



**PRAXIS FIDES MUTUAL BENEFIT  
ASSOCIATION INC.**

**“Pagpapalawak at Pagpapatatag, Sa  
Pananampalataya Naka-Ugat”**

**ANNUAL REPORT 2017**

**Released April 28, 2018**

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# **PRAXIS FIDES MUTUAL BENEFIT ASSOCIATION INC.**

## **ANNUAL REPORT 2017**

### **CORPORATE PROFILE**

#### ***Organization***

Praxis Fides Mutual Benefit Association, Inc. (the Association) was incorporated in the Philippines on February 17, 1987. As a non-stock, non-profit association, the Association is exempt from the payment of income tax under Section 30c of the National Internal Revenue Code. The registered office of the Association is located at 35 Paseo del Congreso, Catmon, Malolos City, Bulacan.

#### ***Objectives***

- a. Primarily to foster brotherhood thru mutual help and benefit among its members.
- b. To encourage the habit of thrift and saving among its members, to provide financial material aid and comforts to members and their families in cases of loss of life in the amount of P30,000.00 to a maximum P200,000.00 life insurance.
- c. To do such acts and things and to undertake such activities not otherwise prohibited by law which are calculated to help members and necessary for the accomplishment of the purpose of which the association has been organized.

### **MEMBERSHIP**

Any person eligible for membership shall become a member of the Association only after paying the initial membership fee and the first monthly contribution. Every member in good standing shall have the rights among others to participate in the distribution of profit of the Association on the basis of his capital contributions after the Association has set aside such reserves as maybe required by any existing laws and regulations. In addition, the member can avail of loans in accordance with his borrowing capacity subject to the limitations as provided for under the existing rules and regulations of the Association.

### **VISION STATEMENT**

By 2022, Praxis Fides Mutual Benefit Association is a leading church based financial intermediary in pursuit of total human development that is guided by the principles of faith and social entrepreneurship.

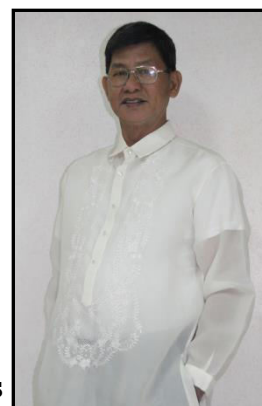
### **MISSION STATEMENT**

Praxis Fides Mutual Benefit Association, Inc. will be inclusive of Basic Ecclesial Community programs and strategies throughout Bulacan by 2020 for membership expansions and initiatives.

### **CORE VALUES**

1. Faith in God our Father
2. Accountability
3. Initiative and Innovativeness
4. Transparency in Governance
5. Human Development

## **CHAIRMAN'S MESSAGE**



Prayerful greetings in Christ!

Expressing our faith through deeds of justice and love is particularly urgent in our society today, where the exercise of faith often seems to be restricted to the realm of religious activities and private morality. Faith must be exercised in service, to care for the needs and to work for the realization of our vision – total human development!

For 2017, PFMBAI is fully compliant with the Code of Corporate Governance.

More power to our working force- the BOT, to Management Staff, to all Area Coordinators and Area Representatives.

  
JULIANO ANTONIO  
CHAIRMAN

## **PRESIDENT'S MESSAGE**

Greetings through Jesus Christ, Joseph, and Mary!

It is with great pleasure to confer my heartfelt greetings to the member of Praxis Fides MBAI as it celebrates its 31<sup>st</sup> year of existence.

As we embark on our personal journey towards strengthened faith and devotion & the knowledge for thrift and savings that we are teaching to the general membership, we are not only succeeding individually but we are helping our nation for its development. PFMBAI does a greater role in our society.

I sincerely appreciate the valuable efforts of all PFMBAI's Area Coordinator, Area Representatives, Board of Trustees and Employees, as we all accomplished various progress and activities beneficial to the welfare of the workforce and the general membership. With the accomplishments, we shall welcome the consistent challenge to strive for greater heights, while instilling a sense of camaraderie and solidarity to both workforce and member.

Let us pray that our future programs continue to benefit all. Thank you and God Bless!

*Gener C. Luciano*

**GENER LUCIANO**

PRESIDENT/ GENERAL MANAGER



## MANAGEMENT



The management team headed by the President and General Manager, implements the strategic plans, policies and decisions of the Board of Trustees.

The main job of overseeing and managing all operations of the Association and implement policies and Board Resolutions through administrative action, rests on the President & General Manager. Reporting directly to the Board of Trustees. The middle managers, who oversee the different departments or sections (Loans, Information Systems, Controllership and Treasury) shall be accountable to and report directly to the President & General Manager.

### **CORPORATE GOVERNANCE COMPLIANCE**

We take corporate governance to mean “a system whereby management enhances the value of a corporation by the way objectives are set and achieved, risk is monitored and managed, and performance is optimized, by taking into account corporate social responsibility.”

With this understanding, Praxis Fides MBAi binds itself “to promote fairness, transparency and accountability” in all its corporate actions and endeavors.

### **Responsibility and Enforcement**

1. Good governance shall be the main responsibility of the Board of Trustees and its Committees.
2. To strictly observe and implement the provisions of this Manual, any violation of its provisions by any member of the Board of Trustees shall be sufficient cause for removal from trusteeship.
3. The Compliance Officer shall be responsible for determining any violation of these provisions, and, subject to the requirements of due process, shall recommend to the Chairman of the Board proper action to be taken.

**PRAXIS FIDES MUTUAL BENEFIT ASSOCIATION INC.  
BOARD OF TRUSTEES PROFILE**

**Board of Trustees 2017**



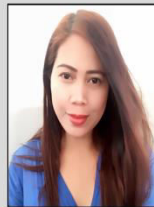
Chairman of the Board  
Mr. Juliano F. Antonio



