

Notes to the Financial Statements

Note 1 Reporting Entity

Far North Luzon General Hospital and Training Center was created by the virtue of RA 8536, dated February 23, 1998 during the term of His Excellency President Fidel V. Ramos.

FNLGH&TC is located at Quirino, Luna, Apayao catering mostly to the people of the Province of Apayao and the people of the adjacent towns of the Province of Cagayan.

FNLGH&TC's vision is to be a health institution that is a Center of Wellness as well as a Training Institution of Health Profession.

FNLGH&TC's mission is to provide a tertiary quality care to patient thru a cost effective, efficient, humane and comprehensive array of health care and a venue for training of health professionals and indigenous health workers in the area.

Note 2 Statement of Compliance with the Philippine Public Sector Accounting Standards

The financial statements of the FNLGH&TC have been prepared in accordance with the Philippine Public Sector Accounting Standards (PPSAS). These financial statements of the FNLGH&TC are the first to be prepared in accordance with PPSAS and certain transitional provisions as identified in *note 3*.

Note 3 Basis of preparation and authorization for issue

Basis of measurement

These financial statements are prepared on an accrual basis of accounting in accordance with PPSAS. Transactions and other events are recognized in financial statements when they occur and recorded in the periods to which they relate.

FNLGH&TC applies historical cost principle except where stated in *note 4*. Accounting policies have been applied consistently throughout the year. The financial year is from January to December.

Functional currency

The functional and presentation currency of the FNLGH&TC is the Philippine peso.

For CY 2015, the agency had no transactions involving foreign currency.

Critical accounting estimates

Preparing financial statements in accordance with PPSAS requires FNLGH&TC to make estimates, judgements and assumptions in the selection and application of accounting policies and in the reported amounts of assets, liabilities, revenues and expenses. For this reason, actual results may differ from those estimates. Accounting estimates and underlying assumptions are reviewed on an on-going basis, and revisions to estimates are recognized in the year in which the estimates are revised and in any future year affected. Significant estimates and assumptions that may result in material adjustments in future years include: actuarial measurement of employee benefits; selection of useful lives and the depreciation method for property, plant and equipment; impairment on assets; and contingent assets and liabilities.

Transitional provisions

PPSAS standards, with effect from January 1, 2014, are applied in accordance with PPSAS transitional provisions as follows:

For PPSAS 1, “Presentation of Financial Statements”, as permitted for first year adoption, comparative information has not been provided except for the statement of financial position;

For PPSAS 17, “Property, Plant and Equipment”, FNLGH&TC has capitalized all management assets acquired as at January 1, 2015 and thereafter. All items of property, plant and equipment were initially measured at cost less accumulated depreciation as at January 1, 2015.

Authorization for issue

These financial statements are approved and certified by the Medical Center Chief and the Chief Accountant. These financial statements are authorized for issue on October 20, 2015.

Note 4

Significant accounting policies

Inventories

The costs of ending inventory of office supplies and materials and other inventory items are computed using the Weighted Average Method.

Supplies and materials purchased for inventory purposes are recorded using the Perpetual Inventory System.

Petty Cash

Petty Cash is maintained under the Imprest System. All replenishments are directly charged to the expense account. The Petty Cash is not used to purchase regular inventory items for stock.

Property, Plant and Equipment

All property, plant and equipment is stated at historical cost, less accumulated depreciation. This includes costs that are directly attributable to the acquisition of the asset. The threshold for recognition of property, plant and equipment as an asset is ₱10,000.00 or more per unit.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to the FNLGH&TC and the cost of the item can be measured reliably. Repairs and maintenance are charged to surplus or deficit in the statement of financial performance in the year in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line basis over the estimated useful lives, except for land, which is not subject to depreciation. Assets under construction are not depreciated, as they are not yet available for use.

