CULION FOUNDATION, INC.

2015
ANNUAL REPORT

Strengthening Health Systems and
Empowering Communities since 1976

VISION

A better quality of life for Filipinos who enjoy the highest levels of health and human development.

MISSION

To help build the country's capacity to deal with various challenges to human development, primarily the prevention and control of communicable diseases and other health problems.

GOALS

To develop and upgrade the competencies of health human resources on the medical-technical aspects of the management of prevalent communicable and infectious diseases and on health program management, monitoring and evaluation.

To enhance people's participation in healthcare by raising their consciousness on the existing preventive healthcare practices and the available curative health services on prevalent communicable and infectious diseases in their locality.

To reduce the incidence of prevalent communicable and infectious diseases by lending proactive support to endeavors on the identification and treatment of persons who may be afflicted with such diseases in particular geographic areas.

To promote the development and institutionalization of local health systems–on governance in health, health delivery system, social health insurance, and drug management–applicable to targeted specific geographic areas.

To assist in efforts to prevent and control communicable diseases and other health problems especially in areas with high burden of disease.

To help families access means and opportunities to improve their health and overall well-being.

CULION FOUNDATION, INC. is a non-stock, non-profit social development organization that aims to improve the quality of life of underserved Filipinos through public health and community development. It is registered with the Department of Social Welfare and Development and accredited by the Philippine Council for NGO Certification. It is a member of the Association of Foundations and the National Leprosy Advisory Board of the Department of Health. It works with National Government Agencies, Local Government Units, and International and Local Non-Governmental Organizations.

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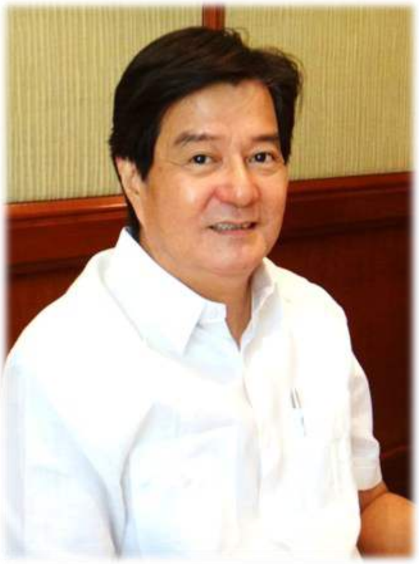
MESSAGE FROM THE CHAIRMAN AND PRESIDENT



Dear Friends,

I am pleased to present our Annual Report for 2015. For almost four decades, our Foundation has harnessed the resources of public and private sectors with the aim of enhancing the quality of life of the underserved through public health and community development.

Through our 2015 programs namely Hospital-based Tuberculosis Direct Observe Treatment Short-course Initiatives, Modified Leprosy Elimination Campaign, Assistance to Small Enterprises Development, and the Balik-Culion Program, our Foundation marked another milestone toward achieving the vision of its founders, Fr. Javier Olazabal, SJ and Jose Ma. Soriano, Sr. Looking ahead, new directions will be pursued, one of which is a focus on Neglected Tropical Diseases.

We envision to be a strong pillar of support to our country's health system. Our Foundation seeks to continue the good work that we have started and to have more programs in controlling Neglected Tropical Diseases.

We have much to be thankful for in 2015, most especially an invigorated Board of Trustees, new partnerships with NGOs, stronger public and private support, and a fully committed and competent staff.

In behalf of the Trustees, allow me to thank our stakeholders, partners, and friends who have helped us make 2015 another successful year.

ALBERTO A. LIM
Chairman and President

YEAR IN REVIEW

In 2015, the Foundation enhanced its visibility, strengthened its reputation, effectively managed ongoing programs, and developed new ones in line with its vision and mission. To guide its operations, it developed a framework, three pillars, which are:

CONNECT

Partnerships, linkages and strategic alliances, such as membership in networks and participation in collaborative activities, were strengthened. It enabled the Foundation to implement programs mandated by its mission using available resources through coordination and resource sharing. In particular, the Foundation joined the Association of Foundations and, by affiliation with it, the Caucus of Development NGOs. It likewise initiated the Culion Forum to harmonize the work of development NGOs in Culion and Northern Palawan.

FOCUS

The Foundation focused on quality management, fiscal efficiency, organizational strengthening, and customer satisfaction. It concentrated on effective management of existing programs and projects, resource mobilization, and operationalization of the Balik-Culion program to re-establish its presence in the Municipality of Culion, where it began, as part of its 40th anniversary.

INNOVATE

New programs were explored that are relevant to the vision and mission of the Foundation, such as integrated area development, re-emerging and neglected tropical diseases, particularly filariasis, schistosomiasis, and helminthiasis, in line with the government's efforts to strengthen its programs in these areas.

PROGRAM IMPLEMENTATION

Culion Foundation, Inc. implemented four major programs in 2015.

Hospital TB-DOTS Initiatives

The Foundation continued to implement the Hospital-based Tuberculosis Directly Observed Treatment Short-course (TB-DOTS) Project of the National Tuberculosis Control Program of the Department of Health. Under this project, training and technical assistance to public and private hospitals were provided in Region VIII (Eastern Visayas) and Region IX (Zamboanga del Sur).

The Foundation helped 68 hospitals out of a target of 64 to become a TB-DOTS referring or providing facility in their locality. A referring hospital, unlike a providing hospital, does not have the facilities to do TB-DOTS and thus refers presumptive patients, who are screened via x-ray or clinical assessment, to a TB-DOTS-capable health center.

The targets were exceeded, thanks to training and technical assistance, program reviews, and intensive monitoring. The project was supported by a grant from The Global Fund to Fight AIDS, Tuberculosis, and Malaria through the Philippine Business for Social Progress.

