



## MOOG Baguio Credit Cooperative

MOOG Controls Corporation, BCEZ, Loakan Road, Baguio City,  
Philippines 2600

# NEW HORIZONS, ENDLESS POSSIBILITIES!

*Commitment to continuous growth, innovation, and forward momentum;  
Explore new opportunities, embrace change, and pursue bold ideas that  
expand MBCC's capabilities.*

*Embodies a future-focused mindset—seeing beyond limits, unlocking potential,  
and creating pathways toward sustained excellence.*

## ANNUAL REPORT CY 2025

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# Officers, Management & Staff



## Board of Directors

**Ricardo Bayao**  
Chairperson

**Jess Israel Ilagan**  
Vice-Chairperson

**Francisca Moredo**  
Director

**Felicitas Binongcal**  
Director

**Iris Bumal-o**  
Director

**Jonalyn Villaluz**  
Director

**Roger Bancilo**  
Director

**Ryah Sarile**  
Director (resigned)

**Shirley Saludo**  
Board Secretary

**Garry Aplatén**  
Treasurer

## Committees

**Audit Committee**  
Norayda Celindro  
Marilou Tabajonda  
Nissa Macalingay

**Election Committee**  
Susie Ann Cuilan  
Elsa Pangilinan  
Geronimo Garcia

**Education Committee**  
John Rey Abellera  
Ariel Pasiliao  
Shirley Jacob

**Ethics Committee**  
Jackie Lynn Ico  
Donnalyn Ascano  
Jerome Jeffrey Villanueva

**MedCon Committee**  
Noel Deslate  
Arriane Chandler

**GAD Committee**  
Girly Betito  
Edralyn Lee

## Management and Staff

**Maribel Pasngadan**  
General Manager

**DJ Esnara**  
Accountant

**Jhoanna Catenza**  
Loan Processor

**Lorelie Geron**  
Cashier

**Grace Tuanan**  
Admin Asst / LabCoop

# Vision, Mission & Core Values

## VISION

A world class cooperative efficiently delivering economic opportunities to the delight of its members.

## MISSION

To provide competitive services to uplift the social and economic well-being of the members by operating in an effective way through relevant technology.

## MBCC CORE VALUES

M - Maintaining Quality Services

B - Balanced and Transparent Transactions

C - Credibility and Integrity of Officers and Staff

C - Commitment to All Members

# Message from the Chairperson

Dear Fellow MBCC Members,

As we reflect on the past year, our Cooperative's activities in 2025 are manifestations of our united efforts, strong collaboration, dedication and full support of everyone involved. While we recognize the challenges that we faced, we acknowledge the accomplishments that will make the past year a banner year for MBCC.

Since its establishment in 1998, MBCC has remained steadfast in its commitment to providing credit services tailored to the needs of its members. Effective June 26, 2025, MBCC is now a Multipurpose Cooperative. As such, we are now in a better position to meet the evolving needs of our members.

The journey from a single type credit cooperative to multipurpose has been marked with numerous challenges, strategic planning and some innovative approaches. We thank everyone who provided their unwavering commitment and collaborative spirit which were instrumental in achieving this new level of status for our cooperative.

As we move forward, we implore everyone to provide continued efforts to sustain and build upon our current status as a multipurpose cooperative. While being a multipurpose cooperative opens new opportunities, we should not neglect that it also requires more responsibilities. It is for this reason that we established a satellite office outside the main campus of Moog Controls Corporation which is now located at the 5th Floor of EDY Building, Kisad Road, Baguio City. With this set up, we have expanded our reach and accessibility to serve all members of our cooperative.

Another accomplishment worth mentioning is our financial performance in the past year which has been exceptional as reported by our Treasurer, Manager and Accountant. Accordingly, the following operational aspects have increased as compared to CY 2024: Assets; share capital; loan

releases; interest income; net surplus and membership.

When we started our term, we espoused the tagline "Enhancing Efficiency and Effectiveness" in our operation as a cooperative. This resulted in the updating of some policies and streamlined procedures contributing to our operational efficiencies. For emphasis, the Financial Consumer Protection Assistance Management System (FCPAMS) of our cooperative has been developed, approved and implemented. This is a mandatory framework to handle client-member complaints, inquiries, and grievances regarding financial products and services. Other than infrastructure our Social Development Plan (SDP) Projects were community-focused, environmental protection and educational support. We need to strengthen though our involvement and participation in the secondary cooperatives where MBCC is a member and cooperative councils within our community.

As we look to the future, we will continue to focus on service excellence and community development. We will remain committed to developing more inclusive and sustainable solutions that empower our cooperative as a whole and all members.

Again, I extend my deepest gratitude to the management and staff, the BOD and all officers and of course our members for your invaluable contributions. Your commitment and trust in our cooperative have made 2025 truly fruitful. Let's continue to work together with the same passion and determination as we embark on this new exciting chapter as a Multipurpose cooperative.

RICARDO BAYAO

# Message from the Manager

To Our Valued Members,

Today, as we gather for our 29th General Assembly, we celebrate not only another year of existence but another year of resilience, growth, and unity.

Despite the challenges we faced, our cooperative remains strong. Our membership continues to grow by 7.3%. Our assets increased by 5.80%, and our net surplus rose by 6.06%. With gratitude to God, we were able to generate returns for our members—returns that exceed the 1.7% inflation rate as of December 2025. This year, our Interest on Share Capital is 4.84%, and our Patronage Refund is 9.69%.

Our journey toward becoming a Multi-Purpose Cooperative has not been easy, but it has been meaningful. The establishment of our satellite office at the 5th Floor, EDY Building, Kisad Road, Baguio City reflects our commitment to better serve you—providing space for transactions, meetings, PMES, and laboratory cooperative activities.

In addition, the Board has approved the use of the EDY office for members' group meetings, study sessions, and research activities for an affordable service fee of Php 200.00 per hour, with free internet access included.

We continue to expand our services and explore new opportunities for our members, including access to furniture, fixtures, and other items through our loan facilities.

More importantly, we encourage every member to actively patronize our loan products. When you borrow and reinvest in share capital or time deposits, you are not only building your own future—you are strengthening our cooperative. This is the true spirit of self-help: members helping themselves while helping one another.

If we all participate actively, our net surplus will continue to grow, our operations will remain sustainable, and together we will elevate our economic well-being.

Let us move forward united, committed, and proud to be part of this cooperative.

Thank you for your unwavering support.

MARIBEL PASNGADAN

# Strategic Plan Update – CY2025

## 1. FINANCIAL SOLUTIONS

Financial initiatives focused on completing compliance requirements and strengthening marketing strategies.

## 2. DIGITAL ADVANCEMENT

Digital transformation efforts centered on modernizing the member portal, increasing online transactions, and improving internal system efficiency.

## 3. PARTNERSHIPS

Partnership efforts aimed to expand member benefits, collaboration, and community involvement.

## 4. QUALITY MANAGEMENT

Quality initiatives focused on ISO documentation and continuous improvement frameworks.

## 5. SUSTAINABILITY

Sustainability initiatives centered on environmental responsibility, livelihood programs, and membership growth.

Across all focus areas, the organization demonstrated strong performance in Financial Solutions, Digital Advancement, and Sustainability, while Partnerships and Quality Management have ongoing or deferred activities. Key accomplishments include the rollout of improved member services, new digital tools, expanded programs, and several strategic initiatives—reflecting good operational progress with clear areas marked for future completion.

FOCUS AREAS	KEY RESULT AREAS & GOALS	2025 OBJECTIVES AND STRATEGIES	STATUS	Highlights
FINANCIAL SOLUTIONS	MBCC will be a multi-purpose cooperative by the end of the planning period.	Completion of requirements and registration	Completed	A. Tie-ups: 1. Asin Wood Carvings and Souvenir Shop 2. Asin Antiques and Handicrafts 3. IMG (International Marketing Group) Financial Literacy and Insurance Tie Up  B. Exploring Franchise Ventures C. Meeting Room for MBCC Members
	Innovation and Marketing of Products and Services: To provide members better and competitive products and services that will improve quality of life and consequently entice loyalty and patronage	Strengthen marketing strategies	Completed	1. Use of Facebook account to advertise services. 2. Use of Natcco Web Portal 3. Use of Satellite Office for easier access to Members A & B (starting Nov. 2025)
DIGITAL ADVANCEMENT	Members' Profile: Member's easy access to their account information	100% Member's access of the portal	Completed	Natcco Web Portal
	Operational Processing: Digitalize all operational processes to provide easier and faster transactions.	1. To fully utilize the use of member's portal using the loan features. 2. To provide security of transactions using one time password feature (OTP).	Completed	Natcco Web Portal - downloable forms
	Government and external Transactions (Operational processes): To eliminate use of paper transactions by 2026.	1. To eliminate use of paper transactions with the government and external institutions 2. Timely filing and payment to avoid penalties	Completed	Maximize use of on-line payment platforms
PARTNERSHIPS	Linkages with certifying and accrediting organizations: To establish and maintain strong, mutually beneficial partnerships with ISO 9001:2015 accredited certifying bodies and other recognized organizations to strengthen our Quality Management System and industry credibility	Foundation Building (Research and Readiness)  Lay the groundwork by understanding the accreditation landscape and identifying potential partners	Deferred	Deferred ISO Certification - no immediate benefit for now and costly.
	Linkages with public and private institutions: To form strong linkages with public and private institutions that will enhance Moog Baguio Credit Cooperative's credibility, promote trust, and support the sustainability of MBCC operations.	Assessment and Relationship Mapping  Identify key public and private institutions and assess potential areas of collaboration.	Completed	Active Participation to secondary affiliations. 1. CARCU 2. NORLU 3. NATCCO 4. CUBL
	International Linkages: To forge international linkages and adopt global best practices from leading cooperatives worldwide to enhance innovation, sustainability and competitiveness	Global Landscape Scanning & Internal Readiness  Understand the international cooperative ecosystem and assess internal capacity for international engagement	On-going	Capture from Edcom report
	The MBCC Quality Management System: Achieve ISO 9001 certification by year 2028.	Identification of ISO certifying body to come up with specific guidelines	Deferred	Deferred ISO Certification - no immediate benefit for now and costly.
SUSTAINABILITY	Membership Growth through economic, social and environmental interests: At least 30% of Members to have business or livelihood under the cooperative's programs	Increase members with business/livelihood (Design Training Plan on the Livelihood Program to include Financial Literacy)	Not yet started	
	Global Membership: Additional members in other countries of more than 10	Increase number of members who are located abroad.	On-going	
	Loan Windows: Offer new loan windows e.g., travel, wedding, etc		Completed	1. Business Loan 2. Hospitalization
	Laboratory Cooperative: Establishment of a fully operational laboratory cooperative.  Satellite Office: Establishment of a fully operational satellite office by 2028.	Increase number of members in the Lab Coop	On-going	PMES conducted - October 2025 Membership: 2024: 40 vs. 2025: 30
			Completed	Lease Contract - October 2025

# Manager's Report

## 2025 HIGHLIGHTS

Today, as we gather for our 29th General Assembly, we celebrate not only another year of existence but another year of resilience, growth, and unity. Below is a summary of our 2025 operational transactions:

### A. OPERATIONS

#### 1. ASSETS, LIABILITIES AND SHARE CAPITAL

This year, our total assets increased by 5.8% or Php 26.6 million due to higher share capital contributions, savings, and loan releases from our members.

Year	Assets	Liabilities	Share Capital
2025	484,564,010	143,437,763	295,841,500
2024	457,991,738	144,816,385	271,322,700
2023	432,577,586	143,482,766	250,900,100
2022	413,482,170	136,386,378	242,218,300
2021	417,603,374	142,707,740	241,394,200

#### 2. CASH, AND BANK DEPOSITS

We continue to maintain strong liquidity. Our cash and bank deposits support daily operations while also earning interest income.

Although bank deposits decreased, loan releases increased, which helped raise our interest income

CASH AND BANK DEPOSITS			2025
Note 5	Cash and Cash Equivalents		138,332,029
Note 8	Financial Asset at Cost		3,436,105
Note 10	Other Fnds and Deposits		47,093,686
	<b>Total Cash and Deposits</b>		<b>188,861,820</b>

Banks/Affiliates	December 31, 2025
Banco De Oro	133,884,765
Metrobank	15,535,251
PNB	35,512,011
NATCCO	203,368
NORLU CEDEC	336,105
Security Bank	390,320
1CISP	3,000,000
<b>Total Deposits</b>	<b>188,861,820</b>

#### 3. INCOME FROM INVESTMENT

Investment income decreased by Php 787,547 or 6.92% mainly because bank deposits were reduced by Php 23.9 million. This reduction was due to:

- The distribution of Members' Benefits and Other Fund Payables amounting to Php 8.3 million in September 2025; and
- The increase in calamity loans to Php 100,000 per member in compliance with Proclamation No. 1077.

Year	Cash and Bank Deposits	Investment Income
2025	188,861,820	10,589,330
2024	212,725,668	11,376,877
2023	205,621,812	10,593,587
2022	203,818,772	3,881,650
2021	235,070,816	2,162,747

#### 4. 1CISP

MBCC maintains its membership with 1CISP, which provides non-life insurance coverage including loan protection, motor vehicle insurance, and surety bond coverage for key officers. An initial share capital investment of Php 1,000,000.00 was made on March 8, 2022, followed by an additional Php 2,000,000.00 on June 11, 2024. Interest on share capital and patronage refunds were recognized as investment income.

1CISP	2022	2023	2024
Interest on Share Capital and Patronage Refund	47,627.85	133,969.07	221,134.02
Recorded in the books	July 15, 2023	May 31, 2024	June 20, 2025
Share Capital	1,000,000.00	3,000,000.00	3,000,000.00

# Manager's Report

## 5. LOANS

Our calamity loan program was enhanced on November 13, 2025, in response to Proclamation No. 1077 declaring a State of National Calamity due to Typhoon "Tino." We increased the loan ceiling to Php 100,000, extended the repayment period to 24 months, and lowered the interest rate to 8% per year to better support affected members. Loan releases increased by Php 34.9 million or 12.6%, and interest income rose by Php 2.3 million or 10.82%. Our delinquency rate is only 1.63%, which is well below the 5% standard — showing strong repayment performance from our members.

	Loan Release	Interest Income from Loans
2025	311,704,320	23,988,855
2024	276,812,564	21,646,519
2023	241,729,772	20,638,491
2022	213,733,190	18,364,517
2021	175,208,959	16,254,131

## 6. DISTRIBUTION OF GROSS INCOME

The gross income is distributed as follows:

DISTRIBUTION OF GROSS INCOME		
	Amount	Percentage
<b>GROSS INCOME</b>	<b>35,202,660</b>	
Administrative Costs	6,006,783	17.06%
Members Expense	23,806,986	67.63%
Statutory Funds	5,388,891	15.31%
<b>Total</b>	<b>35,202,660</b>	<b>100.00%</b>

	Amount
Administrative Costs	6,006,786
<b>Members Expense:</b>	
Financing Costs - Members Deposits	1,954,736
Members' Benefit	4,085,303
General Assembly Expense	1,600,274
Interest on Share Capital	13,806,339
Patronage Refund	2,360,334
<b>Total Members Expense</b>	<b>23,806,986.00</b>

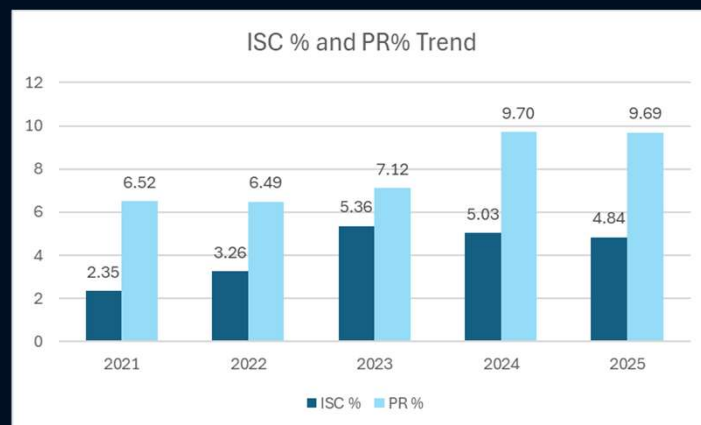
## 7. ALLOCATION OF NET SURPLUS

Percentage	Statutory Funds	Amount
10%	Reserve Fund	2,155,556
2.50%	Due CETF	538,889
2.50%	CETF-local	538,889
3%	CDF	646,667
7%	Optional	1,508,889
25%	<b>Total Statutory Funds</b>	<b>5,388,891</b>
75%	Interest on Share Capital (ISC)	13,806,339
	Patronage Refund (PR)	2,360,334
	<b>Total ISCPR</b>	<b>16,166,673</b>
<b>100%</b>	<b>NET SURPLUS</b>	<b>21,555,564</b>

## 8. NET SURPLUS, NUMBER OF MEMBERS, INTEREST ON SHARE CAPITAL, AND PATRONAGE REFUND (ISCPR)

While the rates for Interest on Share Capital (ISC) and Patronage Refund (PR) slightly decreased, the actual amount received by members increased due to our higher net surplus.

Year	Interest on Share Capital (ISC)	Patronage Refund (PR)	Net Surplus	Number of Members
2025	4.84%	9.69%	21,555,564	1234
2024	5.03%	9.70%	20,324,259	1153
2023	5.36%	7.12%	19,598,318	1051
2022	3.26%	6.49%	12,132,640	1045
2021	2.35%	6.52%	8,837,871	1026



# Manager's Report

## 9. POLICY

The Board also reviewed and improved our loan policies to make them more responsive and accessible to members. (see loan policy report)

## 10. AUDIT FINDINGS/OBSERVATIONS

Our external auditor commended management for our good financial performance and reported no major issues.

## B. OTHER SERVICES

### 1. DEATH AID ASSISTANCE

MBCC members extend their heartfelt condolences and support to bereaved families during their time of loss.

	2025	2024
Number of Beneficiaries	67	70
Amount	1,360,000.00	1,430,000.00

### 2. FINANCIAL ASSISTANCE

We also provided financial assistance to members for hospitalization expenses, charged to the Optional Fund.

	2025	2024
Number of Beneficiaries	6	4
Amount	229,000.00	77,000.00

## C. FINANCIAL HIGHLIGHTS

### 1. FINANCIAL CONDITIONS

Asset growth was driven mainly by higher member loan availments, while liabilities slightly decreased due to the return of members' funds. Equity increased as a result of rising membership, additional share capital deposits, and the allocation of the 2025 net surplus.

	2025	2024	Movement
<b>ASSETS</b>			
Current	433,368,109	402,555,470	30,812,639
Non-current	51,195,901	55,436,268	(4,240,367)
<b>TOTAL ASSETS</b>	<b>484,564,010</b>	<b>457,991,738</b>	<b>26,572,272</b>
<b>LIABILITIES</b>			
Current Liabilities	142,555,819	135,548,758	7,007,061
Non-Current Liabilities	881,944	9,267,627	(8,385,683)
<b>TOTAL LIABILITIES</b>	<b>143,437,763</b>	<b>144,816,385</b>	<b>(1,378,622)</b>
<b>EQUITY</b>			
Members' Equity	295,841,500	271,322,700	24,518,800
Statutory Funds & Grants	45,284,747	41,852,653	3,432,094
<b>TOTAL EQUITY</b>	<b>341,126,247</b>	<b>313,175,353</b>	<b>27,950,894</b>
<b>TOTAL LIAB. &amp; EQUITY</b>	<b>484,564,010</b>	<b>457,991,738</b>	<b>26,572,272</b>

### 2. FINANCIAL RESULTS

Loan income and fee collections increased, while investment income declined due to lower bank rates and reduced placements. Operating expenses grew because of satellite office needs and member-related benefits. A loss was recorded from bank membership withdrawals, and the optional fund subsidy rose due to system amortization.

	2025	2024	Movement
<b>REVENUE</b>			
Interest Income from Loans	23,988,855	21,646,519	2,342,336
Interest from Investments and Deposits	10,602,240	11,387,394	(785,154)
Other Income (Fines, Filing Fees, Membership Fees)	611,565	539,765	71,800
<b>TOTAL GROSS INCOME</b>	<b>35,202,660</b>	<b>33,573,678</b>	<b>1,628,982</b>
<b>EXPENSES</b>			
Financing Costs	1,954,736	1,909,893	44,843
Administrative Costs	11,886,846	11,422,859	463,987
<b>TOTAL EXPENSES</b>	<b>13,841,582</b>	<b>13,332,752</b>	<b>508,830</b>
Gain/(Loss) on Investment	(5,514)	-	(5,514)
Optional Fund Subsidy	200,000	83,333	116,667
<b>NET SURPLUS</b>	<b>21,555,564</b>	<b>20,324,259</b>	<b>1,231,305</b>

# Awards and Recognition

This recognition affirms MBCC's consistent adherence to cooperative standards, its dedication to delivering high-quality service to members, and its active role in strengthening the cooperative sector. It underscores the cooperative's ongoing efforts to promote good governance, support community-centered initiatives, and contribute meaningfully to the growth and advancement of the cooperative movement.



This award from the Baguio City Cooperative Development Council (BCCDC) recognizes the cooperative's active involvement in advancing cooperative programs, strengthening governance, and supporting development initiatives within the city.



This certificate recognizes the participation and support of Moog Baguio Credit Cooperative in the inter-cooperative bowling tournament organized by CUBCL Cooperative Union of Baguio City and La Trinidad. MBCC's participation reflects its commitment to cooperative unity and social responsibility.



This certificate is awarded in recognition of Moog Baguio Credit Cooperative's participation and support in the inter-cooperative dart tournament organized by the CUBCL Cooperative Union of Baguio City and La Trinidad. MBCC's involvement demonstrates its commitment to cooperation, unity, and community engagement.



# Treasurer's Report

## CY25 ACTUAL VS. BUDGET

Actual gross income for 2025 exceeded the budget by Php 462,853 (1.33%), driven by an increase in loans availed (Regular, Christmas, and Calamity Loans). Expenses remained within budget, generating savings of Php 2,835,472 (17%). Consequently, Net Surplus exceeded the budget by Php 3,492,811 (19.34%).

ACTUAL VS BUDGET - OPERATIONS			
	Actual 2025	Budget 2025	Variance
<b>REVENUE</b>			
Interest Income from Loans	23,988,855	22,192,056	1,796,799 F
Interest from Investments and Deposits	10,602,240	12,030,378	(1,428,138) U
Other Income	611,565	517,372	94,193 F
<b>TOTAL GROSS INCOME</b>	<b>35,202,660</b>	<b>34,739,807</b>	<b>462,853 F</b>
<b>EXPENSES</b>			
Financing Costs	1,954,736	2,032,940	78,204 F
Administrative Costs	11,886,846	14,644,114	2,757,268 F
<b>TOTAL EXPENSES</b>	<b>13,841,582</b>	<b>16,677,054</b>	<b>2,835,472 F</b>
Gain/(Loss) on Investment	(5,514)	-	(5,514)
Optional Fund Subsidy	200,000	-	200,000
<b>NET SURPLUS</b>	<b>21,555,564</b>	<b>18,062,753</b>	<b>3,492,811 F</b>

\*\*F - Favorable; U - Unfavorable

## OPERATIONAL BUDGET CY26 vs. CY25

An increase in interest income from loans is expected due to the introduction of new loan windows (Members' Business Loan, Hospitalization Loan, and revisions to existing loans) and projection for additional revenue from MPC, while a slight increase in expenses is also considered due to the costs expected to be incurred for the operations of the MBCC satellite office.

