



CARITAS MANILA



ANNUAL REPORT
2016



Matthew 5:7

Blessed are the Merciful



OUR VISION

The Social Services and Development Ministry of the church of the poor

OUR MISSION

To empower the poor towards total human development

To build sharing and caring communities among the youth and families

To enable the growth and development of servant leadership

OUR VALUES

Faith-rooted, Love-driven



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HELPING THE POOR
TO HELP THEMSELVES

MESSAGE FROM THE CHAIRMAN

I congratulate Caritas Manila on its accomplishments for the year 2016.

Caritas Manila does not only provide economic projects to the poor but through its social services and development programs also promote dignity and moral integrity.

I thank the men and women who wholeheartedly continue to support Caritas Manila's mission – the volunteers, partner organizations, and the donors. Thank you for devoting your time and resources in support of our cause.

There is no greater beauty than spirituality at work through acts of charity.

May the Lord inspire us to work untiringly for a more humane and peaceful society!

+ *Luis Antonio G. Cardinal Tagle*

+ LUIS ANTONIO G. CARDINAL TAGLE
Archbishop of Manila



"There is no greater beauty than spirituality at work through acts of charity."

MESSAGE FROM THE EXECUTIVE DIRECTOR

2016 has been another blessed year. We thank the lord for our successes in 2016.

Our accomplishments demonstrate our effort to make our social services and development programs more effective and closer to the reach of more poor Filipinos nationwide.

This year, we produced 652 college and voc-tech graduates with more than half of them graduating with honors or awards. Our restorative justice program assisted in the lawful release of 491 prisoners through paralegal assistance. We opened our 26th Segunda Mana charity outlet. And in response to the need, we launched the SanLakbay for drug surrenderers.

My deep gratitude to our benefactors, volunteers and workers. May our Almighty Father continue to bless all of you as you remain in solidarity with the least, the last, and the lost.

Fr. Anton CT Pascual
Fr. ANTON CT PASCUAL



"Our accomplishments demonstrate our effort"

SUMMARY OF 2016 ACCOMPLISHMENTS

January 1, 2016 to December 31, 2016

3,782
YSLs (scholars)

652
graduates!

344
graduates with awards
and distinctions!

28
Caritas Preventive
Health Centers

57,547
patients/clients
assisted

P 24.7M
disaster assistance
for 8,757 families

1,606
crisis clients
served

1,097
malnourished
children nourished
back to health

P 12M
raised through
Alay Kapwa 2016

38,340
prisoners provided
social services

682
policemen given
religious services

491
inmates released through
paralegal assistance

26,619
partner urban
poor families

26
Segunda Mana
Charity Outlets

P 42.5M
raised through
Segunda Mana

7,825
urban poor provided
Physical Examination

3,650
volunteer
Servant Leaders

P 73.8M
amount spent on YSLEP
for 2016



P 219M
funds raised

SANLAKBAY
Church program for
drug surrenderers launched

MEANINGFUL ASSISTANCE MUST BE AN EMPOWERING PROCESS

Caritas Manila's core programs are geared toward integral human, spiritual, and socio-economic development of the poor. Caritas Manila has always believed that meaningful assistance must be an empowering process. Most of our programs are designed to transform people from poverty and dependence to self-reliance with dignity.

SOCIAL SERVICES & DEVELOPMENT PROGRAMS

- Youth Servant Leadership and Education Program (YSLEP)
- Caritas Damayan Preventive Health and Disaster Management Program
- Caritas Restorative Justice Ministry for Prisoners, Correctional Communities, and Drug Surrenderers
- Institute for Servant Leadership and Stewardship

SOCIAL ENTREPRENEURSHIP PROGRAMS

- Segunda Mana Gifts-in-Kind Program
- Margins Social Products of the Poor



YOUTH SERVANT LEADERSHIP & EDUCATION PROGRAM



CARITAS MANILA believes that education is the best social equalizer and the best means to overcome poverty. This is why the Youth Servant Leadership and Education Program or YSLEP is its flagship program.

Through YSLEP, poor but deserving youths are given a chance to earn vocational, technical or college degrees to empower them and give them the capacity to lift their families out of poverty.

The future servant leaders of our country will come from the poor.
— Fr. Anton CT Pascual.

**FIES 2009, IFS January 2010, from Who are Poor and Do They Remain Poor Discussion Paper No. 2014-08 by Prof. Geoffrey Ducanes and Prof. Edita Abella Tan.*



3,782
YSLs (scholars)

652
graduates!

344
graduates with awards and distinctions!

3
Magna Cum Laudes

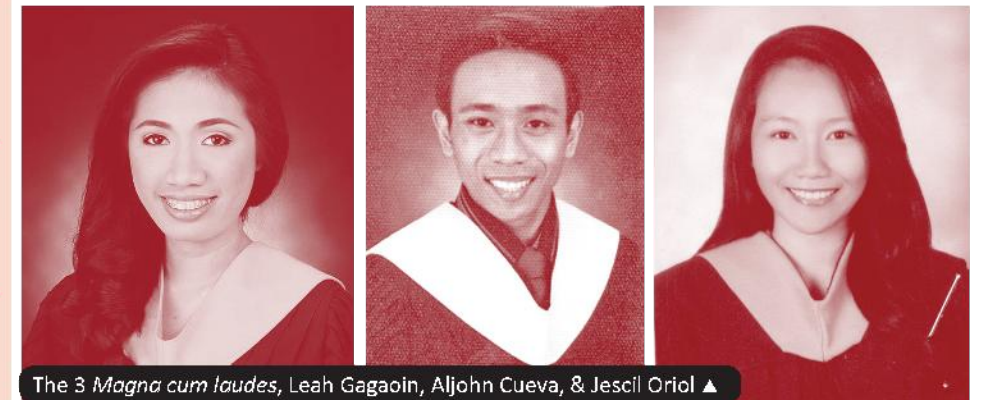
24
Cum Laudes

YSLEP IS NATIONWIDE!

YSLEP prioritizes the disadvantaged youths from Metro Manila like those from Payatas and BASECO; youths from the poorest provinces like Apayao and Masbate; indigenous peoples; victims of calamities; and those affected by war and conflicts like those in Mindanao.

...be transformed by the renewing of your minds, so that you may discern what is the will of God – what is good and acceptable and perfect. - Rom 12:2

◀ 2016 Accomplishments



The 3 Magna cum laudes, Leah Gagao, Aljohn Cueva, & Jescil Oriol ▲



YSLEP scholars from Bontoc-Lagawe ▲



Fr. Gilbert Kabigting (center wearing red), Caritas Priest-in-charge of Support Services with Helen Oreto (to his left), Officer-in-charge of YSLEP, Jon Caminsi (to his right), YSLEP officer during 2016 ICP-Metro Manila Assembly. ▲

YOUTH SERVANT LEADERSHIP AND EDUCATION PROGRAM

YSLEP is not just an ordinary educational assistance program. YSLEP is also a leadership formation program. Each scholar is not just expected to do well in school and graduate but also to become a servant leader imbued with self-discipline, moral integrity and social responsibility.



YSLEP supporter Sen. Bam Aquino



296

Outstanding Awards

21

Board Passers

4

Regional Cluster ICP Assemblies Held

161

ICPs

95%

of scholars completed at least 50 hours of volunteer service

93%

of scholars completed eight YSLEP formation modules

ICP stands for Implementing Caritas Partner. They are the partners of Caritas Manila in making YSLEP feasible, effective and nationwide. Examples of ICPs are schools, dioceses, religious orders etc. ICP assemblies are the annual meetings conducted by Caritas Manila to sustain the partnership and ensure effective and efficient program implementation of YSLEP.

All it takes is **P70 a day** to send one YSLEP scholar to school (P25,000 per school year).

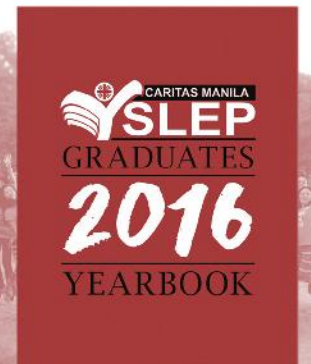
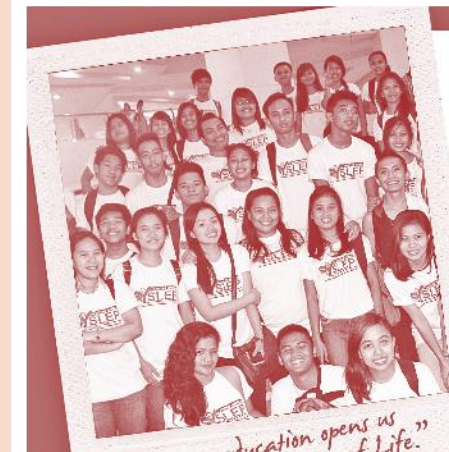
YSLEP 3-POINT ACTION:

- LEADERSHIP ENGAGEMENT
- HOLISTIC FORMATION
- ACADEMIC EXCELLENCE

We aim for:

100 % of our graduates are employed or have become an entrepreneur within six months after graduation!