Hospital TB-DOTS Accomplishments vs. Targets			
Indicators	**Target**	**Accomplishments**	
Number of **public hospitals** that are DOTS providing or referring	32	34	106.25%
Number of **private hospitals** that are DOTS providing or referring	32	34	106.25%

GOVERNMENT HOSPITALS

REGION VIII – Eastern Visayas

Abuyog District Hospital
Albino Duran Memorial Hospital
Anahawan District Hospital
Arteche District Hospital
Basey District Hospital
Burauen District Hospital
Calbayog District Hospital
Can-Avid Municipal Hospital
Carigara District Hospital
Catubig District Hospital
Dolores Municipal Hospital
Dr. Manuel B. Veloso Memorial Hospital
Felipe Abrigo Memorial Hospital
Gandara District Hospital
General MacArthur Municipal Hospital
Hilongos District Hospital
Hinunangan Community Hospital
Kananga Municipal Hospital
Liloan Community Hospital
Llorente Municipal Hospital
NorthWestern Leyte District Hospital
Oras District Hospital
Ormoc District Hospital
Padre Burgos Community Hospital
Pintuyan District Hospital
Quinapondan Community Hospital
Samar Provincial Hospital
San Antonio District Hospital
Tabango Community Hospital
Taft District Hospital
Tarangnan Community Hospital
Visayas State University Hospital
Western Leyte Provincial Hospital

REGION IX – Zamboanga del Sur

Kuta Cesar Sang-An Station Hospital
Zamboanga Del Sur Medical Center

PRIVATE HOSPITALS

REGION VIII – Eastern Visayas

Agpalo Hospital - Guiuan Polymedic
Baybay Doctors Hospital
Borongan Doctors Hospital
Catarman Doctors Hospital
Clinica Gatchalian and Hospital
Consuelo K. Tan Memorial Medical Center
Corrompido Specialty Clinic & Hospital
Domingo Casano Hospital
Immaculate Conception Clinic and Hospital
Leoncio Uy Memorial Hospital
Maasin Maternity & Children's Hospital
Mother of Mercy Hospital
Oras Doctors Hospital
Our Lady of Guadalupe Hospital
Our Lady of Porziuncola Hospital, Inc.
Our Lady of Refuge Hospital
Pudpud Polyclinic & Specialty Hospital
St. Camillus Hospital
St. Vincent Medical Clinic
Tacloban Doctors Medical Center
Zenon T. Lagumbay Memorial Hospital

REGION IX – Zamboanga del Sur

Aisah Hospital
Blancia Hospital
Borbon General Hospital
Brent Colleges and Hospital, Inc.
Hofilena Hospital
J. Cabahug Hospital
Jamelarin Hospital
Lorenzo Tan Multi-Purpose Cooperative Hospital
Pagadian City Medical Center
Salug Valley Medical Center
SS Lumapas Medical Center
Universidad de Zamboanga Medical Center

Modified Leprosy Elimination Campaign Project

Through this project, the Foundation provided technical assistance to the Department of Health of the Autonomous Region in Muslim Mindanao (DOH-ARMM) in the control of leprosy. This project was implemented from August to October, 2015. It focused on capacitating locally formed Leprosy Health Teams (LHTs) in implementing quality leprosy service in support of the Leprosy Control Program.

It also conducted planning workshops and provided training in Basic Leprosy Management, Skills Development and Innovative Approaches to the health workers in the municipalities in the provinces of Basilan and Tawi-Tawi. The workers conducted daily active case-finding activities such as *Kilatis Kutis*, and surveys on the attitudinal responses of persons affected by leprosy towards the disease.

City and Municipalities served in ARMM	
Lamitan City, Basilan	Bongao, Tawi-Tawi
Maluso, Basilan	Mapun, Tawi-Tawi
Sumisip, Basilan	Panglima Sugala, Tawi-Tawi

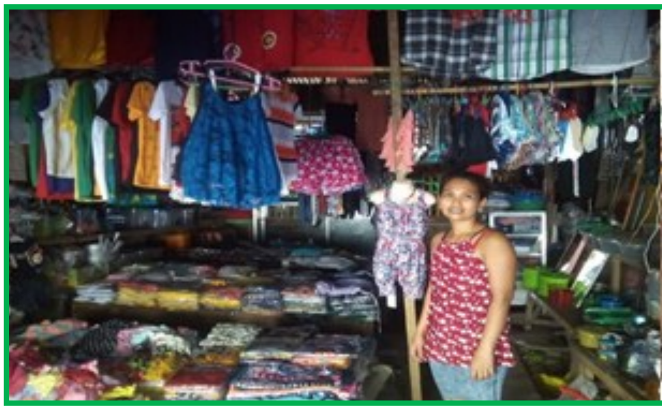
The outcomes of the project include: increase in new case detection, increase in community awareness, improved health-seeking behavior, reduced stigma and discrimination, enhanced local partnerships, access to leprosy detection, and improved prevention of disability or deformity.

The Foundation exceeded the DOH's target for case-finding. The target was six (6) while the accomplishments totaled to 48 for all types, 28 of which were new cases. At the same time, eight (8) LHTs were formed. Funding came from the Western Pacific Regional Office of the World Health Organization.

MLEC Accomplishments vs. Targets				
Case-finding Activities	**Target**	**Accomplishments**		
New Leprosy Cases	6	All types	48	860%
		New cases	28	467%
LHTs formed	8		8	100%

Assistance to Small Enterprises Development Project

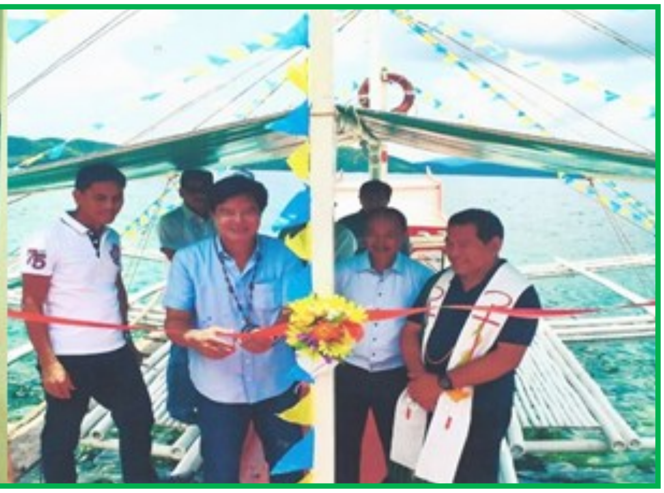
Through the Assistance to Small Enterprise Development project, the Foundation helped 348 micro and small-scale entrepreneurs in Culion and Coron through accessible credit services. During the year, it had a total loan portfolio of ₱4,075,477.50.



Balik-Culion Program

The Foundation began commemorating its 40th year with a year-long celebration. Initial activities included partnership with Assisi Development Foundation, Inc. for the Hapagasa Project which is a nutrition supplementation program for lactating mothers and undernourished children in Culion. This is being done in coordination with the Culion Health and Nutrition Office. In addition, the Foundation partnered with Vitamin Angel Alliance, Inc. for Vitamin A supplementation for children and pregnant women.

It also donated a health patrol boat to the Health and Nutrition Office of Culion to monitor the health situation of the island barangays and to provide the residents greater access to health care. The funding for the boat came from the Juan and Lualhati Cojuangco Foundation, Inc.



Through the assistance from the Philippine Association Sovereign Order of Malta, the Foundation distributed 470 pairs of Toms Shoes to the students in the island barangays of Culion. Likewise, various medicines were given to far-flung barangays of the municipality. Moreover, personal hygiene products and detergents from Surf, Fissan, Dove, and Vaseline to families in Culion and Coron were distributed through donations from ActivAsia, Inc.

