



**LIFEBANK
FOUNDATION**



BREAKING THE CHAINS OF POVERTY

2019 ANNUAL REPORT

2019

Lifebank Microfinance
Foundation
Annual Report

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Message from the President

Dear Valued Friends,

Greetings from Lifebank Microfinance Foundation!

We gladly bring to you the maiden issue of our Annual Report for the year 2019. It is a condensed presentation to our partners, stakeholders and the general public of who we are as an organization. More specifically, the report communicates our vision and mission, organizational setup, operational and financial highlights, and the various activities under our two (2) major programs - the Ikabuhi Microfinance Program (IMP) and the Social and Sustainable Development Program (SSDP). Through the IMP, the Foundation has been providing since inception microfinance services to its members, the enterprising poor women. Through the SSDP, we deliver social services to our members and their families and, in partnership with like-minded institutions, implement our various visionary CSR activities in six (6) focus areas, all aimed at “breaking the chains of poverty” and serving the good of society. This annual report is for the reading pleasure of everyone. May you find it both informative and worthwhile.

On behalf of the Foundation’s Board of Trustees and Management, I would like to extend my heartfelt congratulations to the team behind this effort to come up with our first ever Annual Report. It is an honest and accurate representation of our humble work. I would also like to extend my gratitude to all those who have been with us and have contributed, in one way or another, to the growth of our organization. It was a pleasure being with you all in this exciting journey for a more sustainable society and a better life for all.

Vicente P. Perlas
President

Our History

In 7 January 2003, Lifebank Foundation, Inc. (LBF) was established and duly registered with the Securities and Exchange Commission (SEC) in the Province of Iloilo, Philippines. It was founded by members of the Board of LifeBank – A Rural Bank, a group of well-meaning and committed individuals who aspired to grow the work of providing credit access to unbanked female microentrepreneurs in areas where the bank was unable to operate at the time. Inspired by a clear vision/mission of “breaking the chains of poverty,” powered by a proven microfinance methodology adapted from ASA Bangladesh, and operated by a group of highly motivated and determined staff, LBF carried the microfinance program to provinces outside Iloilo until its outreach became nationwide. Along the way, other committed partners assisted and fueled the growth of LBF. Initial funding was provided by a small group of friends from Germany. Soon thereafter, the People’s Credit and Finance Corporation (PCFC), Bank of the Philippine Islands (BPI), and other foreign funders like Triodos Bank, Oikocredit and Cordaid, all from the Netherlands, offered much needed funding to fuel LBF’s rapid growth and expansion. Unitus NGO, an organization based in the U.S., provided grants for projects that would increase the program’s efficiency and helped establish a network of investors for LBF.

The Ikabuhi Microfinance Program (IMP) started by offering only a single loan and savings product for its members. In 2009, microinsurance was introduced which continues to be offered up to this day. Having established financial self-sufficiency and viability, the second pillar of LBF’s activities began in 2012 with the creation of the Social and Sustainable Development Program (SSDP). With surplus funds from IMP operations, the SSDP funds two (2) kinds of projects – social services for IMP members and their families and visionary corporate social responsibility (VCSR) activities for society at large in partnership with CSOs and social enterprises. To date, SSDP projects are confined to six (6) focus areas: education, health and nutrition, disaster risk and reduction management, business development services, sustainable agriculture and innovation/incubation initiatives.

In April 2018, LBF embarked on an ambitious computerization program to cover all of its branches nationwide. This has significantly impacted the efficiency and effectiveness of its operations. Because of the initiative, the IMP was able to increase its loan product offering. The educational, emergency, and multi-purpose loans were launched for deserving members and the signature business project loan was enhanced to grant higher amounts with more flexible terms to match the member’s cash flow. Recently, LBF partnered with Water.org, a CSO based in the U.S., to jumpstart the WASH (water, sanitation and hygiene) loan. Currently, as part of its short to medium term plan, digitalization initiatives are being implemented.

On March 23, 2018, in compliance with the directive of the SEC, LBF officially changed its corporate name to Lifebank Microfinance Foundation, Inc. or LBMF.

Vision

Lifebank is a major catalyst in breaking the chains of poverty. Lifebank is a leading provider of microfinance and an important partner in social programs which empower its members, their families, communities, and society through a culture of caring and sharing.

Mission

TO OUR MEMBERS

We will provide a range of financial and social services and partner with like-minded institutions to respond to the needs of our members.

TO OUR PARTNERS

We will work together for the benefit of the poor and society.

TO COMMUNITIES
WE SERVE

We will be a catalyst for poverty reduction and a model of social responsibility.

TO OUR FELLOW
LIFEBANKERS

We will have a culture of excellence, providing opportunities for the personal, professional, and spiritual growth and development of all.

Core Values

INTEGRITY

The quality of being honest, trustworthy, and having credibility and strong moral principles; independence from biases

CREATIVITY
AND INNOVATION

The ability to understand and create new ideas, or to make and adjust to new ideas and processes

FAIRNESS

The quality of or treating people in a way that is right or reasonable

TEAM WORK

The ability to work with others, both within and outside LBF

SOCIAL CONCIENCE
AND ALTRUISM

The attitude of caring about others and doing acts that help them without regard for one's own benefit

SPIRITUALITY

The sense of and experiencing oneself as part of the larger whole, deriving meaning from the whole and being responsible for sustaining the whole

Tagline

"we excel, we care, we share"

2019 IMP Highlights



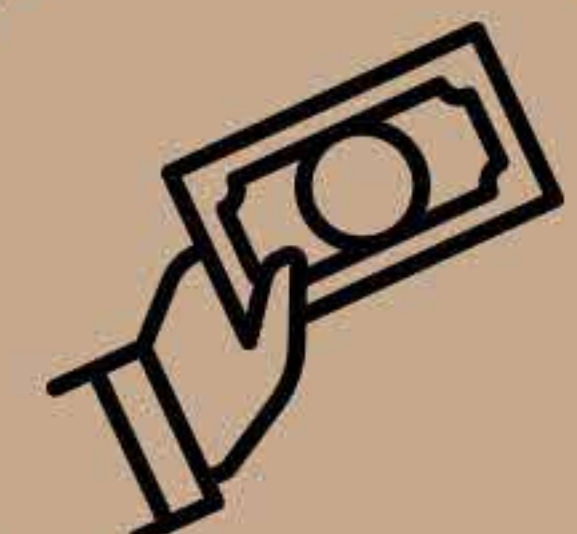
Number of Branches	393	451	14.76%
	2018	2019	% increase

Number of Members	370,171	410,605	10.92%
	2018	2019	% increase



Number of Borrowers	327,541	363,458	10.97%
	2018	2019	% increase

Loan Outstanding (P+I)	2.9B	3.7B	27.91%
	2018	2019	% increase



Active Release	4.7B	5.5B	17.23%
	2018	2019	% increase

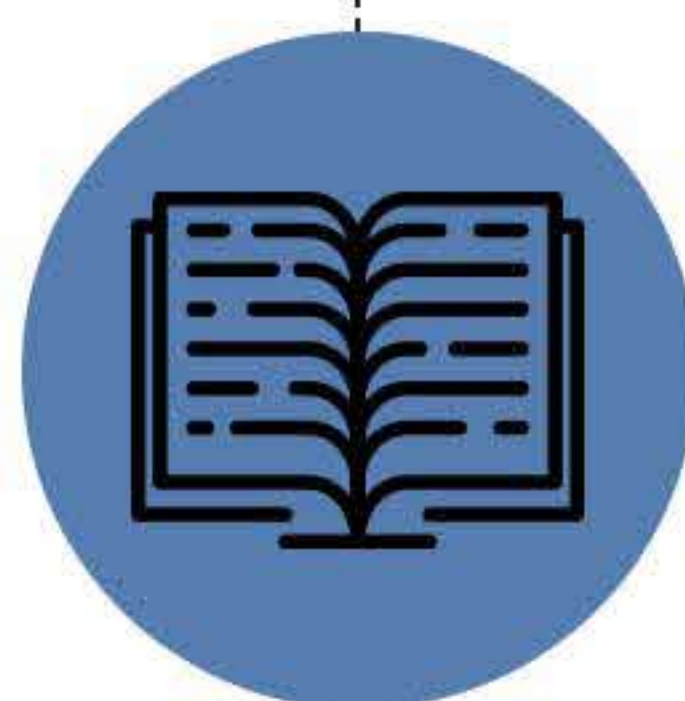
Savings Balance	1.2B	1.3B	13.61%
	2018	2019	% increase



Offered new loan products such as



Small Business Loans (SBL)



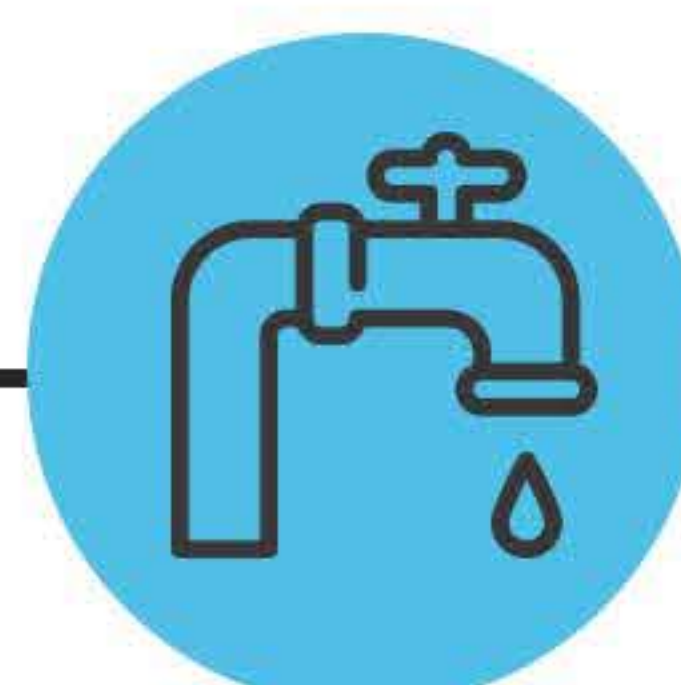
Educational Loan, Emergency Loan



House Repair Loan

Offered WaSH Loan

achieved 10.19% beyond targets



2019 SSDD Highlights

Education

EDUCATIONAL SCHOLARSHIP PROGRAM



1623
ACTIVE SCHOLARS



817
GRADUATES

Health and Disaster Risk Reduction and Management

MEDICAL MISSION



4356
BENEFICIARIES

COMMUNITY DISASTER PREPAREDNESS AND MANAGEMENT TRAINING



321
TRAINED VOLUNTEERS

Business Development Services

LIVELIHOOD TRAINING



127
TRAINEES

Sustainable Agriculture

Pestales Agriculture Cooperative (PESTALES)



