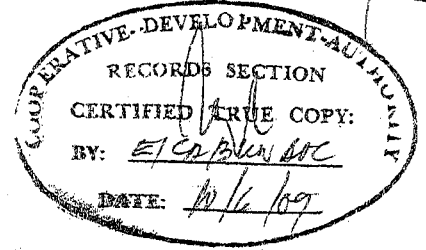
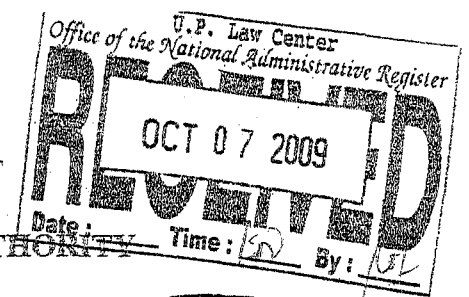


Republic of the Philippines  
OFFICE OF THE PRESIDENT  
Department of Finance  
COOPERATIVE DEVELOPMENT AUTHORITY



**MEMORANDUM CIRCULAR NO. 2009-04**  
*Series of 2009*

**TO : ALL CONCERNED**

**SUBJECT : STANDARD CHART OF ACCOUNTS FOR COOPERATIVES**

Pursuant to Section 3 of Republic Act No. 6939, an Act creating the Cooperative Development Authority defining its Powers, Functions and Responsibilities, the Authority hereby issues this Memorandum Circular prescribing the usage of Standard Chart of Accounts for Cooperatives.

**I. Scope**

This Circular shall be applied in the accounting and financial reporting of all types of cooperatives, duly registered with the Cooperative Development Authority pursuant to Republic Act No. 9520, otherwise known as the Philippine Cooperative Code of 2008.

**II. Objective and Purposes**

The basic purpose of prescribing the standard chart of accounts is to provide guidelines in the use of account and account titles in the preparation of financial statements for the use of all types of cooperatives. Specifically, these shall:

- a) ensure uniformity and common understanding of accounts;
- b) guide in the installation of accounting and internal control systems;
- c) facilitate the conduct of audit;
- d) enhance transparency;
- e) sets standards and discipline in measuring the financial safety and soundness;
- f) facilitate the analysis and evaluation of financial management performance;
- g) provide basis in monitoring, supervision and business linkages.

**III. Financial Statements**

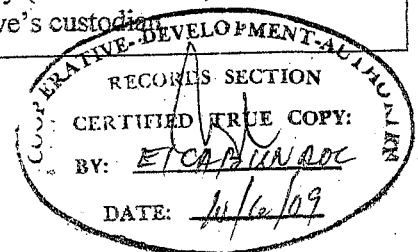
A complete set of financial statements includes the following components:

- A. **Statement of Financial Condition (Balance Sheet)** shows assets, liabilities, and equity accounts of a business entity as of a given date. Assets and liabilities are further classified as current or non-current. Non-current assets include property, plant and equipment, intangible assets, investments and financial assets (excluding investments under the equity method, trade and other receivables and cash and cash equivalents); while non-

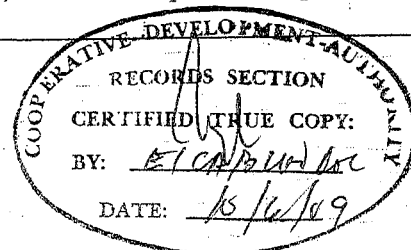
- current liabilities include long-term debt, long-term provisions and other liabilities that will be settled after the current operating cycle or will not require the use of current assets. Equity accounts for a cooperative include members' share capital, donations and/or grants, and statutory funds.
- B. **Statement of Operations (Income Statement)** presents revenues, costs and expenses, gains and losses and net surplus or net loss. The items presented are recognized in the books using modified accrual basis of accounting. Expenses are classified according to their function as part of cost of sales/services rendered, distribution or administrative activities. In a cooperative the difference between revenues and expenses is called net surplus that is allocated in accordance with the Cooperative Code or the cooperative's by-laws.
- C. **Statement of Changes in Equity** shows separately the changes in members' equity, donations and grants and statutory funds. Transactions affecting these accounts include members' capital build-up, refund of share capital due to membership withdrawal, acceptance of donations and grants in cash or in kind and subsequent utilization, allocation of net surplus to and utilization of statutory funds.
- D. **Cash Flows Statement** is a formal statement summarizing all the cash activities of the cooperatives. These include their operating, investing and financing activities. Notes to **Financial Statements** include narrative descriptions or more detailed analyses of amounts shown on the face of the financial statements as well as additional information not presented on the face of the Statement of Financial Condition, Statement of Operation and Statement of Cash Flow to achieve fair presentation. It also describes the accounting policies and the measurement basis /bases used in the preparation of the financial statements.

#### IV. Standard Chart of Accounts for Cooperatives

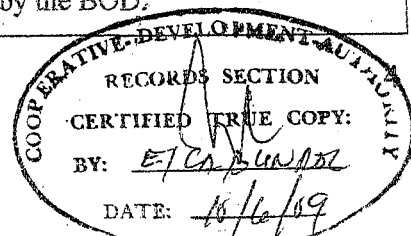
| ACCOUNT CODE | ACCOUNT TITLE                                                                                                                                                                                                                                   | DEFINITION                                                                                                                                                                                                                                                                                                                                                         |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | <b>STATEMENT OF FINANCIAL CONDITION</b>                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                    |
| 10000        | <b>ASSET ACCOUNTS - Economic Resources of Cooperatives that are recognized and measured in conformity with Philippine Financial Reporting Standard taking into consideration cooperative laws, principles and practices in the Philippines.</b> |                                                                                                                                                                                                                                                                                                                                                                    |
| 11000-12000  | <b>CURRENT ASSETS</b>                                                                                                                                                                                                                           | <i>Cash and other assets that are reasonably expected to be realized in cash or intended for sale or consummation within twelve months after the balance sheet date, or the normal operating cycle of the business, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date (PAS 1)</i> |
| 11100        | <i>Cash and Cash Equivalents</i>                                                                                                                                                                                                                | This account refers to cash on hand and demand deposits and other cash equivalents that are: (1) readily convertible to known amounts of cash; and (2) so near their maturity (original maturities of 3 months or less) that they represent negligible risk of changes in value because of changes in interest rate. (PAS 7)                                       |
| 11110        | Cash on Hand                                                                                                                                                                                                                                    | This account refers to money (bills and coins) still in the possession of the cooperative's custodian.                                                                                                                                                                                                                                                             |



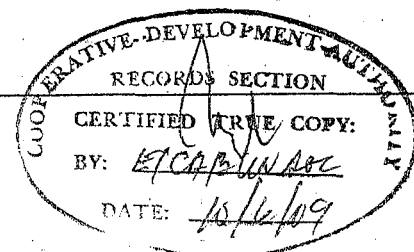
| ACCOUNT CODE | ACCOUNT TITLE                                          | DEFINITION                                                                                                                                                                                                                                                                                                                                                                  |
|--------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11120        | Checks & Other Cash Items (COCI)                       | This account refers to dated checks, postal money order (PMO) and demand drafts awaiting deposits                                                                                                                                                                                                                                                                           |
| 11130        | Cash in Bank                                           | This account refers to money deposited in the bank under the name of the cooperative, i.e. savings, current, time deposits, and combo-account. A subsidiary ledger shall be maintained for each bank account.                                                                                                                                                               |
| 11140        | Cash in Cooperative Federation                         | This account refers to money deposited in the federations to which they are affiliated, i.e. savings and time deposits which are unrestricted and readily available when needed. A subsidiary ledger shall be maintained for each account.                                                                                                                                  |
| 11150        | Petty Cash Fund                                        | This account refers to limited amount of money set aside for small expenditures such as stationeries, supplies and fares maintained under an imprest system. It should be replenished periodically when the fund gets low.                                                                                                                                                  |
| 11160        | Revolving Fund                                         | This account refers to the amount set aside to cover disbursements for recurring transactions maintained under an imprest system. It should be replenished periodically when the fund gets low. This may include emergency purchases, withdrawal of deposits, release of loan proceeds, etc., the maximum amount of which shall be predetermined by the Board of Directors. |
| 11170        | Change Fund                                            | This account refers to the reasonable amount of money set aside by BOD to change bigger amount of bills to smaller denomination or coins or vice versa.                                                                                                                                                                                                                     |
| 11200        | <i>Investment at Fair Value through Profit or Loss</i> | This account refers to financial assets that is classified as held to trading and upon initial recognition are designated by the coop as at fair value through profit or loss. This shall comprise of both debt and equity securities and shall be accounted for in the same manner as Hold to Maturity (HTM) securities.                                                   |
| 11300        | <i>Held-to-Maturity (HTM) Financial Assets</i>         | This account refers to debt securities maturing within the year, quoted in an active market with fixed or determinable payments and fixed maturity that the cooperative has the positive intention and ability to hold to maturity (PAS 39).                                                                                                                                |
| 11310        | Unamortized Discount/ Premium - HTM                    | This account refers to the unamortized discount/premium on HTM debt securities, which shall be debited/credited monthly based on the effective interest method with the corresponding credit/debit to "Interest Income - HTM Debt Securities".                                                                                                                              |
| 11400        | <i>Available-for-Sale (AFS) Financial Assets</i>       | This account refers to securities that are designated as available-for-sale, and are not classified as: (a) loans and receivables; (b) held to maturity investments; and (c) financial assets at fair value through profit and loss.                                                                                                                                        |
| 11410        | Accumulated Gains/ Losses - AFS                        | This account refers to cumulative gains/ (losses) arising from change in the fair value of AFS securities. The contra cumulative account is "Net Unrealized Gains/ (Losses) on AFS Financial Assets", which is a separate component of equity.                                                                                                                              |



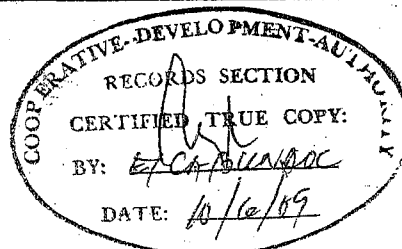
| ACCOUNT CODE | ACCOUNT TITLE                                                 | DEFINITION                                                                                                                                                                                                                                                                                        |
|--------------|---------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11420        | Allowance for Probable Losses - AFS FA                        | This account refers to the amount of impairment loss that has been incurred on AFS Securities. This is a temporary account to offset unrealized gains on investments - AFS.                                                                                                                       |
| 11500        | <i>Unquoted Debt Securities Classified As Loans</i>           | This account refers to debt instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, including derivatives that are linked to and must be settled by delivery of such unquoted debt instruments, which shall be measured at cost. |
| 11600        | <i>Investment in Non-Marketable Equity Securities (INMES)</i> | This account refers to equity instruments that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured, but which shall be measured at cost.                                                                                                      |
| 11610        | Allowance for Probable Losses - INMES                         | This account refers to cumulative amount of impairment loss that has been incurred on INMES.                                                                                                                                                                                                      |
| 11700        | <i>Loans And Receivables</i>                                  | These refer to financial assets with fixed or determinable payments that are not quoted in an active market other than Available for Sale, Held to Maturity and Investment at Fair Value through Profit and Loss.                                                                                 |
| 11711        | Loans Receivable - Current                                    | This account refers to the outstanding balance of loans granted to the members which are not yet due                                                                                                                                                                                              |
| 11712        | Loans Receivable - Past Due                                   | This account refers to outstanding balance of loans to member-borrowers not paid on installment due date, considered as Portfolio at Risk (PAR).                                                                                                                                                  |
| 11713        | Loans Receivable Restructured                                 | This account refers to receivables from the member-borrowers whose loan accounts were restructured upon full payment of interests due.                                                                                                                                                            |
| 11714        | Loans Receivable - Loans in Litigation                        | This account refers to receivables from member-borrowers under legal action. The loan shall remain in this account during the pendency of the legal proceedings and until fully paid/restructured/foreclosed and undergone proceedings.                                                           |
| 11715        | Unearned Interests and Discounts                              | This account refers to interest already received but not yet earned and presented as a contra asset account.                                                                                                                                                                                      |
| 11716        | Allowance for Probable Losses on Loans                        | This account refers to the cumulative amount set up against the current operation for possible losses arising from non-collection of loans.                                                                                                                                                       |
| 11721        | Accounts Receivables Trade - Current                          | This account refers to the amount due from member and/or non-member patrons resulting from services rendered and sales of related goods /merchandise which are expected to be collected within the credit terms set by the Board of Directors.                                                    |
| 11722        | Accounts Receivables Trade - Past Due                         | This account refers to total trade receivables due from members and/or non-member patrons which remain unpaid beyond the credit terms set by the BOD.                                                                                                                                             |



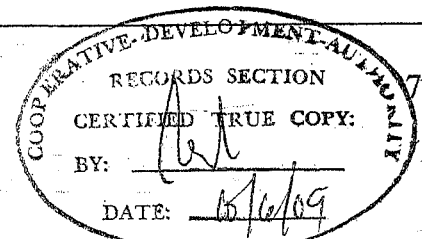
| ACCOUNT CODE | ACCOUNT TITLE                                              | DEFINITION                                                                                                                                                                                                                                                                             |
|--------------|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11723        | Accounts Receivables Trade - Restructured                  | This account refers to total Trade receivables from the member & non-member patrons whose accounts were restructured upon full payment or settlement of interests due and/or penalties.                                                                                                |
| 11724        | Accounts Receivables Trade - in Litigation                 | This account refers to total trade receivables from member and non-member patrons under legal action. The receivables shall remain in this account during the pendency of the legal proceedings and until fully settled.                                                               |
| 11725        | Allowance for Probable Losses on Accounts Receivable Trade | This account refers to the cumulative amount set up against the current operation for possible losses arising from non-collection of accounts.                                                                                                                                         |
| 11730        | Installment Receivables -- Current                         | This account refers to the amount due from members and non-member patrons for sale of merchandise/goods on a deferred payment or installment plan.                                                                                                                                     |
| 11731        | Installment Receivables -- Past Due                        | This account refers to amount due from members and non-member patrons for sale of merchandise / goods on a deferred payment or installment plan which remain unpaid beyond the terms set by the cooperative.                                                                           |
| 11733        | Installment Receivables -- Restructured                    | This account refers to amount due from members and non-member patrons for sale of merchandise / goods on a deferred payment or installment plan that were restructured upon full payment or settlement of interests due and/or penalties.                                              |
| 11734        | Installment Receivables - in Litigation                    | This account refers to amount due from members and non-member patrons for sale of merchandise / goods on a deferred payment or installment plan under legal action. The receivables shall remain in this account during the pendency of the legal proceedings and until fully settled. |
| 11735        | Allowance for Probable Losses on Installment Receivables   | This account refers to the cumulative amount set up against the current operation for possible losses arising from non-collection of installment receivables                                                                                                                           |
| 11736        | Unrealized Gross Margin                                    | This account refers to the unrealized portion of the gross margin on goods sold on installment basis. This is a contra account to installment receivable. (used by coops involved in real estate operations)                                                                           |
| 11740        | Sales Contract Receivable                                  | This account refers to amortized cost of the receivables arising from installment sale of assets acquired in settlement of loans/obligations.                                                                                                                                          |
| 11741        | Allowance for Probable Losses- Sales Contract Receivables  | This account refers to the cumulative amount of impairment loss that may arise from non-collection of payment on Sales Contract Receivables.                                                                                                                                           |



