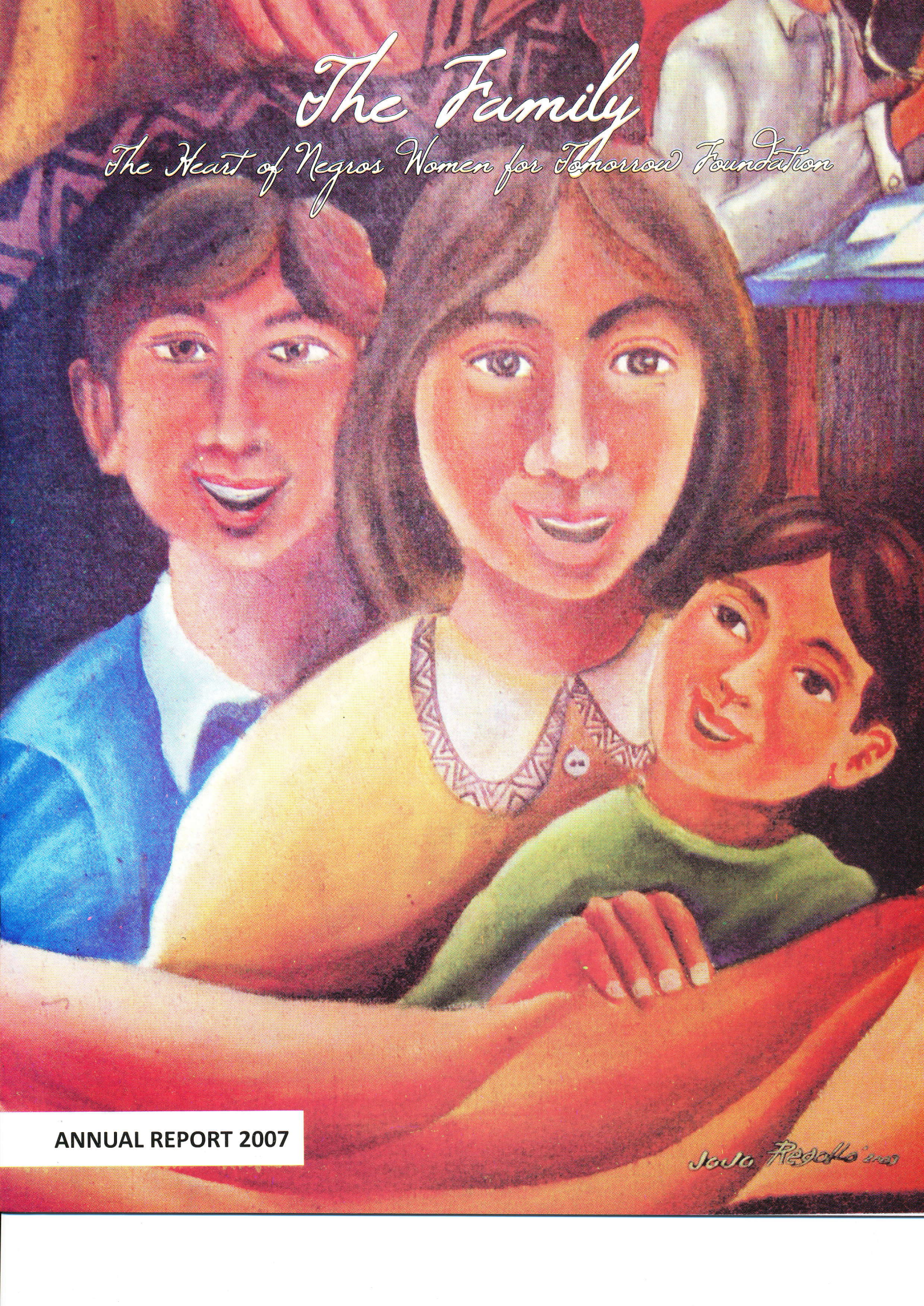




The Family

The Heart of Negros Women for Tomorrow Foundation

ANNUAL REPORT 2007

Josie Regallo

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MESSAGE FROM THE CHAIRMAN

Transforming Lives - Changing Lives – that was our vision and mission when we started the foundation and today we are proud to say that we have partially fulfilled what we have started 24 years ago. Hardwork, patience, perseverance and prayers have given us an SROI-Social rate of return of 21.73% closely translated to P6.89 billion in benefits to our more than 100,000 beneficiaries in the southern part of the Philippines.