Vice-Chairman  
Fr. Ramon Garcia  
Independent Trustee



Treasurer  
Fr. Joseph Cruz  
Independent Trustee



Corporate Secretary  
Mary Joy Del Roario  
Independent Trustee



Auditor  
Luciana Gonzales  
Independent Trustee



BOT Member  
Ramon Bagay  
Independent Trustee



BOT Member  
Ederlinda del Rosario  
Independent Trustee





**Mr. Juliano F. Anontio**  
**Chairman of the Board**

**Age: 65**

**Independent Trustee**

Trustee since February 2013

**Academic and Professional Qualification:** Bachelor of Science in Education

**Other Present Corporate Directorship:**

Company: RCBM – Chancery Office

Position: Officer

Year: 2000-2018

**Seminars Attended:**

Corporate Governance – March 2016

Praxis Fides MBAI – Orientation Seminar for Board of Trustees- March

2017



**Fr. Ramon Garcia**

**Vice- Chairman**

**Age: 43**

Trustee – March 2017

**Academic and Professional Qualification:** Bachelor of Science in Elementary Education

Bachelor of Science in Classical Philosophy

Master of Arts in Pastoral Ministry

**Other Present Corporate Directorship:**

Company: Coral naBato Elementary School

Position: Teacher and Board of Director

Year: 1995-1996

Parochial Vicar at National Shrine of St. Anne, HagonoyBulacan 2005-

present

**Seminars Attended:**

Corporate Governance – November 2017

Praxis Fides MBAI – Orientation Seminar for Board of Trustees- March

2017





**Fr. Joseph Cruz**  
**Treasurer- Independent Trustee**  
**Age: 38**  
Trustee – March 2017

**Academic and Professional Qualification:** Bachelor of Science in Philosophy  
Graduate School of Theology

**Other Present Corporate Directorship:**

Parish Priest Diocese of Malolos 2006- present

**Seminars Attended:**

Corporate Governance – November 2017

Praxis Fides MBAI – Orientation Seminar for Board of Trustees- March  
2017



**Mary Joy del Rosario**  
**Corporate Secretary- Independent Trustee**  
**Age: 42**  
Trustee – March 2017

**Academic and Professional Qualification:** Bachelor of Science  
in Business Administration  
Major in Management

**Other Present Corporate Directorship:**

Company: Philippine Bank of Communication

Position: Branch Manager

Year: 1999- 2017

**Seminars Attended:**

Corporate Governance – November 2017

Praxis Fides MBAI – Orientation Seminar for Board of Trustees- March  
2017



**Luciana Gonzales**  
**Auditor –Independent Trustee**  
**Age: 56**  
Trustee since 2013

**Academic and Professional Qualification:** Bachelor of Science in Business Accounting

Certified Public Account

**Other Present Corporate Directorship:**

Company: LMG Accounting Services  
Position: General Manager  
Year: 2007- present

**Seminars Attended:**

Corporate Governance – March 2016  
Praxis Fides MBAI – Orientation Seminar for Board of Trustees- March 2017



**Ederlindadel Rosario**  
**BOT Member –Independent Trustee**  
**Age: 67**  
Trustee since 2016

**Academic and Professional Qualification:** Bachelor of Science in Commerce  
Certified Public Account

**Other Present Corporate Directorship:**

Company: M.Sapa Multi-Purpose Cooperative  
Position: Auditor  
Year: 2008- present

**Seminars Attended:**

Corporate Governance – March 2016  
Praxis Fides MBAI – Orientation Seminar for Board of Trustees- March 2017



**Ramon Bagay**  
**BOT Member –Independent Trustee**  
**Age: 58**  
Trustee since 2015

**Academic and Professional Qualification:** Bachelor of Science in Commerce  
Major in Management

**Other Present Corporate Directorship:**

Company: RCBC Savings  
Position: Branch Manager  
Year: 2017

**Seminars Attended:**

Corporate Governance – March 2016  
Praxis Fides MBAI – Orientation Seminar for Board of Trustees- March

2017

**PRAXIS FIDES MUTUAL BENEFIT ASSOCIATION INC.  
BOARD COMMITTEES 2017**

**AUDIT COMMITTEE**

Chairman: Ms. Luciana M. Gonzales – Independent Trustee  
Member: Ms. Leonora San Juan – Non executive  
Ms. Susan Geronimo- Non executive  
Ms. Melody Gaddi

**REMUNERATION COMMITTEE**

Chairman: Mr. Ramon Bagay – Independent Trustee  
Member: Fr. Angelito Santiago  
Ms. Ellaine Carla Pasco

**CREDIT COMMITTEE**

Chairman: Ms. Ederlinda del Rosario – Independent Trustee  
Member: Mr. Eduardo Santos  
Ms. Donata Mendoza  
Ms. Maria Mae Joaquin  
Mr. Mark Gasis

**INVESTMENT COMMITTEE**

Chairman: Ms. Ms. Mary Joy Del Rosario – Independent Trustee  
Member: Mr. Rodel Cristobal  
Ms. Nancy Jose  
Mr. Ramon Bagay

**NOMINATION COMMITTEE**

Chairman: Fr. Joseph Cruz – Independent Trustee  
Member: Ms. Leoncia San Jose – Independent Member  
Ms. Herminia Mirandilla – Independent Member  
Ms. Susan Geronimo- Independent Member

**COMPLIANCE, RISK MANAGEMENT & RPT COMMITTEE**

Chairman: Fr. Ramon Garcia – Independent Trustee  
Member: Fr. Leon G. Coronel  
Mr. Antonio Juliano  
Mr. Eduardo Santos  
Ms. Maxima Salhay

## BOARD PERFORMANCE

The records of the attendance of the trustees for the Annual General Membership meeting, regular and special Board meetings held are provided below:

Board Position	Trustee	Attended the Annual General Meeting	Number of Regular/ Special Meetings Held in 2017	Number of Regular/ Special Meetings Attended in 2017	Percentage
CHAIRMAN	MR. JULIANO ANTONIO	YES	12	12	100%
VICE-CHAIRMAN	FR. RAMON GARCIA	YES	12	11	91.67%
TREASURER	FR. JOSEPH CRUZ	YES	12	12	100%
SECRETARY	MS. MARY JOY DEL ROSARIO	YES	12	11	91.67%
AUDITOR	MS. LUCIANA GONZALES	YES	12	11	91.67%
MEMBER	MS. EDERLINDA DEL ROSARIO	YES	12	12	100%
MEMBER	MR. RAMON BAGAY	YES	12	12	100%

### Schedule of Board Meetings for the year 2018

Regular Meeting	Date	Special Meeting	Date
January	01/31/2018	February	02/28/2018
March	03/28/2018	April	04/25/2018
May	05/30/2018	June	06/27/2018
July	07/25/2018	August	08/29/2018
September	09/26/2018	October	10/31/2018
November	11/28/2018	December	12/12/2018

On November 16, 2017, the Board of Trustees held a meeting without the General Manager Gener C. Luciano.

The Trustees of Praxis Fides MBAI do not receive any income. What is only given is per diem for every special and regular meeting to cover gasoline and transportation expenses they have incurred in attending the meetings and monthly honorarium depending on the position and responsibilities they held in the association. The total remuneration of the BOT is part of total administrative expense of the company.

The total remuneration received by the Trustees and Officers for the year 2017 is P754,500.00 inclusive of monthly allowance and performance-based incentive.

Board Position	Trustee	Amount
CHAIRMAN	MR. JULIANO ANTONIO	P 117,000
VICE-CHAIRMAN	FR. RAMON GARCIA	105,500
TREASURER	FR. JOSEPH CRUZ	111,000
SECRETARY	MS. MARY JOY DEL ROSARIO	105,500
AUDITOR	MS. LUCIANA GONZALES	105,500
MEMBER	MS. EDERLINDA DEL ROSARIO	105,000
MEMBER	MR. RAMON BAGAY	105,000

## AUDIT COMMITTEE

For 2017, the Audit committee was headed by Independent Trustee Ms. Luciana Gonzales and comprised entirely by independent members with all members having the ability to read financial reports and preferably with accounting background.

