

**DAMAYAN SA CAVITE COMMUNITY
MULTIPURPOSE COOPERATIVE**

2F, DACCO Bldg., #40 Anabu Road,
Anabu II-B, City of Imus, Cavite
CDA Registration No. 9520-04005019
TIN: 203-656-279-000

AUDITED FINANCIAL STATEMENTS

For the years ended December 31, 2024 and 2023
(Amounts in Philippine Pesos)

**DAMAYAN SA CAVITE COMMUNITY
MULTIPURPOSE COOPERATIVE**


2F, DACC0 Bldg., #40 Anabu Road, Anabu II-B, City of Imus, Cavite
CDA Registration No. 9520-04005019 TIN: 203-656-279-000

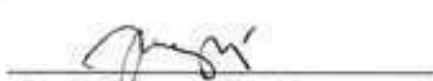
**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN**

The Management of DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2024. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return or Annual Information Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2024 and the accompanying Annual Income tax Return are in accordance with the books and records of DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE, complete and correct in all material respects. Management likewise affirms that:

- a. the annual income tax return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- b. any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the company's books and records in accordance with the requirements of Revenue Regulations No 8-2007 and other relevant issuances;
- c. the DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.


GAUDIOSO S. DIATO
Chairperson of the Board


JEANIFER B. MAGLENTE
Treasurer

Signed this 15th day of March 2025

**DAMAYAN SA CAVITE COMMUNITY
MULTIPURPOSE COOPERATIVE**

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

The management of DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2024 and 2023 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative to do so.

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

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

GENEROSO F. RAMOS, JR., the independent auditor appointed by the members, has audited the financial statements of the DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE in accordance with Philippine Standards on Auditing, and in his report to the members, has expressed his opinion on the fairness of presentation upon completion of such audit.


GAUDIOSO S. DIATO
Chairperson of the Board


JEANIFER B. MAGLENTE
Treasurer

Signed this 15th day of March 2025

GENEROSO F. RAMOS, JR.

Certified Public Accountant

STATEMENT OF REPRESENTATION

TO THE COOPERATIVE DEVELOPMENT AUTHORITY:

In connection with my examination of the financial statements of Damayan sa Cavite Community Multipurpose Cooperative for the period ended December 31, 2024 that are herewith submitted to the Cooperative Development Authority, I hereby represent the following:

1. That said financial statements herewith attached are prepared and presented in accordance with Financial Reporting Framework for Cooperatives in the Philippines;
2. That in the conduct of my audit, I adhered to the Philippine Standards on Auditing and the Standard Audit System for Cooperatives as required by Cooperative Development Authority;
3. That I am qualified as provided for in Section 8 of the Code of Professional Ethics for Certified Public Accountants and Article 80 of Republic Act 9520 (Cooperative Code of the Philippines);
4. That I am fully aware of my responsibility as an independent auditor for the audit report issued and attached to the financial statements and the sanctions to be bestowed on me for my misrepresentations that I may have willingly or unwillingly committed;
5. That I nor any member of my immediate family do not have any direct or indirect financial interest with the cooperative;
6. That I am not an employee nor an officer of a secondary cooperative or tertiary cooperative of which this cooperative is a member;
7. That I am not an employee of the Cooperative Development Authority nor have I engaged an employee of the CDA in the course of audit;
8. That I make representation in my individual capacity;
9. That I am a member in good standing of the Philippine Institute of Certified Public Accountants, Cavite Chapter.

It is however, understood that my accountability is based on matter within the normal coverage of an audit conducted in accordance with Philippine Standards on Auditing and the Standard Audit System for Cooperatives.


GENEROSO F. RAMOS, JR., CPA

CPA Certificate No. 151474

BOA Accreditation No. 8184 valid until October 31, 2027

CDA Accreditation - CEA No. 1378, valid until March 2, 2030

BIR Accreditation No.: AN 09-007404-001-2025, issued on 2/6/2025, valid until 2/6/2028

PTR No. C12766197, January 3, 2025, Imus City, Cavite

TIN 173-30-759-000

March 15, 2025

Blk 1, Lot 49A, Istana Subd, Malagasang I-E, Imus, Cavite 4103, Philippines

Email - gframosjr.cpa@gmail.com

Contact No. 09209421019

GENEROSO F. RAMOS, JR.

Certified Public Accountant

Blk 1, Lot 49A, Istana Subd., Malagasang I-E, Imus, Cavite
Email: gframosjr.cpa@gmail.com Contact No: 0920-942-1019

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and General Assembly

Damay-an sa Cavite Community Multipurpose Cooperative
Ariabu, Imus, Cavite

Opinion

I have audited the accompanying financial statements of Damay-an sa Cavite Community Multipurpose Cooperative, which comprise the statement of financial condition as at December 31, 2024 and December 31, 2023, and the statement of operations, statement of changes in equity and statement of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of Damay-an sa Cavite Community Multipurpose Cooperative as at December 31, 2024 and 2023, and of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Framework for Cooperatives.

Basis for Qualified Opinion

As discussed in Notes 5 (Aging of Past Due Accounts for Loan Receivables and the recognition of Allowance for Probable Losses on Loans), to the accompanying financial statements, there is an underbooking of allowance of probable losses for loan receivables amounting to P1,628,180 computed based on the provisioning mandated by the Philippine Financial Reporting Framework for Cooperatives. Consequently, the result of operations is overstated due to the said underbooking of allowance.

I conducted my audit in accordance with Philippine Standards on Auditing (PSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Cooperative in accordance with the Code of Ethics for Professional Accountants in the Philippines and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards applicable to Cooperatives in the Philippines, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Cooperative's ability as a going concern, disclosing as applicable matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Cooperative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Cooperative's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on

GENEROSO F. RAMOS, JR.

Certified Public Accountant

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the basis of these financial statements. As part of an audit in accordance with PSAs, I exercise professional judgment and maintain professional skepticism throughout the audit, I also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cooperative's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Cooperative to cease to continue as a going concern.

