2023 ANNUAL REPORT

CULION FOUNDATION, INC.

G/F Norfil Building, 16 Mother Ignacia Avenue
corner Roces Avenue, Quezon City 1103

www.culionfoundation.org

VISION

"FOR UNDERSERVED FILIPINOS TO ATTAIN A BETTER QUALITY OF LIFE WITH THE HIGHEST LEVELS OF HUMAN DEVELOPMENT.

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"

MISSION

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MESSAGE FROM THE PRESIDENT

Alberto A. Lim
President

I am happy to present the annual report of our Foundation, highlighting a year marked by continuous growth and impactful achievements. As a public health-oriented NGO, our commitment to improving community health and well-being has remained strong, and this report encapsulates the strides we have made in fulfilling our mission.

This year, we have successfully reached our targets and indicators across our key projects in public health, environment, and community development. Our efforts in these areas have not only improved the quality of life for countless individuals but also reinforced our role as a vital partner in the communities we serve.

MESSAGE FROM THE PRESIDENT

"

We are proud to have aligned our efforts with the government's priority areas, particularly in the realization of Universal Health Care and the continuous efforts to eliminate tuberculosis, leprosy, and other neglected tropical diseases; as well as in economic growth and care for the environment. Our contributions in these critical areas underscore our commitment to supporting national development objectives and ensuring that every individual has access to essential services and that the environment, especially marine life and biodiversity are cared for.

Our financial performance has been robust, reflecting our strategic planning and effective resource management. We have strengthened our networks and intensified our resource mobilization activities, ensuring that we have the support and funding necessary to expand and sustain our initiatives. This year, we welcomed new staff members to our administration team, enhancing our capacity to manage and implement our programs more efficiently. In our continuous quest for operational excellence, we have migrated to cloud-based accounting. This transition has streamlined our financial processes, improved transparency, and allowed for more agile financial management. Our enhanced financial systems are pivotal in maintaining the trust and accountability that our stakeholders expect from us.

As we look to the future, we remain dedicated to driving positive change and making a lasting impact in public health and community development. We are grateful for the support of our partners, donors, and volunteers, whose contributions are indispensable to our success.

Thank you for your continued belief in our thrust. Together, we will continue to find ways to improve the life of Filipinos.

"

Alberto A. Lim
President
Culion Foundation, Inc.

THE OPERATIONS REPORT

We implemented a total of eight (8) projects across our three programmatic areas. These projects have reached a total of

155,766 beneficiaries

comprising individuals who are at high risk for TB and leprosy, urban poor, women, workers from micro, small, and medium enterprises, fisherfolks, and indigenous people.

PROJECT DEVELOPMENT AND IMPLEMENTATION

Table 1 shows the projects implemented per programmatic area including the beneficiaries reached.

PROGRAMMATIC AREA	PROJECT	NO. OF BENEFICIARIES
HEALTH	TB ACTIVE CASE FINDING PROJECT	127,780
	TB IN THE WORKPLACE PROJECT	9,320
	VITAMIN SUPPLEMENTATION PROJECT	13,253
	MANAGEMENT OF DISABILITIES ARISING FROM LEPROSY AND LYMPHATIC FILARIASIS	950
	COMMUNITY-BASED DROWNING PREVENTION PROJECT	12,205
	LEPROSY CLINICAL PATHWAYS PROJECT	1,200
ENVIRONMENT	COMMUNITY-BASED MANGROVE REFORESTATION PROJECT	1,812
COMMUNITY DEVELOPMENT	ASSISTANCE TO SMALL ENTERPRISES DEVELOPMENT PROJECT	231
	TOTAL BENEFICIARIES	**155,766**

PROJECT DEVELOPMENT AND IMPLEMENTATION

TB ACTIVE CASE FINDING

The Foundation implemented the "TB Active Case Finding Project" funded by the Global Fund through the Philippine Business in Social Progress in the latter's "Advancing client Centered Care and Expanding Sustainable Services for TB" (ACCESS TB). This was done in cooperation with the Department of Health's National Tuberculosis Control Program, and in alignment of the DOH-NTPs Updated Philippine Strategic TB Elimination Plan.

Areas of Coverage

NCR
REGION IV-A
REGION IV-B
REGION V

Specifically, the project aims:

To deliver systematic screening by providing free **X-rays** and **Sputum Tests** to targeted populations that are at a higher risk of developing TB. Specifically, the target population includes the elderly, immunocompromised population, and members of the rural and urban poor in the **National Capital Region (NCR)**, **CALABARZON**, **MIMAROPA** and the **Bicol Region**.

Its ultimate goal is to identify individuals with TB to prompt the initiation of treatment and provide awareness, control, and prevention activities to the community. Furthermore, the ACF aims to proactively identify individuals who may not seek healthcare on their own. This helps in reducing the burden of TB and achieving the targets set by the End TB Strategy.

PROJECT DEVELOPMENT AND IMPLEMENTATION

OBJECTIVE:

Screen potential Tuberculosis (TB patients) in Region IV-A, Region IV-B, NCR, and Region V

AREA OF COVERAGE (REGIONS)	CHEST X-RAY SCREENED				
	PERFORMANCE TARGET	ACTUAL ACCOMPLISHMENT			% ACCOMPLISHMENT
		M	F	TOTAL	
NCR	45, 625	15,554	24,764	40,318	88.37%
4A / CALABARZON	53,449	20, 525	34,104	54,629	102.21%
4B / MIMAROPA	10,494	4,763	8,044	12,807	122.04%
5 / BICOL	20,231	7,320	12,706	20,026	98.99%
TOTAL	**129,799**	**48,162**	**79,618**	**127,780**	**98.44%**

PROJECT DEVELOPMENT AND IMPLEMENTATION

INSTALLATION OF TB PROGRAMS IN COMMUNITIES AND GROUPS

The project's main objective was to install TB programs among organized groups and communities in three regions: Region III, Region IV-A, and NCR.

Areas of Coverage: *NCR, Region III, Region IV-A*

Objectives:

1. To identify and engage at least 20 cluster groups of MSMEs that are preferably male-dominated (e.g., construction workers, tricycle drivers, market vendors). This involves the following:

a. Identification of TB advocates and formation of a TB core team who will undergo program management training

b. Training, empowerment, and capacity building on the diagnosis and management of TB

c. Training, empowerment, and capacity building on the creation and implementation of TB policies and SBCC plans

d. Establishment of a referral mechanism across the TB care continuum

2. To design communication materials for the local identified workplace to address gender discrimination issues and traditional occupational problems in the workplace

3. To document the results (across the TB care cascade), installation process, insights and learning, and recommendations for adoption, replication, and scale-up, as may be determined.

PROJECT DEVELOPMENT AND IMPLEMENTATION

Philippine Business for Social Progress engaged the services of Culion Foundation, Inc. to identify twenty (20) cluster groups for each of the three (3) major regions of the Philippines – National Capital Region, Central Luzon, and CALABARZON – in order to educate, train , empower, and capacitate them regarding Tuberculosis, including its detection, its diagnosis, its treatment, its intervention, and TB-related matters after treatment and intervention thereby improving and making TB treatment more accessible.

OBJECTIVE:

Provide free TB treatment services for patients

Areas of Coverage: ***NCR, REGION III, REGION IV-A***

REGION	CLUSTER GROUPS ENGAGED
NCR	19/20 (95%)
Region III	19/20 (95 %)
Region IV	24/25 (96 %)

PROJECT DEVELOPMENT AND IMPLEMENTATION

COMMUNITY-BASED DROWNING PREVENTION INITIATIVES IN WESTERN VISAYAS (REGION 6)

In support of the Department of Health's (DOH) efforts to address violence and injury prevention, the World Health Organization (WHO) Philippine Office supported the implementation of The Community-Based Drowning Prevention Initiatives in Western Visayas (Region 6) Project. Alongside other issues on violence and injury prevention, the Health Promotion Bureau of the DOH (DOH-HPB) has identified and included drowning prevention as one of the seven priority areas of work for health promotion. The overall goal is to reduce deaths due to drowning.

At the subnational (regional) level in Western Visayas Region, WHO worked with the **Department of Health Center of Health Development** in Western Visayas (CHD-6) and **CFI**, to implement the community-based drowning initiatives in two municipalities (Batad and Dumangas) and one city (Iloilo City). Local officials and communities were engaged, and local drowning prevention action plans for 2022-2024 were developed.

OBJECTIVE

To provide an opportunity to address the issue and document the effectiveness of preventive community-based interventions, which can be scaled up as appropriate for better impact in addressing the issue of drowning.

Areas of Coverage

Municipality of Batad

Municipality of Dumangas

Iloilo City

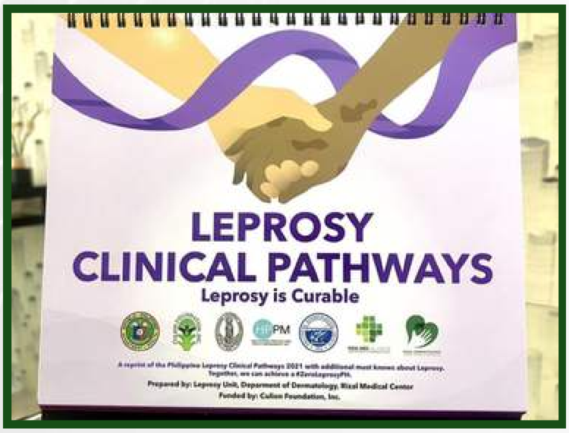
PROJECT DEVELOPMENT AND IMPLEMENTATION

INTERVENTION IMPLEMENTED	NO. OF UNITS OF INTERVENTION	NO. OF TARGETED BENEFICIARIES
Provision of door barriers	Eighteen (18) barriers	18 households
Fencing of the dike area in one of the barangays to prevent children in drowning	Thirty-five (35) meters	100 households
Repair, installation of concrete culvert pipe, provision of cover and painting of the community-use dug wells	Forty-five (45) community dug well	225 households
Provision of eight signages with drowning prevention messages	Eight (8) signages	Community population
Distribution of 2,000 Information, Education, Communication (IEC) fans with drowning prevention reminders (local dialect message) in communities	Two thousand (2,000) pieces of fan IEC	2,000 individuals

PROJECT DEVELOPMENT AND IMPLEMENTATION

LEPROSY CLINICAL PATHWAYS FLIPCHART

From what we know, leprosy has reached a plateau in our country. To achieve a leprosy-free Philippines, diagnosis and management must be standardized and strengthened at all levels of care. The flipchart was modified from the published Philippine Leprosy Clinical Pathways, which were produced in 2021 and designed to be simple and efficient tabletop infographics.



