

PHILIPPINE ARMY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

1. General Information/Agency Profile

The consolidated financial statements (FS) of the Philippine Army (PA) were authorized for issue on May 13, 2021 as shown in the Statement of Management Responsibility for Financial Statements signed by Lieutenant General Jose C Faustino Jr, Acting Commanding General of PA and Colonel Ramon Antonio E Bello, Assistant Chief of Staff for Financial Management, G10.

The PA was first established on 22 March 1897 during the first meeting at Tejeros, Cavite. Currently, PA operates under the authority of the Executive Order (EO) 292, s. 1987 “Instituting the Administrative Code of 1987”. As embodied in EO 292, the PA shall be responsible for the conduct of operations on land, in coordination with other Major Services. Section 49 of the same EO enumerates the functions of the Army as follows: (1) organize, train and equip forces for the conduct of prompt and sustained operations on land; (2) prepare such units as may be necessary for the effective prosecution of the national defense plans and programs; (3) develop, in coordination with the other Major Services, tactics, techniques and equipment of interest to the Army for field operations; (4) organize, train and equip all reserve units; and (5) perform such functions as may be provided by law or assigned by higher authorities. The following are the program objectives by mission areas to be performed by the Army: Territorial Defense, Security and Stability (TDSS) and Force-Level Command and Control, Support and Training (FLC2ST).

The PA units with their corresponding servicing FAUs are as follows:

PA Unit	Location	Servicing FAU
1 st Infantry (Tabak) Division	Camp Major Cesar L. Sang-an, Pulacan, Labangan, Zamboanga del Sur	9 th FAU
2 nd Infantry (Jungle Fighter) Division and ARESKOM	Camp Capinpin, Sampaloc, Tanay, Rizal	4 th FAU
3 rd Infantry (Spearhead) Division	Camp General Macario Peralta Jr., Jamindan, Capiz	6 th FAU
4 th Infantry (Diamond) Division	Camp Edilberto Evangelista, Patag, Cagayan de Oro City	10 th FAU
52 nd Engineer Brigade	Camp Colonel Oscar F. Natividad, Manolo Fortich, Bukidnon	
5 th Infantry (Star) Division	Camp Melchor F. Dela Cruz, Upi, Gamu, Isabela	2 nd FAU
6 th Infantry (Kampilan)	Camp BGen Siongco, Awang, Datu	12 th FAU

PA Unit	Location	Servicing FAU
Division	Odin Sinsuat, Maguindanao	
7 th Infantry (Kaugnay) Div. AAR, SFRA, FSRR, LRR, Aviation Regiment, 1 st Brigade Combat Team	Fort Magsaysay, Palayan City, Nueva Ecija	3 rd FAU
8 th Infantry (Storm Trooper) Division	Camp Lukban, Maulong, Catbalogan City, Samar	8 th FAU
9 th Infantry (Spear) Division	Camp Weene Martillana, Pili, Camarines Sur	5 th FAU
10 th Infantry (Agila) Division	Camp General Manuel T. Yan, Brgy. Tuboran, Mawab, Compostela Valley	11 th FAU
11 th Infantry (Alakdan) Div.	Camp General Teofilo Bautista, Brgy. Busbus, Jolo Sulu	17 th FAU
Armor Division and TRADOC	Camp O'Donnell, Capas, Tarlac	1 st FAU
51 st Engineer Brigade and CMOR	Camp Rigoberto J. Atienza, Libis, Quezon City	14 th FAU
53 rd Engineer Brigade	Camp Lapu-lapu, Cebu City	7 th FAU
54 th Engineer Brigade	Camp General Arturo T Enrile, Malagutay, Zamboanga City	16 th FAU
55 th Engineer Brigade	Brgy. Maria Cristina, Balo-i, Lanao Del Norte	9 th FAU
ASCOM, ASR, AIR, AGH, FCPA, ASPA, APAO, APMC, HPA and Post Units (IMCOM/HHSG)	Fort Andres Bonifacio, Metro Manila	ASPA Hqs/ 15 th FAU

2. Statement of Compliance and Basis of Preparation of FS

The consolidated FS have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSASs) pursuant to COA Resolution No. 2020-01 dated January 9, 2020.

