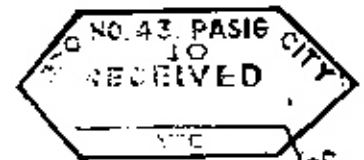


ASA PHILIPPINES FOUNDATION, INC.

Audited Financial Statements
For the Year Ended December 31, 2005



MAR 30 2006

Mariano, Chumpong & Associates

ASA Philippines Foundation Inc.

Unit 506, Prestige Tower, Emerald Avenue, Ortigas Center, Pasig City 1605, Philippines
Phone: (632) 687-7558; Fax: (632) 632-7811

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **ASA PHILIPPINES FOUNDATION INC.** is responsible for all information and representations contained in the financial statements for the year ended December 31, 2005. The financial statements have been prepared in conformity with generally accepted accounting principles and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration on materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

The President and the Treasurer review the financial statements before such statements are approved and submitted to the Board of Trustees.

MARIANO, CHUNPENG & ASSOCIATES, the independent auditors appointed by the Board of Trustees, have examined the financial statements of the company in accordance with generally accepted auditing standards and have expressed its opinion on the fairness of presentation upon completion of such examination, in its report to Board of Trustees.

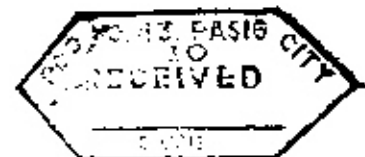


KAMRUL H. TARAFDER
President



VICTORIA A. DEE
Treasurer

MAR 30 2006





Mariano, Chunpeng & Associates

143 Maria Clara Street
Bet 6th & 7th Ave., G.P. Kal. City
Telefax: 323-9437; 244-0833

Suite 1105, State Centre Bldg.
333 Juan Luna St., Bldg., Manila
Tel. Nos. 309-4331/2; 242-7982

BOA - PRC Reg. No. 0277
SEC Accreditation No. 0037-F
BIR Accredited Tax Practitioners

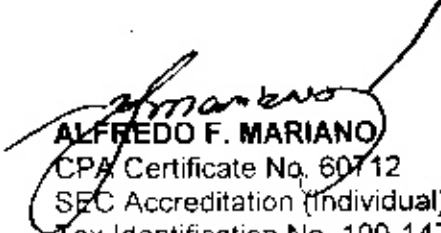
REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

THE BOARD OF TRUSTEES
ASA PHILIPPINES FOUNDATION INC.
Unit 506 Prestige Tower, Emerald Ave.,
Ortigas Center, Pasig City

We have audited the accompanying Statement of Assets, Liabilities and Fund Balance of **ASA PHILIPPINES FOUNDATION INC.** (a nonstock, not-for-profit organization) as of December 31, 2005 and 2004, and the related Statement of Support, Income and Expenditures, Changes in Fund Balances and Cash Flows for the years then ended. These Financial Statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

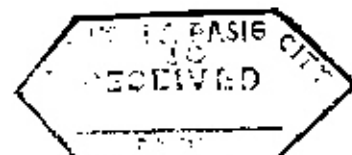
We conducted our audit in accordance with auditing standards generally accepted in the Philippines. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **ASA PHILIPPINES FOUNDATION INC.** as of December 31, 2005 and 2004, and the results of its operation and its cash flows for the years then ended in conformity with accounting principles generally accepted in the Philippines.


ALFREDO F. MARIANO
CPA Certificate No. 60712
SEC Accreditation (Individual) No. 0187-A
Tax Identification No. 100-147-569
BIR Accreditation No. 07-001505-1-2005
PTR No. 0877938; 01/20/06; Mandaluyong City

Manila
March 11, 2006

MAR 30 2006



ASA Philippines Foundation Inc.

