Going Strong: Seven Years

Annual Report

2018



PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, INC.

"To God be the Glory"

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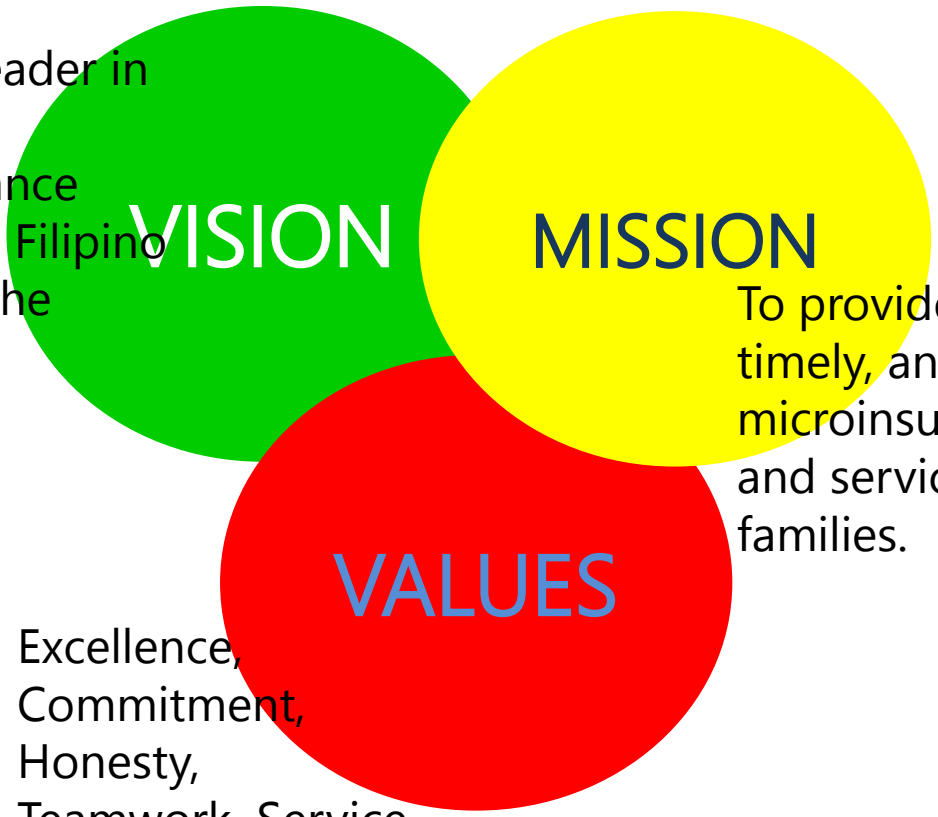
ORGANIZATIONAL PROFILE

Pagasa ng Pinoy Mutual Benefit Association (PPMBAI) is an non-stock, non-profit, mutual benefit association that serves as the insurance provider of borrowers of Pagasa Philippines Pagasa ng Masang Pinoy Microfinance, Inc. (PMPMI).

PPMBAI was formed as a response to the need of the borrowers of PPLCI and PMPFI to provide management decided to act on the demand and started exploring options. A partner-agent the product that it offers, thus, the management decided to put up its own Microinsurance April 2012.

The association was registered with the Securities and Exchange Commission (SEC) as a December 28, 2012. It was granted a license by the Insurance Commission (IC) on May 22, 2013 association that extends benefits and services for the welfare and financial security of its of death benefits, sickness benefits, retirement savings, and loan redemption assistance and and resources.

The Association actively involves the members in the direct management of the Association and procedures geared towards sustainability and improved services.



To be the leader in providing microinsurance products to Filipino families in the Philippines.

To provide responsive, timely, and sustainable microinsurance products and services to Filipino families.

Excellence, Commitment, Honesty, Teamwork, Service Oriented, Professionalism

MESSAGE



TIM Fakruzzaman
President
Pagasa Philippines Finance Corporation

On behalf of the Pagasa Philippines Finance Corporation (PPFC) management and staff, I would like to extend my congratulations to Pagasa ng Pinoy Mutual Benefit Association Inc. (PPMBAI) for the celebration of its sixth year anniversary this year,

PPMBAI and PPFC's partnership have come a long way since PPMBAI started in 2013. As the provider of microinsurance services to our clients, PPMBAI shares our commitment to social protection and continuous economic development of our members nationwide.

PPMBAI was established as a response of Pagasa to the clamor of our members for insurance coverage. To this day, PPMBAI continues to uphold its mandate while constantly exploring ways to improve its services, and develop programs that can cater to the changing needs of our members. Many of our clients have benefited from the services of PPMBAI. The thousands of families you have helped are a testament to PPMBAI's unparalleled service and commitment to the poor.

PPMBAI remains committed to its mission of providing responsive, timely, and sustainable microinsurance products and services to the Filipino families guided by its core values of Excellence, Commitment, Honesty, Teamwork, Service Oriented, Professionalism.

Rest assured that PPLCI will continue to work with PPMBAI in its efforts in programs and services development, membership and staff development, and corporate social responsibility.

Once again, congratulations to the Board, management and members of PPMBAI. May PPMBAI continue to expand its horizons and grow as an association.

Mabuhay!



Eufrecina T. de Jesus
President
Pagasa ng Masang Pinoy Microfinance, Inc.

As the President of Pagasa ng Masang Pinoy Microfinance Inc., allow me to congratulate Pagasa ng Pinoy Mutual Benefit Association Inc. (PPMBAI) for its sixth year anniversary. The Board of Directors, Management and Staff of PMPMI are one with PPMBAI in its celebration.

As our partner in providing microinsurance services to the Microfinance clients and members, PPMBAI has greatly helped us in achieving our social mission of alleviating the social and economic conditions of our poor and marginalized clients. The services it provides have helped hundreds of our clients who, in times of death, disability and despair, have no one to turn to.

