

PROFESSIONAL REGULATION COMMISSION

Notes to Financial Statements
For the year ended December 31, 2023
(Amounts in Philippine Pesos)

1. General Information/Agency Profile

The consolidated Financial Statements (FSs) of the Professional Regulation Commission (PRC) were authorized for issue on May 6, 2024, as shown in the Statement of Management Responsibility for Consolidated Financial Statements signed by Mr. Jose A. Abundo, Director, Planning, Management and Financial Services and Atty. Charito A. Zamora, the Chairperson.

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Initially created under Presidential Decree (PD) No. 223 on June 22, 1973, it was repealed by Republic Act (RA) No. 8981 and approved on December 5, 2000, otherwise known as the “PRC Modernization Act”.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

Prior to 2016 reorganization, it has 10 Regional Offices (ROs) located at the following: 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 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, was 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's new offices/services: ROs in National Capital Region, 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 OSSP of approved new offices and positions and reclassification of key positions was issued by DBM on August 2, 2017.

On November 16, 2023, an additional 12 newly created plantilla positions were approved by the NOSCA from the DBM, thus making it a total of 1,080 positions from the original 1,068. Out of 1,080 plantilla positions, 887 were already filled, while 193 remained unfilled.

Currently, with the approval of the creation of six new ROs, the PRC has 16 ROs 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 thirty-seven (37) operational Offsite Service Centers (OSCs) after it established additional OSCs in (1) Digos Business Center Digos City, Davao Del Sur; (2) Robinsons North

Tacloban; (3) Maasin City, Southern Leyte; (4) Ayala Mall Manila Bay; (5) Mindoro State University; (6) Lucky China Town Mall; (7) Candon City Sports Complex; and (8) Cotabato City, BARMM. The PRC also operates two (2) One-Stop Shop Service Centers for OFWs (OSCCOs) located in Palayan, Nueva Ecija and Gaisano Mall, Davao.

The PRC has been effectively implementing a decentralized Budget and Finance financial transactions since July 1, 2021 wherein the 15 ROs were receiving funding and cash allocations directly from DBM as the result of the reorganization effort. This year 2023, the newly created RO-IVB has already been established as an operating unit, making it the 16th fully functioning RO overall.

2. Statement of Compliance and Basis of Preparation of Financial Statement

The consolidated FSs were prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS) issued by the Commission on Audit per COA Resolution No. 2014-003 and 2021-001 dated January 24, 2014 and January 9, 2021, respectively.

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 PRC now maintains a decentralized form of accounting system and the ROs were considered individual Operating Units (OU) where all expenses were paid up by them. Consequently, ROs now maintain a complete set of books of accounts as prescribed under the Government Accounting Manual (GAM) for National Government Agencies (NGAS). Hence, the FSs cover the consolidated financial transactions generated by the ROs from all sources.

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.

The PRC has adopted the Revised Chart of Accounts (Updated 2019) as prescribed under COA Circular 2020-001 dated January 08, 2020.

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 later merged into one per IPSAS:

- (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

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

The PRC has adopted COA Circular No. 2022-004, Guidelines on the Implementation of Section 23 of the General Provisions of RA No. 11639, the General Appropriations Act (GAA) for the Fiscal Year (FY) 2022 relative to the increase in the capitalization threshold from P15,000.00 to P50,000.00.

3.3 Property, Plant and Equipment

The Property, Plant and Equipment (PPE) account is 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 property, plant, and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. A PPE acquired through a non-exchange transaction is measured at its fair value as at the date of acquisition.

Depreciation

The PRC applies the straight-line method of depreciation for PPE using the estimated useful life by classification in conformity with the COA policy. 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 IPSAS, while the new residual value of five (5) 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 had 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 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 Transaction

The PRC recognizes revenues 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 an 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 expenses. Non-accumulating compensated absences, like special leave privileges, are not recognized.

3.8 Measurement Uncertainty

The preparation of consolidated FSs in conformity with IPSAS 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 IPSAS and the coding structure pursuant to COA Circular No. 2020-001 dated January 8, 2020.

The PRC has adopted COA Circular No. 2022-004, Guidelines on the Implementation of Section 23 of the General Provisions of RA No. 11639 also known as the GAA for FY 2022 relative to the increase in the capitalization threshold from P15,000.00 to P50,000.00.

5. Prior Period Adjustments and Errors

During the FY 2023 financial period, various transactions that pertain to the CY 2022 and prior years were recognized such as liquidations of CAs granted in prior years, PPEs acquired through transfers and donations, unrecorded/over-recorded expenses, under/over-recorded income, reclassification of accounts and recognition of prior year depreciation expense. The earliest 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	2023	2022
Increase in Revenue	0.00	139,529,916.28
Increase in Surplus for the period	0.00	139,529,916.28

6. Cash and Cash Equivalents

Account	2023	2022 As Restated
Cash Collecting Officers	(541,342.39)	(251,182.45)
Petty Cash Fund	479,051.27	0.00
Cash in Bank- Local Currency, Current Account	1,533,612.48	0.00
Cash in Bank- Local Currency, Savings Account	372,606.01	2,259,462.32
Cash - Treasury/Agency Deposit, Trust	7,351,695.04	5,360,344.45
Total	9,195,622.41	7,368,624.32

- 6.1** The balance of the *Cash- Collecting Officer* represents undeposited collection of income as at the year-end which was deposited in the ensuing year. The balance of this account includes credit account balances of Mr. Noel Potenciano, SM Collections and an unreconciled account amounting to P648,696.00, P741,976.16 and P1,050.01, respectively. The accounts of Potenciano and SM Collections were already existing since CY 2015 while the unreconciled account was the beginning balance at the start of eNGAS implementation in 2014.
- 6.2** The PRC's collection of income reported for the year 2023 is P1,698,317,708.20 based on the consolidated income reports from all of its ROs including OSSCOs, Offsite and Mobile Services. The bulk of the PRC's income was derived from the Licensing and Examination Fees amounting to P593,196,170.00 and P611,373,200.00, respectively, or an aggregate amount of P1,204,569,370.00, equivalent to 71% of the total income.
- 6.3** 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.
- 6.4** The *Cash in Bank-Local Currency Current Account* of P1,533,612.48 maintained under LBP with account nos. 000012-1171-24 and 000012-1172-30 are special accounts intended to deposit proceeds from the sale of bid documents and funding general payroll, respectively. The honoraria and overtime pay of the Chair and Members of the Bids and Awards Committee (BAC) and various payrolls for officers and employees are being drawn from this account.
- 6.5** The *Cash in Bank-Local Currency Savings Account* of P372,606.01 represents the unutilized amount of cash advance granted by the Regional Office Pagadian yet to be liquidated by the concerned Disbursing Officer.