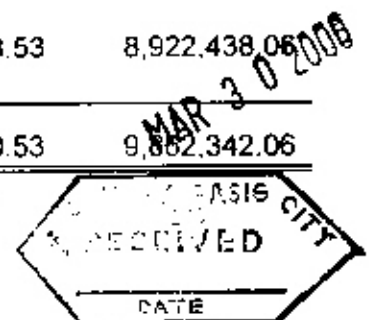
(A Nonstock, Not-for-Profit Organization)

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES

(All Amounts in Philippine Pesos)

		December 31	
	Note	2005	2004
ASSETS			
Current Assets			
Cash and cash equivalents	3	10,954,586.61	5,149,900.14
Loans receivable - net	4	25,901,379.00	3,896,748.00
Other Current Assets	5	641,567.00	54,640.00
Total Current Assets		37,497,532.61	9,101,288.14
Non-Current Assets			
Property and equipment-net	6	1,436,247.92	761,053.92
		38,933,780.53	9,862,342.06
LIABILITIES AND FUND BALANCES			
Current Liabilities			
Due to members and staff	7	16,046,440.00	912,142.00
Other current liabilities		211,414.00	27,762.00
Total Current Liabilities		16,257,854.00	939,904.00
Non-Current Liabilities			
Notes Payable		4,634,733.00	
Total Liabilities		20,892,587.00	939,904.00
Fund Balance		18,041,193.53	8,922,438.06
		38,933,780.53	9,862,342.06

The Notes on pages 1 to 8 are an integral part of these financial statements.



ASA Philippines Foundation Inc.

(A Nonstock, Not-for-Profit Organization)

STATEMENT OF SUPPORT, INCOME AND EXPENDITURES

(All Amounts in Philippine Pesos)

		Year Ended December 31	
		2005	2004
SUPPORT AND INCOME			
Support			
Grants	8	11,385,000.00	9,040,000.00
Service Fees	2	9,492,592.00	106,978.00
Admission Fees	2	1,460,700.00	151,800.00
Total support		22,338,292.00	9,298,778.00
Other income - net	9	154,010.62	52,725.35
		22,492,302.62	9,351,503.35
EXPENDITURES			
Project Costs	10	11,554,562.31	986,204.26
General and Administrative	11	1,818,984.84	442,861.03
		13,373,547.15	1,429,065.29
Excess of Support and Income over Expenditures		9,118,755.47	7,922,438.06

The Notes on pages 1 to 8 are an integral part of these financial statements.



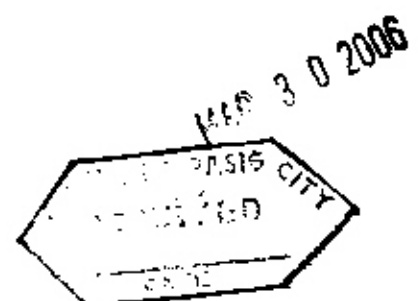
ASA Philippines Foundation Inc.
(A Nonstock, Not-for-Profit Organization)

STATEMENT OF CHANGES IN FUND BALANCES

(All Amounts in Philippine Pesos)

	December 31 2005
Trustees' Contribution	1,000,000.00
Excess of Support and Income over Expenditures - 2004	7,922,438.06
Balance at December 31, 2004	8,922,438.06
Excess of Support and Income over Expenditures - 2005	9,118,755.47
Balance at December 31, 2005	18,041,193.53

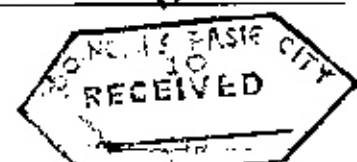
The Notes on pages 1 to 8 are an integral part of these financial statements.