I would also like to recognize PPMBAI's unending drive to come up with programs and services consistent with its mission. As the current Treasurer of the Board of PPMBAI, I've experienced first-hand the hard work, commitment and service-orientation of the Board, management and staff of PPMBAI. While we have accomplished so much as an Association in its six years of existence, PPMBAI has not been complacent.

Through the years, the Association has evolved with the needs of its clients and members. I bear witness to the passion and hard work of its people in serving the poor. While there have been many challenges along the way, especially when the Association was starting, PPMBAI has proven that it is resilient and can withstand the challenges. For this, we have the clients and members to thank. Their trust and commitment have been so overwhelming.

Again, in behalf of PMPFI and our clients and members in Central and North Luzon, congratulations to PPMBAI. May it continue to be the carrier of blessings to the poor people that we serve.

Mabuhay and God bless.



Genaro L. Kong
President
Pagasa ng Pinoy Mutual Benefit Association Inc.

As we celebrate PPMBAI's 6th anniversary, allow me to congratulate all the members and their families, management and staff, Board of Directors, and our partners for the continuous growth of the Association.

As the President of PPMBAI, I was given the challenging but fulfilling role of driving the MBA towards its goal of providing microinsurance services to our members while sustaining the economic and operational viability of the Association. The act of balancing social responsibility and financial sustainability has not been easy. I am glad that in this journey, I was and am never alone.

Allow me to thank the Board of Trustees of the Association for the time and the invaluable service you've given. Your commitment to our work is what keeps PPMBAI what it is today.

I would also like to thank the Management and staff of PPMBAI for your hard work and relentless efforts in ensuring that our services reach the people who need them. To our field staff that act as the bridge of the management to our members and our Head Office staff headed by our very able General Manager Noel Madriaga and our Jr. Finance Controller, Richard Tabudlo, continue to strive for excellence and professionalism in our everyday work.

Lastly, allow me to thank the members for the continued trust to the management and the staff of the Association. None of what we do would have been possible without your continuous patronage to our services and your unwavering support to the programs we implement. Rest assured that we will keep your welfare in mind as we strive to improve and develop the Association's services.

Congratulations and Mabuhay!

MILESTONES

2012

- PPLCI employed the services of Asian Actuary, Inc. (AAI) as its actuary for microinsurance
- Processed the data for actuarial study of MBA products
- Processed the registration for SEC, LGUs, SSS, PhilHealth, and BIR
- Identified the interim MBA Board
- SEC registration was released December 28, 2012
- The interim BOD attended the AMLA and Governance Workshop of RIMANSI at New Horizon Hotel

2013

- IC released the PPMBAI's Certificate of Authority in April
- PPMBAI started its operation in April
- PPMBAI employed the services of SGV & Co. as its external auditor

2014

- Strengthened the operation of PPMBAI, as well as its relationship to the mother company in order to deliver microinsurance services to its members better

2015

- Conducted its 1st Annual General Assembly Membership Meeting and Election of Board of Trustees
- Registration to the Anti-Money Laundering Council

2016

- PPMBAI bought 1 condominium unit
- PPMBAI bought 2 parking lots
- Conducted the 3RD Annual General Assembly Membership (Luzon and Mindanao) Meeting in June
- Established Corporate Social Responsibility (CSR) Fund
- Held and sponsored several MFI-partner programs such as DO Gathering, and Group Leaders' Gathering
- PPMBAI became an associate member of RIMANSI-MI MBA

2017

- 3rd Annual General Membership Meeting
- Election of Board of Trustees for the year 2017-2019
- A slot in the board representing Mindanao was opened
- 1st Annual General Membership Meeting in Visayas

2018

- 4th Annual General Membership Meeting
- Hiring of General Manager
- Development of MBA System
- Introduction of Hospitalization Care Assistance
- Rank 3rd in terms of coverage in MBA Sector

PRODUCTS and SERVICES

Basic Life Insurance Plan (BLIP)

This is provided to all members and dependents of PPMBAI. Members contribute Php390.00 semi-annual. It also includes Burial Assistance. Table of benefits are as follows:

Member	Natural Death	Accidental Death
Below 6 Months	5,000.00	50,000.00
Above 6 Months	50,000.00	100,000.00

Dependent	Natural Death	Accidental Death
Below 6 Months	1,000.00	10,000.00
Above 6 Months	10,000,00	10,000.00

Dependent	Burial Assistance
Below 6 Months	1,000.00
Above 6 Months	2,500.00

Member	Burial Assistance
Below 6 Months	2,000.00
Above 6 Months	5,000.00

Credit Life Insurance Plan (CLIP)

This insurance coverage is offered to all Members and allows PPMBAI to insure the individual borrowers of PPFCI for an amount equal to the loan granted. Premium is Php5.00/Php1,000.00.

Retirement Savings Fund (RSF)

Members contribute as part of their retirement fund. Minimum contribution is Php130.00 every semi-annual. This fund earns an interest of 1.00% per annum.

Hospital Care Assistance (HCA)

Members contribute a minimum of P100.00 semi-annual. Members are entitled to a daily cash allowance of Php300.00 for every day of confinement at any hospital.

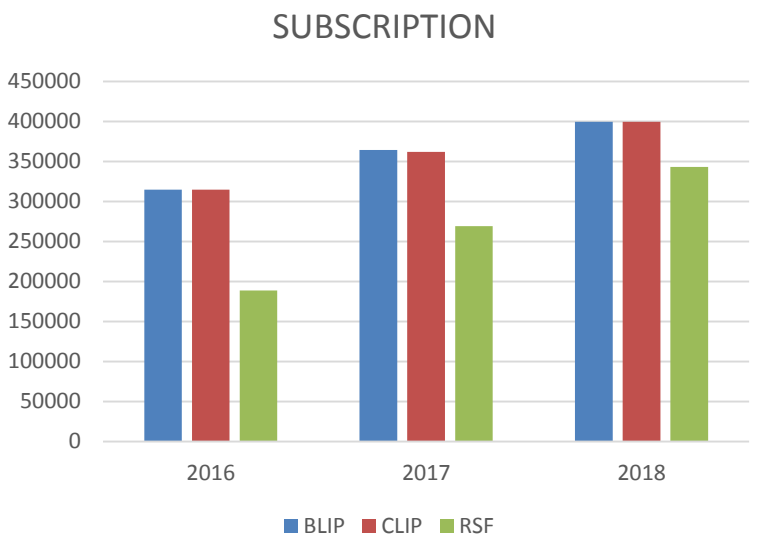
OPERATIONS HIGHLIGHTS

MEMBERSHIP AND SUBSCRIPTION

PPMBAI Membership has steadily increased in the last three years of operation. Overall, as of December 31, 2018, the total membership of PPMBAI is at 210,847 insuring about 400,000 including dependents. The membership of the association increased by 9.5% from 2017.