6.6 The *Cash-Treasury/Agency Deposit, Trust* of P7,351,695.04 represents Receivables from the Bureau of the Treasury (BTr) for the implementation of various projects against funds received from source agencies. Among these are:

- Operation of PRC's *Educational Statistics Task Force (ESTF)* in the amount of P1,930,743.13, which is responsible for monitoring the performance of schools in the various licensure examinations funded by the Commission on Higher Education (CHED).
- Research project entitled "The Assessment of the Examinees and CHED HEIs Performance in Six PRC Licensure Examinations for Agriculturists (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 4th Floor, Annex Building.
- Deposit of collection from sale of bid documents amounting to P2,374,350.59.
- The necessary reconciliation is being undertaken for the adjustments on this account. Efforts are being made to retrieve the 2014 Books of Accounts as basis for the said reconciliation.

7. Receivables

Account	2023	2022 As Restated
Loans and Receivable Accounts	18,812.12	2,458.10
Inter-Agency Receivables	95,503,982.96	166,047,292.52
Intra-Agency Receivables	11,126,406.47	12,655,605.93
Other Receivables	30,736,702.12	35,210,750.25
Total	137,385,903.67	213,916,106.80

The significant decrease resulted from the liquidation of DPWH-DCDEO XI, amounting to P85,550,000.00, for the funds transferred by PRC RO-XI for the first phase implementation of the construction of the multi-purpose building in Brgy. Indangan, Davao City, as per MOA-10-2022-46 dated October 07, 2022.

7.1 The Account Receivables represent receivables already dormant for years in the books upon implementation of the eNGAS in CY 2004 and the amount recognized by the Regional Office X arising from trade transactions amounting to P2,458.10 and P16,354.02, respectively.

7.2 Inter-Agency Receivables

Account	2023		
	Current	Non-Current	Total
Due from National Government Agencies (NGAs)	38,106,566.66	57,397,416.30	95,503,982.96

- The account Due from NGAs comprises of the advance payments to Procurement Service (PS)-DBM and Department of Public Works and Highways (DPWH) amounting to P48,165,719.36 and P47,338,263.60, respectively.
- The advance payments to PS-DBM are E-wallet deposits to its Virtual Store for the purchases of common-used 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 PRC. These are covered by a Memorandum of Agreement (MOA) and Government Fare Agreement (GFA) executed between the PRC and PS-DBM. The account is closed when the items are finally delivered.
- Inclusive in the DPWH balance is the unexpended portion of the inter-agency transfer of funds to DPWH-Region V for the construction of PRC-Legaspi Regional Office Building amounting to P88,263.60. The latter has provided a copy of the check dated April 13, 2011 issued by DPWH drawn in favor of the PRC. However, its deposit could not be ascertained due to absence of the corresponding validated deposit slips of the said check. As of the moment, we are waiting for the response to the letter we sent to DPWH-RO5 requesting confirmation of the outstanding payables of the same amount due to PRC.
- The remaining balance amounting to P46,800,000.00 and P450,000.00 represents the amount transferred by RO VII to DPWH for the completion of its office building; and the unutilized balance of the funds transferred by RO XI to DPWH for the construction of its multi-purpose building, respectively.
- The Due from NGA account was decreased due to the reversion of obligation to DPWH for the design and construction of the proposed PRC Building in Pasay amounting to P508.3 million, in compliance with the recommendation of DBM in its letter dated November 14, 2016 and the reversion of funds transferred to PS-DBM amounting to P7,122,770.39, in compliance with the DOF-DBM-COA Permanent Committee Joint Circular No. 04-2012 dated September 11, 2012.

- Both accounts are to be credited upon the receipt of deliverables supported by the corresponding liquidation reports, delivery receipts and/or sales invoices.

7.3 Intra-Agency Receivables

Accounts	2023	2022
Due from Central Office	3,148,111.02	2,030,191.00
Due from Regional Offices	7,978,295.45	10,625,414.93
Total	11,126,406.47	12,655,605.93

- The account balance Due from Central Office comprises transactions from the sale of bidding documents by ROs which were deposited to the account maintained by CO and payment made by the ROs for GSIS remittances initially recorded as payable at the CO.
- The account balance Due from Regional Offices, excluding the eliminated reciprocal account amounting to P152,858.23, comprises transactions initially recorded at the CO which were transferred to the respective ROs' books of accounts after the decentralization took effect on July 1, 2021. These transactions include receivables from officers and employees for unpaid taxes, refunds of excess cash advances granted at CO, and similar items, as well as subsequent transactions for deliveries to the ROs from the CO of centrally managed items, subject to liquidation.

7.4 Other Receivables

Accounts	2023	2022
Receivables- Disallowances and Charges	17,598,637.36	17,602,474.83
Due from Officers and Employees	1,258,539.54	735,509.40
Other Receivables	11,879,525.22	16,872,766.02
Total	30,736,702.12	35,210,750.25

- Receivables - Disallowance/Charges represent amounts resulting from audit disallowances that have become final and executory.
- As a result of the cash examination conducted by the COA Regional Office in 2008, a total amount of P17,139,108.80 was booked up under the receivable account of a certain Cashier I of the PRC-Tuguegarao Office. The cash examination result indicates that the Cashier had a total cash shortage of P17,139,108.80 from unremitted and unrecorded collections. It was discovered that from the total collections of P71,558,137.71 for the period October 30, 2002 to January 3, 2008, only the amount of P55,865,322.34 was reported and duly acknowledged by Official Receipts. The balance amounting to P15,692,815.37 was not recorded and reported

by the said Cashier and the undeposited amount of P1,446,293.43 constitutes the total cash shortage. The following actions were taken regarding this case:

- Appropriate administrative charges were filed by PRC against the person 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. 02, Tuguegarao City that conducted the cash examination that bears the cash shortage of the Cashier was forwarded by the Legal and Adjudication Office of COA Regional Office No. 2 to the Office of the Ombudsman last January 19, 2009 for the filing of Criminal and Administrative cases against him for violation of Article 217 of the Revised Penal Code.
- The Tuguegarao RTC, in its judgement dated November 29, 2019, found the accused-appellant guilty of the crime of Malversation of Public Funds and sentenced him to reclusion perpetua and perpetual disqualification from public office.
- The Sandiganbayan has affirmed his conviction; however, the Court modified his sentence from reclusion perpetua to imprisonment to up to 17 years. He is still perpetually disqualified from holding public office.
- Other Receivables Account represents receivables from resigned employees, job orders and members of the Professional Regulatory Board (PRB) whose terms have already ended. A demand letter was sent to the concerned former employees to remind them of their accountabilities from the PRC.

8. Inventories

Particulars	Office Supplies Inventory	Accountable Forms, Plates & Stickers Inventory	Drugs and Medicines Inventory	Medical, Dental & Laboratory Supplies Inventory	Construction Materials Inventory	Other Supplies and Materials Inventory	Total
Carrying Amount, January 1, 2023	45,403,836.20	62,978,041.15	36,012.60	23,125.00	41,303.11	85,382.36	108,567,700.42
Additions	94,579,088.86	35,720,262.68	113,405.96	0.00	0.00	984,607.79	131,397,365.29
Expenses during the Year except write-down	79,055,697.36	32,545,548.81	36,012.60	0.00	0.00	726,349.80	112,363,608.57

Particulars	Office Supplies Inventory	Accountable Forms, Plates & Stickers Inventory	Drugs and Medicines Inventory	Medical, Dental & Laboratory Supplies Inventory	Construction Materials Inventory	Other Supplies and Materials Inventory	Total
Reclassification Adjustment	(2,734,161.87)	(83,858.60)	0.00	0.00	0.00	0.00	(2,818,020.47)
Total Carrying Amount, December 31, 2023	63,661,389.57	66,236,613.62	113,405.96	23,125.00	41,303.11	343,640.35	130,419,477.61

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

An amount of P5,401,274.03 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 did 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 to this account. Efforts are being made to retrieve the 2004 Inventory Reports as basis for the said reconciliation.

Likewise, the balance of P23,125.00 for medical inventory is already dormant since the start of eNGAS in CY 2004.

8.1 The purchases of tangible items below the capitalization threshold of P50,000.00 were recorded as semi-expendable property. Details are shown below:

Particulars	2023	2022
Semi-Expendable Office Equipment	8,261,589.47	8,382,822.87
Semi-Expendable Information and Communications Technology Equipment	118,400,779.61	102,985,299.44
Semi-Expendable Communications Equipment	469,407.63	317,247.63
Semi-Expendable Disaster Response and Rescue Equipment	33,450.00	33,450.00
Semi-Expendable Medical Equipment	86,932.65	86,932.65
Semi-Expendable Technical and Scientific Equipment	4,510,257.99	4,522,737.99
Semi-Expendable Other Equipment	1,035,977.28	903,221.28

Particulars	2023	2022
Semi-Expendable Furniture and Fixtures	17,519,635.19	34,522,168.74
Semi-Expendable Books	67,700.00	67,700.00
Total	150,385,729.82	151,821,580.60

9. Property, Plant and Equipment

Particulars	Land	Buildings and Other Structures	Machinery and Equipment	Transportation Equipment
Carrying Amount, January 1, 2023	162,558,520.30	370,968,241.34	62,499,913.31	33,657,177.52
Additions/ Acquisitions	151,468.00	1,742,967.69	22,333,935.71	5,902,162.11
Adjustments	0.00	0.00	10,420,486.43	(919,903.93)
Total	162,709,988.30	372,711,209.03	95,254,335.45	38,639,435.70
Less: <i>Depreciation (As per Statement of Financial Performance)</i>	0.00	7,538,851.92	17,321,076.04	7,476,684.36
Carrying Amount, December 31, 2023 (As per Statement of Financial Position)	<u>162,709,988.30</u>	<u>365,172,357.11</u>	<u>77,933,259.41</u>	<u>31,162,751.34</u>
Gross Cost (Asset Account Balance per Statement of Financial Position)	162,709,988.30	489,938,960.05	277,586,480.02	89,956,528.94
Less: <i>Accumulated Depreciation</i>	0.00	124,766,602.94	199,653,220.61	58,793,777.60
Carrying Amount, December 31, 2023 (As per Statement of Financial Position)	<u>162,709,988.30</u>	<u>365,172,357.11</u>	<u>77,933,259.41</u>	<u>31,162,751.34</u>

Particulars	Furniture & Fixtures and Books	Construction in Progress	Other PPE	Leased Assets Improvements	Total
Carrying Amount, January 1, 2023	(7,738,529.11)	7,859,662.14	23,122,417.08	398,900.26	653,326,302.84
Additions/ Acquisitions	529,320.84	134,406,153.38	1,063,785.00	0.00	166,129,792.73
Adjustments	8,881,590.50	0.00	(2,297,637.70)	0.00	16,084,535.30
Total	1,672,382.23	142,265,815.52	21,888,564.38	398,900.26	835,540,630.87
Less: <i>Depreciation (As per Statement of Financial Performance)</i>	53,356.03	0.00	2,261,084.35	21,215.16	34,672,267.86

Particulars	Furniture & Fixtures and Books	Construction in Progress	Other PPE	Leased Assets Improvements	Total
Carrying Amount, December 31, 2023 (As per Statement of Financial Position)	<u>1,619,026.20</u>	<u>142,265,815.52</u>	<u>19,627,480.03</u>	<u>377,685.10</u>	<u>800,868,363.01</u>
Gross Cost (Asset Account Balance per Statement of Financial Position)	15,882,592.75	142,265,815.52	30,424,243.60	446,634.30	1,209,211,243.48
Less: Accumulated Depreciation	14,263,566.55	0.00	10,796,763.57	68,949.20	408,342,880.47
Carrying Amount, December 31, 2023 (As per Statement of Financial Position)	<u>1,619,026.20</u>	<u>142,265,815.52</u>	<u>19,627,480.03</u>	<u>377,685.10</u>	<u>800,868,363.01</u>

