

Millennium Development Goal Realization:

*JF Ledesma's Reflection  
of Stewardship*



2006

**Annual Report**



The Julio & Florentina Ledesma Foundation, Inc.

## **Our Vision**

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*Establishment of permanent socio-economic community organizations with integrated economic projects and basic services operating in a healthy East Negros environment.*

## **Our Mission**

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*JFLFI is in the business of facilitating a poverty alleviation and social transformation effort through the setting up of an integrated East Negros development network to competently provide basic support services, low-cost and socialized housing, appropriate economic projects, capacity building, spiritual development and advocacy awareness on health and nutrition, peace process, local governance and sustainable development that can effectively respond to the needs of its covered clientele.*

## OVERVIEW

# We Are But Stewards

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In 1964, ten years prior to the establishment of the Julio and Florentina Ledesma Foundation, Inc, the internationally-respected communications scholar and author Marshall McLuhan, penned these lines: *There are no passengers on Spaceship Earth. We are all crew.*

The lines were apparently visionary for JFLFI as it launched and pursued its vision and mission of providing people in northeastern Negros a better quality of life through a wholistic program that would transform them to become better citizens of their community, the country and the world.

Forty years later, the wisdom of those lines have remained greater than ever. We cannot be passive to the pleas and demands around us – not providing band-aid approaches and other palliative measures to human and social problems but an enduring strategy in the context of the Chinese philosophy of teaching people how to fish for a lifetime and not providing them fish for a day.

The numbers are getting bigger – people, population, problems – that it takes solid and commitment for us to pursue what we have started and, along the way, identify innovative measures to make our service more responsive and more meaningful for those we want to have a better appreciation of their life and their environment, as it is being threatened by human abuse.

In our little way, we have been doing our share to alleviate the plight of people – away from want and dependency – toward greater self-reliance in four major areas:

- Housing and construction
- Integrated Micro-Finance
- Agricultural Development
- Environment

We at JFLFI have no choice but to do more as we continue to serve our city, province, country and our world. The Year 2006 may have been our banner year in many areas of our services but as stewards of God's Creations and Kingdom, we need to accomplish and commit more. The lines from writer Ellen Sturgis Hooper inspires us more do better after a taxing day and a restful night.

*“I slept and dreamed that life was beauty.  
I woke -- and found that life was duty.”*

# Our Programs

*The strength of a nation derives from the integrity of the home.*

- Confucius

When the housing program of the Julio and Florentina Ledesma Foundation, Inc. was chosen a finalist in the 2006 World Habitat Awards, it meant one thing for the people in the organization: the JFLFI initiatives, initially intended to alleviate the living conditions of marginalized sectors in the northeastern San Carlos Corridor have gained global attention.

The World Habitat Awards, initiated in 1985, is part of the United Nations global efforts to make each nation draw up strategies, policies and programs that would make possible practical and attainable improvements made in the shelter and neighborhoods of poor and disadvantaged people. And to identify innovative, viable, sustainable and successful human settlement programs throughout the world which can be replicated elsewhere. Its goals are attuned with the Millennium Development Goals set by the United Nations Development Program for the eradication of poverty and the improvement of the quality of life of the marginalized sectors of society by the Year 2015.

Thomas Hood may have meant something else, when he penned this line, *“And each heart is whispering, “home, home, at last!”* For the beneficiaries of the JFLFI housing program, owning, too, can make people, say the same, *“Home, home, at last!”*.

The ownership of homes, as beneficiaries have realized, provides immense self-respect and dignity to individuals. A sense of dignity means fulfillment, a healthy self-concept as one works toward self-integrity and this is important to human and social development.

The JFLFI housing program has become one of the key initiatives of the foundation toward the building of a more wholistic developmental approach to social and human development.

The other areas of institutional interventions are farming assistance, micro-financing, water supply assurance and the safeguarding of the environment, which are in keeping with the United Nations' Millennium Development Goals.



## Housing Program

*Mid pleasures and places though we may roam, be it ever so humble, there's no place like home.*

- John Howard Payne

The JFLFI housing program, a major thrust of the foundation, covers seven areas. These are:

- Vertical and Horizontal Construction
- Documentation and Marketing
- Compressed Earth Block and MCR production and CIB Training
- Community Mortgage Program
- Slum Upgrading
- Young Professionals Program and
- LGU Capability Building

**Vertical & Horizontal Construction.** This is a major component of the housing program designed to enable Pag-IBIG members in both public and government offices to own a lot at an affordable cost through socialized housing and provide technical support for the construction of cost saving and decent housing units and other infrastructures as well as provide technical skills for construction workers and generate employment through the production of earth-based housing materials.