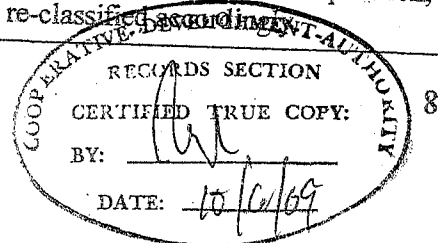
| ACCOUNT CODE | ACCOUNT TITLE                                   | DEFINITION                                                                                                                                                                                                                  |
|--------------|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11750        | Advances to Officers, Employees and Members     | This account refers to duly approved cash advances for official business to officers, employees and members, subject to liquidation in accordance with the policy of the cooperative.                                       |
| 11760        | Due from Accountable Officers and Employees     | This account refers to total collectibles due from accountable officers and employees arising from shortages, losses and unliquidated cash advances beyond the prescribed period, that are subject to immediate settlement. |
| 11770        | Finance Lease Receivable                        | This account refers to current portion of the long term lease receivables arising from sale of goods/property under finance lease agreement.                                                                                |
| 11780        | Other Current Receivables                       | This account refers to transactions/adjustments not classified under any of the receivable accounts mentioned.                                                                                                              |
| 11800        | <i>Inventories</i>                              | These refer to cost or other appropriate value of merchandise and other goods on hand, in-transit, on consignment with other entities and in process which are intended for sale or production                              |
| 11810        | Merchandise Inventory                           | This account refers to cost of goods on hand, in consignment and in-transit, available for sale at the end of the accounting or reporting period.                                                                           |
| 11820        | Repossessed Inventories                         | This account refers to fair value of inventories previously sold but regained as a result of the default of the payments due from members/customers.                                                                        |
| 11830        | Spare Parts/Materials & Other Goods Inventory   | This account refers to spare parts/materials and other goods on hand and in transit which are held for sale                                                                                                                 |
| 11840        | Raw Materials Inventory                         | This account refers to cost of raw materials on hand and in transit at the end of the accounting or reporting period.                                                                                                       |
| 11850        | Work in Process Inventory                       | This account refers to cost of job or work in process on hand at the end of accounting or reporting period.                                                                                                                 |
| 11860        | Finished Goods Inventory                        | This account refers to cost of completed job or work orders and goods manufactured/ produced/ processed on hand and ready for sale at the end of accounting or reporting period                                             |
| 11870        | Agricultural Produce                            | This account refers to the harvested product of the biological assets and shall be measured at its fair value less estimated point-of-sale costs at the point of harvest.                                                   |
| 11880        | Equipment for Lease Inventory                   | This account refers to cost of equipment on hand intended for lease purchase agreement.                                                                                                                                     |
| 11890        | Allowance for the Decline in Value of Inventory | This account refers to allowance set aside to provide for impairment losses on inventory. This is a contra account to Inventories.                                                                                          |



| ACCOUNT CODE | ACCOUNT TITLE                                    | DEFINITION                                                                                                                                                                                                                                                                                                               |
|--------------|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11900        | <i>Biological Assets</i>                         | This account refers to the cost of living animals and plants that are intended for sale. This shall be measured at its fair market value less estimated point-of-sale costs, except when estimates of fair value are determined to be clearly unreliable. Biological assets refer to living animals or plants. (PAS 41). |
| 12000        | <i>Other Current Assets</i>                      | This account refers to any other assets which are expected to be realized, consumed or used within the year. It also includes any other current assets that are not assigned to cash and cash equivalents, and loans and receivables.                                                                                    |
| 12100        | Input Tax                                        | This account refers to value-added tax due from or paid by a VAT registered/registrable entity on the importation or local purchases of merchandise/goods or services including lease or use of property                                                                                                                 |
| 12200        | Deposit to Suppliers                             | This account refers to the amount paid in advance to suppliers.                                                                                                                                                                                                                                                          |
| 12300        | Unused Supplies                                  | This account refers to cost of supplies on hand.                                                                                                                                                                                                                                                                         |
| 12400        | Prepaid Expenses                                 | This account refers to payments made in advance, to be amortized within one (1) year (e.g. insurance, interest, rentals, etc.)                                                                                                                                                                                           |
| 13000-17000  | <b>NON CURRENT ASSETS</b>                        | <i>All other assets not classified as current to include tangible, intangible, operating and financial assets of a long term nature.</i>                                                                                                                                                                                 |
| 13100        | <i>Held-to-Maturity (HTM) Financial Assets</i>   | This account refers to debt securities quoted in an active market with fixed or determinable payments and fixed maturity that the cooperative has the positive intention and ability to hold to maturity (or as defined under PAS 39).                                                                                   |
| 13110        | Un-amortized Discount/<br>Premium - HTM          | This account refers to the unamortized discount/premium on HTM debt securities, which shall be debited/credited monthly based on the effective interest method with the corresponding credit/debit to "Interest Income – HTM Debt Securities".                                                                           |
| 13120        | Allowance for Probable Losses – HTM-LTFA         | This account refers to the cumulative amount of impairment loss that has been incurred on HTM LT – FA securities.                                                                                                                                                                                                        |
| 13200        | <i>Available-for-Sale (AFS) Financial Assets</i> | This account refers to securities that are designated as available-for-sale, and are not classified as: (a) loans and receivables; (b) held to maturity investments; and (c) financial assets at fair value through profit and loss.                                                                                     |
| 13210        | Accumulated Gains/ Losses – AFS                  | This account refers to cumulative gains/ (losses) arising from change in the fair value of AFS securities. The contra cumulative account is "Net Unrealized Gains/ (Losses) on AFS Financial Assets", which is a separate component of equity.                                                                           |

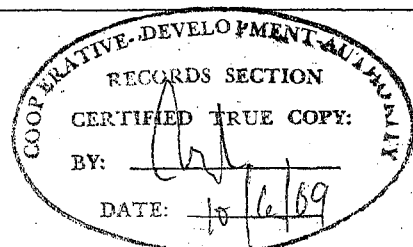


| ACCOUNT CODE | ACCOUNT TITLE                                                     | DEFINITION                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 13220        | Allowance for Probable Losses - AFS FA                            | This account refers to the amount of impairment loss that has been incurred on AFS Securities. This is a temporary account to offset unrealized gains on investments - AFS.                                                                                                                                                                                                                  |
| 13300        | <i>Unquoted Debt Securities Classified As Loans</i>               | This account refers to debt instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, including derivatives that are linked to and must be settled by delivery of such unquoted debt instruments, which shall be measured at cost.                                                                                            |
| 13400        | <i>Investment in Non-Marketable Equity Securities (INMES)</i>     | This account refers to equity instruments that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured, but which shall be measured at cost.                                                                                                                                                                                                 |
| 13410        | Allowance for Probable Losses - INMES                             | This account refers to cumulative amount of impairment loss that has been incurred on INMES.                                                                                                                                                                                                                                                                                                 |
| 13500        | <i>Investment in Subsidiaries/ Associates and Joint Ventures</i>  | This account refers to the amount of the cooperative's investment in the equity instruments of unconsolidated subsidiaries/ associates, or joint ventures. Accounted for in accordance with PAS 27 for Investment in Subsidiaries, PAS 28 for Investment in Associates and PAS 31 for Investment in JVs.                                                                                     |
| 13600        | <i>Investment Property</i>                                        | Cost of property (land or building or a portion thereof) used to generate income or capital appreciation or both, not used in production of goods, supply or services nor for administrative purposes nor sale in the ordinary course of business measured at cost and subject to depreciation. Fair value of property must be disclosed at the end of accounting/reporting period (PAS 40). |
| 13610        | Investment Property - Land                                        | This account refers to cost of land or a portion thereof to generate income or capital appreciation or both, not used in production of goods, supply or services nor for administrative purposes or sale in the ordinary course of business measured at cost. Fair value of the property must be disclosed at the end of the accounting/reporting period.                                    |
| 13620        | Investment Property - Building                                    | This account refers to the cost of building or a portion thereof to generate income or capital appreciation or both, not used in production of goods, supply or services nor for administrative purposes or sale in the ordinary course of business measured at cost and subject to depreciation.                                                                                            |
| 13630        | Accumulated Depreciation & Impairment - Investment Property-Bldg. | This account refers to the total amount of depreciation and impairment on Investment Property - Building that are set up periodically and charged against the current operations.                                                                                                                                                                                                            |
| 13700        | <i>Real and Other Properties Acquired (ROPA)</i>                  | This account refers to real and other properties, acquired by the co-op in settlement of loans and receivables through foreclosure or <i>dacion en pago</i> and/or for other reasons. Should the cooperative use such assets in its main operation, the same assets shall be re-classified according to                                                                                      |

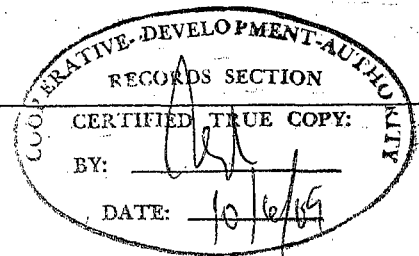




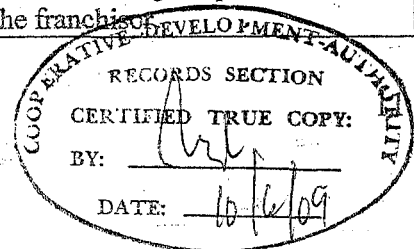
| ACCOUNT CODE | ACCOUNT TITLE                                               | DEFINITION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 13710        | Allowance for Probable Losses – ROPA                        | This account refers to the cumulative amount of impairment loss incurred on ROPA, which shall be accounted for in accordance with PAS 36                                                                                                                                                                                                                                                                                                                                                                                                               |
| 14000        | Property, Plant and Equipment                               | <i>All tangible assets with an estimated useful life beyond one year, are used in the conduct of the business, and not intended for sale in the ordinary course of business. Recorded at cost or fair value if donated.</i>                                                                                                                                                                                                                                                                                                                            |
| 14110        | Land                                                        | This account refers to the acquisition cost of the land used for its main operation plus all incidental costs such as title, taxes, surveying fees, legal fees, restoration cost, and other cost, etc. All these are reflected in a single cost (fair market value or appraised value if donated). Taxes paid by the cooperatives as a contribution to the cost of public improvements (special assessment) are treated as part of the cost of the land. At the end of the accounting/ reporting period, fair value of the property must be disclosed. |
| 14111        | Accumulated Impairment Loss                                 | This account refers to the total amount of impairment that are set up and charged against the current operation.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 14120        | Land Improvements                                           | This account refers to the cost of depreciable improvements after land acquisitions such as fencing, roadways, landscaping, etc, that are subject to depreciation over their useful lives.                                                                                                                                                                                                                                                                                                                                                             |
| 14121        | Accumulated Depreciation – Land Improvements                | This account refers to the total amount of depreciation/ impairment cost on land improvement that are set up periodically and charged against the current operations.                                                                                                                                                                                                                                                                                                                                                                                  |
| 14130        | Building and Improvements                                   | This account refers to the acquisition/construction cost of the building and its improvement on the land owned and used for its main operation. Major repairs or improvements that will prolong the life of the building are considered capitalizable cost. At the end of the accounting/ reporting period, fair value of the property must be disclosed.                                                                                                                                                                                              |
| 14131        | Accumulated Depreciation – Building and Improvements        | This account refers to the total amount of depreciation/ impairment cost on building that are set up periodically and charged against the current operations                                                                                                                                                                                                                                                                                                                                                                                           |
| 14140        | Building on Leased/Usufruct Land                            | This account refers to the cost of construction of new building on a leased/usufruct land and shall be depreciated over the estimated life of the building or the lease/usufruct term whichever is shorter.                                                                                                                                                                                                                                                                                                                                            |
| 14141        | Accumulated Depreciation – Building on Leased/Usufruct Land | This account refers to total amount of depreciation on Building on Leased/Usufruct Land based on cost that are set-up periodically and charged against the current operations.                                                                                                                                                                                                                                                                                                                                                                         |



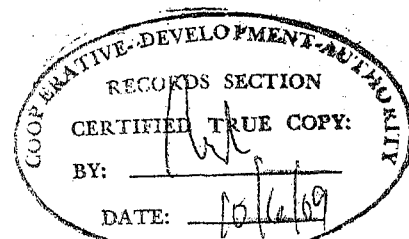
| ACCOUNT CODE | ACCOUNT TITLE                                                                 | DEFINITION                                                                                                                                                                                                                                                                                                                                                    |
|--------------|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14150        | Utility Plant                                                                 | This account refers to cost of property and equipment used in the generation of power/water and other utilities for operation and/or for distribution to consumers.                                                                                                                                                                                           |
| 14151        | Accumulated Depreciation -- Utility Plant                                     | This account refers to total amount of depreciation cost on Utility Plant that are set up periodically and charged against the current operations                                                                                                                                                                                                             |
| 14160        | Property, Plant & Equipment - Under Finance Lease                             | This account refers to the cost determined by the fair or present value of leased Property, Plant and Equipment..                                                                                                                                                                                                                                             |
| 14161        | Accumulated Depreciation -- Property, Plant & Equipment - Under Finance Lease | This account refers to total amount of depreciation on PPE - under Finance Lease that are set-up periodically against current operations.                                                                                                                                                                                                                     |
| 14170        | Construction in Progress                                                      | This account refers to the cost of materials, labor and other construction related costs incurred on unfinished construction project, prior to occupancy/actual use.                                                                                                                                                                                          |
| 14180        | Furniture, Fixtures & Equipment (FFE)                                         | This account refers to the cost of movable (furniture), immovable (fixtures) properties and office / production/ store equipment used in the ordinary course of business such as but not limited to desks, chairs, cabinets, computers, vaults, including incidental expenses incurred in acquiring them, up to the time they are received and ready for use. |
| 14181        | Accumulated Depreciation - FFE                                                | This account refers to the total amount of depreciation/ impairment cost on Furniture, Fixture and Office Equipment that are set up periodically and charged against the current operations                                                                                                                                                                   |
| 14190        | Machineries, Tools and Equipment                                              | This account refers to the cost of machineries, tools and equipment owned and used in producing goods, providing services and repairs.                                                                                                                                                                                                                        |
| 14191        | Accumulated Depreciation -- Machineries, Tools and Equipment                  | This account refers to the total amount of depreciation on machineries, tools and equipment that are set-up periodically and charged against the current operations                                                                                                                                                                                           |
| 14200        | Kitchen, Canteen & Catering Equipment/ Utensils                               | This account refers to the cost of equipment, cutleries and other tools used in food preparation and serving including incidental expenses incurred in acquiring them up to the time they are received and ready for use.                                                                                                                                     |
| 14201        | Accumulated Depreciation -- Kitchen, Canteen & Catering Equipment/ Utensils   | This account refers to the total amount of depreciation on Kitchen, Canteen and Catering Equipment/Utensils that are set-up periodically against current operations.                                                                                                                                                                                          |