100% of our graduates are active servant leaders and do volunteer work in their parishes or their respective communities.



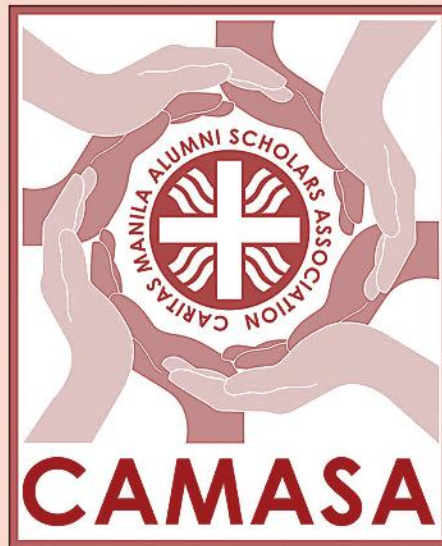
YSLEP POST-PHASE: CARITAS MANILA ALUMNI SCHOLARS ASSOCIATION

The Caritas Manila Alumni Scholars Association or **CAMASA** is the community of Caritas Manila's graduate scholars. They are the fruits of Caritas Manila's scholarship program formerly known as the Educational Assistance Program (*EAP*, 1953 to 2007) and now as the Youth Servant Leadership and Education Program (*YSLEP*, 2008 to present).

2016 Accomplishments ►



CAMASA President Manny Tan swears in the new CAMASA chapter officers ▲



2000
graduates are now active
CAMASA members

- Organized the Caritas Manila Alumni Scholars Association (CAMASA).
- Active Payforward Program being implemented. CAMASA's pay forward program has raised P1,159,450 cash donations from YSLEP graduates.
- Held Dinner for a Cause, March 5, 2016
- Held 2nd General Assembly, July 9, 2016
- Regular monthly meeting and team building sessions
- Christmas Fellowship
- Profile of 3,539 EAP and YSLEP beneficiaries from year 1954 to 2016 updated

Main Activities of the Society

- Membership.** YSLEP graduates automatically become members of CAMASA.
- Monitor and Networking.** CAMASA members are monitored to ensure that they are gainfully employed and progressing out of poverty while remaining active in church/ community services.
- Formation and Fellowship.** CAMASA members assemble for continuous formation and actively participates in Caritas Manila's events and activities.
- Balik Handog (Pay Forward).** Graduates are encouraged to become donors by sponsoring other Youth Servant Leaders.



...that the Lord your God may bless you in all the work that you undertake. - Deut 14:29

Meet some of our Outstanding Caritas Manila Alumni Scholars



Rev. Fr. Benny Tuzon
Parish Priest,
San Antonio De Padua Parish
Singalong Manila
Batch 1975



Mr. Manuel Tan
Owner
Gizmecon Water Tanks & Alikes
President,
Caritas Manila Alumni Scholars
Association
HS Batch 1984



Ms. Susan Red Gomez
Consultant, PECABAR Law Office
Batch 1976



Mr. Alfredo Dimaculangan
President, Dimaculangan
& Co. CPAs
Batch 1975



Mr. Jose Casela
Owner, General Manager,
Lakbay Central Travel and Tours
Batch 1976



Mr. Joel Jalandoni
President, JGM Business Solutions Inc.
HS Batch 1987



Remart P. Dumtao
Board of Regents,
Isabela State University Main
Campus
Batch 2016



Ms. Sophia Avendano
Architect,
JCO Construction Corporation
Batch 1994-2003



Mr. Edgardo Patron
Head and Director
for Sales, Sky Cable Philippines
Batch 1980



Mary Stefanie S. Sibal
CPA, ICMS-LLC Philippine Branch Office
Batch 2011



Ray Angelo L. Reyes
Campaigns and Partnership
Specialist, Caritas Manila
Financial Stewardship Division
Batch 2005-2015

CARITAS DAMAYAN PREVENTIVE HEALTH AND DISASTER MANAGEMENT PROGRAM

2016 Accomplishments ►

“Damayan” stands for Compassion. Putting faith into action, Caritas Manila unites volunteers and donors for higher preventive healthcare services, crisis intervention, emergency response, and disaster recovery and rehabilitation.

CARITAS DAMAYAN Promotes capacity building for environmental health, food security and nutrition, disaster preparedness, mitigation and emergency response. Caritas has put in place a system that allows for emergency health response and disaster management, relief operation and immediate crisis intervention.



Unite Legere d' Intervention et de secours of France donates an ambulance to Caritas Manila ▲



57,547
patients/clients assisted through 28
Caritas Preventive Health Centers in
Mega Manila

8,757
families who were victims of fire
and affected by Habagat provided
assistance with a total amount of
P24.7M

1,606
crisis clients served through
Amb. Vera Fund and Caritas sa
Veritas Radio Program.
Total cost of assistance =
P 2,623,129.62

7,825
urban poor individuals provided
Annual Physical Examination

1,097
malnourished children completed the
Caritas Hapag-Asa scientific feeding
and nutrition program

128
urban poor families monitored
under “365 Family Days”
towards total wellness

62
parishes with Caritas
Damayan Teams

139
Active medical professional
volunteers

204
Active health
volunteers

456
Volunteers with First Aid Training
and Basic Life Support

172
Health volunteers with
Spheres Standard Training

668
Psychosocial support
volunteers

835
mothers provided “WAGI sa
nutrisyon” seminar with Hygiene
promotion, Breastfeeding, Family
Healthcare, Complementary Feeding,
‘Sustansya ng Gulay’ and Small
Micro-entrepreneurship

The rain fell, the floods came, the winds blew and beat on that house, but it did not fall, because it had been founded on rock. – Matthew 7:25

Preventive and Promotive Health Component

- Community Health Education
- Caritas HAPAG-ASA (Table for Hope) Feeding Program
- Basic Health Support Services
- Caritas Preventive Health Centers

Community-Based Participatory Health Promotion

- Community Health Risk Assessment and Mapping
- Community-Based Disaster Mental Health & Psychosocial Support Training Program
- Maternal and Child Health Care
- Integrated Management on Childhood and Adult Illnesses
- Responsible Parenthood & Natural Family Planning
- Oral Health Education
- WASH Promotion
- Health Education on Social Vices and Alternative Health



The two “Mobile Clinics” donated by the Barnabite Heart to Heart Ministry to Caritas Manila ▲

CARITAS DAMAYAN PREVENTIVE HEALTH AND DISASTER MANAGEMENT PROGRAM

Emergency First Responder Management Training

- Pre & Post Disaster Needs Assessment
- Basic Physical First Aid
- Psychosocial Support First Aid & Sphere Minimum Standards on Disaster Affected Community

Parish & Community-Based Disaster Risk Reduction & Management

- Hazard Mapping
- Action Plan
- Vulnerability & Capacity Assessment
- Evacuation & Contingency Planning

Activation of Disaster & Health Teams

- Assess Basic Survival Needs
- Soup Kitchen
- Physical First Aid Response
- Psychosocial Support
- Medical Mission

Mobilization of Damayan Fleet

- Prime Mover
- Ambulance/Mobile Clinic
- Safari
- Pick-up Truck
- Van
- Water Tank
- Rescue Boat
- Dump Truck



Caritas Damayan Program Manager Gilda Avedillo (1st from left) beside Fr. Ric Valencia (2nd from left), Minister of Ministry on Environment and Disaster Response, Archdiocese of Manila, during the 2016 Telethon by Radyo Veritas846. ▲



- Established a nationwide emergency communication and operations plan in partnership with Radyo Veritas846 and in coordination with CBCP-NASSA.

- On-going partnerships with: Catholic Relief Service, Asian Foodbanking Association, Asian Disaster Risk Reduction Network, Yakult, Goldilocks, Lemon Square, RFM, Juju Candies, Century Canning, Royal Cargo, Barnabite Heart to Heart Ministry, Together Ensemble.

- Established the following Diocesan Clusters as staging areas and command centers for relief efforts:

NORTHERN LUZON CLUSTER

Dioceses of Tuguegarao, Bayombong, Ilagan & Prelature of Infanta

SOUTHERN LUZON CLUSTER

Dioceses of Virac, Libmanan, Caceres, Daet, Lucena & Gumaca

VISAYAS CLUSTER

Dioceses of Borongan, Calbayog, Catarman, Maasin & Palo

MINDANAO CLUSTER

Dioceses of Tagum, Butuan, Tandag, Surigao, Digos & Mati

Emergency Aid Assistance provided outside Mega-Manila

TYPHOON NONA | Through the Diocese of Romblon, released the amount of ₱ 400,355 for shelter assistance.

