avenue branch has ended mid-year of 2024. The Cooperative operates with 51 regular management and staff.

The accompanying consolidated financial statements of Cooperative were authorized for issue by the Board of Directors on March 05, 2025.

**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.

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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

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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 to 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:

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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.

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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.

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#### 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.

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#### 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.

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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 determined 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 (CTFE)** 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.

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**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 & PERS 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

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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

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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 P192,902,703.29 and P176,403,938.00 as of end of 2024 and 2023, respectively. There is no bad debt written off for both year 2024 and 2023.

**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.

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**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:

	2024	2023
Cash and cash equivalents	P384,606,779.41	P355,146,263.06
Short Term Investment	471,723,998.43	454,391,893.50
Loans Receivables - net	716,502,482.38	703,715,741.89
<b>Total</b>	<b>P1,572,833,260.22</b>	<b>P1,513,253,628.45</b>

The age of financial assets that are past due but not impaired as of December 31, 2024 and 2023 are as follows:

	2024	2023
Past due - one (1) month	P5,099,511.20	P7,264,581.68
- two (2) - twelve (12) months	53,023,668.36	48,698,395.86
- over twelve (12) months	200,442,183.78	222,488,039.04
<b>Total</b>	<b>P258,565,363.34</b>	<b>P278,351,016.58</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/counterparties. 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, 2024 and 2023, the Cooperative's maximum liquidity risk is the carrying amount of total current liabilities which amounted to P1,198,537,471.11 in 2024 and P1,162,827,824.81 in 2023. And the maximum liquidity risks for noncurrent liabilities with maturities of one to five (1-5) years amounted to the carrying amount of P21,131,144.16 in 2021 and P23,376,675.62 in 2023.

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.

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## 5. CASH AND CASH EQUIVALENTS

This account consists of:

	2024	2023
Cash in Bank	P381,068,966.74	P351,548,866.91
Cash on Hand	2,376,910.77	2,993,303.79
Checks & Other Cash Items (COCT)	767,061.76	-
Revolving Fund	310,000.00	310,000.00
Ticketing Fund	58,840.14	64,092.33
Petty Cash Fund	25,000.00	30,000.00
KAYA Settlement Fund	-	200,000.00
<b>Total</b>	<b>P384,606,779.41</b>	<b>P355,146,263.06</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 0.10% per annum.

## 6. SHORT TERM INVESTMENT

As at December 31, 2024 and 2023, the Cooperative has short-term investments amounting to P471,223,998.43 and P454,391,893.50, 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:

	2024	2023
Back to back loan	P121,731,576.62	P115,629,503.94
Provisional Loan	65,633.76	92,970.75
Unsecured Loan	31,865,807.08	34,660,033.26
Secured Loan	752,612,909.00	728,728,783.04
Business Assistance Loan	236,536.05	237,479.34
Others	2,892,724.16	770,639.35
Total Loans Receivables	909,405,185.67	880,119,409.68
Less: Allowance for Probable Losses on Loans	192,902,703.29	176,403,937.79
Unearned Interest	-	-
Loans Receivables, net	716,502,482.38	703,715,471.89
Add: Other Current Receivables	10,100,749.35	8,959,361.34
Total Loans and Receivables, net	<b>P726,603,231.73</b>	<b>P712,674,833.23</b>

### Aging of Loans Receivables:

	2024	2023
Current	P650,839,822.33	P601,768,393.10
Past due - one (1) month	5,099,511.20	7,264,581.68
- two (2) - twelve (12) months	51,023,668.36	48,698,395.86
- over twelve (12) months	200,442,183.78	222,388,039.04
<b>Total</b>	<b>P909,405,185.67</b>	<b>P880,119,409.68</b>

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### Movement of Probable Losses on Loans:

	2024	2023
Beginning Balance	P176,403,937.79	P158,529,316.00
Add: Provision for the year	15,809,801.35	17,219,200.40
Adjustments	688,964.15	655,421.79
Ending Balance	<b>P192,902,703.29</b>	<b>P176,403,937.79</b>

The total loans receivables amount to P909,405,185.67 in year 2024 and P880,119,409.68 in year 2023. Provision for probable losses on loan amounts to P192,902,703.29 and P176,403,937.79 in years 2024 and 2023, respectively. The management notes that 96.60% of its loan portfolio is fully secured either by land title, members deposit and share capital. Of the total past due amount of P258,563,363.34, 93.66% of that is secured by a collateral which means only P16,392,711.32, 6.34% is not secured. The amount of allowance for probable losses on loans is P192,902,703.29, as of December 31, 2024.