The program covers at least four housing projects -- St. John's, St. Luke's, Ecoville and NOCECO with a combined total of nearly 300 units. About one-sixth of the total

units have been completed while the papers of the others are being processed.

JFLFI also constructed two-room school buildings under its special project thrusts at Prosperidad, provided 120-m concrete pathways at the Gawad Kalinga housing site in San Carlos City, installed concrete pavement blocks at the Tsinoy Village in Escalante City. At Purok Punta Cruz in Toboso, constructed a box-type drainage and a 60-m concrete pathway in MRA & Sons in Bago City. It benefited almost 220 families in these special projects.

The construction and special projects provided employment opportunities for 456 persons.

JFLFI extended technical assistance to three groups by preparation of their plans and cost estimates – the ASEAN Rural-Urban Development and Peace Institute for its complex building to handle institutional and post-harvest activities; the San Carlos Diocese Formation Center for its two-storey building that will serve as a formation house; and, the Community Learning Center for its single-story multi-purpose center.



**Housing Documentation.** The housing documentation function serves as a direct link to financial institutions for the procurement and compliance of documents needed so that housing loans can be approved. In keeping with this function, JFLFI orients and guides applicants on procedures in the processing the housing loan application documents, helps applicants in document authentication, develop a harmonious relationship between client and homeowners and help facilitate the prompt release of the loan.

JFLFI helped applicants who availed of the housing programs of NEHA, St. John, St. Luke and Ecoville, where the takeouts of most units have been set early in 2007.

The alternative-building construction and earth-based technology program also eyes markets in Thailand, Cambodia, Laos and other parts of the Philippines with JFLFI formalizing linkages with the Asian Institute of Technology in Bangkok and the Center for Vocational Building Technologies. In its efforts to provide cost-efficient construction materials, the foundation also supports the development of alternative construction materials and is looking into the adoption of technology more useful and beneficial in mass housing projects.

Also eyed for a networking effort is a collaboration – the BASIN-East Asia for Housing Technology that JFLFI will spearhead with the cooperation of various organizations, like the TAO-Pilipinas in Luzon and the Mindanao State University-Iligan Institute of Technology in Mindanao. The focus of the initiative includes the promotion and development of sustainable building technologies, housing financing and construction, research and development, entrepreneurship and livelihood development and skills training among others.

**CEB/MCR Production and CIB Training.** The JFLFI-produced earth based materials have been used for the last 15 years. The materials include the compressed block and micro concrete roof tiles, which are results of product development studies conducted by the foundation. The CEB has been tested as denser and possessing better resistance to compressive stresses and water. The MCR technology is a pantiles system, which requires the use of cement and fine soil processed by a vibrating machine, making it easy to produce, transport and install and is found to be less sensitive to errors. The Inter-Locking Compressed Earth Block has high density and is stabilized with a cement whose compressive strength is suitable for at least two-storey building. In 2006, JFLFI attained almost 100 percent meeting of production targets.



The CEB program has not only benefited families but also enabled workers to form their association – now with a total of 300 members, who are engaged in the production of these materials and application of the technology, which have been shared with other non-governmental organizations and people's groups.

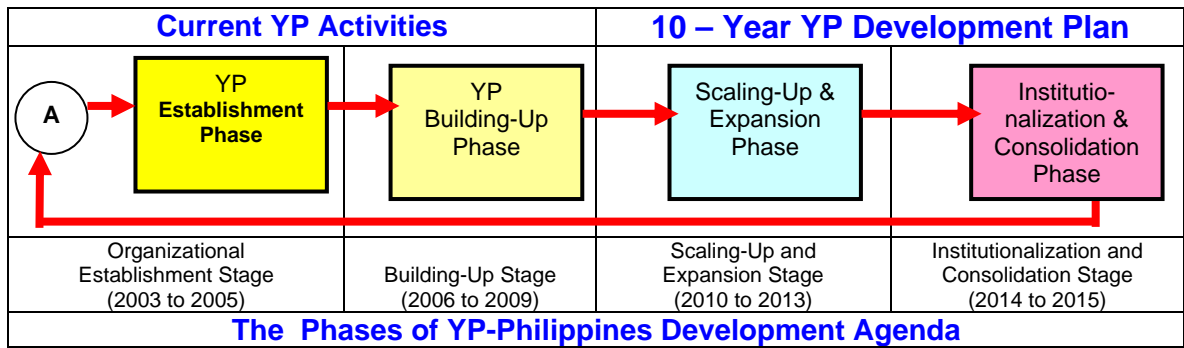
**Community Mortgage Program.** A component of the National Shelter Program, of the Urban Development and Housing act of 1991, this was set up in 1996 after a calamity displaced families in the locality. The assistance program, which allows the foundation to extend legal assistance to underprivileged and homeless citizens, enables beneficiaries to buy and develop small parcels of land and, possibly to own them, under the concept of community ownership with Social Housing Finance Corporation (SHFC) designated as the administrator. Last year, at least 681 households, with JFLFI assistance, managed to secure land tenure in 13 communities or start processing their applications to become program beneficiaries.

