

**Professional Regulation Commission**  
Notes to Financial Statements  
For the year ended December 31, 2019

**1. General Information/Agency Profile**

The financial statements (FSs) of the PRC were authorized for issue on March 16, 2020 as shown in the Statement of Management's Responsibility for Financial Statements signed by Atty. Teofilo S. Pilando, Jr., Chairman.

The PRC is responsible for the administration, implementation and enforcement of regulatory policies on the regulation and licensing of various professions and occupations under its jurisdiction. It is the instrument of the Filipino people in securing for the nation a reliable, trustworthy, and progressive system of developing professionals whose personal integrity and spiritual values are solid and respected, whose competencies are globally competitive, and whose commitment to serve the Filipino nation and the whole community is strong and steadfast.

Initially created under Presidential Decree (PD) No. 223 on June 22, 1973, it was repealed by Republic Act (RA) No. 8981 and approved on December 5, 2000, otherwise known as "PRC Modernization Act".

Pursuant to this, the PRC shall:

- Administer, implement and enforce the regulatory policies of the national government with respect to the regulation and licensing of the various professions and occupations under its jurisdiction including the enhancement and maintenance of professional and occupational standards and ethics and the enforcement of the rules and regulations relative thereto.
- Recognize the important role of professionals in nation-building, and towards this end, establish and maintain a high standard of admission to the practice of all professions and at all times ensure and safeguard the integrity of all licensure examinations.
- Promote the sustained development of a corps of competent Filipino professionals whose competence has been determined by honest and credible licensure examinations and whose standards of professional service and practice are internationally recognized and considered world – class.

To further strengthen the PRC's mandate and in order to improve the quality of professionals supplied to the local and international labor market, the PRC was attached to and placed under the administrative supervision and control of the

Department of Labor and Employment (DOLE) through Executive Order (EO) No. 565 on September 11, 2006, as amended by EO No. 565-A. At present, the PRC has 46 professions under its jurisdiction.

The Commission Proper is headed by a Chairman and two Commissioners, all of whom are appointed by the President of the Republic. It has four stakeholders, namely:

- a) The General Public;
- b) The Accredited Professional Organizations;
- c) The Professional Regulatory Boards; and
- d) The Officers and Staff.

It has 10 Regional Offices (ROs) located in the following places: Baguio, Cagayan de Oro, Cebu and Davao, established in 1997; Iloilo, Legaspi, Tacloban, Tuguegarao and Zamboanga, established in 1998-1999; Lucena, established in 2000; and two additional satellite offices in the cities of Butuan and Pagadian which were established in 2008.

To better carry out its mandate, the PRC sought for a reorganization of its organizational structure. On June 8, 2016, the new Organizational Structure and Staffing Pattern (OSSP), pursuant to Republic Act (RA) No. 8981, was approved by the Department of Budget and Management (DBM). The Notice of Organization, Staffing and Compensation (NOSCA) formalizing the approved OSSP of PRC Central Office, effective not earlier than June 8, 2016, has been transmitted by DBM on October 10, 2016.

The Office of the President, through the Executive Secretary, issued a Memorandum on May 16, 2017, informing the PRC of the approval of the creation of PRC new offices/service: ROs in National Capital Region (NCR), Regions I, III, IV-B, XII and XIII, Legal Services, International Affairs Office (IAO), Information and Communications Technology Services (ICTS), and Planning, Management and Financial Services (PMFS). The NOSCA formalizing the approved OSSP of approved new offices and positions and reclassification of key positions was issued by DBM on August 2, 2017.

Together with the approval of creation of six new ROs, the PRC has 16 ROs located nationwide. To further provide convenience and accessibility to transacting public, it also opened Service Centers in strategic locations and by now PRC has a total of 27 operational Service Centers and participates at three (3) One-Stop Service Center for OFWs (OSCCO) of the Philippine Overseas Employment Administration (POEA) nationwide.

To date, a total of 779 plantilla positions were filled up, while 294 remaining positions are under the selection process. The PRC has so far appointed 138 new personnel, promoted 220 employees and regularized 321 qualified contractual staff/job orders.

## **2. Basis of Financial Statement Presentation**

The FSs have been prepared in accordance with and comply with the Philippine Public Sector Accounting Standards (PPSASs) issued by the Commission on Audit per COA Resolution No. 2014-003 dated January 24, 2014. The enhanced Electronic New Government Accounting System (eNGAS) was fully implemented by the PRC in 2015, thus the FSs were generated through this system.

The FSs include the consolidated transactions coming from the PRC ROs, off-sites and service centers. The Commission maintains a centralized form of accounting system. All expenses were paid for by the Central Office, except for the monthly Cash Advances (CAs) for Maintenance and Other Operating Expenses (MOOE), conduct of board examination and other special purpose which is on the account of each RO.

The FSs have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the Direct Method.

## **3. Summary of Significant Accounting Policies**

### **3.1 Basis of Accounting**

The PRC adopts the modified accrual basis of accounting, where all expenses are recognized when incurred and reported in the financial statements in the period to which they relate. In addition, revenues are recognized only when collected.

There are two books that the PRC maintains which were later merged into one (1) per PPSAS:

- (a) Regular Agency (RA) books wherein the Notice of Cash Allocation (NCA) as well as income/receipts, which the Agency is authorized to use, are recorded.
- (b) The National Government (NG) books wherein income/receipts, which are remitted to the National Treasury and the Agency is not authorized to utilize, are documented.

The Modified Obligation System records allotments received and obligations incurred. Separate registries are maintained to control allotments and obligations for each class of allotment.

### **3.2 Inventories**

Inventory is measured at cost upon initial recognition. Inventories are assets in the form of materials or supplies held for consumption in rendering of services and recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the PRC.

### **3.3 Property, Plant and Equipment**

Property, Plant and Equipment (PPE) are measured at cost less accumulated depreciation and impairment losses.

When significant parts of PPE are required to be replaced at intervals, the PRC recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized as expense in surplus or deficit as incurred. Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately.

#### *Depreciation*

The Commission applies the straight-line method of depreciation for PPE using the estimated useful life by classification as prepared by COA.