Furthermore, 1200 flipcharts were printed and distributed to Regional Leprosy Coordinators nationwide, PHOs and MHOs, LGUs, Leprosy practitioners, PDS dermatologists, DOH hospitals, DOH, WHO and other Leprosy Advocates. This provided an easy access guide to Leprosy diagnosis and management in the clinics.

This flipchart was likewise used and given during Leprosy training done in NCR, Ilocos, La Union, MIMAROPA and Region 10.

PROJECT DEVELOPMENT AND IMPLEMENTATION

MANAGEMENT OF IMPAIRMENTS AND DISABILITIES ARISING FROM LEPROSY AND LYMPHATIC FILARIASIS

The house-to-house contact tracing was jointly conducted with the CHD Regional LF and Leprosy coordinators, Provincial Health Office and City/Municipal Health Office. Below table shows the ACF using the MLEC, LEARNS and disability case finding; There were 216 confirmed leprosy cases of contacts of previously diagnosed leprosy cases.

PROVINCES	TRACED	SCREENED	CONFIRMED				GRADE 2 DISABILITY
			PB C	MB C	PB C	MBA	
ILO-ILO	15	154	1	10	3	34	3
LEYTE	80	265	1	6	2	49	2
ZAMBOANGA DEL NORTE	85	255	19	11	16	38	1
TOTAL	180	674	21	27	21	121	6
			216 CASES SEEN				

PROJECT DEVELOPMENT AND IMPLEMENTATION

The Lymphatic Filariasis (LF) team conducted border operations in Northern Leyte, It is identified that they will be needing 90,523 tabs Diethylcarbamazine Citrate (DEC). LF Disability Active case finding is ongoing in the provinces and municipalities. 101 bottles of DEC were allocated to Region 8 (Northern Leyte). The Post validation Survey was only done by Region 8.

<table>
<tr><th>PROVINCES</th><th>NUMBER OF CASES</th><th>TOTAL</th></tr>
<tr><td>ILO-ILO</td><td>-</td><td rowspan="3">2</td></tr>
<tr><td>LEYTE</td><td>-</td></tr>
<tr><td>ZAMBOANGA DEL NORTE</td><td>2</td></tr>
</table>

PROJECT DEVELOPMENT AND IMPLEMENTATION

VITAMIN SUPPLEMENTATION

Vitamin Angels is an non-stock and non-profit partner organization of the Foundation in providing Vitamin A for kids, pregnant, and lactating mothers. They sponsor the vitamin supplementation. The vitamin distribution was through Rural Health Units of Coron and Culion, Palawan. Aside from VitaminA, they also provide albendazole and multivitamins.

OBJECTIVE

To distribute Vitamin A to pregnant mothers and children

Areas of Coverage: ***Coron and Culion, Palawan***

Commodity	Starting Inventory	Total # of doses from VA	Total # of doses distributed	Total doses remaining
Vitamin A 100,000 IU **Blue Capsul**	161	700	361	500
Vitamin A 200,000 IU **Red Capsul**	2,610	7,000	7,561	2,049
Albendazole 400 mg	4,219	5,000	4,219	5,000
MMS for Pregnant Women	0	388,800	200,160	188,640

PROJECT DEVELOPMENT AND IMPLEMENTATION

GCASH (GFOREST) COMMUNITY-BASED MANGROVE REHABILITATION PROJECT

CFI implemented a mangrove rehabilitation project in Culion, Palawas as part of environmental protection and marine preservation. The project is supported by GCash through its Gforest Project. The target is to plant 125,000 mangrove seedlings in 50 hectares in two years.

OBJECTIVE:

To plant 125,000 mangrove tree seedlings in two years

Areas of Coverage: **Coron and Culion, Palawan**

The following are the project's accomplishments:

CULION	TOTAL GFOREST PROJECT (2022-2024)	NO. OF MANGROVE SEEDLINGS PLANTED	2023 MONITORING RESULTS
TOTAL (9 BARANGAYS)	200,000	200,000	51.9 %

CORON	TOTAL GFOREST PROJECT (2023-2025)	NO. OF MANGROVE SEEDLINGS PROPAGATED IN NURSERY	NO. OF MANGROVE SEEDLINGS PLANTED (FEBRUARY 2024)	2023 MONITORING RESULTS
TOTAL (8 BARANGAYS)	125,000	131,000	88,000	94 %

PROJECT DEVELOPMENT AND IMPLEMENTATION

ASSISTANCE TO SMALL ENTERPRISE DEVELOPMENT PROJECT (ASEDP)

The Foundation has resolved to be an active participant in creating an enabling environment that would make possible for small business enterprises to have access to credit. This initiative was born out of the CFI's community experience wherein many micro and small business enterprises in Culion have potential to graduate to higher level operations but are unable to make the most of such potential due to lack of capital.

OBJECTIVES:

1. To provide target beneficiaries with accessible credit services for their livelihood activities and business enterprises
2. To enhance the capacity of target beneficiaries in maximizing the full potential of their business ventures to expand operations and generate income
3. To contribute to the transformation of the Foundation into a financially self-sustaining organization.

Areas of Coverage: **Coron and Culion, Palawan**

Below is the summary of the project's accomplishments.

<table>
<tr><th>NAME OF PROJECT</th><th>INDICATOR</th><th>TARGET</th><th colspan="2">ACTUAL ACCOMPLISHMENT</th><th>PERCENT ACCOMPLISHMENT</th></tr>
<tr><td rowspan="3">ASEDP
JAN - DEC
2023</td><td rowspan="2">NUMBER OF ACTIVE CLIENTS</td><td rowspan="2">327</td><td colspan="2">231</td><td rowspan="3">62.10 %</td></tr>
<tr><td>70 MALE</td><td>161 FEMALE</td></tr>
<tr><td>ACTIVE CLIENTS W/ EXISTING LOANS</td><td>-</td><td colspan="2">131</td></tr>
</table>

CFI STAFF IN FOCUS

DRIVING CHANGE IN PUBLIC HEALTH: AN INTERVIEW GATHERING THE THOUGHTS OF JOHN JEFFERSON BESA

In the ever-evolving landscape of public health, few initiatives stand out as prominently as the TB in the Workplace Project (TBP), spearheaded by Dr. John Jefferson Besa or affectionately called by his colleagues as Dr. JB. With a career marked by a deep passion for addressing systemic health challenges, Dr. JB's leadership has been pivotal in shaping the success and direction of CFI's TBP. In this interview, he shares his journey, achievements, and vision for the future of the CFI's health program.

CFI STAFF IN FOCUS

DRIVING CHANGE IN PUBLIC HEALTH: AN EXCLUSIVE INTERVIEW WITH DR. JOHN JEFFERSON BESA

A PHYSICIAN'S CALL TO PUBLIC HEALTH

Q: What inspired you to pursue a career in public health, and how does that passion drive your leadership of the TB in the Workplace project?

Dr. JB: *During my training as a physician, I was continuously exposed to a broken healthcare system. Seeing the hospital overflow with patients and problems downstream, I knew I could make a dent in the health system upstream. One of my professors in medical school said,*

"What good does it do to treat a patient only to send them back to the very same condition that made them sick?"

This resonated deeply with me, and I felt a calling to step out of the clinic and tackle the wicked problems of the system head-on. Working on the TB in the Workplace Project gave me a deeper understanding of how social determinants influence health-seeking behavior and allowed me to connect with the community on a more meaningful level. This is the deep work I have always intended to engage in.

INNOVATIVE APPROACHES TO ENGAGEMENT

Q: Can you discuss any innovative approaches or partnerships that the TBP has pursued to effectively engage target beneficiaries and successfully achieve the goals of the project?

Dr. JB: *During our dialogues with representatives of tricycle driver associations, they raised the opportunity cost of attending TB lay lectures and active case-finding activities. Because of the nature of their job as "no work, no pay," they would rather spend their day at the tricycle terminal waiting for passengers than sit for a lecture or queue for a chest X-ray with no monetary compensation. Recognizing the importance of addressing this factor, we piloted an approach of providing gas allowances during TB lay lectures and active case-finding activities. The attendance significantly increased, which helped us reach our target project beneficiaries.*

MILESTONES IN TBP LEADERSHIP

Q: What are some of the most significant achievements or milestones that the TBP has reached under your leadership?

Dr. JB: *One of the achievements of the project is the strengthening of the relationship between the community and the local health system. We were able to link workers in the informal sector to their local health centers, introducing them to services they were previously unaware of. This also facilitated discussions of common issues encountered and the generation of mutually agreed-upon solutions.*

FOSTERING COLLABORATION AND TEAMWORK

Q: As the head of the TBP, how do you foster collaboration and teamwork among your staff to achieve our organization's health-related objectives?

Dr. JB: *As a leader who believes that each team member has a valuable perspective to bring to the table, I always encourage everyone to contribute to the discussion. Primarily tasked to see the whole forest, I entrust the individual trees to the members who work more closely with the community. I instill in them the importance of the work they do, set an example of how to resolve conflicts and celebrate their successes.*

EMPOWERING COMMUNITIES THROUGH EDUCATION

Q: In what ways has the TBP positively impacted the communities we serve, and can you provide any specific examples or success stories?