The consolidated FS have been prepared based on historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

3. Summary of Significant Accounting Policies

3.1 Basis of accounting

The consolidated FS are prepared on an accrual basis in accordance with the IPSASs.

3.2 Consolidation

The consolidated FS reflect the assets, liabilities, revenues, and expenses of the Headquarters and 36 PA Major Units.

3.3 Cash and cash equivalents

CCE comprise of cash on hand and cash in bank. Cash on hand pertains to unremitted collections through Collecting Officer, Finance Center, Philippine Army (PA) deposited with the Treasurer of the Philippines at the following year while cash in bank pertains to local currency current account and treasury deposits.

3.4 Inventories

Inventory is measured at cost upon initial recognition.

Per GAM, costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost using the weighted average 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.

In the case of PA, it uses specific identification of costs method. Wherein, the cost of inventories of items which are not ordinarily interchangeable, and goods or services produced and segregated for specific projects are assigned by using the specific identification of their individual costs. Specific identification of costs means that specific costs are attributed to identified items of inventory.

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

3.5 Property, Plant and Equipment (PPE)

Recognition

An item is recognized as 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 (FV) of the item can be measured reliably.

Measurement at Recognition

An item recognized as PPE is measured at cost.

A PPE acquired through non-exchange transaction is measured at its FV 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 FV as 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 used the item during a particular period for purposes other than to produce inventories during that period.
- PPE were reclassified to Semi-Expendable Property having a cost of below ₱15,000.00 per COA Circular Nr 2015-007.

Measurement After Recognition

After recognition, all PPE are stated at cost less accumulated depreciation and impairment losses.

When significant parts of PPE are required to be replaced at intervals, the PA 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 (RM) costs are recognized as expense in surplus or deficit as incurred.

Depreciation

Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately.

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.

Estimated Useful Life

PA uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA under COA Circular Nr 2017-004 dated December 13, 2017. The agency is currently applying the useful life of 10 years in general, for buildings – 30 years, information and technology equipment – 5 years, motor vehicles – 7 years and for military, police and security equipment – 10 years.

PA uses a residual value equivalent to at least five percent 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

PA derecognizes items of PPE 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.

3.6 Intangible Assets

Recognition and Measurement

Intangible assets are recognized when the items are identifiable non-monetary assets without physical substance; it is probable that the expected future economic benefits or service potential that are attributable to the assets will flow to the entity; and the cost or FV of the assets can be measured reliably.

Intangible assets acquired separately are initially recognized at cost.

If payment for an intangible asset is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as interest expense over the period of credit unless it is capitalized in accordance with the capitalization treatment permitted in PPSAS 5, Borrowing Costs

Subsequent Measurement

The useful life of intangible assets is assessed as either finite or infinite. Intangible assets with a finite life is amortized over its useful life.

The straight line method is adopted in the amortization of the expected pattern of consumption of the expected future economic benefits or service potential.

An intangible asset with indefinite useful lives is not amortized. Intangible assets with an indefinite useful life or an intangible asset not yet available for use were assessed for impairment whenever there is an indication that the asset may be impaired.

The amortization period and amortization method for an intangible asset with a finite useful life were reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset were considered to modify the amortization period or method, as appropriate, and were treated as

changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in surplus or deficit as the expense category that is consistent with the nature of the intangible asset.

Gains or losses arising from derecognition of an intangible asset were measured as the difference between the net disposal proceeds and the carrying amount of the asset and were recognized in the surplus or deficit when the asset is derecognized.

3.7 Changes in accounting policies and estimates

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

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

PA corrects material prior period errors retrospectively in the first set of FS 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.

3.8 Budget information

The annual budget 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 FS were not prepared on 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 FS.

3.9 Adjustments on Accumulated Surplus

Fundamental errors of prior years are corrected by directly adjusting the Accumulated Surplus/(Deficit) account. Errors affecting current year's operations are charged to the current year's accounts.

