

**ASIAN FARMERS' ASSOCIATION FOR SUSTAINABLE RURAL  
DEVELOPMENT (AFA), INC.**

*(A Non – Stock, Non – Profit Organization)*

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2014**

*(With comparative figures for December 31, 2013)*

**NOTE 1 – ASSOCIATION INFORMATION**

Asian Farmers' Association for Sustainable Rural Development (AFA), Inc. was incorporated and registered in the Philippines with the Securities and Exchange Commission (SEC) on February 15, 2006 under registration number CN200602060.

As stated in the Articles of Incorporation, the primary objectives are to strengthen the solidarity among farmers through the advancement of their sectoral causes and protection of their rights; to build a strong and dynamic regional lobby for genuine agrarian reform and sustainable rural development, while facilitating the exchange of creative local grassroots initiatives that attempts to address the roots of rural poverty. AFA's goals are to promote and advocate for the rights of Asian farmers, to uphold cooperation and solidarity among Asian farmers and to support capacity building among farmers' association.

The Association operates as a non-stock, non-profit organization in the Philippines. AFA, is a regional alliance of farmer federations and associations in eight (8) Asian countries established in May 2002. The formation of AFA was a fruit of three-year, five farmers' exchange visits organized by its strategic NGO partner, Asian Partnership for the Development of Human Resources in Rural Asia (AsiaDHRRA).

As a non-stock, non-profit organization for the purposes stated above, and as contemplated under Section 30 (E) of the National Internal Revenue Code (NIRC), the Association is exempt from the payment of income tax on income received or earned by it as such association. No part of the net income or asset of the Association belongs or inures to the benefit of any member, officer, or any specific person or entity. However, the Association's income of whatever kind and character from any of its properties, real or personal, or from any activity conducted for profit, regardless of the disposition, shall be subject to tax imposed under the Tax Code.

The registered office is located at Rm. 206 Partnership Center, 59 C. Salvador St. Loyola Heights, Quezon City.

The financial statements of the Association for the year ended December 31, 2014 were authorized for issue by the Board of Trustees on July 7, 2015. The Board of Trustees is still empowered to make amendments even after the date of issue.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. The policies have been consistently applied to all years presented, unless otherwise stated.

**2.1 Basis of financial statements presentation**

The accompanying financial statements of the Association have been prepared on historical cost basis.

All values are rounded to the nearest one dollar (\$ 1), except when otherwise indicated.

## **2.2 Statement of compliance**

The financial statements of the Association have been prepared in accordance with the Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SME). The PFRS for SME were adopted by the Philippine Financial Reporting Standards Council (PFRSC) on October 13, 2010 based on the International Financial Reporting Standards (IFRS) for Small and Medium Sized Entities issued by the International Accounting Standards Board. In a notice issued by the Securities and Exchange Commission on December 11, 2010, the Commission En Banc included the PFRS for SMEs in its rules and regulations in its meeting held on December 3, 2010.

The preparation of the financial statements in conformity with PFRS for SMEs requires the Association to make judgments and estimates that affect the reported amount of assets, liabilities, receipts and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause that judgment assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the financial statements as they become reasonably determinable.

Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in Note 3.

## **2.3 Foreign Currency Translation**

### *(a) Functional and presentation currency*

The financial statements are presented in US Dollar, which is the Association's presentation and functional currency.

### *(b) Transactions and balances*

Transactions in Philippine Peso are translated at exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from such transactions are recognized in the statement of receipts and expenses.

## **2.4 Cash**

Cash is valued at face amount. The Association considers all highly liquid instruments purchased with maturity of three months or less from date of acquisition and that are subject to insignificant risk of change in value as cash equivalents. As of reporting date, the Association has no cash equivalents (*see Note 4*).

## **2.5 Receivables**

Receivables arise when the Association provides money, goods or services directly to a debtor. These are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method, less impairment loss, except when these are due within one year in which case they are stated at their nominal values. Any change in their value is recognized in profit or loss. A provision for impairment of receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables.

**2.6 Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and any impairment losses. The initial cost of property and equipment is comprised of the purchase price and costs directly attributable to bringing the assets to their intended use.

