



ANNUAL REPORT 2013

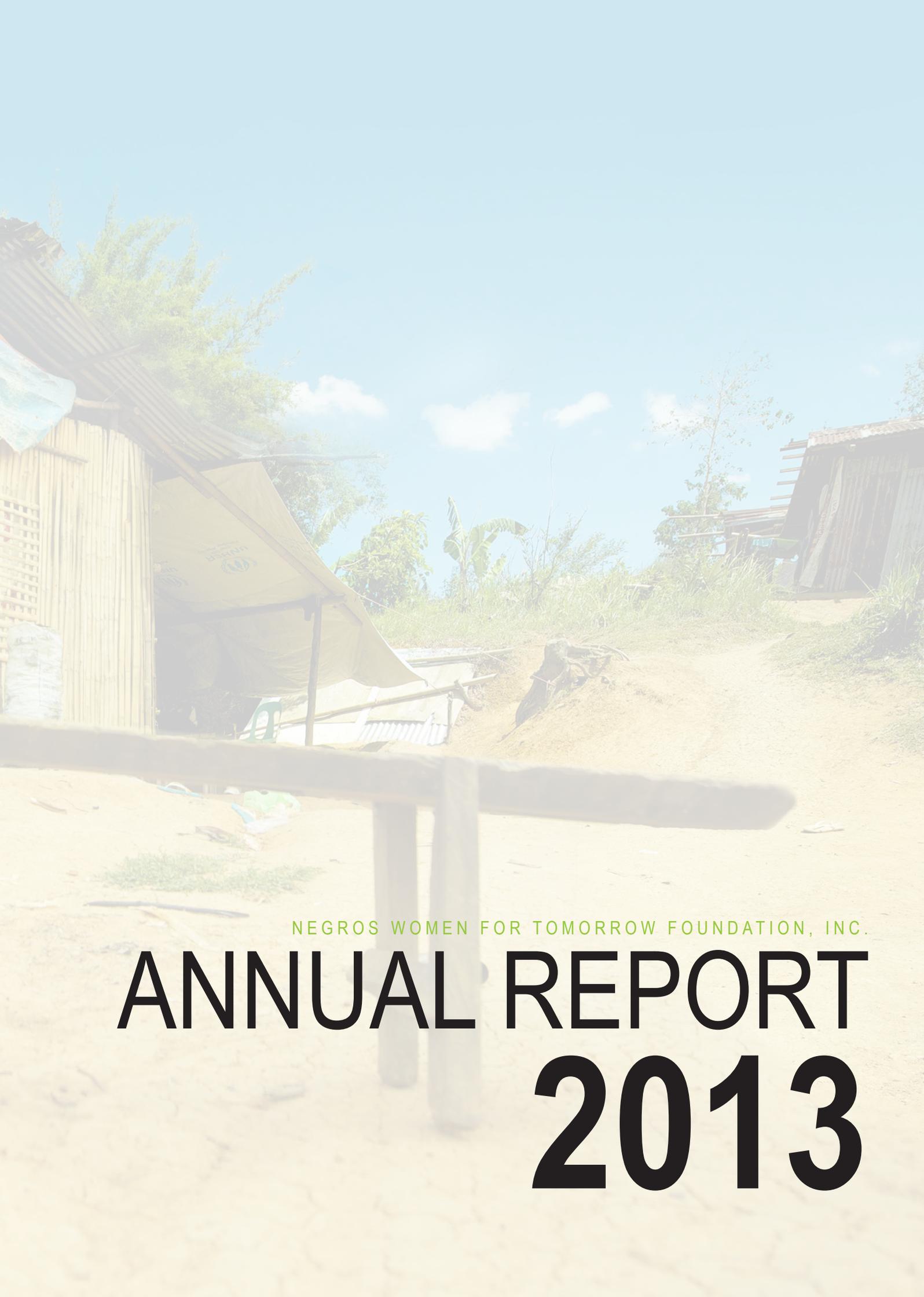


About the **COVER**

At NWTF and the whole Philippines, the journey hasn't ended. There are still grounds to be covered. There are homes to be rebuilt. There are lives that still need to be uplifted. It will be a long and difficult process of personal change and development but there is hope. It is in this hope that one believes something good may happen and NWTF has been a witness to all these miracles.

In spite of all the calamities, every service, product and program is channeled to all the Dungenon clients especially in the areas where the catastrophes have hit the most. Steps have been made where efforts of the countless volunteers have resulted to positive impacts. Life has indeed moved on. The journey will never stop and hope will always thrive even in places where one least expects it.





NEGROS WOMEN FOR TOMORROW FOUNDATION, INC.

ANNUAL REPORT 2013



Message from the Chairman

29 - YEARS – of empowering poor women- and I say, recent events in 2013 proved that NWTF have been successful in achieving this dream thru microfinance. The devastation brought by typhoon Haiyan is a clear manifestation that the lives of the poor can be changed for the better by giving them the opportunity to manage their small business. Despite the losses that NWTF and our clients have suffered in Leyte, Bohol, Samar, Panay and some parts of Negros Occidental, we discovered that our clients are capable of accepting this event for they became stronger, more self-confident and more determined to recover their losses with the support of NWTF. These were the traits that we were trying to develop among our members that in the process of building their small enterprises, they too will gain the skills and confidence in facing adversities that will come their way. Thus, one of the objectives of social business as defined by Prof. Muhammad Yunus is fulfilled- that social business is a problem-solving business which it is really is. It is heartening to know that sad events like this typhoon brings out the best in our clients and we are comforted by the fact that with the motivation and technical support of NWTF, our clients will survive this crisis.

