

**Community and Family Services  
International, Inc.**

Financial Statements  
December 31, 2024 and 2023

and

Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
Community and Family Services International, Inc.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Community and Family Services International, Inc. (the Organization) [a nonstock, nonprofit organization], which comprise the statements of assets, liabilities and fund balances as at December 31, 2024 and 2023, and the statements of revenues and expenses, statements of changes in fund balances and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets, liabilities and fund balances of the Organization as at December 31, 2024 and 2023, and its revenues and expenses and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard (PFRS) for Small and Medium-sized Entities (SMEs) Accounting Standards.

#### 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 Organization in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for SMEs Accounting Standards, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



**Report on the Supplementary Information Required Under Revenue Regulations 34-2020 and 15-2010**

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 34-2020 and 15-2010 in Notes 18 and 19 to the financial statements, respectively, 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 Community and Family Services International, 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.



Mariecris N. Barbaso

Partner

CPA Certificate No. 97101

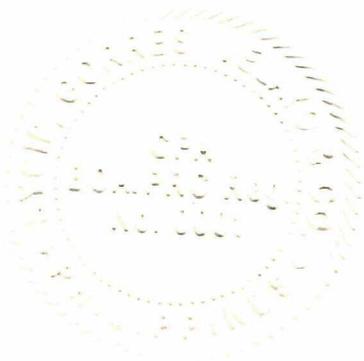
Tax Identification No. 202-065-716

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

BIR Accreditation No. 08-001998-108-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10465268, January 2, 2025, Makati City

April 24, 2025



**COMMUNITY AND FAMILY SERVICES INTERNATIONAL, INC.**  
**(A Nonstock, Nonprofit Organization)**

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**STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCES**

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash (Note 4):		
Restricted (Note 15)	₱245,618,367	₱212,038,413
Unrestricted	11,828,110	13,656,385
Total Cash	257,446,477	225,694,798
Other current assets (Note 5)	4,791,830	14,216,095
Total Current Assets	262,238,307	239,910,893
<b>Noncurrent Assets</b>		
Property and equipment (Note 6)	16,766,185	18,226,372
Deposits (Note 7)	758,807	826,441
Total Noncurrent Assets	17,524,992	19,052,813
<b>TOTAL ASSETS</b>	<b>₱279,763,299</b>	<b>₱258,963,706</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses (Note 9)	₱29,915,323	₱20,750,893
<b>Noncurrent Liability</b>		
Retirement liability (Note 15)	19,155,126	15,888,563
Total Liabilities	49,070,449	36,639,456
<b>Fund Balances</b> (Notes 1 and 11)	<b>230,692,850</b>	<b>222,324,250</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>₱279,763,299</b>	<b>₱258,963,706</b>

*See accompanying Notes to Financial Statements.*



**COMMUNITY AND FAMILY SERVICES INTERNATIONAL, INC.**  
**(A Nonstock, Nonprofit Organization)**

**STATEMENTS OF REVENUES AND EXPENSES**

	<b>Years Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>REVENUES</b>		
Grants, donations, support and contributions (Note 1)	<b>₱427,285,972</b>	₱454,123,098
Mission-related social enterprise activities	<b>1,393,205</b>	1,301,030
Interest income (Note 4)	<b>277,149</b>	262,959
	<b>428,956,326</b>	455,687,087
<b>PROJECT EXPENSES (Note 12)</b>		
Direct:		
Community service and capacity building expenses	<b>188,202,860</b>	97,829,220
Personnel costs	<b>106,719,553</b>	131,123,960
Trainings and workshops for crisis-affected populations	<b>29,226,284</b>	68,085,375
Field transportation and travel	<b>22,761,484</b>	21,052,411
Rent and utilities (Note 16)	<b>7,993,062</b>	7,733,509
Materials and office supplies	<b>2,379,608</b>	2,628,857
Communication	<b>2,276,502</b>	3,241,943
Professional, technical and other consultancy fees	<b>2,070,342</b>	1,316,075
Operations and maintenance of Center for Excellence in Humanitarian Service	<b>1,336,441</b>	1,527,873
Repairs and maintenance	<b>562,897</b>	1,098,940
Insurance premiums	<b>115,830</b>	46,349
Management, supervision and support expenses	<b>32,770,555</b>	31,017,182
Development expenses	<b>6,540,434</b>	6,180,989
Counterpart expenses	<b>1,500,390</b>	1,558,705
	<b>404,456,242</b>	374,441,388
<b>COUNTRY PROGRAMME SUPPORT EXPENSES (Note 13)</b>	<b>1,872,925</b>	1,829,447
<b>GENERAL AND ADMINISTRATIVE EXPENSES (Note 14)</b>	<b>8,989,825</b>	7,709,246
<b>OTHER EXPENSES</b>		
Bank charges	<b>252,311</b>	380,032
	<b>415,571,303</b>	384,360,113
<b>EXCESS OF REVENUES OVER EXPENSES BEFORE NON-CASH EXPENSES (INCOME)</b>	<b>13,385,023</b>	71,326,974
<b>OTHER NON-CASH EXPENSES (INCOME)</b>		
Foreign exchange gain - net	<b>(203,245)</b>	(5,252,815)
Depreciation and amortization	<b>1,606,117</b>	1,804,049
Retirement expense (Note 15)	<b>3,613,551</b>	5,061,413
	<b>5,016,423</b>	1,612,647
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>₱8,368,600</b>	₱69,714,327

*See accompanying Notes to Financial Statements.*



**COMMUNITY AND FAMILY SERVICES INTERNATIONAL, INC.**  
**(A Nonstock, Nonprofit Organization)**

**STATEMENTS OF CHANGES IN FUND BALANCES**

	<b>Years Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at beginning of year	<b>₱222,324,250</b>	₱152,609,923
Excess of revenues over expenses	<b>8,368,600</b>	69,714,327
Balance at end of year (Note 11)	<b>₱230,692,850</b>	₱222,324,250

*See accompanying Notes to Financial Statements.*



**COMMUNITY AND FAMILY SERVICES INTERNATIONAL, INC.**  
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**STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	<b>₱8,368,600</b>	₱69,714,327
Adjustments for:		
Depreciation and amortization	<b>1,606,117</b>	1,804,049
Retirement expense (Note 15)	<b>3,613,551</b>	5,061,413
Interest income (Note 4)	<b>(277,149)</b>	(262,959)
Operating income before working capital changes	<b>13,311,119</b>	76,316,830
Decrease (increase) in other current assets (Note 5)	<b>9,424,265</b>	(8,936,133)
Increase in accounts payable and accrued expenses (Note 9)	<b>9,164,430</b>	827,312
Cash generated from operations	<b>31,899,814</b>	68,208,009
Interest received	<b>277,149</b>	262,959
Retirement benefits paid (Note 15)	<b>(346,988)</b>	–
Net cash provided by operating activities	<b>31,829,975</b>	68,470,968
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of property and equipment (Note 6)	<b>(145,930)</b>	(570,031)
Decrease (increase) in deposits (Note 7)	<b>67,634</b>	(49,277)
Net cash used in investing activities	<b>(78,296)</b>	(619,308)
<b>NET INCREASE IN CASH</b>	<b>31,751,679</b>	67,851,660
<b>CASH AT BEGINNING OF YEAR (Note 4)</b>	<b>225,694,798</b>	157,843,138
<b>CASH AT END OF YEAR (Note 4)</b>	<b>₱257,446,477</b>	₱225,694,798

*See accompanying Notes to Financial Statements.*



**COMMUNITY AND FAMILY SERVICES INTERNATIONAL, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**

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**1. General Information**

Organization Information

Community and Family Services International Inc. (CFSI) is a nonstock, nonprofit, humanitarian organization, committed to peace and social development, with a particular interest in the psychosocial dimension. Established in the Philippines in 1981, CFSI was incorporated in 1982, with registration number 105084. On February 5, 2018, the SEC granted CFSI a new Certificate of Registration number CN201800559. That provided, among others, (a) the same primary purpose and corporate name; (b) the use of two trade names—Community and Family Services International (CFSI) and CFSI; and (c) a new corporate life of fifty (50) years, to end in 2067.

The registered office address of CFSI is at 8F Gam Parklane Building, 212 EDSA Extension, Brgy. 79, Pasay City.

CFSI, as a not-for-profit organization operating exclusively for charitable purposes and the promotion of social welfare, falls under Section 30 (e) and (g) of the National Internal Revenue Code, as amended by Republic Act (RA) No. 8424, where income from activities in pursuit of the purpose for which CFSI was organized, is exempt from income tax. However, any income on its properties, real or personal, or from any activity conducted for profit is subject to income tax.

In December 2023, CFSI was certified for the fifth consecutive time by the Philippine Council for NGO Certification (PCNC) for another five years, the maximum years of accreditation that PCNC provides. The PCNC certification is valid until December 5, 2028. PCNC endorsed CFSI to the Philippine Government’s Bureau of Internal Revenue (BIR), recommending CFSI be granted “Donee Institution” status in accordance with the provisions of Revenue Regulations No. 13-98 and Executive Order No. 720.

The BIR subsequently issued a new Certificate of Registration as a “Donee Institution” on January 23, 2024 and valid until November 18, 2026 unless sooner revoked by the BIR, or upon withdrawal of the PCNC certification.

The mission of CFSI is to vigorously protect and promote human security—specifically, the lives, well-being, and dignity of people uprooted by persecution, armed conflict, disasters, and other exceptionally difficult circumstances. These include refugees, internally displaced persons (IDPs), disaster survivors, and others who are vulnerable, exploited or abused.

CFSI carries out its mission through direct services, capacity building, research, and advocacy. Most of these activities are carried out in the Asia and Pacific Region, particularly those countries that comprise the Association of South East Asian Nations (ASEAN). In 2024 and 2023, these included the Philippines, Myanmar and Viet Nam.

CFSI has “Special Consultative Status” with the United Nations Economic and Social Council (ECOSOC). This status was first achieved in 2004 and has been maintained.

CFSI is governed by a Board of Trustees (BOT). Its operations are funded primarily by United Nations (UN) agencies, the World Bank, governments, and the private sector.



The Audit and Finance Committee approved the accompanying financial statements on April 11, 2025. The BOT authorized the issuance of the financial statements on April 24, 2025.

### Programme Funds of CFSI

In order to effectively carry out CFSI's mission, CFSI established the following programme funds: (1) Philippine Programme, (2) Myanmar Programme, (3) Viet Nam Programme, and (4) Headquarters Programme.

### **Philippine Programme**

The Philippine Programme includes funds for humanitarian and development activities carried out in the Philippines, usually in the social welfare, education, and health arenas, often with a focus on local capacity strengthening. The primary sources of these funds are UN agencies; multilateral financial institutions such as the World Bank; Governments, usually through their development agencies; and the private sector, with the latter including international non-governmental organizations, foundations, corporate entities, various groups, and individuals.