Dr. JB: *Part of the goal of the project is to empower workplaces through health education. We conducted capacity-building workshops on the basics of TB control and prevention among representatives of the engaged groups. An association of market vendors and tricycle drivers in Quezon City went the extra mile by organizing a series of health information sessions for their members. The lay lectures were delivered by their officers with minimal supervision from our team. Their independence and dedication to spreading TB knowledge and awareness helped us convince more community members to undergo TB screening.*

LESSONS LEARNED AND FUTURE DIRECTIONS

Q: What are some of the key lessons learned or insights gained from managing the TBP, and how do you plan to leverage them to drive continuous improvement?

Dr. JB: *People are the masters of their own context. In any pursuit, it is crucial to always start and follow through with open dialogues with the community. Through this approach, we will not be mere outsiders playing god but companions of the community on their journey toward achieving better health.*

LOOKING AHEAD

Q: Looking ahead, what are your priorities and aspirations for the future of the TBP or the health program of CFI in general, and how do you envision it evolving to meet the changing needs of CFI and our stakeholders?

Dr. JB: *Included in the final report of the TB in the Workplace Project are some recommendations that we hope to implement in future similar endeavors and propose to relevant national stakeholders, such as the National TB Control Program, for consideration in their future approaches. With deliberate commitments to address TB and maternal and child health as evidenced by their inclusion in the Secretary of Health's Eight-Point Agenda and the increasing attention to address leprosy as a possibly re-emerging public health problem, CFI is at an opportune time to make a lasting impact on the national health situation. Our commitment to addressing these public health issues will remain unwavering, but we will be more welcome to take calculated risks as our organization continues to grow and take up more space on the national scene. In the coming years, I envision CFI to be one of the prime movers in combating TB, championing maternal and child health, and eradicating leprosy in our country.*

In the quest for better health outcomes for Filipinos, Dr. JB's leadership exemplifies the power of community engagement, innovative problem-solving, and steadfast commitment to public health. His work with the TB in the Workplace Project not only highlights significant achievements but also sets a visionary path for future public health initiatives.

RESOURCE MOBILIZATION

Over the past twelve months, our Foundation has made significant strides in resource mobilization, ensuring the sustainability and expansion of our initiatives in public health and environmental conservation. We have prepared and submitted multiple project proposals to various funding agencies, amounting to a total of PHP 2.2 billion. Our efforts have yielded promising results, with several proposals already approved and others in various stages of development and negotiation.

Our Foundation's proactive approach to resource mobilization has been instrumental in advancing our mission. The approval of key projects and the ongoing negotiations with funding agencies demonstrate our ability to attract substantial support for our initiatives. We remain committed to developing innovative and impactful projects that address critical public health and environmental challenges.

RESOURCE MOBILIZATION

Overview of Resource Mobilization Activities

CATEGORY	DESCRIPTION
TOTAL PROPOSALS PREPARED	8
TOTAL VALUE	PHP 2.2. BILLION
STATUS OF THE PROPOSALS	2 WERE APPROVED • TB ACTIVE CASE FINDING: PHP 105 MILLION • LEPROSY PROJECT (FUNDED BY WORLD HEALTH ORGANIZATION): PHP 2.5 MILLION
	STATUS APPROVAL (3)
	PROPOSALS UNDER NEGOTIATION (3)

LINKAGES AND NETWORKING

"This year, **CFI** has bolstered its partnership and networking activities. These efforts have been instrumental in advancing our mission and expanding our impact across various sectors. This section highlights the key partnerships, initiatives, and engagements that we have undertaken to enhance our strategic alliances and foster sustainable development."

LINKAGES AND NETWORKING

1. Participation in the Philippine Acceleration Action Plan for TB (PAAP-TB)

As one of the representatives of civil society organizations (CSOs), CFI was invited to participate in the Department of Health (DOH)-led Philippine Acceleration Action Plan for TB (PAAP-TB). This involvement underscores our commitment to contributing to national health initiatives and policy formulation, especially in addressing TB as a social phenomenon.

2. Partnership with Life Matters International (LMI)

CFI has ongoing talks with LMI, a US-based non-governmental organization, to explore potential partnership on improving maternal and child health outcomes in Culion through capacity-building in the use of point-of-care-ultrasound. Additionally, the proposed partnership plans to train midwives so that they can bring the service to far-flung areas.

3. Collaboration with RTI International and Zuellig Family Foundation

CFI partnered with the Research Triangle Institute (RTI) International and the Zuellig Family Foundation to develop an innovative approach to tuberculosis (TB) elimination in the country. This collaboration aims to develop a cutting-edge proposal to combat TB, aligning with national health objectives.

LINKAGES AND NETWORKING

4. World TB Day Celebration

CFI actively participated in the World TB Day celebration at Quezon Memorial Circle. This event provided a platform to raise awareness about TB and advocate for continued efforts in TB prevention and control.

5. Annual Planning Workshops

We conducted annual planning workshops that resulted in the drafting of a strategic plan for 2024. The workshops focused on sustaining networking activities and forming strategic alliances to enhance our impact and reach.

6. Closing of the Fish Right Project

CFI attended the closing ceremony of the Fish Right project, a partnership between USAID and the Government of the Republic of the Philippines, with the University of Rhode Island as the lead implementer. The PATH Foundation Philippines Inc. (PFPI), as the subrecipient of this project, partnered with CFI in promoting sustainable fishing practices and environmental conservation in the Calamianes Island Group (CIG).

LINKAGES AND NETWORKING

Donations and Support

Medicine Donations from Ambica International

We received and distributed donated medicines from Ambica International to our partner Local Government Units (LGUs), enhancing local healthcare capabilities and addressing community health needs.

LINKAGES AND NETWORKING

Membership and Networking Activities

1. Association of Foundations

CFI continues to sustain its active membership in the Association of Foundations, which facilitates valuable networking opportunities and collaboration with other non-profit organizations.

2. Calamianes Resilience Network

We maintain our membership in the Calamianes Resilience Network, focusing on resilience and environmental sustainability. This network plays a vital role in coordinating efforts and resources for environmental conservation.

3. Regional Development Council of NEDA Region IV-B

Our active membership in the Regional Development Council of the National Economic and Development Authority (NEDA Region IV-B) enables us to influence regional development policies and initiatives.

4. Local Development Councils in Palawan

The CFI Palawan team is heavily involved in various development councils of Culion and Coron LGUs, actively influencing local policy and contributing to the socio-economic development of the region.

5. PHILCAT

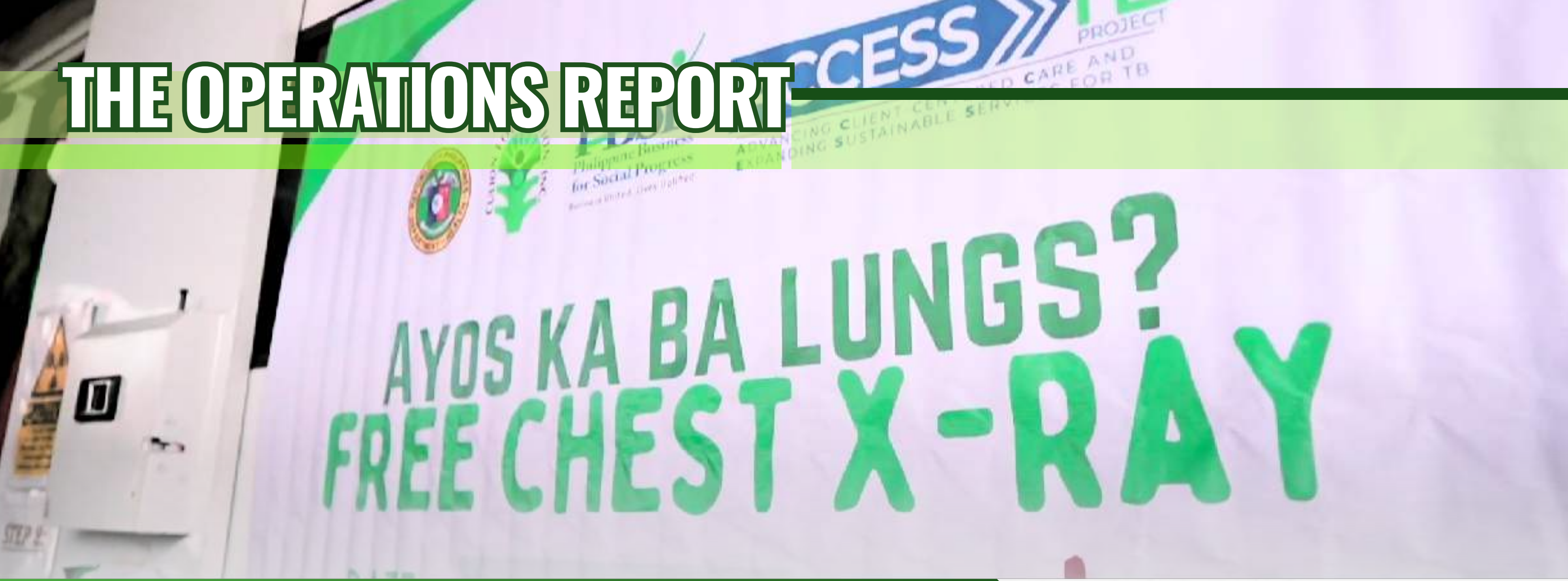
CFI is an active member of the Philippine Coalition Against Tuberculosis joining its World TB Day Celebration annually and webinars related to TB. This is part of the CFI's commitment in TB elimination

Throughout the year, CFI has made significant strides in strengthening our partnerships and expanding our networking activities. These efforts have not only enhanced our capacity to deliver impactful programs but have also positioned us as a key player in national and regional development initiatives.

GOVERNANCE

We diligently adhere to regulatory mandates and best practices, fostering a culture of integrity and accountability throughout the organization.