The depreciation is for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation is for the succeeding month.

A residual value is computed at 10 percent of the acquisition cost of the assets acquired prior to the implementation of the PPSAS, while the new residual value of five percent of the cost of the asset was applied to acquisitions for the year. However, not all items were depreciated upon the implementation of the eNGAS as there were some that have been either fully depreciated or the computation of the depreciation on some PPE cannot be ascertained due to insufficiency of records.

### **3.4 Changes in Accounting Policies and Estimates**

The PRC recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

The PRC recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit.

The PRC corrected the material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- Restating the comparative FS amounts for prior period(s) presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

### **3.5 Revenue from Non-Exchange Transactions**

The PRC recognizes revenue from fees and fines when collected. It is measured at the amount of the increase in net assets unless a corresponding liability is recognized.

### **3.6 Budget Information**

The annual budget is prepared on a cash basis and is published in the government website. As a result of the adoption of the cash basis for budgeting purposes, a separate Statement of Comparison of Budget and Actual Amounts (SCBAA) is presented showing the basis, timing or entity differences.

### **3.7 Employee Benefits**

The employees of PRC are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage. The PRC recognizes the undiscounted amount of short term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

The PRC recognizes expenses for accumulating compensated absences when these are paid (commuted or paid as terminal leave benefits). Unused entitlements that have accumulated at the reporting date are not recognized as expense. Non-accumulating compensated absences, like special leave privileges, are not recognized.

### 3.8 Measurement Uncertainty

The preparation of FSs in conformity with PPSASs, requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of capital assets and rates of amortization.

## 4. Changes in Accounting Policies

The FSs were prepared in accordance with PPSASs and the coding structure pursuant to COA Circular No. 2015-002 dated March 9, 2015.

## 5. Prior Period Adjustments and Errors

During the 2019 financial period, various transactions which pertain to the 2018 and prior years were recognized such as liquidations of CAs, unrecorded/under recording of expenses, over recording of income and reclassification of accounts. The prior period statements were restated accordingly.

The effect of the adjustments and errors on the individual line items in the FSs is as follows:

Effect	2019	2018 (As Restated)
Decrease in Revenue	-	₱ 20,582,653.63
Decrease in Surplus for the period	-	₱ 20,582,653.63

## 6. Cash and Cash Equivalents

Accounts	Amount
Cash-Collecting Officers	₱ 4,151,816.30
Petty Cash Fund	336,311.66
Cash in Bank- Local Currency, Current Account	1,764,130.09
Cash in Bank- Local Currency, Savings Account	119,082.72
Cash - Treasury/Agency Deposit, Trust	4,977,344.45
<b>Total Cash and Cash Equivalents</b>	<b>₱ 11,348,685.22</b>

- 6.1 The balance of the *Cash-Collecting Officer* totaling ₱4,151,816.30 represents undeposited collection of income as of the year-end which was deposited on January 2 and 3, 2020. Further, the balance of this account was net of Mr. Noel

Potenciano's credit balance, SM Collections and unreconciled amount of ₱648,696.00, ₱741,976.16 and ₱1,050.01, respectively.

- 6.2 Collection of income reported for the year 2019 is at ₱1,526,031,679.45 based on the consolidated income reports of all PRC's income generating responsibility centers including One-Stop-Shop-Services for OFWs (OSSCO), Offsite and Mobile Services. The bulk of the PRC's income was derived from the Examination Fee and Licensing Fee at ₱631,091,649.92 and ₱470,661,368.00, respectively, or an aggregate of 72% of the total income.

This account does not include unrecorded income in 2016 for Clark, Pampanga's OSSCO amounting to ₱1,672,865.00. The reports submitted by the accountable officer are still being verified.

- 6.3 The *Cash in Bank-Local Currency, Current Account* of ₱1,764,130.09 under LBP Account No. 000012-1171-24 is a special account maintained for proceeds from bidding activities such as, but not limited to, sale of bid documents and protest fees. The honoraria and overtime pay of the Chair and Members of the Bids and Awards Committee are being paid from this account.
- 6.4 The *Cash in Bank-Local Currency, Savings Account* of ₱119,082.72 represents the maintaining balance of the Savings Account of PRC Central and ROs. Details are shown below:

<b>ROs</b>	<b>LBP Account No.</b>	<b>Amount</b>
Baguio	0221-1474-99	₱ 10,000.00
Cagayan de Oro	241-10923-24	10,000.00
Iloilo	3291-0008-77	10,000.00
Legaspi	0131-1620-30	11,000.00
Lucena	0211-2570-24	10,000.00
PRC Payroll Account	002001-9001-97	30,000.00
Tacloban	1731-0186-14	10,000.00
Zamboanga	0521-2707-64/191214196	5,082.72
Tuguegarao	021-2046-81	1,000.00
Cebu	0141-2536-89	10,000.00
Davao	0161-3165-20	2,000.00
Pagadian	0521-2707-64	10,000.00
<b>Total</b>		<b>₱ 119,082.72</b>

- 6.5 The *Cash-Treasury/Agency Deposit, Trust* of ₱4,977,344.45 represents Receivables from the Bureau of Treasury (BTr) for the implementation of various projects against funds received from other agencies. Among these are:

- Operation of PRC's *Educational Statistics Task Force (ESTF)* in the amount of ₱1,930,743.13, which is responsible in monitoring the performance of schools in the various licensure examinations funded by the Commission on Higher Education (CHED) and;
- Research project entitled "The Assessment of the Examinees and CHED Higher Education Institutions (HEIs) Performance in Six PRC Licensure Examinations for Agriculturist (2003-2008)" by the Board of Agriculture funded by the Bureau of Agricultural Research (BAR).
- Insurance policy claim by the Commission issued by GSIS in reference to the Fire Loss Insurance at the 4<sup>th</sup> Floor, Annex Building.

## 7. Receivables

7.1 The amount of ₱2,458.10 represents Accounts Receivables already dormant for years in the books upon implementation of the eNGAS in CY 2004.