ASA Philippines Foundation Inc.
(A Nonstock, Not-for-Profit Organization)

STATEMENT OF CASH FLOWS

	Year Ended December 31	
	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From :		
Grants	11,385,000.00	9,040,000.00
Service Fees	9,492,592.00	106,978.00
Admission Fees	1,460,700.00	151,800.00
Members' Capital Build-up (CBU)	11,510,340.00	465,912.00
Members' Locked in Capital Build-up (LCBU)	2,129,420.00	85,620.00
Loan Redemption Fund (LRF)	814,240.00	47,110.00
Staffs' Cash Bond	481,125.00	313,500.00
Staff CBU	143,824.00	
Staff Benevolent Fund	55,349.00	
Other Income	154,010.62	52,725.35
Cash Payments for :		
Project Cost & Gen. & Administrative Exp.	(11,648,782.15)	(1,305,263.46)
Cash Lend to Members	(23,741,971.00)	(3,990,828.00)
Net Cash Provided (Used) in Operating Activities	2,235,847.47	4,967,553.89
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property & Equipments	(1,065,894.00)	(817,653.75)
Net Cash Provided (Used) in Investing Activities	(1,065,894.00)	(817,653.75)
CASH FLOWS FROM FINANCING ACTIVITIES		
Trustee's Contribution	-	1,000,000.00
Loan from PCFC	5,000,000.00	-
Payment of Loan Amortization	(365,267.00)	-
Net Cash Provided (Used) in Investing Activities	4,634,733.00	1,000,000.00
NET INCREASE (DECREASE) IN CASH	5,804,686.47	5,149,900.14
CASH AT BEGINNING OF YEAR	5,149,900.14	
CASH AT END OF YEAR	10,954,586.61	10,299,800.28

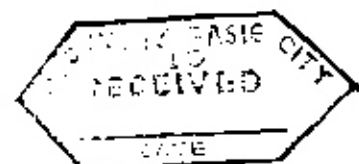


ASA Philippines Foundation Inc.
 (A Nonstock, Not-for-Profit Organization)
STATEMENT OF CASH FLOWS

	Year Ended December 31	
	2005	2004
RECONCILIATION OF NET INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of Support and Income Over Expenditures	9,118,755.47	7,922,438.06
Adjustments to Reconcile:		
Depreciation	390,700.00	56,599.83
Decrease (Increase) in:		
Loans Receivable	(22,004,631.00)	(3,896,748.00)
Other current assets	(586,927.00)	(54,640.00)
Increase (Decrease) in:		
Due to Members and Staff	15,134,298.00	912,142.00
Other current liabilities	183,652.00	27,762.00
Net Cash provided (used in) Operating Activities	2,235,847.47	4,967,553.89

The Notes on pages 1 to 8 are an integral part of these financial statements.

MAR 30 2006



ASA Philippines Foundation Inc.
(A Nonstock, Not-for-Profit Organization)

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2005 AND 2004

(All Amounts in Philippine Pesos unless otherwise stated)

Note 1 - Status of Operations

ASA PHILIPPINES FOUNDATION INC., (the "Foundation") a non-stock, non-profit corporation, was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on July 9, 2004 with Registration Certificate No. CN2004-09459, and with the objectives to (a) provide efficient and affordable financial services to the poor for their income generating activities; (b) build an effective and efficient microfinance institution for sustainable delivery of microfinance services to the entrepreneurial poor; and (c) to facilitate the convergence and provision of other social services for the poor.

Pursuant to Section 30(e) of the National Internal Revenue Code (NIRC) or the Tax Reform Act of 1997, the Foundation is exempt from income and other internal revenue taxes as the Foundation is exclusively organized and operated for charitable purposes and no part of its assets, net earnings or income inures to the benefit of its members, contributors and or of any private individuals. However, the Bureau of Internal Revenue (BIR) has yet to issue a Certificate of Exemption as the requirement for the issuance of such exemption have yet to be completed

The Foundation with its office located at Unit 506, Prestige Tower, Emerald Avenue, Ortigas Center, Pasig City has 87 regular employees as of December 31, 2005 and 2004.

Note 2 - The principal accounting policies adopted by the Foundation in the preparation of the financial statements are summarized below:

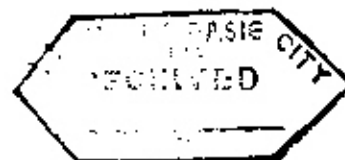
a) Basis of Financial Statement Preparation

The accompanying financial statements are prepared in accordance with the accounting principles of fund accounting and in conformity with accounting principles generally accepted in the Philippines using the historical cost basis.

