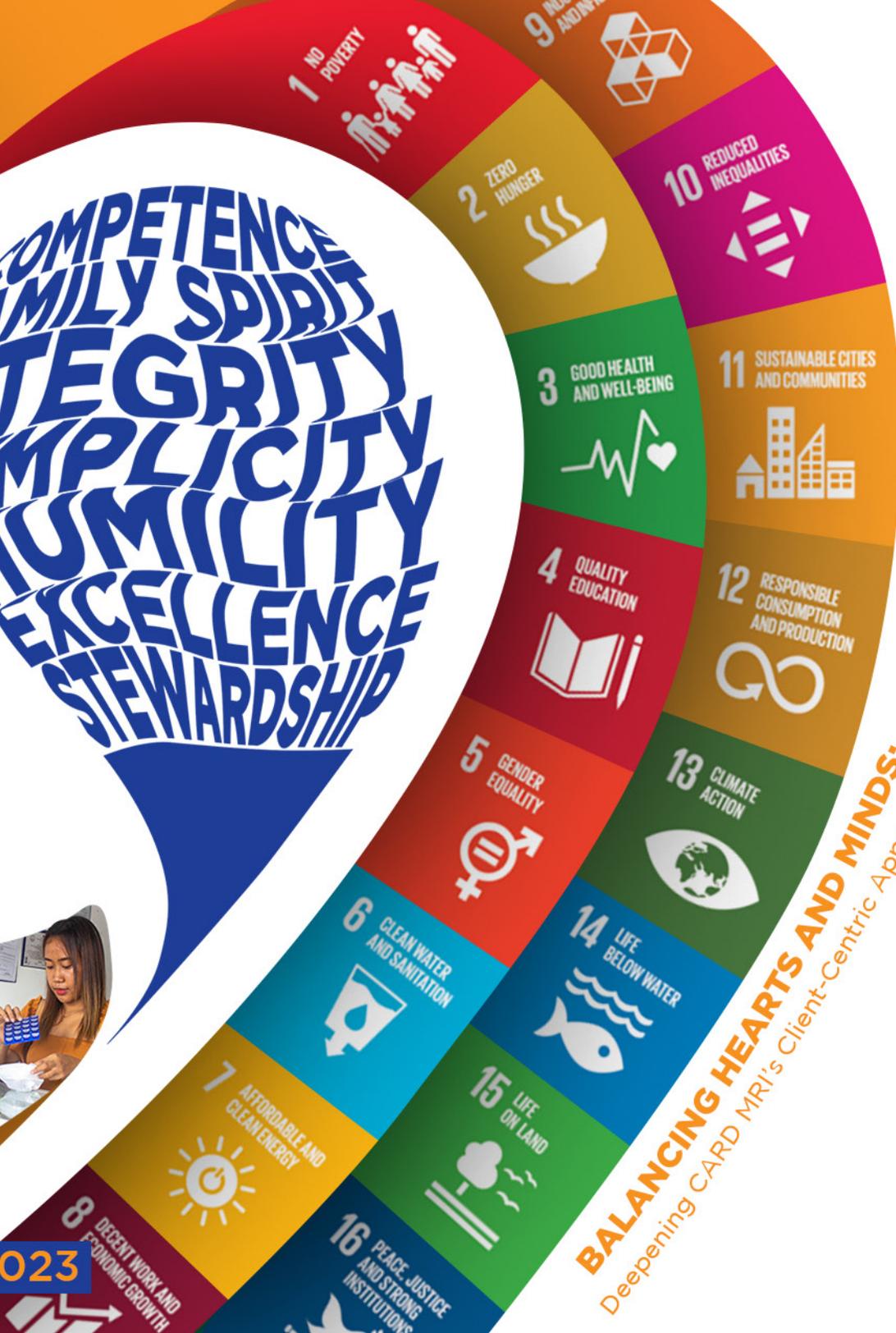


COMPETENCE
FAMILY SPIRIT
INTEGRITY
SIMPLICITY
HUMILITY
EXCELLENCE
STEWARDSHIP



CMDI

Integrated Annual Report 2023



BALANCING HEARTS AND MINDS:
 Deepening CARD MRI's Client-Centric Approaches

About the COVER



CARD-MRI Development Institute, Inc.

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In its 37 years of existence, CARD MRI's commitment to empowering the socio-economically challenged and marginalized sectors in the Philippines never faltered.

Our theme, "Balancing Hearts and Minds: Deepening CARD MRI's Client-Centric Approaches", reflects our service-focused strategies to foster sustainability in everything we do, from our products and services to our programs and initiatives. This commitment ensures that CMDI's provides lifelong assistance to every individual so that they can take hold of their own destinies.

In every decision we make, we always consider this crucial aspect: the harmony of our emotions and intellect. It guides us in creating rightful decisions not only for the organization but also for the welfare of the communities we serve.

In the shape of heart, we prioritize enhancing the client's service experience through our offerings derived from the voices and the meaningful connections we created with our community. In the image of mind, we are guided by our core values in making conscious decisions that promote a culture of client empowerment.

The image represented by the shape of a woman with a heart and brain pictures the relationship between empathy and strategic thinking. CARD MRI's positions its efforts with sustainable development goals.

CARD MRI's will continue to listen and understand the voices of its community and deliver tailor-fit programs that will open boundless possibilities.

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CARD Education and Communication Group



The CARD-MRI Development Institute (CMDI), Inc. is a globally recognized learning institution renowned for offering a diverse range of practitioner-led training and educational services. CMDI serves students, CARD MRI staff, clients, and other microfinance institutions interested in innovative development methodologies. It also caters to microfinance practitioners seeking advanced education in applied microfinance.

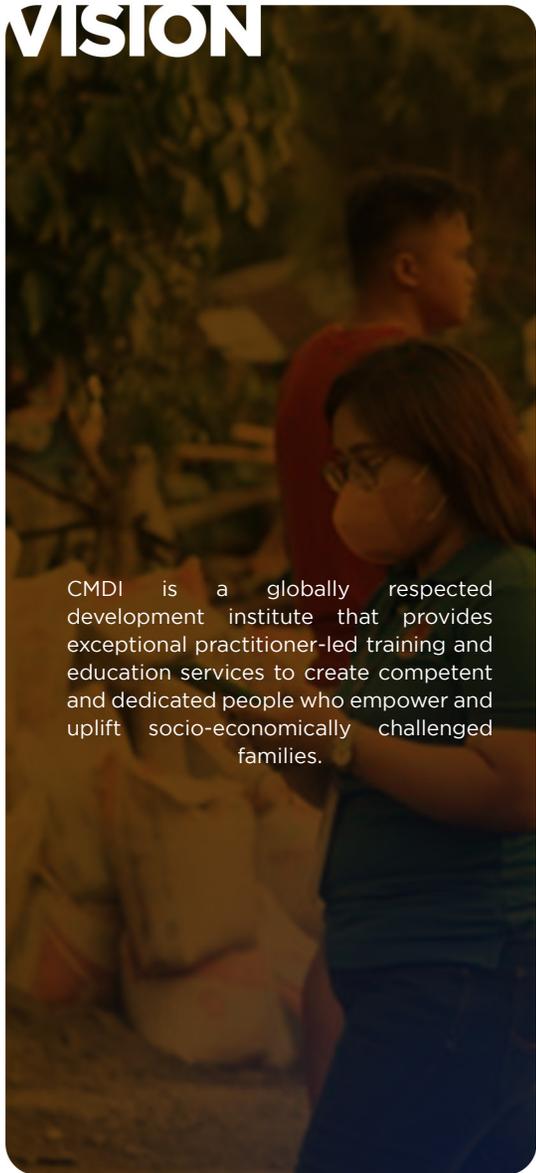
CMDI campuses provide optimal learning environments with modern training, education, and meeting facilities. These campuses have the latest technology and resources to support comprehensive learning experiences.

All training programs and courses at CMDI are developed and taught by a distinguished faculty composed of proficient CARD MRI personnel, microfinance experts, and development practitioners. These educators are committed to eradicating poverty in the Philippines through their dedication and expertise.



THE CARD MRI ORGANIZATION

VISION



CMDI is a globally respected development institute that provides exceptional practitioner-led training and education services to create competent and dedicated people who empower and uplift socio-economically challenged families.

MISSION



CMDI commits to:

- Equip CARD MRI staff with competencies, values and spirit to excel in achieving the mission of CARD MRI;
- Empower CARD MRI members to further improve the quality of life in their communities by facilitating learning on entrepreneurship and development; and
- Share best practices in integrated microfinance and non-financial development services with practitioners from around the world.

COMPETENCE

Believing that excellent products and services for its community of learners come out of competence, CMDI keeps raising its staff's work knowledge, skills, and values through continuing formal and informal training and education. CMDI has become a learning organization that instills the values of integrity, honesty, transparency, discipline, hard work, and excellence in an atmosphere of mutual respect.

FAMILY SPIRIT

CMDI builds and nurtures family spirit for a lasting relationship with its employees, and community of learners. More than showing care and endearment and sharing learning experiences, the staff of CMDI commits personally to the social and economic development of its community of learners and their families, even if it entails making sacrifices, such as dedicating their time and being apart from their own families.

INTEGRITY

The strength and sustainability of our business in eradicating poverty rest on honest, trustworthy, ethical, and sincere operations and all of its undertakings. Hence, CMDI leaders continuously motivate staff, and community of learners to be honest and fair in all their dealings by showing themselves as models of honesty and worthy of trust.

At CMDI, everyone is responsible and accountable for the performance of its institutions, officers, and individual staff.

SIMPLICITY

CMDI has chosen to serve the marginalized sector of society, which is characterized by deprivations in nearly all social and economic factors, including food, shelter, clothing, jobs, and education. Excesses in words and deeds insult and isolate our clients. Hence, CMDI staff is expected to show simplicity to everyone, anytime and anywhere.

Through simplicity, it enables CMDI staff to deeply and clearly understand our goals and strategies for empowering people.

OUR CORE VALUES

In fulfilling our mission of eradicating poverty in the Philippines, CARD-MRI Development Institute (CMDI), Inc. shall be guided by the highest standards of ethical behavior and the core values of competence, family spirit, integrity, simplicity, humility, excellence, and stewardship.

HUMILITY

An act of true humility is when a CMDI staff considers everyone as co-equal and ignores social and economic status in favor of the noble mission of improving the lives of those who have less in life. Humility is being one with clients in spirit and aware of their needs.

CMDI staff are also encouraged to celebrate the accomplishments and successes of the organization at heart and not boast them publicly.

EXCELLENCE

The success of CMDI is rooted in the ability of its leaders and staff to continuously create, innovate, and challenge the existing paradigm to ultimately assist the socially and economically challenged families in improving their lives. Its continuing effort to be better than its best is captured in its motto, "Up to the next level."

STEWARDSHIP

One important way to achieve sustainability is effective management and judicious use of resources. Resources fuel the organization and, hence, must be handled with utmost care. Moreover, most of these resources are entrusted to us by clients, staff, and other stakeholders. CMDI should continue to uphold the highest standards of stewardship of financial, human, and institutional resources.

BUSINESS MODEL & VALUE CREATION

OUR CAPITALS

CMDI utilizes its capital to expand operations while contributing to the United Nations Sustainable Development Goals (SDGs). These capitals enable us to effectively serve CARD MRI staff, students, learners, government regulators, and the general public, which advocate for sustainable development and nation-building.

FINANCIAL **F**

Our financial resources support growth and expansion that enable us to operate effectively and efficiently with our community of learners nationwide.

- **PHP 1,123,245,643** in total assets
- **PHP 842,330,734** in total capital

MANUFACTURED & INTELLECTUAL **MI**

Our campuses and infrastructure provide a conducive learning environment, while our digital platforms extend our community's reach and disseminate information efficiently.

- **2** Campuses
- **3** Buildings
- **358** Computers
- **51,913** assisted members across all digital platform

HUMAN **H**

Our dedicated and highly skilled staff participate in various workshops and training sessions, both locally and internationally, to enhance their expertise and dedication.

- **253** employees (**57%** women, **43%** men)
- **PHP 5,475,888.82** spent on employee training
- **242** total trainings attended

SOCIAL & RELATIONSHIP **SR**

We are trusted by our students, learners, staff, and partners to leave no one behind in our pursuit of quality education and community development.

- **6** CMDI Partner Institutions
- **5,555** CMDI scholars
- **3,188** students
- **2,977,210** clients who received Credit with Education
- **104,410** Training Participants

NATURAL **N**

CMDI has implemented energy-efficient measures and started waste reduction strategies across its offices, campuses, and facilities to minimize the negative impact on the environment. The institute also focuses on further reducing waste production and promoting sustainability.

THE VALUE WE CREATE



EMPLOYEES **MI H SR**

We foster a positive workplace environment that promotes creativity, learning, and development.

PHP 41,791,692.42 total payments to employees

PHP 26,131,730.73 total payment to staff benefits

PHP 7,707,116.79 budget allotted for trainings/education

Average of **16** training hours of all staff as per policy and Key Performance Indicator

GOVERNMENT AND REGULATORY COMPLIANCE **F SR**

We contribute to economic growth through the facilitation of government securities and remittances to adhere to regulatory compliance.