### United Nations Agencies

#### *A. Funds from UN Agencies for Projects with Nationwide Coverage*

United Nations High Commissioner for Refugees (UNHCR) - Urban Refugee Project (URP). This represents funds received from the UNHCR to implement the URP for refugees, stateless persons, and asylum seekers from more than 50 countries and territories who are in the Philippines. CFSI is responsible for helping them achieve durable solutions, as well as providing them with legal assistance, social services, psychosocial support, and access to health services, including where necessary, tertiary care. For many of the refugees, the most likely durable solution is local integration in the Philippines, ideally leading to naturalization. CFSI has entered into annual project agreements with UNHCR for this purpose since 1997 and is expected to continue to do so at least through December 31, 2025. Under the terms of these agreements, funds that are not used within the project period, as well as specific assets provided for in the agreements, are returned to UNHCR.

#### *B. Funds from UN Agencies for Projects in Mindanao*

CFSI began its response to humanitarian emergencies in Mindanao in mid-2000 and has committed to remain engaged in Mindanao through at least December 2029, and probably much longer. Generally, the situation in the conflict-affected areas has improved, resulting from peace talks between the Government and armed non-state actors.

Even so, CFSI continues to respond to large-scale displacement in various parts of Central, Northern, Western, and Eastern Mindanao owing to natural or man-made disasters to further help people rebuild their lives.

1. United Nations High Commissioner for Refugees (UNHCR) – Birth Registration Project (BRP). Through the generosity of the Japan Government, CFSI and UNHCR embarked on the Birth Registration Initiative covering the 50 municipalities in Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) and the province of Sulu. The initiative aims to enhance the resilience of vulnerable Sama Bajau communities and other populations at risk of statelessness, particularly unregistered children affected by displacement due to armed conflict and former combatants and their families, through strengthening their relationship with local government units, improving their access to basic services—specifically birth



registration documentation—and initiating the establishment of mechanisms to minimize the risks of further harm due to the lack of identity documents during forced displacement. To further improve the lives and well-being of the people we work with and for, CFSI will be providing climate resilient and income diversified livelihood support to the ten (10) Sama Bajau communities in Sulu, this support is expected to contribute to the Socio-economic development of the Sama Bajau communities in Sulu. The project started in 01 September 2024, and is expected to be implemented through 30 June 2026.

The Project will be implemented in phases approach covering 13 municipalities in Lanao del Sur, 15 municipalities in Maguindanao, 7 municipalities in Basilan, 7 municipalities in Tawi-Tawi, and 8 municipalities in Sulu.

2. United Nations Children’s Fund (UNICEF) – Strengthening the Social Service Workforce and Other Actors for the Protection of Children in the BARMM (SWAPC) Project. SWAPC is a collaborative project that will support the initiative of the BARMM government through the Ministry of Social Services and Development (MSSD) in enhancing the competencies of social service actors at the regional, provincial, and municipal levels. It envisages contributing to the overall strengthening of child protection systems by promoting multi-sectoral collaboration in providing quality preventative, responsive, and promotive programs and services to help prevent and respond to violence, abuse, exploitation, neglect, and family separation in the BARMM as well as facilitate access to services, promote social justice.

SWAPC started in October 2023 and is expected to conclude in September 2025.

3. Child Protection in Emergencies Project in CARAGA (CPERP-CARAGA). Started in January 2022, the CPERP-CARAGA aims to support 5,000 children and adolescents, 5,000 parents and caregivers, 153 teachers and child development workers, and 50 frontline aid workers affected by Typhoon Rai (Odette) through the provision of psychosocial support services, particularly in the province of Surigao Del Norte and Dinagat Islands.

To ensure sustainability, the project provides support to local government units (LGUs) for the promotion and implementation of standard operation procedures to enable the LGUs to continue the child protection services. The affected teachers and child development workers are trained on psychosocial first aid and education in emergencies so that they can effectively manage the situation in their respective schools.

In June 2022, the project was expanded to cover additional project sites, and to include the repair and rehabilitation of classrooms to support in-person learning, and the establishment of temporary learning spaces, especially for schools with totally damaged classrooms with pending replacement due to the lack of government funds. Also added is the Water, Sanitation and Hygiene (WASH) component, particularly in learning facilities, child friendly spaces and transit centers.

The project was completed in January 2023.

4. United Nations Children’s Fund (UNICEF) – Enabling Climate Resilient WASH in Schools in the Province of Dinagat Islands and Surigao City (CRWinS Project)

During the CPERP implementation, it became clear that schools in the Province of Dinagat and Surigao City schools were facing significant challenges in meeting the standards set in the Department of Education WASH in Schools program, even in the absence of calamities. Recognizing the gap, the CRWinS was implemented from May to October



2024 to build upon insights gained from CPERP implementation and establish the requisites for developing climate-resilient WinS facilities, services and practices and integrating climate change education in the elementary curriculum.

The second phase of the project started in November 2024, and is expected to be completed in November 2025.

5. United Nations Children’s Fund (UNICEF) – The Child Protection Capacities Project (CPCP), or “Enhancing Child Protection Capacities: Empowering LGU Workforce and Communities”, aims to strengthen the child protection system in BARMM by building the capacities of local government units and empowering communities. This endeavor is part of the “Supporting Peacebuilding through Strengthening Essential Services for Vulnerable Children and Adolescents in Maguindanao and Cotabato City, BARMM,” funded by the Korean Government and Korea International Cooperation Agency (KOICA). Through this project, LGU social workers and multi-disciplinary teams undergo training and will have increased capacity to plan, budget, as well as identify, monitor, and respond to child protection cases.

The project is carried out in twelve (12) municipalities in Maguindanao del Sur, Maguindanao del Norte, and Cotabato City. By the end of this project, a total of 10,560 direct beneficiaries will be reached, composed of 560 service providers and 10,000 adolescents, caregivers, and parents, and internally displaced populations.

The project started in August 2024 and was originally to be completed by January 2026. In the last quarter of 2024, an amendment to the Program Document of CPCP was entered with additional funds and the extension of implementation through December 2026.

6. United Nations World Food Programme (WFP) – Food Security and Nutrition Project (FSNP) supports twenty-six (26) municipalities in Maguindanao del Norte, Maguindanao del Sur, and Lanao del Sur provinces, covering 17,500 households. This project aims to support the BARMM government to respond to the threats to food security and nutrition needs by mobilizing community members to identify challenges and corresponding solutions, create convergence plans that are integrated into local government action plans and create or rehabilitate community assets that would contribute to food security. Alternatively, beneficiaries will participate in capacity building activities on Nutrition, Gender, Protection, Conflict sensitivity and other cross-cutting issues.

The project started in November 2022 and was completed in January 2025.

7. United Nations World Food Programme (WFP) – CERF Anticipatory Action Project (CAAP)

The CAAP aimed to prepare households individuals who are at risk of being severely affected by at least Category 3 typhoon in Surigao del Norte, Caraga Region, and in Southern Leyte, Region VIII. The CAAP was part of the pilot initiative of the United Nations in the Philippines, in partnership with other humanitarian organizations, to implement a new way of response mechanism in times of disasters. Particularly, it involved a response plan that is forecast-based, heavily informed by science, pre-financed, and implementable, including the release of assistance, before the forecasted disaster.

Major project activities were divided into two phases. Phase One involved beneficiary validation and registration, as well as preparation for a possible cash-based transfer. Phase Two would involve last mile early warning messages and distribution of cash assistance.



Phase Two was planned to be activated at least seven days before the landfall of the forecasted Category 3-5 typhoon.

Building on the gains from CAAP implemented in September 2022 through January 2023, and CAAP/2 implemented in September 2023 through January 2024, the CERF Anticipatory Action Project 3 (CAAP/3) aimed to reach 19,033 household beneficiaries to be prepared when facing high susceptibility to severe impacts of a Category 3-5 tropical typhoon. The project was implemented in 13 municipalities and 1 City in Caraga region (Surigao del Norte and Surigao City) and 3 municipalities in Southern Leyte. CAAP/3 was implemented from September 2024 through January 2025.

During the implementation of the CAAP since 2022, CFSI completed Phase One activities, while Phase Two was not activated.

8. World Health Organization – Technical Assistance in the Implementation of MHPSS Activities and Capacity Building in BARMM (MHPSS for BARMM Project – MBP). WHO commissioned CFSI for Technical Assistance in this initiative led by MOH, DOH, and WHO Philippines with support from the Australian Government as part of the broader Project BRAVE. It is a comprehensive program that aims to support and strengthen the existing systems and mechanisms of MOH and its partners in carrying out timely, appropriate, and accessible MHPSS services and activities.

The technical assistance work ran from May to October 2023.

### Multilateral Financial Institutions

#### *C. Funds from Multilateral Financial Institutions for Projects in Mindanao*

Mindanao World Bank - Bangsamoro Camps Transformation Project (BCTP). This represents funds received from the International Bank for Reconstruction and Development (i.e. the World Bank) for the implementation of the Bangsamoro Normalization Trust Fund (BNTF). The World Bank and CFSI signed BNTF Grant No. C1890 on 30 June 2023 amounting to US\$4,000,000, with effectivity date of 4 July 2023 through 28 February 2025, with CFSI as the grant recipient and implementing agency.

The project aims to improve access to socioeconomic services and basic infrastructures in the target communities in the six previously-acknowledged camps of the Moro Islamic Liberation Front (MILF) across 5 provinces. BCTP is in line with the broader objectives of the BNTF, which is to assist in the development of the Camps with the aim of transforming them into peaceful and productive communities and will support the priorities and prioritized interventions outlined in the Camps Transformation Plan (CTP) and Camps Transformation Investment Plan (CTIP). Within this broader context, the proposed project is expected to contribute to the following priorities: strengthened food security and improved agricultural productivity through household income diversification and improved access to socioeconomic services and basic infrastructure (community and socio economic).

CFSI's responsibilities as the grant recipient and implementing agency include ensuring compliance to standards vis-à-vis financial management, procurement, civil works, and applicable environmental and social standards, risk management, monitoring and evaluation, institutional development, and capacity development of the Bangsamoro Development



Agency (BDA, Inc.) and other stakeholders. Generally, CFSI is tasked to lead and manage the overall implementation of the BCTP and the achievement of outputs and outcomes in a timely manner.

The Community Development Assistance Component includes: (1) Income Stabilization Sub-projects involving the provision of inputs for agriculture-based and livelihood diversification; (2) Community Infrastructure Sub-Project involving the construction of 12 Socio-Economic Infrastructures (SEIs), 12 Community Facilities (CFs), and 4 Indigenous People Sub-Projects (IPSPs); and, across all components, conduct of capacity strengthening activities on Disaster Risk Reduction and Climate Change Adaption for BDA and camp-level JTFCT.

In January 2025, the World Bank extended the project through June 2025, at no additional cost.

### Governments

#### *D. Funds from Governments for Projects in Mindanao*

1. Australia Department of Foreign Affairs and Trade (DFAT) - Marawi COVID Recovery Project (MCRP). The security, peacebuilding, humanitarian, and development implications of the situation in Marawi warranted an immediate and sustained response by the Australian Government through the Marawi Recovery Project (MRP) implemented from October 2017 to December 2021. The MRP built on the lessons learned from the Zamboanga Recovery Project, an earlier project between CFSI and DFAT, and promoted the protection and psychosocial and economic recovery of at least 6,500 households (32,500 persons), thereby enabling an improved quality of life, the strengthening of relations between peoples and greater prospects for peace.

