



BENGUET STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2017
(All amounts in Philippine Peso)

1. General Information/Agency Profile

The financial statements of Benguet State University were authorized for issue on February 14, 2018 as shown in the Statement of Management Responsibility for Financial Statements signed by Dr. Feliciano Calora Jr. of the Office of the President, BSU.

The Benguet State University (BSU) was created by virtue of Presidential Decree No. 2010 dated January 12, 1986.

The University is mandated by its charter to provide undergraduate courses in arts, sciences, humanities and professional fields in agriculture, natural sciences, technology and other technical and professional courses as the Board of Regents may determine and deem proper. It shall promote research, extension and agribusiness and advanced studies and progressive leadership in its field of specialization.

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

The financial statements have been prepared in accordance with and comply with the Philippine Public Sector Accounting Standards (PPSAS) issued by the Commission on Audit per COA Resolution No. 2014-003 dated January 24, 2014.

The financial statements have been prepared on the basis of historical costs, 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 financial statements are prepared on an accrual basis in accordance with the Philippine Public Sector Accounting Standards (PPSAS).

3.2 Consolidation

Consolidated entities

The financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity.

Effective CY 2015, the University adopted fund cluster/fund sourcing, such as Regular Agency Fund, Internally Generated Income, Business Type, and Trust Funds.

The University continued to consolidate the funds for Main, Bokod and Buguias campuses into five fund category as follows:

Fund	Main Campus
Regular Agency Fund	✓
Internally Generated Income-Retained Income - (STF)	✓
Business Type Income-Off-Budgetary Funds RF 161 and RF 163)	✓
TF-Custodial Funds-Trust Receipts-IATF (07308601)	✓
TF-Custodial Funds-Trust Receipts (07308603)	✓

3.3 Changes in accounting policies and estimates

The Benguet State University recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy were applied prospectively if retrospective application is impractical.

The Benguet State University recognizes the effects of changes in accounting estimates retrospectively by including in surplus or deficit.

The Benguet State University correct material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by;

- Restating the comparative amount 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.

3.3.1 Benguet State University adopted the following new accounting policies:

On January 24, 2014, Benguet State University adopted the PPSAS No .3.27, PPSAS No. 3.30, PPSAS No. 3.41, PPSAS No. 3.47. The new standard includes the requirement for recognition, measurement, presentation and disclosures of and is effective for years beginning on or after January 24, 2014. The accounting changes have no significant impact on Benguet State University's consolidated financial statements.

The Benguet State University continuously implementing the provision of Sections 26 and 32, Chapter 2; and Section 3, 4 and 5 of Chapter 10 of the Volume I of Government Accounting Manual effective calendar year 2016.

3.4 Budget Information

The annual budget of the University is prepared on a cash basis and is published in the government website.

A separate Statement of Comparison of Budget and Actual Amounts (SCBAA) was prepared since the budget and the financial statements were not prepared on the comparable basis. The SCBAA was presented showing the original and final budget and the actual amounts on comparable basis to the budget. Explanatory comments are provided in the notes to the annual financial statements.

3.5 Impairment of Non-Financial Assets

3.5.1 Impairment of cash-generating assets

At each reporting date, the Benguet State University assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Benguet State University estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that were largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or the cash-generating unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows were discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions were taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Benguet State University estimates the asset's or cash-generating unit's recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in surplus or deficit.

3.5.2 Impairment of non-cash-generating assets

The Benguet State University assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Benguet State University estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount. The Benguet State University classifies assets as cash-generating assets when those assets were held with primary objective generating a commercial return. Therefore, non-cash-generating assets would be those assets from which the Benguet State University does not intend, as its primary objective, to realize a commercial return.

3.6 Employees benefits

The employees of Benguet State University are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage.

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

3.7 Measurement uncertainty

The preparation of the financial statements in conformity with PPSAS 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 consolidated financial statements and the reported amounts of the revenues and expenses during the period.

Estimates were based on the best information available at the time of preparation of the consolidated financial statements and were received annually to reflect the new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

ASSETS

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and cash at, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of

the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

Accounts	CY 2017	CY 2016
Cash on Hand	₱ 0.00	₱ 0.00
Petty Cash Fund	89,000.00	0.00
Cash, Collecting Officer	1,540,322.82	813,914.10
Cash in Bank-Local Currency-Current Account	278,766,445.70	260,021,411.96
Cash in Bank-Local Currency-Savings Account	1,434,499.13	4,877,069.34
Cash in Bank-Foreign Currency-Savings Account	635,477.44	610,654.84
Cash Equivalents	0.00	0.00
TOTAL	₱ 282,465,745.09	₱ 266,323,050.24

4.1 Petty Cash Fund

The University maintained petty cash fund for working capital of various income generating projects. As of December 31, 2017, the balance of petty cash fund under business type income-off budgetary fund category account is ₱ 89,000.00.

4.2 Cash Collecting Officer

The account Cash Collecting Officer represents undeposited collections of Collecting Officers as of December 31, 2017.

The composition of the account as of December 31, 2017, in comparison with CY 2016 are as follows:

FUND	CY 2017	CY 2016
Internally Generated Income-Retained Income - 05206441 (STF)	₱ 14,798.84	₱ 48,651.18
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	655,145.87	430,341.21
TF-Custodial Funds-Trust Receipts	870,378.11	334,921.71
TOTAL	₱ 1,540,322.82	₱ 813,914.10

4.3 Cash in Bank- Local Currency –Current Account

The account comprises the consolidated balances of the current accounts of the main and satellite campuses under Regular Agency Fund, Internally Generated Income, Business Type Income, and Trust Funds.

For CY 2017, the accumulated income generated by BAPTC maintained under Business Type Income-Off Budgetary Funds-Revolving Fund totaling to ₱ 5,000,000.00 was transferred as Trust Liabilities under TF-Custodial Funds-Trust Receipts (07308603), recorded under JEV No.2017-12-001809. Moreover, deposited income of the BAPTC is maintained under the Trust Liabilities under TF-Custodial Funds-Trust Receipts effective September 2017.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 110,030.72	₱ 110,030.72
Internally Generated Income-Retained Income - 05206441	130,296,974.53	126,674,363.46
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	56,684,322.98	59,942,430.38
TF-Custodial Funds-Trust Receipts	91,675,117.47	73,294,587.40
TOTAL	₱ 278,766,445.70	₱ 260,021,411.96

4.4 Cash in Bank- Local Currency Savings Account

The *Cash in Bank- Local Currency Savings Account* represents the balance of Cash in Bank-Local Currency Savings Accounts maintained under Business Type Income-Off-Budgetary Funds (RF 161 and RF 163) and Custodial Funds as of December 31, 2017.

The method of creating the Savings Account was through automatic bank transfers from the checking account for the main campus.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	₱ 1,434,499.13	₱ 4,877,069.34
TF-Custodial Funds-Trust Receipts (07308603)	0.00	0.00
TOTAL	₱ 1,434,499.13	₱ 4,877,069.34

4.5 Cash in Bank Foreign Currency- Savings Account

The account represents the balances for foreign currencies under the Internally Generated Income-Retained Income - 05206441 of the main campus in the amount of ₱ 635,477.44.

5. RECEIVABLES

5.1 *Accounts Receivables*

The account consists of the uncollected rentals from various lessees of the University and uncollected tuition and other fees from students that were recorded. Accounts receivable is recognized upon enrollment of students. It also includes uncollected sales on accounts of the various Income Generating Projects (IGPs) of the University under Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163).

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

Fund	CY 2017		CY 2016	
	Cost	Allowance for Doubtful Accounts	Cost	Allowance for Doubtful Accounts
Regular Agency Fund	₱ 350,355.12	₱ 0.00	₱ 312,240.14	₱ 0.00
Internally Generated Income-Retained Income - 05206441 (STF)	15,954,142.54	251,746.59	25,897,271.07	251,746.59
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	9,579,855.80	0.00	7,010,584.46	0.00
TF-Custodial Funds-Trust Receipts-IATF	1,056.28	0.00	1,623.78	0.00
TOTAL	₱ 25,885,409.74	₱ 251,746.59	₱ 33,221,719.45	₱ 251,746.59

Part of the accounts receivable balance of Regular Agency Fund - Main is a claim from retired Prof. Albert Dimas amounting to P 223,731.00. The said claim consists of rentals allegedly paid by farmers-lessees to the professor for the use of the agricultural lots/property of the University at the swamp area for the period 1988 to 1989 and which have not been remitted to the account of the University. This receivable remained dormant for almost two decades.