15
HOUSES CONSTRUCTED

CENTER FOR BAYANIHAN ECONOMICS



5.1
HECTARES CONVERTED TO ORGANIC FARMING

Local Governance

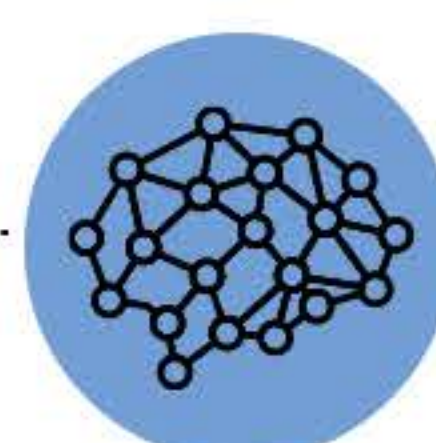
EXPANDED GRASSROOTS GOVERNANCE



111
TRAINED MEMBERS

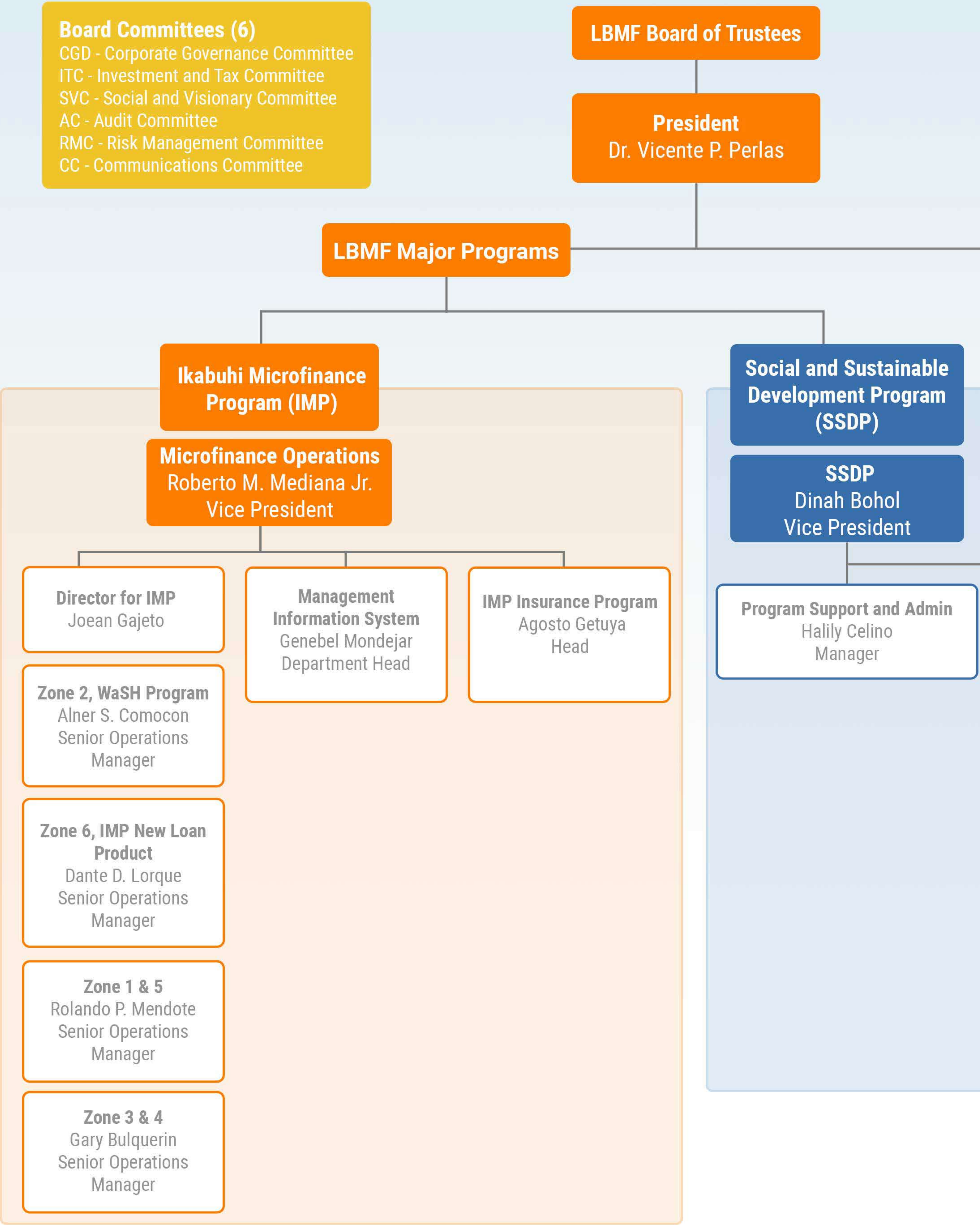
Innovation/Incubation

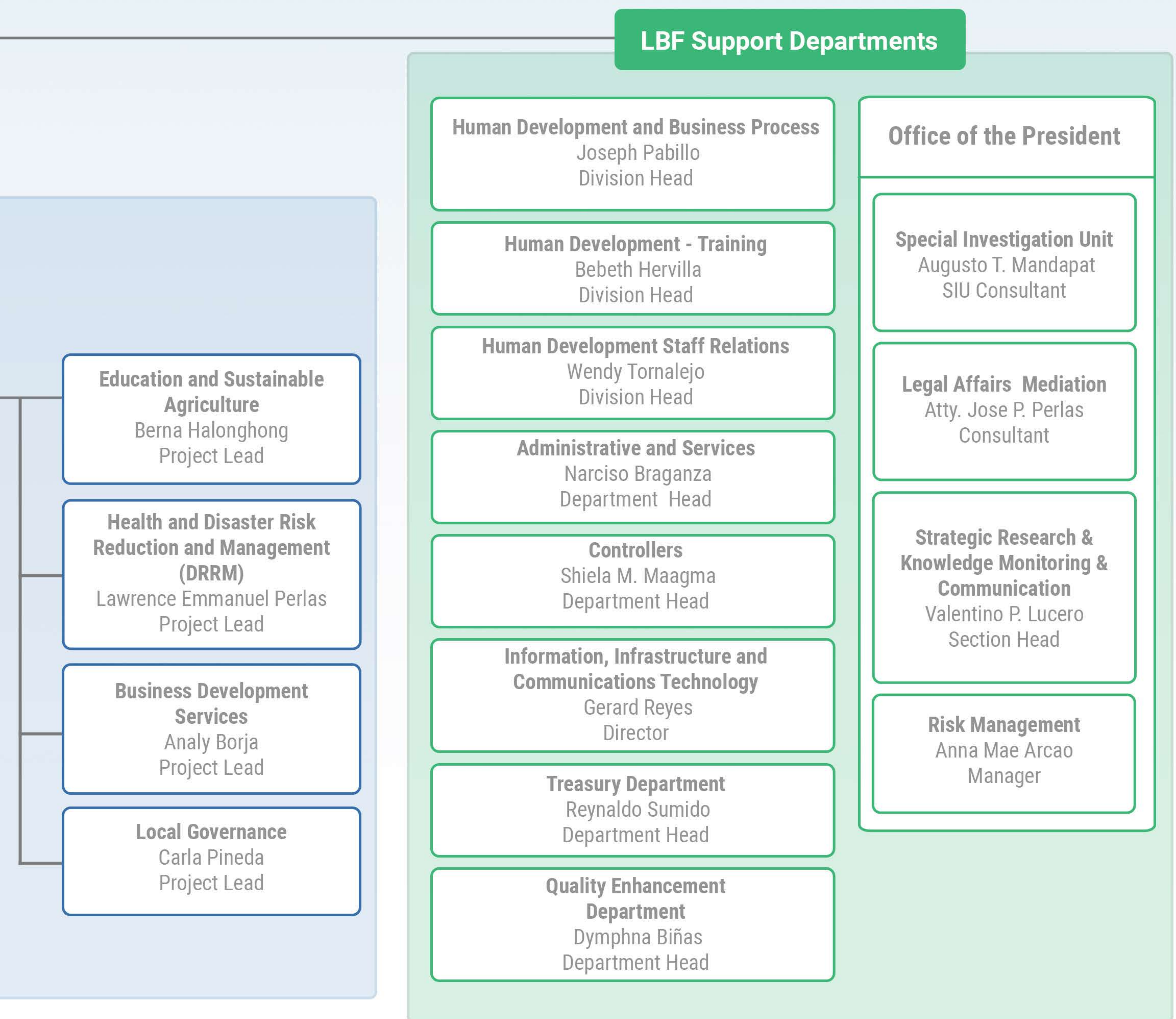
SCANNING OF ARTIFICIAL INTELLIGENCE LANDSCAPE (SAIL 2.0)