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, 2024 and 2023 the DOSRI accounts are as follows:

	2024	2023
Board of Directors & Officers	P21,239,617.19	P20,265,298.24
Management Staff	22,832,802.10	23,369,193.37
<b>Total</b>	<b>P44,072,419.29</b>	<b>P43,634,491.61</b>

## 8. OTHER CURRENT RECEIVABLES

This account consists of the following:

	2024	2023
Accounts Receivables-Forclosed Accounts	P5,345,775.13	P3,753,554.01
Other Current Receivables	4,754,974.22	5,205,827.33
<b>Total</b>	<b>P10,100,749.35</b>	<b>P8,959,361.34</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:

	2024	2023
DBP Government Securities	P74,891,091.34	P74,891,091.34
CLIMBS Mutual Fund	15,000,000.00	15,000,000.00
Sun Life Asset Management Co.	16,470,340.71	16,470,340.71
Metro Bank Money Market Fund	10,038,783.02	10,038,783.02
Philippine Axia Life	9,000,000.00	9,000,000.00

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PNB - Fixed rate bond	5,000,000.00	5,000,000.00
Security Bank Equity Investment	5,000,000.00	5,000,000.00
COI Financial	2,000,000.00	2,000,000.00
Chinabank RTB	-	15,041,653.11
<b>Total</b>	<b>P137,400,215.07</b>	<b>P147,441,868.18</b>
Less: Allowance for Probable Loss on Investment	2,000,000.00	2,000,000.00
<b>Total</b>	<b>P135,400,215.07</b>	<b>P145,441,868.18</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:

	2024	2023
Climbs Life and General Insurance Cooperative	P19,871,115.14	P16,337,213.92
Phil. Resort, Travel and Education Service Corp.	2,000,000.00	2,000,000.00
CI IFAA	2,500,000.00	1,661,000.00
Metro South Cooperative Bank	1,591,000.00	1,591,000.00
Credit Information System	1,000,000.00	-
PFCCO - NCR	727,925.70	1,722,925.70
NATCCO	100,000.00	-
National Federation of Cooperative Primaries in the Philippines	78,955.43	75,000.00
<b>Total</b>	<b>P27,868,996.27</b>	<b>P23,387,139.62</b>
Less: Allowance for Probable Loss on Investment	5,500,000.00	5,500,000.00
<b>Total</b>	<b>P22,368,996.27</b>	<b>P17,887,139.62</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 is valued at cost and market valuation are shown below:

	Land	Building	Memorial Lot	Total
Cost 12/31/2024	P153,546,000.00	P20,800,466.21	P40,020,461.48	P214,366,927.69
Accum. Depreciation	-	9,421,003.32	-	9,421,003.32
<b>Net Book Value 12/31/2024</b>	<b>P153,546,000.00</b>	<b>P11,379,462.89</b>	<b>P40,020,461.48</b>	<b>P204,945,924.37</b>
Net Book Value 1/1/2023	P153,546,000.00	P12,419,486.21	P41,923,591.20	P207,889,077.41
Additions/Adjustments	-	-	(1,903,297.72)	(1,903,297.72)
Depreciation / Amortization	-	(1,040,023.32)	-	(1,040,023.32)
<b>Net Book Value -12/31/2023</b>	<b>P153,546,000.00</b>	<b>P11,379,462.89</b>	<b>P30,020,461.48</b>	<b>P194,945,924.37</b>

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	Land	Building	Memorial Lot	Total
Cost 12/31/2023	P153,546,000.00	P20,800,466.21	P41,923,591.70	P216,270,057.91
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>P41,923,591.70</b>	<b>P207,889,077.41</b>
Net Book Value 1/1/2022	P49,444,401.50	P13,459,509.53	-	P62,903,911.03
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 -12/31/2023</b>	<b>P153,546,000.00</b>	<b>P12,419,486.21</b>	<b>P41,923,591.70</b>	<b>P207,889,077.41</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 paid the balance in 2024.