5.2 *Operating Lease Receivables*

The account represents the claim of the University from various lessees of land and facilities. The account is recorded under the Internally Generated Income-Retained Income fund of the main campus in the amount of ₱ 8,532,281.59 as of December 31, 2017.

5.3 *Due from Officers and Employees*

The account represents claims from various employees for overpayments of salaries and other receipts.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 60,025.12	₱ 7,383.27
Internally Generated Income-Retained Income - 05206441 (STF)	234,658.94	238,258.94
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	26,342.75	5,386.50
TF-Custodial Funds-Trust Receipts (07308603)	1,801.88	1,801.88
TOTAL	₱ 322,828.69	₱ 252,830.59

5.4 Loan Receivables

The account represents total loans receivable from students who availed of the CHED Student Assistance Fund on Education (SAFE-4) and CHED-SAFE Loan Program recorded under the TF-Custodial Funds-Trust Receipts in the amount of ₱ 2,578,166.50.

5.5 Inter-Agency Receivables

a. Due From National Government Agencies

The account represents collectibles from PS-DBM for undelivered supplies; from NEDA-CAR for pre-autonomy evaluation program; and from the BIR for tax credit on the next remittance period. Part of the balance of the account represents a reconciling amount for adjustment in the next accounting period.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 219,968.14	₱ 227,374.39
Internally Generated Income-Retained Income - 05206441 (STF)	15,134.28	13,584.28
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	16,412.60	19,740.54
TF-Custodial Funds-Trust Receipts (07308603)	0.00	0.00
TOTAL	₱ 251,515.02	₱ 260,699.21

5.6 Intra-Agency Receivables

Due from Operating Units

The account is recorded under Internally Generated Income-Retained Income - 05206441 (STF) in the amount of ₱ 151,363.05. The amount represent receivables from BSU Buguias Campus for the latter's income generating project.

5.7 Other Receivables

a. Receivables-Disallowances and Charges

The account represents collectibles from various employees/recipients of disallowed benefits. Collections are currently undertaken by the University through payroll deductions from salaries, bonuses, benefits and through over the counter payments.

The composition of the account as of December 31, 2017 in comparison with CY 2016 as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 4,885,564.30	₱ 4,798,711.19
Internally Generated Income-Retained Income - 05206441 (STF)	5,626,418.12	6,185,460.94
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	836,278.31	81,589.31
TF-Custodial Funds-Trust Receipts (07308603)	390,413.12	1,898,663.12
TOTAL	₱ 11,738,673.85	₱ 12,964,424.56

6. OTHER RECEIVABLES ACCOUNT

6.1 Other Receivables

The account consists of Due from Other Funds and Other Receivables account. Under the Unified Accounts Code System, the Due from other Funds account was deleted thus it was integrated to the Other Receivables account.

a. Other Receivables

Other Receivables account represents claims of the University from various persons for its other services. The bulk of the amount are collectibles from people who occupied BSU lots long time ago but such landholdings of the University were allegedly disposed in their favor, although according to the Board of Regents there was no land disposition.

The composition of the account as of December 31, 2017 in comparison with CY 2016 as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 755,859.13	₱ 749,838.34
Internally Generated Income-Retained Income - 05206441 (STF)	22,805,776.41	22,113,715.48
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	1,823,202.19	1,744,192.76
TF-Custodial Funds-Trust Receipts (07308603)	8,852,145.99	9,155,416.14
TOTAL	₱ 34,236,983.72	₱ 33,763,162.72

7. INVENTORIES

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location are accounted for, as follows:

- Raw materials: purchase cost using the weighted cost method
- Finished goods and work in progress: cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Benguet State University.

7.1 *Raw Materials Inventory*

The account consists of the balance of unutilized raw materials purchased by the University to be used in its production projects. The account is recorded under Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163) and has a balance as of December 31, 2017 in the amount of ₱ 3,669,045.78.

7.2 *Finished Goods Inventory*

The account consists of the balance of finished goods still in the stock room as of December 31, 2016 of the IGP's under Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163) and has a balance as of December 31, 2017 in the amount of ₱ 1,271,000.45

7.3 *Merchandise Inventory*

The account consists of the balance of unsold inventories of the IGP's under Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163) and has a balance as of December 31, 2017 in the amount of ₱ 4,563,726.12

7.4 *Other Supplies and Materials for Distribution*

This account is used to recognize the cost of purchased/acquired inventories not falling under any of the specific inventory accounts held for distribution amounting to ₱ 65,209.43.

7.5 *Office Supplies Inventory*

The account consists of the available stocks/inventory in the stock room or unconsumed portion of purchased office supplies.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUNDS	CY 2017	CY 2016
Regular Agency Fund-Main	₱ 0.00	₱ 3,727,827.37
Internally Generated Income-Retained Income - 05206441 (STF)	195,230.48	8,689,574.53
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	48,497.78	48,497.78
TOTAL	₱ 243,728.26	₱ 12,465,899.68

7.6 *Accountable Forms, Plates and Stickers Inventory*

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 00.00	₱ 28,000.00
Internally Generated Income-Retained Income - 05206441 (STF)	349,105.32	717,074.29
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	64,900.00	64,900.00
TOTAL	₱ 414,005.32	₱ 809,974.29

7.7 *Animal/Zoological Supplies Inventory*

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	₱ 4,705.10	₱ 7,935.10
TOTAL	₱ 4,705.10	₱ 7,935.10

7.8 *Drugs and Medicine Inventory*

The amount of P733,091.90 recorded under the Internally Generated Income-Retained Income - 05206441 (STF) shall be subject to reconciliation in as much as this account was already dormant and pertains to purchases even before Calendar Year 2008. The presumption is that the stocks have already been consumed if not disposed or expired. This account will be reconciled with the record of the Supply Office to determine its veracity and adjustment.

The composition of the account as of December 31, 2017 in comparison for CY 2016 is as follows:

FUND	CY 2017	CY 2016
Internally Generated Income-Retained Income - 05206441 (STF)	₱ 733,091.90	₱ 733,091.90
TOTAL	₱ 733,091.90	₱ 733,091.90

7.9 *Medical, Dental and Laboratory Supplies Inventory*

Medical and laboratory supplies are utilized in the medical and dental office and in the various laboratories as instructional materials. This account will be reconciled with the records of the Supply and Property Management Office (SPMO) to determine its veracity and for adjustment.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 00.00	₱ 1,085.50
Internally Generated Income-Retained Income - 05206441 (STF)	2,382,917.98	2,382,917.98
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	567,230.09	343,381.95
TOTAL	₱ 2,950,148.07	₱ 2,727,385.43

7.10 Agricultural and Marine Supplies Inventory

This inventory is utilized as agricultural instructional materials, as laboratory supplies and for research purposes under the academic and research sectors. The balance of this account will be subject for scrutiny to determine its correct amount.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 0.00	₱ 0.00
Internally Generated Income Retained Income - 05206441 (STF)	1,771,991.94	1,771,991.94
Business Type Income-Off-Budgetary Funds- 06207512 (RF 161 and RF 163)	123,245.27	18,605.27
TOTAL	₱ 1,895,237.21	₱ 1,790,597.21

7.11 Textbooks and Instructional Materials Inventory

The account represents purchased books and other readings materials for instruction and references. These are lodged in the libraries of the main and satellite campuses.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 00.00	₱ 87,243.00
Internally Generated Income-Retained Income - 05206441 (STF)	1,091,617.45	1,091,617.45
TOTAL	₱ 1,091,617.45	₱ 1,178,860.45

7.12 Construction Materials Inventory

The account represents purchased construction supplies to be used for the repairs and maintenance of various offices and facilities of the University. The balance of this account shall be reconciled and adjusted accordingly.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 3,965,608.77	₱ 6,547,172.90
Internally Generated Income-Retained Income - 05206441 (STF)	1,012,650.25	14,247,502.29
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	3,806,696.73	3,806,696.73
TOTAL	₱ 8,784,955.75	₱ 24,601,371.92

7.13 Other Supplies and Materials Inventory

The account represents purchased janitorial and general supplies needed by the various offices of the University that are not yet consumed or still in the stock room of the SPMO. The balance of this account will be reconciled with the physical inventory to determine the correct balance. Adjustments to be made on this account will be made in the next accounting period.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 00.00	₱ 176,825.00
Internally Generated Income-Retained Income - 05206441 (STF)	8,785,263.11	8,785,263.11
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	4,484,848.74	4,581,985.46
TOTAL	₱ 13,270,111.85	₱ 13,544,073.57

7.14 Semi-Expendable Office Equipment

The account represents the reclassified purchased office equipment below the threshold amount of ₱ 15,000.00. Inventory custodian slip was issued to various end users of the semi-expendable office equipment. The account is recorded under Regular Agency Fund in the amount of ₱ 401,088.15.