OPERATIONAL BUDGET FOR CY 2026 AND CY2027 (Q1)				
	2026 Budget	2025 Budget	Movement	Q1 2027
<b>REVENUE</b>				
Interest Income from Loans	27,000,000	22,192,056	4,807,944	6,945,000
Interest from Investments	9,500,000	12,030,378	(2,530,378)	1,544,642
Other Income	510,700	517,372	(6,672)	122,400
<b>TOTAL GROSS INCOME</b>	<b>37,010,700</b>	<b>34,739,807</b>	<b>2,270,893</b>	<b>8,612,042</b>
<b>EXPENSES</b>				
Financing Costs	2,100,000	2,032,940	67,060	525,000
Administrative Costs	14,948,802	14,644,114	304,688	4,019,822
<b>TOTAL EXPENSES</b>	<b>17,048,802</b>	<b>16,677,054</b>	<b>371,748</b>	<b>4,544,822</b>
Optional Fund Subsidy	116,667	-	116,667	-
<b>NET SURPLUS</b>	<b>20,078,565</b>	<b>18,062,753</b>	<b>2,015,812</b>	<b>4,067,219</b>

Key Highlights	Amount	Remarks
Increase on Interest Income from Loans	4,807,944	based on the current income rate of 4.2M per month starting January, plus projected income from MPC of 600k
Decrease in Investment Income	(2,530,378)	projected rate 4.5% based on the range given by banks 4.5%, vs. 6% projection in FY25.
Increase in Members Benefits	(365,000)	due to projected increase in membership from 1237 to 1290
Increase in Depreciation and Amortization + Rental	(152,263)	new satellite office rental and investment
Decrease in Salaries and Wages	129,065	New Employess with lower rates, partially offset by the 7% salary increase.
Decrease in Officers Honorarium	183,964	Removed adhoc committees MPC, LabCoop, partially offset by 5% increase in honoraria every other year.
<b>INCREASE IN CY26 VS. CY25 NET SURPLUS BUDGET</b>	<b>2,073,332</b>	

# CY2026 Operations Budget

	2026 Budget	2025 Budget	2025 Actual	VARIANCE (Budget to budget)	CY2027 Q1
<b>REVENUE ITEMS</b>					
<b>CREDIT OPERATION</b>					
INTEREST INCOME FROM LOANS	27,000,000	22,192,056	23,988,855	4,807,944	6,945,000
SERVICE FEES	7,200	2,400	-	4,800	2,400
FILING FEES	336,000	338,600	358,750	(2,600)	81,000
FINES, PENALTIES AND SURCHARGES	42,000	42,622	52,965	(622)	10,500
<b>TOTAL INCOME FROM CREDIT OPERATION</b>	<b>27,385,200</b>	<b>22,575,678</b>	<b>24,400,571</b>	<b>4,809,522</b>	<b>7,038,900</b>
<b>ADD: OTHER INCOME</b>					
INCOME/INTEREST FROM INVESTMENT	9,500,000	12,030,378	10,589,330	(2,530,378)	1,544,642
MEMBERSHIP FEES	125,500	133,750	72,050	(8,250)	28,500
INCOME/INTEREST FROM DEPOSITS	-	-	12,910	-	-
MISCELLANEOUS INCOME	-	-	127,800	-	-
<b>TOTAL OTHER INCOME</b>	<b>9,625,500</b>	<b>12,164,128</b>	<b>10,802,090</b>	<b>(2,538,628)</b>	<b>1,573,142</b>
<b>TOTAL GROSS REVENUES</b>	<b>37,010,700</b>	<b>34,739,807</b>	<b>35,202,661</b>	<b>2,270,893</b>	<b>8,612,042</b>
<b>LESS: EXPENSES</b>					
<b>FINANCING COST</b>					
INTEREST EXPENSE ON DEPOSITS	2,100,000	2,032,940	1,954,737	(67,060)	525,000
<b>TOTAL FINANCING COST</b>	<b>2,100,000</b>	<b>2,032,940</b>	<b>1,954,737</b>	<b>(67,060)</b>	<b>525,000</b>
<b>ADMINISTRATIVE COSTS</b>					
SALARIES AND WAGES	2,125,006	2,115,156	2,037,231	(9,849)	534,118
EMPLOYEES BENEFITS	749,923	878,988	530,290	129,065	74,222
SSS/ECC/PHILHEALTH, PAG-IBIG CONT.	312,507	259,009	219,962	(53,499)	83,110
RETIREMENT BENEFIT EXPENSE	150,841	120,770	120,769	(30,071)	40,118
OFFICERS HONORARIUM AND ALLOWANCES	2,435,741	2,619,705	2,066,676	183,964	563,050
OFFICE SUPPLIES	153,339	209,313	106,350	55,974	26,246
POWER, LIGHT AND WATER	4,806	-	461	(4,806)	-
TRAVEL AND TRANSPORTATION	42,200	42,630	36,684	430	12,600
INSURANCE	5,400	5,400	3,334	-	-
REPAIRS AND MAINTENANCE	186,000	147,000	132,405	(39,000)	33,000
TAXES AND LICENSES	10,607	54,607	14,928	44,000	9,607
PROFESSIONAL FEES	73,000	89,000	55,632	16,000	3,000
COMMUNICATION EXPENSES	67,770	56,508	58,979	(11,262)	17,880
REPRESENTATION	12,500	19,400	1,359	6,900	1,500
GENERAL ASSEMBLY MEETING EXPENSES	2,350,000	2,350,000	1,600,274	-	2,290,000
MEETINGS AND CONFERENCES	472,450	513,150	349,051	40,700	69,300
BANK CHARGES	-	-	2,250	-	-
AFFILIATION FEES	-	-	2,000	-	-
MEMBERS BENEFITS EXPENSES	4,946,500	4,581,500	4,085,303	(365,000)	55,000
MISCELLANEOUS EXPENSE	4,455	15,150	11,652	10,695	525
DEPRECIATION AND AMORTIZATION	429,587	266,827	336,298	(162,759)	105,001
AMORTIZATION OF LEASEHOLD RIGHTS AND IMPRC	-	-	16,795	-	-
COOPERATIVE CELEBRATION EXPENSE	40,000	30,000	5,852	(10,000)	-
RENTAL	376,170	270,000	92,313	(106,170)	101,544
<b>TOTAL ADMINISTRATIVE COST</b>	<b>14,948,802</b>	<b>14,644,114</b>	<b>11,886,846</b>	<b>(304,688)</b>	<b>4,019,822</b>
<b>TOTAL EXPENSES</b>	<b>17,048,802</b>	<b>16,677,054</b>	<b>13,841,583</b>	<b>(371,748)</b>	<b>4,544,822</b>
<b>NET SURPLUS/(NET LOSS) BEFORE OTHER ITEMS</b>	<b>19,961,898</b>	<b>18,062,753</b>	<b>21,361,078</b>	<b>1,899,145</b>	<b>4,067,219</b>
<b>OTHER ITEMS:</b>					
(Gain)/Loss on Investment			(5,514)		
Optional Fund Subsidy	116,667		200,000		
<b>TOTAL OTHER ITEMS</b>					
<b>NET SURPLUS/(NET LOSS)</b>	<b>20,078,565</b>	<b>18,062,753</b>	<b>21,555,564</b>	<b>2,642,642</b>	<b>4,067,219</b>

# Proposed Amendments of By Laws

Article VIII of the MBCC By-Laws currently mandates fixed allocation rates for the Net Surplus—5% for the Cooperative Education and Training Fund (CETF) and 7% for the Optional Fund. While these statutory funds are essential, the fixed percentages significantly limit the amount available for Interest on Share Capital and Patronage Refund, especially during times when members have greater financial needs. Because the CETF and Optional Fund must be fully satisfied first, the remaining surplus for distribution to members becomes constrained.

To ensure that our cooperative remains responsive, member-centered, and financially adaptable, we are once again proposing that the General Assembly amend the By-Laws to allow flexibility in setting the allocation percentages for CETF and the Optional Fund. This change will empower the cooperative to balance statutory requirements with the pressing needs of our members, particularly in years when additional financial assistance is most needed.

Below are the proposed amendments, together with sample computations demonstrating their positive impact on members' benefits.

## ARTICLE VIII: Allocation and Distribution of Net Surplus Section 1.b and 1.d

Current MBCC By Laws Provision	Proposed Amendments
<b>b. Education and Training Fund.</b> Five Percent (5%) shall be set aside for Education and Training Fund.	b. Education and Training Fund. Maximum of Five Percent (5%) shall be set aside for Education and Training Fund.
<b>d. Optional Fund, Land and Building and any other necessary fund.</b> Seven percent (7%) shall be set aside for this purpose.	d. Optional Fund, Land and Building and any other necessary fund. Maximum of Seven percent (7%) shall be set aside for this purpose.

**Notes: RA9520 Chapter 10 Article 6.2** - An amount for the education and training fund, shall not be more than ten per centum (10%) of the net surplus; **RA9520 Chapter 10 Article 6.4** - An optional fund, a land and building, and any other necessary fund the total of which shall not exceed seven per centum (7%).

	Based on Current Allocation %			Based on Proposed Allocation %		
	Fixed	Amount	% Return	- 50%	Amount	% Return
Net Surplus		21,555,564.00			21,555,564.00	
Allocation						
CETF	5%	1,077,778.20		2.5%	538,889.10	
Optional	7%	1,508,888.00		3.5%	754,444.74	
Interest on SC	85%	13,806,339.00	4.84%	85%	14,910,844.86	5.23%
Patronage Refund	15%	2,360,334.00	9.68%	15%	2,549,160.50	10.46%
Net Surplus after Statutory Fund		16,166,673.00			17,460,005.36	

The table compares the current By-Laws provision with the proposed amendment. Moving from fixed rates to threshold-based allocations results in a significant increase in the Net Surplus available for member distribution—about ₱1.3 million based on the sample computation.

Note: The CETF balance stands at ₱1.1 million, which—based on actual usage—is sufficient for 2–3 years of training activities. Additionally, 50% of CETF contributions are remitted to the Secondary Cooperative, further supporting the need for a more flexible allocation approach to increase portion directly available for allocation to members.

# Secretary's Report

## Board Resolutions CY2025

No	SERIES	DATE OF ISSUE	BR No.	TITLE
1	2025	1/19/25	01_01	A Resolution for the Approval of SDP Budget for PPE Donation to Loakan Sanitation
2	2025	2/12/25	02_01	CETF Remittance to CARCU & NORLU
3	2025	3/31/25	03_01	Lab Coop Youth Summit
4	2025	3/25/25	03_02	Appointed Officers FY 2025
5	2025	4/22/25	04_01	Approval of Attendees for CARCU's 31th GA
6	2025	5/18/25	05_01	A Resolution for the Appointment of MBCC Acocuntant to process MBCC Certificate of Tax Exemption (CTE) Renewal
7	2025	5/18/25	05_02	A Resolution for the Authorized signatories for of Philipinine National Bank (PNB)
8	2025	5/18/25	05_03	A Resolution for the Approval of Attendees for NORLU CEDECs 48th Annual Regular General Assembly Meeting
9	2025	06/01/25	06_01	A Resolution for the Approval of SDP Budget For Medical Support to Barangay Loacan, Itogon, Benguet
10	2025	6/28/25	06_02	Approval of Action Plan for the Gap Analysis Conducted for RA 11765
11	2025	7/7/25	07_01	A Resolution Approving the Donation of A Laptop to VISMAR Multipurpose Cooperative
12	2025	8/1/25	08_01	Election of Interim BOD FY 2025
13	2025	8/18/25	08_02	Approval of SDP Budget for Environment Conservation & Protection
14	2025	09/20/25	09_01	A Resolution Distributing the Members Benefit and Other Funds(MBOF) to Duly Recognized Members as of April 03, 2024 and Who have remained members as of August 31, 2025
15	2025	09/20/25	09_02	A Resolution Authroizing Ricardo Bayao ,Chairperson, and Maribel S. Pasngadan , Manager, to represent the Moog Baguio Credit Cooperative (MBCC) in entering into a lease agreement with EDY Development and Realty Corporation , and to sign, execute, and deliver all documents necessary fot the said transaction
16	2025	9/8/25	09_03	A Resolution Approving the Maximum Amount of Christmas Loan
17	2025	9/3/25	09_04	A Resolution Apprpving MBCC for the Membership to NATCCO Network
18	2025	9/13/25	09_05	A Resolution for the Appointment of MBCC Acocuntant to Process Registration of the Administrative Office
20	2025	10/23/25	10_01	Approval of Remittance due to Union - Federation
21	2025	10/26/25	10_02	A Resolution to Appoint Administrative Assistant to Transact Business with PLDT
22	2025	10/26/25	10_03	A Resolution Designating the AUDIT COMMITTEE to prepare the CPRMS and FCPAMS for MBCC
23	2025	10/30/25	10_04	A Resolution Approving the Conduct of a Medical Mission at Apugan-Loakan Barangay and the Allocation of Funds
24	2025	11/11/25	11_01	A Resolution Approving the Revised Terms for the Calamity Loan Provision
25	2025	11/11/25	11_02	A Resolution for the Approval of SDP Budget for Kias United Methodist Church
26	2025	12/9/25	12_01	A Resolution for the Approval of SDP Budget for Rotary Club of Baguio North
27	2025	12/22/25	12_03	A Resolution Approving the Budget for Vismar Koop Kapatid - Financial Assistance
28	2025	12/22/25	12_04	A Resolution Approving the Budget for Indigenous Communities - Apugan
29	2025	12/22/25	12_05	A Resolution for the Approval of SDP Budget for the Canopy Installation for Pines City National High School - Building 2
30	2025	12/22/25	12_06	A Resolution Approving the Budget for Irisan Elementary School Gulayan sa Paaralan
31	2025	12/26/25	12_07	A Resolution for the Approval of Withdrawal of Membership of Resigned Members from Jan to Dec 2025
32	2025	12/26/25	12_08	A Resolution for the Approval of Membership from January to December 2025

# Secretary's Report

## Officer's Attendance

	Position	Name	Position as of April 2025	Present (P)	Excused (e)	Absent (a)	Notes
Board of Directors	Director	Bancilo, Roger	Director	14	0	0	started - August 2025
	Director	Bayao, Ricardo	Chairperson	23	0	0	
	Director	Binongcal, Felicitas	Director	22	1	0	
	Director	Bumal-o, Iris	Director	23	0	0	
	Director	Ilagan, Jess Israel	Vice Chairperson	23	0	0	
	Director	Moredo, Francisca	Director	23	0	0	
	Director	Villaluz, Jonalyn	Director	21	2	0	
	Director	Sarile, Ryah Claudette	Director	8	1	0	resigned - August 2025
Key Officers	Management	Pasngadan, Maribel	Manager	20	2	0	
	Treasurer	Aplaten, Garry	Treasurer	6	0	0	as required
	Secretary	Saludo, Shirley	Secretary	21	1	0	on Official Business trip
Committees	Audit	Celindro, Norayda	Chairperson	7	0	0	
	Audit	Tabajonda, Marilou	Vice Chairperson	3	1	0	
	Audit	Macalingay, Nissa	Secretary	4	0	0	
	Election	Cuilan, Susie Ann	Chairperson	3	0	0	
	Election	Garcia, Geronimo	Vice Chairperson	2	0	0	
	Election	Pangilinan, Elsa	Secretary	1	1	0	excused - on training
	Ethics	Ascano, Donnalyn	Chairperson	3	0	0	
	Ethics	Ico, Jackie Lynn	Secretary	2	0	0	
	Ethics	Villanueva, Jerome Jefferson	Vice Chairperson	3	0	1	
	Mediation and Conciliation	Deslate, Noel	Chairperson	3	0	0	
	Mediation and Conciliation	Bancilo, Roger	former Chairperson	1	0	0	resigned - transferred to BOD
	Mediation and Conciliation	Chandler, Arriane	Secretary	4	0	0	
	Education and Training	Abellera, John Rey	Chairperson	7	0	0	
	Education and Training	Pasiliao, Ariel	Vice Chairperson	3	0	0	
	Education and Training	Jacob, Shirley	Secretary	3	0	0	
Gender And Development	Lee, Edralyne	Chairperson	2	1	0		
Gender And Development	Betito, Girly	Vice Chairperson	1	1	0	with scheduled Audit	

# Laboratory Cooperative

Goal	Objectives	Action Plans	Accomplishments																				
<b>Sustainability</b>	Compliance to the approved Manual of Operation and CDA's Memorandum Circulars.	Disseminate information through PMES, Lab Coop Officers Meetings, and other relevant activities.	Manual of Operation salient points were included in the PMES Training Module and meeting agendas.																				
		Review Lab Coop-related CDA Memoranda and Circulars and incorporate necessary improvements into the Manual of Operations	Reviewed Memorandum Circular 2024-02, "Amended Guidelines for the Creation, Organization, Supervision, and Monitoring of Laboratory Cooperatives" and incorporated improvements into the revised manual of Operation.																				
<b>Membership</b>	Increase membership by at least 20 by year end	Conduct at least one PMES orientation sessions	<p>One PMES were conducted</p> <ul style="list-style-type: none"> <li>One face-to-face on October 25, 2025</li> </ul> <p>Membership Updates of December 31, 2025, with share and savings deposit</p> <table border="1"> <thead> <tr> <th></th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Female</td> <td>21</td> <td>18</td> </tr> <tr> <td>Male</td> <td>19</td> <td>12</td> </tr> <tr> <td><b>Total</b></td> <td><b>40</b></td> <td><b>30</b></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">With share capital and Savings</th> </tr> </thead> <tbody> <tr> <td>Share Capital</td> <td>86,550.00</td> </tr> <tr> <td>Savings</td> <td>227,077.70</td> </tr> <tr> <td><b>Total</b></td> <td><b>313,627.70</b></td> </tr> </tbody> </table>		2024	2025	Female	21	18	Male	19	12	<b>Total</b>	<b>40</b>	<b>30</b>	With share capital and Savings		Share Capital	86,550.00	Savings	227,077.70	<b>Total</b>	<b>313,627.70</b>
			2024	2025																			
Female	21	18																					
Male	19	12																					
<b>Total</b>	<b>40</b>	<b>30</b>																					
With share capital and Savings																							
Share Capital	86,550.00																						
Savings	227,077.70																						
<b>Total</b>	<b>313,627.70</b>																						
Utilize Lab Coop and MBCC Facebook accounts, member group chats, and the bulletin boards to disseminate information	Memos and announcements were posted on Facebook, in group chats, via email and on bulletins																						
<b>Capability Building Officers Members</b>	Conduct or attend at least two activities as listed below: - trainings and seminars - Art contest	Attend Leadership Forum/Training/Seminar per availability.	Lab Coop Members and Officers attended Mental Health Seminar conducted by Election Committee																				
		Lab Coop Officers, especially the Education Committee, should attend, observe, and participate in the conduct of PMES.	<p>Some officers attended and assisted with the One PMES conducted.</p> <p>Lab Coop members attended the Global Money Week celebration and join the Poster making contest</p>																				

# Committee Reports

## AUDIT COMMITTEE

The overall goal is to ensure strong internal control, compliance, and effective operations. Financial audit results show that cash balances and transactions were properly recorded and authorized, with only minor non-material lapses noted. The operational audit confirms that management and control systems are generally effective, supported by clear procedures and proper segregation of duties. Compliance audit findings indicate that operations follow regulatory and internal cooperative requirements, with systems such as FCPAM and CPRMS helping maintain adherence to established standards.

GOAL	AREA	OBJECTIVES	ACTION PLAN	REMARKS
Internal control is in place, find opportunities for improvement and provide management with information to use for compliance and recommend enhancement of systems and procedures.	Financial Audit	Evaluating whether management's statements of financial position and operations are accurate and dependable through examination of the accounting records, documents, and other evidences of the cooperative transactions	<ol style="list-style-type: none"> <li>1. Cash Count (Daily Collections, Revolving Fund, Petty Cash Fund)</li> <li>2. Post audit of disbursements (Loans and Payables)</li> <li>3. Examination of Books of Accounts (General Ledger, General Journal, Cash Receipts Journal, Cash Disbursements Journal and Schedules)</li> </ol>	Cash balances were substantially reconciled with recorded amounts, and transactions reviewed were duly authorized and recorded in the appropriate journals. Minor discrepancies and documentation lapses were noted but are not material to the overall reliability of the financial statements.
	Operational / Performance Audit	To assess the cooperative's overall efficiency and effectiveness, as well as the adequacy of its management and control system	<ol style="list-style-type: none"> <li>1. Review policies, procedures, and objectives</li> <li>2. Observe and walkthrough key processes</li> <li>3. Test internal controls and segregation of duties</li> <li>4. Interview / inquire from staff and management</li> <li>5. Analyze reports, data, and variances</li> <li>6. Document findings and recommend improvements</li> </ol>	<p>Management and control systems are generally adequate and functioning effectively.</p> <p>Roles and responsibilities are clearly defined, and segregation of duties is substantially observed.</p> <p>An instance on performance of key officers tasks by a staff has been observed but has been addressed by the Board through thorough review and inclusion of such instances in the policy.</p>
	Compliance Audit	To ensure that operations are conducted in accordance with legal and regulatory requirements and internal guidelines including but not limited to CDA, BIR, DOLE, PEZA, LGU regulations and the cooperatives ACBL and policies.	<ol style="list-style-type: none"> <li>1. Review regulatory and policy requirements</li> <li>2. Examine documents, records and reports.</li> <li>3. Observe operations and conduct interviews.</li> <li>4. Monitor implementation of corrective actions.</li> </ol>	<p>Operations are generally compliant with applicable regulatory requirements (CDA, BIR, DOLE, PEZA, LGU) and internal ACBL policies.</p> <p>Financial Consumer Protection Assistance Mechanism (FCPAM) and Consumer Protection Risk Management System (CPRMS) manuals have been completed.</p>

# Committee Reports

## AUDIT COMMITTEE

### EXTERNAL AUDITOR FOR CY2026

After evaluating the three external auditor candidates using the criteria listed below—Mr. John Domerez, Mr. Henson Eyeg (previously engaged as our external auditors), and Ms. Loida Bialno—we compared their experience, accreditations, and capacity to support the cooperative’s audit needs. Based on this review, we believe that Ms. Loida G. Bialno, CPA, is the most suitable choice for the years 2026–2027.

Ms. Bialno holds an active Cooperative External Auditor Accreditation valid until June 13, 2029, and formally took her oath as an accredited auditor on July 17, 2024. Her audit firm provides strong services in auditing, taxation, and advisory—aligning well with our cooperative’s requirements for transparency, accountability, and financial soundness.

In view of these qualifications, we respectfully recommend the appointment of Ms. Loida G. Bialno, CPA, as our External Auditor for 2026–2027.

Criteria	John A. Domerez, Jr., CPA	Henson M. Eyeg, CPA	Loida G. Bialno, CPA
<b>CDA Accreditation Validity</b>	Valid through 2026–2027 due to renewal in Nov 2024	Valid June 14, 2024 – June 13, 2029 (fully covers audit years)	Valid June 14, 2024 – June 13, 2029 (fully covers audit years)
<b>Professional Background</b>	Owner of/and Manager at JADJ Audit & Accounting Services; former DepEd accountant & Red Cross internal auditor	Owner of Henson Eyeg Accounting Office; provides bookkeeping & audit services; active coop trainer	Managing Partner, Adag Bialno & Co., CPAs; handles audit, tax, consultancy; former instructor at BSU
<b>Firm Capacity</b>	Medium (public practitioner level)	Small–medium (sole proprietor + assistants)	Medium–large (established CPA firm with full services)
<b>Recent CDA Activity</b>	Renewal of CDA accreditation in November 2024	Active accreditation and ongoing work with cooperatives	Took formal CDA oath as accredited external auditor on July 17, 2024
<b>Experience Breadth</b>	Government, NGO, academe, private audits	Accounting, auditing, community training, coop support	Corporate, nonprofit, cooperatives, consultancy, tax services
<b>Professional Fee and OPEs (Php)</b>	55,000+8,000	60,000	50,000+OPEX

# Committee Reports

## ELECTION COMMITTEE

The Election Committee’s initiatives for 2025 were centered on strengthening fairness, transparency, and efficiency in the entire election process. These goals were supported by efforts to update and clarify the Election Code, ensure compliance with MBCC and CDA regulations, enhance governance through secure and reliable election technology, and improve accessibility through automated registration. The committee successfully delivered key accomplishments, including the full revision of the Election Code, adherence to regulatory standards, upgraded election hardware and software to ensure smooth and reliable operations, and the implementation of a QR-based registration system that streamlined member check-in and improved overall election management.