**Slum Upgrading.** The second stage of the Community Mortgage Program and the local government unit's incremental housing and

Slum Upgrading Project Modeling			
Assisted Peoples Organization	Location	Number of Household-Beneficiaries	Number of Individual Beneficiaries
Gawad Kalinga (GK) Village urban Poor Association, Inc.	San Carlos City	200	1,200
Purok Sta. Cruz Urban Poor Association, Inc.	Municipality of Toboso	250	1,500
Bago Urban Poor Association, Inc.	Bago City	16	96
Tsinoy Village Urban Poor Association	Escalante City	76	456
Fatima Urban Poor Association-Phase I	San Carlos City	200	1,200
<b>TOTAL</b>		<b>742</b>	<b>4,452</b>

development and slum upgrading program led to the creation of five slum upgrading modeling in the area. These housing groups have been used as models of finance localization with counterpart contribution among stakeholders and participants. The five slum upgrading models – the Urban Poor Association, Inc. of the Gawad Kalinga Village and the Fatima –Phase I San Carlos City, Purok Sta. Cruz in the town of Toboso, the Tsinoy Village in Escalante City and the urban poor association in Bago City – has a total of 742 household-beneficiaries with 4,452 individual - beneficiaries. Hopefully, the capacity - building interventions among planning executives and their skills in shelter plan formulation will be further strengthened.





**Young Professionals’ Organization.** The reactivation late in 2006 of the Young Professionals Program, which was organized 10 years ago, paved the way for a better defined direction of the organization, now officially known as the Philippine Young Professionals for Sustainable Habitat Association Inc., which was officially registered with the government Securities and Exchange Commission in January 2006. The organization is now on its build-up phase under its 10-Year development Goal until 2015. The current thrusts include continuing fora, seminars and camps, advocacy programs, on-the-job trainings and community immersions and exposures, research studies on housing technologies, community social and economic mapping, and integration of the organization with regional, national and international organizations.

The Young Professionals organization is working on the integration of the program with key universities in the country to create a synergy of efforts that would help shape the direction of career outlooks and development of young Filipinos.

**Networking & LGU Capability-Building Program on Shelter Planning Formulation.** The institutionalization of the province-wide urban poor federation and the San Carlos

City-wide alliance of urban poor communities through the formation of the Visayas Alliance for Social and Poverty Housing, Inc. signals the better coordination and sharing of experiences among the smaller groups of urban poor, The Visayas Alliance is now a grouping of at least 135 primary peoples and housing organizations and provincial federations committed to advocacy programs and policy recommendation initiatives related to housing security and land-tenure issues.

On the matter of land tenure, the Negros Provincial Federation of the Urban Poor, in collaboration with SASCULDEF Foundation, has mobilized efforts toward a stronger network on land tenure security through land banking among Negros Occidental LGUs with the support of the MISEREOR-JFLFI Program Partnerships’ 3rd LGU Module on shelter Planning Workshop in partnership with the Graduate School’s Institute of Public Management of the University of Negros Occidental-Recoletos, The 14 LGU workshop participants tapped 560 has. of urban-center property for land tenure security which is expected to benefit a total of 236,196 informer dweller-individuals in the next five years.



## Integrated Micro-Finance & Livelihood Projects

*Only thing we need to do soon, redesign our institutions and policies. People can change their own life provided they got the right kind of institutional support... We can put poverty into museums.*

-Dr. Muhammad Yunus, 2006 Nobel Peace Prize Laureate

This program -- the integrated Livelihood and Micro-finance Support for the Healthy Start-assisted Families in San Carlos City -- is on its third year of implementation through the partnership of the Consuelo Foundation and JFLFI.