7.15 Semi-Expendable Disaster Response and Rescue Equipment

The account represents the reclassified purchased office equipment below the threshold amount of ₱ 15,000.00. Inventory custodian slip was issued to various end users of the semi-expendable disaster response and rescue equipment. The account is recorded under Regular Agency Fund in the amount of ₱ 16,175.00.

7.16 *Semi-Expendable Medical Equipment*

The account represents the reclassified purchased office equipment below the threshold amount of ₱ 15,000.00. Inventory custodian slip was issued to various end users of the semi-expendable medical equipment. The account is recorded under Regular Agency Fund in the amount of ₱ 190,293.85.

7.17 *Semi-Expendable Technical And Scientific Equipment*

The account represents the reclassified purchased office equipment below the threshold amount of ₱ 15,000.00. Inventory custodian slip was issued to various end users of the semi-expendable technical and scientific equipment. The account is recorded under Regular Agency Fund in the amount of ₱ 172,508.50.

7.18 *Semi-Expendable Other Machinery and Equipment*

The account represents the reclassified purchased office equipment below the threshold amount of ₱ 15,000.00. Inventory custodian slip was issued to various end users of the semi-expendable other machinery and equipment. The account is recorded under Regular Agency Fund in the amount of ₱ 581,409.20.

8 PROPERTY, PLANT AND EQUIPMENT

Recognition

An item is recognized as property, plant, and equipment (PPE) if it meets the characteristics and recognition criteria as a PPE.

The characteristics of PPE are as follows:

- Tangible items;
- Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- Are expected to be used during more than one reporting period.

An item of PPE is recognized as an asset if:

- It is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- The cost or fair value of the item can be measured reliably.

Measurement at Recognition

An item recognized as property, plant, and equipment is measured at cost.

A PPE acquired through non-exchange transaction is measured at its fair value as at the date of acquisition.

The cost of the PPE is the cash price equivalent or, for PPE acquired through non-exchange transaction its cost is its fair value at recognition date.

Cost includes the following:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- Expenditure that is directly attributable to the acquisition of the items; and
- Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having produced the inventories during that period.

Measurement after Recognition

After recognition, all, property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses.

When significant parts of property, plant, and equipment are required to be replaced at intervals, the Benguet State University 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.

Depreciation

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.

The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.

Initial Recognition of Depreciation

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

For simplicity and to avoid proportionate computation, 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.

Depreciation Method

The straight line method of depreciation is adopted unless another method is more appropriate for agency operation.

Estimated Useful Life

The Benguet State University uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA.

The Benguet State University uses a residual value equivalent to at least five percent (5%) of the cost of the PPE.

Impairment

An asset's Carrying amount is written down to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable service amount.

Derecognition

The Benguet State University derecognizes items of property, plant, and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized.

8.9 Land

The account represents the zonal valuation of land areas of the University. Subsidiary ledgers are being maintained by the Accounting and the Land Reservation Offices.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱6,002,302,250.00	₱6,002,302,250.00
Internally Generated Income-Retained Income - 05206441 (STF)-Main	64,600.00	64,600.00
TOTAL	₱6,002,366,850.00	₱6,002,366,850.00

8.10 Other Land Improvements

The account represents the value of improvements made by the University on its land holdings such as construction of pavements, pathways, walkways, rip rapping, fencing and other improvements to preserve/restore or control any loss or damage on such land holdings of the University.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 986,028.70	₱ 472,305.80	₱ 7,501,577.66	₱ 402,555.46
Internally Generated Income-Retained Income - 05206441 (STF)	17,929,146.13	13,240,798.87	17,689,146.13	12,004,329.67
TOTAL	₱ 18,915,174.83	₱ 13,713,104.67	₱ 25,190,723.79	₱ 12,406,885.13

8.11 Power Supply Systems

The account is recorded under Internally Generated Income-Retained Income - 05206441 (STF) in the amount of ₱ 83,890.00 with a recorded accumulated depreciation of ₱ 78,638.38.

8.12 Water Supply Systems

The account is recorded under Internally Generated Income-Retained Income - 05206441 (STF) in the amount of ₱ 68,028.00 with a recorded accumulated depreciation of ₱ 15,079.54. This account was used to record the payment of materials and labor for the installation of new water distribution main line at the Men and Ladies' dormitories of the University on February 2011.

8.13 Buildings

The account represents the value of office buildings constructed by the University including major or capitalized repairs or rehabilitation.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 99,107,722.50	₱ 4,760,162.85	₱ 63,625,579.42	₱ 3,935,634.01
Internally Generated Income-Retained Income - 05206441 (STF)	16,777,756.13	4,654,680.32	16,777,756.13	4,023,999.32
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	618,064.63	331,900.56	618,064.63	295,434.72
TOTAL	₱ 116,503,543.26	₱ 9,746,743.73	₱ 81,021,400.18	₱ 8,255,068.05

8.14 School Buildings

The account represents the value of school buildings constructed by the University including major or capitalized repairs or rehabilitation.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 155,413,122.44	₱ 79,651,509.08	₱155,413,122.44	₱ 75,279,808.54
Internally Generated Income-Retained Income - 05206441 (STF)	16,410,453.26	6,271,666.44	16,410,453.26	5,533,216.08
TOTAL	₱ 171,823,575.70	₱ 85,923,175.52	₱171,823,575.70	₱ 80,813,024.62

8.15 Other Structures

The account represents the value of greenhouses, perimeter fence, dormitory, centers, gymnasium, auditorium, glasshouse, poultry houses, and other structures constructed by the University including major or capitalized repairs or rehabilitation.

Part of the balance is the amount of ₱ 648,406.82 under Internally Generated Income-Retained Income - 05206441 (STF) remain un-reconciled as of the end of the year. Reconciliation to ascertain the veracity of recorded amount is ongoing.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 44,014,778.51	₱ 11,623,809.97	₱ 57,649,954.80	₱ 10,390,627.35
Internally Generated Income-Retained Income - 05206441 (STF)	31,401,590.90	11,592,173.52	28,702,705.74	10,343,990.76
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	1,060,698.56	620,134.35	1,060,698.56	563,150.07
TF-Custodial Funds-Trust Receipts (07308603)	00.00	00.00	2,698,885.16	255,288.72
TOTAL	₱ 76,477,067.97	₱ 23,836,117.84	₱90,112,244,.26	₱21,553,056.90

8.16 Machinery

The account pertains to the recorded value of purchased machines made by the University recorded under Internally Generated Income-Retained Income - 05206441 (STF) amounting to ₱ 313,500.00 with total accumulated depreciation of ₱ 130,475.71.

8.17 Office Equipment

The account pertains to the recorded value of fabricated and purchased office equipment made by the University.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 4,399,149.00	₱ 2,259,741.50	₱12,593,390.91	₱9,893,184.04
Internally Generated Income-Retained Income - 05206441 (STF)	15,662,255.12	8,920,141.74	12,548,136.48	6,966,386.10
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	870,775.00	676,108.26	870,775.00	656,957.82
TF-Custodial Funds-Trust Receipts (07308603)	00.00	00.00	527,861.26	372,727.98
TOTAL	₱ 20,932,179.12	₱ 11,855,991.50	₱ 26,540,163.65	₱ 17,889,255.94

8.18 Furniture and Fixtures

The account pertains to the recorded value of purchased and fabricated furniture and fixtures made by the University.

Part of the balance is the amount of ₱ 195,648.01 were recorded under Internally Generated Income-Retained Income - 05206441 (STF). Reconciliation of the accounts is on-going.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 2,912,544.10	₱ 590,396.07	₱ 3,081,747.45	₱ 940,800.31
Internally Generated Income-Retained Income - 05206441 (STF)	8,141,506.59	5,749,523.17	6,369,685.84	5,336,256.02
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	1,839,132.30	1,375,639.67	1,733,082.30	1,375,639.67
TF-Custodial Funds-Trust Receipts (07308603)	0.00	0.00	20,000.00	5,470.08
TOTAL	₱ 12,893,182.99	₱ 7,715,558.91	₱ 11,204,515.59	₱ 7,658,166.08

8.19 Information and Communication Technology Equipment

The account pertains to purchased IT equipment such as desktops, laptops, LCDs, hubs and switches, multimedia projectors, scanners, cameras, and other IT equipment.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 19,081,903.85	₱ 11,892,306.98	₱15,137,608.13	₱10,516,313.02
Internally Generated Income-Retained Income - 05206441 (STF)	50,995,928.86	33,641,169.46	45,071,538.42	28,988,685.60
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	1,956,575.73	1,384,070.91	1,671,540.23	1,320,764.24
TF-Custodial Funds-Trust Receipts (07308603)	00.00	00.00	1,439,583.30	884,607.36
TOTAL	₱ 72,034,408.44	₱ 46,917,547.35	₱63,320,270.08	₱41,710,370.22

8.20 Books

The account consists of purchased books and reference materials.