The estimated useful lives are as follows:

Particulars	Estimated Useful Life (in years)
Hospital and Health Centers	30
Office Equipment	5
Furniture and Fixtures	10
Information and Communication Technology Equipment	5
Books	5
Communication Equipment	10
Firefighting Equipment and Accessories	7
Medical Equipment	10
Other Machineries and Equipment	10
Motor Vehicles	7
Other Property, Plant and Equipment	5

Liabilities

Payable accounts are recognized and recorded in the books of accounts only upon acceptance of the goods/inventory/other assets and rendition of services to the agency.

Other current liabilities include Due to NGAs, Due to BIR, Due to Regional/Branch Offices, Guaranty/Security Deposits Payable and Other Payables.

Revenue Recognition

Subsidies and Donations and Grants

Notice of Cash Allocation (NCA) is recorded in the Regular Agency (RA) books as well as those income/receipts which the agency is authorized to use.

Subsidy from National Government is shown net of reversion of unused Notice of Cash Allocation.

Income/receipts which the agency are not authorized to use and required to be remitted to the National Treasury are recorded in the National Government (NG) books.

Grants and donations in kind are recorded at cost.

Revenue from exchange transactions

Exchange transactions are those in which FNLGH&TC sells goods or provides services. Revenue comprises the fair value of consideration received or receivable for the sale of goods and services. Revenue is shown net of discounts. Revenue is recognized when it can be reliably measured; when the inflow of future economic benefits is probable and when specific criteria have been met.

Revenue from exchange transactions of FNLGH&TC includes hospital fees and sales revenue from the pharmacy operations.

Expense recognition

Expenses are recognized when goods/services are delivered/rendered and accepted by the FNLGH&TC.

Financial expenses such as bank charges are separately classified from MOOE.

Note 5

Correction of Fundamental Errors

Fundamental errors or prior years are corrected using the Accumulated Surplus/(Deficit) account.

Errors affecting current year's operation are charged to the current year's accounts.

Prior-period adjustments recorded as of September 2015 totalled ₱7,913,025.82

Note 6

Cash and cash equivalents

Particulars	Amount
Cash-Collecting Officers	₱559,534.15
Petty Cash	80,000.00
Cash in Bank – Local Currency, Current Account	2,664,409.44
Cash-Treasury/Agency Deposits, Regular	1,357,586.27
Total cash and cash equivalents	₱4,661,529.86

The balance of the *Cash-Collecting Officer* account represents undeposited collections.

Petty Cash represents cash advances granted to the following:

PCF Custodian	Position	Purpose	Amount
Aurora B. Balbin	Nutritionist Dietician	Food Supplies	₱50,000.00
Jocelyn B. Du	Administrative Officer V	Administrative Expenses	30,000.00
Total			₱80,000.00

The *Cash in Bank – Local Currency* consists of the following:

Account Number	Account Name	Description	Amount
2252-1023-99	Revolving Fund	Collections from the sale of drugs and medicines treated as revolving fund	₱5,962.14
2252-1018-21	Income	Collection of hospital fees treated as income	114,808.28
2252-1031-74	Payroll Fund	Maintaining balance	10,000.00
2251-0483-40	PHIC – Hospital Charges	Reimbursement of hospital claims through Auto-Credit Payment Scheme (ACPS) from PHIC for <i>hospital charges</i>	82,768.72
2252-1045-45	PHIC – PF2	Reimbursement of hospital claims through Auto-Credit Payment Scheme (ACPS) from PHIC for <i>professional fees</i> .	2,450,870.30
Total			₱2,664,409.44

Note 7
Receivables

Particulars	Amount
Accounts Receivable	₱3,540,805.04
Due from GOCCs	8,866,229.17
Receivables-Disallowances/Charges	21,342.49
Total	₱12,428,376.70

The table that follows shows the aging of the Accounts:

Age	Amount
1-90 days	₱1,016,314.63
91-180 days	1,640,058.06
Past Due	884,432.35
Total	₱3,540,805.04

The *Accounts Receivable* represents the following:

Particulars	Amount
Unpaid bills of patients	
Receivable from MAP Apayao	₱1,074,479.41
Receivable from MAP Cagayan	2,455,325.63
Receivable from the Cashier on the bank service charges for returned checks	11,000.00
Total	₱3,540,805.04

The account *Due from GOCCs* totalling ₱8,866,229.17 represents drugs and medicines, medical supplies and hospital fees which are collectibles from PHIC.