Goals	Objectives	Action Plans	Accomplishments
<b>Update the Election Code to ensure fair, transparent, and well-governed elections.</b>	To simplify and update the Election Code for clarity and compliance.	Following GA approval, update the Election Code.	Updated Election Code.
<b>Uphold the principles of transparency, fairness, and democratic participation by facilitating credible and efficient elections within the MBCC.</b>	To conduct fair and transparent elections.	Review compliance and adherence to the Election Code. Candidate Qualification. Voters’ List Validation.	Compliant and adherent to MBCC Election Code and CDA guidelines. Updated candidate qualification screening. Final list verified 30 days before the GA/election.
<b>Strengthen governance integrity through secure and reliable election technology.</b>	To secure election system deployment, ensure smooth system deployment, and minimize IT risks.	Election Software and Hardware upgrade to secure a reliable system that enables efficient, smooth system functionality.	1. Purchased a laptop with upgraded specifications. 2. Upgraded the election software.
<b>Automation of Election Registration</b>	To reduce errors and delays while ensuring accessibility and secure data.	Created a unique QR code for each of the members.	Simplified member registration and easy QR-based election check-in with incentives, food packs, and raffle prizes.

# Committee Reports

## EDUCATION COMMITTEE

Goal	Objectives	Status
<b>Increase Revenue &amp; Savings</b>	Increase MBCC membership by 12% over the next 12 months.	Partially Done  Only 1 session completed for 2025
	<ul style="list-style-type: none"> <li>Conduct at least 2 sessions of Pre-Membership Education Seminar (PMES)</li> </ul>	
	<ul style="list-style-type: none"> <li>Conduct Awareness and Education Drives</li> <li>Follow-up Campaign for PMES Attendees</li> </ul>	Done Done
<b>Strengthen Members, Officers and Staff Capability</b>	Strengthen member engagement and leadership capacity by providing regular and targeted cooperative education and skill training to active members within the next 12 months	
	<ul style="list-style-type: none"> <li>Complete Mandatory Trainings for incumbent officers</li> </ul>	Done
	<ul style="list-style-type: none"> <li>Equip MBCC officers and staff with advanced cooperative knowledge and leadership skills by ensuring they attend at least one targeted external training</li> </ul>	Done
	<ul style="list-style-type: none"> <li>Provide skills/livelihood training to at least 10 % of active members</li> </ul>	Not completed
	<ul style="list-style-type: none"> <li>Support training needs of MBCC Koop Kapatid partners (Visually Impaired Scientific Massage and Reflexology Multipurpose Cooperative and Happy Hallow-Kadaclan Transport Cooperative)</li> </ul>	Done
<b>Linkages with public and private institutions:</b>	Assessment and Relationship Mapping - Identify key public and private institutions and assess potential areas of collaboration	
	<ul style="list-style-type: none"> <li>Conduct stakeholder mapping to identify relevant institutions (LGU, government agencies, schools, NGO's, private businesses)</li> </ul>	Done
	<ul style="list-style-type: none"> <li>Review cooperative needs (e.g. technical, financial, marketing) and match with potential partner capacities.</li> </ul>	Done
	<ul style="list-style-type: none"> <li>Establish a linkage development committee to lead relationship-building initiatives.</li> </ul>	Not yet started
	<ul style="list-style-type: none"> <li>Participate in government- and industry-organized dialogues, expos and networking events</li> </ul>	Done
	<ul style="list-style-type: none"> <li>Develop a partnership strategy and engagement plan.</li> </ul>	Not yet started
	Global Landscape Scanning & Internal Readiness - Understand the international cooperative ecosystem and assess internal capacity for international engagement	
	<ul style="list-style-type: none"> <li>Identify and profile at least 5 international cooperative networks (e.g ICA, CICOPA, regional federations)</li> </ul>	Done
	<ul style="list-style-type: none"> <li>Conduct a benchmark study on global best practices in governance, digitalization, sustainability, and member services</li> </ul>	Done
	<ul style="list-style-type: none"> <li>Assess internal systems, processes, and capabilities to adopt global standards and practices</li> </ul>	Not yet started
<ul style="list-style-type: none"> <li>Join online international cooperative platforms, directories, or mailing lists</li> </ul>	Not yet started	

# Committee Reports

## EDUCATION COMMITTEE

Completed Trainings	Number of Participants
<b>Pre-Membership Education Seminar</b>	
• Batch 1 (June 15, 2025)	134
<b>Mandatory Trainings</b>	
• Fundamentals of Cooperatives	2
• Cooperative Governance and Management	2
• Risk Management	2
• Credit Management	2
• Financial Management	2
<b>Special/Supplemental Trainings</b>	
• Mastering Compliance: A Guide to Gap Analysis and Action Planning for Cooperatives.	3
• Roadshow Workshop Orientation of Financial Performance Standards (PESOS)	2
• Financial Responsibility in Action	2
• Basic Taxation and Effective handling of BIR Audit for Cooperative	2
• Breakthrough Masterclass on Cybersecurity and Fraud Prevention	1
• Lead the Brand: Strengthening Cooperative Leadership and Identity from Within	2
• Orientation on Financial Performance Standards (PESOS) for Credit Cooperatives	1
• Government Updates Seminar	1
• Cooperative Management and Organizational Leadership Development (Coop MOLD) Program	1
• Mediation, Conciliation & Ethics Forum for Cooperative Officers	3
• Kick-Off Program for the Cooperative Month Celebration	4
• Strengthening Cooperative Governance	4
• Election Committee Forum	3
• Internal Control	1
• Building Trust Through Control: A Seminar on Audit & Inventory Systems for Cooperatives	2
• Visual Mastery Series: Harnessing Canva & AI	3
• CDA Topics for CPD Accreditation: Compliance, Ethic and Growth for Cooperatives	1
• Taiwan Benchmarking	2
• Financial Consumer Protection Compliance & Assistance Manual Workshop	2
• Advance Accounting for Non-Accountants	3
• Skills for Mediation & Conflict Resolution	2
<b>Forums/ General Assemblies/ Conferences</b>	
• 1CISP Annual General Assembly	4
• CARCU Annual GA	5
• NORLU Annual GA	5
• NORLU-CEDEC Ownership Seminar	2
• 1CISP Owners Forum	2
• Citywide Coop Celebration	3
• Regional Cooperative Month Celebration	4
• Cooperative Summit	1

# Committee Reports

## EDUCATION COMMITTEE

TRAINING CALENDAR for 2026			
Title of Training	Target Participants	Month	Training Provider
NATCCO Regional Ownership Meeting (CAR)	BOD, Management	March	NATCCO
Advance Risk Management &ERM	Officers, Managers, Risk Management Officers	April	NORLU-CEDEC
Basic Accounting for non-accountants for Cooperative leaders	Cooperative officers	April	NORLU-CEDEC
Financial Management	New Officers	April	Prime Aces Colleges
Fundamentals of Cooperatives	New Officers	April	Prime Aces Colleges
Governance and Management of Cooperatives	New Officers	April	Prime Aces Colleges
Risk Management	New Officers	April	Prime Aces Colleges
Credit Management	New Officers	April	Prime Aces Colleges
Chairperson's Congress	BOD Chairperson	April	NATCCO
Policy Development	BODS, Manager	April	NATCCO
1CISP 52nd Annual General Assembly	BOD, Management	April	1CISP
NORLU CEDEC 51st General Assembly	BOD, Management	May	NORLU-CEDEC
Workshop on Minutes, Resolutions, and Governance Records Management	Board Secretaries	May	NORLU-CEDEC
CARCU General Assembly	BOD, Management	May	CARCU
6th National Summit on Gender and Development in Cooperatives	GAD Focal and GAD Committee	June	NORLU-CEDEC
Japan Benchmarking and Cultural Visit	Members, Staff and Officers. Members	June	NORLU-CEDEC
Investment Management & Portfolio Diversification	BODs, Finance Manager, CEO, Manager, Treasurer	June	NORLU-CEDEC
Developing your Strategic Plan	BOD, Management, Officers	June	Prime Aces Colleges
Ethics in Action: Handling Complaints, Conflicts and Ethical Dilemmas	Ethics Committee	June	NORLU-CEDEC
Effective Conduct of PMES for Cooperatives	Education Committee	June	NATCCO
Parliamentary Procedures	Cooperative officers	June	CARCU
Livelihood Training	Members	June	MBCC
Rules Formulation	Officers, Management, BODs	July	NORLU-CEDEC
Champions of Knowledge: The Education Committee's Role in Cooperative Growth	Education Committee	July	NORLU-CEDEC
Audit in Action: A Two-Day Program for Effective Audit Committees	Audit Committee	July	NORLU-CEDEC
Auditor's Forum	Audit Committee	July	NATCCO
Med Con and Ethics Committee Forum	Med Con and Ethics Committee	July	NATCCO
CARCU Benchmarking and Cultural Visit	Staff and Officers, Members	July	CARCU

# Committee Reports

## EDUCATION COMMITTEE

TRAINING CALENDAR for 2026			
Title of Training	Target Participants	Month	Training Provider
Innovation Management & Design Thinking	Staff and Officers. Members	August	NORLU-CEDEC
8th Staff Congress	Staff	August	NORLU-CEDEC
Advanced Credit Risk & Portfolio Management	Loan Officers, Manager	August	NORLU-CEDEC
Advanced Negotiation and Conflict Resolution	Managers, Conciliation and Mediation Committee	September	NORLU-CEDEC
Benchmarking (Coop with strong GAD programs)	GAD Focal and GAD Committee	September	NORLU-CEDEC
Contract Essentials for Ethical and Responsible Organizations	Cooperatives officers and staff	September	NORLU-CEDEC
Accountants' and Bookkeepers' Forum	Accountant	September	NATCCO
Livelihood Training	Members	September	MBCC
Loan Documentation and Contract Literacy	Cashiers, Loan Officers	October	NORLU-CEDEC
Records Management (Digital, Physical, Financial and Non-Financial)	Administrative Staff	October	NATCCO
Regional Cooperative Month Celebration	Staff and Officers, Members	October	BCCDC
City-wide Cooperative Month Celebration	Staff and Officers, Members	October	BCCDC
National Cooperative Summit	Staff and Officers, Members	October	BCCDC
MBCC Sportfest	All members	October	MBCC
Youth Leaders Cooperative Boot Camp	Youth 17-21	November	NORLU-CEDEC
Resilience and Stress Management for Leaders	Members, Staff and Officers. Members	November	NORLU-CEDEC
5S for Office Excellence: Building a Culture of Order and Efficiency	Office Staff	December	NORLU-CEDEC
Relationship-Driven Selling Building Trust, Delivering Value	Marketing	December	NORLU-CEDEC
Note: Training dates are subject to change based on resource availability			

# Committee Reports

## EDUCATION COMMITTEE

### MEMBERSHIP PROFILE

As of December 21, 2025

Membership Type	Male	Female	Total
Regular Member A	828	267	1092
Regular Member B	83	49	132
Regular Member C	3	7	10
<b>Total</b>	<b>914</b>	<b>323</b>	<b>1237</b>

### IN SUMMARY:

The Education Committee focused on strengthening member engagement, enhancing cooperative capability, and expanding institutional linkages throughout 2025.

Membership growth initiatives were partially achieved, with one PMES session completed and education drives conducted. Capability-building goals were largely met through the completion of mandatory trainings, external training participation, and support to partner cooperatives. The committee also successfully completed stakeholder mapping and global benchmarking activities, although some initiatives—such as establishing a linkage development committee and assessing readiness for global standards—have yet to begin.

Extensive trainings, seminars, and conferences were conducted, contributing to leadership development and regulatory compliance. By year-end, the cooperative recorded a total membership of 1,237.

# Committee Reports

## ETHICS COMMITTEE

The Ethics Committee's objectives center on promoting ethical conduct, strengthening accountability, and ensuring integrity across cooperative operations. These objectives aim to uphold transparent financial practices, enhance member trust and satisfaction, improve internal processes to prevent misconduct, support continuous learning and development, and reinforce the cooperative's commitment to social responsibility and community welfare.

Strategy	Objectives	Status
<b>Financial Perspective</b>	Execute tasks and fulfill committee objectives within allotted budget	Complied
<b>Customer Perspective</b>	Members' Profile: Member's easy access to their account information	Started
	- Create policy for availment and non-availment of the products and services offered by MBCC	
	- Design a program for member retention	
<b>Internal Process Perspective</b>	Enhance the cooperative's face-to-face and virtual meeting guidelines	Completed
	Create process and registry for Ethics issues and concerns	
<b>Learning and Growth Perspective</b>	Attend and complete all mandatory trainings by end of the calendar year	Complied
	Join activities of affiliate cooperatives to benchmark, gain knowledge and build relationships. -2025 Baguio City Cooperative Month Celebration / Stress Management in the Cooperative Workplace	
<b>Corporate Social Responsibility</b>	Complete assigned SDP Activities for the year	Completed
	- Support Medical Mission Programs - Vision Saving Month. Free eye check-up to elementary students and senior citizens. Donated eye vitamins and granted graded lenses to children (Loakan)	
	- Support indigenous people - Room construction for IP/Senior Citizens at Apugan Brgy, Loakan	

# Committee Reports

## GENDER AND DEVELOPMENT COMMITTEE

### Appendix A: Sex-Disaggregated Data (SDD) used for the GAD Assessment Tool

PARTICULARS	NUMBER			PERCENTAGE		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
	2025	2025	2025	2025	2025	2025
Board of Directors	3	4	7	43%	57%	100%

PARTICULARS	NUMBER						PERCENTAGE					
	MEN		WOMEN		TOTAL		MEN		WOMEN		TOTAL	
	Initial (2019)	2025	Initial (2019)	2025	Initial (2019)	2025	Initial (2019)	2025	Initial (2019)	2025	Initial (2019)	2025
Management Staff	0	0	5	5	5	5	0%	0%	100%	100%	100%	100%
Volunteers <sup>h</sup>	0	0	0	0	0	0	0%	0%	0%	100%	0%	100%
Members	942	910	268	304	1,210	1,214	78%	75%	22%	25%	100%	100%

PARTICULARS	NUMBER						PERCENTAGE					
	MEN		WOMEN		TOTAL		MEN		WOMEN		TOTAL	
	2025		2025		2025		2025		2025		2025	
	Mandatory Committees <sup>l</sup>	Other Committees	Mandatory Committees <sup>l</sup>	Other Committees	Mandatory Committees <sup>l</sup>	Other Committees	Mandatory Committees <sup>l</sup>	Other Committees	Mandatory Committees <sup>l</sup>	Other Committees	Mandatory Committees <sup>l</sup>	Other Committees
Committee Members	6	0	12	0	18	0	33%		67%		100%	

Name of Cooperative:	<b>Moog Baguio Credit Cooperative</b>
Date Accomplished:	<b>27-Dec-25</b>
Type of Data:	<b>7th year monitoring</b>

### Appendix B: Level of GE (Gender Equality) Manifestation of Moog Baguio Credit Cooperative

NO.	SCORE/RATE	SURVEY ITEMS / INDICATORS	HIGHEST SCORES	ACTUAL SCORES	INTERPRETATION OF ACTUAL SCORES	MEANS OF VERIFICATION
<b>TOTAL</b>	<b>SCORE</b>		<b>128</b>	<b>77</b>		
<b>CO-OP'S MANIFESTATION OF GE</b>			<b>Moderate manifestation of gender equality</b>			

### Appendix C: Level of GE in Gender Mainstreaming Entry Points of Moog Baguio Credit Cooperative

Entry Points or Areas for Gender Mainstreaming	Raw Scores		Percent of Total	Adjective Rating
	Highest	Actual		
People	76	37	49%	Needs a lot of improvement
Policy	20	16	80%	Needs some improvement (moderate area of strength)
Programs/Projects/Activities	16	12	75%	Needs a lot of improvement
Enabling Mechanisms	16	12	75%	Needs a lot of improvement
<b>Total</b>	<b>128</b>	<b>77</b>		

Range of Percents	Qualitative Interpretation
90% - 100%	Outstanding (a clear excellent area of strength)
80% - 89%	Needs some improvement (moderate area of strength)
Below 80	Needs a lot of improvement

# Committee Reports

## GENDER AND DEVELOPMENT COMMITTEE

Strategy	Objectives	Activities	Accomplishments/Remarks
<b>GAD Education and Training Programs</b>	Increase MBCC Member's awareness on Gender Equality through Gender Sensitivity Trainings and Monitoring	Certify GAD member/s to conduct GST training	Not Yet Started  (2026 schedule February 17-20, 2026)
		Coordinate with the GST training providers through GERC and Secondary Cooperatives	No opportunity for 2025 that was able to accommodate member's schedule.
		Attend GAD mainstreaming in CO-OP's Gender Analysis and Planning for Co-ops	Not Yet Started.  (Saturated nearby area's and MBCC has more advance GAD programs)
		Attend GAD National Summit	Not Yet Started  For 2026 plan (summit every other year)
<b>GAD Mainstreaming Mechanisms and Instruments</b>	Implement other services to address concerns on GAD and GE issues	Fill-up Computerized GAD Assessment Tool	Done
		Identify low scores	Done
		Create Annual development plan for each low score  - include budget  Current score : 0  Less than 20% have undergone GST	
		Present to BOD, Focal for budget allocation	
		Present to BOD, for budget allocation	Not Yet Started
<b>Sustain Social Programs (SDP Support)</b>	Membership Growth through economic , social and environmental interests:  At least 30% of Members to have business or livelihood under the cooperative's programs	Increase members with business/ livelihood (Design Training Plan on the Livelihood Program to include Financial Literacy)	Not Yet Started

# Committee Reports

## MEDIATION & CONCILIATION COMMITTEE

Goal	Objectives	Action Plans	Accomplishments
<b>1. To facilitate the amicable settlement of disputes among members, officers, directors and committee members (Art. 137, RA 9520)</b>	Mediate and settle member's delinquent accounts.	Facilitate the amicable settlement of members delinquent accounts.	No case mediated until Dec. 31, 2025.
<b>2. Improve the Conciliation and Mediation (ConMed) Program.</b>	Revision of the ConMed Guidelines.	2.1 Revisit and review of the ConMed Guidelines	Completed review on November 30, 2025. No major revisions needed.
		2.2 Update and revise of the ConMed guideline.	Completed update on Dec. 31, 2025.  No major revisions needed.
<b>3. Submit semi-annual reports of cases to CDA. (Rule 7, 4.3.3 (d) IRR of RA 9520)</b>	Comply with the semi-annual reporting of cases.	3.1 Accomplish the pro-forma report of cases and submit to CDA.	Submitted no case mediated on June 30, 2025, and Dec. 31, 2025.
<b>4. Complete mandatory officers training. (CDA MC 2015-09 Training requirements of Co-op officers)</b>	Comply with the officers' training requirements.	4.1 Attend officers mandatory training and ConMed related trainings.	Completed all mandatory training for Co-op officers in September and December 2025

### Other Accomplishments:

1. Supported the SDP activity on the MANMODA: TREE CARING AND ENVIRONMENTAL EDUCATION CAMPAIGN on August 16, 2025 in Arboretum, Forbes Park, Baguio City
2. Support to the vulnerable sector of society: Event Title: Limitless Series 1” Thriving Together: Parenting Tips for Kids with Special Need.” On December 13, 2025 in Mount Crest Hotel, Legarda, Baguio City
3. Attended the 16 Hours Completed Mediation, Conciliation and Ethics Forum on September 15-16, 2025, Baguio City.
4. Attended the 24 Hours Skills for Mediation & Conflict Resolution Training conducted on December 18-20, 2025, Baguio City.

# Social Development Plan

MBCC remain committed to advancing its social mission to build a more equitable, sustainable, and compassionate society by doing significant strides in addressing key social challenges, promoting growth, and fostering community resilience in compliance to Cooperative Development Authority (CDA) Memorandum Circular (MC) 2021-01 which mandates cooperatives to utilize its Community Development Fund (CDF) by allocating 60% for infrastructure projects and 40% for non-infrastructure.

For 2026, the recommended CDF budget is Php 1.8M for the following activities:

KEY AREAS	CDA MC 2021-01	MBCC Target	BUDGET 2026
Compliance	<i>Revised Policy Guidelines Governing The Allocation and Utilization of the Community Development Fund (CDF) of Cooperatives</i>		
	<i>Section 6: Utilization of the Community Development Fund (CDF)</i>		
Infrastructure	For Medium and Large Cooperatives, the CDF shall be used for Infrastructure projects = 50% but not over 60%	60%	
Non Infrastructure	The remaining amount shall be used for social services	40%	
2025 CDF (end of year)			1,100,000
2026 Assumed Fund			700,000
Amount Allocated for 2026			1,800,000

## MBCC SDP CALENDAR OF ACTIVITIES FOR THE COMMUNITY IN CY2026

KEY AREAS	SUGGESTED ACTIVITIES
Support of Education, Health, Livelihood & Sanitation (Adopt a Barangay)	Organize a seminar on Financial Literacy/Entrepreneurship and Livelihood for the selected Barangay
	Support recycling initiatives of the identified barangay
	Support need of basic health support- supplements for children focusing on eye, ear and physical care
	Sponsor a wellness program for the seniors in the same barangay
	Sponsor and support wellness or livelihood program for parents
	Support infrastructure project of the barangay
	Sponsor mass wedding for interested couples in the barangay
Partnership & Community Groups	Sponsor cooperative trainings for Koop Kapatid.
	Participate in a tree planting activity of the city
	Participate in secondary union activities.
Sports, Cultural & Religious Activities	Join and sponsor unions inter-coops sports tournament.
	Donate sports equipment to selected barangays.
	Coordinate and support of a cultural activity/infrastructure project for cultural preservation.
Support to the Vulnerable Sector of Society(Children & Youth)	Adopt at least three (3) day care centers from indigenous community ( Assess needs and provide appropriate assistance)
	Sponsor a scholarship program for the youth from indigenous activity.
Support to the Vulnerable Sector of Society(Person with Disabilities)	Donate school supplies for special children.
	Support a livelihood project of a PWD organization.
Support to the Vulnerable Sector of Society(Elderly)	Coordinate and sponsor a Seminar on: 1. Senior Citizen Fall Proofing 2. Menopause and Andropause
	Support a medical mission targeting indigenous groups.
Support to the Vulnerable Sector of Society(Indigenous People)	Donate school supplies for the indigenous elementary students of identified impoverished barangays.

# Supplemental Reports

**28<sup>th</sup> General Assembly Minutes of Meeting**

**Audit Observations – CY2025**

**MBCC CY2025 Audited Financial Statements**

**MBCC Social Development Plan – CY2025**

**Performance Audit Report CY2025**

**Social Audit Report CY2026**



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**MINUTES OF THE 28<sup>th</sup> GENERAL ASSEMBLY  
Baguio Convention Center  
March 9, 2025**

**Part I. OPENING CEREMONIES**

**Part II. BUSINESS PROPER**

- **Call to Order.** At 7:35 am, the Chairperson called the meeting to order after which, the Secretary presented Proof of Due Notice. A quorum was determined from the tally provided by the staff with 514 registrants or forty-four percent (44%) of the members entitled to vote.
- **Approval of the Minutes of the 27<sup>th</sup> General Assembly** – presented by the Secretary, Shirley Saludo without further questions from the audience.  
Motion for approval: Ryah Claudette Sarile  
Seconded by: Jonalyn Villaluz
- The Chairperson, Noel Deslate delivered his message at 7:40am.
- The Vice Chairperson, Girly Betito presented the Laboratory Cooperative Officers with their message to addressed to the MBCC assembly.
- At 8:01am, the Treasurer, Garry Aplatén presented the Audited Financial Statement Report.

**Part III. NEW BUSINESS**

**A. Presentation of Items for General Assembly Approval**

- I. **Financial Highlights and CY 2025 Budget** – presented by Garry Aplatén (Treasurer)  
**Question 1: Liberty Casil**
  - Why don't we think of projects to scale up instead of being flat? The remaining 27% should patronize our services.  
**Answer: Maribel Pasngadan**
  - We started introducing new / lower interest rates  
If loan windows be patronized, we can increase the revenue.
  - If proposal is approved – we can increase our revenue under MPC.
- **Inspirational Talk - Agot Balanoy** (Manager, Hi-Land Farmer's MPC)  
**Primary product:** vegetable  
**Struggles:**
  - Need to learn the farmer's language (need to be one of them)
  - Vegetable: 8-10 layers to reach the consumer



- CDA: Hi-land has the only coop who prospered in terms of having farmer members.

**Challenges:**

- Smuggled carrots at the Trading post
- Cheapest product – unwashed carrots

**Takeaways:**

- Cooperation / Participation of Members
- Diligent Work of Board and Officers
- Experience and learn from own experiment
- Credit Cooperative: with pattern

**II. Proposed External Auditor – presented by Norayda Celindro (Audit Committee Chair)**

- Proposed Auditor: John A. Domerez
- No questions

**Comment:** Adal Nazarro

- This is not a function of the GA (for review by the Board)

**III. Proposed Amendments of Bylaws – presented by Chairperson, Noel Deslate**

**Question 1:** Ed

- Can we define community first? How to determine the usage of each fund?