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

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

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


GENEROSO F. RAMOS, JR., CPA

CPA Certificate No. 151474

BOA Accreditation No. 8184 valid until October 31, 2027

CDA Accreditation - CEA No. 1378, valid until March 2, 2030

BIR Accreditation No.: AN 09-007404-001-2025, issued on 2/6/2025, valid until 2/6/2028

PTR No. CI2766197, January 3, 2025, Imus City, Cavite

TIN 173-130-759-000

March 15, 2025
Imus City, Cavite

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE
CDA Registration No. 9520-04005019

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2024 and 2023

(Amounts in Philippine Pesos)

	Notes	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	2.4	20,765,239	9,779,138
Loans and Receivables	2.5	89,271,165	66,975,241
Inventories	2.6	454,422	303,101
Other Current Assets	2.7	799,530	907,268
Total		111,290,357	77,964,748
NON-CURRENT ASSETS			
Loan Receivables - Non-Current	2.8	47,860,437	36,214,409
Financial Assets at Cost	2.9	17,772,695	6,695,734
Property, Plant And Equipment	2.10	49,290,592	45,478,033
Other Funds and Deposits	2.11	896,847	796,260
Other Non-Current Assets	2.12	227,828	822,975
Total		116,048,399	90,007,411
TOTAL ASSETS		227,338,756	167,972,159
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Deposit Liabilities	2.13	117,541,535	96,183,796
Trade and Other Payables	2.14	4,309,522	1,621,324
Accrued Expenses	2.15	1,141,154	1,227,959
Due to Union/ Federation (CETF)	2.16	316,570	269,530
Interest on Share Capital Payable	2.17	2,880,785	2,641,396
Patronage Refund Payable	2.18	1,236,467	1,132,027
Other Current Liabilities	2.19	22,946	21,609
Total		127,448,977	103,097,640
NON-CURRENT LIABILITIES			
Loan Payable Long-Term	2.20	24,933,938	1,843,107
Member Benefits and Other Funds Payable	2.21	6,424	-
Retirement Fund Payable	2.22	996,627	784,354
Total		25,936,989	2,627,460
TOTAL LIABILITIES		153,385,967	105,725,100
EQUITY			
Members Equity	2.23	68,616,249	58,001,674
Donations and Grants	2.24	402,811	402,811
Statutory Funds	2.25	4,933,729	3,842,574
Total		73,952,789	62,247,059
TOTAL LIABILITIES AND EQUITY		227,338,756	167,972,159

(See accompanying notes to financial statements)

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE
CDA Registration No. 9520-04005019

STATEMENT OF OPERATIONS
For the years ended December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	Notes	2024	2023
REVENUES			
Income from Credit Operations	2.26	24,243,421	17,367,686
Income from Service Operations	2.27	1,927,861	1,273,120
Income from Consumer Operations	2.28	498,051	338,019
Other Income	2.29	2,126,704	2,729,891
GROSS REVENUES		28,796,037	21,708,717
EXPENSES			
Financing Cost	2.30	4,890,388	3,557,935
Administrative Cost	2.31	18,034,690	12,828,947
TOTAL COST		22,925,078	16,386,883
NET SURPLUS BEFORE OTHER ITEMS		5,870,959	5,321,834
ADD: OTHER ITEM			
Prior Year Adjustment	2.32	460,437	68,770
TOTAL OTHER ITEMS		460,437	68,770
INCOME TAX EXPENSE	2.33		
NET SURPLUS		6,331,396	5,390,604
DISTRIBUTED AS FOLLOWS			
Reserve Fund	2.25	949,709	539,060
Education and Training Fund	2.25	316,570	269,530
Due to Union and Federation (CETF)	2.16	316,570	269,530
Optional Fund	2.25	443,198	377,342
Community Development Fund	2.25	189,942	161,718
Interest on Share Capital Payable	2.17	2,880,785	2,641,396
Patronage Refund Payable	2.18	1,234,622	1,132,027
NET SURPLUS AS DISTRIBUTED		6,331,396	5,390,604

(See accompanying notes to financial statements)

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE
CDA Registration No. 9520-04005019

**STATEMENT OF CHANGES IN MEMBER'S EQUITY, STATUTORY FUNDS,
DUE TO CETF AND DONATIONS AND GRANTS**

For the years ended December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	Notes	2024	2023
MEMBERS EQUITY			
The Cooperative has authorized share capital amounting to P160,000,000, of which P150,000,000 were for common shares and P10,000,000 were for preferred shares.			
Share Capital - Common, Beginning		53,321,800	45,108,000
Add: Additional Capital Build Up		9,256,400	12,470,548
Less: Withdrawals in Capital			(4,256,748)
Share Capital - Common, End		62,578,200	53,321,800
Share Capital - Preferred, Beginning		4,648,100	3,484,900
Add: Additional Capital Build Up		1,359,900	1,966,300
Less: Withdrawals in Capital			(803,100)
Share Capital- Preferred, End		6,008,000	4,648,100
Deposit for Share Capital Subscription		30,049	31,774
Total	2, 23	68,616,249	58,001,674
STATUTORY FUNDS			
Reserve Fund			
Beginning Balance		3,025,015	2,485,954
Allocation from net surplus		949,709	539,060
Actual expenditures			
Ending Balance	2, 25	3,974,724	3,025,015
Optional Fund			
Beginning Balance		886,074	508,731
Allocation from net surplus		443,198	377,342
Actual expenditures		(877,076)	
Ending Balance	2, 25	452,195	886,074
Community Development Fund			
Beginning Balance		161,955	165,345
Allocation from net surplus		189,942	161,718
Actual expenditures		(161,955)	(165,106)
Ending Balance	2, 25	189,942	161,955
Education and Training Fund			
Beginning Balance		269,530	259,067
Allocation from net surplus		316,570	269,530
Actual expenditures		(269,233)	(259,068)
Ending Balance	2, 25	316,867	269,530
Total Statutory Funds		4,933,729	4,342,574
Donations and Grants			
Beginning Balance		402,811	402,811
Additional Subsidy			
Ending Balance	2, 24	402,811	402,811
TOTAL EQUITY		73,952,789	62,747,059
DUE FROM UNION/FEDERATION			
Beginning Balance		528,598	259,068
Allocation from net surplus		316,570	269,530
Changes		(528,598)	
Ending Balance	2, 16	316,570	528,598

(See accompanying notes to financial statements)

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE
CDA Registration No. 9520-04005019

STATEMENT OF CASH FLOWS
For the years ended December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Provided by Operation:			
Net Surplus for Allocation		6,331,396	5,390,604
Depreciation	2.31	2,617,880	1,858,111
Amortization	2.31		66,830
Provision for Probable Losses on Loans	2.31	1,333,018	98,477
Retirement Benefit	2.31	212,273	174,813
Prior year Adjustment	2.32	(460,437)	(68,770)
Operating Income Before Working Capital Changes		10,034,131	7,520,065
Changes in Assets and Liabilities:			
Decrease (Increase) in:			
Loans and Receivables	2.5	(22,295,924)	(14,330,148)
Inventories	2.6	(151,321)	(125,094)
Other Current Assets	2.7	107,737	140,784
Increase (Decrease) in:			
Trade and Accounts Payables	2.14	2,688,198	320,653
Accrued Expenses	2.15	(86,805)	583,492
Loan Payable - Current	2.16	-	(4,742,727)
Due to Union/Federation (CETF)	2.16	47,040	10,462
Other Current Liabilities	2.19	1,337	(394,463)
Net cash from operating activities		(9,655,607)	(11,016,974)
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (Increase) in:			
Loan Receivable - Non-Current		(14,951,215)	(13,042,574)
Financial Assets At Cost	2.9	-	(1,178,254)
Investment Property	2.9	(11,076,961)	
Property, Plant and Equipment	2.10	(3,812,559)	(9,539,500)
Computerization Costs			283,967
Other Funds and Deposits	2.11	(100,587)	(142,371)
Other Non Current Assets	2.12	595,147	
Other Non Current Liabilities	2.21	6,424	6,578
Net cash from investing activities		(29,339,751)	(23,612,153)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (Decrease) in:			
Paid Up Share Capital	2.23	10,614,576	9,375,923
Loans Payable	2.20	23,090,831	(2,500,000)
Deposit Liabilities	2.13	21,357,739	25,171,282
Payment of Interest on Share Capital Payable	2.17	(2,641,396)	(2,720,213)
Payment of Patronage Refund Payable	2.18	(1,132,027)	(906,738)
Utilization of Statutory Funds	2.25	(1,308,264)	(424,176)
Net cash from financing activities		49,981,459	27,996,079
Net Increase (decrease) in Cash and Cash Equivalents		10,986,101	(6,633,048)
Cash and Cash Equivalents, Beginning		9,779,138	16,412,186
Cash and Cash Equivalents, Ending		20,765,239	9,779,138