PHP 5,267,202.00 tax paid

10 number of regulators

HOW WE CREATE VALUE



BUSINESS OPERATION



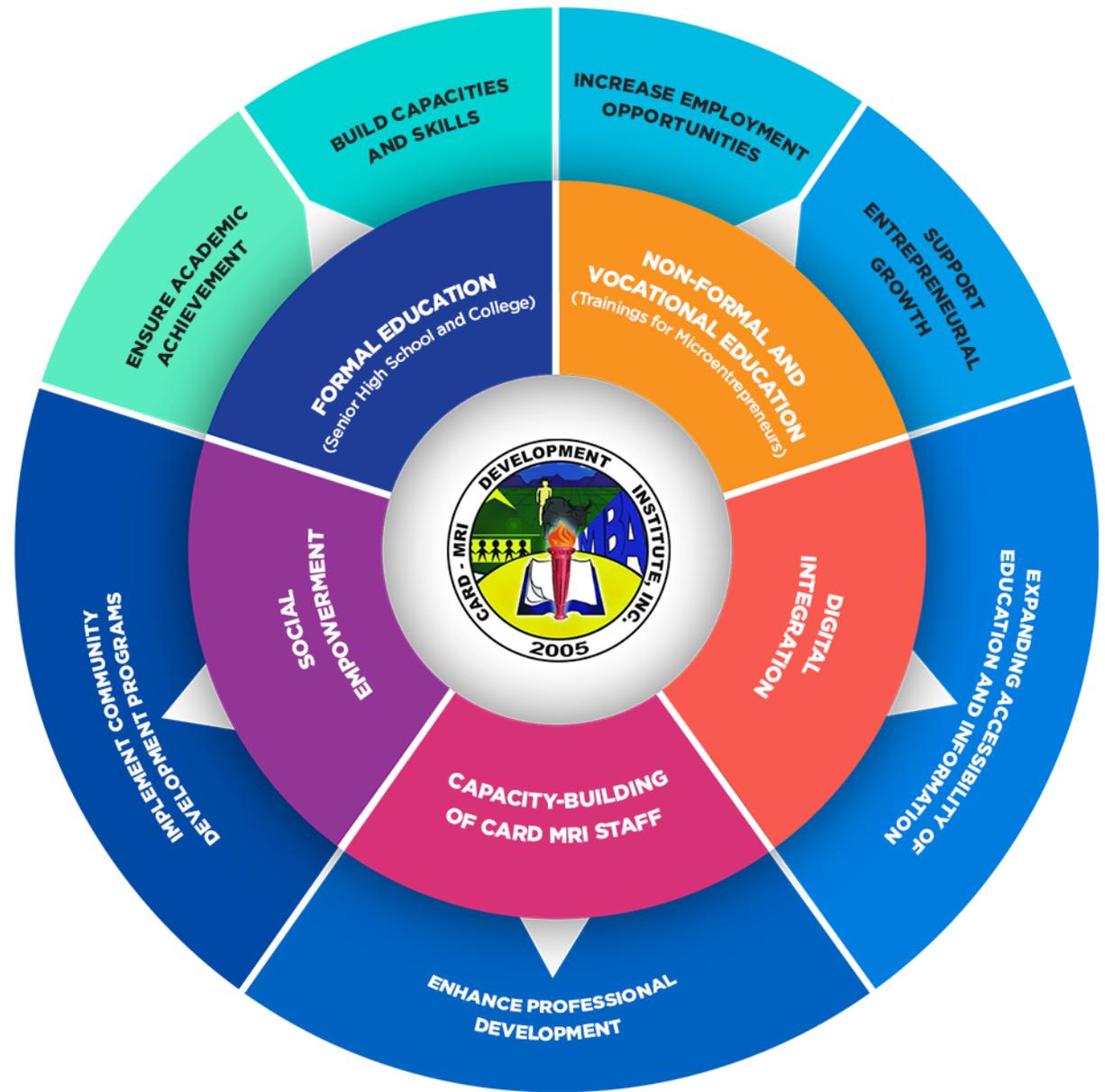
STRATEGIES

SUSTAINABILITY STRATEGY

RESPONSIBLE OPERATIONS

Aligned with the SDGs, our operations prioritize the social and environmental impact of educating our community. We are committed to providing ethical and sustainable lifelong learning experiences that empower our learners to tackle global challenges like climate change.

To ensure the effectiveness of our daily operations, we emphasize maintaining operational efficiency through continuous program monitoring and evaluation, offering training and professional development opportunities, and leveraging technology.



CARD MRI FOUNDER & CHAIRMAN EMERITUS

Harmonizing Heart and Minds in Shaping a Brighter Tomorrow

In the middle of the seemingly endless journey through the pandemic, the year 2023 signals the rebirth of new possibilities and opportunities for both CARD MRI and the communities we serve.

As we emerge from the darkness of the pandemic's grip and navigate uncharted territories, we are reminded of the resilience that binds us together. Despite the challenges of communication barriers with our students and communities, we have remained steadfast in our commitment to advocating for quality education, nurturing connections, and sharing stories of hope and inspiration.

Our shift to various learning modalities has been a vital lifeline that bridge the gap and keep our relationships with our communities nationwide vibrant and alive. Our efforts symbolize our unwavering dedication to never leaving anyone behind in adversity.

As we bid farewell to this unimaginable chapter of distress caused by the pandemic, we are embracing the return to physical interactions with our clients and communities. Beyond mere words, it is the genuine care and compassion that define our organization's spirit and principles that compel us to reach out and connect on a deeper level with them.

Through the revival of the face-to-face learning environment, we are gaining invaluable insights into the needs and aspirations of those we serve. In 2023, we reinforce our back-to-basics strategy as we recognize the power of simplicity and human connection in crafting programs and strategies that can create impactful stories of success.

While modern technology plays a crucial role, we understand the importance of striking a balance between the digital realm and physical engagement. This harmonious balance of heart and mind enables us to design programs and services tailored to fit the needs of our community.

Our programs are driven by the collective voices and experiences of our employees and clients. Each story shared fuels our commitment to delivering tailored solutions that make a positive ripple effect in the lives of the people.

We always believe in the power of education. Our school opened another campus in Bay, Laguna, to cater the growing number of enrollees. With this achievement, we feel more empowered to extend affordable, high-quality education and other programs to more communities. In 2024, we will continue to expand to reach more deserving but economically disadvantaged students. We will take even bolder steps to ensure equal opportunity for all, including extending access to other vital community development services.

We not only strive to fortify CARD MRI but also extend our support to the entire microfinance and microinsurance industries, promoting sustainability in helping other people. They stand as our allies in realizing our journey to eradicating poverty. We must amplify our advocacy for nation-building, for policymakers to also bolster our programs and initiatives for the Filipinos.

Our journey does not end here. We are poised to continue flourishing in helping more students and learners across the country. By lending a helping hand to like-minded organizations, we accelerate our journey toward ensuring a decent life for every Filipino family.

As we look ahead to the future, we remain steadfast in our commitment to stand alongside Filipino families, empowering them to shape a brighter tomorrow. Together, we will continue to make progress, guided by the wisdom of both heart and mind, towards a more inclusive and progressive society.



Jaime Alip
Dr. Jaime Aristotle B. Alip
CARD MRI Founder & Chairman Emeritus /
CMDI Chairperson

CARD MRI MANAGING DIRECTOR

Sustainable Future for Filipino Families

For 37 years, CARD MRI has dedicated its operations to improving the lives of Filipino families, particularly those who are socially and economically challenged. Throughout this time, we have learned key lessons on the importance of sustainability in all our efforts. We have realized that it is not enough to provide short-term support; rather, we must ensure that our programs and initiatives are sustainable and capable enough of delivering lifelong benefits to the people we serve.

To carry out sustainability in all of our programs, every aspect of our organization is carefully reviewed and analyzed. From the development of products and services to the implementation of initiatives and programs, we find solutions that provide constant success. This holistic approach ensures that our efforts continue to create positive ripple effects in our community, even as circumstances evolve.

As we have grown and expanded our reach, we have encountered various needs and challenges within the communities we serve. This dynamic environment has pushed us to adapt and innovate continuously. By embracing change, we have been able to develop more effective strategies and initiatives that meet the evolving needs of our staff, clients, and their families.

Moreover, our commitment to sustainability extends beyond the financial outlook. We recognize the interconnectedness of social, environmental, and economic factors and strive to address them comprehensively. This includes promoting financial inclusion, empowering marginalized groups, and advocating environmental stewardship through our operations and initiatives.

In 2023, we started a new chapter in our sustainability journey by documenting all of our efforts. As we begin our sustainability reporting, it also provides more transparency and accountability in what we do

as an organization. This allows our stakeholders to understand the scope and impact of our activities. This also enables us to take a look at our progress and identify rooms for improvement that help us enhance the effectiveness and efficiency of our processes.

Through this integrated annual reporting, we aim to showcase not only our financial accomplishments but also our commitment to supporting sustainable development goals. This report not only shows the tangible outcomes of our efforts but also the principles and values that guide our actions. By sharing our experiences and insights, we hope to inspire others to join us in our commitment to sustainable development.

Our sustainability strategy is driven by our recognition of the interconnectedness of global challenges and the need for collective action. By aligning our efforts with international initiatives, such as the United Nations Sustainable Development Goals (SDGs), we contribute to a broader movement for positive change.

At the same time, we remain aware of the challenges within the Philippines, which require well-fitted approaches and solutions. By collaborating with individuals, partners, institutions, and other organizations that share the same mission with us, we strengthen collective expertise and resources to maximize our impact.

In conclusion, sustainability is at the heart of everything we do at CARD MRI. It guides our decision-making processes, shapes our motivation, and drives our commitment to creating positive change. As we continue our journey, we remain steadfast in our dedication to empowering individuals, strengthening communities, and building a more sustainable future for all.



Mr. Aristeo A. Dequito
CARD MRI Managing Director

Message from the

PRESIDENT

Empowering Future

In 2023, CARD-MRI Development Institute (CMDI), Inc. seized a substantial opportunity to support more CARD MRI staff, clients, students, and communities nationwide. With the pandemic behind us, we are joyfully returning to our normal teaching methods and embracing face-to-face interactions that facilitate deep learning and connection.

While digital tools were indispensable during challenging times, the impact of physical interaction is irreplaceable. It allows us to understand better the unique needs of our community of learners and tailor our support to help them learn and grow effectively.

Throughout the pandemic, we remained steadfast in our commitment to providing quality education and training to our students, CARD MRI clients, and staff. This year, we went above and beyond by offering more hands-on experiences to ensure practical and impactful learning.

The 2022-2023 academic year saw a significant rise in enrollees and graduates. We also take immense pride in Ms. Mike Diane Chelle Vio and Mr. Renz Regal, who passed the Certified Public Accountant (CPA) Licensure Examination. CMDI achieved a 33.33% passing rate for the CPA Licensure Examination. The accolades, recognitions, and licenses CMDI students have earned are the true trophies of our success as an educational institution.

Furthermore, the success of CARD MRI staff and clients who have undergone CMDI training also demonstrates our dedication to service. In 2023, we conducted various training sessions to advance

their development as employees and emerging microentrepreneurs. By equipping them with new ideas and building and enhancing their skills, we fulfill our mission to provide broader opportunities that enable them to become more effective citizens and active participants in the community.

We also participated in CARD MRI's Kaunlaran Caravan to deliver livelihood training to communities and help them discover new sources of income. Embracing digital advancements, we continue to create valuable video resources and make them available online to support their growth. Our efforts ensure that education and essential information reach all our fellow Filipinos, even those unable to attend our training sessions in person.

Looking ahead, CMDI is committed to working relentlessly to assist everyone. A key part of our plan is to intensify our "One Family, One Graduate" program campaign. We will open numerous doors to meet the needs of students who are eager to study but facing financial challenges, as well as CARD MRI clients seeking to expand their knowledge but uncertain where to find opportunities.

We will offer a broader range of courses and diverse training sessions to address the varied needs of our learning community. Together with CARD MRI, CMDI will move forward, providing education and building capacities until individuals are ready to break free from the chains of poverty. Education for all is not merely a dream at CMDI—it is our mission. We will dedicate our energy to ensuring everyone has a chance at a sustainable future.



Dr. Flordeliza L. Sarmiento
President
CMDI Development Institute, Inc.



Message from the

SENIOR EXECUTIVE VICE PRESIDENT / COO

Pioneering Client-Centric Education

In 2023, CARD-MRI Development Institute (CMDI), Inc. fully embraced CARD MRI's theme, "Balancing Hearts and Minds: Deepening CARD MRI's Client-Centric Approach". As an educational institution, CMDI enriches the minds of its community of students and learners through degrees, vocational programs, and other capacity-building services that aim to provide more income opportunities, improve their quality of life, and ultimately break the cycle of poverty within their families.

CMDI ensures all its operations align with a heart-centered approach. It includes employing staff who share the same values of client service. Celebrating its 23rd year, CMDI expanded its Bay campus in Laguna to accommodate more students and increase community outreach. New campuses in San Pablo, Laguna, and Buenavista, Agusan del Norte, are set to open in 2024, bringing the responsibility of ensuring adequate physical facilities and qualified faculty.

CMDI takes immense pride in its students. In 2023, CMDI students excelled in national competitions in accountancy and other disciplines. Our students also showcased their talents in BAISAY: Balagtasán, a poetic debate held on February 14, 2023. We collaborated with Hijos Tours to preserve Filipino cultural traditions and hone students' artistic skills.

On the other hand, CMDI has introduced new vocational courses and livelihood training tailored to client and market needs. In the coming years, we also aim to offer new technical health programs, including Pharmacy Assistance, Hilot (massage therapy), and other national certificate programs such as Bookkeeping.

The institution also emphasizes experiential learning that encourages students to apply their knowledge in practical settings, such as operating small businesses like snack bars on campus. This approach harnesses the experience and expertise of our students, providing learning opportunities beyond the classroom.

From its inception, CMDI has provided full scholarships to a key percentage of its students as part of the "One Family, One Graduate" initiative of CARD MRI. However, we have learned that it is essential for our scholars to have a sense of ownership. Therefore, CMDI shifted from fully subsidized to partial scholarships to teach them responsibility and ownership of the opportunities given to them.

Partnerships are crucial to bridge the gap and have additional insights for us to grow as an educational institution. In 2023, CMDI partnered with PHINMA, a conglomerate sharing the mission of serving economically challenged Filipino families. CMDI also collaborates with the Technical Education and Skills Development Authority (TESDA), the Department of Education (DepEd), and the Commission on Higher Education (CHED) and maintains partnerships with other schools to allow students, including CARD MRI employees, to pursue master's degrees for higher responsibilities within the institution.

In the coming years, CMDI envisions itself as a Center for Learning, Development, and Leadership for future leaders and change-makers. This vision aligns with CARD MRI's client-centric approach, focusing on building meaningful relationships with clients, staff, CARD MRI institutions, and external partners.



Dr. Edzel A. Ramos
Senior Executive Vice President / COO
CARD-MRI Development Institute, Inc.