## 12. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation of property and equipment at the beginning and end of 2024 and 2023 are shown below:

	Cost 12/31/2023	Accum. Depreciation	Net Book Value 12/31/2024	
Land & Improvmt	P58,130,808.69	(31,673.39)	P57,999,135.10	
Building & Improvmt	P21,095,489.83	(16,747,737.22)	P4,347,752.61	
Office Improvmt	P4,621,483.33	(4,621,411.33)	P72.00	
Office Equip. Fur & Fix	P12,581,050.16	(10,674,258.63)	P1,906,791.53	
Transpo. Eqpmnt	P9,410,021.95	(8,046,198.70)	P1,363,823.25	
Construction in progress	P8,157,917.35	-	P8,157,917.35	
<b>Total</b>	<b>P110,996,771.31</b>	<b>(37,821,249.97)</b>	<b>P73,175,521.34</b>	
	Net Book Value 1/1/2024	Acid from Disposal	Depreciation / Amortization	Net Book Value 12/31/2024
Land & Improvmt	P56,629,797.78	1,501,010.91	(731,673.39)	P57,399,135.10
Building & Improvmt	P4,999,185.57	(710,873.75)	59,440.49	P4,347,752.31
Office Improvmt	P72.00	-	-	P72.00
Office Equip. Fur & Fix	P1,330,069.06	367,136.98	209,315.49	P1,906,791.53
Transpo. Eqpmnt	P1,751,574.75	-	(387,751.50)	P1,363,823.25
Construction in progress	P1,346,030.00	6,811,887.35	(850,669.11)	P8,157,917.35
<b>Total</b>	<b>P66,056,729.16</b>	<b>7,969,161.49</b>	<b>(850,669.11)</b>	<b>P73,175,521.34</b>
	Cost 12/31/2023	Accum. Depreciation	Net Book Value 12/31/2023	
Land & Improvmt	P56,629,797.78	-	P56,629,797.78	
Building & Improvmt	P2,806,363.58	(16,807,178.01)	P4,999,185.57	
Office Improvmt	P62,385.53	(4,621,311.33)	P72.00	
Office Equip. Fur & Fix	P2,213,913.18	(10,883,844.12)	P1,330,069.06	
Transpo. Eqpmnt	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>P69,027,610.02</b>	<b>(36,970,880.86)</b>	<b>P66,056,729.16</b>	
	Net Book Value 1/1/2023	Additions/ Disposal	Depreciation / Amortization	Net Book Value 12/31/2023
Land & Improvmt	P54,445,207.60	2,184,590.18	-	P56,629,797.78
Building & Improvmt	P5,413,599.13	211,880.00	(653,113.56)	P5,999,185.57
Office Improvmt	P72.00	-	-	P72.00
Office Equip. Fur & Fix	P2,024,803.89	261,915.00	(956,648.83)	P1,330,070.06
Transpo. Eqpmnt	P1,199,326.23	-	(387,751.50)	P1,751,574.75
Construction in progress	P1,346,030.00	-	-	P1,346,030.00
<b>Total</b>	<b>P65,269,025.87</b>	<b>2,658,404.18</b>	<b>(1,999,813.89)</b>	<b>P66,056,729.16</b>

# AUDITED FINANCIAL Statement

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## 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 ₱23,622,100.25 and ₱18,443,829.58 for years 2024 and 2023, respectively.

