

Accordingly, gross premiums amounted to ₱22,193,450 and ₱24,969,475 whereas surrender charge amounted to nil and ₱2,254,425 in 2016 and 2015, respectively.

14. Interest Income

This account consists of:

	2016	2015
Interest income on:		
Loans and receivables (Notes 8 and 16)	₱808,000	₱727,500
Short-term investments (Note 7)	298,709	339,062
Cash in banks (Note 6)	749	657
	₱1,107,458	₱1,067,219

15. General and Administrative Expenses

This account consists of:

	2016	2015
Provision for probable losses	₱8,537,602	₱1,494,497
Salaries and allowances	1,816,301	2,007,744
Technical and professional fees	1,213,638	1,479,304
Social and community service expense	1,235,074	172,718
Meetings and seminars	704,858	653,814
Depreciation	420,276	476,659
Transportation and travel	277,312	251,075
Membership dues	270,627	492,760
Rent	240,000	240,000
Taxes and licenses	49,978	108,685
Light and water	47,532	47,427
Supplies	16,973	50,033
Miscellaneous	310,777	61,527
	₱15,140,948	₱7,536,243

16. Significant Agreements

Loan Agreements

In 2016, the Association entered into a loan agreement with KGI whereby the Association grants KGI a revolving credit line in total principal amount of ₱15,000,000 which bears an interest of 5.5% per annum, payable upon maturity. The loan may be availed by KGI from January to October 2016 and all availments shall be subject to availability of Association's funds. As of December 31, 2016, KGI paid the full amount of ₱15,000,000.

In 2015, the Association entered into a loan agreement with KGI whereby the Association grants KGI a revolving credit line in total principal amount of ₱13,000,000 which bears an interest of 6% per annum, payable upon maturity. The loan may be availed by KGI from January to October 2015 and all availments shall be subject to availability of Association's funds. In December 2015, KGI paid the full amount of ₱13,000,000.