Looking into individual subscriptions to PPMBAI's services, Basic Life Insurance Plan (BLIP) has the most subscriptions at 399,864 followed closely by Credit Life Insurance Plan (CLIP) with 399,864 and lastly by Retirement Savings Fund (RSF) SF with 343,532 subscriptions.

From 2017 TO 2018, RSF posted the highest percentage increase in subscription of 27%. Subscription to BLIP and CLIP increased by 10% and 21% respectively.

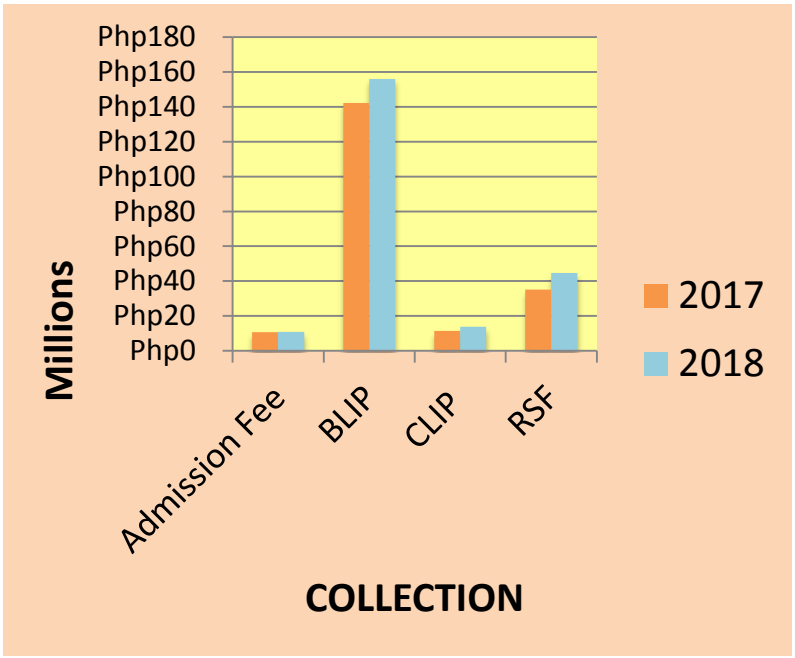


COLLECTION

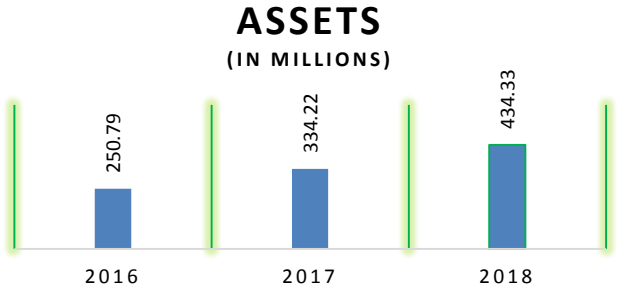
The increase and membership and subscription also meant an increase in the collection of fees. Overall, collection of premium across products increased.

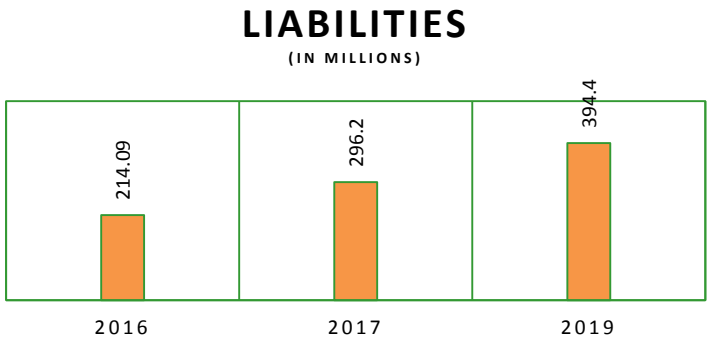
For BLIP the collection rose from PhP 142.2M in 2017 to 155.9M or an increase of 10%.
CLIP premium also increased by 21% from 2017 with a collection of 11.4M to 13.8M.

For the RSF, the increase was at 27% from 35M in 2017 to 44.7M in 2018.



ASSETS AND LIABILITIES

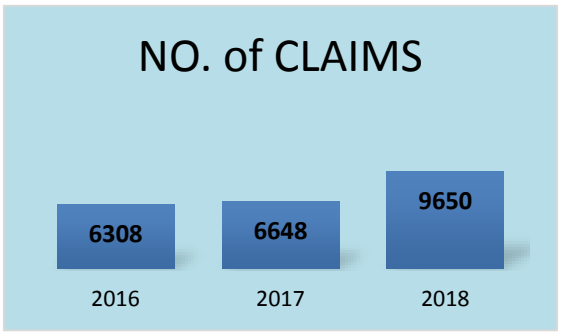


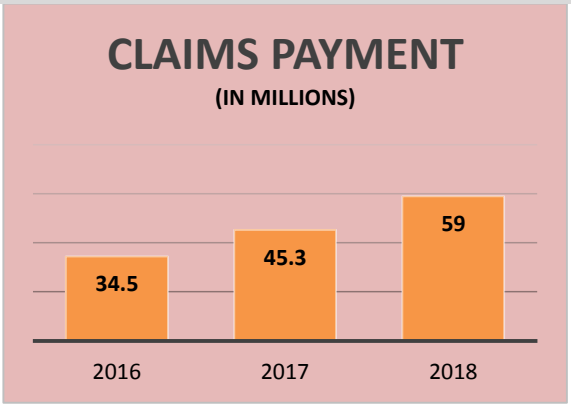


The total assets of PPMBAI as of December 31, 2018 is at PhP434,334,250. It increased by 33.26% from the previous year's assets of PhP334,221,000. Liabilities increased as well. From PhP296,208,604 in 2017, PPMBAI's liabilities by 2018 was Php394,457,533 an increase of 38.36%.