**Answer 1:** Chairperson Deslate

- A group of people living in the same place or having a particular characteristic in common.

**Answer 2:** Dir. Bayao: Surrounding environment of the coop where we conduct our business.

**Answer 3:** Chairperson Deslate: CDF defined.

Figure 1 - Proposed Amendment of By-Laws Article VIII b.

MBCC ByLaws	RA 9520	Proposed Amendments
<b>Article VIII</b>	<b>Chapter 10</b>	
Allocation and Distribution of Net Surplus	Allocation and Distribution of Net Surplus	
<b>Section 1. Allocation</b>	<b>Article 86</b>	
<b>b. Education and Training Fund.</b> Five Percent (5%) shall be set aside for Education and Training Fund.	(2) An amount for the education and training fund, shall not be more than ten per centum (10%) of the net surplus. The bylaws may provide that certain fees or a portion thereof be credited to such fund. The fund shall provide for the training, development and similar other cooperative activities geared towards the growth of the cooperative movement:	b. Education and Training Fund. Maximum of Ten Percent (10%) shall be set aside for Education and Training Fund.

Reference: 28th Annual Report p. 82

**Problems:** No members are attending, limited skills training done by Education If cannot be used- we'll pay penalties.

**Question 2:** Ronald - Can we lower the 5%?

**Answer 1:** Manager Pasngadan: That is the suggestion of the board – max can be reduced.

Can we just make it fixed to minimum? This proposal will become flexible.



**Question 3:** Ronald Kelly: Education Training Fund is it enough or with excess?

**Answer:** Manager Pasngadan: CETF (Educ Fund of Members)

Is the 5% excess (2.5 Members..., 2.5 remitted to coop union – affiliated federations)

**Proposed:** 2<sup>nd</sup> is okay at minimum

Figure 2 - Proposed Amendment of By-Laws Article VIII c.

MBCC Bylaws	RA 9520	Proposed Amendments
<b>Article VIII</b>	<b>Chapter 10</b>	
Allocation and Distribution of Net Surplus	Allocation and Distribution of Net Surplus	
<b>Section 1. Allocation</b>	<b>Article 86</b>	
<b>c. Community Development Fund. Three Percent (3%)</b> shall be used for projects and activities that will benefit the community where the Cooperative operates.	(3) An amount for the community development fund, which shall <b>not be less than three per centum (3%)</b> of the net surplus. The community development fund shall be used for projects or activities that will benefit the community where the cooperative operates.	c. Community Development Fund. <b>Minimum of Three Percent (3%)</b> shall be used for projects and activities that will benefit the community where the cooperative operates.

**Question 4:** Liberty Casil – How much is 5%?

For the proposed minimum of 3% - should we set a maximum?

**Answer:** Dir. Ilagan – if not declared in Bylaws RA 9520 prevails.

Bylaws – is fixed: 3% (The only reason why we are changing is to have flexibility.)

**Example situation:**

1. Last pandemic – members need more money; we cannot lower and give more s because of what is in the Bylaws.  
 Proposed: 5% - dividend this year is lower. We can give 6% (higher than last year.)
2. Reduce CETF – 50% (remitted to 2<sup>nd</sup> coop)

**Question 5:** Adal Nazarro – 2 Perspectives

(1) Details (2) Process

- If we look for alternatives to increase earnings, will this increase?
- Increase share capital (negatively impacting share capital  
 Impact: Decrease interest (CETF)

**Proposed:** If this complies to RA 9520, maintain as is.



Figure 3 - Proposed Amendment Article VIII d.

MBCC Bylaws	RA 9520	Proposed Amendments
<b>Article VIII</b>	<b>Chapter 10</b>	
Allocation and Distribution of Net Surplus	Allocation and Distribution of Net Surplus	
<b>Section 1. Allocation</b>	<b>Article 86</b>	
<b>d. Optional Fund, Land and Building and any other necessary fund.</b> Seven percent (7%) shall be set aside for this purpose.	“(4) An optional fund, a land and building, and any other necessary fund the total of which shall not exceed seven per centum (7%).”	d. Optional Fund, Land and Building and any other necessary fund. Maximum of Seven percent (7%) shall be set aside for this purpose.

**Question 6:** Adal Nazarro - Is this still complying? - Yes

There is no compelling reason since we are complying. Per process, when did the board approved this proposal? Or did we follow the process of revising the By-laws?

**Answer:** Vice Chair Ilagan

This came up with the allocation of Interest of Share Capital & Patronage refund

**Adal Nazarro:**

Amendment of By-laws – should be discussed, must have a board resolution, post in bulletin board and evaluate before GA approval.

**Roger Bancilo:** Art 18 RA9520 – “unless otherwise any provision of matter, maybe amended by 2/3 votes ...”

- The Chairperson called for a 10-minute recess from 10:13am to 10:23am.
- “New Business” resumed at 10:24am
- Dir. Bayao presented below topics:
  - a. For Adal Nazarro’s concerns – Status Quo
  - b. For Ronald’s concerns (Art. VIII) – secondary motion applies instead of flexibility.
    - Limit to minimum allowed by law.
    - Original motion: as to that with minimum – return  
CETF: fixed 5%, RA: not more than 10%  
Proposed: 7% - what is the working % (c/o Board)
- Fran Moredo: Ronald’s proposal – we will be limited to the past (if we used what we spend in the past)
- **Concession:** Recommend on not to change since it is within the RA., study some more based on the interpretations presented.
- **Motion (Member in black mask):** Disapprove for now.

**Second:** Adal Nazarro (Note: Ronald is asking for the number.)





- D. Malayo (Moog Facilities) is looking into designing and HR discussions on weather these spaces can be allocated is concerned.
- Partnership with Moog – Souvenir shop might likely to progress (based on Moog's proposal)
- Manager Pasngadan – From the CDA point of view, we don't need to submit another MPC (req't.) if we want to venture with another business.
- We still need to provide a feasibility study if new business.
- Feasibility Study will be sent.

Motion: Liberty Casil

Second: Mae Valenzuela

#### IV. Proposed Amendment of the Election Code

##### 1. Amendment of Article IX: Qualifications of Voters to provide sufficient time for the Election Committee's Preparation

From	To
"The management must submit to the Election Committee a list of members in good standing <b>no later than thirty (30) days before the election.</b> This will be the official list of qualified voters. The list must be accessible to all members during MBCC office hours."	"The management must submit to the Election Committee a list of members in good standing <b>every end of the calendar year.</b> This will be the official list of qualified voters. The list must be accessible to all members during MBCC office hours."

##### 2. Amendment of Article VII: Disqualification of Candidates

From	To
<ol style="list-style-type: none"> <li>1. Having conflicting interests with the business of the cooperative.</li> <li>2. Having absented for three (3) consecutive Board (Regular and Special) and Committee (Elected and Appointed) meetings, without being excused or having a total of twelve absences per year.</li> <li>3. Being a full-time employee of the cooperative.</li> <li>4. Being an officer in another cooperative.</li> <li>5. Having been convicted of any crime by final judgment, involving moral turpitude, gross negligence, or gross misconduct in the performance of their duties, or found culpable in any administrative case involving such offenses.</li> <li>6. Having been terminated as an officer for a cause that contradicts the by-laws and values of MBCC.</li> <li>7. Having lost by final judgment, as defendant or respondent, in an administrative proceeding or civil suit involving financial and/or proper accountability.</li> <li>8. Incumbent elected officer who resigned from their position and did not complete their term of service, except for medical reasons or as deemed reasonable by the Election Committee, will not be allowed to run nor to apply for any elected position for the immediately succeeding election.</li> <li>9. Incumbent officers who have not completed their required cooperative training at the end of their term of office must be disqualified from holding any elective or appointive position.</li> <li>10. Candidate who did not patronize any service of the cooperative within 1 year before the filing of candidacy.</li> </ol>	<p><b>Add:</b></p> <p><b>11. A former officer who resigned or was terminated before the end of their term may re-apply after one year.</b></p> <p style="text-align: right;"><i>Reference: 28th Annual Report p. 33</i></p>

##### Revision on the Election Code Article III, provision for the Election Committees to add:

**"If Audit and Election Committee members are running for election, the two candidates with the highest votes will serve for two years, while the candidate with the third highest votes will serve for one year."**

*Reference: 28th Annual Report p. 34*

- No approval required by the GA, therefore Board Approval is sufficient.



**MOOG Baguio Credit  
Cooperative (MBCC)**

c/o Moog Controls Corp.  
BCEZ, Loakan Road, Baguio City 2600  
661-8100 local 4236  
+63998-428-3887(Smart)

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**VI. ADJOURNMENT**

Motion for Adjournment:

Second:

Adjourned:

MODERATOR:

RAFFLE EMCEE:

SAFETY OFFICER:



# JADJ AUDITING AND ACCOUNTING SERVICES

JB – 25, Rm. 4, 2<sup>nd</sup> Floor, Ramon Building, Km. 4, Central Pico, La Trinidad, Benguet 2601  
jadj.firm@gmail.com  
0949-747-0548

January 27, 2026

**To:** The Board of Directors  
The Audit Committee  
The General Manager

**From:** The External Auditor/s

**Subject:** AUDIT OBSERVATION – CALENDAR YEAR 2025

## 1. Statement of Financial Condition

	2025	2024
<b>ASSETS</b>		
CURRENT ASSETS		
Cash and Cash Equivalents	139,437,029	157,892,323
Loans and Other Receivables, Net	294,704,480	244,652,147
Other Current Assets	226,600	11,000
<i>Total Current Assets</i>	<i>434,368,109</i>	<i>402,555,470</i>
NON CURRENT ASSETS		
Financial Asset at Cost	3,436,105	3,355,621
Property, Plant and Equipment, Net	450,133	231,256
Other Non-current Assets	46,309,663	51,849,391
<i>Total Non-current Assets</i>	<i>50,195,901</i>	<i>55,436,268</i>
<b>TOTAL ASSETS</b>	<b>484,564,010</b>	<b>457,991,738</b>
<b>LIABILITIES AND EQUITY</b>		
LIABILITIES		
CURRENT LIABILITIES		
Deposit Liabilities	124,904,491	118,138,703
Trade and Other Payables	276,358	641,143
Accrued Expenses	122,889	129,331
Interest on Share Capital Payable	13,806,435	13,109,147
Patronage Refund Payable	2,360,351	2,134,047
Due to Union/Federation (CETF)	1,085,280	1,396,387
<i>Total Current Liabilities</i>	<i>142,555,804</i>	<i>135,548,758</i>
NON-CURRENT LIABILITIES		
Retirement Fund Payable	416,988	463,679
Other Non-Current Liabilities	464,938	8,803,948
<i>Total Non-Current Liabilities</i>	<i>881,926</i>	<i>9,267,627</i>
<b>TOTAL LIABILITIES</b>	<b>143,437,730</b>	<b>144,816,385</b>
EQUITY		
Members' Equity	295,841,500	271,322,700
Donations and Grants	86,173	86,173
Statutory Funds	45,198,607	41,766,480
<b>TOTAL EQUITY</b>	<b>341,126,280</b>	<b>313,175,353</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>484,564,010</b>	<b>457,991,738</b>

2025 Increase in Asset = 26,572,272.00

2024 Increase in Asset = 25,414,151.00

## 2. Statement of Financial Operation

	<b>2025</b>	<b>2024</b>
<b>REVENUE</b>		
Income from Credit Operations	<b>24,400,570</b>	<b>22,026,508</b>
Interest Income from Loans	<i>23,988,855</i>	<i>21,646,519</i>
Filing Fees	<i>358,750</i>	<i>339,875</i>
Fines, Penalties and Surcharges	<i>52,965</i>	<i>40,114</i>
Other Income	<b>10,802,090</b>	<b>11,547,170</b>
Interest from Investments	<i>10,589,330</i>	<i>11,376,877</i>
Interest from Deposits	<i>12,910</i>	<i>10,517</i>
Membership Fees	<i>72,050</i>	<i>140,250</i>
Miscellaneous Income	<i>127,800</i>	<i>19,526</i>
<b>TOTAL GROSS INCOME</b>	<b>35,202,660</b>	<b>33,573,678</b>
<b>EXPENSES</b>		
Financing Costs	1,954,718	1,909,893
Administrative Costs	11,886,714	11,422,859
<b>TOTAL EXPENSES</b>	<b>13,841,432</b>	<b>13,332,752</b>
<b>NET SURPLUS before OTHER ITEMS</b>	<b>21,361,228</b>	<b>20,240,926</b>
<b>OTHER ITEMS</b>		
Gain/(Loss) on Investment	(5,514.00)	-
Optional Fund Subsidy	200,000	83,333
<b>NET SURPLUS</b>	<b>21,555,714</b>	<b>20,324,259</b>
<b>DISTRIBUTED AS FOLLOWS:</b>		
Reserve Fund (10%)	2,155,571	2,032,426
CETF - Local (2.5%)	538,893	508,106
Due to Unions/ Federations (2.5%)	538,893	508,107
Community Development Fund (3%)	646,671	609,728
Optional Fund (7%)	1,508,900	1,422,698
Interest on Share Capital	13,806,435	13,109,147
Patronage Refund	2,360,351	2,134,047
<b>NET SURPLUS AS DISTRIBUTED</b>	<b>21,555,714</b>	<b>20,324,259</b>

Optional Fund Subsidy - This account refers to an amount deducted from Optional Fund to subsidize depreciation charge of property and equipment funded by Optional Fund.

2025 Increase in Net Surplus = 1,231,455.00

2024 Increase in Net Surplus = 724,725.00

Budget / Target Net Surplus 2025: **Php 18,062,753.00**

### 3. STEPS

<b>STEPS</b>	Financial performance indicators express in terms of ratios / percentages, measured against the set standards to determine the degree of achievement / accomplishment. This determine the financial health of cooperative.
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<b>5 Major Groupings</b>	To enable users / decision makers to assess the cooperative performance and identify the areas that needs improvements and / or areas that need immediate action.  Help identify risk areas and those that are requiring strict control mechanism.
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<b>S - Stability</b>	Determine whether financial services can be delivered to members in a sustained manner. Sufficient liquidity, level of institutional capital, capital adequacy are the areas looked into by this cluster.
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#### Liquidity Ratio - 4 Points

Measures the coop's ability to meet short terms obligations as it falls due.

*Current Assets*  
*Current Liabilities*

2025	2024		
		Above 500%	0
		Above 400% to 500%	1
		Above 300% to 400%	2
<b>434,368,109.00</b>	<b>402,555,470.00</b>	Above 150% to 300%	3
<b>142,555,804.00</b>	<b>135,548,758.00</b>	100% to 150%	4
<b>305%</b>	<b>297%</b>	Below 100% to 95%	3
		Below 95% to 90%	2
		Below 90% to 85%	1
		Below 85%	0

#### Quick Asset Ratio - 3 Points

Measures the coop's ability to pay its current liabilities using its quick assets.

*Liquid Assets*  
*Current Liabilities*

2025	2024		
		200% and above	3
<b>139,437,029.05</b>	<b>157,892,323.00</b>	150% to Below 200%	2
<b>142,555,804.00</b>	<b>135,548,758.00</b>	100% to Below 150%	1
<b>98%</b>	<b>116%</b>	Below 100%	0

\*\*\*PLUS LOANS RECEIVABLE - CURRENT

#### Solvency Ratio - 5 Points

Measure the degree of protection that the coop has for member savings and shares in the event of liquidation of the coop's assets and liabilities.

(Assets + Allowance for PLL + Allo for Impaired Assets) - [(Total Liabilities - Deposits) + Past Due Receivables + Loans Restructured + Loans Under Litigation + Impaired Assets]  
Deposits + Share Capital + Deposits for SC Subscriptions

2025	2024		
		110% and above	5
<b>461,597,407.66</b>	<b>434,717,260.00</b>	100% to Below 110%	3
<b>420,745,991.00</b>	<b>389,461,403.00</b>	Below 100%	1
<b>110%</b>	<b>112%</b>		

### Net Institutional Capital - 3 Points

Measures the level of institutional capital to absorb potential losses.

	2025	2024		
Reserve Fund + (Allowance for PLL on Receivables) - (Past Due Receivables + Receivables on Litigations)	23,353,218.96	22,998,787.00	10% and above	3
Total Assets	484,564,010.00	457,991,738.00	7% to Below 10%	2.5
	5%	5%	5% to Below 7%	2
			3% to Below 5%	1.5
			1% to Below 3%	1
			Below 1%	0

#### Turn Over Ratio

Determines whether the cooperative receivables will be collected as it falls due.

### Asset Turn Over Ratio - 2 Points

Measures how efficiently the coop uses asset to generate income.

	2025	2024		
Gross Revenue	35,202,660.00	33,573,678.00	Above 10.5%	2
Average Total Assets	471,277,874.00	445,284,662.00	10.5% and below	1
	7%	8%	0 or negative	0

### Receivable Turn Over Ratio - 4 Points

Measures the number of times loans receivables are collected within the year  
(For Credit / Coops with Lending)

	2025	2024		
Loan Releases	311,704,320.20	276,812,563.63	4 times and more	4
Average Loans Receivables	270,042,971.16	235,300,791.83	3 times but below 4	3
	115%	118%	2 times but below 3	2
			Above 0 but below 2	1
			0 or negative	0

#### EFFICIENCY

Determines how cooperative manage efficiently their resources maximizing income with lesser expense. These include administrative cost, cost of borrowed fund from outside sources and internally generated funds, and adequacy of loans / accounts provisioning.

### Administrative Efficiency - 4 Points

Measures the cost of efficiently managing the cooperative's assets.

	2025	2024		
Administrative Cost - Members' Benefit Expense + Social Service Expense	7,801,410.97	6,943,286.00	Below 10%	4
Average Total Assets	471,277,874.00	445,284,662.00	10% to below 15%	3
	2%	2%	15% to below 20%	2
			20% to below 25%	1
			Above 25%	0

**Growth in Membership Contributions - 5 Points**

Measures the ability of coop to encourage members to increase their capitalization in the coop.

$$\frac{\text{Paid Up Capital End} - \text{Paid Up Capital Beginning}}{\text{Paid Up Capital Beginning}}$$

	2025	2024
	<b>24,518,800.00</b>	<b>20,422,599.74</b>
	<b>271,322,700.00</b>	<b>250,900,100.00</b>
	<b>9%</b>	<b>8%</b>

- Above 12% **5**
- Above 10% to 12% **4**
- Above 8% to 10% **3**
- Above 6% to 8% **2**
- Above 4% to 6% **1**
- 4% and Below **0**

**Delinquency Rate - 5 Points**

Measures the risks of default in the portfolio of the rate of uncollectible accounts.

$$\frac{\text{Balance of Loans / Accounts Receivables with one day missed payments (PAR)}}{\text{Total Loans / Receivables Outstanding}}$$

	2025	2024
	<b>4,818,852.81</b>	<b>3,017,714.00</b>
	<b>295,087,969.08</b>	<b>244,997,973.00</b>
	<b>2%</b>	<b>1%</b>

- 5% and below **5**
- Above 5% to 10% **4**
- Above 10% to 15% **3**
- Above 15% to 20% **2**
- Above 20% to 25% **1**
- Above 25% **0**

### Adequacy of Provisioning of APLL (Over 12 Mos. Past Due) - 5 Points

Measures the adequacy of allowance for loans past due over 12 months.

	2025	2024		
			100%	5
			80% to less than 100%	4
Total Amount of Allowance	-	-	60% to less than 80%	3
Total Outstanding Balance of Loans over 12 months past due	-	-	35% to less than 60%	2
			10% to less than 35%	1
			Less than 10%	0

### Adequacy of Provisioning 1 to 12 Months Past Due - 5 Points

Measures the adequacy of allowance for loans past due one year and below.

	2025	2024		
			35%	5
			25% to below 35%	4
			17% to below 25%	3
Total Amount of Allowance - Required Amount of Allowance for Loans over 12 Months Past Due using PAR with 30 days grace period.	<b>385,490.00</b>	-	9% to less than 17%	2
Total Outstanding Balance of Loans One Year and Below past	<b>2,951,856.59</b>	-	1% to less than 9%	1
	<b>13%</b>	-	Less than 1%	0

Portfolio-at-Risk (PAR)	Loan Balance	Required Provision MC 2022-15	Amount	
1 to 30 days Past Due	1,866,996.22	Grace Period	-	
31 to 60 days Past Due	70,884.23	35%	24,809.48	
61 to 90 days Past Due	1,248,640.40	35%	437,024.14	
91 to 180 days Past Due	13,926.13	35%	4,874.15	
181 to 365 days Past Due	1,618,405.83	35%	566,442.04	
Over 365 Past Due	-	100%	-	
TOTAL	4,818,852.81		1,033,149.81	
		Ending Balance of APLL	385,489.47	647,660.34

## PROFITABILITY RATIO

Determines the capacity of the cooperative assets generate income.

### Return on Assets Ratio - 5 Points

Measures the coop assets to generate income.

$$\frac{\text{Net Surplus Before Other Items}}{\text{Average Total Assets}}$$

2025	2024
<b>21,361,228.00</b>	<b>20,240,926.00</b>
<b>471,277,874.00</b>	<b>445,284,662.00</b>
<b>5%</b>	<b>5%</b>

20% and above	<b>5</b>
15% to below 20%	<b>4</b>
10% to below 15%	<b>3</b>
5% to below 10%	<b>2</b>
Below 5%	<b>1</b>

### Return on Member's Share - 5 Points

Measures the earning capacity of member's share capital.

$$\frac{\text{Amount Allocated for Interest on Share Capital}}{\text{Average Paid Up Share Capital + Deposit for Share Capital Subscription - Treasury Shares}}$$

2025	2024
<b>13,806,434.62</b>	<b>13,109,147.00</b>
<b>283,582,100.00</b>	<b>261,111,400.00</b>
<b>5%</b>	<b>5%</b>

Higher than Inflation Rate	<b>5</b>
Within the Inflation Rate	<b>4</b>
2 Pts. Below Inflation Rate	<b>3</b>
3 Pts. Below Inflation Rate	<b>2</b>
Net Loss	<b>0</b>

**Inflation Rate**

**1.70%**

**3.20%**

### Rate of Net Surplus - 5 Points

Measures the capacity of the coop to generate surplus.

$$\frac{\text{Net Surplus}}{\text{Gross Revenue}}$$

2025	2024
<b>21,555,714.00</b>	<b>20,324,259.00</b>
<b>35,202,660.00</b>	<b>33,573,678.00</b>
<b>61%</b>	<b>61%</b>

30% and Above	<b>5</b>
25% to Below 30%	<b>4</b>
10% to Below 25%	<b>3</b>
5% to Below 10%	<b>2</b>
Below 5%	<b>1</b>
Incase of Break-even	<b>0</b>

## STRUCTURE OF ASSETS

Ratios to help ascertain the quality and the structure of assets of the Cooperative.

### Extent of Assets Financed by Deposit Liabilities - 5 Points

Measures the extent of assets financed by deposit liabilities.

$$\frac{\text{Total Deposit Liabilities}}{\text{Total Assets}}$$

2025	2024
<b>124,904,491.00</b>	<b>118,138,703.00</b>
<b>484,564,010.00</b>	<b>457,991,738.00</b>
<b>26%</b>	<b>26%</b>

50% and Above	<b>5</b>
40% to below 50%	<b>4</b>
30% to below 40%	<b>3</b>
20% to below 30%	<b>2</b>
10% to below 20%	<b>1</b>
Below 10%	<b>0</b>

**Extent of Total Assets to External Borrowings and Statutory Reserves - 3 Points**

Measures the extent of assets financed by external borrowings and statutory reserves.

	2025	2024		
External Borrowings + Statutory Reserves			No Borrowings	3
			15% and Below	2
Total Assets			Above 15% to 40%	1
			Above 40%	0

**Extent of Assets Financed by Members' Share Capital - 5 Points**

Measures the degree of participation of members's share to total assets.