This year, we successfully complied with all regulatory requirements, particularly those set by the **Securities and Exchange Commission (SEC)** and the **Bureau of Internal Revenue (BIR)**. To better align with our programmatic priorities, the Management decided to pursue accreditation with the **Department of Health (DOH).** This decision was informed by a recent monitoring visit from the **Department of Social Welfare and Development (DSWD)**, which concluded that many of our health-focused projects fall outside their purview. Additionally, our certification with the **Philippine Council for NGO Certification (PCNC)** remains valid until 2024, ensuring continued recognition of our commitment to high standards in transparency and accountability.



GOVERNANCE

Board Development and Technological Advancements

To fill the remaining vacancy on our Board of Trustees, the Management is actively searching for new trustees with expertise in marine sciences and health. This addition will enhance our Board's diverse expertise, particularly in environmental conservation, which is a key area of our work

Recognizing the need to modernize our financial management systems, CFI has initiated the migration from a server-based accounting system to a cloud-based accounting system. This transition will improve our operational efficiency, data security, and accessibility, positioning us to better meet contemporary challenges.

Organizational Growth and Resource Mobilization

To support our expanding initiatives, we have hired additional staff dedicated to resource mobilization and financial management. These new team members will play a crucial role in securing the necessary resources and ensuring the prudent management of our financial assets, enabling us to sustain and grow our impact.

MOVING FORWARD
2024 WORKPLAN

The 2024 Workplan of the Foundation is structured around strategically situating the Foundation within the global and national direction of empowering local stakeholders and advocating a whole-of-society approach in the delivery of health, environment, and social services. With this in mind, the 2024 Workplan will operate within the initiatives and commitments that the Government has begun and to which the country has committed. ***Some of these are:***

1. ***The Philippine Development Plan for 2023-2028***
2. ***The Universal Health Care Act***
3. ***Global Health Security***
4. ***One Health***

In this light, the Foundation will continue and expand the work it has begun in 2023, specifically in building back its societal and programmatic niche which was adversely affected by the COVID-19 pandemic.

CFI 2024
SUSTAINING GAINS IMPACTING LIVES
Marching On Towards a Healthy Philippines:
Sustaining Gains, Impacting Lives

CFI will sustain its gains in the above-mentioned areas and meet these new demands of society and the health sector. It is envisioned that in 2024, the Foundation will strengthen the synergy of its current programs in health and nutrition, sanitation, education, environment, community, and enterprise development as its contribution to the building of a healthy Philippines.

MOVING FORWARD
2024 WORKPLAN

THEME

The theme for this year is **"Marching On Towards a Healthy Philippines: Sutaining Gains, Impacting Lives"**

GOAL

CFI will sustain its gains in the above-mentioned areas and meet these new demands of society and the health sector. It is envisioned that in 2024, the Foundation will strengthen the synergy of its current programs in health and nutrition, sanitation, education, environment, community, and enterprise development as its contribution to the building of a healthy Philippines.

FOCUS

- Strategic Program Development and Implementation with Robust Monitoring and Evaluation System
- Institutional and Human Resource Capability Building
- Resource Mobilization for Sustainability
- Establishment of Strategic Alliances and Networking

OBJECTIVES

- To implement programs that reduce the morbidity/mortality due to infectious diseases, particularly TB and leprosy
- To implement educational and demonstration projects on health promotion and disease prevention
- To assist vulnerable groups to access social services and support system
- To implement environment in the framework of One Health, that is, Man-Environment-Animals

4 STRATEGIES (4S)

I. STRENGTHEN STRATEGIC PROGRAM MANAGEMENT WITH ROBUST MONITORING AND EVALUATION SYSTEM

- Effective management of existing programs
- Effective management of new and prospective projects such as Marine Preservation, Biodiversity-Friendly Enterprises, GP7, Enhanced Seaweed Production, Ridge-Reef Conservation Barangay First 1000 Days, and expanded TB Case Finding projects
- Explore and do resource mobilization for new programs responsive to current needs yet in consonance with the Foundation’s vision and mission, social amelioration projects, disaster-risk reduction, and educational projects on the prevention of and dealing with epidemics.
- Widen the reach of the ASEDP to include Busuanga and Linapacan.
- Develop of Theory of Change (ToC), Results Framework (RF), Performance Indicator Reference Sheet (PIRS), and Data Quality Check (DQC)
- Promote the integration of various programs and synergism among units and projects
- Promote innovations in project implementation

4 STRATEGIES (4S)

II. STRENGTHEN INSTITUTIONAL AND HUMAN RESOURCE CAPABILITY

- Initiate development of a new Strategic Plan for 2025-2028.
- Conduct staff development/skills upgrading to promote a culture of excellence in the
- workplace
- Continue the improvement of the financial and administrative system

III. SUSTAIN FOUNDATION'S OPERATIONS THROUGH RESOURCE MOBILIZATION

Conduct new resource mobilization for new projects worth at least Php 2.196B and the following proposals are being prepared:

- TB Project – Fundacion Vicente Ferrer (Php 6M)
- Leprosy Project – World Health Organization (Php 2.5M)
- TB Active Case Finding project – Global Fund (Php 65M)
- Develop new program for TB – USAID (Php 2.1B)
- Enhanced Seaweed Production in Coron – Forest Foundation (Php 2.5M)
- Ridge to Reef Ecosystem Management – Forest Foundation (Php 6M)
- Biodiversity-friendly Enterprises – SGP (Php 13.5M)
- Others to be developed

4 STRATEGIES (4S)

IV. SUSTAIN STRATEGIC ALLIANCES AND NETWORKS

- Maintain its membership with the Association of Foundations, Philippines CoalitionAgainst Tuberculosis (PhilCAT), and the Department of Health's Technical Working Groups on Neglected Tropical Diseases and Leprosy to establish its track record and tap opportunities for grants and contracts
- Participate effectively in local networks and strengthen membership in local development councils and the Calamianes Resilience Network.
- Leverage its membership in the Zero Extreme Poverty Program of the Catholic Bishops' Conference of the Philippines (and hosted by the Assisi Foundation) to bring more health, nutrition, and sanitation resources to Culion and the rest of the Calamianes.
- Partner with the Philippine Society for Public Health Physicians (PSPHP) and Alliance for Improved Health Outcomes (AIHO), and the Philippine Dermatological Society
- Sustain its membership in LGU local development councils and other local special bodies (Culion and Coron).
- Initiate partnerships with DENR, National Nutrition Council, DepEd, and the National Council on Indigenous Peoples.

THE TREASURER'S REPORT

“Financially, 2023 was another milestone year for the Foundation. The revenues, grants and donations, project expenses, fund balance, and surplus registered significant increases for the third straight year.”

TREASURER'S REPORT

Revenues in 2023 amounted to **P89.9M** which is ***15%*** higher than the previous year and ***13%*** better than the budget. Similarly, project expenses which measure the magnitude of the operations of the Foundation as a development organization reached **P69.3M, 12%** and ***11%*** better than last year and 2023 budget, respectively.

The net general and administrative expenses of **Php8.5M** increased by ***93%*** (***129%*** of the budget) due to the development cost of the TB VisMin Project proposal. The general and administrative expenses charged to projects were **Php2M**, down by ***43%*** compared to the previous year due to the completion of projects with recoverable costs. Notably, the gross administrative expenses are only ***12%*** and ***14%*** of revenues and expenses, respectively, way below the 30% regulatory threshold.

The **Php12.1M** surplus primarily accounted for by the TB Active Case Finding Project, is **1.07 times the previous year** (***114%*** of the budget).

The resource base of the Foundation further strengthened with the total fund balance increasing by ***17% to reach Php82.1M.*** This includes the Endowment Fund of **P60.9M** (**up from P46.9M**) which increased to **P69.2M** in March this year.

On the Assistance to Small Enterprise Development Program, the net income decreased by ***3%*** because of additional provision for bad debts. As a result, the operating cost ratio increased to ***29%*** from ***24%*** (standard ***25%***) and the operating self-sufficiency ratio decreased to ***128%*** from ***143%*** (standard ***100%***). Total loan releases increased to **Php25.11M** from **Php17.69M** in the previous year.

HIGHLIGHTS IN OTHER METRICS/AREAS:

Aside from the expected unqualified opinion from SGV,

- **The new cloud-based accounting system is operational**
- **Audit issues/recommendations in 2023 satisfactorily addressed**

In summary, CFI's financial achievements in 2023, reflect our prudent management of our financial resources. We would like to thank our donors and partners for their continued trust. As we move forward in 2024, please be assured that we will continue to exercise strategic but prudent management of the Foundation's funds.

Gil T. Salazar
Treasurer
Culion Foundation, Inc.

SGV
Building a better working world

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Culion Foundation, Inc.