ORGANIZATIONAL STRENGTHENING

Aside from implementing projects, efforts to strengthen the Foundation were pursued. Ms. Maria Aurora F. Tolentino and Ms. Ma. Yolanda V. Ong became new Trustees. Mr. Jose Ma. Soriano, Jr. and Dr. Jaime Y. Lagahid resigned from the Board because of their present locations. However, they remain active members.

As one measure to improve governance, the Board decided to hold quarterly meetings instead of just one annual meeting as was practiced in the past. In addition, the trustees were given specific committees to head and supervise as follows: Atty. Anthony Charlemagne Yu for governance, Dr. Mario C. Villaverde for human resource development, Ms. Ruth S. Callanta for assistance to small enterprise development, Ms. Maria Aurora F. Tolentino for resource mobilization, Ms. Ma. Yolanda V. Ong for strategic communication, Mr. Gil T. Salazar for finance, and Mr. Alberto A. Lim for program development.

In human resource development, Mr. Eugenio M. Caccam, Jr. and Mr. Calixto J. Trillanes, III became the new Executive Director and Program Manager, respectively, on February 16, 2015.

In partnership development, the Foundation became a member of the Association of Foundations in October 2015. Benefits of membership include participation in collaborative activities, visibility among other NGOs, membership in the Caucus of Development NGO Networks (CODE-NGO), access to resources, linkages to donor organizations, and programs for staff and board development.

The Culion Forum was convened to enhance the Foundation's strategic alliances on the ground. As a result, the Foundation was nominated to be the lead agency in promoting biodiversity-friendly social enterprises in Northern Palawan under the Small Grants Project of the United Nations Development Program. With a grant of ₱5 million, the project will start in 2016.

Members of the First Culion Forum	
Assisi Development Foundation, Inc.	Culion Foundation, Inc.
BPI Globe BanKO, Inc.	Foundation for Philippine Environment
CARD Mutually Reinforcing Institutions	Habitat for Humanity Philippines
Cartwheel Foundation, Inc.	Partnership of Philippine Support Agencies

Likewise, it revived partnerships with the Sovereign Order of Malta Philippines, Andres Soriano Foundation, El Nido Foundation and the Philippine Leprosy Mission.

In resource mobilization, the Resource Mobilization Committee assisted in developing project proposals and developing strategies for growing its Endowment Fund. A Resource Mobilization Road Map was developed. One new project was the Modified Leprosy Elimination Campaign. Furthermore, negotiations with The Global Fund resulted in an increase of ₱4 million in project grant to enable the Foundation to conduct more capability building activities for its target hospitals.

In strategic communications, a communication plan was developed to enhance its visibility to various stakeholders and the general public. The overarching message revolves around the Foundation's leadership in public health, particularly in the control of the Neglected Tropical Diseases, and community development in general. The Foundation will communicate this through publications, brochures, tri-media and social media. At the same time, a regular updating of the Foundation's website was also done. Aside from the use of social media and website, it also intends to partner with television networks to disseminate information on the activities.

40, THE NEW 20

With stronger governance, a stable financial base, strong resource mobilization capability, effective external communication, and an energized organization, Culion Foundation, Inc. is well prepared to accomplish its mission in the coming years.

On its 40th year, the Foundation will refocus and strengthen work on tuberculosis and Neglected Tropical Diseases, particularly leprosy, filariasis, schistosomiasis, and helminthiasis. It will also renew its participation in the development of the Municipality of Culion.

FINANCIAL REPORT

Room 507, Evekal Building
855 A. Arnaiz Avenue,
Legaspi Village, Makati City
Philippines
Tel. No. 02 812 2170
Fax. No. 02 893 0925
culionfoundation@gmail.com
www.culionfoundation.org

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The Management of **Culion Foundation, Inc.** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2015. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2015 and the accompanying Annual Income Tax Return are in accordance with the books and records of Culion Foundation, Inc., complete and correct in all material respects. Management likewise affirms that:

(a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;

(b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Foundation's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;

(c) Culion Foundation Inc. has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

EUGENIO M. CACCAM, JR
Executive Director

GIL T. SALAZAR
Treasurer

ALBERTO A. LIM
Chairman and President

Culion Foundation, Inc. is registered with the Department of Social Welfare and Development (DSWD) and accredited by the Philippine Council for NGO Certification (PCNC).

Member : • National Leprosy Advisory Board (NLAB)
• Association of Foundations (AF)

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 891 0307
Fax: (632) 819 0872
ey.com/ph

BOA/PRC Reg. No. 0001,
December 14, 2015, valid until December 31, 2018
SEC Accreditation No. 0012-FR-4 (Group A),
November 10, 2015, valid until November 9, 2018

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Culion Foundation, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Culion Foundation, Inc. (a nonstock, nonprofit organization), which comprise the statements of assets, liabilities and fund balances as at December 31, 2015 and 2014, and the statements of revenues and expenses, statements of changes in fund balances and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the statement of assets, liabilities and fund balances of Culion Foundation, Inc. as at December 31, 2015 and 2014, and its revenues and expenses and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities.

Report on Supplementary Information Required Under Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 17 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Culion Foundation, Inc. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Leovina Mae V. Chu

Leovina Mae V. Chu
Partner
CPA Certificate No. 99910
SEC Accreditation No. 1199-AR-1 (Group A),
June 22, 2015, valid until June 21, 2018
Tax Identification No. 209-316-911
BIR Accreditation No. 08-001998-96-2015,
January 5, 2015, valid until January 4, 2018
PTR No. 5321709, January 4, 2016, Makati City

April 12, 2016

CULION FOUNDATION, INC.
(A Nonstock, Nonprofit Organization)

STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCES

	Endowment Fund	Operating Fund	Current Projects	Elimination (Note 14)	2015 Total	2014 Total
ASSETS						
Current Assets						
Cash (Note 4)	₱1,814,145	₱1,293,797	₱4,986,352	₱–	₱8,094,294	₱9,448,960
Project advances (Note 5)	–	–	2,491,893	–	2,491,893	4,079,353
Receivables (Note 6)	408,160	865,534	336,746	(805,999)	804,441	154,501
Funds handled by investment managers (Note 7)	43,635,229	–	–	–	43,635,229	42,667,601
Total Current Assets	45,857,534	2,159,331	7,814,991	(805,999)	55,025,857	56,350,415
Noncurrent Assets						
Office equipment (Note 8)	–	51,993	10,149	–	62,142	136,449
Other noncurrent assets (Note 9)	–	78,853	30,400	–	109,253	121,036
Total Noncurrent Assets	–	130,846	40,549	–	171,395	257,485
TOTAL ASSETS	₱45,857,534	₱2,290,177	₱7,855,540	(₱805,999)	₱55,197,252	₱56,607,900