	2025	2024		
Paid Up Share Capital + Deposits for Share Capital Subscription - Treasury Shares			50% and Above	5
			40% to below 50%	4
Total Assets	<b>295,841,500.00</b>	<b>271,322,700.00</b>	30% to below 40%	3
	<b>484,564,010.00</b>	<b>457,991,738.00</b>	20% to below 30%	2
	<b>61%</b>	<b>59%</b>	10% to below 20%	1
			Below 10%	0

**4. CDA RELATED ISSUES**

**OTHER FUNDS AND DEPOSITS**

This account refers to restricted funds set aside for funding of **Statutory** and other reserves such as **Retirement, Members' Benefit** and **Other Funds**. This may be in the form of time deposit or other securities which may be convertible to cash when needed.

2025 Financial Statements			
	Other Funds and Deposit - Financial Statements	Statutory Funds and Other Reserves	*note: After allocation of 2025 Net Surplus
BDO Session-Retirement Fund	688,015.82	27,786,582.30	Reserve Fund
BDO Session - CETF Fund	827,887.07	1,104,755.59	CETF
BDO Session - CDF	1,649,255.18	1,335,340.64	Community Development Fund
BDO Session -TD	2,893,309.10	14,971,928.00	Optional Fund
BDO Legarda TD -OF	13,927,246.01	1,085,280.00	Due to Union/Federation (APEX)
BDO Legarda TD -RF	26,107,972.78	416,988.00	Retirement Fund
<b>Total</b>	<b>46,093,685.96</b>	<b>46,700,874.53</b>	
	Unfunded Balance	<b>(607,188.57)</b>	

Management Responds: Reclassification of Short Term under Cash and Cash Equivalents.

	<b>CETF</b>	<b>APEX</b>	<b>CDF</b>	<b>OPTIONAL FUND</b>
<b>Definition</b>	Amount retained by the cooperative for the training, development and other similar cooperative activities geared towards the growth of the cooperative movement.	This account refers to the accumulated amount set aside to be credited to the Union/Federation where the cooperative is a member.	Fund set aside for projects and/or activities that will benefit the community where the cooperative operates.	Fund set aside to be used for acquisition of land and/or building, machinery and equipment, replacement fund for PPE, members' benefits, and other necessary funds.
December 31, 2024 Balance	1,058,838.80	1,396,387.00	1,184,601.97	13,892,027.76
2025 Utilization / Remittance	<b>492,976.00</b>	<b>850,000.00</b>	<b>495,932.00</b>	<b>429,000.00</b>
Utilization Rate	<b>47%</b>	<b>61%</b>	<b>42%</b>	<b>3%</b>

**2024 Utilization Rate** **39%** **36%** **39%** **1%**

**Recommendation:** To continuously adhere with the prevailing rules and regulations regarding the activities charged under these accounts and take into consideration the existing Memorandum Circular of the Authority.

## 5. ACCOUNTING RELATED ISSUES

### A. Loans and Receivables

#### I. NOTES TO FINANCIAL STATEMENTS

Following the Revised Standard Chart of Accounts for Cooperative (MC 2022-24) we recommend the following presentation to notes to financial statements:

<b>Presentation Made</b>	<b>Recommendation</b>
<b>Loans Receivable</b>	<b>Loans Receivable – Current</b>
REGULAR LOAN RECEIVABLE	LOAN WINDOW I
CONTINGENCY LOAN RECEIVABLE	LOAN WINDOW II
EDUCATIONAL LOAN RECEIVABLE	LOAN WINDOW III
CALAMITY LOAN RECEIVABLE	LOAN WINDOW IV
GROCERY LOAN	LOAN WINDOW V
GROCERY LOAN - SM RETAIL INC	<b>Loans Receivable – Past Due</b>
GROCERY LOAN - TIONGSAN HARISON	LOAN WINDOW I
MERCHANDISE LOAN SPECIAL	LOAN WINDOW II
BIRTHDAY LOAN	LOAN WINDOW III
VALENTINES DAY LOAN	LOAN WINDOW IV
FOUNDATION LOAN	LOAN WINDOW V
MEMBERSHIP INCENTIVE LOAN	<b>Loans Receivable – Past Due</b>
CHRISTMAS LOAN	LOAN WINDOW I
PETTY CASH LOAN	LOAN WINDOW II
MOTHERS DAY LOAN	LOAN WINDOW III
FATHERS DAY LOAN	LOAN WINDOW IV
GADGET LOAN	LOAN WINDOW V
BALANCE TRANSFER LOAN	

Presentation Made		Recommendation	
Allowance for Probable Losses on Loans	(385,489.47)	Allowance for Probable Losses on Loans:	
		Beginning Balance for the Year	***
		Provision for Probable Loan Losses for the Year	***
		Write-Off of Loans Receivable for the Year	***
		Ending Balance for the Year	***

## B. Leasehold Rights and Improvements

### I. NOTES TO FINANCIAL STATEMENTS

Presentation Made		Recommendation	
Leasehold Rights And Improvement	201,535.71	Leasehold Rights and Improvement	
Less: Accum. Depreciation	(16,794.630)	<i>BEGINNING BALANCE</i>	***
		<i>ACQUISITIONS FOR THE YEAR</i>	***
		<i>DISPOSALS FOR THE YEAR</i>	***
		<i>ENDING BALANCE</i>	***
		Less: Accum. Depreciation	
		<i>BEGINNING BALANCE</i>	***
		<i>PROVISION FOR DEPRECIATION EXPENSE</i>	***
		<i>WRITE-OFFS/DISPOSALS</i>	***
		<i>ENDING BALANCE</i>	***

## C. Computerization Cost

### II. NOTES TO FINANCIAL STATEMENTS

Presentation Made		Recommendation	
Accumulated Ammortization - Computer Cost	(591,173.42)	Accumulated Ammortization - Computer Cost:	
		Beginning Balance for the Year	***
		Ammortization Expense for the Year	***
		Write-Off for the Year	***
		Ending Balance for the Year	***

## D. Increasing Amounts in Unidentified Deposits:

2020	1,450.00	
2021	1,200.00	
2022	300.00	
2023	8,650.00	
2024	26,256.02	
2025	<u>9,588.00</u>	<u>47,444.02</u>

If after all necessary efforts to identify the depositor, we recommend that these amounts be reclassified to Reserve Fund and may include it in the Cooperative Financial Manual.

## 6. BIR RELATED ISSUES

### I. Validity of Tax Exemption affecting the Year 2025.

Previous Tax Exemption: **September 24, 2020 to September 24, 2025**

Renewed Tax Exemption: **July 10, 2025 to July 30, 2030**

We commend the management for a proactive approach in renewing its Cooperative Tax Exemption Certificate. This allows the cooperative to be exempted in its transactions for the entire calendar year of 2025.

### II. BIR Filing of 1601C (Withholding Tax on Compensation)

MONTHS	Total Taxable Compensation	Total Non-Taxable Compensation	TOTAL
JANUARY	137,858.16	22,398.71	160,256.87
FEBRUARY	140,032.65	22,508.79	162,541.44
MARCH	148,362.49	24,344.13	172,706.62
APRIL	107,341.64	42,350.34	149,691.98
MAY	139,407.65	37,023.14	176,430.79
JUNE	139,355.86	24,700.04	164,055.90
JULY	255,069.86	171,249.42	426,319.28
AUGUST	146,874.80	29,076.83	175,951.63
SEPTEMBER	271,314.08	22,411.90	293,725.98
OCTOBER	143,207.34	20,096.66	163,304.00
NOVEMBER	141,093.93	44,814.15	185,908.08
DECEMBER	242,945.52	119,657.70	362,603.22
	2,012,863.98	580,631.81	2,593,495.79

BIR Filing:

Total Amount of Remittance	BIR FORM 1601C	BIR FORM 1604CF	ALPHALIST
132,543.51	132,543.51	132,543.51	128,078.26

Alpha list is already submitted but can still be amended.

In Addition, EFPS BIR Form used for Annual Information Return of Income Taxes Withheld on Compensation (1604CF) is NOT updated. The latest BIR Form is 1604C January 2018 version.

*end of report*

**Sgd.**

**John A. Domerez Jr.**  
External Auditor

**Precey D. Padilla**  
Audit Staff

**Jeffany A. Baday**  
Audit Staff

## MANAGEMENT RESPONSE TO AUDIT OBSERVATIONS

No.	Audit Observations	Management Response	Remarks
1	No additional provisioning for past due loans for CY 2025, per recommendation of MC 2022-15	No additional provisioning is necessary, as these loans are collectible through payroll deductions. Moving forward, management may recommend re-loans for the affected members. Furthermore, deviations from the recommended thresholds in MC 2022-15 do not result in penalties from the CDA, as these may be attributed to the cooperative's low delinquency rate (2%).	Recommendation of loan restructuring
2	Unfunded balance of 607,188.57 for Optional Fund	The short-term time deposit (1,000,000) was reclassified to the Optional Fund.	Closed
3	Recommendation of a format for the presentation of Notes to Financial Statements for the following accounts: Loans Receivable, Leasehold Rights and Improvements, and Computerization Costs	The presentation was revised in accordance with the external auditor's recommendation	Closed
4	Increasing amounts in unidentified deposits	Moving forward, management may seek assistance from banks to trace the source of unknown deposits. Management may also follow the external auditor's recommendation to reclassify unidentified deposits to the Reserve Fund.	Reclassification of unidentified deposits to Reserve Fund, after all necessary efforts
5	Unmatched amounts in BIR Form 1604-C and the attached alphalist	Management corrected the relevant amounts, and the alphalist was duly submitted to the BIR.	Closed
6	Old BIR Form 1604-CF not updated to the proper BIR Form 1604-C	A request letter was submitted to the BIR to update the forms in the cooperative's eFPS account. BIR Form 1604-C was also duly filed.	Closed

# MOOG BAGUIO CREDIT COOPERATIVE (MBCC)

*Moog Controls Corporation, BCEZ, Loakan Road,  
Baguio City 2600*

*AUDITED FINANCIAL STATEMENTS*

**DECEMBER 31, 2025**

**(WITH COMPARATIVE FIGURES FOR DECEMBER 31, 2024)**



# STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

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The management of **MOOG BAGUIO CREDIT COOPERATIVE (MBCC)** is responsible for preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, 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 financial statements, management is responsible for assessing the Cooperative's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Cooperative or to cease operations, or has no realistic alternative to do so.

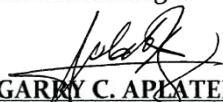
The Board of Directors is responsible for overseeing the Cooperative's financial reporting process.

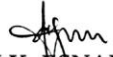
The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the general assembly.

**JOHN A. DOMEREZ JR., CPA**, the independent auditor has audited the financial statements of the cooperative in accordance with the Philippine Standards on Auditing and the Standard Audit System for Cooperatives and in their report to the general assembly, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
**RICARDO A. BAYAO**  
Chairman – Board of Director

  
**MARIBEL S. PASNGADAN**  
General Manager

  
**GARRY C. APLETAN**  
Treasurer

  
**DJK. ESNARA**  
Accountant

*Signed this 6<sup>th</sup> day of February 2026.*

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

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The Management of **MOOG BAGUIO CREDIT COOPERATIVE (MBCC)** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2025. 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 and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2025 and the accompanying Annual Income Tax Return are in accordance with the books and records of **MOOG BAGUIO CREDIT COOPERATIVE (MBCC)**, 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. **MOOG BAGUIO CREDIT COOPERATIVE (MBCC)** 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.

  
**RICARDO A. BAYAO**


Chairman - Board of Director

  
**MARIBEL S. PASNGADAN**

General Manager

  
**GARBY C. APLATEN**

Treasurer

  
**DJ K. ESNARA**

Accountant

*Signed this 6<sup>th</sup> day of February 2026.*



# JADJ AUDITING AND ACCOUNTING SERVICES

JB – 25, Rm. 4, 2<sup>nd</sup> Floor, Ramon Building, Km. 4, Central Pico, La Trinidad, Benguet 2601  
jadj.firm@gmail.com  
0949-747-0548

## STATEMENT OF REPRESENTATION

### TO THE COOPERATIVE DEVELOPMENT AUTHORITY:

In connection with my examination of the financial statements of the **MOOG BAGUIO CREDIT COOPERATIVE (MBCC)** covering the period ended December 31, 2025 and 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 the Philippine Financial Reporting Framework for Cooperatives, taking into consideration Cooperative laws, rules, regulations and principles;
2. That in the conduct of my audit, I adhered to the Philippine Standards on Auditing and the Standard Audit System for Cooperatives (SASC) as required by the 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 81 of R.A. No. 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 of the Baguio-Benguet Chapter of the PICPA.

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 Systems for Cooperatives.

**JOHN A. DOMEREZ JR.**

CPA Certificate No. 0149755

PRC/BOA Accreditation No. 8417

*July 01, 2024 valid until June 30, 2027*

BIR Accreditation No. 02-007397-001-2024

*August 29, 2024 valid until August 29, 2027*

CDA Accreditation No. 1422

*November 20, 2024 valid until November 19, 2029*

Tax Identification No. 451-293-136-000

PTR No. 9257266 Provincial Capitol of Benguet, January 05, 2026

*February 06, 2026*

*Statement of Representation*



# JADJ AUDITING AND ACCOUNTING SERVICES

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## INDEPENDENT AUDITOR'S REPORT

*The General Assembly*

### **MOOG BAGUIO CREDIT COOPERATIVE (MBCC)**

*Moog Controls Corporation, BCEZ, Loakan Road, Baguio City 2600*

#### *Opinion*

I have audited the financial statements of **MOOG BAGUIO CREDIT COOPERATIVE (MBCC)**, which comprise the statements of financial condition as at December 31, 2025 and 2024, the statements of operations, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **MOOG BAGUIO CREDIT COOPERATIVE (MBCC)** as at December 31, 2025 and 2024, its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Framework for Cooperatives.

#### *Basis for Opinion*

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs) and the Standard Audit System for Cooperatives (SASC). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our 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.

#### *Key Audit Matters*

Key audit matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined that there are no key audit matters to communicate in my report.

#### *Basis of Accounting*

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which prescribes the basis of accounting. The financial statements are prepared to assist the Cooperative to meet the requirements of the CDA.

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

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

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

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

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

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 an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.


As part of an audit in accordance with PSAs, we exercise professional judgment 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 Cooperative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Cooperative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 15-2010 and 19-2011**

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 and license fees in 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 our audit 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.



**JOHN A. DOMEREZ JR.**  
CPA Certificate No. 0149755  
PRC/BOA Accreditation No. 8417  
*July 01, 2024 valid until June 30, 2027*  
BIR Accreditation No. 02-007397-001-2024  
*August 29, 2024 valid until August 29, 2027*  
CDA Accreditation No. 1422  
*November 20, 2024 valid until November 19, 2029*  
Tax Identification No. 451-293-136-000  
PTR No. 9257266 Provincial Capitol of Benguet, *January 05, 2026*  
*February 06, 2026*



**MOOG BAGUIO CREDIT COOPERATIVE (MBCC)**

C/O Moog Controls Corporation, BCEZ, Loakan Road, Baguio City

CDA Registration No.: 9520-15003011

NON VAT Reg. TIN: 004-595-408-000

Tel.: 661-8100 local 4236 | Email: moogbaguiocreditcoop@gmail.com

**STATEMENT OF FINANCIAL CONDITION**

As of December 31, 2025

*(With comparative figures for 2024)*

*(Amounts in Philippine Pesos)*

	Notes	2025	2024
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2,5	138,437,029	157,892,323
Loans and Other Receivables, Net	2,6	294,704,480	244,652,147
Other Current Assets	2,7	226,600	11,000
<i>Total Current Assets</i>		<i>433,368,109</i>	<i>402,555,470</i>
<b>NON CURRENT ASSETS</b>			
Financial Asset at Cost	2,8	3,436,105	3,355,621
Property, Plant and Equipment, Net	2,9	450,133	231,256
Other Non-current Assets	2,10	47,309,663	51,849,391
<i>Total Non-current Assets</i>		<i>51,195,901</i>	<i>55,436,268</i>
<b>TOTAL ASSETS</b>		<b>484,564,010</b>	<b>457,991,738</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Deposit Liabilities	2,11	124,904,491	118,138,703
Trade and Other Payables	2,12	282,396	641,143
Accrued Expenses	2,13	116,982	129,331
Interest on Share Capital Payable	2	13,806,339	13,109,147
Patronage Refund Payable	2	2,360,334	2,134,047
Due to Union/Federation (CETF)	2	1,085,277	1,396,387
<i>Total Current Liabilities</i>		<i>142,555,819</i>	<i>135,548,758</i>
<b>NON-CURRENT LIABILITIES</b>			
Retirement Fund Payable	2	416,988	463,679
Other Non-Current Liabilities	2,14	464,956	8,803,948
<i>Total Non-Current Liabilities</i>		<i>881,944</i>	<i>9,267,627</i>
<b>TOTAL LIABILITIES</b>		<b>143,437,763</b>	<b>144,816,385</b>
<b>EQUITY</b>			
Members' Equity	2,15	295,841,500	271,322,700
Donations and Grants	2	86,173	86,173
Statutory Funds	2,16	45,198,574	41,766,480
<b>TOTAL EQUITY</b>		<b>341,126,247</b>	<b>313,175,353</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>484,564,010</b>	<b>457,991,738</b>

See Accompanying Notes to Financial Statements.



**MOOG BAGUIO CREDIT COOPERATIVE (MBCC)**

C/O Moog Controls Corporation, BCEZ, Loakan Road, Baguio City

CDA Registration No.: 9520-15003011

NON VAT Reg. TIN: 004-595-408-000

Tel.: 661-8100 local 4236 | Email: moogbaguiocreditcoop@gmail.com

**STATEMENT OF FINANCIAL OPERATIONS**

For the Period of December 31, 2025

*(With comparative figures for 2024)*

*(Amounts in Philippine Pesos)*

	Notes	2025	2024
<b>REVENUE</b>			
Income from Credit Operations	2	<b>24,400,570</b>	<b>22,026,508</b>
Interest Income from Loans		<i>23,988,855</i>	<i>21,646,519</i>
Filing Fees		<i>358,750</i>	<i>339,875</i>
Fines, Penalties and Surcharges		<i>52,965</i>	<i>40,114</i>
Other Income	2	<b>10,802,090</b>	<b>11,547,170</b>
Interest from Investments		<i>10,589,330</i>	<i>11,376,877</i>
Interest from Deposits		<i>12,910</i>	<i>10,517</i>
Membership Fees		<i>72,050</i>	<i>140,250</i>
Miscellaneous Income		<i>127,800</i>	<i>19,526</i>
<b>TOTAL GROSS INCOME</b>		<b>35,202,660</b>	<b>33,573,678</b>
<b>EXPENSES</b>			
Financing Costs	2,17	1,954,736	1,909,893
Administrative Costs		11,886,846	11,422,859
<b>TOTAL EXPENSES</b>		<b>13,841,582</b>	<b>13,332,752</b>
<b>NET SURPLUS before OTHER ITEMS</b>		<b>21,361,078</b>	<b>20,240,926</b>
<b>OTHER ITEMS</b>			
Prior Years' Adjustment		-	-
Gain/(Loss) on Investment		(5,514)	-
Optional Fund Subsidy		200,000	83,333
<b>NET SURPLUS</b>		<b>21,555,564</b>	<b>20,324,259</b>
<b>DISTRIBUTED AS FOLLOWS:</b>			
Reserve Fund (10%)		2,155,556	2,032,426
CETF - Local (2.5%)		538,889	508,106
Due to Unions/ Federations (2.5%)		538,890	508,107
Community Development Fund (3%)		646,667	609,728
Optional Fund (7%)		1,508,888	1,422,698
Interest on Share Capital		13,806,339	13,109,147
Patronage Refund		2,360,334	2,134,047
<b>NET SURPLUS AS DISTRIBUTED</b>		<b>21,555,564</b>	<b>20,324,259</b>

*See Accompanying Notes to Financial Statements.*



**MOOG BAGUIO CREDIT COOPERATIVE (MBCC)**

C/O Moog Controls Corporation, BCEZ, Loakan Road, Baguio City

CDA Registration No.: 9520-15003011

NON VAT Reg. TIN: 004-595-408-000

Tel.: 661-8100 local 4236 | Email: moogbaguiocreditcoop@gmail.com

**STATEMENTS OF CHANGES IN EQUITY**

As of December 31, 2025

(With comparative figures for 2024)

(Amounts in Philippine Pesos)

	Notes	2025	2024
<b>SHARE CAPITAL</b>			
	2,15		
Authorized 5,000,000 shares at Php 100 par value			
Beginning balance		271,322,700	250,900,100
Add: Net Increase/(Decrease) for the Year		24,518,800	20,422,599
<i>Ending balance</i>		<b>295,841,500</b>	<b>271,322,700</b>
<b>DONATIONS/GRANTS</b>			
	2		
Beginning balance		86,173	86,173
Add: Receipts/(Amortization)		-	-
<i>Ending balance</i>		<b>86,173</b>	<b>86,173</b>
<b>STATUTORY FUNDS</b>			
	2,16		
<b>Reserve Fund</b>			
Beginning balance		25,631,011	23,598,585
Add: Allocation from Net Surplus		2,155,556	2,032,426
Total		27,786,567	25,631,011
Less: Utilization		-	-
<i>Ending balance</i>		<b>27,786,567</b>	<b>25,631,011</b>
<b>Cooperative Education and Training Fund</b>			
Beginning balance		1,058,839	908,247
Add: Allocation from Net Surplus		538,889	508,106
Total		1,597,728	1,416,353
Less: Utilization		492,976	357,514
<i>Ending balance</i>		<b>1,104,752</b>	<b>1,058,839</b>
<b>Community Development Fund</b>			
Beginning balance		1,184,602	948,596
Add: Allocation from Net Surplus		646,667	609,728
Total		1,831,269	1,558,324
Less: Utilization		495,932	373,722
<i>Ending balance</i>		<b>1,335,337</b>	<b>1,184,602</b>
<b>Optional Fund</b>			
Beginning balance		13,892,028	12,653,118
Add: Allocation from Net Surplus		1,508,888	1,422,698
Total		15,400,916	14,075,816
Less: Utilization		428,998	183,788
<i>Ending balance</i>		<b>14,971,918</b>	<b>13,892,028</b>
<b>TOTAL STATUTORY FUNDS</b>		<b>45,198,574</b>	<b>41,766,480</b>
<b>TOTAL EQUITY</b>		<b>341,126,247</b>	<b>313,175,353</b>

See Accompanying Notes to Financial Statements.



## MOOG BAGUIO CREDIT COOPERATIVE (MBCC)

C/O Moog Controls Corporation, BCEZ, Loakan Road, Baguio City

CDA Registration No.: 9520-15003011

NON VAT Reg. TIN: 004-595-408-000

Tel.: 661-8100 local 4236 | Email: moogbaguiocreditcoop@gmail.com

### STATEMENTS OF CASH FLOWS

As of December 31, 2025

(With comparative figures for 2024)

(Amounts in Philippine Pesos)

	Notes	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Surplus		21,555,564	20,324,259
Adjustments to reconcile net surplus to net cash provided by operating activities:			
Depreciation and Amortization	17	353,092	193,545
Provision for Probable Loan Losses	17	-	-
Provision for Retirement Benefits	17	120,768	114,799
		22,029,424	20,632,603
<i>Operating Income before Working Capital Changes</i>			
Changes in Assets and Liabilities (Increase)/Decrease in:			
Loans and Other Receivables	2,6	(50,052,333)	(18,566,360)
Other Current Assets	2,7	(215,600)	642,000
Increase/(Decrease) in:			
Deposit Liabilities	2,11	6,765,788	13,018,449
Trade and Other Payables	2,12	(358,746)	357,199
Accrued Expense	2,13	(12,349)	(72,263)
Other Current Liabilities	2	-	-
Due to Union/Federation	2	(850,000)	(501,200)
<i>Net cash provided by (used in) operating activities</i>		<i>(22,693,816)</i>	<i>15,510,428</i>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Financial Asset at Cost	2,8	(80,484)	(2,011,878)
Net Acquisitions of Property and Equipment	2,9	(367,595)	(179,480)
Other Non-current Assets	2,10	4,335,353	3,976,429
<i>Net cash provided by (used in) investing activities</i>		<i>3,887,274</i>	<i>1,785,071</i>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net Changes in Share Capital	2,15	24,518,800	20,422,600
Donations and Grants Received	2	-	-
Utilizations of Statutory Funds	2,16	(1,417,907)	(915,026)
Changes in Retirement Fund Payable	2	(167,459)	(178,624)
Changes in Non-Current Liabilities	2,14	(8,338,992)	(12,457,304)
Interest on Share Capital and Patronage Refund		(15,243,194)	(14,698,738)
<i>Net cash provided by (used in) financing activities</i>		<i>(648,752)</i>	<i>(7,827,092)</i>
NET INCREASE IN CASH AND CASH EQUIVALENTS		(19,455,294)	9,468,407
ADD: CASH AND CASH EQUIVALENTS, JANUARY 1		157,892,323	148,423,916
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>		<b>138,437,029</b>	<b>157,892,323</b>

See Accompanying Notes to Financial Statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

As of December 31, 2025 and 2024

*(Amounts in Philippine Pesos)*

**NOTE 1. GENERAL INFORMATION**

**MOOG BAGUIO CREDIT COOPERATIVE (MBCC)** (referred hereinafter as "Cooperative") is duly registered with the Cooperative Development Authority (CDA), dated February 25, 1998, pursuant to RA 6938 (Cooperative Code of the Philippines). With the passage of Republic Act 9520 (Philippine Cooperative Code of 2008), the Cooperative renewed its registration on November 23, 2009 and was granted Registration Number 9520-15003011 and Cooperative Identification Number (CIN) 0107150113. The Cooperative is also registered with the Bureau of Internal Revenue, dated September 21, 2000, with Tax Identification Number 004-595-408-000.