## 14. OTHER NON CURRENT ASSETS

This account consists of:

	2024	2023
Other Funds and Deposits	₱95,862,539.91	₱77,435,974.80
Rental deposits and other non-current assets	3,472,491.89	3,522,491.89
Computerization cost, net	219,200.00	-
<b>Total Other Non-current assets</b>	<b>₱99,554,231.80</b>	<b>₱80,958,466.69</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:

	2024	2023
Savings Deposits	₱585,683,946.21	₱530,481,744.00
Koop Paluwagan	245,676,816.47	273,399,855.43
Time Deposits	177,969,281.17	158,022,148.95
Laboratory Coop	61,580,199.75	61,280,781.52
Pension Savings Deposits	52,874,409.40	59,608,065.62
<b>Total Deposit Liabilities</b>	<b>₱1,123,784,653.00</b>	<b>₱1,082,792,597.52</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:

	2024	2023
Unearned Interest Payable	₱8,727,478.01	₱6,777,059.21
Account Payable – Officers	5,115,982.23	4,042,782.24
Accrued Expenses Payable	1,917,159.87	1,420,824.90
Rental Deposits Payable	643,999.55	606,399.55
Unrealized Gain on sale of investment property	404,539.64	115,065.60
KAYA	227,211.26	-
Officers Gratuity Fund Payable	183,000.00	-
SSS/ECC/Philhealth & Pagibig Payable	116,985.31	86,950.40
SSS/Pagibig Loan Payable	84,501.00	73,210.20
HIVSAP	76,234.48	-
Percentage Tax Payable	19,308.20	17,463.21
HIVSLE	9,784.72	-
Withholding Tax Payable	(896.29)	49,326.33

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Education & Training Fund	1,705,623.20	(1,093,193.10)	991,130.70	1,603,560.80
Community Dev. Fund	5,674,941.76	(1,074,670.18)	1,982,261.41	6,582,532.99
Optional Fund	15,372,765.38	(1,250,000.00)	2,643,015.21	16,765,780.59
<b>Total</b>	<b>₱107,719,175.64</b>	<b>(₱3,417,863.28)</b>	<b>₱15,527,714.38</b>	<b>₱119,829,026.74</b>

## 21. REVALUATION SURPLUS

As of December 31, 2024, the Cooperative has Unrealized Gains on Property Valuation of Land located at Gen. T de Leon and Malmita, Valenzuela City to a total amount of ₱119,937,316.33. This was made by an independent appraiser.

## 22. INCOME FROM CREDIT OPERATION

This account consists of the following:

	2024	2023
Interest Income on Loans	₱86,969,649.46	₱93,227,534.51
Service/Filing/Inspection/Collection fees	8,190,580.26	7,430,178.37
Fines, Penalties and Surcharges	9,514,543.56	8,071,240.16
<b>Total</b>	<b>₱104,674,773.28</b>	<b>₱108,728,953.04</b>

## 23. OTHER INCOME

The detail of this account is as follows:

	2024	2023
Interest Income on Investments/Deposits	₱39,298,360.92	₱27,898,443.48
Membership Fees	176,550.00	212,090.00
Miscellaneous income	5,807,226.88	6,104,110.91
<b>Total</b>	<b>₱45,282,137.80</b>	<b>₱34,214,644.39</b>

	2024	2023
Rental Income		
Members	₱634,500.00	₱593,067.00
Non Members	2,829,622.53	2,157,459.22
Other Income	2,343,104.35	3,353,584.69
<b>Total</b>	<b>₱5,807,226.88</b>	<b>₱6,104,110.91</b>

## 24. FINANCING COSTS

Finance cost pertains to interest expense on deposits liabilities. The interests paid and accrued to members' deposit amounts to ₱9,598,821.53 in year 2024 and ₱10,025,925.41 in year 2023. 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:

	2024	2023
Provision for Probable Losses on Loans	₱15,869,801	₱17,219,200
Salaries and Wages	13,374,086	14,022,186
General Assembly	11,028,662	10,839,768
Officers and Employees Benefits	7,961,139	7,213,259
Travel and Transportation	4,415,586	4,846,496

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Other Payable	6,641,338.97	1,783,858.81
Memorial Lot Payable	-	₱17,993,591.20
<b>Total</b>	<b>₱24,166,626.95</b>	<b>₱32,966,531.65</b>

## 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, 2024 and 2023 amounts to ₱12,037,376.76 and ₱12,964,874.34, respectively.

## 18. OTHER NONCURRENT LIABILITIES

This account pertains to annual insurance premium of ₱900.00 paid by a full pledge member, the amount being set aside as mortuary fund. As of December 31, 2024 and 2023, other non-current liability amounts to ₱9,093,767.40 and ₱10,411,801.28 respectively.