The second phase of project implementation, which was completed on June 30, was focused on the integration of financial and non-financial services with the outcome of the capital support and livelihood activities for the beneficiaries bringing about sustainable impact. The program has included in its all-out implementation for the third phase, starting July 1, 2006, new members who have expressed the desire to avail of financial and non-financial services.

The project is designed to provide micro-finance services and livelihood-skills training to project participants with the end-goal of reducing their dependence on moneylenders, who charge high interest rates. It is also developing a database for project participants, provides opportunities for employment and

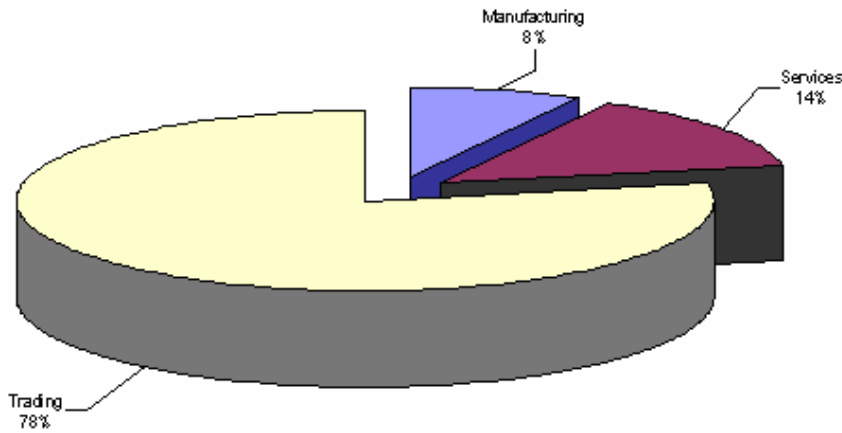
livelihood and ensure effective project management.

Specifically, the project conducted a survey, the findings of which will serve as basis for the comprehensive economic data of each partner-family. The study also included a skills inventory. The data will serve as basis for priority services and activities of beneficiary-families.

About 120 Healthy Start Family members who attended information and education meetings with 50 of them eventually provided assistance for livelihood projects, like sarisari stores, food vending and buy-and-sell ventures. Sixty-two others are new beneficiaries of loan aid, which is implemented through weekly monitoring and collection. In addition, at least 30 members were trained on food processing, restaurant management and cottage-industry skills acquisition. The cottage industry training provides alternative sources of livelihood for women through pandan weaving and bag making, an industry with high overseas market demand.



**Active Outreach as of 31 December 2006**



Also provided skills training were 50 members on earth-based construction, including the production of CEBs, or compressed earth blocks. The trainees were eventually hired in the construction project for the St. John's Subdivision in barangay 1 of San Carlos City and have been integrated as associate members of the CEB-MCR Community-based association for eventual sustainable job placement.

An automotive and motorbike repair and maintenance training was participated in by 10 out-of-school youths belonging to health Start Families. The training serves two

purpose: to provide prospective livelihood activities for the participants as the city relies heavily on motorcabs and pedicabs as means of transportation and also in line with the creation of new industries brought about by the establishment of an agro-forestry industry when the Bio-Ethanol Corporation starts its operations in San Carlos City mid-2007.

In 2006, the integrated micro-finance livelihood project benefited the trading sector, with 90 client-borrowers, the service sector with 16 clients and manufacturing, including cottage industries, with nine beneficiaries.



## Agriculture

*These are the hands whose sturdy labor brings  
The peasant's food, the golden pomp of kings;  
This is the page whose letters shall be seen,  
Changed by the sun to words of living green;  
This is the scholar whose immortal pen  
Spells the first lesson hunger taught to men;  
These are the lines that heaven-commanded Toil  
Shows on his deed, - the charter of the soil!*

- Oliver Wendell Holmes, 'The Ploughman'

The development of the farmlands and the eventual help to the hands that toil the soil are among the significant contributions of the foundation to the development of human resources and communities in northern Negros.

The agriculture programs and activities of the foundation, which are also supported by the Consuelo Foundation, focused on the Integrated Agricultural Area Development through the full-scale implementation of the *Greenhouse-based Integrated Farming Technology*, or *GIFT*, and the *Rice Seed Multiplier Fund*.