Subsequent expenditures incurred after the assets have been put into operation are capitalized as additional cost of the assets when the resulting future economic benefit exceeds the originally assessed standard of performance of the asset. All other subsequent expenditures incurred such as repairs and maintenance are recognized in the statement of receipts and expenses in the period the costs are incurred.

When assets are sold or retired, their cost, accumulated depreciation and accumulated impairment losses are eliminated from the accounts and any resulting gain or loss is included in the statement of receipts and expenses of such period.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the terms of the lease or estimated useful lives of improvements.

The estimated useful lives of the assets are as follows:

<b>Category</b>	<b>Estimated useful life in years</b>
Office equipment	2-5 years
Furniture and fixtures	2-5 years

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

The Association's management periodically monitors the conditions of the property and equipment as well as the depreciation method used and the estimates on related useful lives to ensure that estimates adopted represent the actual situation.

**2.7 Impairment of non – financial assets**

Property and equipment and other long- lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the statement of receipts and expenses. The recoverable amount is the higher of an asset's selling price or value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or from its disposal at the end of its useful life.

## **2.8 Accounts payable and other current liabilities**

Accounts payable and other current liabilities are obligations on the basis of normal credit term and do not bear interest. These are recognized in the period in which the related money, goods or services received or when a legally enforceable claim against the Association is established or when the corresponding assets or expenses are recognized.

All of these payables are recognized initially at their nominal value and subsequently measured at amortized cost less settlement payments.

### **Withholding tax payable**

Withholding tax payable is measured at the amount expected to be paid by the Association. It resulted due to withholding of applicable tax on compensation, professional fee and payment to suppliers.

## **2.9 Revenue and expense recognition**

### ***Revenue Recognition***

Revenue comprises of grants, donations, other receipts, admin support fund, membership dues, annual dues and interest income (*collectively referred to as receipts*). Revenue is recognized to the extent that is probable that the economic benefits associated with the transaction will flow to the Association and the amount can be reliably measured.

Receipts arising from grants from the funders, donations and membership fees and dues are recognized as income when the amount of revenue can be measured reliably and collection is virtually certain. All project funds of AFA are restricted and are only spent in accordance with approved project budget.

### ***Expenses***

Expenses are recognized as incurred.

Project expenses and administrative expenses are recognized on the basis of a direct association between the costs incurred and revenue recognized by the Association.

## **2.10 Related party transactions and relationships**

Parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Individuals, associations or companies that directly or indirectly control or are controlled by or are under common control of the Association are also considered related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Transactions between related parties are accounted for at arm's length prices or on terms similar to those offered to non-related entities in an economically comparable market.

The Association's related party transaction includes key management personnel compensation.

## **2.11 Provisions**

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements.

Based on management's judgment, no provisions should be accrued in the Association's financial statements as of reporting date.

### **2.12 Contingent assets and contingent liabilities**

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

### **2.13 Events after the financial reporting date**

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

## **NOTE 3 – SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of the accompanying financial statements in conformity with PFRS for SME's requires management to make estimates and judgment that affect the amounts reported in the financial statements and accompanying notes. The estimates and judgment used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from such estimates and judgment.

### **3.1 Management's use of estimates**

The key assumptions concerning the future and other sources of estimating uncertainty at the reporting date that are significant to the carrying value of assets and liabilities are as follows:

a.) *Estimating useful life of property and equipment*

The Association estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property

and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of property and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property and equipment would increase recorded operating expenses and decrease non-current assets.

*b.) Fair value of financial instruments*

Where the fair values of financial assets and financial liabilities recorded in the statement of financial position or disclosed in the notes to the financial statements cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but when this is not feasible, estimates are used in establishing fair values. These estimates may include considerations of liquidity, volatility and correlation. Certain financial assets and liabilities were initially recorded at fair values by using the discounted cash flow method.

**3.2 Judgments in applying accounting policies**

*a.) Evaluating financial asset impairment*

The Association assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is measurable decrease in the estimated future cash flows, such as changes in arrears or economic condition that correlate with defaults.