B O A R D O F



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Ex-Officio Board at Large



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Trustee



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Trustee



Mr. Mario Derequito
Trustee



Dr. Flordeliza L. Sarmiento
Trustee / President



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Chairperson

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Vice Chairperson for Corporate Planning
and External Affairs

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and Management - Bay Campus



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Dean, Department of Information and
Communication Technology - Bay Campus



Dr. Edzel A. Ramos
Dean, Department of Business
and Management - Bay Campus



Dr. Lorenza dT. Bañez
Dean, Department of
Accountancy - Bay Campus



Dr. Jaime Aristotle B. Alip
Dean Emeritus

D E A N S



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Senior Dean



Ms. Estrellieta Olaer, CPA
MBA Dean, Department of
Accountancy - Tagum Campus



Dr. Maria Vilma Manulat, DM
Dean, Department of Business and
Management - Tagum Campus



Mr. Raul Dizon
Associate Dean, Department of Information
and Communication Technology - Bay Campus

M A N A G E M E N T

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President

Analiza D. De Lumban
Vice President for Admin and
Finance

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Assistant Vice President for
Operations - CMDI Tagum

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Chief Operating Officer

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Assistant Vice President for
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Vice President for Academic
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Neil M. Polinag
Assistant Vice President for
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Marisol M. Mendelivar
Deputy Academic Director - Bay
Campus



COMMITTEE

Daisy Jane D. Caballero
Deputy Academic Director -
Tagum Campus

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Bay Campus

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Management and Services
Manager

Jera B. Demanarig
Admin and Finance Manager -
Tagum Campus

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Deputy Director for Training -
Central Visayas

Jerwin N. Dayon
Deputy Director for Training -
South Visayas

Melanie S. Sister
Deputy Director-OIC for LRDE

Marwin D. Mira
Acting Deputy Director for
Training - Central Luzon

Napoleon M. De Villa
Acting Deputy Director for
Training - North Luzon

Mary Anne L. Montecer
Senior Personnel Manager

Shiela R. Icaro
CSP Program Manager

Paul Orlan L. Dumdum
IT Manager





AT A GLANCE

LEARNING RESOURCE &
DIGITAL EDUCATION

CREDIT WITH
EDUCATION
(CWE) MODULES

60

176
UPLOADED
VIDEOS

POSTED 70
INFOGRAPHICS

252,685
REACH OF
CMDI
KABUHAYAN
IDEAS ONLINE

21,429
REACH OF CMDI
DAGDAG
KAALAMAN
ONLINE

ACADEME



1,263 College Students

365 College Graduates

326 Senior HS Students

84 Senior HS Graduates

BAY

1,131 College Students

161 College Graduates

468 Senior HS Students

130 Senior HS Graduates

TAGUM

17 MS STUDENTS
THROUGH
PARTNERSHIP

3 PHD PROGRAM
FROM OTHER
EDUCATIONAL
INSTITUTION



23,058

**NO. OF
CARD MRI
SCHOLARS**

CARD MRI Scholarship Program (CSP)

LEARNING AND DEVELOPMENT

No. of Training Batches

7,829

No. of Training Participants

104,410

CENTER FOR LEADERSHIP

No. of Training Batches

80

No. of Training Participants

11,793

**CLIENTS WHO RECEIVED
CREDIT WITH
EDUCATION**

2,977,210

Bay Campus

1,589

**NO. OF CMDI
SCHOLARS**

(GRADUATES & CURRENT)

1,599

Tagum Campus



Economic

At CMDI, the economic aspect includes our financial activities, performance, and its impact on the economy. It conducts ethical and responsible economic activities that contribute positively to society while maintaining financial sustainability. This involves supporting local economic development, promoting transparent financial reporting, and adhering to regulatory standards. By integrating economic considerations into its operations, CMDI aims to create long-term value for its stakeholders while advancing socioeconomic development.



Environmental

CMDI is committed to becoming environmental stewards while empowering individuals and communities. The organization takes initiatives that focus on mitigating environmental risk and promoting sustainability practices within our community of staff. From energy efficiency to waste management, water conservation, and biodiversity preservation, CMDI prioritizes reducing its environmental footprint and addressing climate change.



Social

Our community is the heart and soul of everything we do. Beyond providing access to quality education, we are deeply committed to creating a positive impact in the communities we serve. Through initiatives such as community engagement, social equity, and upholding ethical standards, CMDI strives to be a responsible organization dedicated to uplifting society.



Governance

Ethical leadership is fundamental to our organization's values. The organization adheres to the highest standards of integrity, accountability, and transparency in our governance practices. As CMDI promotes ethical conduct and sound decision-making, we nurture investor confidence, mitigate risks, and ensure the long-term sustainability of the organization's operations for the benefit of all stakeholders.

ECONOMIC

As a non-profit institution, CMDI is committed to providing the best services to its students and ensuring that their resources are sufficient to do so. CMDI has demonstrated strong financial performance over the past year, driven by the increasing student enrollment and expanded training programs.

As of December 2023, CMDI had a total financial capital of PHP 842,330,734 and total assets of PHP 1,123,245,643. The institute has also generated a total revenue of PHP 306,658,737.7.

We have a 113.43% increase in our student listings. Our training programs also contributed PHP 203,349,169.60 million, driven by new training programs we have launched.

On the other hand, CMDI has significantly contributed to local employment in its two campuses, providing jobs and pushing economic stability in the community. As of December 2023, the Institute employs 253 faculty and staff members. It also generated 28 part-time jobs and project staff with our various initiatives. We have also given a total of PHP 67,923,423.15 as salaries and benefits to the CMDI workforce.

PHP 842,330,734

Total Financial Capital

PHP 1,123,245,643

Total Assets

113.43%

Increase in Student Enrollment

253

Faculty and Staff Members

28

Generated Part-Time Jobs and Project Staff

PHP 67,923,423.15

Workforce Salaries and Benefits



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



CMDI has two campuses in Bay in Laguna and one in Tagum City in Davao del Norte. We have spent PHP 5,661,163 for electricity and water fees on these campuses.

In the coming year, CMDI plans to invest in new campuses and training facilities and technology upgrades in San Pablo City, Laguna, Buenavista, Agusan del Norte, and Lubao, Pampanga, to further provide affordable quality education, especially to the socioeconomically challenged students.

With careful planning and utilization of resources, CMDI was able to build new infrastructures on its campuses, making them more attractive for students and partners.

On the other hand, we have created a mixed-method approach to our teaching instructions, wherein the students do their assignments in writing and use existing information technology systems, such as learning management systems. CMDI has also partnered with companies and communities to create a better educational environment for its students.

We also plan to offer courses and programs that will cater to the demands of the job market, such as health-related technical courses and labor force requirements in construction.

Concerning the Sustainable Development Goals (SDGs), CMDI aims to continue providing quality education and innovation by building more infrastructures and expanding their reach. This way, CMDI can reach out to more clients from lower-income families and allow them to earn degrees. In the long run, we aim to create more employment through the help of their partners and ultimately break the cycle of poverty in one's family.

ENVIRONMENTAL

CMDI holds a big responsibility in creating sustainability awareness amongst its students. It takes part in creating a sustainable environment in their school and their community.

CMDI instills good stewardship in its students and employees through programs and seminars. It also conducts environment protection-awareness programs for kids in their surrounding communities.

Employees and students put their knowledge into practice by using their resources diligently. Some examples are turning off the air conditioner lights when not in use. It has also begun doing paperless transactions and participating in Earth Hour activities.

CMDI likewise provides a jeepney service for their students and employees, which can be considered a practical and energy-saving option instead of taking individual vehicles to reach the campuses. It also encourages everyone on the campus to bring their utensils to avoid using plastic. Employees do carpool to save and reduce the use of fossil-fuel-based energy.

In 2024, CMDI plans to intensify providing sustainability-related trainings to their stakeholders. Moreover, the employees hope to use some of the vacant spaces on their campuses for vegetable gardening. CMDI could also explore installing solar panels to decrease their dependency on the grid.



SOCIAL

Our community engagement programs have created substantial economic benefits and improved the quality of life in the local community.

We have provided scholarships and financial aid to 28,613 deserving students, amounting to PHP 281,986,619.68, which helped students access better opportunities.

CMDI also focuses on academic excellence and comprehensive training, leading to outstanding student success and career readiness.

Aside from this, we offered 12 trainings to 78,961 CARD MRI staff, and clients to enhance their job and entrepreneurial skills.

CMDI campuses are strategically located in communities where its target market resides. For example, the Bay campus is situated in an area needing economic revitalization. The establishment of the CMDI campus has led to the opening of businesses such as dormitories and restaurants catering to students and staff, thus improving the economic status of the community.

CMDI employees and students actively participate in community programs, including



28,613

Students with Scholarships

PHP 281,986,619.68

Financial Assistance from CMDI & CSP

12

Trainings

78,961

CARD MRI Staff and Client Trainees

literacy and feeding initiatives in selected communities. We also contribute to renovating public school classrooms through the Brigada Eskwela program. Our literacy programs inspire children to dream big and achieve more than what they typically expect.

Looking ahead, we aim to increase our scholarship program to support more deserving students. CMDI plans to expand its campuses through partnerships and by targeting areas where our services are most needed.

GOVERNANCE

CMDI adheres to the highest standards of governance and ethical practices, ensuring transparency and accountability in all operations.

CMDI has strengthened its governance frameworks, including regular internal and external audits and compliance checks. We have also started developing comprehensive risk management strategies to mitigate potential challenges.

CMDI has 253 employees. Many of them have been with CMDI for several years because CARD MRI and CMDI's values resonate with their own. They are passionate about helping economically challenged families in the Philippines through education. CMDI supports the professional growth of its employees by allowing them to take study breaks to pursue higher education, and employees have expressed gratitude for the opportunity to flourish professionally and personally.

Moreover, with over 3,000 CARD MRI offices nationwide, CMDI employees often find common ground with people they meet during fieldwork, feeling like part of a bigger family. CMDI employees also have a close connection with their students, feeling like proud parents whenever a batch of students graduates. We believe that these students will become good citizens who will contribute to a better society.



Our long-term goals focus on expanding our impact and ensuring continued excellence in education and training. We aim to grow our community of students and learners. To achieve this, we will diversify our program offerings to meet the needs of our community and enhance our community engagement initiatives to support local economic development.

CMDI has made significant contributions through its commitment to educational excellence, community development, and sustainable practices. Our initiatives have created substantial benefits for students, staff, and the broader community, fostering economic growth and social progress.

CMDI will continue to innovate and strive to become a renowned educational institute. With the help of its employees, partners, and the rest of the CARD MRI family, CMDI will create positive change and help alleviate poverty in Filipino communities.



CAN OF LEARNING

Does financial hardship truly hinder education? Not for Gillian Arjona. Despite facing financial challenges while aspiring for bigger dreams, she sees a scholarship as a genuine blessing—a chance to pursue her ambitions despite the obstacles.

From Bay, Laguna, Gillian was raised solely by her mother. Despite modest means, sometimes having to make a can of food last all day, she considers herself fortunate. Her loving and resilient mother courageously took on different jobs to earn money to provide for her and support her education. Because of this, she learned the importance of wise financial management and developed a deep appreciation for even the smallest things as she pursued her studies.

Even so, they struggle to pay for their daily and educational expenditures. When her mother had just started a new job and they did not have enough savings yet for her college tuition, she was overjoyed to learn about the scholarship offered by CARD-MRI Development Institute, Inc. (CMDI).



She chose to pursue a Bachelor of Science in Entrepreneurship at CMDI because she dreams of owning her own business, specifically a café. She believes CMDI will equip her with the essential knowledge and skills to succeed in her entrepreneurial journey. And indeed, she was right.

Gillian and her mother are grateful to CMDI for easing their financial worries with a full scholarship. According to her, CMDI treats everyone equally regardless of their status. Despite their financial struggles, she has found a new family at CMDI, supporting her to complete her education and achieve her dreams.

Beyond the scholarship and education CMDI offers, her experiences and perspectives have broadened significantly through various opportunities provided by the institution. CMDI allows her to participate in programs such as Lakbay Aral, where she gains a deeper understanding of the mission of CMDI and CARD MRI. She also becomes an active member of various school clubs like CMDI Voices, Entrep Club, and serves as an officer in the Student Leadership Council. These experiences enhance her interpersonal skills and capabilities. Most importantly, she appreciates the value of family spirit at CMDI, where support comes from the school, its staff, and fellow students.

Currently, Gillian is a graduating student who aims to be part of CMDI again, this time as a staff member eager to assist students and the community. She is confident that her academic and personal growth at CMDI has equipped her sufficiently to fulfill any task entrusted to her by the institution, given the opportunity.

Gillian sees herself achieving her dreams for herself and her mother with the support of CMDI. The institution has been instrumental to her growth and holds a special place in her heart. CMDI plays a vital role in her goals, as it also reflects her mission to give back to the community, particularly those who, like her, have faced financial challenges.

As she finishes her studies, she ensures that they no longer have to settle for just a can of food for the entire day, thanks to the cans of knowledge and skills CMDI has provided her. She anticipates facing cans of success ahead, carrying with her the lessons learned in school.

SUSTAINABILITY ACHIEVEMENTS

253
employees

57%
women

43%
men

23,058

CARD MRI Scholars (CSP)

3,188

CMDI Scholars

3,188

enrolled students



16,039

library collections

116,203

training participants



274,114

total reach of CMDI social media

SUSTAINABILITY COMMITMENTS



"We will continue to provide inclusive quality education to all, particularly marginalized communities. This includes offering scholarships and financial aid to students from low-income families."

Dr. Flordeliza L. Sarmiento, President



"I will promote lifelong learning and a culture of excellence to empower individuals to thrive through our educational and training programs while maximizing the power of education to create positive social impact in communities and beyond."

Dr. Edzel A. Ramos, Executive Vice President



"As we provide education, we will prioritize excellence to ensure every learner has the chance to thrive while empowering them to drive positive change."

Ms. Glenda M. Lagarile, Vice President for Academic Affairs



"I will continue to embody integrity, honesty, and ethical conduct in all our administrative and financial practices to set a positive example for our team and nurture a culture of trust and accountability."

Ms. Analiza De Lumban, Vice President for Admin and Finance



"I will promote comprehensive learning by giving CARD MRI clients the tools for growth and encouraging adaptation to changes in industry and society."

Dr. Carissa Monina C. Ramirez, Assistant Vice President for Learning and Development



"I will integrate sustainability into our leadership programs and teach about environmental stewardship, social responsibility, and ethical leadership to ensure sustainability for future generations."

Mr. Neil M. Polinag, Assistant Vice President for Center for Leadership



"I will ensure the delivery of quality education in our training, academic, and digital programs to provide accessible and impactful learning experiences for all learners."

Mr. Christian Albert A. Sandoval, Assistant Vice President for Operations - CMDI Tagum



"Our programs will continue to meet the highest quality standards to prepare our learners for success while continuously enhancing accessibility and effectiveness."

Ms. Daisy Jane D. Caballero, Deputy Academic Director - Tagum Campus



"We will improve our educational system by helping our faculty and staff grow through continuous learning and promoting a culture of collaboration, innovation, and excellence."