The GIFT components include vegetable production in the greenhouse, banana and fruit tree raising, livestock development and composting at farms of young people and the farm laboratory of the Agricultural and Productivity Training Center in Barangay Quezon, San Carlos City. Fifteen youth clusters have been organized composed of six members each to ensure maximum productivity. Each cluster has 700 hills of bananas in a hectare, with the space between banana rows planted to crops that serve as feeds for goats. They also have a goat house with a ram and 10 female goats and two to three greenhouse units -- for the production of cabbages, watermelons and bell pepper-- as well as a composting area.

The GIFT Full Implementation has two stages – the initial farming activities done at the cluster level and the replication of work done at the individual participants' farm. The development of six production clusters continued in 2006 with the planting of banana and forages started on a total of 755 hills around 3,000 sq.m. of forages. Three clusters acquired 39 goats. The planting of vegetables and watermelons in the greenhouse and open field within the GIFT farm was initiated. New additional clusters out of the new graduates have submitted their farm plans and budget and are ready for incorporation once the LGU fund is released to the foundation.

**GIFT Trainings.** The foundation conducted three GIFTs at the APTC in Barangay Quezon, an Carlos city benefiting more than 60 participants. The trainings were conducted Aug. 14-25, Nov. 8-11 and Nov 29-30. The GIFT concept is also being expanded to other communities as evidenced by the presence of two participants from the Welcome home Foundation in Bacolod City which plans to adopt the GIFT methodology in income-generating activities for the deaf. Trainign participants got hands-on and field experiences. Many of them are had their first hands-on experiences. The graduates of the three trainings are expected to form nine production clusters.



As of December, six clusters have been formed by 36 training graduates. The six clusters were provided support to set up 18 units of greenhouses for vegetable production. They were also given inputs by six JFLFI-APTC technical staff who trained on banana and potato tissue culture for the expansion of their crops. Eventually, 730 farmers from upland barangays were also provided training on banana and fruit tree production.

Also conducted under the GIFT concept were capability-building and needs assessment sessions where six existing production clusters identified their needs for the year. Five sessions were held in 2006 –on July 25 (with 20 participants), on Nov., 17 (with 12 participants), Nov. 17 (with 12 participants), Nov. 25 (also with 12 participants) and Dec. 28 (with another 12 participants).

**Marketing support.** The support for the young farmers from the local government of San Carlos City is being processed. The LGU has committed to support the project. In 2006, APTC and six clusters harvested and marketed a total of 9,464 kilos of various crops. The PATC has designated the Marketing Committee headed by Joenel Gamala Jr. as its partner in handling the marketing of the produce of APTC and the cluster farms.

**Farm Machinery.** To ensure the success of the GIFT and the meet the needs of households as identified in the baseline study, the Farm Machinery Operation is set to fabricate tools or equipment needed in farms and households. The project will be managed by the youth association and JFLFI-APTC. A skills-training will be conducted in line with this direction.

Barangays	No. of Batches	No. of Participants
Bagonbon	2	50
Rizal	3	75
Quezon	5	125
Codcod	7	175
Nataban	5	129
Palampas	2	50
Prosperidad	2	50
Punao	3	76
<b>Grand Total</b>	<b>27</b>	<b>730</b>

**More Highlights.** Other highlights in the agricultural development program of the foundation were the lettuce production trial using micro-organism solutions to prevent fungal diseases. JFLFI and APTC also participated in the Nov. 2-5 City Fiesta Agro-Industrial Fair as well as the national conferences on organic rice and muscovado sugar production conferences in Manila. The foundation and the APTC technical team also conferred with the City Agriculture Office to discuss the issuance of the certification of farm produce of beneficiary-farmers.

#### Rice Seed Multiplier Fund

The foundation has been providing upland farmers of San Carlos City loans to enable them to acquire rice seeds since 2003. Through the fund, beneficiaries manage to increase production from 60 to 70 sacks per hectare to 80 to 100 sacks due to the better quality of registered and certified rice seeds they have procured.

The foundation is setting up a 10-ha. Rice seed farm for the propagation of registered and certified seeds. The seeds will pass through laboratory testing at the National Crop Research center of the Bureau of Plant Industry in La Carlota City.

During the year, the program dispersed 27,422 kilos of certified rice to farmer partners and these seeds were planted to almost 700 has. It also collected palay repayments totaling more than 7,600 kilos of various rice varieties and managed to ensure continuity of supply with the successful negotiation with five RMSF seed growers to continue their partnership with the foundation.