The impact of our projects can be seen from the results of our most recent PPI study where more than 10% of our beneficiaries have moved out of poverty after 2 years. This is very encouraging which prompted the board and management to look for more programs that can help improve the productivity, profitability and sustainability of the businesses of our small entrepreneurs.

Over-all, 2007 was a good year where we focused on the improvement of our systems and procedures to ensure a more effective delivery of services. The positive response of our staff and our clients to the changes that we are introducing is indicative of the ever-growing desire to make NWTF one of the pillars for development.

We end this year with the prayer that God in His loving kindness and mercy will bless our foundation so that we can continue to do our share in making this country great again.

WILHELMINA R. GONZALES

Chairperson, NWTF



REALIZING THE VISION-MISSION TO MAXIMIZE IMPACT ON FAMILIES



Vision

A Sustainable
Institution of Change:
Building vibrant,
“Dungganon”
Communities

Mission

To provide sustainable financial
and client-responsive
developmental services
to the poor



With the Vision-Mission of Negros Women for Tomorrow Foundation (NWTF),
the intensive programs for the clients
and their families have resulted to the social impact maximization on the poorest households.

Through the priorities set by different members of the staff, the clients have been able to achieve the following:

- Members increase their income
- Members accumulate productive assets
- Families generate more household savings
- Improve health, education, housing, services, etc.
- Create self-employment
- Retain membership with Project Dungganon through healthier portfolios and bigger loan disbursements

With the positive results, the staff has committed to work harder to guarantee that the members will continue to have the following benefits:

- Making sure that clients make more money out of their chosen loan activity
- Designing products and services that will have a better fit to their poor clients
- Development of information, education and communication materials for motivational purposes
- Study specific needs of these clients for appropriate interventions – product development, technology, market access, alternative financing, etc.
- Establish/facilitate linkages with entrepreneurs and agencies who could provide the support needed by these clients.

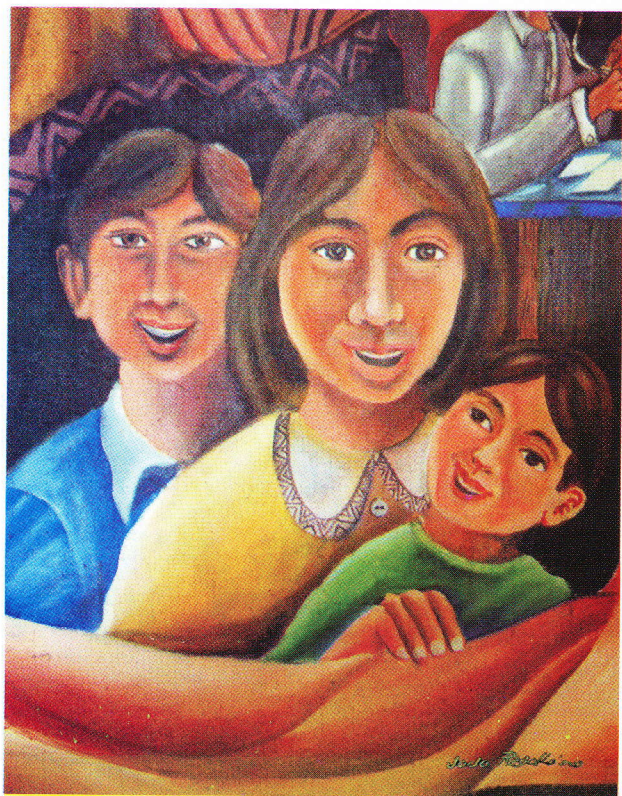
These income generating survival skills (IGSS) can be used as instruments for Income Generating Projects (IGP) thru the Dungganon Microfinance Services (DMFS) in order to augment meager income and ultimately improve the living conditions of their families.