- 9.1** The *Land Account* includes two parcels of land located in Lahug City, Cebu, and Pasay City; and the donated 525 square meters of land to Koronadal Regional Office by the City Government of Koronadal under Deed of Donation DD-03-2017-01 dated March 01, 2017. The lot in Cebu has a market value of P2,208,000.00 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 P158,346,070.29 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 PRC fully paid this lot to the Philippines Reclamation Authority.
- 9.3** On August 08, 2022, Regional Office XI formally accepted a donated lot situated in Brgy. Indangan, Davao City with an area of 6,000 sqm for the construction of PRC XI multi-purpose building. On November 2023, upon the release of the appraisal value, the donated land was officially recorded in the book of accounts in the amount of P151,468.00. The cost of the land is computed based on the rate per square meter of the appraisal value from the Office of the City Assessor of Davao City.
- 9.4** Also included in the Land account were two parcels of land located in the Regional Government Center, Brgy. Carpenter Hill, Koronadal City. The lot

has a zonal value of P2,004,450.00 and a total area of 1,050 square meters that was donated and transferred from the Local Government Unit of Koronadal City to PRC Region 12 in 2019.

9.5 Part of the cost of the *Office Building*, amounting to P103,510,851.84, 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. The Inventory of Government Buildings shows the following:

- The main building, consisting of three floors, with a floor area of 2,790 sqm. had a replacement cost of P44,640,000.00;
- The Annex Building consisting of five floors with a floor area of 3,340.55 sqm. has a replacement cost of P53,448,800.00 or a total value of P98,088,800.00;
- The estimated renovation cost of P12,000,000.00 for 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 Building Account had a balance of P17,422,051.84 representing the construction of the 5th floor Annex Building. In 2006, the cost of both the Main and Annex Buildings was booked up in the amount of P86,088,800.00 based on the Inventory of Government Buildings, hence, the balance of the building accounts as of December 31, 2012 totaled P103,510,851.84. In 2011, the amount of P32,911,736.40 was booked up representing the cost of the building of the PRC Legaspi Regional Office;
- The account was increased due to the recognition of fully liquidated and completed flooring and ceiling works of the PRC Tuguegarao Office amounting to P1,862,950.79.
- In 2021, inclusive of the adjustments are the reclassifications made from Construction in Progress for the fully completed construction by the Administration of Central Office Building and PRC Tuguegarao Office amounting to P68,849,004.29 and P10,174,362.22, respectively.

9.6 The ROs Rosales and Pagadian recorded in their respective books of accounts the transfer of completed buildings by the DPWH in the amount of P57,605,122.67 and P111,767,705.16, respectively.

9.7 The PPE recorded in the Central Office books of accounts are yet to be transferred to the respective ROs after the completion of one-time cleansing of PPE in compliance with COA Circular 2020-006 dated January 31, 2020.

9.8 Construction in Progress

Project	Contractor	Amount
Unreconciled amount		891,060.84
Flooring & Ceiling Works - RO Tuguegarao	DPWH	(0.70)
Office Building –RO Tuguegarao	MC Torio Construction	1,361,520.00
Office Building –RO Tuguegarao	Melda Madrid Hardware Center, Inc.	5,607,082.00
Office Building	DPWH	44,856,153.38
Multi-Purpose Building	DPWH	89,550,000.00
Total		142,265,815.52

- Additions to this account are progress payments made for various infrastructure projects of the PRC, such as, but not limited to the structural retrofitting, renovation of the electrical system and renovation of various areas within the PRC Central Office and Regional Offices, Archival Storage & Retrieval Record System and Structured Cabling System. Subsequently, the account is to be credited to recognize fully the complete renovation of the concerned project.

9.9 The building in Region V with a project cost amounting to P37,724,419.43 was not recognized due to the lack of necessary documents relative to the turned-over/ completed project in order to properly recognize the testing center building in the books. The documents needed for the building will be coordinated with the concerned government agency for proper recognition.

10. Other Current Assets

Accounts	2023	2022
Advances	14,956,622.13	5,857,861.77
Prepayments	8,808,087.21	8,091,245.05
Deposits	665,693.36	96,000.00
Other Assets	8,421,931.74	8,421,931.74
Total	32,852,334.44	22,467,038.56

10.1 Advances for Operating Expenses – P3,277,721.23 represents unliquidated cash advances drawn for MOOE and examination purposes inclusive of the cash advances granted by Regional Office amounting to P3,141,187.14.

- 10.2 Advances for Payroll** – P28,267.35 represents unliquidated cash advances made for payment of personnel services such as salaries, RATA, PERA/ACA and other bonuses and allowances.
- 10.3 Advances to Special Disbursing Officer** – P7,261,201.80 represents unliquidated cash advances intended for specific purposes.
- 10.4 Advances to Officers and Employees** – P4,389,431.75 represents unliquidated cash advances of the disbursing officers, employees and officials in the Central and Regional Offices intended for traveling expenses. The account was decreased by the negative balance amounting to P715.00 and an ongoing effort has been undertaken to reconcile the concerned Subsidiary Ledgers.
- 10.5 Prepayments**- P8,808,087.21 represents prepaid rent for the office space in PICC and various Regional Offices, prepaid registration, prepaid insurance and prepaid subscription.
- 10.6 Deposits** —P665,693.36 represents guaranty deposit and electric meter deposit of Regional Offices.
- 10.7 Other Assets** – P8,421,931.74 represents the following:

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

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

- *Other Assets* amounting to P2,182,473.17 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 P124,208.30 represents the wrong entry made to the Building account which was reclassified to the Other Assets account.