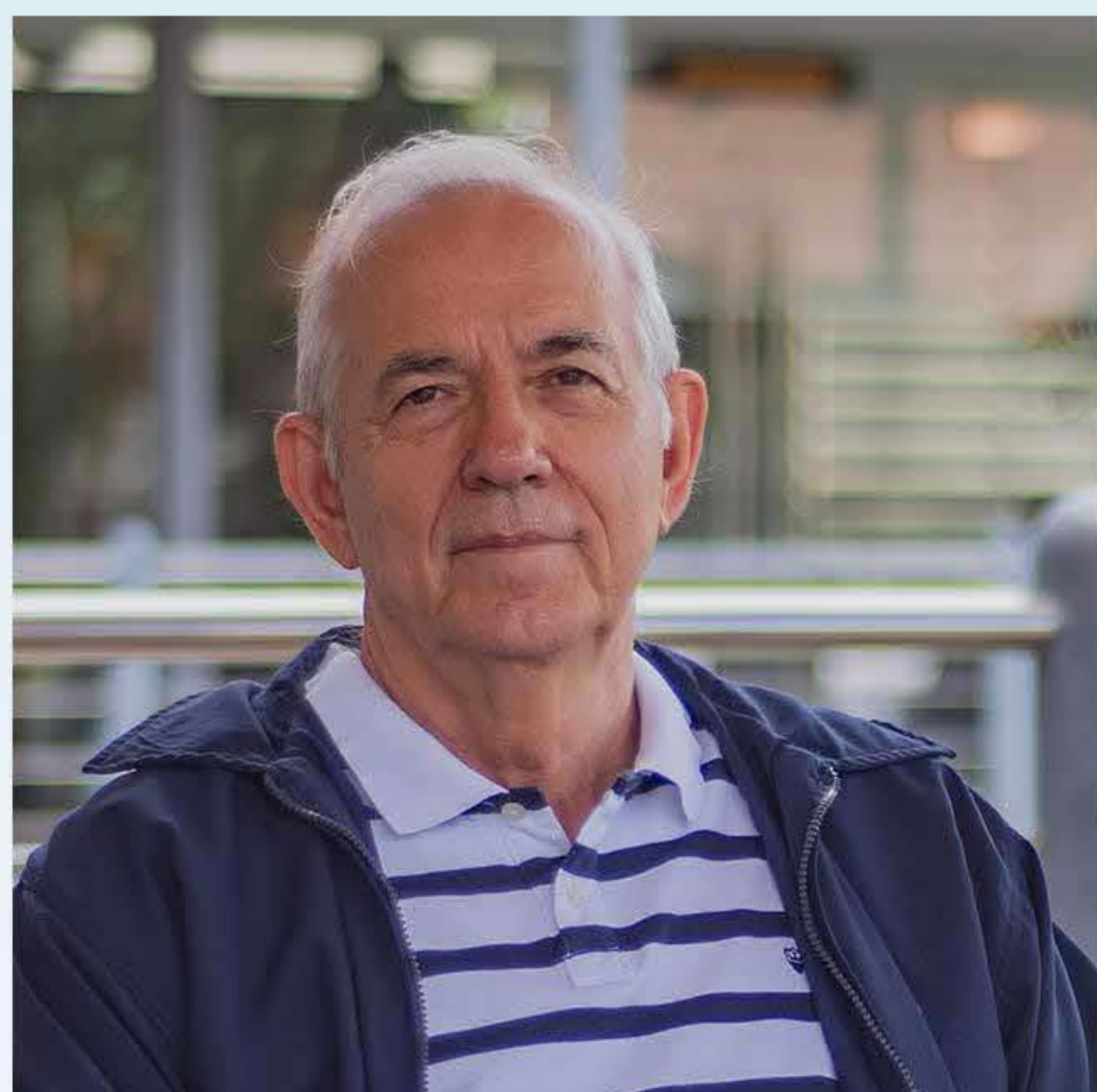
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ARTIFICIAL INTELLIGENCE TECHNOLOGY EXPLORED

Organizational Structure





Board of Trustees



Geert van der Linden

Chairman/Trustee

MSc Economics

Erasmus University, Rotterdam

Former vice president, Asian
Development Bank



Jesus Nicanor Perlas III

Vice Chairman/Trustee

Global Consultant,

Integral Sustainable Development

Recipient, The Outstanding Filipino
(TOFIL) Award



Vicente P. Perlas

President/Trustee

Doctor of Medicine,

West Visayas State University

Masters of Business

Administration, UP Diliman

President, BlueFields
Enterprises Inc.



Joseph Perlas

Secretary

BS Business Administration,
UP Diliman



Hermie R. Barbasa

Treasurer/Trustee

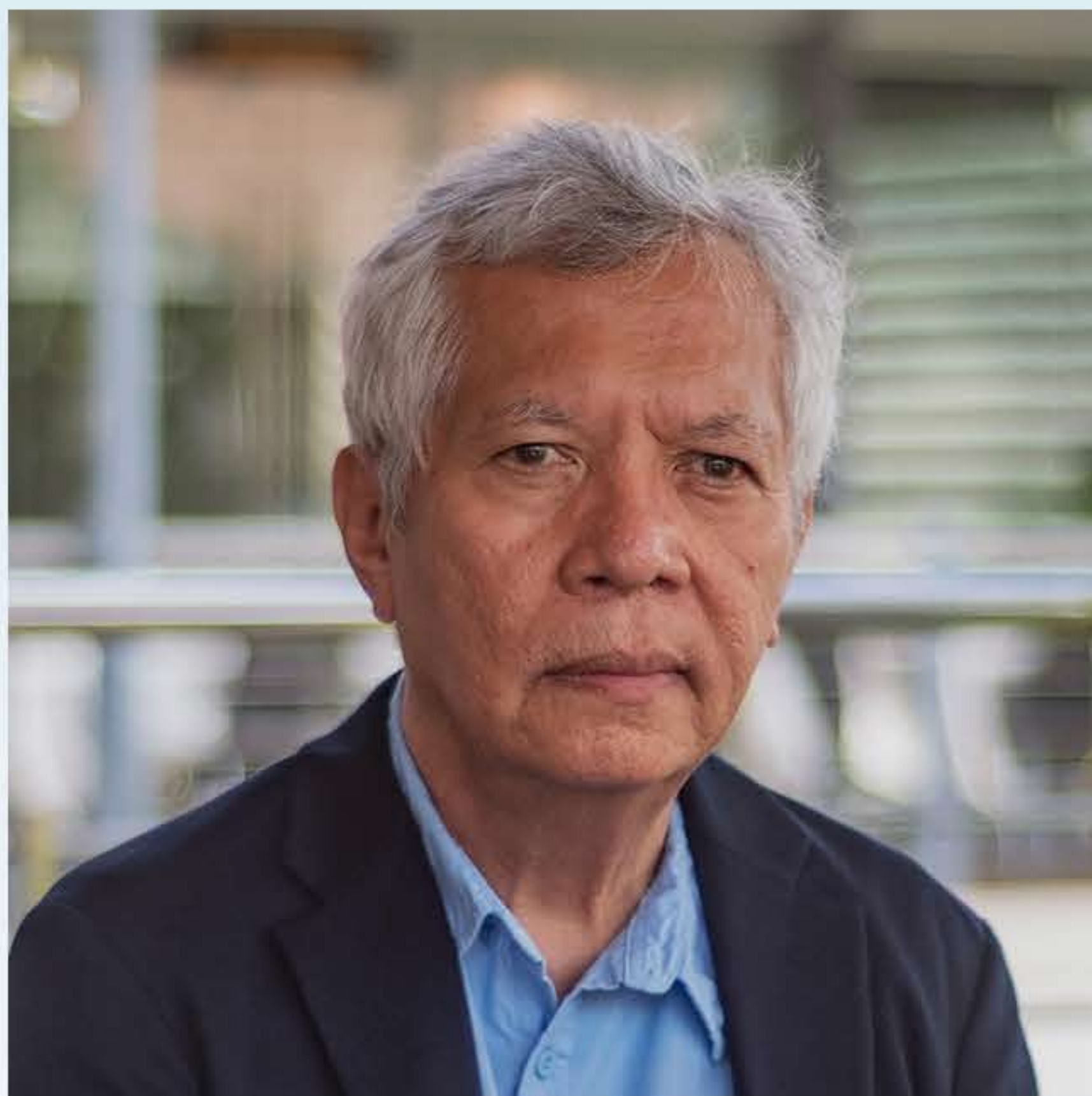
Bachelor of Science in Civil

Engineering

University of Iloilo

Operations Manager,

Blue Fields Trading Post Inc.



Jose P. Perlas

Trustee

Certified Public Accountant,
University of the Philippines
Attorney-at-Law,
Central Philippine University



Rudyard M. Mondejar

Trustee

Architect
Far Eastern University (FEU)
Treasurer, LifeBank - A Rural
Bank



Rosario B. Perlas

Trustee

Doctor of Medicine,
West Visayas State University
President, LifeBank - A Rural Bank
CEO, Bluefields Hypermart



Miguel O. Perlas

Trustee

Bachelor of Arts,
Ateneo de Manila University
Managing Partner - Edgepro
Philippines



Carlo K. Perlas

Trustee

Masters Degree in Integrated
Marketing Communications
Owner, Tower of Doom Studios

The Board Committees



Audit Committee

Rosario B. Perlas – Chair
Jose P. Perlas – Member
Miguel O. Perlas – Member
Hermie R. Barbasa – Member
Carlo K. Perlas – Member
Rudyard M. Mondejar – Member

Corporate Governance Committee (CGC)

Geert van der Linden – Chair
Vicente P. Perlas – Member
J. Nicanor Perlas III – Member
Carlo K. Perlas – Member

Risk Management Committee (RMC)

Vicente P. Perlas – Chair
Rosario B. Perlas – Member
Miguel O. Perlas – Member
Hermie R. Barbasa – Member
Jose P. Perlas – Member
Rudyard M. Mondejar – Member



Social Services-Visionary Corporate Social Responsibility Committee (SVC)

Geert van der Linden – Chair
J. Nicanor P. Perlas III – Member
Vicente P. Perlas – Member
Carlo K. Perlas – Member

Investment and Tax Committee (ITC)

Geert van der Linden – Chair
Vicente P. Perlas – Member
Rosario B. Perlas – Member
Luigi Bernas – Member

Communications Committee (CC)

Carlo K. Perlas – Chair
Miguel O. Perlas – Member
Rosario B. Perlas – Member
Dinah G. Bohol – Member
Roberto M. Mediana Jr. – Member
Valentino L. Lucero – Member

Management Committee



Dinah G. Bohol

Vice President, Social and Sustainable Development Department



Roberto M. Mediana Jr.