### 7.2 Inter-Agency Receivables

Account	Amount		
	Current	Non-Current	Total
Due from National Government Agencies (NGAs)	₱8,682,195.54	₱48,184,551.09	₱56,866,746.63
Due from Government-Owned and/or Controlled Corporations (GOCCs)	19,434,281.98	10,500.00	19,444,781.98
<b>Total</b>	<b>₱28,116,477.52</b>	<b>₱48,195,051.09</b>	<b>₱76,311,528.61</b>

7.2.1 The account Due from NGAs comprises of the advance payments to DBM-Procurement Service (PS) and Department of Public Works and Highways (DPWH) amounting to ₱55,725,239.01 and ₱1,141,507.62, respectively.

- The advance payments to DBM-PS are for the purchases of common-use office supplies, transportation vehicle, laptops and various Microsoft Licenses and for the procurement of plane tickets for various local and foreign official travels of the Commission. This is covered by a Memorandum of Agreement (MOA) between the PRC and DBM-PS. The account is closed when the items are finally delivered.



- Inclusive in the said balance is the unexpended portion of the inter-agency transfer of fund to DPWH-Region V for the construction of PRC-Legaspi Regional Office Building and rehabilitation of PRC Tuguegarao Building amounting to ₱88,263.60 and ₱1,053,244.02, respectively. This account is closed upon submission of Liquidation Report of the Implementing Agency.
- This account was decreased due to reversion of obligation to DPWH for the design and construction of the proposed PRC Building in Pasay amounting to ₱508.3 Million, in compliance with the recommendation of DBM in its letter dated November 14, 2016 and the reversion of funds transferred to DBM-PS amounting to ₱7,122,770.39, in compliance with the DOF-DBM-COA Permanent Committee Joint Circular No. 04-2012 dated September 11, 2012.

7.2.2 The account Due from GOCC represents transfer to Philippine International Trading Corporation (PITC) for the procurement of various ICT related equipment amounting to ₱19,444,781.98. This account was decreased by deliveries amounting to ₱3,789,256.02.

### 7.3 Other Receivables

Accounts	Amount
Receivables-Disallowances and Charges	₱ 17,571,425.35
Due from Officers and Employees	13,784.00
Other Receivables	577,774.22
<b>Total</b>	<b>₱ 18,162,983.57</b>

Receivables-Disallowance/Charges represents the amount resulting from audit disallowances that have become final and executory.

As a result of the cash examination conducted by the COA Regional Office No. II in 2008, a total amount of ₱17,139,108.80 was booked up under the receivable account of Mr. Ferdinand Llapitan, Cashier I of the PRC-Tuguegarao Office. The cash examination result indicates that Mr. Llapitan had a total cash shortage of ₱17,139,108.80 from unremitted and unrecorded collections. It was discovered that from the total collections of ₱71,558,137.71 for the period October 30, 2002 to January 3, 2008, only the amount of ₱55,865,322.34 was reported and duly acknowledged by Official Receipts. The balance amounting to ₱15,692,815.37 was not recorded and reported by Mr. Ferdinand Llapitan and the undeposited amount of ₱1,446,293.43 constitutes the total cash shortage. The following actions were taken regarding this case:

- Appropriate administrative charges were filed by PRC against Mr. Llapitan and he was meted the penalty of dismissal from the service.
- Hold-departure Order No. 201-39 was issued by the Department of Justice (DOJ) so that he may not leave the country.
- The Affidavit of the COA Team Members of Team II-Cluster I – Executive and Oversight, National Government Sector, COA Regional Office No.II, Tuguegarao City, that conducted the cash examination that bears the cash shortage of Mr. Llapitan was forwarded by the Legal and Adjudication Office of COA Regional Office No. II to the Office of the Ombudsman on January 19, 2009 for the filing of Criminal and Administrative cases against him for violation of Article 217 of the Revised Penal Code.
- A letter-query on the status of the case was forwarded by the PRC to the Office of the Ombudsman.

Other Receivables account represents receivables from suppliers, resigned employees, job orders and members of the Professional Regulatory Board (PRB) and those whose terms have ended.

## 8. Inventories

Particulars	Office Supplies Inventory	Accountable Forms, Plates & Stickers Inventory	Medical, Dental & Laboratory Supplies Inventory	Construction Materials Inventory	Total
<b>Inventory Held for Consumption</b>					
Carrying Amount, January 1, 2019	₱33,770,524.19	₱53,609,447.43	₱23,125.00	₱41,303.11	₱87,444,399.73
Additions	12,236,495.49	45,586,836.87	0.00	0.00	57,823,332.36
Expenses during the Year except write-down	19,687,682.43	33,304,476.80	0.00	0.00	52,992,159.23
<b>Total Carrying Amount, December 31, 2019</b>	<b>₱26,319,337.25</b>	<b>₱65,891,807.50</b>	<b>₱23,125.00</b>	<b>₱41,303.11</b>	<b>₱92,275,572.86</b>

In conformity to COA Circular No. 2005-002 dated April 14, 2005, small tangible items or semi-expendable goods with estimated life of more than one year but small enough to be considered as Property, Plant and Equipment that should be expended upon issuance, were taken as direct expenses for the current year.

An amount of ₱5,401,274.03 pertains to the forwarded balance of Office Supplies Inventory upon the implementation of eNGAS in 2004 and remains to be a dormant account for years. Prior to the implementation of eNGAS, the Accounting Division does not maintain any Supplies Ledger Account; hence the breakdown as to the type of Inventory accounts of the amount stated cannot be ascertained. The necessary reconciliation is being undertaken for the adjustments of this account. Efforts are being made to retrieve the 2004 inventory reports as basis for the said reconciliation.

Likewise, the balance of ₱23,125.00 for medical supplies inventory is already dormant since the start of eNGAS in CY 2004.