The account *Disallowances/Charges* represents the amount resulting from audit disallowances which have become final and executory.

Name of Employee	Amount of Disallowance
Amelia Alejandro	6,919.89
Juanita T. Lacuesta	841.23
Felipe Agbisit	1,942.18
Alma Ramos	3,801.73
Belinda H. Denola	3,615.13
Jeraldyc Garcia	4,222.33
Total	₱21,342.49

Note 8
Inventories

Particulars	Amount
Merchandise Inventory	₱1,600,971.91
Office Supplies Inventory	126,567.07
Accountable Forms Inventory	31,200.00
Non-Accountable Forms Inventory	19,680.00
Medical, Dental and Laboratory Supplies Inventory	632,744.70
Other Supplies and Materials Inventory	70,088.80
Total	₱2,481,252.48

Merchandise Inventory consists of drugs and medicines issued to pharmacy that are available for sale.

All other inventory items are held for consumption by the FNLGH&TC.

Note 9
Property, Plant and Equipment

	Land	Hospitals and Health Centers	Office Equipment	Furniture and Fixtures
Cost 1/1/2015	₱27,120.00	100,494,169.95	3,623,629.70	7,227,234.00
Additions	-		517,599.00	266,500.00
Deductions	-	-		(227,000.00)
Total 9/30/2015	₱27,120.00	100,494,169.95	4,141,228.70	7,266,734.00
Accumulated Depreciation 1/1/2015	-	9,508,195.48	1,240,550.37	2,716,486.41
Depreciation		2,282,229.54	548,988.14	419,466.51
PYA understatement(overstatement)		-		(107,700.00)
Accumulated Depreciation 9/30/2015	-	11,790,425.02	1,789,538.51	3,028,252.92
Net Book Value, 9/30/2015	₱27,120.00	₱88,703,744.93	₱2,351,690.19	₱4,238,481.08

Property, Plant and Equipment (continuation)

	ICT Equipment	Books	Communication Equipment	Disaster Response and Rescue Equipment
Cost 1/1/2015	1,927,101.37	₱94,345.00	₱144,746.95	₱122,600.00
Additions	59,129.50	-	-	
Deductions	(195,030.07)	-	(140,296.95)	-
Total 9/30/2015	1,791,200.80	94,345.00	4,450.00	122,600.00
Accumulated Depreciation 1/1/2015	959,035.20	84,910.50	129,571.74	47,790.00
Depreciation	213,098.06	-	300.42	10,414.14
PYA understatement (overstatement)	(175,527.06)	-	(126,267.25)	-
Accumulated Depreciation 9/30/2015	996,606.20	84,910.50	3,604.91	58,204.14
Net Book Value, 9/30/2015	₱794,594.60	₱9,434.50	₱845.09	₱64,395.86

Property, Plant and Equipment (continuation)

	Medical Equipment	Other Machinery and Equipment
Cost 1/1/2015	₱103,648,874.20	₱5,734,386.00
Additions	7,982,744.55	
Deductions	(688,669.30)	(810,060.00)
Total 9/30/2015	110,942,949.45	4,924,326.00
Accumulated Depreciation 1/1/2015	40,011,105.67	2,609,822.40
Depreciation	6,542,657.24	330,753.51
PYA understatement(overstatement)	(425,709.96)	(720,918.20)
Accumulated Depreciation 9/30/2015	46,128,052.95	2,219,657.71
Net Book Value 9/30/2015	₱64,814,896.50	₱2,704,668.29

Property, Plant and Equipment (continuation)