Vice President, Microfinance Operations



Bebeth D. Hervilla

Head, Human Development Training



Reynaldo S. Somido

Head, Treasury Department



Genebel B. Mondejar

Head, Management Information System



Patrick Gerard G. Reyes

Director, Information, Infrastructure and Communications Technology Department



Narciso E. Braganza

Head, Administrative Services Department



Dante Lorque

Senior Operations Manager, Operations Department



Gary Bulquirin

Senior Operations Manager, Operations Department



Joean G. Gajeto
Director, Operations Department



Dymphna C. Binas
Head, Quality Enhancement Department



Valentino P. Lucero
Head, Strategic Research and Knowledge Management, Monitoring and Communications



Shiela L. Maagma
Head, Controllers Department



Ana Mae B. Arcao
Manager, Risk Management



Joseph L. Pabillo
Head, Human Development Business Process



Alner Camonon
Senior Operations Manager, Operations Department



Rolando Mendote
Senior Operations Manager, Operations Department

Department and Divisions

DEPARTMENT	FUNCTION
Office of the President (OP)	Initiates, orchestrates and executes interdependent projects anchored on a strategic plan to enable departments and divisions to achieve their corporate goals and effectively manages the various risks faced by the organization.
Operations Department (OD)	Over-all in-charge of all Ikabuhi Microfinance Program (IMP) operations. It also spearheads in ensuring that all rules and regulations of the IMP are aligned to the organization's Vision and Mission.
Human Development Business Process (HDBP)	In-charge of the business processes of core HD functions such as Talent Acquisition, Staff Movements, Salary Administration, Benefits Administration, Records Management, Performance Management, and Staff Communications and Organizational Development.
Human Development-Training (HDTR)	Provides training and development in support of the organization's mission to employee's growth and development.
Human Development-Staff Relations (HDSR)	Timely and soundly resolves administrative cases in accordance with LBF's internal rules and regulations and aligned with due process and relevant labor rulings.
Treasury Department (TD)	Adds value to the corporate financial performance, and in achieving strategic initiatives through effective cash management. Its major functions include Cash Receipts/Disbursements and Banking Relations/Control.
Controllers Department (CD)	Creates and presents financial reports that forecast income, expenses, profits, and other pertinent information. They also prepare reports for the BIR, SEC, and other agencies to ensure that the Organization is operating within the law.
Management Information System Department (MISD)	Manages and maintains the information system that captures data from various internal sources of an organization, analyzes the information and reports to aid in management decision-making. It consists of software that serves as the backbone of organization's operations. MIS staff are able to play a key role in areas such as information security, integration and exchange of data.

DEPARTMENT	FUNCTION
Administrative Services Department (ASD)	Created to serve all LBF departments with their Logistical and Administrative needs. It has four sections namely, Procurement Section, Building and General Services Section, Logistic and Custodianship Section, and Life Academy Center.
Social and Sustainable Development Department (SSDD)	Provides social services programs to LBF members, families and their communities in partnership with like-minded individuals and organizations with the same vision of breaking the chains of poverty through education, health and disaster resiliency, business development, sustainable agriculture, local governance and innovation and incubation.
Information, Infrastructure and Communications Technology Department (IICTD)	Provides a higher standard of Information Technology professionalism by designing and implementing ICT infrastructure and application system projects to support all the needed ICT requirements of a growing organization and providing prompt and efficient technical support services to all Lifebankers across the whole organization.
Quality Enhancement Department (QED)	Examines the financial operation, evaluates the implementation and effectiveness of the internal control, and recommends control actions.



Staff Activities 2019

Emotional Intelligence Training



Training of Trainers



Coaching and Mentoring



English 101



Team Building



Executive Assistant Training



A Staff's Testimony

Reynaldo Somido
Head, Treasury Department



I don't want to be labeled as a faultfinder. Instead, I preferred to be considered as an agent of transparency.

Walking down the memory lane, I was once an Account Officer and a Branch Manager in one of LBF branch offices before I handled auditing and treasury functions. In my entire stint as an account officer and a branch manager, I was touched by life-stories of the members. These stories taught me contentment in life. Witnessing my client-members rise above the poverty line made me grateful and this is where I find meaning and satisfaction as far as my work is concerned.

LBF taught me to have good work ethics. This is where I also valued trust and integrity.

Respecting an individual's differences and opinions form part of my learnings. Spirituality is in the list of things being valued inside the organization. I also have to mention that the training for professional development here is adequate and LBF encourages work-life balance.

These being said, what made me stay in LBF is that the organization made me a whole-integral person.

LBF Across the Country



Headquarters

Lifebank Microfinance Foundation, Inc.
Gov. F. Caram St., Maria Clara, Iloilo City
5000 Philippines



Training Centers

Life Academy Training Center
Bypass Road Brgy. Duyan-duyan, Santa
Barbara, Iloilo City, Iloilo Province 5002



Center for Bayanihan Economics
Gawad Kalinga-Enchanted Farm
Brgy. Encanto, Angat, Bulacan

451

Branch Offices

Luzon – 252

Visayas – 91

Mindanao – 108

Zone offices – 6

District offices – 16

Area offices – 91

Total number
of staff

2324

Field office - 2021
Central office - 303

Male
841



Female
1483



IKABUHI

MICROFINANCE PROGRAM

Objectives:

1. To create opportunities for self-employment and to provide credit access to enterprising poor women.
2. To teach microentrepreneurs how to save regularly for them to build up capital for their income-generating projects (IGPs).
3. To provide poor households the benefit of a micro-insurance product during times of misfortune.
4. To contribute to the economic development of poor rural and urban communities.
5. To empower microentrepreneurs by encouraging them to get involved in IGPs
6. To reduce the dependence of the enterprising poor on charities and grants.
7. To discourage the poor from dealing with money lenders who charge exorbitant rates

IMP at a Glance

Number of IMP staff	1,269
Number of Members	410,605
Number of Borrowers	363,458
Loan Outstanding (P+I)	3.71 B
Total Loan disbursed	5.5 B
Savings Balance	1.31 B

IKABUHI

MICROFINANCE PROGRAM

Products and Services

Savings

A savings product that allows members to easily create their own secure bank account without the normal hurdles and requirements needed by most commercial banks. This enables members to save based on their available capacity, so that they can prepare funds for times of necessity.

Microinsurance

An affordable insurance product that we offer for members and their households. This serves as a safety net that aims to ease family financial burdens when events such as death, injury, or catastrophes affect our members. These microinsurance products help provide financial assistance that can aid member families in these times of need.

Loan Insurance

A single premium payment product that provides financial cover for the family and co-borrowers of a member, in the case of the untimely demise of the principal borrower.

Loans

Our loan products which extend financial loans to qualifies members, with the express purpose of being used as start-up or additional capital for livelihood projects. These loans are extended at reasonable interest rates, and are repaid on a weekly basis.





Loans Offered

Regular Project Loan

A regular collateral-free loan which is offered to eligible members. These loans are to be used as start-up funds, or as additional capital for their livelihood activities.

Small Business Loan (SBL)

These loan products are designed to accommodate enterprising members who need loans at amounts larger than those offered by the Regular Project Loans.

Emergency Loan

These are special loans provided to members for emergency needs during calamities such as fires, accidents, hospitalization, death, and other such events.

House Repair and Improvement Loan

This loan product is extended to existing IMP members who need additional capital for house repair, renovation, improvement, etc.

Educational Loan

These loan products are offered to help cover educational expenses, such as tuition fees, uniforms, books, and other educational costs for the children and beneficiaries of existing IMP members.

Water, Sanitation and Hygiene (WaSH) Loan

This loan product helps enable IMP members to access funds to improve their water, sanitation, and hygiene facilities at home. These loans are designed to elevate members and their communities by giving them access to better facilities while also educating them on safe drinking water and proper sanitation for health safety.

Members' Testimonies

Olivia Mendoza, Member for 10 years

Nakatulong po sa akin ang LBF sa maliit kong negosyo (sari-sari store). Masaya po ako dahil sa kanila ako po ay nakakahiram (ng pera). Nadagdagan din ang aking puhunan sa pamamagitan ng LBF. Pati na rin sa pag-aaral ng aking tatlong anak, malaking tulong po bilang malaki po ang binibigay nilang allowance. Nagpapasalamat ako sa Ikabuhi Microfinance Program (IMP) dahil natulungan ako sa aking pangkabuhayan at dagdag na puhunan sa maliit kong negosyo. Nagpapasalamat din ako sa lahat ng mga staff kasi mababait po sila, matiyaga at masipag. Thank you LBF!”

“LBF helped me in my small business (sari-sari store). I am happy because they let me loan from them. My investment in LBF also increased. It also helped my three children in their studies because they are giving them allowances. I am grateful to IMP for helping me with my livelihood and extra investment in my small business. I also thank all the staff because they are kind, patient, and hardworking. Thank you LBF!”

Marilyn Balbastro (Educational Loan)

Nag umpisa ako sa LBF taong 2018. Maganda ang serbisyo ng LBF dahil madali silang lapitan tulad ko na gustong magsimula ng negosyo. Dahil sa kanilang serbisyo, nakatulong ito sa aking sari-sari store. Isa pang serbisyo ng LBF ang naging katuwang ko sa pag-aaral ng aking mga anak. Ito ang Educational Loan. Dahil sa loan na ito nabigyan ko ng magandang edukasyon ang aking mga anak. Laking tulong nito sa bayarin sa kanilang eskwelahan. Maganda rin ang pakikitungo ng mga staff ng LifeBank. Dahil dito, lubos akong nagpapasalamat sa lahat ng kanilang naitulong sa akin bilang miyembro ng LifeBank.

