



PCNC
PHILIPPINE COUNCIL FOR NGO CERTIFICATION

2025 Annual Report



GOVERNANCE, DEMOCRACY,
& DEVELOPMENT

About PCNC

The Philippine Council for NGO Certification, Inc. (PCNC), a private, voluntary, non-stock, nonprofit corporation, is a self-regulatory body of the NGO sector. As the duly designated “Accrediting Entity”, the Council’s main function is to accredit NGOs and Foundations that meet the established standards for good governance and management, and that demonstrate compliance with existing regulatory requirements.

Founded on January 29, 1997 by six of the country’s largest NGO networks—the Association of Foundations (AF), the Bishops-Businessmen’s Conference for Human Development (BBC), the Caucus of Development NGO Networks (CODE-NGO), the League of Corporate Foundations (LCF), the National Council for Social Development (NCSD), and Philippine Business for Social Progress (PBSP)- PCNC was a response to the challenge by the Government of establishing a system that will ensure that resources received by non-stock, non-profit organizations are used for their intended purposes.

Since then, PCNC’s accreditation as a seal of good NGO housekeeping has been a pre-requisite for the registration of NGO and Foundations with the Bureau of Internal Revenue (BIR) as qualified donee-institutions.

In partnership with the Government, PCNC has lived up to the expectation of being the NGO sector’s self-regulatory mechanism in ensuring the integrity, transparency, accountability, and service of accredited NGO. It is our collective commitment that PCNC will continue pursuing its mission of enabling more NGO that are trusted, respected, and reliable partners in national development.

About the Cover



Centered on Governance, Democracy, and Development, the 2025 Annual Report captures the spirit of a nation committed to integrity and collective action. It celebrates how everyday good governance—from farmers sustaining communities to civic leaders driving local change—can transform lives.

Beyond compliance, the report highlights PCNC’s role in linking grassroots initiatives with institutional standards and government partnerships

showing that collaboration across sectors strengthens transparency, accountability, and public trust.

This year’s report reaffirms the value of our “seal of good governance,” a reminder that by upholding strong ethical standards and working together, we can foster a more inclusive and sustainable path forward for the NGO sector.

Vision

A trusted and self-regulating community of NGOs, participating effectively in development and nation-building

Mission

PCNC is committed to enabling NGOs to amplify their mission through a credible and accessible accreditation system.

Values

- Integrity & Fairness
- Transparency
- Accountability
- Service & Volunteerism

Editorial Committee

Felix A. Tonog, *Executive Director*
May C. Bayta, *Certification Officer*
Dustin Cage D. Macaraan, *Communications and Learning Associate*
Kyrene Joie L. Aguilar, *Research and Knowledge Management Associate*

Contributors:

Corazon “Azon” P. Sajonas, *Executive Director, Jaime V. Ongpin Foundation, Inc.*
Jay A. Carizo, *Executive Director, Galing Pook Foundation, Inc.*
Sebastian C. Quiniones Jr., *Executive Director, Pilipinas Shell Foundation, Inc.*

Table of Contents

Chairperson's Report	1
2025 Operational Highlights	3
PCNC Accredited NGOs Map	5
List of PCNC Accredited NGOs 2025	7
Volunteer Peer Evaluator Awardees	8
List of Volunteer Peer Evaluators	9
PCNC Capacity Strengthening Program: A Tool for Good Governance and Institution-Building	10
Strategic Plan 2026-2030	12
Developmental Governance:	16
Scaling Local Success to National Impact	
A. Restoring a Lifeline - The Amburayan River WQMA Partnership <i>Jaime V. Ongpin Foundation, Inc.</i>	18
B. Building Peace from the Ground Up:	21
The LGU Fellowship on Social Cohesion and Resilience in BARMM and Sulu <i>Galing Pook Foundation, Inc.</i>	
C. Building Systems That Last: How Partnerships Deliver Health and Nutrition Impact <i>Pilipinas Shell Foundation, Inc.</i>	23
Treasurer's Report	25
Audited Financial Statements	26
Board of Trustees (2025-2026)	45
The PCNC Team	46
27th General Assembly Donors	47

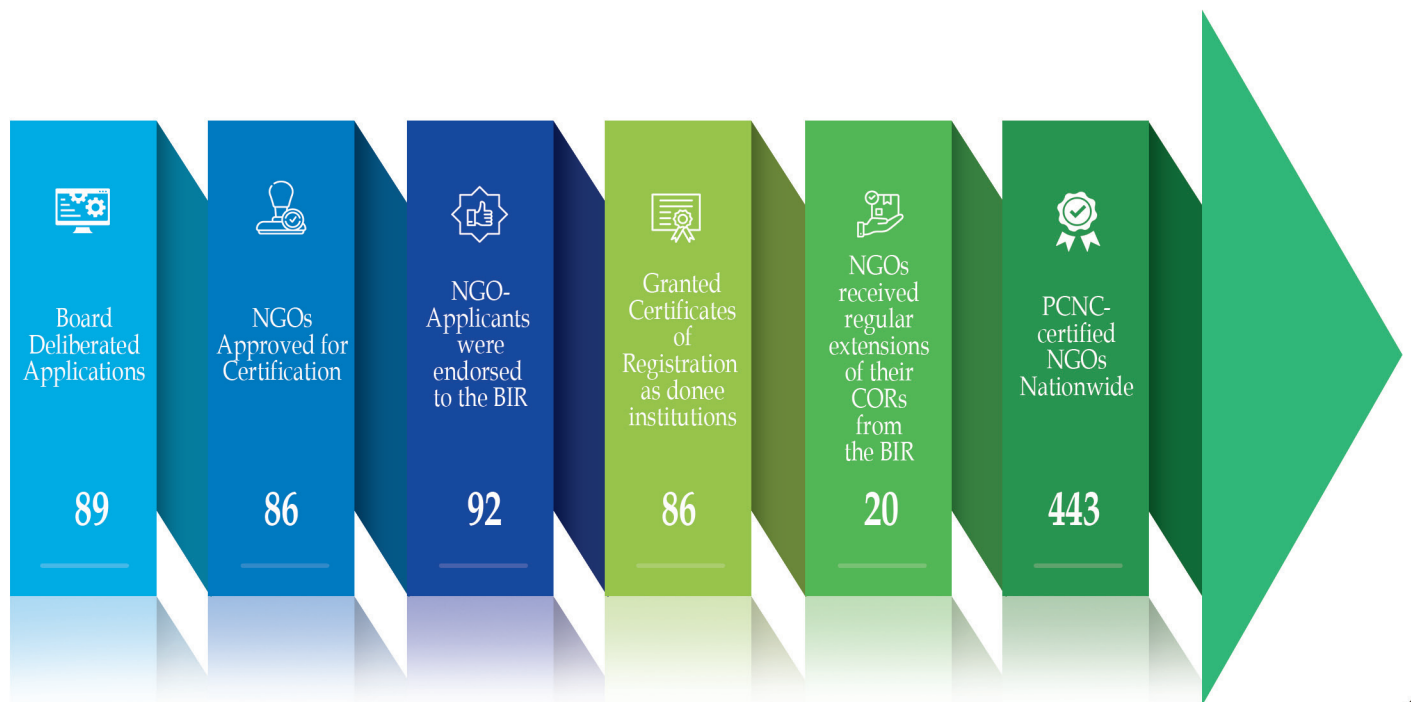


Chairperson's Report

The year 2025 marked steady progress and renewed purpose for the Philippine Council for NGO Certification (PCNC). As the recognized accrediting entity for NGOs seeking donee institution status, PCNC stays committed to the highest standards of governance, transparency, and accountability. We extend our sincerest appreciation to the Bureau of Internal Revenue (BIR) and our partners across government, civil society, and the private sector for their trust and support.

In a time when institutions are increasingly called upon to demonstrate integrity and accountability, PCNC's role as a self-regulatory mechanism remains vital. Beyond certification, our work strengthens public trust, reinforces institutional credibility, and supports NGOs as responsible and effective partners in development.

Throughout the year, PCNC sustained and strengthened its core function of accrediting NGOs and facilitating their endorsement to the BIR for certification as qualified donee institutions. In 2025, the Board deliberated on 89 applications, approving 86 NGOs for certification. A total of 92 NGO-applicants were endorsed to the BIR, of which 86 were granted Certificates of Registration (COR) as donee institutions. Additionally, 20 NGOs received regular extensions of their CORs from the BIR. By the year's end, there are 443 PCNC-certified NGOs nationwide that are doing numerous advocacies and development programs in education, health, social welfare, cultural and sports development, livelihood, scientific research and innovation, environmental protection, and disaster preparedness and response.





With much appreciation, we recognize the 63 Volunteer Peer Evaluators who carried out the difficult task of evaluating NGO-applicants. Your expertise and dedication continue to uphold the rigor and integrity of the accreditation process.

Our NGO capacity strengthening initiative also expanded significantly. In partnership with the Institute of Corporate Directors, Philippine Institute of Certified Public Accountants, and PICPA Foundation, we delivered eight training sessions in nonprofit governance, accounting, and financial stewardship. Some 411 trustees, officers, and staff members representing 193 NGOs participated in those training-workshops, thereby contributing to strengthening governance and financial management systems, leading to improved organizational effectiveness, resilience and sustainability across the sector. We are also grateful for the support and collaboration of Akubo Software Philippines, Venture for Fund Raising, Myriad USA, and QNE Software Philippines.

Internally, PCNC continued to enhance its operational systems, processes, and competence to better serve its stakeholders. Through your support, our financial position remains strong which allows us to expand our reach, deliver impactful training courses, and venture into new initiatives.

As we move forward, PCNC's strategic direction up to 2030 remains clear and focused. The changing development landscape calls for stronger institutions, closer collaboration, and more responsive approaches. It also calls on NGOs to take a more active role not only in delivering programs, but in contributing to effective and ethical public sector governance and democratic processes. As such, by 2030, PCNC will evolve from being mainly a certifying body to becoming a capacity builder, a nonprofit knowledge hub, and an advocacy leader for a more transparent, accountable, resilient, and sustainable NGO sector in the Philippines.

Anchored on this year's theme, "Governance, Democracy & Development," we are reminded that these are deeply connected. Good governance builds trust, trust encourages participation, and participation leads to more inclusive and sustainable development. As stewards of public trust, NGOs play an important role in strengthening these institutions.

On behalf of the Board of Trustees, we sincerely thank our partners, Volunteer Peer Evaluators, accredited NGOs, donors, and other stakeholders who continue to support PCNC's mission. Together, we remain committed to strengthening integrity, building public trust, and supporting a more accountable and relevant NGO sector.