EL NIÑO | Through the Diocese of Maasin, released ₱ 307,550 for 10 water pumps for the benefit of 620 families.

Through the Archdiocese of Cotabato, released ₱ 300,000 for 100 sacks of rice distributed to 10 municipalities.

Through the Diocese of Gumaca, released ₱ 78,980 for 2 water pumps for the benefit of 100 families.

TYPHOON FERDIE | Provided the Prelature of Batanes ₱ 200,000 for repair of Cathedral.

TYPHOON LAWIN | Released various grants for shelter repair: Archdiocese of Tuguegarao, = ₱300,000

Diocese of Ilagan = ₱ 300,000

Diocese of Laoag = ₱ 100,000

Diocese of Tabuk = ₱ 100,000

Released various grants for livelihood assistance:

Diocese of Ilagan = ₱ 300,000

Diocese of Laoag = ₱ 110,000

Diocese of Tabuk = ₱ 150,000

- Published *Yolanda Transparency Report*

“Daig ng Maagap ang . . . sakit at sakuna!”

Php 12K provides one Caritas emergency foodbag, first aid kit, hygiene pack, relief bucket, earthquake go-bag and tool kit for one family.

Alternative Livelihood Assistance

- Food and Cash for Work
- Agriculture
- Fishing
- Micro Finance Cooperative & Social Enterprise

Post Disaster Redevelopment Planning

- Post Disaster Needs Assessment and Post Disaster Health System Approach
- Monitoring
- Evaluation
- Accountability
- Learning



An emergency relief bag containing food items that can last for 3 days for a family of 5.

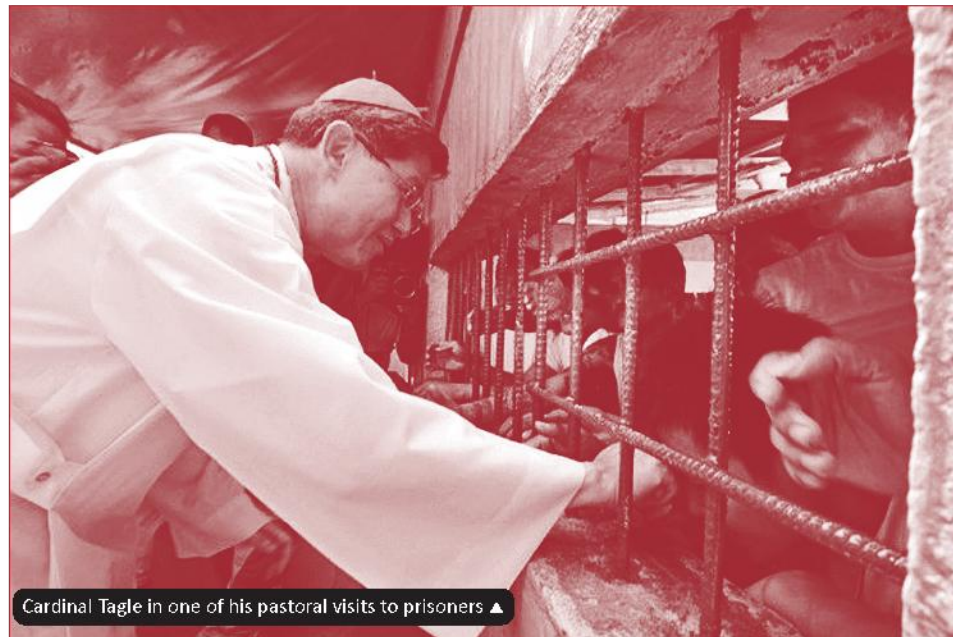


CARITAS RESTORATIVE JUSTICE MINISTRY

2016 Accomplishments ►

Restorative Justice Ministry is a work of healing and care giving. Through the ministry, the prisoners encounter the compassionate and merciful Jesus. Like our Lord, we should also seek those who are lost, aid them in their helplessness and make them well again as they return to the Father.

Caritas Inter-Diocesan Restorative Justice Ministry (IRJM) seeks to promote the total human development of the Correctional Community through its pastoral care program.



Cardinal Tagle in one of his pastoral visits to prisoners ▲

Pa-ReLEASE-Me

stands for: Paralegal Services; Religious Services; Livelihood & Skills Training; Education; Advocacy; Services for Social Action; and Medical-Dental-Optical Services.



38,340
detainees and youth
offenders provided various
Caritas Restorative Justice Services

491
inmates released through Paralegal
assistance

682
policemen and women were given
Caritas Restorative Justice formation

3,790
prisoners from the National Bilibid
Prison (NBP) and the Correctional
Institute for Women (CIW) were
extended Pa-ReLEASE-Me services

6,030
jail residents were provided
Pa-ReLEASE-Me Services. All 6,030 also
participated in 13 livelihood trainings
conducted

9,820
inmates and jail residents
were given extended health
care services

11 Parishes

now implementing Sanlakbay
formation for drug surrenderers

- 1) San Roque de Manila Parish,
Blumentritt St., Santa Cruz, Manila
- 2) Santa Monica Parish, Basa cor.
Dagupan Sts., Tondo, Manila
- 3) Santa Clara de Montefalco Parish,
2360 P. Burgos St., Pasay City
- 4) St. Anthony de Padua Parish,
2126 Singalong cor. San Andres Sts.,
Malate, Manila
- 5) Minor Basilica of San Sebastian,
Plaza del Carmen, Quiapo, Manila
- 6) San Pablo Apostol Parish,
E. Jacinto St., Magsaysay Village,
Tondo, Manila
- 7) Most Holy Trinity Parish,
Calabash Rd., Balic-Balic,
Sampaloc, Manila
- 8) St. John the Baptist Parish,
140 Pinaglabanan St.,
San Juan City
- 9) Mary the Queen Parish.,
Madison St., Greenhills West,
San Juan City
- 10) Santuario de San Jose,
Duke cor. Buffalo Sts.,
Greenhills East Subd.,
Mandaluyong City
- 11) Santuario de Santo Cristo,
183 E. Blumentritt St.,
San Juan City

Launched Sanlakbay ►



I was in prison and you visited me. - Matt 25:36



Drug surrenderers undergoing SanLakbay session ▲

Sanlakbay is a Church drug rehabilitation and restoration program that aims to reach out to Drug Surrenderers and their families. It provides Values Formation, Counseling, Sports and Cultural and Livelihood Programs towards healing, rehabilitation, and restoration. It is the response of the Catholic Church to the thousands of drug surrenderers resulting from the government's war on illegal drugs.

CARITAS RESTORATIVE JUSTICE MINISTRY

RJ Components

Prevention Phase deals with community and crime prevention and enhances our sense of community safety and well-being.

Proper Phase assists in the enhancement and advancement of the inmates' welfare and development in preparation for their eventual reintegration into society.

Post-Release Phase is the Caritas IRJM's aftercare program for released inmates. The program is entitled **KKK Enhancement Program**.

KKK Enhancement Program

First Part:
Developing Personhood
(Katauhan)

Second Part:
Developing Livelihood
(Kabuhayan)

Third Part:
Developing Home Life
(Kasambahayan)



50
*Tuberculosis (TB)
patients undergoing
medical treatment at
the Quezon City Jail*

21
*medical/dental services
conducted in 9 jails*

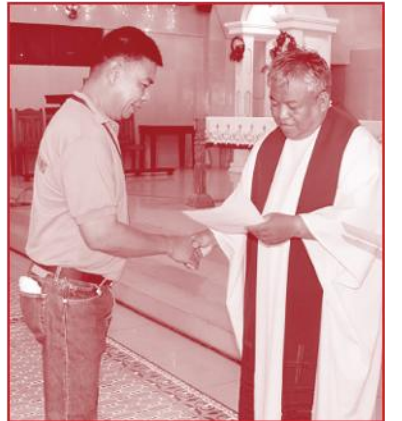
480
*inmates given eye check-up
and free reading glasses*

21
*promising children of jail
residents were awarded
scholarships under the YSLEP.
2 of which already graduated last
school year with honors*

*Maintained partnership
with the Bureau of
Corrections, Parole and
Probation Administration,
the Bureau of Jail
Management and Penology,
the NBP and the CIW.*

New Bilibid Prisons-NBP
Correctional Institution
for Women-CIW
Camp Karingal Jail
Kalookan City Jail
Las Pinas City Jail
Malabon City Jail
Mandaluyong City Jail
Manila City Jail
Manila Precincts: MPD,
Precinct 2
Metro Manila District City Jail
Muntinlupa City Jail
Navotas City Jail
Makati City Jail
Quezon City Jail
Parañaque City Jail
Pasay City Jail
San Juan City Jail
Rodriguez Municipal Jail
Baras Municipal Jail
Cainta Municipal Jail
Marikina City Jail
Pasig City Jail
Pateros City Jail
Rizal Provincial Jail
Teresa Municipal Jail
San Mateo Municipal Jail
Taguig City Jail
Taytay Municipal Jail
Binangonan Municipal Jail
Antipolo City Jail
Jala-Jala Municipal Jail
Angono Municipal Jail
Montalban Municipal Jail
Pasay Youth Center
National Training Center for Boys
- Tanay
Manila Youth Reception Center
Molave-Cubao Youth
Rehabilitation Center

◀ RJ Mission Areas:



INSTITUTE FOR SERVANT LEADERSHIP & STEWARDSHIP

ISLaS

2016 Accomplishments ▶

Volunteerism . . . the backbone of Servant Leadership.