The Cooperative was organized to fulfill the following purpose: encourage thrift and savings mobilization among its members; generate funds and extend credit to its members for productive and provident purposes; develop expertise and skills among its members; provide protection to the loans and funds of its members; promote and advance the economic and social status of its members; coordinate and facilitate the activities of the cooperative; advocate for the cause of cooperative movements; ensure the viability of the cooperative through the utilization of new technologies; and encourage and promote self-help or self-employment as an engine for economic growth and poverty alleviation.

The members of the cooperative have rights to its properties, in proportion to their respective shares. Each share shall earn only limited interest, the maximum rates of which are fixed from time to time by the Cooperative Development Authority and the Constitution of the Philippines, as embodied in Republic Act 9520 or the Cooperative Code of the Philippines.

The Cooperative's principal office is located at Moog Controls Corporation, BCEZ, Loakan Rd., Baguio City. A satellite office was also established in 2025, located at 5<sup>th</sup> Floor, EDY Building, Kisad Rd., Baguio City.

**Tax Exemption**

The Bureau of Internal Revenue—CAR issued Certificate of Tax Exemption No. COOP-00031-25-RR-02-RDO-08 on July 10, 2025 with a validity of five (5) years or until July 10, 2030, unless sooner revoked.

**Approval of Financial Statements**

*The comparative financial statements of the cooperative as of December 31, 2025 and 2024 were approved and authorized for issue by its board of directors on **February 06, 2026**.*

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**2.1 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.

**2.1.1 Functional Currency**

Items included in the financial statements of the cooperative are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Cooperative. The financial statements are presented in Philippine Peso which is the

Cooperative's functional and presentation currency, and all values are rounded to the nearest peso, except when otherwise indicated.

## **2.2 Statement of Compliance**

The financial statements were prepared in accordance with the Philippine Financial Reporting Framework for Cooperatives (PFRFC), which became effective for annual reporting periods beginning on or after January 1, 2016 through CDA Memorandum Circular 2015-06, and in adherence to applicable cooperative laws, issued policies, rules and regulations, and cooperative principles and practices, whenever applicable.

## **2.3 Going Concern Assumption**

The Cooperative's Financial Statements were prepared on a going concern assumption.

Under the going concern assumption, the cooperative is ordinarily viewed as continuing in business for the foreseeable future, with neither the intention nor the necessity to liquidate, cease trading, or seek protection from creditors, pursuant to laws or regulations. Accordingly, assets and liabilities are recorded on the basis that the cooperative will be able to realize its assets, discharge its liabilities, and obtain refinancing (if necessary) in the normal course of business.

## **2.4 Accounting Policies and Disclosures**

The Cooperative has presented comparative information in respect of the previous comparable period for all amounts presented in these financial statements, for the period ended December 31, 2025 and 2024.

The PFRFC that has been published and issued by the CDA on September 16, 2015 prescribes accounting recognition, measurement and disclosure requirements applicable to the Cooperative.

The CDA adopted and prescribed the use of the PFRFC for periods beginning on or after January 1, 2016. The accounting policies adopted are consistent with the previous financial year.

The following accounting standards were adopted by the Cooperative:

*Chapter I: "General Provisions"* states the development of the Financial Reporting Framework for Cooperatives from the Philippine Financial Reporting Standards (PFRS) for Small and Medium-Sized Enterprises (SMEs), to address the needs of the users of the cooperative's financial statements. Modifications were made on several provisions of the standards taking into consideration cooperative laws, rules, regulations and principles.

*Chapter II: "Concepts and Pervasive Principles"* describes the objectives of financial statements of cooperatives and the qualities that make the information in the financial statements useful. It also sets out the concepts and basic principles underlying the financial statements.

*Chapter III: "Financial Statements Presentation"* provides guidance on the fair presentation of financial statements, the requirements for compliance with the Framework, and what constitutes a complete set of financial statements. It requires that an entity make an explicit and unreserved statement of compliance with the PFRFC in the notes. A complete set of financial statements must be presented at least annually, including at least one year of comparative financial statements and related note disclosures. Items must be presented and classified consistently from one period to the next. Each financial statement shall be presented with equal prominence.

*Chapter IV: "Statement of Financial Condition"* provides specific requirements on the presentation, classification and related disclosures of entity's assets, liabilities and equity as of a specific date, which is the end of the reporting period.

*Chapter V: "Statement of Operations"* provides specific requirements on the presentation, classification and related disclosures of income, expenses and accounts peculiar to cooperatives affecting the statement of operations. It requires that net surplus is distributed in accordance with the provision of Article 85 and 86 of Republic Act (RA) 9520.

*Chapter VI: "Statement of Changes in Equity"* sets out the requirements for presenting changes in equity for a period. Its purpose is to present the amounts of investments and withdrawals by

members, additions to and utilization of statutory funds, movements in donations and grants, and revaluation surplus during the period.

*Chapter VII: "Statement of Cash Flows"* sets out the information to be presented in a statement of cash flows and how it should be presented. The statement of cash flows provides information about changes in the cash and cash equivalents of a cooperative for a reporting period, showing separately the changes arising from operating, investing, and financing activities.

*Chapter VIII: "Notes to the Financial Statements"* set out the principles and underlying information to be presented in the notes to the financial statements and how they should be presented. The notes contain additional information to support figures presented in the statement of financial condition, statement of operations, statement of changes in equity, and statement of cash flows. They provide narrative descriptions or disaggregation of items presented in those statements, as well as information about items that do not qualify for recognition, if any. In addition to the requirements of this section, nearly every other section of this Framework requires disclosures that are normally presented in the notes.

*Chapter IX: "Accounting Policies, Estimates and Errors"* provides guidance for selecting and applying the accounting policies used in preparing financial statements, which shall be consistent for similar transactions, events and conditions. It also covers changes in accounting estimates and the correction of errors in prior period financial statements.

*Chapter XIV: "Property, Plant and Equipment"* applies to the accounting for property, plant and equipment, which are tangible assets that: (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and (b) are expected to be used for more than one period. A Cooperative shall measure an item of property, plant and equipment at initial recognition at its cost and shall subsequently measure all items at cost less any accumulated depreciation and any accumulated impairment losses.

*Chapter XVI: "Allocation and Distribution of Net Surplus"* applies in accounting for the allocation and distribution of net surplus, as required under Articles 85 and 86 of RA 9520. All cooperatives are mandated to allocate and distribute their net surplus and disclose the manner of such distribution in accordance with their by-laws, in compliance with RA 9520. This disclosure shall also be made in cases where the net surplus is used for the recovery of losses from previous years.

*Chapter XVII: "Statutory Funds"* shall be applied in accounting for all statutory funds required by RA 9520. Section 86 of RA 9520 requires cooperatives to allocate statutory reserves in the distribution of net surplus. A cooperative shall recognize statutory funds as components of equity and shall ensure compliance with the specified use of each fund.

*Chapter XIX: "Provisions and Contingencies"* applies to all provisions (i.e. liabilities of uncertain timing or amount), contingent liabilities and contingent assets, except those provisions covered by other sections of the Framework. It ensures that appropriate recognition criteria and measurement basis are applied and that sufficient information is disclosed in the notes to financial statements to enable users to understand their nature, timing and amount.

*Chapter XX: "Liabilities and Equity"* establishes principles for classifying financial instruments, as either liabilities or equity, except for: (a) employers' rights and obligations under employee benefit plans; and (b) financial instruments, contracts, and obligations arising from share-based payment transactions. It also addresses accounting for equity instruments issued to individuals or other parties acting in their capacity as members of a cooperative.

*Chapter XXIII: "Impairment of Assets"* shall be applied in accounting for the impairment of all assets, except for assets arising from employee benefits and financial assets. It prescribes the procedures a cooperative must follow to ensure that its assets are carried at no more than their recoverable amount. If the carrying amount of an asset exceeds the amount expected to be recovered through its use or sale, the asset is considered impaired, and the standard requires the entity to recognize an impairment loss. The section also specifies when a cooperative should reverse an impairment loss previously recognized.

*Chapter XXIV: "Employee Benefits"* applies to employee benefits, defined as the forms of consideration given by a cooperative in exchange for service rendered by employees. This includes short-term employee benefits, post-employment benefits, other long-term employee benefits and termination benefits. It provides guidelines for the composition, recognition, measurement and disclosures of employee benefits.

*Chapter XXV: "Events After the End of the Reporting Period"* defines events after the end of the reporting period and sets out principles for recognizing, measuring and disclosing such events.

## **2.5 Summary of Significant Accounting Policies**

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

### **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 if 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.

### **Impairment of financial assets measured at cost or amortized cost**

At the end of each reporting period, the Cooperative assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortized cost. If there is objective evidence of impairment, the Cooperative immediately recognizes an impairment loss in the Statement of Operations.

The cooperative assesses individually significant financial assets for impairment separately, while other financial assets are assessed either individually or in groups based on similar credit risk characteristics.

### **Derecognition of a financial asset**

The Cooperative derecognizes a financial asset when: (a) the contractual rights to the cash flows from the financial asset expire or are settled; or (b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset.

### **Derecognition of a financial liability**

The Cooperative derecognizes a financial liability (or a part of a financial liability) only when it is extinguished (i.e., when the obligation specified in the contract is discharged, is cancelled or has expired).

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

### ***Loans 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 receivables are classified as current and non-current or past due accounts. These are presented in the financial statement at 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.

#### *Trade and Other Receivables*

Accounts receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the school will not be able to collect all amounts due according to the original terms of the receivables. The allowance for impairment loss is the estimated number of probable losses arising from non-collection based on past collection experience and management's review of the current status of the long-outstanding receivables. Gains and losses are recognized in the statement of activities when the loans and other receivables are derecognized or impaired, as well as through the amortization process.

#### *Other Current Assets*

Other Current assets consist of prepaid expenses, advances to officers and employees, and unused supplies. 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.

Prepayments are recognized when payments for goods or services are made in advance for the delivery of the goods or the rendering of the services. Prepayments are carried at cost less utilized portion and any impairment loss. Prepayments are derecognized upon consumption or usage. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Prepayments that are expected to be realized for no more than twelve (12) months after the reporting period are classified as current assets. Otherwise, these are classified as noncurrent assets.

#### *Property, Plant and Equipment*

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

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. 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.

### *Other Non-Current Assets*

Other non-current assets consist of cooperative development costs, other funds and deposits, computerization costs and miscellaneous assets. Cooperative development costs refer 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 the cost of acquisition or development of computer programs and other software, excluding upgrading of system.

### *Trade and Other Payables*

Trade and other payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade payables are not interest-bearing and are measured initially at their transaction price and subsequently recognized at amortized costs less settlement payments.

### *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/Federation*

Due to Union/Federation is the liability of the cooperative to a federation or union to which it is a member. In compliance with Section 87 of the Cooperative Code of the Philippines, the cooperative has set aside five percent (5%) of net surplus for the Education and Training Fund. One half of this amount shall be utilized by the Cooperative for its own education and training activities while the other half shall be credited to the Cooperative Education and Training Fund (CETF) 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 member-patrons for patronage refund, which can be determined only at the end of every accounting period.

### *Statutory Funds*

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

- a. Reserve Fund: These are amounts set aside annually for the stability of the cooperative and to meet net losses in its operations. At least 10% of net surplus shall be allocated to this fund.
- b. Education and Training Fund: An amount retained by the cooperative for the training, development and other similar cooperative activities geared towards the growth of the cooperative movement. Allocation to this fund from the net surplus should not exceed 10%.
- c. Optional Fund: Fund set aside from the net surplus for future use such as acquisition of land and/or building, machinery and equipment, replacement fund for property and equipment, member's benefits, and any other necessary fund. Allocation to this fund from the net surplus should not exceed 7%.
- d. Community Development Fund: Fund set aside to be used for projects and/or activities that will benefit the community where the cooperatives operate. Allocation to this fund from the net surplus shall not be less than 3%.

The Board of Directors has approved the distribution of net surplus for the year 2025 as follows:

- Reserve Fund 10% of Net Surplus
- Educational Fund 5% of Net Surplus broken down as follows:
  - 2.5% Local
  - 2.5% Due to Union / Federation
- Community Development Fund 3% of Net Surplus
- Optional Fund 7% of Net Surplus

The remaining balance of the net surplus is available for interest on share capital and patronage refund. The basis for the computation of the interest on share capital is the average share capital while the total interest rate is used in determining the patronage refund.

#### *Revenue Recognition*

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

- a. *Interest income, penalties and income from other sources*: recognized as income is earned and collected.
- b. *Service and membership fees*: recognized as loans are granted, corresponding charges are deducted from loan proceeds, and when new members pay their membership fees.
- c. *Filing fees*: recognized upon filing of loan applications by member-borrowers.

#### *Cost and Expense Recognition*

Expenses are decreases in economic benefits, either through a reduction in assets or the incurrance of liabilities, that result in a decrease in the fund balance. Costs and general and administrative expenses are recognized in the statement of operations when the goods are consumed, services are utilized, or on the date such expenses are incurred. Expenses are presented using the nature of expense method.

#### *Employee Benefits*

- a. Short-term Benefits  
The Cooperative recognizes a liability, net of amounts already paid, and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Cooperative to its employees include salaries and wages, social security contributions, short-term compensated absences and non-monetary benefits.
- b. Retirement Benefits  
The cooperative has a defined contribution plan, under which it contributes a fixed amount. The fund is utilized in settlement of the separation pay of separated employee/s. The contributions are recognized as expense whenever a contribution is made.
- c. Retirement Funds Payable represents the accumulated benefit costs charged against income of the Cooperative, which is determined using the accrued benefit actuarial cost method. The method reflects the length of service of the participating employee as of the date of valuation.

#### *Provisions and contingencies*

##### *Initial recognition*

The Cooperative recognizes a provision only when: (a) the entity has an obligation at the reporting date as a result of a past event; (b) it is probable (i.e., more likely than not) that the entity will be required to transfer economic benefits in settlement; and (c) the amount of the obligation can be estimated reliably.

##### *Initial measurement*

The Cooperative measures a provision at the best estimate of the amount required to settle the obligation at the reporting date. The best estimate is the amount an entity would rationally pay to settle the obligation at the end of the reporting period or to transfer it to a third party at that time.

### Subsequent measurement

The cooperative charges a provision only for expenditures for which it was originally recognized. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate of the amount required to settle the obligation at that date. Any adjustments to previously recognized amounts shall be recognized in profit or loss, unless the provision was originally included in the cost of an asset. When a provision is measured at the present value of the expected settlement amount, the unwinding of the discount shall be recognized as a finance cost in profit or loss in the period it arises.

### *Events after the end of the reporting period*

The Cooperative adjusts the amounts recognized in its financial statements, or recognizes items that were not previously recognized, including related disclosures, to reflect adjusting events after the end of the reporting period.

Adjusting events after the end of the reporting period are those events that provide evidence of conditions that existed at the end of the period.

The Cooperative does not adjust the amounts recognized in its financial statements to reflect non-adjusting events after the end of the reporting period. These refer to events that are indicative of conditions that arose after the end of the reporting period.

## **NOTE 3. MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

### **3.1 Judgements**

The preparation of the Cooperative's financial statements in conformity with the Philippine Financial Reporting Framework for Cooperatives requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The estimates and assumptions used 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 relevant factors. 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 is a summary of the significant estimates and judgments and the related impact and associated risks in the Cooperative's financial statements.

#### *Allowance for Doubtful Accounts*

The Cooperative assesses whether objective evidence of impairment exists separately for receivables and dues 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 (PPE) based on the period over which said PPE are expected to be available for use. Estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to

physical wear and tear, technical or commercial obsolescence, legal or other limits on the usage of PPE, 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 the factors mentioned above.

The amounts and timing of recorded expenses for any period would also be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of PPE 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. The estimated useful lives and depreciation method are reviewed from time to time to ensure that these are consistent with the expected economic benefits of the property and equipment.

#### *Impairment of Non-Financial Assets*

The Cooperative is required to perform an impairment review when certain indicators are present. Purchase accounting also requires significant estimates and judgment in allocating the purchase price to the fair values of acquired assets and liabilities.

Determining the fair values of property, plant and equipment, investments, and intangible assets requires estimates of future cash flows from their use and disposal, which may materially affect the financial statements. Future events may indicate impairment of these assets, and any resulting impairment loss could have a material adverse effect on the Cooperative's financial condition and results of operations.

The estimation of future cash flows involves significant judgment. While management believes its assumptions are reasonable, changes in these assumptions may materially affect recoverable values and may result in additional impairment charges.

#### *Revenue Recognition*

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

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.

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

The cooperative is exposed to credit, liquidity, and other risks arising in the normal course of business. Its risk and control framework focuses on minimizing the adverse effects of financial market unpredictability on the cooperative's financial performance.

#### *Credit Risk*

Credit risk refers to the risk that a borrower will be unable to service a debt, resulting in potential losses due to default. 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 be unable to meet its financial obligations as they fall due. The Cooperative is not exposed to significant liquidity risk, as it maintains sufficient cash to meet its obligations and payables, including deposit liabilities. Its liquidity position is regularly monitored and evaluated by the Board and management through continuous review of cash flow forecasts and actual cash flows.

#### *Interest Rate Risk*

The primary source of the Cooperative's interest risk relates to the cash and cash equivalents.

## NOTE 5. CASH AND CASH EQUIVALENTS

This account consists of the following:

	2025	2024
CASH IN BANK	138,228,661.25	156,059,395.75
<i>CASH IN BANK - PNB</i>	<i>16,222,143.29</i>	<i>15,665,381.92</i>
<i>CASH IN BANK-METRO BANK MAGSAYSAY</i>	<i>114,701.53</i>	<i>163,522.18</i>
<i>CASH IN BANK -SECURITY BANK -SA</i>	<i>390,320.41</i>	<i>109,243.04</i>
<i>CASH IN BANK -BDO SAVINGS LIABILITY</i>	<i>819,718.15</i>	<i>947,303.51</i>
<i>CASH IN BANK - BDO LEGARDA SA</i>	<i>108,922.16</i>	<i>71,117.81</i>
<i>SHORT TERM -PNB</i>	<i>19,289,868.15</i>	<i>21,931,511.93</i>
<i>SHORT TERM INVESTMENT - BDO SM</i>	<i>11,180,976.50</i>	<i>10,564,204.01</i>
<i>BDO - SESSION</i>	<i>37,806,368.31</i>	<i>50,283,909.50</i>
<i>METROBANK</i>	<i>15,420,549.07</i>	<i>25,549,201.07</i>
<i>SHORT TERM INV- BDO LEGARDA</i>	<i>36,875,093.68</i>	<i>30,774,000.78</i>
CASH IN BANK COOPERATIVE FEDERATION	103,367.80	1,777,926.84
<i>NATCCO TIME DEPOSIT</i>	<i>103,367.80</i>	<i>1,777,926.84</i>
PETTY CASH FUND	5,000.00	5,000.00
REVOLVING FUND	100,000.00	50,000.00
<b>Cash and Cash Equivalents</b>	<b>138,437,029</b>	<b>157,892,323</b>

## NOTE 6. LOANS and OTHER RECEIVABLES, Net

This account consists of the following:

	2025	2024
Loans Receivable	295,087,969.08	244,997,973.24
<b>Loans Receivable - Current</b>	<b>290,269,116.27</b>	<b>241,980,259.16</b>
<i>REGULAR LOAN</i>	<i>215,920,329.23</i>	<i>194,827,380.76</i>
<i>CONTINGENCY LOAN</i>	<i>6,083,912.39</i>	<i>8,054,279.41</i>
<i>EDUCATIONAL LOAN</i>	<i>13,051,008.49</i>	<i>12,887,149.09</i>
<i>CALAMITY LOAN</i>	<i>29,730,495.28</i>	<i>-</i>
<i>GROCERY LOAN - SM RETAIL INC</i>	<i>58,500.00</i>	<i>44,000.00</i>
<i>GROCERY LOAN - TIONGSAN HARISON</i>	<i>68,500.00</i>	<i>86,750.00</i>
<i>MERCHANDISE LOAN SPECIAL</i>	<i>923.81</i>	<i>-</i>
<i>BIRTHDAY LOAN</i>	<i>250,917.27</i>	<i>318,759.71</i>
<i>FOUNDATION LOAN</i>	<i>1,344,881.46</i>	<i>1,658,383.63</i>
<i>MEMBERSHIP INCENTIVE LOAN</i>	<i>10,596,001.82</i>	<i>11,181,423.61</i>
<i>CHRISTMAS LOAN</i>	<i>12,463,160.14</i>	<i>12,186,662.83</i>
<i>PETTY CASH LOAN</i>	<i>340,879.18</i>	<i>224,699.71</i>
<i>MOTHERS DAY LOAN</i>	<i>-</i>	<i>4,189.38</i>
<i>FATHERS DAY LOAN</i>	<i>-</i>	<i>5,851.68</i>
<i>GADGET LOAN</i>	<i>-</i>	<i>112,024.82</i>
<i>BALANCE TRANSFER LOAN</i>	<i>359,607.20</i>	<i>388,704.53</i>
<b>Loans Receivable - Past Due</b>	<b>4,818,852.81</b>	<b>3,017,714.08</b>
<i>REGULAR LOAN</i>	<i>4,414,669.75</i>	<i>2,636,777.27</i>
<i>CONTINGENCY LOAN</i>	<i>113,581.98</i>	<i>86,346.90</i>
<i>EDUCATIONAL LOAN</i>	<i>106,134.65</i>	<i>216,006.47</i>
<i>GROCERY LOAN - SM RETAIL INC</i>	<i>-</i>	<i>3,533.45</i>
<i>GROCERY LOAN - TIONGSAN HARISON</i>	<i>-</i>	<i>6,141.80</i>
<i>MERCHANDISE LOAN SPECIAL</i>	<i>-</i>	<i>7,464.91</i>

FOUNDATION LOAN	19,642.71	-
MEMBERSHIP INCENTIVE LOAN	79,602.45	30,654.90
CHRISTMAS LOAN	61,718.74	17,800.00
PETTY CASH LOAN	8,312.50	11,300.00
MOTHERS DAY LOAN	-	-
FATHERS DAY LOAN	2,514.08	1,688.38
GADGET LOAN	12,675.95	-
BALANCE TRANSFER LOAN	-	-
Less: Allowance for Probable Losses on Loans	385,489.47	385,489.47
BEGINNING BALANCE	385,489.47	385,489.47
PROVISIONS FOR PROBABLE LOAN LOSSES FOR THE YEAR	-	-
WRITE-OFF OF LOANS RECEIVABLE FOR THE YEAR	-	-
ENDING BALANCE	385,489.47	385,489.47
<b>LOANS RECEIVABLE, NET</b>	<b>294,702,479.61</b>	<b>244,612,483.77</b>
<b>OTHER RECEIVABLES</b>	<b>2,000.00</b>	<b>39,663.22</b>
<b>Loans and Other Receivables, Net</b>	<b>294,704,480</b>	<b>244,652,147</b>