(See accompanying notes to financial statements)

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE (DACCO MPC) formerly **DAMAYAN SA ANABU II-B CREDIT COOPERATIVE** (referred hereinafter as "Cooperative") was registered and approved with the Cooperative Development Authority (CDA) on August 26, 1999 under Certificate of Registration/Confirmation Number LGA No. 4129.

On December 28, 2009, it has complied with the requirements prescribed by the authority for the issuance of New Certificate of Registration under Article 144 of R.A. 9520 otherwise known as the "Philippine Cooperative Code of 2008" with Reg. No. 9520-04005019.

On October 10, 2017, the Certificate of Amendments No. 9520-04005019-3 was issued for the approved amended Articles of Cooperation and By-Laws by the Cooperative Development Authority in Calamba City, Laguna.

The Cooperative was issued a **Certificate of Tax Exemption No. COOP-74-21-RR-09A-RDO-054A** dated **August 18, 2021** valid until **August 18, 2026**.

The cooperative organized as a multipurpose cooperative and the main objectives are to engage in deposit and credit operations, travel and tour agency, consumer store operation, bill payment, property rental, and photocopying, ID lamination and other related services and other objectives and purposes provided for under R.A. 6938, as amended by Republic Act No. 9520.

The registered office address and place of business of the cooperative is 2/F DACCO Bldg #40 Anabu Road, Anabu II-B Imus City, Cavite.

Status of Operation

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

Authorization for the Issuance of the Financial Statements

These financial statements of the cooperative for the year ended December 31, 2024 were authorized for issue by the Board of Directors on March 15, 2025.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

To facilitate the understanding of the financial statements, the more significant accounting policies and practices of the Cooperative are summarized as follows:

1.1 Basis of Preparation of Financial Statements

The Cooperative's financial statements have been prepared on a historical cost basis in accordance with the Philippine Financial Reporting Framework for Cooperatives.

1.2 Statement of Compliance

The financial statements were prepared in accordance with the Philippine Financial Reporting Framework for Cooperatives, which became effective for annual reporting periods beginning on or before January 1, 2016, and in adherence to the cooperative laws, issued policies, rules and regulations and cooperative principles and practices whenever applicable.

1.3 Adopted Significant Accounting Policies

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and with

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

maturities of three months or less and that are subject to an insignificant risk of change in value.

Financial Assets

Financial assets are recognized in the Cooperative's financial statements when the Cooperative becomes a party to the contractual provisions of the instrument. Transaction costs are included in the initial measurement of all financial assets.

The Cooperative derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Cooperative neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Cooperative recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. The Cooperative's financial assets include cash, trade and other receivables, financial assets at fair value through profit or loss and financial assets at cost.

Loans and receivables

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

Loans receivable are classified as current and non-current or past due accounts. These are further sub-classified as regular loan receivable and special loan receivable. Interest income on these loans are recognized only upon collections.

Loans receivable are presented in the financial statement at its net realizable value. Provision for probable losses is estimated based on historical loss experience, current economic conditions and other risk factors obtained during the collection process. Credit review is made periodically by an officer duly delegated with such responsibility.

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.

Other Current Assets

Other Current assets consist of prepaid expenses, advances to officers and employees, unused supplies and funeral expenses. Prepaid expenses are payments made in advance. Advances to officers and employees are duly approved cash advances for official business to officers, employees and members subject to liquidation in accordance with the policy of the cooperative. Unused supplies refer to cost of supplies on hand.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation, amortization and impairment in value.

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023

(Amounts in Philippine Pesos)

Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation, amortization and impairment loss, if any, are removed from the accounts and any resulting gain or loss is credited or charged to current operations. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets which range from 2-10 years.

Fully depreciated assets are retained in the accounts until they are disposed, and no further charge for depreciation is made in respect to those assets. Any gain resulting from their disposal is included in the statement of operations for the period.

Financial Assets – Long-Term

Long-term financial asset consists of investment in equity securities which are not quoted in active market are expected to be realized in more than one year from the reporting period.

Other Non-Current Assets

Other non-current assets consist of cooperative development cost, other funds and deposits, computerization cost and miscellaneous assets. Cooperative development cost refers to expenses incurred prior to the actual operation of the cooperative, subject to amortization not exceeding three years. Other funds and deposits are restricted funds set aside for funding statutory and other reserves, such as retirement, member's benefits and other funds. This may be in the form of time deposits and other securities which may be convertible into cash when needed. Computerization cost refers to cost of acquisition or development of computer programs and other software excluding upgrading of system.

Financial Liabilities

Financial liabilities are recognized in the Cooperative's financial statements when the Cooperative becomes a party to the contractual provisions of the instrument. Transaction costs are included in the initial measurement of all financial liabilities.

Financial liabilities are derecognized by the Cooperative when the obligation under the liability is discharged, cancelled, or expired.

Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees and cooperative members.

Deposit Liabilities

Deposit Liabilities are the liabilities of the cooperative to its members, these are interest-bearing deposits made by the members that can be withdrawn anytime at the option of the depositors.

Due to Union and Federation

Due to Union/Federation is the liability of the cooperative to a federation or union to which the cooperative is a member. In compliance with Section 87 of the Cooperative Code of the Philippines, the cooperative has set aside ten percent (10%) of net surplus for Education and Training Fund. One half of this amount shall be utilized by the Cooperative

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023

(Amounts in Philippine Pesos)

for its own education and training activities while the other half shall be credited to the Cooperative education and training fund of the APEX organization of which the cooperative is a member.

Interest on Share Capital Payable

Interest on Share Capital Payable is the liability of the cooperative to its members for interest on share capital, which can be determined only at the end of every reporting period.

Patronage refund Payable

Patronage Refund Payable is the liability of the cooperative to its members-patrons for patronage refund, which can be determined only at the end of every accounting period.