Caritas Manila's strength lies within its people who adhere to the principle of donating time, talent, and treasure for the benefit of the least, the last, and the lost.



3000

active volunteers/
servant leaders

650

newly recruited volunteers/
servant leaders

2,789

servant leaders/
shepherds attended Jubilee Year of
Mercy Formation

2,895

shepherds identified

26,619

Clustered partner urban poor
families forming
2,895 clusters

For the love of Christ urges us on. - 2 Cor 5:13

Fr. Anton CT Pascual is conferred The 2016 Outstanding Filipino Award (TOFIL) for his contributions in the fields of humanitarian service, the community, non-government organization and cooperative development by the Junior Chamber International Senate Philippines and ANSA Foundation.



Fr. Anton CT Pascual during the 2016 TOFIL awarding ceremonies at Malacañang Palace ▲

To nurture this inherent strength, Caritas Manila's Institute for Servant Leadership and Stewardship implements capacity building and year-round volunteer enrichment programs anchored on Catholic Social Teachings. Caritas Manila's Servant Leaders are given the necessary training and formation to help them perform their duties and tasks effectively.

Conducted the following formation modules for volunteers/servant leaders and Caritas Manila employees:

- Conducting Effective Meetings
- Servant Leadership
- Life Coach Training
- Volunteerism
- Role of Volunteers
- Engaged Citizenship
- ABC of Communication
- Introduction to Koinonia
- Principles of Teaching
- Environmental Stewardship
- Learning Styles
- Who are you in Caritas Manila
- Personality Profiling
- Called to Serve



Servant Leaders during the 63rd Grand Commissioning of Caritas Manila held at the Cuneta Astrodome in Pasay City ▲

INSTITUTE FOR SERVANT LEADERSHIP & STEWARDSHIP

Through the years our Servant Leaders have been working tirelessly to ensure the successful and efficient implementation of the social services and development programs of Caritas Manila.

Drawing inspiration from the patron saint of organized charity, Saint Vincent de Paul who dedicated his life to serving the poor, these Servant Leaders epitomize what Caritas Manila stands for: church of the poor where God's love abounds.



ISLaS

Conducted the following 2016 Evaluation Studies:

- Evaluation Study for YSLEP Students
- Evaluation Study for YSLs' Parents
- Eval Study of the Health Program to its Family Booklet Members
- Donor's Preference and Satisfaction Study
- Evaluation Study for Implementing Caritas Partners
- Eval Study of the Pa-RELEASE-Me Program
- Evaluation Study for Caritas Manila Officers and Staff
- Eval of Segunda Mana Members w/ Ukay-Ukay Business
- Eval Study of Parish Based Damayan Team (Fire Victims)
- 2016 Customer Satisfaction Survey



SEGUNDA MANA DONATIONS IN-KIND PROGRAM

P 72M

Estimated value of gifts-in-kind received

P 42.5M

generated gross revenue

300

active members of the Segunda Mana Club

4

new Segunda Mana Charity Outlets opened

6

Parish Kiosks sustained

26

Segunda Mana Charity Outlets operational

◀ 2016 Accomplishments

SEGUNDA MANA is the donations in-kind program of Caritas Manila to help the poor help themselves. It is a social enterprise that collects in-kind donations. These donations are converted to cash at Segunda Mana Charity Outlets in order to sustain its triple bottom-line development programs.



SEGUNDA MANA DONATIONS IN-KIND PROGRAM



Segunda Mana's Triple Bottom-line Development Programs

No.1

Help fund over 5000 voc/tech and college scholars nationwide under Caritas Manila's Youth Servant Leadership and Education Program.



No.2

Support the livelihood of over 300 micro entrepreneurs and their families.

No.3

Strongly Promote the 3Rs (Reduce, Reuse and Recycle)



Segundamanians are recognized after undergoing Caritas Manila's values formation ▲

4 New Charity Outlets opened

- Victory Mall Bulacan
- Alimall Cubao
- Goodearth Plaza, Carriedo
- Cartimar Shopping Center, Pasay

Closed poor performing outlets:

- Dagat-Dagatan Market
- Alabang Market
- Malabon Market

Initiated the following studies:

2016 Evaluation of Segunda Mana Members with Ukay-Ukay Business

2016 Monthly Store Traffic Trend Monitoring

2016 Customer Satisfaction Survey

Gather up the fragments left over, so that nothing may be lost. - John 6:12

Segunda Mana is helping made easy.

100 % Donated Items!

Segunda Mana Club values formation conducted twice a month for 6 months

Held 5 Employee Sales

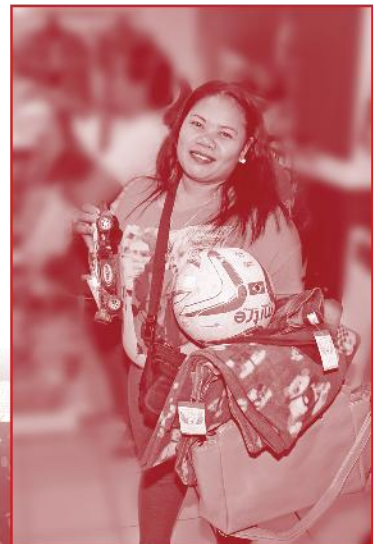
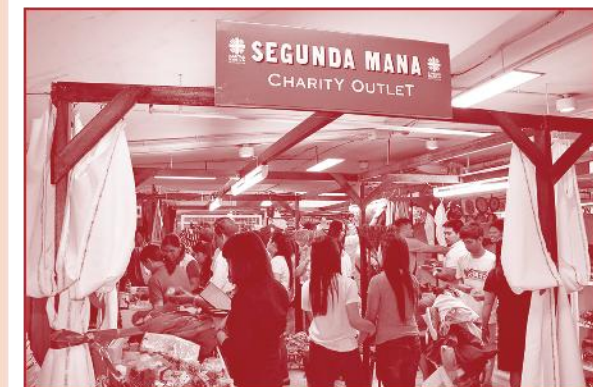
Promotional activities like discounts, ladderized point system for Segunda Mana Club Members, 'Buy One-Take One on Old Inventories' Promo, frequent "buhos" on outlets implemented

Mini-EXPO in Riverbanks Center, Marikina

Long-term Bazaar at Greenhills Shopping Center

Mystery shoppers implemented

Donorcare program put in place



MARGINS SOCIAL ENTERPRISE

*"To be Holy is to be Whole,
in spirit, mind and body." - 1 Thesalonians 5:23*

2016 Accomplishments ▶

Margins are products of poor micro-entrepreneurs.
These are products that nourish the spirit, mind & body.



P 18.3M
gross revenue generated

P 12.1M
generated income for
79 micro-entrepreneurs,
inmates and partner NGOs

88
Partner Shops, Hotels,
Pasalubong Centers
maintained

All-natural personal and home
care products made from safe,
non-toxic and biodegradable
ingredients.

Vegetables grown through
organic farming.

Religious items intricately
handcrafted.

Food products prepared under
the highest standards of qual-
ity, free from chemicals and
preservatives.