This event pose a greater challenge to our organization, i.e. to improve the delivery of our various services which are designed to increase their productivity, profitability and to instill values that will ultimately improve their lives and lift up their status in our society. This we can do with the passionate investment of our hardworking trustees, management and staff of their time, money and expertise in this glorious adventure despite their demanding personal activities. Can we do this- I say, Yes, we can – and with the aid of Divine Providence - we look forward to more years of service to our communities.

NWTF as a social business is here to stay.

- Ms. Wilhelmina Gonzales



Message from the Executive Director

We started 2013 with great expectations. Our target was to grow by 20% in outreach and portfolio. We also planned to expand our territory by opening more branches.

2013 turned out to be a very challenging and interesting year. In many aspects we were on track with our projections and targets: we expanded our sphere of operations by splitting old branches and opening branches in new territories, ending the year with 70 Project Dunganon branches. We also increased our active clients by 17% and our loan portfolio by 14%.

In the technology field, we moved forward by converting all our branches into CESUCO, the Loans and Savings Tracking System developed by DO-IT, our technology arm, and streamlined our business processes to improve our productivity and efficiency. In the second half of the year, system upgrades and internal controls were implemented, and in the last quarter, we rolled out the web-based Cash Management System (CMS) to the branches.

As we look back, we will remember 2013 as a year filled with rewards and achievements and a year of great calamities but we will most of all remember 2013 as the year that we bravely faced and triumphed over extreme challenges.

We are truly grateful for the recognitions we received this year. It is encouraging to be named Leading Woman in Public Sector by the Women in Leadership Forum Asia for the efforts and work we have done to champion the cause of women in their progress out of poverty. And it is even more heartening to be given the Truelift Achiever Award in recognition of our efforts to advance pro-poor principles in all aspects of our organizational activities.

But the visitation of natural calamities is something we could not predict. We experienced a double-whammy in the last quarter, first with the great earthquake in Bohol in October, closely followed by Super Typhoon Haiyan in November.

Six of our branches in Leyte and Northern Cebu were almost totally wiped out, and we lost one loan staff in the storm. Our clients were even more devastated: 86 of our clients and 139 spouses and dependents died in the storm and its aftermath, while many more lost their homes and their businesses.

In spite of the great devastation to both our operations and our clients' lives, we faced the great challenge by quickly deploying teams to provide relief assistance to clients and to assess how we could assist them in recovering from this tragedy, and we worked with our partners to develop disaster recovery packages that enabled our clients to quickly restart their business activities and to rebuild their homes.

This Annual Report documents not only our journey in 2013 but also spotlights our conviction and commitment to follow through on our vision to build vibrant Dunganon communities now and in the future.

- Dr. Cecilia del Castillo



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SOCIAL IMPACT GOALS

80-50-30

80%

upward movement
within 3 years

of clients should be
below the poverty
line at entry

50%

30%

should move out
of poverty 5 years
after entry

Our 80-50-30 social impact goals give us concrete, measurable markers of what we want to achieve as an institution.

Through these simple numbers, we can illustrate an NWTf client's ideal Dungganon journey:

At the start, we hope to identify and serve someone who needs our services the most: a woman living below the poverty line who needs financial help to jumpstart her progress out of poverty.

To ensure that we reach the poorest, we will use the Progress Out of Poverty Index [PPI] to identify potential clients, and we will do our utmost to make sure that 80% of new clients live below the poverty line when they join Project Dungganon.

In the three years after she joins Project Dungganon, we will exert all effort to train and upgrade her business skills so that she and her family experience quantifiable positive changes in their lives.

We will continuously track the improvements in our clients' lives using PPI. Our goal is that within 3 years of joining Project Dungganon, 50% of our clients have an upward movement on their PPI scores, proving that they are truly progressing out of poverty.

After five years of sustaining and expanding her business ventures while participating in the various Project Dungganon activities, we hope she would be able to sustainably support her family with a better quality of life.

At this point, our ideal is for 30% of our clients to have PPI scores showing that they no longer live below the poverty line, and that they have genuinely moved out of poverty.

NWTF is a growing institution with over one hundred eighty thousand active clients at the end of 2013. We know that not all of our clients' Dungganon journeys will follow the ideal path we describe here. Some may experience downturns, failures and reversals of fortune, but we will strive to maintain a high standard of the quality of our services and the integrity of our social goals so that our clients do not experience more than 10% downward movement. And we will do our best to assist, encourage and support them all throughout their continuing journeys toward a better tomorrow for themselves, for their families, and for their communities.

THE JOURNEY TO HOPE

Resilience is one of the major traits that NWTf has inculcated in every member of the organization. Whether it be instilling among the clients the confidence to transform a skill into a business that would help change them and their families or providing clients with bridge loans after they have suffered a business failure or even just motivating the staff to look deeper and find solutions to everyday issues; the organization has always been filled with stories of faith, hope and revival. The year 2013 has tested the resiliency of every Filipino with natural disasters that have caused heavy destruction and the loss of thousands of lives.

On October 15, 2013, a 7.2 magnitude earthquake struck Central Philippines hitting Bohol, Cebu and other nearby provinces. Stated to be the deadliest earthquake in 23 years, it brought with it at least 200 casualties, hundreds injured, widespread destruction, numerous landslides and ceaseless fear among the victims because of the thousands of aftershocks that went on for several months.

The NWTf branches in Bohol and some areas in Cebu were affected by the quake. Hundreds of clients were displaced from their homes, thousands did not have access to their livelihood and the frequent aftershocks brought panic and anxiety in the affected communities.

NWTf responded by distributing food packs to more than 600 clients and their families. They also provided debriefing to thousands on how to deal with aftershocks and continued to revisit clients and their families throughout the whole process.