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Culion Foundation, Inc. (a nonstock, nonprofit organization; the Foundation), which comprise the statements of assets, liabilities and fund balances as at December 31, 2023 and 2022, and the statements of revenues and expenses, statements of changes in fund balances and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets, liabilities and fund balances of the Foundation as at December 31, 2023 and 2022, and its revenues and expenses and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small Entities (PFRS for Small Entities).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for Small 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the Supplementary Information Required Under Revenue Regulations 34-2020 and 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 (RR) 34-2020 and 15-2010 in Note 16 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. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Ma. Genalin Q. Arevalo

Ma. Genalin Q. Arevalo
Partner
CPA Certificate No. 108517
Tax Identification No. 224-024-926
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
BIR Accreditation No. 08-001998-123-2023, January 25, 2023, valid until January 24, 2026
PTR No. 10079898, January 5, 2024, Makati City

April 12, 2024

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

SCHEDULE OF RECEIPTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Donor/Receipts	Address	Date	Amount
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	June 30, 2023	₱7,040,959
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	October 31, 2023	6,695,379
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	July 31, 2023	6,260,602
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	November 30, 2023	6,067,731
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	February 28, 2023	5,953,316
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	April 28, 2023	5,920,159
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	March 31, 2023	5,858,048
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	August 31, 2023	5,517,138
G-XCHANGE, INC.	8F W Global Center, 30th Street cor. 9th Avenue, Bonifacio Global City	June 30, 2023	4,300,000
AMBICA International Corporation	No. 9 Amsterdam Ext, Merville Subdivision, Paranaque City	June 30, 2023	3,071,752
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	January 31, 2023	3,353,527
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	September 30, 2023	3,153,651
World Health Organization	Block 3510, Jalan Teknodrat 6, Cyberjaya, 63000, Selngor, Malaysia	March 31, 2023	2,725,530
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	February 28, 2023	2,155,500

(Forward)

Donor/Receipts	Address	Date	Amount
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	August 31, 2023	₱2,155,500
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	December 21, 2023	1,866,599
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	May 31, 2023	1,829,239
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	December 31, 2023	1,616,625
BPI Foundation, Inc.	2nd Floor, BPI Buendia Center, Makati City	August 31, 2023	1,500,000
World Health Organization	Block 3510, Jalan Teknodrat 6, Cyberjaya, 63000, Selngor, Malaysia	December 31, 2023	(1,335,321)
World Health Organization	Block 3510, Jalan Teknodrat 6, Cyberjaya, 63000, Selngor, Malaysia	December 31, 2023	1,226,225
G-XCHANGE, INC.	8F W Global Center, 30th Street cor. 9th Avenue, Bonifacio Global City	December 31, 2023	1,021,911
Research Triangle Institute International	3040 Cornwallis Road, Research Triangle Park, NC. 27709-2194, USA	May 31, 2023	840,969
G-XCHANGE, INC.	8F W Global Center, 30th Street cor. 9th Avenue, Bonifacio Global City	March 29, 2023	750,000
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	December 31, 2023	746,966
Research Triangle Institute International	3040 Cornwallis Road, Research Triangle Park, NC. 27709-2194, USA	December 31, 2023	571,273
Philippine Business for Social Progress	Unit 1, 7th Floor, Citynet Central, 1550, Sultan Street, Barangay Highway Hills, Mandaluyong City	September 13, 2023	363,092
USAID-Path Foundation Philippines, Inc.	22/F Unit 2205, Cityland Condominium 10, Tower 2, 154 H.V. Dela Costa Street, Salcedo Village, Makati City 1227, Philippines	May 31, 2023	175,755
USAID-Path Foundation Philippines, Inc.	22/F Unit 2205, Cityland Condominium 10, Tower 2, 154 H.V. Dela Costa Street, Salcedo Village, Makati City 1227, Philippines	May 31, 2023	146,662
World Health Organization	Block 3510, Jalan Teknodrat 6, Cyberjaya, 63000, Selngor, Malaysia	December 31, 2023	126,600
USAID-Path Foundation Philippines, Inc.	22/F Unit 2205, Cityland Condominium 10, Tower 2, 154 H.V. Dela Costa Street, Salcedo Village, Makati City 1227, Philippines	March 31, 2023	70,897
G-XCHANGE, INC.	8F W Global Center, 30th Street cor. 9th Avenue, Bonifacio Global City	March 31, 2023	26,569
TOTAL			₱81,772,853

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

SCHEDULE OF DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Project Undertaken	Beneficiary	Project description	Project Status	Cost
TB Active Case Finding	Potential Tuberculosis patients in Regions 4A, 4B, 5 and NCR.	To conduct active TB case finding activities among potential TB patients in Regions 4A, 4B, 5 and NCR.	Completed	₱45,650,422
Administrative Overhead	Core CFI Personnel	General administration operating cost	Ongoing	6,477,278
Mangrove Reforestation in Culion, Palawan	Culion, Palawan	To plant 125,000 mangrove tree seedlings in Culion, Palawan	Ongoing	6,123,879
TB in the Workplace	20 Cluster Groups in the National Capital Region, Central Luzon, and CALABARZON wherein to Install TB-Related Programs.	To install 20 Cluster Groups of TB-Related Programs among organized groups and communities within the three major regions namely, National Capital Region, Central Luzon, and CALABARZON.	Completed	4,653,954
Assistance to Small Enterprise Development	Culion and Coron Palawan	To provide fund advances 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.	Ongoing	4,334,412
Distribution of assorted medicines/vitamins	Municipalities of Imus, Cavite and Culion/Coron, Palawan	Distribution of donated assorted medicines and vitamins in Imus, Cavite and Culion/Coron, Palawan.	Completed	3,071,753
Project Development and Monitoring	Core CFI Personnel involved in project proposal development.	All related expenditures in the development of project proposals.	Ongoing	2,077,263
Community-based Drowning Prevention	Western Visayas (Region 6)	To provide technical assistance in the implementation of community-based drowning prevention initiatives in Western Visayas.	Ongoing	1,425,218
Research on TB Innovation	Research Triangle Institute International	TB Innovations and Health Systems Strengthening	Completed	1,293,426

(Forward)

Project Undertaken	Beneficiary	Project description	Project Status	Cost
Pro-active Leprosy/Public Health projects	Department of Health/Culion Health	Assistance to Leprosy advocacy and Stop TB Clinics	Ongoing	₱1,000,000
Management of impairment and disabilities arising from Leprosy and Lymphatic Filariasis	Leprosy patients in Reg 6, 8, & 9	To Enhance the Strategy in the Management of Impairments and Disabilities Arising from Leprosy and Lymphatic Filariasis.	Ongoing	802,783
Fish Right Program	Culion and Coron Municipalities in Calamian Island Group Marine Key Biodiversity Area (CIG MKBA)	To facilitate engagement of the communities in the Municipalities of Culion and Coron to improve management effectiveness and compliance so as to reduce the threats to marine biodiversity.	Completed	393,315
Strengthen Philippine NTDPs	Valenzuela and Paranaque LGUs	To provide technical assistance for the implementation of the urban health project in selected LGUs in Valenzuela and Paranaque.	Ongoing	388,433
Revision of Barangay Health Worker's Reference Manual	Barangay Health Workers	To support the revision of barangay health worker's reference manual and development of online training modules	Ongoing	126,600
TOTAL				₱77,818,736

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Project Office:
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CULION FOUNDATION, INC.
(A Nonstock, Nonprofit Organization)

STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCES

	Endowment Fund	Operating Fund	Current Projects	ASEDP	Elimination (Note 13)	2023 Total	2022 Total
ASSETS							
Current Assets							
Cash (Note 3)	₱9,671,690	(₱20,482,657)	₱17,090,319	₱2,592,480	₱–	₱8,871,832	₱11,539,275
Project advances (Note 4)	–	–	–	15,860,302	–	15,860,302	12,600,531
Receivables (Note 5)	1,277,148	16,567,380	20,827,046	5,354,796	(24,818,489)	19,207,881	24,545,709
Funds handled by investment managers (Note 6)	35,667,110	–	–	–	–	35,667,110	24,243,064
Investment in bonds (Note 7)	14,300,000	–	–	–	–	14,300,000	7,250,000
Total Current Assets	60,915,948	(3,915,276)	37,917,365	23,807,578	(24,818,489)	93,907,126	80,178,579
Noncurrent Assets							
Office equipment (Note 8)	–	58,257	–	79,884	–	138,141	234,117
Security deposits - noncurrent portion (Note 9)	–	176,465	–	–	–	176,465	168,380
Total Noncurrent Assets	–	234,722	–	79,884	–	314,606	402,497
TOTAL ASSETS	₱60,915,948	(₱3,680,554)	₱37,917,365	₱23,887,462	(₱24,818,489)	₱94,221,732	₱80,581,076

(Forward)

	Endowment Fund	Operating Fund	Current Projects	ASEDP	Elimination (Note 13)	2023 Total	2022 Total
LIABILITIES AND FUND BALANCES							
Current Liability							
Accrued expenses and other payables (Note 10)	₱47,969	₱2,221,962	₱22,537,601	₱10,691,061	(₱24,818,489)	₱10,680,104	₱8,033,628
Noncurrent Liability							
Retirement benefit obligation (Note 11)	–	1,144,422	36,693	256,888	–	1,438,003	2,531,648
Total Liabilities	47,969	3,366,384	22,574,294	10,947,949	(24,818,489)	12,118,107	10,565,276
Fund Balances							
Restricted (Note 14)	60,867,979	–	–	–	–	60,867,979	46,917,515
Unrestricted (Note 14)	–	(7,046,938)	15,343,071	12,939,513	–	21,235,646	23,098,285
Total Fund Balances	60,867,979	(7,046,938)	15,343,071	12,939,513	–	82,103,625	70,015,800
TOTAL LIABILITIES AND FUND BALANCES	₱60,915,948	(₱3,680,554)	₱37,917,365	₱23,887,462	(₱24,818,489)	₱94,221,732	₱80,581,076

See accompanying Notes to Financial Statements.