The composition of the account as of December 31, 2017 in comparison with CY 2016 as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 0.00	₱ 0.00	₱ 0.00	₱ 0.00
Internally Generated Income-Retained Income - 05206441 (STF)	1,404,530.40	590,377.17	1,120,644.40	502,285.94
TOTAL	₱ 1,404,530.40	₱ 590,377.17	₱1,120,644.40	₱ 502,285.94

8.21 Agricultural and Forestry Equipment

The account pertains to purchased items such as grass cutters and weeders, sprayers, chainsaws, tractors and trailers, wheel barrows, etc. for use in cleaning the premises and other areas of the University and for various research activities.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 2,492,013.30	₱ 819,388.19	₱ 2,098,777.04	₱ 519,899.31
Internally Generated Income-Retained Income - 05206441 (STF)	1,440,998.00	802,403.44	1,107,248.00	464,164.90
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	203,637.00	183,481.22	303,637.00	272,875.10
TF-Custodial Funds-Trust Receipts (07308603)	00.00	00.00	195,000.00	167,225.04
TOTAL	₱ 4,136,648.30	₱1,805,272.85	₱3,704,662.04	₱1,424,164.35

8.22 Communications Equipment

The account pertains to purchased phones, facsimile, phone transceivers, radio receivers, and other communication equipment.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 226,380.00	₱ 107,449.12	₱ 226,380.00	₱ 78,625.49
Internally Generated Income-Retained Income - 05206441 (STF)	228,470.00	99,929.02	196,480.00	63,121.34
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	120,384.00	107,442.72	120,384.00	107,442.72
TOTAL	₱ 575,234.00	₱ 314,820.86	₱ 543,244.00	₱ 249,189.55

8.23 Construction and Heavy Equipment

The account pertains to purchased items for repairs and maintenance as well as for production projects. This account includes costs of steel floats, electric drills, grinders, aluminum alloys, hand drills, track pads etc.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 69,266.00	₱65,802.75	₱ 121,634.00	₱112,072.29
Internally Generated Income-Retained Income - 05206441 (STF)	478,800.00	339,779.88	478,800.00	260,428.92
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	250,000.00	223,125.00	250,000.00	223,125.00
TF-Custodial Funds-Trust Receipts (07308603)	0.00	0.00	0.00	0.00
TOTAL	₱798,066.00	₱ 628,707.63	₱850,434.00	₱595,626.21

8.24 Disaster Response and Rescue Equipment

The account is recorded under Regular Agency Fund in the amount of ₱ 86,750.00. Accumulated Depreciation amounts to ₱ 9,614.78.

8.25 Medical Equipment

The account pertains to purchased equipment used in the laboratory, instructional, medical and research purposes such as analytical sensitive balances, stethoscopes, microscopes, test sieves, stretchers, pipettes, etc.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 2,691,946.95	₱ 1,376,092.86	₱ 2,577,971.95	₱ 1,349,801.54
Internally Generated Income-Retained Income - 05206441 (STF)	6,535,762.00	4,446,368.23	6,511,262.00	3,689,193.77
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	18,500.00	17,575.04	18,500.00	16,394.91
TOTAL	₱9,246,208.95	₱5,840,036.13	₱ 9,107,733.95	₱ 5,055,390.22

8.26 Sports Equipment

The account pertains to purchased equipment used for instructional purposes such as balls, nets, scoreboards, bats, masks, gloves, etc. Part of the balances of this account as of December 31, 2017 is an undetermined amount of ₱104,836.73 recorded under Internally Generated Income-

Retained Income - 05206441 (STF). This amount will be reconciled in the next accounting period.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 342,900.00	₱ 38,004.75	0.00	0.00
Internally Generated Income-Retained Income - 05206441 (STF)	1,661,523.98	353,133.51	₱ 1,384,773.98	₱ 216,909.30
TOTAL	₱2,004,423.98	₱ 391,138.26	₱ 1,384,773.98	₱ 216,909.30

8.27 *Technical and Scientific Equipment*

The account pertains to purchased equipment used for laboratory, research and instructional purposes.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 17,212,271.53	₱ 3,290,551.61	₱ 17,424,727.08	₱ 8,419,967.24
Internally Generated Income-Retained Income - 05206441 (STF)	11,911,028.00	3,742,049.25	9,628,006.00	1,940,256.88
TF-Custodial Funds-Trust Receipts (07308603)	0.00	0.00	103,950.00	32,767.95
TOTAL	₱ 29,123,299.53	₱7,032,600.86	₱ 27,156,683.08	₱10,392,992.07

8.28 *Other Machinery and Equipment*

The account pertains to purchased equipment used for laboratory, research, production and instructional purposes such as, planers, sanding machine, carpentry, compressors, generators, oven, sewing machine, glass cutter, stoves, ladders, welding machine, etc.

The composition of the account as of December 31, 2017 in comparison with CY 2015 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 2,242,553.11	₱ 662,010.97	₱ 8,073,527.11	₱ 5,746,214.65
Internally Generated Income-Retained Income - 05206441 (STF)	4,086,489.43	2,825,173.43	3,377,160.43	2,431,281.74
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	2,128,513.58	757,051.10	1,349,123.58	691,343.21
TF-Custodial Funds-Trust Receipts (07308603)	0.00	0.00	233,304.00	105,312.99
TOTAL	₱8,457,556.12	₱4,244,235.50	₱ 13,033,115.12	₱ 8,974,152.59

8.29 Motor Vehicles

The account pertains to purchased equipment used for transportation, research, production, delivery, and instructional purposes such as, van cruiser, jeep, motorcycle, etc.

The composition of the account as of December 31, 2016 in comparison with CY 2015 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 3,393,434.56	₱ 1,254,542.95	₱ 5,821,506.55	₱ 3,439,807.74
Internally Generated Income-Retained Income - 05206441 (STF)	12,068,638.00	1,782,807.70	3,052,638.00	1,681,385.38
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	1,420,000.00	1,170,587.10	1,640,000.00	1,268,475.99
TOTAL	₱ 16,882,072.56	₱4,207,937.75	₱ 10,514,144.55	₱ 6,389,669.11

9 OTHER PROPERTY, PLANT AND EQUIPMENT

9.9 Other Property, Plant and Equipment

The account pertains to purchased equipment used for operations, laboratory, research, production, and instructional purposes such as, rice cooker, stock pots, ceiling fan, wall fan,

musical equipment, chest freezers, refrigerators, televisions, gas range, stoves, burners, percolators, soup warmer, water purifier, etc.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017		CY 2016	
	Acquisition Cost	Accumulated Depreciation	Acquisition Cost	Accumulated Depreciation
Regular Agency Fund	₱ 5,144,069.97	₱ 3,368,691.82	₱ 6,401,910.38	₱ 4,301,768.42
Internally Generated Income-Retained Income - 05206441 (STF)	5,395,646.42	1,939,276.77	3,101,870.72	1,377,829.26
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	9,384,065.62	3,524,117.88	9,063,817.82	3,380,202.40
TF-Custodial Funds-Trust Receipts (07308603)	0.00	0.00	19,000.00	5,114.11
TOTAL	₱19,923,782.01	₱ 8,832,086.47	₱ 18,586,598.92	₱ 9,064,914.19

10. CONSTRUCTION IN PROGRESS

The account pertains to on-going infrastructure projects implemented by the University. Portion of the project was already completed as of December 31, 2017.

10.1 Construction in Progress- Land Improvements

The account is recorded under Internally Generated Income-Retained Income - 05206441 (STF) in the amount of **₱ 1,626,179.00**.

10.2 Construction in Progress- Infrastructure Assets

The Construction in Progress –Infrastructure Assets balance as of December 31, 2017 represents the expenditure incurred by the University in the construction of BSU Centennial Park, recorded under Internally Generated Income-Retained Income - 05206441 (STF) in the amount of **₱ 3,703,901.70**.