Building on the achievements of, and lessons learned through, the implementation of the MRP, the MCRP was developed to continue to promote protection and enable at least 4,000 households (20,000 persons) to recover from the early economic and psycho-social impact of the COVID-19 pandemic. The envisaged outcomes include collective effort to prevent and respond to infection, an improved quality of life, the strengthening of relations between peoples, and greater prospects for peace.

The project started in January 2021 and was completed in June 2023.

2. Australia Department of Foreign Affairs and Trade (DFAT) – The We Can Project (WCP) aims to support local recovery and promote resiliency, is being implemented in: two regions—Region XIII and CARAGA; three provinces—Southern Leyte, Dinagat Islands, and Surigao Del Norte; two cities—Maasin and Surigao City; and 13 municipalities—Burgos, Del Carmen, Libjo, Loreto, Padre Burgos, Pintuyan, San Benito, San Francisco, San Jose, San Juan, Sogod, St. Bernard, and Tubajon.

The objective of the WCP is to strengthen the capacity of local actors to promote protection, resiliency, and the sustainable recovery of 6,000 households or 30,000 persons affected by Typhoon Odette. The project is composed of four (4) general objectives: (1) help meet basic household expenses through climate-resilient, sustainable livelihoods; (2) reduce community vulnerability to future shocks through local Disaster Risk Reduction (DRR) efforts; (3) benefit qualified project participants through state-mandated social protection programmes; and (4) strengthen community-based mental health and psychosocial support systems. The WCP has so far reached 4,170 households out of the 6,000 target.



The Grant Agreement for WCP was signed in February 2023, and will be implemented through June 2025.

3. Spanish Agency for International Development (AECID) – Communities for Learning and Employment Project (CLEP). Building on the gains from the Camps of Learning Project, the CLP aims to promote peace and sustainable local development in the six MILF camps, specifically to design and implement a training mechanism for access to employment and/or income for 1,800 residents, mainly women.

The CLEP is a 33-month project which started in September 2022 and will end in May 2025.

The general objective of the Communities for Learning and Employment Project (CLEP) is to promote peace and sustainable local development in six (6) previously acknowledged Moro Islamic Liberation Front (MILF) camps and their areas of influence. The specific objective is to design and test a training mechanism that will enable 1,800 residents, primarily females, to access employment and/or income. The project will provide technical and vocational skills development training, internships, placement, coaching services, and employment access, as well as livelihood initiatives that facilitate access to income. Additionally, six (6) Community Learning Centers (CLCs) will be constructed in underserved communities in the camps in year two. The project will also capacitate local People's Organizations (POs) on project sustainability, including operations, maintenance, and sustainability of the CLCs. Furthermore, partners and beneficiaries will benefit from awareness-raising activities on protection, disaster risk reduction (DRR), women's rights, sexual exploitation, abuse, and harassment (PSEAH), and children's rights.

4. European Union (EU) – Children for Climate Action Project (CCAP) aims to promote the rights and well-being of children affected by the impacts of climate change in the barangays of Arena Blanco and Kasanyangan in Zamboanga City (Zamboanga Peninsula Region), Tambacan and Rogongon in Iligan City (Northern Mindanao Region), Tamontaka IV and Tamontaka V in Cotabato City (BARMM). CCAP focuses on three areas: (1) participation, (2) education, and (3) access to social protection, livelihood support, and critical services. The expected outcomes of this project include empowered children with increased resilience, educated parents and guardians, and capacitated local officials for inclusive policy-making and climate action. Improving knowledge and adaptation strategies among communities as a whole will lead to a broader societal shift towards sustainable, child-centric climate resilience.

The Grant Agreement for CCAP was signed on 28 November 2024, and will be implemented through November 2027.

#### E. *Funds from Governments for Projects in Metro Manila*

European Union (EU) - Sexual and Reproductive Health and Rights for Children and Young People in Pasay City (SRHP). CFSI has been actively promoting efforts to protect and assist vulnerable children and youth in exceptionally difficult circumstances in the Park Avenue in Pasay City, Metro Manila since 2002. This ongoing effort, dubbed as Park Avenue Initiative (PAI), is being steered by a group of CFSI Staff Members, who also conduct emergency response operations in Luzon during crisis situations. Over the years, the PAI has established several projects with a variety of partners. One of these projects is the SRHP, covered by a three-year agreement between CFSI and the European Commission.



The SRHP aims to contribute to the safeguarding and advancing of sexual and reproductive rights for young people, including persons with disabilities (PWD), in the 12 barangays in Pasay City. Objectives included promoting health-seeking behavior and improving access to youth-friendly integrated sexual and reproductive health services, resulting in the finalization of the case management protocol and the enactment of the ASRHR Ordinance in Pasay City. Additionally, an SRH Clinic was established and operationalized.

The project started in November 2020 and was completed in November 2023.

#### Private Sector

Private Sector Funds represent funds received from the private sector in the Philippines and in other countries, including foundations, corporations, academic institutions, religious institutions, community groups and individuals, for CFSI projects and activities in the Philippines. Most of these funds are restricted and can only be used for specific projects or activities. Those who provided major grants are described below, while others are simply listed.

#### F. *Funds from the Private Sector for Projects in Mindanao*

1. Zapanta Realty and Development Corporation (ZDRC) - Harmony Learning Center for Marawi Project Phase Two (HLCMP/3). CFSI received funds from ZDRC to contribute to the establishment of a healthy, safe, and livable Marawi City, by providing displaced children access to educational services and facilities that will promote their well-being and development. HLCMP/3 builds on the gains of, and lessons learned from, the first two phases of the HLCMP, which was funded by the ZDRC from December 2017 through September 2018, and from February 2020 to September 2021.

During the first phase, ZRDC and CFSI established two Harmony Learning Centers (HLCs) located at Barangay Cabasaran and Barangay Sagonsongan while during the second phase it is located at Boganga Transitory Shelter, Barangay Boganga, all are in Marawi City.

HCLMP/3 was implemented in Hadiya Village, Barangay Dulay West, Marawi City. The Hadiya Homeowners Association together with the Social Housing Finance Corporation (SHFC) provides space for the construction of HLCs which is expected to accommodate pre-school children needing a safe learning environment and support systems. Currently, the HLC has at least 90 Early Childhood Care and Development (ECCD) children both from Hadiya and their host community. HLC is now supervised by the Marawi City Social Welfare and Development Office as one of their Child Development Centers.

HCLMP/3 started in August 2022 and ran through March 2023.

2. China Medical Board – Community of Practice on Mental Health and Psychosocial Support Project (COP-MHPSS Project). In December 2021, CFSI received funding support for the COP-MHPSS Project to improve mental health and well-being of communities in 10 municipalities in the Province of Maguindanao. The outcomes include: (1) COP proactively supports MHPSS systems strengthening in the communities; (2) COP contributes in enhancing available MHPSS guidelines and capacity building modules; (3) COP members engage with government focal points to exchange insights and learn; and (4) COP contributes in the development of MHPSS capacity building program.

The project started in January 2022 and completed December 2024.



3. The Asia Foundation – MHPSS Converge Project (MCP). The project aims to strengthen the capacities of local government units, local civil service organizations, and other key stakeholders in carrying out mental health and psychosocial services (MHPSS) activities that appropriately respond to the respective MHPSS needs of the communities to prevent violent extremism, promote peacebuilding, and respond and minimize the effects of the COVID-19 pandemic. This is carried out in conflict affected areas in Mindanao, particularly in the provinces of Maguindanao, Lanao del Sur, Lanao del Norte, North Cotabato, Sultan Kudarat, Zamboanga Peninsula, and the island provinces of Basilan, Sulu and Tawi-Tawi.

The project started in December 2022 and completed in February 2023.

#### G. *Funds from the Private Sector for Projects in Metro Manila*

Voice Philippines - Empowering Refugee Women and Youth Towards Self-Reliance and Socioeconomic Integration in the Philippines (ERWY). In March 2022, CFSI entered into a partnership with Voice Philippines which seeks to empower refugee women and youth towards self-reliance and socioeconomic integration in the Philippines. CFSI works with the Philippine Arab Cooperation Council, which is composed of over 250 members, most of which are refugees and asylum seekers, and Arab people living in the Philippines. The project will be implemented from February 2022 through April 2024.

Park Avenue Initiative - CFSI has been actively promoting efforts to protect and assist vulnerable children and youth in exceptionally difficult circumstances in the Park Avenue in Pasay City, Metro Manila since 2002. This ongoing effort, dubbed as Park Avenue Initiative (PAI), is being steered by a group of CFSI Staff Members.

In 2024, the PAI implemented various activities through a partnership with the AIDS Healthcare Foundation, which started in March 2024, and is foreseen to continue through 2026.

In addition, two US-based donors provided support for advocacy efforts of PAI starting from September 2024 through early 2025.

#### **Myanmar Programme**

The Myanmar Programme includes funds from United Nations Children’s Fund (UNICEF), United Nations High Commissioner for Refugees (UNHCR), United Nations Population Fund (UNFPA), and the private sector, for CFSI activities in the Republic of the Union of Myanmar.

#### H. *Funds from UN Agencies for Projects in Rakhine State*

1. UNICEF - Strengthening Child Protection Intervention and Community-based Services in Rakhine State (SCPICS). Since 2016, CFSI has continuously implemented the SCPICS, formerly known as SCP (Strengthening Child Protection in underserved areas of Rakhine State). For the year 2024, CFSI, through the SCPICS, aims to continue providing psychosocial support and services, and address the needs for case management and referral services of children and caregivers especially for those affected by the protracted armed conflict between the Myanmar Armed Forces (MAF) and the Arakan Army (AA) in Rakhine State, particularly in Maungdaw, Buthidaung, Rathedaung, Sittwe, Pauk Taw, and Kauk Taw.



The key achievements of SCPICS include: (a) 276 community-based child protection mechanisms that assess, analyze, monitor, and report child protection concerns and their root causes in the villages were established; (b) 36,031 children, adolescents, parents and caregivers received community-based mental health and psychosocial support services, including access to child friendly spaces with intersectoral programming interventions; (c) 112 village tracts had established integrated case management system, including referral pathways for services and a safe information management system; (d) 584 children received case management services; (e) 403 children (survivors of grave child rights violations, landmine explosions, COVID-19, illegal migration, child trafficking, and children with disability) received emergency support and referral services; (f) 16,696 boys and girls, men and women had access to explosive weapons-related risk education and COVID-19 prevention messages; (g) 7,565 adolescent boys and girls, men and women were provided with risk mitigation, prevention, or response interventions to address gender-based violence; and (h) 5,554 children and adults were reached with awareness activities and community mobilization interventions on PSEA and children's rights.

The project started in February 2024 and will be completed in May 2025.

2. UNICEF - Emergency and durable solutions - WASH responses to conflict affected populations in northern Rakhine (WASHiE). CFSI and UNICEF have been collaborating in implementing WASH programme in Maungdaw, Buthidaung, and Rathedaung townships of Rakhine State beginning in 2019. Throughout the years, the partnership continues to address the WASH needs of vulnerable populations in identified project areas, and provided emergency assistance to those affected by natural disasters and armed conflicts amidst the challenges of the operational environment.