Maraming salamat LifeBank at sana marami pa kayong matulungan!

“I became a member of LBF in 2018. LBF service is good because they are approachable, especially for those who would like to start a business like me. Because of their service, it helped me put up my “sari-sari” store. Another service of LBF that has been a great help for the school fees of my children is the Educational Loan. Because of this loan, I have given my children a good education. I am very grateful for everyone who helped me become a member of LifeBank.”

“Thank you so much LBF, and I hope you continue to help others!”



Glory Rasquero (WaSH Loan)

Mga almost 10 years na ako sa LBF. Ang na avail ko na mga benefits, ang wash loan kag nakabulig gid na sya. Kay ang amon likod balay sang una, indi gid nami so nagapasalamat gid ko sa LBF kay nakabulig gid ang LBF mapamayo amon pagawi sa sulod balay. Ang LBF, kadamo gid ya sang na bulig sa amon. Labi na gid sa amon nga mga indi dako ang ginakita, nakahatag ang LBF bulig nga makanegosyo kami, naka bulig man ko sa panimalay namon tapos napamayo gid ang amon pagawi diri sa balay. Salamat gid ya sa LBF kag sa management.

"I've been a member of LBF for almost 10 years now. What I've availed, the WaSH loan, and it's but a great help. Our back of the house was very disorganized and had a rough finish so I'm very thankful because LBF helped us to better our home life. LBF has helped immensely, especially us who don't earn a lot, LBF has given us an opportunity to put up our own business. I am now able to help in our household expenses and LBF has really helped improve our quality of life. Thank you so much LBF and management."

Ikabuhi Microfinance Program

The Impact

59 new branches opened in 2019 (9 more than the annual target)

Extended financial services to **410,605 members** and **363,458 borrowers** with loan disbursement of **5,508,790,000** and total loan outstanding of **3,349,639,554** (Principal).

“Accumulated savings of clients amounting to **P1,300,000,000.00**

Piloted WaSH Loans from August to October 2019, then rolled out to one area per district as seeding from November to December 2019. By the end of 2019, our WaSH Loans were extended to 479 borrowers, affected 2,438 beneficiaries, and amounted to P6,211,589 principal loan outstanding.

Piloted ***other new loan products*** with the following loan portfolio by end of 2019:

Loan Product	Loan Portfolio
Small Business Loan	P4,352,804
Educational Loan	P206,015
Emergency Loan	P17,216
House Repair and Improvement Loan	P1,956,059

Conducted Back-to-Basics Training and Delinquency Management Orientations to field staff (64 Batches each)

Conducted activities ***in collaboration with Social & Sustainable Development Department (SSDD):***

- Medical Mission – 17
- Sports, Arts and Culture – 2
- Livelihood Training – 5
- Disaster Training – 3
- Values Formation – 4





SOCIAL & SUSTAINABLE DEVELOPMENT PROGRAMS

Lending alone will not lift the poor out of poverty. Aside from our microcredit operations, LBF's Social & Sustainable Development Programs support the entrepreneurial poor and work to address the structural causes of poverty. These programs aim to enhance the quality of life of IMP members and their communities, and to contribute to societal improvement at large through partnership with like-minded individuals and organizations that target our focus areas.

OUR FOCUS AREAS

EDUCATION

LBF supports quality and holistic education for the ultra-poor, the poor, and other deserving youth.

HEALTH AND DISASTER RISK REDUCTION AND MANAGEMENT

LBF assists its members and their communities both in disease prevention and emergency preparedness. We address vulnerabilities through community awareness and education while also providing disaster relief and response measures in times of emergencies.

BUSINESS DEVELOPMENT SERVICES

LBF helps develop its members by giving trainings in financial literacy, entrepreneurial development, and values formation. These trainings can aid these enterprising members to bring their businesses and their own financial habits to the next level.

SUSTAINABLE AGRICULTURE

LBF pursues a strategic approach that serves the general interest and welfare of the agricultural sector by supporting farmers, players, and various stakeholders to ensure sustainable food production systems and implement best agricultural practices that increase productivity and production.

LOCAL GOVERNANCE

LBF encourages better local governance by helping its members and their communities to (i) better understand local government, (ii) access government services relevant to them; and (iii) hold their local government to account.

INNOVATION AND INCUBATION

LBF supports innovative proposals that identify and advocate solutions to structural issues that lie at the root of poverty. LBF is open to new ideas and approaches for pilot testing before introducing it on a larger scale for members or communities.

SOCIAL & SUSTAINABLE DEVELOPMENT PROGRAMS

EDUCATION

1. Education Scholarship Program (ESP)

LBF's Education Scholarship Program aims to provide livelihood skills (Bachelor's degree or technical vocational courses) to deserving children of LBF's members of the Ikabuhi Microfinance Program (IMP). The program financially supports IMP members for their children's education and helps qualified scholars to acquire good academic preparation, self-development, and wider career opportunities. ESP graduates are an important factor in breaking the cycle of poverty, as their education can lead to them securing better jobs or starting their own businesses, which can greatly improve the economic and financial status of their families.

Success Story



Name of the Beneficiary: **Kent Calamba**
Course: **Bachelor of Arts in English**
Work: **Helplines Operator, CENECO**

When I became a scholar of LBF through its Education Scholarship Program, I had the chance to avail of free education. The program molded me to become a good student and be a better person. The project taught us not only to focus on our studies but also in building our social skills, thus enhancing our social responsibilities and leadership skills. I met new people who eventually became my friends. Through this project, I became a participant of a Legacy Camp last 2018. It boosted my self-confidence and encouraged me to be one of the speakers of LBF Scholars Summer Camp in the city of Dumaguete and Cagayan de Oro. Being an altogether beneficiary of (Sports, Arts and Culture (SAC), Education Scholarship Program (ESP), and Lifebank-Youth Leadership Program (LYLP) programs of LBF, I have acquired skills that are a great foundation to become a responsible person.



2. Sports, Arts, and Culture (SAC)

The Sports, Arts, and Culture program aims to strengthen community bonds and citizenship through active participation IMP children, member communities, and civil society through structured sports, arts, and culture activities. By organizing these activities, we aim to help underprivileged and at-risk children of IMP members and their communities discover and develop their kinetic and creative talents.



3. Life-Youth Leadership Program (LYLP)

The program aims to nurture upright, visionary, competent, caring and committed youth leaders who will come to understand leadership as an opportunity to serve and promote the welfare of the poor and highly marginalized and become an inspiration to others.

SOCIAL & SUSTAINABLE DEVELOPMENT PROGRAMS

4. Action for the Care and Development of the Poor in the Philippines (ACAP)

This project is formed and registered with the Securities and Exchange Commission for the purpose of pursuing the objective of helping poor people, particularly for the betterment of the lives of street children through education.

Success Story

*“She Stood Above Despite the Challenges
She Faced All These Years”*

Julie is an 18-year-old girl and a Grade 12 beneficiary of ACAP. She joined the Art and Skills Program of ACAP that she enjoyed and then became an ACAP scholar through the Educational Assistance Program (EAP).

Julie was a witness to the frequent arguments of her parents. Without much support from her sick mother, Julie needed to seek outside assistance for her school and survival needs. Despite the odds she faced, Julie did not stop but continued attending school. To lessen her burden, ACAP supported her educational needs through the Educational Assistance Program. ACAP has given her provisions for schooling such as allowances for meals, transportation, school supplies, and materials for school projects and support for other school requirements. Julie also availed of ACAP's other programs and services such as arts and psychosocial therapy that enabled Julie to express her deep thoughts and inner self.

Having gone through several challenges and struggles in life, Julie learned a simple lesson: “We cannot avoid problems, but we can find solutions and deal with our problems.”





5. Street Children NGO Support Project (SNSP)

This project was born out of the need to ensure the rights and welfare of Filipino "Children in Street Situations"(CiSS). It was initiated by LBF in 2018 to strengthen the effectiveness of NGOs working for CiSS. In 2019, 20 groups in Visayas and Mindanao joined the network to enhance and intensify the pursuit of research as well as the promotion of street children's rights.

6. The Education Support Program

The program provides institutional support to Gamot Cogon Institute in the form of comprehensive school fee support for a minimum of 20 students from poor families in the surrounding communities.



SOCIAL & SUSTAINABLE DEVELOPMENT PROGRAMS

HEALTH AND DISASTER RISK REDUCTION AND MANAGEMENT

1. Medical Mission

LBF conducts medical missions to underserved communities to help address health needs and illnesses that may require immediate medical attention. These medical missions also help spread awareness and education about health matters to these communities.



2. Community Health and Safety Advocacy (CHASA) Training

These training sessions seek to empower IMP members by giving them the knowledge and skills to become local health advocates. These advocates gain knowledge on the prevention and treatment of common diseases, as well as how to increase their local community's resilience to local health hazards and vulnerabilities



3. Community Disaster Preparedness and Management Training

This project assists our members and their communities both by being better prepared for disasters and by responding promptly with relief and other measures when there is a disaster.



SOCIAL & SUSTAINABLE DEVELOPMENT PROGRAMS



4. Community Disaster Preparedness and Management Program Community Service (CDPMP)

The Community Disaster Preparedness and Management Program Community Service is a project that allows trained volunteers to conceptualize activities that can stimulate the community to cooperate and work with each other for the ecological and social benefit of the locality.