*b.) Evaluating non financial asset impairment*

The Association reviews its long lived assets for impairment of value. This includes considering certain indications of impairment such as significant changes in asset usage, obsolescence or physical damage of asset, or results of operating performance.

**NOTE 4 – CASH**

The account consists of the following:

	<b>2014</b>	<b>2013</b>
Cash in banks	\$ 579,871	\$ 999,335
Cash on hand	4,716	4,729
Petty cash fund	224	119
<b>Total</b>	<b>\$ 584,811</b>	<b>\$ 1,004,183</b>

Cash in banks include current and savings accounts which generally earn interest at the prevailing bank deposit rates.

Cash on hand includes loose denomination of several foreign currency converted in Philippine peso. Petty cash fund is used for small amount of daily expenses.

**NOTE 5 – OTHER CURRENT ASSETS**

This account consists of:

	2014	2013
Advances to members	\$ 142,545	\$ 234,286
Advances to officers and employees	20,452	6,923
Accounts receivable- Projects	2,027	-
Salary loan receivables	1,995	1,482
Accounts receivable - staff	-	490
Short term investment	1,952	-
<b>Total</b>	<b>\$ 168,971</b>	<b>\$ 243,181</b>

Advances to members and to officers and employees represent the balances of funds provided to member parties and employees for the utilization of the projects. This account is noninterest-bearing and normally liquidated within 30-60 days.

Short term investment has a period of 182 days and bears interest at the rate of 4% per annum.

**NOTE 6 – PROPERTY AND EQUIPMENT- Net**

Details of the account at December 31 are as follows:

Particulars	December 31, 2013	Additions/ Transfers	Disposals/ Transfers	Prior period adjustments	December 31, 2014
<b>COST</b>					
Office equipment	\$ 3,997	\$ 319	\$ 443	-	\$ 3,873
Furniture and fixtures	1,470	-	52	-	1,418
<b>Total</b>	<b>5,467</b>	<b>319</b>	<b>495</b>	<b>-</b>	<b>5,291</b>
<b>ACCUMULATED DEPRECIATION</b>					
Office equipment	1,916	493	443	358	2,324
Furniture and fixtures	1,100	176	52	5	1,229
<b>Total</b>	<b>3,016</b>	<b>669</b>	<b>495</b>	<b>363</b>	<b>3,553</b>
<b>NET CARRYING AMOUNT</b>	<b>\$ 2,451</b>	<b>₱ (350)</b>	<b>\$ -</b>	<b>\$ (363)</b>	<b>\$ 1,738</b>

Approved by: mespenina

Date: 7/24/15

Particulars	December 31, 2012	Additions/ Transfers	Disposals/ Transfers	December 31, 2013
<b>COST</b>				
Office equipment	\$ 2,855	\$ 1,142	\$ -	\$ 3,997
Furniture and fixtures	1,443	27	-	1,470
<b>Total</b>	<b>4,298</b>	<b>1,169</b>	<b>-</b>	<b>5,467</b>
<b>ACCUMULATED DEPRECIATION</b>				
Office equipment	1,453	463	-	1,916
Furniture and fixtures	920	180	-	1,100
<b>Total</b>	<b>2,373</b>	<b>643</b>	<b>-</b>	<b>3,016</b>
<b>NET CARRYING AMOUNT</b>	<b>\$ 1,925</b>	<b>\$ 526</b>	<b>\$ -</b>	<b>\$ 2,451</b>

Depreciation is computed on a straight line method over the estimated life of the assets. No assets were found impaired. The carrying amount is equivalent to its fair value. Depreciation charged to operations during the year amounted to \$ 669 and \$ 643 in 2013.

#### NOTE 7 – ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

This account consists of the following:

	2014	2013
Accounts payable – Others	\$ 128,535	\$ 164,880
Accounts payable – Project	95,591	1,697
Accounts payable – Staff	9,138	8,577
Accrued expenses	298	5,081
<b>Total</b>	<b>\$ 233,562</b>	<b>\$ 180,235</b>

Accounts payable represent unsecured and non-interest bearing liabilities and are normally settled within the next financial year.