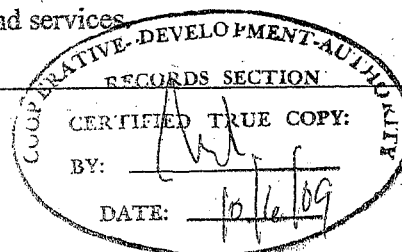
| ACCOUNT CODE | ACCOUNT TITLE                                          | DEFINITION                                                                                                                                                                                                                                                                                                                                                 |
|--------------|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14210        | Transportation Equipment                               | This account refers to the cost of equipment owned and used in transporting goods, services or personnel such as motorcycles, pick-ups, vans and other vehicles.                                                                                                                                                                                           |
| 14211        | Accumulated Depreciation - Transportation Equipment    | This account refers to the total amount of depreciation/impairment cost on Transportation Equipment that are set up periodically and charged against current operations                                                                                                                                                                                    |
| 14220        | Linens and Uniforms                                    | This account refers to the cost of linens and the uniforms used by employees and staff including costs of tablecloth, curtains, blankets and similar items.                                                                                                                                                                                                |
| 14221        | Accumulated Depreciation - Linens and Uniforms         | This account refers to the total amount of depreciation on linens and uniforms that are set-up periodically against current operations.                                                                                                                                                                                                                    |
| 14230        | Nursery/ Greenhouses                                   | This account refers to the cost of nursery and greenhouse facilities and equipment used for seedling production and growing of vegetables                                                                                                                                                                                                                  |
| 14231        | Accumulated Depreciation - Nursery/ Greenhouse         | This account refers to total amount of depreciation and impairment on nursery and greenhouse that are set-up periodically and charged against the current operations.                                                                                                                                                                                      |
| 14240        | Leasehold Rights & Improvements                        | This account refers to the cost of improvements on premises under operating lease including cost of rights and concession rights which are subject to amortization over the useful life of the property or the term of the lease, whichever is shorter.                                                                                                    |
| 15100        | <i>Biological Assets-Animals</i>                       | This account refers to cost of breeding stock/working animals owned by the cooperative.                                                                                                                                                                                                                                                                    |
| 15101        | Accumulated Depreciation - Biological Assets - Animals | This account refers to total amount of depreciation and impairment on Biological Assets - Animals that are set-up periodically and charged against the current operations.                                                                                                                                                                                 |
| 15200        | <i>Biological Assets-Plants</i>                        | This account refers to living plants that produces seeds, seedlings, flowers or fruits.                                                                                                                                                                                                                                                                    |
| 15201        | Accumulated Depreciation Biological Assets - Plants    | This account refers to total amount of depreciation and impairment on BA - plants that are set-up periodically and charged against the current operations.                                                                                                                                                                                                 |
| 16000        | <i>Intangible Assets</i>                               | <i>Identifiable non-monetary asset without physical substance for which future economic benefits are expected to flow back and amortized over the estimated useful life or legal life whichever is shorter.</i>                                                                                                                                            |
| 16100        | Franchise                                              | For Franchisor -This account refers to the cost of developing and registering the trade mark /brand /logo for a particular product or services for the exclusive use and benefit of the coop. For the Franchisee - the cost of acquiring the right and privilege to sell goods and services using the particular trademark/ brand /logo of the franchisor. |



| ACCOUNT CODE | ACCOUNT TITLE                          | DEFINITION                                                                                                                                                                                                                                                                                                            |
|--------------|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16200        | Franchise Cost                         | This account refers to the cost of acquiring privilege or right granted by Franchising Agencies to a cooperative to exercise an exclusive service to a particular route or area.                                                                                                                                      |
| 16300        | Copyright                              | This account refers to the right for the exclusive use or distribution of products or services acquired from an author or artists.                                                                                                                                                                                    |
| 16400        | Patent                                 | This account refers to the exclusive rights granted by the state to a patentee (the inventor or assignee) for a fixed period in exchange for the regulated, public disclosure of certain details of a device, method, process or composition of matter which is new, inventive, and useful or industrially applicable |
| 17000        | <i>Other Non-Current Assets</i>        | <i>Assets which do not fit into any of the preceding classifications</i>                                                                                                                                                                                                                                              |
| 17100        | Cooperative Development Cost           | This account refers to expenses incurred prior to the actual operations of the cooperative, subject to amortization for a period not exceeding three (3) years.                                                                                                                                                       |
| 17200        | Product/ Business Development Cost     | This account refers to cost of enhancement/ improvements of existing products and/or development of new products and prototypes/samples for production after establishing the technical and commercial feasibility.                                                                                                   |
| 17300        | Computerization Cost                   | This account refers to the cost of acquisition or development of computer programs and other software excluding upgrading of system. This is amortized over a period not exceeding three (3) years or useful life whichever is shorter.                                                                               |
| 17400        | Other Funds and Deposits               | This account refers to restricted funds set aside for funding of Statutory and other reserves such as Retirement, Members' Benefit and Other Funds. This may be in the form of time deposit or other securities which may be convertible to cash when needed.                                                         |
| 17500        | Finance Lease Receivable               | This account refers to the long term portion of the Finance Lease Receivables.                                                                                                                                                                                                                                        |
| 17600        | Due from Head Office/Branch/Subsidiary | This account refers to receivables from Head Office/ Branches/ Subsidiary                                                                                                                                                                                                                                             |
| 17700        | Assets Held for Sale                   | This account refers to non current assets and/or assets of a discontinued operation held for sale which is measured at the lower of its carrying amount or fair value less cost to sell.                                                                                                                              |
| 17800        | Deposit on Returnable Containers       | This account refers to deposits on containers subject to refund upon its return.                                                                                                                                                                                                                                      |
| 17900        | Miscellaneous Assets                   | This account refers to assets not falling in any of the above categories.                                                                                                                                                                                                                                             |

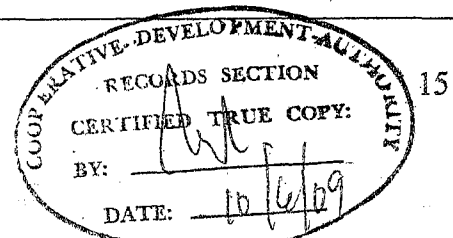


| ACCOUNT CODE | ACCOUNT TITLE                                                | DEFINITION                                                                                                                                                                                                                                                                                                                                         |
|--------------|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 20000-23000  | <b>LIABILITIES</b>                                           | <i>Economic Obligations that are recognized and measured in conformity with generally accepted accounting principles taking into consideration cooperatives' laws, principles and practices in the Philippines.</i>                                                                                                                                |
| 21000        | <b>CURRENT LIABILITIES</b>                                   | <i>Obligations reasonably expected to be settled within the normal business operating cycle, that: (a) is due within 12 months after balance sheet date; (b) is held primarily for the purpose of being traded; (c) does not have an unconditional right to defer settlement of the liability for at least 12 months after balance sheet date.</i> |
| 21100        | Saving Deposits                                              | This account refers to deposits made by members that can be withdrawn anytime at the option of the member-depositors.                                                                                                                                                                                                                              |
| 21200        | Time Deposits                                                | This account refers to deposits made by members for a specified period of time and withdrawable at a predetermined date.                                                                                                                                                                                                                           |
| 21300        | Accounts Payable-Trade                                       | This account refers to obligations/indebtedness to suppliers for purchase of goods and services intended for sale                                                                                                                                                                                                                                  |
| 21400        | Accounts Payable-Non Trade                                   | This account refers obligations/ indebtedness to suppliers for purchase of goods and services not intended for sale (e.g. supplies, periodicals and etc.)                                                                                                                                                                                          |
| 21500        | Loans Payable - Current                                      | This account refers to the indebtedness to financial institutions, federations, unions, or individuals payable within the accounting/fiscal period and the current portion of the Long Term Loans Payable.                                                                                                                                         |
| 21600        | Finance Lease Payable – current                              | This account refers to the current portion of PPE acquired under Finance Lease Agreement.                                                                                                                                                                                                                                                          |
| 21700        | Due to Regulatory Agencies                                   | This account refers to amount collected from members in payment for registration, licensing, supervision, etc. with Regulatory Agencies                                                                                                                                                                                                            |
| 21800        | Cash Bond Payable                                            | This account refers to amount received from members/employees as guarantee for the use of equipment/ accessories / future losses, shortages and damages                                                                                                                                                                                            |
| 21900        | SSS/ECC/ Philhealth / Pag-ibig Premium Contributions Payable | This account refers to amounts withheld from the compensation income of employees representing their premium contributions to SSS, Philhealth and Pag-ibig agencies and the corresponding share of the cooperative as employer.                                                                                                                    |
| 22000        | SSS/Pag-Ibig Loans Payable                                   | This account refers to amounts withheld from the compensation income of employees representing their payment of loans to SSS and Pag-ibig agencies.                                                                                                                                                                                                |
| 22100        | Withholding Tax Payable                                      | This account refers to all taxes withheld as prescribed by law.                                                                                                                                                                                                                                                                                    |
| 22200        | Output Tax                                                   | This account refers to value added tax on the sale of taxable merchandise/ goods and services                                                                                                                                                                                                                                                      |

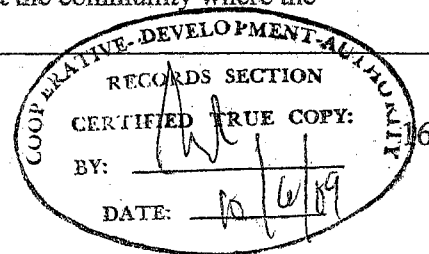




| ACCOUNT CODE | ACCOUNT TITLE                                                         | DEFINITION                                                                                                                                                                                                  |
|--------------|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 24700        | <i>Finance Lease Payable - Long Term</i>                              | This account refers to the future lease payments for Property, Plant and Equipment acquired under finance lease, Net of the Current Portion.                                                                |
| 24800        | <i>Other Non-Current Liabilities</i>                                  | The totality of all other liabilities that cannot be classified after any of the preceding liability accounts.                                                                                              |
| 24810        | Project Subsidy Fund                                                  | This account refers to the unused portion of the donation/grant for training, salaries and wages, etc.                                                                                                      |
| 24820        | Members' Benefit and Other Funds Payable                              | This account refers to funds for special purposes such as member's benefits, including Kilusang Bayan Guarantee Fund (KBGF) / Cooperative Guarantee Fund (CGF) not part of the distribution of net surplus. |
| 24830        | Due to Head Office / Branch/ Subsidiary                               | The account is used to record inter-office transactions in the books of Head Office (HO)/Branch/ Subsidiary and should be closed at the end of the accounting period.                                       |
| 24840        | Other Non Current Liabilities                                         | This account refers to other long term liabilities not elsewhere classified.                                                                                                                                |
| 30000        | <b>EQUITY</b> - Excess of a cooperative's assets over its liabilities |                                                                                                                                                                                                             |
| 30100        | <b>MEMBERS' EQUITY</b>                                                | This account refers to ownership Interest of members in the cooperative.                                                                                                                                    |
| 30110        | Authorized Share Capital - Common                                     | This account refers to authorized capitalization in common share as prescribed in the articles of cooperation.                                                                                              |
| 30120        | Unissued Share Capital - Common                                       | This account refers to portion of the Authorized Share Capital - Common prescribed in the articles of cooperation which is not yet subscribed and issued.                                                   |
| 30130        | Subscribed Share Capital-Common                                       | This account refers to the share capital subscribed by regular members payable over a certain period of time                                                                                                |
| 30140        | Subscription Receivable - Common                                      | This account refers to the total unpaid subscribed share capital of regular members.                                                                                                                        |
| 30150        | Paid-up Share Capital - Common                                        | This account refers to collected subscribed capital stock-common share (if memo entry recording is used).                                                                                                   |
| 30160        | Treasury Shares Capital - Common                                      | This account refers to common shares bought back and held in treasury. This account should only be used in the event that there are no members who are willing to buy the shares of outgoing members.       |
| 30170        | Authorized Share Capital - Preferred                                  | This account refers to the authorized capitalization in preferred shares as prescribed by the articles of cooperation.                                                                                      |
| 30180        | Unissued Share Capital - Preferred                                    | This account refers to portion of the Authorized Share Capital - Preferred as prescribed by the articles of cooperation which are not yet subscribed and issued.                                            |

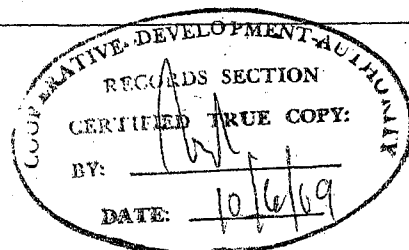


| ACCOUNT CODE | ACCOUNT TITLE                          | DEFINITION                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 30190        | Subscribed Share Capital-Preferred     | This account refers to the preferred share capital subscribed by member (regular and associate) payable over a certain period of time.                                                                                                                                                                                                                                                                                        |
| 30200        | Subscriptions Receivable-Preferred     | This account refers to the total unpaid subscribed preferred share capital of regular and associate members                                                                                                                                                                                                                                                                                                                   |
| 30210        | Paid-up Share Capital-Preferred        | This account refers to collected subscribed preferred share capital (if memo entry recording is used).                                                                                                                                                                                                                                                                                                                        |
| 30220        | Treasury Shares Capital - Preferred    | This account refers to preferred shares previously issued and reacquired and held in treasury, but not retired or cancelled, and maybe re-issued to existing members.                                                                                                                                                                                                                                                         |
| 30230        | Deposit for Share Capital Subscription | This account refers to amount paid by the members for capital subscription equivalent to the value of less than one share and additional subscriptions in excess of authorized capital pending approval of the amendments to increase Authorized Share Capital. This may also include the amount of share capital paid but not yet covered by subscription contract. Subsidiary ledgers shall be maintained for this account. |
| 30300        | Undivided Net Surplus                  | This account refers to the accumulated net surplus of the cooperative that is allocated and distributed at the end of each reporting period in accordance with Article 86 of RA 9520. This account is used for Interim Financial Statement Presentation only.                                                                                                                                                                 |
| 30400        | Net Loss                               | This account refers to temporary account to record losses in operations incurred during the reporting period. Net loss for the year shall be charged against reserve fund, subject to provisions of Article 86 of RA 9520                                                                                                                                                                                                     |
| 30500        | <i>Donations/ Grants</i>               | This account refers to amounts received by the cooperative as awards, subsidies, grants, aids, and others. This shall not be available for distribution as interest on share capital and patronage refund.                                                                                                                                                                                                                    |
| 30600        | <i>Statutory Funds</i>                 | Mandatory funds established/set up in accordance with Article 86 of RA9520                                                                                                                                                                                                                                                                                                                                                    |
| 30610        | Reserve Fund                           | This account refers to the amount set aside annually for the stability of the cooperative (equivalent to at least 10% of net surplus). A corresponding fund should be set up either in the form of time deposit with local banks or government securities.                                                                                                                                                                    |
| 30620        | Coop. Education & Training Fund        | This account refers to the amount retained by the cooperative for education and training of its members, officers and staff out of the mandatory allocation as stipulated in the cooperative's by-laws.                                                                                                                                                                                                                       |
| 30630        | Community Development Fund             | This account refers to the fund set aside from the net surplus which should not be less than 3% for projects and/or activities that will benefit the community where the cooperative operates.                                                                                                                                                                                                                                |