On November 8, 2013, while still recovering from the earthquake, Super Typhoon Haiyan (local name: Yolanda), made five heavy landfalls, four of which were in the various islands of the Visayas. Declared to be the strongest storm to reach landfall in recorded history and possibly the strongest typhoon in terms of wind speed, Haiyan was tsunami-like in magnitude causing at least 6,000 recorded deaths found mostly in the province of Leyte, particularly in the city of Tacloban, with thousands still missing and injured, and has left 300,000 people displaced from their homes.

From Guiuan, in Eastern Samar to Tacloban and its neighboring towns in Leyte Province, to the various towns and islands in Northern Cebu, to the Northern Negros and Panay towns that were severely hit, NWTF had substantial operations in all these areas.

Right after the deluge of the typhoon and the storm surge, NWTF quickly assembled a response team that would assist in monitoring the extent of the damage of its clients, staff, property and the communities where it operates.

A helpdesk team was set-up at the Head Office to run all these initially while various groups and individuals from the staff in the different branches responded to the call to volunteer in rescuing others in need or providing support and relief to countless other people.

NWTF responded to the call of the times by not only providing immediate relief and rescue to those in need right after the storm but also provided aid in terms of food packs, clothing and some basic medicines to all 65,000 affected clients and their families. A gift-giving drive for the children of displaced clients in the hardest hit areas of Tacloban, Palo and Ormoc was organized in the weeks leading to Christmas.

The weeks that followed brought about rebuilding the lives and livelihood of the clients by providing housing reconstruction loans so they can have a decent place to stay while they recover, bridge loans that will allow them to revive their business and numerous other initiatives in the form of freezing their loans, insurance claim facilitation, access to other social services and more.

Once again faith, hope and the spirit to rise up is what drives us even in these most-challenging of times. Friends, partners, supporters, staff members and even other clients were very instrumental in making the relief and subsequent rebuilding efforts possible. People donated their time, resources and efforts with the dream of seeing NWTF and its clients become better after these disasters.

Inevitably, these calamities have left deep wounds in NWTF's journey but the stories of faith, hope and revival continue to thrive and it is in these things that we, as an organization, draw our strength to continually provide our dearest clients and the communities we work in with the leadership and the resilience to rise up from disasters and poverty.



NWTF AND MICROFINANCE

What is microfinance?

“We have to get out of this mindset that the rich will do the business and the poor will [make do with] charity... Poor people can, and do, repay loans.”

– Professor Muhammad Yunus

Microfinance is the act of lending small amounts to entrepreneurs who are too poor to qualify for regular loans. Its existence can be traced as far back as feudal times. At present, the practice thrives on the concept where the low-income group or the poor are believed to be bankable and have proven their willingness to pay.

Much of the credit for this innovation is given to the creator of the Grameen methodology, Nobel Peace Laureate Professor Muhammad Yunus, in making microfinance a socially responsible and viable business model. It paved the way to access of savings, insurance and fund transfers. It has proven that microfinance is a source of progress and empowering entrepreneurship from the grass roots.

With a 98.3% repayment from the poor clients of Grameen Foundation, the system works with a group comprised of 5 women who apply together for loans. Each member acts as a co-guarantor of repayment and is supportive of each other's efforts on advancing economically.

Professor Yunus has stated that the sustained success of Grameen lies in the fact that “we have made the system easy for borrowers to access with a no-hassle, no-documents, no-credit-check policy. There is nothing threatening about the Grameen methodology.”





NWTF has used the Grameen method for the past 29 years and has observed that although there has been no proof stating that the poor have gotten out of poverty, the 98-99% repayment rate of its clients show that the poor can pay. This is an evident sign that microfinance institutions (MFI) are sustainable.

The concept for an MFI business is to make clients financially sustainable so the institution can be financially viable. It is a way to promote economic development, employment and growth through the support of micro-entrepreneurs and small businesses.

Aimed at empowering the women, NWTF did not only generate an increase in income for its clients but has also created jobs directly and indirectly, and encouraged an improvement in nutrition and education for their children.

Showing the poor the path to financial stability can be a way out of poverty using the Income Generated Survival Skills (IGSS) process:

1. Motivation for the client is determined through their dreams
2. Skills are itemized for both the client and the other family members
3. Estimate on how much a business can cost is computed depending on the skills of the client

How else can you encourage economic stability, if the locals have no means to purchase from each other whether it be for their needs or their business?

The impact of MFIs, like NWTF, is directly aimed at the individual and the community. When a client becomes part of an MFI, running a business is imperative. With income being generated for each household, the cash that is being circulated within the community is a good sign that people are earning money.

The government and other private institutions may be able to help but it is limited to either charity or only the 10-30% of the population. MFIs can target the 60-70% of the poor and deliver the goods because they are the majority.

Without any concrete evidence indicating that microfinance has lifted the poor out of poverty, one thing is for sure, being part of the financial world creates an inclusive environment with the opportunity for growth and success. Moreover, MFIs find a way to give back to their clients by providing other products and services. NWTF has provided scholarships, free medical and dental missions, mass weddings and more.

MFIs play a big role. Channeling an active economic program to the poorest of the poor contributes to the progress of the community. The outcome has been a dynamic relationship between entities, big and small, in building these small communities to a more progressive way of life.