Meetings and Attendance of Audit Committee:

Audit	Member	Number of Meetings Held in 2017	Number of Meetings Attended in 2017	Percentage
CHAIRMAN	MS. LUCIANA GONZALES	7	7	100%
MEMBER	LEONORA SAN JUAN	7	7	100%
MEMBER	SUSAN GERONIMO	7	7	100%
MEMBER	MELODY GADDI	7	7	100%

- The AMC and Associates the external auditor of Praxis Fides MBAI was seeking re-appointment for the year 2018 with annual fees of P121, 000.00.
- Non-Audit fees includes the Compiler's Fee and AS amounting to P44,000.00 per year.

## **COMPLIANCE, RISK MANAGEMENT & RPT COMMITTEE**

The Compliance, Risk Management & RPT Committee was established by the Board to be headed by an Independent Trustees. It's main responsibilities is to review significant RPTs to determine whether they are in the best interest of the members. In any case a Trustee is involved in the significant RPTs he/ she shall abstain in any Board discussion and approval.

### **A. Compliance**

- To strictly observe and implement the provisions of this Manual, any violation of its provisions by any member of the Board of Trustees shall be sufficient cause for removal from trusteeship.
- Ensures the Board of Trustees, management and employees are in compliance with the rules and regulations of regulatory agencies, that company policies and procedures are being followed, and that behavior in the organization meets the company's Standards of Conduct.

### **B. Risk Management Objectives and Procedures**

The Association is exposed to a variety of financial risks in relation to financial instruments. The main types of risks are market risks, credit risks, credit risks, and liquidity risks.

The Association's risk management is coordinated with the Board of Trustees and focuses on actively securing the Association's short- to medium-term cash flows by minimizing the exposure to financial markets. Long term financial investments are manage to generate lasting returns.

The Associations does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Association is exposed to are described below.

## **KEY RISKS**

### **Market Risk**

The Association is exposed to market risk through its use of financial instruments and specially to currency risk, interest rate risk and certain other price risks which result from both its operating and investing activities.

### **Credit Risk**

Credit Risk is the risk that counterparty fails to discharge an obligation to the Association. The Association is exposed to this risk for various financial instruments, for example by granting loans and receivables to borrowers, placing deposits and investment in bonds.

### **Liquidity Risk**

Liquidity risk is generally defined as the current and prospective risk to earnings or capital arising from the Association's inability to meet its obligations when they fail due without incurring unacceptable losses or cost.

**Related Party Transaction** – shall refer to any business, agreement or arrangement involving the association as participant, and which related parties have a financial interest.

## **Disclosure of Related Parties and Other Conflict of Interest**

Board of Trustees, Employees and Work Force of the Association are required to disclose their interest in transactions, contracts and loans in the Association and

other material transactions involving conflict of interest. The extent of related party transactions involves the beneficiary, amount, nature and term of transactions.

**C. Related Party Transaction**

- Review material related party transaction and other conflict of interest of Board of Trustees, Employees and Area Coordinators.
- The committee shall maintain a register of Board of Trustee, Employees and Work Force (Area Representatives) the following:
  - Declaration of material personal interest or conflict of interest detailing their material interest in relation to Praxis Fides MBAI.
  - Nature and extent of interest
  - How the interest relates or may relates to the affairs and business of Praxis Fides MBAI.

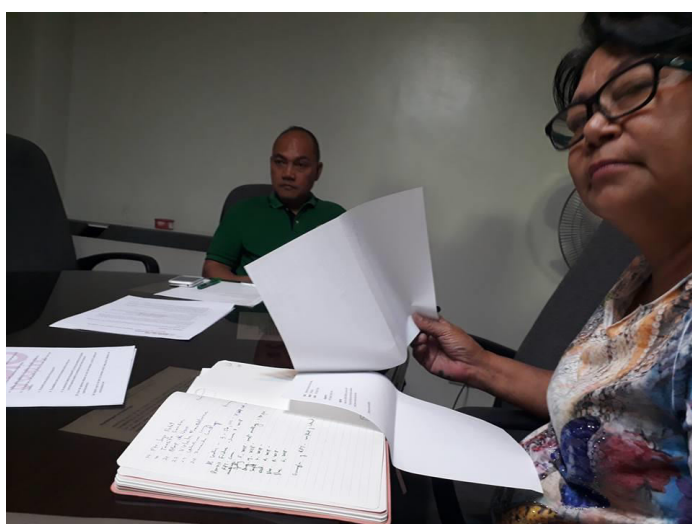
The Association’s related parties include the Association’s employees, trustees and key management personnel. For 2017, the RPT committee has conducted a review which ensured that the transactions are fair and at arm’s length.

The summary of the Association’s transactions and outstanding balances with the related parties follows:

				20 17	
				Amount of	Outstanding
				Transaction	Balance
<b>KEY MANAGEMENT AND PERSONNEL</b>					
GENER C. LUCIANO - GENERAL MANAGER		P		301,942.20	300,000.00
MELODY T. GADDI - COMPTROLLER, EXTERNAL				553,216.00	364,166.00
BERNADETTE DE GUZMAN - BRANCH MANAGER				982,166.67	676,333.34
MARIA MAE JOAQUIN - LOAN OFFICER				737,500.00	587,950.00

**RPT Committee Meeting November 17, 2017**

The committee meeting was set to review and create programs and procedures for all material related transactions of Board of Trustees, Employees, Area Coordinators and other related parties for the year 2017. The Committee also ensures that transactions occur at transparent prices and under fair conditions that protect the rights of all members according to their class.





## REMUNERATION COMMITTEE

Membership shall be composed of three members, who are independent of management and free from any business or other relationship which could interfere with the exercise of their independent judgment.

The committee was headed by Independent Trustee Mr. Ramon Bagay the committee held 3 meetings attended by all members.

### Meetings and Attendance of Remuneration Committee:

REMUNERATION	Member	Number of	Number of	Percentage
		Meetings Held in 2017	Meetings Attended in 2017	
CHAIRMAN	MR. RAMON BAGAY	3	3	100%
MEMBER	FR. ANGELITO SANTIAGO	3	3	100%
MEMBER	MS. ELLAINE PASCO	3	3	100%

## NOMINATION COMMITTEE

For the year 2017, the committee revised and formulated the voting rules and qualification of candidates.

### Voting Rules and Tabulation Procedure

- Manual voting is carried out by the distribution of election ballots to those members present to complete and drop it to the ballot box.
- Voting by proxy – each member is entitled to one (1) vote, which he may exercise in person or by proxy, which shall be in writing and filed with the nomination committee of the association
- The nomination committee members will check the election ballots, count the total votes cast.
- Independent Scrutineer will validate the results and announce the winner of the election.