10.3 Construction in Progress- Building and Other Structures Account

The balance of Construction in Progress-Building and Other Structure account are on-going infrastructure projects of the University as well as completed projects wherein no certificate of final acceptance where issued by the University.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 33,974,523.14	₱ 10,819,178.52
Internally Generated Income-Retained Income - 05206441 (STF)	6,025,415.24	3,599,701.49
TF-Custodial Funds-Trust Receipts (07308603)	0.00	0.00
TOTAL	₱39,999,938.38	₱ 14,418,880.01

11. BIOLOGICAL ASSETS ACCOUNT

11.1 Breeding Stocks

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 70,549.40	₱ 70,549.40
Internally Generated Income-Retained Income - 05206441 (STF)	239,500.00	239,500.00
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	207,546.00	335,992.00
TOTAL	₱517,595.40	₱ 646,041.40

11.2 Livestock

The account pertains to purchased pigs/swine, sheep, and poultry pullets used in instructional, research, and production activities of the University.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Internally Generated Income-Retained Income - 05206441 (STF)	₱ 42,000.00	₱ 0.00
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	131,030.00	244,560.00
TOTAL	₱ 173,030.00	₱ 244,560.00

11.1 Livestock Held for Consumption/Sale/Distribution

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Internally Generated Income-Retained Income - 05206441 (STF)	₱ 228,000.00	₱ 228,000.00
Business Type Income-Off-Budgetary Funds- 06207512 (RF 161 and RF 163)	2,742,287.00	0.00
TOTAL	₱ 2,970,287.00	₱ 228,000.00

11.2 Trees, Plants and Crops

The account is recorded under Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163) in the amount of **₱ 52,000.00** and shall be subject for adjustment in the next accounting period.

12. OTHER ASSETS

The account consists of Advances for Payroll, Advances to Officers and Employees, prepayments, and other assets under various funds of the University that remain unsettled/unliquidated as of December 31, 2017.

12.1 Advances

a. Advances for Operating Expenses

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 530,000.96	₱ 232,147.00
Internally Generated Income-Retained Income - 05206441 (STF)	5,000.00	228,275.00
Business Type Income-Off-Budgetary Funds- 06207512 (RF 161 and RF 163)	0.00	0.00
TOTAL	₱ 535,000.96	₱ 460,422.00

b. Advances for Payroll

The account Advances for Payroll Account represents the cash on hand of the Disbursing Officer/s from various funds of the University, for payment of claims of employees and scholarship due to students.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 0.00	₱ 2,734,194.32
Internally Generated Income-Retained Income - 05206441 (STF)	2,411,447.64	1,780,480.00
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	60,398.60	0.00
TF-Custodial Funds-Trust Receipts (07308603)	1,041,707.55	703,699.00
TOTAL	₱ 3,513,553.79	₱ 5,218,373.32

12.2 Advances to Special Disbursing Officer

The account is recorded under Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163) in the amount of **₱ 4,200.00**.

12.3 Advances to Contractors

The account pertains to the mobilization cost granted to a contractor for the implementation of infrastructure project of the University.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 16,267,990.49	₱6,665,874.15
Internally Generated Income-Retained Income - 05206441 (STF)	136,885.10	237,925.50
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	0.00	0.00
TF-Custodial Funds-Trust Receipts	0.00	0.00
TOTAL	₱16,404,875.59	₱ 6,903,799.65

12.4 Advances to Officers and Employees

The account pertains to unliquidated/unsettled cash advances of officials and employees for travel, specific purpose or activity such as CARASUC, BBEAL, SCUAA, Accreditation, ILC Program, implementation of Special Projects etc., as of December 31, 2017.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱302,245.10	₱ 5,610.00
Internally Generated Income-Retained Income - 05206441 (STF)	668,802.30	305,495.73
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	67,086.61	85,450.61
TF-Custodial Funds-Trust Receipts	91,419.58	227,239.62
TOTAL	₱ 1,129,553.59	₱ 623,795.96

12.5 Prepayments

a. Prepaid Insurance

The account represents the unconsumed portion of insurance premiums on motor vehicles, buildings, and structures and other landholdings of the University as of December 31, 2017.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 1,736.20	₱ 29,568.89
Internally Generated Income-Retained Income - 05206441 (STF)	22,624.24	22,624.24
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	182,260.00	182,260.00
TOTAL	₱ 206,620.44	₱ 234,453.13

2.5 Other Assets

This account represents reclassification of PPE items to Other Assets due to destruction/condemnation which shall not be subject to depreciation. It also includes other acquired assets that cannot be categorized under any of the other PPE Accounts.

Part of the balance of the account are unserviceable assets recorded under Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163) in the amount of P72,876.45 as well as an undetermined amount of P885,144.58 recorded under Regular Agency Fund. The unserviceable assets and undetermined amounts will be for reconciliation.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 47,974,045.31	₱ 47,974,045.31
Internally Generated Income-Retained Income - 05206441 (STF)	118,182.63	118,182.63
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	76,605.45	76,605.45
TOTAL	₱ 48,168,833.39	₱ 48,168,833.39

LIABILITES AND EQUITY

13. CURRENT LIABILITIES

13.1 Accounts Payable

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 3,495,738.41	₱ 402,185.57
Internally Generated Income-Retained Income - 05206441 (STF)	2,255,584.89	2,497,241.66
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	3,402,574.38	2,577,483.00
TF-Custodial Funds-Trust Receipts-IATF	354,991.73	354,992.27
TOTAL	₱ 9,508,889.41	₱ 5,831,902.50

13.2 Due to Officers and Employees

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 187,649.55	₱ 369,395.49
Internally Generated Income-Retained Income - 05206441 (STF)	1,984,056.07	1,492,068.13
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	445,963.37	338,221.89
TF-Custodial Funds-Trust Receipts-IATF	1,062,392.57	881,644.43
TOTAL	₱ 3,680,061.56	₱ 3,081,329.94

13.3 Inter-Agency Payables

The account is composed of balances of accounts for remittance to various government agencies such as National Treasury, GSIS, PAG-IBIG, BIR, PHILHEALTH and other GOCCs.

13.4 Due to NGAs

The account represents the balance of fund transfers given to the University by various government agencies for project implementation on research and other special projects. Individual subsidiary ledgers of outside funded researches and special projects are being maintained by the University through e-NGAs for monitoring purposes.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 3,577,050.31	₱ 3,467,384.01
Internally Generated Income-Retained Income - 05206441 (STF)	3,732,876.13	2,821,381.13
TF-Custodial Funds-Trust Receipts-IATF	66,602,372.60	47,638,024.07
TOTAL	₱ 73,912,299.04	₱ 53,926,789.21

13.5 Due to BIR

This account consists of balance of unremitted taxes withheld as of December 31, 2017 for remittance to BIR on or before January 10, 2018.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Internally Generated Income-Retained Income - 05206441 (STF)	₱ 2,589,963.70	₱ 1,386,806.90
Business Type Income-Off-Budgetary Funds-06207512 (RF 161 and RF 163)	408,901.94	235,904.39
TF-Custodial Funds-Trust Receipts-IATF (07308601) & (07308603)	802,703.88	268,362.61
TOTAL	₱ 3,801,569.52	₱ 1,891,073.90

13.6 Due to GSIS

The account consists of the unremitted premiums and amortizations to the GSIS as of December 31, 2017. This shall be remitted in January 10, 2018.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 265,111.69	₱ 188,598.77
Internally Generated Income-Retained Income - 05206441 (STF)	26,117.05	26,117.05
TOTAL	₱ 291,228.74	₱ 214,715.82

13.7 Due to PAG-IBIG

The account consists of the unremitted premiums and loan amortizations deducted from salaries of personnel as of the end of the accounting period; to be remitted in January 2018.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 4,861.74	₱ 6,149.79
Internally Generated Income-Retained Income - 05206441 (STF)	11,300.00	11,300.00
TOTAL	₱ 16,161.74	₱ 17,449.79

13.8 Due to PhilHealth

The account consists of the unremitted premiums to PhilHealth Office as of the end of December 31, 2017. This shall be remitted in January 2018.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 3,093.75	₱ 2,481.25
Internally Generated Income-Retained Income - 05206441 (STF)	500.00	500.00
Business Type Income-Off-Budgetary Funds- 06207512 (RF 161 and RF 163)	1,866.75	1,866.75
TOTAL	₱ 5,460.50	₱ 4,848.00

13.9 Due to GOCCs

The account is recorded under Regular Agency Fund – Buguias.