STATISTICS

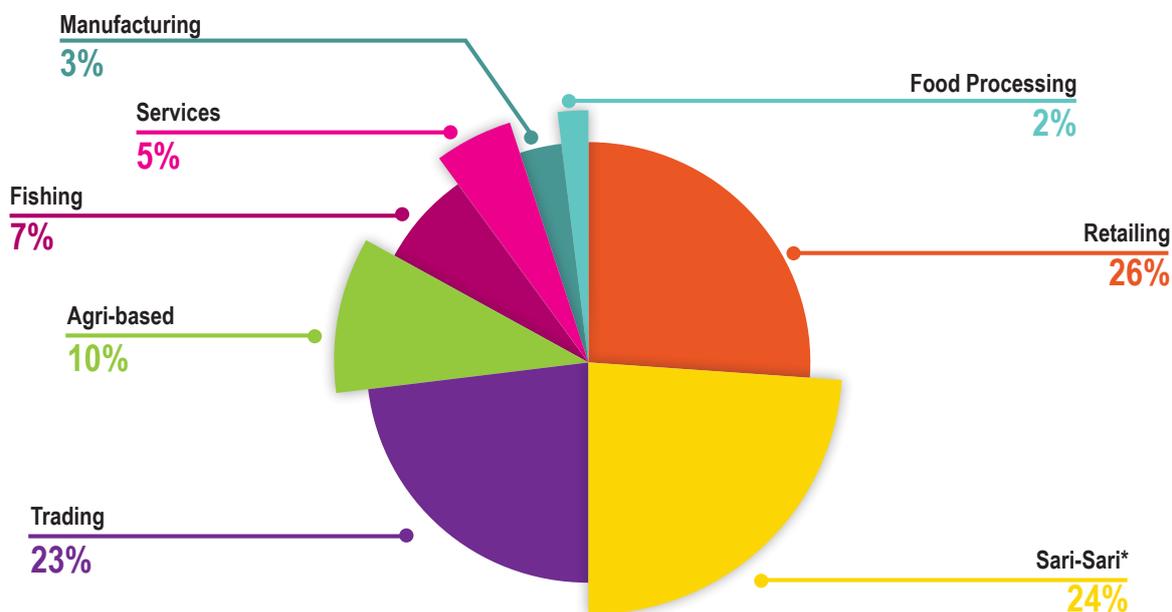


Clients

2013	2012
ACTIVE CLIENTS	
185,672	158,241
ACTIVE CLIENTS WITH LOANS	
178,071	151,788
AVERAGE % OF FEMALE CLIENTS	
99.81%	99.81%
AVERAGE LOAN SIZE PER CLIENT (PHP)	
9,148	8,842

2013	2012
169,608	148,381
 Clients with insurance coverage	
1,939	1,540
 Clients trained through capacity-building workshops	
41,489	34,891
 Clients treated through medical camp program	
308	390
 Clients' legalized marriages through mass wedding ceremonies	
541	392
 Scholarships released to clients' children	

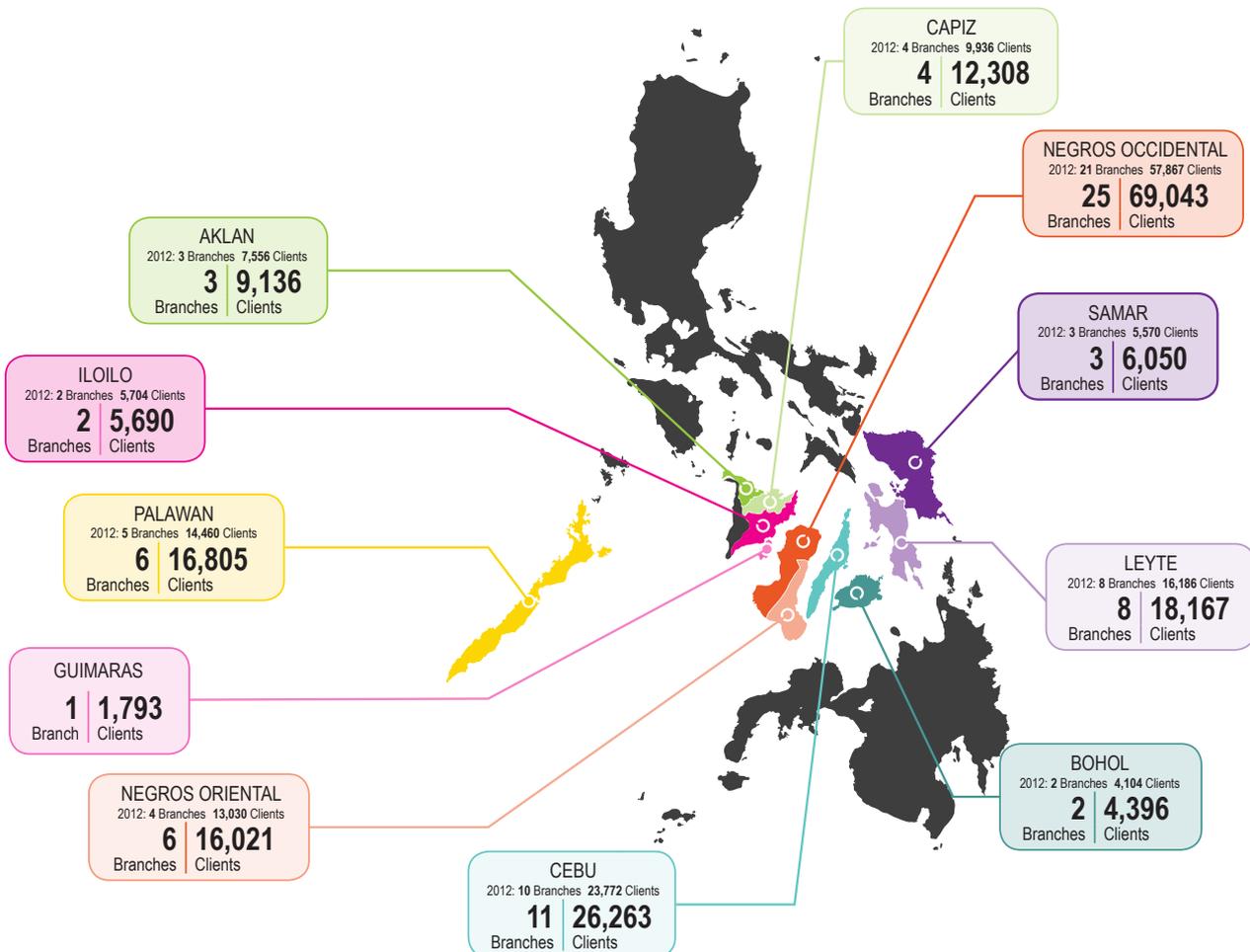
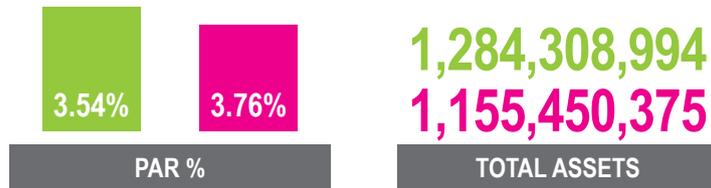
Loan Distribution