### Rights of Members

- Right to attend and participate in the Annual General Meeting
- Vote on all matters relating to the affairs of the association
- Right to nominate candidates for board of directors
- Examine the Financial Records of the association.

### Qualification of Candidates

- Active member for a min of one (1) year
- Of legal age, not to exceed 54 years old
- A professional or with an equivalent competency favourable to the association.
- Of a very good moral character etc.
- For independent trustee who will handle the RPT Committee, is a must to be someone who is independent without business in the association.

### Meetings and Attendance of Remuneration Committee:

NOMINATION COMMITTEE	Member	Number of	Number of	Percentage
		Meetings Held in 2017	Meetings Attended in 2017	
CHAIRMAN	FR. JOSEPH CRUZ	4	4	100%
MEMBER	LEONCIA SAN JOSE	4	4	100%
MEMBER	SUSAN GERONIMO	4	4	100%
MEMBER	HERMINIA MIRANDILLA	4	4	100%

## SEMINARS AND TRAININGS

### Board of Trustees

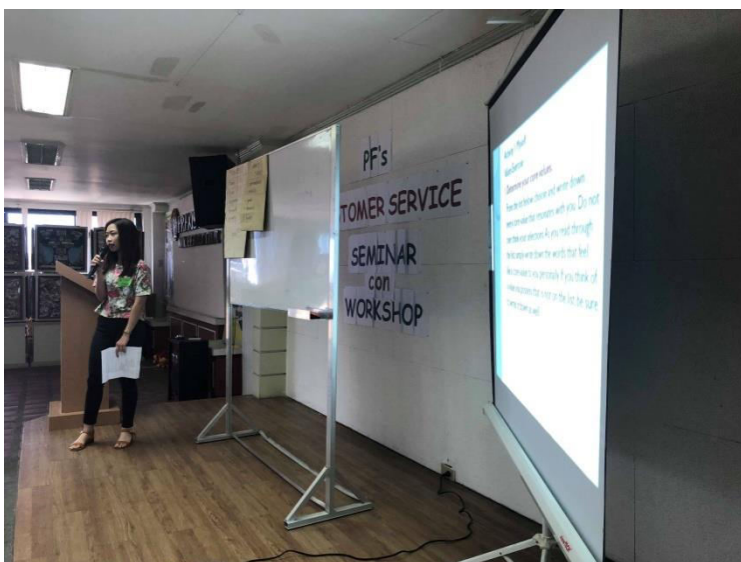
All newly elected Board of Trustees of Praxis Fides MBAI are required to attend the Corporate Governance Seminar, conducted by authorized agency of the Insurance Commission.

For 2017, Fr. Ramon Garcia, Fr. Joseph Cruz and Ms. Mary Joy del Rosario attended the Corporate Governance Seminar conducted by the Institute of Corporate Directors at Dusit Thani Hotel on November 21, 2017.



### Management and Staff

Praxis Fides Customer Service Con Workshop  
Held at Malolos City Bulacan June 8, 2017



### **Process for Board Appraisal**

Effective Board Appraisal is about systematic assessment of how well the Board is performing in relation to its legal responsibilities and in contributing to the success of the Association. The review process of board performance is to benefit the Association's stakeholders.

The annual performance appraisal of the Board was conducted by the Appraisal Committee, done every end of November to determine the performance of the board. The amount of performance based incentives is based on the grade of the BOT.

### **Criteria of Board Appraisal**

1. The Board of Trustee shall first review the objectives and design of the performance evaluation and self-assessment instruments to be used by its member and committees. The self-assessment report shall include the following:

- a. Complete attendance in the following:  
Orientation program, Pre-General Assembly , Annual General Assembly, Committee Meetings, Special and Regular Meetings of the Board.
- b. Attended at least 1 training a year
- c. Proposed at least 2 resolution per year and
- d. Performs his/ her function with due diligence.

2. The Board shall established a committee to collect, check and analyze the accomplished self-assessment form and present results to the Board.

The year 2017 continued to be a very productive year for Praxis Fides MBI. New plans sold increased from an average of 1,250 in 2016 to 1,545 for 2017 ( 23.6% increase). The year ended with active membership totaling to 128,541. This growth came from excellent performances in recruitment from G3, G5 and G7 clusters. The areas of Sta. Maria, PulongBuhangin, Bustos and Pandi performed well in 2017. With the financial performance indicator the MNg\_30 and P4\_50, the area representative (AR) who recruits members see to it that they move accordingly beating the target of increasing their existing membership by 30% (NMg\_30) and requiring the ARs to be 50% participating/ performing (P4\_50).

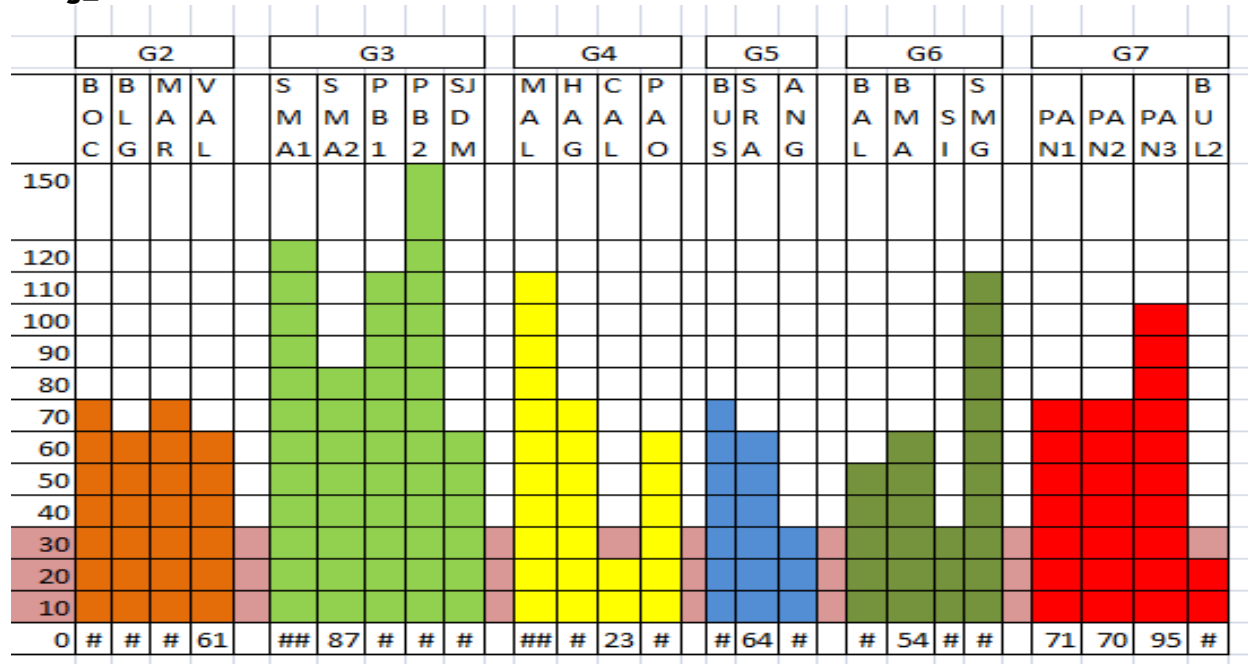
**Non- Financial Performance Indicators Report**

**1. MARKET**

**Recruitment**

- NMg\_30
- P4\_50

**NMg\_30**



**P4\_50 Indicator**

The year 2017, with regards to P4\_50 is already at P4\_45 almost reaching the high P4\_50 level. PFMBAI families from Bulacan are the target of both the intensification and expansion program of recruitment .