In 2024, the project aimed to achieve the following outputs: (a) 3,600 affected populations have safe and equitable access to, and use a sufficient quantity and quality of water to meet their drinking and domestic needs; (b) 4,000 affected populations have safe access to, and use appropriate sanitation facilities; and excreta is safely managed; and (c) 5,000 at risk and affected populations have timely access to culturally appropriate, gender, and age sensitive information, services, and interventions related to hygiene promotion, and adopt safe hygiene practices.

The key achievements in 2024 include: (a) 1,894 are benefiting from improved drinking water, meeting demand for domestic purposes, at minimum agreed standards; (b) 4,189 individuals are benefitting from a functional excreta system reducing safety, public health, and environmental risks; and (c) 5,442 individuals benefited from timely, adequate, and tailored personal hygiene items, and received appropriate community-tailored messages that enabled health seeking behavior.

The project started in January 2024 and ended in February 2025.

3. UNICEF - Community and Home-based Action for Inclusive and Responsive Education Project (CHAIRE). The CHAIRE project aimed to contribute in realizing the overarching vision of Learning Together, “to increase trust and collaboration among diverse communities around a common commitment to creating a peaceful and prosperous future for children in Rakhine State.”

For 2024, the overall objective of the Learning Together Phase II programme is to continue to support learning in diverse communities, reaching 20,000 learners (50% girls), including children with disabilities in 120 communities in 9 townships in the Rakhine State.



CHAIRE 2 continues to implement the Adaptive Learning Activities (ALA) or remedial classes aiming to reach 3,300 children (6-14 years old boys and girls); and the 700 adolescent boys and girls, including those with disabilities) for Technical, Vocational and Life Skills Training. The project is benefitting children who have never been in school and those who dropped out of school due to various reasons including, but not limited to poverty, armed conflict, cultural barriers, and absence of schools in remote villages in Maungdaw and Buthidaung townships of Rakhine State. In late 2024, the programme expanded to include Rathedaung and Sittwe townships.

The key achievements as of December 2024 include: (a) 2,163 primary and school-aged children (6-14 years) completed the remedial class curriculum through inclusive, flexible and responsive learning activities with psychosocial support services in safe spaces. In 2024 academic year, no re-enrollment of children happened because government schools were closed due to armed conflict; and (b) 178 adolescents (15-17 years) benefitted from the EXCEL and life skills training (language) and technical-vocational skills training activities in safe spaces.

The project started in November 2023 and was completed in November 2024. CFSI and UNICEF continued the project starting in November 2024, with the expected completion in November 2025.

4. UNICEF - Procurement of EiE contingency supplies and conducting small scale research on the situation of education in Rakhine and Kachin (Research and Procure). The Research and Procure project had three main activities: (a) procure contingency supplies for 5 sub-national Education Clusters and delivered to respective UNICEF warehouses; (b) conduct 2 small scale studies in Rakhine State and Kachin State; and (c) provide education in emergency (EiE) support to respond to the needs of cyclone-affected schoolchildren.

The two small-scale studies on education were done during the project period; one in Rakhine State carried out by CFSI; and one in Kachin State implemented by Diocesan Committee on Education (DCE). CFSI served as intermediary agency in releasing the research funds to DCE.

The CFSI research study generally aimed to determine the benefits and impact of the non-formal education (NFE) programme, services and intervention to children in CFSI project areas and non-project areas in Maungdaw and Buthidaung.

On EiE support for cyclone-affected schools and children, CFSI supported 50 schools in repairing damaged school buildings through cash assistance; and provided classroom materials like tables, chairs, and blackboards. Handwashing stands were installed in most schools needing this WASH facility. The schools also received essential learning materials that benefitted 3,350 schoolchildren.

The project was implemented from June to August 2023.

5. UNFPA - Gender-Based Violence, Sexual and Reproductive Health Rights, and Mental Health and Psychosocial Integrated Project (GSMIP). CFSI and UNFPA continued to collaborate in implementing the GSMIP in 2024. The project aimed to improve access to life saving women's wellness information and services for the communities affected by violence and disasters in Maungdaw, Buthidaung, and Rathedaung Townships of Rakhine State.

The main activities of this project are: GBV case management and emergency SRH support and referral services; the operation of helpline numbers; education awareness on GBV-SRHR-



MHPSS in communities; the running women and girls Safe House and women's safe spaces in communities; and response to cyclone-affected communities. CFSI also engaged with local organizations: the Action for Green Earth (AGE), and Maungdaw Youth Affairs Network (MYAN) in order to increase the reach of GBV-SRHR-MHPSS services in the three townships.

The key achievements in 2024 are: (a) provided GBV case management services (in person and remote case management including PSS support to GBV survivors; (b) 655 women and 2,346 individuals received EMONC (emergency obstetrics and newborn care) and Family Planning support services respectively, through SRHR cash assistance for referral support; (c) 600 men, boys, adolescent girls, and couples engaged in GBV prevention activities to champion gender equality and GBV prevention; (d) 8,196 individuals gained knowledge and awareness on GBV, SRHR, MHPSS including PSEA, GBV Referral Pathway and available services through the Mobile Team; (e) 1,825 dignity kits and 8,100 sanitary pads were distributed at IDP sites; and cash assistance were provided to 997 women for the purchase of women essential items; and (f) 3,000 awareness raising sessions on GBV and SRHR, and 1,900 cash assistance for women essential items were provided by CBO partners to women and girls affected by conflict.

The project was implemented from January through December 2024.

6. UNHCR - Protection Awareness and NFI Distribution for Persons with Specific Needs (Protect PSN). Protect PSN project is a continuation of the two-month project in 2022. This project sought to alleviate the suffering of 5,000 highly vulnerable individuals (people-at-risk of statelessness, stateless populations, IDPs and affected host communities) in villages, IDP sites, and IDP host communities in Maungdaw, Buthidaung, and Rathedaung townships in Rakhine State by providing relief items and other humanitarian assistance.

The project had two integrated activities: NFI distribution and protection awareness-raising sessions. The project was later amended to include shelter materials plus cash-based assistance, and livelihood skills training for PSN households affected by cyclone in May 2023.

The key achievements in 2024 include: (a) 6,743 PSN, equivalent to 36,978 individuals including 377 PWDs received Core Relief Items (CRIs) and other non-food item (NFIs) such as Tarpaulin, Kitchen Set, Hygiene Kit, Sanitary Kit, Blanket, Mosquito Net, Sleeping Mat, Bucket, Jerry Can, Winter Jacket and Solar Lamp etc.; (b) 22 PSN HHs, 113 individuals including 78 Rohingya and 55 Rakhine ethnicity received shelter materials for the rebuilding of their houses; (c) 178 HHs equivalent to 1,052 individuals beneficiaries receive cash assistance for multipurpose; and (d) 900 individuals are benefitted and gained knowledge on key protection issues from the protection awareness sessions.

The project was implemented from January through December 2024.

### Private Sector

#### I. *Funds from the Private Sector for Projects in Rakhine State*

American Jewish World Service - Humanitarian Support Project (HSP). The Humanitarian Support Project (HSP) is the 2<sup>nd</sup> phase of the AJWS and CFSI collaboration aimed at responding to the humanitarian needs of populations affected by armed conflict, natural disasters, and other difficult circumstances.

The operational environment in Myanmar, particularly in Rakhine State remained volatile despite the informal ceasefire between the Myanmar Armed Forces and the Arakan Army. Through this



project, CFSI was able to help mitigate some of the impact of this deteriorating situation, including: (a) 1,741 households (10,191 individuals) in 22 IDP sites in Sittwe, Ponnagyun and Pauk Taw benefitted from the core relief items and other NFIs distributed by and through CFSI. The NFIs helped alleviate their suffering and regained their human dignity.

The project started in July 2021 and was completed in March 2024.

J. *Social Work Education Project (SWEP) Myanmar Fund*

The combination of CFSI's long experience in Myanmar, the highly successful implementation of SWEP-Mindanao and SWEP-Viet Nam, the commitment of ASEAN member states to advance social work education at both the national and regional levels, and Myanmar's desire to rapidly develop social work as a profession in aid of social protection, led to the creation of SWEP-Myanmar.

CFSI and the Ministry of Social Welfare, Relief and Resettlement (MSWRR) signed in February 2016 a Memorandum of Understanding (MOU) to strengthen and further develop human resources in social work to the benefit of disadvantaged, vulnerable, and crisis-affected populations in Myanmar. This initiative calls for CFSI to provide training in Yangon, as well as assistance in Nay Pyi Taw and allows for "learning-while-doing" opportunities in Rakhine and Kachin states. The signing of the new MOU for the ongoing partnership is aimed in 2025.

**Viet Nam Programme**

The Viet Nam Programme includes funds for social development activities carried out in Viet Nam, specifically activities designed to strengthen the capacity of service providers to protect and assist disadvantaged and vulnerable populations. These efforts built on social work training and related services carried out by CFSI in Viet Nam from 1992 until 2005, as well as the Social Work Education Project (SWEP) carried out in Mindanao, Philippines from 2006 to 2014.

The SWEP in Viet Nam Fund Project aimed to better protect and assist disadvantaged and vulnerable populations in Viet Nam by strengthening and further developing human resources in social work.

On October 25, 2017, CFSI and the Ministry of Labour, Invalids and Social Affairs (MOLISA) signed a new Memorandum of Understanding for SWEP Viet Nam Phase 2 which covers the period from the date of the signing to December 31, 2022. The purpose of this extended cooperation is to further strengthen and develop human resources in social work, ultimately leading to greater protection and more effective assistance for disadvantaged and vulnerable population in Viet Nam. The project aims to continue to strengthen knowledge and skills on social work for staff from Social Protection Centers and Social Work Service Centers in the MOLISA system and its affiliates including the Department of Labor Invalids and Social Affairs (DOLISA) in the provinces.

At least 700 additional managers of Social Assistance Centers are expected to earn Certificates in Social Work Administration over the next five years. At least 300 of these managers, all graduates of the Executive Education Programme, shall have the opportunity to earn a master's degree in social work from one or more accredited schools of social work in Viet Nam, Philippines and/or other countries.

Due to the COVID-19 pandemic, the Executive Education Program could not be conducted in 2021. However, the Master of Social Work Programme was conducted in Ha Noi and Ho Chi Minh City, and by the end of 2021, the first batch of 18 graduates finished with a Master degree. A plan for a second batch of 16 students was expected, with the target date to be determined by the MOLISA.



## Headquarters Programme

The Headquarters Programme includes funds for the overall management of CFSI, special initiatives, immediate responses to humanitarian emergencies, staff retirement benefits, mission-related social enterprises and the sustainability of CFSI. The sources of these funds are support from partner organizations, grants, donations and fund-raising initiatives undertaken by CFSI.