*Sari-Sari: A sari-sari store is a convenience store found in neighborhoods around the Philippines. The word sari-sari is Tagalog meaning "variety". These small stores carry food and non-food items.

The Organization

2013
2012



PRODUCTS

- 1. General /Negosyo Loan** – a primary loan product of Project Dunganon. The primary objective of this loan is to help the member's family generate more income through business. This product is available to all clients of Project Dunganon to start-up or expand their businesses. The loan amount may vary from Php1,000 to Php29,000 depending on client needs, payable weekly in 3, 6, 9, or 12 month terms.
- 2. Special Loan** – Project Dunganon clients of over two years and supported by a good credit standing have access to this loan product. They are able to apply this loan towards:
 - a. House improvements/repairs
 - b. Additional capital for family business
 - c. School fees or supplies
 - d. House utility improvements
 - e. Seasonal business when demand rises
 - f. Asset acquisition

The loan amount varies from Php1,000 to Php30,000 except for asset acquisition loan of Php1,000-300,000. All loans are payable weekly with a maximum loan term of 2 years.

- 3. Green Loans** – A unique loan product available to all clients interested in securing affordable, effective, energy-efficient and environment-friendly items such as solar lamps, cook stoves, water filters and more.
- 4. Student loan** – As partners of KIVA and Vittana, our clients with children looking to pursue vocational, 2-year or 4-year college courses have access to this loan product.
- 5. Individual Loan / PD Grad Loan** – The purpose of this loan is to provide PD clients, whose business needs have become more complex, access to loans from Php30,000 to Php300,000. Clients must exhibit a strong credit history, be members of the organization for over two years, and have assets in guarantee to support the loan.



SERVICES

1. Client Trainings, Business Development Services and Skills Training

The trainings help improve the clients knowledge and skills in business management and sustainability. From simple bookkeeping and accounting, acquisition of a business permit to technical training on food processing or furniture manufacturing, the impact of these trainings can significantly equip them with skills to improve their lives, generate income and manage their businesses.

2. Mother, Child and Family Health Care Services

As an organization, we strive to offer holistic services addressing needs of our clients and their families. A proactive approach that has been practiced by NWTf, these yearly programs have become a part of the clients' lives.

- a. Medical and Dental Mission
- b. Mass Wedding
- c. Funrobics
- d. Bloodletting

3. Dunganon Educational Program (DEP) and Dunganon Scholarship Program (DSP)

The Dunganon Scholarship Program was developed in response to the needs of clients who cannot afford to send their children to college. The program aims to provide a 4-year college degree course to the children of clients who qualify.

4. Environment Awareness

Our yearly environmental awareness activities are geared towards educating clients on their impact on the environment and how they can help their communities mitigate effects of global warming, deforestation, water and air pollution, along with other pressing environmental issues.

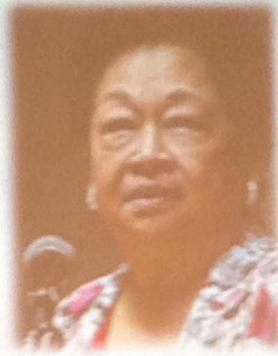
BANKING THE DUNGGANON WAY

The year 2013 was a challenging year for Dunganon Bank, Inc. The Bank's proposal to classify the Micro-Agri Crop Loan under the Bangko Sentral ng Pilipinas' (BSP) Micro-Agri category and the application for an expanded deposit solicitation was approved by the BSP. With this development, the bank will be able to solicit deposits within an hour's travel time from Bacolod. New Special Savings Products including the Student Savings Account, Educational Savings Account, and the Housing Savings Account were likewise developed to improve savings awareness amongst DBI clients.

The devastation in Bantayan in the 4th quarter of 2013 resulted in an increase in the bank's portfolio at risk to virtually 100%. However, with the resilience and resolve of the people of Bantayan to rise up, there has been significant improvement in the bank's loan portfolio. The bank may have slowed down in its expansion last year, but a roadmap, such as the expansion of our ATM services and branch network, is in development that will move the bank to greater heights in the coming years.



LEADING WOMAN IN PUBLIC SECTOR



CECILIA D. DEL CASTILLO
EXECUTIVE DIRECTOR

NEGROS WOMEN FOR TOMORROW FOUNDATION
PHILIPPINES

NWTF AWARDS IN 2013

Awards manifest that external stakeholders recognize the achievements or extraordinary initiatives of the organization or persons being awarded. It is in this light that we celebrate the awards featured in this page and subsequent pages.