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 2,200.00	₱ 0.00
Internally Generated Income-Retained Income - 05206441 (STF)	550.00	0.00
TOTAL	₱ 2,750.00	₱ 0.00

13.10 *Trust Liabilities*

This account is used to recognize the receipt of amount held in trust for specific purpose. Starting September 2017, the transactions of BAPTC on its collection of income and disbursement is recorded as Trust Liabilities under TF-Custodial Funds-Trust Receipts-IATF (07308603). As of December 31, 2017, the balance of Trust Liabilities account is ₱ 4,491,938.36.

13.11 *Bail Bonds Payable*

The amount of ₱607,639.98 remained under TF-Custodial Funds-Trust Receipts-IATF (07308603) as of December 31, 2017. This amount shall be adjusted on the next accounting period.

13.12 *Guaranty/Security Deposits Payable*

The account represents the collected performance bond of various contractors/suppliers as a guarantee or security for the delivery of goods/services contracted by the University for the CY 2017.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 6,533,664.80	₱ 3,765,431.34
Internally Generated Income-Retained Income - 05206441 (STF)	2,537,995.82	2,977,557.50
TF-Custodial Funds-Trust Receipts (07308603)	0.00	303,743.44
TOTAL	₱ 9,071,660.62	₱ 7,046,732.28

13.13 *Customers' Deposits Payable*

This account is used to recognize the receipt of cash deposits from customers for goods/services to be delivered and property to be leased. The amount of ₱278,200.00 represents collected cash deposits of lessees of BSU landholdings/facilities; recorded under Internally Generated Income-Retained Income - 05206441 (STF).

13.14 *Other Provisions*

This account is used to recognize liabilities of uncertain timing or amount. This includes provisions for litigation and other legal claims, warranty provisions, decommissioning provisions, or environmental provisions, among others. The amount of ₱ 1,794,017.70 is recorded under General Fund to recognize the claim of a contractor against the university.

13.15 Other Payables

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 1,052,557.97	₱ 1,586,977.89
Internally Generated Income-Retained Income - 05206441 (STF)	14,342,831.91	4,142,268.99
Business Type Income-Off-Budgetary Funds- 06207512 (RF 161 and RF 163)	5,070,074.19	13,052,037.72
TF-Custodial Funds-Trust Receipts (07308601) & (07308603)	27,737,251.48	16,994,847.47
TOTAL	₱ 48,202,715.55	₱ 35,776,132.07

13.16 Other Deferred Credits

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Internally Generated Income-Retained Income - 05206441 (STF)	₱ 259,468.05	₱ 499,468.05
TOTAL	₱ 259,468.05	₱ 499,468.05

14. ACCUMULATED SURPLUS

The account as of December 31, 2017 represents the beginning balance of the account plus the results of operation of the University for the calendar year 2017. The accumulated surplus recorded under the Trust Fund will be reconciled on the next accounting period.

The composition of the account as of December 31, 2017 in comparison with CY 2016 is as follows:

FUND	CY 2017	CY 2016
Regular Agency Fund	₱ 6,333,856,287.13	₱ 6,302,413,509.70
Internally Generated Income-Retained Income - 05206441 STF	289,390,537.48	298,827,336.36
Business Type Income-Off-Budgetary Funds- 06207512 (RF 161 and RF 163)	93,433,701.33	79,424,424.19
TF-Custodial Funds-Trust Receipts-IATF (07308601)	3,842,916.48	25,187,314.93
TOTAL	₱ 6,720,523,442.42	₱ 6,705,852,585.18

15. SUBSIDY FROM NATIONAL GOVERNMENT

The cash allocations received from the Department of Budget and Management (DBM) through the Notice of Cash Allocations (NCA) for the regular operating requirements of the University including the received cash allocations for the implementation of scholarship programs and payments of terminal leave benefits of retiring employees were recorded as debit to Cash-National Treasury, Modified Disbursement System(MDS), account 10104040 with a corresponding credit to Subsidy from National Government, account 40301010 under the books of Regular Agency Fund.

For Calendar Year 2017, the University received a total cash allocation of **P 577,912,257.00** through Notice of Cash Allocation issued by DBM. Out of total cash allocation received, P 70,421,355.00 was undisbursed by the University and reverted to the account of National Treasury.

The University remitted through electronic-Tax Remittance Advice a total of P 53,204,144.93 for taxes withheld for CY 2017 from the General Fund (Fund Cluster 01).

The cash allocations received from DBM and the remittances of taxes withheld from transactions paid under General Fund were recorded as credit to the account Subsidy from National Government. Details of the cash allocations received, reverted cash allocation, and tax remittances made are as follows:

Particulars	CY 2017	CY 2016
Cash Allocations through NCAs for regular operating requirements and scholarship fund	₱ 573,557,540.00	₱ 518,728,169.00
Cash allocations for Terminal Leave Benefits	4,354,717.00	5,753,630.00
Total Cash Allocations received	₱ 578,181,470.00	₱ 524,481,799.00
Less: Reverted cash allocations for the year	70,424,355.00	68,957,701.72
Balance of cash allocations	₱ 507,760,115.00	₱ 455,524,097.28
Add: total Tax Remitted thru Tax Remittance Advice	53,204,144.93	41,870,535.57
Net Subsidy Income from National Government for the year	₱ 560,964,259.93	₱ 497,394,632.85

The total cash allocations received from DBM per fund source for CY 2017 is as follows:

Notice of Cash Allocations for CY 2017	Amount
NCAs-Regular NCAs for Regular Appropriations-Specific Budget of NGAs	₱ 511,213,546.00
NCAs-Regular NCAs for Miscellaneous Personnel Benefit Funds	10,808,879.00
RLIP	29,117,115.00
NCAs-Pension and Gratuity	4,623,930.00
NCAs for Continuing Appropriation	22,418,000.00
Total NCA for CY 2017	₱ 578,181,470.00

The total tax remitted by the University for the CY 2017 covering the three campuses under Regular Agency Fund and through Tax Remittance Advice is as follows:

Campus	PS	MOOE	CO	Total
Main	₱ 43,891,571.74	₱ 2,556,095.65	₱ 3,357,721.64	₱ 49,805,389.03
Bokod	1,280,781.26	111,304.07	0.00	1,392,085.33
Buguias	1,956,573.11	50,097.46	0.00	2,006,670.57
Grand Total				₱ 53,204,144.93

16. INCOME AND EXPENSES

The Income and Expenses account is the consolidated net income of the University from its College based IGPs, auxiliary services under Revolving Fund 164, IGP (Revolving Fund 161) and Revolving Fund 163, including net income realized by the two external campuses, the Bokod campus and Buguias campus.

The gross Subsidy from National Government Account totaling to ₱ 631,385,614.93 composed of Notice of Cash Allocation (NCA) and Tax Remittance Advised. The total reverted NCA is ₱70,421,355.00. Hence, net Subsidy from National Government for CY 2017 is ₱ 560,964,259.93.

Consolidated Gross income for the period ended December 31, 2017 is **₱ 769,696,953.50**, detailed as follows in comparison with CY 2016:

Income Account	CY 2017	CY 2016
Service Income	₱ 169,795.83	₱ 2,240,313.04
Business Income	192,002,472.70	144,283,393.27
Financial Assistance/ Subsidy	561,458,549.93	498,118,112.85
Gains	48,571.50	0.00
Other-Non Operating Income	16,017,563.54	448,469.13
Share-Grants and Donations		3,000.00
Total	₱ 769,696,953.50	₱ 645,093,288.29

Details of Total Income:

Service Income

Nature of Account	CY 2017	CY 2016
Clearance and Certification Fees	₱ 38,371.15	₱ 27,445.00
	50.00	0.00
Fines and Penalties-Service Income		
Other Service Income	131,374.68	2,212,868.04
Total	₱ 169,795.83	₱ 2,240,313.04

Business Income

Nature of Account	CY 2017	CY 2016
School Fees	₱ 75,470,528.11	₱ 85,430,609.30
Affiliation Fees	4,552,536.42	8,892,054.68
Examination Fees	0.00	0.00
Seminar/ Training Fees	1,807,312.60	1,493,300.00
Rent/ Lease Income	20,850,314.13	17,640,496.68
Waterworks System Fees	127,895.96	169,504.71
Power Supply System Fees	0.00	0.00
Landing and Parking Fees	0.00	0.00
Income from Hostels/ Dormitories and Other Like Facilities	6,755,068.00	6,414,607.45
Sales Revenue	67,502,714.21	59,383,374.08
Less: Cost of Sales	(47,263,301.64)	(46,114,788.83)
Net Sales Revenue		
Interest Income	296,030.73	549,277.25
Gain on Foreign Exchange (FOREX)	0.00	35,453.64
Other Business Income	14,640,072.54	10,384,994.59
Other Gains		671.12
Sale of Unserviceable Property	48,571.50	3,838.60
Total	₱ 144,787,742.56	₱ 144,283,393.27