- 8.1 The purchases of tangible items below the capitalization threshold of ₱15,000.00 were recorded as semi-expendable property. Details are shown below:

Particulars	Amount
Semi-Expendable Office Equipment	₱ 726,797.89
Semi-Expendable Information and Communications Technology Equipment	2,807,516.60
Semi-Expendable Communications Equipment	9,196.00
Semi-Expendable Disaster Response and Rescue Equipment	30,000.00
Semi-Expendable Technical and Scientific Equipment	129,210.00
Semi-Expendable Other Machinery and Equipment	277,021.00
Semi-Expendable Furniture and Fixtures	11,019,114.20
<b>Total</b>	<b>₱ 14,998,855.69</b>

## 9. Property, Plant and Equipment

Particulars	Land	Buildings and Other Structures	Machinery and Equipment	Transportation Equipment
Carrying Amount, January 1, 2019	₱160,554,070.30	₱138,285,539.03	₱176,595,217.62	₱14,850,831.30
Additions/ Acquisitions	-	179,948.00	16,070,984.34	7,136,000.00
Adjustments			(1,877,772.50)	(1,573,022.76)
Total	160,554,070.30	138,465,487.03	190,788,429.46	20,413,808.54
Less: <i>Depreciation (As per Statement of Financial Performance)</i>	-	3,798.88	13,069,354.76	461,614.05
<b>Carrying Amount, December 31, 2019 (As per Statement of Financial Position)</b>	<b><u>₱160,554,070.30</u></b>	<b><u>₱138,461,688.15</u></b>	<b><u>₱177,719,074.70</u></b>	<b><u>₱19,952,194.49</u></b>

Gross Cost (Asset Account Balance per Statement of Financial Position)	₱160,554,070.30	₱138,465,487.03	₱300,979,245.66	₱41,972,356.72
Less : <i>Accumulated Depreciation</i>	-	3,798.88	123,260,170.96	22,020,162.23
<b>Carrying Amount, December 31, 2019 (As per Statement of Financial Position)</b>	<b><u>₱160,554,070.30</u></b>	<b><u>₱138,461,688.15</u></b>	<b><u>₱177,719,074.70</u></b>	<b><u>₱19,952,194.49</u></b>

Particulars	Furniture & Fixtures and Books	Construction in Progress	Other PPE	Total
Carrying Amount, January 1, 2019	₱26,310,058.56	₱36,371,997.84	₱13,151,172.99	₱566,188,887.64
Additions/ Acquisitions	700,450.00	58,873,965.79	0.00	82,961,348.13
Adjustments	(539,584.05)		(149,307.50)	(4,139,686.81)
Total	26,470,924.51	95,245,963.63	13,001,865.49	644,940,548.96
Less: <i>Depreciation (As per Statement of Financial Performance)</i>	436,882.84	-	4,275.00	13,975,925.53
<b>Carrying Amount, December 31, 2019 (As per Statement of Financial Position)</b>	<b><u>₱26,034,041.67</u></b>	<b><u>₱95,245,963.63</u></b>	<b><u>₱12,997,590.49</u></b>	<b><u>₱630,964,623.43</u></b>
Particulars	Furniture & Fixtures and Books	Construction in Progress	Other PPE	TOTAL
<b>Gross Cost (Asset Account Balance per Statement of Financial Position)</b>	<b>₱47,631,816.09</b>	<b>₱95,245,963.63</b>	<b>₱13,425,039.77</b>	<b>₱798,273,979.20</b>
Less : <i>Accumulated Depreciation</i>	21,597,774.42	-	427,449.28	167,309,355.77
<b>Carrying Amount, December 31, 2019 (As per Statement of Financial Position)</b>	<b><u>₱26,034,041.67</u></b>	<b><u>₱95,245,963.63</u></b>	<b><u>₱12,997,590.49</u></b>	<b><u>₱630,964,623.43</u></b>

- 9.1 The *Land* account includes two parcels of land located in Lahug City, Cebu, and Pasay City. The lot in Cebu has a market value of ₱2,208,000.00 and a total area of 1,104 square meters whose land stewardship was transferred to PRC Cebu Regional Office in 1998.
- 9.2 The DBM released a Multi-Year Obligation Authority dated February 28, 2009 in the amount of ₱158,346,070.29 for the purchase of a 4,865 sq. meter lot located at Superblock A, Central Business Park 1, Pasay City for the site of the new PRC Building. Consequently, corresponding Notices of Cash

Allocation (NCA) were released for all payments. In 2012, the Commission fully paid this lot to the Philippine Reclamation Authority.

9.3 Part of the cost of *Office Building*, amounting to ₱103,510,851.84, was based on the copy of the Inventory of Government Buildings, duly certified by then Chairman Hermogenes P. Pobre. This is the only available record establishing direct ownership of the building, hence no depreciation expense was provided for. The Inventory of Government Buildings shows the following:

- The Main Building, consisting of three floors, with floor area of 2,790 square meters had a replacement cost of ₱44,640,000.00;
- The Annex Building consisting of five floors with a floor area of 3,340.55 square meters has a replacement cost of ₱53,448,800.00 or a total value of ₱98,088,800.00;
- The estimated renovation cost of ₱12,000,000.00 of the PRC auditorium was deducted from the total replacement cost of the Annex Building since the actual amount of renovation cost had been previously recorded in the books of accounts;
- In May 2004, prior to the implementation of the eNGAS, the Buildings account had a balance of ₱17,422,051.84 representing the construction of the 5<sup>th</sup> floor Annex Building. In 2006, the cost of both the Main and Annex Buildings was booked up in the amount of ₱86,088,800.00 based on the Inventory of Government Buildings, hence the balance of the Buildings account as of December 31, 2012 totaled ₱103,510,851.84. In 2011, the amount of ₱32,911,736.40 was booked up, representing the cost of the building of the PRC Legaspi Regional Office; and
- This account increased due to the recognition of fully liquidated and completed flooring and ceiling works of PRC Tuguegarao Office.