### K. *Headquarters Fund*

This represents operational support from agreements entered into by CFSI and contributions from the private sector, both in the Philippines and abroad. The latter includes both restricted and unrestricted grants from supporting organizations; contributions from community groups; donations from concerned individuals, Board Members, and Staff, as well as gifts from those who wish to remain anonymous. These contributions are intended to finance counterpart costs, development costs, the costs of the general and administrative services of CFSI Headquarters, special initiatives and other needs. Those who provided major grants are as follows:

1. Other donors who provided support for CFSI Headquarters in 2024 and 2023 are listed in the table below:

<u>Donors in the Philippines</u>	<u>Donors Outside the Philippines</u>
Breadwinner Food Corporation	Various individuals based in the USA
Various Individuals	
CFSI Board Members	
CFSI Staff Members	

2. In October 2021, Executive Director Steven Muncy was named one of the recipients of the Ramon Magsaysay Award. Mr. Muncy donated the RMA cash award of \$30,000 to CFSI to help continue providing humanitarian and development assistance, help build peace, prevent disasters and promote social justice.



L. Capacity Strengthening for Localization Project

Funded by Australia Department of Foreign Affairs and Trade (DFAT), the overall aim of the Capacity Strengthening for Localization Project (CSLP) is a more strategic, effective, and sustainable Philippine Inclusive NGO Network (PINGON), resulting in greater impact in, and with, communities affected by, or at risk of, external shocks requiring humanitarian action. PINGON was established in 2007 by several international NGOs operating in the Philippines, largely in response to participation, collaboration, and influence opportunities that emerged from the roll out of the global Humanitarian Agenda by the United Nations-led Philippine Humanitarian Country Team. A long-time member of PINGON, CFSI was selected as Convenor for a 1-year term starting in January 2024. In August 2024, the PINGON membership requested CFSI to extend its term for another year, through 2025.

The two major objectives of the CSLP are: (1) strengthen the collective capacity to provide, as well as advocate for, people-centered humanitarian assistance that builds on the strengths of the affected populations, addresses their prioritized needs, and is well coordinated with other stakeholders, include duty bearers; and (2) work together to enhance the functioning as well as prospects for the long-term sustainability of the Network.

The Grant Order for CSLP was signed in May 2024, and will be implemented through May 2026.

M. *SWEP Asia Fund*

With the success of the SWEP in Mindanao, Philippines and in Viet Nam, CFSI is establishing other SWEP initiatives in other countries in Asia. Whilst in their early stages of development, these are known collectively as SWEP Asia.

Under SWEP Asia, financial support has been provided to various individuals for scholarships and for participation in workshops.

N. *Center for Excellence in Humanitarian Service (CEHS) Fund.*

The CEHS, constructed in Cotabato City in 2009, includes facilities for training, meetings and research in humanitarian assistance; accommodations for training participants; and an office in support of CFSI operations in the conflict-affected areas of Mindanao. These human resource development initiatives aim to achieve greater participation at the community level and, therefore, more effective programmes and services to the direct benefit of people affected by armed conflict and disaster in Mindanao and, ideally, other parts of Asia. The CEHS was completed in February 2009 and serves as the home for the SWEP Mindanao. Many other training activities carried out by CFSI are held in CEHS. It is located on the CFSI property in Rosary Heights IV, Cotabato City and is fully operational.

Throughout 2024, the CEHS continued to serve as the venue for training workshops, seminars, and meetings in accordance with the mission of CFSI.



**SUMMARY OF PROJECT FUNDING GRANTS**

The table below summarizes the funds for humanitarian and development activities of CFSI that are covered with project agreements. The term of these project agreements cover 2024. Funds for most of these projects were received in 2024.

	Paragraph Reference	Term of Grants	Amount of Grants (a)	As at December 31, 2023 (b)	During 2024 (c)	As at December 31, 2024 (d) = (b) + (c)	Total Funds Received			Projects closed: Balance of Grants not to be Received € = (a) - (d)	Committed Grants to be Received (f) = (a) - (d)	Projects closed: Received Grants Returned and to be Returned to Donors (g)
<b>PHILIPPINE PROGRAMME</b>												
<b>UN High Commissioner for Refugees (UNHCR)</b>												
Nationwide - Urban Refugee Project (URP)	A	January 2024 - December 2024	₱10,568,561	₱-	₱10,568,561	₱10,568,561				-		-
Mindanao - Birth Registration Project (BRP)	B.1	September 2024 - June 2026	₱16,743,360	₱-	₱2,896,704	₱2,896,704				-	₱13,846,656	-
<b>UN Children's Fund (UNICEF)</b>												
Mindanao - Climate Resilient WASH In Schools Project (CRWP)	B.4	May 2024 to September 2024	₱4,720,498	₱-	₱4,037,909	₱4,037,909				₱682,589	₱-	-
Mindanao - Climate Resilient WASH In Schools Project (CRWins)	B.4	November 2024 to November 2025	₱13,996,242	₱-	₱3,575,000	₱3,575,000				-	₱10,421,242	-
Mindanao - Enhancing Child Protection Capacities: Empowering LGU Workforce and Communities (CPCP)	B.5	August 2024 to December 2026	₱18,485,260	₱-	₱4,803,940	₱4,803,940				-	₱13,681,320	-
Mindanao - Social Work Education Project (SWAPC)	B.2	October 2023 to September 2025	₱14,205,438	₱1,110,824	₱7,102,719	₱8,213,543				-	₱5,991,895	-
<b>UN World Food Programme (WFP)</b>												
Mindanao - Food Security and Nutrition Project (FSNP)	B.6	November 2022 to December 2024	₱33,528,006	₱18,321,124	₱11,121,378	₱29,442,502				₱195,003	₱3,890,501	-
Mindanao and Visayas - CERF Anticipatory Action Project (CAAP-2)	B.7	August 2023 to January 2024	₱5,068,434	₱1,773,594	₱1,258,808	₱3,032,402				₱2,036,032	-	-
Mindanao and Visayas - CERF Anticipatory Action Project (CAAP-3)	B.7	August 2024 to January 2025	₱5,443,938	₱-	₱1,780,486	₱1,780,486				₱2,489,872	₱1,173,580	-
<b>The World Bank</b>												
Mindanao - Bangsamoro Camps Transformation Project (BCTP)	C	July 2023 to June 2025	USD \$4,000,000	USD \$1,098,758	USD \$2,901,242	USD \$2,901,242				-	-	-
			or	₱220,000,000	or	₱60,431,690	or	₱159,568,310			₱220,000,000	-
<b>Australia Department of Foreign Affairs and Trade (DFAT)</b>												
Mindanao and Visayas - We Can Project (WCP)	D. 2	February 2023 to July 2025	AUD AU\$4,000,000	AUD AU\$3,300,000	AUD AU\$700,000	AUD AU\$700,000				-	-	-
			or	₱151,982,990	or	₱125,178,450	or	₱26,804,540			₱151,982,990	-

(Forward)



											Total Funds Received				
<b>Spanish Agency for International Development Cooperation (AECID)</b>															
Mindanao - Communities for Learning and Employment Project (CLEP)	D. 3	September 2022 to June 2025	Euro	€2,000,000	Euro	€1,250,000	Euro	€750,000	Euro	€750,000					
			or	₱108,000,000	or	₱67,500,000	or	₱40,500,000	or	₱108,000,000					
<b>European Union</b>															
Mindanao - Children for Climate Action Project (CCAP)	D. 4	December 2024 to December 2027	Euro	€600,000	Euro	–	Euro	–	Euro	–			€600,000		
			or	₱36,000,000	or	₱–	or	₱–	or	₱–			₱36,000,000		
<b>Private Sector Fund</b>															
Metro Manila - Voice Philippines - Empowering Refugee Women	G	March 2022 to June 2024	Euro	€181,872	Euro	€136,502	Euro	€45,370	Euro	€45,370					
			or	₱10,148,823	or	₱7,886,542	or	₱2,262,281	or	₱10,148,823					
Metro Manila - Park Avenue Initiative (AHF Partnership)	G	March 2024 to December 2027		₱4,698,000		₱–		₱1,002,307		₱1,002,307			₱563,693		₱3,132,000
Metro Manila - Park Avenue Initiative : Take It Higher	G	September 2024 to January 2025	USD	\$10,000	USD	–	USD	\$10,000	USD	\$10,000					
			or	₱571,915	or	₱–	or	₱571,915	or	₱571,915					
Mindanao – China Medical Board – Community of Practice for MHPSS (COP-MHPSS)	F. 2	January 2022 to December 2024	USD	\$100,000	USD	\$80,000	USD	\$20,000	USD	\$20,000					
			or	₱5,326,350	or	₱4,196,350	or	₱1,130,000	or	₱5,326,350					
<b>Subtotal in US dollar</b>				<b>\$4,110,000</b>		<b>\$1,178,758</b>		<b>\$2,931,242</b>		<b>\$2,931,242</b>					
<b>Subtotal in Australian dollar</b>				<b>AUS\$4,000,000</b>		<b>AUS\$3,300,000</b>		<b>AUS\$700,000</b>		<b>AUS\$700,000</b>					
<b>Subtotal in Euro</b>				<b>€781,872</b>		<b>€136,502</b>		<b>€45,370</b>		<b>€45,370</b>			<b>€600,000</b>		
<b>Subtotal in Philippine Peso</b>				<b>₱127,457,736</b>		<b>₱21,205,542</b>		<b>₱48,147,811</b>		<b>₱69,353,353</b>		<b>₱5,967,189</b>		<b>₱52,137,194</b>	<b>₱–</b>
<b>MYANMAR PROGRAMME</b>															
<b>UN Children's Fund (UNICEF)</b>															
Myanmar - Community and Home-Based Action for Inclusive and Responsive Education Project (CHAIRE)	H. 3	November 2023 to November 2025	USD	\$399,907	USD	\$43,035	USD	\$176,580	USD	\$219,615				USD	180,292
			or	₱21,994,885	or	₱2,395,113	or	₱10,689,899	or	₱13,085,012				or	₱8,909,873
Myanmar – Strengthening CP Intervention and CB Services (SCPICS)	H.1	May 2023 to February 2024	USD	\$906,219	USD	\$548,788	USD	\$265,557	USD	\$814,345	USD	\$91,874			
			or	₱49,842,066	or	₱30,953,089	or	₱15,389,380	or	₱46,342,469	or	₱3,499,597			
Myanmar – Strengthening CP Intervention and CB Services (SCPICS)	H.1	May 2024 to May 2025	USD	\$754,007	USD		USD	\$270,163	USD	\$270,163		USD	\$483,844		
			or	₱41,470,385	or		or	₱15,613,824	or	₱15,613,824		or	₱25,856,561		
Myanmar – WASH Responses to Conflict Affected Populations (WASHiE)	H.2	June 2023 to December 2023	USD	\$229,519	USD	\$209,659	USD	\$12,201	USD	\$221,860	USD	\$7,659			
			or	₱12,623,545	or	₱11,863,878	or	₱712,782	or	₱12,576,660	or	₱46,885			
Myanmar - WASH Responses to Conflict Affected Populations (WASHiE)	H.2	January 2024 to January 2025	USD	\$290,708	USD		USD	\$209,880	USD	\$209,880		USD	\$80,828		
			or	₱15,988,940	or		or	₱11,994,948	or	₱11,994,948		or	₱3,993,992		

(Forward)