Subsidy from Government

Nature of Account	CY 2017	CY 2016
Subsidy from National Government	₱ 560,964,259.93	₱ 498,068,032.85
Subsidy from Other National Agencies	350,000.00	50,080.00
Subsidy from Other Funds	144,290.00	0.00
Total	₱ 561,458,549.93	₱ 498,118,112.85

Shares, Grants, and Donation

Nature of Account	CY 2017	CY 2016
Share from National Wealth	₱ 0.00	₱ 0.00
Income from Grants and Donations in Cash	0.00	3,000.00
Total	₱ 0.00	₱ 3,000.00

Miscellaneous Income

Nature of Account	CY 2017	CY 2016
Miscellaneous Income	₱ 16,017,563.54	₱ 448,469.13
Total	₱ 16,017,563.54	₱ 448,469.13

Consolidated Gross expenses for the period ended December 31, 2017 is ₱ 676,966,224.58, comparison with CY 2016 detailed as follows:

Expense Account	CY 2017	CY 2016
Personnel Services	₱ 394,728,084.53	₱ 369,341,929.83
Maintenance and Other Operating Expenses	208,667,502.17	142,544,039.06
Financial Expenses	21,240.00	16,760.00
Direct Cost	47,263,301.64	46,114,788.83
Financial Expenses	255,952,043.81	16,760.00
Non-Cash Expenses	24,962,419.24	21,095,823.92
Total	₱ 676,966,224.58	₱ 579,130,101.64

Details of Total Expenses:**Personnel Services**Salaries and Wages

Nature of Account	CY 2017	CY 2016
Salaries and Wages-Regular	₱244,672,543.25	₱214,442,453.47
Salaries and Wages-Casual/Contractual	1,277,228.85	1,309,928.38
Total	₱ 245,949,772.10	₱ 215,752,381.85

Other Compensation

Nature of Account	CY 2017	CY 2016
Personal Economic Relief Allowance (PERA)	₱ 16,607,219.71	₱ 16,415,249.51
Representation Allowance (RA)	1,431,500.00	1,320,797.00
Transportation Allowance (TA)	1,430,579.54	1,314,082.38
Clothing/Uniform Allowance	3,245,000.00	3,305,000.00
Subsistence Allowance	70,175.35	67,404.69
Laundry Allowance	9,971.61	8,836.70
Productivity Incentive Allowance	0.00	0.00
Honoraria	21,627,628.42	21,795,341.06
Hazard Pay	966,771.20	266,536.40
Longevity Pay	5,684.15	20,044.39
Overtime and Night Pay	1,663,418.86	1,808,885.80
Year End Bonus	21,125,570.50	20,369,139.25
Cash Gift	3,546,500.00	3,448,057.70
Other Bonuses and Allowances	31,764,029.02	41,930,110.71
Total	₱ 103,494,048.36	₱112,069,485.59

Personnel Benefit Contribution

Nature of Account	CY 2017	CY 2016
Retirement and Life Insurance Premiums	₱ 29,270,848.19	₱ 25,799,491.70
PAG-IBIG Contributions	837,012.50	842,587.50
PhilHealth Contributions	2,186,775.00	2,000,337.50
Employees Compensation Insurance Premiums	929,877.46	819,344.45
Provident/ Welfare Fund Contribution	0.00	0.00
Total	₱ 33,224,513.15	₱29,461,761.15

Other Personnel Benefits

Nature of Account	CY 2017	CY 2016
Pension Benefits	₱ 0.00	₱ 0.00
Retirement Gratuity	0.00	0.00
Terminal Leave Benefits	4,623,930.00	6,991,432.59
Other Personnel Benefits	7,435,820.92	5,066,868.65
Total	₱ 12,059,750.92	₱ 12,058,301.24

Maintenance and Other Operating Expenses

Travelling Expenses

Nature of Account	CY 2017	CY 2016
Travelling Expenses-Local	₱ 9,932,424.55	₱ 6,637,623.93
Travelling Expenses-Foreign	850,727.85	403,612.02
Total	₱ 10,783,152.40	₱ 7,041,235.95

Training and Scholarship Expenses

Nature of Account	CY 2017	CY 2016
Training Expenses	₱ 9,729,566.68	₱ 4,959,056.00
Scholarship Grants/Expenses	34,291,871.97	31,107,091.75
Total	₱ 44,021,438.65	₱36,066,147.75

Supplies and Materials Expenses

Nature of Account	CY 2017	CY 2016
Office Supplies Expense	₱ 10,926,663.26	₱16,313,403.80
Accountable Forms Expenses	1,096,978.97	78,237.86
Non-Accountable Forms Expenses	0.00	0.00
Animal/Zoological Supplies Expense	1,418,045.50	1,199,916.00
Food Supplies Expense	62,417.75	8,993.00
Drugs and Medicines Expenses	0.00	35,594.35
Medical Dental, and Laboratory Supplies Expenses	1,412,608.70	1,458,657.57
Fuel, Oil, and Lubricants Expenses	1,749,365.07	1,379,126.18
Agricultural and Marine Supplies Expenses	5,686,617.00	4,638,258.36
Textbooks and Instructional Materials Expense	2,778,992.40	473,597.00
Semi-Expandable Machinery and Equipment Expenses	4,403,198.15	3,966,493.06
Semi-Expandable Furniture, Fixture and Books Expenses	6,231,894.00	4,172,780.62
Other Supplies and Materials Expenses	16,085,429.05	16,623,451.39
Total	₱ 51,852,209.85	₱50,348,509.19

Utility Expenses

Nature of Account	CY 2017	CY 2016
Water Expenses	₱ 82,520.01	₱ 180,088.40
Electricity Expenses	5,821,361.16	5,701,732.38
Total	₱ 5,903,881.17	₱ 5,881,820.78

Communication Expenses

Nature of Account	CY 2017	CY 2016
Postage and Courier Expenses	₱ 88,312.00	₱ 28,335.00
Telephone Expenses	1,168,021.78	924,404.90
Internet Subscription Expenses	2,561,607.47	2,710,756.72
Cable, Satellite, Telegraph and Radio Expenses	283,228.96	233,115.67
Total	₱ 4,101,170.21	₱3,896,612.29

Awards/Rewards and Prizes

Nature of Account	CY 2017	CY 2016
Awards/Rewards Expenses	₱ 1,238,300.00	₱1,559,500.00
Prizes	119,700.00	60,300.00
Total	₱ 1,358,000.00	₱1,619,800.00

Confidential, Intelligence, and Extraordinary Expenses

Nature of Account	CY 2017	CY 2016
Confidential Expenses	₱ 0.00	₱ 0.00
Extraordinary and Miscellaneous Expenses	175,500.00	148,500.00
Total	₱ 175,500.00	₱148,500.00

Professional Services

Nature of Account	CY 2017	CY 2016
Legal Services	₱ 0.00	₱ 0.00
Auditing Services	25,760.61	36,081.60
Consultancy Services	423,227.12	0.00
Other Professional Services	2,133,249.42	2,244,105.53
Total	₱ 2,582,237.15	₱ 2,280,187.13

General Services

Nature of Account	CY 2017	CY 2016
Janitorial Services	₱ 0.00	₱0.00
Security Services	9,828,911.57	9,558,592.06
Other General Services	0.00	3,000
Total	₱ 9,828,911.57	₱ 9,561,592.06

Repairs and Maintenance

Nature of Account	CY 2017	CY 2016
Repairs and Maintenance- Land Improvements	₱ 281,960.31	₱ 254,473.50
Repairs and Maintenance- Infrastructure Assets	0.00	433,123.90
Repairs and Maintenance-Buildings and Other Structures	10,850,725.35	4,566,291.85
Repairs and Maintenance-Machinery and Equipment	386,221.20	560,237.52
Repairs and Maintenance-Transportation Equipment	1,247,749.00	932,151.23
Repairs and Maintenance-Furniture and Fixture	50,400.00	1,212.00
Repairs and Maintenance-Other PPE	15,800.00	22,550.00
Total	₱ 12,832,855.86	₱ 6,770,040.00

Financial Assistance/Subsidy

Nature of Account	CY 2017	CY 2016
Subsidies-Others	₱ 326,910.00	₱0.00
Subsidies-Other Operating Unit	996,767.00	0.00
Total	₱ 1,323,677.00	₱0.00