Use of Estimates

The preparation of the financial statements in accordance with the generally accepted accounting principles requires the Foundation to make estimates and assumptions that affect the reported amounts of assets and liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any changes in estimates will be reflected in the financial statements as they become reasonably determinable.

The accounting policies have been consistently applied by the Foundation and are consistent with those used in the previous year, except for the adoption of new accounting standards as stated below and to the next page.



Adoption of Philippine Accounting Standard 101
Financial Reporting Standards for
Non-publicly Accountable Entities

The Accounting Standards Council (ASC), in line with the accounting profession's objective to converge Philippine accounting standards with international accounting standards, issued a number of new accounting standards, referred to as Philippine Financial Reporting Standards (PFRSs) that became effective in 2005. The adoption of the new accounting standards was approved by the Securities and Exchange Commission (SEC), the Board of Accountancy (BOA) and Professional Regulation Commission (PRC); and the Bangko Sentral ng Pilipinas (BSP). The PFRSs were intended at that time to be applicable to all reporting entities that prepared financial statements in conformity with generally accepted accounting principles in the Philippines.

Considering the significant number of small and medium-sized entities (SMEs) in the Philippines, the ASC has considered providing temporary relief to SMEs in the application of the new standards.

The ASC plan was given impetus by the decision of the International Accounting Standards Board (IASB) in 2005 to undertake a project to develop accounting standards suitable for entities that (1) do not have public accountability and (2) publish general purpose financial statements for external users (e.g. owners who are not involved in managing the business, existing and potential creditors, and credit rating agencies). The IASB refers to this group of entities as **Non-Publicly Accountable Entities or NPAEs**.

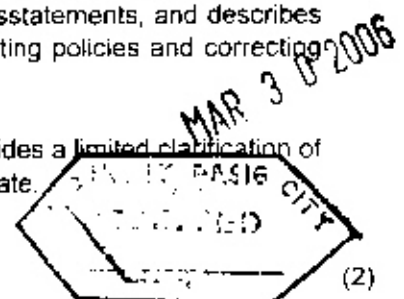
The objective of this Standard (PAS 101) is to provide temporary relief in the application of the new PFRSs that became effective in 2005 to entities that are covered by this Standard. The Standard identifies which entities are covered, provides an option to these entities in the application of the new PFRS, and specifies the financial reporting standards applicable to these entities.

Citing the above, the Company, as a qualifying entity that has no public accountability under PAS 101 and thereby was given the option to adopt the following applicable financial reporting standards:

PAS 1 (SFAS1 rev), *Presentation of Financial Statements*, provides a framework within which an entity assesses how to present fairly the effects of transactions and other events; provides the base criteria for classifying liabilities as current or noncurrent; prohibits the presentation of income from operating activities and extraordinary items as separate line items in the statements of income; and specifies the disclosures about key sources of estimation uncertainty and judgments that management has made in the process of applying the Company's accounting policies.

PAS 8 (SFAS 13 rev), *Accounting Policies, Changes in Accounting Estimates and Errors*, removes the concept of fundamental error and the allowed alternative to retrospective application of voluntary changes in accounting policies and retrospective restatement to correct prior period errors. It defines material omissions or misstatements, and describes how to apply the concept of materiality when applying accounting policies and correcting errors.

PAS 10 (SFAS 10), *Events After the Balance Sheet Date*, provides a limited clarification of the accounting for dividends declared after the balance sheet date.



PAS 16 (SFAS 16), *Property, Plant and Equipment*, provides additional guidance and clarification on the recognition and measurement of items of property, plant and equipment. It also provides that each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

PAS 24 (SFAS 24), *Related Party Disclosures*, provides additional guidance and clarity in the scope of the standard, the definitions and the disclosures for related parties.