2017	2016	2015	2014
P4_45	P4_41	P4_39	P4_37

**Loan Growth**

The Loan releases for both Certificate (@255M) and Collateral (@103M) for 2017 has a better performance versus 2016. An 11.35% increase in certificate and 19.76% in collateral. PFMBAI's earned interest for 2017 for Certificate and Collateral are both within range @ 16.6M & 26.6M respectively.

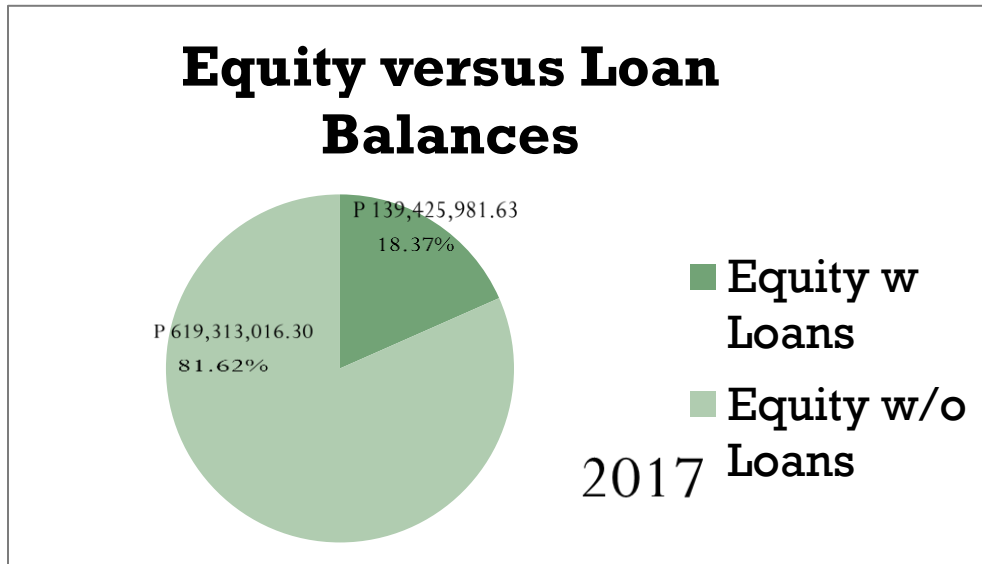
Certificate Loan	Releases	Earned Interest
2017	255M	16.6M
2016	229M	17.4M
2015	199M	14.3M
2014	164M	12.3M
2013	147M	11.5M

Collateral & Chattel Loan	Releases	Earned Interest
2017	103M	26.6M

2016	86M	32M
2015	82.8M	31.6M
2014	75.4M	26.4M
2013	111.6M	23.3M

**Loan Balances**

The pie below showed a greater percentage of equities no availed by the members (81.62%) amounting to P619M. PFMBAI target a 50% worth of equities to be released to its members proportionately to its cluster equities.



**Financial Performance Indicators**

In 2017, special focus was exerted on income generating products of Praxis Fides. Plans sold and investment in money market placements plus existing stocks holdings gave PFMBAI a within range of net income.

The assets ended at P844M for 2017 with expectation and projections to reach 1 billion by end 2019. Year 2017 dividends rates consisted of 8% for assigned surplus and 1% for free and unassigned and another 3.5% for policies patronizing certificate loans.

The association earns at least an average P4.58M per month for 2017.

**2. FINANCE**

- Asset Growth
- Net Income
- Dividends
- NPL Ratio

**Asset Growth**

2017	2016	2015	2014	2013
844M				
	758M			
		669M		
			586M	
				514M

**Inc (dec)**

86M	89M	83M	72M	
/Mo. 7.16M	7.41M	6.91M	6M	

**Net Income**

2017	2016	2015	2014	2013
55M				
	63M			
		52M		
			47M	
				46M
Inc. per month: 4.58M	5.25M	4.33M	3.91M	3.83M

### **Equitable Dividends and Dividends Policy**

<b>Year</b>	<b>Assigned Surplus</b>	<b>Unassigned Surplus</b>	<b>Patronage Refund</b>	<b>Amount</b>
<b>2017</b>	<b>8%</b>	<b>1%</b>	<b>3.25%</b>	<b>55,855,004</b>
<b>2016</b>	<b>10%</b>	<b>1%</b>	<b>2.5%</b>	<b>63,614,093</b>
<b>2015</b>	<b>10%</b>	<b>0.5%</b>	<b>2.9%</b>	<b>52,116,803</b>
<b>2014</b>	<b>10%</b>	<b>1%</b>		<b>47,972,681</b>
<b>2013</b>	<b>13%</b>	<b>2%</b>		<b>42,881,756</b>

### **CORPORATE RISK**

The company's NPL Ratio decreased to 2.05% versus its 2016 2.44% (favorable). While it has (the association ) decreased performance of its portfolio in loans, the NPL Ratio using the mortgage loans ratio versus total loans is only 3.7% (favorable).

### **Non- performing Loan Ratio**

<b>NPL Ratio</b>	<b>2017</b>	<b>2016</b>
<b>Total Loans</b>	<b>2.05%</b>	<b>2.44%</b>
<b>Mortgage Loans</b>	<b>3.70%</b>	<b>4.21%</b>

### **KALAGAYAN NG PRAXIS**

- **PROCESSES**

- Gross Premium Valuation
- Data Privacy Act and AMLA
- CISA
- IFRS 17
- Single's Borrowers Limit
- BIR

The association attended various seminars and trainings, Insurance Commission's meetings regarding IFRS17, CISA, Data Privacy Act and Gross Premium Evaluation.

The next coming of 2018, the association projects a well participated training for its agents and recruiters, with the use of newly modified training modules consisting of 6 modules promises a better output of AR performance in the PF areas.

Also, a board focus on good corporate governance practices who will produce policies useful for the association shall be strongly encouraged.

For 2017 the association used a reward system for recruitment and certificate loan availment maximization which increased the agent's motivation in achieving high targets.