BUYING IS THE NEW WAY OF GIVING

- In partnership with 79 suppliers
(micro entrepreneurs, NGOs,
urban and rural poor
communities)
- On-line selling of products
through www.lazada.com,
Margins website, Facebook,
Twitter, and Instagram

Opened
partnerships with
26
NEW Shops

57
bazaars and artwork
exhibits conducted

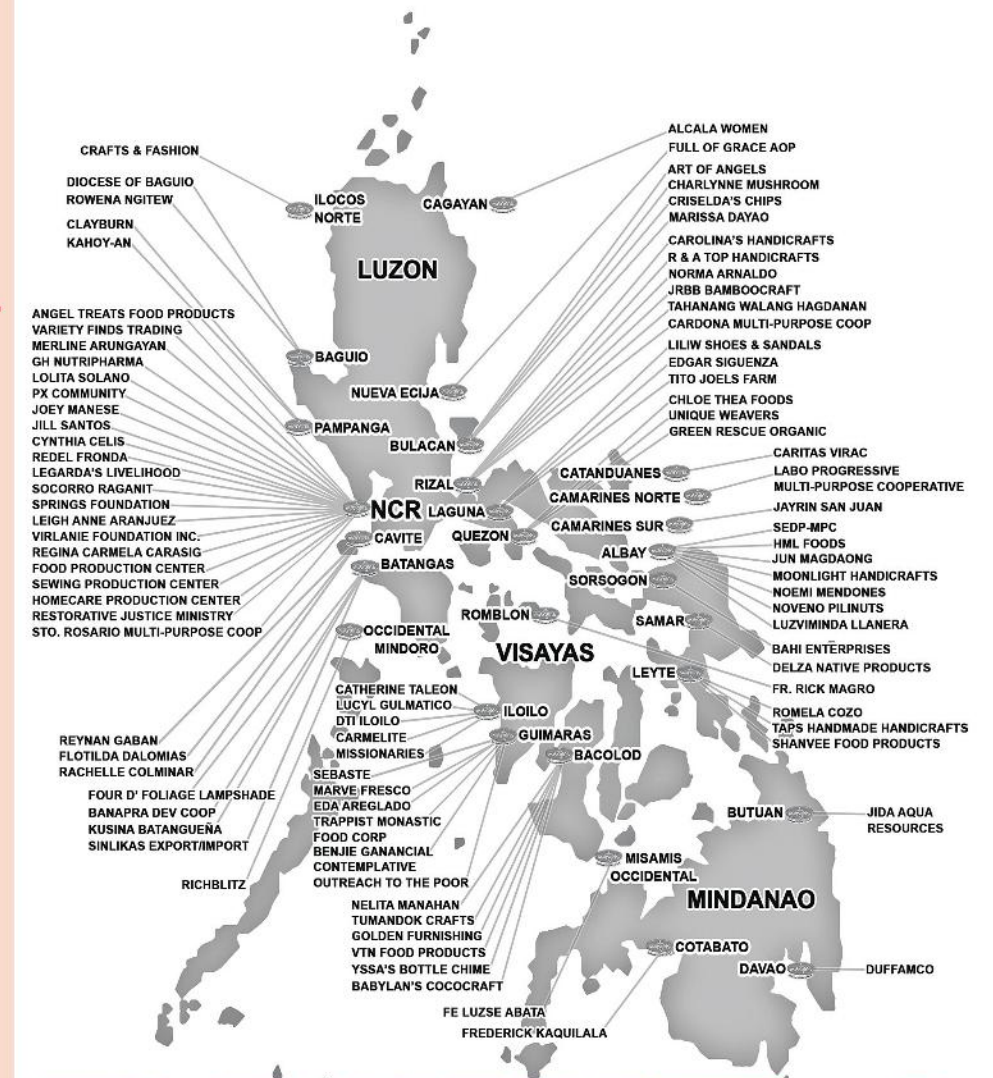
3
Grand Expositions in
3 prominent malls

16
kiosks operational

*...let them labor and work honestly with their own hands,
so as to have something to share with the needy. - Eph 4:28*

Supports Micro-Entrepreneurs Nationwide!

(Peoples' Organizations, Associations, families-micro-entrepreneurs,
non-government organizations (NGOs) and religious organizations) all over
the Philippines by marketing their products under the Caritas Margins label.



FINANCIAL STEWARDSHIP HIGHLIGHTS

Direct Cash Donations = P 34,416,129

Segunda Mana = P 42,494,941

Other Campaigns = P 20,145,291

Margins = P 18,300,000

Alay Kapwa Sunday Collection = P 12,054,784

Can of Charity = P 7,212,784

Donation from Social Enterprises = P 491,500

Mall Masses = P 2,286,452

Parish Pledges = P 1,774,625

Non-Cash Donations = P 17,046,033

LOVE *in*
ABUNDANCE



LOVE
AB





2016 HIGHLIGHTS



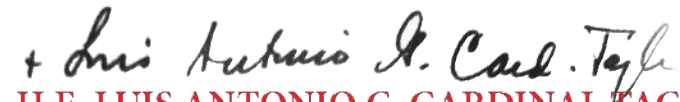
CARITAS MANILA INC.

A NON-STOCK, NOT-FOR-PROFIT ORGANIZATION

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of CARITAS MANILA, INC. is responsible for the preparation and fair presentation of the financial statements for the years ended December 31, 2016 and 2015, including the additional components attached therein, in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SME). This responsibility includes designing and implementing internal controls 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.

The Board of Trustees reviews and approves the financial statements and submits the same to the members. SyCipGorresVelayo & Co., the independent auditors, appointed by the members has examined the financial statements of the organization in accordance with the Philippine Standards on Auditing, and in its report to the members, has expressed its opinion on the fairness of presentation upon completion of such examination.



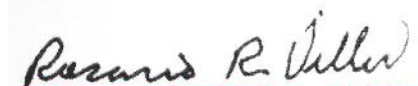
H.E. LUIS ANTONIO G. CARDINAL TAGLE, D.D.

Chairman of the Board



REV. FR. ANTON C.T. PASCUAL

Executive Director



MRS. ROSARIO R. VILLAR

Treasurer

Signed this 26th day of December, 2017

Caritas Manila, Inc.

(A Nonstock, Not-for-profit Organization)

Financial Statements
December 31, 2016 and 2015

and

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Caritas Manila, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Caritas Manila, Inc. (a nonstock, not-for-profit organization), which comprise the statements of financial position as at December 31, 2016 and 2015, and the statements of comprehensive income, statements of changes in fund balances and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2016 and 2015, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small and Medium-sized Entities (PFRS for SMEs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). 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 Organization in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for SMEs, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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 No. 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations No. 15-2010 in Note 17 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 the management of Caritas Manila, Inc. 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 a whole.

SYCIP GORRES VELAYO & CO.

Ana Lea C. Bergado

Ana Lea C. Bergado

Partner

CPA Certificate No. 80470

SEC Accreditation No. 0660-AR-3 (Group A),

March 2, 2017, valid until March 1, 2020

Tax Identification No. 102-082-670

BIR Accreditation No. 08-001998-63-2015,

March 24, 2015, valid until March 23, 2018

PTR No. 5908673, January 3, 2017, Makati City

December 26, 2017

CARITAS MANILA, INC. (A Nonstock, Not-for-profit Organization)

STATEMENTS OF FINANCIAL POSITION

	December 31	
	2016	2015
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱39,215,724	₱49,252,167
Receivables (Notes 5 and 14)	9,461,608	7,446,459
Investments (Note 6)	121,441,947	121,534,048
Other current assets	899,585	11,875,617
Total Current Assets	171,018,864	190,108,291
Noncurrent Assets		
Property and equipment (Notes 7, 11 and 14)	89,439,964	86,360,489
TOTAL ASSETS	₱260,458,828	₱276,468,780
LIABILITIES AND FUND BALANCES		
Current Liabilities		
Accounts payable and accrued expenses (Note 8)	₱39,203,997	₱21,795,955
Current portion of loan payable (Note 9)	430,000	—
Total Current Liabilities	39,633,997	21,795,955
Noncurrent Liabilities		
Net retirement benefit liabilities (Note 15)	2,933,774	1,866,921
Loan payable - net of current portion (Note 9)	860,000	—
Total Noncurrent Liabilities	3,793,774	1,866,921
Total Liabilities	43,427,771	23,662,876
Fund Balances (Notes 11 and 16)		
Endowment fund	70,440,575	70,440,575
Restricted fund	56,554,080	55,553,086
Diamond Solidarity fund	—	8,115,000
General fund	90,036,402	118,697,243
Total Fund Balances	217,031,057	252,805,904
TOTAL LIABILITIES AND FUND BALANCES	₱260,458,828	₱276,468,780

See accompanying Notes to Financial Statements.