Ms. Marisol M. Mendelivar, Deputy Academic Director - Bay Campus

CMDI's contribution to
 **SUSTAINABLE DEVELOPMENT GOALS**



NO POVERTY

CMDI's primary mission is to eradicate poverty in the country by providing access to quality education. Through education, we give deserving but financially challenged students and communities an equal opportunity to break the cycle of poverty within their families.

QUALITY EDUCATION



CMDI is at the forefront of promoting quality education by offering comprehensive training, scholarships, and capacity-building programs. These efforts ensure that students and community members gain the knowledge and skills necessary for personal, entrepreneurial, and professional development. CMDI's programs target underserved populations to bridge educational gaps and promote lifelong learning.



DECENT WORK AND ECONOMIC GROWTH

CMDI contributes to economic growth by equipping individuals with the needed skills to succeed in the workforce and supporting entrepreneurial ventures. With proper training programs, CMDI helps create sustainable employment opportunities and promotes a culture of entrepreneurship and excellence.



GENDER EQUALITY

CMDI is committed to promoting gender equality by ensuring equal access to education and training for women and men. The institute actively encourages female participation in its programs and supports women entrepreneurs through tailored training programs.



REDUCED INEQUALITIES

CMDI strives to reduce inequalities by making its educational and training programs accessible to marginalized and vulnerable groups. By offering inclusive education, CMDI helps level the playing field and provides opportunities for all individuals to succeed.



PARTNERSHIPS FOR THE GOALS

CMDI recognizes the importance of collaboration in achieving the SDGs. The institute works closely with like-minded institutions, and partners, including governments, NGOs, and private sectors, to enhance its impact and reach.



SUSTAINABLE TRIAD

BALANCING PEOPLE, PLANET & PROSPERITY

For 23 years, CMDI has worked tirelessly to break the chains of poverty through education and community development services. We work not only for the sustainability of our institution but also for the people and the community we work with. CMDI is and will remain committed to integrating the principles of People, Planet, and Prosperity from our strategic planning to our daily operations. As an educational institution in the Philippines, we understand that CMDI has a profound responsibility for the impact it creates on its employees, communities, and the environment. Through our integrated approach, we go the extra mile to create value for our society.

PEOPLE

We always recognize that our employees are our organization's greatest asset and providing them with a decent working environment is also a reflection of our success. From our entry-level employees to our C-level executives, we continue to invest in their professional development, health, and safety as part of nurturing our culture and values. By providing opportunities for growth and development, we empower our employees to unlock their full potential and contribute to CARD MRI's overarching goal of eradicating poverty in the country.

In addition, we place high importance on the needs of our clients and their families, particularly the underserved and vulnerable segments of society. Through our tailored educational and training programs, our holistic approach to development empowers CARD MRI staff, clients, students, and the communities we serve to shape their current circumstances and build a better future.



100%

Regular employees who received performance & career reviews

7,909

Number of capacity-building programs conducted



PLANET

CMDI also gives equal importance to our environment. As stewards of our planet, we are committed to lessening our environmental footprint and supporting sustainable initiatives and practices across our operations that heal our planet from the human-induced activities that negatively impact our environment.

It is part of our culture to remain simple. We implemented energy-efficient measures and started our waste reduction strategies within our office premises to minimize the negative impact on our environment. Our unit offices do not utilize air conditioning units and we have started to embrace renewable energy and green technology. With these undertakings, we aim to build a more sustainable and resilient future.

In addition, CMDI is pushing for activities that will raise awareness about our responsibility of taking care of our environment and preserving our natural resources. Through our partnership with environmental organizations and community programs, we support tree-planting activities to ensure the health and vitality of our planet.

PROSPERITY

While we empower the communities we serve and safeguard our actions that will impact our environment, CMDI remains committed to delivering sustainable financial performance and creating value for our shareholders and stakeholders. Throughout our 23 years of operations, we constantly uphold sound financial management practices, sensible risk management, and ethical business conduct. These support our long-term success and resilience as an institution. By nurturing the values of trust, transparency, and accountability, CMDI persistently boosts its reputation and credibility with the public. Furthermore, we acknowledge the connection of our financial success with social and environmental well-being. Through our responsible and smart practices in educating and delivering strategic community development initiatives, we expect to generate positive social and environmental effects while bringing in reasonable financial returns.

The integration of People, Planet, and Prosperity considerations has been part of our organization for decades. From comprehensive strategy development to daily operations, we adhere to sustainability principles in every aspect of our undertakings. Through collaboration, stakeholder engagement, and continuous improvement, CMDI is encouraging positive change and innovation across our operations.

Through this integrated reporting, we are promoting transparency, accountability, and stakeholder engagement in this sustainability journey. We will measure and monitor our sustainability performance to track our progress, identify our rooms for improvement, and underscore our commitment to operate responsible business practices and contribute to our Sustainable Development Goals (SDGs).

In the coming years, CMDI will continue to navigate the opportunities and challenges of the future. We will remain persistent in our promise to nurture People, Planet, and Prosperity in our organization. As we focus on the well-being of our clients and communities, preserve our environment, and serve sustainable financial performance, CMDI catalyzes positive change and sustainable development in the communities we serve. As we continue our journey towards a zero-poverty Philippines, we can build a more inclusive, resilient, and thriving future for all.





AUDITED FINANCIAL STATEMENTS

**CARD-MRI Development Institute,
Inc.**
(A Non-stock, Not-for-profit Association)

Audited Financial Statements
December 31, 2023 and 2022

and

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
CARD-MRI Development Institute, Inc.
(A Non-stock, Not-for-profit Association)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CARD-MRI Development Institute, Inc. (A Non-stock, Not-for-profit Association) (the Association), which comprise the statements of assets, liabilities and fund balance as at December 31, 2023 and 2022, and the statements of revenue and expenses, statements of comprehensive income, statements of changes in fund balance 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 financial condition of the Association as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Framework (PFRS).

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 Association 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, 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 Association'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 Association'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 Association 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 15-2010 and 34-2020

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 and 34-2020 in Note 22 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 CARD-MRI Development Institute, 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.



Bryan Chrisnel M. Baes
Partner

CPA Certificate No. 128627

Tax Identification No. 275-229-188

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-148-2022, November 7, 2022, valid until November 6, 2025

PTR No. 10079899, January 5, 2024, Makati City

April 25, 2024

CARD-MRI DEVELOPMENT INSTITUTE, INC.
(A Non-stock, Not-for-profit Association)

STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCE

	December 31	
	2023	2022
ASSETS		
Current Assets		
Cash in banks (Note 6)	₱42,163,197	₱79,095,720
Financial assets at amortized cost (Note 7)	426,750,741	416,424,328
Receivables (Note 8)	30,308,161	20,976,752
Other current assets (Note 9)	17,948,195	13,707,793
	517,170,294	530,204,593
Non-current Assets		
Financial assets at fair value through other comprehensive income (FVOCI) (Note 7)	169,004,658	129,442,044
Financial assets at amortized cost (Note 7)	44,886,903	-
Investment in associates (Notes 10 and 19)	3,730,659	2,775,009
Property and equipment (Note 11)	380,204,612	213,174,553
Software costs (Note 12)	51,115	584,537
Retirement asset (Note 18)	7,766,984	7,442,154
Other non-current assets (Note 17)	430,418	1,494,605
	606,075,349	354,912,902
TOTAL ASSETS	₱1,123,245,643	₱885,117,495
LIABILITIES AND FUND BALANCE		
Current Liabilities		
Accounts payable and accrued expenses (Note 13)	₱26,474,136	₱9,210,291
Lease liabilities (Note 17)	742,866	928,978
	27,217,002	10,139,269
Non-current Liabilities		
Fund held in trust (Note 13)	253,584,811	232,560,297
Lease liabilities (Note 17)	113,096	90,726
	253,697,907	232,651,023
	280,914,909	242,790,292
Fund Balance		
General fund (Note 2)	680,849,059	527,083,766
Restricted fund (Note 2)	101,065,856	84,759,848
Remeasurement gain (loss) on retirement plan (Note 18)	(2,548,465)	3,959,919
Net unrealized gains on financial assets at FVOCI Note 7)	62,964,284	26,523,670
	842,330,734	642,327,203
TOTAL LIABILITIES AND FUND BALANCE	₱1,123,245,643	₱885,117,495

See accompanying Notes to Financial Statements.

CARD-MRI DEVELOPMENT INSTITUTE, INC.
(A Non-stock, Not-for-profit Association)

STATEMENTS OF REVENUE AND EXPENSES

	Years Ended December 31	
	2023	2022
REVENUE		
Registration fees	₱203,349,170	₱122,636,764
Tertiary tuition and other school fees	52,492,046	42,376,736
Senior high tuition and other school fees	13,132,065	14,592,955
	268,973,281	179,606,455
COST OF SERVICES		
Cost of registration fees (Note 14)	79,061,262	54,099,518
Tertiary expenses (Note 16)	60,630,077	40,199,220
Senior high school expenses (Note 15)	18,893,570	14,396,904
	158,584,909	108,695,642
GROSS REVENUE	110,388,372	70,910,813
OTHER INCOME		
Donations and contributions	26,200,000	538,109
Dividend income (Note 7)	25,563,918	17,537,367
Other school fees	19,839,485	819,281
Interest income (Notes 6 and 7)	14,146,160	7,347,135
Share in net income of associates (Note 10)	301,667	940,240
	86,051,230	27,182,132
	196,439,602	98,092,945
ADMINISTRATIVE EXPENSES		
Compensation and employee benefits	15,877,547	13,247,382
Retirement expense (Note 18)	1,338,620	2,441,633
Taxes and licenses	1,141,948	1,066,290
Transportation and travel	1,079,856	1,100,667
Management and professional fees	1,033,600	1,484,600
Supplies and materials	697,013	672,838
Information technology	608,743	767,668
Depreciation expense (Note 11)	600,083	778,971
Staff training and development	566,198	152,991
Program monitoring and meetings	538,823	565,951
Janitorial, messengerial and security	190,713	278,985
Insurance expense	144,641	298,178
Operating lease (Note 17)	93,274	164,354
Provision for credit losses (Note 8)	42,052	8,034,647
Interest expense on lease liabilities (Note 17)	3,000	5,645
Others	2,412,190	873,452
	26,368,301	31,934,252
EXCESS OF REVENUE OVER EXPENSES	₱170,071,301	₱66,158,693

See accompanying Notes to Financial Statements.

CARD-MRI DEVELOPMENT INSTITUTE, INC.
(A Non-stock, Not-for-profit Association)

STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2023	2022
EXCESS OF REVENUE OVER EXPENSES	₱170,071,301	₱66,158,693
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Other comprehensive income (loss) not recycled to profit or loss in subsequent periods</i>		
Change in net unrealized gain on financial assets at other comprehensive income (Note 7)	36,440,614	11,188,538
Change in remeasurement gain (loss) on retirement plan (Note 18)	(6,508,384)	2,870,735
	29,932,230	14,059,273
TOTAL COMPREHENSIVE INCOME	₱200,003,531	₱80,217,966

See accompanying Notes to Financial Statements.

CARD-MRI DEVELOPMENT INSTITUTE, INC.
(A Non-stock, Not-for-profit Association)

STATEMENTS OF CHANGES IN FUND BALANCE

	General fund (Note 2)	Restricted fund (Note 2)	Remeasurement gains on retirement plan (Note 18)	Net unrealized gains on financial assets at fair value through other comprehensive income (Note 7)	Total
Balances at January 1, 2023	₱527,083,766	₱84,759,848	₱3,959,919	₱26,523,670	₱642,327,203
Total comprehensive income for the year	170,071,301	-	(6,508,384)	36,440,614	200,003,531
Appropriations during the year	(34,014,260)	34,014,260	-	-	-
Utilization during the year	17,708,252	(17,708,252)	-	-	-
Balances at December 31, 2023	₱680,849,059	₱101,065,856	(₱2,548,465)	₱62,964,284	₱842,330,734
Balances at January 1, 2022	₱474,156,812	₱71,528,109	₱1,089,184	₱15,335,132	₱562,109,237
Total comprehensive income for the year	66,158,693	-	2,870,735	11,188,538	80,217,966
Appropriations during the year	(13,231,739)	13,231,739	-	-	-
Balances at December 31, 2022	₱527,083,766	₱84,759,848	₱3,959,919	₱26,523,670	₱642,327,203

See accompanying Notes to Financial Statements.

CARD-MRI DEVELOPMENT INSTITUTE, INC.
(A Non-stock, Not-for-profit Association)

STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenue over expenses	₱170,071,301	₱66,158,693
Adjustments for:		
Income recognized from funds held in trust (Note 13)	(95,799,303)	(85,724,096)
Interest income (Notes 6 and 7)	(14,146,160)	(7,347,135)
Depreciation and amortization expense (Notes 11 and 12)	9,951,904	12,848,784
Dividend income (Note 7)	(1,832,800)	(7,816,900)
Net retirement expense (Note 18)	1,338,620	2,441,633
Interest expense	528,738	52,721
Share in net income of associates (Note 10)	(301,667)	(940,239)
Gain on disposal of fixed assets	(253,900)	-
Provision for credit losses (Note 8)	42,052	8,034,647
Operating income (loss) before working capital changes	69,598,785	(12,291,892)
Changes in operating assets and liabilities:		
Increase in the amounts of:		
Receivables	(8,913,071)	(9,600,117)
Other assets (Note 17)	(3,176,215)	(1,046,247)
Increase (decrease) in the amounts of:		
Accounts payable and accrued expenses	17,263,845	(10,290,497)
Net cash generated from (used in) operations	74,773,344	(33,228,753)
Interest received	13,685,770	15,422,191
Contributions to retirement fund (Note 18)	(8,171,834)	(4,500,095)
Interest paid	(490,953)	(2,803)
Net cash provided by (used in) operating activities	79,796,327	(22,309,460)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Financial assets at amortized cost (Note 7)	(2,846,469,282)	(1,648,703,482)
Property and equipment (Notes 11 and 20)	(175,470,093)	(19,250,022)
Financial assets at FVOCI (Note 7)	(1,289,200)	(7,519,990)
Investment in associates (Note 10)	(997,980)	(400,000)
Proceeds from:		
Maturities of financial assets at amortized cost (Note 7)	2,791,255,966	1,458,546,712
Dividends received from investment in associates (Note 10)	343,997	-
Disposal of transportation equipment	253,900	-
Net cash used in investing activities	(232,372,692)	(217,326,782)
CASH FLOWS FROM FINANCING ACTIVITY		
Receipt of funds held in trust (Note 20)	116,823,817	235,029,843
Payments on finance lease (Note 17)	(1,179,975)	(987,374)
Net cash provided by financing activities	115,643,842	234,042,469
NET INCREASE (DECREASE) IN CASH IN BANKS	(36,932,523)	(5,593,773)
CASH IN BANKS AT BEGINNING OF YEAR	79,095,720	84,689,493
CASH IN BANKS AT END OF YEAR (Note 6)	₱42,163,197	₱79,095,720

See accompanying Notes to Financial Statements.