5. Disaster Relief Assistance

LBF provides disaster relief assistance through the support of trained IMP Disaster Risk Reduction and Management volunteers and the IMP Team

Success Story

Name of the Beneficiary: Joan Guillen
Location: Booy, Tagbilaran, Bohol

During the selection of IMP members for CDPMP Training, I was chosen as one of the potential members who will undergo the training as LBF volunteer. The CDPMP Staff who visited and oriented the community on disaster preparedness motivated me to participate in the program.

Eventually, I was able to complete the training modules and served as one of the LBF-Philippine Red Cross (PRC) trained volunteers for disaster response efforts.

Despite my responsibilities to my family, community, and LBF Group, I have rendered service in PRC activities because I believe that disaster could destroy lives and properties anywhere at all times. I also believe that the damages during a disaster crisis can be prevented if more people are aware and if they are equipped with information.

My passion to serve and my active participation in the disaster response efforts of LBF-PRC accredited me to be a full-time instructress of the PRC Bohol Chapter.

It is of great honor and privilege for me to serve not only in my Barangay but also to the people of Bohol Province.



SOCIAL & SUSTAINABLE DEVELOPMENT PROGRAMS



BUSINESS DEVELOPMENT SERVICES

1. Livelihood and Financial Literacy Training

These capacity-building training sessions aim to assist poor, vulnerable, and marginalized families by helping teach them the skills necessary for proper livelihood development and financial literacy which are crucial in helping them improve their living conditions. This program provides a wide range of trainings to help maximize the potential of micro-entrepreneurial women all across the country.



Success Story

Name of the Beneficiary: **Nilda Jalando-on**
Location: **Mansilingan, Negros Occidental**



I am Nilda Jalando-on, an IMP member of B36-Mansilingan, Negros Occidental. I own a Salabat business in our community. I sell my product to friends and in the marketplace. Being a good member of our group and a responsible citizen in our Barangay, I was selected as one of the participants for the Livelihood Training on Food Safety Technology held on July 19, 2019. The training strengthened my capacity and knowledge in business as well as in proper food handling and packaging. The results of the monitoring of the LBMFI team have revealed how my Salabat business was hugely improved especially its label and packaging. I now own a kiosk in the downtown area of Bacolod City and maintained a group of customers for bulk orders. I am thankful for the training I received from LBMFI. Indeed, being part of LifeBank Microfinance Foundation is both an honor and a privilege.

SUSTAINABLE AGRICULTURE

1. Alternative Food Ecosystem Development Program

The purpose of CAFÉ-I is to cultivate a food ecosystem of communities that nourish a healthy and vibrant life for all. CAFÉ-I has been running three regular weekly markets in 3 different



locations in Cebu. Most of these farmers come from far-flung areas within Cebu province and extending to Region 7. The CAFÉ-I Center is envisioned to be the hub for sustainable farming workshops and events showcasing healthy lifestyle, organic and environmental farming practices, seed sharing, and other learning discussions with practical applications.

SOCIAL & SUSTAINABLE DEVELOPMENT PROGRAMS

2. Pestales Agriculture Cooperative (PESTALES)

Pestales Agriculture Cooperative envisions a country where young God centered social entrepreneurs cultivate and manage, under organic smart agriculture practices over a thousand hectares of land, embedded in a dynamic value chain agri-ecosystem and full service eco-village, that delivers superior, health-giving products that enhances the life quality of its community and far-flung consumers.

3. Ecosystem For Stakeholders Of Sustainable Agriculture (ESSA)

This project focuses on working with farmers to produce organically-grown food and farm produce. The advocacy focuses on the shift from conventional to organic agriculture by allowing farmers to share their individual stories to help establish a database of proven practices and results of organic agriculture. This aims to help improve the efficiency and sustainability of farmers and other value chain actors to cultivate a food ecosystem of communities that nourishes a healthy and vibrant life for all.



4. League of Organic Agriculture Municipalities and Cities in the Philippines (LOAMC- PH)

This project focuses on family farms and Municipal/City-wide Sustainable Agriculture Development as long term and processed-based societal development framework with strong incorporation of the foundational principles in modern society which is anchored on the interdependence of nature and human lives and significantly influenced by symbiotic interplay of the key societal three folding government, culture and civil society.



5. Center for Bayanihan Economics (CBE)

The Social Enterprise Program(SEP) is the fruit of collaboration between the Gawad Kalinga's Center for Social Innovation (GK-CSI) and LBF which focuses on social entrepreneurship with Bayanihan economics as the core foundation. Bayanihan Economics focuses on improving and integrating economic actors across the value chain of the different agri-industries to achieve integral sustainable development agriculture.

Success Story

Name of partner: **PESTALES Agricultural Cooperative**
Location: **Argao, Cebu**



A group of young professionals observed how farmers become victims of middlemen who take advantage of buying farmers' products at a very low price while selling the same item at an exorbitant price. There was also a rampant practice of conversational farming taking place in that area that could harm not only the farmers and the environment but the whole farming ecosystem.

What they saw and observed urged them to resign from their respective jobs in Cebu City. They rented an agricultural lot at Caleriohan, Dalaguete, Cebu, and started farming with an initial capitalization taken from individual savings. These young professionals are children of farmers but are not accustomed to farming activities because their parents have instilled in them the value of good education rather than to participate in farm work. They lost everything including the money they invested and their farm savings. When they have earned money to buy seeds and crops, they started farming again. Let us be always grateful for people who have supported us in one way or another!"

In 2018, LBF provided a soft loan to PESTALES for the purchase of a farm lot for organic farming; PESTALES is now establishing an eco-village and created a model farm community to regenerate the area's agricultural landscape. It aims to attain a social, economic, ecological, agricultural sustainability and spiritual centered environment and showcase best practices in sustainable agriculture.

SOCIAL & SUSTAINABLE DEVELOPMENT PROGRAMS

LOCAL GOVERNANCE



1. Sustainable Integrated Area Development (SIAD 3.0)

SIAD is a framework that offers significant opportunities for local executives, planners, decision-makers in government, civil society, and business. SIAD helps develop a comprehensive and more realistic approach to integrating sustainable development.



It facilitates the integration of national programs and initiatives. SIAD assist Local Government Units in mobilizing broad-based for poverty eradication and sustainable development plans through tri-folding partnerships. SIAD is a framework that offers significant opportunities for local executives, planners, decision-makers in government, civil society, and business. Further, it capitalizes on the three-folding partnership as a means to solve the complex problems and eradicate poverty sustainably.

2. Expanded Grassroots Governance Project

The project is the replication and expansion of Bantay.ph partnership by adding community-targeted enhancements designed to bring about the basic barangay governance literacy and increased platforms for engagement in community-level entrepreneurship, thus creating for the program additional impact not only to individual IMP members but also to the larger Barangay community. The objective of the enhancement is to achieve at the grassroots level, a wider community of informed citizens, and more responsive Barangay governance.

Success Story

Name of partner: SEA INC

Project: Sustainable Integrated Area Development (SIAD)

LOCATION: Punta Buri & Rumbang Ajuy, Cabatuan, Lambunao, Belison Antique, Zarraga

“Uplifting Lives and Breaking the Chains of Poverty”

As the organization traverses its course in implementing the Sustainable Integrated Area Development (SIAD) project, partner communities of Solution Ecosystem Activator, Inc. or SEA Inc. have crafted their strategic plan on how to advance sustainable development in their area. The 3-year strategic plan took into account the identified needs and collective solutions of the community.

The strategic plan was also an opportunity for SEA Inc. to collaborate and implement local programs with the barangay as well as to advocate for more development support from the local government unit. To date, SEA Inc.’s partner communities have been accessing funding from different donor agencies, both government and private.



Very recently, SEA Inc. opened an opportunity for their partner communities to participate in project proposal writing. The selected participants had the chance to harness their skills and broaden their knowledge in resource mobilization.

INNOVATION AND INCUBATION

1. Scanning Of Artificial Intelligence Landscape (SAIL 2.0)

This project promotes awareness of National Government Authorities about the specific functions of technologies powered by Artificial Intelligence, its benefits, and drawbacks, moving for the need to have concrete policies and implementing rules and regulations before its integration towards the processes of the country with the intent of achieving harmonious relationship between man and machines.



Social and Sustainable Development Programs

The Impact

EDUCATION

PROGRAM/PROJECT	ACHIEVEMENTS
Education Scholarship Program (ESP)	<ul style="list-style-type: none"> • 1,695 active scholars • 817 graduates
Sports, Arts, and Culture (SAC)	<ul style="list-style-type: none"> • 142 beneficiaries
Life-Youth Leadership Program (LYLP)	<ul style="list-style-type: none"> • 30 youth leaders who undergone leadership training
Action for the Care and Development of the Poor in the Philippines (ACAP)	<ul style="list-style-type: none"> • Number of children attending the art classes recorded more than the monthly target • Four (4) ALS students actively attending school every Saturday • Health, medical and dental programs for children • Nutritious and delicious food is served monthly for children and adults
Street Children NGO Support Project (SNSP)	<ul style="list-style-type: none"> • 20 CiSS in Visayas and Mindanao joined the network to enhance and intensify the pursuit of research as well as the promotion of street children's rights • A series of workshop was conducted in Iloilo City and Cagayan de Oro City to develop the 10-year Theory of Change (TOC) framework to address the issues of CiSS • Media reports on LBF's advocacy to raise the issues on street children were bannered in top national broadsheets and social media • Partnership between LBF and the LGU of Iloilo City was featured in Panay News
The Education Support Program	<ul style="list-style-type: none"> • 290 enrollees • 22 LBMF scholars

HEALTH AND DISASTER RISK REDUCTION AND MANAGEMENT

PROGRAM/PROJECT	ACHIEVEMENTS
Medical Mission	<ul style="list-style-type: none"> • 12 medical missions conducted
Community Health and Safety Advocacy Training (CHASA)	<ul style="list-style-type: none"> • Implemented 2 CHASA training workshops • 9 health awareness activities
Community Disaster Preparedness and Management Training	<ul style="list-style-type: none"> • Implemented 10 requested trainings for target branches
Community Disaster Preparedness and Management Program Community Service (CDPMP)	<ul style="list-style-type: none"> • Implemented 3 community service activities
Disaster Relief Assistance	<ul style="list-style-type: none"> • Distributed goods for 76,299 members amounting to 22,868,700 pesos