													Total Funds Received				
<b>UN Population Fund (UNFPA)</b>																	
Myanmar – GBV, SRHR, and MHPSS Integrated Project (GSMIP)	H.5	January 2024 to December 2024	USD	\$498,443	USD	\$115,965.27	USD	\$302,023	USD	\$417,988	USD	\$74,306			–	USD	\$6,149
			or	₱27,414,358	Or	₱5,798,264	or	₱17,441,522	or	₱23,239,785	or	₱3,836,377			–	or	₱338,195
<b>UN High Commissioner for Refugees (UNHCR)</b>																	
Myanmar – Protect Persons with Specific Needs (PSN)	H.7	January 2024 to December 2024	MMK	MMK276,267,794	MMK		MMK	MMK276,267,794	MMK	MMK276,267,794					–		–
			or	₱3,908,503	or		or	₱3,908,503	or	₱3,908,503					–		–
<b>HEADQUARTERS PROGRAMME</b>																	
<b>Australia Department of Foreign Affairs and Trade (DFAT)</b>																	
Nationwide - Capacity Strengthening for Localization Project (CSLP)	L	July 2024 to March 2026	AUD	AUS1,000,000	AUD		AUD	AUS600,000	AUD	AUS600,000					–	AUD	AUS400,000
			or	₱38,000,000	or		or	₱23,457,600	or	₱23,457,600					–	or	₱14,542,400
<b>Total in US Dollar</b>				<b>\$7,188,803</b>		<b>\$2,096,205</b>		<b>\$4,167,646</b>		<b>\$5,085,093</b>		<b>\$173,839</b>				<b>\$564,672</b>	<b>\$186,441</b>
<b>Total in Australian Dollar</b>				<b>AUS5,000,000</b>		<b>AUS3,300,000</b>		<b>AUS1,300,000</b>		<b>AUS1,300,000</b>		<b>–</b>				<b>AUS400,000</b>	<b>–</b>
<b>Total in Euro</b>				<b>€781,872</b>		<b>€136,502</b>		<b>€45,370</b>		<b>€45,370</b>		<b>–</b>				<b>€600,000</b>	<b>–</b>
<b>Total in Myanmar Kyat</b>				<b>MMK276,267,794</b>				<b>MMK276,267,794</b>		<b>MMK276,267,794</b>		<b>–</b>				<b>–</b>	<b>–</b>
<b>Total in Philippine Peso</b>				<b>₱127,457,736</b>		<b>₱21,205,542</b>		<b>₱48,147,811</b>		<b>₱69,353,353</b>		<b>₱5,967,189</b>				<b>₱52,137,194</b>	<b>₱–</b>
<b>Grand total in Peso</b>				<b>₱870,730,496</b>		<b>₱337,408,917</b>		<b>₱378,193,315</b>		<b>₱715,602,232</b>		<b>₱13,350,049</b>				<b>₱132,530,147</b>	<b>₱9,248,068</b>



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## 2. Basis of Preparation, Statement of Compliance and Summary of Significant Accounting Policies

### Basis of Preparation

The financial statements have been prepared on a historical basis. The financial statements are presented in Philippine Peso, CFSI's functional currency. All amounts are rounded to the nearest peso.

### Statement of Compliance

The financial statements have been prepared in accordance with Philippine Financial Reporting Standard for Small and medium-sized Entities (PFRS for SMEs).

### Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year.

### Cash

Cash includes cash on hand and in banks.

### Property and Equipment

Property and equipment, except for land, are carried at historical cost less accumulated depreciation and impairment losses, if any. Land is stated at cost less impairment in value, if any.

The initial cost of property and equipment consists of its purchase price and any directly attributable cost of bringing the property and equipment to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged as expenses in the year such 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 additional costs of property and equipment.

Depreciation is computed using the straight-line method over the following estimated useful lives of the property and equipment:

<u>Asset Type</u>	<u>Number of Years</u>
Buildings and improvements	20
Transportation equipment	5
Furniture and fixtures	5
Communication equipment	5
Office and other equipment	5

The useful lives and depreciation method of the property and equipment are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation is charged to current operations.

When assets are sold or retired, the cost and the related accumulated depreciation and any impairment in value are eliminated from the accounts and any gain or loss resulting from their disposal is credited to or charged against the statement of revenues and expenses.



#### Computer Software

Computer software is carried at cost less accumulated amortization and any impairment in value. The computer software is amortized on a straight-line basis over its estimated useful life of three years.

Computer software is classified as an intangible asset if the software is not an integral part of the related hardware. If the specific software is an integral part of the related hardware, it is treated as property and equipment.

#### Asset Impairment

At each reporting date, property and equipment and computer software are reviewed to determine whether there is any indication that assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in statement of revenues and expenses.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (or group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in statement of revenues and expenses.

#### Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses are obligations on the basis of normal credit terms and do not bear interest.

#### Retirement Benefits

CFSI has an unfunded, noncontributory, defined benefit retirement plan covering all of its regular employees. The obligation and costs of retirement benefits are actuarially computed by a professionally qualified independent actuary using projected unit credit method. Actuarial gains and losses are charged or credited to statement of revenues and expenses in the period in which they arise.

#### Fund Balances

The amount included in fund balances includes accumulated excess of revenues over expenses reduced by funds returned to funding agencies/partners and other adjustments. Funds to be returned to the funding agencies/partners are recognized as a liability and deducted from fund balances in accordance with specific provisions of the contract related to the funds. Fund balances may also include effect of changes in accounting policy as may be required by the transitional provisions of new accounting standards and interpretations.

#### Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to CFSI and the revenue can be measured reliably.

*Grants, Donations, Support and Contributions.* Grants, donations, support and contributions are recognized when the donor conditions are satisfied which generally coincide with the receipt of the grants, donations, support and contributions.

*Mission-Related Social Enterprise Activities.* Activities are recognized when revenues are received for services rendered through the social enterprise activities of CFSI, the first being the Center for Excellence in Humanitarian Service (CEHS) in Cotabato City, Mindanao, Philippines.



*Interest Income.* Interest income is recognized as the interest accrues, taking into account the effective yield of the asset.

#### Costs and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in fund balance. Costs and expenses are recognized in the statement of revenues and expenses in the year these are incurred.

#### Operating Lease

Operating lease payments are recognized as expense in the statement of revenues and expenses on a straight-line basis over the lease term.

#### Foreign Currency-denominated Transactions

Foreign currency-denominated transactions are recorded in Philippine Peso by applying to the foreign currency amount the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated using the closing exchange rate at the reporting date.

Exchange differences arising on the settlement and restatement of monetary items at rates different from those at which they were initially recorded during the year are recognized in the statement of revenues and expenses in the year such difference arises.

#### Provisions

Provisions, if any, are recognized when CFSI 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.

#### Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefit is probable.

#### Events After the Reporting Period

Post year-end events that provide additional information about CFSI's assets and liabilities at reporting period (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.

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### **3. Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the financial statements in accordance with PFRS for SMEs requires CFSI to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities, at the end of the reporting period. However, uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future years.

#### Judgments

In the process of applying CFSI's accounting policies, management has made the following judgments, which has the most significant effect on the amounts recognized in the financial statements.



*Determination of Functional Currency.* Based on the economic substance of the underlying circumstances relevant to CFSI, the functional currency of CFSI has been determined to be the Philippine Peso. The Philippine Peso is the currency of the primary economic environment in which CFSI operates. It is the currency that mainly influences the revenues and expenses.

*Revenue.* CFSI assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. CFSI has concluded that it is acting as principal in all of its revenue arrangements.

*Operating Lease Commitment - Organization as Lessee.* CFSI has entered into a lease agreement as a lessee (see Note 16). CFSI has determined that it does not retain all the significant risks and rewards of ownership of the property which are leased out in an operating lease agreement.

#### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. CFSI based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of CFSI. Such changes are reflected in the assumptions when they occur.

*Useful Lives of Property and Equipment and Computer Software.* CFSI estimates the useful lives of property and equipment and computer software based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed at each financial year-end and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. In addition, the estimation of the useful lives of these assets are based on the collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by the changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

The carrying values of property and equipment amounted to ₱16,766,185 and ₱18,226,372 as at December 31, 2024 and 2023, respectively (see Note 6).

*Impairment of Property and Equipment and Computer Software.* CFSI's management conducts an impairment review of its property and equipment and computer software when certain impairment indicators are present. This requires CFSI's management to make estimates and assumptions of the future cash flows expected to be generated from the continued use and ultimate disposition of such assets and the appropriate discount rate to determine the recoverable value of the assets. Future events could cause CFSI to conclude that these assets are impaired. Any resulting impairment loss could have a material adverse impact on CFSI's financial condition and results of operations.

Based on the assessment of CFSI, the property and equipment do not have any indication of impairment as at December 31, 2024 and 2023.

*Retirement Benefits.* The determination of the liability and retirement cost is dependent on the selection of certain assumptions by management. Those assumptions used in the calculation of retirement cost are described in Note 15 to the financial statements.



Retirement liability amounted to ₱19,155,126 and ₱15,888,563 as at December 31, 2024 and 2023, respectively (see Note 15).

#### 4. Cash

	2024	2023
Cash on hand:		
Restricted	₱2,147,424	₱1,300,980
Unrestricted	90,000	70,000
	<b>2,237,424</b>	1,370,980
Cash in banks:		
Restricted (Note 15)	243,470,943	210,737,433
Unrestricted	11,738,110	13,586,385
	<b>255,209,053</b>	224,323,818
	<b>₱257,446,477</b>	₱225,694,798

Restricted cash includes funds the use of which is restricted to specific purposes bound by contracted agreements. It also includes the fund maintained by CFSI to cover its retirement liability amounting to ₱19,155,126 and ₱15,888,563 as at December 31, 2024 and 2023, respectively (see Note 15).

Unrestricted cash includes funds that are not subject to restrictions imposed by the donor. Restricted cash on hand are maintained in the field offices in the Philippines and in Myanmar to ensure delivery of services, in case of possible emergencies.

Interest income earned from cash in banks amounted to ₱277,149 and ₱262,959 in 2024 and 2023, respectively.

#### 5. Other Current Assets

	2024	2023
Project advances:		
Operations	₱1,745,973	₱3,114,199
Due from partners:		
Bangsamoro Development Agency (BDA)	1,944,101	9,435,194
Philippine Arab Cooperation Council (PACCI)	-	609,297
Other agencies	144,147	88,345
Prepaid subscription	957,609	969,060
	<b>₱4,791,830</b>	₱14,216,095

Advances for operations represent amounts advanced for the field activities of various projects in the Philippines and in Myanmar.

Project advances to BDA and PACCI include unliquidated operational funds under Bangsamoro Camps Transformation Project (BCTP) and Empowering Refugee Women and Youth Project (ERWY). These funds are covered under Project Partnership Agreements under Grants with the World Bank and with Voice-Hivos. With the completion of ERWY, PACCI fully liquidated its operational funds in June 2024.



Prepaid subscription includes computer software, programs, and other online services that are paid on annually and/or monthly which are accessible via a web browser. These include NetSuite Financials, Zoom Video Conferencing, Dropbox Cloud Storage, Google Cloud Storage, Microsoft Office and Teamwork Project Management Software.

NetSuite Financials is a donation that includes a 12-month renewable subscription and three users.