FR. MANUEL V. FRANCISCO, SJ
Chairperson





86

Applications
Approved by
the Board



17

First-time
Applicants



69



Renewals

92

NGO-Applicants
endorsed to BIR,
86 were given
COR as donee-
institutions



20

NGO given regular
extension of COR
as donee-
institutions by
BIR



Php
1.35
Million

Application
Dues

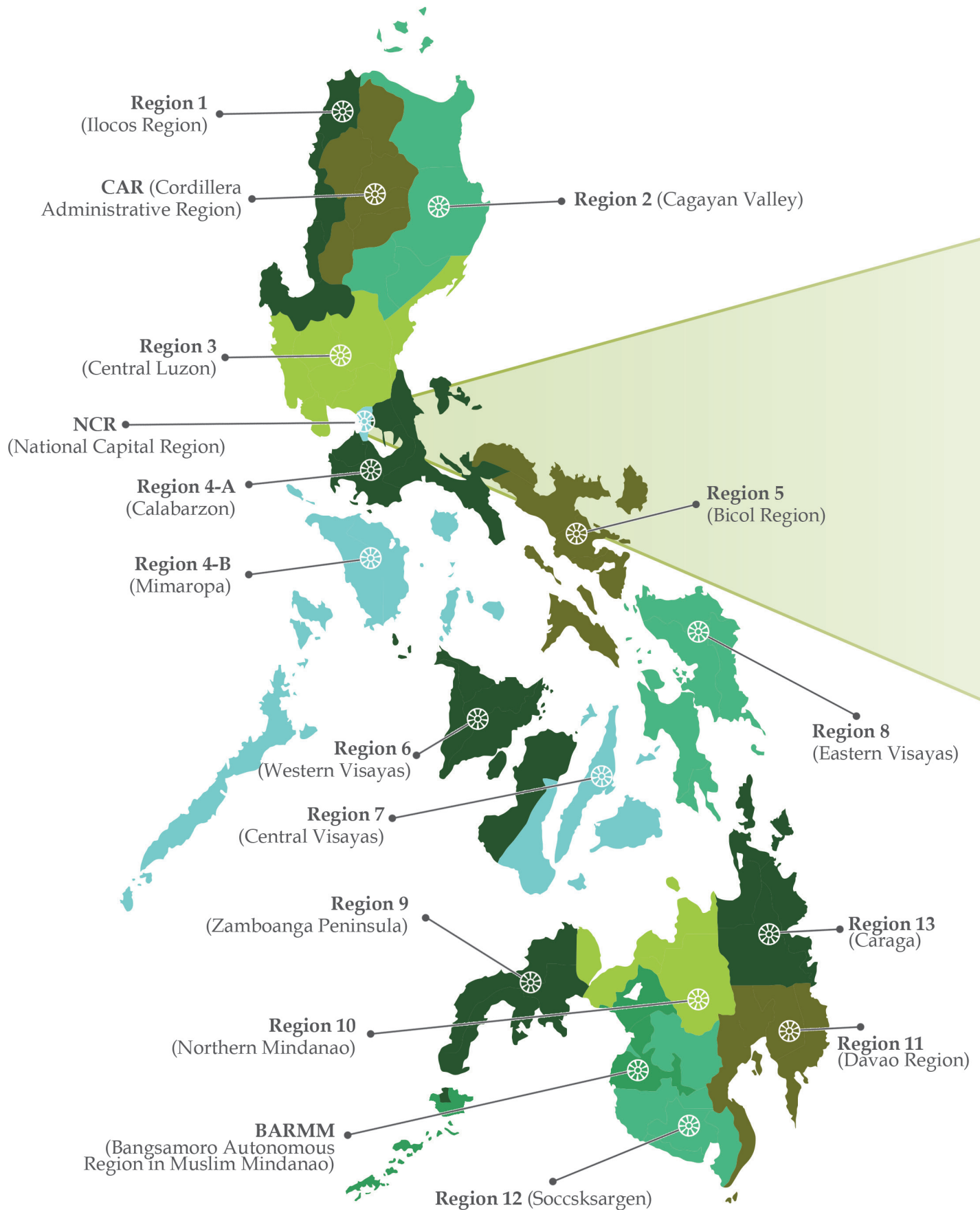


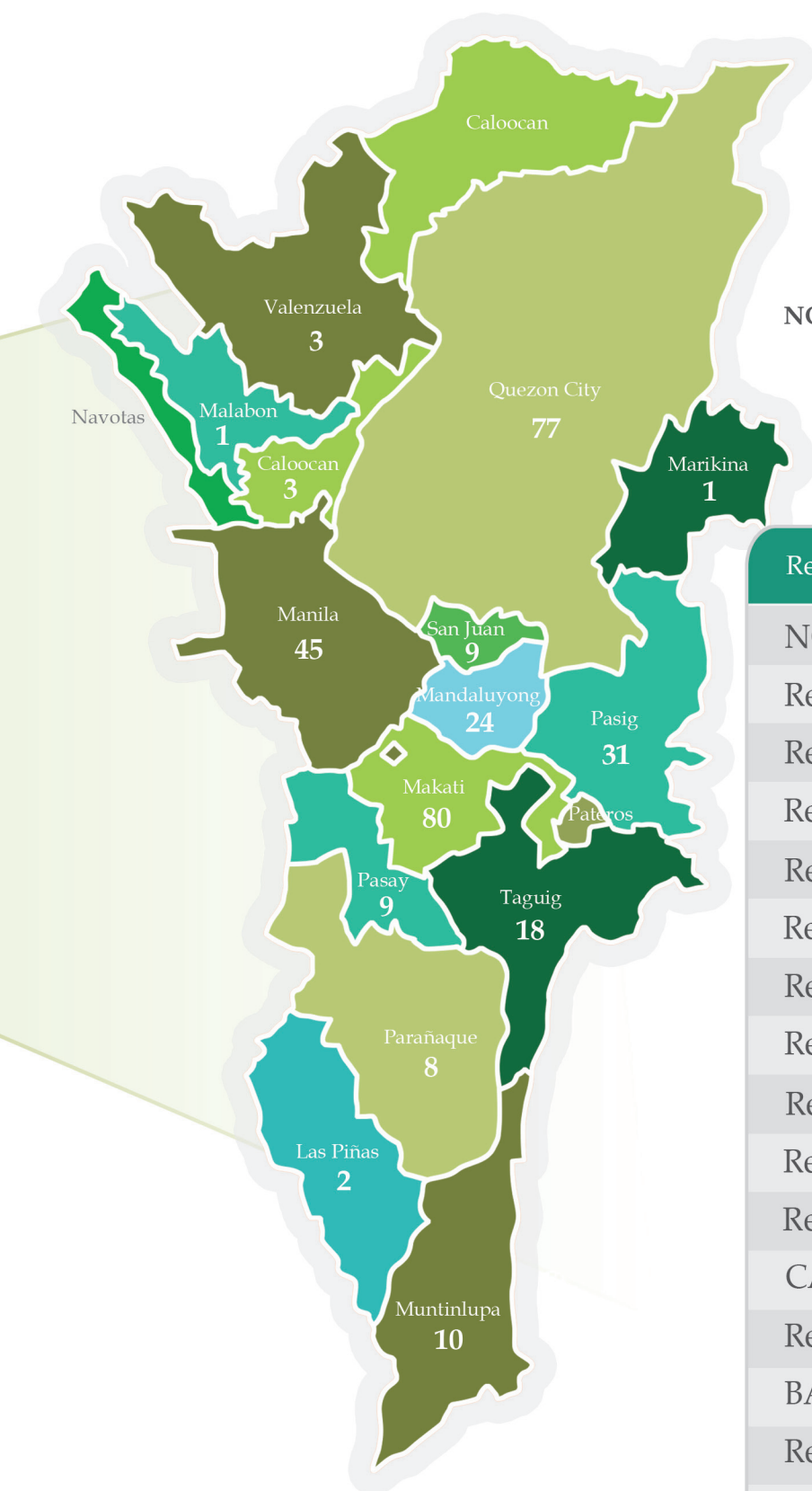
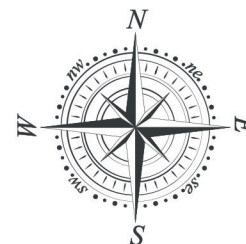
443

Certified
NGOs as of
December 31,
2025



PCNC Accredited NGOs Map





NCR (National Capital Region)

Distribution of Accredited NGOs by Region

Region	Number of Organizations
NCR (National Capital Region)	321
Region 7 (Central Visayas)	34
Region 4-A (Calabarzon)	25
Region 3 (Central Luzon)	12
Region 6 (Western Visayas)	10
Region 11 (Davao Region)	10
Region 5 (Bicol Region)	7
Region 12 (Soccsksargen)	5
Region 4-B (MIMAROPA)	4
Region 10 (Northern Mindanao)	4
Region 1 (Ilocos Region)	3
CAR (Cordillera Administrative Region)	2
Region 8 (Eastern Visayas)	2
BARMM (Bangsamoro Autonomous Region in Muslim Mindanao)	1
Region 2 (Cagayan Valley)	1
Region 9 (Zamboanga Peninsula)	1
Region 13 (Caraga)	1
Total 443	

List of PCNC Accredited NGOs

Approved new applications and renewal from January to December 2025

New (17)

1. ARCHDIOCESE OF DAVAO STEWARDSHIP APOSTOLATES, INC.
2. BL-DAWN FOR THE POOR FOUNDATION, INC.
3. CARA WELFARE PHILIPPINES, INC.
4. CARDINAL MEDICAL CHARITIES FOUNDATION, INC.
5. CEBU LANDMASTERS FOUNDATION, INC.
6. CISTEM, INC. (Center for Integrated STEM Education)
7. ENDONELA INSTITUTE OF TECHNOLOGY FOUNDATION, INC.
8. FAVOR CHURCH PH, INC.
9. JLO BIG HEART FOUNDATION, INC.
10. MANILA ECCLESIASTICAL PROVINCE SCHOOL SYSTEM ASSOCIATION, INC.
11. PHILIPPINE ASSOCIATION OF THE SOVEREIGN ORDER OF MALTA, INC.
12. PHILIPPINE CAMPUS CRUSADE FOR CHRIST, INC.
13. PROJECT PEARLS, INC.
14. THE HENRY V. MORAN FOUNDATION, INC.
15. UNIBERSIDAD DE STA. ISABEL DE NAGA, INC.
16. CHILD FUND PHILIPPINES FOUNDATION, INC.
17. PLAN INTERNATIONAL PILIPINAS FOUNDATION, INC.

Renewal (69)

1. A CHILD'S TRUST IS OURS TO NURTURE (ACTION), INC.
2. AGOS NG BUHAY FOUNDATION (LIVING WATERS FOUNDATION), INC.
3. ASIA SOCIETY PHILIPPINES FOUNDATION, INC.
4. ASIAN HOSPITAL CHARITIES, INC.
5. ATENEO ALUMNI ASSOCIATION, INC.
6. ATENEO SCHOLARSHIP FOUNDATION, INC.
7. AYALA FOUNDATION, INC.
8. BAHAY NG DIYOS FOUNDATION, INC.
9. BDO FOUNDATION, INC.
10. BOMBO RADYO PHILIPPINES FOUNDATION, INC.
11. BUDDHIST TZU CHI MEDICAL FOUNDATION PHILIPPINES, INC.
12. CEBUANA LHUILLIER FOUNDATION, INC.
13. CENTER FOR RESEARCH AND COMMUNICATION FOUNDATION, INC.
14. CHINESE GENERAL HOSPITAL – SOCIAL DEVELOPMENT FOUNDATION, INC.
15. CHRIST'S COMMISSION FOUNDATION MINISTRIES, INC.
16. CHUMMY CHUM FOUNDATION PHILIPPINES, INC.
17. CITE (CENTER FOR INDUSTRIAL TECHNOLOGY AND ENTERPRISE) TECHNICAL INSTITUTE, INC.
18. CULION FOUNDATION, INC.
19. DALTA JONELTA FOUNDATION, INC.
20. DU-BALADAD AND ASSOCIATES (BDB LAW) FOUNDATION, INC.
21. E. ZOBEL FOUNDATION, INC.
22. FAVOR CARE FOUNDATION INC.
23. GT FOUNDATION, INC.
24. HARIBON FOUNDATION FOR THE CONSERVATION OF NATURAL RESOURCES, INC.
25. HONDA FOUNDATION, INC.
26. HOUND HAVEN PH, INC.
27. INTERNATIONAL CARE MINISTRIES FOUNDATION, INC.
28. INTERNATIONAL GRADUATE SCHOOL OF LEADERSHIP, INC.
29. JOY~NOSTALG FOUNDATION, INC.
30. KABANG KALIKASAN NG PILIPINAS FOUNDATION, INC. (WWF PHILIPPINES)
31. KALAW-LEDESMA FOUNDATION, INC.
32. KALIPAY NEGRENSE FOUNDATION, INC.
33. LA SALLE GREENHILLS, INC.
34. LH FOUNDATION, INC.
35. LINGKOD MUNTINLUPA FOUNDATION, INC.
36. MASBATE IKTHUS CHRISTIAN SCHOOL, INC.
37. METRO PACIFIC INVESTMENTS FOUNDATION, INC.
38. MGC NEW LIFE CHRISTIAN ACADEMY, INC.
39. MONFORT FOUNDATION, INC.
40. NORFIL FOUNDATION, INC.
41. NOTRE DAME EDUCATIONAL ASSOCIATION, INC.
42. OPERATION BLESSING FOUNDATION PHILIPPINES, INC.
43. OPERATION COMPASSION PHILIPPINES, INC.
44. P&A FOUNDATION, INC.
45. PAG-ASA SOCIAL CENTER FOUNDATION, INC.
46. PAREF WESTBRIDGE SCHOOL, INC.
47. PARISH PASTORAL COUNCIL FOR RESPONSIBLE VOTING, INC.
48. PHAPCARES FOUNDATION, INC.
49. PHILIPPINE BUSINESS FOR EDUCATION, INC.
50. PHILIPPINE COLLEGE OF SURGEONS FOUNDATION, INC.
51. PHILIPPINE CULTURAL COLLEGE, INC.
52. PHILIPPINE RELIEF AND DEVELOPMENT SERVICES, INC.
53. PILGRIM SOCIETY OF MARY AND LAY ASSOCIATES (PSM), INC.
54. PILIPINAS SPECIAL OLYMPICS, INC.
55. PLDT-SMART FOUNDATION, INC.
56. PRIMARY STRUCTURES EDUCATIONAL FOUNDATION, INC.
57. PROJECT INCLUSION NETWORK, INC.
58. RAYOMAR OUTREACH FOUNDATION, INC.
59. RC MANILA FOUNDATION, INC.
60. RONALD MCDONALD HOUSE CHARITIES OF THE PHILIPPINES, INC.
61. SAN LORENZO RUIZ CHARITY (SJD MC), INC.
62. SOCIEDAD ESPANOLA DE BENEFICENCIA, INC.
63. SOCIETY OF THE DIVINE WORD – SOUTHERN PROVINCE, INC.
64. SR. BAPTISTA BATTIG MUSIC FOUNDATION, INC.
65. T3 FOUNDATION, INC.
66. TELSTRA FOUNDATION, INC.
67. UECG-ME FOUNDATION, INC.
68. UYGONGCO FOUNDATION, INC.
69. VIRLANIE FOUNDATION, INC.