BUSINESS DEVELOPMENT SERVICES

PROGRAM/PROJECT	ACHIEVEMENTS
Livelihood Training	<ul style="list-style-type: none"> • Conducted 6 sets of training • Conducted training for Food Safety Technology • Conducted training for Current Good Manufacturing Practices (CGMP)
Livelihood and Financial Literacy for LifeBank Rural Bank	<ul style="list-style-type: none"> • Conducted 1 set of trainings

SUSTAINABLE AGRICULTURE

PROGRAM/PROJECT	ACHIEVEMENTS
Alternative Food Ecosystem Development Program (CAFÉ-I)	<ul style="list-style-type: none"> • 12 Farm Scientist active in organic farming during activities conducted training/workshop/seminars with 6 Biodynamic Farming, Edible Gardens, Soil Nutrition Farming & Composting, Korean Natural Farming, natural Farmers Slow Food & Earth Markets Workshop, Urban Challenge for Children
Pestales Agriculture Cooperative (PESTALES)	<ul style="list-style-type: none"> • 15 houses constructed
Ecosystem For Stakeholders of Sustainable Agriculture (ESSA)	<ul style="list-style-type: none"> • Conducted Inner Conditioning Workshop • Five (5) council members were elected and currently have twenty-seven (27) network members • Conducted Build Up Activity and Support at the Municipality of Lambunao a Leadership Training with the theme “TATAK FIRST CLASS FOR SERVICE” • Thirty-one (31) diverse and dynamic Sustainable Agriculture Stakeholders were gathered at CBE, Angat, Bulacan. ESSA staff joins Organic and Bio-dynamic vegetable growing training at CBE, Angat, Bulacan • Conducted HeartMath training • Convergence meeting was and attended by 8 participants from different holders of sustainable agriculture in the Visayas
Center for Bayanihan Economics (CBE)	<ul style="list-style-type: none"> • 14 different trainings, workshops and seminars conducted • Total sales of 2019 is worth Php 650,734.78

LOCAL GOVERNANCE

PROGRAM/PROJECT	ACHIEVEMENTS
Expanded Grassroots Governance Project	<ul style="list-style-type: none"> • 111 LifeBank members attended the following training workshop conducted by partner State Universities and Colleges (SUC's) • Community Scorecard Process • Barangay Governance • Entrepreneurial
Sustainable Integrated Area Development (SIAD 3.0)	<ul style="list-style-type: none"> • Local Government Unit (LGU) of Zarraga, Belison, Ajuy, Lambunao and Cabatuan recognized and accepted the importance of the strategic role of Civil Society Organizations (CSOs) and Business Groups play in the integral sustainable development of the community and allow their meaningful participation in the policy making body of the community by mobilizing the social portion of the private, local and national budget to improve democracy and eradicate poverty.

INNOVATION/INCUBATION

PROGRAM/PROJECT	ACHIEVEMENTS
Scanning Of Artificial Intelligence Landscape (SAIL 2.0)	<p>Number of Artificial Intelligence Technologies Explored</p> <ul style="list-style-type: none"> • Transportation and Storage- CATCH-ALL, AI Logistics Systems, Mobe3 AI Based Warehouse Management System • Healthcare-Augmented Reality by Novarad Healthcare Enterprise Imaging - 1 • Administrative Support and Services-ANALANCE Application, AI Chatbot solutions, SAS Intelligent Decisioning • Manufacturing-AI-Powered Visual Inspection System, Smart Machine Assistant, Predix Asset Performance Management (Predix APM) -3 • Education-Gradescope, Alexa Education Skill, Botter, Cognil • Agriculture and Forestry - Driverless Tractors, eDamuhan or eWeed • Finance and Microfinance -Juan Credit, Saphron, Senti Volant, Senti Natter, digital wallet Paymaya - Retailp-Eaglei, SAP Analytics Cloud, Coleman AI platform

Our Partners

Banking & Financial Institutions



LifeBank – A Rural Bank



Bank of the Philippine Islands (BPI)



EastWest Bank



Rizal Commercial Banking Corporation (RCBC)



Banco De Oro (BDO)



Philippine National Bank (PNB)



China Banking Corporation



LANDBANK

Land Bank of the Philippines



United Coconut Planters Bank (UCPB)

Government Agencies and Local Government Units (LGU's)

SSS
HDMF
PhilHealth
LGU - Cabatuan
LGU - Belison
LGU - Zarraga
LGU - Ajuy
LGU - Lambunao
LGU - Kauswagan, Lanao Del Norte
LGU - Maasin

Insurances



COUNTRY BANKERS
INSURANCE GROUP



System Developers



Non-governmental Organizations (NGO's)



Partnership for
Transparency
Foundation Asia
(PTFA)



PESTALES
Agriculture
Cooperative



Action for the Care and
Development of the Poor in
the Philippines (ACAP)



Ecosystem of Stakeholders
for Sustainable Agriculture
(ESSA)



Solution
Ecosystems
Activator, Inc. (SEA)



League of Organic Agriculture
Municipalities and Cities in the
Philippines (LOAMC.PH)



Communities for
Alternative Food
Ecosystems Initiative
(CAFE-i)



Water.org

Academe/Independent Auditors

ASHTEC
Northern Iloilo Polytechnic State College
Colegio San Agustin Bacolod
Gamot Cogon Institute
Bataan Peninsula State University
Batangas State University
Bulacan Polytechnic College
Bicol University
Bulacan State University
Central Luzon State University
Don Honorio Ventura Technological State University
Laguna State Polytechnic University
Tarlac Agricultural University
Assumption College of Davao
Bukidnon State University
Central Mindanao University
Christ the King College de Maranding
Cotabato Foundation College of Science and Technology
Cronasia Foundation College Inc.
Father Saturnino Urios University
Gabriel Taborin College of Davao Foundation
General Santos Academy Inc.
GenSantos Foundation College inc.
Gingoog City Colleges
Jose Rizal Memorial State University
Medina Foundation College
Misamis Oriental Institute of Science and Technology
Monkayo College of Arts, Sciences and Technology
NotreDame of Midsayap College
Phinma- Cagayan de Oro College
Saint John Paul II College of Davao
San Francisco College
Southern Philippines Agri-Business and Marine and
Aquatic School of Technology
Stratford International School
Surigao State College of Technology
The University of Mindanao
University of Southeastern Philippines
Valencia Colleges Inc.
Aklan State University
Bohol Island State University
Carlos Hilado Memorial State College
Cebu Technological University
Central Philippine State University
Foundation University
Leyte Normal University
Naval State University
Southern Leyte State University
University of Negros Occidental - Recoletos
University of St. La Salle
Visayas State University
Sisidlan Institute

2019

Audited Financial Statements

**LIFEBANK MICROFINANCE FOUNDATION, INC.
DOING BUSINESS UNDER THE NAME/S
AND STYLE/S OF LIFEBANK FOUNDATION
STATEMENTS OF FINANCIAL POSITION**

December 31							
		2019			2018		
	Note	General Fund	Restricted Fund	Total	General Fund	Restricted Fund	Total
ASSETS							
Current Assets							
Cash and cash equivalents	4, 22	P1,022,496,566	P121,932,898	P1,144,429,464	P771,353,343	P565,550,260	P1,336,903,603
Short-term investments	5, 22	-	104,864,084	104,864,084	-	-	-
Loans receivable - net	6, 22	3,079,301,153	-	3,079,301,153	2,665,390,894	-	2,665,390,894
Other receivables - net	7, 22	37,169,283	33,222,323	70,391,606	33,410,708	9,206,374	42,617,082
Due from related parties	15, 22	5,001,358	-	5,001,358	4,666,836	-	4,666,836
Prepayments		-	-	-	11,185,844	-	11,185,844
Total Current Assets		4,143,968,360	260,019,305	4,403,987,665	3,486,007,625	574,756,634	4,060,764,259
Noncurrent Assets							
Financial assets at fair value through other comprehensive income	8, 22	-	1,708,998,093	1,708,998,093	-	1,445,368,867	1,445,368,867
Debt investment securities at amortized cost	9, 22	-	77,000,000	77,000,000	-	-	-
Property and equipment - net	10	167,011,379	-	167,011,379	164,569,742	-	164,569,742
Right-of-use assets - net	18	48,812,650	-	48,812,650	-	-	-
Computer software - net	11	36,123,779	-	36,123,779	40,848,402	-	40,848,402
Security deposits	18, 22	1,485,875	-	1,485,875	-	-	-
Total Noncurrent Assets		253,433,683	1,785,998,093	2,039,431,776	205,418,144	1,445,368,867	1,650,787,011
		P4,397,402,043	P2,046,017,398	P6,443,419,441	P3,691,425,769	P2,020,125,501	P5,711,551,270

Forward



December 31						
		2019			2018	
	Note	General Fund	Restricted Fund	Total	General Fund	Restricted Fund
LIABILITIES AND FUND BALANCE						
Current Liabilities						
Accounts payable and other current liabilities	12, 22	P317,496,057	P -	P317,496,057	P336,914,936	P -
Due to loan beneficiaries	13, 22	1,515,935,438	-	1,515,935,438	1,361,382,568	-
Lease liabilities - current portion	18	43,586,877	-	43,586,877	-	-
Income tax payable		7,871,650	-	7,871,650	7,581,702	-
Total Current Liabilities		1,884,890,022	-	1,884,890,022	1,705,879,206	-
Noncurrent Liabilities						
Noncurrent portion of lease liabilities	18	1,740,134	-	1,740,134	-	-
Retirement liability	16	105,431,845	-	105,431,845	50,871,924	-
Total Noncurrent Liabilities		107,171,979	-	107,171,979	50,871,924	-
Total Liabilities		1,992,062,001	-	1,992,062,001	1,756,751,130	-
Fund Balance		2,405,340,042	2,046,017,398	4,451,357,440	1,934,674,639	2,020,125,501
		P4,397,402,043	P2,046,017,398	P6,443,419,441	P3,691,425,769	P2,020,125,501

See Notes to the Financial Statements.