JFLFI, in its commitment to help alleviate the quality of lives of farmers, especially those in upland areas, will always be reminded of these lines from the great Asian leader and philosopher, Mahatma Gandhi, who wrote: *To forget how to dig the earth and to tend the soil is to forget ourselves.*

## Environment

*When you defile the pleasant streams  
And the wild bird's abiding place,  
You massacre a million dreams  
And cast your spittle in God's face.*  
~John Drinkwater

In its commitment toward the actualization of the Millennium Development Goals, the foundation gave priority attention also to two pro-environment programs, like Drinkwater's streams and bird's abiding places – the Baticulan Watershed Management and Development Project and the forests at Mt. Kanlaon natural Park as covered by the JFLFI Haribon Partnership.

**Watershed Management & Development.** The foundation is actively involved, along with other agencies and organizations, in the San Carlos Development Board, Inc. SCDBI has the lead organization tasked to assist the city government of ta development priority in the San Carlos Master Development Plan, the Baticulan project. Partner organizations have pooled their resources toward synergized approaches and mechanisms through a counterpart scheme. the objective is to establish a permanent forest management program to ensure the sustainable maintenance and use of reforested areas for the control of floods, landslide and potable water shortage.

- With its track record of over three decades of development work, JFLFI has become a respected SCDBI member and has been tapped to spearhead the community-organizing component of the project. The JFLFI intervention started on May 1, 2006 and will end on April 30, 2007. Specifically,

the foundation is conducting the following:

- Profiling and collation of data through house-to-house visits and legworking
- Organizational formation and follow-through sessions on community environmental protection and advocacy
- Community organizational dynamics and key leadership in information, education and communication and
- Follow-through activities related to organizational and technical support and the establishment of alliances as well as monitoring and evaluation

Since May 1, 2006, JFLFI conducted project orientations in identified communities to make participants aware of the proposed watershed development project and its impact and effects on beneficiaries. Participants were also briefed on their roles and responsibilities for the duration of the project implementation.

The foundation turned over a ram pump in Sitio Cabungahan in Barangay Rizal, San Carlos City on Nov. 15, 2006 in a program attended by local government and barangay officials and personnel of JFLFI and the San Carlos Development Board, Inc. it also organized two clusters of 10 members each in Barangay Rizal in these community-organizing and follow-through activities.



The clusters will assist in the foundation in building a large-base of grassroot folk who are aware of the need to protect the environment and safeguard its resources by mobilizing them to be part of a network of individuals concerned with ecological safeguarding.

**JFLFI-Haribon Partnership.** This program partnership with the Kanlaon Green Brigade in Barangay Codcod, San Carlos City, aims to comprehensively integrate the environmental protection and reforestation initiatives at Mt. Kanlaon Natural Park. Specifically, it targets the multi zones, forest patches and river banks of restoration areas of the park by strengthening and empowering KGB members who serve as frontliners in enhancing biodiversity, environmental conservation, protection and reforestation of the biggest natural park in central Philippines and, consequently, provide economic and technological opportunities to these members and the cluster villages in the area.

The effort is getting the support of Haribon Foundation through a second partnership agreement covering a period starting June 1, 2006 to follow up and continue the one-year partnership focused on capacity building. The Haribon - JFLFI link is designed to generate two major programs – the protection of flora and fauna in the park and the increase in the population of native tree species and fruit trees within the project coverage area. The initiative led to the conduct of the five-day reforestation training workshop facilitated by the Institute of Topical Ecology of the Leyte State University. The program, held at the United Farmers Association demonstration Farm in Barangay Codcod, focused on seedling production, nursery establishment and farm management training to enable farmers to develop their own farms using rainforestation farming technology.

JFLFI trained 40 KGB members on environmental protection and conservation as well as MKNP laws. The KGB, along with the Barangay Bantay Bukid, is entrusted to conduct foot security patrols and monitoring within the park jurisdiction to check the incidence of illegal activities. The KGB members were also briefed on advocacy efforts to protect threatened species. Their operations are coordinated by the JFLFI forest coordinator and the forest ranger assigned by the Department of Environment and Natural Resources. Foot-patrol operations are focused on the so-called 'identified hot spot s'.