Volunteer Peer Evaluator Awardees

PCNC values and recognizes the services of Volunteer Peer Evaluators (VPE) in conducting accreditation assessments of applicant-NGOs. If not for the VPEs, the Council would not have been able to fulfill its mandate as Accrediting Entity. We wish to acknowledge and thank all Volunteer Peer Evaluators who joined evaluation teams in 2025. We are honoring five (5) VPEs who have conducted at least 10 evaluations to assess various organizations applying for PCNC Accreditation.



10 Evaluations

Carmelo H. Enriquez

*Program Manager
Notre Dame Business Resource
Center Foundation, Inc.
General Santos City*



25 Evaluations

Lolita Go-Ganapin

*Grants Manager
Bidlisiw Foundation, Inc.
Mandaue City, Cebu*



25 Evaluations

Maricel M. Tan

*Executive Director
Tany Foundation, Inc.
Quezon City*



50 Evaluations

Elizabeth V. Eduave

*Corporate Secretary
Shining Light Foundation, Inc.
San Juan City*



175 Evaluations

Ellen B. De Guzman, CPA

*PICPA Northern Metro Manila Chapter
Mandaluyong City*



75 Evaluations

Edwin T. Aspra, PhD

*Professor
De La Salle University - Dasmariñas
Dasmariñas City, Cavite*

List of Volunteer Peer Evaluators

Who conducted evaluations for January to December 2025

1. **Emelina S. Almario**, Adarna Group Foundation, Inc.
2. **Leonor T. Amacio**, De La Salle University - Dasmariñas
3. **Marie A. Angeles**, Ronald McDonald House Charities of the Philippines, Inc.
4. **Maria Lourdes G. Arroyo, CPA**, Peace and Equity Foundation, Inc.
5. **Edwin T. Aspra, PhD**, De La Salle University - Dasmariñas
6. **Faye Elsa S. Avanzado, CPA**, PICPA Cebu Chapter
7. **Susana G. Biteng**, Kaibigan Ermita Outreach Foundation, Inc.
8. **Fe G. Canta, CPA**, Philippine Educational Theater Association (PETA), Inc.
9. **Allan M. Cao, CPA**, Isla Lipana & Co. Foundation, Inc.
10. **Anacleto S. Carag, DMin, PhD**, Independent Volunteer Peer Evaluator
11. **Danilo M. Cerence**, Independent Volunteer Peer Evaluator
12. **Atty. Rosita C. Cham, CPA**, PICPA Northern Metro Manila Chapter
13. **Jessie M. Cubijano**, Primary Structures Educational Foundation, Inc.
14. **Ellen B. De Guzman, CPA**, PICPA Northern Metro Manila Chapter
15. **Augusto SC De Leon IV, CPA**, PICPA Southern Metro Manila Chapter
16. **Michelle A. Dela Cerna, CPA**, PICPA Cebu Chapter
17. **Myrna L. Desabelle, PhD, MBA, CPA**, PICPA Negros Occidental Chapter
18. **Grace C. Diamante**, Mindoro Biodiversity Conservation Foundation, Inc.
19. **Clara Francesca D. Diamzon, CPA**, Pilipinas Shell Foundation, Inc.
20. **Josefina M. Dimalaluan, RSW**, Cribs Foundation, Inc.
21. **Elizabeth V. Eduave**, Shining Light Foundation, Inc.
22. **Carmelo H. Enriquez**, Notre Dame Business Resource Center Foundation, Inc.
23. **Rosario H. Gan, CPA**, PICPA Northern Metro Manila Chapter
24. **Lolita G. Ganapin**, Bidlisiw Foundation, Inc.
25. **Aquino I. Garcia**, De La Salle University - Dasmariñas
26. **Rina G. Gloriani, CPA**, PICPA Cavite Chapter
27. **Florencia S. Gorospe, CPA**, PICPA Northern Metro Manila Chapter
28. **Cristina S. Hangod, RSW**, Independent Volunteer Peer Evaluator
29. **Nelson Conrad C. Ho, PhD, CPA**, PICPA Eastern Metro Manila Chapter
30. **Mary Jane R. Homena, MM**, Iloilo Caucus of Development NGOs, Inc.
31. **Marilou P. Juanito**, Independent Volunteer Peer Evaluator
32. **Epifania R. Lim, RSW**, United Neon Foundation, Inc.
33. **Marcos T. Lim, CPA**, PICPA Northern Metro Manila Chapter
34. **Nenita A. Luna, CPA**, San Beda College Benedictine Educational Foundation, Inc.
35. **Dinah U. Macaranas**, Andres P. Tamayo Sr. Foundation, Inc.
36. **Riza C. Madrid, CPA**, Independent Volunteer Peer Evaluator
37. **Mary Margarette M. Marcelino**, Cityland Foundation, Inc.
38. **Veronica Ester L. Mendoza**, Independent Volunteer Peer Evaluator
39. **Roanne Joy P. Mendoza, CPA**, Everest International Academy
40. **Jolly A. Mider, MBA**, Haribon Foundation for the Conservation of Natural Resources, Inc.
41. **Rebecca C. Minodin, CPA**, PICPA Northern Metro Manila Chapter
42. **Chaco G.A. Molina**, Fundacion Santiago, Inc.
43. **Arnolfo S. Morfe CE, MSc, MDM**, Dualtech Training Center Foundation, Inc.
44. **Dr. Marylin B. Muncada**, Independent Volunteer Peer Evaluator
45. **Flordeliza B. Napili, CPA**, PICPA Legazpi Chapter
46. **Maria Cristina Josefina B. Ocampo, CPA**, PICPA Southern Metro Manila Chapter
47. **Marissa A. Orillaza, MD**, Independent Volunteer Peer Evaluator
48. **Cherrie O. Oringo, PTRP**, Independent Volunteer Peer Evaluator
49. **Jessica Jinky P. Panes, CPA**, PICPA Northern Metro Manila Chapter
50. **Concepcion Rasalan-Racaza, CPA, MSA**, PICPA Cebu Chapter
51. **Meliton E. Sillador, Jr., MBM**, Kalipay Negrense Foundation, Inc.
52. **Sr. Maria Luisa D. Simon, SFIC, CPA**, PICPA Eastern Metro Manila Chapter
53. **Philip C. Sing**, Tan Yan Kee Foundations, Inc.
54. **Rev. Elmer P. Surigao, M.Div.**, Febias College of Bible
55. **Maria Victoria U. Sy, PhD, MM-BM**, Independent Volunteer Peer Evaluator
56. **Maricel M. Tan**, Tany Foundation, Inc.
57. **Lolita P. Tang, PhD, CPA**, PICPA Northern Metro Manila Chapter; PICPA Foundation, Inc.
58. **Jude C. Trinidad**, Independent Volunteer Peer Evaluator
59. **George V. Villaruz, CPA, ACPA**, PICPA Eastern Metro Manila Chapter
60. **Normita L. Villaruz, PhD, CPA, ACPA**, PICPA Eastern Metro Manila Chapter
61. **Bernadette N. Yap**, Multinational Foundation, Inc.
62. **Mark Anthony C. Yap, MBA, CPA**, Ateneo de Iloilo
63. **Tanya Faye A. Zaldarriaga**, Dr. Pablo O. Torre Foundation, Inc.

PCNC Capacity Strengthening Program: A Tool for Good Governance and Institution-Building

In 2025, the Philippine Council for NGO Certification (PCNC) reaffirmed its commitment to advancing good governance and strengthening nonprofit institutions through its **Capacity Strengthening Program**. Recognizing that effective governance and sound financial stewardship are cornerstones of credible and sustainable organizations, PCNC designed a series of targeted training to equip NGO leaders with essential skills and knowledge.

This year, PCNC proudly conducted **eight training sessions** on nonprofit governance, accounting, and financial management in NCR,

Cebu, and Davao. The program reached **411 NGO officers from 193 organizations**—capacitating leaders and stewards of transparent, accountable NGOs nationwide.

In addition, PCNC hosted **six webinar sessions** on PCNC Accreditation System, including one in partnership with the Department of Science and Technology (DOST) for the certification of science and technology foundations, and another on understanding BIR audits. These online sessions drew an impressive **1,169 participants**, underscoring the sector's strong appetite for continuous learning.



133 participants
Financial Stewardship for NGOs

175 participants
Essentials of Nonprofit Governance

103 participants
Financial Accounting for NGOs



193 NGOs represented

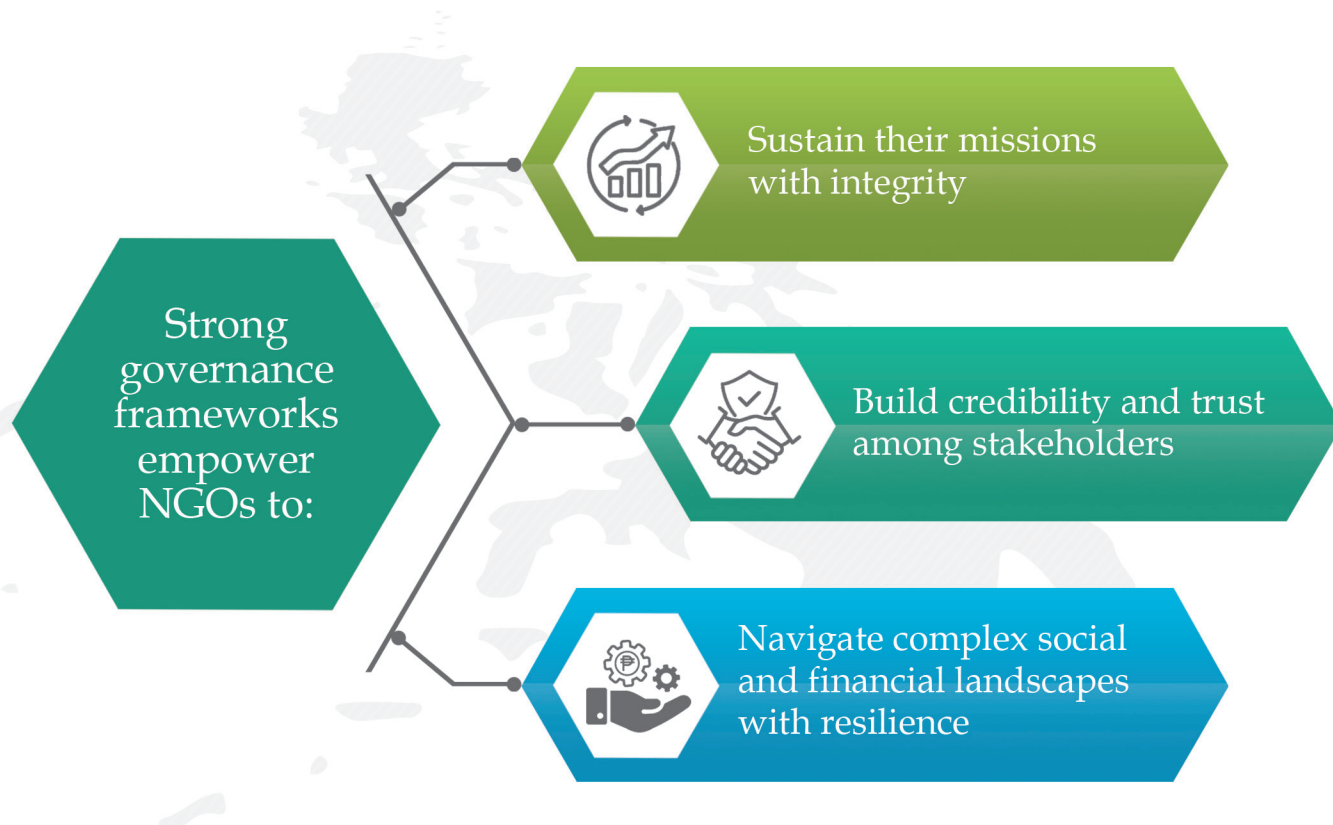
1,169 attended
the webinar series



Building Governance Foundations

Four sessions on **Essentials of Nonprofit Governance** were conducted in partnership with the Institute of Corporate Directors (ICD). These provided participants with a comprehensive understanding of board roles, accountability mechanisms, risk management, and ethical leadership. By grounding NGOs in good and ethical governance principles, the program reinforced transparency, participatory decision-making, and mission alignment—critical elements of institution-building.