	Endowment Fund	Operating Fund	Current Projects	Elimination (Note 14)	2015 Total	2014 Total
LIABILITIES AND FUND BALANCES						
Current Liabilities						
Accrued expenses and other payables (Note 10)	**₱–**	**₱616,826**	**₱2,433,675**	**(₱805,999)**	**₱2,244,502**	₱3,378,848
Funds held for specific purposes (Note 11)	–	–	–	–	–	122,635
Total Current Liabilities	–	**616,826**	**2,433,675**	**(805,999)**	**2,244,502**	3,501,483
Noncurrent Liability						
Retirement benefit obligation (Note 12)	–	**512,823**	**161,799**	–	**674,622**	426,457
Fund Balances						
Restricted (Note 15)	**45,857,534**	–	–	–	**45,857,534**	44,230,331
Unrestricted	–	**1,160,528**	**5,260,066**	–	**6,420,594**	8,449,629
Total Fund Balances	**45,857,534**	**1,160,528**	**5,260,066**	–	**52,278,128**	52,679,960
TOTAL LIABILITIES AND FUND BALANCES	**₱45,857,534**	**₱2,290,177**	**₱7,855,540**	**(₱805,999)**	**₱55,197,252**	₱56,607,900

See accompanying Notes to Financial Statements.

CULION FOUNDATION, INC.
(A Nonstock, Nonprofit Organization)

STATEMENTS OF REVENUES AND EXPENSES

	Endowment	Operating Fund	Current Projects	2015 Total	2014 Total
REVENUES					
Grants and donations (Note 16)	₱–	₱1,000,000	₱16,584,061	₱17,584,061	₱8,842,844
Interest income (Notes 4, 5 and 7)	1,287,734	3,292	1,401,990	2,693,016	2,923,397
Other income	720,621	356,484	192,650	1,269,755	2,388,619
TOTAL REVENUES	2,008,355	1,359,776	18,178,701	21,546,832	14,154,860
EXPENSES					
Programs and projects (Note 16):					
Community development assistance program:					
Local personnel	–	–	885,308	885,308	864,569
Administration and management	–	–	856,209	856,209	637,458
Current projects:					
Human resource	–	–	6,349,185	6,349,185	4,146,437
Travel related costs	–	–	6,231,629	6,231,629	2,478,272
Administration and management	–	–	1,571,604	1,571,604	668,995
Planning and administration	–	–	1,437,841	1,437,841	728,348
Capability Building/Trainings	–	–	591,759	591,759	–
Local personnel	–	–	336,569	336,569	582,267
Active Case Finding	–	–	165,744	165,744	–
Overheads	–	–	–	–	155,843
Monitoring and evaluation	–	–	–	–	82,682
	–	–	18,425,848	18,425,848	10,344,871
General and administrative expenses (Note 13)	–	3,107,835	33,398	3,141,233	3,576,022
Other expenses	381,152	431	–	381,583	17,802
TOTAL EXPENSES	381,152	3,108,266	18,459,246	21,948,664	13,938,695
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)	₱1,627,203	(₱1,748,490)	(₱280,545)	(₱401,832)	₱216,165

See accompanying Notes to Financial Statements.

CULION FOUNDATION, INC.
(A Nonstock, Nonprofit Organization)

STATEMENTS OF CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Endowment	Operating Fund	Current Projects	Total
Balances at December 31, 2013	₱41,740,778	₱5,840,815	₱4,882,202	₱52,463,795
Excess of revenues over expenses (expenses over revenue)	2,489,553	(2,931,797)	658,409	216,165
Balances at December 31, 2014	44,230,331	2,909,018	5,540,611	52,679,960
Excess of revenues over expenses (expenses over revenue)	1,627,203	(1,748,490)	(280,545)	(401,832)
Balances at December 31, 2015	₱45,857,534	₱1,160,528	₱5,260,066	₱52,278,128

See accompanying Notes to Financial Statements.

CULION FOUNDATION, INC.
(A Nonstock, Nonprofit Organization)

STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenses (expenses over revenues)	**(₱401,832)**	₱216,165
Adjustments for:		
Provision for impairment losses (Note 5)	**642,925**	394,233
Retirement benefit expense (income) (Note 12)	**248,165**	(127,346)
Depreciation (Note 8)	**80,997**	94,834
Unrealized foreign exchange gain	**11,623**	(5,778)
Interest income	**(2,693,016)**	(2,923,397)
Excess of expenses over revenues before working fund changes	**(2,111,138)**	(2,351,289)
Decrease (increase) in:		
Project advances	**1,017,687**	904,830
Receivables	**(649,940)**	82,510
Other noncurrent assets	**11,783**	(3,831)
Decrease in:		
Accrued expenses and other payables	**(1,134,346)**	(2,569,752)
Funds held for specific purposes	**(122,635)**	(50,002)
Net cash used in operations	**(2,988,589)**	(3,987,534)
Interest received	**1,333,307**	1,820,913
Net cash flows used in operating activities	**(1,655,282)**	(2,166,621)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	**1,166,168**	1,026,235
Increase in funds handled by investment managers	**(847,239)**	(2,166,002)
Acquisition of office equipment (Note 8)	**(6,690)**	(68,001)
Net cash flows from (used in) investing activities	**312,239**	(1,207,768)
NET DECREASE IN CASH	**(1,343,043)**	(3,374,389)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	**(11,623)**	5,778
CASH AT BEGINNING OF YEAR	**9,448,960**	12,817,571
CASH AT END OF YEARs	**₱8,094,294**	₱9,448,960

See accompanying Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

1. **Corporate Information**

Culion Foundation, Inc. (the Foundation) was incorporated on June 9, 1976 as a nonstock, nonprofit organization under the laws of the Philippines. It was established primarily to engage in and support research and development work on the prevention and cure of leprosy and other communicable and infectious diseases as well as to promote the social and economic development, rehabilitation and well-being of hansenites and their dependents.

On September 26, 2008, the Philippine Securities and Exchange Commission (SEC) approved the Foundation's amendment of its Articles of Incorporation (AOI) to include in its purpose the engaging in and operating a pharmaceuticals and medical supplies project to complement its programs, projects and activities in the elimination of leprosy and other communicable and infectious diseases, as well as to generate revenues for the continuous operation of these programs, projects and services, including other socio-economic development undertakings in selected communities. It also included in its purpose the promotion, support and financing of other specific livelihood/income-generating ventures in agriculture, fishing, utility services and/or cottage industries of its beneficiaries by undertaking Micro-finance Operations pursuant to Republic Act (RA) No. 8425, the Social Reform and Poverty Alleviation Act.