11. Financial Liabilities

11.1 Payables

Particulars	2023	2022
Accounts Payable	236,567,020.83	111,016,067.35
Due to Officers and Employees	34,019,639.23	36,187,017.29
Total	270,586,660.06	147,203,084.64

- The Accounts Payable amounting to P236,567,020.83 is composed of due and demandable obligations to suppliers and creditors. The significant increase resulted from the accrual of expenses incurred in the conduct of examination allowances and venue, office space rental, ICT-related PPE purchases, International Commitment Fund (ICF) conference/meeting venue rental, accountable forms purchases, accrual of mandatory government remittances and other maintenance and operating requirements.
- The Due to Officers and Employees amounting to P34,019,639.23 represents accrued salaries and wages for the services rendered as at the reporting date.

11.2 Tax Refund Payable

Particulars	2023	2022
Tax Refunds Payable	185,162.07	134,920.18

12. Inter-Agency Payables

Particulars	2023	2022
Due to BIR	6,698,527.72	7,581,854.52
Due to GSIS	9,555,359.16	9,187,707.69
Due to Pag-IBIG	786,723.85	254,430.36
Due to PhilHealth	1,383,472.30	1,614,692.39
Due to NGAs	4,663,177.64	4,663,177.64
Due to GOCCs	524,606.15	305,113.58
Total	23,611,866.82	23,606,976.18

13. Intra-Agency Payables

Particulars	2023	2022
Due to Central Office	1,582,187.04	2,021,246.26
Due to Regional Offices	1,742,246.03	1,598,246.03
Total	3,324,433.07	3,619,492.29

- The account balance Due to Regional Office comprises transactions from the sale of bidding documents by ROs which were deposited to the account maintained by CO and payment made by the ROs for GSIS remittances initially recorded as payable at the CO.
- The account balance Due to Central Office, excluding the eliminated reciprocal account amounting to P152,858.23, comprises transactions initially recorded at the CO which were transferred to the respective ROs' books of accounts after the decentralization took effect on July 1, 2021. These transactions include receivables from officers and employees for unpaid taxes, refunds of excess cash advances granted at CO, and similar items, as well as subsequent transactions for deliveries to the ROs from the CO of centrally managed items, subject to liquidation.

14. Trust Liabilities

Particulars	2023	2022
Trust liabilities	2,034,168.75	1,641,668.75
Guaranty/Security Deposits Payable	7,788,736.73	8,149,765.93
Customer's Deposits Payable	25,700.00	25,700.00
Total	9,848,605.48	9,817,134.68

- Guaranty/Security Deposits Payable consists of retention fee that was deducted from the payment of various suppliers of goods and services in accordance with RA No. 9184 or also known as Government Procurement Act. The account is to be debited upon the release of retention fee after the lapse of the prescribed warranty/retention period.

15. Other Payables

The Other Payables Account is used to recognize other liabilities not falling any of the specific payable accounts including, but not limited to, PAPRB, NHMFC, SLA, SSS, COOP, Employees Union and others.

Particulars	2023	2022
Other Payables	3,397,325.43	1,251,043.71

16. Service and Business Income

Particulars	2023	2022 As Restated
Service Income		
Registration Fees	198,150,360.00	103,477,702.00

Particulars	2023	2022 As Restated
Licensing Fees	593,196,170.00	561,288,255.00
Legal Fees	1,810.00	4,110.00
Verification and Authentication Fees	246,907,514.00	218,576,182.00
Fines and Penalties - Service Income	17,653,689.80	17,278,146.80
Other Service Income	31,034,964.40	26,583,796.64
Total	1,086,944,508.20	927,208,192.44
Business Income		
Examination Fees	611,373,200.00	534,452,050.00
Interest Income	0.00	31.10
Total	611,373,200.00	534,452,081.10
Grants and Donations		
Income from Grants and Donations in Kind	251,468.00	169,404,827.83
Total	251,468.00	169,404,827.83
Grand Total	1,698,569,176.20	1,631,065,101.37

- The Registration Fees are the collections for the inclusion of names of those who passed the licensure examination to the registry of professionals, or whose names are included in the Approved Resolution to register without examination in the case of some professions.
- The Licensing Fees are the collections for the initial/renewal of the Professional Identification Card (PIC).
- The Legal Fee comprises collections from docket fees and legal research fees.
- The Verification and Authentication Fees are collections from registered professionals availing the process, which ensures that they are in good standing, have no derogatory records, and possess valid and authentic credentials issued by the PRC and the concerned PRB.
- The Fines and Penalties - Service Income are collections from registered professionals before processing the renewal of their expired PIC.
- The Other Services Income are collections not falling under any of the specific service income accounts such as accreditation of CPD program/provider, accreditation of public practice, penalty from creditor/supplier and the like.
- The Examination Fees are collections from applicant to enable them to partake in the licensure examination after the submission and evaluation of documents in accordance with the provisions of Republic Act No. 8981 and appropriate professional regulatory laws.

- The Income from Donations in Kind account is used to recognize all donations in kind received from other government agencies, private sector or foreign donors without conditions and/or upon fulfillment of conditions and with a term of more than one year.

The Donations in Kind amounting to P151,468.00 is the pro-rated amount computed as the appraised value of the 6,000 sqm. land received by way of donation of PRC-ROXI.

On June 13, 2023, the Professional Regulatory Board (PRB) for Professional Teachers donated a digital printing machine (Akinto GP-2688) to PRC-RO4A to be used in printing of test questionnaires for licensure examinations. The item was recognized in the amount of P100,000.00 as Income from Grants and Donations in Kind.

17. Personnel Services (PS)

17.1 Salaries and Wages

Particulars	2023	2022 As Restated
Salaries and Wages – Regular	479,865,154.98	445,352,441.76

- This account is used to recognize the payment made to services rendered of government employees occupying regular plantilla positions.