Committed to its advocacy of good governance, PCNC and ICD brought these sessions to **Davao City** and **Cebu City**, extending the reach of governance education beyond NCR and closer to Visayas and Mindanao.



Strengthening Financial Competence

Financial integrity is a pillar of public trust. To address this, PCNC partnered with the **Philippine Institute of Certified Public Accountants (PICPA)** and the **PICPA Foundation** to conduct two sessions each on **Financial Accounting for NGOs** and **Financial Stewardship for NGOs**.

These training emphasized practical tools for accurate recording and reporting, compliance with accounting and financial standards, and responsible resource management. Participants learned how accounting and financial stewardship principles not only safeguard assets but also enhance credibility and trust with regulators, donors, partners, and communities.

Looking Ahead

The Capacity Strengthening Program exemplifies PCNC's role as a catalyst for good governance in the nonprofit sector. Through training and collective learning, NGOs are better positioned to uphold accountability, foster transparency, and build institutions that endure. In doing so, PCNC advances its vision of a vibrant civil society where organizations are not only certified but also capacitated to serve with excellence. The Council is incredibly grateful for the NGO sector's support in making 2025 a success in implementing the program.

Looking into years ahead, PCNC remains to be your partner in amplifying the voice of the NGO sector, by bringing even more learning opportunities to help NGOs grow stronger and more impactful.

Strategic Plan: 2026-2030

Leveraging Partnerships and Technology to Amplify Impact

1. Introduction

The Strategic Plan 2026-2030, which was approved by the Board on December 3, 2025, seeks to solidify the role of PCNC as a recognized certifying body of NGOs in the Philippines. Building on the successes of the past three decades, the plan will cultivate new opportunities to position PCNC as capacity builder, nonprofit knowledge hub, and advocacy leader in response to the following key challenges:

- Complex regulatory environment and administrative burden;
- Unstable and shifting funding landscape;
- Rising demand for greater transparency, accountability, reliability;
- Volatile social, political and economic environment;
- Eroding civic space and weakening democratic values.

The Plan sets ambitious goals to pivot PCNC's role in the development sector, anchored on its mission, vision, and core values.

Vision

A trusted and self-regulating community of NGOs, participating effectively in development and nation-building

Mission

PCNC is committed to enabling NGOs to amplify their mission through a credible and accessible accreditation system.

Values

- Integrity & Fairness
- Transparency
- Accountability
- Service & Volunteerism

2. PCNC's Strategic Pivot by 2030

By 2030, PCNC will evolve from being mainly a certifying body to becoming a capacity builder, a nonprofit knowledge hub, and an advocacy leader for a more transparent, impactful, accountable, and sustainable NGO sector in the Philippines.

In line with its mission and aspiration for 2030, PCNC shall deliver the following mutually reinforcing Programs for NGOs and the sector:



To achieve this, PCNC commits to the following five strategic goals:



Objective: Position PCNC certification as more than just a compliance requirement, but as a mark of trust, accountability, organizational excellence, and good governance.

Strategies:

- 1.1. **Expand Reach:** Reach out to more NGOs, particularly local community-based organizations outside NCR, to meet certification standards without being excluded.
- 1.2. **Promote Excellence:** Launch public campaigns promoting certified NGOs as models of good governance, reliability, and effectiveness.
- 1.3. **Incentivize:** Work with donors, international funding organizations, local grant-making foundations, and government agencies to tie certification with incentives (e.g., funding access, partnerships and linkages, exemption from due diligence process).
- 1.4. **Tiered Standards:** Provide tiered certification (e.g., recognition, accreditation) to encourage uptake and continuous improvement.



Objective: Help NGOs not only achieve but sustain

high standards of governance, transparency, accountability, and service effectiveness, and support NGOs in achieving financial sustainability and resilience amidst funding challenges.

Strategies:

- 2.1. **Expand Learning:** Expand learning programs (online, in-person, blended) on governance, compliance, risk management, accounting, finance, taxation, and fundraising to include other topics that are relevant to NGOs.
- 2.2. **Mentoring Support:** Provide mentoring for NGOs preparing for, and sustaining certification.
- 2.3. **Resource Hub:** Create a publicly accessible resource hub and knowledge portal with regulations, toolkits, templates, sample policies for NGOs.
- 2.4. **Recognize Commitment:** Recognize organizations that have consistently maintained 5-year accreditation—a demonstration of sustained commitment to good governance.



Objective: Make PCNC a central platform for dialogue, collaboration, and partnership among NGOs, government, funders, and businesses.

Strategies:

- 3.1. **Regulatory Harmony:** Build stronger ties with national government regulatory agencies (such as SEC, BIR, DOST, DSWD, etc.), and local government units to advocate for harmonization of regulatory requirements and elimination of redundancy in compliance.
- 3.2. **Publish Research:** Undertake and publish research studies on the state of NGO sector and its contributions to local

and national development, in partnership with academic and research institutions.

- 3.3. **Convene Forum:** Convene national NGO forum on development progress, trends, regulatory environment, leading practices, funding models, challenges, and innovations in the sector.
- 3.4. **Improve Transparency:** Expand the public registry of certified organizations to facilitate peer-to-peer collaboration and for easier public verification.

4 Strategic Goal 4: Leverage Digital Transformation



Objective: Simplify and modernize PCNC processes and build its role as a digital enabler for NGOs.

Strategies:

- 4.1. **Digitize Certification:** Move the entire application, evaluation, reporting and monitoring online.
- 4.2. **Data Analytics:** Use data analytics and dashboards on certified NGOs, and to track trends in the NGO sector and share insights with stakeholders.
- 4.3. **Promote Adoption:** Encourage certified NGOs to adopt digital financial and project management systems, with PCNC harnessing partnerships with technology providers.
- 4.4. **Communities of Practice:** Build online communities of practice for easier communication, knowledge sharing, and collaboration.

5 Strategic Goal 5: Reinforce PCNC's Institutional Capacity and Resilience

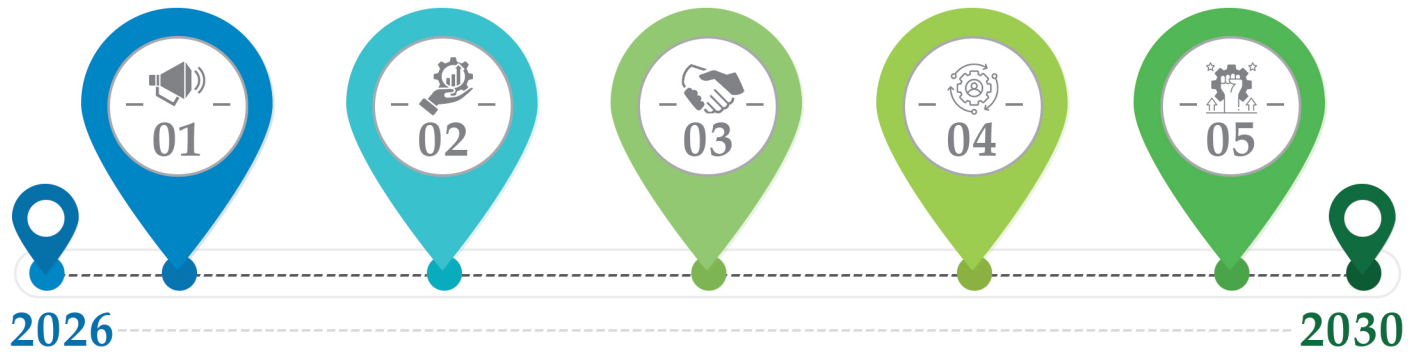


Objective: Ensure that PCNC itself remains well-governed, credible, financially sustainable, capable, and adaptive.

Strategies:

- 5.1. **Financial Strength:** Solidify financial position through diversified and predictable revenue streams, and optimized operating costs.
- 5.2. **Training and Research:** Reinforce the training unit, and establish a research and policy unit to study NGO sector regulatory regimes, development contributions, trends, emerging risks, and other relevant topics.
- 5.3. **Staff Development:** Invest in staff development, digital skills, and stronger regional presence to serve more NGOs.
- 5.4. **VPE Engagement:** Improve recruitment, training, and deployment of Volunteer Peer Evaluators.
- 5.5. **Governance and Succession:** Strengthen governance and develop a succession plan to ensure continuity of leadership and sustain a culture of learning and innovation.
- 5.6. **Organizational Review:** Re-align organization design for optimum effectiveness and future growth.

3. Strategy Roadmap: 2026-2030



Strategic Goals	Key Results by 2030
1. Amplify the value of certification	▪ 50% increase in the number of NGOs with valid certification ▪ 30% of certified NGOs are from Visayas and Mindanao ▪ Developed and implemented a strategic communications plan ▪ Developed tiered certification standards ▪ Established partnerships with at least 10 funding organizations to leverage PCNC certification for incentives
2. Enhance Capacity Strengthening and Technical Support	▪ 80% of NGO training participants have demonstrated organizational improvements ▪ 100% of certified NGOs have attended at least one training course. ▪ Sustained current training programs and developed new ones ▪ Created an online resource hub for NGOs ▪ Recognized NGOs for good governance
3. Deepen Engagement with Stakeholders	▪ Public NGO database and dashboard published online. ▪ Established partnerships with research institutions ▪ Published studies on the state of Philippine NGOs and regulatory frameworks ▪ Convened a National NGO Forum ▪ The Philippines adopted INPAS ▪ Advocate for a harmonized regulatory regime for Development NGOs
4. Leverage Digital Transformation	▪ Launched online PCNC certification portal ▪ 50% of certified NGOs have adopted computerized accounting system ▪ 80% of certified NGOs are effectively using AI for better operations and service delivery ▪ Built NGO communicators' community of practice
5. Reinforce PCNC's Institutional Capacity and Resilience	▪ Re-aligned organization design ▪ Continually enhanced policies, procedures, and tools ▪ Adapted risk management and business continuity strategies ▪ Implemented a leadership succession plan ▪ 90% of VPEs engaged ▪ Developed new revenue streams ▪ Sustained 6%-8% net margin ratio

Developmental Governance: Scaling Local Success to National Impact

Developmental Governance refers to the idea that governance—the way a state and its institutions exercise power—is not just about following rules or preventing corruption, but is a proactive tool used specifically to achieve economic growth and social justice.

The case studies in this collection show how intentional governance leads to concrete, lasting results on the ground. Across different contexts, local government units (LGUs), working with civil society organizations, communities, and the business sector, are moving beyond reactive service delivery toward building systems that are deliberate, data-driven, and sustainable. These experiences highlight that strong local institutions and aligned leadership are critical to achieving impact that endures and scales up.

A common thread is the institutionalization of partnerships and alignment of local initiatives with national frameworks. Through co-governance – and a “bibinka” dynamic of local action and national support – these efforts strengthen accountability, improve transparency, and build public trust. At the same time, a shift toward “data appreciation” enables leaders to move beyond reporting and use data to identify gaps, guide decisions, and improve outcomes.

Taken together, these cases demonstrate that effective local governance creates ripple effects beyond individual communities. They offer practical insights on how well-designed systems, anchored on genuine partnerships, can drive broader outcomes – from improved public services to more inclusive and resilient development at scale.

Case Study Highlights: Developmental Governance in Practice

Aspect	JVOFI: Amburayan River WQMA	Galing Pook: BARM & Sulu Fellowship	PSFI: Roots to Shoots & Malaria Program
Program/ Intervention	Initiative titled “Protecting and Defending the Amburayan River Basin through Good Governance and Active People’s Participation.”	LGU Fellowship on Social Cohesion and Resilience Program, which treats local governments as “partners in rebuilding trust.”	Roots to Shoots (RTS) addresses malnutrition in the first 1,000 days; Kilusan Ligtas Malaria targets malaria elimination
Governance & Policy Environment	River designated as Water Quality Management Areas (WQMAs) under the Philippine Clean Water Act (RA 9275)	Promotes “data appreciation” and the “bibinka approach – heat from below and above”. Initiated the Social Cohesion and Resilience Index	Aligned with the Philippine Plan of Action for Nutrition and the First 1,000 Days Act. Operates on “shared responsibility.”
Private Sector Engagement Enabled by Governance	Formal framework “reduced uncertainty,” transforming the river from a “shared problem” into a shared investment opportunity	“Partnerships became easier to build” when LGUs are “more organized in their systems, and more credible in dealing with others.”	“Good governance at the local level transforms development programs into sustainable community systems” that attract support.
Success Factors & Role of Partnerships	“Strong LGU leadership ensured ownership, policy enforcement, and continuity beyond project cycles”.	Success is rooted in “listening – carefully and intently” and a commitment to “strengthen institutions, not just projects”.	“Clear roles across institutions build accountability,” and “early and sustained engagement of LGUs” is critical.