#### 9.4 Construction in Progress

This account includes the forwarded ending balance during the conversion to eNGAS, the breakdown of which is as follows:

<b>Project</b>	<b>Contractor</b>	<b>Amount</b>
Unreconciled amount (beginning balance)		₱ 891,060.84
PRC Tuguegarao Building (Materials)	Melda Madrid Hardware Center	5,607,082.00

<b>Project</b>	<b>Contractor</b>	<b>Amount</b>
PRC Tuguegarao Building (Labor)	MC Torio Construction	1,361,520.00
<b>Total</b>		<b>₱7,859,662.84</b>

Additions to this account are payments made for the structural retrofitting, renovation of electrical system and renovation of various areas within the PRC Central Office. Subsequently, the account was credited to recognize fully completed renovation of electrical system.

## **10. Intangible Assets**

### *10.1 Computer Software*

This account represents payments made for automation projects of the PRC in line with the computerization and modernization program under Section 14 of Republic Act No. 8981 (PRC Modernization Act).

<b>Project</b>	<b>Contractor</b>	<b>Amount</b>
Licensure Examination Registration and Information System (LERIS)	GSI – SSPI, Inc.	₱ 3,626,942.95
Central Records Mgmt. Information System (CRMIS)	Meta System	4,158,767.40
Office System Automation 1 (OSA 1)	TIM Inc.	15,296,400.00
Security and Disaster Management System (SDMS)	TIM Inc.	15,000,000.00
Database Migration	Mega Data	2,150,000.00
LERIS 1 <sup>ST</sup> Technical Assistance Project	GSI – SSPI, Inc.	1,468,133.47
LERIS 2nd Technical Assistance Project	GSI – SSPI, Inc.	4,576,464.00
Office System Automation 2 (OSA 2)	Incventure Partners Inc.	4,652,500.00
Network Infrastructure Project	ePLDT	14,996,401.73
Network Infrastructure Project-cabling of 4 <sup>th</sup> floor Marine Office	ePLDT	360,626.56
IP VPN Connectivity	GAR Enterprise	308,000.00
<b>Total</b>		<b>₱66,594,236.11</b>

The above items were reclassified as Intangible Assets from Construction in Progress account.

## 11. Other Current Assets

Accounts	2019	2018 (As Restated)
Advances	₱24,651,425.63	₱7,055,057.35
Prepayments	5,865,727.96	4,017,395.40
Deposits	14,000.00	14,000.00
Other Assets	8,421,931.74	8,421,931.74
<b>Total</b>	<b>₱38,953,085.33</b>	<b>₱19,508,384.49</b>

- 11.1 Advances for Operating Expenses – ₱18,147,961.33 represents unliquidated cash advances drawn for MOOE and EXAM purposes.
- 11.2 Advances for Payroll - ₱28,267.35 represents unliquidated cash advances made for payment of Personnel Services such as salaries, RATA, PERA/ACA and other bonuses and allowances.
- 11.3 Advances to Special Disbursing Officer - ₱5,966,599.09 represents unliquidated cash advances intended for specific purpose.
- 11.4 Advances to Officers and Employees – ₱508,597.86 represents unliquidated cash advances of the Disbursing Officers, employees and officials in the Central and Regional Offices intended for travels.

The CY 2018 Advances were decreased by ₱21,926,578.82 from ₱28,981,636.17 as a result of restatement of the account due to recording of liquidation of cash advances granted last year.

- 11.5 Prepayments - ₱5,865,727.96 composed of Prepaid Rent in the amount of ₱5,477,869.29, which represents rental deposits made in PICC and several Regional Offices and other prepaid expenses in the amount of ₱387,858.67, which represents guaranteed deposits made to electric cooperatives of several PRC ROs.
- 11.6 Deposits – ₱14,000.00 represents electric meter deposit made by Regional Offices.
- 11.7 Other Assets - ₱8,421,931.74

The account includes Items-in-Transit converted to Other Assets and broken down, as follows:

<b>Particulars</b>	<b>Amount</b>
This amount represents the cost of the three Seconic OMR including custom duties, which the Commission purchased in 2007. The said items ( 3 OMR ) were actually delivered though not yet immediately adjusted in the books of accounts because of technical issues in the eNGAS.	₱ 3,294,631.91
The amount corresponds to unreconciled balance of previous year's transactions. Reconciliation is currently being undertaken to identify the composition of this amount.	2,820,618.36
<b>Total</b>	<b>₱ 6,115,250.27</b>

*Other Assets* amounting to ₱2,182,473.17 represents costs of assets for disposal which are transferred to this account in conformity with NGAS basic feature and policies that serviceable assets no longer used shall be reclassified to "Other Assets" account and shall not be subject to depreciation. Likewise, the remaining ₱124,208.30 represents wrong entry made to Building account which was reclassified to Other Assets account.

## 12. Financial Liabilities

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Accounts Payable	₱64,918,943.92	₱28,393,886.41
Due to Officer and Employees	10,093,321.42	14,159,517.61
<b>Total</b>	<b>₱75,012,265.34</b>	<b>₱42,553,404.02</b>

The Accounts Payable amounting to ₱64,918,943.92 is composed of due and demandable obligations. There were no unreleased checks to be reverted to Accounts Payable account as of December 31, 2019.

The CY 2018 Accounts Payable was decreased by ₱4,107,494.10 from ₱32,501,380.51 as the result of restatement of the account due to payment of prior years' unpaid authorized personnel benefits of the officials and employees pursuant to COA Circular 2018-001 and the reversion to accumulated surplus or deficit of accounts payable which remain outstanding for two years or more pursuant to Executive Order (EO) No. 87.



### 13. Inter-Agency Payables

Particulars	2019	2018 (As Restated)
Due to BIR	₱ 351,358.60	₱ 1,776,935.23
Due to GSIS	2,389,462.22	3,456,761.66
Due to Pag-IBIG	342,355.72	343,121.60
Due to PhilHealth	732,834.91	506,392.17
Due to NGAs	4,663,177.64	4,663,177.64
Due to GOCCs	302,337.20	301,913.59
<b>Total Inter-Agency Payables</b>	<b>₱ 8,781,526.29</b>	<b>₱ 11,048,301.89</b>

The CY 2018 Due to Philhealth Account was increased by ₱28,484.71 from ₱477,907.46 as the result of restatement of the account due to payment of prior years' unpaid authorized personnel benefits of the officials and employees pursuant to COA Circular 2018-001.