THE FAMILY

THE HEART OF NEGROS WOMEN FOR TOMORROW FOUNDATION



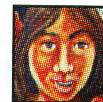
A man may go through different courses in his life. These routes will form bonds with his church, his occupation, community and his nation. However, the foundation of his childhood that will serve as the rock of support and security will always be first and foremost, his family.

The State sees the family as "a basic social institution which public policy cherishes and protects." Amidst all the challenges, the family will remain a constant place of refuge. It is a basic system where values will survive with the cycle of sowing, reaping and above all thanksgiving becoming the hearth that he returns to.

Negros Women for Tomorrow Foundation has relentlessly advocated the importance of what a family means in a society. The education to administer respect, dignity, cleanliness and a prayerful life is practiced in every meeting and shared to the spouses and children. How else can the family survive if they do not foster such values and principles in their home?

In every family, Negros Women for Tomorrow Foundation has witnessed obstacles and conquests. It has observed calamities and victories. It has encountered dilemmas and accomplishments. It has experienced challenges and successes. To perceive it as such and have the fortune to be part of it makes the foundation catch a glimpse of what is priceless. For the family is and will always be the heart of Negros Women for Tomorrow Foundation.





Their needs...

1 in 5 people in the world – more than 1 billion people – survive on less than US\$1 per day, a level of poverty so dismal that it threatens survival.

In the Philippines, 1 out of 3 people live in poverty.

16% of the population live on less than \$1 a day;
40% live on less than \$2 a day.

Health issues include malnourishment (affecting 17 million people) and high levels of maternal mortality.

Our challenge:

Negros Women for Tomorrow Foundation (NWTF) has practiced the “deep country approach” with the basic foundation from Grameen. For the past two decades, the foundation has not looked at the limitations but went past the boundaries that lay beyond human survival.

The microfinance programs of NWTF are some of the most poverty-focused in the country. We have embraced Grameen Foundation's Progress out of Poverty Index (PPI) which shows that as of December 2007, 42% of our clients live below poverty line when they first joined the program.

To empower the members to earn more income in order to raise themselves out of poverty and to seek out opportunities to make their life better, NWTF is offering not just microfinance but has expanded its products and services to the members through the following:

1. Educational Scholarship
2. Health Insurance
3. Life Insurance
4. Savings
5. Disaster Relief
6. Medical Missions & Consultations
7. Mass Weddings
8. Village Phone Direct

The Future...

At the heart of every family is the desire and the willingness to survive. They live to prosper without fear, hunger or suffering. You live with the means to make it better. That is where the future will be.



THE HEART

In the past, it was a situation of hopelessness and misery where the day-to-day desolation blurs the reality of tomorrow's consolation.

Today... this is what they hold:

CLIENT: **VIRGIE GIMAY**
AGE: 41 YRS. OLD
LOCATION: LA CASTELLANA
TYPE OF BUSINESS: SARI-SARI STORE, BUTCHER,
PIG FATTENING
YEARS WITH PROJECT DUNGGANON: 19 YRS
HOUSE OWNED: YES
HUSBAND AND WIFE PARTNERSHIP
EMPLOYEES: 2



CLIENT: **JENNY MIJARES**
AGE: 41 YRS. OLD
LOCATION: LA CASTELLANA
TYPE OF BUSINESS: SARI-SARI STORE, SCRAP,
SURPLUS PINOY
YEARS WITH PROJECT DUNGGANON: 14 YRS
HOUSE OWNED: YES
HUSBAND AND WIFE PARTNERSHIP



CLIENT: **GETRUDES AYOMA**
AGE: 45 YRS. OLD
LOCATION: KABANKALAN
TYPE OF BUSINESS: ELECTRONIC SHOP, SOUND
SYSTEM SERVICE, TRICYCLE OPERATOR
YEARS WITH PROJECT DUNGGANON: 12 YEARS
HOUSE OWNED: YES
HUSBAND AND WIFE PARTNERSHIP
EMPLOYEES: 6