	Motor Vehicles	Other PPE	Total
Cost 1/1/2015	₱4,632,586.00	373,769.07	₱228,050,562.24
Additions	-		8,825,973.05
Deductions	(1,579,386.00)	(132,642.00)	(3,773,084.32)
Total 9/30/2015	3,053,200.00	241,127.07	233,103,450.97
Accumulated Depreciation 1/1/2015	3,522,557.97	284,287.08	61,114,312.82
Depreciation	172,069.27	28,055.52	10,548,032.35
PYA understatement(overstatement)	(1,404,300.85)	(112,087.80)	(3,072,511.12)
Accumulated Depreciation 9/30/2015	2,290,326.39	200,254.80	68,589,834.05
Net Book Value, 9/30/2015	₱762,873.61	₱40,872.27	164,513,616.92

Construction in Progress

Particulars	Amount
Construction in Progress-Agency Assets	₱6,677,529.18
Total	₱6,677,529.18

Construction in Progress – Agency Assets account refers to the accumulated cost/value of infrastructures still under construction. This account represents contract cost and directly related expenditures

**Note 10
Other Assets**

Particulars	Amount
Advances to Officers & Employees	₱15,650.00
Advances to Contractors	2,313,552.02
Other Assets	1,985,459.89
Total	₱4,314,661.91

Advances to contractors represent mobilization fees paid for the implementation of several infrastructure programs of FNLGH&TC, to wit:

Name of Contractor	Infrastructure Program	Amount
Pacific Star Erectors	Perimeter Fence	₱185,052.02
Camia Construction	Drilling of Water Supply	180,000.00
Group Nouveau Tech Cooperative	Waste Disposal	1,948,500.00
Total		₱2,313,552.02

Other Assets represent the Property, Plant and Equipment of FNLGH&TC which are fully depreciated but are still being used by the agency.

Note 11
Financial Liabilities

Particulars	Total	>1year	<90 days	91-365 days
Accounts Payable	₱3,663,917.21	₱2,612,494.08	₱380,968.13	₱670,455.00

Accounts Payable represents payables of the FNLGH&TC which are due and demandable.

The Accounts Payable represents unpaid obligations for the following:

Particulars	Amount
Infrastructure Projects	₱2,612,494.08
Reimbursement of Employees	23,740.00
Purchase of Medical and Laboratory Supplies	414,903.00
Purchase of Office Equipment	102,228.13
Purchase of Furniture	430,552.00
Repainting of 2000sqm roof	80,000.00
Total	₱3,663,917.21

Note 12
Inter-Agency Payables

Particulars	Amount
Due to BIR	₱1,120,020.61
Due to Pag-IBIG	800.00
Due to NGAs	3,480.78
Total	₱1,124,301.39

Due to NGAs account represents interest income from bank deposits.

Due to BIR account represents taxes withheld on September 2015 which was remitted the following month.

Due to Pag-IBIG are employees' monthly contributions deducted on September 2015.

Note 13
Intra-Agency Payables

Particulars	Amount
Due to Regional/Branch Offices	₱652,500.00
Total	₱652,500.00

Due to Regional/Branch Office represents unliquidated Fund Transfers from the Regional Office as presented below:

Date of Fund Transfer	Purposes	Fund Transfer
December 2012	For the cervical cancer screening and treatment activities	₱90,000.00
December 2012	Support for the improvement of the DOTS Implementation	562,500.00
Total		₱652,500.00

Note 14
Trust Liabilities

Particulars	Amount
Guaranty/Security Deposits Payable	₱858,748.14
Total	₱858,748.14

The account *Guaranty Deposits Payable* represents 10% retention fee deducted from the contractors and *Performance Bond* paid by the suppliers.

Note 15
Other Payables

Particulars	Amount
Other Payables	₱338,675.52
Total	₱338,675.52

The account *Other Payables* represents collections on August and September 2015 for the Computed Tomography Scanner (CT Scan) of which 20% (from the gross collection) shall be retained by the hospital while the 80% shall be paid to North Luzon Imaging Center (Owner) as stated in the Memorandum of Agreement.