Unearned Interest Income

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

Revenue Recognition

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

Interest income, penalties and income from other sources - It is recognized as the income is earned and collected.

Service and membership fees - It is recognized when the loans are granted and corresponding charges were deducted from loan proceeds and when members are accepted as such in the Cooperative and paid such fees.

Sales - It is recognized as the income is earned. Accounts Receivable is set up for collection.

2. MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

3.1. Judgements

The preparation of the Cooperative's financial statements in conformity with Philippine Financial Reporting Framework for Cooperatives requires management to make estimates and assumptions that affect the amounts reported in the Cooperative's financial statements and accompanying notes. The estimates and assumptions used in the Cooperative's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Cooperative's financial statements. Actual results could differ from such estimates. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.2. Estimates

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

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

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

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

Allowance for Doubtful Accounts

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

Estimated Useful Lives of Property, Plant and Equipment

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

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

Depreciation is computed on a straight-line method over the estimated useful lives of the assets from 3-5 years

Revenue Recognition

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

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

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Credit Risk

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

Liquidity Risk

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

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

4. CASH AND CASH EQUIVALENT

This account consists of the following:

	2024	2023
Cash in Vault	1,276,276	399,934
Cash in Bank	17,346,964	7,927,205
Petty Cash Fund	22,000	22,000
Withdrawal Fund	1,230,000	
BDL/WAL Fund	210,000	
BCL Fund	80,000	
EXL Fund	470,000	
Revolving Fund		1,430,000
IOU Fund	30,000	
E-Wallet Fund	100,000	
Total Cash and Cash Equivalents	20,765,239	9,779,138

Details of the Cash in Bank are as follow;

Details of Cash in Bank	2024	2023
CIB - LANDBANK	-	611,269
CIB - BDO	386,665	4,779,796
CIB - Security Bank	908,258	894,756
CIB - Union Bank	891,602	602,557
CIB - BANK OF COMMERCE	14,746,681	1,372,655
CIB - BANK OF COMMERCE 2	408,077	210,882
CIB - BANK OF COMMERCE 3	5,481	5,289
Total	17,346,964	7,927,205

Details of the Petty Cash Fund are as follow;

Petty Cash Fund	2024	2023
Petty Cash Fund - Main	10,000	22,000
Petty Cash Fund - Silas	2,000	
Petty Cash Fund - Kostal	2,000	
Petty Cash Fund - Greengate	2,000	
Petty Cash Fund - Salawag	2,000	
Petty Cash Fund - Molina	2,000	
Petty Cash Fund - Hugo Perez	2,000	
Total	22,000	22,000

Details of the Withdrawal Fund are as follow;

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

Details of Withdrawal Fund	2024	2023
Withdrawal Fund - Main	1,000,000	
Withdrawal Fund - Silas	20,000	
Withdrawal Fund - Kostal	20,000	
Withdrawal Fund - Greengate	60,000	
Withdrawal Fund - Salawag	60,000	
Withdrawal Fund - Molino	20,000	
Withdrawal Fund - Hugo Perez	50,000	
Total	1,230,000	

Details of the BDL/WAL Fund are as follow:

BDL/WAL Fund	2024	2023
BDL/WAL Fund - Main	150,000	
BDL/WAL Fund - Silas	10,000	
BDL/WAL Fund - Kostal	10,000	
BDL/WAL Fund - Greengate	10,000	
BDL/WAL Fund - Salawag	10,000	
BDL/WAL Fund - Molino	10,000	
BDL/WAL Fund - Hugo Perez	10,000	
Total	210,000	

Details of the BCL Fund are as follow:

BCL Fund	2024	2023
BCL Fund - Main	20,000	
BCL Fund - Silas	10,000	
BCL Fund - Kostal	10,000	
BCL Fund - Greengate	10,000	
BCL Fund - Salawag	10,000	
BCL Fund - Molino	10,000	
BCL Fund - Hugo Perez	10,000	
Total	80,000	

Details of the EXL Fund are as follow:

EXL Fund	2024	2023
EXL Fund - Main	300,000	
EXL Fund - Silas	30,000	
EXL Fund - Kostal	30,000	
EXL Fund - Greengate	30,000	
EXL Fund - Salawag	30,000	
EXL Fund - Molino	30,000	
EXL Fund - Hugo Perez	20,000	
Total	470,000	

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

5. LOANS AND RECEIVABLES

This account consists of the following:

	2024	2023
Loans Receivable - Current	79,948,167	65,857,295
Loans Receivable - Past Due	8,932,286	731,532
Less: Allowances on Probable Losses on Loan Receivables	(3,184,600)	(2,817,417)
Net Realizable Value, LR	85,695,854	63,771,410
Accounts Receivable	3,575,311	3,203,831
Less: Allowances on Probable Losses on AR	-	-
Net Realizable Value, AR	3,575,311	3,203,831
Total	89,271,165	66,975,241

Details of Loans Receivables are as follows:

	2024	2023
Multi-Purpose Loan	41,892,842	39,757,005
Health Maintenance Loan	1,818,714	1,213,886
Appliance Loan	67,551	179,023
Emergency Loan - Current	5,000	26,439
Real Estate Mortgage Loan - Current	17,696,001	9,957,449
Pangkabuhayan Loan - Current	133,029	191,624
Educational Loan - Current	28,974	109,598
IOU Loan - Current	8,813	7,682
Basic Commodity Loan - Current	88,418	109,054
Micro Loan Facility - Current	13,269	73,989
Pensioner Loan - Current	1,971,339	1,607,798
Regular Travel Loan - Current	20,097	54,730
Express Loan - Current	6,059,615	5,269,977
Educational Travel (ETL) - Current	591,748	27,678
Business Loan - Current	4,766,253	1,329,800
Multi-Purpose Loan 2 - Current	1,374,424	933,201
Pensioner Loan 2 - Current	96,203	108,315
Pensioner Loan 3 - Current	6,902	8,048
Health Maintenance 2 Loan - Current	147,331	1,065,102
MPL 3 - Current	218,119	216,832
Real Estate Mortgage Loan 2 - Current	-	1,175,933
Pensioner Loan 4 - Current	-	9,000
Car Loan - Current	1,371,165	1,524,718
Birthday Loan - Current	232,104	222,185
Motorcycle Loan - Current	-	150,394
Gadget Loan - Current	368,390	12,532
Life Insurance Loan - Current	306,360	415,302
Hospitalization Assistance Loan - Current	369,708	100,000
Motor, Ebike, Bicycle Loan - Current	297,798	-
Total	79,948,167	65,857,295

The accounting records of the Cooperative have provided the following information on past due accounts and the related Allowance for Probable Losses on Loans. The Cooperative has provided sufficient provisioning for its past-due loan receivables.