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

STATEMENTS OF REVENUES AND EXPENSES

	Endowment Fund	Operating Fund	Current Projects	ASEDP	2023 Total	2022 Total
REVENUES						
Grants and donations	₱–	₱1,500,000	₱80,272,853	₱–	₱81,772,853	₱72,541,304
Interest income (Notes 3, 4, and 6)	1,843,735	6,604	–	4,913,153	6,763,492	5,001,919
Processing fees and others	–	–	–	616,262	616,262	428,535
Recovery in market value of funds held by investment managers (Note 6)	753,954	–	–	–	753,954	–
Foreign exchange gain	–	–	–	–	–	125,071
	2,597,689	1,506,604	80,272,853	5,529,415	89,906,561	78,096,829
EXPENSES						
Programs and projects (Note 15):						
Direct project costs:						
Active TB Case-Finding (ACF)	–	–	45,650,422	–	45,650,422	38,415,414
Mangrove Reforestation in Culion & Coron, Palawan (GFOREST)	–	–	6,123,878	–	6,123,878	2,873,431
TB in the Workplace (TBP)	–	–	4,653,954	–	4,653,954	4,152,192
Distribution of Assorted Medicines/Vitamins	–	–	3,071,753	–	3,071,753	–
Community-Based Drowning Prevention (DP)	–	–	1,425,219	–	1,425,219	1,231,846
Research Triangle Institute International (RTI)	–	–	1,293,426	–	1,293,426	–
Pro-active Leprosy/Public Health projects (LP)	–	–	1,000,000	–	1,000,000	416,636
Management of impairment & Disabilities Arising from Leprosy & Lymphatic Filariasis (MID)	–	–	802,783	–	802,783	1,207,542
Fish Right Expenses	–	–	393,314	–	393,314	2,379,471
Strengthen Philippine NTDPs	–	–	388,433	–	388,433	–
Revision of Barangay Health Worker's Reference Manual (BHW Manual)	–	–	126,600	–	126,600	567,490
Prototyping of Provision of Outsourced TB Clinic for Private Hospitals (W8 TB)	–	–	–	–	–	4,689,207
Urban Health Project (UHP)	–	–	–	–	–	2,222,362
PIF-School Supplies	–	–	–	–	–	87,752
Leprosy Elimination and Control Program (LEARNS)	–	–	–	–	–	50,293
Indirect project costs	–	–	–	4,334,412	4,334,412	2,907,816
General and administrative expenses (Note 12)	1,000	8,518,150	–	–	8,519,150	4,795,636
Other expenses						
Foreign exchange loss	–	35,392	–	–	35,392	–
Decline in market value of funds held by investment managers (Note 6)	–	–	–	–	–	755,820
	1,000	8,553,542	64,929,782	4,334,412	77,818,736	66,752,908
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	₱2,596,689	(₱7,046,938)	₱15,343,071	₱1,195,003	₱12,087,825	₱11,343,921

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, 2023 AND 2022

	Endowment Fund	Operating Fund	Current Projects	ASEDP	Total
Balances at January 1, 2022	₱42,143,635	(₱4,845,675)	₱10,274,564	₱10,108,036	₱57,680,560
Fund transfers during the year (Note 14)	4,277,045	6,588,836	(10,274,564)	400,001	991,319
Excess (deficiency) of revenues over expenses	496,835	(3,137,055)	12,747,668	1,236,473	11,343,921
Balances at December 31, 2022	46,917,515	(1,393,894)	12,747,668	11,744,510	70,015,800
Fund transfers during the year (Note 14)	11,353,775	1,393,893	(12,747,668)	–	–
Excess (deficiency) of revenues over expenses	2,596,689	(7,046,938)	15,343,071	1,195,003	12,087,825
Balances at December 31, 2023	**₱60,867,979**	**(₱7,046,938)**	**₱15,343,071**	**₱12,939,513**	**₱82,103,625**

See accompanying Notes to Financial Statements.

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

STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenses	**₱12,087,825**	₱11,343,921
Adjustments for:		
Interest income (Notes 3, 4 and 6)	**(6,763,492)**	(5,001,919)
Decline (recovery) in market value of funds held by investment managers (Note 6)	**(753,954)**	755,820
Retirement benefit expense (Note 11)	**309,108**	720,216
Depreciation (Note 8)	**95,976**	131,825
Unrealized foreign exchange losses (gains)	**35,392**	(125,071)
Operating income before working capital changes	**5,010,855**	7,824,792
Decrease (increase) in:		
Project advances	**(3,259,771)**	(1,549,353)
Receivables	**5,337,828**	(15,270,376)
Increase in accrued expenses and other payables	**2,646,476**	2,515,155
Net cash from (used in) operations	**9,735,387**	(6,479,782)
Benefits paid	**(1,402,753)**	(51,871)
Interest received	**6,604**	7,522
Net cash flows from (used in) operating activities	**8,339,238**	(6,524,131)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	**4,913,153**	4,994,397
Additions in funds handled by investment managers	**(8,826,357)**	(1,050,265)
Additions in investment in bonds	**(7,050,000)**	(300,000)
Payments for deposit for office rental	**(8,085)**	(14,700)
Additions to office equipment (Note 8)	–	(62,329)
Proceeds from disposal of office equipment	–	4,054
Net cash flows from (used in) investing activities	**(10,971,289)**	3,571,157
NET DECREASE IN CASH	**(2,632,051)**	(2,952,974)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	**(35,392)**	125,071
CASH AT BEGINNING OF YEAR	**11,539,275**	14,367,178
CASH AT END OF YEAR (Note 3)	**₱8,871,832**	₱11,539,275

See accompanying Notes to Financial Statements.

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

Further on October 11, 2019, the SEC approved the amendment of its AOI to include its purpose in assisting in improving the quality of life of the patients, their families, and their communities in general, a crucial factor in regaining their well-being.

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. 040-2020 dated February 21, 2020 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. On December 11, 2019, PCNC awarded the Certificate of Accreditation to the Foundation which is valid for a period of five (5) years.

On December 23, 2014, the Foundation renewed its registration with the BIR as a donee foundation. The renewed DSWD Certificate of Registration was received on December 20, 2017. As required by PCNC, the true copy of the DSWD certification was submitted in April 2018 for the extension of the Foundation's registration with the BIR as a donee foundation. On January 8, 2021, the DSWD issued a Certificate of License to Operate to the Foundation which will expire on January 9, 2024. The Foundation will not seek re-accreditation upon the recommendation of DSWD that the Foundation should seek accreditation from DOH considering the nature of its projects. As of 2024, the Foundation's application for accreditation with DOH is ongoing.

The Foundation renewed its tax exemption ruling in compliance with Revenue Memorandum Order (RMO) No. 20 – 2013 issued by the Bureau of Internal Revenue (BIR) on July 22, 2013, as amended by RMO No. 28-2013 on October 29, 2013. On November 11, 2021, the BIR had issued the Certificate of Tax Exemption to the Foundation valid for three (3) years from the date of issuance.

The registered office of the Foundation is at Norfil Building, No. 16, Mother Ignacia Avenue corner Roces Avenue, Quezon City.

The financial statements of the Foundation as of and for the years ended December 31, 2023 and 2022 were approved and authorized for issue by the Executive Committee as authorized by the BOT on April 12, 2024.

2. Summary of Material Accounting Policies

Basis of Preparation
The financial statements of the Foundation have been prepared in accordance with the PFRS for Small Entities (the 'Framework') as approved by the Financial Reporting Standards Council, Board of Accountancy, and Securities and Exchange Commission (SEC). The financial statements have been prepared on a historical cost basis and are presented in Philippine Peso (₱), which is the Foundation's functional currency.

Financial Instruments
The Foundation's basic financial instruments consist of cash, project advances, receivables, funds held by investment managers, investment in bonds, and accrued expenses and other payables.

Initial measurement
On initial recognition, a debt financial instrument is measured at transaction price (including transaction costs), unless the arrangement is in effect a financing transaction. In this case, it is measured at present value of the future payments discounted using a market rate of interest for a similar debt instrument.

Subsequent measurement
The Foundation's debt financial instruments are subsequently measured at amortized cost using the effective interest method.

The Foundation's investments in shares shall be carried at cost less impairment, unless the investment in shares are traded in an active market, which shall be measured at the lower of cost or fair value, with changes in fair value recognized in profit or loss. For shares traded in an active market, the best evidence of fair value is the quoted price for those shares in that active market.

Impairment of financial instruments measured at amortized cost
At each reporting date, the Foundation assesses whether there is objective evidence of impairment on any financial assets that are measured at amortized cost. When there is any objective evidence of impairment, an impairment loss is recognized immediately in profit or loss.

The impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

Derecognition of Financial Assets
An entity derecognizes a financial asset only when the contractual rights to the cash flows from the assets have expired or are settled, or the entity has transferred to another party substantially all the risks and rewards of ownership relating to the financial asset.

Derecognition of Financial Liabilities
Financial liabilities are derecognized only when these are extinguished – that is, when the obligation is discharged, canceled or has expired.

Cash
Cash includes cash on hand and in banks.

Project Advances and Receivables
Project advances and receivables are recognized initially at transaction price. They are subsequently measured at amortized cost using the effective interest method. A provision for impairment of project advances and receivables is established when there is objective evidence that the Foundation will not be able to collect all amounts due according to the original terms of these receivables.

Security Deposit
Security deposits represent cash advances to lessors relating to operating leases, which will be refundable at the end of the lease term. The deposits are measured at present value at the time of payment and periodically reviewed for impairment. The deposits will be received by the Foundation at the end of the lease term. Security deposits that are expected to be realized within twelve months after reporting date are classified as current assets. Otherwise, these are classified as noncurrent.

Office Equipment
Office equipment is carried at cost less accumulated depreciation and any impairment in value, if any.

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. Expenditures incurred after the office equipment have been put into operation, such as repairs and maintenance and overhaul costs, are normally changed to expense in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of office equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of office and equipment. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets which is three to five years.

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 statement 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 office equipment. 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 amount 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. Trade and other payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method.

Fund Balances
Fund balances represent the cumulative balance of excess or deficiency of revenues over expenses. 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.

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 taking into account the effective yield of the asset.

Processing Fees and Others
Processing fees and others is recognized when earned.

Expenses
Expenses are decreases in economic benefits during the accounting period in the form of outflows or depletion of assets or incurrence of liabilities that result in decreases in fund balance. 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 when incurred.

Retirement Benefit Obligation
The Foundation is yet to establish a formal retirement plan for its employees. Thus, the Foundation's retirement benefit obligation is measured using the accrual approach based on the minimum retirement benefits required under Republic Act (RA) No. 7671, otherwise known as *The Retirement Pay Law*. Accrual approach is applied by calculating the expected liability as at reporting date using the current salary of the entitled employees and the employees' years of service, without consideration of future changes in salary rates and service periods.