Accounts payable- others substantially represent unreleased checks.



**NOTE 8 – FUND BALANCES**

This account consists of:

	2014	2013
Fund balances- beginning	\$ 1,069,580	\$ 123,287
Excess of receipts over expenses (expenses over receipts)	(596,515)	946,293
Prior period adjustments	48,893	-
<b>Total</b>	<b>\$ 521,958</b>	<b>\$ 1,069,580</b>

Fund balances are determined using the nominal value of the grant received that has been utilized for the projects. Any excess of receipts over expense are reflected to this account.

**NOTE 9 – RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financing and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

Transactions with related parties included in the financial statements follows:

Category	Year	Transactions/ Volume	Outstanding Balance	Terms	Conditions
Advances to members	2014	(91,741)	<b>142,545</b>	Upon completion	Unsecured, no impairment, no guarantees
Advances to officer	2014	13,529	<b>20,452</b>	On demand	Unsecured, no impairment, no guarantees
			<b>162,997</b>		
Category	Year	Transactions/ Volume	Outstanding Balance	Terms	Conditions
Advances to members	2013	229,091	234,286	Upon completion	Unsecured, no impairment, no guarantees
Advances to officer	2013	9,206	6,923	On demand	Unsecured, no impairment, no guarantees
			<b>241,209</b>		

- A. The Association receivables and payables pertain to projects used in the Association's activities. Advances to officers and members are subject to liquidation 2 weeks upon completion of activities and the remaining cash settled through cash payment.
- B. The compensation of key management personnel of the association consists of salaries and wages amounting to \$ 79,013 for the year 2014.

**NOTE 10- RECEIPTS**

	2014	2013
Grants	\$ 625,154	\$ 1,257,697
Donations and other receipts	82,879	161,979
Membership and annual dues	2,500	1,400
Interest income	888	802
Realized forex gain/ (loss)	(4,546)	(2,027)
<b>Total</b>	<b>\$ 706,875</b>	<b>\$ 1,419,851</b>

**Grants:**

This account consists of:

	2014	2013
Agriterra	\$ 204,134	\$ 194,253
IFAD	176,624	900,000
ILC	105,980	16,131
CSA	85,213	53,339
GAFSPCU	31,274	85,000
GFAR	15,865	-
WORLD RURAL FORUM	6,064	-
KPA	-	8,974
<b>Total</b>	<b>\$ 625,154</b>	<b>\$ 1,257,697</b>

**Donations and other receipts:**

Below is the detail of this account:

	2014	2013
<b>Donation</b>	<b>\$ 2,000</b>	<b>\$ 2,668</b>
<b>Admin support fund</b>		
MTCP	48,352	-
GAFSP	11,972	-
CSA	9,424	-
ILC	1,375	-
Agriterra	-	37,319
General fund	-	59,093
	<b>71,123</b>	<b>96,412</b>
<b>Other receipts</b>		
WEF	3,161	845
AGRITERRA	1,611	50,681
QUNO	1,436	-
PAKISAMA	692	631
APAARI	404	-
IATP	60	-
NATHAN ASSOCIATION	-	4,210
AGRICORD	-	2,737
IFOAM	-	2,051
WB- FARMB	-	544
IIED	-	477
MAHINTANA FOUNDATION	-	283
WORLD VISION	-	439
	<b>7,364</b>	<b>62,898</b>
<b>Total</b>	<b>\$ 82,879</b>	<b>\$ 161,979</b>

**MEMBERSHIP AND ANNUAL DUES**

The Association composed of 17 members and its members are required to pay \$ 100 annually. As of December 31, 2014, annual dues and membership amounted to \$ 1,700 and \$ 800 respectively.