CLIENT: **ANITA HUERTAS**
AGE: 57 YRS OLD
LOCATION: LA CASTELLANA
TYPE OF BUSINESS: SARI-SARI STORE, SCRAP
IRON, TRISIKAD
YEARS WITH PROJECT DUNGGANON: 10 YRS
HOUSE OWNED: YES
HUSBAND AND WIFE PARTNERSHIP
EMPLOYEES: 2





CLIENT: VIRGINIA LASTIMA
 AGE: 45
 LOCATION: TOLEDO
 TYPE OF BUSINESS: TRADING
 YEARS WITH PROJECT DUNGGANON: 9 YEARS
 HOUSE OWNED: YES
 SAVINGS: P36,500
 HUSBAND AND WIFE PARTNERSHIP
 CHILDREN HELP IN THE BUSINESS
 EMPLOYEE: 1



CLIENT: BASILICA ANDRADA
 AGE: 60 YRS. OLD
 LOCATION: KABANKALAN
 TYPE OF BUSINESS: B&S LIVESTOCK, SSS, FARMING,
 SUGARCANE PLANTATION
 YEARS WITH PROJECT DUNGGANON: 8 YEARS
 HOUSE OWNED: YES
 SAVINGS: 10,000.00
 HUSBAND AND WIFE PARTNERSHIP
 EMPLOYEES: 2



CLIENT: JESUSA A. ALTAMERA
 AGE: 39
 LOCATION: VICTORIAS
 TYPE OF BUSINESS: TRUCKING, SARI-SARI STORE
 YEARS WITH PROJECT DUNGGANON: 8 YRS.
 HOUSE OWNED: YES
 SAVINGS: P20,000
 HUSBAND AND WIFE PARTNERSHIP



CLIENT: AILENE GAISEN
 AGE: 30 YRS. OLD
 LOCATION: KABANKALAN
 TYPE OF BUSINESS: PIGGERY, BUY AND SELL,
 CONVENIENCE STORE
 YEARS WITH PROJECT DUNGGANON: 5 YEARS
 HOUSE OWNED: YES
 SAVINGS: P29,500.00
 HUSBAND AND WIFE PARTNERSHIP

This is what their future beckons them. This is their tomorrow.



Ma. Cecilia David Salarda

MICROENTREPRENEUR OF THE YEAR AWARD

(Inspiring Story Category)



Project Dungganon's member Cecilia David Salarda is a classic case of coming from nothing and becoming something. When she married her husband, Jesus a.k.a Judy, they started a balut (duck egg) business. At the plaza in a small town called Kabankalan, they made a makeshift shanty to build their home and their business to trade. Against

weather conditions and passersby, this was where she raised her first child.

In February 1999, Cecilia borrowed PhP3,000.00 from Project Dungganon that started out as a small enterprise and eventually expanded to salted eggs, sugar coated and salted peanut businesses and the acquisition of their own land where they could build their first home and purchase equipments necessary for their business. With their faith in God, Cecilia, together with Judy, have found ways and means to achieve stability and expansion.

Today, Cecilia covers the whole island of Negros as the lone wholesaler of balut and salted eggs. She has expanded to contract growing of Peking ducks and constructed a balut/salted egg factory. She continues retailing her peanut business and then recently ventured into fruit shake business and put up a piggery. She currently employs 22 people.

This is microcredit—a program designed for would-be entrepreneurs among the poor. This surprising success has made families create a lifestyle for themselves. They were able to build a home that is more stable filled with love, not hunger. It is filled with a heart, not emptiness. At NWTF, Cecilia is just one of the thousands of our Project Dungganon members who made this happen.



Sukor Kasim

A Man Out of the Ordinary

Annual Report 2007

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It takes one man to create an incredible idea but it takes a collaboration of a number of people to make that design great where the ripple effect may grow into a thousand fold. With the visionary inspiration of Muhammad Yunus' Grameen methodology, Sukor Kasim has become one of the very few men who have carried out the task of bringing the rudiments of basic Grameen in various microfinance organizations around the world.