Information, Education and Communication activities focused on environmental protection have been priority thrusts of the JFLFI-Haribon partnership. Upland communities have been the targets of IEC campaigns conducted by the LGU, DENR, KGB and local stakeholders upon the initiative of the foundation. The IEC activities included house-to-house campaigns, informal sessions and meetings and advocacy activities on threatened species, conservation and protection and fora on MKNP and environmental laws. These for a were attended by barangay police, health workers, purok leaders, cluster members and council officers and members of the indigenous group in the area, the Iliranan Tribe.

The LSU rainforestation training also focused on strategies to replace the more destruction forms of farming, like the slash-and-burn method, form buffer zone around the forest, protect and enhance biodiversity, help maintain the water cycle and provide farmers with a stable and higher income.

The Haribon-assisted activities have strengthened local linkaging, particularly between the KGB and the Barangay Bantay Bukid in their patrol operations and efforts to promote biodiversity conservation and protection within the park.



## Directions

... *the brotherly community would be reborn with new plants, the fields filled with to bursting with fruits and grains, the earth gorged with life, simple and fertile.*

- Jacques Romain, Haitian Writer

The Year 2007 continues to be a challenge for JFLFI as it pursues its programs and implement innovate ones in keeping with the vision and mission of the foundation.

The housing program is committed to reach more marginalized sectors through its socialized housing units and further help develop skills of individuals and families under its network so that they become more self-sufficient. In line with this, it will expand its workers association to train a prospective workers for its construction projects.

It will further enhance and implement its greenhouse farming technology as well as continue to develop its support facilities, like laboratories and post-harvest facilities and improve its linkage for a stronger and wider marketing base. As in other activities, the foundation will aim to be more innovative in its monitoring, evaluation and documentation efforts.

Community mobilization and involvement are vital ingredients to foundation success. In both environmental projects – the Haribon partnership and the Baticulan Watershed management and Development Project, it will be persistent in its efforts to continue identifying and attracting people to support the project, knowing that the larger the base of concerned folks are mobilized, the greater participation is as well as appreciation of the project and the people's subsequent support to it. JFLFI acknowledges the fact that upland community participation, like that of Kanlaon Green Brigade and Barangay Bantay Bukid members, is a process that requires commitment which can only be hastened by participatory approaches. It also recognizes that collaboration and technical support like the one shared by the LSU-ITE are useful strategies in

park biodiversity rehabilitation and protection . At the same time, it believes that community empowerment activities result in active frontline work by the people themselves in the environmental conservation and protection efforts, including the planting of native tree seedlings to revive forest cover in the area.

For the foundation, its programs will never succeed unless the people feels vital parts of them for the sense of community ownership is the key to the accomplishment and the realization of the goals and objectives.

JFLFI is committed to the empowerment of people in ushering a more wholistic human development which is not only focused on economic development but also in the empowerment of communities as reflected in these lines from Haitian writer Jacques Romain:

*“It would not be an easy thing to bring the water all the way to the plain. They would have to organize a collaboration with all the peasants and the water would unite them once again, its fresh breath would clear away the fetid stink of anger and hatred; the brotherly community would be reborn with new plants, the fields filled with to bursting with fruits and grains, the earth gorged with life, simple and fertile.”*

This is our greater challenge, our commitment as stewards of God's creations and out of our civic responsibility in the task of empowering Negrenses and Filipinos to become more self-sufficient and reliant as we subscribe to what the Book of Proverbs 12:11 says: *He who works his land will have abundant food.*



*Altarejos, Altarejos, King & Co.*

Certified Public Accountants  
Business Advisory Services

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS  
TO ACCOMPANY PHILIPPINE INCOME TAX RETURN**

The Board of Trustees  
Julio & Florentina Ledesma Foundation, Inc.  
San Carlos City, Negros Occidental

The accompanying balance sheet of Julio & Florentina Ledesma Foundation, Inc. as of December 31, 2006 and the related statements of revenues and expenses and changes in fund balances were prepared from the Foundation's records with certain adjustments. These financial statements are subject to additional adjustments as may be required upon the completion of our audit. Since the audit of the financial statements is still in progress, we are unable to express and we do not express an opinion on them.

In compliance with Revenue Regulations V-20, we state that no partner of our firm is related by consanguinity or affinity to the Foundation's president, manager or trustee.

ALTAREJOS, ALTAREJOS, KING & CO.  
SEC Accreditation No. 0048-F

By:



ARTURO G. ALTAREJOS, JR.