## 6. Property and Equipment

	2024						Total
	Land	Buildings and Improvements	Transportation Equipment	Furniture and Fixtures	Communication Equipment	Office and Other Equipment	
<b>Cost</b>							
Balances at January 1, 2024	₱1,664,091	₱26,848,127	₱3,000,770	₱4,355,788	₱86,067	₱18,409,834	₱54,366,677
Additions	-	-	-	-	-	145,930	145,930
Balances at December 31, 2024	1,664,091	26,848,127	3,000,770	4,355,788	88,067	18,555,764	54,512,607
<b>Accumulated Depreciation</b>							
Balances at January 1, 2024	-	10,958,081	3,000,770	4,354,561	45,393	17,781,500	36,140,305
Depreciation	-	1,287,964	-	1,227	9,261	307,665	1,606,117
Balances at December 31, 2024	-	12,246,045	3,000,770	4,355,788	54,654	18,089,165	37,746,422
<b>Net Book Value as at</b>							
<b>December 31, 2024</b>	<b>₱1,664,091</b>	<b>₱14,602,082</b>	<b>₱-</b>	<b>₱-</b>	<b>₱33,413</b>	<b>₱466,599</b>	<b>₱16,766,185</b>

	2023						Total
	Land	Buildings and Improvements	Transportation Equipment	Furniture and Fixtures	Communication Equipment	Office and Other Equipment	
<b>Cost</b>							
Balances at January 1, 2023	₱1,664,091	₱26,848,127	₱3,000,770	₱4,355,788	₱41,750	₱17,886,120	₱53,796,646
Additions	-	-	-	-	46,317	523,714	570,031
Balances at December 31, 2023	1,664,091	26,848,127	3,000,770	4,355,788	88,067	18,409,834	54,366,677
<b>Accumulated Depreciation</b>							
Balances at January 1, 2023	-	9,564,129	2,929,693	4,289,530	41,750	17,511,154	34,336,256
Depreciation	-	1,393,952	71,077	65,031	3,643	270,346	1,804,049
Balances at December 31, 2023	-	10,958,081	3,000,770	4,354,561	45,393	17,781,500	36,140,305
<b>Net Book Value as at</b>							
<b>December 31, 2023</b>	<b>₱1,664,091</b>	<b>₱15,890,046</b>	<b>₱-</b>	<b>₱1,227</b>	<b>₱42,674</b>	<b>₱628,334</b>	<b>₱18,226,372</b>

Land includes: (a) 1,000 square meter lot in Cotabato City, Mindanao, Philippines purchased in 2006 from funds raised by CFSI, and (b) two lots totaling 529 square meters in Rizal, Luzon, Philippines donated by a member of the BOT in 2008. The property in Cotabato City includes a previously existing building, which is currently used as the office of CFSI and the CEHS. The land is intended for the long-term financial sustainability of CFSI and to enable CFSI to pursue its mission well into the future. Upon the recommendation and authorization of the donor, the BOT allowed management to sell the property in Rizal.

The cost of the Company's fully depreciated property and equipment amounting to ₱26.90 million and ₱26.46 million are still in use as at December 31, 2024 and 2023, respectively.

## 7. Deposits

As required in lease agreements, CFSI makes deposits and advance rentals for the use of the office premises in the Philippines (Metro Manila, Iligan City, Marawi City, Zamboanga City, Maasin City, Sogod, Surigao City, Tabajon and Del Carmen) and in Myanmar (Yangon, Sittwe and Maungdaw), and the warehouse in Maungdaw. CFSI was also required to post a deposit for the installation and use of an electric transformer and meter for the CEHS in Cotabato City.



As of December 31, 2024 and 2023, CFSI made deposits totaling ₱758,807 and ₱826,441, respectively, which will be returned to CFSI after the termination of the relevant lease agreements.

## 8. Computer Software

Computer software includes desktop applications, additional user licenses and remote data storage and backup.

	2024	2023
Cost:		
Balance at beginning of year	<b>₱1,082,853</b>	₱1,082,853
Additions	—	—
Balance at end of year	<b>1,082,853</b>	1,082,853
Accumulated amortization:		
Balance at beginning of year	<b>1,082,853</b>	1,082,853
Amortization	—	—
Balance at end of year	<b>1,082,853</b>	1,082,853
Net book value	<b>₱—</b>	<b>₱—</b>

Most computer software are now subscribed, and are expended annually or monthly.

## 9. Accounts Payable and Accrued Expenses

	2024	2023
Accounts payable to various vendors	<b>₱8,488,534</b>	₱8,748,425
Accounts payable to Philippine Inclusive NGO Network	<b>595,207</b>	—
Accrued expenses:		
Payable to various vendors	<b>18,448,153</b>	10,641,137
Professional, technical and other consultancy fees	<b>619,164</b>	408,719
Others	<b>65,069</b>	73,950
Statutory payable	<b>1,699,196</b>	878,662
	<b>₱29,915,323</b>	<b>₱20,750,893</b>

Accounts payable and accrued expenses include liabilities to various vendors of several projects for expenses such as purchase of various non-food items, materials and supplies for the use of communities, utilities, and professional, technical and consultancy services. Accounts payable and accrued expenses are expected to be settled within one year.

Accounts payable to Philippine Inclusive NGO Network (PINGON) includes financial contributions of PINGON Members for the sustainability of the network. As Convenor of PINGON from 2024 to 2025, CFSI established a bank account for the contributions, with the proceeds to be used only after the turnover to the next Convenor.

Other accrued expenses and statutory payable are expected to be settled within one year.



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## 10. Related Party Transactions

Salaries and employee benefits of the members of the Executive Team were ₱7,528,184 and ₱6,752,940 for the years ended December 31, 2024 and 2023, respectively.

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## 11. Fund Balances

The fund balance is the accumulated excess of revenues and expenses as follows:

	2024	2023
Philippine Programme	<b>₱163,561,045</b>	₱158,300,778
Headquarters Programme	<b>51,555,653</b>	36,224,588
Myanmar Programme	<b>15,495,354</b>	27,719,276
Viet Nam Programme	<b>80,798</b>	79,608
	<b>₱230,692,850</b>	₱222,324,250

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## 12. Project Expenses

### Direct Project Expenses

Direct project expenses refer to the costs of projects carried out by CFSI in accordance with the agreements between CFSI and the respective donor partners and with its mission of protecting and promoting the human security of uprooted people. The beneficiaries are populations and organizations served by CFSI. Expenses under this category, which are usually restricted by the respective project agreements, are directly correlated with the corresponding grants obtained by CFSI for its services and activities, specifically in the Philippines, Myanmar and Viet Nam.

Community services benefited refugees in various parts of the Philippines, conflict-affected communities in Mindanao, disaster survivors in Mindanao and Visayas, vulnerable children and youth in Pasay City, crisis-affected communities and vulnerable individuals in northern Rakhine State, Myanmar.

In addition, community groups, organizations, and institutions benefit from capacity-building activities carried out by CFSI, such as those participating in the Social Work Education Project (SWEPE) in Myanmar and Viet Nam.

Personnel costs include provision for retirement which refers to expenses charged to projects for the retirement benefits, in compliance with Philippine law, of project personnel. This provision from projects is deposited in each qualified staff member's account in the CFSI Retirement Fund. The funds are maintained in a restricted bank account dedicated to the Retirement Benefit Plan of CFSI (see Note 15).

Community service and capacity building expenses amounted to ₱188,202,860 and ₱97,829,220 in 2024 and 2023, respectively. Trainings and workshops for crisis-affected populations amounted to ₱29,226,284 and ₱68,085,375 in 2024 and 2023, respectively. The aggregate amount of these expenses that directly benefit the beneficiaries amounted to ₱217,429,144 and ₱165,914,595 in 2024 and 2023, respectively.



Materials and supplies amounted to ₱2,379,608 and ₱2,628,857 in 2024 and 2023, respectively. These include computer software, including applications, tools and licenses purchased through annual renewable subscriptions.

Management, Supervision and Support Expenses

Management, supervision and support expenses amounting to ₱32,770,555 and ₱31,017,182 in 2024 and 2023, respectively, represent costs related to the overall supervision, monitoring and evaluation of specific projects which are directly associated with the grants received during the period.

Development Expenses

Development expenses amounting to ₱6,540,434 and ₱6,180,989 in 2024 and 2023, respectively, refer to costs associated with advancing the CFSI agenda and generating new service opportunities for CFSI including marketing, networking, assessment, planning, proposal preparation, negotiations, public information, and advocacy.

Some of these costs are expected to be recovered through management fees, reimbursements, and small grants.

Counterpart Expenses

Counterpart expenses amounting to ₱1,500,390 and ₱1,558,705 in 2024 and 2023, respectively, refer to the complementary contributions from, or mobilized by CFSI for specific projects, often, but not always, as a condition for accessing funds from funding agencies/partners for broader effort.

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### 13. Country Programme Support Expenses

Country programme support expenses refer to subsidies provided by the Headquarters Fund to programmes in the countries in which CFSI operates. Country programmes usually include a variety of projects and/or operations carried out over a long period of time for which additional support is required. The funds for these subsidies come from restricted grants secured by Headquarters in support of country programmes, operational support from contracts entered into by CFSI and unrestricted contributions to CFSI from the private sector.

Country programme support expenses amounted to ₱1,872,925 and ₱1,829,447 in 2024 and 2023, respectively.

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### 14. General and Administrative Expenses

General and administrative expenses refer to costs incurred for the operations of CFSI Headquarters in Metro Manila, Philippines. This account consists of:

	2024	2023
Personnel costs	<b>₱3,649,222</b>	₱2,921,597
Materials and office supplies	<b>1,890,282</b>	1,796,764
Auditor's fee	<b>619,164</b>	533,884
Rent and utilities (Note 16)	<b>579,567</b>	555,290
Trainings and workshop expenses	<b>499,017</b>	214,993
Board and committee meetings	<b>484,585</b>	354,928
Communication expense	<b>460,858</b>	542,270

*(Forward)*



	2024	2023
Transportation and travel	₱436,089	₱472,852
Taxes and licenses (Note 18)	282,762	207,117
Repairs and maintenance	54,251	101,729
Insurance	34,028	7,822
	<b>₱8,989,825</b>	<b>₱7,709,246</b>

## 15. Retirement Benefits

CFSI has an unfunded, noncontributory, defined benefit retirement plan covering all qualified employees.

The following tables summarize the components of net retirement benefits expense recognized in the statement of revenues and expenses and retirement liability recognized in the statement of assets, liabilities and fund balances, which were based on the latest actuarial valuation as at December 31, 2024 and 2023.

	2024	2023
Retirement expense:		
Net actuarial loss	₱616,513	₱2,980,056
Current service cost	2,011,947	1,280,148
Interest cost on benefit obligation	985,091	801,209
	<b>₱3,613,551</b>	<b>₱5,061,413</b>

Movements in the retirement liability in 2024 and 2023 are as follows:

	2024	2023
Balance at beginning of year	₱15,888,563	₱10,827,150
Retirement expense	3,613,551	5,061,413
Benefits paid directly by the CFSI	(346,988)	—
Balance at end of year	<b>₱19,155,126</b>	<b>₱15,888,563</b>

In preparation for the formal establishment of the Retirement Benefit Plan, CFSI has maintained a fund to cover its retirement liability. The cash balances in the restricted high-yielding interest-earning bank account are ₱22,583,272 and ₱21,773,685 as at December 31, 2024 and 2023, respectively (see Note 4).