CLAIMS AND BENEFIT PAYMENT

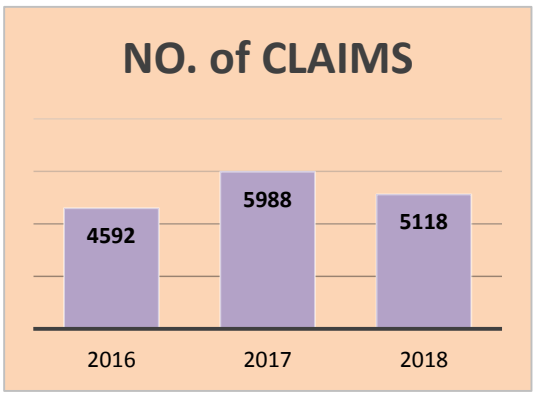
Basic Life Insurance Plan (BLIP)

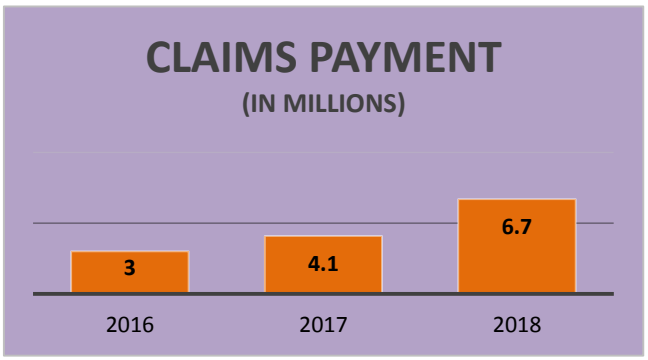




Benefit claims particularly for BLIP has increased substantially over the years. In 2017, 6,648 individual members and their dependents benefited from a total claim of PhP 46,357,689. In 2018, the number of claims rose to 9,650 with a total paid amount of 58,823,230. From 2017 to 2018, the payment of claims increased by 31.33% and the number of claims increased by 5.4%.

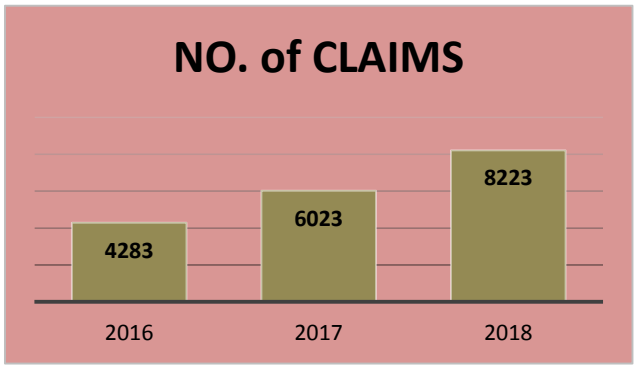
Credit Life Insurance Plan (CLIP)

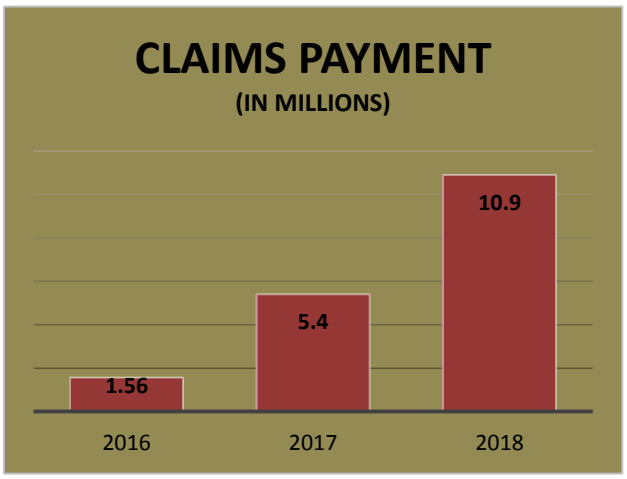




In terms of CLIP, from 4592 claimants in 2016 it increased to 5988 in 2017, and decreased to 5,118 in 2018. From 2016 to 2018, the amount of claims paid rose by 36.7% and the number of claims paid rose by 30.4%.

Retirement Savings Fund (RSF)





RSF payment was at a steady rate during the first 3 years of operation. From 2016 to 2017, the number of claims paid increased by 40.6% and the amount of claims paid increased by 102%.

TESTIMONIALS



Maria Ana Cruz, 42, PPMBAI member since 2014 from Sta. Rosa

Ana's husband Enero used to work as an OFW in Saudi Arabia. Because of a mild stroke, her husband was forced to go back to the Philippines for treatment. After two hospitalizations, he became well again, however, in May 2017, Enero had a heart attack and died. It was the day after Ana renewed her loan and insurance in Pagasa. Ana received burial assistance of PhP 2,500 and PhP 10,000.00 death benefits for her husband who served as his dependent in the Basic Life Insurance Plan (BLIP).

Life goes on amidst the death of his husband. She continues to sell pastillas, and do manicures to earn a living. She's thankful that she was able to receive the benefits from Pagasa as she said it was a big help for her and her family.