Creditor	Particulars	Amount
North Luzon Imaging Center	Collection of CT scan	₱193,167.74
Rodolfo Bravo	Professional Fees from PGO	15,000.00
Far North Luzon MPC	Loans of employees deducted from September payroll	130,507.78
Total		₱338,675.52

Note 16
Accumulated Surpluses (Deficit)

Particulars	Amount
Accumulated Surpluses, January 1, 2015	₱180,590,736.17
<i>Movements</i>	
Prior Period Adjustments	(7,913,025.82)
Current Operations	15,761,114.44
Accumulated Surpluses, September 30, 2015	188,438,824.79

STATEMENT OF FINANCIAL PERFORMANCE

Note 17
Business Income

The Business Income represents the following:

Particulars	Amount
Hospital Fees-Medical Supplies	5,111,644.86
Medical Fees-Operating Room	1,581,054.65
Medical Fees-Radiology	1,534,953.77
Medical Fees-Laboratory	10,353,137.67
Other Fees	21,436,398.18
Interest on NG Deposits	679.50
Other Business Income	198,232.25
Certification Fees	142,740.00
Sales Revenue	15,827,702.30
Cost of Sales	(13,010,256.55)
Total	43,176,286.63

Note 18
Assistance and Subsidy

The Assistance and Subsidy represents subsidy from the National Government, as presented in the following:

Particulars	Amount
Notice of Cash Allocation Received from DBM	₱84,662,462.00
Tax Remittance Advice issued to the BIR	3,099,776.78
Total	87,762,238.78
Reversion of Unused Notice of Cash Allocation	(25,454,763.84)
Net Subsidy from National Government	62,307,474.94

Note 19
Grants and Donations

Grants and Donations represent donations received by the FNLGH&TC from the Regional Office as of September 2015.

Particulars	Amount
Income from Grants and Donations in Kind-(Laboratory Supplies)	₱113,004.17
Total Subsidy	₱113,004.17

Note 20
Personnel Services

The following table presents the details of the Personnel Services:

Particulars	Amount
<i>Salaries and Wages</i>	
Salaries and Wages-Regular	₱25,547,911.89
<i>Other Compensation</i>	
Personnel Economic Relief Allowance-Civilian	2,134,417.72
Representation Allowance (RA)	45,000.00
Clothing/Uniform Allowance - Civilian	580,000.00
Subsistence Allowance – Magna Carta Benefits for Public Health Workers under RA 7305	1,032,895.00
Laundry Allowance – Magna Carta Benefits for Public Health Workers under RA 7305	141,137.83
Productivity Incentive Allowance-Civilian	86,000.00
Hazard Pay - Magna Carta Benefits for Public Health Workers under RA 7305	3,493,524.92
Year End Bonus - Civilian	1,374,858.50
Cash Gift - Civilian	275,000.00
Productivity Enhancement Incentive-Civilian	2,853,980.00
<i>Personnel Benefit Contributions</i>	
Retirement and Life Insurance Premiums	3,072,575.86
Pag-IBIG Contributions-Civilian	107,300.00
PhilHealth Contributions-Civilian	173,050.00
ECIP-Civilian	106,854.15
<i>Other Personnel Benefits</i>	
Other Personnel Benefits	10,386,648.82
Total Personnel Services	₱51,411,154.69

Other Personnel Benefits represents PHIC share of employees.

Note 21**Maintenance and Other Operating Expenses**

Maintenance and Other Operating Expenses is detailed below:

Particulars	Amount
<i>Traveling Expenses</i>	
Traveling Expenses - Local	₱463,928.16
<i>Training and Scholarship Expenses</i>	
Training Expenses	204,789.72
<i>Supplies and Materials Expenses</i>	
Office Supplies Expenses	725,139.02
Accountable Forms Expenses	39,723.00
Food Supplies Expenses	2,205,439.90
Drugs and Medicines Expenses	2,042,717.47
Medical, Dental and Laboratory Supplies Expenses	10,110,623.16
Fuel, Oil and Lubricants Expenses	573,718.17
Other Supplies and Materials Expenses	60,835.80
<i>Utility Expenses</i>	
Electricity Expenses	2,420,793.82
<i>Communication Expenses</i>	
Postage and Courier Services	8,549.00
Telephone Expenses - Mobile	15,000.00
Internet Subscription Expenses	237,600.00
Cable, Satellite, Telegraph and Radio Expenses	4,340.00
<i>Professional Services</i>	
Legal Services	60,000.00
Consultancy Services	241,550.40
Other Professional Services	955,504.43
<i>General Services</i>	
Environment/Sanitary Services	8,712.00
Security Services	165,000.00
Other General Services	2,416,274.00
<i>Repairs and Maintenance</i>	
Water Supply Systems	150,000.00
Buildings and Other Structures	2,190,481.86
Office Equipment	106,152.72
ICT Equipment	4,415.00
Medical Equipment	618,878.50
Other Machinery and Equipment	1,890.00
<i>Transportation and Equipment</i>	
Motor Vehicles	126,561.05
<i>Financial Assistance/Subsidy</i>	
Subsidies - Others	345,600.00
<i>Taxes, Insurance Premiums and Other Fees</i>	

Particulars	Amount
Taxes, Duties and Licences	32,944.00
Fidelity Bond Premiums	42,903.75
Insurance Expenses	561,208.06
<i>Other Maintenance and Operating Expenses</i>	
Printing and Publication Expenses	6,361.60
Transportation and Delivery Expenses	26,500.00
Rents-Living Quarters	31,578.93
Other Maintenance & Operating Expenses	909,622.50
Total Maintenance and Other Operating Expenses	₱28,115,336.02

Note 22

Non-Cash Expenses

Non-Cash Expenses represent depreciation on the following PPE owned by the FNLGH&TC

Particulars	Amount
Hospital and Health Centers	₱2,282,229.54
Office Equipment	415,645.20
ICT Equipment	197,948.52
Communication Equipment	300.42
Disaster Response and Rescue Equipment	9,498.06
Medical Equipment	6,454,932.92
Other Machinery and Equipment	330,753.51
Motor Vehicles	172,069.27
Furniture and Fixtures	417,727.63
Other Property, Plant and Equipment	28,055.52
Total Non-Cash Expenses	₱10,309,160.59

STATEMENT OF CASH FLOWS

Note 23

Receipt of NCA

Particulars	Amount
Subsidy from National Government	₱87,762,238.78
Tax Remittance Advice	(3,099,776.78)
Net Receipt of NCA	₱84,662,462.00

Note 24**Collection of Income/Revenues**

Particulars	Amount
Collection of Service and Business Income	₱11,722,455.97
Collection of Other Income	108,272.67
Total	₱11,830,728.64

Note 25**Trust Receipts**

Particulars	Amount
Receipt of Guaranty/Security Deposits	₱164,379.67
Total	₱164,379.67

Note 26**Collection of Receivables**

Particulars	Amount
Collection of Receivables	156,811.41
Total	156,811.41

Note 27**Other Receipts**

Particulars	Amount
Other Receipts	₱37,209,470.00
Total	₱37,209,470.00

This represents the amount received by the FNLGH&TC from the PHIC for various PhilHealth reimbursements.

This represents receipts of Cash from the PHIC .

Note 28**Remittance to National Treasury**

This represents the following:

Particulars	Amount
Remittance of Income-certification Fees	177,175.00
Remittance of interest income	586.69
Total	₱177,761.69

Note 29**Payment of Expenses**

Particulars	Amount
Payment of Personnel Services	₱39,418,171.27
Payment of Maintenance and Other Operating Expenses	16,446,524.70
Total	₱55,864,695.97

Note 30**Purchase of Inventories**

Particulars	Amount
Purchase of Inventories for sale	₱11,544,003.63
Purchase of Inventory held for consumption	8,758,019.26
Total	₱20,302,022.89

Note 31**Grant of Cash Advance**

Particulars	Amount
Advances for operating expenses	₱50,000.00
Advances for traveling expenses	15,650.00
Total	₱65,650.00

This represent cash advances granted to increase the Petty Cash of the Nutritionist Dietician and advances to employees for traveling expenses.