#### NOTE 7. OTHER CURRENT ASSETS

This account consists of the following:

	2025	2024
PREPAID EXPENSES	49,600.00	-
GIFT CERTIFICATES	177,000.00	11,000.00
GIFT CERTIFICATES - TIONGSAN	67,000.00	11,000.00
GIFT CERTIFICATE - SM	110,000.00	-
<b>Other Current Assets</b>	<b>226,600</b>	<b>11,000</b>

#### NOTE 8. FINANCIAL ASSET at COST - NON CURRENT

This account consists of the following:

	2025	2024
INVESTMENT - 1CISP	3,000,000.00	3,000,000.00
INVESTMENT ON NORLU CEDEC	336,104.97	336,104.97
LONG TERM INVESTMENT-NATCCO	100,000.00	-
LONG TERM INVESTMENT - METRO SOUTH	-	19,516.43
<b>Financial Asset at Cost</b>	<b>3,436,105</b>	<b>3,355,621</b>

#### NOTE 9. PROPERTY AND EQUIPMENT, Net

This account consists of the following:

	2025	2024
Furniture, Fixtures and Office Equipment	1,799,519.01	1,680,995.01
BEGINNING BALANCE	1,680,995.01	1,501,515.01
ACQUISITIONS FOR THE YEAR	166,059.00	179,480.00
DISPOSALS FOR THE YEAR	47,535.00	-
ENDING BALANCE	1,799,519.01	1,680,995.01
Less: Accum. Dep. - Furniture, Fixtures, and Office Eq.	1,534,126.77	1,449,738.90
BEGINNING BALANCE	1,449,738.90	1,344,076.26
PROVISION FOR DEPRECIATION EXPENSE	131,922.87	105,662.64
WRITE-OFFS/DISPOSALS	47,535.00	-
ENDING BALANCE	1,534,126.77	1,449,738.90
<b>TOTAL FURNITURE, FIXTURES AND EQPMT, NET</b>	<b>265,392.24</b>	<b>231,256.11</b>

Leasehold Rights And Improvement	201,535.71	-
<i>BEGINNING BALANCE</i>	-	-
<i>ACQUISITIONS FOR THE YEAR</i>	201,535.71	-
<i>DISPOSALS FOR THE YEAR</i>	-	-
<i>ENDING BALANCE</i>	201,535.71	-
Less: Accum. Dep. - Leasehold Rights And Imp.	16,794.63	-
<i>BEGINNING BALANCE</i>	-	-
<i>PROVISION FOR AMORTIZATION</i>	16,794.63	-
<i>WRITE-OFFS/DISPOSALS</i>	-	-
<i>ENDING BALANCE</i>	16,794.63	-
<b>TOTAL LEASEHOLD RIGHTS AND IMPNTS, NET</b>	<b>184,741.08</b>	<b>-</b>
<b>Property, Plant and Equipment, Net</b>	<b>450,133</b>	<b>231,256</b>

#### NOTE 10. OTHER NON-CURRENT ASSETS

This account consists of the following:

	2025	2024
Computerization Costs	738,465.04	703,465.04
<i>BEGINNING BALANCE</i>	703,465.04	303,465.04
<i>ACQUISITIONS FOR THE YEAR</i>	35,000.00	400,000.00
<i>DISPOSALS FOR THE YEAR</i>	-	-
<i>ENDING BALANCE</i>	738,465.04	703,465.04
Less: Accum. Depreciation - Computerization Costs	591,173.42	386,798.39
<i>BEGINNING BALANCE</i>	386,798.39	298,915.72
<i>PROVISION FOR AMORTIZATION</i>	204,375.03	87,882.67
<i>WRITE-OFFS/DISPOSALS</i>	-	-
<i>ENDING BALANCE</i>	591,173.42	386,798.39
<b>TOTAL COMPUTERIZATION COSTS, NET</b>	<b>147,291.62</b>	<b>316,666.65</b>
<i>RESERVE FUND - BDO LEGARDA</i>	26,107,972.78	24,667,787.36
<i>OPTIONAL FUND - BDO LEGARDA</i>	13,927,246.01	13,158,981.96
<i>OPTIONAL FUND - BDO LEGARDA</i>	1,000,000.00	-
<i>CETF - BDO SESSION</i>	827,887.07	782,218.61
<i>CDF - BDO SESSION</i>	1,649,255.18	1,558,277.87
<i>RETIREMENT FUND - BDO SESSION</i>	688,015.82	650,063.04
<i>TIME DEPOSIT - BDO SESSION (354708326473)</i>	2,893,309.10	2,733,706.45
<i>MBOF - PNB (0122016000009010)</i>	-	7,981,688.90
<i>SAFETY DEPOSIT - EDY</i>	68,685.00	-
<b>OTHER FUNDS AND DEPOSITS</b>	<b>47,162,370.96</b>	<b>51,532,724.19</b>
<b>Other Non-current Assets</b>	<b>47,309,663</b>	<b>51,849,391</b>

#### NOTE 11. DEPOSIT LIABILITIES

This account consists of the following:

	2025	2024
SAVINGS DEPOSIT	102,836,782.87	89,133,938.39
<i>SAVINGS DEPOSIT REGULAR</i>	41,941,809.55	37,833,911.98
<i>SAVINGS DEPOSIT SPECIAL</i>	724,852.18	691,257.08
<i>SAVINGS DEPOSIT MANDATORY</i>	60,170,121.14	50,608,769.33
TIME DEPOSIT	22,067,707.66	29,004,764.33
<b>Deposit Liabilities</b>	<b>124,904,491</b>	<b>118,138,703</b>

**NOTE 12. TRADE AND OTHER PAYABLES**

This account consists of the following:

	2025	2024
OTHER PAYABLES - MERCHANDISE	-	70,499.00
OTHER PAYABLES - TIONGSAN HARRISON	-	-
OTHER PAYABLES - RESIGNED MEMBERS	12,557.29	40,004.21
OTHER PAYABLES - LPPI - ICISP	112,716.73	97,965.92
OTHER PAYABLES - OTHER	157,122.32	432,673.43
<b>Trade and Other Payables</b>	<b>282,396</b>	<b>641,143</b>

**NOTE 13. ACCRUED EXPENSES**

This account consists of the following:

	2025	2024
SSS/PHILHEALTH/PAG-IBIG CONT. PAYABLE	27,853.31	28,290.32
WITHHOLDING TAX PAYABLE	25,794.50	42,342.32
ACCRUED EXPENSES	63,334.33	58,698.42
<b>Total Accrued Expenses</b>	<b>116,982</b>	<b>129,331</b>

**NOTE 14. OTHER NON-CURRENT LIABILITIES**

This account consists of the following:

	2025	2024
MEMBERS' BENEFIT AND OTHER FUNDS PAYABLE	-	8,651,125.15
OTHER DEPOSIT LIABILITIES - LAB COOP	464,955.66	146,540.28
DEATH AID FUND	-	6,282.51
<b>Other Non-Current Liabilities</b>	<b>464,956</b>	<b>8,803,948</b>

**NOTE 15. MEMBER'S EQUITY**

This account consists of the following:

	2025	2024
PAID - UP SHARE CAPITAL - COMMON	295,841,499.89	271,322,699.74
<b>Members' Equity</b>	<b>295,841,500</b>	<b>271,322,700</b>

**NOTE 16. STATUTORY FUNDS**

This account consists of the following:

	2025	2024
RESERVE FUND	27,786,567.36	25,631,010.92
EDUCATION AND TRAINING FUND	1,104,751.86	1,058,839.27
COMMUNITY DEVELOPMENT FUND	1,335,336.56	1,184,601.74
OPTIONAL FUND	14,971,918.35	13,892,028.00
<b>Statutory Funds</b>	<b>45,198,574</b>	<b>41,766,480</b>

**NOTE 17. EXPENSES**

This account consists of the following:

	<b>2025</b>	<b>2024</b>
INTEREST EXPENSE ON DEPOSITS	1,954,735.96	1,909,893.30
<b>Financing Costs</b>	<b>1,954,736</b>	<b>1,909,893</b>
SALARIES AND WAGES	2,037,230.90	1,932,794.50
EMPLOYEES BENEFITS	530,289.67	643,665.62
SSS/ECC/PHILHEALTH, PAG-IBIG CONT.	219,962.11	205,908.26
RETIREMENT BENEFIT EXPENSE	120,768.78	114,798.66
OFFICERS HONORARIUM AND ALLOWANCES	2,066,676.20	2,109,219.07
OFFICE SUPPLIES	106,350.00	69,669.60
POWER, LIGHT AND WATER	461.21	-
TRAVEL AND TRANSPORTATION	36,684.00	22,089.50
INSURANCE	3,333.87	3,333.87
REPAIRS AND MAINTENANCE	132,405.00	92,900.00
RENTAL	92,312.64	-
TAXES AND LICENSES	14,928.19	7,200.00
PROFESSIONAL FEES	55,631.58	58,894.74
COMMUNICATION EXPENSES	58,978.93	55,615.00
REPRESENTATION	1,359.00	8,913.00
GENERAL ASSEMBLY MEETING EXPENSES	1,600,273.66	1,414,319.50
MEETINGS AND CONFERENCES	349,050.72	356,830.65
BANK CHARGES	2,250.00	1,000.00
AFFILIATION FEES	2,000.00	-
MEMBERS BENEFITS EXPENSES	4,085,303.03	4,041,815.71
MISCELLANEOUS EXPENSE	11,651.81	1,330.00
DEPRECIATION AND AMORTIZATION	336,297.60	193,545.31
AMORTIZATION OF LEASEHOLD RIGHTS AND IMP.	16,794.63	-
COOPERATIVE CELEBRATION EXPENSE	5,852.00	89,016.00
<b>Administrative Costs</b>	<b>11,886,846</b>	<b>11,422,859</b>
<b>Total Expenses</b>	<b>13,841,582</b>	<b>13,332,752</b>

## NOTE 18. SUPPLEMENTARY INFORMATION REQUIRED AS PER BIR RR 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.

### A. VALUE ADDED TAX

These are the Cooperative's remittance of Value Added Tax (VAT).

- Output VAT - The Cooperative is exempt from paying and filing Value Added Tax
- Input VAT - Since cooperatives are exempt from value added tax, there is no recognition of VAT Input.
- Landed cost, custom duties, tariff fees and excise tax - no transaction subject to such for the taxable year 2025.

### B. TAXES AND LICENSES

These are the Cooperative's expenses incurred for taxes, fees and charges due to government entities, both national and local.

	<b>2025</b>
Business Permit	4,450.00
Other Licenses (PEZA, bir, etc)	8,406.19
Notarial Fees and Documentary Stamps	2,072.00
<b>Total Taxes and Licenses</b>	<b>14,928.19</b>

### C. WITHHOLDING TAXES

Details of the Cooperative's withholding taxes paid are as follows:

	<b>2025</b>		
	Total	Paid	Accrued
Withholding Tax on Compensation and Benefits	132,543.51	118,401.77	14,141.74
Expanded Withholding Tax	149,610.43	137,957.67	11,652.76
<b>Total Withholding Taxes</b>	<b>282,153.94</b>	<b>256,359.44</b>	<b>25,794.50</b>

## NOTE 19. ENHANCED FINANCIAL PERFORMANCE STANDARDS (PESOS)

The following computation of PESOS (Portfolio Quality, Efficiency, Stability, Operations, and Structure of Assets) is required under CDA Memorandum Circular 2025-12.

P	INDICATORS	FORMULA	STANDARD POINT		TOTAL POINTS	
1	Portfolio At Risk  Measures the risk of default in the portfolio or the rate of uncollectible accounts.	Balance of loans over 30 days missed payment	2,951,856.59	5% or less	10	10
		Total Gross Loans Outstanding	295,087,969.08	>5% to 10%	8	
			<b>0.01</b>	>10% to 15%	6	
				>15% to 20%	4	
				>20% to 25%	2	
				>25%	0	
2	Portfolio At Risk - DOSRI Loans  Measures the risk of default in the portfolio or the rate of uncollectible accounts of the Officers and Related Interest up to the 2nd degree of consanguinity or affinity.	Balance of DOSRI Loans for over 30 days missed payment	-	0%	5	5
		Total DOSRI LOANS Outstanding	13,830,528.34	1% and more	-2	
			-			
3	Adequacy of Provisioning of APLL (over 12 months past due)  Measures the adequacy of the allowance for expected losses on loans for over 12 months past due.	APL for over 12 Months	-	100%	5	5
		Total Past Due Loans over 12 months + Restructured Loans	-	80% to < 100%	4	
			-	60% to < 80%	3	
			-	35% to < 60%	2	
		(note: not included those with 6 consecutive paid ammortization)		10% to < 35%	1	
				< 10%	0	
4	Adequacy of Provisioning for over 30 days to 1 year past due  Measures the adequacy of the allowance for expected losses on loans for 31 to 180 days past due.	Total amount of allowance - Required Amount of Allowance for Loans over 12 months past due	385,489.47	35%	5	2
		Total Past Due Loans from over 30 days to 1 year+ Restructured Loans	2,951,856.59	25% to < 35%	4	
			<b>0.13</b>	17% to < 25%	3	
				9% to < 17%	2	
		(note: not included those with 6 consecutive paid ammortization)		1% to < 9%	1	
				< 1%	0	

<b>E</b>	<b>EFFICIENCY</b>					
1	Asset Yield					
	Measures the ability of the coop's assets to generate income.	Net Surplus* Average Total Assets	<u>21,555,564.42</u> 471,277,873.73	At least inflation rate 1 to 2 percentage points below inflation rate 3 to 4 percentage points below inflation rate More than 4 percent points below inflation rate 0 or negative asset yield	5 4 3 1 0	5
		*Net Surplus refers to net of required provisioning shall get 0	<b>0.05</b>			
2	Administrative Efficiency					
	Measures the cost of efficiently managing the cooperative's assets	Administrative Cost - Provision for Probable Losses - Members Benefit Expense - Social Service Expense	<u>7,801,542.50</u> 471,277,873.73	7% and below Above 7% - 10% Above 10% - 15 % over 15%	5 3 1 0	5
		Average Total Assets	<b>0.02</b>			
3	Loan Portfolio Profitability					
	Measures how profitable the loan portfolio is.	Income from Loans + Service Fees, Filing Fees + Fines, Penalties, Surcharges	<u>24,400,570.61</u> 270,042,971.16	20% and above 15% to < 20% 10% to < 15% 5% to < 10% <5% or negative	4 3 2 1 0	1
		Average Total Loans Outstanding	<b>0.09</b>			
4	Cost per Peso Loan					
	Measures the efficiency in managing the cooperative's loan portfolio	Financing Costs + (Admin. Costs - Members Benefit Expense - Social Service Expense)	<u>9,756,278.46</u> 270,042,971.16	0.10 and below >0.10 to 0.15 >0.15 to 0.20 Above 0.20	3 2 1 0	3
		Average Total Loans Outstanding	<b>0.04</b>			
<b>S</b>	<b>STABILITY</b>					
1	Liquidity					
	Measures the cooperative's ability to meet its short term obligations as it falls due.	Liquid Assets - Short Term Payable	<u>13,133,160.04</u> 142,555,819.00	15% to 20% 12% to < 15% 21% to 30% 9% to < 12% 31% to 40% 6% to < 9% 41% to 50% 1% to < 6% Below 1% above 50%	10 8 6 4 2 0	6
		Total Deposits	<b>0.09</b>			
2	Solvency					
	Measures the degree of protection that the cooperative has for members savings and share capital contribution in the event of liquidation of the cooperative's assets and liabilities.	(Total Assets + Allowance for Probable Losses on Loans) - (Total Liabilities - Deposits + Past Due Loans + Loans Restructured + Loans Under Litigation + Impaired Assets)	<u>461,597,374.19</u> 420,745,990.42	110% and above 100% to < 110% 90% to < 100% 80% to < 90% 70% to < 80% below 70%	10 8 6 4 2 0	10
		Deposit Liabilities + Share Capital + Deposit for Share Capital Subscription	<b>1.10</b>			
3	Net Institutional Capital					
	Measures the level of institutional capital to absorb potential losses.	(Reserve Fund + APPL) - (Past Due + Loans in Litigation + Impaired Assets)	<u>23,353,204.02</u> 484,564,009.53	10% and above 7% to < 10% 5% to < 7% 3% to < 5% 1% to < 3% Below 1%	10 8 6 4 2 0	6
		Total Assets	<b>0.05</b>			
<b>O</b>	<b>OPERATIONS</b>					
1	Return on Member's Share					
	Measures the earning capacity of member's share capital.	Interest on Share Capital	<u>13,806,339.01</u> 285,030,477.09	Higher than inflation rate (2%) Equal to inflation rate Below inflation rate	4 2 0	4
		Total Average Share Month	<b>0.05</b>			
2	Operational Self Sufficiency					
	Measures the ability of the cooperatives to sustain its operations.	Income from Loans + Service Fees + Filing Fees + Fines, Penalties and Surcharges	<u>24,400,570.61</u> 13,841,582.49	120% and above 110% to < 120% 100% to < 110% 100% < 100%	4 3 2 1 0	4
		Financing Costs + Admin. Cost	<b>1.76</b>			

S	STRUCTURE OF ASSETS					
1	Non-Earning Asset Ratio Measures the percentage of total assets that are not producing income	Non-earning Assets Total Assets	824,024.94 484,564,009.53	5% and below >6% to 8% >8% to 10% >10% to 12% >12%	5 4 3 2 1	5
			<b>0.00</b>			
2	Extent of Assets financed by Deposit Liabilities (Asset Structure - Deposits) Measures the percentage of total assets financed by members' deposits.	Total Deposit Liabilities Total Assets	124,904,490.53 484,564,009.53	>55% to 80% >45% to 55% >35% to 45% 35% & below above 80%	5 3 1 0	0
			<b>0.26</b>			
3	Asset Structure Loans Measures the percentage of total assets invested in loan portfolio	Loans Receivable Total Assets	295,087,969.08 484,564,009.53	>70 % to 80% >60% to 70% >80% to 85% >50% to 60% >85% to 90% >40% to 50% >90% to 95% 40% and below Above 95%	5 4 3 2 0	4
			<b>0.61</b>			
4	Asset Structure - Share Capital Measures the percentage of liquid assets over total assets.	Total Share Capital + Deposit for Share Capital Subscription Total Assets	295,841,499.89 484,564,009.53	20% to 45% >10% to >20% below 10% over 45%	5 3 0	0
			<b>0.61</b>			

TOTAL SCORE

75

Medium and Large	Micro and Small	Adjective Rating
90-100	80-100	Very Satisfactory
80-89	70-79	Satisfactory
70-79	60-69	Fair
60-69	50-59	Needs Improvement
below 60	Below 50	Poor

**... end of report ...**

## ACCOMPLISHED SDP PROJECTS FOR 2025

Activities	Action Plan	Accomplishments
Environmental Conservation and Protection	Participation in an environmental protection initiative.	Rehabilitation of the spring water area in Guisad

**BEFORE:**



**AFTER:**



Activities	Action Plan	Accomplishments
Partnership & Community Group	Support and participate in community health initiatives	Conducted Face-to-Face Mental Health Training, Oct 4, 2025, at SLU Center with 70 participants.





Activities	Action Plan	Accomplishments
Partnership & Community Group	Support and participate in community health initiatives	Donated personal protective equipments & cleaning aids to garbage collectors and street sweepers in Barangay Loakan



<b>Social Development Plan</b>		
<b>Activities</b>	<b>Action Plan</b>	<b>Accomplishments</b>
Support to the vulnerable sector of the society - Children & Youth	Support and participate in community health initiatives	Donated materials for the construction area of the Gulayan sa Paaralan to serve as food basket & ready source of vegetables for the students and teachers

### Gulayan sa Paaralan (Irisan Elementary School)



<b>Social Development Plan</b>		
<b>Activities</b>	<b>Action Plan</b>	<b>Accomplishments</b>
Support to the vulnerable sector of the society - Children & Youth	Participate and support an activity for Children with special needs	Joined the activity for the 19 children with special needs and donated sensory toys they needed.

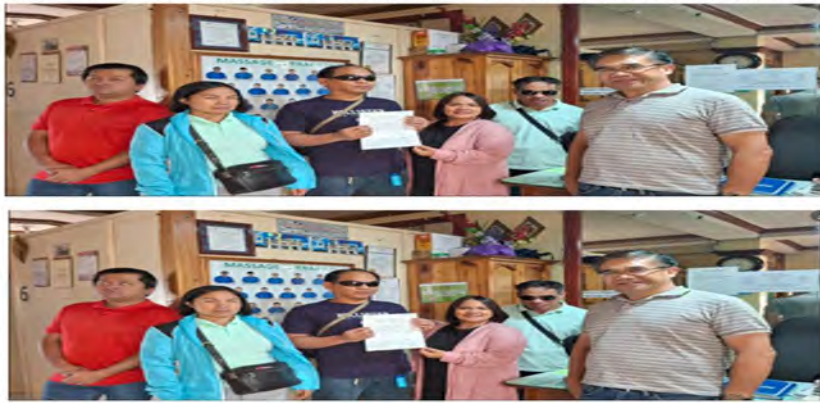


Social Development Plan		
Activities	Action Plan	Accomplishments
Environment Conservation and Protection	Participate in a Tree Caring and Environmental Education Campaign	Actively participated in activity and donated snacks for all participants



Social Development Plan		
Activities	Action Plan	Accomplishments
Partnership and Community Groups	Support KOOP Kapatid	Donated 50K to VISMAR as a support in their building purchase

December 29, 2025 – Financial Assistance were given to VISUALLY IMPAIRED SCIENTIFIC MASSAGE and REFLEXOLOGY (VISMAR) amounting to Fifty thousand pesos (50,000.00) for building purchase.



Social Development Plan		
Activities	Action Plan	Accomplishments
Partnership and Community Groups	Support KOOP Kapatid	During the international day of cooperatives, 1 used laptop and new oxygen concentration machine was also donated to our Koop Kapatid



<b>Social Development Plan</b>		
<b>Activities</b>	<b>Action Plan</b>	<b>Accomplishments</b>
Partnership and Community Groups	Provide meaningful assistance to a community group to support safety, structural integrity and welfare	Provided mini garden materials, ceiling repair materials and signage repair materials to the United Methodist Church in Kias





Social Development Plan		
Activities	Action Plan	Accomplishments
Support the vulnerable sector of the society - children and elderly	Support through optical medical mission to promote eye-health awareness within the identified vulnerable sectors	Provided free vision screening, basic eye care services and corrective eyewear to selected elderly and children with 81 participants in Apugan, Loakan





<b>Social Development Plan</b>		
<b>Activities</b>	<b>Action Plan</b>	<b>Accomplishments</b>
Support the vulnerable sector of the society -Indigenous People	Provide dedicated, safe and culturally appropriate space for Indigenous People to conduct meetings, consultations, and community activities	Donated materials for the construction of Indigenous People Meeting room within the Barangay Hall of Apugan





## PERFORMANCE AUDIT REPORT

The efficient, effective and timely institutionalization and implementation of policies, systems and procedures by the officers and management of a cooperative are necessary for their safe and sound operation and crucial for the attainment of good financial performance. Good governance, effective management practices and healthy financial condition of cooperatives are concrete measures of well-defined policies, systems and procedures adopted by the cooperative leadership and management.