Mr. Gilbert T. Lumasag - husband of Erlinda Lumasag, deceased member in Oroquieta



Mr. Gibert expresses his gratitude to PPMBAI for the benefit his family received during the death of her wife Mrs. Erlinda Lumasag who used to be a member of PPLCI and PPMBAI for almost 3 years. He did not know that his wife availed of the Basic Life Insurance of PPMBAI so he was hesitant to inquire about the benefit he could claim. When he finally came, he received PhP 5,000.00 burial assistance and a floral stand. After two weeks, he received PhP 56,314.51 worth of death benefit. He was very thankful for the benefit he received because it was a big help for the payment of Erlinda's funeral expenses. At first he did not know where to get the money from, but because of the insurance, he was able to pay his debts. The remaining money was spent for additional capital for business.



Susana Aguilar - 56, PPMBAI member since 2015 from Mexico, Pampanga

Susana was thankful that she availed of the basic life insurance plan (BLIP) of PPMBAI and implored her co-borrowers to avail as well. Her common law husband, Mr. Danilo Moreno died last October 8, 2016 of congestive heart failure. He used to work as a security guard in NLEX. Because of the insurance, Susana received a total of 12,500 from PPMBAI, PhP 2,500 for burial assistance and PhP 10,000 death benefits. She was able to use the money to pay for loans incurred in the hospitalization, as well as the burial cost. She realized the importance of being prepared for unfroeseen circumstances such as death and sickness. She continues to be a member of PPLCI and PPMBAI with a loan of PhP 16,000. She sells clothes and work as a utlility to sustain her family's needs.

Rhea Jane and Sherwin Cacayorin

children of Divina Cacayorin, deceased member Pozorrubio, Pangasinan



Divina Cacayorin died last October 10, 2015 because of an accident. During the wake, PPMBAI staff visited and gave her family PhP 5,000 burial assistance. When the required documents were processed, the family received a total of PhP 110,633.67 in death benefit in November of 2015. The family used to pay for the expenses incurred in the burial and used the rest to buy a van that is now being used by Divina's husband Enrique as UV Express and service to earn a living. They are thankful that their mother was able to plan ahead and left them with something. This would have not been possible if she did not subscribe to PPMBAI's Basic Life Insurance Plan

Jose Larry Juanillo - husband of deceased member Maricar Juanillo from Caloocan



"I received 5000 from the Asssociation as assistance for the burial of my wife. We used it to buy the things needed for the burial. We bought her dress, and used the rest to take care of her papers. It was a big help for us because we were also able to pay for loans she left unpaid. It also helped with the enrollment of our children and payment of other expenses. We received a total of PhP 63,297.04. We weren't expecting to receive that big amount of money from PPMBAI. So when the check was issued to us in the barangay hall, I was a bit teary-eyed because I didn't know my wife had an insurance so I'm really thankful for what we received from PPMBAI."



Aiditha Tadle, PPMBAI member from Matina, Davao City

Aiditha's husband worked as an OFW for five years. He was diagnosed with kidney problems and decided to go back home for treatment. Unfortunately, he wasn't able to recover and died. Aiditha used up all of her funds for the burial of her husband. She did not receive any form of assistance from the agency that hired his husband. A month after the burial was his son's graduation in Cagayan de Oro. She didn't know if she'll be able to make it because she did not have any money left. Thankfully, Pagasa's staff from Matina informed her that the death benefit of her husband has already been approved so she had the money for her son's graduation. At present, she operates a small canteen/ carenderia which income she use for their daily expenses and to send her son to college. Before she was hesitant to avail of the insurance but because of her experience, she was able to appreciate the value of being prepared for unforeseen circumstances.

Jose Larry Juanillo - husband of deceased member Honorata Sigue from Butuan City



Mrs. Honorata Sigue died last October 12, 2016. She was a pioneering member of Pagasa Philippines Lending Company, Inc in her group in Butuan since October 2010. After her death, her husband Mr. Prodensio Sigue received the death claims amounting to Php 60,867.29. According to him the amount they received from PPMBAI was a big help for their family. They used the money to buy the gravestone for Mrs. Honorata Sigue. Some money they used to observe the 40th day of her death, a custom among Filipinos, and the rest they used to retrieve the land they sold. Mr. Prodensio said they are proud that his wife was one of the clients of PPMBAI and was thankful for receiving the benefits from PPMBAI.



Argeline Mae Pama- daughter of Evangeline Mitra, member of PPMBAI from Naga

"I received a phone call from one of my mother's friend that she died of drowning during an outing. They tried to resuscitate her and even brought her to the hospital but she did not make it. It all happened so fast. She just took a loan on November 14, 2016 and she drowned on November 27, 2016. Thankfully, PPMBAI's response was also fast. We received a burial assistance of PhP 2,000 and death benefits of PhP 51,370. The money we received was a big help. We put it on time deposit and we plan to use it for the renovation of our house this coming November 2017. Thank you PPLCI and PPMBAI for the help that you extended us. Me and my husband took over the management of the vegetable stand my mother used to manage when she was alive and I took over her account in PPLCI. I hope that you help more people like us."

MEMBERS AND STAFF DEV'T

GROUP LEADERS' GATHERING

The Group Leaders Gathering was held twice in 2018. It was held in April-May and October November. The purpose of the GL Gathering was to stregthen Pagasa's relations with its members through the Group Leaders, serve as the avenue to discuss borrowers concerns and issues in relation to Pagasa's programs and services, and train the Group Leaders on strengthening group solidarity and leadership.





It was also a time for the Group Leaders to share their experiences in their group and the strategies they use to ensure effective group management and efficient collection.

Hundreds of group leaders from Pagasa branches attended the Gathering. Members of the executive committee and heads of support units in the Head Office, and Division management and staff also attended the Gathering to listen to the concerns raised and share updates on Pagasa's policies, programs and services. The group leaders were happy to be able to attend the program as they received certificate of participation and umbrella's courtesy of PPMBAI after the gathering.