WILFORUM ASIA conference on March 28, 2013 at the Royale Chulan Hotel in Kuala Lumpur, Malaysia.

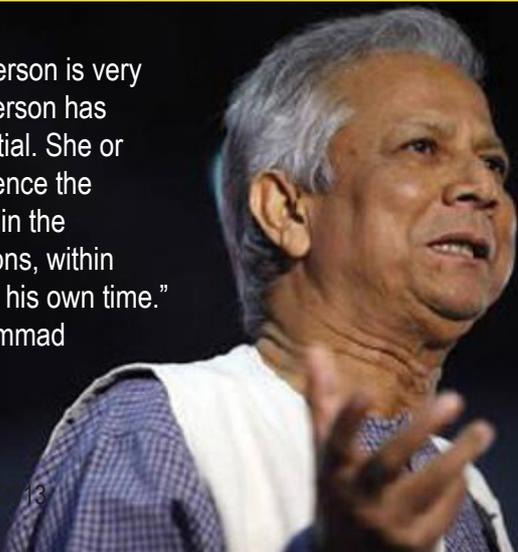
MICROCREDIT SUMMIT

The 2013 Partnership Against Poverty Summit

Last October 9 to 11, 2013, Negros Women for Tomorrow Foundation, Inc. (NWTF) sent 23 participants consisting of its Board of Trustees, Top Management and Department Heads, being the largest contingent from the Philippines, for the 2013 Partnership Against Poverty Summit held at the Philippine International Convention Center, Pasay City. The summit seeks to combine the expertise of the microfinance field and other sectors, such as health, education and agriculture, in order to provide services and infrastructure more efficiently and sustainably.

“Each individual person is very important. Each person has tremendous potential. She or he alone can influence the lives of others within the communities, nations, within and beyond her or his own time.”

– Professor Muhammad Yunus



The three-day summit was full of workshops, plenaries and networking opportunities. The aspirations and commitments of every individual present in the summit promulgated the following:

- Calls to partnerships that will help organizations reach and serve people deeper in poverty;
- Explanations of creative solutions for reaching the poorest, such as CCT programs tied to building assets, graduation programs, combining financial service and health care delivery, and creating self-managed savings banks.
- How national government and policymakers have begun working together to create a financial ecosystem that protects clients and provides pathways out of poverty.
- Where microfinance can fit in with those providing financial services, payments services and network operators, and to using mobile technology to bring products and services to those living in remote areas.
- Ways that other social businesses can enhance and expand the work of microfinance.



NWTF was well represented by Dr. Cecilia D. del Castillo and Raymond Serios who shared their specialization in Energy Lending, Gomby Maramba who spoke of NWTF actions towards the Resources to Pursue Inclusive Finance, and Manny Margate who was featured in a forum concerning Improving the Working Environment and Addressing Child Labor.

Several workshops that were held during the summit discussed various issues such as working in post-conflict and disaster areas, green energy, child and youth finance, small and medium enterprise, mobile banking, housing, gender challenges, value chains, health services, and appropriate regulatory environments.

TRUELIFT ACHIEVER AWARD

The award recognizes the progress of the organization toward the achievement of the pro-poor principles at the Achiever Milestone level. The award was given during the closing ceremonies of the 2013 Microcredit Summit in Manila on October 11, 2013.



One of the highlights of the Summit was the recognition of the Truelift Award recipients. NWTF was presented with an “Achiever” award showing the highest poverty rate penetration of all MFI’s in the Grameen Foundation poverty calculation research. Truelift is a trust mark – in microfinance and beyond – to signify commitment to positive and enduring change for people living in poverty.