Note 32**Payment of Accounts Payable**

Particulars	Amount
Payment of Accounts Payable	₱7,119,089.34
Total	₱7,119,089.34

Note 33**Remittance of Personnel Benefit Contributions and Mandatory Deductions**

Particulars	Amount
Remittance of Taxes Withheld not covered by TRAs	₱2,342,624.75
Remittance of GSIS/PagIBIG/PhilHealth	5,575,856.04
Total	₱7,918,480.79

Note 34
Other Disbursements

Particulars	Amount
Refund of Guaranty/Security Deposits Payable	₱803,434.50
Other Disbursements	3,205,378.01
Total	₱4,008,812.51

Other Disbursements represents cash payment of other payables amounting to ₱819,372.03, remittance to other GOCCs amounting to ₱993,664.95, remittance of other payables amounting to ₱1,381,861.19, and refund of hospital bills of patients amounting to ₱10,479.84

Note 35
Reversal of Unutilized NCA

Particulars	Amount
Reversal of Unutilized NCA	25,454,763.84
Total	25,454,763.84

Note 36
Purchase/Construction of Property, Plant and Equipment

Particulars	Amount
Purchase of ICT Equipment	56,797.03
Purchase of Office Equipment	399,638.60
Purchase of Medical Equipment	9,851,561.01
Purchase of Furniture and Fixture	87,840.00
Construction in Progress-Buildings & Structures	949,900.23
Total	₱11,345,736.87

STATEMENT OF CHANGES IN NET ASSETS/EQUITY

Note 37
Prior Period Adjustments

Particulars	Amount
Payable for Prior Year Professional Fee of Consultant Doctor	(53,342.00)
Receivable from employees for Disallowances/Charges	105,752.50
Collections of prior years` receivables	(3,210,903.69)
Adjustment for inventories issued to end-users	(4,371,885.80)
Adjustment for depreciation expenses of prior years	(238,871.76)

Particulars	Amount
Adjust liabilities of prior years	(164,085.77)
Adjustment for unrecorded receipts	(101,589.20)
Receivable from National Treasury	118,778.00
Collections of prior years' erroneously recorded	3,121.90
Net prior years adjustments	(7,913,025.82)

STATEMENT OF COMPARISON OF BUDGETS AND ACTUAL AMOUNTS

Note 38

Comparison of budget and actual amounts

	Differences in receipts	Differences in Payments
	-	33,257,184.30
Totals		33,257,184.30

The difference from payments resulted from unobligated balance of allotment in the amount of P16,154,522.30 and unpaid obligation in the amount of P17,102,662.00 as of September 30, 2015.

Note 39

Allotments, Obligations and Balances

Total allotments available during the year including extended allotment with an equivalent amount of P90,534,234.14 consist of obligations as of September 30, 2015 amounting to P74,379,711.84 details as follows;

Category	Current Allotment	Extended Allotment	Continuing Allotment	Total Allotment	Total Obligation	Balances	Reverted	Extended
PS	53,538,867.00			53,538,867.00	41,061,368.70	12,477,498.30		
MOOE	12,789,000.00		1,361,205.14	14,150,205.14	10,473,181.14	3,677,024.00		
CO			22,845,162.00	22,845,162.00	22,845,162.00			
TOTAL	66,327,867.00		24,206,367.14	90,534,234.14	74,379,711.84	16,154,522.30		

Total obligations amounting to P74, 379,711.84 represents obligations paid in the amount of P57, 277,049.84 and accounts payable in the amount of P17, 102,662.00 as of September 30, 2015.

Note 40
Others

We cannot provide comparative Financial Statement due to change and enhanced reporting system of the Agency.

Prepared by:

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