DO GATHERING AND TEAM-BUILDING

It was also meant to bring together all the staff of Pagasa per Division for a day of fun-filled team-building activities and games that help to create solidarity and teamwork among all Pagasa employees.
At the end of the day, prizes were distributed to the winners of various games and activities.

In partnership with Pagasa Philippines Lending Company Inc. (PPLCI) and Pagasa ng Masang Pinoy Foundation Inc. (PMPFI), PPMBAI co-sponsored the Annual Development Officers (DO) Gathering and Team-Building from August to September 2018.

The purpose of the gathering was to give opportunities for the field staff, especially the front liner Development Officers to raise their concerns directly to the management to improve Pagasa's policies, management and operations. The morning session served as an open forum for the staff's grievances and concerns.

CORPORATE GOVERNANCE

As the Association continues to grow both in membership and assets, there is a need to regularly monitor the effectiveness of governance and management structure in place. More so that the Association operates based on the members' trust.

BOARD OF TRUSTEES

At the helm of the governance function is PPMBAI's Board of Trustees. The Board of Trustees is composed of 9 members, two (2) of which are Independent Trustees. The Board of Trustees are elected during the Annual General Meeting thru proxy voting. The Board holds its regular meeting once every quarter (four times a year). In 2016, the Board met four times to discuss and decide on matters concerning the Association.

The Board is responsible for overseeing the Association's business, reviewing and approving policies and strategic and financial plans and annual budgets, establishing systems of checks and balances, and reviewing adequacy of internal control systems in place.

BOARD COMMITTEES

Oversight & Audit Committee

Is composed of three (3) members chaired by an Independent Trustee. The committee provides oversight of the institution's financial reporting policies, practices and control and internal and external audit functions.

POSITION	NAME
Chairman	**Ricardo P. Lirio**
Vice-Chairman	**Genaro L. Kong**
Member	**Reena Concepcion G. Obillo**
Member	**Joselito Fernandez**
Member	**Estrelita R. Borromeo**

Nomination Committee

The nomination committee reviews and evaluates the qualifications of all persons nominated to the Board as well as those nominated to other positions requiring appointment by the Board of Trustees.

POSITION	NAME
Chairman	**Reena Concepcion G. Obillo**
Member	**Genaro L. Kong**
Member	**Jonnette C. Almanzar**

Remuneration Committee

is a separate and independent body established to ensure that remuneration arrangements support the strategic aims of the association and enable recruitment, motivation and retention of personnel in compliance with government regulations, satisfying members expectations, and consistent with employee expectations.

POSITION	NAME
Chairman	**Eufrecina T. de Jesus**
Member	**Genaro L. Kong**
Member	**Rei Alessandro L. Diaz**
Member	**Ricardo P. Lirio**
Member	**Florencia F. Castro**

CORPORATE GOVERNANCE

The independent trustee is a person who has no connection, relationship or position with PPMBAI which could or could reasonably perceived to materially interfere with the exercise of his or her responsibilities. Mr. Ricardo Lirio and Ms. Reena Obillo were our independent trustee since 2013.

Governance Manual and Code of Ethics

PPMBAI has already developed and uploaded its Governance Manual in the Company Website.

The association also adopted a Code of Conduct and Ethics that is required to be adhered to by all trustees, officers and employees of PPMBAI. It describes the behavioral standards expected to meet the goals of the association and regulators.

Financial Performance Indicators

PPMBAI fully complied with the financial policies of the Insurance Commission (IC). It complied with the Risk Base Ratio (RBC) this year at around 196%.

Commitment to Good Governance

PPMBAI is committed to the principles and best practices contained in the Manual of Good Governance, Association's By-Laws, and Articles of Incorporation. The Board remains transparent and accountable to its members and shall manage with utmost integrity.

The Board of Trustees and the Management Team will always implement the Code of Good Governance.

Audits

In selecting its external auditor, PPMBAI fully complied with the Insurance Commission's Circular No. 29-2009. For 2018, the association's financial statements were audited by its approved external auditor, Sycip, Gorres & Velayo (SGV) for the amount of Three Hundred Thirty Two Thousand Six Hundred Forty Pesos (Php332,640.00)

Risk Management

The Risk Management of PPMBAI provides guidelines to the Board of Trustees, Officers and Management to properly address risk that affects the association's operations. It is periodically reviewed and assessed by the Board of Trustees.

Supplier

PPMBAI has a Procurement Policy that covers the selection, bidding and approval process for the selection of suppliers.

Board Policy Review

As part of our commitment to implement Good Corporate Governance, the Board always reviews the association's vision, mission and corporate goals. The Board sees that that the vision, mission and goals of the association are still aligned with its programs and operations.

Environment-Friendly Value Chain

PPMBAI assures that all environmental and social consciousness is incorporated in our operation on a daily basis. This is for the benefit of all stakeholders, employees and community members.

Policy on Dividends

PPMBAI does not declare dividends to members. Its income goes directly to members' benefits through an increase in the guaranty fund. In compliance with the Insurance Code, PPMBAI refunds 50 percent of members' premium contributions when they withdraw membership. PPMBAI also releases 100 percent of members' accumulated retirement savings upon reaching exit age or upon withdrawal of membership. Benefits could also be in the form of product reinsurance, scholarships and other financial assistance to those affected by calamities.

Non-Financial Performance Indicators

PPMBAI is committed with its goals to provide claims settlements within 10 working days upon receipt of complete from anywhere in the Philippines.

Protecting the Whistle Blower

PPMBAI disseminated among its officers, employees and members with regard to its policy on the whistle-blowers. The policy involved in maintaining the confidentiality of the whistle-blower and validating the claims and providing protection from any retaliation or harassment.

Related Party Transaction

PPMBAI adopted and started enforcing during the year a policy to disclose related party transactions between PPMBAI and any of its partner organizations and related "party". Related party includes: (a) members of PPMBAI's Board of Trustees, sister organization PPFC and PMPMI; (b) PPMBAI General Manager and key officers, including anyone who directly reports to the Board of Trustees; and (c) Any person whose judgement or decisions could be influenced as a consequence of an arrangement.