## 19. SHARE CAPITAL

The breakdown of this account is as follows:

	Authorized P100/per value	Paid-Up Share Capitol No. of Shares	Amount	Treasury Shares	Total Share Capital
Common	800,000,000.00	6,796,220.00	₱679,622,000.00	₱10,744,300.00	₱668,877,700.00
Preferred A	72,500,000.00	109,508.00	10,950,800.00	13,300.00	10,937,500.00
Preferred B	20,000,000.00	45,190.00	4,545,800.00	31,000.00	4,514,800.00
<b>Total</b>	<b>892,500,000.00</b>	<b>6,950,918.00</b>	<b>₱695,091,800.00</b>	<b>₱10,761,800.00</b>	<b>₱684,330,000.00</b>

The authorized share capital of the Cooperative is ₱892,500,000, divided into 8,925,000 shares with par value of ₱100.00 per share, of which ₱800,000,000 is for common shares and ₱72,500,000 of Preferred A and ₱20,000,000 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 ₱5,000.00.

**Preferred shares A** shall be issued to all natural persons who are Filipino senior-citizen and with share capital less than ₱5,000.00.

**Preferred shares B** shall be issued to all natural persons who are Filipino citizen with a minimum share capital of ₱200.00.

## 20. STATUTORY FUNDS

The movement of this account is presented below:

	Beq. Balance	Usage	Provision	End Balance
General Reserve Fund	₱81,965,845.50	-	₱9,911,307.05	₱94,877,152.55

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Depreciation and Amortization	2,820,524	3,158,057
Retirement Benefits Expense	2,200,000	2,200,000
Light, Water and Power	1,873,082	1,810,152
General Support Services	1,813,840	1,802,542
SSS, PHIC & HDMF Contributions	1,783,920	1,746,768
Officers' Honorarium and Allowances	1,700,000	1,728,000
Repairs and Maintenance	1,067,735	774,962
Office Supplies	1,011,291	723,789
Professional Fees	754,211	485,263
Cooperative Expenses	651,524	653,655
Communication	612,527	634,933
Collection Expense	512,094	471,024
Insurance Expense	458,502	517,641
Rental	442,105	442,105
Meetings and Conferences	388,341	604,942
Members' Benefits Expense	383,645	-
Taxes and Licenses	329,520	296,034
Officers Gratuity Expense	300,000	-
Promotional Expense	244,650	483,000
Gas, Oil and Lubricants	160,716	147,418
Representation and Entertainment	116,752	57,306
Annual Dues	61,084	58,948
Social & Community Service Expenses	15,000	32,327
Training Expense	-	203,225
Miscellaneous Expense	3,234,170	562,478
<b>Total</b>	<b>₱75,524,514.61</b>	<b>₱73,735,478.50</b>

## Expenses chargeable to Taxable Income

	2024	2023
Depreciation	₱1,058,012.39	₱1,054,106.04
General Support Services	585,560.00	583,680.00
Taxes and Licenses	140,664.55	100,661.02
Power, Light and Water	54,397.09	90,796.08
Repairs and Maintenance	124,625.15	20,811.95
<b>Total</b>	<b>₱1,963,259.18</b>	<b>₱1,860,055.09</b>

## 26. EMPLOYEE BENEFITS

*Salaries and Employees' Benefits* - Expenses recognized for salaries and employees' benefits short term amounts to ₱21,335,224.77.

*Past-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, 2024 and 2023. 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 2024 and 2023.