CARD-MRI DEVELOPMENT INSTITUTE, INC.
(A Non-stock, Not-for-profit Association)

NOTES TO FINANCIAL STATEMENTS

1. General Information

CARD-MRI Development Institute, Inc. (the Association) is a non-stock, not-for-profit association incorporated in the Philippines on April 21, 2005. The Association was organized to provide courses of study in microfinance development (non-degree technical courses) or other similar courses subject to the laws of the Philippines.

The Association's permit to operate as a tertiary education was granted by the Commission on Higher Education (CHED) on May 28, 2015. It started to operate as a tertiary education institute offering a Bachelor of Science in Entrepreneurship with specialization in Microfinance on August 5, 2015.

The Association started to offer senior high school; Accountancy, Business and Management and Information and Communication Technology strands in June 2016, and Home Economics strand in June 2019.

Being a non-stock and not-for-profit educational institution, the Association falls under Section 30 (h) of the Tax Reform Act of 1997 and as such, income from activities in pursuit of the purpose for which the Association was organized is exempt from income tax. The Association renewed its Philippine Council for NGO Certification accreditation on December 7, 2022 and had been granted a five-year certification for donee institution status.

The Association is part of the Center for Agriculture and Rural Development - Mutually Reinforcing Institutions (CARD-MRI).

The Association's principal office is located at Brgy. Tranca, Bay, Laguna. Based on the provisions of Republic Act No. 11232, otherwise known as "An Act Providing for the Revised Corporation Code of the Philippines," the Association has a perpetual existence.

2. Material Accounting Policy Information

Basis of Preparation

The accompanying financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI), which are all carried at fair value. The financial statements are presented in Philippine peso (₱), the functional currency of the Association, and all values are rounded to the nearest peso except when otherwise indicated.

Statement of Compliance

The Association's financial statements have been prepared in accordance with the Philippine Financial Reporting Standards (PFRSs).

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2023. The Association has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new amendments did not have an impact on the financial statements of the Association.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments to the Practice Statement provide non-mandatory guidance.

- Amendments to PAS 8, *Definition of Accounting Estimates*

The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

The amendments introduce a mandatory exception in PAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

The amendments also clarify that PAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively.

The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon adoption of the amendments in June 2023.

Meanwhile, the disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after January 1, 2023.

Material Accounting Policies

Current versus Non-current Classification

The Association presents assets and liabilities in the statements of assets, liabilities and fund balance based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting period; or
- Not subject to unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Association.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Association uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Association determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period (see Note 4).

Management determines the policies and procedures for recurring fair value measurement.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Association's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Association has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (see Note 5).

Financial Instruments - Initial Recognition and Subsequent Measurement

Date of recognition

Financial instruments are any contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized in the statement of assets, liabilities and fund balance when the Association becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

'Day 1' difference

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Association recognizes the difference between the transaction price and fair value (a 'Day 1' difference) in profit or loss unless it qualifies for recognition as some other type of asset. In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognized in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Association determines the appropriate method of recognizing the 'Day 1' difference amount.

Initial recognition and measurement of financial instruments

All financial instruments are initially recognized at transaction price (including transaction costs except in the initial measurement of financial instruments at fair value through profit or loss (FVPL)). The Association classifies its financial assets as financial assets at FVPL, financial assets at FVOCI, and financial assets at amortized cost while financial liabilities are classified as financial liabilities

measured at FVPL and financial liabilities at amortized cost. The classification of financial assets depends on the contractual terms and the business model for managing the financial assets.

Subsequent to initial recognition, the Association may reclassify its financial assets only when there is a change in its business model for managing these financial assets. Reclassification of financial liabilities is not allowed.

The Association determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Association's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios. As a second step of its classification process, the Association assesses the contractual terms of financial assets to identify whether they pass the contractual cash flows test or solely payments of principal and interest (SPPI) test.

The Association has no financial instruments at FVPL as at December 31, 2023 and 2022.

Financial assets and liabilities at amortized cost

Financial assets at amortized cost are financial assets that meet both of the following conditions:

(i) these are held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows; and (ii) the contractual terms give rise on specified dates to cash flows that are SPPI on the outstanding principal amount.

Financial instruments that meet the conditions above are measured at amortized cost using the effective interest method. For financial assets measured at amortized cost, impairment is assessed at every reporting period.

The Association's financial assets at amortized cost are presented in the statement of assets, liabilities and fund balance as cash and cash equivalents, time deposits under financial assets at amortized cost, receivables, and prepaid subscription under 'other current assets'.

Cash in banks

Cash in banks represent demand, savings and time deposits or special savings deposits that earn interest at the respective Association deposit rates.

Short-term investments

Short-term investments under 'Financial assets at amortized cost' represent time deposits with tenor of three (3) months to twelve (12) months from date of acquisition to date of maturity.

Long-term investments

Long-term investments under 'Financial assets at amortized cost' represent time deposits with tenor of more than twelve (12) months from date of acquisition to date of maturity.

Classified under financial liabilities measured at amortized cost are the Association's accounts payable and accrued expense in the statement of financial position.

Financial assets at FVOCI - equity investments

At initial recognition, the Association can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Association for trading. The Association has designated its unquoted equity instruments as at FVOCI as these are not held for trading purposes.

These financial assets are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously recognized in the 'Net unrealized gains on financial assets of FVOCI account' is not reclassified to profit or loss, but is reclassified directly to 'Fund balance' account. Any dividends earned on holding these equity instruments are recognized in statement of revenue and expenses under 'Dividend income' account.

Derecognition of Financial Assets and Liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Association retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or the Association has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained the risk and rewards of the asset but has transferred the control over the asset.

Where the Association has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control over the asset, the asset is recognized to the extent of the Association's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of original carrying amount of the asset and the maximum amount of consideration that the Association could be required to pay.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of revenue and expense.

Impairment of Financial Assets

The Association recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Association expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables, the Association applies a simplified approach in calculating ECLs. Therefore, the Association does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

However, in certain cases, the Association may also consider a financial asset to be in default when internal or external information indicates that the Association is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Association. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Investment in Associates

An associate is an entity over which the Association has a significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The Association's investment in associates is accounted for using the equity method.

Under the equity method, investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Association's share of net assets of the associate since the acquisition date. Distributions received from an investee reduce the carrying amount of the investment. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of income reflects the Association's share of the results of operations of the associate. Any change in OCI of the associate is presented as part of the Association's OCI. In addition, when there has been a change recognized directly in the equity of the investee, the Association recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Association and associate are eliminated to the extent of the interest in the associate.

The financial statements of the investee are prepared for the same reporting period as the Association. The associate's accounting policies conform to those used by the Association for like transactions and events in similar circumstances.

Upon loss of significant influence over the investee, the Association measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in statement of income.

Property and Equipment

Land is carried at cost less any impairment in value while depreciable property and equipment, such as land improvement, training facilities, office furniture, fixtures, and equipment and library books, transportation equipment, and leasehold improvement, are stated at cost less accumulated depreciation, and any impairment in value.

Such cost includes the cost of replacing part of the property and equipment when that cost is incurred and if the recognition criteria are met, but excluding repairs and maintenance cost.

For property and equipment being constructed by an external contractor, costs are capitalized based on the percentage of completion of the project.

Depreciation commences once the property and equipment are available for use and is computed using the straight-line method over the estimated useful lives (EUL) of the respective assets, except for leasehold improvements which are amortized over the shorter of the EUL of the improvements or the terms of the related leases. The EUL of the depreciable assets are as follows:

	Years
Land improvement	10
Training facilities	5 to 25
Office furniture, fixtures, equipment and transportation equipment	5 to 7
Library books	3
Leasehold improvement	10 or lease term, whichever is shorter

The EUL, residual value, and the depreciation method are reviewed periodically to ensure that the period and the method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation is credited against revenue and expenses.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any resulting gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of revenue and expense.

Software Costs

Software costs include costs incurred in obtaining license for the software purchased and used by the Association. The amortization of software costs is on a straight-line basis over a period of five (5) years and is recorded under 'Amortization expense' account.

Impairment of Non-financial Assets

The Association assesses the impairment of its property and equipment and software cost, whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The factors that the Association considers important which could trigger an impairment review include the following:

- significant changes in the manner of use of the assets; and
- significant negative industry or economic trends.

The Association recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amounts are estimated for individual asset or, if it is not possible, for the cash-generating unit to which the asset belongs.

Recoverable amount

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If it is not possible to estimate the recoverable amount of an individual asset to an asset should be read as references also to an asset's cash-generating unit.

It is not always necessary to determine both an asset's fair value less costs to sell and its value in use. If either of these amounts exceeds the asset's carrying amount, the asset is not impaired and it is not necessary to estimate the other amount.

If there is no reason to believe that an asset's value in use materially exceeds its fair value less costs to sell, the asset's fair value less costs to sell may be used as its recoverable amount. This will often be the case for an asset that is held for disposal.

Reversal of impairment

The Association shall assess at each reporting date whether there is any indication that an impairment loss recognized in prior periods may no longer exist or may have decreased. If any such indication exists, the Association shall determine whether all or part of the prior impairment loss should be reversed. The procedure for making that determination will depend on whether the prior impairment loss on the asset was based on the recoverable amount of that individual asset, or the recoverable amount of the cash-generating unit to which the asset belongs.

General funds

This consists of the amounts contributed by the members of the Board of Trustees (BOT) of the Association and all current and prior period results of operations.

Restricted funds

The Association's BOT has restricted twenty percent of the total revenue and expenses as follows: two (2.00%) for scholarships, three (3.00%) for information technology development and fifteen (15.00%) for fixed asset acquisition for future expansion.

Accumulated excess of revenue over expenses

Accumulated excess of revenue over expenses represents the cumulative balance of periodic net income or loss.

Revenue Recognition

Revenue from contracts with customers is recognized upon transfer of services to the customer at an amount that reflects the consideration to which the Association expects to be entitled in exchange for those services.

The Association assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or agent. The Association has concluded that it is the principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognized:

Registration fees

Registration fees are recognized when seminars and trainings have been conducted and completed.

Tuition fees and other school fees

Income from payment of tuition fee and miscellaneous fees are recognized over the service period. Tuition fees collected during the year that are applicable in subsequent years are deferred and shown as unearned tuition fee under 'Accounts payable and accrued expenses' in the statements of assets, liabilities and fund balance.

Interest income

Interest income on deposits in Associations is recognized as interest accrues, taking into account the effective yield of the asset.

Donations and contributions

Grants are recognized when there is a reasonable assurance that the Association will comply with the conditions attached to them, and that the grants will be received. Grants received for a specific purpose or with condition are initially recognized as a liability shown as funds held in trust as a fund

balance, if received from a member of BOT, and as a liability, if received from other than a member of BOT. When the specific purpose or condition is met, it is recorded as 'Donations and contributions' in the statement of revenue and expenses.

Dividend income

Income from equity investments is recognized when the Association's right to receive (i.e., date of declaration) payment is established.

Cost and Expense Recognition

Costs and expenses are recognized in statement of revenue and expenses and changes in fund balance when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Costs and expenses are recognized in statement of revenue and expenses and changes in fund balance:

- On the basis of a direct association between the costs incurred and the earning of specific items of income;
- On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or
- Immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the statement of assets, liabilities and fund balance as an asset.

Leases

The Association assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Association as a lessee

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Association recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying is available for use) as part of Property and Equipment. Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, which ranges from 1 to 3 years. Right-of-use assets are also subjected to the impairment policy on non-financial assets. Right-of-use assets are presented under 'Property and equipment' in the statement of assets, liabilities and fund balance.

Lease liabilities

At the commencement date of the lease, the Association recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain

to be exercised by the Association and payments of penalties for terminating the lease, if the lease term reflects the Association exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Association uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payment resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Association applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Retirement Benefits

The Association operates a defined benefit retirement plan and hybrid retirement plan which require contribution to be made to a separately administered fund. The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the reporting date reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling (if any). The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plan is actuarially determined using the projected unit credit method.

Movement of the retirement costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expenses in the statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the statements of revenue and expense.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the

effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to the statement of revenue over expenses in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Association, nor can they be paid directly to the Association. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Provisions and Contingencies

Provisions are recognized when the Association 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. When the Association 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 statement of revenue and expenses and changes in fund balance, net of any reimbursement.

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 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 time value of money is recognized as 'Interest expense' in the statement of revenue and expenses and changes in fund balance.

Contingent liabilities are not recognized in the financial statements but 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 up to the date of the approval of the BOT of the financial statements that provide additional information about the Association'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.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Association intends to adopt the following pronouncements when they become effective. The Association does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

3. Significant Accounting Judgements and Estimates

The preparation of the Association's financial statements in accordance with PFRSs requires the management to make judgments and estimates that affect the reported amounts of assets, liabilities, fund balance, revenue, expenses and disclosure of contingent assets and contingent liabilities, if any. Future events may occur which will cause the judgments used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments

As of December 31, 2023 and 2022, there were no material accounting areas where management exercised judgment in respect to the amounts recognized in the financial statements.

Estimates

(a) Impairment of receivables

The Association uses a provision matrix to calculate ECLs for financial assets. The provision matrix is initially based on the Association's historical observed default rates.

The Association adjusts the historical credit loss experience with forward-looking information, if any. For instance, if forecast economic conditions (i.e., OFW remittance) are expected to deteriorate over the next year which can lead to an increased number of defaults in the industry, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Association's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of receivables as of December 31, 2023 and 2022 are disclosed in Note 8.

(b) Present value of retirement cost

The determination of the Association's retirement cost is dependent on certain assumptions used by the actuary in calculating such amount. Those assumptions are described in Note 18 to the financial statements and include, among others, discount rate, future salary increase and average remaining working lives of employees. While management believes that the assumptions are reasonable and appropriate, significant differences in the Association's actual experience or significant changes in the assumptions may materially affect the pension and other retirement obligation.

As at December 31, 2023 and 2022, the carrying values of retirement asset of the Association are

disclosed in Note 18.