"Muhammad Yunus is the main inspiration if not the only inspiration as he answered all the dilemma of academics trying to change the lives of the poor as I experienced it... That was in 1986 and the fire is still burning strongly in me ever since."

- Sukor Kasim

Sukor Kasim is currently a professor and the chairman of Poverty-Focused Microcredit and Micro-Enterprise. His areas of specialty are poverty-focused micro-credit program, rural development and development sociology. His very first encounter with Negros Women for Tomorrow Foundation (NWTF) was in 1989 where the primitiveness of Grameen slowly but surely has taken the fruits of labor coming from the directors and a collected few from the staff.

Once it has taken off, Mr. Kasim spread his wings to share his knowledge and experience with other organizations that may commission him in the same nature like NWTF.

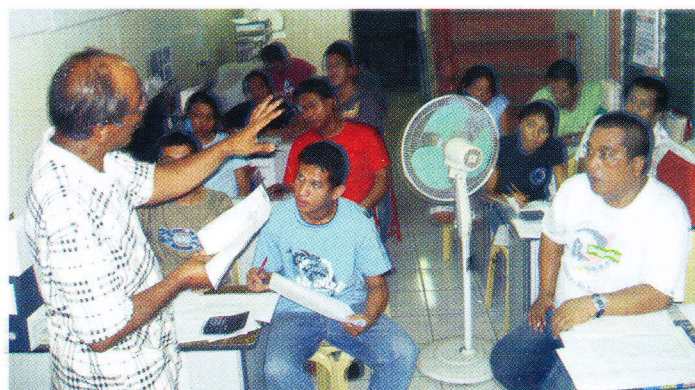
It will be in 2006 when NWTF would solicit Mr. Kasim's services once more in bringing back the fundamentals of Grameen methodology into Project Dungganon (PD). Because of today's insurmountable advancement in technology, going back to basics became the answer to preserve and strengthen the thrust of Grameen.

Here are a few of insightful moments together:



"There were many insightful moments...mothers in tears realizing the missed opportunities...mothers in tears that because Project Dungganon cares about them and is willing to give them another chance."

- SUKOR KASIM



"The Grameen System works and Sukor is instrumental in replicating this system in our organization."

- GOMBY MARAMBA
Research Manager



"We have to remain relevant for the future especially since we are Negros Women for Tomorrow. Unless we overcome our present weaknesses, there is no future. What is there for tomorrow...only distant memories of fulfillment."

We can do it...We will do it...We will achieve it."

- SUKOR KASIM

We all come from different walks of life where society dictates the norms on the basic human law. It can also be the people around us who are embracing a physical entity that may go beyond normalcy and break off from what is mundane. Sukor has become a man out of the ordinary because he chose to make a difference.



BANWAHANON AWARDEE 2007

Five Bacolenos received the "Ang Banwahanon Award" on October 2007 at the Bay Center, Bacolod City. One of the recipients who received the award is Chairman of the Board of Negros Women For Tomorrow Foundation, Miss Wilhelmina Gonzales.

Miss Gonzales was recognized for her expertise in the field of Accountancy, Finance and Management, which has resulted in the dynamic changes in businesses, and the development of foundation in service to the people, which serves as a monument to her contribution to Bacolod. Being schooled in the University of Negros Occidental-Recoletos for her undergraduate and at Wharton School of Finance in the U.S.A. for her graduate degree, Miss Gonzales has shared her know-how to many sectors of the community.

The guest of honor and speaker for the Charter Day Program was Pampanga Representative Mikey Arroyo. He congratulated and commended all the awardees for the service they have tirelessly given to the citizens of Bacolod City.

The said occasion was a celebration even for Negros Women for Tomorrow Foundation. The Vision-Mission of this foundation has reached recognition not just among the masses but also among professionals in the government and business sectors.