Challenges / Constraints	"Conflicting resource uses across sectors" and a "reliance on donor funding" raise concerns about long-term sustainability.	Lagging areas struggle with "weak systems, uneven technical capacity, fragmented priorities, and too much dependence on personalities".	"Geography makes healthcare difficult" for "remote and hard-to-reach communities spread across islands and forested areas".
Inclusivity & Community Empowerment	Fosters ownership through "active community participation" and the "integration of indigenous knowledge".	Concrete municipal buildings stand as "proof that government is present" and ensure records are no longer "at the mercy of fire and flight".	"Community members themselves become active participants, not just beneficiaries". Utilizes barangay health workers.
Transformative Results (Outcomes / Impact)	"Improved water quality monitoring systems". Recognized as a finalist in the 2025 Outstanding WQMA Awards.	"No election violence or failure of elections was declared". Matanog is attracting investors for its Halal Food Park.	"10.57 percent decrease in stunting" and a "90 percent reduction in malaria cases in Palawan"



Restoring a Lifeline — The Amburayan River WQMA Partnership

Corazon “Azon” P. Sajonas, Executive Director, Jaime V. Ongpin Foundation, Inc.



WATER SAMPLING IN BAKUN, BENGUET with the Provincial and Municipal governments under the guidance of DENR-EMB representatives.

Stretching across the provinces of Benguet, La Union, and Ilocos Sur, the Amburayan River is a critical lifeline supporting agriculture, livelihoods, and ecosystems. However, increasing pollution, watershed degradation, and competing resource demands placed the river system at risk.

In response, the Jaime V. Ongpin Foundation, Inc. (JVOFI), with support from USAID and in collaboration with government and communities, spearheaded the initiative, “Protecting and Defending the Amburayan River Basin through Good Governance and Active People’s Participation” in three Provinces covering Benguet, La Union and Ilocos Sur. This effort ultimately led to the designation of both the Upper Amburayan River system covering the municipalities of Atok, Buguias, Bakun Tublay, Kapangan, and Kibungan Benguet and the Lower Amburayan River Systems covering the municipalities of Bangar, Sudipen, Santol La Union and municipalities of Alilem, Tagudin, Sugpon and Cervantes, Ilocos Sur as Water Quality Management Areas (WQMAs) in 2018. The best practices in the Amburayan River project were a replication of previous environmental projects we implemented, such as Water, Trees, and Life funded by NZAID and the Capacity Building and Eco-organic Tourism as a Strategy for Poverty Reduction, funded by AusAID, which showed that LGU, NGA, and multi-stakeholder participation were key to achieving sustainability. These projects were provided with government support when the funding ended.

The Amburayan River Water Quality Management Area (WQMA) case illustrates how strong local governance, enabling policies, and multi-sectoral collaboration can transform environmental degradation into a platform for sustainable development. At the core of the initiative is the role of good governance in promoting private sector participation. The formal designation of the Upper and Lower Amburayan River Systems as WQMAs under the Philippine Clean Water Act (RA 9275) established a clear legal and institutional framework. This created a Governing Board composed of local government units (LGUs), national agencies, civil society, academe, and private stakeholders. With defined roles, policies, and enforcement mechanisms—such as local ordinances regulating pollution—uncertainty was reduced, making environmental initiatives more attractive for private sector engagement. As a result, businesses were encouraged to invest in programs like watershed rehabilitation and Adopt-an-Estero initiatives. The presence of structured governance transformed the river from a “shared problem” into a shared investment opportunity.

Several factors contributed to the program’s success. First, strong LGU leadership ensured ownership, policy enforcement, and continuity beyond project cycles. Second, multi-level coordination—from barangay to regional levels—enabled a comprehensive watershed approach. Third, sustained funding support, particularly from EMB-DENR, allowed regular water quality monitoring and evidence-based decision-making. Fourth, capacity-building efforts strengthened local technical knowledge on

integrated water resource management. Finally, the integration of indigenous knowledge and active community participation fostered local ownership and culturally appropriate solutions. These activities were integrated in the 10-year WQMA plan. Partnership with public institutions proved critical—without the local governments, the WQMA would have remained a technical concept rather than an operational system. Their authority legitimized policies, mobilized resources, and ensured compliance.

The initiative achieved several transformative results. Environmentally, it improved water quality monitoring systems, strengthened pollution control, and enhanced biodiversity protection. Institutionally, it reinforced local enforcement of environmental laws and established long-term management plans. Socially, it increased community awareness and influenced behavior change in sanitation and waste management. Economically, it opened opportunities for sustainable livelihoods such as agroforestry and eco-tourism. The recognition of the Upper Amburayan River System as a finalist in the 2025 Outstanding WQMA Awards highlights its impact and replicability.

Key insights point to the need for strengthening local public sector institutions. Governance reforms must go beyond policy issuance and include continuous capacity building. Institutionalizing WQMA units within LGUs can ensure dedicated



SIGNING of the Project Partnership Agreement



FIRST AID TRAINING – one of the capacity building activities provided to the members of the community.





personnel and budgets. Enhancing data systems - particularly real-time water quality monitoring and transparent data sharing - can improve planning and accountability. Developing local champions is also essential to sustain momentum despite political transitions.

Despite its successes, challenges remain. Persistent pollution from domestic and agricultural sources, including fecal contamination, continues to affect water quality. Conflicting resource uses across sectors pose governance complexities. Additionally, reliance on donor funding raises concerns about long-term financial sustainability.

However, these challenges present opportunities for expanded partnerships. Increasing private sector participation in water stewardship and watershed rehabilitation can address financing gaps. Replicating the Amburayan model in other river basins and exploring blended financing mechanisms can accelerate progress. Strengthening collaboration among government, communities, and private actors will be the key to scaling impact.

Overall, the Amburayan WQMA demonstrates that effective governance, anchored in strong public institutions and inclusive partnerships, is essential for achieving sustainable environmental and development outcomes.

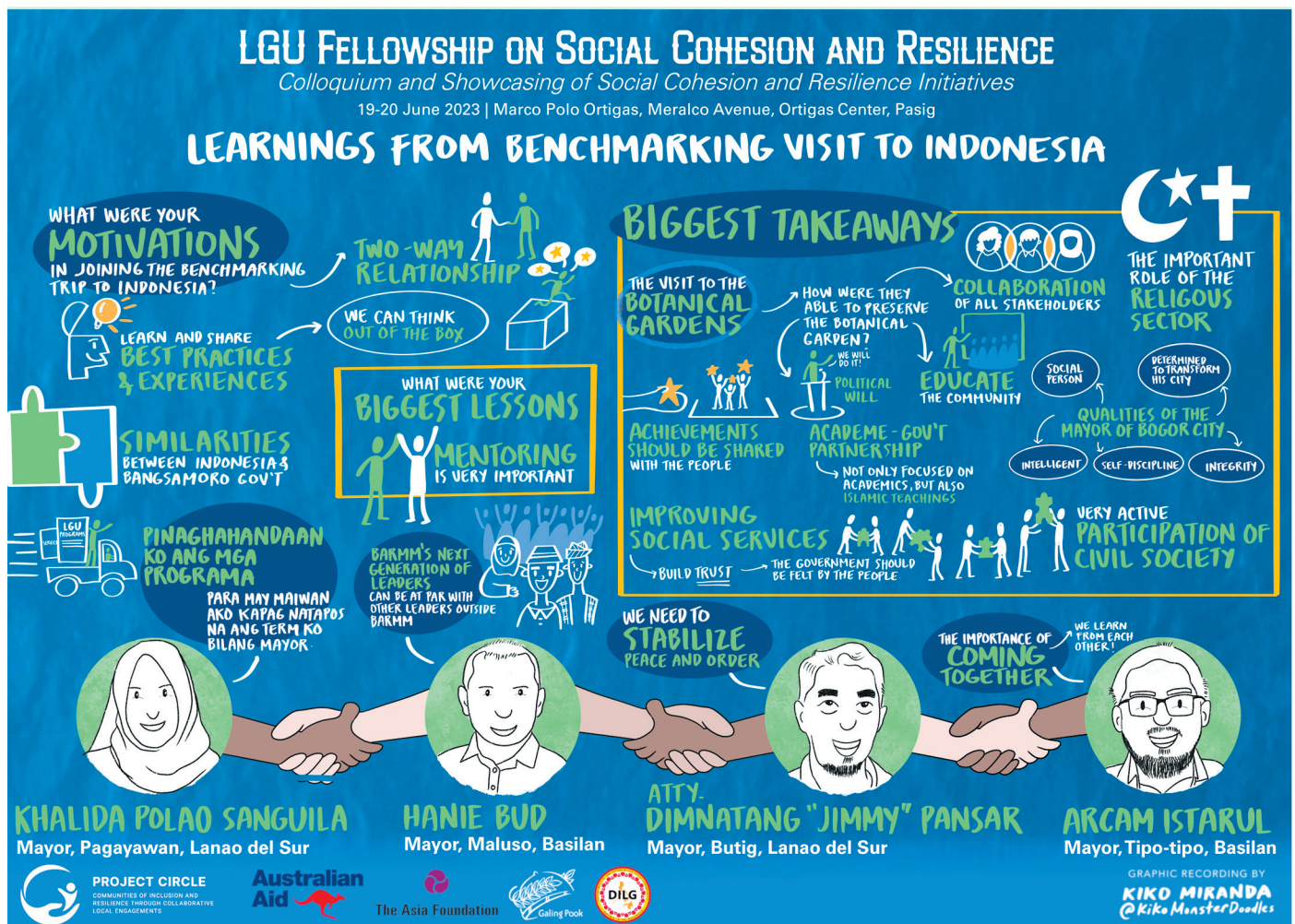
Building Peace from the Ground Up: The LGU Fellowship on Social Cohesion and Resilience in BARMM and Sulu

Jay A. Carizo, Executive Director, Galing Pook Foundation, Inc.

The Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) is often seen in a familiar lens – conflict, poverty, underdevelopment. But spend time on the ground, and a different story begins to appear. Behind the headlines are local governments trying to heal communities marked by war, rido, and long years of uncertainty. They are doing the slow, unglamorous work of making the people feel government – through roads, services, livelihoods, and the simple but powerful act of showing up. This is the story of the LGU Fellowship on Social Cohesion and Resilience Program implemented by the Galing Pook Foundation and The Asia Foundation with LGUs across BARMM and Sulu. Running from 2024 to January 2026, the Fellowship worked with 22 local

governments and treated them not as passive recipients of training, but as partners in rebuilding trust, strengthening institutions, and creating the conditions for peace and development to take root. The program invested in coaching and mentoring, peer learning, benchmarking, and more thoughtful use of data to help local leaders move from reactive governance to more deliberate action.

What made the Fellowship different was its practical, human approach. It did not assume that all LGUs faced the same problems or that one template would solve everything. In BARMM and Sulu, culture, conflict history, geography, and politics vary. So the work began with listening – carefully and intently – and using whatever data



was available, not just for reporting but for understanding the reality. The Fellowship promoted not only data utilization, but data appreciation: helping local leaders see data as something that can guide decisions, reveal service gaps, and sharpen priorities. This included initiating the development of the Social Cohesion and Resilience Index.

The program also showed why public institutions matter so much in attracting wider support. When local governments are clearer about their priorities, more organized in their systems, and more credible in dealing with others, partnerships become easier to build. Private actors, funders, and service providers are more likely to engage when they see local leadership that can coordinate, follow through, and create a stable environment for action. In the Fellowship, this translated into concrete gains: local legislations and policies on local economic development, partnerships for water and sanitation, more livelihood opportunities, and stronger links with organizations that could bring resources and know-how. The results were both visible and deeply human. LGUs eventually became more proactive in engaging communities and external actors, turning networking into actionable collaboration. Almost all of the mayors in the 22 LGUs were re-elected; those who completed their terms won other elective positions. Across these LGUs, no election violence or failure of elections was declared – an indicator that people were satisfied and had come to trust their local leadership. Tourism and economic development also began to grow.