CPA Certificate No. 71231

T.I.N. 102-080-121

BOA/PRC Accreditation No.: 0407

SEC Accreditation No. 0213-A

B.I.R. Accreditation No.: 12-002037-1-2004  
Valid from October 4, 2004 to October 4, 2007

PTR No. 2257850

January 3, 2007

Bacolod City

April 15, 2007

**JULIO & FLORENTINA LEDESMA FOUNDATION, INC.**  
**BALANCE SHEETS**

	<b>December 31</b>	
	<b>2006</b>	<b>2005</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	₱ 140,864	₱ 151,463
Accounts receivable	550,760	776,195
<b>Total current assets</b>	<b>691,624</b>	<b>927,658</b>
<b>Non-Current Assets</b>		
<b>Investment in shares of stock – Net of allowance for decline in value of ₱2,024,929</b>	<b>2,199,445</b>	2,199,445
<b>Property and equipment – net</b>	<b>18,408,661</b>	21,453,333
<b>Total non-current assets</b>	<b>20,608,106</b>	<b>23,652,778</b>
	<b>₱21,299,730</b>	<b>₱24,580,436</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Current Liability</b>		
Accounts payable and accrued expenses	₱ 1,196,627	₱ 1,426,788
<b>Non-Current Liability</b>		
Restricted fund liabilities – net	5,536,068	14,673,580
<b>Fund Balances</b>		
General fund	1,694,442	1,700,315
Restricted funds	(5,536,068)	(14,673,580)
Property and equipment fund	18,408,661	21,453,333
	<b>14,567,035</b>	<b>8,480,068</b>
	<b>₱21,299,730</b>	<b>₱ 24,580,436</b>

**JULIO & FLORENTINA LEDESMA FOUNDATION, INC.  
STATEMENTS OF CHANGES IN FUND BALANCES**

	Years ended December 31				
	General	Restricted	Property & Equipment	2006	2005
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR	<b>₱1,700,315</b>	<b>(₱14,673,580)</b>	<b>₱21,453,333</b>	<b>₱8,480,068</b>	<b>₱22,087,878</b>
ADDITIONS (DEDUCTIONS) Excess (deficiency) of					
revenues over expenses	<b>1,072</b>	<b>(23,261,265)</b>	<b>-</b>	<b>(23,260,193)</b>	<b>(13,607,810)</b>
Additions to property and equipment-net	<b>(6,945)</b>	<b>2,938,409</b>	<b>(2,931,464)</b>	<b>-</b>	<b>-</b>
Depreciation	<b>-</b>	<b>113,208</b>	<b>(113,208)</b>	<b>-</b>	<b>-</b>
	<b>(5,873)</b>	<b>(20,209,648)</b>	<b>(3,044,672)</b>	<b>(23,260,193)</b>	<b>(13,607,810)</b>
FUND BALANCES AT END OF YEAR	<b>₱1,694,442</b>	<b>(₱5,536,068)</b>	<b>₱18,408,661</b>	<b>₱14,780,125</b>	<b>₱22,087,878</b>

**JULIO & FLORENTINA LEDESMA FOUNDATION, INC.  
STATEMENTS OF REVENUES AND EXPENSES**

	General	Restricted	Totals	
			2006	2005
REVENUES				
<b>Grants</b>	<b>₱-</b>	<b>₱ 4,521,516</b>	<b>₱ 3,765,137</b>	<b>₱ 16,580,214</b>
<b>Donations</b>	<b>150,000</b>	<b>370,570</b>	<b>266,193</b>	<b>449,436</b>
<b>Interest Income</b>	<b>1,326</b>	<b>110,834</b>	<b>192,788</b>	<b>1,233,630</b>
<b>Other Income</b>	<b>-</b>	<b>15,800</b>	<b>2,141,813</b>	<b>217,537</b>
	<b>151,326</b>	<b>5,018,720</b>	<b>6,365,931</b>	<b>18,480,817</b>
EXPENSES				
Project expenses	<b>-</b>	<b>28,279,985</b>	<b>28,279,985</b>	<b>19,825,981</b>
Administrative expenses	<b>150,254</b>	<b>-</b>	<b>150,254</b>	<b>147,769</b>
	<b>150,254</b>	<b>28,279,985</b>	<b>28,430,239</b>	<b>19,973,741</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSE</b>	<b>₱1,072</b>	<b>₱23,261,265)</b>	<b>(₱23,260,193)</b>	<b>(₱13,607,810)</b>

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