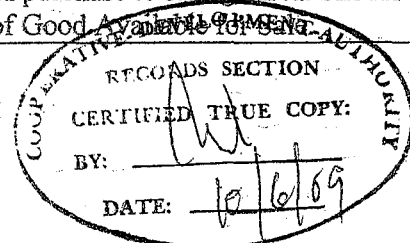




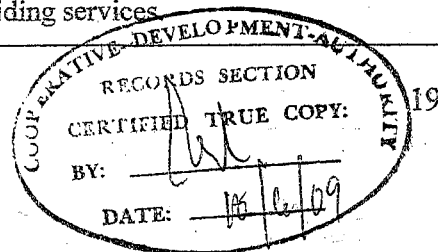
| ACCOUNT CODE                   | ACCOUNT TITLE                                                                                                                                                                                                                                                      | DEFINITION                                                                                                                                                                                                         |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 30640                          | Optional Fund                                                                                                                                                                                                                                                      | This account refers to fund set aside from the net surplus not exceeding 7%. It shall be used for any of the following purposes: land and building, acquisition of equipment, members' benefit, or other purposes. |
| 30700                          | <i>Unrealized Gains/ Losses</i>                                                                                                                                                                                                                                    | This account refers to the cumulative gains (losses) arising from change in the fair value of AFS securities                                                                                                       |
| <b>STATEMENT OF OPERATIONS</b> |                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                    |
| 40000                          | <b>REVENUE ITEMS - Gross inflow of economic benefits during the period arising in the course of the ordinary activities of the coop when those inflows result in increases in equity, other than increases relating to contributions from equity participants.</b> |                                                                                                                                                                                                                    |
| 40100                          | <i>Income from Credit Operations</i>                                                                                                                                                                                                                               | <i>All income derived from Credit Operations</i>                                                                                                                                                                   |
| 40110                          | Interest Income from Loans                                                                                                                                                                                                                                         | This account refers to income earned and collected by the cooperative from the interest charged on the loans granted to their members.                                                                             |
| 40120                          | Service Fees                                                                                                                                                                                                                                                       | This account refers to the fees collected by the cooperative for loan processing/ servicing/collecting.                                                                                                            |
| 40130                          | Filing Fees                                                                                                                                                                                                                                                        | This account refers to the fees collected by the cooperative upon filing of loan applications by member-borrowers.                                                                                                 |
| 40140                          | Fines, Penalties, Surcharges                                                                                                                                                                                                                                       | This account refers to the fees imposed and collected by the cooperative on the delayed amortization payments of the member-borrower.                                                                              |
| 40200                          | <i>Income from Service Operations</i>                                                                                                                                                                                                                              | <i>All income derived from service operations</i>                                                                                                                                                                  |
| 40210                          | Service Income                                                                                                                                                                                                                                                     | This account refers to the amount collected for various services rendered.                                                                                                                                         |
| 40220                          | Interest Income from Lease Agreement                                                                                                                                                                                                                               | This account refers to interest earned arising from lease of assets under Finance Lease Agreement                                                                                                                  |
| 40300                          | <i>Income from Marketing/ Consumers/ Production Operations</i>                                                                                                                                                                                                     | <i>All income derived from marketing / consumers / production operations</i>                                                                                                                                       |
|                                | Net Sales                                                                                                                                                                                                                                                          | <i>Total sales reduced by sales returns, allowances and discounts.</i>                                                                                                                                             |
| 40310                          | Sales                                                                                                                                                                                                                                                              | This account refers to invoice price of all merchandise/ goods sold or services rendered whether paid or on account. (segregate sales from members and non-members)                                                |



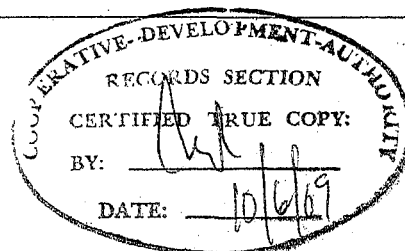
| ACCOUNT CODE | ACCOUNT TITLE                              | DEFINITION                                                                                                                                                                                                                                                                                                                            |
|--------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 40320        | Installment Sales                          | This account refers to sales to members and non-members of merchandise/goods on a deferred payment plan or installment plan                                                                                                                                                                                                           |
| 40330        | Sales Returns & Allowances                 | This account refers to deductions from the invoice price due to returns resulting from damage, defects or errors in the kind or quality of goods delivered/sold to customers/members.                                                                                                                                                 |
| 40340        | Sales Discounts                            | This account refers to deductions allowed to customers for settlement/prompt payment of their accounts                                                                                                                                                                                                                                |
| 40400        | <i>Other Income</i>                        | <i>Income received by the cooperatives other than its main operation.</i>                                                                                                                                                                                                                                                             |
| 40410        | Income/ Interest from Investment/ Deposits | This account refers to the income earned by the cooperatives from deposits in banks/other institutions and investments made in financial institutions/government/ business organizations. This shall include interest income derived from the deposit of statutory funds in the bank until utilized. (refer to the accounting manual) |
| 40420        | Membership Fee                             | This account refers to the amount collected from the cooperative's members-applicants upon approval of their membership in the cooperative.                                                                                                                                                                                           |
| 40430        | Commission Income                          | This account refers to an amount received by the cooperative from supplier as incentives.                                                                                                                                                                                                                                             |
| 40440        | Realized Gross Margin                      | This account refers to income earned by the cooperative from the installment sales of real estate.                                                                                                                                                                                                                                    |
| 40450        | Miscellaneous Income                       | This account refers to all other income earned by the cooperative for which no specific account has been set up.                                                                                                                                                                                                                      |
| 50000        | <i>Cost of Goods Sold</i>                  | The cost/value of commodity sold as determined using physical or perpetual inventory system.                                                                                                                                                                                                                                          |
| 51000        | <i>Cost of Goods Sold</i>                  | <i>This account refers to account used to record cost of finished goods sold under perpetual inventory system.</i>                                                                                                                                                                                                                    |
| 51110        | Purchases                                  | This account refers to cost of merchandise/goods bought whether paid or on account under periodic inventory system.                                                                                                                                                                                                                   |
| 51120        | Raw Material Purchases                     | This account refers to gross cost of materials purchased for the production of food for sale, for catering and canteen operations (using periodic inventory system)                                                                                                                                                                   |
| 51130        | Purchase Returns & Allowances              | This account refers to deductions from invoice cost due to damage, defects, or errors in the kind or quality of goods bought.                                                                                                                                                                                                         |
| 51140        | Purchase Discounts                         | This account refers to reductions in the cost of product bought due to the early payment.                                                                                                                                                                                                                                             |
| 51160        | Freight In                                 | This account refers to the cost of transporting merchandise/goods from the place of purchase to storage area. Should form part of the Cost of Good Available for Sale.                                                                                                                                                                |



| ACCOUNT CODE | ACCOUNT TITLE                          | DEFINITION                                                                                                                                                                                                                                              |
|--------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 51170        | Direct Labor                           | This account refers to cost of labor directly attributed to the production of goods.                                                                                                                                                                    |
| 51180        | Factory/Processing Overhead            | This account refers to all cost other than raw materials and direct labor used in the production/manufacturing/ process of goods including royalties and production garments                                                                            |
| 51200        | Inventory Loss                         | This account refers to reduction in inventory due to spoilage, breakage and variance between inventory per books and per count                                                                                                                          |
| 60000        | Cost of Services                       | All costs incurred that are directly related to the generation of power, water and other services (A separate subsidiary shall be maintained)                                                                                                           |
| 61000        | Project Management Cost                | This account refers to all costs incurred that are directly related to the projects and contract entered into by clients like manpower servicing, construction and other professional works, including consulting fee.                                  |
| 61110        | Labor and Technical Supervision        | This account refers to amount incurred for technical and other services ancillary to the generation of service income.                                                                                                                                  |
| 61210        | Salaries & Wages                       | This account refers to amount incurred for services rendered by employees directly involved in providing services including overtime pay                                                                                                                |
| 61230        | Employees' Benefits                    | This account refers to benefits given to employees directly involved in providing services other than salaries and wages such as but not limited to 13th month pay, bonus, allowances, and subsistence allowances including human resource development. |
| 61240        | SSS, Philhealth, Pag-Ibig Contribution | This account refers to the cooperative's share in the employees' contribution to SSS, Philhealth and Pag-ibig.                                                                                                                                          |
| 61250        | Retirement Benefit Expenses            | The cost of providing retirement benefits to employees directly involved in providing services. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered.                                      |
| 61280        | Professional and Consultancy Fees      | This account refers to amount incurred for professional and consultancy services in relation to the generation of service income                                                                                                                        |
| 61370        | Supplies                               | This account refers to expenses incurred for various supplies used for service activities.                                                                                                                                                              |
| 61410        | Power, Light and Water                 | This account refers to the cost of electricity and water incurred in the generation of service income.                                                                                                                                                  |
| 61430        | Insurance                              | This account refers to expenses incurred to insure the equipment used in providing services                                                                                                                                                             |



| ACCOUNT CODE | ACCOUNT TITLE                     | DEFINITION                                                                                                                                                                                                                                              |
|--------------|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 62280        | Professional and Consultancy Fees | This account refers to amount incurred for professional and consultancy services in relation to the generation of service income                                                                                                                        |
| 62370        | Supplies                          | This account refers to expenses incurred for various supplies used for service activities.                                                                                                                                                              |
| 62410        | Power, Light and Water            | This account refers to cost of electricity and water incurred in the generation of service income.                                                                                                                                                      |
| 62430        | Insurance                         | This account refers to expenses incurred to insure the equipment used in providing services.                                                                                                                                                            |
| 62440        | Repairs and Maintenance           | This account refers to expenses incurred in the repair and maintenance of machineries and equipment used in the delivery of service except major repairs that prolong the life of the asset                                                             |
| 62450        | Rentals                           | This account refers to expenses incurred for the building/office spaces or facilities leased by the cooperative for the generation of service income                                                                                                    |
| 62490        | Gas, Oil & Lubricants             | This account refers to amounts incurred for gasoline, fuel and lubricants for cooperative's machineries and equipment used in the delivery of service                                                                                                   |
| 62530        | Depreciation                      | This account refers to amount provided for wear and tear of building, machineries and equipment used in the delivery of service                                                                                                                         |
| 62540        | Amortization                      | This account refers to amount provided for amortization of intangible assets.                                                                                                                                                                           |
| 62590        | Impairment Loss                   | This account refers to difference between the carrying value and the recoverable value of the assets directly used in the delivery of services                                                                                                          |
| 63000        | <i>Distribution Cost</i>          | Cost incurred in the distribution of power, water and other services.                                                                                                                                                                                   |
| 63120        | Power Cost                        | This account refers to cost of power whether purchased or generated for distribution                                                                                                                                                                    |
| 63130        | Labor and Technical Supervision   | This account refers to amount incurred for technical and other services ancillary to the generation of service income.                                                                                                                                  |
| 63210        | Salaries & Wages                  | This account refers to amount incurred for services rendered by employees directly involved in providing services including overtime pay                                                                                                                |
| 63230        | Employees' Benefits               | This account refers to benefits given to employees directly involved in providing services other than salaries and wages such as but not limited to 13th month pay, bonus, allowances, and subsistence allowances including human resource development. |

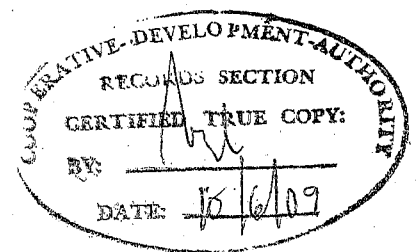


SCHEDULE OF OPERATING EXPENSES:

| ACCOUNTS                                            | Credit | Consumers | Service | Marketing | Producers | GRAND TOTAL |
|-----------------------------------------------------|--------|-----------|---------|-----------|-----------|-------------|
| <b>A. FINANCING COSTS</b>                           |        |           |         |           |           |             |
| Interest Expense on Borrowings                      | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Interest Expense on Deposit                         | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Other Financing Charges                             | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| TOTAL                                               | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| <b>B. SELLING / MARKETING COSTS</b>                 |        |           |         |           |           |             |
| Product /Service Marketing and Promotion Expenses   | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Product/Service Development                         | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Product Research                                    | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Salaries and Wages                                  | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Incentives and Allowances                           | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Employees Benefits                                  | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| SSS, Philhealth, ECC, Pag-ibig Premium Contribution | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Retirement Benefit Expense                          | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Store/Canteen/Kitchen and Catering Supplies         | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Freight Out/Delivery Expenses                       | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Power, Light and Water                              | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Travel and Transportation                           | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Insurance                                           | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Repairs and Maintenance                             | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Rentals                                             | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Taxes, Fees and Charges                             | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Communications                                      | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Representation                                      | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Advertising and Promotion                           | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Gas, Oil and Lubricants                             | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Spoilage, Breakage and Losses                       | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Storage/Warehousing Expenses                        | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Commission Expenses                                 | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Breakage & Losses on Kitchen Utensils               | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Miscellaneous Expense                               | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Depreciation                                        | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Amortization                                        | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Royalties                                           | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Amortization of Leasehold Rights and Improvement    |        |           |         |           |           |             |
| TOTAL                                               | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| <b>C. ADMINISTRATIVE COST</b>                       |        |           |         |           |           |             |
| Salaries and Wages                                  | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Employees Benefits                                  | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| SSS, Philhealth, ECC, Pag-ibig Contribution         | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Retirement Benefit Expense                          | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Officers' Honorarium and Allowances                 | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Trainings/Seminars                                  | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| School Program Support                              | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Office Supplies                                     | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Power, Light and Water                              | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Travel and Transportation                           | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Insurance                                           | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Repairs and Maintenance                             | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Rentals                                             | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |

RECORDS SECTION  
 CERTIFIED TRUE COPY  
 BY: *[Signature]*  
 DATE: 10/6/09

| ACCOUNTS                                                           | Credit | Consumers | Service | Marketing | Producers | GRAND TOTAL |
|--------------------------------------------------------------------|--------|-----------|---------|-----------|-----------|-------------|
| Taxes, Fees and Charges                                            | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Professional Fees                                                  | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Communications                                                     | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Representation                                                     | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Meeting and Conferences                                            | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Bank Charges                                                       | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Collection Expense                                                 | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Periodicals, Magazines and Subscription                            | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| General Support Services                                           | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Gas, Oil and Lubricants                                            | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Litigation Expenses                                                | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Miscellaneous Expense                                              | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Depreciation                                                       | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Amortization                                                       | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Provision for Probable Losses on Accounts/ Installment Receivables | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| Amortization of Leasehold Rights and Improvement                   | XXX    | XXX       | XXX     | XXX       | XXX       | XXX         |
| General Assembly Expenses                                          |        |           |         |           |           | XXX         |
| Members' Benefit Expense                                           |        |           |         |           |           | XXX         |
| Affiliation Fee                                                    |        |           |         |           |           | XXX         |
| Social and Community Service Expense                               |        |           |         |           |           | XXX         |
| Provision for Members' Future Benefits                             |        |           |         |           |           | XXX         |
| TOTAL                                                              |        |           |         |           |           | XXX         |



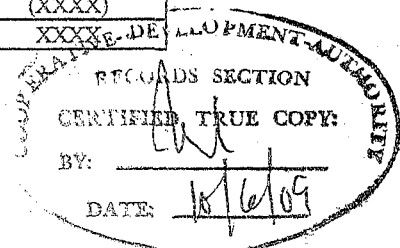
## PRO-FORMA FINANCIAL REPORTS

D. Statement of Changes in Members' Equity  
Donations, Grants and Statutory Funds

NAME OF COOPERATIVE  
ADDRESS OF THE COOPERATIVE  
REGISTRATION/CONFIRMATION NO.