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

Details of the Loan Receivables - Past Due are as follow:

	2024	2023
Multi-Purpose Loan - Past Due	6,751,456	666,470
Educational Loan - Past Due	-	51,199
Health Maintenance Loan - Past Due	43,218	2,085
Micro Loan Facility - Past Due	-	9,660
Pensioner Loan - Past Due	23,812	-
Regular Travel Loan - Past Due	36,594	-
Express Loan - Past Due	443,375	2,117
Real Estate Mortgage Loan - Past Due	1,197,585	-
Basic Commodity Loan - Past Due	7,094	-
Business Loan - Past Due	233,483	-
Multi-Purpose Loan 2 - Past Due	153,753	-
Pensioner Loan 2 - Past Due	6,923	-
Health Maintenance 2 - Past Due	2,167	-
Birthday Loan - Past Due	15,530	-
Gadget Loan - Past Due	5,800	-
Life Insurance Loan - Past Due	11,498	-
Total	8,932,286	731,532

Below is the aging of past due loan receivables and the recognition of Allowance for Probable Losses on Loans:

	Amount	Rate	Allowance
Past Due < 1 Year	6,337,702	35%	2,218,196
Past Due > 1 Year	2,594,584	100%	2,594,584
Total	8,932,286		4,812,780
Provisioning per Book			3,184,600
Underprovisioning			(1,628,180)

Details of Account Receivables are as follow:

	2024	2023
A/R - Life Insurance	7,135	9,891
AR LPP1	3,168,623	2,749,399
Accounts Receivable	49,358	62,115
A/R Philam Life Insurance	138,025	138,025
A/R - SSS Sickness Benefit	-	11,904
A/R - Fortune Life Insurance	-	-
AR - Rice	208,745	228,805
AR - Other Commodities	3,426	3,693
Total	3,575,311	3,203,831

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

6. INVENTORIES

This account consists of the following:

	2024	2023
Merchandise Inventory	153,382	156,650
Raw Materials	7,474	3,321
Finished Goods	-	2,343
Rice Inventory	293,566	140,766
Total	454,422	303,101

7. OTHER CURRENT ASSETS

This account consists of the following:

	2024	2023
Unused Supplies	142,771	115,076
Prepaid Expenses	465,569	674,892
Creditable Withholding Tax	191,190	117,300
Total	799,530	907,268

8. LOAN RECEIVABLES NON-CURRENT

This account represents the loan receivables that will be collected beyond 2025.

	2024	2023
Business Loan - Non-Current	3,082,394	1,729,258
Car Loan - Non-Current	2,494,295	3,139,333
Health Maintenance Loan - Non-Current	-	36,709
Hospitalization Assistance Loan - Non-Current	36,792	88,333
Motor, E-bike, Bicycle Loan - Non-Current	626,421	70,809
Multi-Purpose Loan - Non-Current	12,254,022	12,207,553
Multi-Purpose Loan 2 - Non-Current	270,815	372,801
MPL 3 - Non-Current	230,374	-
Pensioner Loan - Non-Current	382,207	95,335
Real Estate Mortgage Loan - Non-Current	28,483,118	18,474,277
Total	47,860,437	36,214,409

9. FINANCIAL ASSETS AT COST

This account consists of the following:

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE (DACCO MPC)
2F DACCO Bldg #40 Anabu Road, Anabu II-B Imus City, Cavite.

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	2024	2023
Investment in Subsidiaries/Associates and Joint Ve	840,000	840,000
Investment in Retail Treasury Bond - BOC	13,700,000	2,500,000
Investment to Main	300,000	300,000
ICF	1,002,500	710,000
Model Coop Network (MCN)	26,565	26,565
CSP	10,000	10,000
CAPMACO	9,169	9,169
CCSF	-	100,000
Investment in Retail Treasury Bond - Landbank	-	1,200,000
PAMANA Federation	1,884,461	1,000,000
Total	17,772,695	6,695,734

10. PROPERTY, PLANT AND EQUIPMENT

This account consists of the following:

As of December 31, 2024	Land	Building	Building Improvement	Const in Progress	Furn, Fixtures & Equipment	Transportation Equipment	Leasehold Improvements	Total
Beginning Balances	21,230,302	22,175,278	475,199	170,000	4,488,783	2,296,748		50,836,310
Additions	5,270,100				435,006		84,186	5,809,292
Reclassification								-
Disposals								-
At end of year	26,500,402	22,175,278	475,199	170,000	4,943,789	2,296,748	84,186	56,645,603
Accumulated Depreciation								
Beginning Balances	-	1,206,733	372,311	-	2,484,115	1,313,117		5,356,276
Depreciation		532,848	95,087		1,007,341	291,193	70,265	1,996,734
Reclassification								-
Disposals								-
At end of year	-	1,739,581	467,398	-	3,471,456	1,604,310	70,265	7,355,009
Net book value	26,500,402	20,435,698	7,801	170,000	1,472,333	690,438	13,921	49,290,592

As of December 31, 2023	Land	Building	Building Improvement	Const in Progress	Furn, Fixtures & Equipment	Transportation Equipment	Total
Beginning Balances	11,690,802	21,921,213	413,017	122,000	4,033,188	2,140,148	40,352,348
Additions	9,539,500	224,065	60,182	48,000	455,615	156,600	10,483,962
At end of year	21,230,302	22,175,278	475,199	170,000	4,488,783	2,296,748	50,836,310
Accumulated Depreciation							
Beginning Balances	-	640,675	234,631	-	1,703,620	1,034,446	3,813,372
Depreciation		365,658	137,680		760,495	280,671	1,544,704
At end of year	-	1,006,333	372,311	-	2,464,115	1,315,117	5,358,276
Net book value	21,230,302	20,968,945	102,888	170,000	2,024,668	981,631	45,478,034

11. OTHER FUNDS AND DEPOSITS

This account consists of the following:

	2024	2023
Other Funds and Deposits	896,847	796,260

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE (DACCO MPC)
2F DACCO Bldg #40 Anabu Road, Anabu II-B Imus City, Cavite.

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

12. OTHER NON-CURRENT ASSETS

This account consists of the following:

	2024	2023
Miscellaneous Assets	22,680	22,680
Security Deposit	-	48,000
Deposit on Rent (Satellite Office)	74,000	
Computerization Cost	131,148	752,295
Total	227,828	822,975

13. DEPOSIT LIABILITIES

This account consists of the following:

	2024	2023
Savings Deposits - Regular	55,162,028	45,581,083
Savings Deposits - Associate	13,262,488	10,142,432
SD-ITF1	3,452,975	3,116,011
SD-ITF2	828,965	1,333,952
SD-ITF3	313,467	309,055
SD-ITF4	492,420	254,533
SD-ITF5	34,260	25,374
Special Deposits	43,994,931	35,421,354
Total Deposit Liabilities	117,541,535	96,183,796

14. TRADE AND OTHER PAYABLES

This account consists of the following:

	2024	2023
Accounts Payable - Non-trade	1,180,658	1,016,976
AP - Other Comm.	19,860	30,835
Accounts Payable - Notary	-	11,250
A/P Life Insurance	40,373	298,455
AP - Manulife Life Insurance	-	18,290
AP - LPPS Deducted	40,332	52,481
AP - CIC viewing	1,700	827
AP - Raffle Tickets payment	-	1,650
Deposit from Customers	328,560	190,560
AP - HMD	2,668,241	
AP - Notary	9,200	
A/P - GCASH	20,597	
Total Account and Other Payable	4,309,522	1,621,324

15. ACCRUED EXPENSES

This account consists of the following:

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	2024	2023
SSS/ECC/Philhealth&Pag-ibigCont Employee	16,852	8,314
SSS/Pag-ibig Loan Payable	7,697	9,093
Withholding Tax Payable	13,744	68,634
Accrued Interest Expenses Payable		456,119
Accrued Interest on Time Deposit	1,102,860	685,799
Total Accrued Expenses	1,141,154	1,227,959

16. DUE TO UNION/FEDERATION (CETF)

This account consists of the following:

	2024	2023
Beginning Balance	269,530	259,068
Add: Allocation	316,570	269,530
Less : Remittance	(269,530)	(259,068)
Ending Balance	316,570	269,530

Due to Union/Federation (CETF) is an amount set aside for the education and training fund of an apex organization, which is 50% of the amount allocated by the Cooperative in accordance with the provision of the Cooperative's By Law and Cooperative Code.

17. INTEREST ON SHARE CAPITAL PAYABLE

This account consists of the following:

	2024	2023
Beginning Balance	2,641,396	2,720,213
Add: Allocation from Net Surplus	2,880,785	2,641,396
Less : Distribution to Members	(2,641,396)	(2,720,213)
Ending Balance	2,880,785	2,641,396

18. PATRONAGE REFUND PAYABLE

This account consists of the following:

	2024	2023
Beginning Balance	1,132,027	906,738
Add: Allocation from Net Surplus	1,234,622	1,132,027
Less : Distribution to Members	(1,130,181)	(906,738)
Ending Balance	1,236,467	1,132,027

19. OTHER CURRENT LIABILITIES

This account consists of the following:

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE (DACCO MPC)
2F DACCO Bldg #40 Anabu Road, Anabu II-8 Imus City, Cavite.

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	2024	2023
Unearned income	20,500	20,500
Collection Overage	2,446	1,109
Ending Balance	22,946	21,609

20. LOAN PAYABLE – NON – CURRENT

This account consists of the following:

	2024	2023
Loan Payable - Non-Current	24,933,936	1,843,107

21. MEMBER BENEFITS AND OTHER FUNDS PAYABLE

This account consists of the following:

	2024	2023
Member Benefits and Other Funds Payable	6,424	-

22. NONCURRENT LIABILITIES

This account consists of the following:

	2024	2023
Retirement Fund Payable	996,627	784,354

R. A. 7641 (New retirement Law) took effect on January 7, 1993. Under the law, the Cooperative is required to provide minimum retirement benefits to qualified retiring employees. The Cooperative has accrued the estimated retirement costs pertaining to R.A No. 7641.

23. SHARE CAPITAL

This account consists of the following:

	2024	2023
Authorized to issue 1,600,000 shares at Php 100 par value amounting to P160,000,000		
COMMON SHARES - 1,500,000 shares at Php 100 par value		
Paid-up Share Capital - Common	53,321,800	45,108,000
Add (Less) Net Issuances (Withdrawals)	9,256,400	8,213,800
Paid-up Share Capital - Common Ending Balance	62,578,200	53,321,800
PREFERRED SHARES - 100,000 shares at Php 100 par value		
Subscribed and Paid up Capital	4,648,100	3,484,900
Add (Less) Net Issuances (Withdrawals)	1,359,900	1,163,200
Paid-up Share Capital - Preferred Ending Balance	6,008,000	4,648,100
Total Common and Preferred Paid - Up Shares	68,586,200	57,969,900
Deposit For Share Capital Subscription	30,049	31,774
Total Paid-up Share Capital	68,616,249	58,001,674

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

24. DONATIONS AND GRANTS

This account consists of the following:

	2024	2023
Donation/Grants	402,811	402,811

Donation and Grants are amounts received by the Cooperative as awards, subsidies, grants, aids and others. This shall not be available for distribution as interest on share capital and patronage refund and form spart of the members' equity.

25. STATUTORY FUNDS

This account consists of the following:

	2024	2023
Reserve Fund	3,974,724	3,025,015
Education and Training Fund	316,867	269,530
Optional Fund	452,196	386,073
Community Development Fund	189,942	161,955
Total Statutory Fund	4,933,729	3,842,574

26. INCOME FROM CREDIT OPERATIONS

This account consists of the following:

	2024	2023
Interest Income from Loans	19,938,505	14,395,380
Service Fees	557,058	248,427
Processing Fee	3,196,010	2,300,462
Fines, Penalties and Surcharges	551,848	423,417
Total Revenues from Credit Operations	24,243,421	17,367,686

Details of Interest Income from Loans are as follows:

	2024	2023
Interest Income - Multi-Purpose Loan	10,972,978	8,786,518
Interest Income- Health Maintenance Loan	61,677	137,398
Interest Income - Appliance Loan	22,727	41,572
Interest Income -Emergency Loan	5,290	6,521
Interest Income -Real Estate Mortgage Loan	3,996,473	2,643,309
Interest Income - Pangkabuhayan Loan	5,720	16,131
Interest Income -Educational Loan	15,521	6,870
Interest Income - IOU Loan	3,204	3,865
Interest Income - Basic Commodity Loan	40,311	28,716
Interest Income- Micro Loan Facility	3,146	23,777
Interest Income - Pensioner Loan	434,904	374,577
Interest Income - Regular Travel Loan	12,011	17,724
Interest Income - Express Loan	1,613,706	914,892

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE (DACCO MPC)
2F DACCO Bldg #40 Anabu Road, Anabu II-B Imus City, Cavite.