SFAS 12/IAS 12, *Income Taxes*, prescribes the accounting treatment for current and future tax consequences of the future recovery or settlement of the carrying amount of assets or liabilities that are recognized in the balance sheet of an entity and transactions and other events of the current period that are recognized in the entity's financial statements.

PAS 17 (SFAS 17/IAS 17) *Leases*. This standard prescribes the accounting policies and disclosures to apply to finance and operating leases. A Finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. An operating lease is a lease other than a finance lease. Lease payments under an operating lease shall be recognized as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefits.

PAS 19 (SFAS 24), *Employee Benefits*. The objective of IAS 19 (Revised 1998) is to prescribe the accounting and disclosure for employee benefits (that is, all forms of consideration given by an enterprise in exchange for service rendered by employees). The principle underlying all of the detailed requirements of the Standard is that the cost of providing employee benefits should be recognized in the period in which the benefit is earned by the employee, rather than when it is paid or payable.

The adoption of these standards did not result in the restatement of prior year financial statements. Additional disclosures required by the new standards have been included in the financial statements, where applicable.

b) Cash and Cash Equivalents

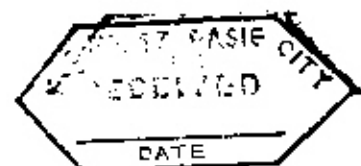
Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and are subject to an insignificant risk of change in value

c) Loans Receivables

Loans receivable represents interest bearing loan assistance to qualified beneficiaries in the different communities where the Foundation operates. This account is stated at outstanding principal balance reduced by allowance for loan losses.

Allowance for loan losses is provided and maintained at a level considered adequate to cover potential losses in respect of certain outstanding loan accounts. The level of allowance is estimated based on the foundation's evaluation of the collectibility of loans and prior loans experience. An evaluation of the receivables, designed to identify potential charges to the allowance for loan losses, is performed on a regular and continuous basis.

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d) Property and Equipment

Property and Equipment are carried at cost less accumulated depreciation, amortization and any impairment in value.

The initial cost of an asset comprises its purchase price, including taxes and any directly attributable costs of bringing the asset to working condition and location for its intended use. Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance are normally charged to operations in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance the expenditures are capitalized as an additional cost of property and equipment.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The average estimated useful lives of these assets are as follows:

	<u>Years</u>
Transportation equipment	5
Office Furniture & Equipment	3

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

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation, amortization and any impairment loss are removed from the accounts and any resulting gain or loss is credited to or charged against income for the year.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further charge for depreciation is made in respect of those assets.

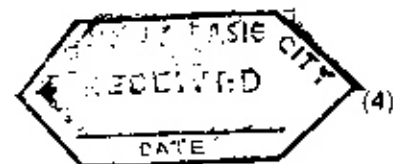
The carrying value of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses, if any, are recognized in the statements of income.

e) Provisions and Contingencies

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

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

Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits are probable.



f) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Foundation and the revenue can be reliably measured. Revenues are recognized as follows:

- a. **Grants** - grants received for a specific purpose shall be initially recognized as a liability to the donors, otherwise, these grants received are recorded in the books as income upon receipts. Unutilized grants are shown as Funds Held-in Trust Under Accounts Payable and Accrued Expenses account in the statement of assets, liabilities and fund balance
- b. **Service fees** - a flat rate of 15% payable for 6 months or 2.5% monthly service fees are recorded upon collection.
- c. **Admission fees** - each member will have to pay a one time Php 100.00 as non-refundable membership fee before formally enrolled as a member of the program, which is recorded upon collection.
- d. **Interest income** - interest income from bank deposits are recognized upon receipt.

g) Operating Lease

The Company is a party to an operating lease as a lessee. Rental payments made under this arrangement is charged against current operations over the period of the lease.