Under Section 30 (e) of RA No. 8424 entitled "An Act Amending the National Internal Revenue Code, As Amended, and For Other Purposes", income from activities conducted in pursuit of the objectives for which the Foundation was established is exempt from income tax. However, any income on any of its properties, real or personal, or from any activity conducted for profit regardless of the disposition of such income, is subject to income tax.

The Foundation under its Bureau of Internal Revenue (BIR) Certificate of Registration No. 077-2005 dated October 18, 2005 is duly accredited by the Philippine Council for NGO Certification (PCNC). Under its BIR Certificate of Registration, the donation/s received by the Foundation shall entitle the donor/s full or limited deduction pursuant to Section 34 (H) (1) or (2), and exemption from donor's tax deduction pursuant to Section 101 (A) (3) of the RA No. 8424, subject to the representation and commitments set forth in the application for accreditation filed with the PCNC and provisions of applicable rules and regulations of the BIR. The Certificate of Registration shall be valid for five (5) years from the date of its issuance unless sooner revoked by the BIR for violations of any provisions of Revenue Regulation No. 13-98 or upon withdrawal of Certificate of Accreditation by PCNC. The Foundation renewed its accreditation with PCNC on October 4, 2011.

On December 23, 2014, the Foundation renewed its registration with the BIR as a donee foundation. The Certificate of Registration is valid until September 22, 2017, subject to extension until August 7, 2019 upon presentation of renewed Certification of Registration from the Department of Social Welfare and Development.

On April 10, 2015, the BOT approved the amendments of the Foundation's AOI and By Laws. The amendments to the AOI and By Laws were approved by the Philippine SEC on October 8, 2015 and October 14, 2015. Among others, the amendments include:

a. Adding as one its primary purposes the promotion, support and assistance to other appropriate livelihood or income generating ventures in agriculture, fishing, utility services and/or cottage industries of its beneficiaries; and

b. Change in the number of trustees of the Foundation from seven (7) to eleven (11).

The registered office address of the Foundation is at Room 507, Evekal Building, 855 Arnaiz Avenue, Legaspi Village, Makati City.

The financial statements of the Foundation as of and for the years ended December 31, 2015 and 2014 were authorized for issue by the Executive Committee for and in behalf of the BOT on April 12, 2016.

2. Summary of Significant Accounting Policies

Basis of Preparation
The accompanying financial statements have been prepared on a historical cost basis and are presented in Philippine Peso which is the Foundation's functional and presentation currency.

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

Fund Accounting
To ensure the observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting in which resources for various purposes are classified, for accounting and reporting purposes, into funds established according to their nature and purposes. Accordingly, all financial transactions have been recorded and reported by fund group, as follows:

- "Unrestricted fund" represents the portion of expendable funds available for support of the Foundation's operations.
- "Restricted fund" represents the amount set aside by the Foundation's management for special projects and other contingencies.

Cash
Cash includes cash on hand and in banks.

Project Advances and Receivables
Project advances and receivables are recognized and carried at original amount less allowance for any uncollectible amounts. At the end of each reporting period, the carrying amounts of project advances and receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in the statement of revenues and expenses.

Funds Handled by Investment Managers
Funds handled by investment managers consists of investments in government securities, marketable equity securities, bonds and other securities, which are classified as current and are stated at their market value and at amortized cost. The investments are initially recorded at cost.

The carrying value of the investment that are recognized under fair value through profit or loss account is periodically adjusted to reflect both the upward and downward changes in the market value of the investments. The changes in the market value of the investments are recorded under “Other income” and “Other expense” account in the statement of revenues and expenses.

The non-derivative investments with fixed or determinable payment and fixed maturities are classified as held to maturity when there is a positive intention and ability to hold them to maturity. After initial measurement, held to maturity investments are measured at amortized cost using the effective interest, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest amortizations are recorded under “Other income” and “Other expense” account in the statement of revenues and expenses.

Office Equipment
Office equipment is carried at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets which is three (3) to five (5) years. The initial cost of office equipment comprises its purchase price and other directly attributable costs of bringing the asset to its working condition and location for its intended use.

The estimated useful lives and the 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 office equipment.

When office equipment are retired or otherwise disposed of, their cost, accumulated depreciation and any allowance for impairment in value are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statements of revenues and expenses.

Fully depreciated assets are retained as office equipment until these are no longer in use.

Impairment of Nonfinancial Assets
The Foundation’s nonfinancial assets comprise of office equipment and security deposits and advance rentals. These nonfinancial assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the asset or cash-generating units are written down to its recoverable amount. The estimated recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm’s length transaction less the costs of disposal while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the statement of revenues and expenses.

Recovery of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The recovery is recorded in the statement of revenues and expenses. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for that asset in prior years.

Accrued Expenses and Other Payables
Accrued expenses and other payables are recognized in the statement of assets, liabilities and fund balances when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

Revenue Recognition
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Foundation and the amount of revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Grants and Donations
Grants and donations are recognized when the right to receive such has been established.

Interest Income
Interest income is recognized as it accrues using effective interest rate method.

Other Income
Other income is recognized when earned.

Expense Recognition
Expenses are recognized as incurred following the accrual basis of accounting.

Operating Leases
Operating leases represent those leases under which substantially all the risks and rewards of ownership of the leased assets remain with the lessor. Lease payments under operating leases are recognized as expense on a straight-line basis over the term of the lease.

Foreign Currency Transactions
Transactions in foreign currencies are recorded using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated using the closing exchange rate at the reporting date. Foreign exchange differences between rate at transaction date and rate at settlement date or reporting date are recognized in the statement of revenues and expenses.

Retirement Benefits
Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The retirement benefit obligation recognized in the statement of assets, liabilities and fund balances in respect of the defined benefit pension plans is the present value of defined benefit obligation at the reporting date. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be

paid, and that have terms to maturity approximating to the terms of the related pension liability. All actuarial gains or losses are charged against current operations.

Provisions

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

Where the Foundation expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statements of revenues and expenses, net of any reimbursement.

Contingencies

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

Events after the Reporting Period

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

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Foundation’s financial statements in compliance with PFRS for SMEs requires management to make judgments, estimates and assumptions that affect amounts and disclosures reported. The judgments, estimates and assumptions used in the financial statements are based upon management’s evaluation of relevant facts and circumstances as of the date of the Foundation’s financial statements, giving due consideration to materiality. Actual results could differ from those estimates, and such estimates will be adjusted accordingly. Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Foundation believes that the following represent a summary of these significant judgments, estimates, assumptions and the related impact and associated risks in the Foundation’s financial statements.

Judgments

Determining Functional Currency

The functional currency of the Foundation has been determined to be the Philippine peso. The Philippine peso is the currency of the primary economic environment in which the Foundation operates.