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.

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. Cash

	2023	2022
Cash on hand	**₱2,161,076**	₱2,269,400
Cash in banks	**6,710,756**	9,269,875
	₱8,871,832	₱11,539,275

Cash in banks earn interest at the prevailing bank deposit rates. Interest income earned amounted to ₱6,604 and ₱7,522 in 2023 and 2022, respectively.

4. Project Advances

	2023	2022
Project advances	**₱17,226,210**	₱13,086,439
Less allowance for impairment losses	**1,365,908**	485,908
	₱15,860,302	₱12,600,531

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.* Project advances are unsecured and interest-bearing and are collectible within one year.

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

	2023	2022
Balances at beginning of year	**₱485,908**	₱550,576
Provision	**880,000**	–
Write-off	–	(64,668)
Balances at end of year	**₱1,365,908**	₱485,908

Interest income earned from project advances amounted to ₱4,913,153 and ₱3,741,202 in 2023 and 2022, respectively.

5. Receivables

	2023	2022
Receivables from Philippine Business for Social Progress, Inc. (PBSP)	**₱16,479,702**	₱20,239,141
Receivables from officers and employees	**1,552,453**	408,694
Receivable from GForest	**1,021,911**	–
Receivable from United Nations Office for Project Services (UNOPS)	–	1,975,791
Receivable from World Health Organization (WHO)	–	1,445,440
Receivables from Path Foundation Philippines, Inc.	–	321,296
Others	**153,816**	155,347
	₱19,207,882	₱24,545,709

Receivables from PBSP, GForest, UNOPS, WHO, and Path Foundation Philippines, Inc. are non-interest bearing and are collectible within one year. Receivables from WHO arise from two projects, Management of Impairments and Disabilities Arising from Leprosy and Lymphatic Filariasis and Urban Health projects amounting to ₱769,940 and ₱675,500, respectively.

Receivables from officers and employees are cash advances made to the employees subject to liquidation. These are non-interest bearing and are collectible within one year.

Other receivables pertain to receivables from fund managers for the remaining proceeds of the redemption of shares.

6. Funds Handled by Investment Managers

To maximize the utilization of its available funds, the Foundation engaged the services of the Bank of the Philippine Islands (BPI), Amalgamated Investment Bancorporation (AIB), AB Capital Securities and Development Bank of the Philippines (DBP) to act as its investment managers and 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 AIB, AB Capital Securities, Inc., BPI and DBP, the funds consist of the following:

	2023	2022
Investments in:		
Marketable equity securities	**₱24,412,688**	₱22,040,581
Government securities	**11,247,483**	2,201,089
Deposits in bank	**–**	–
Interest receivable	**6,939**	1,394
	₱35,667,110	₱24,243,064

Income from investments earned amounted to ₱1,843,735 and ₱1,253,195 in 2023 and 2022, respectively.

In 2023, the Foundation recognized a recoverability of the decline in market value of funds held by investment managers amounting to ₱753,954. While in 2022, a decline in market value of funds held by investment managers amounting to ₱755,820 was recognized.

As of December 31, 2023 and 2022, the fair market value of the investments amounted to ₱35,667,110 and ₱24,243,064, respectively.

7. Investment in Bonds

The investment in bonds which have a carrying amount of ₱14,300,000 and ₱7,250,000 as of December 31, 2023 and 2022, respectively, have different maturity dates and coupon rates ranging from 3.8% to 7.8%. These can be redeemed anytime by the Foundation as the need arises, which makes the investment demandable and due at any time. The Foundation intends to redeem these bonds anytime for their operating needs. As such, the investment in bonds are classified as a current asset in the statement of assets, liabilities and fund balances.

8. Office Equipment

	2023	2022
Cost:		
Balances at beginning of year	₱679,215	₱710,244
Additions	–	62,329
Disposal	–	(93,358)
Balances at end of year	679,215	679,215
Accumulated depreciation:		
Balances at beginning of year	445,098	402,577
Depreciation	95,976	131,825
Disposal	–	(89,304)
Balances at end of year	541,074	445,098
Net book values	₱138,141	₱234,117

Depreciation of office equipment related to projects was recorded under programs and projects amounting to ₱63,852 and ₱49,264 in 2023 and 2022, respectively.

9. Security Deposits

The Foundation's security deposits amounting to ₱176,465 and ₱168,380 as of December 31, 2023 and 2022, respectively, will be reimbursed at the end of the lease term. The security deposit is classified as a noncurrent asset in the statement of financial position since it is not expected to be collected within 12 months from the reporting date.

This security deposit is related to the two-year lease contract with Norfil Foundation, Inc. for the office space which commenced on December 1, 2017, and is renewable every year. The rent expense in relation to this lease amounted to ₱1,176,743 and ₱300,000 in 2023 and 2022, respectively (see Note 12).

10. Accrued Expenses and Other Payables

	2023	2022
Accrued medical expenses	₱4,655,159	₱5,685,513
Due to employees	1,811,268	457,759
Deferred support	1,208,721	493,377
Accrued expenses	1,508,582	668,414
Deposit from loan borrower	789,713	728,565
Due to government	706,661	–
	₱10,680,104	₱8,033,628

Accrued medical expenses pertains to the accrual for the billings from the X-ray providers of the Foundation. Accrued medical expenses are non-interest bearing and are generally settled within a year.

Deferred support pertains to the grants from WHO (BHW Manual, Community-based Drowning Prevention Initiative in Western Visayas, Management of Impairment and Disabilities and Strengthen Philippine NTDPs), in excess of the total costs incurred by the aforementioned projects, which shall be utilized in the following period.

Accrued expenses include accrual for rent and utilities, salaries of employees, statutory payables and other government liabilities, among others. Accrued expenses are generally settled within a year.

Due to employees includes accrued expenses shouldered by the employees and reimbursable by the foundation amounting to ₱473,319; accrued 20 percent performance bonus amounting to ₱310,767 and accrued project completion pay for ₱1,027,182. These are non-interest bearing and are generally settled within a year.

11. Retirement Benefit Obligation

The Foundation recognized the amount of retirement benefits for its qualified employees following the minimum requirement benefit required by RA No. 7641, *Retirement Pay Law*, using accrual approach.

The movement in the account during the years ended December 31 are as follows:

	2023	2022
At January 1	**₱2,531,648**	₱1,863,303
Retirement benefit expense (Note 12)	**309,108**	720,216
Payment	**(1,402,753)**	(51,871)
At December 31	**₱1,438,003**	₱2,531,648

12. General and Administrative Expenses

	2023	2022
Personnel expenses (see Note 11)	**₱3,903,350**	₱2,871,256
Fund generation	**2,077,263**	603,244
Office and equipment rental (Note 9)	**1,171,715**	300,000
Meeting expenses	**219,505**	348,536
Utilities	**183,847**	59,980
Communication	**167,777**	76,893
Taxes and licenses	**61,507**	35,600
Transportation and travel	**51,613**	93,560
Entertainment, amusement and recreation	**45,868**	15,488
Depreciation (see Note 8)	**32,124**	82,561
Repairs and maintenance	**19,658**	128,731
Others	**584,923**	179,787
	₱8,519,150	₱4,795,636

Fund generation expenses are assistance to the victims of typhoon and project and administrative personnel costs which are not covered by funding donors.

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

13. 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 in 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:

	2023		2022	
	Receivable	**Payable**	Receivable	Payable
Current project	**₱7,424,903**	**₱24,158,608**	₱4,790,871	₱14,009,513
Operating fund	**16,271,786**	**618,854**	8,890,066	377,415
Endowment fund	**1,121,800**	**41,027**	1,121,800	415,809
	₱24,818,489	**₱24,818,489**	₱14,802,737	₱14,802,737

14. 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.

In 2022, the management transferred funds which amounted to ₱10.3 million from Current Projects to Endowment Fund, Operating Fund and ASEDP amounting to ₱4.3 million, ₱6.6 million and ₱0.4 million, respectively, which were duly approved by the BOT.

In March 2023, the BOT approved the fund balance transfer from the excess funds from Current Project in 2022 amounting to ₱12.7 million to Endowment Fund and Operating Fund amounting to ₱11.3 million and ₱1.4 million, respectively.

In April 2024, the BOT approved the fund balance transfer from the excess funds from Current Project in 2023 amounting to ₱15.343 million to Endowment Fund and Operating Fund amounting to ₱8.296 million and ₱7.047 million, respectively.

15. Programs and Projects

As of December 31, 2023, the Foundation implemented the following projects:

New Projects in 2023

Research on TB Innovation

Research Triangle Institute International (RTI) partnered with the Culion Foundation to conduct landscaping activity aimed at taking stock of the TB and HIV status of TB and HIV control efforts and how the Philippines responds to Global Health Security in preparation for the TB LUZON CONCEPT NOTE to be submitted to USAID request for application wherein the RTI is the principal proponent and CFI is the sub-recipient of the prospective project. The total project costs incurred is amounting to ₱1,293,426 in 2023.

Strengthen the Philippine Neglected Tropical Diseases Program to interrupt the transmission of selected Skin NTDs including Leprosy by 2030
The Foundation partnered with the World Health Organization to strengthen the capacity of the health and community systems in integrated disease prevention and control to accelerate towards interruption of transmission and elimination of selected Skin NTDs in line with the Philippine Multi-Diseases Elimination Plan (MDEP) initiative. The total project cost was ₱388,433 in 2023.

The original duration of this project is from October-December 2023, although, it was extended until March 2024.

Distribution of Assorted Medicines/Vitamins
In 2023, the Foundation accepted donated assorted medicines and vitamins worth ₱3,071,753 from AMBICA International Corporation and distributed the same in Imus, Cavite, and Culion/Coron, Palawan.

Projects in 2023 and 2022

Community-Based Drowning Prevention (DP)
In collaboration with the Department of Health Center of Health Development (Region 6), the Foundation provided technical assistance in the implementation of Community-Based Drowning Prevention Initiatives in the Western Visayas to be funded by the World Health Organization.