Attendance of BoT members in meetings

BoT members	Designation	Annual meeting	Regular meeting	Special meeting
Genaro L. Kong	President	✓	4	✓
Jonnette C. Almanzar	Vice President	✓	4	✓
Atty. Joselito Fernandez	Secretary	✓	4	✓
Eufrecina T. de Jesus	Treasurer	✓	4	✓
Reena Concepcion G. Obillo	Independent Director	✓	4	✓
Ricardo P. Lirio	Independent Director	✓	4	✓
JAQUELINE MAGLANGIT	Member	✓	4	
Florencia F. Castro	Member	✓	4	✓
Estrelita R. Borromeo	Member	✓	4	✓

GENERAL ASSEMBLY

PPMBAI held its 4th Annual General Assembly last June 2017 in three different occasions. The first leg for Luzon was held in PPMBAI's Head Office in Quezon City and the second leg for Mindanao was held in Middleton Hotel in Cagayan de Oro City and the third leg was held in Iloilo City.

It was attended by 137 proxy representatives of the total membership of PPMBAI composed of 81 from Luzon, 19 from Visayas and 37 from Mindanao.

The President Mr. Genaro Kong and Treasurer Ms. Zeny de Jesus presented their President and Treasurer's Report respectively. In the presentations, Mr. Kong highlighted the gains of the Association from its inception to 2017. He also presented the strategic directions the Association is taking. Ms. Zeny de Jesus presented the financial status of the Association. Other members of the BOT were also present during the GA.





(top) General Assembly for Mindanao in Cagayan de Oro City (bottom) General Assembly for Luzon in Quezon City.

OTHER ACTIVITIES

Training and Seminars attended by PPMBAI 2016

Trainings/Seminars	Attendees	Date and Venue	Sponsor/Host Organization
Leadership Training Seminar	Noel Madriaga	July 25 – 27 2018 Lancaster Hotel Mla.	Department of Finance - Council, Insurance Commission ADB-JFPR Capacity Building for Microinsurance Project
AMLA & Governance Workshop	Noel Madriaga Dianne Guillermo Deanna Mae Jacqueline	October 24 – 26 2018 City Garden Suites	RIMANSI Mi-MBA Association Philippines Inc. & Insurance

OTHER ACTIVITIES (IN PICTURES)



Mr. Noel Madriaga, Dianne Guillermo, Deanna Mae Cosmiano and Jacqueline Maglangit attended the AMLA & Governance Workshop conducted by RIMANSI and Insurance Commission on Oct 24 – 26 2018 in City Garden Suites



Mr. Noel Madriaga attended Leadership Training Seminar of Department of Finance - National Credit Council, Insurance Commission and the ADB-JFPR Capacity Building for Microinsurance Project on July 25 – 27 2018 In Lancaster Hotel Mla.





TRAINING CALENDAR FOR 2019

Target Employees	Training	Target Month
All MBA Employees	Team Building	April
BOT	Leadership Forum	July
BOT/MBA Employee	AMLA	September
BOT/MBA Employee	Governance Seminar	October

BOARD OF TRUSTEES 2017 - 2019



Genaro L. Kong
President



Jonnette C. Almanzar
Vice-President



Atty. Joselito Fernandez
Secretary



Eufrecina T. de Jesus
Treasurer



Reena Concepcion G. Obillo
Independent Director



Ricardo P. Lirio
Independent Director



JAQUELINE MAGLANGIT
Member



Florencia F. Castro
Member



Estrelita R. Borromeo
Member

HEAD OFFICE STAFF



Richard Jeremy L. Tabudlo
Jr. Financial Controller/ Compliance Officer / Anti Fraud Officer



Noel Madriaga
General Manager



Rowena C. Masing
MIS / HR / Admin Officer



Dianne Guillermo
Jr. Accountant



Deanna B. Cosmiano
Claims & Accounting Assistant



Mark B. Arcojada
Utility Maintenance

FIELD STAFF

Luzon



North Luzon (Mexico)

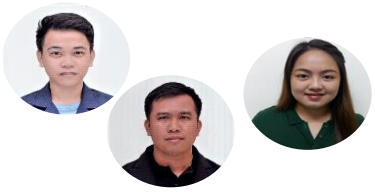
Claims & Underwriting Officer

Rossana C Gibaga

Encoders:

John Patrick T. Ragadi

Mark Anthony C. Santos



North Luzon (Villasis)

Claims & Underwriting Officer

Dennis L. Pascua

Encoders:

Ashley R. Baysa

Feber S. Cabanes



NCR (Marikina)

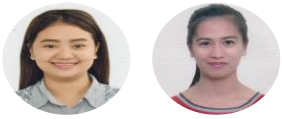
Claims & Underwriting Officer

Sherwin C. Cruz

Encoders:

Ruther Red M. Navarro

Bhen Kenneth D. Igagamao



South Luzon (Sta. Rosa)

Claims & Underwriting Officer

Shalyn P. Bautista

Encoder:

Zyra F. Laguador



South Luzon (Bicol)

Claims & Underwriting Officer

Richard G. Forcado Jr.