Operating Lease - Foundation as Lessee
The Foundation has entered into lease agreement as a lessee. The Foundation has determined that the lessor retains all the significant risks and rewards of ownership of these properties. The lease agreement is accounted for as operating lease.

Estimates
Estimating Impairment of Project Advances and Receivables
Management reviews the age and status of project advances and receivables and identifies accounts that are to be provided with allowance on a continuous basis. The Foundation maintains allowance for impairment losses at a level considered adequate to provide for potential uncollectible accounts.

Provision for impairment losses on project advances amounted to ₱642,925 and ₱394,233 in 2015 and 2014, respectively. Allowance for impairment losses amounted to ₱1,583,585 and ₱940,660 as of December 31, 2015 and 2014, respectively (see Note 5). No provision for impairment losses on receivables is recorded in 2015 and 2014 (see Note 6).

The aggregate net book values of project advances and receivables amounted to ₱3,296,334 and ₱4,233,854 as of December 31, 2015 and 2014, respectively (see Notes 5 and 6).

Estimating Useful Lives of Office Equipment
The Foundation estimates the useful lives of office equipment based on the period over which the assets are expected to be available for use. The estimated useful lives 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 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.

Net book values of office equipment amounted to ₱62,142 and ₱136,449 as of December 31, 2015 and 2014, respectively (see Note 8).

Estimating Impairment of Office Equipment
The Foundation assesses impairment on office equipment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Foundation considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or economic trends.

No impairment loss on office equipment was recognized in 2015 and 2014. The net book values of office equipment amounted to ₱62,142 and ₱136,449 as of December 31, 2015 and 2014, respectively (see Note 8).

Determining Retirement Benefit Expense
The determination of the Foundation's obligation and cost of retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. The assumptions described in Note 12 include, among others, discount rate and salary and wage increase rate.

The Foundation recognized retirement benefit expense and retirement benefit income amounting to ₱248,165 and ₱127,346 in 2015 and 2014, respectively. The Branch's retirement benefit obligation amounted to ₱674,622 and ₱426,457 as of December 31, 2015 and 2014, respectively (see Note 12).

4. Cash

	2015	2014
Cash on hand	**₱394,790**	₱543,122
Cash in banks	**7,699,504**	8,905,838
	₱8,094,294	₱9,448,960

Cash in banks earn interest at the respective bank deposit rates. Interest income earned amounted to ₱6,404 and ₱5,425 in 2015 and 2014, respectively.

5. Project Advances

	2015	2014
Project advances	**₱4,075,478**	₱5,020,013
Less allowance for impairment losses	**1,583,585**	940,660
	₱2,491,893	₱4,079,353

Project advances refer to the funds advanced for the various projects administered by the Foundation to promote, support and finance other specific livelihood or income generating ventures in agriculture, fishing, utility services and/or cottage industries of its beneficiaries pursuant to RA No. 8425, *the Social Reform and Poverty Alleviation Act*.

Movements in the allowance for impairment losses recognized on project advances are as follows:

	2015	2014
Balances at beginning of year	**₱940,660**	₱546,427
Impairment loss during the year	**642,925**	394,233
Balances at end of year	**₱1,583,585**	₱940,660

Interest income earned from project advances amounted to ₱1,400,055 and ₱1,850,575 in 2015 and 2014, respectively.

6. Receivables

	2015	2014
Receivables from officers and employees	**₱264,778**	₱61,173
Others	**539,663**	93,328
	₱804,441	₱154,501

7. Funds Handled by Investment Managers

To maximize the utilization of its available funds, the Foundation engaged the services of AB Capital and Investment Corporation (ABCIC), Bank of the Philippine Islands and Development Bank of the Philippines (DBP) to act as its investment managers.

On March 21, 2014, the BOT appointed the above investment managers as the Foundation's fund administrators. The investment manager is authorized, under certain conditions and for an agreed fee, to purchase and sell securities for the account and risk of the Foundation.

As reported by ABCIC and DBP, the funds consist of the following:

	2015	2014
Investments in:		
Marketable equity securities	**₱22,667,461**	₱11,877,612
Government securities	**18,470,120**	8,969,868
Bonds and other securities	**2,354,649**	21,278,216
Accounts receivable	**166,046**	71,589
Dividends receivable	**24,506**	6,553
Interest receivable	**9,807**	–
Deposits in bank	**3,353**	79,545
Asset revaluation account	**(59,500)**	387,521
Portfolio fees payable	**(1,213)**	(3,303)
	₱43,635,229	₱42,667,601

Interest income earned from these investments amounted to ₱1,286,557 and ₱1,067,397 in 2015 and 2014, respectively.

8. Office Equipment

	2015	2014
Cost:		
Balances at beginning of year	**₱994,871**	₱926,870
Acquisitions	**6,690**	68,001
Balances at end of year	**1,001,561**	994,871
Accumulated depreciation:		
Balances at beginning of year	**858,422**	763,588
Depreciation (see Note 13)	**80,997**	94,834
Balances at end of year	**939,419**	858,422
Net book values	**₱62,142**	₱136,449

The Foundation continuous to utilize fully depreciated office equipment with an aggregate acquisition cost amounting to ₱675,243 and ₱614,933 as of December 31, 2015 and 2014, respectively.

9. Other Noncurrent Assets

The Foundation's security deposits and advance rentals will be applied as lease payments at the end of the lease term. The aggregate security deposits and advance rentals amounted to ₱109,253 and ₱121,036 in 2015 and 2014, respectively.

10. Accrued Expenses and Other Payables

	2015	2014
Deposit from loan borrowers	**₱1,022,809**	₱1,065,133
Accrued expenses	**656,095**	2,181,935
Other payables	**565,598**	131,780
	₱2,244,502	₱3,378,848

Other payable consists primarily of amounts that are due to donors and employees and officers.

11. Funds Held for Specific Purposes

The Foundation was selected as the depository channel of the Department of Health (DOH) - National Center for Disease Prevention and Control for the proceeds of its fundraising events to support the implementation of the National Filariasis Elimination Program. As of December 31, 2015 and 2014, the funds held for specific purposes amounted to nil and ₱122,635, respectively.

12. Retirement Benefit Obligation

On May 12, 2011, the BOT approved the payment of the retirement benefits amounting to ₱2,934,079 due to its employees under its former policies as a result of austerity measures adopted by the Foundation. Subsequently, the employees were rehired under a new policy providing for retirement pay equivalent to one-half month salary for every year of service.

Prior to the modification of benefits, the Foundation has a funded, noncontributory defined benefit retirement plan covering substantially all of its regular employees. Currently, the Foundation has an unfunded defined retirement benefit plan covering substantially all of its regular employees. The defined benefit obligation is determined using the projected unit credit method.