STATEMENT OF CHANGES IN EQUITY, STATUTORY FUNDS AND GRANTS AND DONATIONS  
For the Year Ended, December 31, 200\_\_

|                                         |        |
|-----------------------------------------|--------|
| Equity                                  |        |
| Share Capital, Common, Beginning        | XXXX   |
| Add: Additional Capital Build-up        | XXXX   |
| Total                                   | XXXX   |
| Less: Withdrawal in Capital             | (XXXX) |
| Share Capital, Common, End              | XXXX   |
| Share Capital, Preferred, Beginning     | XXXX   |
| Add: Additional Capital Build-up        | XXXX   |
| Total                                   | XXXX   |
| Less: Withdrawal in Capital             | (XXXX) |
| Share Capital, Preferred, End           | XXXX   |
| Reserve Fund                            |        |
| Balance, Dec., 31, 200                  | XXXX   |
| Add: Credits                            | XXXX   |
| 10% Net Surplus from Operations         | XXXX   |
| Total                                   | XXXX   |
| Less: Charges                           | (XXXX) |
|                                         | (XXXX) |
| Total Charges                           | (XXXX) |
| Balance, Dec., 31, 200                  | XXXX   |
| Cooperative Education and Training Fund |        |
| Balance, Dec., 31, 200                  | XXXX   |
| Add: Credits                            | (XXXX) |
| 1/2 of 10% Net Surplus from Operations  | XXXX   |
| Total                                   | XXXX   |
| Less: Charges                           |        |
|                                         | (XXXX) |
| Total Charges                           | (XXXX) |
| Balance, Dec., 31, 200                  | XXXX   |
| Optional Fund                           |        |
| Balance, Dec., 31, 200                  | XXXX   |
| Add: Credits                            | XXXX   |
| 10% Net Surplus from Operations         | XXXX   |
| Total                                   | XXXX   |
| Less: Charges                           |        |
|                                         | (XXXX) |
| Total Charges                           | (XXXX) |
| Balance, Dec., 31, 200                  | XXXX   |
| Due to Union/Federation                 |        |
| Balance, Dec., 31, 200                  | XXXX   |
| Add: Credits                            | XXXX   |
| 1/2 of 10% Net Surplus from Operations  | XXXX   |
| Total                                   | XXXX   |
| Less: Charges                           |        |
| Remittances to Union/Federation         | (XXXX) |
| Total Charges                           | (XXXX) |
| Balance, Dec., 31, 200                  | XXXX   |

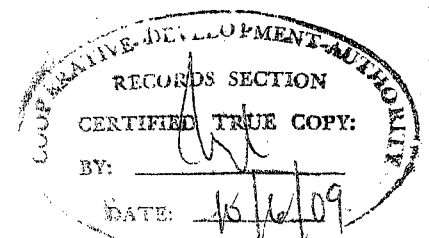


## Cash Flows Statement

NAME OF COOPERATIVE  
ADDRESS OF THE COOPERATIVE  
REGISTRATION/CONFIRMATION NO.  
CASH FLOWS STATEMENT

For the Year Ended, December \_\_\_\_\_

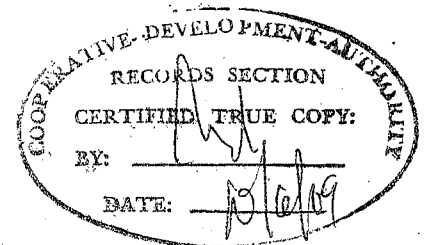
|                                                                   |       |            |
|-------------------------------------------------------------------|-------|------------|
| <b>Cash flow from Operating Activities:</b>                       |       |            |
| <b>Cash provided by operation:</b>                                |       |            |
| Net surplus for allocation                                        |       | XXX        |
| Depreciation/Amortization                                         | XXX   |            |
| Provision for Probable Losses on Accounts/Installment Receivables | XXX   |            |
| Changes in Assets and Liabilities                                 | XXX   |            |
| (Increase)/Decrease in:                                           |       |            |
| Advances to Officers & Employees                                  | XXX   |            |
| Accounts Receivable Trade                                         | (XXX) |            |
| Installment Receivable                                            | XXX   |            |
| Receivable from accountable officers & employees                  | XXX   |            |
| Other Receivables                                                 | XXX   |            |
| Input tax                                                         | XXX   |            |
| Deposits to suppliers                                             | XXX   |            |
| Inventories                                                       | XXX   |            |
| Repossessed Inventories                                           | XXX   |            |
| Assets held for sale                                              | XXX   |            |
| Unused office/store/kitchen/canteen/catering supplies             | (XXX) |            |
| Prepaid expenses                                                  | (XXX) |            |
| Intangible assets                                                 | XXX   |            |
| Other assets                                                      | XXX   |            |
| Increase/(Decrease) in:                                           |       |            |
| Accounts payable                                                  | (XXX) |            |
| SSS/ECC/Philhealth/Pag-ibig Premium Contribution payable          | XXX   |            |
| SSS/Pag-ibig Loans payable                                        | XXX   |            |
| Withholding tax payable                                           | XXX   |            |
| Accrued expenses                                                  | XXX   |            |
| Due to CETF (Apex)                                                | XXX   |            |
| Taxes, fees and charges payable                                   | XXX   |            |
| Output tax                                                        | XXX   |            |
| Deposits from customers                                           | XXX   |            |
| Deferred gross margin                                             | XXX   |            |
| School Program Support Fund payable                               | XXX   |            |
| Other payables                                                    | XXX   | XXX        |
| <b>Net cash from operating activities</b>                         |       | <b>XXX</b> |
| <b>Cash flow from investing activities:</b>                       |       |            |
| (Increase)/Decrease in:                                           |       |            |
| Property & Equipment                                              | XXX   |            |
| Investment                                                        | XXX   |            |
| <b>Net cash from investing activities</b>                         |       | <b>XXX</b> |



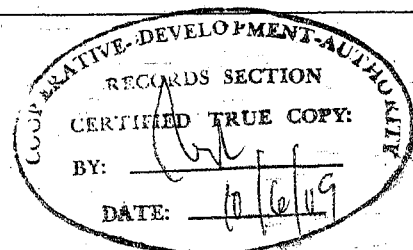


|                                              |     |     |
|----------------------------------------------|-----|-----|
| Cash flow from financing activities:         |     |     |
| (Increase)/Decrease in:                      |     |     |
| Savings deposit                              | XXX |     |
| Time deposit                                 | XXX |     |
| Paid-up Share Capital                        | XXX |     |
| Donations/Grants                             | XXX |     |
| Statutory funds                              | XXX |     |
| Long term liabilities                        | XXX |     |
| Other liabilities                            | XXX |     |
| Interest on share capital & patronage refund | XXX | XXX |
| Net cash from financing activities           |     | XXX |
| Net increase/(decrease) in cash              |     | XXX |
| Cash balance, beginning                      |     | XXX |
| Cash balance, end                            |     | XXX |

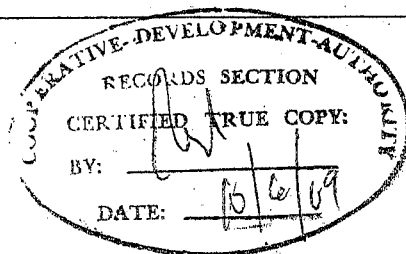
(The above statement is presented using Indirect Method Approach).



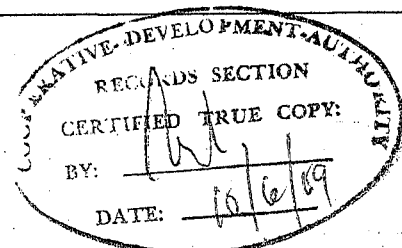
| ACCOUNT CODE | ACCOUNT TITLE                                | DEFINITION                                                                                                                                                                                                                                |
|--------------|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 63240        | SSS, Phil health, ECC, Pag-Ibig Contribution | This account refers to the cooperative's share in the employees' contribution to SSS, ECC, Philhealth and Pag-ibig.                                                                                                                       |
| 63250        | Retirement Benefit Expenses                  | This account refers to the cost of providing retirement benefits to employees directly involved in providing services. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered. |
| 63280        | Professional and Consultancy Fees            | This account refers to amount incurred for professional and consultancy services in relation to the generation of service income                                                                                                          |
| 63370        | Supplies                                     | This account refers to expenses incurred for various supplies used for service activities.                                                                                                                                                |
| 63390        | Training/ Seminars                           | This account refers to an amount incurred for officers and staff directly involved in providing services for attending trainings and seminars/conducting seminars including expenses related thereto after exhausting the CETF            |
| 63410        | Power, Light and Water                       | This account refers to cost of electricity and water incurred in the generation of service income.                                                                                                                                        |
| 63420        | Travel and Transportation                    | This account refers to amount incurred for fares, toll fees, board and lodging, per diem, and meal allowance of officers, employees directly involved in providing services while on official travel.                                     |
| 63430        | Insurance                                    | This account refers to expenses incurred to insure the equipment used in providing services including that of the employees who are directly involved in generating service income                                                        |
| 63440        | Repairs and Maintenance                      | This account refers to expenses incurred in the repair and maintenance of machineries and equipment used in the delivery of service except major repairs that prolong the life of the asset                                               |
| 63450        | Rentals                                      | This account refers to expenses incurred for the building/office spaces or facilities leased by the cooperative for the generation of service income                                                                                      |
| 63470        | Communication                                | This account refers to amount incurred for transmission of messages such as courier, telephone, e-mail, fax, internet, messengerial, and all other means of communication used in the delivery of service                                 |
| 63490        | Gas, Oil & Lubricants                        | This account refers to amount incurred for gasoline, fuel and lubricants for cooperative's machineries and equipment used in the delivery of service                                                                                      |
| 63520        | Miscellaneous                                | This account refers to all other expenses incurred by the cooperative not classified under any of the specified expenses account.                                                                                                         |



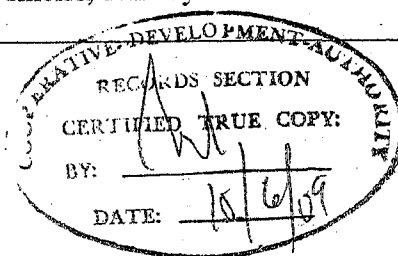
| ACCOUNT CODE | ACCOUNT TITLE                                                                                                                                                                                        | DEFINITION                                                                                                                                                                                                   |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 63530        | Depreciation                                                                                                                                                                                         | This account refers to amount provided for wear and tear of building, machineries and equipment used in the delivery of service                                                                              |
| 63540        | Amortization                                                                                                                                                                                         | This account refers to amount provided for amortization of intangible assets.                                                                                                                                |
| 63590        | Impairment Loss                                                                                                                                                                                      | This account refers to difference between the carrying value and the recoverable value of the assets directly used in the delivery of services                                                               |
| 64000        | <i>Transport Service Cost</i>                                                                                                                                                                        | All costs incurred that are directly related to Service Income and Passenger's Fee. (A separate subsidiary shall be maintained)                                                                              |
| 64140        | Driver's /Conductor's Fees                                                                                                                                                                           | This account refers to cost incurred for payment to drivers (control mechanism will be developed to recognized actual gross receipts) - subject to 10% withholding tax                                       |
| 64150        | Vehicle Registration and Licensing Expenses                                                                                                                                                          | This account refers to expenses incurred for licensing, registration, dropping, filing, supervision, accreditation fees, penalties and other fees. (this account is used for cooperatively owned units only) |
| 64160        | Toll Fees                                                                                                                                                                                            | This account refers to amount paid for toll fees (SA)                                                                                                                                                        |
| 64170        | Incidental Expenses                                                                                                                                                                                  | This account refers to expenses incurred to cover the cost of expenditures which are not anticipated / expected <i>such as accidents not covered by insurance</i>                                            |
| 64430        | Insurance                                                                                                                                                                                            | This account refers to expenses incurred to insure the equipment used in providing transport services.                                                                                                       |
| 64440        | Repairs and Maintenance                                                                                                                                                                              | This account refers to expenses incurred in the repair and maintenance of transport facility and equipment except major repairs that prolong the life of the asset.                                          |
| 64490        | Gas, Oil & Lubricants                                                                                                                                                                                | This account refers to amounts incurred for gasoline, fuel and lubricants for cooperative's vehicles and for day to day operation                                                                            |
| 64530        | Depreciation                                                                                                                                                                                         | This account refers to amount provided for wear and tear of property and equipment.                                                                                                                          |
| 64580        | Provision for Fortuitous Events and Accidents                                                                                                                                                        | This account refers to amount set aside for expenses related to unforeseen events/accidents based on historical experience which should not exceed 10% of Management Fees.                                   |
| 70000        | <b>EXPENSES - Gross outflows of economic resources and incurrence of obligations in the course of the ordinary activities of the cooperative when those outflows result in decreases in surplus.</b> |                                                                                                                                                                                                              |
| 71000        | <i>Financing Cost</i>                                                                                                                                                                                | Expenses related to borrowings of funds used for operations.                                                                                                                                                 |
| 71100        | Interest Expense on Borrowings                                                                                                                                                                       | This account refers to interest incurred on borrowings.                                                                                                                                                      |



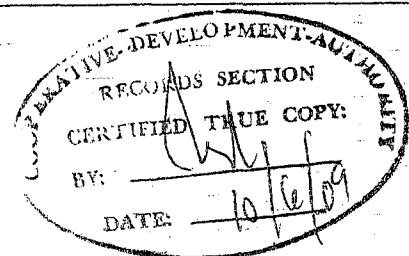
| ACCOUNT CODE | ACCOUNT TITLE                                       | DEFINITION                                                                                                                                                                                                                                           |
|--------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 71200        | Interest Expense on Deposits                        | This account refers to the interest incurred on savings and time deposits of both regular & associate members                                                                                                                                        |
| 71300        | Other Financing Charges                             | This account refers to service charges, filing fees and other fees for borrowings incurred by the cooperative.                                                                                                                                       |
| 72000        | <i>Selling/ Marketing Cost</i>                      | Costs incurred in the promotion/distribution and selling of products and services of the cooperatives.                                                                                                                                               |
| 72180        | Product/ Service Marketing and Promotion Expenses   | This account refers to expenses incurred in the marketing and promoting the coop. products and services (expenses related to pricing, promotion, place packaging)                                                                                    |
| 72190        | Product/ Service Development                        | This account refers to expenses incurred in the development of coop. products and services (expenses related to research and development)                                                                                                            |
| 72200        | Product Research                                    | This account refers to expenses incurred in the enhancement of existing products                                                                                                                                                                     |
| 72210        | Salaries & Wages                                    | This account refers to amount incurred for services rendered by employees including overtime pay                                                                                                                                                     |
| 72220        | Incentives and Allowances                           | This account refers to amount incurred for services rendered by sales, part-time and on-call employees.                                                                                                                                              |
| 72230        | Employees Benefits                                  | This account refers to benefits given to employees other than salaries and wages such as 13th month pay, bonus, allowances, termination or separation pay and others, termination or separation pay and others.                                      |
| 72240        | SSS, Philhealth, ECC, Pag-Ibig Premium Contribution | This account refers to the cooperative's share in the employees' premium contribution to SSS, ECC, Philhealth and Pag-ibig.                                                                                                                          |
| 72250        | Retirement Benefit Expenses                         | This account refers to This account refers to the cost of providing retirement benefits to employees for their services rendered. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered. |
| 72260        | Commission Expenses                                 | This account refers to amount paid to sales personnel and others as incentives.                                                                                                                                                                      |
| 72270        | Advertising & Promotion                             | This account refers to expenses incurred for advertising and promotion of cooperatives' products.                                                                                                                                                    |
| 72280        | Professional Fees                                   | This account refers to fees and related expenses incurred for professional services rendered.                                                                                                                                                        |
| 72290        | Royalties                                           | This account refers to the amount provided to authors for the right to the reproduction of books and related items that is made available for sale                                                                                                   |