4. Fair Value Measurement

The methods and assumptions used by the Association in estimating the fair values of its assets and liabilities are:

Cash in banks, receivables, prepaid subscription, and accounts payable and accrued expenses
The carrying amounts approximate their carrying values due to their short-term maturities of these instruments. Management believes that the effect of discounting cash flows from these instruments using the prevailing market rates is not significant.

Financial assets at FVOCI
The fair value of unquoted equity securities is estimated based on the fair value of the net assets of investee companies and the capital asset pricing model.

Financial assets at amortized cost
The fair value of investments at amortized cost is measured at the discounted value of future cash flows using the applicable rates. The discount rates used ranged from 1.75% to 5.98% in 2023 and from 1.00% to 5.00% in 2022.

Funds held in trust
The carrying amount of funds held in trust approximate its carrying value due to deferral by the Association of revenue for unmet conditions.

The following table summarizes the carrying amounts and the fair values by level of the fair value hierarchy of the Company's assets and liabilities as at December 31:

	Carrying value	Fair value measurement using significant unobservable inputs (Level 3)
2023		
Financial assets measured at fair value:		
Financial assets at FVOCI	P169,004,658	P169,004,658
Assets for which fair values are disclosed:		
Financial assets at amortized cost	471,637,644	471,755,214
2022		
Financial assets measured at fair value:		
Financial assets at FVOCI	P129,442,044	P129,442,044
Assets for which fair values are disclosed:		
Financial assets at amortized cost	416,424,328	415,050,128

Reconciliation of fair value measurements of Level 3 financial instruments

The Associate carries financial assets at FVOCI classified as Level 3 within the fair value hierarchy. The reconciliation from the opening balances to the closing balances of financial assets at FVOCI is disclosed in Note 7.

Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

Description of significant unobservable inputs to valuation of financial assets at FVOCI under Level 3 of their fair value category follows:

Valuation Technique	Investment	Significant Unobservable Input	Inputs	
			2023	2022
Adjusted net asset	Matapat Holdings	Book value per share	P9.85/share	P9.83/share
Adjusted net asset	CMPMI	Book value per share	P118.87/share	P126.51/share
Adjusted net asset	CMIT	Book value per share	P152.30/share	P144.22/share
Capital asset pricing model	CSME	Cost of equity	12.40%	12.05%

Adjusted net asset value

The Association estimates the fair value of the unquoted equity securities using the adjusted net asset value approach. Below shows the sensitivity of the valuation to various changes in assumption:

Fair value of financial assets at FVOCI	P94,412,993
Alternative scenarios:	
Increase/decrease in book in value per share:	
+10.00%	9,441,299
-10.00%	(9,441,299)

Capital asset pricing model

The Company estimates the fair value of the unquoted equity securities using the capital asset pricing model. Below shows the sensitivity of the valuation to various changes in assumption:

Fair value of financial assets at FVOCI	P74,591,665
Alternative scenarios:	
Increase/decrease in cost of equity:	
+100 basis points	(11,699,381)
-100 basis points	15,547,460

The use of reasonably possible alternative assumptions in the significant unobservable inputs will affect the fair value of the unquoted equity securities and the OCI (before tax) as presented above.

5. Financial Instruments and Financial Risk Management Objectives and Policies

The Association has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

In line with the CARD MRI's mission of "providing continued access to integrated microfinance and social development services to an expanding membership base by organizing and empowering women and their families", risk management framework of the Association involves identifying and assessing risks, designing strategies and implementing policies to mitigate risks, and conducting evaluation for adjustments needed to minimize risks.

The BOT is responsible for monitoring the Association's implementation of risk management policies and procedures and for reviewing the adequacy of risk management framework in relation to the risks faced by the Association. Risk management of the Association is strengthened in conjunction with the Internal Audit (IA) functions of CARD-MRI Group. IA undertakes both regular audit examination and ad hoc reviews of risk management controls and procedures, the results of which are reported to the BOT.

Credit Risk

Credit risk is the risk of financial loss to the Association if the counterparty to a financial instrument fails to meet its contractual obligations. The Association manages credit risk by assessing the creditworthiness of its counterparties. The Association continuously monitors the financial health and status of its counterparties to ascertain that receivable from these counterparties will be substantially collected on the due date or in the future.

Maximum exposure to credit risk

The maximum exposure of the Association's financial instruments is equivalent to the carrying values as reflected in the statements of financial position and related notes. The Association holds no collateral and other credit enhancements against its credit risk exposure as at December 31, 2023 and 2022.

Credit concentration

Concentration arises when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. As at December 31, 2023 and 2022, the Association's cash in banks and receivables are concentrated to financial intermediaries and customers, respectively.

Credit quality per class of financial assets

The credit quality of financial assets is monitored and managed based on the credit standing and history.

High grade - These are Association deposits and receivables which have a high probability of collection. The counterparty has the apparent ability to satisfy its obligation and the securities on the receivables are readily enforceable.

Standard grade - These are Association deposits and receivables where collections are probable due to the reputation and the financial ability of the counterparty to pay but with experience of default.

Further, the financial assets are also grouped according to stage whose description is explained as follows:

Stage 1 - those that are considered current and up to 30 days past due, and based on change in rating, delinquencies and payment history, do not demonstrate significant increase in credit risk.

Stage 2 - is comprised of all non-impaired financial instruments which have experienced a significant increase in credit risk since initial recognition and those that, based on change in rating, delinquencies

and payment history, demonstrate significant increase in credit risk, and/or are more than 30 days up to 90 days past due but does not demonstrate objective evidence of impairment as of reporting date.

Stage 3 - those that are considered in default or demonstrate objective evidence of impairment as of reporting date.

The following tables illustrate the Association's credit exposures from its financial assets as at December 31, 2023 and 2022:

	2023				Total
	Cash in banks	Financial assets at amortized cost	Receivables	Prepaid subscription	
Neither past due nor impaired					
High grade	₱42,163,197	₱471,637,644	₱829,962	₱15,779,188	₱530,409,991
Standard grade	-	-	18,719,285	-	18,719,285
Past due but not impaired	-	-	-	-	-
Past due and impaired	-	-	28,000,789	-	28,000,789
Gross carrying amount	₱42,163,197	₱471,637,644	₱47,550,036	₱15,779,188	₱577,130,065

	2022				Total
	Cash in banks	Financial assets at amortized cost	Receivables	Prepaid subscription	
Neither past due nor impaired					
High grade	₱79,095,720	₱471,637,644	₱1,847,422	₱13,140,388	₱565,721,174
Standard grade	-	-	20,114,279	-	20,114,279
Past due but not impaired	-	-	-	-	-
Past due and impaired	-	-	15,723,980	-	15,723,980
Gross carrying amount	₱79,095,720	₱471,637,644	₱3,685,681	₱13,140,388	₱601,559,433

As at December 31, 2023 and 2022, the Association's receivables that are past due for more than 1 year are considered impaired. Following use of a simplified ECL, given receivables are short-term in nature, non-defaulted accounts are computed with lifetime ECL.

Liquidity Risk

Liquidity risk is the risk arising from potential inability to meet obligations when they become due at a reasonable cost and timely manner. To ensure sufficient liquidity, the Association sets aside funds to pay currently maturing obligations which are placed in credible Associations. Monitoring of daily cash position is being done to guide the management in making sure that sufficient liquidity is maintained. The Treasury Committee of CARD-MRI reviews monthly the liquidity position of the Association.

The table below summarize the maturity profile of the financial instruments of the Association based on undiscounted cash flows as at December 31, 2023 and 2022:

	2023			Total
	On Demand	Within 1 Year	More than 1 Year	
Cash and cash equivalents	₱42,163,197	₱-	₱-	₱42,163,197
Financial assets at amortized cost*	-	428,346,214	44,886,903	473,233,117
Financial assets at FVOCI	-	-	169,004,658	169,004,658
Receivables				
Students	41,624,86	-	-	41,624,86
Interest receivable	4,480,027	-	-	4,480,027
Trainees and participants	1,445,148	-	-	1,445,148
Prepaid subscription	15,779,188	-	-	15,779,188
	105,492,420	428,346,214	213,891,561	747,730,195

(Forward)

	2023			Total
	On Demand	Within 1 Year	More than 1 Year	
Accounts payable and accrued expenses				
Funds held in trust	P-	P-	P253,584,811	P253,584,811
Accounts payable	18,058,828	-	-	18,058,828
Accrued expenses	4,135,088	-	-	4,135,088
Lease liabilities*	-	775,882	114,068	889,950
	22,193,916	775,882	253,698,879	276,668,677
	P83,298,504	P354,715,780	P33,047,234	P471,061,518

*includes future interest

	2022			Total
	On Demand	Within 1 Year	More than 1 Year	
Cash and cash equivalents	P79,095,720	P-	P-	P79,095,720
Financial assets at amortized cost*	-	417,559,410	-	417,559,410
Financial assets at FVOCI	-	-	129,442,044	129,442,044
Receivables				
Students	35,051,386	-	-	35,051,386
Interest receivable	1,135,082	-	-	1,135,082
Trainees and participants	1,499,213	-	-	1,499,213
Prepaid subscription	13,140,388	-	-	13,140,388
	129,921,789	417,559,410	129,442,044	676,923,243
Accounts payable and accrued expenses				
Funds held in trust	-	-	232,560,297	232,560,297
Accounts payable	1,108,833	-	-	1,108,833
Accrued expenses	3,810,478	-	-	3,810,478
Lease liabilities*	-	951,838	91,475	1,043,313
	4,919,311	951,838	232,651,772	238,522,921
	P125,002,478	P416,607,572	(P103,209,728)	P438,400,322

*includes future interest

Market Risk

Market risk is the risk of loss of future earnings, of fair value or future cash flows of a financial instrument. The Association has no significant exposure to interest rate risk as interest bearing financial instruments carry fixed interest rates and foreign currency risk since exposure to foreign currency denominated assets and liabilities is very minimal.

Equity price risk

Equity price risk is the risk that the fair value of equity securities will fluctuate as the result of changes in the levels of equity indices and the value of individual stocks. The equity price risk exposure arises from the Association's FVOCI investments.

The sensitivity to a reasonably possible change in cost of capital, with all other variables held constant, of the Association's other comprehensive income through the impact on unrealized gain/loss on financial assets at FVOCI is disclosed in Note 5.

6. Cash in Banks

This account consists of:

	2023	2022
Demand deposits	P22,882,265	P27,450,959
Savings deposits	19,280,932	51,644,761
	P42,163,197	P79,095,720

Cash in banks represent peso-denominated current and savings accounts which earn interest at an annual rate ranging from 0.03% to 1.00% in 2023 and from 0.03% to 0.50% in 2022.

In 2023 and 2022, cash in banks earned interest amounting to P0.21 million and P0.26 million, respectively.

7. Investment Securities

Financial Assets at Amortized Cost

Financial assets at amortized cost represent short-term investments in peso-denominated time deposits with maturities ranging from ten (10) days to one (1) year, and with annual interest rates ranging from 1.75% to 5.20% in 2023 and from 1.50% to 5.00% in 2022.

These also include treasury bills with maturities of one (1) year to five (5) years, and with annual effective interest rates ranging from 5.92% to 10.91%. As at December 31, 2023, these treasury bills amounted to P117.74 million.

	2023	2022
Financial assets at amortized cost	P471,637,644	P416,424,328
Less: current portion	426,750,741	416,424,328
Non-current portion	P44,886,903	P-

Interest earned on financial assets at amortized cost amounting to P13.94 million and P7.09 million in 2023 and 2022, respectively.

Financial Assets at FVOCI

This represents the Association's ownership interest in the following entities:

	2023	2022
CARD MRI Information Technology, Inc. (CMIT)	10.87%	10.93%
CARD SME Bank, Inc. (CSME)	2.07%	2.13%
CARD MRI Property Management, Inc. (CMPMI)	0.99%	1.36%
Matapat Holdings, Inc.	2.92%	2.92%

The movements in the investments follow:

	2023	2022
Beginning balance	P129,442,044	P102,916,616
Fair value changes	36,440,614	11,188,538
Additional subscriptions during the period	1,289,200	7,519,990
Additional investment through issuance of share dividend	1,832,800	7,816,900
Ending balance	P169,004,658	P129,442,044

The movements in the net unrealized gains on financial assets at FVOCI of the Association follow:

	2023	2022
Beginning balance	P26,523,670	P15,335,132
Mark-to-market fair value changes	36,440,614	11,188,538
Ending balance	P62,964,284	P26,523,670

In 2023 and 2022, the Association received stock dividends amounting to ₱1.83 million and ₱7.82 million, respectively.

In 2023 and 2022, the Association received cash dividends amounting to ₱22.88 million and ₱9.72 million, respectively.

8. Receivables

This account consists of:

	2023	2022
Receivables from students	₱41,624,861	₱35,051,386
Interest receivable	4,480,027	1,135,082
Receivables from trainees and participants (Note 19)	1,445,148	1,499,213
	47,550,036	37,685,681
Allowance for credit losses	(17,241,875)	(16,708,929)
	₱30,308,161	₱20,976,752

Receivables from students pertain to tuition fees from their tertiary and senior high school students which are already rendered by the Association. The receivables are non-interest-bearing and paid in installments.

Interest receivable pertains to interest accrued from financial assets at amortized cost.

Receivables from trainees and participants are those attributed to CARD-MRI entities and non-CARD-MRI entities which pertain to registration fees. The receivable from trainees and participants are payable upon demand.

Changes in the allowance for credit losses follow:

	2023	2022
Balance at beginning of year	₱16,708,929	₱8,674,282
Provision for credit losses	532,946	8,034,647
Balance at end of year	₱17,241,875	₱16,708,929

9. Other Current Assets

This account consists of:

	2023	2022
Prepaid subscription (Note 19)	₱15,779,188	₱13,140,388
Prepaid expenses	1,829,887	162,138
Supplies inventory	339,120	405,267
	₱17,948,195	₱13,707,793

Prepaid subscription includes prepayment for the initial subscription of capital stock of PHINMA Corporation and CARD SME Bank, Inc.

Supplies inventory represents the cost of unissued and on hand stationeries and office supplies such as papers, journals and toners.

Prepaid expenses pertain to the prepayments for insurance and other expenses.