17.2 Other Compensation

Particulars	2023	2022 As Restated
Personal Economic Relief Allowance (PERA)	21,420,527.58	21,147,077.70
Representation Allowance (RA)	7,013,525.00	6,632,713.71
Transportation Allowance (TA)	6,505,453.00	6,232,418.71
Clothing/Uniform Allowance	5,364,000.00	5,238,000.00
Honoraria	267,343,176.04	259,400,703.31
Longevity Pay	5,000.00	20,000.00
Year End Bonus	40,120,616.55	38,032,397.31
Cash Gift	4,478,250.00	4,461,750.00
Mid-year Bonus	36,664,031.00	20,822,049.00
Other Bonuses and Allowances	66,842,861.33	56,115,360.79
Total	455,757,440.50	418,102,470.53

- The PERA is used to recognize the allowance granted to personnel occupying regular and appointive; rendering services on full-time basis; and whose positions are covered by Republic Act No. 6758, as amended.
- The RA account is used to recognize the monthly representation allowance granted to authorized officials and employees in the actual performance of their respective functions, both commutable and reimbursable.
- The TA account is used to recognize the monthly transportation allowance granted to authorized officials and employees in the actual performance of their respective functions, both commutable and reimbursable.
- The Clothing/Uniform Allowance account is used to recognize the fixed amount granted to authorized officials/employees for the upkeep/replacement of clothing/uniform paid in cash.
- The Honoraria account is used to recognize the compensation granted to the Chairpersons and Members of the PRBs who are non-government employees as well as to those who are concurrently employed full-time in the government.
- The Longevity Pay account is used to recognize the additional compensation to officials and employees based on years of service rendered to the PRC.
- The Year End Bonus account is used to recognize the amount equivalent to a one-month salary granted annually to officials and employees as authorized by law.
- The Cash Gift account is used to recognize the amount granted annually in addition to the year-end bonus to officials and employees as authorized by law.
- The Mid-Year Bonus account is used to recognize the amount equivalent to a one-month salary granted annually to officials and employees as authorized by law.
- The Other Bonuses and Allowances account is used to recognize other authorized bonuses and allowances granted to officials/employees not falling under any of the specific other compensation accounts.

17.3 Personnel Benefit Contributions

Particulars	2023	2022 As Restated
Retirement and Life Insurance Premiums (RLIP)	57,712,468.88	53,816,145.71
PAG-IBIG Contributions	1,101,354.20	1,077,680.58
Philhealth Contributions	8,915,289.94	8,106,641.79
Employees Compensation Insurance Premiums	1,079,800.00	1,078,800.00
Total	68,808,913.02	64,079,268.08

- The RLIP account is used to recognize the government's share in premium contributions to the Government Service Insurance System and other retirement and life benefit systems.
- The PAG-IBIG Contributions account is used to recognize the government's share in premium contributions to the Home Development Mutual Fund.
- The Philhealth Contributions account is used to recognize the government's share in premium contributions to the Philippine Health Insurance Corporation.
- The Employees Compensation Insurance Premiums account is used to recognize the government's share in premium contributions to the Employees' Compensation Commission (ECC).

17.4 Other Personnel Benefits

Particulars	2023	2022 As Restated
Pension Benefits	8,555,099.88	8,389,310.88
Retirement Gratuity	0.00	28,008,120.00
Terminal Leave Benefits	16,293,357.93	9,107,311.81
Other Personnel Benefits	32,997,834.06	20,938,720.19
Total	57,846,291.87	66,443,462.88

- The Pension Benefits account is used to recognize the amount of pension to employees occupying regular plantilla positions.
- The Retirement Gratuity account is used to recognize the amount of the total creditable services of retirees converted into gratuity months multiplied by the highest salary received.
- The Terminal Leave Benefits account is used to recognize the money value of the accumulated leave credits of officials and employees.

- The Other Personnel Benefits account is used to recognize the amount contributed by the government for the employees' benefits not falling under any of the specific other personnel accounts.

18. Maintenance and Other Operating Expenses (MOOE)

18.1 Traveling Expenses

Particulars	2023	2022 As Restated
Traveling Expenses – Local	26,265,798.89	16,863,878.56
Traveling Expenses – Foreign	28,986,187.02	3,107,459.84
Total	55,251,985.91	19,971,338.40

- The Traveling Expenses – Local account is used to recognize the costs incurred in the movement/transport of officers and employees within the country. This includes transportation, travel per diems, ferriage, and all other related expenses.
- The Traveling Expenses – Foreign account is used to recognize the costs incurred in the movement/transport of officers and employees outside the country such as Special Professional Licensure Examination (SPLE) and ICF commitment/seminar related expenses. This includes transportation, travel per diems, passport and visa processing and all other related expenses.

18.2 Training and Scholarship Expenses

Particulars	2023	2022
Training Expenses	7,615,846.57	7,582,420.24

- The Training Expenses account is used to recognize the costs incurred for the participation/ attendance in and conduct of trainings, conventions and seminars/workshops. It includes training fees, honoraria of lecturers, cost of handouts, supplies, materials, meals, snacks and all other training related expenses.

18.3 Supplies and Materials Expenses

Particulars	2023	2022 As Restated
Office Supplies Expenses	78,202,769.49	61,569,696.12
Accountable Forms Expenses	26,146,234.05	30,484,451.88
Food Supplies Expenses	0.00	57,676.98
Drugs and Medicines Expenses	183,207.85	306,584.45

Particulars	2023	2022 As Restated
Medical, Dental and Laboratory Supplies Expenses	29,943.00	3,459.00
Fuel, Oil and Lubricants Expenses	6,371,763.40	6,913,936.15
Semi-Expendable Machinery and Equipment Expenses	37,783,482.71	47,465,000.94
Semi-Expendable Furniture, Fixtures and Books Expenses	10,223,184.69	8,509,472.75
Other Supplies and Materials Expenses	2,359,511.60	1,772,093.97
Total	161,300,096.79	157,082,372.24

- The Office Supplies Expenses account is used to recognize the cost or value of office supplies such as bond paper, ink, and small tangible items like staple wire remover, puncher, stapler and other similar items issued to end-users for operations.
- The Accountable Forms Expenses account is used to recognize the cost of accountable forms with or without money value such as official receipts, OMR Identification/Answer Sheets, Professional Identification Cards and Certificate of Registration.
- The Drugs and Medicines Expenses account is used to recognize the costs of drugs and medicines issued to end-users for operations.
- The Medical, Dental and Laboratory Supplies Expenses account is used to recognize the costs of medical, dental and laboratory supplies issued to end-users for operations.
- The Fuel, Oil and Lubricants Expenses account is used to recognize the costs of fuel, oil and lubricants issued for use of motor vehicles and other equipment in connection with operations/projects.
- The Semi-Expendable Machinery and Equipment Expenses account is used to recognize the cost of semi-expendable machinery and equipment used in operation.
- The Semi-Expendable Furniture, Fixtures and Books Expenses account is used to recognize the cost of semi-expendable machinery and equipment used in operation.
- The Other Supplies and Materials Expenses account is used to recognize the cost of inventories issued to end-users not otherwise classified under the specific inventory expense accounts.