# AUDITED FINANCIAL Statement

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## 27. OTHER ITEMS

The detail of this account is as follows:

	2024	2023
Optional Fund Subsidy	P1,250,000.00	P1,250,000.00
Gain on sale - Investment Property	190,396.24	133,315.68
Rent of Property - ROPA	18,000.00	222,000.00
Gain on Sale - ROPA	-	814,548.35
	<b>P1,458,396.24</b>	<b>P2,419,864.03</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 2024 and 2023 are shown below:

	2024	2023
General Reserve Fund	P9,911,307.05	P9,229,156.01
Education and Training Fund - Local	991,130.71	922,915.60
Due to Union/Federation	991,130.71	922,915.60
Community Development Fund	1,982,261.41	1,845,831.20
Optional Fund	2,643,015.21	2,461,108.27
Interest on Share Capital	38,654,097.49	35,993,708.44
Patronage Refund	10,902,437.76	10,152,071.61
<b>NET SURPLUS AS DISTRIBUTED</b>	<b>P66,075,380.34</b>	<b>P61,527,706.73</b>

## 29. SEGMENTAL OPERATIONS

The Cooperative segmental income and expenses in 2024 are as follows:

	Revenue	Expenses	Other Items	Income Tax Due	Net Surplus
Head Office	P122,045,933.70	P66,454,919.60	P190,396.24	-	P55,781,410.34
Malabata	19,050,237.01	10,393,061.35	1,250,000.00	216,590.84	9,690,584.82

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Punturin	7,543,813.00	6,522,359.69	-	-	1,021,453.31
Mindanao	736,195.82	1,033,654.92	18,000.00	-	(279,459.10)
Malanday	580,731.55	719,340.58	-	-	(138,609.03)
<b>Total</b>	<b>P149,956,911.08</b>	<b>P85,123,356.14</b>	<b>P1,458,396.24</b>	<b>P216,590.84</b>	<b>P66,075,380.34</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 future minimum rent expense payments are estimated based on the lease contract agreement which will amount to P805,263.12 in year 2024 only.

## 31. RELATED PARTY TRANSACTIONS

The related party transactions made by the Cooperative for the year ended December 31, 2024 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 2024 and 2023 amount to P44,072,419.29 and P43,634,491.61, 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

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- operation of the cooperative;
- 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 - RTM (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 2024, the company has paid one percent (1%) percentage tax amounting to P76,176.67.

Percentage Tax	Paid	Accrued
	<b>P56,868.47</b>	<b>P19,308.20</b>

#### (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 2024.

#### (3) Taxes and licenses

The details of taxes and licenses and permit fees for the year ended December 31, 2024 are as follows:

Business and Local Taxes	P154,675.75
Penalties	84,556.25
Percentage Tax	76,176.67
Car Registration	14,120.00
<b>TOTAL</b>	<b>P329,528.67</b>

#### (4) Withholding Taxes

The details of total withholding taxes for the taxable year ended December 31, 2024 are shown below:

	Tax Base	Tax withheld
Compensation	P7,349,341.91	P 198,361.26
Honorarium	1,700,000.00	85,000.00
Professional Fee	792,105.28	39,605.28

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Rental	442,105.28	22,105.28
General Support & Services	3,636,599.93	72,620.46
Purchase of Goods	39,665,144.19	396,651.44
Health Card	999,492.10	19,989.84
	<b>P62,761,945.46</b>	<b>P844,196.03</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

	2024
Rental Income	
Non Members	P2,829,622.53
<b>Total</b>	<b>P2,829,622.53</b>

#### b. Itemized Deductions

	2024
Depreciation	P1,058,012.39
General Support Services	585,560.00
Taxes and Licenses	140,664.55
Power, Light and Water	54,397.09
Repairs and Maintenance	124,625.15
<b>Total</b>	<b>P1,963,259.18</b>

## 35. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the 2023 financial statements were classified to conform to 2024 financial statement presentation of accounts.

\* \* \*



# AUDITED FINANCIAL *Statement*

## COMPARATIVE STATEMENT OF OPERATIONS

FOR THE YEAR 2021 TO 2024

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>REVENUE</b>	128,776,855.22	119,417,111.09	145,363,461.46	151,415,307.32
<b>EXPENSES</b>	74,887,913.54	70,948,326.14	83,761,403.71	85,123,336.14
<b>INCOME TAX DUE</b>			74,351.03	216,590.84
<b>NET SURPLUS</b>	53,888,941.68	48,468,784.95	61,527,706.72	66,075,380.34