The components of retirement benefit expense included under the "Personnel expenses" account in the "General and administrative expenses" section in the statements of revenues and expenses are as follows:

	2015	2014
Current service cost	**₱134,013**	₱263,224
Actuarial loss (gain)	**89,588**	(417,097)
Interest cost	**24,564**	26,527
Net retirement benefit expense (income)	**₱248,165**	(₱127,346)

Changes in present value of the defined benefit obligation are as follows:

	2015	2014
Balances at beginning of year	**₱426,457**	₱553,803
Current service cost	**134,013**	263,224
Actuarial loss (gain)	**89,588**	(417,097)
Interest cost	**24,564**	26,527
Balances at end of year	**₱674,622**	₱426,457

The principal actuarial assumptions used to determine retirement benefit obligations are as follows:

	2015	2014
Discount rate	**5.64%**	5.76%
Salary and wage increase rate	**5.00%**	5.00%

13. **General and Administrative Expenses**

	2015	2014
Personnel expenses	**₱2,192,898**	₱2,486,079
BOT meeting	**186,235**	189,932
Development cost and trainings	**92,683**	18,179
Depreciation (see Note 8)	**80,997**	94,834
Taxes and licenses	**56,453**	56,322
Communication	**51,996**	40,192
Utilities	**33,426**	91,658
Entertainment, amusement and recreation	**28,425**	68,308
Transportation and travel	**17,111**	127,742
Repairs and maintenance	**8,728**	55,293
Others	**392,281**	347,483
	₱3,141,233	₱3,576,022

Others include subscription fees, supplies expense, professional and legal fees and other incidental expenses incurred by the Foundation.

14. **Intra-fund Account**

The Foundation utilizes its funds by lending the extra funds of one division to another division for the support of existing and current projects. The transaction will result to an intra-fund receivable for the lender and an intra-fund payable for the borrower.

The following table describes the intra-fund receivable and payable between the Foundation's divisions:

	2015		2014	
	Receivable	**Payable**	Receivable	Payable
Operating fund	**₱802,531**	**₱3,468**	₱1,368,568	₱–
Current project	**3,468**	**802,531**	–	1,368,568
	₱805,999	**₱805,999**	₱1,368,568	₱1,368,568

15. **Fund Balance**

On May 12, 2011, the BOT approved the restriction of its endowment fund to be used for special projects and other future contingencies.

16. **Programs and Projects**

As of December 31, 2015 and 2014, the Foundation undertakes to provide funding for the following projects:

Project in 2015

Technical Assistance to DOH-Autonomous Region in Muslim Mindanao (ARMM) in Implementing the Modified Leprosy Elimination Campaign (WHO-MLEC)
The WHO-MLEC is a three-month project that run from May 18, 2015 to July 17, 2015 and is funded by DOH.

It aims to sustain quality leprosy services in challenged areas due to accessibility and security in ARMM.

The project contributes to the National Leprosy Control Program in the Philippines by maximizing the engagement of public health workers in the adoption of WHO-MLEC at the local levels to ensure its accessibility to all persons affected by leprosy.

Projects in 2014

Global Fund - New Funding Model for Tuberculosis (TB): Directly Observed Treatment Short-Course (DOTS)
The Global Fund - New Funding Model for TB is a two-year and six-month project funded by The Global Fund to Fight Acquired Immune Deficiency Syndrome, Tuberculosis and Malaria. Philippine Business for Social Progress acts as a grant manager.

The project aims to reduce the prevalence, incidence and mortality of TB by 50% in 2015 and beyond 50% thereafter from a baseline established in 2000 in support of the Millennium Development Goals for poverty alleviation. Duration of the grant is from July 1, 2014 until December 31, 2016.

17. **Supplementary Information Required Under Revenue Regulations 15-2010**

In compliance with the requirements set forth by Revenue Regulations 15-2010, hereunder are the information on taxes and license fees paid or accrued during the taxable year 2015:

a. Other Taxes and Licenses
Other taxes and licenses include all other taxes, local and national, including licenses and permit fees lodged under "Taxes and licenses" account in the "General and administrative expenses" section in the statement of revenues and expenses:

License fees	₱28,505
Business permit fees	20,500
Others	7,448
	₱56,453

b. Withholding Taxes
The following are the details of the Foundation's withholding taxes:

Withholding taxes on compensation and benefits	₱918,290
Expanded withholding taxes	352,737
	₱1,271,027

PEOPLE BEHIND THE FOUNDATION

BOARD OF TRUSTEES

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Atty. Reginaldo L. Hernandez
Dr. Carlo Irwin A. Panelo
Ms. Marilen G. Picornell *
Mr. Eugenio M. Caccam, Jr.

EXECUTIVE OFFICERS

CHAIRMAN AND PRESIDENT	Mr. Alberto A. Lim
TREASURER	Mr. Gil T. Salazar
SECRETARY	Atty. Reginaldo L. Hernandez
EXECUTIVE DIRECTOR	Mr. Eugenio M. Caccam, Jr.

Legends: * Resigned from the Board of Trustees in the 2nd quarter of 2015; ** Became members of the Board of Trustees in the 3rd quarter of 2015

PEOPLE BEHIND THE FOUNDATION

HEAD OFFICE

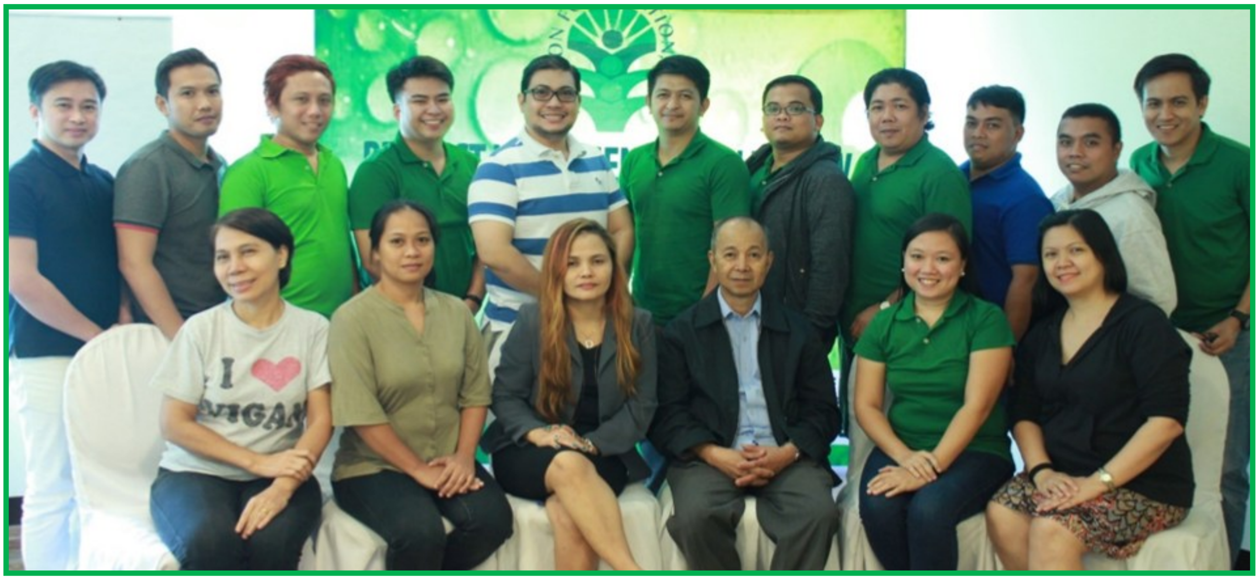
Executive Director	Eugenio M. Caccam Jr.
Program Manager	Calixto J. Trillanes III
Human Resource and Admin Officer	Marla S. Urriza
Finance Officers	Janeth A. Dequilla *
	Levni Von T. Balag
Junior Accountant	Antonia M. Villestas
Office Assistant	William G. Asuncion Jr.
Project Consultant	Jaime R. Nebril