CARITAS MANILA, INC.
(A Nonstock, Not-for-profit Organization)

STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31					2015
	2016					
	Endowment	Restricted	Diamond Solidarity	General	Total	
REVENUE						
Donations and contributions (Note 10)	P—	P—	P—	P220,355,517	P220,355,517	P209,233,118
Interest and income from investments (Notes 4 and 6)	—	—	—	2,999,968	2,999,968	2,021,696
	—	—	—	223,355,485	223,355,485	211,254,814
EXPENSES						
Program (Notes 12 and 13)	—	—	8,115,000	204,363,468	212,478,468	237,153,287
Personnel (Notes 13 and 15)	—	—	—	15,265,823	15,265,823	2,852,959
Depreciation and amortization (Note 7)	—	—	—	6,788,787	6,788,787	6,380,920
Printing and supplies	—	—	—	5,589,089	5,589,089	6,586,105
Transportation	—	—	—	2,886,119	2,886,119	1,879,368
Communications	—	—	—	2,370,792	2,370,792	2,007,186
Repairs and maintenance	—	—	—	2,315,161	2,315,161	2,416,089
Utilities	—	—	—	2,072,959	2,072,959	2,073,326
Professional and trustee fees	—	—	—	1,814,058	1,814,058	1,272,142
Representation	—	—	—	1,805,483	1,805,483	1,463,576
Security services	—	—	—	730,825	730,825	632,639
Provision for bad debts (Note 5)	—	—	—	545,631	545,631	110,629
Advertising and publicity	—	—	—	509,095	509,095	4,373,322
Taxes and licenses	—	—	—	1,100	1,100	1,100
Miscellaneous	—	—	—	3,956,942	3,956,942	2,766,582
	—	—	8,115,000	251,015,332	259,130,332	271,969,230
DEFICIENCY OF REVENUE OVER EXPENSES	—	—	(8,115,000)	(27,659,847)	(35,774,847)	(60,714,416)
OTHER COMPREHENSIVE INCOME	—	—	—	—	—	—
TOTAL COMPREHENSIVE LOSS	P—	P—	(P8,115,000)	(P27,659,847)	(P35,774,847)	(P60,714,416)

See accompanying Notes to Financial Statements.



CARITAS MANILA, INC.
(A Nonstock, Not-for-profit Organization)

STATEMENTS OF CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	Endowment	Restricted	Diamond Solidarity	General	Total
FUND BALANCE AT DECEMBER 31, 2014	P70,440,575	P61,934,006	P16,230,000	P164,915,739	P313,520,320
Total comprehensive loss for the year	-	(6,380,920)	(8,115,000)	(46,218,496)	(60,714,416)
FUND BALANCE AT DECEMBER 31, 2015	70,440,575	55,553,086	8,115,000	118,697,243	252,805,904
Total comprehensive loss for the year	-	-	(8,115,000)	(27,659,847)	(35,774,847)
Fund reclassification	-	1,000,994	-	(1,000,994)	-
FUND BALANCE AT DECEMBER 31, 2016	P70,440,575	P56,554,080	P-	P90,036,402	P217,031,057

See accompanying Notes to Financial Statements.



CARITAS MANILA, INC.
(A Nonstock, Not-for-profit Organization)

STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Deficiency of revenue over expenses	(P35,774,847)	(P60,714,416)
Adjustments for:		
Depreciation and amortization (Note 7)	6,788,787	6,380,920
Interest and income from investments	(2,999,968)	(2,021,696)
Changes in net retirement benefits liabilities	1,066,853	443,355
Trustee fees and other expenses on investments	616,354	855,008
Unrealized foreign exchange gains	(106,745)	(31,126)
Loss on valuation of investment in shares of stock	-	1,159
Deficiency of revenue over expenses before working capital changes	(30,409,566)	(55,086,796)
Decrease (increase) in:		
Receivables	(2,015,149)	(1,300,582)
Other current assets	10,976,032	(8,462,036)
Increase in accounts payable and accrued expenses	17,540,337	1,013,627
Net cash flows used in operating activities	(3,908,346)	(63,835,787)

CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment (Note 7)	(9,868,262)	(3,468,884)
Proceeds from redemption of investments	2,280,000	2,280,000
Interest received	63,420	186,342
Net cash flows used in investing activities	(7,524,842)	(1,002,542)

CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan (Note 9)	1,290,000	-

EFFECT OF FOREIGN EXCHANGE CHANGES ON CASH AND CASH EQUIVALENTS	106,745	31,126
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NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,036,443)	(64,807,203)
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CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	49,252,167	114,059,370
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CASH AND CASH EQUIVALENTS AT END OF YEAR	P39,215,724	P49,252,167
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See accompanying Notes to Financial Statements.



NOTES TO FINANCIAL STATEMENTS

1. Organization Information and Authorization for Issuance of Financial Statements

Organization Information

Caritas Manila, Inc. (the Organization) was established for purely charitable, benevolent, and religious purposes. Its mission is to provide total human development with the framework of basic Christian community and to extend welfare services to the indigent poor and the needy within the Archdiocese of Manila. To promote its objectives, grants and donations are received from various institutions and individuals, which are operated based on the terms and conditions of such grants and donations.

The registered office address of the Organization is 2002 Jesus Street, Pandacan, Manila.

The Organization, being a nonstock, not-for-profit organization, falls under Section 30(e) of the Republic Act. No. 8424 entitled "an act amending the National Internal Revenue Code (NIRC), as Amended and for Other Purposes". The income from activities conducted in pursuit of the objectives for which the Organization was established is exempt from tax. However, any income from activity conducted for profit, regardless of the disposition of such income, is subject to income tax.

On July 22, 2013, the Bureau of Internal Revenue issued Revenue Memorandum Order No. 20-2013 prescribing the policies and guidelines in the issuance of tax exemption rulings to qualified nonstock, not-for-profit corporations and associations under Section 30 of the National Internal Revenue Code of 1997, as Amended. The Organization has filed its application for tax exemption in 2013.

The Organization was duly accredited by the Philippine Council for NGO Certification (PCNC) as a donee institution on December 26, 2012. The certification is valid until December 7, 2017. In accordance with Revenue Regulations No. 13-98, donations received shall entitle the donor to full or limited deduction pursuant to Section 34(H) and exemption from donor's tax pursuant to Section 101 (A) of NIRC. As of December 26, 2017, the renewal of the PCNC license is not yet completed.

Authorization for Issuance of the Financial Statements

The financial statements of the Organization were authorized for issuance by the Board of Trustees (BOT) on December 26, 2017.

2. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost basis except for investments which are measured at fair value. The financial statements are presented in Philippine peso (Peso), which is the Organization's functional currency. All amounts were rounded to the nearest Peso, except when otherwise indicated.

Statement of Compliance

The financial statements of the Organization have been prepared in accordance with the Philippine Financial Reporting Standard for Small and Medium-sized Entities (PFRS for SMEs).

2015 Amendments to the PFRS for SMEs

In August 2016, the Securities and Exchange Commission resolved to adopt the 2015 *Amendments to the PFRS for SMEs* as part of its rules and regulations on financial reporting.

Most of the amendments clarify existing requirements and add supporting guidance to the existing standard rather than change the underlying requirements. Among the most significant amendments to the standard are:

- Permitting SMEs to use the revaluation model to measure items of property, plant and equipment
- Aligning the recognition and measurement requirements for deferred income tax with full PFRSs
- Allowing SMEs to use the equity method to account for investments in subsidiaries, associates and jointly controlled entities in the separate financial statements

The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

The adoption of the 2015 Amendments to the PFRS for SMEs is not expected to have a significant impact on the Organization's financial statements. The Organization intends to adopt the amendments when they become effective.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash in banks earn interests at the respective bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, with original maturities of three months or less from the dates of acquisition, and are subject to an insignificant risk of change in value.

Receivables

Receivables are stated at face value less allowance for any uncollectible amounts. Provision is made when collection is no longer probable. Bad debts are written off when identified.

Investments

Investments are carried at fair market value. The carrying values of the investments are periodically adjusted to reflect subsequent upward and/or downward charges in their market values. The changes in the market values, net of applicable tax, of the investments are included in the "Interest and income from investments" account in the statement of comprehensive income.

Property and Equipment

Property and equipment, except land, are carried at cost less accumulated depreciation and amortization and any impairment in value. Parcels of land, which were received as donations, are stated at their fair market values at the time of donation.

The initial cost of an item of property and equipment consists of its purchase price, including import duties and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance costs, are normally charged to operations in the period in which 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 an additional cost of the item of property and equipment.

Recognition of depreciation and amortization commences when the asset is ready for its intended use.



Depreciation and amortization are calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	Number of Years
Land improvements	10
Buildings	40
Office furniture, fixtures and equipment	2 to 5
Transportation equipment	4
Small tools and other equipment	5
Vocational facilities and equipment	5
Medical and dental equipment	5

The estimated useful lives, depreciation and amortization method are reviewed periodically to ensure that these are consistent with the expected pattern of economic benefits from the items of property and equipment.

When assets are retired or otherwise disposed of, their cost and related accumulated depreciation and amortization, and any impairment in value are removed from the accounts. Any resulting gain or loss is credited to or charged to statement of comprehensive income.