Note 3 - Cash and cash equivalents

This account consists of:

	2005	2004
Cash on hand	65,014.00	3,097.00
Cash in banks	10,889,572.61	5,146,803.14
	<u>10,954,586.61</u>	<u>5,149,900.14</u>

Cash in banks earn interest at the prevailing bank deposit rates. Short-term deposits are made for varying periods of up to three months depending on the immediate cash requirement of the Foundation, and earn interest at the prevailing short-term deposit rates.

Note 4 - Loans Receivable

This account consists of:

	2005	2004
Loans receivable	27,573,869.00	3,990,828.00
Less: Allowance for loan losses	1,672,490.00	94,080.00
Loans receivable - net	<u>25,901,379.00</u>	<u>3,896,748.00</u>

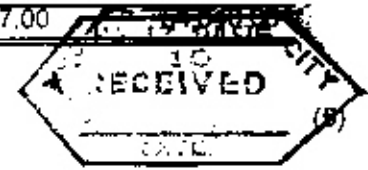
Loans granted to members are partially secured by the Capital Build Up (CBU) and Locked In Capital Build-Up (LCBU) Program (see Note 7).

Note 5 - Other Current Assets

This account consists of:

	2005	2004
Staff Loan	154,518.00	
Advances to Staff	210,242.00	
Prepaid Rental	245,140.00	
Other Receivables	31,667.00	
	<u>641,567.00</u>	

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Note 6 - Property and Equipment

This account consists of:

Cost	Office Furniture & Equipment	Transportation Equipment	Total	
			2005	2004
At January 1	162,653.75	655,000.00	817,653.75	817,653.75
Additions	760,570.00	305,324.00	1,065,894.00	-
At December 31	923,223.75	960,324.00	1,883,547.75	817,653.75
Accumulated Depreciation				
At January 1	45,683.16	10,916.67	56,599.83	56,599.83
Depreciation	220,700.00	170,000.00	390,700.00	-
At December 31	266,383.16	180,916.67	447,299.83	56,599.83
Net Book Value				
At December 31	656,840.59	779,407.33	1,436,247.92	761,053.92

Note 7 - Due to Members and Staff

This account is composed of the following:

	2005	2004
Members' Capital Build-Up (CBU)	11,976,252.00	465,912.00
Members' Locked In Capital Build-Up (LCBU)	2,215,040.00	85,620.00
Loan Redemption Fund (LRF)	861,350.00	47,110.00
Staffs' CBU	143,824.00	-
Staffs' Benevolent Fund	55,349.00	-
Staffs' Cash Bond	794,625.00	313,500.00
	16,046,440.00	912,142.00

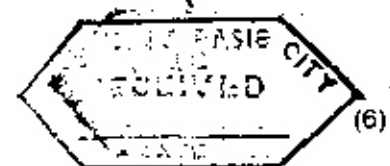
CBU serves as revolving fund for Foundation members to smoothen consumption needs and provide cover for emergency situations. CBU also lessens the risk of the lending part of the program by providing a standby fund in cases of repayment problems. A compulsory CBU are deposited weekly at Php 50 and earns interest;

LCBU deposit is compulsory for all group members and is fixed at Php 10.00 every week and non-withdrawable before every fifth year. In case of death of a member, the accumulated LCBU amount will be given back to the nominated beneficiary together with the LCBU benefits.

Members may withdraw their CBU and LCBU contributions upon termination of their membership from the Foundation, provided any outstanding loan balance will have to be paid in full either in cash or as an offsetting of CBU and LCBU transactions.

The ^{member} borrower whose loan application has been approved should pay 1% of the principal amount in cash as LRF (Loan Redemption Fund), to cover the loan in case of death.

All staffs of the Foundation are required to post a cash bond. The cash bond is a refundable, interest bearing deposit and would earn equal to the interest on CBU of the group members. It is withdrawable upon separation of services from the Foundation.