HOSPITAL TB DOTS INITIATIVES PROJECT

Project Manager	Joemil C. Amerna
Monitoring and Evaluation Officer	Reginald Alain R. Santos
Project Team Leaders	Arrasfir Q. Tahil
	Renford Esau A. Sinangote
Senior Project Officer	Ronald A. Malig **
Project Officers	Czenen Mark D. Bareng *
	Denmark M. Toledo
	Jay-Ar R. Bolando *
	John Genesis U. Santos
	Lilac M. Corpuz *
	Roslyn Mae L. Parilla

ASSISTANCE TO SMALL ENTERPRISES DEVELOPMENT PROJECT

Project Team Leader	Dolina N. Tabla
Project Assistants	Danny P. Datanagan
	Teresita G. Vasquez



Legends: * Resigned in the 2nd quarter of 2015; ** Hired in the 2nd quarter of 2015

This is how the Foundation started…

Culion Foundation, Inc. was founded on June 9, 1976 by Father Javier M. Olazabal, SJ and Jose Ma. Soriano, Sr. It was named after Culion Island in Palawan, which was a leper colony, once the largest in the world.

During its initial years, the Foundation focused on leprosy management in the island community. It made remarkable gains using a holistic approach encompassing multiple drug treatment, psycho-socio-economic intervention, research, social reintegration and community development. Leprosy was finally eliminated in Culion in 1999. No new cases have been reported.

Today, the Foundation has expanded its mission, recognizing the country's burden of communicable diseases. It envisions to be a strong pillar of support to the country's health system in the control and elimination of Tuberculosis and Neglected Tropical Diseases (NTDs), specifically Leprosy, Filariasis, Schistosomiasis, and Helminthiasis as public health burdens. It is also taking the lead in working at NTDs from a holistic perspective, including their socio-economic determinants.

ACKNOWLEDGEMENT

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EDITORIAL STAFF

Editor: Ian Christopher N. Rocha

Photo Contributor: Reginald Alain R. Santos

Editorial Advisers: Eugenio M. Caccam Jr.
Calixto J. Trillanes III

Editorial Consultants: Alberto A. Lim
Ma. Yolanda V. Ong

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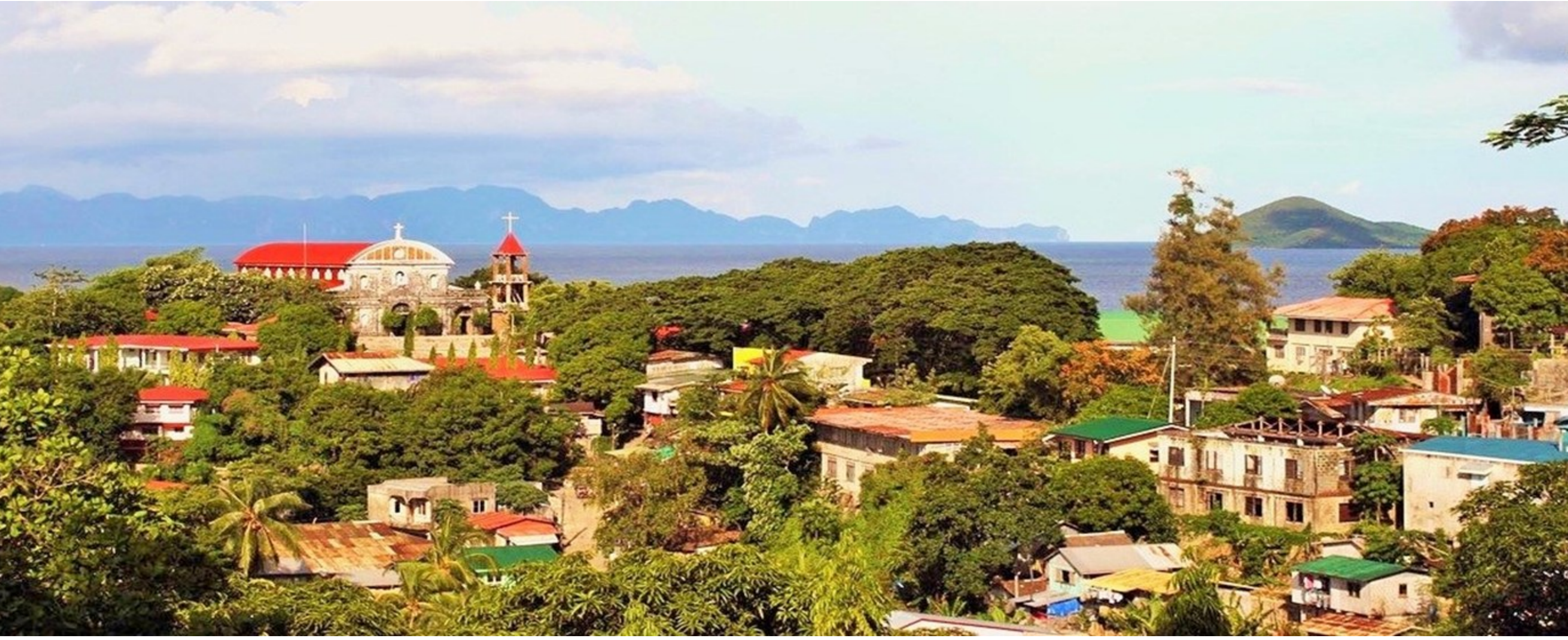

www.culionfoundation.org

T: (+632) 812-2170 | F: (+632) 893-0925 | E: culionfoundation@gmail.com