Impairment of Assets

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property and equipment is the higher between net selling price and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Any impairment loss is recognized in statement of comprehensive income.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the property and equipments' recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount cannot exceed the carrying amount that would have been determined, net of accumulated depreciation, had no impairment loss had been recognized for the asset in previous years. After such reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount on a systematic basis over its remaining useful life.

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses are recognized in the Organization's statement of financial position at amounts established in exchanges, usually the amount to be paid. These are present obligation of the Organization arising from past transactions or events, the settlement of which is expected to result in an outflow from the Organization's resources embodying economic benefits.

Fund Balance

Fund balance represents the cumulative balance of excess or deficiency of revenue over expenses.

Revenue

Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the Organization and the amount of revenue can be measured reliably.

The following specific revenue recognition criteria must also be met before revenue is recognized:

Donations and contributions are recognized when cash and other grants and donations are received or when collection is reasonably certain. Donations in kind are valued based on the estimated recoverable amount of the item received. All donations received are considered available for general use unless specifically restricted by the respective donors. Undistributed donations in kind as at reporting date are recognized in "Other current assets".

Interest income is recognized as the interest accrues.

Expenses

Expenses are recognized in revenue and expenses upon utilization of the service or when they are incurred.

Retirement Benefits Cost

The Organization has a funded, noncontributory retirement plan, administered by a trustee, covering its permanent employees. Retirement costs are actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries. Retirement expense charged to expenses includes current service cost, interest cost, expected return on plan assets, amortization of unrecognized past service costs and effect of any curtailment or settlement. Past service cost is amortized over a period until the benefits become vested. If the benefits are already vested following the introduction of, or changes to, a pension plan, past service cost is recognized immediately. Actuarial gains and losses for the period are recognized in full in statement of comprehensive income.

The defined benefit asset or liability comprises the present value of defined benefit obligation, reduced by past service cost and the fair value of plan assets out of which the obligations are to be settled directly.

Foreign Currency-Denominated Transactions

Foreign currency-denominated transactions, mainly receipts of grants from foreign institutions, are recorded in Peso based on the exchange rates prevailing at the time the grants are received. Exchange gains or losses resulting from foreign currency denominated transactions are credited to or charged against operations. Outstanding monetary assets and liabilities denominated in foreign currencies are restated using the closing exchange rate at reporting date.

Provisions and Contingencies

Provisions are recognized when the Organization has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made, if the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessment of the time value of money and, where appropriate the risk specific to the liability. If discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.



Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date

Post year-end events that provide additional information about the Organization's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

3. Significant Accounting Judgments and Estimates

The preparation of the financial statements in accordance with PFRS for SMEs requires the Organization to exercise judgments and make estimates that affect the amounts reported in the financial statements and accompanying notes. The judgments and estimates used in the financial statements are based upon evaluation of relevant facts and circumstances as of statement of financial position date. Future events may occur which can cause the assumptions used in arriving at those judgments and estimates to change. The effects of any changes will be reflected in the financial statements of the Organization as they become reasonably determinable.

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. The following presents a summary of these significant judgments and estimates:

Judgment

In the process of applying the Organization's accounting policies, management has made the following judgment apart from those involving estimations, which has the most significant effect on the amounts recognized in the financial statements:

Classification of parcels of land

The Organization classifies its parcels of land as an item of property and equipment on the basis of it being used in operation. The classification is reviewed when events occur causing a change in management's expected use of the property.

The total carrying value of the Organization's parcels of land amounted to ₱56,554,080 as of December 31, 2016 and 2015. (see Note 7).

Estimates

The key estimates concerning the future and other key sources of estimation uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of the assets and the liabilities within the next financial year are discussed below:

Estimation of allowance for doubtful accounts

Provisions are made for accounts specifically identified to be doubtful of collection. The level of this allowance is evaluated by management on the basis of factors that affect the collectability of the accounts. Allowance for doubtful accounts amounted to ₱333,894 as of December 31, 2016 and 2015 (see Note 5).



Impairment of nonfinancial assets

The Organization's nonfinancial assets consist of property and equipment, and other current assets.

The Organization determines whether its nonfinancial assets are impaired, whenever events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the nonfinancial assets are written down to their recoverable amounts. The recoverable amount is the greater of net selling price and value-in-use.

As of December 31, 2016 and 2015, the carrying value of the Organization's nonfinancial assets amounted to ₱90,339,549 and ₱98,236,106, respectively.

4. Cash and Cash Equivalents

	2016	2015
Cash on hand and in banks	₱38,784,284	₱42,820,727
Cash equivalents	431,440	6,431,440
	₱39,215,724	₱49,252,167

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods of up to three months depending on the immediate cash requirements of the Organization and earn interest at the respective short-term cash deposit rates. Interest income earned on cash in banks and short-term cash deposits amounted to ₱63,420 and ₱186,342 in 2016 and 2015, respectively.

5. Receivables

	2016	2015
Caritas Salve Credit Cooperative (Note 14)	₱2,400,804	₱2,589,136
Roman Catholic Archdiocese of Manila (RCAM) (Note 14)	2,020,391	1,911,822
Others	5,374,307	3,279,395
	9,795,502	7,780,353
Less allowance for doubtful accounts	333,894	333,894
	₱9,461,608	₱7,446,459

Movement in the allowance for doubtful accounts on trade receivables follows:

	2016	2015
Beginning balances	₱333,894	₱487,846
Provision for the year	545,631	110,629
Write-off against allowance	(545,631)	(264,581)
Ending balances	₱333,894	₱333,894



6. Investments

In order to maximize the return on its investible funds, the Organization has entrusted a portion of its funds to local financial institutions, who act as the fund managers of these trust funds. Under the covering agreements, the fund managers are authorized, under certain conditions and for an agreed fee, to hold, invest, and reinvest the funds.

The consolidated investments portfolio held by the investment managers, including other investments held by the Organization as of December 31, 2016 and 2015 follows:

	2016	2015
Government securities	₱48,996,369	₱49,979,966
Investments in unit trust fund	24,982,544	27,472,565
Shares of stock	24,314,635	20,939,276
Corporate bond	18,307,743	17,988,230
Loans, receivables and other investments	4,840,656	5,154,011
	₱121,441,947	₱121,534,048

Interest and income from investments amounted to ₱2,936,548 in 2016 and ₱1,835,354 in 2015.

7. Property and Equipment

	2016							
	Land and Land Improvements	Building (Note 14)	Office Furniture, Fixtures and Equipment	Transportation Equipment	Small Tools and Other Equipment	Vocational Facilities and Equipment	Medical and Dental Equipment	Total
Cost								
Beginning balances	₱58,813,913	₱37,562,319	₱20,799,006	₱13,886,858	₱497,283	₱1,749,234	₱25,391	₱133,334,004
Additions	—	2,416,522	3,076,662	1,062,100	48,900	—	3,264,078	9,868,262
Ending balances	58,813,913	39,978,841	23,875,668	14,948,958	546,183	1,749,234	3,289,469	143,202,266
Accumulated Depreciation and Amortization								
Beginning balances	2,256,047	18,721,905	14,304,619	10,224,702	424,600	1,016,251	25,391	46,973,515
Depreciation and amortization	3,786	1,395,712	3,214,170	1,552,099	36,962	308,150	277,908	6,788,787
Ending balances	2,259,833	20,117,617	17,518,789	11,776,801	461,562	1,324,401	303,299	53,762,302
Net Book Values	₱56,554,080	₱19,861,224	₱6,356,879	₱3,172,157	₱84,621	₱424,833	₱2,986,170	₱89,439,964

	2015							
	Land and Land Improvements	Building (Note 14)	Office Furniture, Fixtures and Equipment	Transportation Equipment	Small Tools and Other Equipment	Vocational Facilities and Equipment	Medical and Dental Equipment	Total
Cost								
Beginning balances	₱58,813,913	₱36,782,362	₱18,110,079	₱13,886,858	₱497,283	₱1,749,234	₱25,391	₱129,865,120
Additions	—	779,957	2,688,927	—	—	—	—	3,468,884
Ending balances	58,813,913	37,562,319	20,799,006	13,886,858	497,283	1,749,234	25,391	133,334,004
Accumulated Depreciation and Amortization								
Beginning balances	2,252,260	17,321,035	11,304,786	8,604,358	390,931	693,834	25,391	40,592,595
Depreciation and amortization	3,787	1,400,870	2,999,833	1,620,344	33,669	322,417	—	6,380,920
Ending balances	2,256,047	18,721,905	14,304,619	10,224,702	424,600	1,016,251	25,391	46,973,515
Net Book Values	₱56,557,866	₱18,840,414	₱6,494,387	₱3,662,156	₱72,683	₱732,983	—	₱86,360,489

The aggregate costs of fully depreciated assets that are still used by the Organization amounted to ₱22,398,287 and ₱18,197,924 as of December 31, 2016 and 2015, respectively, whereas the cost of the land amounted to ₱56,554,080 as of December 31, 2016 and 2015.