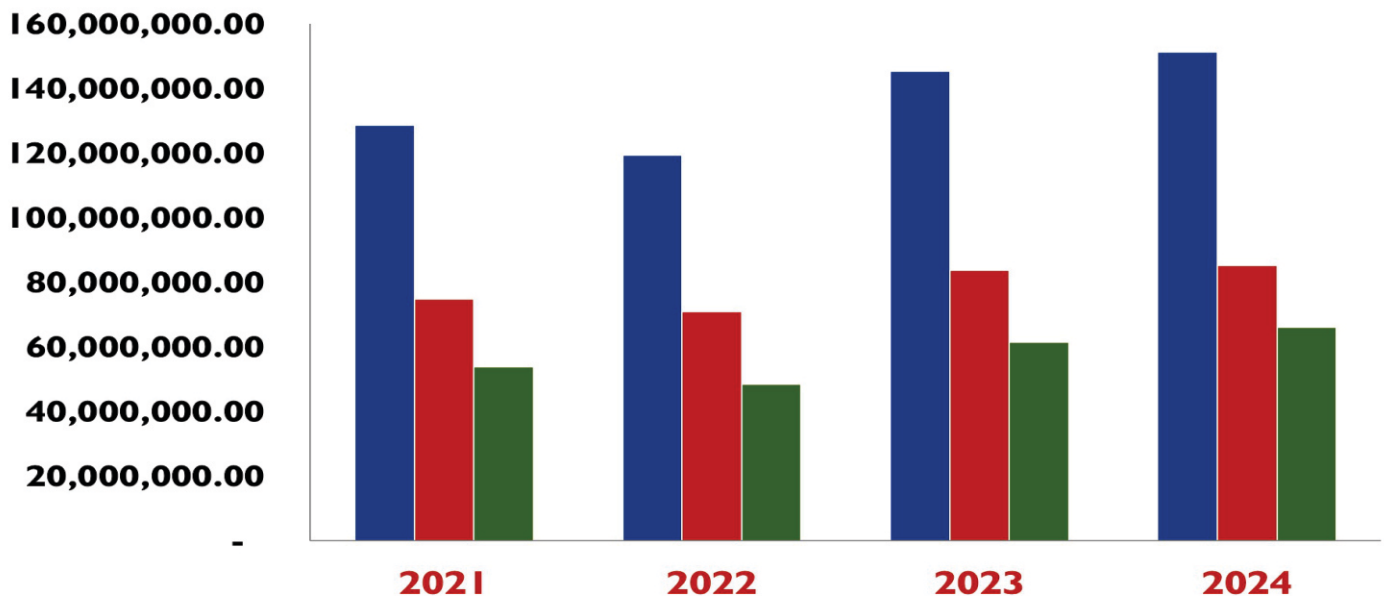
## COMPARATIVE PERCENTAGE INTEREST ON SHARE CAPITAL AND PATRONAGE REFUND

FOR THE YEAR 2021 TO 2024

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>INTEREST ON SHARE CAPITAL</b>	(75%) 5.27%	(78%) 4.82%	(78%) 5.82%	(78%) 6.03%
<b>PATRONAGE REFUND</b>	(25%) 10.19%	(22%) 9.22%	(22%) 11.12%	(22%) 11.81%
<b>RATE OF RETURN</b>	7.03%	6.18%	7.46%	7.73%

## Comparative Statement of Operations (2021-2024)

■ Revenues ■ Expenses ■ Net Surplus



*Congratulations!*

Officers, Management Staff and Members of

**HOLY CROSS SAVINGS AND CREDIT COOPERATIVE**

35th Annual Regular General Assembly Meeting

# 35 Years of Service to the Community



## **HOLY CROSS SAVINGS & CREDIT COOPERATIVE**

[phccoop@yahoo.com.ph](mailto:phccoop@yahoo.com.ph) \* [holycrosscoop@gmail.com](mailto:holycrosscoop@gmail.com)

[www.holycrosscoop.com](http://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

### **AFFILIATIONS:**



Association of Asian  
Confederation of  
Credit Union (ACCU)



CLIMBS Life Insurance  
and Mutual Benefit Services



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



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



National Confederation of  
Cooperatives Network  
(NATTCO)



METRO SOUTH  
COOPERATIVE BANK



World Council  
of Credit Unions