A quarterly reporting of Financial and Non-Financial was done through local assemblies and newsletter.

Additional one hundred mahogany trees were planted in Dona Remedios Trinidad in Bulacan as part of Praxis Fides MBAI's contribution to the environment.

For 2017, The RPT Committee has approved atleast 5 suppliers selection for operational supplies. The approval ensured that the association gets the highest quality of desired materials and services at the best price possible. The selected supplier were issued duly notarized contracts.

Last June 8, 2017, the Board reviewed the PF Mission and Vision at the same time conducted a customer service con workshop reiterating the importance of good service and quality performance for client members of the association.

Starting 2017, PFMBAI aside from audit committee, the board assigned Ms. Ellaine Carla Pasco as a separate internal audit monitoring the corporation accounting and financial reporting system

### **LOANS**

## **Creditors Right**

- To help our members meet providential needs as well as productive requirements at relatively low interest.
- To inculcate in the minds of its members the habit of thrift and the value of money.
- To provide loans at low risk through proper documentary requirements and documentation procedures.
- To maximize the company's earning through loans and minimize loss by collection procedures.
- Loan is a privilege and not a right. As such, loans shall be made available to members of Praxis Fides MBAI.
- As a general rule, loan application shall be made by the member borrower him/ herself only. All loans are secured by member's equity or collateral. For the certificate loan they are only allowed to avail up to 80- 90% of their equity and 50- 70% of the market value of their collateral. And all collateral loans are covered by a life insurance for qualified members and all collateral are encumbered in Registry of Deeds.

For the past 2 years we are improving our loans services such as standardizations of requirements, main office and the branches are uniform in accommodating our members and we assure that we safeguards their membership. As of now Praxis Fides MBAI has 5 branches located in Pandi, Sta. Maria, Baliuag, Bustos and in Bocaue. Our aim is to cater our member's needs, for them to inquire their membership's status and also to apply loans at their convenience. And additional safeguard to our valued collateral borrowers is through comprehensive Credit Investigation. Our CI officer and the Loans Department were trained by a Licensed Real Property Appraiser.

As of end 2017 the total loan portfolio of Praxis Fides MBAI is **P758, 738, 997.93** with active members of **128,895**. The table below shows the total releases per month:



Praxis Fides MBAI continuous to promote its advocacy of uplifting the lives of fellow Filipinos. Through the years, the Association has supported numerous projects and programs that benefit the different sectors of our society. The company shows genuine concern for the welfare of the less priveledged, young generation and makes effort to extend financial assistance by partnering with socio-civic organizations with the purpose of creating productive and responsible individuals who will shape the future of our nation. Likewise, Praxis Fides has consistently worked with the Catholic church in promoting the faith by actively participating in the programs of the Diocese of Malolos which addresses the needs of the street children, the elderly, the mentally challenged and other institutions. On the economic aspect, the company has taken part in projects that highlight the ingenuity and creativity of Bulakenos by promoting opportunities for business and industry in the global market.

Among the significant activities of Praxis Fides in 2017 were the following:

**1. FAST 2 FEED**

A feeding program that benefits the Diocese of Malolos.

**2. BRIGADA ESKWELA 2017**

To support DepEd in their physical preparation for the opening of SY 2017-2018.

Beneficiaries included Bunsuran Elementary School and Bunsuran National High School.

**3. BARONG AT SAYA FESTIVAL**

A benefit event for the rehabilitation of Inang Filipina Shrine in Pandi, Bulacan

**4. RRANGER, INC. and AFPREVA**

Donations to non-profit organizations that benefit the children of retired soldiers of the Armed Forces of the Philippines.

**5. BULACAN CHAMBER OF COMMERCE AND INDUSTRY (BCCI)**

Donation to support victims of terror attack in Marawi City.

**6. SAMAHANG PANGKASAYSAYAN NG BULAKAN (SAMPAKA)**

A national convention that paid tribute to Bulakeno songwriters and composers who gave invaluable contributions in the field of music.

**7. OUTREACH PROGRAM – GALILEE HOME**



**Outreach Program – Galilee Home**



**CORPORATE SOCIAL RESPONSIBILITY SECTION located at the second floor of PFMBAI Head Office**





**PRAXIS FIDES HEALTH FORUM 2017**



**PF EMPLOYEES ANNUAL PHYSICAL EXAMINATION**  
**St. Vincent Polyclinic yearly checks the fit to work health of the PFMBAI employees.**



### **Tree Planting Activity 2017**

Additional one hundred mahogany trees were planted in Dona Remedios Trinidad in Bulacan as part of Praxis Fides MBAI's contribution to the environment.



**FINANCIAL HIGHLIGHTS**  
**PRAXIS FIDES MBAI**  
**AUDITED FINANCIAL STATEMENTS**  
**2017**





# PRAXIS FIDES MUTUAL BENEFIT ASSOCIATION, INC.


#35 Paseo del Congreso, Catmon, City of Malolos, Bulacan  
Tel. No. (044) 791-3558; (044) 662-4288


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

The management of Praxis Fides Mutual Benefit Association, Inc. is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2017. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited to, the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the management affirms that the attached audited financial statements for the year ended December 31, 2017 and the accompanying Annual Income Tax Return are in accordance with the books and records of Praxis Fides Mutual Benefit Association, Inc., complete and correct in all material respects. Management likewise affirms that:

- a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the association books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances; and,
- c) Praxis Fides Mutual Benefit Association, Inc. has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

  
MR. RAMON V. BAGAY  
Chairman

  
MR. GENER C. LUCIANO  
President

  
MR. JOSEPH D. CRUZ  
Treasurer



CGA-CRA No. R03-07, March 28, 2015 to March 31, 2021

Suite 1805-1807 Cityland Condominiums 18, Tower 2, R.V. Dela Cruz St., Makati City, Philippines  
Tel No.: 825421802 • Fax No.: 825834297



Certified Public Accountants

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
TO ACCOMPANY INCOME TAX RETURN

The Board of Trustees  
Praxis Fides Mutual Benefit Association, Inc.  
(A Non-Stock, Non-Profit Organization)  
35 Paseo del Congreso, Catmon  
Makdas, Bulacan

We have audited the financial statements of Praxis Fides Mutual Benefit Association, Inc. for the year ended December 31, 2017, on which we have rendered the attached report dated April 13, 2018.

In compliance with Revenue Regulations V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal members of the Association.