GO NEGOSYO'S BACOLOD ENTREPRENEUR AWARDS 2007

On July 13, 2007, Dr. Cecille del Castillo was one of the ten entrepreneurs recognized and awarded by Go Negosyo for her exemplary achievements in the field of entrepreneurship with the "Most Inspiring Entrepreneur Award."

President Gloria Macapagal-Arroyo graced the occasion with the assistance of Presidential Consultant for Entrepreneurship Jose Concepcion III and Bro. Rolando Dizon, chairman of the Bacolod Economic Business Council and the La Salle University President at the University of St. La Salle, Bacolod City that was led by Negros Occidental Governor Joseph Maranon.

The other Nine Most Inspiring Bacolod Entrepreneurs came from other industries such as crafts, clothing, transportation, food and restaurant, retailing and hospital services.

The President's message expressed that through these people, who now serve as icons and role model's for entrepreneurship, she urged the youth to follow in their footsteps so they can become the object of respect of the next generation of successful entrepreneurs.

With the success of Negros Women for Tomorrow Foundation's (NWTF) Dungganon Bank, the vision is geared towards uplifting the lives of the ones living below the poverty line.





Manabat Sanagustin & Co.

REPORT OF INDEPENDENT AUDITORS

The Board of Trustees and Members of
Negros Women for Tomorrow Foundation, Inc.

Manabat Sanagustin & Co.
Certified Public Accountants
22/F Philamlife Tower, 8767 Paseo de Roxas
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+63 (2) 816 6595
Internet www.kpmg.com.ph
E-mail manila@kpmg.com.ph

We have audited the accompanying separate financial statements of Negros Women for Tomorrow Foundation, Inc. (a nonstock, nonprofit corporation), which comprise the statements of assets, liabilities and fund balance as at December 31, 2007 and 2006 and the statements of Income and expenses, statements of changes in fund balance and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 separate financial statements present fairly, in all material respects, the financial position of Negros Women for Tomorrow Foundation, Inc. as of December 31, 2007 and 2006, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards.

Manabat Sanagustin & Co.

March 14, 2008
Makati City, Metro Manila

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

SEPARATE STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCE

		December 31	
	Note	2007	2006
ASSETS			
Current Assets			
Cash and cash equivalents	6, 20	P55,167,541	P47,931,595
Receivables - net	7, 8, 20	453,478,056	395,185,835
Total Current Assets		508,645,597	443,117,420
Noncurrent Assets			
Investment in subsidiary	9, 20	55,000,000	55,000,000
Investment - others	10, 20	-	1,250,000
Property and equipment - net	11	43,746,769	46,872,534
Other assets	12, 20	15,551,556	16,249,795
Total Noncurrent Assets		114,298,324	119,372,329
		P622,943,921	P562,489,749
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	20	P97,094,567	P76,489,817
Accrued interest	13, 14, 20	2,018,577	1,596,758
Due to members	13, 20	179,903,907	131,367,239
Current portion of loans payable	14, 20	103,109,241	68,218,544
Total Current Liabilities		381,126,192	277,672,358
Noncurrent Liability			
Loans payable - net of current portion	14, 20	148,021,818	196,473,133
Total Liabilities		529,148,010	474,145,497
FUND BALANCE		93,795,911	88,344,258
		P622,943,9	P562,489,749