**NOTE 11 – PROJECT EXPENSES**

This account consists of:

	2014	2013
<b>AGRITERRA</b>		
Project coordination cost	\$ 70,420	\$ 37,400
Policy and advocacy	51,370	77,543
Farmers advocacy consultation tool expenses	35,442	-
EXECOM expenses	19,754	-
Young Farmers Workshops	18,135	-
Administrative expenses	11,913	-
Knowledge management	1,142	12,560
Member-member coop/exchange	306	-
PGPP advances to members	150	-
Workshops	89	-
Governance	-	732
	<b>208,721</b>	<b>128,235</b>
<b>AGRITERRA- EVALUATION</b>		
Hotel and meals	-	8,120
Transportation and travel	-	4,775
Field visits	-	4,401
De briefing meeting	-	1,000
Surcharges	-	1,000
	-	<b>19,296</b>
<b>AGRITERRA- WORKSHOP</b>		
Accommodation/ meals	-	9,155
Materials and supplies	-	4,590
Transportation and travel	-	2,054
Documentation	-	651
Field visit	-	581
	-	<b>17,031</b>
<b>COLLECTIF STRATEGIES ALIMENTAIRES (CSA)</b>		
Collectif Strategies Alimentaires Expenses	56,283	-
Knowledge management	7,738	-
Administrative expenses	86	41
Regional learning workshop	-	20,928
Technical support	-	11,704
Case study	-	10,179

Over- all coordination	-	6,595
PA representation on Regional/ International	-	133
	<b>64,107</b>	49,580
<b>FFF</b>		
Enterprise development	<b>32</b>	-
	<b>32</b>	-
<b>GAFSP CU</b>		
Administrative expenses	<b>12,201</b>	12,750
Asia Producer's Meeting	<b>7,050</b>	14,350
Country support mission	<b>6,311</b>	37,632
Travel to board meetings	-	11,758
Project coordination cost	-	3,685
	<b>25,562</b>	80,175
<b>GFAR</b>		
Administrative expenses	<b>15</b>	-
	<b>15</b>	-
<b>ILC-LM</b>		
Policy and advocacy	<b>10,000</b>	-
Knowledge management	<b>192</b>	-
Country data coordinators	<b>160</b>	-
Administrative expenses	<b>36</b>	-
	<b>10,388</b>	-
<b>ILC KGA</b>		
Policy and advocacy	<b>10,999</b>	-
Enterprise development	<b>1,540</b>	-
Project coordination cost	<b>892</b>	-
Knowledge management	<b>400</b>	-
Case study	-	6,461
Reg'l on Reg'l/ Int'l	-	200
Administrative expenses	-	69
	<b>13,831</b>	6,730
<b>ILC VGGT</b>		
National Forum	<b>6,300</b>	-
Policy Paper/Brief Research	<b>2,700</b>	-
Editing, Lay-outing & Printing	<b>1,440</b>	-
Coordination	<b>900</b>	-
Regional Issue Paper-Translation	<b>900</b>	-
Administrative expenses	<b>40</b>	-
	<b>12,280</b>	-
<b>KPA GRANT</b>		
Policy and advocacy	<b>6,075</b>	2,925
Knowledge management	<b>500</b>	-
Project coordination cost	<b>500</b>	-
	<b>7,075</b>	2,925

<b>MTCP2</b>		-
Review, workshop and training	<b>306,814</b>	-
Salaries and allowance	<b>164,815</b>	19,463
Technical assistance	<b>128,316</b>	-
Travel and representation	<b>111,678</b>	-
Office utilities and logistic support, audit, financial management	<b>65,131</b>	53
Research, studies and publication	<b>53,695</b>	-
M&E, knowledge management, com	<b>9,753</b>	-
Regional event facts & coordination	-	17,643
Administrative expenses	<b>458</b>	-
	<b>840,660</b>	37,158
<b>MTCP2- SDC US\$</b>		-
Review, workshop and training	<b>669</b>	-
	<b>669</b>	-
<b>QUNO</b>		-
Policy and advocacy	<b>1,349</b>	-
Administrative expenses	<b>10</b>	-
	<b>1,359</b>	-
<b>WEF</b>		-
Policy and advocacy	<b>1,860</b>	-
	<b>1,860</b>	-
<b>WRF</b>		-
Policy and advocacy	<b>12,000</b>	-
Knowledge management	<b>4,500</b>	-
Consultancies	<b>2,000</b>	-
Editing, lay-outing & printing	<b>1,800</b>	-
Administrative expenses	<b>1,914</b>	-
	<b>22,214</b>	-
<b>OTHERS</b>	-	3,950
	-	3,950
Total	<b>\$ 1,208,773</b>	<b>\$ 345,079</b>