Matanog of Maguindanao del Norte, once known as a war zone, is now attracting local and international investors for its Halal Food Park. In Butig, Lanao del Sur, local leaders have begun advancing a “From Terrorism to Agro-Eco Tourism” vision. In one island municipality in Sulu, roads are finally making it easier for the government to reach its people, while a concrete municipal building now stands as proof that government is present—and that public records no longer need to live at the mercy of fire and flight every after elections.

One big lesson from the Fellowship is that lasting change needs a bibingka approach – heat from below and above. While journeying closely with LGUs, Galing Pook also worked with the regional government—especially the Ministry of the Interior and Local Government engaged ministries such as the Ministry of Agriculture, Fisheries and Aquatic Resources, the Ministry of Public Order and Safety, and the Ministry of Social Services and Development on issues closest to local concerns. That mattered because lagging areas often do not suffer from a lack of ideas; they struggle with weak systems, uneven technical capacity, fragmented priorities, and too much dependence on personalities. The opportunity, then, is clear: strengthen institutions, not just projects; listen before prescribing; use data wisely; and build partnerships that help local governments stand on firmer ground. In fragile areas, that is not small work. It is simply the starting point of peace.

Building Systems That Last:

How Partnerships Deliver Health and Nutrition Impact

Sebastian C. Quiniones Jr., Executive Director, Pilipinas Shell Foundation, Inc.



In many communities across the Philippines, the path to better health and well-being is shaped not by a single program, but by how people, systems, and institutions come together. For Pilipinas Shell Foundation, Inc. (PSFI), this belief has guided its work with local governments, turning partnerships into lasting change.

In the coastal municipality of Pasacao, Camarines Sur, this transformation began with a simple but urgent goal: to give children a healthier start in life. Through the Roots to Shoots (RTS) program, PSFI partnered with local government units (LGUs) to address malnutrition during the first 1,000 days, a critical window that shapes a child's future.

What made RTS different was not just what it delivered, but how it was designed. Aligned with the Philippine Plan of Action for Nutrition and the First 1,000 Days Act, the program fit naturally into local priorities. This alignment enabled LGUs to integrate RTS into local plans and budgets, strengthening both ownership and long-term sustainability. Municipal offices mobilized barangays, deployed health workers, and guided implementation using their own systems.

But the real shift happened when the program became their own.

In Pasacao, RTS did not end as a pilot. It grew. Local leaders adopted and expanded it into "Branches to Fruits," embedding its principles into the municipality's long-term nutrition strategy. What started as an external initiative evolved into a locally owned movement.

The results were both measurable and deeply felt. Between 2019 and 2022, Pasacao saw a 10.57 percent decrease in stunting, alongside steady reductions in wasting and underweight prevalence. Behind these numbers are families who now have better access to nutrition, mothers who are more informed, and communities that are more confident in caring for their children. This experience highlights how good governance at the local level transforms development programs into sustainable community systems.

Equally powerful is the story unfolding in Palawan, the country's last malaria-endemic province. Here, geography makes healthcare difficult, with remote and hard-to-reach communities spread across islands.

and forested areas. Yet through strong collaboration, progress has been steady.

Since 1999, PSFI has worked alongside the Department of Health and LGUs through the Kilusan Ligtas Malaria program. Each level of government plays a clear role. National agencies provide direction. Provincial leaders coordinate resources. Local governments deliver services on the ground.

This shared responsibility has made it possible to reach communities that would otherwise be left behind. Barangay health workers and trained microscopists bring testing and treatment closer to families. Local leaders ensure that interventions respond to real conditions on the ground.

Over time, these efforts have led to a 90 percent reduction in malaria cases in Palawan, bringing the province closer to becoming malaria-free.

Across both programs, one thing is clear: success is not driven by projects alone, but by partnerships that work.

Strong local leadership creates direction. Clear roles across institutions build accountability.

Investments in training strengthen systems. Most importantly, community members themselves become active participants, not just beneficiaries.

At the same time, these experiences highlight important opportunities to further strengthen local public sector institutions. Early and sustained engagement of LGUs is critical to building ownership and ensuring continuity beyond project cycles. Continued investment in capacity building, particularly in data systems and program integration, can improve decision-making and service delivery. Strengthening coordination across sectors such as health, nutrition, and livelihoods will also be essential to sustain and scale impact.

The experience of PSFI shows that when governance is effective and partnerships are genuine, development does not stop at service delivery. It becomes something communities can carry forward on their own. As PCNC marks 27 years of promoting accountability and good governance, these partnerships show what is possible when institutions and communities work together

And that is where real transformation begins.





Treasurer's Report

The fiscal year 2025 stands as a testament to the Philippine Council for NGO Certification's resilience and strategic financial discipline. While the year was marked by uncertainties and the unexpected termination of the USAID-funded INSPIRE Project, the Council did not just maintain its footing but actually strengthened its overall financial position. We closed the period with an excess of receipts over expenses amounting to PhP905,476, an achievement that pushed our total fund balance to more than PhP30.7 million. This modest growth underscores our ability to transition toward a more self-sustaining model driven by our core membership and prudent investment management.

Our revenue stream showed a healthy diversification throughout the year. Total receipts reached PhP15.8 million pesos, reflecting a steady growth from the previous year. This was bolstered by a reliable base of membership dues and a remarkable surge in contributions from our members, particularly in support of the General Assembly and Capacity Strengthening Program. Furthermore, our conservative yet effective investment strategy yielded positive results despite market shocks, which provided a vital non-operational cushion to our bottom line.

On the expenditure side, the Council remained deeply committed to its primary mandate, with the vast majority of our spending dedicated directly to our programs. We increased our disbursements in evaluation services and training programs to ensure that our certification standards remain rigorous and relevant in an evolving regulatory landscape. Despite these increased activities, we managed to keep our administrative overhead remarkably lean. By ensuring that general and administrative costs represent only a small fraction of our total receipts, we continue to lead by example, mirroring the high levels of efficiency and accountability that we expect from the organizations we certify.

The statement of financial condition reveals a very liquid and stable organization. As of the end of 2025, the Council holds substantial cash reserves and a significant portfolio of long-term investments in mutual funds and bonds. We also took strategic advantage of favorable interest rates by moving a portion of our funds into short-term treasury bills. Meanwhile, our total liabilities saw a double-digit percentage decrease. A key highlight in our long-term planning was the deliberate contribution of half a million pesos toward our retirement plan assets, which substantially reduced our net retirement liability and demonstrates our commitment to the long-term well-being of our dedicated staff.

Looking toward the future, the Council's sustainability is anchored by a robust fund balance. Our PhP25.0 million peso restricted endowment fund remains fully intact, acting as a permanent safety net that allows us to perform our NGO certification and capacity building duties despite external economic shifts or project cycles. Additionally, our unrestricted funds have grown, providing us with the necessary operational flexibility for the coming year.

We are grateful to the Bureau of Internal Revenue, our member-NGOs, Volunteer Peer Evaluators, and partners for their continued trust and support of PCNC to continue its vital role as a vanguard of transparency and integrity within the Philippine NGO sector.

ANTONIO JOSELITO G. LAMBINO II

Treasurer

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Philippine Council for NGO Certification, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Philippine Council for NGO Certification, Inc. (the Council), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of activities, statements of changes in fund balance 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 financial position of the Council as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Small Entities (PFRS for SEs) Accounting Standard.

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 Council 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 SEs Accounting Standard, 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 Council'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 Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance is responsible for overseeing the Council'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 Council'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 Council'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 Council 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 audit was 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 16 and 17 to the financial statements, respectively, are presented for purposes of filing with the Bureau of Internal Revenue and are not required parts of the basic financial statements. Such information is the responsibility of the management of Philippine Council for NGO Certification, 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.



Jennifer D. Ticlao

Partner

CPA Certificate No. 109616

Tax Identification No. 245-571-753

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

SEC Partner Accreditation No. 109616-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-110-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765137, January 2, 2026, Makati City

March 25, 2026



PHILIPPINE COUNCIL FOR NGO CERTIFICATION, INC.
(A Nonstock, Nonprofit Corporation)

STATEMENTS OF FINANCIAL POSITION

	December 31	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Note 3)	₱5,460,411	₱8,281,853
Short-term investments (Note 3)	3,081,111	–
Receivables (Note 4)	518,716	506,583
Total Current Assets	9,060,238	8,788,436
Noncurrent Assets		
Investments (Note 5)	22,972,198	22,366,888
Property and equipment (Note 6)	187,542	343,817
Rental deposits (Note 14)	39,295	39,295
Total Noncurrent Assets	23,199,035	22,750,000
	₱32,259,273	₱31,538,436
LIABILITIES AND FUND BALANCE		
Current Liabilities		
Accounts and other payables (Note 7)	₱419,010	₱161,825
Deferred support (Note 8)	276,700	561,500
Total Current Liabilities	695,710	723,325
Noncurrent Liability		
Net retirement liability (Note 13)	821,932	978,956
Total Liabilities	1,517,642	1,702,281
Fund Balance		
Restricted funds (Note 15)	25,000,000	25,000,000
Unrestricted funds	5,741,631	4,836,155
Total Fund Balance	30,741,631	29,836,155
	₱32,259,273	₱31,538,436

See accompanying Notes to Financial Statements.

PHILIPPINE COUNCIL FOR NGO CERTIFICATION, INC.
(A Nonstock, Nonprofit Corporation)

STATEMENTS OF ACTIVITIES

	Years Ended December 31	
	2025	2024
RECEIPTS		
Dues (Note 9)	₱6,260,920	₱6,109,000
Grants and donations (Note 10)	4,089,069	6,956,097
Contributions	4,527,470	1,318,200
Change in fair value of investments (Note 5)	605,310	622,573
Interest income (Notes 3 and 5)	279,021	347,261
	15,761,790	15,353,131
EXPENSES		
Program disbursements (Note 11)	12,726,413	10,526,558
General and administrative expenses (Note 12)	2,129,901	2,013,181
	14,856,314	12,539,739
EXCESS OF RECEIPTS OVER EXPENSES	₱905,476	₱2,813,392

See accompanying Notes to Financial Statements.

PHILIPPINE COUNCIL FOR NGO CERTIFICATION, INC.
(A Nonstock, Nonprofit Corporation)

STATEMENTS OF CHANGES IN FUND BALANCE

	Years Ended December 31	
	2025	2024
Unrestricted Funds		
Balance at beginning of year	₱4,836,155	₱6,022,763
Excess of receipts over expenses	905,476	2,813,392
Reclassification from excess of receipts over expenses	–	(2,582,111)
Allocation for Capacity Building Fund (Note 8)	–	2,582,111
Reclassification to Restricted Funds (Note 15)	–	(4,000,000)
Balance at end of year	5,741,631	4,836,155
Restricted Funds		
Balance at beginning of year	25,000,000	21,000,000
Reclassification from unrestricted funds (Note 15)	–	4,000,000
Balance at end of year	25,000,000	25,000,000
Balance at end of year	₱30,741,631	₱29,836,155

See accompanying Notes to Financial Statements.

PHILIPPINE COUNCIL FOR NGO CERTIFICATION, INC.
(A Nonstock, Nonprofit Corporation)

STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of receipts over expenses	₱905,476	₱2,813,392
Adjustments for:		
Depreciation (Notes 6 and 12)	220,375	210,886
Retirement expense, net of contribution (Note 13)	(157,024)	257,636
Interest income (Notes 3 and 5)	(279,021)	(347,261)
Change in fair value of investments in mutual fund (Note 5)	(605,310)	(622,573)
Changes in working capital:		
Increase in receivables	(12,133)	(96,806)
Decrease (increase) in:		
Deferred support	(284,800)	(666,667)
Accounts and other payables	257,185	(14,227)
Net cash generated from operations	44,748	1,534,380
Interest received	279,021	347,261
Net cash provided by operating activities	323,769	1,881,641
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from matured short-term investments (Note 3)	(3,081,111)	2,975,480
Acquisitions of:		
Property and equipment (Note 6)	(64,100)	(72,600)
Net cash provided by (used in) investing activities	(3,145,211)	2,902,880
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,821,442)	4,784,521
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	8,281,853	3,497,332
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 3)	₱5,460,411	₱8,281,853

See accompanying Notes to Financial Statements.

PHILIPPINE COUNCIL FOR NGO CERTIFICATION, INC.