### 14. Trust Liabilities

Particulars	2019	2018
Guaranty/Security Deposits Payable	₱ 5,135,055.71	₱ 6,045,879.10
Customer's Deposits Payable	25,700.00	25,700.00
<b>Total Trust Liabilities</b>	<b>₱ 5,160,755.71</b>	<b>₱ 6,071,579.10</b>

Guaranty/Security Deposits Payable consists of retention fee from payment to various suppliers of goods and services, which is in accordance to RA No. 9184, also known as the Government Procurement Reform Act. The account is to be debited upon the release of retention fee after the lapse of the retention period.

### 15. Other Payables - ₱2,235,060.74

The Other Payables account is used to recognize other liabilities not falling under any of the specific payable accounts including, but not limited to, Philippine Association of the Professional Regulatory Board Members (PAPRB), National Home Mortgage Finance Corporation (NHMFC), SLA, Social Security System (SSS), COOP, Employees Union and others.

## 16. Service and Business Income

Particulars	2019	2018 (As Restated)
<b>Service Income</b>		
Registration Fees	₱160,159,223.50	₱137,887,001.00
Licensing Fees	470,661,368.00	328,303,530.00
Legal Fees	5,110.00	3,100.00
Verification and Authentication Fees	207,561,773.00	185,725,148.50
Fines and Penalties - Service Income	18,263,573.00	10,878,538.80
Other Service Income	38,288,982.03	47,321,296.49
<b>Total</b>	<b>₱894,940,029.53</b>	<b>₱710,118,614.79</b>
<b>Business Income</b>		
Examination Fees	₱631,091,649.92	₱527,574,724.00
<b>Total</b>	<b>₱631,091,649.92</b>	<b>₱527,574,724.00</b>
<b>Total Service and Business Income</b>	<b>₱1,526,031,679.45</b>	<b>₱1,237,693,338.79</b>

The CY 2018 Registration Fees Account was increased by ₱1,588,350.00 from ₱136,298,651.00 as the result of restatement of the account due to recognition of prior year income.

The CY 2018 Licensing Fees Account was decreased by ₱18,789,641.00 from ₱325,895,780.00 as the result of restatement of the account due to recognition of prior year income amounting to ₱2,207,750.00 and the reclassification to correct the previously recorded income from Licensing Fees to Examination Fees amounting to ₱21,197,391.00 in compliance with AAR CY 2018, Part II pp. 40.

The CY 2018 Verification and Authentication Fees Account was increased by ₱152,325.00 from ₱185,572,823.50 as the result of restatement of the account due to recognition of prior year income.

The CY 2018 Fines and Penalties –Service Income Account was increased by ₱45,972.00 from ₱10,832,566.80 as the result of restatement of the account due to recognition of prior year income.

The CY 2018 Other Service Income Account was increased by ₱25,534.00 from ₱47,295,762.49 as the result of restatement of the account due to recognition of prior year income.

The CY 2018 Examination Fees Account was increased by ₱22,598,160.00 from ₱526,173,955.00 as the result of restatement of the account due to recognition of prior year income amounting to ₱1,400,769.00 and the reclassification to correct the previously recorded income from Licensing Fees to Examination Fees amounting to ₱21,197,391.00 in compliance with AAR CY 2018, Part II pp. 40.

## 17. Personnel Services (PS)

### 17.1 Salaries and Wages

Particulars	2019	2018 (As Restated)
Salaries and Wages – Regular	₱301,133,878.29	₱189,541,767.95
<b>Total Salaries and Wages</b>	<b>₱301,133,878.29</b>	<b>₱189,541,767.95</b>

The CY 2018 Salaries and Wages Account was increased by ₱938,730.12 from ₱188,603,037.83 as the result of restatement of the account due to payment of prior years' unpaid authorized personnel benefits of the officials and employees pursuant to COA Circular 2018-001.

### 17.2 Other Compensation

Particulars	2019	2018 (As Restated)
Personal Economic Relief Allowance (PERA)	₱16,292,511.87	₱ 11,873,466.21
Representation Allowance (RA)	4,729,000.00	4,036,125.00
Transportation Allowance (TA)	4,367,750.00	3,680,625.00
Clothing/Uniform Allowance	4,182,000.00	2,766,000.00
Subsistence Allowance	5,850.00	5,250.00
Laundry Allowance	2,950.00	2,950.00
Productivity Incentive Allowance	0.00	2,716,500.00
Honoraria	221,344,338.08	184,832,517.68
Year End Bonus	25,784,067.35	16,266,075.00
Cash Gift	3,617,500.00	2,491,000.00
Other Bonuses and Allowances	45,055,197.00	15,760,746.00
<b>Total Other Compensation</b>	<b>₱325,381,164.30</b>	<b>₱244,431,254.89</b>

The CY 2018 PERA Account was increased by ₱54,461.67 from ₱11,819,004.54 as the result of restatement of the account due to payment of prior years' unpaid authorized personnel benefits of the officials and employees pursuant to COA Circular 2018-001.

### 17.3 Personnel Benefit Contributions

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Retirement and Life Insurance Premiums	₱33,570,357.44	₱20,515,612.64
Pag-IBIG Contributions	821,700.00	559,000.00
PhilHealth Contributions	3,117,864.96	1,925,642.32
Employees Compensation Insurance Premiums	824,291.16	557,100.00
<b>Total Personnel Benefit Contributions</b>	<b>₱38,334,213.56</b>	<b>₱23,557,354.96</b>

The CY 2018 Philhealth Contributions Account was increased by ₱28,484.71 from ₱1,897,157.61 as the result of restatement of the account due to remittance of government share in premium contributions for the paid prior years' authorized personnel benefits of the officials and employees pursuant to COA Circular 2018-001.