### A. Government and Management Report

Summary of observations and findings are found below:

STRONG AREA	
<b>A.1 General Assembly</b>	<b>A.7 Mediation and Conciliation Committee</b>
1 Presence of approved development plan/strategic plan	1 Compilation of the Minutes and Committee Reports and Recommendations
2 Presence of approved annual plans and budget	2 Written duties and responsibilities
3 Acceptance/approval/confirmation/ratification of the following reports of the Board (including BR) and Committees	3 Board Resolution appointing the members of the Mediation and Conciliation Committee
3.1 Board Report	4 Duly signed Oath of Office
3.2 Committee Reports	5 Conflict resolution policies and procedures
3.3 Management Report	6 Medcon Plan/program
4 Documents showing the engagement of the external auditors	7 Pool of Mediators/Conciliators, if any
5 Conduct of Election of Officers	8 Medcon Semi-annual Report submitted to CDA
<b>A.8 Ethics Committee</b>	
6 Presentation/Acceptance/Approval of Required Reports to be prepared and/or submitted/to be submitted to CDA	1 Compilation of the Minutes and Committee Reports and Recommendations
a. Copy of electronically encoded CAPR	2 Board Resolution appointing the members of the Ethics Committee
b. Audited Financial Statement	3 Duly signed Oath of Office
c. List of Officers and Mandatory Trainings Undertaken/Completed	4 Code of Governance and Ethical Standards (CGES)
d. Performance Audit Report	5 Policies and Procedures in the conduct of investigation/inquiry involving violations of CGES
e. Semi-annual Report on Mediation and Conciliation	6 Ethics Committee Plans and Programs
f. Social Audit Report	<b>A.10 Secretary</b>
7 Writtten policies/rules and procedures in conducting the General Assembly meeting	1 Book of Minutes of meetings of GA and the BOD
8 Other Resolutions/Policies requiring approval of the GA, including amendments of ACBL, if any	2 Appointment Paper/Renewal of Appointment supported by Board Resolution
<b>A.2 Board of Directors (BODs)</b>	3 Duly signed Oath of Office
1 Duly signed Oath of Office	4 Registry of Members
2 Compilation of the minutes of the Board of Director's Meeting	5 Share and transfer book
3 Copies of the following documents submitted at least 5 days before the meeting or as provided in the policy	6 Cooperative copy of Certificate of Registration, Articles of Cooperation and By-Laws, Certificate of Compliance
3.1 Management Report	7 Compilation of Board Resolutions
3.2 Committee Reports	8 Treasurer's and Other Periodic Report
3.3 Chairperson's Report	9 Certified List of Members entitled to vote as determined by the BOD
3.4 Treasurer's Report	10 Cooperative Seal
3.5 Proposals	11 The BOD's decisions are disseminated in written form within 7 days or as stated in the policy.
3.6 Reference materials or attachments	12 Contracts, MOA, other docs (specify)
3.7 CDA Assessment/Examination/Investigation Reports	<b>A.11 Treasurer</b>
3.8 Review or Assessment Report	

## PERFORMANCE AUDIT REPORT

The efficient, effective and timely institutionalization and implementation of policies, systems and procedures by the officers and management of a cooperative are necessary for their safe and sound operation and crucial for the attainment of good financial performance. Good governance, effective management practices and healthy financial condition of cooperatives are concrete measures of well-defined policies, systems and procedures adopted by the cooperative leadership and management.

4 Copies of minutes of meeting with discussions on the following:	1 Appointment Paper/Renewal of Appointment supported by Board Resolution
4.1 Management Reports including the periodic financial statement	2 Duly signed Oath of Office
4.2 Budget	3 Cash Book
4.3 Policy formulation	4 Bank Books
4.4 Policy review and monitoring	5 Cooperative securities (investment, titles, and other negotiable instruments)
4.5 Product/Service Review	6 Cash Position Report
4.6 Discussion of audit findings or recommendations (internal and external)	7 Petty Cash Book
4.7 All unresolved issues identified in the examination/audit/assessment/ investigation reports are resolved by the Board of Directors within the prescribed period.	A.12 General Manager / C.E.O. / or its equivalent
5 Copies of Board Resolutions embodying all decisions of the BOD	1 Appointment paper
6 BR specifying the regular schedule of meetings of the Board and the Committees	2 Policy Implementation Files
8 Written Policies/ Rules and Procedures on the following:	3 Monthly and Annual Management report
8.1 Conduct of meeting	4 Implementation of the following
8.2 BOD attendance including sanctions for absences, tardiness and proper decorum	a. Board's Decisions
8.3 Membership acceptance, termination, determination of members entitled to vote	b. Risk Management Plan
8.4 Orientation of New Board Members and Other Officers	c. Communication Protocol
8.5 Communication Protocols	B.1 Organizational/Operational Structure
8.6 Submission and Handling of Audit/ Inspection/ Risk Review/ Examination Reports to the BOD	1 Organizational Chart
8.7 Investments	2 Management Structure
8.8 Borrowings	3 Functional Statement of each unit/ departments/sections
8.9 Product/Service Review, Evaluation and Assessment	B.2 Systems and Procedures
8.10 Performance Assessment of the BOD, Officers, Management and Staff	1 Complete BIR registered books of accounts or loose leaf or computerized accounting system
8.11 Promotions, Incentives and Rewards	2 Internal Control Systems
8.12 Survey, Feedback Mechanisms	2.1 Codified Approving and Signing Authority (CASA)
9 Succession Program of Officers and Management	2.2 Imprest System
10 The Disciplinary Actions on Late/Absences of the BOD and proper decorum are implemented	2.3 Bond of accountable officer
11 The board does not interfere in the day-to-day operations of the cooperative	2.4 Record preservation (maintenance and disposal/archiving plan)
12 The new BOD members and other officers have undergone Orientation on ACBL and other regulations, coop policies and programs.	2.5 Risk Assessment System
13 The board has acted on the result of feedbacks which require prompt action.	3 Manual of Operation and Policies, which included among others, the following:
14 The Board implements and imposes sanctions in violation of the Confidentiality Agreement Policy.	3.1 Business Operation Manual
15 The election related protest or complaint filed with the cooperative are appropriately acted upon. (Rule 7 Revised IRR of 9520)	3.2 Accounting Manual

## PERFORMANCE AUDIT REPORT

The efficient, effective and timely institutionalization and implementation of policies, systems and procedures by the officers and management of a cooperative are necessary for their safe and sound operation and crucial for the attainment of good financial performance. Good governance, effective management practices and healthy financial condition of cooperatives are concrete measures of well-defined policies, systems and procedures adopted by the cooperative leadership and management.

16 Awareness through policies and training/orientation of the members of the Board of Director's are aware of their duties & responsibilities under the following:	3.3 Human Resource Policy Manual
16.1 RA9520	3.4 Access to documents/books/records as required under Art. 52 and 83 of RA9520 by the members
16.2 Truth in Lending Act	4 Copies of Guidelines implementing the approved policies
16.4 Taxation	6 Communication and Feedback Mechanism
16.5 Trade Practices Act	<b>B.3 Human Resource Records</b>
16.6 Environmental Protection	1 Contract/Certificate of employment
16.7 Workplace Health and Safety Act	2 Job Description
16.8 Labor Law - Minimum Wage	3 Qualification Standards
16.9 Banking laws	4 Personnel File
16.10 AMLA	<b>B.4 Performance Evaluation</b>
16.11 Credit Information System Act	1 Standards of measurement
16.12 Data Privacy Act	2 Rating of all officers and management staff
16.13 Magna Carta on Women, Solo Parent Act, Magna Carta for Senior Citizens, Magna Carta for PWD	<b>B.5 Compensation and Benefits</b>
<b>A.3 Election Committee</b>	1 Salary scaling program
1 Compilation of the Minutes and Committee Reports and Recommendations	2 Incentive and Reward Program
2 Duly signed Oath of Office	3 Leave Incentives Program
3 Duly approved election rules and guidelines	4 Retirement Plan/Program/Package
4 Certified List of Members entitled to vote as determined by the BOD	<b>B.6 Compliance to Government Requirements</b>
5 Results of Election	1 Certificate of Compliance (CDA)
<b>A.4 Audit Committee</b>	2 Certificate of Tax Exemption (BIR)
1 Compilation of the Minutes and Committee Reports and Recommendations	3 Annual Registration with BIR
2 Duly signed Oath of Office	4 Registration (SSS)
3 Audit Manual	5 Registration (PHILHEALTH)
4 Audit Program	6 Registration (PAG-IBIG)
5 Internal Audit Report/Audit Committee Report	7 Business Permit (LGU)
6 Monitoring report on the compliance of internal and audit recommendations	8 Annual Tax Incentive Report (CDA)
<b>A.5 Education Committee</b>	9 Other agencies, specify the document, if applicable
1 Compilation of the Minutes and Committee Reports and Recommendations	<b>C. Partnership, Networking and Linkaging</b>
2 Board Resolution appointing the members of the Education Committee	1 The cooperative is a member of the following:
3 Duly signed Oath of Office	a. Cooperative federation/union
4 Capacity Building Program/Training Plan/Program with budget	c. Cooperative Development Councils
5 Training Report	2 The board participates and supports the activities of the cooperative federation/union/local special bodies (LGU) and Civic Organizations or Peoples Organizations
6 Training modules conducted by the coop e.g. PMES, Ownership Seminar, Audio visual presentations	
7 Compilation of Training materials/ paraphernalia	
8 List of pool of trainers	
9 Feedback/evaluation tool	

## PERFORMANCE AUDIT REPORT

The efficient, effective and timely institutionalization and implementation of policies, systems and procedures by the officers and management of a cooperative are necessary for their safe and sound operation and crucial for the attainment of good financial performance. Good governance, effective management practices and healthy financial condition of cooperatives are concrete measures of well-defined policies, systems and procedures adopted by the cooperative leadership and management.

<b>A.6 GAD Committee</b>
1 Compilation of the Minutes and Committee Reports and Recommendations
2 Written duties and responsibilities
3 Board Resolution appointing the members of the GAD Committee
4 Duly signed Oath of Office
5 GAD Plan with Budget
6 Sex disaggregated data of members, officers and staff
7 GAD Assessment Report

AREAS TO BE IMPROVED/FOR COMPLIANCE	NEEDED ACTION	TIMELINE
<b>B.2 Systems and Procedures</b>		
3 Manual of Operation and Policies, which included among others, the following:		
3.5 Business Continuity/Contingency Manual	Formalize Business Continuity / Contingency Policy into a Manual	2026
5 Business Continuity/Contingency Plan		
<b>D. Membership Participation</b>		
1 Presence of at least 10% in new set of officers yearly.	Offer leadership training and development and encourage members to join cooperative committees	2026
2 At least 50% of the total membership attended/participated in the activities of the cooperative, except GA Meetings	Encourage members' participation in cooperative activities. Schedule activities convenient to members	2026

### B. Result of Financial Performance

STEPS	Standard Rating	Coop's Rating
Stability	19	14
Turn-over Ratio	6	2
Efficiency	38	31
Profitability	15	12
Structures of Assets	22	19
<b>Total Rating - STEPS</b>	<b>100</b>	<b>78</b>

### C. Overall Performance Rating

Governance and Management	193/197 x 40%	39%
STEPS	78/100 x 60%	47%
<b>Grand Total</b>	<b>100%</b>	<b>86%</b>

### Adjectival Rating

(MEMORANDUM CIRCULAR NO. 2021-04)

The adjectival rating of the total percentage score for the Performance Audit Report are scaled as follows:

Rating				Adjectival Rating
Large	Medium	Small	Micro	
96-100%	93-100%	90 - 100%	87-100%	Excellent
91-95%	85-92%	80 - 89%	75-86%	Very Satisfactory
86 - 90%	77-84%	70% - 79%	63-74%	Satisfactory
81% - 85%	69-76%	60% - 69%	51-62%	Fair
Below 81%	Below 69%	Below 60%	Below 51%	Needs Improvement

Rating 3 **Satisfactory**. The cooperative's performance is flawed to some degree. Results of key performance measures indicate that safe and sound operations may be adversely affected. Cooperatives in this group are only nominally resistant to adverse business conditions and may deteriorate if identifiable areas of weakness are not corrected immediately.

# SOCIAL AUDIT REPORT

Based on the audit conducted as of December 31, 2025, the following observations and recommendations were noted:

## 1. Statement of Mission, Vision, Core Values, and Social Goals

There is a need to formally document and adopt a clear Statement of Mission, Vision, Core Values, and Social Goals specific to the Social Development Program.

## 2. Policies and Guidelines on Social Development

The cooperative is advised to strictly observe and adhere to existing policies and guidelines governing social development programs.

## 3. Implementation of Planned Activities

Some key areas for both cooperative and community programs were not fully implemented.

It is recommended that the cooperative strengthen its planning, scheduling, and execution of SDP activities for the succeeding year.

## 4. Utilization of Community Development Fund

The cooperative is encouraged to increase the utilization of the CDF while ensuring compliance with CDA Memorandum Circulars and related regulations.

Key Areas	Comments and Recommendation (Social Development Perspective)
Statement of Mission, Vision, Core Values and Social Goals	To formalize Statement of Mission, Vision, Core Values and Social Goals for SDP.
Policies and Guidelines on Social Development	Observe adherence to the policies and guidelines on social development.

Social Development Program	
Cooperative	Some key areas have no completed activity. Moving on, the cooperative is to design and implement more programs specifically targeting members, such as PMES, financial literacy seminars, and cooperative awareness activities, strengthen member engagement strategies to increase participation in cooperative programs. Thus, the cooperative has to prepare, plan and implement for the next year SDP.
Community	The cooperative implemented several meaningful community development initiatives in the areas of health, environment, social services, and partnerships. These activities demonstrate the cooperative's commitment to social responsibility. However, some program areas had no recorded activities, and overall utilization of the Community Development Fund (CDF) was relatively low at 41.86%.
Allotment and Utilization of Community Development Fund	Increase the utilization of the Community Development Fund while ensuring compliance with CDA guidelines and Memorandum Circulars.

### RECOMMENDED ACTIONS

Areas For Improvement	Recommended Action/s	Management Commitment
Allotment and Utilization of Community Development Fund	Increase utilization of the community development fund while ensuring compliance to MC 2021-01   Revised Policy Guidelines Governing the Allocation and Utilization of the Community Development Fund (CDF) of Cooperatives	2026
Social Development	Ensure that there should be at least one completed activity per key area	2026

## SOCIAL AUDIT REPORT

Social Development Program for Community	Ensure that there should be atleast one completed activity per key area.	2020
Social Development Program for Cooperative	Ensure that there should be atleast one completed activity per key area.	2026
Statement of Mission, Vision, Core Values and Social Goals	Formalize SDP Framework with the documented Mission, Vision and Social Goals.	2026

The cooperative has demonstrated its commitment to social responsibility through the implementation of various educational, social, and community-based activities. However, there is a need to enhance planning, implementation, and fund utilization to maximize the impact of its Social Development Program.

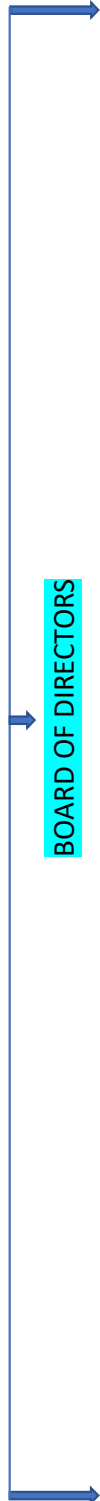
Moving forward, the cooperative aims to strengthen its SDP framework, ensure full implementation of planned activities, and increase members and community engagement in alignment with cooperative principles and CDA guidelines.















**MBCC**  
Moog Baguio Credit Cooperative

# Organizational Structure

## GENERAL ASSEMBLY






### BOARD OF DIRECTORS

 RICARDO BAYAO Chairperson	 IRIS RUMALO Member	 FELICITAS BINONGGAL Member	 FRANCISCA MOREDO Member	 ROGER BANCIO Member	 JONALYN VILLALUZ Member
 JESS ISRAEL ILAGAN Vice Chairperson	 ROGER BANCIO Member	 GARRY APLATEN Treasurer	 SHIRLEY SALLUDO Secretary	 SHIRLEY SALLUDO Secretary	 JONALYN VILLALUZ Member







### AUDIT COMMITTEE

 MARILOU TABALONDA Vice Chairperson	 NORAYDA CELINDRO Chairperson	 NISSA MACALINGAY Secretary
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### ELECTION COMMITTEE

 GERONIMO GARCIA Vice Chairperson	 SUSIE ANN CULAN Chairperson	 ELSA PANGULUNAN Secretary
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### EDUCATION COMMITTEE

 JOHN REY ABELLERA Chairperson	 SHIRLEY JACOB Secretary	 JONALYN VILLALUZ Member
 ARIEL PASILIAO Vice Chairperson	 JEROME VILLANUEVA Vice Chairperson	 JACKIE LYNN ICO Secretary



### ETHICS COMMITTEE

 DONNALYN ASCANO Chairperson	 JEROME VILLANUEVA Vice Chairperson	 JACKIE LYNN ICO Secretary
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### CONCILIATION AND MEDIATION COMMITTEE

 NOEL DESIATE Chairperson	 VACANT Vice Chairperson	 ARRIANE FINILIAR Secretary
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### GENDER AND DEVELOPMENT COMMITTEE

 GIRLY BETITO Vice Chairperson	 EDRALYNE LEE Chairperson	 ROGER BANCIO Point of Contact
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### GENDER AND DEVELOPMENT COMMITTEE

 DJ.K. ESNARA Accountant	 LORELUE GERON Cashier	 JHOANNA MARIE CATENZA Loan Processor
 MARIBEL PASNGADAN General Manager	 GRACE TUANAN Administrative Assistant	

### STAFF

# Flyers and Advertisement

PROTECT WHAT MATTERS MOST –  
FOR AS LOW AS Php 182.50/year!

**GBLISS**  
Group Basic Life Insurance Security System

## Enjoy peace of mind with these benefits:

- ✓ Life Insurance Benefit
- ✓ Accidental Death Benefit (ADB)
- ✓ Accidental Dismemberment (AD)
- ✓ Total and Permanent Disability (TPD)
- ✓ Burial Benefit
- ✓ Hospital Income Benefit (HIB) – starts on the 4<sup>th</sup> day of confinement

## Coverage Details:

- ❖ Insurable Age: 18-65 years old
- ❖ Term of Coverage; 1 Year (Renewable)
- ❖ Plan Options: Choose from 5 plan levels based on your preferred annual premium.

**AFFORDABLE, RELIABLE, DESIGNED FOR COOPERATIVES**

Secure your future and your family's peace of mind today.

**Enroll now and be protected**

Contact us at:

[moogbaguiocreditcoop@gmail.com](mailto:moogbaguiocreditcoop@gmail.com)

+639984283887



PROTECT WHAT MATTERS MOST –  
FOR AS LOW AS Php 182.50/year!

**GBLISS**  
Group Basic Life Insurance Security System

COVERAGE	BENEFITS - UNIT 1	BENEFITS - UNIT 2	BENEFITS - UNIT 3	BENEFITS - UNIT 4	BENEFITS - UNIT 5
Life Insurance Benefit	Php 15,000.00	Php 30,000.00	Php 45,000.00	Php 60,000.00	Php 75,000.00
Accidental Death Benefit	Php 15,000.00	Php 30,000.00	Php 45,000.00	Php 60,000.00	Php 75,000.00
Accidental Dismemberment	Php 15,000.00	Php 30,000.00	Php 45,000.00	Php 60,000.00	Php 75,000.00
Total and Permanent Disability	Php 15,000.00	Php 30,000.00	Php 45,000.00	Php 60,000.00	Php 75,000.00
Burial Benefit	Php 5,000.00	Php 10,000.00	Php 15,000.00	Php 20,000.00	Php 25,000.00
In-Hospital Income Per Day (Up to 30 days whichever comes earlier)	Php 100.00	Php 200.00	Php 300.00	Php 400.00	Php 500.00
<b>Annual Premium</b>	<b>Php 182.50</b>	<b>Php 365.00</b>	<b>Php 547.50</b>	<b>Php 730.00</b>	<b>Php 912.50</b>

## CONTESTABILITY

The Contestability of coverage of the **NEW Members** shall be one (1) year or 12 months from the effectivity date of the Plan.

Contact us at:

[moogbaguiocreditcoop@gmail.com](mailto:moogbaguiocreditcoop@gmail.com)

+639984283887



Looking for a practical and affordable space to gather your team? Our meeting room offers the perfect environment for small group discussions, workshops, and planning sessions.



## Meeting room for MBCC members

### Features:

- Comfortable seating
- High-speed Wi-Fi
- TV available for presentations or viewing
- Spacious layout

### Capacity:

Up to 20 participants

MBCC Satellite Office  
5th Floor, EDY Building,  
Kisad Road, Baguio City  
(074) - 661-3736

### Reserve your slot:

MONDAY: 1:00PM - 4:00PM

TUESDAY - THURSDAY: 8:00 AM - 4:00 PM

FRIDAY and SATURDAY: 8:00 AM - 12:00NN

Service Fee: P200/ hour

## Frequently Asked Questions **FAQ**

### ? Who can rent the meeting room?

A: This facility is exclusively available for MBCC members and their respective groups or organizations.

### ? How do I book a slot?

A: You can reserve your slot by calling our landline at (074) 661-3736 or by visiting us at the MBCC Satellite Office on the 5th Floor, EDY Building. We recommend booking at least 2-3 days in advance to ensure availability.

### ? Is there a minimum or maximum booking time?

A: The rate is P200 per hour. You can book for as little as one hour, provided it falls within our operating hours (8:00 AM - 4:00 PM on weekdays and until 12:00 NN on Saturdays).

### ? Can we bring our own food and drinks?

A: Yes, light snacks and drinks are allowed! We just ask all members to observe the "Clean As You Go" (CLAYGO) policy to keep the space professional for the next user.

### ? Does the room come with technical support for the TV?

A: Our staff can assist you with the basic setup of the TV for your presentations. Please bring your own HDMI cables or adapters to ensure compatibility with your laptop.

### ? Is there parking available at the EDY Building?

A: There is limited street parking along Kisad Road and some paid parking slots nearby. We recommend arriving a few minutes early to secure a spot.

### ? What if I need to cancel my reservation?

A: Please notify us at least 24 hours in advance if you need to cancel or reschedule so we can open the slot for other members.

Reserve your slot and enjoy a professional space tailored for MBCC members!

Monday 2:00PM - 4:00 PM  
Tuesday - Friday 8:00 AM - 4:00 PM  
Saturday 8:00 AM - 12:00 NN

MBCC Satellite Office  
5th Floor, EDY Building, Kisad Road, Baguio City  
(074) - 661-3736

## CTPL Insurance Available at MBCC



Protect your vehicle and comply with LTO requirements

Process your CTPL Insurance quickly and conveniently through MBCC.

### Requirements:

- OR/CR
- Picture of the Vehicle with Plate Number

Visit the MBCC Office  
For inquiries and assistance.



Avoid long lines and process your CTPL Insurance with MBCC today!

# Flyers and Advertisement

## Access MBCC at Your Fingertips!



Skip the trip to the office! Our new Member Portal is designed to let you view your accounts and file your loans from anywhere

### Step 1: Access the Portal



- Visit official link:  
<https://mbcc.natcco.coop/Memberportal>
- Tap the hamburger menu (three lines) at the top right

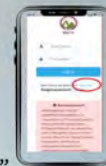
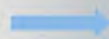


Select **ONLINE BANKING LOGIN**

## Access MBCC at Your Fingertips!



### Step 2: Sign Up & Secure



- Click the **Sign-up** link
- Read and click "**Agree and Continue**" on the Privacy Notice
- Fill-out the required fields (Name, Birthday, Email, and Username)
- Create a strong **PASSWORD**
- Click **Validate**, complete the **CAPTCHA** and hit **SIGN UP**

## Access MBCC at Your Fingertips!



### Important Security Reminders



Click the **Sign-up** link



Read and agree to the **PRIVACY NOTICE AND CONSENT FORM**



Fill-out the required fields



Create your **PASSWORD**



Click **Validate** and **SIGN UP**



**Log Out Every Time:**  
Single device only



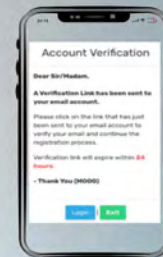
**HELP**

**Need Help?**  
Contact the MBCC Office

### Step 3: Verify & Log In



Check your email for a **Verification Link**



**Note:** Links expire within **24 hours!**

Once verified, click **LOG IN** to start managing your account

## Reminders



- Contact the office for any issue encountered during the sign up process
- Always log-out your account for security purposes. You cannot log-in if your account has been detected as open/active in another device
- Remember your account name and password. 3 failed log-in attempts will automatically block your account

## Secure Your Account: Pro Tips!

Smart habits for a safe account

### Password Power-Ups



**Be Unique:** Don't reuse passwords



**Mix it Up:** 8+ chars, caps, numbers, symbols



**Think Phrases,** Not just single words.



# MOOG Baguio Credit Cooperative

MOOG Controls Corporation, BCEZ, Loakan Road, Baguio City,  
Philippines 2600