18.4 Utility Expenses

Particulars	2023	2022 As Restated
Water Expenses	2,921,694.38	2,609,475.50
Electricity Expenses	38,096,139.80	37,498,497.80
Total	41,017,834.18	40,107,973.30

- The Water Expenses account is used to recognize the cost of water consumed in operations/projects.
- The Electricity Expenses account is used to recognize the cost of electricity consumed in operations/projects.

18.5 Communication Expenses

Particulars	2023	2022 As Restated
Postage and Courier Services	11,622,521.44	4,827,271.47
Telephone Expenses	2,997,398.93	3,114,913.29
Internet Subscription Expenses	16,836,302.31	19,282,017.57
Cable, Satellite, Telegraph and Radio Expenses	9,181.00	10,256.00
Total	31,465,403.68	27,234,458.33

- The Postage and Courier Services account is used to recognize the cost of delivery/transmission of official messages, mails, documents, recognizes and the like, from CO to RO and vice versa.
- The Telephone Expenses account is used to recognize the cost of transmitting messages thru telephone lines (mobile or landlines) whether prepaid or postpaid.
- The Internet Subscription Expenses account is used to recognize the cost of using internet services in operations.
- The Cable, Satellite, Telegraph and Radio Expenses account is used to recognize the cost of using cable/satellite/ telegram/radio services.

18.6 Confidential, Intelligence and Extraordinary Expenses

Particulars	2023	2022
Extraordinary and Miscellaneous Expenses	3,579,840.82	3,502,146.42

- The Extraordinary and Miscellaneous Expenses account is used to recognize the amount paid for expenses incidental to the performance of official functions, such as: meetings and conferences, public relations, educational, cultural and athletic activities, membership fees in government organizations, etc.

18.7 Professional Services

Particulars	2023	2022 As Restated
Legal Services	742,590.00	744,541.00
Auditing Service	0.00	14,746.00
Consultancy Services	6,949,610.62	6,642,450.58
Other Professional Services	3,758,453.18	1,878,237.48
Total	11,450,653.80	9,279,975.06

- The Legal Services account is used to recognize the payment made for the legal services rendered by the Office of the Solicitor General (OSG) to represent the PRC in court proceedings.
- The Auditing Service account is used to recognize the cost of operating expenses provided by auditees for auditing services rendered by the Commission on Audit.
- The Consultancy Services account is used to recognize the cost of services rendered by consultants contracted to perform particular outputs or services primarily advisory in nature and requiring highly specialized or technical expertise which cannot be provided by the regular staff of the agency, such as test consultants and CPD-CPSP-CATS.
- The Other Professional Services account is used to recognize the cost of other professional services contracted by the agency not otherwise classified under any of the specific professional services accounts.

18.8 General Services

Particulars	2023	2022 As Restated
Janitorial Services	18,234,015.79	15,824,111.07
Security Services	33,484,956.55	27,252,089.87
Other General Services	391,205,938.14	496,769,454.22
Total	442,924,910.48	539,845,655.16

- The Janitorial Services account is used to recognize the cost of janitorial services contracted and covered by a valid contract.

- The Security Services account is used to recognize the cost of security services contracted and covered by a valid contract.
- The Other General Services account is used to recognize the cost of other general services contracted by the agency not otherwise classified under any of the specific general services accounts such as payment for the examination personnel allowance.

18.9 Repairs and Maintenance

Particulars	2023	2022 As Restated
Repairs and Maintenance – Buildings and Other Structures	426,084.80	1,029,919.89
Repairs and Maintenance - Machinery and Equipment	932,114.25	549,958.00
Repairs and Maintenance - Transportation Equipment	1,141,377.76	1,081,959.65
Repairs and Maintenance - Furniture and Fixtures	20,419.50	2,400.00
Repairs and Maintenance-Leased Assets	825,779.66	0.00
Repairs and Maintenance-Leased Assets Improvements	4,177.00	3,392.25
Repairs and Maintenance-Semi-Expendable Machinery and Equipment	9,000.00	1,590.00
Repairs and Maintenance-Others	467,121.00	0.00
Repairs and Maintenance - Other Property, Plant and Equipment	228,822.24	1,139,200.00
Total	4,054,896.21	3,808,419.79

- The Repairs and Maintenance – Buildings and Other Structures account is used to recognize the cost of repairs and maintenance on office buildings and other structures.
- The Repairs and Maintenance - Machinery and Equipment account is used to recognize the cost of repairs and maintenance on machinery; office equipment; information and communications technology (ICT) equipment; communication equipment; technical and scientific equipment; and other machinery and equipment.
- The Repairs and Maintenance - Transportation Equipment account is used to recognize the cost of repairs and maintenance on motor vehicles; and other transportation equipment.

- The Repairs and Maintenance - Furniture and Fixtures account is used to recognize the cost of repairs and maintenance on furniture and fixtures.
- The Repairs and Maintenance-Leased Assets account is used to recognize the cost of repairs and maintenance of buildings; and other leased assets.
- The Repairs and Maintenance-Leased Assets Improvements account is used to recognize the cost of repairs and maintenance of improvements on buildings and other assets.
- The Repairs and Maintenance-Semi-Expendable Machinery and Equipment This account is used to recognize the cost of repairs and maintenance of semi-expendable machinery and equipment.
- The Repairs and Maintenance-Others account is used to recognize the cost of repairs and maintenance of improvements on land, buildings and other assets not controlled /recognized in the books of the PRC.
- The Repairs and Maintenance - Other Property, Plant and Equipment account is used to recognize the cost of repairs and maintenance of other property, plant and equipment not falling under any of the specific property, plant and equipment account.