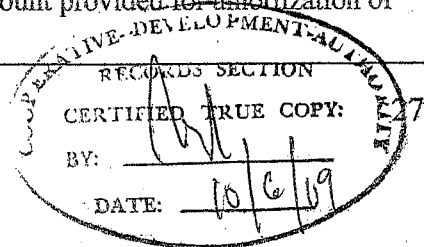
| ACCOUNT CODE | ACCOUNT TITLE                                          | DEFINITION                                                                                                                                                                                                                       |
|--------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 72310        | Store/ Canteen/ Kitchen and Catering Supplies Expenses | This account refers to expenses incurred for stationery and various supplies used in store/canteen/kitchen and catering for selling/trading operations.                                                                          |
| 72320        | Breakage & Losses on Kitchen Utensils                  | This account refers to expenses incurred for lost or breakage of kitchen/utensils after deducting accumulated depreciation.                                                                                                      |
| 72330        | Freight Out/Delivery Expenses                          | This account refers to amount incurred for the delivery of goods/services including traveling expenses of sales personnel from the place of production/store to buyer including lubricants.                                      |
| 72340        | Spoilage, Breakage And Losses                          | This account refers to expenses incurred for unavoidable decay, breakage, expiration or losses of goods beyond the normal condition.                                                                                             |
| 72350        | Storage/ Warehousing Expenses                          | This account refers to expenses incurred for temporary housing of merchandise/goods.                                                                                                                                             |
| 72410        | Power, Light and Water                                 | This account refers to cost of electricity, water and/or gasoline/diesel, oil and lubricants used for generators which are incurred in business operations.                                                                      |
| 72420        | Travel and Transportation                              | This account refers to amount incurred for fares, gasoline and fuel for service vehicles borrowed or rented by the cooperative, toll fees, board and lodging, per diem and meal allowance of employees while on official travel. |
| 72430        | Insurance                                              | This account refers to expenses incurred to insure the assets/properties/employees of the cooperative and the bonds of accountable officers and employees.                                                                       |
| 72440        | Repairs and Maintenance                                | This account refers to expenses incurred in the repair and maintenance of each facility and equipment except major repairs that do not prolong the life of the asset but increase capacity and safety measures.                  |
| 72450        | Rentals                                                | This account refers to amount incurred for the lease or rental of the building/office space, the utilized portion of the rent paid in advance.                                                                                   |
| 72460        | Taxes, Fees and Charges                                | This account refers to amount incurred for the lease or rental of the building/office space, the utilized portion of the rent paid in advance.                                                                                   |
| 72470        | Communication                                          | This account refers to the amount incurred for courier (letters), telephone, cell phone, e-mail, fax, internet, messengerial, and all other means of communication.                                                              |
| 72480        | Representation                                         | This account refers to expenses incurred related to accommodating visitors and guests on official business.                                                                                                                      |
| 72490        | Gas, Oil & Lubricants                                  | This account refers to amount incurred for gasoline, fuel and lubricants for service vehicles, delivery vans and others.                                                                                                         |



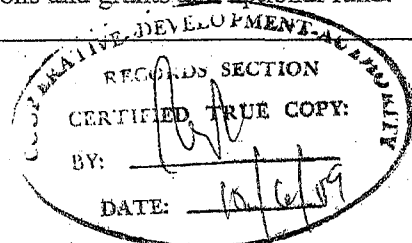
| ACCOUNT CODE | ACCOUNT TITLE                                        | DEFINITION                                                                                                                                                                                                                                                                                                                           |
|--------------|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 72520        | Miscellaneous Expenses                               | This account refers to all other expenses incurred by the cooperative not classified under any of the specified expenses account.                                                                                                                                                                                                    |
| 72530        | Depreciation                                         | This account refers to amount provided for wear and tear of property and equipment and amortization of intangible assets.                                                                                                                                                                                                            |
| 72540        | Amortization                                         | This account refers to amount provided for amortization of intangible assets.                                                                                                                                                                                                                                                        |
| 72550        | Amortization of Leasehold Rights and Improvement     | This account refers to amount provided for amortization of leasehold rights and improvements.                                                                                                                                                                                                                                        |
| 72660        | Periodicals, Magazines & Subscription                | This account refers to amount incurred for subscription or purchase of periodicals, magazines and others.                                                                                                                                                                                                                            |
| 73000        | <i>Administrative Cost</i>                           | Expenses incurred related to general administration and management of the cooperative/enterprise                                                                                                                                                                                                                                     |
| 73210        | Salaries & Wages                                     | This account refers to amount incurred for services rendered by employees including overtime pay.                                                                                                                                                                                                                                    |
| 73230        | Employees Benefits                                   | This account refers to benefits given to employees other than salaries and wages such as but not limited to 13th month pay, bonus, allowances, and subsistence allowances including human resource development.                                                                                                                      |
| 73240        | SSS, Philhealth, ECC, Pag-ibig Premium Contributions | This account refers to the cooperative's share in the employees' premium contributions to SSS, ECC, Philhealth and Pag-ibig.                                                                                                                                                                                                         |
| 73250        | Retirement Benefit Expenses                          | This account refers to the cost of providing retirement benefits to employees for their services rendered. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered.                                                                                                        |
| 73270        | Officers' Honorarium and Allowances                  | This account refers to amount incurred for services rendered by directors, committee members and officers.                                                                                                                                                                                                                           |
| 73300        | Litigation Expenses                                  | This account refers to expenses incurred in judicial and quasi-judicial cases including incidental costs where the coop is the complainant or respondent as authorized by the BODs.                                                                                                                                                  |
| 73360        | School Program Support                               | This account refers to an amount allocated by the cooperatives as support mechanism to school program such as school food supplementation of identified under-nourished cases and administration contingency fund, outreach program and school development, etc. (applicable to school-based cooperatives for canteen activity only) |
| 73370        | Office Supplies                                      | This account refers to expenses incurred for office and various supplies used in the administration and conduct of business operation.                                                                                                                                                                                               |



| ACCOUNT CODE | ACCOUNT TITLE            | DEFINITION                                                                                                                                                                                                                                                                             |
|--------------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 73380        | Meetings and Conferences | This account refers to amount incurred for the conduct of/ attendance to meetings and conferences.                                                                                                                                                                                     |
| 73390        | Trainings/ Seminars      | This account refers to amount incurred for officers, directors, employees and members, for attending trainings and seminars including all expenses related thereto after exhausting the CETF (local). For purposes of analysis, amount incurred may be classified as to the recipient. |
| 73410        | Power, Light & Water     | This account refers to cost of electricity and water incurred in business operations.                                                                                                                                                                                                  |
| 73420        | Travel & Transportation  | This account refers to amount incurred for fares, toll fees, board and lodging, per diem and meal allowance of officers and employees and members while on official travel.                                                                                                            |
| 73430        | Insurance                | This account refers to expenses incurred to insure the assets/properties of the cooperative, premium of insurance for officers and employees and bonds of accountable officers and employees.                                                                                          |
| 73440        | Repairs & Maintenance    | This account refers to expenses incurred in the repair and maintenance of each facility and equipment except major repairs that prolong the life of the asset.                                                                                                                         |
| 73450        | Rentals                  | This account refers to expenses incurred for building/office spaces or facilities leased by the cooperative.                                                                                                                                                                           |
| 73460        | Taxes, Fees and Charges  | This account refers to expenses incurred for taxes, fees and charges due to government entities, both national and local.                                                                                                                                                              |
| 73470        | Communication            | This account refers to amount incurred for courier (letters), telephone, cell phone, e-mail, fax, internet, messengerial, and all other means of communication.                                                                                                                        |
| 73480        | Representation           | This account refers to expenses incurred related to accommodating visitors and guests on official business.                                                                                                                                                                            |
| 73490        | Gas, Oil & Lubricants    | This account refers to amount incurred for gasoline, fuel and lubricants for cooperative's vehicles and for day to day operation                                                                                                                                                       |
| 73500        | Collection Expense       | This account refers to amount, including commissions, incurred as incentives in effecting the collection of loans of the cooperative.                                                                                                                                                  |
| 73510        | General Support Services | This account refers to expenses incurred for employing the services of security, janitors, messengers and other support services.                                                                                                                                                      |
| 73520        | Miscellaneous Expense    | This account refers to all other expenses incurred by the cooperative not classified under any of the specified expenses account.                                                                                                                                                      |
| 73530        | Depreciation             | This account refers to allocation of cost over the estimated life of Property, Plant and Equipment.                                                                                                                                                                                    |
| 73540        | Amortization             | This account refers to amount provided for amortization of intangible assets                                                                                                                                                                                                           |



| ACCOUNT CODE | ACCOUNT TITLE                                                      | DEFINITION                                                                                                                                                                                             |
|--------------|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 73550        | Amortization of Leasehold Rights and Improvement                   | This account refers to amount provided for amortization of leasehold rights and improvements.                                                                                                          |
| 73560        | Provision for Probable Losses on Accounts/ Installment Receivables | This account refers to allocation or provision for estimated losses arising from probable uncollectible loans/accounts/ installment receivables.                                                       |
| 73570        | Provision for Losses – Others                                      | This account refers to this refers to the allocation or provision for estimated losses on investments                                                                                                  |
| 73590        | Impairment Losses                                                  | This account refers to the difference between the carrying value and the recoverable value of an asset.                                                                                                |
| 73600        | Bank Charges                                                       | This account refers to bank fees and other charges excluding cost of checkbooks.                                                                                                                       |
| 73610        | General Assembly Expenses                                          | This account refers to expenses incurred in the conduct of regular/special general assembly.                                                                                                           |
| 73620        | Members Benefit Expenses                                           | This account refers to expenses incurred in providing for additional members' benefits and social services                                                                                             |
| 73630        | Affiliation Fee                                                    | This account refers to amount incurred to cover membership or registration fees and annual dues to a federation or union.                                                                              |
| 73640        | Social & Community Service Expense                                 | This account refers to expenses incurred by the cooperatives in its social community involvement including solicitations and donations to charitable institutions.                                     |
| 73650        | Provision for CGF (KBGF)                                           | This account refers to amount set up at the option of the cooperative for the provision of CGF (KBGF). This is not part of the Statutory Fund.                                                         |
| 80000        | <i>Other Items – Subsidy/ Gain (Losses)</i>                        | Special transactions arising from the operations of the cooperatives.                                                                                                                                  |
| 81000        | Project Subsidy                                                    | This account refers to an amount deducted from Project Subsidy fund to subsidize project expenses. This shall appear in the statement of operation as a contra account to subsidized project expenses. |
| 82000        | Donation and Grant Subsidy                                         | This account refers to an amount deducted from Donation and Grant to subsidize depreciation charges on property and equipment funded by donation and grant.                                            |
| 83000        | Optional Fund Subsidy                                              | This account refers to an amount deducted from Optional Fund to subsidize depreciation charge of property and equipment funded by Optional Fund                                                        |
| 84000        | Subsidized Project Expenses                                        | This account refers to portion of the Project Subsidy Fund expended for training, salaries and wages and other activities subsidized by donations and grants and optional fund.                        |





| ACCOUNT CODE | ACCOUNT TITLE                                   | DEFINITION                                                                                                                                                |
|--------------|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 85000        | Gains or Losses on Sale of Property & Equipment | This account refers to gains or losses derived from the sale of acquired assets/properties and equipment                                                  |
| 86000        | Gains or Losses in Investment                   | This account refers to income earned or losses incurred from the disposal of investments.                                                                 |
| 87000        | Gains or Losses on Sale of Repossessed Item     | This account refers to income earned or losses incurred from the sale of repossessed items.                                                               |
| 88000        | Gains or Losses from Foreign Exchange Valuation | This account refers to gains or Losses arising from retirement or conversion of foreign currency exchange rate fluctuation per actual transaction         |
| 89000        | Prior Years' Adjustment                         | This account refers to adjustments on transactions affecting income and expenses incurred in the previous year(s) which are taken up on the current year. |

#### V. Financial Reports with supporting schedules

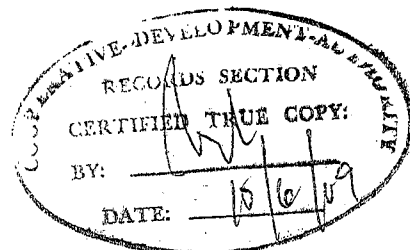
For purposes of monitoring, supervising and regulating all types of cooperatives, the following basic financial reports and schedules (formats are shown in Annexes A - E) shall be prepared:

- a) Statement of Financial Condition (Annex A)
- b) Statement of Operations (Annex B)
- c) Statement of Changes in Equity (Annex C)
- d) Statement of Cash Flows (Annex D)
- e) Notes to Financial Statement (Annex E)
- f. Related Schedules such as
  - Bank reconciliation Statement
  - Aging of Receivables using PAR
  - Property and equipment lapsing schedule
  - Members loans receivables, savings/time deposits, subscribed and paid-up share capital
  - Investments
  - Accounts payable
  - Loans payable
  - Allocation and Utilization of Statutory Funds
  - Distribution of Interest on Share Capital and Patronage Refund

For cooperatives with multi-business activities, separate financial reports shall be prepared for each type of activity.

#### VI. Sanctions

Cooperatives which fail to comply with this Circular shall be subject to the following sanctions:



- First non-compliance, the Authority shall issue warning to concerned cooperatives;
- Second non-compliance, certificate of good standing shall not be issued by the Authority;
- Third non-compliance, the certificate of registration of cooperative shall be cancelled after compliance with due process of law.

#### VII. Transitory Provision

All Cooperatives shall within one (1) year from the effectivity of this Circular make the necessary adjustments on their existing systems in order to comply with the Standard Chart of Accounts. Provided however, that the aforementioned sanctions under item VI shall not be imposed during the transition period.

#### VIII. Repeals

All circulars, regulations, issuances or parts thereof, inconsistent with any of the provisions of this Circular are hereby repealed or modified accordingly.

#### IX. Separability Clause

Should any part of this Circular be declared invalid or unconstitutional, the rest of the provisions not affected thereby shall continue in full force and effect.

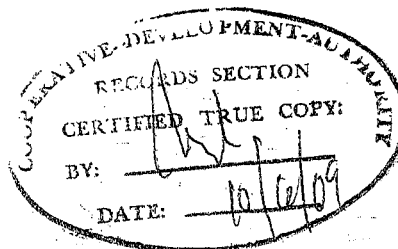
#### X. Effectivity

This Circular shall be published in the Office of the National Administration Registry (ONAR) and shall take effect fifteen (15) days after its publication.