### 17.4 Other Personnel Benefits

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Pension Benefits	₱ 4,854,214.00	₱ 5,897,834.00
Retirement Gratuity	0.00	4,887,528.00
Terminal Leave Benefits	10,951,168.80	3,143,145.73
Other Personnel Benefits	9,866,087.67	3,281,468.58
<b>Total Other Personnel Benefits</b>	<b>₱25,671,470.47</b>	<b>₱17,209,976.31</b>

The CY 2018 Other Personnel Benefits Account was increased by ₱155,000.00 from ₱3,126,468.58 as the result of restatement of the account due to payment of prior years' unpaid authorized personnel benefits of the officials and employees pursuant to COA Circular 2018-001.

## 18. Maintenance and Other Operating Expenses (MOOE)

### 18.1 Traveling Expenses

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Traveling Expenses–Local	₱17,371,419.48	₱22,151,569.12
Traveling Expenses–Foreign	11,582,665.68	11,595,978.30
<b>Total Traveling Expenses</b>	<b>₱28,954,085.16</b>	<b>₱33,747,547.42</b>

The CY 2018 Traveling Expenses -Local Account was increased by ₱1,363,310.41 from ₱20,788,258.71 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Traveling Expenses –Foreign Account was increased by ₱385,838.81 from ₱11,210,139.49 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

#### 18.2 Training and Scholarship Expenses

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Training Expenses	₱5,944,681.47	₱4,790,147.08
<b>Total Training and Scholarship Expenses</b>	<b>₱5,944,681.47</b>	<b>₱4,790,147.08</b>

The CY 2018 Training Expenses Account was increased by ₱54,020.00 from ₱4,736,127.08 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

#### 18.3 Supplies and Materials Expenses

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Office Supplies Expenses	₱49,206,400.98	₱47,173,230.59
Accountable Forms Expenses	33,325,496.04	27,003,480.66
Drugs and Medicines Expenses	3,878.55	46,839.78
Medical, Dental and Laboratory Supplies Expenses	1,100.00	0.00
Fuel, Oil and Lubricants Expenses	2,784,295.13	3,180,132.72
Other Supplies and Materials Expenses	106,220.21	43,470.80
<b>Total Supplies and Materials Expenses</b>	<b>₱85,427,390.91</b>	<b>₱77,447,154.55</b>

The CY 2018 Office Supplies Expenses Account was increased by ₱292,837.71 from ₱46,880,392.88 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Fuel, Oil and Lubricant Expenses Account was increased by ₱107,757.12 from ₱3,072,375.60 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

#### 18.4 Utility Expenses

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Water Expenses	₱ 2,198,884.25	₱ 1,615,848.49
Electricity Expenses	21,625,703.30	20,423,111.65
<b>Total Utility Expenses</b>	<b>₱23,824,587.55</b>	<b>₱22,038,960.14</b>

The CY 2018 Water Expenses Account was increased by ₱62,797.94 from ₱1,553,050.55 as a result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Electricity Expenses Account was increased by ₱266,831.45 from ₱20,156,280.20 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

#### 18.5 Communication Expenses

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Postage and Courier Services	₱ 2,472,004.06	₱ 3,784,857.53
Telephone Expenses	2,661,948.09	2,628,449.77
Internet Subscription Expenses	11,826,082.95	5,255,098.37
Cable, Satellite, Telegraph and Radio Expenses	15,526.18	31,733.27
<b>Total Communication Expenses</b>	<b>₱16,975,561.28</b>	<b>₱11,700,138.94</b>

The CY 2018 Postage and Courier Services Account was increased by ₱221,865.22 from ₱3,562,992.31 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Telephone Expenses Account was increased by ₱34,166.12 from ₱2,594,283.65 as the result of restatement of the account due to recording of liquidation of cash advances granted last year. The CY 2018 Cable, Satellite, Telegraph and Radio Expenses Account was increased by ₱1,724.56 from ₱30,008.71 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

#### 18.6 Confidential, Intelligence and Extraordinary Expenses

<b>Particulars</b>	<b>2019</b>	<b>2018</b>
Extraordinary and Miscellaneous Expenses	₱2,772,818.54	₱2,559,405.62
<b>Total Confidential, Intelligence and Extraordinary Expenses</b>	<b>₱2,772,818.54</b>	<b>₱2,559,405.62</b>

#### 18.7 Professional Services

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Legal Services	₱ 791,113.32	₱ 727,600.00
Consultancy Services	2,680,000.00	1,345,000.00
Other Professional Services	1,024,656.52	953,438.46
<b>Total Professional Services</b>	<b>₱4,495,769.84</b>	<b>₱3,026,038.46</b>

The CY 2018 Consultancy Services Account was increased by ₱105,000.00 from ₱1,240,000.00 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

#### 18.8 General Services

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Janitorial Services	₱ 8,613,662.11	₱ 5,389,594.74
Security Services	16,887,686.67	10,251,755.04
General Services	32,168.63	206,531.62
Other General Services	163,617,935.05	176,262,416.84
<b>Total General Services</b>	<b>₱189,151,452.46</b>	<b>₱192,110,298.24</b>

The CY 2018 Janitorial Services Account was increased by ₱249,852.82 from ₱5,139,741.92 as the result of restatement of the account due to recognition of prior year expenses.

The CY 2018 Security Services Account was increased by ₱779,501.99 from ₱9,472,253.05 as the result of restatement of the account due to recognition of prior year expenses.

The CY 2018 General Services Account was increased by ₱74,216.83 from ₱132,314.79 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

Further, the account Other General Services is broken down, as follows:

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Examination Allowances	₱ 89,867,925.93	₱ 89,236,723.28
Salary of Service Contractors	25,519,045.69	49,256,194.45
School Rentals	18,881,852.73	7,065,287.54
School Personnel Allowances	2,841,448.98	5,919,714.65
School Light and Water	7,016,079.05	3,997,531.75
Others	19,491,582.67	20,786,965.17
<b>Total General Services</b>	<b>₱163,617,935.05</b>	<b>₱176,262,416.84</b>

The CY 2018 Other General Services Account was increased by ₱19,257,533.36 from ₱157,004,883.48 as the result of restatement of the account due to recording of liquidation of cash advances granted last year and broken down as follows:

<b>Particulars</b>	<b>2018 Unrestated Balance</b>	<b>Amount of Increase</b>
Examination Allowances	₱ 74,451,095.86	₱ 14,785,627.42
Salary of Service Contractors	49,252,059.92	4,134.53
School Rentals	6,503,632.54	561,655.00
School Personnel Allowances	4,819,514.65	1,100,200.00
School Light and Water	3,290,611.75	706,920.00
Others	18,687,968.76	2,098,996.41
<b>Total General Services</b>	<b>₱157,004,883.48</b>	<b>₱19,257,533.36</b>

#### 18.9 Repairs and Maintenance

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Repairs and Maintenance - Buildings and Other Structures	₱ 288,353.52	₱ 510,025.79
Repairs and Maintenance -	1,144,324.39	855,824.82



<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Machinery and Equipment		
Repairs and Maintenance - Transportation Equipment	1,923,026.84	940,868.16
Repairs and Maintenance - Furniture and Fixtures	14,798.72	30,856.70
Repairs and Maintenance - Other Property, Plant and Equipment	40,832.00	300,069.00
<b>Total Repairs and Maintenance Expenses</b>	<b>₱3,411,335.47</b>	<b>₱2,637,644.47</b>

The CY 2018 Repairs and Maintenance – Buildings and Other Structures Account was increased by ₱174,873.00 from ₱335,152.79 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Repairs and Maintenance - Machinery and Equipment Account was increased by ₱27,255.63 from ₱828,569.19 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Repairs and Maintenance - Transportation Equipment Account was increased by ₱173,985.18 from ₱766,882.98 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Repairs and Maintenance - Furniture and Fixtures Account was increased by ₱13,695.20 from ₱17,161.50 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

#### 18.10 Taxes, Insurance Premiums and Other Fees

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Taxes, Duties and Licenses	₱ 141,547.49	₱ 849,350.38
Fidelity Bond Premiums	971,905.32	811,857.28
Insurance Expenses	866,056.42	1,244,963.27
<b>Total Taxes, Insurance Premiums and Other Fees</b>	<b>₱1,979,509.23</b>	<b>₱2,906,170.93</b>

The CY 2018 Taxes, Duties and Licenses Account was increased by ₱108,864.00 from ₱740,486.38 as the result of restatement of the account due to recognition of prior year expenses.

#### 18.11 Other MOOE

<b>Particulars</b>	<b>2019</b>	<b>2018 (As Restated)</b>
Advertising Expenses	₱ 2,224,408.44	₱ 1,213,183.10
Printing and Publication Expenses	26,777.00	19,390.66
Representation Expenses	4,731,188.08	2,000,338.51
Transportation and Delivery Expenses	282,076.36	197,886.49
Rent/Lease Expenses	33,405,291.31	29,677,552.27
Subscription Expenses	2,870,652.50	1,263,352.76
Other Maintenance and Operating Expenses	724,082.21	3,504,319.76
<b>Total Other Maintenance and Operating Expenses</b>	<b>₱44,264,475.90</b>	<b>₱37,876,023.55</b>

The CY 2018 Representation Expenses Account was increased by ₱79,136.23 from ₱1,921,202.28 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Transportation and Delivery Expenses Account was increased by ₱22,155.70 from ₱175,730.79 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Rent/Lease Expenses Account was increased by ₱ 1,149,976.6 from ₱28,527,575.67 as the result of restatement of the account due to recognition of prior year expenses.

The CY 2018 Subscription Expenses Account was increased by ₱793.50 from ₱1,262,559.26 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

The CY 2018 Other Maintenance and Operating Expenses Account was increased by ₱18,687.75 from ₱3,485,632.01 as the result of restatement of the account due to recording of liquidation of cash advances granted last year.

## 19. Financial Expenses

This consists of checkbook reorder cost of the PRC.

Particulars	2019	2018
Bank Charges	₱800.00	₱0.00
<b>Total Financial Expenses</b>	<b>₱800.00</b>	<b>₱0.00</b>

## 20. Non-Cash Expenses

### 20.1 Depreciation

Particulars	2019	2018
Depreciation-Buildings and Other Structures	₱ 3,798.88	₱ 0.00
Depreciation-Machinery and Equipment	13,069,354.76	8,428,987.77
Depreciation-Transportation Equipment	461,614.05	148,634.28
Depreciation-Furniture, Fixtures and Books	436,882.84	300,008.03
Depreciation-Other Property, Plant and Equipment	4,275.00	356.25
<b>Total Depreciation</b>	<b>₱13,975,925.53</b>	<b>₱8,877,986.33</b>

## 21. Subsidy from National Government

This account includes the following:

Particulars	Amount
NCA received from DBM for payment of current year expenses for Agency's operational requirements, prior year unpaid obligations, employees' Retirement & Life Insurance Premium (RLIP), monetization of leave credits, pension benefits of retired Chairman and Commissioners, terminal leave of retired employees and payment for PBB to qualified employees.	₱1,176,304,507.00
Tax Remittance Advice for BIR tax remittances	69,267,988.61
<i>Total</i>	<i>₱1,245,572,495.61</i>
Less: Reversion of Unutilized NCA (Regular and Accounts Payable)	(603,418,858.37)
Loss (net) on sale of PPE	(489,438.20)
<b>Balance ending</b>	<b>₱ 641,664,199.04</b>

The amount above was closed to Accumulated Surplus/(Deficit) account at year-end.

## **22. Key Management Personnel**

The key management personnel of PRC consists of the Chairman and two Commissioners, Assistant Commissioner, Directors and Heads of Divisions of Central Office and ROs.

### **22.1 Key Management Personnel Compensation**

The aggregate remuneration of members of the governing body, and the number of members determined on a fulltime equivalent basis receiving remuneration within this category, are:

<b>Particulars</b>	<b>Aggregate Remuneration</b>
Salaries and Wages	₱49,520,713.67
Other Compensation	22,693,123.95
Other Personnel Benefit	3,248,520.58
<b>Total Other Personnel Benefits</b>	<b>₱75,462,358.20</b>

The Secretary of the Department of Labor and Employment (DOLE), which has supervision over the PRC has no remuneration from the PRC.