**NOTE 12 – ADMINISTRATIVE EXPENSES**

Below are the details of Administrative expenses:

	2014	2013
Project coordination costs	39,571	60,086
Salaries	36,243	38,857
Repairs and maintenance	3,259	3,146
SSS, PHIC and HDMF	2,629	2,604
Professional fees	2,559	2,367
Insurance	2,035	3,218
Communications	1,549	3,738
Materials and supplies	1,527	1,084
Transportation and travel	1,403	445
Other services	1,145	973
Depreciation expense	670	643
Light and water	642	5,182
Meetings	595	-
Taxes and licenses	260	803
Security services	104	-
Bank charges	56	14
Dues and subscriptions	5	6
Representation	-	1,307
Miscellaneous	-	27
Other expenses	365	4,623
<b>Total</b>	<b>\$ 94,617</b>	<b>\$ 128,479</b>

Other services pertain to messengerial and janitorial services incurred by the Association.

Other expenses consist of courier fee, notarial fee and expenses for Christmas party.

**NOTE 13 – PRIOR PERIOD ADJUSTMENT**

Prior period adjustment during the year substantially represents adjustments for beginning balances of accounts to conform to the audited balances last year, overstatement of cost and depreciation of equipments.

**NOTE 14 - SUPPLEMENTARY INFORMATION UNDER RR 15-2010 AND RR 19-2011****A. RR 15-2010****Taxes and licenses**

	2014	2013
Mayor's permit	\$ 213	\$ 742
Barangay clearance	23	49
BIR registration	12	12
CTC	12	-
<b>Total</b>	<b>\$ 260</b>	<b>\$ 803</b>

**Withholding taxes**

Details of withholding taxes for the year are as follows:

	2014	2013
Withholding taxes on compensation	\$ 3,303	\$ 3,840
Expanded withholding taxes	187	-
<b>Total</b>	<b>\$ 3,490</b>	<b>\$ 3,840</b>

**B. RR 19-2011**

Details of receipts earned in 2014 and 2013 are as follows:

	2014	2013
Grants	\$ 625,154	\$ 1,257,697
Donations and other receipts	82,879	161,979
Membership and annual dues	2,500	1,400
Interest income	888	802
Realized forex gain/ (loss)	(4,546)	(2,027)
<b>Total</b>	<b>\$ 706,875</b>	<b>\$ 1,419,851</b>

**Itemized deductions**

	<b>2014</b>	<b>2013</b>
<b>AGRITERRA</b>		
Project coordination cost	\$ 70,420	\$ 37,400
Policy and advocacy	51,370	77,543
Farmers advocacy consultation tool expenses	35,442	-
EXECOM expenses	19,754	-
Young Farmers Workshops	18,135	-
Administrative expenses	11,913	-
Knowledge management	1,142	12,560
Member-member coop/exchange	306	-
PGPP advances to members	150	-
Workshops	89	-
Governance	-	732
	<b>208,721</b>	<b>128,235</b>
<b>AGRITERRA- EVALUATION</b>		
Hotel and meals	-	8,120
Transportation and travel	-	4,775
Field visits	-	4,401
De briefing meeting	-	1,000
Surcharges	-	1,000
	-	<b>19,296</b>
<b>AGRITERRA- WORKSHOP</b>		
Accommodation/ meals	-	9,155
Materials and supplies	-	4,590
Transportation and travel	-	2,054
Documentation	-	651
Field visit	-	581
	-	<b>17,031</b>
<b>COLLECTIF STRATEGIES ALIMENTAIRES (CSA)</b>		
Collectif Strategies Alimentaires Expenses	56,283	-
Knowledge management	7,738	-
Administrative expenses	86	41
Regional learning workshop	-	20,928
Technical support	-	11,704
Case study	-	10,179
Over- all coordination	-	6,595
PA representation on Regional/ International	-	133
	<b>64,107</b>	<b>49,580</b>
<b>FFF</b>		
Enterprise development	32	-
	<b>32</b>	<b>-</b>