8. Accounts Payable and Accrued Expenses

	2016	2015
Accrued expenses	₱29,885,165	₱18,995,958
Accounts payable	9,043,304	2,689,183
Others	275,528	110,814
	₱39,203,997	₱21,795,955

The balance of accounts payable and accrued expenses represents program expenses incurred during the year and paid only subsequent to year-end.

9. Loan Payable

In December 2016, the Organization obtained a loan from a local financing company amounting to ₱1,290,000. The loan bears annual interest of 8.00% and is payable in 36 equal monthly installments starting January 6, 2017. The proceeds will be used for the acquisition of transportation equipment of the Organization.

Interest expense on loan payable amounted to ₱8,600 for the year ended December 31, 2016.

10. Donations

Donations are mostly cash collections from benefactors that will be used in carrying out the Organization's various programs. These are recorded under the appropriate fund if it is intended for a specific purpose defined by the donors and/or their agreement with the Organization. All other donations are recorded under the general fund.

Donations in kind coming from the Organization's "Segunda Mana" program are recorded at their estimated recoverable values at the time of donation. Total received donations in kind pertaining to Segunda Mana amounting to ₱30,704,898 and ₱33,025,931 in 2016 and 2015, respectively, are presented under "Donations and Contributions - General Fund" in the statements of comprehensive income.

11. Funds

Endowment fund consists of donations where only the interest is utilized for the programs of the Organization.

Restricted fund represents the value of donated parcels of land. Restricted fund was previously named as Property and Equipment fund.

Diamond Solidarity fund consists of donations wherein their utilization is restricted to financing of the Organization's scholars.

General fund represents the portion of expendable funds available to support the Organization.



12. Program Expenses

	2016	2015
Educational assistance	₱78,540,976	₱86,424,857
Financial and medical assistance	46,919,452	70,528,116
Personnel (Notes 13 and 15)	51,246,408	48,419,865
Emergency relief	15,180,364	20,911,425
Advertising and publicity	11,233,843	934,050
Financial support to religious activities	1,704,500	1,459,208
Professional/trustee fees	1,630,880	551,096
Representation	1,247,617	1,019,618
Communications	1,823,831	577,462
Transportation	866,800	1,609,817
Repairs and maintenance	344,119	815,842
Utilities	288,298	321,067
Beneficiary training	250,581	1,035,187
Printing and supplies	103,620	1,243,771
Miscellaneous	1,097,179	1,301,906
	₱212,478,468	₱237,153,287

Educational assistance which relates to the flagship program of the Organization are the scholarships, allowances and subsidies granted by the Organization to its student beneficiaries.

Financial and medical assistance represents rehabilitation costs of various chapels, construction of housing units and re-establishment of livelihood programs incurred by the Organization for the victims affected by the calamities.

Emergency relief expense pertains to immediate assistance given by the Organization to the victims of calamities which includes relief goods such as clothes, foods and medicines.

In 2016, management determined that honoraria previously granted to program workers in 2015 should be classified as program expenses and made the reclassification accordingly.

13. Personnel Expenses

Personnel expenses consist of:

	2016	2015
Program expenses (Note 12)	₱51,246,408	₱48,419,865
General	15,265,823	2,852,959
	₱66,512,231	₱51,272,824

Breakdown as to nature of personnel expenses follows:

	2016	2015
Honoraria	₱45,002,247	₱32,372,003
Salaries, wages and allowances	14,474,694	12,961,869
Employee benefits	5,968,437	5,495,597
Retirement expense (Note 15)	1,066,853	443,355
	₱66,512,231	₱51,272,824



14. Related Party Transactions

Related party relationships exist when the entity has the ability to control, directly or indirectly, through one or more intermediaries, or exercise significant influence over the entity in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity and its key management personnel, directors or stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

The Organization has the following significant transactions with related parties:

- The Organization is the social service and development arm of the RCAM. The land where the Organization's building is located, is owned by RCAM. RCAM has allowed the Organization to use this land for free.
- Receivable from RCAM amounting to ₱2,020,391 and ₱1,911,822 as of December 31, 2016 and 2015, respectively, represents cash donations not yet received related to the medical expenses incurred in the health centers located in the 13 vicariates of the Archdiocese of Manila (Note 5). Total donations from RCAM amounted to ₱17,379,564 and ₱15,540,686 in 2016 and 2015, respectively.
- Receivable from Caritas Salve Credit Cooperative, an entity which also reports to RCAM, represents the seed money extended by the Organization to the entity during its start-up operations amounting to ₱2,400,804 and ₱2,589,136 as of December 31, 2016 and 2015, respectively (Note 5). The amount will be returned to the Organization once the entity has enough working capital.

15. Retirement Plan

The Organization has a funded defined benefit retirement plan covering all of its regular employees. The benefits are based on the years of service and percentage of final monthly basic salary. The latest actuarial valuation report of the defined benefit plan is as of December 31, 2016.

The components of retirement benefits cost recognized in the statements of comprehensive income follow:

	2016	2015
Current service cost	₱674,088	₱669,174
Interest cost on defined benefit obligation	217,474	171,701
Expected return on plan assets	(115,763)	(118,563)
Actuarial loss (gain)	291,054	(278,957)
	₱1,066,853	₱443,355

Net retirement benefit liabilities recognized in the statements of financial position follow:

	2016	2015
Present value of defined benefit obligation	₱5,257,166	₱4,182,190
Fair value of plan assets	2,323,392	2,315,269
Net retirement benefit liabilities	₱2,933,774	₱1,866,921



The changes in the present value of defined benefit obligation follow:

	2016	2015
Beginning of year	₱4,182,190	₱3,724,535
Current service cost	674,088	669,174
Interest cost	217,474	171,701
Benefits paid	—	(104,263)
Actuarial loss (gain)	183,414	(278,957)
	₱5,257,166	₱4,182,190

The changes in the fair value of plan assets follow:

	2016	2015
Beginning of year	₱2,315,269	₱2,371,259
Expected return on plan assets	115,763	118,563
Actuarial loss	(107,640)	(174,553)
	₱2,323,392	₱2,315,269

The composition of the Organization's plan assets are managed by a local asset management company follow:

	2016	2015
Cash and cash equivalents	₱45,020	₱113,340
Debt instruments	1,504,012	1,534,187
Equity instruments	777,338	667,742
	2,326,370	2,315,269
Liabilities	(2,978)	—
	₱2,323,392	₱2,315,269

The principal actuarial assumptions used to determine the Organization's retirement benefits cost at the beginning of the year follow:

	2016	2015
Discount rate	2.00%	5.20%
Future salary increase rate	5.00%	5.00%

16. Fund Balance Management

The primary objective of the Organization's fund balances is to ensure that it maintains adequate funds to support its various activities and programs and its administrative costs.

Since the Organization depends on donations received to finance its various activities and projects, it maximizes the earnings of the funds. It sets aside funds for specific and for emergency purposes. No changes were made in the objectives, policies or processes in both years.



The Organization considers its fund balances as its capital. These are:

	2016	2015
Endowment fund	₱70,440,575	₱70,440,575
Restricted fund	56,554,080	55,553,086
Diamond Solidarity fund	—	8,115,000
General fund	90,036,402	118,697,243
	₱217,031,057	₱252,805,904

17. Supplementary Information Required Under Revenue Regulations No. 15-2010

In compliance with the requirements set forth by Revenue Regulations No. 15-2010, hereunder are the information on taxes and license fees paid or accrued during the taxable year 2016.

Withholding Taxes

Withholding taxes on compensation and benefits	₱1,700,127
Expanded withholding taxes	100,539

Other Taxes and Licenses

Community tax certificate	₱600
BIR registration fee	500
	₱1,100



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Program Officer for Health

RESTORATIVE JUSTICE

Fr. Roberto D. Dela Cruz

Restorative Justice Priest-in-Charge

Sr. Zenaida Cabrera, SHE

Program Coordinator

STEWARDSHIP

Marie Kiel S. Fernandez

Stewardship Head

Marle B. So

Acquisition Team Head

Ma. Purita P. Mariano

Donor Care Head

SEGUNDA MANA

William Barry H. Camique

Segunda Mana Program Manager

Gilda I. Cortez

GIK Head

SOCIAL ENTREPRENEURSHIP

MARGINS

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Business Development Manager

Wency Rafael G. Lobo

Livelihood Program Manager

Jocelyn G. Tionloc

Program Manager

Maya G. Arcega

Stores Operations Officer

Aprille Rose E. Bacaron

Direct-Selling & Online Sales Officer

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Supply Chain Management Officer

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