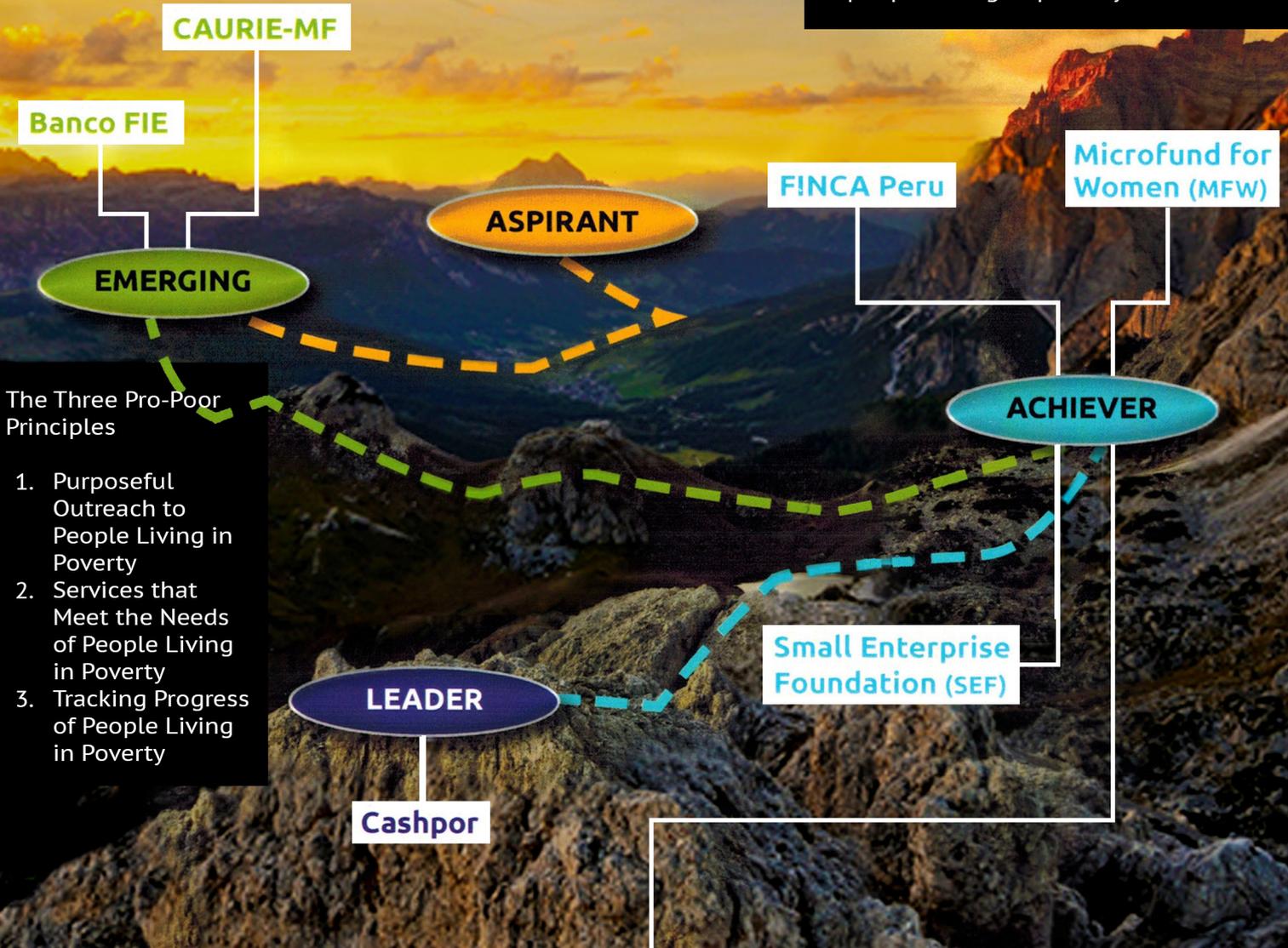
The event was concluded with a parade of 17 organizations presenting their public commitments to help see 100 million people move out of severe poverty in the next two years.



Recognizing Progress on the Journey to Pro-Poor Microfinance

Truelift is a global initiative to renew focus on the pro-poor objective of microfinance.

Truelift is a trust mark in microfinance and beyond - to signify commitment to positive and enduring change for people living in poverty.



Negros Women for Tomorrow Foundation (NWTF)

NWTF shows the highest poverty rate of all the MFIs in the Grameen Foundation poverty calculation research (from 30% to 64%). A poverty movement report was provided to the Board of Directors, showing poverty change based on the PPI data. The Board established an SPM Committee to work more on positive change in clients' lives and provide direction based on the poverty movement data received, including an increase in the activities of the Client Service Department for non-financial services.



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REPORT OF INDEPENDENT AUDITORS

The Board of Trustees and Members
Negros Women for Tomorrow Foundation, Inc. and Subsidiary
102 Verbena-San Sebastian Streets
Bacolod City

We have audited the accompanying consolidated financial statements of Negros Women for Tomorrow Foundation, Inc. (a nonstock, nonprofit corporation) and Subsidiary, which comprise the consolidated statements of financial position as at December 31, 2013 and 2012, and the consolidated statements of comprehensive income, consolidated statements of changes in fund balances and consolidated statements of cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Negros Women for Tomorrow Foundation, Inc. (a nonstock, nonprofit corporation) and Subsidiary as at December 31, 2013 and 2012, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Philippine Financial Reporting Standards.

R.G. MANABAT & CO.


VIRGLIO L. MANGUILIMOTAN

Partner

CPA License No. 0035026

SEC Accreditation No. 0047-AR-3, Group A, valid until March 28, 2015

Tax Identification No. 112-071-561

BIR Accreditation No. 08-001987-11-2013

Issued May 9, 2013; valid until May 8, 2016

PTR No. 4225132MC

Issued January 2, 2014 at Makati City

March 28, 2014

Makati City, Metro Manila

NEGROS WOMEN FOR TOMORROW FOUNDATION, INC.
(A Nonstock, Nonprofit Corporation) AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31		January 1
	2013	2012 (As restated)	2012 (As restated)
ASSETS			
Current Assets			
Cash and cash equivalents	P229,953,788	P232,110,486	P138,883,853
Receivables - net	1,011,320,237	881,747,741	708,113,142
Noncurrent assets held-for-sale	50,920	-	-
Other current assets	24,931,070	16,175,775	9,105,933
Total Current Assets	1,266,256,015	1,130,034,002	856,102,928
Noncurrent Assets			
Held-to-maturity	2,129,658	2,777,955	3,872,920
Property and equipment - net	68,154,970	54,371,743	56,920,429
Investment property	6,752,460	7,237,022	-
Deferred tax assets - net	3,020,883	878,943	688,529
Other noncurrent assets - net	658,928	1,504,712	2,161,874
Total Noncurrent Assets	80,716,899	66,770,375	63,643,752
	P1,346,972,914	P1,196,804,377	P919,746,680
LIABILITIES AND FUND BALANCES			
Current Liabilities			
Accounts payable and other current liabilities	P293,674,928	P228,418,387	P163,041,337
Income tax payable	1,495,123	-	-
Deposits from customers	42,770,928	26,327,550	10,231,987
Due to members	476,224,701	355,346,836	289,248,281
Current portion of loans payable	62,066,609	139,873,061	66,016,583
Total Current Liabilities	876,232,289	749,965,834	528,538,188
Noncurrent Liabilities			
Loans payable - net of current portion	36,045,422	27,705,613	42,004,075
Retirement liability	1,815,514	3,702,010	7,027,233
Total Noncurrent Liabilities	37,860,936	31,407,623	49,031,308
Total Liabilities	914,093,225	781,373,457	577,569,496
Fund Balances	432,879,689	415,430,920	342,177,184
	P1,346,972,914	P1,196,804,377	P919,746,680