*Signed this 14<sup>th</sup> day of September, 2009 at Quezon City, Philippines.*

  
**LECIRA V. JUAREZ**  
 Chairperson

*CDA Board of Resolution No. 202, S-2009  
 August 14, 2009*

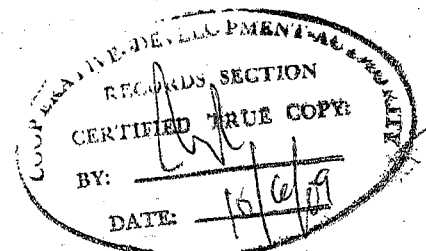


## PRO-FORMA FINANCIAL REPORTS

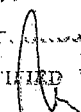
## a) Statement of Financial Condition

Name of Cooperative  
Address of Cooperative  
Registration/Confirmation No.  
Statement of Financial Condition  
As of \_\_\_\_\_

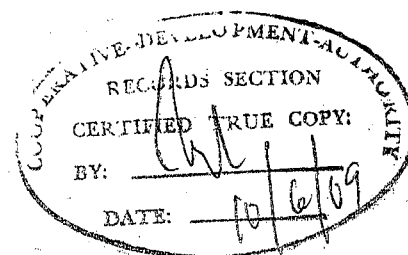
| Account Title                                              | Current Year | Prior Year | Increase/<br>(Decrease) |
|------------------------------------------------------------|--------------|------------|-------------------------|
| <b>ASSETS</b>                                              |              |            |                         |
| <i><b>CURRENT ASSETS</b></i>                               |              |            |                         |
| Cash and Cash Equivalents                                  |              |            |                         |
| Cash on Hand                                               |              |            |                         |
| Checks and Other Cash Items                                |              |            |                         |
| Cash in Bank                                               |              |            |                         |
| Cash in Other Cooperatives                                 |              |            |                         |
| Petty Cash Fund                                            |              |            |                         |
| Revolving Fund                                             |              |            |                         |
| Change Fund                                                |              |            |                         |
| Investment at Fair Value Through Profit or Loss            |              |            |                         |
| Held-to-Maturity (HTM) Financial Assets                    |              |            |                         |
| Add/Deduct: Unamortized Discount/Premium - HTM             |              |            |                         |
| Available for Sale (AFS) Financial Assets                  |              |            |                         |
| Add/Deduct: Accumulated Gains/Losses - AFS                 |              |            |                         |
| Less: Allowance for Probable Losses - AFS                  |              |            |                         |
| Unquoted Debt Securities Classified As Loans               |              |            |                         |
| Investment in Non-Marketable Equity Securities             |              |            |                         |
| Less: Allowance for Probable Losses - INMES                |              |            |                         |
| Loans and Receivables                                      |              |            |                         |
| Loans Receivable                                           |              |            |                         |
| Current                                                    |              |            |                         |
| Past Due                                                   |              |            |                         |
| Restructured                                               |              |            |                         |
| In Litigation                                              |              |            |                         |
| Total                                                      |              |            |                         |
| Less: Allowance for Probable Losses on Loans Receivable    |              |            |                         |
| <i>Loans Receivable, Net</i>                               |              |            |                         |
| Accounts Receivable                                        |              |            |                         |
| Current                                                    |              |            |                         |
| Past Due                                                   |              |            |                         |
| Restructured                                               |              |            |                         |
| In Litigation                                              |              |            |                         |
| Total                                                      |              |            |                         |
| Less: Allowance for Probable Losses on Accounts Receivable |              |            |                         |
| <i>Accounts Receivable, Net</i>                            |              |            |                         |
| Installment Receivable                                     |              |            |                         |
| Current                                                    |              |            |                         |



| Account Title                                                 | Current Year | Prior Year | Increase/<br>(Decrease) |
|---------------------------------------------------------------|--------------|------------|-------------------------|
| Past Due                                                      |              |            |                         |
| Restructured                                                  |              |            |                         |
| In Litigation                                                 |              |            |                         |
| Total                                                         |              |            |                         |
| Less: Allowance for Probable Losses on Installment Receivable |              |            |                         |
| <i>Net Installment Receivables</i>                            |              |            |                         |
| Advances to Officers, Employees and Members                   |              |            |                         |
| Receivables from Accountable Officers and Employees           |              |            |                         |
| Finance Lease Receivable                                      |              |            |                         |
| Other Current Receivables                                     |              |            |                         |
| Inventories                                                   |              |            |                         |
| Merchandise Inventory                                         |              |            |                         |
| Spare Parts/Materials and Other Goods Inventory               |              |            |                         |
| Raw Materials Inventory                                       |              |            |                         |
| Work in Process Inventory                                     |              |            |                         |
| Finished Goods Inventory                                      |              |            |                         |
| Agricultural Produce                                          |              |            |                         |
| Equipment for Lease Inventory                                 |              |            |                         |
| Repossessed Inventory                                         |              |            |                         |
| Less: Allowance for the Decline in Value of Inventory         |              |            |                         |
| Biological Assets                                             |              |            |                         |
| Animals                                                       |              |            |                         |
| Plants                                                        |              |            |                         |
| Other Current Assets                                          |              |            |                         |
| Input Tax                                                     |              |            |                         |
| Deposit to Suppliers                                          |              |            |                         |
| Unused Supplies                                               |              |            |                         |
| Prepaid Expenses                                              |              |            |                         |
| <i>Total Current Assets</i>                                   |              |            |                         |
| <b>NON-CURRENT ASSETS</b>                                     |              |            |                         |
| Held-to-Maturity (HTM) Financial Assets                       |              |            |                         |
| Add/Deduct: Unamortized Discount/Premium - HTM                |              |            |                         |
| Available for Sale (AFS) Financial Assets                     |              |            |                         |
| Add/Deduct: Accumulated Gains/Losses - AFS                    |              |            |                         |
| Less: Allowance for Probable Losses - AFS                     |              |            |                         |
| Unquoted Debt Securities Classified As Loans                  |              |            |                         |
| Investment in Non-Marketable Equity Securities                |              |            |                         |
| Less: Allowance for Probable Losses - INMES                   |              |            |                         |
| Investment in Subsidiaries/Associates and Joint Ventures      |              |            |                         |
| Investment Property                                           |              |            |                         |
| Investment Property - Land                                    |              |            |                         |
| Less: Accumulated Impairment                                  |              |            |                         |
| <i>Net</i>                                                    |              |            |                         |
| Investment Property - Building                                |              |            |                         |
| Less: Accumulated Depreciation - Investment Property-Building |              |            |                         |

FEDERAL BUREAU OF INVESTIGATION  
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 BY:   
 DATE: 10/6/09

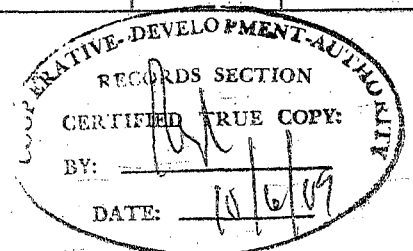
| Account Title                                                        | Current Year | Prior Year | Increase/<br>(Decrease) |
|----------------------------------------------------------------------|--------------|------------|-------------------------|
| <i>Net</i>                                                           |              |            |                         |
| Real and Other Properties Acquired (ROPA)                            |              |            |                         |
| Less: Allowance for Probable Losses - ROPA                           |              |            |                         |
| Property & Equipment                                                 |              |            |                         |
| Land                                                                 |              |            |                         |
| Less: Accumulated Impairment                                         |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Land Improvements                                                    |              |            |                         |
| Less: Accumulated Depreciation - Land Improvement                    |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Building and Improvements                                            |              |            |                         |
| Less: Accumulated Depreciation - Building & Imp.                     |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Building on Leased/Usufruct Land                                     |              |            |                         |
| Less: Accumulated Depreciation - Building on<br>Leased/Usufruct Land |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Utility Plant                                                        |              |            |                         |
| Less: Accumulated Depreciation - Utility Plant                       |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Construction in Progress                                             |              |            |                         |
| Furniture, Fixtures & Equipment                                      |              |            |                         |
| Less: Accumulated Depreciation - FFE                                 |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Machineries, Tools and Equipment                                     |              |            |                         |
| Less: Accumulated Depreciation - Machineries,<br>Tools and Equipment |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Kitchen/Canteen/Catering Equipment and Utensils                      |              |            |                         |
| Less: Accumulated Depreciation - KCCEU                               |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Transportation Equipment                                             |              |            |                         |
| Less: Accumulated Depreciation - Transportation E.                   |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Property, Plant and Equipment Under Finance Lease                    |              |            |                         |
| Less: Accumulated Depreciation - PPE Under<br>Finance Lease          |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Leasehold Rights and Improvements/Concession Rights                  |              |            |                         |
| Linens and Uniforms                                                  |              |            |                         |
| Less: Accumulated Depreciation<br>- Linens & Uniforms                |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Nursery / Greenhouse                                                 |              |            |                         |
| Less: Accumulated Depreciation - Nursery/Greenhouse                  |              |            |                         |
| <i>Net</i>                                                           |              |            |                         |
| Total Property & Equipment                                           |              |            |                         |



| Account Title                                             | Current Year | Prior Year | Increase/<br>(Decrease) |
|-----------------------------------------------------------|--------------|------------|-------------------------|
| Biological Assets                                         |              |            |                         |
| Biological Assets - Animals                               |              |            |                         |
| Less: Accumulated Depreciation - Animals                  |              |            |                         |
| <i>Net</i>                                                |              |            |                         |
| Biological Assets - Plants                                |              |            |                         |
| Less: Accumulated Depreciation - Plants                   |              |            |                         |
| <i>Net</i>                                                |              |            |                         |
| <i>Total Biological Assets</i>                            |              |            |                         |
| Intangible Assets                                         |              |            |                         |
| Franchise                                                 |              |            |                         |
| Franchise Cost                                            |              |            |                         |
| Copyright                                                 |              |            |                         |
| Patent                                                    |              |            |                         |
| <i>Total Intangible Assets</i>                            |              |            |                         |
| Other Non Current Assets                                  |              |            |                         |
| Cooperative Development Cost                              |              |            |                         |
| Product/Business Development Cost                         |              |            |                         |
| Computerization Cost                                      |              |            |                         |
| Other Funds and Deposits                                  |              |            |                         |
| Finance Lease Receivable - Long Term                      |              |            |                         |
| Due from HO/Branch/Subsidiary                             |              |            |                         |
| Assets Held for Sale                                      |              |            |                         |
| Deposit on Returnable Container                           |              |            |                         |
| Miscellaneous Assets                                      |              |            |                         |
| <i>Total Non-Current Assets</i>                           |              |            |                         |
| <b>TOTAL ASSETS</b>                                       |              |            |                         |
|                                                           |              |            |                         |
| <b>LIABILITIES</b>                                        |              |            |                         |
|                                                           |              |            |                         |
| <b>CURRENT LIABILITIES</b>                                |              |            |                         |
| Savings Deposits                                          |              |            |                         |
| Time Deposits                                             |              |            |                         |
| Accounts Payable - Trade                                  |              |            |                         |
| Accounts Payable - Non-Trade                              |              |            |                         |
| Loans Payable - Current                                   |              |            |                         |
| Finance Lease Payable - Current                           |              |            |                         |
| Due to Regulatory Agencies                                |              |            |                         |
| Cash Bond Payable                                         |              |            |                         |
| SSS/ECC/Philhealth/Pagibig Premiums Contributions Payable |              |            |                         |
| SSS/Pag-ibig Loans Payable                                |              |            |                         |
| Withholding Tax Payable                                   |              |            |                         |
| VAT Payable                                               |              |            |                         |
| Unearned Income                                           |              |            |                         |
| Accrued Expenses                                          |              |            |                         |
| Interest on Share Capital Payable                         |              |            |                         |
| Patronage Refund Payable                                  |              |            |                         |
| Due to CETF (Apex)                                        |              |            |                         |
| Deposit from Customers                                    |              |            |                         |
| Advances from Customers                                   |              |            |                         |

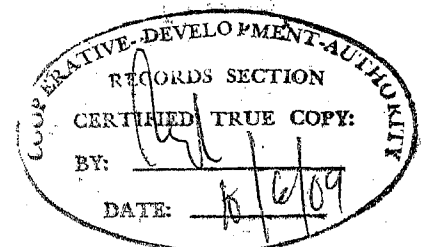
COOPERATIVE-DEVELOPMENT-AUTHORITY  
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 DATE: *10/6/09*

| Account Title                                 | Current Year | Prior Year | Increase/<br>(Decrease) |
|-----------------------------------------------|--------------|------------|-------------------------|
| School Program Support Fund Payable           |              |            |                         |
| Other Current Liabilities                     |              |            |                         |
| <i>Total Current Liabilities</i>              |              |            |                         |
| <b>NON CURRENT LIABILITIES</b>                |              |            |                         |
| Loans Payable                                 |              |            |                         |
| Discounts on Loans Payable                    |              |            |                         |
| Bonds Payable                                 |              |            |                         |
| Add/Deduct: Unamortized Bond Discount/Premium |              |            |                         |
| Revolving Capital Payable                     |              |            |                         |
| Retirement Fund Payable                       |              |            |                         |
| Finance Lease Payable - Long Term             |              |            |                         |
| Other Non Current Liabilities                 |              |            |                         |
| Deposit for Share Capital Subscription        |              |            |                         |
| Project Subsidy Fund                          |              |            |                         |
| Members' Benefit Fund Payable                 |              |            |                         |
| Due to HO/Branch/Subsidiary                   |              |            |                         |
| Other Non Current Liabilities                 |              |            |                         |
| <i>Total Non-Current Liabilities</i>          |              |            |                         |
| <b>TOTAL LIABILITIES</b>                      |              |            |                         |
| <b>EQUITY</b>                                 |              |            |                         |
| Members' Equity                               |              |            |                         |
| Common Share Capital-Authorized               |              |            |                         |
| Share Capital-_____ Shares @ P_____ par value |              |            |                         |
| Less: Issued Share Capital - Common           |              |            |                         |
| Issued Share Capital - Common                 |              |            |                         |
| Subscribed Share Capital-Common               |              |            |                         |
| Less: Subscription Receivable- Common         |              |            |                         |
| Total Paid-up Share Capital- Common           |              |            |                         |
| Less: Treasury Share Capital- Common          |              |            |                         |
| Paid -up Share Capital - Common               |              |            |                         |
| Preferred Share Capital-Authorized            |              |            |                         |
| Share Capital-_____ Shares @ P_____ par value |              |            |                         |
| Less: Issued Share Capital - Preferred        |              |            |                         |
| Issued Share Capital - Preferred              |              |            |                         |
| Subscribed Share Capital- Preferred           |              |            |                         |
| Less: Subscription Receivable- Preferred      |              |            |                         |
| Total Paid-up Share Capital- Preferred        |              |            |                         |
| Less: Treasury Share Capital- Preferred       |              |            |                         |
| Paid -up Share Capital - Preferred            |              |            |                         |
| Donations/Grants                              |              |            |                         |
| Statutory Funds                               |              |            |                         |



| Account Title                         | Current Year | Prior Year | Increase/<br>(Decrease) |
|---------------------------------------|--------------|------------|-------------------------|
| Reserve Fund                          |              |            |                         |
| Coop. Education & Training Fund       |              |            |                         |
| Optional Fund                         |              |            |                         |
| Community Development Fund            |              |            |                         |
| Unrealized Gains/(Losses)             |              |            |                         |
| <i>Total Equity</i>                   |              |            |                         |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> |              |            |                         |

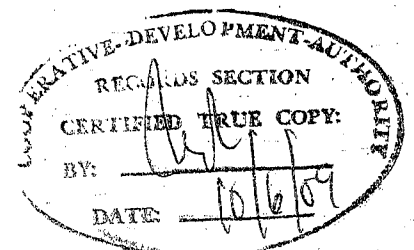
\*Used for Interim Financial Reports





Schedule of COST OF SERVICES

| ACCOUNTS                                  | Current Year | Previous Year | Increase/Decrease |
|-------------------------------------------|--------------|---------------|-------------------|
| <b>COST OF SERVICES</b>                   |              |               |                   |
| <b>PROJECT MANAGEMENT COST</b>            | xxx          | xxx           | xxx               |
| Labor and Technical Supervision           | xxx          | xxx           | xxx               |
| Salaries & Wages                          | xxx          | xxx           | xxx               |
| Employees' Benefits                       | xxx          | xxx           | xxx               |
| Retirement Benefit Expenses               | xxx          | xxx           | xxx               |
| Insurance                                 | xxx          | xxx           | xxx               |
| SSS, Philhealth, Pag-Ibig Contribution    | xxx          | xxx           | xxx               |
| Supplies                                  | xxx          | xxx           | xxx               |
| Professional and Consultancy Fees         | xxx          | xxx           | xxx               |
| Power, Light and Water                    | xxx          | xxx           | xxx               |
| Rentals                                   | xxx          | xxx           | xxx               |
| Repairs and Maintenance                   | xxx          | xxx           | xxx               |
| Gas, Oil & Lubricants                     | xxx          | xxx           | xxx               |
| Depreciation                              | xxx          | xxx           | xxx               |
| Amortization                              | xxx          | xxx           | xxx               |
| Impairment Loss                           | xxx          | xxx           | xxx               |
| Miscellaneous                             | xxx          | xxx           | xxx               |
| <b>GENERATION COST</b>                    |              |               |                   |
| Power Cost                                | xxx          | xxx           | xxx               |
| Labor and Technical Supervision           | xxx          | xxx           | xxx               |
| Salaries & Wages                          | xxx          | xxx           | xxx               |
| Employees' Benefits                       | xxx          | xxx           | xxx               |
| Retirement Benefit Expenses               | xxx          | xxx           | xxx               |
| Insurance                                 | xxx          | xxx           | xxx               |
| SSS, Philhealth/ECC/Pag-Ibig Contribution | xxx          | xxx           | xxx               |
| Supplies                                  | xxx          | xxx           | xxx               |
| Professional and Consultancy Fees         | xxx          | xxx           | xxx               |
| Power, Light and Water                    | xxx          | xxx           | xxx               |
| Rentals                                   | xxx          | xxx           | xxx               |
| Repairs and Maintenance                   | xxx          | xxx           | xxx               |
| Gas, Oil & Lubricants                     | xxx          | xxx           | xxx               |
| Depreciation                              | xxx          | xxx           | xxx               |
| Amortization                              | xxx          | xxx           | xxx               |