The principal assumptions used in determining retirement liability as at December 31, 2024 and 2023 are as follows:

	2024	2023
Discount rate	6.20%	6.20%
Salary increase rate	4.00%	4.00%



Shown below is the maturity analysis of the undiscounted benefit payments as at December 31, 2024 and 2023:

	2024	2023
Less than one year	<b>₱373,236</b>	₱280,415
More than one to five years	<b>6,879,366</b>	6,790,062
More than five to 10 years	<b>6,088,791</b>	5,175,778
More than 10 to 15 years	<b>31,692,485</b>	25,011,022
More than 15 to 20 years	<b>29,264,026</b>	26,575,820
More than 20 years	<b>64,531,286</b>	60,378,932

The weighted average duration of the retirement liability is 16.0 years and 16.3 years as at December 31, 2024 and 2023, respectively.

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## 16. Lease Commitment

CFSI has existing operating lease agreements for its office spaces. These leases are renewed on an annual basis. Rental expenses, presented under “Rent and utilities” as part of Project expenses and “General and administrative expenses”, amounted to ₱5,927,277 and ₱5,713,435 in 2024 and 2023, respectively. This includes rent for its offices and warehouses in the Philippines and Myanmar.

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## 17. Events after the Reporting Period

### Gender and Climate Action Project

In January 2025, CFSI signed the Grant Notification Letter with China Medical Board for the Gender and Climate Action Project (GCAP). The project aims to enhance gender-responsive governance in the BARMM by integrating climate resilience and mental health and psychosocial support into the Gender and Development (GAD) plans of local government units. The project will focus in three pilot municipalities: Upi and Datu Blah Sinsuat in the Province of Maguindanao, and Pagalungan in the Province of Maguindanao.

The three-year project started in February 2025 and will be implemented through January 2028.

### Cagayan Response Project

In March 2025, CFSI signed the Grant Order with Australia DFAT for the Cagayan Recovery Project (CRP). The project aims to promote protection, resilience, and the sustainable recovery of 1,000 households (5,000 persons) affected by multiple tropical cyclones in late 2024. the CRP has four specific objectives: (1) climate-resilient livelihoods are helping to meet basic household expenses; (2) local disaster risk reduction efforts are enabling communities to reduce vulnerability to future shocks; (3) state-mandated social protection programmes are benefitting qualified project participants; and (4) Community-based mental health and psychosocial support systems are strengthened. The CRP will be carried out in Cagayan Province in Region II.

The CRP will start in April 2025 and will be completed in May 2027.



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### 18. Supplementary Information Required under Revenue Regulations (RR) 34-2020

On December 18, 2020, the BIR issued RR No. 34-2020, Prescribing the Guidelines and Procedures for the Submission of BIR Form No. 1709, Transfer Pricing Documentation (TPD) and other Supporting Documents, Amending for this Purpose the Pertinent Provisions of RR Nos. 19-2020 and 21-2002, as amended by RR No. 15-2010, to streamline the guidelines and procedures for the submission of BIR Form No. 1709, TPD and other supporting documents by providing safe harbors and materiality thresholds. Section 2 of the RR No. 34-2020 provides the list of taxpayers that are required to file and submit the Related Party Transactions (RPT) Form, together with the Annual Income Tax Return.

CFSI is not covered by the requirements and procedures for related party transactions provided under RR No. 34-2020 as it does not meet any criteria of taxpayers prescribed in Section 2 of RR No. 34-2020.

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### 19. Supplementary Information Required under RR 15-2010

On December 28, 2010, RR No. 15-2010 became effective and amended certain provisions of RR No. 21-2002 prescribing the manner of compliance with any documentary and/or procedural requirements in connection with the preparation and submission of financial statements and income tax returns. Section 2 of RR No. 21-2002 was further amended to include in the notes to financial statements information on taxes, duties and license fees paid or accrued during the year in addition to what is mandated by PFRS for SMEs.

CFSI reported and/or paid the following types of taxes in 2024:

(a) Value-added Tax (VAT)

CFSI is a non-VAT registered entity not engaged in the sale of goods or services. All of its revenues are coming from grants, donations, support and contributions which were not charged with output VAT. The input tax incurred in all of its costs and expenses were charged to expenses.

(b) Other Taxes and Licenses

All other taxes, local and national, including real estate taxes, license and permit fees lodged under the "Taxes and licenses" account under the "General and administrative expenses" account in the statement of revenues and expenses includes the following for the year ended December 31, 2024.

	Amount
Local:	
Real property tax	₱214,082
Mayor's Permit	63,660
Barangay Clearance	540
National:	
Certification Fee with BIR, Accreditation fee with DSWD	1,800
Land Transportation Office registration	2,680
	₱282,762



- (c) The amount of withholding taxes paid and accrued for the year ended December 31, 2024 amounted to:

Withholding tax on compensation	₱4,495,736
Expanded withholding taxes	2,577,221
Final withholding tax	69,287
	<hr/>
	₱7,142,244

- (d) CFSI has no tax assessments and cases pending before the BIR as at December 31, 2024. Likewise, CFSI has no other pending tax cases outside the administration of the BIR as at December 31, 2024.

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## 20. Contributed Services

A variety of individuals, communities, organizations/corporations, networks, universities, and local governments made significant contributions in-kind to support and complement the efforts of CFSI. These include services, facilities, equipment, materials and supplies. Management estimated the total value of these contributions, which were not reflected in the financial statements, to be ₱72,281,803 and ₱25,468,742 in 2024 and 2023, respectively.

Some of the major contributed services follow:

- a. CFSI Board and Staff - The Members of the Board of Trustees (BOT) and Staff, plus many Volunteers, made contributions of time, services, and personal resources far above and beyond reasonable expectations. Staff Members covered certain field-related expenses out of their own funds and contributed many hours of overtime without expectation of additional compensation. Volunteers, including professionals and interns from various parts of the world, provided their services at no cost, but great benefit to CFSI.
- b. Communities - The organizing and mobilization efforts of CFSI resulted in voluntary contributions of services, facilities, and other valuable resources by communities affected by persecution, violence, armed conflict, disaster, and other exceptionally difficult circumstances. For example, in Visayas and Mindanao, Philippines, the assistance provided by hundreds of Community Volunteers made it possible for CFSI to provide relief goods, in a timely manner, to large numbers of people in need of protection and humanitarian assistance.

The implementation of the Sexual and Reproductive Health Project (SRHP) in Pasay City is from November 2020 to November 2023. This project trained young people as Peer Educators and Youth Community Mobilizers organized and conducted health promotions activities among adolescents, parents, and gatekeepers including awareness sessions, psychosocial support, peer counselling, community and facility-based HIV screening, family planning services, referrals to the CFSI Sexual and Reproductive Health Clinic, health centers, and child protection agencies; distributed condoms and contraceptives to young people during enhanced community quarantine; and provided support through online and social media engagement.

Community contributions were not limited to the Philippines. In Myanmar, local landowners made space available for structures that benefitted the entire community. Many Community Volunteers helped build these structures and/or provided other services at no cost to CFSI. For example, in the areas where it implements its child protection and education projects



with UNICEF, community members volunteered to repair houses or structures used for learning and psychosocial activities of children. Parents also volunteered in activities, including cleaning and maintaining the learning center and play area, fetching water, helping carry play and learning materials, and watching over children while playing outside the learning center. Some families offered to use part of their house for learning spaces and children activities.

In the WASH project with UNICEF, community members provided manual labor in carrying construction materials used in renovating and constructing water and sanitation facilities in the villages. Community members also offered to share key messages on hygiene, acute watery diarrhea (AWD) and COVID-19 prevention through informal and small group sessions. Community-based WASH Committees volunteered to oversee the operations and maintenance of WASH facilities constructed and renovated in their villages. They also helped in distributing WASH items in respective communities.

In its SRHR/GSMIP with UNFPA Myanmar, women offered their houses as venues for information-sharing of key messages on SRH, GBV, and MHPSS. Community-based staff and volunteers facilitated sessions on SRH-GBV-MHPSS for free. Some individuals offered to use their vehicle for GBV survivors and SRH clients brought to hospitals or clinics for emergency treatment. In some instances, some individuals contributed cash for immediate medical needs of SRH clients.

- c. Organizations/Corporations - Google, Inc. hosts CFSI's email and other web-based platforms on Google Apps for Business. Oracle Net Suite donated accounting software and provided coaching and technical support. The World Bank helped strengthen CFSI's technical capacities, as did UNHCR, UNICEF, UNFPA, WFP, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), the Australia DFAT and several other organizations. UNHCR in Myanmar shared facilities and services.

Rehabilitation and Empowerment of Adults and Children with Handicap (REACH) Foundation committed to provide physical therapy, occupational therapy, and speech language pathology sessions via teletherapy. Through the partnership, CFSI was able to assist 115 children with special needs in Lanao.

- d. Networks - CFSI participates in a variety of international, regional, national, and local networks with the aims of advancing the CFSI agenda, enhancing internal capacities, achieving greater impact, and generating new service opportunities. CFSI invests some of its own limited funds in these activities in accordance with its roles and responsibilities in the humanitarian and development arenas. In addition, significant in-kind support is provided by partners of CFSI, such as transportation and accommodation for participation in meetings and conferences in various parts of the world. This invaluable assistance enables CFSI to have a voice in many important gatherings, processes, and events. Primary network partners for 2024 and 2023 included:

- International Council of Voluntary Agencies (ICVA)
- Core Humanitarian Standards (CHS) Alliance
- Asia Pacific Refugee Rights Network (APRRN)
- Asian Disaster Reduction and Response Network (ADRRN)
- Association of Foundations in the Philippines (AF)
- Philippine Inclusive NGO Network (PINGON)



- e. Academic Institutions - CFSI has entered into cooperation with various universities and colleges in the Philippines and abroad during the 44-year history of CFSI. The aims include helping CFSI remain a learning organization, creating opportunities for CFSI to contribute to the knowledge base, providing internships at CFSI, mobilizing additional resources, and generating new service opportunities.

Some academic institutions play even larger roles. CFSI benefited from the services of interns and volunteers from many of these academic institutions during 2024 and 2023 including, but not limited to, the following:

*Philippines*

- University of the Philippines – Open University
- Asian Social Institute – Metro Manila
- Pamantasan ng Lungsod ng Maynila – Metro Manila
- De La Salle - College of Saint Benilde – Metro Manila
- National Teacher’s College – Metro Manila
- Cavite State University
- Southern Leyte State University – Maasin City
- Mindanao State University – Maguindanao
- STI College – Cotabato City
- Coland Systems Technology – Cotabato City
- Mindanao State University – Marawi City
- Mindanao Institute of Technology – Marawi City
- SGA Skills Institute and Assessment Center – Marawi City
- Iligan Medical Center College – Iligan City
- Western Mindanao State University – Zamboanga City

*USA*

- University of Arkansas
- Columbia University School of Public Health – New York