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2013	2012 (As restated)
INTEREST INCOME		
Loans and advances to customers	P348,507,157	P289,334,502
Deposits and short-term placements with banks	1,922,928	3,653,924
Held-to-maturity	45,419	34,658
	350,475,504	293,023,084
INTEREST EXPENSE		
Loans payable	7,803,075	8,375,718
Due to members	11,273,078	7,692,823
Deposits from customers	1,178,719	360,975
	20,254,872	16,429,516
NET INTEREST INCOME BEFORE IMPAIRMENT LOSSES	330,220,632	276,593,568
IMPAIRMENT LOSSES	36,429,288	16,446,895
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	293,791,344	260,146,673
OTHER INCOME – Net		
Service fees	64,256,062	52,859,227
Foreign exchange gain – net	300,047	813,287
Miscellaneous	5,871,118	3,445,487
	70,427,227	57,118,001
OTHER EXPENSES	346,435,242	295,668,866
INCOME BEFORE INCOME TAX	17,783,329	21,595,808
INCOME TAX EXPENSE	1,418,810	1,159,553
NET INCOME	P16,364,519	P20,436,255
OTHER COMPREHENSIVE INCOME (LOSS)		
Item that will not be reclassified to profit or loss in subsequent periods		
Remeasurement of net retirement liability	(P552,399)	P2,839,901
Deferred tax	(25,589)	73,446
	(577,988)	2,913,347
TOTAL COMPREHENSIVE INCOME	P15,786,531	P23,349,602

NEGROS WOMEN FOR TOMORROW FOUNDATION, INC.
(A Nonstock, Nonprofit Corporation) AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CHANGES IN FUND BALANCES

	Years Ended December 31			
	General Fund (As restated)	Restricted Fund	Remeasurement Gains (Losses) on Retirement Obligation	Total
	Balance at December 31, 2012			
As previously reported	P190,351,789	P216,908,600	P -	P407,260,389
Effect of adoption of PAS 19 (Amended 2011)	4,065,122	-	4,105,409	8,170,531
	194,416,911	216,908,600	4,105,409	415,430,920
Additions to development fund	-	104,337,628	-	104,337,628
Utilization of development fund	-	(104,337,628)	-	(104,337,628)
Grants for operations	1,662,238	-	-	1,662,238
	196,079,149	216,908,600	4,105,409	417,093,158
Total comprehensive income for the year:				
Net excess of income over expenses for the year	16,364,519	-	-	16,364,519
Remeasurement of net retirement liability for the year	-	-	(577,988)	(577,988)
	16,364,519	-	(577,988)	15,786,531
Balance at December 31, 2013	P212,443,668	P216,908,600	P3,527,421	P432,879,689
Balance at January 1, 2012				
As previously reported	P174,815,204	P167,194,210	P -	P342,009,414
Effect of adoption of PAS 19 (Amended 2011)	(1,024,292)	-	1,192,062	167,770
	173,790,912	167,194,210	1,192,062	342,177,184
Additions to development fund	-	49,714,390	-	49,714,390
Grants for operations	189,744	-	-	189,744
	173,980,656	216,908,600	1,192,062	392,081,318
Total comprehensive income for the year:				
Net excess of income over expenses for the year	20,436,255	-	-	20,436,255
Remeasurement of net retirement liability for the year	-	-	2,913,347	2,913,347
	20,436,255	-	2,913,347	23,349,602
Balance at December 31, 2012	P194,416,911	P216,908,600	P4,105,409	P415,430,920

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	P17,783,329	P16,394,739
Adjustments for:		
Interest expense	20,254,872	16,429,516
Impairment losses	36,429,288	16,446,895
Depreciation	15,068,904	11,054,875
Loss on disposal of property and equipment	2	-
Interest income	(2,337,323)	(3,836,033)
Operating income before working capital changes	87,199,072	56,489,992
Increase in:		
Noncurrent assets held-for-sale	(58,566)	-
Other current assets	(8,870,295)	(6,942,064)
Receivables	(165,154,646)	(190,746,093)
Increase in:		
Accounts payable and other current liabilities	65,256,542	64,122,396
Deposits from customers	16,443,378	16,095,563
Cash absorbed by operations	(5,184,515)	(60,980,206)
Income tax paid	(981,378)	(1,981,466)
Interest received	1,500,298	3,823,255
Interest paid	(20,254,872)	(14,469,916)
Net cash used in operating activities	(24,920,467)	(73,608,333)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property and equipment	-	44,138
Decrease in other noncurrent assets	845,784	657,162
Decrease in investment securities	763,297	979,965
Increase (decrease) in retirement liability	(1,886,496)	4,715,746
Additions to property and equipment and investment property	(28,370,038)	(15,122,750)
Net cash used in investing activities	(28,647,453)	(8,725,739)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (payments to) loans - net	(69,466,643)	59,747,760
Increase in development fund	104,337,628	49,714,390
Utilization of development fund	(104,337,628)	-
Increase in due to members	120,877,865	66,098,555
Net cash provided by financing activities	51,411,222	175,560,705
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,156,698)	93,226,633
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	232,110,486	138,883,853
CASH AND CASH EQUIVALENTS AT END OF YEAR	P229,953,788	P232,110,486