10. Investment in Associates

Details of the Association's investment in associates follow:

	Nature of business	Place of business	Percentage of ownership	
			2023	2022
CARD MRI Publishing House, Inc. (CMPHI)	Publishing company	Philippines	15.22%	20.00%
CARD MRI Hijos Tours Inc. (CMHTI)	Travel agency	Philippines	18.38%	20.00%

Below is the rollforward of investment in associate account using the equity method of accounting:

	2023	2022
Acquisition cost		
Balance at beginning and end of year		
CMPHI	₱500,000	₱100,000
CMHTI	399,995	399,995
Additional investment during the year		
CMPHI	479,985	400,000
CMHTI	517,995	–
Balance at beginning and end of year		
CMPHI	979,985	500,000
CMHTI	917,990	399,995
Total acquisition cost	1,897,975	899,995
Accumulated equity in net earnings		
Balance at beginning of year		
CMPHI	1,260,127	875,105
CMHTI	614,887	59,669
Share in net income for the year		
CMPHI	94,261	385,022
CMHTI	207,406	555,218
Dividends received for the year		
CMPHI	(223,998)	–
CMHTI	(119,999)	–
Balance at the end of the year		
CMPHI	1,130,390	1,260,127
CMHTI	702,294	614,887
Total accumulated net earnings	1,832,684	1,875,014
	₱3,730,659	₱2,775,009

The following table illustrates the summarized financial information in the statements of financial position and statements of income of investment in CMPHI and CMHTI:

	CMPHI		CMHTI	
	2023	2022	2023	2022
<i>Statement of Financial Position</i>				
Current assets	₱8,403,468	₱7,417,455	₱6,176,652	₱4,912,960
Non-current assets	873,046	976,514	839,486	688,384
Current liabilities	729,128	497,797	816,344	490,271
Non-current liabilities	–	–	–	–
<i>Statement of Comprehensive Income</i>				
Revenue	24,389,167	21,110,428	14,422,892	9,593,620
Cost of sales	10,110,524	10,040,446	2,999,002	2,075,598
Gross income	14,278,643	11,069,982	11,423,890	7,518,022
Cost and expenses	13,281,163	9,212,471	9,603,637	5,246,302
Operating income	997,480	1,857,511	1,820,253	2,271,720
Other income	(143,852)	495,172	(314,947)	79,558
Income before tax	853,628	2,352,683	1,505,306	2,351,278
Provision for income tax	234,308	420,222	376,871	434,547
Net income	₱619,320	₱1,932,461	₱1,128,435	₱1,916,731

CMPHI and CMHTI are private companies and there are no quoted market prices available for their shares.

As of December 31, 2023, the Association received stock dividends amounting to ₱0.85 million.

As of December 31, 2023 and 2022, there were no agreements entered into by the associates that may restrict dividends and other capital distributions to be paid, or loans and advances to be made or repaid to or from the Association.

As of December 31, 2023 and 2022, accumulated equity in net earnings amounting to ₱1.83 million and ₱1.88 million respectively, is not available for dividend declaration. The accumulated equity in net earnings becomes available for dividends upon declaration and receipt of cash dividends from the investees.

As of December 31, 2023 and 2022, the Association has no share on commitments and contingencies of its associates.

11. Property and Equipment

The compositions of and movements in this account follow:

	2023								
	Land	Land Improvement	Training and School Facilities	Equipment and Library Books	Transportation Equipment	Leasehold Improvement	Construction in Progress	Right-of-use Asset	Total
Cost									
Balance at beginning of year	₱108,178,966	₱16,342,461	₱191,396,593	₱43,672,504	₱1,367,500	₱1,949,016	₱13,122,560	₱11,220,824	₱387,250,424
Additions	90,036,964	1,206,720	10,296,315	10,051,083	–	–	63,879,011	978,448	176,448,541
Transfers	–	860,480	41,361,613	257,858	–	–	(42,479,951)	–	–
Disposals	–	–	–	–	(1,367,500)	–	–	–	(1,367,500)
Balance at end of year	198,215,930	18,409,661	243,054,521	53,981,445	–	1,949,016	34,521,620	12,199,272	562,331,465
Accumulated Depreciation and Amortization									
Balance at beginning of year	–	10,321,163	113,725,310	36,495,642	1,367,400	1,948,716	–	10,217,640	174,075,871
Depreciation and amortization	–	492,859	4,562,586	3,230,420	100	–	–	1,132,517	9,418,482
Disposals	–	–	–	–	(1,367,500)	–	–	–	(1,367,500)
Balance at end of year	–	10,814,022	118,287,896	39,726,062	–	1,948,716	–	11,350,157	182,126,853
Net Book Value	₱198,215,930	₱7,595,639	₱124,766,625	₱14,255,383	₱–	₱300	₱34,521,620	₱849,115	₱380,204,612

	Office Furniture, Fixtures, and Amortization								Total
	Land	Land Improvement	Training and School Facilities	Equipment and Library Books	Transportation Equipment	Leasehold Improvement	Construction in Progress	Right-of-use Asset	
Cost									
Balance at beginning of year	₱107,203,966	₱16,342,461	₱190,085,754	₱38,810,336	₱1,367,500	₱1,949,016	₱1,020,545	₱10,966,108	₱367,745,686
Additions	975,000	–	344,308	4,585,668	–	–	13,345,046	254,716	19,504,738
Transfers	–	–	966,531	276,500	–	–	(1,243,031)	–	–
Balance at end of year	108,178,966	16,342,461	191,396,593	43,672,504	1,367,500	1,949,016	13,122,560	11,220,824	387,250,424
Accumulated Depreciation and Amortization									
Balance at beginning of year	–	9,497,554	106,127,909	34,097,940	1,367,400	1,948,716	–	9,269,194	162,308,713
Depreciation and amortization	–	823,609	7,597,401	2,397,702	–	–	–	948,446	11,767,158
Balance at end of year	–	10,321,163	113,725,310	36,495,642	1,367,400	1,948,716	–	10,217,640	174,075,871
Net Book Value	₱108,178,966	₱6,021,298	₱77,671,283	₱7,176,862	₱100	₱300	₱13,122,560	₱1,003,184	₱213,174,553

Depreciation expense on property and equipment are presented under the following expense categories:

	2023	2022
Cost of registration fees (Note 14)	₱3,061,123	₱3,469,272
Senior high school expenses (Note 15)	2,221,788	1,798,899
Tertiary expenses (Note 16)	3,535,488	5,720,016
Administrative expenses	600,083	778,971
	₱9,418,482	₱11,767,158

Construction in progress represents the cost of under process development of establishments and improvements of facilities that are utilized by the Association and its branches.

As of December 31, 2023, the construction in progress pertains to the construction of gravel road in Bay, Laguna, fence and gate in Tagum, Davao del Norte, and two-storey building in Buenavista, Agusan del Norte, and another in Bay, Laguna and Tagum, Davao del Norte under ACD Construction, which started during the year and estimated to be completed in 2024.

As of December 31, 2022, the construction in progress pertains to the construction of building in Buenavista, Agusan del Norte under ACD Construction, which started during the year and completed in 2023.

As of December 31, 2023 and 2022, there are no contractual commitments for the acquisition of property and equipment.

12. Software Costs

The movements in this account follow:

	2023	2022
Cost		
Balance at beginning and end of year	₱4,921,410	₱4,921,410
Accumulated Amortization		
Balance at beginning of year	4,336,873	3,529,134
Amortization	533,422	807,739
Balance at end of year	4,870,295	4,336,873
Net Book Value	₱51,115	₱584,537

The breakdown of amortization expense on software costs follows:

	2023	2022
Cost of registration fees (Note 14)	₱37,817	₱75,633
Senior high school expenses (Note 15)	139,153	366,053
Tertiary expenses (Note 16)	356,452	366,053
	₱533,422	₱807,739

The Association has capitalized software used in different programs and separate capitalized software used by the school offering senior high school programs and college degrees. The amortization of the capitalized software is allocated equally into senior high school expenses and tertiary expenses.

13. Accounts Payable and Accrued Expenses, and Funds Held in Trust

Accounts Payable and Accrued Expenses

This account consists of:

	2023	2022
Financial liabilities		
Accounts payable	₱18,058,828	₱1,108,833
Accrued expenses	4,135,088	3,810,478
Unearned tuition fee	3,842,410	3,684,718
	26,036,326	8,604,029
Non-financial liabilities		
Withholding tax payable	437,810	606,262
	₱26,474,136	₱9,210,291

Accounts payable include the Association's payable to contractors, payable to CHED scholars and statutory payables to Social Security System, Philippine Health Corporation and Home Development Mutual Fund.

Accrued expenses include accrual for vacation leave credits, cash gifts, 13th month pay, and other expenses.

Funds Held in Trust

Funds held in trust are donations received by the Association for scholarship fund. This scholarship funds were utilized once the approved scholars enrolled to the Association.

The rollforward analysis of fund held in trust follows:

	2023	2022
Beginning balance	₱232,560,297	₱83,254,550
Donation during the year	116,823,817	235,029,843
Utilization	(95,799,303)	(85,724,096)
Ending balance	₱253,584,811	₱232,560,297

14. Cost of Registration Fees

This account consists of:

	2023	2022
Compensation and employee benefits (Note 18)	₱21,660,126	₱20,458,387
Meals of trainees	13,342,700	4,649,305
Management and professional fees	7,547,841	3,885,062
Transportation and travel	7,510,737	4,008,471
Supplies and materials	5,606,513	2,787,604
Room accommodation and function hall	5,379,197	1,455,644
Seminars, meetings and trainings	3,485,959	3,216,468
Depreciation (Note 11)	3,061,123	3,469,272
Janitorial, messengerial and security	2,758,976	1,481,362
Information technology	2,597,611	3,562,598
Monitoring and evaluation	1,714,610	1,341,122
Power, light and water	1,389,445	841,502
Operating lease (Note 17)	457,441	859,919
Amortization (Note 12)	37,817	75,633
Others	2,511,166	2,007,169
	₱79,061,262	₱54,099,518

Others include laundry and ironing, insurance, communication and postage, repair and maintenance, periodicals and magazines, representation, library books, miscellaneous, interest expense on lease liabilities, supervision and examination, student trainee, and taxes and licenses.

15. Senior High School Expenses

This account consists of:

	2023	2022
Compensation and employee benefits (Notes 18 and 19)	₱6,986,952	₱5,861,491
Supplies and materials	2,999,905	648,107
Depreciation (Note 11)	2,221,788	1,798,899
Janitorial, messengerial, security	2,049,577	1,767,300
Power, light and water	1,685,012	1,324,619
Staff training and development and meetings	750,412	351,138
Information technology	690,675	322,286
Transportation and travel	534,951	458,040
Operating lease (Note 17)	141,615	329,843
Amortization (Note 12)	139,153	366,053
Management and professional fees	111,739	178,634
Taxes and licenses	26,562	85,236
Others	555,229	905,258
	₱18,893,570	₱14,396,904

Others include communication and postage, repairs and maintenance, representation, provision for credit losses, supervision and examination, monitoring and evaluation, insurance, advertising and publicity, miscellaneous, interest expense on lease liabilities, and student trainee.

16. Tertiary Expenses

This account consists of:

	2023	2022
Compensation and employee benefits (Notes 18 and 19)	₱28,174,530	₱21,165,929
Staff training and development and meetings	5,025,516	1,990,676
Depreciation (Note 11)	3,535,488	5,720,016
Janitorial, messengerial, security	3,116,587	1,795,975
Power, light and water	2,574,487	1,324,619
Supplies and materials	2,330,725	1,498,131
Transportation and travel	2,064,629	1,747,224
Management and professional fees	1,313,100	1,180,077
Information technology	942,545	406,747
Amortization (Note 12)	356,452	366,053
Operating lease (Note 17)	256,284	330,243
Taxes and licenses	29,628	152,386
Others	10,910,106	2,521,144
	₱60,630,077	₱40,199,220

Others include communication and postage, repair and maintenance, representation, provision for credit losses, supervision and examination, monitoring and evaluation, insurance, advertising and publicity, miscellaneous, rental, library books, interest expense on lease liabilities, food, student trainee, and laundry and ironing.

17. Leases

The Association has lease contracts for vehicles and other equipment used in its operations. Leased motor vehicles and equipment have lease terms of one (1) to three (3) years. The Association's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Association also has certain leases of motor vehicles and equipment with low value. The Association applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Security deposits booked as other non-current assets of the Association amounting to ₱0.43 million and ₱1.49 million as of December 31, 2023 and 2022, respectively.

The rollforward analysis of lease liabilities follows:

	2023	2022
Beginning balance	₱1,019,704	₱1,707,666
Additions	978,448	528,604
Interest expense	37,785	49,918
Payments	(1,179,975)	(987,374)
Derecognition of terminated contracts	-	(279,110)
Ending balance	₱855,962	₱1,019,704

The current and non-current portion of the finance lease liabilities follows:

	2023	2022
Within one year	₱742,866	₱928,978
After one year but not more than five years	113,096	90,726
	₱855,962	₱1,019,704

Shown below is the maturity analysis of the undiscounted lease payments:

	2023	2022
Within one year	₱775,882	₱951,838
Beyond one year	114,068	91,475
Total minimum lease payments	889,950	1,043,313
Less amount representing finance charge		
Within one year	(33,017)	(22,860)
Beyond one year	(971)	(749)
	₱855,962	₱1,019,704

The following are the amounts recognized in the statements of revenue and expenses:

	2023	2022
Depreciation expense of right-of-use assets (Note 11)	₱1,132,517	₱1,222,334
Interest expense on lease liabilities	37,785	49,918
Expenses relating to short-term leases and low value assets	1,233,340	1,684,359
Total amount recognized in the statements of income	₱2,403,642	₱2,956,611

18. Retirement Benefits

The Association, CARD MRI Rizal Bank, Inc., CARD Association, Inc, CARD Mutual Benefit Association, Inc., CARD SME Bank, Inc., CARD MRI Insurance Agency, Inc., CARD Business Development Service Foundation, Inc., BotiCARD, Inc., CARD Employees Multi-Purpose Cooperative, Responsible for Investments and Solidarity Empowerment Financing Association, Inc., CARD MRI Information Technology, Inc., CARD, Inc., Mga Likha ni Inay, Inc. and other related parties maintain a funded and formal non-contributory defined benefit retirement plan – a multi-employer retirement plan (MERP or the Plan) – with CARD MERP covering all of their regular employees and CARD Group Employees' Retirement Plan (Hybrid Plan) applicable to employees hired on or after July 1, 2016.

MERP is valued using the projected unit cost method and is financed solely by the Association and its related parties. MERP provides lump sum benefits equivalent to up to 120% of final salary for every year of credited service, a fraction of at least six (6) months being considered as one whole year, upon retirement, death, total and permanent disability, or voluntary separation after completion of at least one year of service with the participating companies.