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

Interest Income - Educational Travel (ETL)	28,272	20,457
Interest Income - Business Loan	1,257,027	560,991
Interest Income - MPL3	66,117	14,754
Interest Income - Multi-Purpose Loan 2	359,414	194,525
Interest Income - Pensioner Loan 2	25,918	34,942
Interest Income - Pensioner Loan 3	2,332	1,557
Interest Income - Health Maintenance 2	56,042	138
Interest Income - Multipurpose Loan 4	4,403	16,546
Interest Income - Pensioner Loan 4	1,070	1,226
Interest Income - Car Loan	420,890	345,220
Interest Income-REM 2	366,117	130,611
Interest Income - Birthday Loan	25,776	15,506
Interest Income-Wedding Anniversary Loan	929	328
Interest Income - Motorcycle Loan	44,532	16,480
Interest Income - Gadget Loan	22,960	7,101
Interest Income - Life Insurance Loan	45,034	30,528
Interest Income - Hospitalization Assistance Loan	24,005	2,600
Total Interest Income	19,938,505	14,395,380

Details of Fines, Penalties and Surcharges are as follows:

	2024	2023
Fines - Multi-Purpose Loan	353,173	322,444
Fines - Health Maintenance Loan	10,114	7,073
Fines - Appliance Loan	287	835
Fines - Emergency Loan	51	41
Fines - Real Estate Mortgage Loan	11,480	21,058
Fines - Pangkabuhayan Loan	27	5
Fines - Educational Loan	1,678	476
Fines - ICU Loan	173	147
Fines - Basic Commodity Loan	4,455	1,883
Fines - Micro Loan Facility	1,349	4,451
Fines - Hospitalization Assistance Loan	1,280	72
Fines - Pensioner Loan	3,975	425
Fines - Regular Travel Loan	545	570
Fines - Express Loan	125,063	55,757
Fines - Educational Travel Loan	56	1,262
Fines - Business Loan	18,102	22
Fines - Multi-Purpose Loan 2	4,656	566
Fines - Multi-Purpose Loan 4	-	280
Fines - Health Maintenance 2	3,248	-
Fines - Car Loan	-	3,373
Fines-REM 2	777	-
Fines - Birthday Loan	4,153	1,662
Fines -Wedding Anniversary Loan	42	34
Fines - Gadget Loan	219	31
Fines - Life Insurance Loan	6,205	950
Fines - MPL3	206	-
Fines - Motorcycle Loan	514	-
Total	551,848	423,417

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

27. INCOME FROM SERVICE OPERATIONS

This account consists of the following:

	2024	2023
Income from POS / ATM	20,500	24,235
Income from GCASH	61,969	71,601
Income from Load Manna	1,346	-
Income from DACCO Mani	356	84
Income from Travel & Tours	300	3,200
Income from Rentals	1,843,389	1,174,000
Total Income from Service Operation	1,927,861	1,273,120

28. INCOME FROM CONSUMER OPERATIONS

This account consists of the following:

	2024	2023
Sales	8,342,797	5,997,673
Less: Cost of sales	(7,735,400)	(5,528,035)
Direct Cost	(109,346)	(131,618)
Total Cost and Expenses	(7,844,746)	(5,659,654)
Income from Consumer Operations	498,051	338,019

Details of Sales

	2024	2023
Sales - Rice	6,551,835	5,366,355
Sales - DACCO Mani	113,180	99,210
Sales - Other Commodities	1,719,042	539,443
Sales Discounts	(41,260)	(7,335)
Total	8,342,797	5,997,673

Details of Cost of Sales

	2024	2023
Cost of Goods Sold - RICE	6,102,003	5,014,101
Cost of Goods Sold - OTHER COMMODITIES	1,578,008	459,982
Cost of Goods Sold - DACCO MANI	55,389	53,952
Total	7,735,400	5,528,035

Details of Direct Cost - Consumer

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE (DACCO MPC)
2F DACCO Bldg #40 Anabu Road, Anabu II-B Imus City, Cavite.

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	2024	2023
Delivery Fee - Rice	-	2,830
Rental Expense - Rice	63,000	60,000
Power, Light & Water - RICE	5,432	3,335
Other Expenses - Rice	18,153	39,546
Other Expenses - Dacco Mani	5,036	4,139
Power, Light & Water - Dacco Mani	2,417	1,777
Other Expenses - Other Commodities	3,307	4,642
Rental Expense - Dacco Mani	9,000	12,000
Labor Expense - Dacco Mani	3,000	3,350
Total	109,346	131,618

29. OTHER INCOME

This account consists of the following:

	2024	2023
Int. Income from Deposit/Investment	249,076	234,398
Membership Fees	297,000	205,200
Membership Fees - Lab Coop	4,360	4,920
Other Income	425,077	2,229,652
Notarial Fee	19,900	7,000
Passbook Fees	3,250	1,450
Passbook Fees - Lab Coop	2,380	2,560
Coop ID Fee	49,650	34,450
Income from Rice	7,880	9,675
Income from Other Commodities	25,052	329
Other Income - Consumer	379	58
Membership Fees - DKKM	9,800	
Write Off Recovery	188,014	
Special Deposit Termination	3,000	
Lessee's Payment for Utilities	105,247	
Certification Fees	2,850	
Insurance Claims Misc Fee	9,500	
Lost Stock Certificates	1,000	
ID Picture/Photocopy	2,156	
Commission	629,841	
Notary	78,500	
Closed Accounts	12,792	
Total Other Income	2,126,704	2,729,891

30. FINANCING COST

This account consists of the following:

DAMAYAN SA CAVITE COMMUNITY MULTIPURPOSE COOPERATIVE (DACCO MPC)
2F DACCO Bldg #40 Anabu Road, Anabu II-8 Imus City, Cavite.

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	2024	2023
Interest Expense on Borrowings	240,095	168,902
Interest Expense on Deposits	1,980,655	2,079,399
Interest Expense on Time Deposits	1,840,394	1,309,633
Other Financing Charges	829,244	-
Total Financing Costs	4,890,388	3,557,935

31. ADMINISTRATIVE COST

This account consists of the following:

	2024	2023
Advertising and Promotions	181,329	132,803
Affiliation	1,000	1,000
Amortization	-	66,830
Bank Charges	16,256	50,621
Collection Expense	186,886	147,408
Commission Expense	976	-
Communication Expense	360,165	365,309
Cooperative Celebration Expense	66,079	-
Depreciation	2,617,880	1,858,111
Employees Benefits Expense	673,817	609,719
Gas, Oil & Lubricants	179,288	163,005
General Assembly Expenses	179,510	180,554
Incentives and Allowances	-	-
Insurance Expense	750,690	765,973
Meetings and Conferences	645,723	326,301
Members Benefit Expenses	2,328,983	1,151,835
Miscellaneous Expense	110,694	156,557
Office Supplies	246,575	222,768
Officers Honorarium and Allowances	532,900	340,145
Power, Light & Water	617,236	566,994
Professional Fee	319,770	250,056
Probable Losses on Loan Receivables	1,333,016	98,477
Rental	466,903	276,799
Repairs & Maintenance	121,207	182,161
Representation Expense	161,723	151,089
Retirement Benefit Expenses	212,273	174,813
Salaries and Wages Expense	4,914,097	3,752,969
Social & Community Service Expenses	19,186	-
Spoilage, Breakage And Losses	1,290	2,935
Trainings, Seminars & Conferences	48,704	209,325
SSS/ECC/Philhealth/Pag-ibig Contribution	508,989	418,102
Taxes, Fees and Charges	81,234	83,495
Travel & Transportation	18,367	19,955
Vehicle Registration and Licensing Expense	6,039	4,392
Computerization Expense	125,900	98,418
Total Administrative Costs	18,034,690	12,828,947

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

32. OTHER ITEM

This account consists of the following:

	2024	2023
Prior Year Adjustment	460,437	68,770

Prior year adjustment was recognized for the overbooking of interest expense on deposits for the year 2023.