AMC & ASSOCIATES

By: Joseph Cedric V. Calica  
Partner  
CPA Cert. No. 94541  
TIN 163-257-226-000  
PTR No. 6623560, Jan. 8, 2018, Makati City  
BIR Accreditation No. 08-002582-1-2017  
(Dec. 22, 2017 to Dec. 21, 2020)  
BSP Accreditation (Category B)  
(valid until Dec. 31, 2020)  
IC Accreditation No. SP-2018/004-R  
(Mar. 3, 2018 to Mar. 2, 2021)  
SEC Accreditation No. 1584-A (Group B)  
(Sep. 14, 2016 to Sep. 13, 2019)

April 13, 2018

ACCREDITATION

Isa, Mata, Calica & Associates

Accreditation No. 4275 - valid until June 30, 2020

Accreditation No. 08-002582-1-2017 (Group B) - September 14, 2016 to September 13, 2019

Accreditation No. 08-002582-1-2017 - valid until December 21, 2020

Accreditation No. F-2018/004-R - March 3, 2018 to March 2, 2021

Accreditation (Category B) - valid until December 31, 2020

ICIA No. 0025-AF - March 20, 2018 to March 19, 2021

Suite 1885-1887 Cityview Center, Tower 2, 8th V. Dela Cruz St., Makati City, Philippines  
Tel No: (02)641.0462 • Fax No: (02)802.6267





Certified Public Accountants

## REPORT OF INDEPENDENT AUDITORS

The Board of Trustees  
Praxis Fides Mutual Benefit Association, Inc.  
(A Non-Stock, Non-Profit Organization)

35 Pasco del Congreso, Catmon  
Malolos, Bulacan

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Praxis Fides Mutual Benefit Association, Inc. (the Association), which comprise the statements of financial position as at December 31, 2017 and 2016, and the statements of comprehensive income, 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 information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) applicable to Mutual Benefit Associations (MBAs).

#### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association 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 audits 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 applicable to MBAs, 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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



*Auditors' 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 auditors' 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 PSA 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 PSA, 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 Association'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Association 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.

PRAXIS FIDES MUTUAL BENEFIT ASSOCIATION, INC.  
 (A Non-Stock, Non-Profit Organization)  
 STATEMENTS OF FINANCIAL POSITION  
 DECEMBER 31, 2017 AND 2016  
 (Amounts in Philippine Peso)

	<u>2017</u>	<u>2016</u> <u>(As Restated)</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (Note 5)	P 209,768,424	P 136,795,312
Short-term investments (Note 6)	30,988,917	35,846,718
Available-for-sale financial assets (Note 7)	100,003,135	79,931,996
Loans and other receivables (Note 9)	227,223,792	206,547,087
Prepayments	<u>986,359</u>	<u>992,493</u>
Total Current Assets	<u>569,000,627</u>	<u>460,113,606</u>
<b>NON-CURRENT ASSETS</b>		
Held-to-maturity investments (Note 8)	22,000,000	17,000,000
Loans and other receivables (Note 9)	147,747,509	164,851,133
Property and equipment (Note 10)	16,245,764	16,007,206
Investment property (Note 11)	<u>93,037,255</u>	<u>101,620,255</u>
Total Non-current Assets	<u>279,030,528</u>	<u>298,478,694</u>
<b>TOTAL ASSETS</b>	<b><u>P 848,091,155</u></b>	<b><u>P 758,592,290</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and other liabilities (Note 12)	P 14,806,179	P 13,316,867
Legal policy reserves (Note 13)	601,199,516	522,522,334
Insurance premium reserves (Note 14)	<u>982,862</u>	<u>852,118</u>
Total Current Liabilities	<u>616,988,557</u>	<u>536,691,319</u>
<b>NON-CURRENT LIABILITIES</b>		
Accounts payable and other liabilities (Note 12)	131,017	190,812
Retirement benefit obligation (Note 20)	<u>6,627,121</u>	<u>5,242,261</u>
Total Non-Current Liabilities	<u>6,758,138</u>	<u>5,433,073</u>
Total Liabilities	<u>623,746,695</u>	<u>542,124,392</u>
<b>FUND BALANCE</b>		
Free and unassigned fund balance	206,885,809	196,920,412
Assigned fund balance (Note 18)	40,000,000	40,000,000
Accumulated other comprehensive loss (Note 24)	<u>(22,561,149)</u>	<u>(20,452,514)</u>
Total Fund Balance	<u>224,324,660</u>	<u>216,467,898</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>P 848,091,155</u></b>	<b><u>P 758,592,290</u></b>

See Notes to Financial Statements.





PRAXIS FIDES MUTUAL BENEFIT ASSOCIATION, INC.  
 (A Non-Stock, Non-Profit Organization)  
 STATEMENTS OF COMPREHENSIVE INCOME  
 FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
 (Amounts in Philippine Peso)

	<u>2017</u>	<u>2016</u> ( <u>As Restated</u> )
<b>REVENUES</b>		
Interest on:		
Loans (Note 9)	P 31,984,881	P 40,643,299
Investment securities and deposits with banks (Notes 5, 6, and 8)	4,171,569	3,635,894
Insurance fund (Note 16)	22,804,068	20,331,775
General fund (Note 16)	14,663,020	12,376,346
Service charges and fees (Note 9)	7,168,850	6,774,685
Gain on sale of available-for-sale financial assets (Note 7)	2,568,896	2,836,759
Membership fees (Note 16)	924,400	749,850
Others (Note 15)	<u>5,035,332</u>	<u>5,171,526</u>
	<u>89,321,016</u>	<u>92,520,134</u>
<b>EXPENSES (Note 15)</b>		
Operating expenses	26,817,342	23,920,318
Benefit expenses	<u>7,420,000</u>	<u>5,105,000</u>
	<u>34,237,342</u>	<u>29,025,318</u>
<b>PROFIT BEFORE TAX</b>	55,083,674	63,494,816
<b>TAX EXPENSE (Note 21)</b>	<u>1,712,233</u>	<u>1,691,623</u>
<b>NET PROFIT</b>	<u>53,371,441</u>	<u>61,803,193</u>
<b>OTHER COMPREHENSIVE LOSS</b>		
Items that will not be reclassified subsequently to profit or loss		
Remeasurements of post-employment defined benefit obligation (Notes 18 and 20)	( 940,663 )	( 2,320,284 )
Items that will be reclassified subsequently to profit or loss		
Fair value loss on available-for-sale (AFS) financial assets during the year (Note 7)	( 3,962,595 )	( 10,129,492 )
Fair value loss on disposed of AFS financial assets reclassified to profit or loss (Note 7)	<u>2,814,623</u>	<u>1,810,900</u>
	<u>( 2,108,635 )</u>	<u>( 10,638,876 )</u>
<b>TOTAL COMPREHENSIVE INCOME</b>	<u>P 51,262,806</u>	<u>P 51,164,317</u>

BUREAU OF INTERNAL REVENUE  
 RECEIVED  
 APR 2 2018  
 ESTABLISHED & CASINO  
 COLLECTION SECTION

See Notes to Financial Statements.