(A Nonstock, Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

1. Council Information

Philippine Council for NGO Certification, Inc. (PCNC or the Council) was registered with the Securities and Exchange Commission (SEC) on January 29, 1997 as a private, voluntary, nonstock, nonprofit corporation. The Council was duly designated by the Department of Finance through the Bureau of Internal Revenue (BIR) as “accrediting entity” to establish and operate a certification system that aims to determine the qualifications of nonstock, nonprofit corporations, foundations, and non-government organizations (NGOs) to become donee institutions in accordance with Revenue Regulations No. 13-98.

The Bureau of Internal Revenue (BIR) issued the renewal of the Council’s Certificate of Tax Exemption on September 4, 2023. The certificate indicates that as a nonstock, nonprofit corporation, the Council falls under Section 30 (E) of the Republic Act (RA) No. 8424 entitled, “An Act Amending the National Internal Revenue Code, as Amended, and for Other Purposes.” The receipts from activities conducted in pursuit of the objectives for which the Council was established are exempt from income tax. However, any income arising from its real or personal properties, or from activities conducted for profit, regardless of the disposition made of such income, shall be subject to tax imposed under the Tax Code. The Council’s registration as a qualified donee-institution is valid until December 17, 2024. The Council renewed its registration on March 18, 2025 that shall be valid until January 29, 2030.

On April 11, 2008, Executive Order (EO) 720 was issued and became effective June 29, 2008. EO 720 modified EO 671 with the objective of strengthening the accreditation system for nonstock, nonprofit corporations. The following are the significant provisions of EO 720:

- PCNC shall be the government’s partner in a system of accreditation to determine qualification of organizations as donee institutions.
- The PCNC Board of Trustees (BOT) shall include the representative of choice by the Department of Social Welfare and Development (DSWD).
- Organizations whose mandate clearly fall under government agencies (as indicated in their purpose) that already have registration procedures in place (e.g., DSWD, Department of Science and Technology, National Commission for Culture and the Arts, Commission on Higher Education) are required to submit proof of their registration/accreditation/permit with the concerned government agency before PCNC processes their application.

The Council’s registered office and principal place of business is at 6/F SCC Bldg., CFA-MA Compound, 4427 Interior Old Sta. Mesa Road, Sta. Mesa, Manila.

The accompanying financial statements of the Council were approved and authorized for issue by the Board of Trustees on March 25, 2026.

2. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements of the Council have been prepared under the historical cost basis, except for investments in mutual funds, which are measured at fair value. The financial statements are presented in Philippine Peso (₱), which is also the Council’s functional currency. All amounts are rounded-off to the nearest peso unless, otherwise indicated.

Statement of Compliance

The accompanying financial statements of the Council have been prepared in accordance with Philippine Financial Reporting Standards for Small Entities (PFRS for SEs) Accounting Standard, as approved by the Philippine Financial Reporting Standards Council, Board of Accountancy and SEC.

Significant Accounting Policies

The significant accounting policies that have been used in the preparation of these financial statements are summarized below.

Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. A financial instrument is recognized when the entity becomes a party to its contractual provisions. The Council classifies its financial instruments into the following categories: (a) basic financial instruments; (b) complex financial instruments.

The Council's basic financial instruments consist of cash, short-term investments, receivables (except advances to officers and employees and other receivables), investment in bonds and mutual funds, and accounts and other payables (except payable to government agencies).

Basic Financial Instrument

Initial Measurement

On initial recognition, a debt financial instrument is measured at transaction price (including transaction cost), unless the arrangement is in effect a financing transaction. In this case, it is measured at present value of future payment discounted using a market rate of interest for similar debt instrument.

Subsequent Measurement

Debt instruments are subsequently measured at amortized cost using the effective interest rate (EIR).

Impairment of Financial Instruments at Amortized Cost

At each reporting date, the Council assesses whether there is objective evidence of impairment on any financial assets that are measured at amortized cost. Where there is any objective evidence of impairment, an impairment loss is recognized immediately in profit or loss.

The impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

Derecognition of Financial Assets

An entity only derecognizes a financial asset when the contractual rights to the cash flows from the assets have expired or are settled, or the entity has transferred to another party substantially all the risks and rewards of ownership relating to the asset.

Derecognition of Financial Liabilities

Financial liabilities are derecognized only when these are extinguished – that is, when the obligation is discharged, cancelled or has expired.

Cash

Cash includes cash on hand and in banks. Cash in banks earns interest at the respective bank deposit rates. Interest earned is recorded under interest income.

Short-term Investment

Short-term investments include marketable securities with maturities of less than one year or where management's intent is to use the investments to fund current operations or to make them available for current operations.

Receivables

Receivables, which are based on normal credit terms and do not bear interest, are recognized initially at the transaction price. These are subsequently measured at amortized cost. A provision for impairment of receivables is established when there is objective evidence that the amounts due according to the original terms are not recoverable.

Investment in Bonds

Investment in bonds are financial assets with fixed or determinable payments and fixed maturity that the Council has the positive intention and ability to hold to maturity.

Investment in Mutual Fund

Investment in mutual fund is recognized initially at its fair value, which is normally the transaction price. This is held indefinitely and may be sold in response to liquidity requirements or changes in market conditions. This is subsequently measured at fair value and recognize changes in fair value in profit or loss.

Investment in mutual fund is classified as noncurrent assets, unless the intention is to dispose of such assets within twelve (12) months from reporting date.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment in value. The initial cost of property and equipment comprises its purchase price and any directly attributable costs 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 against income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of the property and equipment beyond its originally assessed standard of performance and the cost of the items can be measured reliably, the expenditures are capitalized as an additional cost.

Depreciation is computed on a straight-line basis over the estimated useful lives (EUL) of the assets as follows:

	Years
Furniture and fixtures	3 - 5
Computers	2 - 5

The EUL and depreciation method 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 still carried in the accounts until they are no longer in use and no further depreciation is charged against current operations.

When property and equipment are retired or otherwise disposed of, the cost of the related accumulated depreciation and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Impairment of Nonfinancial Assets

Assets such as the Council's property and equipment are assessed at each reporting date whether there is an indication that the assets are impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Council estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

If an impairment indicator no longer exists or the recoverable amount has increased subsequently, the Council will determine the amount of impairment loss that can be reversed to the extent that the reversal should not result in a carrying amount of the asset that is higher had no impairment loss been recognized in the prior years.

Accounts and Other Payables

Accounts and other payable are recognized only when the following conditions are met: (a) there exists a present obligation (legal or constructive) as a result of past event; (b) it is probable that an outflow of economic resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation.

Revenue Recognition

Revenue is measured as the fair value of the consideration received or receivable. The Council recognizes revenue to the extent that it is probable that the future economic benefits will flow to the Council and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Dues

Dues include annual dues and application dues. These are recognized when the related services have been rendered and the right to receive payment is established. Annual and application dues collected during the year from NGOs that are yet to be evaluated and/or accredited are presented under "Deferred support" account in the liabilities section of the statement of financial position.

Grants and donations

Revenue from unrestricted grants and donations are recognized upon receipt of the grants and donations. Revenue from restricted grants and donations are recognized upon fulfillment of the donor-imposed conditions attached to the grants and donations and/or to the extent that expenses are incurred. Restricted support for which restrictions and conditions have not yet been met, are classified as "Deferred support". At project completion date, any excess funds in deferred support are to be returned to the donors unless otherwise agreed by both parties that such excess funds are to be retained by the Council and therefore credited to unrestricted grants and donations.

Interest income

Interest income are recognized as they accrue, taking into account the effective yield on the asset.

Expense Recognition

Expense is recognized when a decrease in future economic benefits related to a decrease in asset or an increase in liability has arisen that can be measured reliably. Expenses and other charges are recognized when incurred and measured at the amount paid or payable.

Retirement Costs

The Council's retirement plan is a non-contributory and of the defined benefit type, administered by a trustee, covering their regular and permanent employees, which provides retirement benefit equal to one (1) month salary for every year of credited service but not less than the Philippine Retirement Pay Law (Republic Act No. 7641) provision. Accrual approach is applied by calculating the expected liability as at reporting date using the current salary of the entitled employees and the employees' years of service, without consideration of future changes in salary rates and service periods.

Retirement liabilities or assets is the net of the following amounts;

- The accrued amount of the retirement benefits at the reporting date; less
- The fair value of plan assets at the reporting date out of which the obligations are to be settled directly.

Fund Accounting

The accounts of the Council are maintained in accordance with the principle of fund accounting to ensure observance of limitations and restrictions placed on the use of resources available to the Council. This is the procedure by which resources for various purposes are classified for accounting and financial reporting purposes into funds that are in accordance with specified activities and objectives. Separate accounts are maintained for each fund. However, in the Council's financial statements, funds that have similar characteristics have been combined into fund groups.

Accordingly, all financial transactions have been recorded and reported by fund group, if applicable.

Leases

Lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. Some arrangements do not take the legal form of a lease but convey rights to use assets in return for payments. Such arrangements are in substance leases of assets, and they should be accounted for as a lease.

A lessee shall recognize all lease payments as expense in profit or loss in the period in which they are incurred.

Provisions

Provisions are recognized only when the Council 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.

Where the Council expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are reviewed at each financial reporting date and adjusted to reflect the current best estimate.

Contingencies

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

Events after the Reporting Period

Events after the reporting period that provide additional information about the Council's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Cash and Cash Equivalents and Short-term Investments

	2025	2024
Cash on hand	₱25,000	₱25,000
Cash in banks	5,435,411	5,258,448
Cash equivalents	–	2,998,405
	₱5,460,411	₱8,281,853

Cash

Cash in banks earn interest at the prevailing bank deposit rate. Interest income earned from cash in banks amounted to ₱3,704 and ₱3,101 in 2025 and 2024, respectively.

Cash Equivalents

On October 31, 2024, the Council renewed its investment in treasury bills, which are now classified as cash equivalent due to its maturity within 90 days, as of December 31, 2024. This was acquired for ₱3.00 million. This matured on January 29, 2025 and has a fixed interest rate of 4.21% per annum.

Short-term Investments

On July 31, 2025, the Council invested in treasury bills through Chinabank. The security was acquired for ₱3.08 million. This has a maturity date of January 28, 2026 and has a fixed interest rate of 5.59% per annum.

4. Receivables

	2025	2024
Accounts receivables	₱150,000	₱118,763
Other receivables	368,716	387,820
	₱518,716	₱506,583

Accounts receivables pertains to annual membership dues, application dues, rental deposit, revolving fund advanced to PCNC employees to be used for evaluation activities, and advances to other companies to INSPIRE Project expenses to be reimbursed by Gerry Roxas Foundation.

Other receivables pertain to non-interest-bearing salary and emergency loans to employees. An emergency loan can also be availed by employees for medical treatment of the employee or any of his immediate family members, and in cases of calamity. These loans are collected through payroll deductions and normally have terms of one year. In case of employee separation, outstanding balance of loans are settled against the employee's last salary or retirement benefit.

5. Investments

	2025	2024
Investments in mutual fund	₱16,472,198	₱15,866,888
Investments in bonds	6,500,000	6,500,000
	₱22,972,198	₱22,366,888

In 2022, the Council acquired investments in BDO Trust and Investments Group (BDO-TIG) amounting to ₱14.50 million invested in different portfolio mix by BDO-TIG.

The roll forward analysis of investments in mutual fund carried at fair value follows:

	2025	2024
Balance at beginning of year	₱15,866,888	₱15,244,315
Market valuation gain	605,310	622,573
Balance at end of year	₱16,472,198	₱15,866,888

Investments in bonds pertain to the investments acquired by the Council on March 9, 2021 from China Banking Corporation (Chinabank) with a term of five (5) years. Interest rate in this investment ranges from 3.48% to 4.08% per annum.

Total interest income earned from these investments amounted to ₱0.28 million and ₱0.34 million in 2025 and 2024, respectively.

6. Property and Equipment

The roll forward analysis of this account follows:

	2025		
	Furniture and Fixtures	Computers	Total
Cost			
Balance at beginning of year	₱741,726	₱2,053,242	₱2,794,968
Addition	–	64,100	64,100
Balance at end of year	741,726	2,117,342	2,859,068
Accumulated depreciation			
Balance at beginning of year	579,029	1,872,122	2,451,151
Depreciation (Note 12)	94,714	125,661	220,375
Balance at end of year	673,743	1,997,783	2,671,526
Net book value	₱67,983	₱119,559	₱187,542

	2024		
	Furniture and Fixtures	Computers	Total
Cost			
Balance at beginning of year	₱741,726	₱1,980,642	₱2,722,368
Addition	–	72,600	72,600
Balance at end of year	741,726	2,053,242	2,794,968
Accumulated depreciation			
Balance at beginning of year	483,907	1,756,358	2,240,265
Depreciation (Note 12)	95,122	115,764	210,886
Balance at end of year	579,029	1,872,122	2,451,151
Net book value	₱162,697	₱181,120	₱343,817

No property and equipment were pledged as security to the Council's obligation in 2025 and 2024.