**LIFEBANK MICROFINANCE FOUNDATION, INC.
DOING BUSINESS UNDER THE NAME/S
AND STYLE/S OF LIFEBANK FOUNDATION
STATEMENTS OF REVENUES AND EXPENSES AND
OTHER COMPREHENSIVE INCOME (LOSS)**

Years Ended December 31							
		2019			2018		
	Note	General Fund	Restricted Fund	Total	General Fund	Restricted Fund	Total
REVENUES							
Interest income on microfinance loans	6	P1,632,254,314	P -	P1,632,254,314	P1,520,039,256	P -	P1,520,039,256
Other microfinance income	14	43,175,178	-	43,175,178	56,335,752	-	56,335,752
		1,675,429,492	-	1,675,429,492	1,576,375,008	-	1,576,375,008
COST AND EXPENSES							
Program expenses	19	857,193,143	101,253,973	958,447,116	821,696,208	-	821,696,208
Operating expenses	20	232,141,065	10,180,104	242,321,169	194,048,373	-	194,048,373
Interest expense on due to loan beneficiaries	13	94,574,623	-	94,574,623	93,591,581	-	93,591,581
Interest expense on lease liabilities	18	5,056,916	-	5,056,916	-	-	-
		1,188,965,747	111,434,077	1,300,399,824	1,109,336,162	-	1,109,336,162
OTHER REVENUES							
Gain on disposal of financial assets at fair value through other comprehensive income	8	23,780,155	-	23,780,155	-	-	-
Finance income	4, 5, 9	8,079,570	10,875,431	18,955,001	7,258,193	-	7,258,193
Rental income	15, 18	5,815,075	-	5,815,075	972,899	-	972,899
Donations and grants		813,111	-	813,111	-	-	-
Miscellaneous income		1,274,271	-	1,274,271	22,661,319	-	22,661,319
		39,762,182	10,875,431	50,637,613	30,892,411	-	30,892,411

Forward

Years Ended December 31							
	Note	2019			2018		
		General Fund	Restricted Fund	Total	General Fund	Restricted Fund	Total
NET EXCESS OF REVENUES OVER EXPENSES BEFORE INCOME TAX EXPENSE		P526,225,927	(P100,558,646)	P425,667,281	P497,931,257	P -	P497,931,257
INCOME TAX EXPENSE	17	33,742,970	-	33,742,970	30,736,177	-	30,736,177
NET EXCESS OF REVENUES OVER EXPENSES		492,482,957	(100,558,646)	391,924,311	467,195,080	-	467,195,080
OTHER COMPREHENSIVE INCOME (LOSS)							
<i>Item that will not be reclassified to statement of revenue and expenses</i>							
Remeasurements of net retirement liability	16	(43,695,430)	-	(43,695,430)	6,041,927	-	6,041,927
<i>Item that may be reclassified to statement of revenue and expenses</i>							
Net change in financial assets at fair value through other comprehensive income		-	148,328,419	148,328,419	-	(83,166,284)	(83,166,284)
		(43,695,430)	148,328,419	104,632,989	6,041,927	(83,166,284)	(77,124,357)
TOTAL COMPREHENSIVE INCOME		P448,787,527	P47,769,773	P496,557,300	P473,237,007	(P83,166,284)	P390,070,723

See Notes to the Financial Statements.

**LIFEBANK MICROFINANCE FOUNDATION, INC.
DOING BUSINESS UNDER THE NAME/S
AND STYLE/S OF LIFEBANK FOUNDATION
STATEMENTS OF CHANGES IN FUND BALANCE**

	Years Ended December 31				
	General Fund	Restricted Fund	Net Change in Financial Assets at Fair Value through Other Comprehensive Income (Note 8)	Retirement Benefits Reserve (Note 16)	Total
Balance at January 1, 2019	P1,876,858,434	P2,103,291,785	(P27,551,821)	P2,201,742	P3,954,800,140
Transfer from restricted fund	105,044,160	(105,044,160)	-	-	-
Total comprehensive income					
Excess of revenues over expenses for the year	492,482,957	(100,558,646)	-	-	391,924,311
Net change in financial assets at fair value through other comprehensive income	-	-	148,328,419	-	148,328,419
Remeasurements of net retirement liability	-	-	-	(43,695,430)	(43,695,430)
	492,482,957	(100,558,646)	148,328,419	(43,695,430)	496,557,300
Balance at December 31, 2019	P2,474,385,551	P1,897,688,979	P120,776,598	(P41,493,688)	P4,451,357,440
Balance at January 1, 2018	P1,409,663,354	P2,103,291,785	P55,614,463	(P3,840,185)	P3,564,729,417
Total comprehensive income					
Excess of revenues over expenses for the year	467,195,080	-	-	-	467,195,080
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	(83,166,284)	-	(83,166,284)
Remeasurements of net retirement liability	-	-	-	6,041,927	6,041,927
	467,195,080	-	(83,166,284)	6,041,927	390,070,723
Balance at December 31, 2018	P1,876,858,434	P2,103,291,785	(P27,551,821)	P2,201,742	P3,954,800,140

See Notes to the Financial Statements.

**LIFEBANK MICROFINANCE FOUNDATION, INC.
DOING BUSINESS UNDER THE NAME/S
AND STYLE/S OF LIFEBANK FOUNDATION
STATEMENTS OF CASH FLOWS**

		Years Ended December 31	
	<i>Note</i>	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of revenues over expenses before income tax expense		P425,667,281	P497,931,257
Adjustments for:			
Interest expense	13, 18	99,631,539	93,591,581
Depreciation and amortization	10, 11, 18, 19, 20	84,626,989	24,397,050
Impairment losses	6, 7, 20	55,933,240	-
Retirement cost	16, 20	10,864,491	9,678,729
Foreign exchange losses	20	201,004	14,768
Gain on disposal of financial asset at fair value through other comprehensive income	8	(23,780,155)	-
Interest income		(1,651,209,315)	(1,527,297,449)
		(998,064,926)	(901,684,064)
Changes in:			
Loans receivable		(469,638,173)	(422,737,063)
Due from related parties		(334,522)	567,953
Other receivables		(3,963,901)	4,759,197
Prepayments		(1,541,584)	(1,511,589)
Accounts payable and other current liabilities		(19,418,879)	(35,818,481)
Due to loan beneficiaries		154,552,870	139,144,336
		(1,338,409,115)	(1,217,279,711)
Interest received		1,651,209,315	1,527,297,449
Benefit paid	16	-	(1,418,337)
Income taxes paid		(33,453,022)	(30,563,657)
Interest paid		(99,631,539)	(93,591,581)
Net cash provided by operating activities		179,715,639	184,444,163
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of:			
Computer software	11	(2,019,110)	-
Property and equipment	10	(17,837,076)	(18,719,151)
Financial assets at fair value through other comprehensive income		(950,000,000)	-
Changes in:			
Debt investment securities at amortized cost	9	(77,000,000)	-
Short-term investments	5	(104,864,084)	-
Disposal of financial assets at financial assets at fair value through other comprehensive income		827,816,885	-
Net cash used in investing activities		(323,903,385)	(18,719,151)
<i>Forward</i>			

Years Ended December 31			
	Note	2019	2018
CASH FLOW FROM FINANCING ACTIVITIES			
Changes in restricted cash		P6,646,514	P18,272,942
Payment of lease liabilities	18	(54,731,903)	-
Net cash (used in) provided by financing activities		(48,085,389)	18,272,942
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(192,273,135)	183,997,954
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,336,903,603	1,152,920,417
EFFECT OF MOVEMENTS IN EXCHANGE RATES ON CASH HELD		(201,004)	(14,768)
CASH AND CASH EQUIVALENTS AT END OF YEAR	4	P1,144,429,464	P1,336,903,603

See Notes to the Financial Statements.

LIFEBANK MICROFINANCE FOUNDATION, INC.
IKABUHI MICROFINANCE PROGRAM

Performance Standards for Microfinance
12/31/2019

Performance Indicators	Baseline-Dec. 31'18	STANDARD
1. Portfolio Quality (40%)		
a. Portfolio at Risk	3.45%	5%
b. Loan Loss Reserve Ratio	112%	100% of the required reserve
2. Efficiency (30%)		
c. Administrative Efficiency	8%	10% and below
d. Operational Self Sufficiency	484%	greater than 120%
e. Loan Officer Productivity	287	Group: greater than or equal to 300 Individual: greater than or equal to 150
3. Sustainability (15%)		
f. Financial Self-Sufficiency	129%	greater than 100%
g. Loan Portfolio Profitability	90%	greater than the inflation during the period
4. Outreach (15%)		
h. Growth in Number of Active MF Clients	11%	greater than or equal to 5%
i. Growth in Microfinance Loan Portfolio	16%	greater than or equal to 5%
j. Depth of Outreach	36%	not exceeding 20%

Performance Indicators	LBF	Highest Possible Score
1. Portfolio Quality (40%)		
a. Portfolio at Risk	20	20
b. Loan Loss Reserve Ratio	20	20
2. Efficiency (30%)		
c. Administrative Efficiency	10	10
d. Operational Self Sufficiency	10	10
e. Loan Officer Productivity	10	10
3. Sustainability (15%)		
f. Financial Self-Sufficiency	10	10
g. Loan Portfolio Profitability	5	5
4. Outreach (15%)		
h. Growth in Number of Active MF Clients	5	5
i. Growth in Microfinance Loan Portfolio	5	5
j. Depth of Outreach	4	5
TOTAL	99	100



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