In addition to the Association's defined benefit retirement plan, the Association also operates defined contribution plan referred to as "Hybrid Plan" which provides a retirement benefit equal to 100% of the member's employer accumulated value (the Association's contributions of 8% plan salary to Fund A plus credited earnings) and 100% of the member's employee accumulated value (member's own

contributions up to 10% of plan salary to Fund B plus credited earnings), if any, provided that in no case shall 100% of the employee accumulated value in Fund A be less than 100% of plan salary for every year of credited service.

The Association has 70 and 69 employees which are part of Hybrid Plan as at December 31, 2023 and 2022, respectively.

The date of the latest actuarial valuation report for MERP and Hybrid Plan is December 31, 2023. The amounts recognized in the statement of assets, liabilities, and fund balance follow:

	2023	2022
Present value of defined benefit obligation	(P38,589,765)	(P30,959,486)
Fair value of plan assets	47,447,068	39,818,489
Effect of asset ceiling	(1,090,319)	(1,416,849)
Retirement asset	P7,766,984	P7,442,154

The amounts included in the statements of revenue and expenses and changes in fund balance follow:

	2023	2022
Current service cost	P2,090,554	P2,476,807
Interest income on plan asset	(3,095,981)	(2,027,585)
Interest on effect of the asset ceiling	102,580	6,880
Interest expense on DBO	2,241,467	1,985,531
Retirement expense	P1,338,620	P2,441,633

The movements in the net retirement asset follow:

	2023	2022
Balance at beginning of year	P7,442,154	P2,512,957
Contributions paid by employer	8,171,834	4,500,095
Net retirement expense	(1,338,620)	(2,441,633)
Remeasurement loss recognized during the year	(6,508,384)	2,870,735
Balance at end of year	P7,766,984	P7,442,154

The movements in the present value of pension obligation follow:

	2023	2022
Balance at beginning of year	P30,959,486	P39,162,351
Remeasurement loss	5,582,725	(4,526,710)
Current service cost	2,090,554	2,476,807
Interest cost	2,241,467	1,985,531
Benefits paid	(1,584,652)	(8,236,836)
Transfers to (from) the plan	(699,815)	98,343
Balance at end of year	P38,589,765	P30,959,486

The movements in the fair value of plan assets follow:

	2023	2022
Balance at beginning of year	P39,818,489	P41,811,008
Interest income	3,095,981	2,027,585
Remeasurement loss	(1,354,769)	(381,706)
Contributions paid by employer	8,171,834	4,500,095
Benefits paid	(1,584,652)	(8,236,836)
Transfers to (from) the plan	(699,815)	98,343
Balance at end of year	P47,447,068	P39,818,489

Remeasurement gain on retirement plan follows:

	2023	2022
Beginning balance	P3,959,919	P1,089,184
Actuarial gain	(5,582,725)	4,526,710
Remeasurement gain on plan assets	(1,354,769)	(381,706)
Effect of asset ceiling	429,110	(1,274,269)
	(6,508,384)	2,870,735
Ending balance	(P2,548,465)	P3,959,919

The fair value of plan assets, gross of effect of asset ceiling, by each class as at the reporting date is as follows:

	2023	2022
Cash and cash equivalents	P5,579,775	P6,526,251
Debt instruments - government securities	34,271,017	29,405,954
Loan receivables	7,069,613	3,340,771
Other assets	526,663	545,513
	P47,447,068	P39,818,489

All plan assets do not have quoted prices in an active market except for government securities. Cash and cash equivalents are deposited in reputable financial institutions and related parties and are deemed to be standard grade. Other assets are composed of mutual fund, investment in equity securities, accrued receivables, net of payable, and they are unrated.

The plan assets have diverse investments and do not have any concentration risk other than those in government bonds which are of low risk.

The overall investment policy and strategy of the Association's defined benefit plans is guided by the objective of achieving an investment return which, together with contributions, ensures that there will be sufficient assets to pay pension benefits as they fall due while also mitigating the various risk of the plans.

The cost of defined retirement plan as well as the present value of the defined benefit obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension for the defined benefit plans are shown below:

	2023	2022
Discount rates		
January 1	7.24%	5.07%
December 31	6.09%	7.24%
Future salary increases	5.00%	5.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

	2023		2022	
	+1.00%	-1.00%	+1.00%	-1.00%
Discount rate	(₱3,288,879)	₱3,804,324	(₱2,737,811)	₱3,173,867
Salary rate	3,807,797	(3,350,301)	3,213,915	(2,816,931)

The Association plans to contribute ₱5.28 million to the defined benefit retirement plan in 2024.

As at December 31, 2023, the average duration of defined benefit obligations is 9.2 years.

Shown below is the maturity analysis of the undiscounted benefit payments:

	2023	2022
Less than 1 year	₱2,986,558	₱2,281,356
More than 1 year to 5 years	13,609,660	10,814,923
More than 5 years to 10 years	27,017,448	20,886,639
More than 10 years to 20 years	52,703,816	55,179,379
More than 20 years to 30 years	49,289,107	60,352,666
	₱145,606,589	₱149,514,963

19. Related Party Transactions

In the ordinary course of business, the Association transacts with related parties. Related parties include associates and officers who hold key management positions. Transactions with such parties are made in the ordinary course of business and on substantially same terms, including interest, as those prevailing at the time for comparable transactions with other parties. These transactions are made substantially on the same terms as other individuals and business of comparable risks and are generally settled in cash.

Transactions with the Retirement Plan

Under PFRSs, certain post-employment benefit plans are considered as related parties. CARD-MRI's MERP is a stand-alone entity assigned in facilitating the contributions to retirement starting 2005.

Remunerations of Trustees and other Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly. The Association considers the members of the board of trustees and senior management to constitute key management personnel for purposes of PAS 24, *Related Party Disclosures*.

The compensation of key management personnel included under 'Compensation and employee benefits' in the statements of revenue and expenses are as follows:

	2023	2022
Short-term employee benefits	₱15,126,522	₱12,119,054
Post-employee benefits	2,234,075	2,726,958
	₱17,360,597	₱14,846,012

Other Related Party Transactions

Transactions between the Association and its key management personnel meet the definition of related party transactions. Transactions between the Association and its associate and other related parties within CARD-MRI also qualify as related party transactions.

Related party transactions and balances as at and for the years ended December 31, 2023 and 2022 are as follows:

Category	Amount/ Volume	December 31, 2023	
		Outstanding Balance	Nature, Terms and Conditions
Other related parties			
Receivable		₱486,962	Outstanding balance related to registration fees, non-interest-bearing, unsecured, payable on demand
Additions	₱225,343,731		
Payment	(224,861,958)		
Prepaid subscription		15,779,188	Advance payment for share subscription in PHINMA, and CSME
Investment in associate		3,730,659	Investments in CMPHI and CMHTI
Share in net income	301,667		Income derived from the investment in associate
December 31, 2022			
Category	Amount/ Volume	Outstanding Balance	Nature, Terms and Conditions
Other related parties			
Receivable		₱5,189	Outstanding balance related to registration fees, non-interest bearing, unsecured, payable on demand
Additions	₱133,125,190		
Payment	(133,144,367)		
Prepaid subscription		13,140,388	Advance payment for share subscription of CMPHI, CSME, and CMHTI.
Investment in associate		2,775,009	Investments in CMPHI and CMHTI
Share in net income	940,240		Income derived from the investment in associate.

20. Notes to Statements of Cash Flows

The following is the summary of non-cash activities in 2023 and 2022:

	2023	2022
Non-cash investing activities:		
Additions to property and equipment through lease contracts (Notes 11 and 17)	₱978,448	₱528,604

The following table shows the reconciliation analysis of liabilities arising from financing activities for the year ended December 31, 2023 and 2022.

	2023		
	Fund held in trust (Note 13)	Lease liabilities (Note 17)	Liabilities arising from financing activities
Balances at beginning of year	₱232,560,297	₱1,019,704	₱233,580,001
Cash flows	116,823,817	(1,179,975)	115,643,842
Non-cash activities			
Income recognized from funds held in trust	(95,799,303)	-	(95,799,303)
New lease contracts entered during the year	-	978,448	978,448
Amortization on interest expenses	-	37,785	37,785
Balances at end of year	₱253,584,811	₱855,962	₱254,440,773
	2022		
	Fund held in trust (Note 13)	Lease liabilities (Note 17)	Liabilities arising from financing activities
Balances at beginning of year	₱83,254,550	₱1,707,666	₱84,962,216
Cash flows	235,029,843	(987,374)	234,042,469
Non-cash activities			
Income recognized from funds held in trust	(85,724,096)	-	(85,724,096)
New lease contracts entered during the year	-	528,604	528,604
Amortization on interest expenses	-	49,918	49,918
Derecognition of terminated contracts	-	(279,110)	(279,110)
Balances at end of year	₱232,560,297	₱1,019,704	₱233,580,001

21. Approval of the Release of the Financial Statements

The Association's financial statements of the Association were authorized for issue by the BOT on April 25, 2024.



APPENDICES

CAMPUSES

Bay Campus

Purok 3, Brgy. Tranca. Bay, Laguna, Philippines

Tagum Campus

Purok Lemonsito, Brgy. Mankilam, Tagum City, Davao del Norte

PARTNERSHIPS

- Commission on Higher Education IV-A
- Development Academy of the Philippines
- Department of Education
- Southeast Asia Interdisciplinary Development Institute (SAIDI)
- PHINMA Rizal College of Laguna
- Technical Education and Skills Development Authority (TESDA)

TRAINING SERVICES

NEED-BASED TRAINING COURSES

Core Courses

These are the training programs specialized for training and preparation for CARD MRI staff. Each program is designed to cater to the specific position for an efficient learning session. Courses are under this are the following:

- Account Officer Re-Entry Orientation
- Account Officer Refresher Course go Digital
- Area Manager Advance Course : Internal Control and Financial Mgt.
- Going 10-20-80 in the new Financial Landscape (Area Manager Promotional Training)
- Islamic Finance and Paglambo Orientation (Shariah Finance)
- Lead and Achieve to Eradicate Poverty in the Digital Era (Unit Manager Promotional Training)

Enhancement Courses

These courses equip the CARD staff with supplementary knowledge that would aid them in the conduct of their work. Programs conducted by CMDI are as follows:

- Increasing Account Officer Productivity and Risk Management
- Administrative Staff Ready for Digital Financial Landscape
- Administrative Staff Refresher
- CARD MBA Advance on Claims Processor Training
- Boosting CARD MRI Operations Internal Control for Area Managers
- CARD MRI Human Resource Unit: Facing the New Normal Path
- CARD-MRI Field and Admin Staff Training on New Normal Towards Poverty Eradication
- Customer Engagement & Management
- CARD MRI Quality Portfolio Management: The New Normal Means
- Coaching and Mentoring as Handles to Nourish Work Passion
- Finding the Best Approach for an Advanced Management Role
- Cross Cultural Sensitivity
- Improving Customer Relationship Towards Poverty Eradication
- Staff Management: Getting on with Today's Generation

- English Proficiency: Taking the Socially and Economically Challenged to the next level
- Money Counterfeit and Fraud Detection in the New Era of Technology
- Nourishing my Commitment Tree : A Reunion Framework
- Personal and Professional Development
- Personality Development
- Pro Solutions in Managing Risk & Mitigation of Audit Findings
- Problem Solving and Decision-making
- Managing Time Efficiently
- Serving CARD-MRI clients thru Telemarketing
- CARD MRI Unified Collaboration & IT Security
- Unit Manager Advance Course : Financial Management/Internal Control
- CARD-MRI Human Resource Unit : Facing the New Normal
- Values and Professionalism

Center for Leadership (CFL) Courses Offered

- CARD MRI Core Values and Culture Training/Workshop
- Handling Millennials
- Regional Director Ready-to-Lead and Uphold Core Values and Culture

Client Training

- Enterprise Development Training
- Business Starters
- Basic Accounting Training for Members (Bookkeeping & Financial Statements Plotting)
- CARD MBA Coordinator Ready to Assist in Eradicating Poverty in the Country

DEGREE PROGRAM PARTNERSHIPS AND EVALUATION

Through partnerships with other colleges and universities, CMDI helped shape the following degree programs:

SENIOR HIGH SCHOOL PROGRAMS

- **Academic Track**
 - **Accountancy, Business, and Management (ABM)**
 - In CMDI Bay and Tagum
 - Government Permit (R-IVA) No. SHS-627, series of 2015
 - Government Permit (R-IX) No. SHS-127, series of 2015

- **Techno-Vocational-Livelihood Track**
 - **Information and Communications Technology (ICT) – Computer Programming**
 - In CMDI Bay and Tagum
 - Government Permit (R-IVA) No. SHS-039, series of 2016 – CMDI Bay
 - Government Permit (R-XI) No. 176 series of 2018
 - **Home Economics (Bread and Pastry Production, Cookery and House Keeping) (HE)**
 - In CMDI Bay and Tagum
 - Government Permit (R-IVA) No. SHS-067 series of 2019

NATIONAL CERTIFICATE

- **Microfinance Technology NCII Program**
 - In CMDI Main Campus
 - CoPR 201304032252
- **Microfinance Technology NCII Accredited Assessment Center**
 - In CMDI Main Campus
 - Accd No. AC-MIC0204031517155

BACCALAUREATE PROGRAMS

- **Bachelor of Science in Entrepreneurship with specialization in Microfinance (BSE)** in CMDI Bay and Tagum
 - CHED Permit No. 089 series of 2016 – CMDI Bay
 - Government Recognition No. 001 series of 2020 – CMDI Tagum
- **Bachelor of Science in Accountancy (BSA)** in CMDI Bay and Tagum
 - Government Recognition No. 003 series of 2019 – CMDI Bay
 - Government Recognition No. 005 series of 2020 – CMDI Tagum
- **Bachelor of Science in Information System (BSIS)** in CMDI Bay
 - Government Recognition No. 007 series of 2019 – CMDI Bay
- **Bachelor of Science in Accounting Information System (BSAIS)** in CMDI Bay and Tagum
 - Government Recognition No. 015 series of 2021 – CMDI Bay
 - Government Permit No. 004 series of 2020 – CMDI Tagum
- **Bachelor of Science in Tourism Management (BSTM)** in CMDI Bay and Tagum
 - Government Permit No. 026 series of 2021 – CMDI Bay
 - Government Permit No. 006 series of 2020 – CMDI Bay



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