33. INCOME TAX

Pursuant to the provision of Republic Act No. 9520 (Philippine Cooperative Code of 2008), the cooperative under article 61, section 1 is exempt from all national tax, city, provincial, municipal or barangay taxes of whatever name and nature.

Above exemption was supported under section 8(a) by the provisions of Joint Rules and Regulations Implementing Article 60, 61 and 144 of Republic act No. 9520. Otherwise known as the "Philippine Cooperative Code of 2008" in relation to RA No. 8424 or the National Internal Revenue Code issued by the Department of Finance.

Also, The Joint Rules and Regulations provides under Section 11. TAXABILITY OF MEMBERS/SHARE HOLDERS OF COOPERATIVES. - All members of cooperatives shall be liable to pay all the necessary internal revenue taxes under the NIRC, as amended, except for the following:

- a. Any tax and fee, including but not limited to final, tax on member's deposits or fixed deposits (otherwise known as share capital) with cooperatives, and documentary tax on transactions of members with the cooperative; and
- b. Patronage Refund which includes all refunds, returns or rebates of the net savings generated from the operation of the cooperative.

25. ALLOCATION AND DISTRIBUTION OF NET SURPLUS

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

- A. **Fifteen percent (15%)** of net surplus shall be set aside as **General Reserve Fund**. This is to provide for the stability of the cooperative and absorb losses, if any, in its business operations.
- B. **Ten percent (10%)** of net surplus shall be set aside as **Education and Training Fund**. Half of this shall be utilized for it's own education and training activities and half shall be remitted at the APEX organization of which the cooperative is a member.
- C. **Seven percent (7%)** of the net surplus shall be set aside as **Optional Fund**. This is set aside for acquisition of land, Building Fund or community development project services.
- D. **Three percent (3%)** of the net surplus shall be set aside as **Community Development Fund** to be used for projects or activities that will benefit the community where the Cooperative operates.
- E. The remainder of the net surplus shall be allocated for **Interest on Share Capital and Patronage Refund** as determined by the Board of Directors, under certain conditions.

26. RELATED PARTY TRANSACTIONS

The following were the summary of transactions made by the officers and employees of the Cooperative for the year ending December 31, 2024:

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

- There are 37 officers of the cooperative who are availing of the various services of the cooperative. The accumulated share capital of these officers amounted to P4,051,800; their accumulated savings and time deposits amounted to P4,803,345. The total amount of outstanding loan of officers as of December 31, 2024 amounted to P10,792,594. The officers received honorarium and per diem amounting to P1,063,513.
- The Cooperative has 21 employees, who are members, and have availed of the various services of the cooperative. The accumulated share capital of these employees amounted to P527,700; their accumulated savings deposits amount to P325,167. The total amount of outstanding loan of employees as of December 31, 2024 amounted to P2,923,689. The employees compensation totaled P4,914,097.

27. EVENTS AFTER BALANCE SHEET DATE

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

28. COMMITMENTS AND CONTINGENCIES

There were no significant commitment and contingencies involving the Cooperative as of Balance Sheet date.

29. GOING CONCERN

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

30. SUPPLEMENTARY INFORMATION REQUIRED BY BUREAU OF INTERNAL

A. BIR REVENUE REGULATION NO. 15-2010

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

1. VAT Output / VAT Input

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

The Cooperative, being exempted from Value Added Tax, does not claim Input Taxes and records its input taxes as part of the cost of goods or services purchased.

2. Taxes and Licenses

The Cooperative paid the following fees and taxes during the year.

NOTES TO FINANCIAL STATEMENTS
As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

Mayor's Permit - Main Office	2,030
Mayor's Permit - Kostal Office	1,530
Mayor's Permit - Sila's Office	3,060
Mayor's Permit - Greengate Office	1,530
Business Permit - Salawag Office	7,358
Business Permit - Molino Office	6,429
Business Permit - Hugo Perez Office	2,677
Transfer Tax	55,506
Documentary Stamp Tax	360
Community Tax Certificate	753
Total	81,234

3. **Withholding Taxes**
The Cooperative withheld, reported and remitted the following withholding taxes:

Income Tax Withheld on Compensation	68,343
Expanded Withholding Tax	165,647

4. **Tax Assessments and tax cases**
As of December 31, 2024, the Cooperative has no tax assessments or taxes cases

B. BIR REVENUE REGULATION NO. 19-2011

1. Details of the Cooperative's revenues earned during the year are as follows:

	Exempt
Sales of Goods	8,342,797
Sales of Services	26,171,282
Other Income	1,877,628
Total Income	36,391,707

2. Details of the Cooperative's cost of sales/services incurred during the year are as follows:

	Exempt
Cost of Goods Sold - RICE	6,102,003
Cost of Goods Sold - OTHER COMMODITIES	1,578,008
Cost of Goods Sold - DACCO MANI	55,389
Total	7,735,400

3. Details of the Cooperative's itemized deductions incurred during the year are as follows:

NOTES TO FINANCIAL STATEMENTS

As of and for the year ending December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	Exempt
Advertising and Promotions	181,329
Affiliation	1,000
Bank Charges	16,256
Collection Expense	186,886
Commission Expense	976
Communication Expense	360,165
Cooperative Celebration Expense	66,079
Depreciation	2,617,880
Employees Benefits Expense	673,817
Gas, Oil & Lubricants	179,268
General Assembly Expenses	179,510
Insurance Expense	750,690
Meetings and Conferences	645,723
Members Benefit Expenses	2,328,983
Miscellaneous Expense	110,694
Office Supplies	246,575
Officers Honorarium and Allowances	532,900
Power, Light & Water	617,236
Professional Fee	319,770
Rental	466,903
Repairs & Maintenance	121,207
Representation Expense	161,723
Salaries and Wages Expense	4,914,097
Social & Community Service Expenses	19,188
Spillage, Breakage And Losses	1,290
Trainings, Seminars & Conferences	48,704
SSS/ECC/Philhealth/Pag-ibig Contribution	508,989
Taxes, Fees and Charges	81,234
Travel & Transportation	18,367
Vehicle Registration and Licensing Expense	6,039
Computerization Expense	125,900
Interest Expense on Borrowings	240,095
Interest Expense on Deposits	1,980,655
Interest Expense on Time Deposits	1,840,394
Other Financing Charges	629,244
Total	21,379,787

4. Reconciliation of Net Income Per Book Against Taxable Income

Description	Exempt
Net Income (Loss) Per Book	6,331,396
Add: Non-deductible Expenses/Taxable Income	
Retirement benefit Expense	212,273
Probable Losses on Loan Receivables	1,333,018
Less: Non-taxable income and income subject to final tax	
Interest income from Deposits/Investment	(249,076)
Prior Year Adjustments	(460,347)
Net Taxable Income (Loss)	7,167,264