

**PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE)
FOUNDATION, INC.**
(A Non-stock, Nonprofit Organization)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2009 AND 2008
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2009</u>	<u>2008</u>
<u>A S S E T S</u>			
CURRENT ASSETS			
Cash and cash equivalents	4	P 28,395,057	P 60,430,996
Loans and receivables - net	5	57,763,133	76,675,674
Available-for-sale financial assets	6	<u>1,497,813,077</u>	<u>1,107,524,979</u>
Total Current Assets		<u>1,583,971,267</u>	<u>1,244,631,649</u>
NON-CURRENT ASSETS			
Loans and receivables - net	5	46,038,463	75,748,858
Property and equipment - net	7	38,307,521	37,231,013
Investment properties	8	<u>4,845,789</u>	<u>4,845,789</u>
Total Non-current Assets		<u>89,191,773</u>	<u>117,825,660</u>
TOTAL ASSETS		<u>P 1,673,163,040</u>	<u>P 1,362,457,309</u>
<u>LIABILITIES AND FUND BALANCES</u>			
CURRENT LIABILITIES			
Accounts payable, accrued expenses and other liabilities	9	P 3,800,993	P 6,232,885
Grants payable	10	11,795,813	18,085,829
Funds held in trust	11	<u>88,952,632</u>	<u>88,792,390</u>
Total Current Liabilities		<u>104,549,438</u>	<u>113,111,104</u>
FUND BALANCES			
Restricted		1,544,682,563	1,318,371,694
Unrestricted		<u>23,931,039</u>	<u>(69,025,489)</u>
TOTAL FUND BALANCES		<u>1,568,613,602</u>	<u>1,249,346,205</u>
TOTAL LIABILITIES AND FUND BALANCES		<u>P 1,673,163,040</u>	<u>P 1,362,457,309</u>

See Notes to Financial Statements.

**PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE)
FOUNDATION, INC.**
(A Non-stock, Nonprofit Organization)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2009</u>	<u>2008</u>
REVENUES, GAINS AND OTHER SUPPORTS			
Investment income (loss)	6	P 136,351,751	(P 66,512,053)
Interest income	6	9,590,105	10,970,014
Foreign exchange gains		-	46,513,769
Reversal of impairment losses	5	-	3,001,461
Others - net		1,318,668	607,075
		<u>147,260,524</u>	(<u>5,419,734</u>)
EXPENSES			
Project expenses	12	23,693,643	32,309,592
Grant expenses		23,356,767	47,032,751
Impairment losses	5	15,891,652	5,223,173
Foreign exchange losses		9,172,688	-
General and administrative	13	9,096,687	10,522,387
Depreciation	7	3,381,018	3,335,708
		<u>84,592,455</u>	<u>98,423,611</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES		62,668,069	(103,843,345)
OTHER COMPREHENSIVE INCOME (LOSS)			
Fair value gains (losses)	6	<u>256,599,328</u>	(<u>328,201,180</u>)
TOTAL COMPREHENSIVE INCOME (LOSS)		<u>P 319,267,397</u>	(<u>P 432,044,525</u>)

See Notes to Financial Statements.

PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE) FOUNDATION, INC.
(A Non-stock, Nonprofit Organization)
 STATEMENTS OF CHANGES IN FUND BALANCES
 FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Amounts in Philippine Pesos)

Note	Unrestricted Fund						Restricted Fund	Total
	Members' Contribution	Cumulative Excess (Deficiency) of Revenues over Expenses	Revaluation Reserve on Available-for-sale Financial Assets	Total Unrestricted				
Balance at January 1, 2009	P 100,000	P 229,382,578	(P 298,508,067)	(P 69,025,489)	P 1,318,371,694	P 1,249,346,205		
Total comprehensive income for the year	-	62,668,069	256,599,328	319,267,397	-	319,267,397		
Provision for cost of inflation	21 -	(226,310,869)	-	(226,310,869)	226,310,869	-		
Balance at December 31, 2009	<u>P 100,000</u>	<u>P 65,739,778</u>	<u>(P 41,908,739)</u>	<u>P 23,931,039</u>	<u>P 1,544,682,563</u>	<u>P 1,568,613,602</u>		
Balance at January 1, 2008	P 100,000	(P 16,586,274)	P 29,693,113	P 13,206,839	P 1,668,183,891	P 1,681,390,730		
Total comprehensive loss for the year	-	(103,843,345)	(328,201,180)	(432,044,525)	-	(432,044,525)		
Reversal of cost of inflation	21 -	349,812,197	-	349,812,197	(349,812,197)	-		
Balance at December 31, 2008	<u>P 100,000</u>	<u>P 229,382,578</u>	<u>(P 298,508,067)</u>	<u>(P 69,025,489)</u>	<u>P 1,318,371,694</u>	<u>P 1,249,346,205</u>		

See Notes to Financial Statements.

**PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE)
FOUNDATION, INC.**
(A Non-stock, Nonprofit Organization)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess (deficiency) of revenues over expenses		P 62,668,069	(P 103,843,345)
Adjustments for:			
Investment loss (income)	6	(136,351,751)	66,512,053
Impairment losses	5	15,891,652	5,223,173
Interest income		(9,590,105)	(10,970,014)
Unrealized foreign exchange losses (gains)		9,172,688	(46,478,080)
Depreciation	7	3,471,819	3,415,536
Gain on disposal of property and equipment	7	(204,165)	(345,125)
Reversal of impairment losses	5	-	(3,001,461)
Operating loss before working capital changes		(54,941,793)	(89,487,263)
Decrease in loans and receivables		32,731,284	46,978,922
Decrease (increase) in available-for-sale financial assets		(142,861,458)	150,277,141
Decrease in accounts payable, accrued expenses and other liabilities		(2,431,892)	(1,524,388)
Decrease in grants payable		(6,290,016)	(30,848,784)
Increase in funds held in trust		<u>160,242</u>	<u>24,076,293</u>
Net Cash Used in Operating Activities		(<u>173,633,633</u>)	<u>99,471,921</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment and interest income received		145,941,856	(55,542,039)
Acquisitions of property and equipment	7	(4,633,405)	(3,169,067)
Proceeds from sale of property and equipment	7	289,243	604,189
Increase in investment property	8	<u>-</u>	(<u>1,700,000</u>)
Net Cash From (Used in) Investing Activities		<u>141,597,694</u>	(<u>59,806,917</u>)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(32,035,939)	39,665,004
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4	<u>60,430,996</u>	<u>20,765,992</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	4	<u>P 28,395,057</u>	<u>P 60,430,996</u>

See Notes to Financial Statements.