Taxes, Insurance Premiums and Other Fees

Nature of Account	CY 2017	CY 2016
Taxes, Duties and Licenses	₱ 82,682.93	₱ 32,807.67
Fidelity Bond Premiums	111,727.50	173,777.25
Insurance Expenses	6,411,151.47	424,123.05
Total	₱ 6,605,561.90	₱ 630,707.97

Labor and Wages

Nature of Account	CY 2017	CY 2016
Labor and Wages	₱ 41,749,238.93	₱ 42,449,233.61
Total	₱ 41,749,238.93	₱ 42,449,233.61

Other Maintenance and Operating Expenses

Nature of Account	CY 2017	CY 2016
Advertising Expense	₱ 248,904.56	₱ 245,737.72
Printing and Publication Expense	3,480,419.66	3,193,944.80
Representation Expense	5,693,619.25	2,400,547.90
Transportation and Delivery Expenses	10,000.00	5,695.00
Rent/Lease Expenses	1,819,400.00	18,500.00
Membership Dues and Contributions to Organizations	487,129.23	363,982.00
Subscription Expenses	801,405.30	974,355.32
Other Maintenance and Operating Expenses	4,332,466.48	14,778,438.42
Total	₱ 16,873,344.48	₱ 21,981,201.16

Financial Expenses

Nature of Account	CY 2017	CY 2016
Bank Charges	₱ 21,240.00	₱ 16,760.00
Other Financial Expenses	0.00	0.00
Total	₱ 21,240.00	₱ 16,760.00

Direct Cost

Nature of Account	CY 2017	CY 2016
Cost of Sales	₱ 47,263,301.64	₱ 46,114,788.83
Total	₱ 47,263,301.64	₱ 46,114,788.83

Non-Cash Expenses

Depreciation

Nature of Account	CY 2017	CY 2016
Depreciation-Land Improvements	₱ 1,306,219.54	₱ 1,650,910.54
Depreciation-Infrastructure Assets	975.84	3,130.06
Depreciation-Buildings and Other Structures	8,884,887.52	7,441,109.94
Depreciation-Machinery and Equipment	13,058,914.08	10,635,298.07
Depreciation-Transportation Equipment	102,533.43	137,288.97
Depreciation-Other Machinery and Equipment		0.00
Depreciation-Information and Communication Technology Equipment		0.00
Depreciation-Furniture and Fixtures and Books	709,660.18	592,512.41
Depreciation-Other Property, Plant, and Equipment	899,228.65	635,573.93
Depreciation-Motor Vehicle		0.00
Total	₱ 24,962,419.24	₱ 21,095,823.92

Part of the Other Personnel Benefits account is the payment of monetization of earned leave credits amounting to ₱ 6,561,685.93 charged from general fund specific budget of NGAs.

The account Traveling Expenses –Foreign shall be reduced by ₱ 2,694.00. The transaction pertains to Traveling Expense-local, recorded under Journal Entry Voucher (JEV) No. 2017-11-003255 dated November 17, 2017.

Part of the rent/lease expenses for CY 2017 is the payment of open truss tent and LED wall display, audio system, lighting and HD video documentation during the centennial graduation ceremony of the University, charged from the Internally Generated Income amounting to ₱ 993,000.00.

Consolidated Net Income including Subsidy for the period ended December 31, 2017 is ₱ 92,730,728.92, comparison with CY 2016.

17. STATUS OF FUNDS

The Status of Funds represents the allotment, obligations incurred, and the unexpended balance of allotment for CY 2017 under General Fund. For calendar year 2017, the University received a total allotment of ₱ 624,990,693.02 broken down into:

Allotment Class	CY 2017	CY 2016
Personnel Services	₱ 393,001,694.02	₱ 378,516,882.00
Maintenance and Other Operating Expenses	117,040,999.00	109,049,831.00
Capital Outlay	114,948,000.00	128,587,903.50
Total	₱ 624,990,693.02	₱ 616,154,616.50

Analysis of the allotment, obligation incurred, and unexpended balance of allotment for CY 2017 in comparison with CY 2016, are as follows:

<u>For Calendar Year 2017</u>			
PARTICULARS	Allotment	Obligation Incurred	Unexpended Balance of Allotment
(1)	(2)	(3)	(4)
A. Current Year's Allotments			
Personal services	₱ 393,001,694.02	₱ 388,457,809.87	₱ 4,543,884.15
MOOE	117,040,999.00	109,663,711.64	7,377,287.36
Capital Outlay	114,948,000.00	111,395,928.55	3,552,071.45
Sub-total	₱ 624,990,693.02	₱ 609,517,450.06	₱ 15,473,242.96
A. Continuing Appropriation			
MOOE	30,978,000.00	30,978,000.00	0.00
Capital Outlay	59,574,228.00	54,213,880.27	5,360,347.73
Sub-total	₱ 90,552,228.00	₱ 85,191,880.27	₱ 5,360,347.73
C. TOTAL	₱ 715,542,921.02	₱ 694,709,330.33	₱ 20,833,590.69

For Calendar Year 2016

PARTICULARS	Allotment	Obligation Incurred	Unexpended Balance of Allotment
(1)	(2)	(3)	(4)
A. Current Year's Allotments			
Personal Services	₱378,516,882.00	₱361,152,277.72	₱17,364,604.28
MOOE	86,789,831.00	55,812,229.02	30,977,601.98
Capital Outlay	79,272,000.00	19,697,772.00	59,574,228.00
Sub-total	₱544,578,713.000	₱436,662,278.74	₱107,916,434.26
A. Continuing Appropriation			
MOOE	22,260,000.00	19,497,961.50	2,762,038.50
Capital Outlay	49,315,903.50	43,800,866.45	5,515,037.05
Sub-total	₱71,575,903.50	₱ 63,298,827.95	₱ 8,277,075.55
C. TOTAL	₱616,154,616.50	₱ 499,961,106.69	₱ 116,193,509.81

18. BREAKDOWN OF OBLIGATIONS INCURRED

The University incurred total obligations under General Fund 101 in the implementation of its approved programs, projects and activities for CY 2017 totaling ₱ 694,709,330.33. All obligations incurred that were due and demandable were totally paid during the year. Breakdown of obligations incurred, paid obligations, due and demandable, and not yet due and demandable obligations on Personal Services, MOOE and Capital Outlay for CY 2017 in comparison with CY 2016 are as follows:

CY 2017

PARTICULARS	Obligations Incurred	Paid Obligations (a)	Due & Demandable (b)	Not yet due & demandable (c)
Regular Appropriations:				
Personal Service	₱ 388,457,809.87	₱ 388,246,902.88	₱210,906.99	₱0.00
MOOE	109,663,711.64	76,192,265.11	29,522,211.15	3,949,235.38
Capital Outlay	111,395,928.55	22,234,397.25	74,958,945.39	14,202,565.91
Sub Total	₱ 609,517,450.06	₱ 486,673,565.24	₱104,692,063.53	₱18,151,801.29
Continuing Appropriation				
MOOE	30,978,000.00	18,835,765.10	12,142,234.90	0.00
Capital Outlay	54,213,880.27	41,171,799.69	11,235,054.58	0.00
Sub Total	₱ 85,191,880.27	₱ 60,007,564.79	₱ 23,377,289.48	₱0.00
TOTAL	₱ 694,709,330.33	₱546,681,130.03	₱ 128,069,353.01	₱18,151,801.29

CY 2016

PARTICULARS	Obligations Incurred	Paid Obligations (a)	Due & Demandable (b)	Not yet due & demandable (c)
Regular Appropriations:				
Personal Service	₱361,152,277.72	₱ 361,109,427.72	₱42,850.00	₱0.00
MOOE	55,812,229.02	54,848,641.57	49,222.00	914,365.45
Capital Outlay	19,697,772.00	19,622,772.00	0.00	75,000.00
Sub Total	₱436,662,278.74	₱ 435,580,841.29	₱92,072.00	₱989,365.45
Continuing Appropriation				
MOOE	19,497,961.50	19,497,961.50	0.00	0.00
Capital Outlay	43,800,866.45	42,989,431.80	811,434.65	0.00
Sub Total	₱ 63,298,827.95	₱ 62,487,393.30	₱ 811,434.65	₱0.00
TOTAL	₱ 499,961,106.69	₱ 498,068,234.59	₱ 903,506.65	₱989,365.45

Certified Correct:


IMELDA B. GALINATO
Chief Accountant