18.10 Taxes, Insurance Premiums and Other Fees

Particulars	2023	2022 As Restated
Taxes, Duties and Licenses	372,555.59	177,070.23
Fidelity Bond Premiums	1,352,454.08	1,866,985.71
Insurance Expenses	2,158,767.46	1,482,893.50
Total	3,883,777.13	3,526,949.44

- The Taxes, Duties and Licenses account is used to recognize the amount of taxes, duties, licenses and other fees due to regulatory agencies.
- The Fidelity Bond Premiums account is used to recognize the amount of premiums paid by the PRC for the fidelity bonds of accountable officers.
- The Insurance Expenses account is used to recognize the amount of premiums paid by the PRC for the insurable risks of government properties.

18.11 Assistance/Subsidy to NGAs

Particulars	2023	2022
Subsidy to NGAs	0.00	8,326.52

- The Subsidy to NGAs account is used by the PRC to recognize financial assistance to other NGAs through transfer of funds or assets.

18.12 Other MOOE

Particulars	2023	2022 As Restated
Advertising Expenses	454,517.00	471,960.64
Printing and Publication Expenses	79,595.00	859,670.00
Representation Expenses	17,710,284.92	18,701,164.46
Transportation and Delivery Expenses	224,401.22	350,674.90
Rent/Lease Expenses	100,408,229.49	62,342,707.84
Membership Dues and Contributions to Organizations	8,958.12	0.00
Subscription Expenses	7,540,569.10	6,596,220.84
Donations	337,521.97	405,006.11
Bank Transaction Fee	3,200.00	800.00
Other Maintenance and Operating Expenses	4,169,756.22	5,148,231.43
Total	130,937,033.04	94,876,436.22

- The Advertising Expenses account is used to recognize the costs incurred for advertisement, such as expenses to publish resolutions in newspapers.
- The Printing and Publication Expenses account is used to recognize the costs of printing and binding of manuscripts/documents, forms, manuals, brochures, pamphlets, and the like.
- The Representation Expenses account is used to recognize the expenses incurred for official meetings/conferences and other official functions.
- The Transportation and Delivery Expenses account is used to recognize the cost of transporting supplies/equipment in the course of operations.
- The Rent/Lease Expenses account is used to recognize rental/lease of land, buildings, facilities, equipment, vehicles, machineries, and the like.

A significant increase in the rent/lease expense was due to an increase in the office rental space rate; venue rental for the conduct of ICF conference/meetings; and rental for the conduct of CBLE in various ROs.

- The Membership Dues and Contributions to Organizations account is used to recognize membership fees/dues/contributions to recognized/authorized professional organizations.

- The Subscription Expenses account is used to recognize the cost of renewal of firewall IPS subscription.
- The Donations account is used to recognize the amount of donated office equipment, furniture and fixture and other equipment to other levels of government and individuals and institutions.
- The Bank Transfer Fee account is used to recognize the charges imposed by the bank for various services rendered, which includes cost of checkbooks.
- The Other Maintenance and Operating Expenses account is used to recognize other operating expenses not falling under any of the specific maintenance and other operating expense accounts.

19. Financial Expenses

Particulars	2023	2022 As Restated
Other Financial Charges	1,600.00	1,800.00

20. Non-Cash Expenses

20.1 Depreciation

Particulars	2023	2022 As Restated
Depreciation - Buildings and Other Structures	7,538,851.92	6,294,468.50
Depreciation - Machinery and Equipment	17,321,076.04	17,069,790.87
Depreciation - Transportation Equipment	7,476,684.36	6,839,873.27
Depreciation - Furniture, Fixtures and Books	53,356.03	34,466.83
Depreciation - Leased Assets Improvements	21,215.16	21,215.13
Depreciation - Other Property, Plant and Equipment	2,261,084.35	2,265,158.47
Total	34,672,267.86	32,524,973.07

- The Depreciation - Buildings and Other Structures account is used to recognize the periodic allocation of cost for the wear and tear of office buildings; and other structures in accordance with the prescribed policy on depreciation.

- The Depreciation - Machinery and Equipment account is used to recognize the periodic allocation of cost for the wear and tear of machinery; office equipment; ICT equipment; communication equipment; technical and scientific equipment; and other machinery and equipment in accordance with the prescribed policy on depreciation.
- The Depreciation - Transportation Equipment account is used to recognize the periodic allocation of cost for the wear and tear of motor vehicles; and other transportation equipment in accordance with the prescribed policy on depreciation.
- The Depreciation - Furniture, Fixtures and Books account is used to recognize the periodic allocation of cost for the wear and tear of furniture and fixtures, and books in accordance with the prescribed policy on depreciation.
- The Depreciation - Leased Assets Improvements account is used to recognize the periodic allocation of cost for the wear and tear of improvements on land, buildings and other leased assets used in operations under operating lease contract in accordance with the prescribed policy on depreciation.
- The Depreciation - Other Property, Plant and Equipment account is used to recognize the periodic allocation of cost for the wear and tear of other property, plant and equipment not falling under any of the specific Property, Plant and Equipment account in accordance with the prescribed policy on depreciation.

21. Subsidy from National Government

This account includes the following:

Particulars	Amount
NCA received from DBM for payment of current year expenses for the Agency's operational requirements, prior year due and demandable obligations, employees' RLIP, pension benefits of retired Chairman and Commissioners, and payment for PBB to qualified employees.	1,875,583,158.00
Tax Remittance Advice for BIR tax remittances	110,632,822.78
Total	1,986,215,980.78
Less: Reversion of Unutilized NCA & Adjustments	46,674,345.00
Ending Balance	1,939,541,635.78

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

22. Assistance from Other National Government Agencies

The PRC-RO VII recognized under this account the cost of the partially completed building transferred by DPWH-ROVII amounting to P44,856,153.38. A fund amounting to P46,800,000.00 was transferred to DPWH-ROVII intended for the completion of this building.

23. Key Management Personnel

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

23.1 Key Management Personnel Compensation

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

Particulars	Aggregate Remuneration
Salaries and Wages	102,728,525.49
Other Compensation	34,281,512.55
Other Personnel Benefit	15,326,254.90
Total	152,336,292.94

The Secretary of the DOLE which has supervision over the PRC has no remuneration from the PRC.