7. Accounts and Other Payables

	2025	2024
Accounts payable	₱321,947	₱89,722
Payable to government agencies	97,063	68,897
Accrued expenses	–	3,206
	₱419,010	₱161,825

Accounts payable pertains mainly to unpaid purchases and billings for contracted services. These are noninterest-bearing and are normally settled within 30 to 60 days.

Payable to government agencies includes contribution dues to Social Security Services (SSS), PhilHealth, Pag-IBIG and withholding taxes which are to be paid within 30 days from the end of financial reporting date.

Accrued expense pertains mainly to the accruals of professional fees and utilities. These are noninterest-bearing and are normally settled within 30 days.

8. Deferred Support

Deferred support includes advance payments of annual dues received from member-organizations, application dues received from NGO-applicants that are yet to be evaluated and/or accredited as of year-end, and other unidentified deposits. As of December 31, 2025 and 2024, deferred support amounted to ₱0.28 million and ₱0.56 million, respectively.

9. Dues

	2025	2024
Annual dues	₱3,365,920	₱3,089,000
Application dues	2,895,000	3,020,000
	₱6,260,920	₱6,109,000

Application dues pertain to fees earned by the Council from NGOs for their application for accreditation and BIR registration as donee institutions.

Annual dues pertain to yearly fees from member-organizations that have been accredited by the Council.

10. Grants and Donations

	2025	2024
Unrestricted donations	₱3,942,940	₱4,998,945
Grants - INSPIRE Project (Note 11)	146,129	1,957,152
	₱4,089,069	₱6,956,097

Grants - INSPIRE Project

On October 11, 2021, the Council, as a member of the consortium that will implement the USAID-funded project Inclusive Growth and Regenerative Ecosystems (INSPIRE Project), entered into a subaward agreement with Gerry Roxas Foundation Inc. (GRF). GRF is the prime recipient of the grant from USAID. The total value of the agreement amounted to ₱8.81 million which was composed of the sub-award value of ₱8.39 million from GRF to the Council and the Council's cost share amounting to ₱0.42 million. The purpose of the grant is to provide support exclusively for expenditures incurred for the implementation of the program on Natural Resources Security and Governance (NRSRG 2) Objective 1: Enhanced Capacity of CSOs and Local Communities to Demand for and Participate in Good Natural Resource Governance under the USAID Project INSPIRE for the period October 11, 2021 to June 30, 2026.

Within the general project scope, the Council will lead the conduct of the Non-US NGO Pre-Award Survey (NUPAS) for selected CSO grantees, submit recommendations to the INSPIRE Project Team on possible conditions of awards or if a proponent is eligible or not, recommend possible best grant instruments based on the NUPAS findings, lead the crafting of Corrective Action Plans and Capacity-building plans leading to possible PCNC certification, conduct direct capacity-building interventions relative to internal organizational capacity building needs and provide tailored fit assistance to individual partner CSOs to develop sustainability plans. The Council program team will partake in the project mobilization, strategic planning and yearly implementation planning.

Total grants for INSPIRE Project received related to program expenses amounted to ₱0.15 million and ₱1.96 million for the years ended December 31, 2025 and 2024, respectively (see Note 11).

On February 28, 2025, the Council received a termination notice to immediately cease all activities, terminate all partnership and contracts and was recommended to start the closeout process and complete it not later than March 27, 2025. PCNC has been cleared of all contractual deliverables and closeout requirements. Excess grants amounting to ₱556,280 was returned to GRF on March 21, 2025.

Unrestricted Donations

Unrestricted donation pertains to donations received by the Council from member-organizations during general assembly and other donors.

11. Program Disbursements

	2025	2024
Evaluation expenses (Notes 13 and 14)	₱6,029,226	₱5,834,556
Program development (Note 8)	3,645,356	865,324
General assembly	2,289,678	2,190,388
INSPIRE Project (Note 10)	762,153	1,636,290
	₱12,726,413	₱10,526,558

Evaluation expenses pertain to expenses incurred in the processing of applications and in the conduct of evaluations of NGO-applicants for PCNC accreditation and BIR registration as donee institutions.

Program development expenses pertain to those expenses incurred for workshops, trainings and seminars, proposal preparation, systems development, and systems maintenance.

General assembly expenses are those expenses incurred which are directly attributable to the conduct of the Council's annual general assembly.

12. General and Administrative Expenses

	2025	2024
Salaries, wages, and other short-term employee benefits	₱1,206,189	₱1,151,367
Professional fees	234,080	215,600
Depreciation (Note 6)	220,375	210,886
Rent expense (Note 14)	94,143	94,143
Retirement benefit costs (Note 13)	74,698	65,049
Light and water	64,825	61,547
Repairs and maintenance	55,756	31,359
Transportation	46,217	34,269
Taxes and licenses	12,497	12,497
Miscellaneous expense	121,121	136,464
	₱2,129,901	₱2,013,181

13. Retirement Benefit Obligations

The Council has a funded, non-contributory, defined benefit retirement plan covering all of its regular employees.

The Council measures its retirement benefit obligation using the accrual approach based on its retirement benefit plan which provides retirement benefit equal to one (1) month salary for every year of credited service but not less than the Philippine Retirement Pay Law (Republic Act No. 7641).

Components of retirement benefit costs recognized in the statements of activities are as follows:

	2025	2024
Program disbursements - evaluation cost (Note 11)	₱268,278	₱192,588
General and administrative expenses (Note 12)	74,698	65,049
	₱342,976	₱257,637

The net retirement liability recognized in the statements of financial position as of December 31 are as follows:

	2025	2024
Fair value of plan assets	₱2,124,368	₱1,535,644
Accrued retirement benefit obligation	(2,946,300)	(2,514,600)
Net retirement liability	(₱821,932)	(₱978,956)

The Council's plan assets represent investment in common trust fund with BDO Unibank, Inc.

The Council paid a total contribution for retirement benefit amounting to ₱0.50 million and ₱0.10 million as of December 31, 2025 and 2024, respectively.

Additionally, the Council paid retirement benefits to retired employees amounting to nil and ₱1.26 million as of December 31, 2025 and 2024, respectively.

Compensation of Key Management Personnel

The compensation of key management personnel of the Council by benefit type follows:

	2025	2024
Short-term employee benefits	₱1,345,836	₱1,294,618
Post-employment benefits	90,800	87,200
	₱1,436,636	₱1,381,818

14. Lease Agreement

The Council entered into a one-year lease agreement with Communication Foundation for Asia-Media Apostolate (CFA-MA), renewable at the option of both parties pertaining to the office space the Council occupies since July 1, 2007. Deposits and advance rent related to the leased property are presented under "Rental deposits" account in the statements of financial position amounting to ₱0.04 million as of December 31, 2025 and 2024.

Rent expense in 2025 and 2024 amounted to ₱0.31 million, of which ₱0.22 million have been reported in "evaluation costs" account in program disbursements and ₱0.09 million in general and administrative expenses in the statements of activities (see Notes 11 and 12).

15. Restricted Funds

On December 1, 2021, the Council established an endowment fund which shall be administered as a trust with the PCNC Board of Trustees as trustee with the objective to preserve and grow the Council's capital fund. Investment to be made is in accordance with the Council's Investment Policy Statement and earnings may be used for specific purposes as recommended by the Finance and Investment Committee and approved by the Board. BDO Unibank, Inc. - Trust and Investment Group (BDO-TIG) and China Banking Corporation (Chinabank) are the appointed fund managers as approved by the PCNC Board on January 26, 2022.

On December 4, 2024, the PCNC Board approved the increase of the endowment fund principal from ₱21.00 million to ₱25.00 million.

16. Supplementary Information Required under Revenue Regulations 34-2020

The Council does not meet the criteria of Section 2 of Revenue Regulation 34-2020 to file and submit the new related party form (RPT Form) together with the annual income tax returns. Thus, the Council is not covered by the requirements and procedures for related party transactions provided under the RR 34-2020. The criteria are as follows:

- a. Large taxpayer;
- b. Taxpayers enjoying tax incentives, i.e., Board of Investments (BOI)-registered and economic zone enterprises, those enjoying Income Tax Holiday (ITH) or subject to preferential income tax rate;
- c. Taxpayer reporting net operating losses for the current taxable year and the immediately preceding two (2) consecutive taxable years;
- d. A related party, as defined under Section 3 of RR 19-2020, which has transactions with (a), (b) or (c). For this purpose, key management personnel (KMP), as defined under Section 3(7) of RR 19-2020, shall no longer be required to file and submit the RPT Form, nor shall there be any requirement to report any transactions between KMP and the reporting entity/parent company of the latter in the RPT Form.

17. Supplementary Information Required under Revenue Regulations 15-2010

In compliance with the requirements set forth by Revenue Regulations (RR) 15-2010, the following is the information on the Council's taxes accrued and/or paid in 2025:

VAT

The Council is a non-VAT registered entity and has no output and input tax declaration during the period.

Taxes and Licenses

The Council reported and paid license and permit fees amounting to ₱12,497 in 2025 under "taxes and licenses" in general and administrative expenses section in the statement of activities.

Details of withholding taxes during the year follow:

Withholding taxes on compensation and benefits	₱269,774
Expanded withholding taxes	211,379
	<u>₱481,153</u>

The outstanding balances of withholding taxes are included as part of payable to government agencies under "Accounts and other payables" in the Council's statements of financial position.

Tax Contingencies

The Council neither received any final tax assessments in 2025, nor has tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside the administration of the Bureau of Internal Revenue.

PCNC Board of Trustees, 2025-2026



Fr. Manuel Simplicio V. Francisco, SJ
Chairperson

Chairman,
Tanging Yaman Foundation, Inc.



Dr. Jaime Z. Galvez Tan

Vice-Chairperson

Chairman,
Health Futures Foundation, Inc.



Roberta Lopez Feliciano

Corporate Secretary

Managing Director,
ABS-CBN Lingkod Kapamilya
Foundation, Inc.



Antonio Joselito G. Lambino II

Treasurer

President,
Ayala Foundation, Inc.



Ana Margarita Hontiveros-Malvar

Auditor

President,
Aboitiz Foundation, Inc.



Elvin Ivan Y. Uy

Trustee

Executive Director,
Philippine Business for Social
Progress, Inc.



Fr. Teodulo P. Gonzales, SJ

Trustee

President,
Ruben M. Tanseco, S.J. Center for
Family Ministries Foundation, Inc.



Sandino J. Soliman

Trustee (2024 - Sept. 2025)

Executive Director,
Caucus of Development NGO
Networks, Inc. (CODE-NGO)



Marie A. Angeles

Trustee

Executive Director,
Ronald McDonald House Charities
of the Philippines, Inc.



Br. Bernard S. Oca FSC

Trustee (December 2025 - Present)

President,
De La Salle University, Incorporated



Atty. Grace A. Sumalpong

Legal Adviser

BOARD COMMITTEES

Finance & Investment Committee

- Antonio Joselito G. Lambino II - Chair
- Marie A. Angeles
- Felix A. Tonog

Audit Committee

- Ana Margarita Hontiveros-Malvar - Chair
- Jimmy E. Delgado, CPA
- Alma C. Mapili, CPA

Certification & Standards Committee

- Elvin Ivan Y. Uy - Chair
- Arnolfo S. Morfe
- George V. Villaruz, CPA, ACPA

The PCNC Team



Standing: L-R

Dustin Cage D. Macaraan
Communications & Learning Associate

Ann Eloida G. Gabasan
Certification Officer

Kathrin Joy M. Tayao
Certification Associate

Jovy C. Cera
Accountant

Felix A. Tonog
Executive Director

May Codia - Bayta
Certification Officer

Luis P. Morales
Capacity Building Specialist (INSPIRE Project)

Michelle P. Tuazon
Finance & Administrative Officer

Rowena S. Dizon
Certification Assistant

Jhon Marvin D. Ausan
Office Assistant

Gold Donors



Silver Donors



ANARGYROI



EVEREST INTERNATIONAL ACADEMY



Bronze Donors



Angelo King Foundation, Inc.
Helping people help themselves



Platinum Donors



Diamond Donors

BDO Foundation



SM FOUNDATION

HENRY SY
FOUNDATION

FELICIDAD T. SY
FOUNDATION