SEPARATE STATEMENTS OF INCOME AND EXPENSES

Years Ended December 31

	Note	2007	2006
INTEREST INCOME			
Loans and advances to customers		P142,270,7	P139,669,617
Deposits and short-term placements with banks		1,222,502	1,549,440
		143,493,274	141,219,057
INTEREST EXPENSE			
Loans payable		76,642,747	32,164,695
Due to members		2,816,918	2,721,827
		29,459,665	34,886,522
NET INTEREST INCOME		114,033,609	106,332,535
IMPAIRMENT LOSSES	8	8,239,821	6,761,728
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES		105,793,788	99,570,807
OTHER INCOME			
Service fees		20,952,536	31,520,633
Miscellaneous		3,851,108	2,331,265
		24,813,644	33,851,898
OTHER EXPENSES			
Salaries, wages and bonuses	15	58,335,325	60,712,691
Travel and transportation		19,290,117	20,242,335
Employee benefits	15, 16	9,792,368	9,828,927
Depreciation	11	7,174,648	6,833,187
Seminars and training		4,976,755	1,931,718
Stationery and office supplies		4,496,246	4,681,644
Representation and entertainment		4,002,816	4,302,484
Rent	17	3,895,719	3,241,500
Postage, telephone and telegram		2,911,290	2,465,049
Light and water		2,490,722	2,466,934
Foreign exchange loss	18	2,226,247	1,016,074
Professional fees		2,121,690	1,217,896
Repairs and maintenance		1,366,442	1,323,095
Insurance		165,898	200,416
Members' incentives		116,809	4,002,636
Miscellaneous		1,892,727	4,445,155
		125,155,779	128,911,741
NET EXCESS OF INCOME OVER EXPENSES		P5,451,653	P4,514,964

SEPARATE STATEMENTS OF CHANGES IN FUND BALANCE

Years Ended December 31

	2007	2006
Balance at beginning of year	P88,344,258	P83,744,994
Net excess of income over expenses for the year	5,451,653	4,510,964
Grants and donations received during the year	-	88,400
Balance at end of year	P93,795,911	P88,344,258

SEPARATE STATEMENTS OF CASH FLOWS

		Years Ended December 31	
	Note	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES			
Net excess of income over expenses		P5,451,653	P4,510,964
Adjustments for:			
Interest expense		29,459,665	34,886,522
Impairment losses on receivables	8	8,239,821	6,761,728
Depreciation	11	7,174,648	6,833,187
Gain on disposals of property and equipment		(26,667)	(27,265)
Gain on disposal of investment - others		(240,238)	-
Receivables written off	8	(3,650,829)	(12,277,798)
Interest income		(143,493,274)	(141,219,057)
Operating income before working capital changes		(97,085,221)	(100,531,719)
Increase in receivables	7	(62,881,213)	(44,266,171)
Increase in accounts payable and accrued expenses		20,604,750	24,282,807
Cash generated from operations		(139,361,684)	(120,515,083)
Interest received		143,493,274	141,219,057
Interest paid		(29,037,846)	(35,960,923)
Net cash used in operating activities		(24,906,256)	(15,256,949)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment	11	(4,142,215)	(6,773,353)
Proceeds from disposal of property and equipment		120,000	-
Proceeds from disposal of investment - others		1,490,238	55,000
Increase in other assets		698,239	956,060
Net cash used in investing activities		(1,833,738)	(5,762,293)
CASH FLOWS FROM FINANCING ACTIVITIES			
Grants and donations received during the year		-	88,400
Increase in due to members		47,536,568	15,750,288
Payment of loans payable - net		(13,560,618)	(37,378,338)
Net cash provided by (used in) financing activities		33,975,950	(21,539,550)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		7,235,956	(42,558,892)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		47,931,585	90,490,477
CASH AND CASH EQUIVALENTS AT END OF YEAR		P55,167,541	P47,931,585

Negros Women for Tomorrow Foundation, Inc.

Consolidated Performance Indicators

For the period ended December 31, 2007

I.	OUTREACH	
	Recognized members	157,335
	Active members	79,813
	Active borrowers	76,203
II.	COLLECTION EFFICIENCY & PORTFOLIO QUALITY	95.75%
III.	PORTFOLIO AT RISK	2.34%
IV.	SUSTAINABILITY:	
	OPERATING COST RATIO	29.79%
	OPERATIONAL SELF-SUFFICIENCY	103.05%
	FINANCIAL SELF-SUFFICIENCY	102.23%
V.	CAPITAL ADEQUACY/LEVERAGE	
	EQUITY TO ASSET RATIO	15.28%
VI.	LIQUIDITY	
	CURRENT RATIO	134.26%



DR. CECILIA DEL CASTILLO

NEGROS WOMEN FOR TOMORROW FOUNDATION, INC.

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