PRAXIS FIDES MUTUAL BENEFIT ASSOCIATION, INC.  
(A Non-Stock, Non-Profit Organization)  
STATEMENTS OF CHANGES IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
(Amounts in Philippine Peso)

	<u>Free and Unassigned Fund balance</u>	<u>Assigned Fund Balance</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Total As Restated</u>
<b>Balance at January 1, 2017 (Notes 16 and 18)</b>				
As previously reported	P 214,599,231	P 40,000,000	( P 38,131,833)	P 216,467,398
Prior period adjustment	( 17,679,319)	-	17,679,319	-
As restated	196,920,412	40,000,000	( 20,452,514)	216,467,898
Contributions during the year (Note 16)	147,118,318	-	-	147,118,318
Withdrawals during the year	( 111,847,380)	-	-	( 111,847,380)
Transfer to legal policy reserves (Note 13)	( 78,676,982)	-	-	( 78,676,982)
Total comprehensive income for the year	<u>33,371,441</u>	<u>-</u>	<u>( 2,108,635)</u>	<u>51,262,806</u>
<b>Balance at December 31, 2017 (Notes 16 and 18)</b>	<u><b>P 206,845,809</b></u>	<u><b>P 40,000,000</b></u>	<u><b>( P 22,561,149)</b></u>	<u><b>P 224,284,660</b></u>
<b>Balance at January 1, 2016 (Notes 16 and 18)</b>				
As previously reported	P 190,450,665	P 35,000,000	( P 25,682,057)	P 199,768,608
Prior period adjustment	( 15,868,419)	-	15,868,419	-
As restated	174,582,246	35,000,000	( 9,813,638)	199,768,608
Contributions during the year (Note 16)	132,793,063	-	-	132,793,063
Withdrawals during the year	( 97,621,943)	-	-	( 97,621,943)
Transfer to legal policy reserves (Note 13)	( 69,636,147)	-	-	( 69,636,147)
Allocation for the year (Note 18)	( 5,000,000)	5,000,000	-	-
Total comprehensive income for the year	<u>61,803,193</u>	<u>-</u>	<u>( 10,638,876)</u>	<u>51,164,317</u>
<b>Balance at December 31, 2016 (Notes 16 and 18)</b>	<u><b>P 196,920,412</b></u>	<u><b>P 40,000,000</b></u>	<u><b>( P 20,452,514)</b></u>	<u><b>P 216,467,898</b></u>

See Notes to Financial Statements.



FRAXIS FIDBS MUTUAL BENEFIT ASSOCIATION, INC.  
(A Non-Stock, Non-Profit Organization)  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
(Amounts in Philippine Peso)

	<u>2017</u>	<u>2016</u>	<u>(As Restated)</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax	P 55,083,674	P	63,494,816
Adjustments for:			
Depreciation (Notes 10 and 12)	1,639,788		1,584,481
Impairment losses (Note 9)	3,300,000		3,300,000
Gain on sale of property and equipment	( 228,000 )	(	90,000 )
Gain on sale of available-for-sale financial assets (Note 7)	( 2,548,894 )	(	2,836,799 )
Interest income (Notes 5, 6, 8 and 9)	( 36,156,450 )	(	44,279,193 )
Gain on sale of investment property (Note 11)	-	(	1,162,700 )
Operating profit before working capital changes	<u>21,070,116</u>		<u>19,980,645</u>
Increase in loans and other receivables	( 4,389,760 )	(	27,290,987 )
Decrease in prepayments	6,134		408,265
Increase in accounts payable and other liabilities	2,123,978		1,676,983
Increase (decrease) in post-employment benefit obligation (Note 20)	444,197	(	467,372 )
Increase in insurance premium reserves	130,744		12,282
Cash generated from (used in) operations	19,385,409	(	5,680,186 )
Interest received on loans and other receivables (Note 9)	29,501,560		37,017,553
Cash paid for income taxes (Note 11)	( 2,386,694 )	(	2,118,125 )
<b>Net Cash From Operating Activities</b>	<u>46,500,275</u>		<u>29,219,242</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of available-for-sale securities	25,105,497		32,507,369
Decrease in investment property (Note 11)	7,549,340		4,556,643
Decrease in short-term investments	4,857,801		7,873,987
Interest received on bank deposits and investment securities (Notes 5, 6, 7 and 8)	4,171,569		3,635,894
Proceeds from sale of property and equipment	228,000		90,000
Acquisitions of property and equipment (Note 10)	( 1,864,636 )	(	1,911,498 )
Increase in held-to-maturity investments	( 5,000,000 )		-
Additions to available-for-sale securities (Note 7)	( 63,868,712 )	(	39,248,368 )
Acquisitions of investment property (Note 11)	-	(	35,250,000 )
Proceeds from sale of investment property (Note 11)	-		2,310,700
<b>Net Cash Used in Investing Activities</b>	<u>( 8,798,101 )</u>	(	<u>25,436,273</u> )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Members' contributions during the year (Note 16)	147,118,318		132,793,063
Members' withdrawals during the year	( 111,847,380 )	(	97,621,943 )
<b>Net Cash From Financing Activities</b>	<u>35,270,938</u>		<u>35,171,120</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>72,973,112</u>		<u>38,953,089</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>136,795,312</u>		<u>97,840,223</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 5)</b>	<u>P 209,768,424</u>	<u>P</u>	<u>136,795,312</u>

See Notes to Financial Statements.

**OFFICE HOURS:**  
9:00 AM - 5:00 PM  
NO NOON BREAK  
MONDAYS – FRIDAYS

Company Website: [www.praxisfides.webs.com](http://www.praxisfides.webs.com)

Email Address: [praxisfides@gmail.com](mailto:praxisfides@gmail.com)

**MAIN OFFICE**

#35 Paseo del Congreso, Catmon, Malolos City, Bulacan

Tel No: (044) 791-3558 / (044) 662-4047

Cel. Nos. 0922 803 2979 / 0917 504 6222

**Investor Relation Officer**

**Melody T. Gaddi**

Cel. No. 099234746740 / 044 662-4019

Email add: [pfmgaddi@gmail.com](mailto:pfmgaddi@gmail.com)

**BALIUAG BRANCH**

2<sup>ND</sup> FLOOR PLM BLDG., Bagong Nayon, Baliuag, Bulacan

Tel No: (044) 8962787 / Cel. No. 0917 515 2877

**BUSTOS BRANCH**

Poblacion, Bustos, Bulacan

Tel No: (044) 234 7294 / Cel. No. 0917 659 9536

**PANDI BRANCH**

Bunsuran 3rd, Pandi, Bulacan

Tel No: (044) 7693826 / Cel. No. 0975 205 3511

**STA. MARIA BRANCH**

Poblacion, Sta. Maria Bulacan

Tel No: (044) 896 2787

**BOCAUE BRANCH**

MacArthur Hiway, Lolomboy, Bocaue, Bulacan

Cel. No. 0906 074 5860

**“For possible concerns or complaints, please call or contact any of the above number”**