<b>GAFSP CU</b>		
Administrative expenses	12,201	12,750
Asia Producer's Meeting	7,050	14,350
Country support mission	6,311	37,632
Travel to board meetings	-	11,758
Project coordination cost	-	3,685
	<b>25,562</b>	<b>80,175</b>
<b>GFAR</b>		
Administrative expenses	15	-
	<b>15</b>	
<b>ILC-LM</b>		
Policy and advocacy	10,000	-
Knowledge management	192	-
Country data coordinators	160	-
Administrative expenses	36	-
	<b>10,388</b>	<b>-</b>
<b>ILC KGA</b>		
Policy and advocacy	10,999	-
Enterprise development	1,540	-
Project coordination cost	892	-
Knowledge management	400	-
Case study	-	6,461
Reg'l on Reg'l/ Int'l	-	200
Administrative expenses	-	69
	<b>13,831</b>	<b>6,730</b>
<b>ILC VGGT</b>		
National Forum	6,300	-
Policy Paper/Brief Research	2,700	-
Editing, Lay-outing & Printing	1,440	-
Coordination	900	-
Regional Issue Paper-Translation	900	-
Administrative expenses	40	-
	<b>12,280</b>	<b>-</b>
<b>KPA GRANT</b>		
Policy and advocacy	6,075	2,925
Knowledge management	500	-
Project coordination cost	500	-
	<b>7,075</b>	<b>2,925</b>

<b>MTCP2</b>		
Review, workshop and training	306,814	-
Salaries and allowance	164,815	19,463
Technical assistance	128,316	-
Travel and representation	111,678	-
Office utilities and logistic support, audit, financial management	65,131	53
Research, studies and publication	53,695	-
M&E, knowledge management, com	9,753	-
Regional event facts & coordination	-	17,643
Administrative expenses	458	-
	<b>840,660</b>	<b>37,158</b>
<b>MTCP2- SDC US\$</b>		
Review, workshop and training	669	-
	<b>669</b>	<b>-</b>
<b>QUNO</b>		
Policy and advocacy	1,349	-
Administrative expenses	10	-
	<b>1,359</b>	<b>-</b>
<b>WEF</b>		
Policy and advocacy	1,860	-
	<b>1,860</b>	<b>-</b>
<b>WRF</b>		
Policy and advocacy	12,000	-
Knowledge management	4,500	-
Consultancies	2,000	-
Editing, lay-outing & printing	1,800	-
Administrative expenses	1,914	-
	<b>22,214</b>	<b>-</b>
<b>OTHERS</b>		
	-	3,950
	-	3,950
Total	<b>\$ 1,208,773</b>	<b>\$ 345,079</b>

Approved by: mespenina

Date: 7/24/15

<b>ADMINISTRATIVE EXPENSES</b>	<b>2014</b>	<b>2013</b>
Project coordination costs	<b>39,571</b>	60,086
Salaries	<b>36,243</b>	38,857
Repairs and maintenance	<b>3,259</b>	3,146
SSS, PHIC and HDMF	<b>2,629</b>	2,604
Professional fees	<b>2,559</b>	2,367
Insurance	<b>2,035</b>	3,218
Communications	<b>1,549</b>	3,738
Materials and supplies	<b>1,527</b>	1,084
Transportation and travel	<b>1,403</b>	445
Other services	<b>1,145</b>	973
Depreciation expense	<b>670</b>	643
Light and water	<b>642</b>	5,182
Meetings	<b>595</b>	-
Taxes and licenses	<b>260</b>	803
Security services	<b>104</b>	-
Bank charges	<b>56</b>	14
Dues and subscriptions	<b>5</b>	6
Representation	-	1,307
Miscellaneous	-	27
Other expenses	<b>365</b>	4,623
<b>Total</b>	<b>\$ 94,617</b>	<b>\$ 128,479</b>