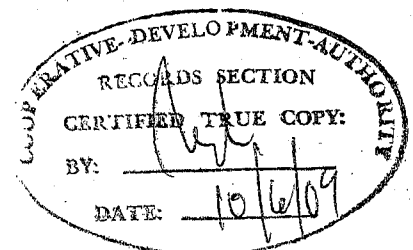


ABC DEVELOPMENT COOPERATIVE  
xxx Town, Province

## STATEMENTS OF OPERATIONS

For the years ended December 31, \_\_\_\_ and \_\_\_\_  
(Amounts in Philippine Pesos)

| ACCOUNT TITLE                          | Current Year | Prior Year |
|----------------------------------------|--------------|------------|
| REVENUES (Schedule 1)                  |              |            |
| Income from Credit Operations          |              |            |
| Income from Consumer Operations        |              |            |
| Income from Service Operations         |              |            |
| Income from Production Operations      |              |            |
| Income from Marketing Operations       |              |            |
| Other Income                           |              |            |
| Income/Interest from Investments       |              |            |
| Membership Fees                        |              |            |
| Interest Income from Lease Agreements  |              |            |
| Commission Income                      |              |            |
| Fines, Penalties & Surcharges          |              |            |
| Miscellaneous Income                   |              |            |
| TOTAL REVENUES                         |              |            |
| LESS EXPENSES (Schedule 3)             |              |            |
| Financing Cost                         |              |            |
| Selling/Marketing Cost                 |              |            |
| Administrative Cost                    |              |            |
| Democratic Governance Cost             |              |            |
| NET SURPLUS before Other Items         |              |            |
| Add: OTHER ITEMS:                      |              |            |
| Project Subsidy                        |              |            |
| Donation and Grant Subsidy             |              |            |
| Gain on Sale of Property and Equipment |              |            |
| Gain in Investment                     |              |            |
| Gain on Sale of Repossessed Item       |              |            |
| Gain from Foreign Exchange Transaction |              |            |
| Prior Year Adjustments                 |              |            |
| Total                                  |              |            |
| Less:                                  |              |            |
| Subsidized Expenses                    |              |            |
| Loss on Sale of Property and Equipment |              |            |
| Loss on Investment                     |              |            |
| Loss on Sale of Repossessed Item       |              |            |
| Loss from Foreign Exchange Valuation   |              |            |
| Prior Year Adjustments                 |              |            |
| Total                                  |              |            |
| NET SURPLUS (FOR ALLOCATION)           |              |            |



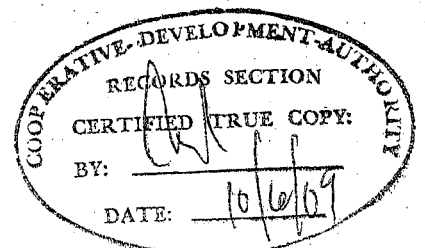
SCHEDULE 1

Schedule of Gross Revenues

| ACCOUNT TITLES                             | Current Year | Prior Years |
|--------------------------------------------|--------------|-------------|
| <b>Income from Credit Operations</b>       |              |             |
| Interest Income from Loans                 | xxx          | xxx         |
| Service Fees                               | xxx          | xxx         |
| Filing Fees                                | xxx          | xxx         |
| Fines, Penalties, Surcharges               | xxx          | xxx         |
| <b>Total Income from Credit Operations</b> | xxx          | xxx         |

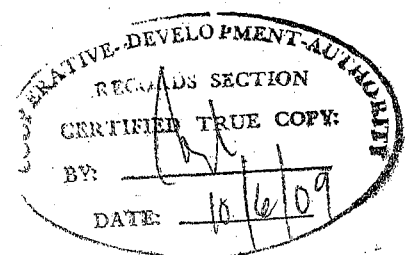
| ACCOUNT TITLES                                   | Consumers | Installment | Catering | Canteen | Current Year | Prior Years |
|--------------------------------------------------|-----------|-------------|----------|---------|--------------|-------------|
| <b>Income from Consumers/Catering Operations</b> |           |             |          |         | <b>TOTAL</b> |             |
| <b>Sales</b>                                     | xxx       | xxx         | xxx      | xxx     | xxx          | xxx         |
| Less: Sales Returns & Allowances                 | xxx       | xxx         | xxx      | xxx     | xxx          | xxx         |
| Sales Discounts                                  | xxx       | xxx         | xxx      | xxx     | xxx          | xxx         |
| <b>Net Sales</b>                                 | xxx       | xxx         | xxx      | xxx     | xxx          | xxx         |
| <b>Less: Cost of Sales</b>                       |           |             |          |         |              |             |
| Inventory, beginning                             | xxx       | xxx         |          |         | xxx          | xxx         |
| Purchases (net)                                  | xxx       | xxx         | xxx      |         | xxx          | xxx         |
| Freight - In                                     | xxx       | xxx         | xxx      |         | xxx          | xxx         |
| <b>Total Purchases</b>                           | xxx       | xxx         | xxx      |         | xxx          | xxx         |
| <b>Add: Production Cost</b>                      |           |             |          |         |              |             |
| Direct Materials                                 |           |             | xxx      | xxx     |              |             |
| Direct Labor                                     |           |             | xxx      | xxx     | xxx          | xxx         |
| Factory/Processing Overhead                      |           |             | xxx      | xxx     | xxx          | xxx         |
| <b>Total Production Cost</b>                     |           |             | xxx      | xxx     | xxx          | xxx         |
| <b>Total Goods Available For Sale</b>            | xxx       | xxx         | xxx      | xxx     | xxx          | xxx         |
| Less: Inventory, end                             | xxx       | xxx         |          |         | xxx          | xxx         |
| <b>COST OF SALES</b>                             | xxx       | xxx         | xxx      | xxx     | xxx          | xxx         |
| <b>Gross Revenues from Consumers Operations</b>  |           |             |          |         | xxx          | xxx         |

| ACCOUNT TITLES                             | Current Year | Prior Years |
|--------------------------------------------|--------------|-------------|
| <b>Income from Service Operations</b>      |              |             |
| <b>REVENUES</b>                            |              |             |
| Service Income                             | xxx          | xxx         |
| Interest Income from Lease Agreement       | xxx          | xxx         |
| <b>Total Revenues</b>                      | xxx          | xxx         |
| <b>LESS: COST OF SERVICES (Schedule 2)</b> |              |             |
| Project Management Cost                    | xxx          | xxx         |
| Generation Cost                            | xxx          | xxx         |
| Distribution Cost                          | xxx          | xxx         |
| Transport Service Cost                     | xxx          | xxx         |
| <b>Total Cost of Services</b>              | xxx          | xxx         |
| <b>Gross Revenues from Services</b>        | xxx          | xxx         |

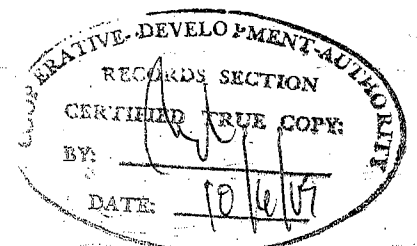


| ACCOUNT TITLES                                   | Current Year | Prior Years |
|--------------------------------------------------|--------------|-------------|
| <b>Income from Production Operations</b>         |              |             |
| Sales                                            | xxx          | xxx         |
| Less: Sales Returns & Allowances                 | xxx          | xxx         |
| Sales Discounts                                  | xxx          | xxx         |
| Net Sales                                        |              |             |
| Less: Cost of Good Sold                          |              |             |
| Raw Materials Inventory, beginning               | xxx          | xxx         |
| Add: Raw Material Purchases                      | xxx          | xxx         |
| Freight - In                                     | xxx          | xxx         |
| Total Purchases                                  | xxx          | xxx         |
| Less: Purchase Returns and Allowances            | xxx          | xxx         |
| Purchase Discounts                               | xxx          | xxx         |
| Net Purchases                                    | xxx          | xxx         |
| Less Raw Materials, End                          | xxx          | xxx         |
| Cost of Raw Materials Used                       | xxx          | xxx         |
| Direct Labor                                     | xxx          | xxx         |
| Factory Overhead                                 | xxx          | xxx         |
| Total Cost of Goods to be Manufactured           | xxx          | xxx         |
| Add Work in Process, Beg.                        | xxx          | xxx         |
| Less: Work in Process, End                       | xxx          | xxx         |
| Total Cost of Goods Manufactured                 | xxx          | xxx         |
| Add: Finished Goods, Beg.                        | xxx          | xxx         |
| Less: Finished Goods, End                        | xxx          | xxx         |
| Total Cost of Goods Sold                         | xxx          | xxx         |
| Add Inventory Loss                               | xxx          | xxx         |
| Adjusted Cost of Good Sold                       | xxx          | xxx         |
| Total Cost of Goods Sold                         | xxx          | xxx         |
| <b>Gross Revenues from Production Operations</b> | xxx          | xxx         |

|                                                 |     |     |
|-------------------------------------------------|-----|-----|
| <b>Income from Marketing Operations</b>         |     |     |
| Sales                                           | xxx | xxx |
| Less: Sales Returns & Allowances                | xxx | xxx |
| Sales Discounts                                 | xxx | xxx |
| Net Sales                                       | xxx | xxx |
| Less: Cost of Sales                             |     |     |
| Inventory, beginning                            | xxx | xxx |
| Purchases (net)                                 | xxx | xxx |
| Freight - In                                    | xxx | xxx |
| Total Goods Available For Sale                  | xxx | xxx |
| Less: Inventory, end                            | xxx | xxx |
| COST OF SALES                                   | xxx | xxx |
| <b>Gross Revenues from Marketing Operations</b> | xxx | xxx |



| ACCOUNTS                                      | Current Year | Previous Year | Increase/Decrease |
|-----------------------------------------------|--------------|---------------|-------------------|
| Impairment Loss                               | xxx          | xxx           | xxx               |
| Miscellaneous                                 | xxx          | xxx           | xxx               |
| <b>DISTRIBUTION COST</b>                      |              |               |                   |
| Power Cost                                    | xxx          | xxx           | xxx               |
| Labor and Technical Supervision               | xxx          | xxx           | xxx               |
| Salaries & Wages                              | xxx          | xxx           | xxx               |
| Employees' Benefits                           | xxx          | xxx           | xxx               |
| Retirement Benefit Expenses                   | xxx          | xxx           | xxx               |
| Insurance                                     | xxx          | xxx           | xxx               |
| SSS, Philhealth, ECC, Pag-Ibig Contribution   | xxx          | xxx           | xxx               |
| Supplies                                      | xxx          | xxx           | xxx               |
| Professional and Consultancy Fees             | xxx          | xxx           | xxx               |
| Power, Light and Water                        | xxx          | xxx           | xxx               |
| Travel and Transportation                     | xxx          | xxx           | xxx               |
| Rentals                                       | xxx          | xxx           | xxx               |
| Communication                                 | xxx          | xxx           | xxx               |
| Repairs and Maintenance                       | xxx          | xxx           | xxx               |
| Training/ Seminars                            | xxx          | xxx           | xxx               |
| Gas, Oil & Lubricants                         | xxx          | xxx           | xxx               |
| Depreciation                                  | xxx          | xxx           | xxx               |
| Amortization                                  | xxx          | xxx           | xxx               |
| Impairment Loss                               | xxx          | xxx           | xxx               |
| Miscellaneous                                 | xxx          | xxx           | xxx               |
| <b>TRANSPORT SERVICES COST</b>                |              |               |                   |
| Insurance                                     | xxx          | xxx           | xxx               |
| Gas, Oil & Lubricants                         | xxx          | xxx           | xxx               |
| Depreciation                                  | xxx          | xxx           | xxx               |
| Driver's / Conductor's Fees                   | xxx          | xxx           | xxx               |
| Toll Fees                                     | xxx          | xxx           | xxx               |
| Vehicle Registration and Licensing Expenses   | xxx          | xxx           | xxx               |
| Repairs and Maintenance                       | xxx          | xxx           | xxx               |
| Incidental Expenses                           | xxx          | xxx           | xxx               |
| Provision for Fortuitous Events and Accidents | xxx          | xxx           | xxx               |



NOTES TO FINANCIAL STATEMENTS

As of December 31, \_\_\_\_\_

(Amounts in Philippine Pesos)

- 1 GENERAL INFORMATION
- 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- 3 MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGEMENT  
AND ESTIMATES
  - 3.1 Judgments
  - 3.2 Estimates
- 4 Financial Risk Management Objectives and Policies
  - 4.1 Credit Risk
  - 4.2 Liquidity risks
  - 4.3. Other Price Risk Sensitivity
- 5 Cash & Cash Equivalent
  
- 6 Notes on financial assets - describe composition, description, etc.
- 7 Loans & Receivables
  - 7.1 Loans Receivables, Net
  - 7.2 Trade and Other Receivables
- 8 Inventory
- 9 Biological Assets
- 10 Other Current Assets
- 11 Breakdown of Non-Current Financial Assets
- 12 Investment Property
- 13 Property and Equipment
- 14 Intangible Assets
- 15 Other Funds and Deposits
- 16 Other Non-Current Assets
- 17 Deposit Liabilities
- 18 Trade, Non-Trade and Other Payables
- 19 Due to Union/Federation
- 20 Other Current Liabilities
- 21 Loans Payable
- 22 Bonds Payable
- 23 Revolving Capital Payable
- 24 Retirement Fund Payable
- 25 Finance Lease Payable
- 26 Other Non-Current Liabilities
- 27 Deposit on Future Share Subscriptions
- 28 Donations/Grants
- 29 Statutory Funds
- 30 Unrealized Gains/Losses
- 31 Income from Credit Operations
- 32 Income from Consumer Store Operations
- 33 Income from Service Operations
- 34 Income from Production Operations
- 35 Income from Marketing Operations
- 36 Other Income
- 37 Expenses
- 38 Allocation & Distribution of Net Surplus
- 39 Cooperative Guarantee Fund
- 40 Employee Benefits
- 41 Increase in Capital Stock
- 42 Related Party Transactions
- 43 Events After Balance Sheet Date
- 44 Commitments & Contingencies
- 45 Capital Management Objectives, Policies and Procedures