The Foundation incurred project costs amounting to ₱1,425,218 and ₱1,231,846 in 2023 and 2022, respectively.

Management of impairment & Disabilities Arising from Leprosy & Lymphatic Filariasis (MID)
The Foundation agreed to perform work with the World Health Organization to support the project entitled "Enhance the Strategy in the Management of Impairments and Disabilities Arising from Leprosy and Lymphatic Filariasis in Iloilo, Northern Leyte, and Zamboanga Del Norte".

The Foundation incurred project costs amounting to ₱802,783 and ₱1,207,542 in 2023 and 2022, respectively.

Mangrove Reforestation in Culion & Coron, Palawan (GFOREST)
The Foundation entered into a Memorandum of Agreement with G-XCHANGE, INC. for the restoration of mangrove forests in Culion and Coron, Palawan.

The project expanded deliverable is to plant 325,000 mangrove tree seedlings in Culion and Coron, Palawan and the project life shall be until March 31, 2025.

The Foundation incurred project costs amounting to ₱6,123,879 and ₱2,873,431 in 2023 and 2022, respectively.

Pro-active Leprosy/Public Health Projects (LP)
During the period, the Foundation entered into a Project Agreement with Rizal Dermatology Services, Training, and Research, Inc. to support the creation, reproduction, and dissemination of the leprosy clinical pathways flipchart (the "Flipchart").

The Foundation also supported the development of the TB VISAYAS AND MINDANAO CONCEPT NOTE to be submitted to USAID request for application where the Foundation is the principal proponent.

In 2022, the Foundation entered into a Project Agreement with Rizal Dermatology Services, Training and Research, Inc. to support its education, advocacy, and research work on leprosy. The project aims to produce audio-visual material for off-line and Facebook live viewing, conduct Randomized Control Trial and Cross-Sectional Research Study and produce communication collaterals.

The Foundation also supported the continuity of the operation of the TB DOTS Clinics in Zamboanga, Pagadian, and Calapan while looking for another funding source.

The Foundation incurred project costs amounting to ₱1,000,000 and ₱416,636 in 2023 and 2022, respectively.

Installation of TB Programs in Communities/Groups (TBP)
The Foundation engaged with Philippine Business for Social Progress (PBSP) to implement the PBSP Advancing Client Centered Care and Expanding Sustainable Services for TB (ACCESS) Project, funded by The Global Fund to Fight Aids, Tuberculosis and Malaria.

The objective of the project is to educate, train, empower, and capacitate 60 cluster groups of micro, small, and medium enterprises in the three major regions in the Philippines to implement a TB control program in the National Capital Region, Central Luzon, and CALABARZON.

The Foundation incurred project costs amounting to ₱4,653,954 and ₱4,152,192 in 2023 and 2022, respectively.

TB Active Case-Finding (ACF)
The Foundation engaged with Philippine Business for Social Progress (PBSP) to implement the PBSP Advancing Client Centered Care and Expanding Sustainable Services for TB (ACCESS) Project, funded by The Global Fund to Fight Aids, Tuberculosis and Malaria.

The objective of the project is to conduct active case-finding activities among potential TB patients in Regions 4A, 4B, and 5. The Foundation incurred project costs amounting to ₱45,650,422 and ₱38,415,414 in 2023 and 2022, respectively.

Assistance to Small Enterprise Development
This project was 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 under RA No. 8425, the Social Reform and Poverty Alleviation Act.

The Foundation incurred project costs amounting to ₱4,334,412 and ₱2,907,816 in 2023 and 2022, respectively. These expenses were recorded under indirect project costs and general and administrative expenses in the statement of revenues and expenses.

Fish Right Project
The Foundation, in partnership with USAID-Path Foundation Philippines, Inc., implemented a project entitled, "Fish Right Project".

The objective of the project is to facilitate engagement of the communities in the Municipalities of Culion and Coron to improve management effectiveness and compliance to reduce the threats to marine biodiversity.

The Foundation incurred project costs amounting to ₱394,401 and ₱2,379,471 in 2023 and 2022, respectively.

Urban Health Project (UHP)
The Foundation partnered with the World Health Organization and Korea Foundation International Healthcare (KOFIH) in collaboration with the Department of Health to provide technical assistance in the implementation of the Urban Health Project in selected Local Government Unit sites specifically in Valenzuela and Paranaque cities in the National Capital Region.
The four-month project aimed to improve the health of the urban communities in these two cities and protect them from adverse outcomes of COVID-19. The Foundation incurred project costs amounting to ₱2,222,362 in 2022. The project was completed in 2022.

Leprosy Elimination and Control Program (LEARNS)
The Foundation entered into an Agreement for the Performance of Work with the World Health Organization to conduct the Leprosy Elimination and Control Program through the Leprosy Alert Response Network System (LEARNS) and Modified Leprosy Elimination Campaign (MLEC) and Post-Exposure Prophylaxis (PEP) projects.

In 2022, this project was completed, and the Foundation incurred project costs amounting to ₱50,293.

Revision of Barangay Health Worker's (BHW) Reference Manual and Development of Online Training Modules
The Foundation entered into an Agreement for Performance of Work with the World Health Organization to support the revision of the Barangay Health Worker's (BHW) Reference Manual and to develop online training modules. The foundation incurred project costs amounting to ₱126,600 and ₱567,490 in 2023 and 2022, respectively.

The development of an online version of the manual was completed but cannot be uploaded yet in e-TESDA pending the finalization of Memorandum of Agreement with the Department of Health.

Prototyping of Provision of Outsourced TB Clinic for Private Hospitals in the Philippines (W8 TB)
The Foundation, in partnership with the United Nations Office for Project Services, implemented a project titled, "Prototyping of Provision of Outsourced TB Clinic for Private Hospitals in the Philippines".

The objective of the project is to provide funding to partners for testing innovative approaches and technologies aimed at increasing the number of people diagnosed and treated for tuberculosis, decreasing the time to start appropriate treatment, and improving treatment success rates.

In 2022, this project was completed, and the Foundation incurred project costs amounting to ₱4,689,207.

Clinical Practice Guidelines and Medicines (CPG & Medicines)
The Foundation, in partnership with Healthcare Practice and Policy Management, Inc. (HPPM), supported the "Development of Clinical Practice Guidelines for Leprosy Project" of the National Leprosy Control Program (NLCP) of the Department of Health. The NLCP selected the HPPM to develop the said Guidelines based on its expertise and experience. This project was completed in 2022.

Distribution of PIF-School Supplies
This project was administered by the Foundation in partnership with Consuelo Zobel Alger Foundation to distribute school supplies in Culion, Palawan. The Foundation incurred project costs amounting to ₱87,752 in 2022. The project was completed in 2022.

16. Supplementary Information Required Under Revenue Regulations (RR) 34-20202 and 15-2010

Disclosures Required by RR 34-2020
On December 18, 2020, the Bureau of Internal Revenue (BIR) issued RR 34-2020 which requires the filing and submission of BIR Form 1709 (RPT Form) for the following:

a. Large taxpayers;
b. Taxpayers enjoying tax incentives;
c. Taxpayers reporting net operating losses for the current taxable year and the immediately preceding two consecutive taxable years; or,
d. A related party which has transactions with (a), (b), and (c).

The Foundation did not meet the conditions required by RR 34-2020, therefore, it is not required to submit BIR Form 1709 (RPT Form).

Disclosures Required by RR 15-2010
In compliance with the requirements set forth by RR 15-2010, hereunder are the information on taxes and licenses fees paid or accrued during the taxable year 2023:

a. Value Added Tax
Under Section 30 (e) of RA No. 8424, the Foundation is not engaged in the sale of goods or services in the course of a business pursuit, thus no revenue derived shall be subject to 12% VAT.

b. Other taxes and licenses are as follows:

Local:	
Business permit fees	₱12,582
License fees	22,000
Others	26,425
National	
BIR annual registration fee	500
Total	₱61,507

c. The amount of withholding taxes paid/accrued for the year amounted to:

Withholding taxes on compensation and benefits	₱877,123
Expanded withholding taxes	1,008,616
	₱1,885,739

OUR BOARD OF TRUSTEES

OUR TEAM

EUGENIO M. CACCAM, JR.
Executive Director

EMERALD AMURAO
Assistant Manager III,
Assistant Finance Manager,
HR and Admin Unit,

CHRISTIANA BERNABE
Human Resource Officer III

RENEE BAJAMUNDE
Strategy and
Compliance Officer

ANTHONY VEGA
HR Specialist III

WILLIAM ASUNCION
Admin Officer I

ANTHONY HIZOLE
Admin Associate III

JOSELITO LAVARIAS
Finance Manager II

CHEENIE PADUA
Senior Finance Officer I

LIEZEL MANGUBAT
Finance Officer III

MARLON VALMORIA
Finance Officer II

MARIELLE VALMADRID
Procurement Specialist III

DR. JOHN JEFFERSON BESA
Sr. Program Manager

JOURDANE ARCHES
Program Manager II (TB)
Deputy Project Managers/
Senior Project Officers

REGINALD ALAIN SANTOS
Program Manager II
(Leprosy)

HANADEE GALANO
Program Manager II
(MCH)

RALPH CEPEDA
Executive Assistant/
Assistant Manager II,
Technical Support Unit

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Monitoring & Evaluation
Officer I

ASHLEY VILLEGAS
Resource Mobilization
Officer I

BRANDON HERRERA
Corporate Affairs
Specialist III

DOLINA TABLA
Senior Admin Officer I

MARK ANTHONY JABLINES
OIC/Program Manager/
Senior Project Officer

JOHN BAÑADERA
Project Officer

TERESA VASQUEZ
ASEDP Associate II

DANNY DATANAGAN
ASEDP Associate

KAREN GABAD
ASEDP Associate

CULION FOUNDATION, INC.