Note 8 - Grants

The utilization of the following grant-in-aid received, in pursuance of the Securities and Exchange Commission (SEC) Memorandum Circular No. 1, series of 2004, were as follows:

Grants	ADF	BSAF	OTHERS	2005	2004
Previous Year (2004)	2,497,791.54	-	-	2,497,791.54	9,040,000.00
Current Year (2005)	10,750,000.00	600,000.00	35,000.00	11,385,000.00	-
Total Grants	13,247,791.54	600,000.00	35,000.00	13,882,791.54	9,040,000.00
Component Activities:					
Actual Expenditures					
Loanable Funds	9,812,000.00	600,000.00	-	10,412,000.00	4,704,000.00
Administration	2,047,462.00	-	35,000.00	2,082,462.00	771,083.00
Overhead	1,388,329.54	-	-	1,388,329.54	507,125.46
Capital Outlay	-	-	-	-	560,000.00
Total Expenditures	13,247,791.54	600,000.00	35,000.00	13,882,791.54	6,542,208.46
Unutilized Grants	-	-	-	13,882,791.54	2,497,791.54

On June 18, 2004, a Contribution Agreement was signed by the Foundation and Assisi Development Foundation (ADF), wherein the Foundation is a recipient of a grant to empower and develop underprivileged families through microfinance. Likewise, on November 9, 2004, the Foundation was provided with a loanable fund for its microfinance project by the Benigno S. Aquino, Jr. Foundation (BSAF).

Note 9 - Other income

This account is composed of the following:

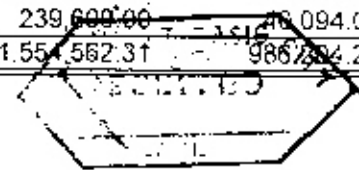
	2005	2004
Interest from bank deposits - net of tax	116,412.62	52,119.35
Miscellaneous income	37,598.00	606.00
	154,010.62	52,725.35

Note 10 - Project Cost

This account is composed of the following:

	2005	2004
Members benefit on CBU	192,031.00	177.00
Members benefit on LCBU	55,000.00	-
PCFC Loan	132,500.00	-
Salaries & Wages	6,091,707.00	543,865.50
SSS, PHIC, & HDMF	360,888.00	31,118.50
Office Rental	869,250.00	109,300.00
Light & Water	161,320.00	2,462.00
Fuel & Lubricants	95,485.31	18,663.00
Travel & Transportation	860,042.00	50,427.13
Repairs & Maintenance	11,149.00	95.00
Security & Janitorial	185,665.00	2,500.00
Postage & Telephone	81,707.00	-
Office Supplies & Zerox	274,336.00	78,089.13
Representation	98,915.00	1,560.00
Bank Charges	440.00	10.00
Taxes & Licenses	28,365.00	6,283.00
Miscellaneous	78,822.00	480.00
Loan Loss Provision	1,737,340.00	94,080.00
Depreciation	239,600.00	48,094.00
	11,551,562.31	986,204.26

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Note 11 - General and Administrative Expenses

This account is composed of the following:

	2005	2004
Salaries & Wages	830,972.00	192,858.50
SSS, PHIC, & HDMF	22,639.00	3,240.50
Office Rentals	60,902.00	0.00
Light & Water	151,035.00	0.00
Repairs & Maintenance	19,883.00	1,471.00
Security & Janitorial	15,100.00	0.00
Postage & Telephone	41,889.71	330.00
Office Supplies	183,262.00	64,692.12
Representation	93,022.00	7,075.00
Bank Charges	5,393.13	1,180.00
Licenses, Insurance & Professional Fee	199,557.00	0.00
Miscellaneous	44,230.00	155,508.08
Depreciation	151,100.00	16,505.83
	<u>1,818,984.84</u>	<u>442,861.03</u>

Note 12 - Lease Commitments

The Foundation leases its branch offices from third parties covering various periods, renewable upon mutual agreements.

Note 13 - Approval and authorization for issue of financial statements

The accompanying financial statements of the Foundation were authorized for issue by the Foundation's President and Treasurer on March 11, 2006.

