

COVER SHEET

A 2 0 0 1 0 0 7 3 4

S.E.C. Registration Number

R U R A L E L E C T R I F I C A T I O N
 F I N A N C I N G C O R P O R A T I O N A N D
 S U B S I D I A R Y

(Company's Full Name)

S u i t e 4 0 1 - 4 0 2 , 4 t h F l o o r
 O M M - C i t r a B u i l d i n g
 3 9 S a n M i g u e l A v e n u e
 O r t i g a s C e n t e r , P a s i g C i t y

(Business Address : No. Street Company / Town / Province)

Contact Person

Company Telephone Number

1 2

Month

3 1

Day

A A F S

FORM TYPE

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

2013 SEC STAMPED

Remarks = pls. use black ink for scanning purposes.

**RURAL ELECTRIFICATION FINANCING CORPORATION
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012**



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REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Rural Electrification Financing Corporation and Subsidiary
Suite 401- 402, 4th Floor, OMM-Citra Building
39 San Miguel Avenue
Ortigas Center, Pasig City

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rural Electrification Financing Corporation and Subsidiary, which comprise the consolidated statements of financial position as at December 31, 2013 and 2012, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Rural Electrification Financing Corporation and Subsidiary as at December 31, 2013 and 2012, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Philippine Financial Reporting Standards.

R.G. MANABAT & CO.

DENNIS I. ILAN

Partner

CPA License No. 089564

SEC Accreditation No. 1182-A, Group A, valid until January 11, 2015

Tax Identification No. 161-313-405

BIR Accreditation No. 08-001987-28-2011

Issued November 3, 2011; valid until November 2, 2014

PTR No. 4225125MC

Issued January 2, 2014 at Makati City

April 3, 2014

Makati City, Metro Manila