Encoder:

Norman D. Maravilla

Janine M. Belza

Visayas and Mindanao



Visayas (Cebu)
Claims & Underwriting Officer
Santiago Volante Jr.
Encoder:
Ezekiel Fernandez
Dan Antony Densing



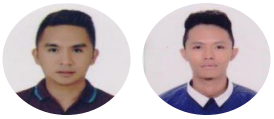
Visayas (Sta Barbara)
Claims & Underwriting Officer
Salvacion G. Macapaar
Encoder:
Windyl S. Ramirez
Emma June B. Conta



Mindanao (Butuan)
Claims & Underwriting Officer
Lalaine P. Cay
Encoders:
Emelio T. David, Jr.
Angie Rose Pamonag



Mindanao (Buhangin)
Claims & Underwriting Officer
Melrose A. Balasabas
Encoders:
Carl Joseph Villoria



Mindanao (Digos)
Claims & Underwriting Officer
Jorge S. Lacorte, Jr.
Encoder:
Kent Carlo Comboy



Mindanao (Tubod)
Claims & Underwriting Officer
Gemma Mohametano
Encoder:
Lyle Ernest Galleros
Jake Marc Penserga

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION (AUDITED)

PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, INC.
(A Nonstock, Not-for-Profit Association)
STATEMENTS OF FINANCIAL POSITION



	December 31	
	2018	2017
ASSETS		
Cash and cash equivalents (Notes 4 and 19)	₱381,884,501	₱273,780,514
Financial assets (Notes 5 and 19)		
Loans and receivables	12,440,082	17,872,449
Held-to-maturity investments	5,000,000	10,399,130
Short-term investments	25,336,411	20,000,000
Property and equipment (Note 6)	6,598,059	6,754,790
Intangible assets (Note 7)	3,649	5,889
Other assets (Note 8)	5,925,806	5,408,228
	₱437,188,508	₱334,221,000
LIABILITIES AND FUND BALANCE		
Liabilities		
Insurance contract liabilities (Note 9)	₱285,877,568	₱227,686,895
Accounts payable and accrued expenses (Notes 10 and 19)	12,020,239	7,370,205
Retirement savings fund (Note 11)	95,608,414	61,151,505
	393,506,221	296,208,605
Fund Balance		
Unappropriated fund balance	43,682,287	38,012,395
	₱437,188,508	₱334,221,000

See accompanying Notes to Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME (AUDITED)

PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, INC.
(A Nonstock, Not-for-Profit Association)
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2018	2017
REVENUE		
Premiums on insurance contracts (Note 12)	**₱169,705,312**	₱181,136,606
Membership fees	**10,775,988**	10,745,017
Interest income (Note 13)	**3,728,643**	1,362,968
Other income (Note 14)	**2,709,099**	413,262
	17,213,730	12,521,247
	186,919,042	193,657,853
BENEFITS, CLAIMS AND EXPENSES		
Increase in insurance contract liabilities (Note 9)	**58,190,674**	86,204,953
Gross insurance contract benefits and claims paid	**63,201,136**	49,425,144
Commission fees (Note 15)	**19,958,016**	18,505,636
Insurance benefits and reserves	**141,349,826**	154,135,733
General and administrative expenses (Note 16)	**38,345,216**	37,514,683
Interest expense (Note 10 and 11)	**837,434**	484,941
	180,532,476	192,135,357
INCOME BEFORE FINAL TAX	**6,386,566**	1,522,496
PROVISION FOR FINAL TAX (Note 18)	**716,674**	211,898
NET INCOME	**5,669,892**	1,310,598
OTHER COMPREHENSIVE INCOME	**–**	–
TOTAL COMPREHENSIVE INCOME	**₱5,669,892**	₱1,310,598

See accompanying Notes to Financial Statements.

STATEMENT OF CHANGES IN EQUITY (AUDITED)

PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, INC.
(A Nonstock, Not-for-Profit Association)
STATEMENTS OF CHANGES IN FUND BALANCE

	Years Ended December 31	
	2018	2017
Unappropriated fund balance, beginning	**₱38,012,395**	₱36,701,797
Net income	**5,669,892**	1,310,598
Unappropriated fund balance, ending	**₱43,682,287**	₱38,012,395

See accompanying Notes to Financial Statements.

STATEMENT OF CASHFLOWS

PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, INC.
(A Nonstock, Not-for-Profit Association)
STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱6,386,566**	₱1,522,496
Adjustments for:		
Depreciation and amortization (Notes 6, 7 and 15)	**918,771**	797,450
Interest expense	**837,434**	484,941
Write-off of intangible asset (Note 7)	**–**	341,032
Write-off of receivable (Note 5)	**247,000**	–
Loss on termination of HTM (Note 5)	**193,154**	–
Amortization of discount on HTM financial assets (Note 5)	**(178,874)**	(259,378)
Interest income (Note 13)	**(3,549,769)**	(1,103,590)
Cash generated from operations before changes in working capital	**4,854,282**	1,782,951
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Loans and receivables	**6,657,720**	(4,706,250)
Other assets	**(517,578)**	2,166
Increase (decrease) in:		
Insurance contract liabilities	**58,190,674**	86,204,953
Accounts payable and accrued expenses (Note 10)	**4,650,034**	(34,091,333)
Retirement savings fund	**34,456,909**	30,004,540

STATEMENT OF CASHFLOWS (cont.)

Net cash generated from operations	**108,292,041**	79,197,027
Interest received	**2,077,416**	1,142,449
Final taxes paid	**(716,674)**	(211,898)
Interest paid (Note 10 and 11)	**(837,434)**	(484,941)
Net cash flows provided by operating activities	**108,815,349**	79,642,637
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Property and equipment (Note 6)	**(757,561)**	(1,455,515)
Intangible assets (Note 7)	**(2,240)**	(2,240)
Short-term investment (Note 5)	**(5,336,411)**	–
Other Asset	**–**	(5,350,840)
Held-to-maturity investments (Note 5)	**(5,000,000)**	(4,897,885)
Proceeds from sale and maturity of		
Held-to-maturity investments (Note 5)	**10,384,850**	5,000,000
Net cash flows used in investing activities	**(711,362)**	(6,706,480)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**108,103,987**	72,936,157
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**273,780,514**	200,844,357
CASH AND CASH EQUIVALENTS AT END OF YEAR	**₱381,884,501**	₱273,780,514


PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, INC.
MICRO
INSURANCE



PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION INC.

Unit 8-G, 8F, Jenkinsen Tower 80 Timog Ave.,
Brgy. Sacred Heart, Quezon City, Philippines
Tel. no. : +632 374 3880 loc. 104
Email : insurance@pagasa-mba.com.ph
Website : www.pagasa-mba.com.ph