4. Cash and Cash Equivalents

Accounts	2020	2019 As Restated
Cash - Collecting Officers	₱ 214,062.58	₱ 12,122,183.54
Cash in Bank- Local Currency Current Account	4,384,007,673.39	2,073,650,162.71
Cash – Treasury/Agency Deposit, Trust	387,267,060.36	400,665,865.83
Total Cash and Cash Equivalents	₱4,771,488,796.33	₱2,486,438,212.08

4.1 *Cash-Collecting Officers* pertains to undeposited collections for the year 2020, which will be deposited at the beginning of the following year to the appropriate LBP LCCA of either Trust Receipts, Internally Generated or Treasurer of the Philippines.

PA Unit	2020	2019 As Restated
9 th ID	₱ 0.00	₱ 0.30
HPA and Post Units	214,062.58	12,122,183.24
Total	₱ 214,062.58	₱ 12,122,183.54

4.2 *Cash in Bank – Local Currency, Current Account* pertains to current accounts maintained with LBP and UCPB. The amount includes obligated fund for payment of Re-Enlistment Clothing Allowance, Special Financial Assistance, Pay and Allowances, and Terminal Leave Benefits and Gratuity Claims of Military and Civilian Army Personnel as at 31 December 2020. It also includes collection from the AFP Housing Board and other trust liabilities, hospital income, balance of unutilized inter-agency fund transfers, reimbursable fund balance under 72-100RF and fund transfer for the opening of an irrevocable letter of credit for various procurement projects amounting to ₱533,329,061.19 including interest income, net of tax of ₱91,474.58 for the 4th Quarter 2020 under UCPB Account Nr 001401031009 for remittance to the Treasurer of the Philippines at the beginning of the following year.

PA Unit	2020	2019 As Restated
1st ID	₱ 1,108,482.24	₱ 1,234,377.28
2nd ID	2,643,203.52	2,446,394.81
3rd ID	16,608,497.74	21,936,825.53
4th ID	18,401,539.35	19,183,979.35
5th ID	4,499,022.56	2,731,549.83
6th ID	17,435,212.87	19,051,765.00
7th ID/FSRR/AAR/SFRA/ LRR/AR/1BCT	3,696,167.84	16,643,755.94
8th ID	11,473,708.35	7,868,667.43
9th ID	1,317,087.60	2,098,246.67
10th ID	272,350.00	37,980,414.00

PA Unit	2020	2019 As Restated
11th ID	-	1,236,957.82
MID	1,406,785.21	-
TRADOC	872,201.90	1,753,301.90
51st EBde	399,700,415.28	403,659,660.69
52nd EBde	3,547,362.75	5,452,986.04
53rd EBde	120,114,777.08	120,351,163.88
54th EBde	162,679,403.12	4,094,403.12
CMOR	273,816.00	-
HPA and Post Units	3,617,957,639.98	1,405,925,713.42
Total	₱ 4,384,007,673.39	₱ 2,073,650,162.71

4.3 *Cash-Treasury/Agency Deposit, Trust* consists of trust receipts collected and deposited with the BTr per Executive Order 1002.

PA Unit	2020	2019 As Restated
1st ID	₱ 5,288,897.23	₱ 4,430,282.02
2nd ID	687,271.48	1,884,312.05
3rd ID	2,754,259.94	2,754,259.94
4th ID	12,852,622.58	12,798,522.23
5th ID	6,276,055.51	4,754,130.51
6th ID	4,360,884.22	7,569,302.49
7th ID/FSRR/ AAR/SFRA/ LRR/AR/1BCT	39,406,922.99	47,289,039.11
8th ID	2,990,310.01	2,963,310.01
9th ID	2,756,168.63	2,332,496.37
10th ID		-
11th ID	21,500.00	-
MID	450,815.82	403,337.32
TRADOC		-
51st EBde	13,420,805.56	12,064,765.56
52nd EBde	63,797.24	8,169.40
53rd EBde	291,209.13	306,209.13
54th EBde	200,000.00	10,000.00
HPA and Post Units	295,445,540.02	301,097,729.69
Total	₱387,267,060.36	₱ 400,665,865.83

5. Receivables

PA Unit	2020		2019 As Restated	
	Current	Non-Current	Current	Non-Current
Accounts Receivable	₱ 149,577.74	₱ -	₱ 255,438.51	₱ -
Due from NGAs	75,128,620.63	-	220,984,278.65	-
Due from GOCCs	9,123,346,667.59	5,811,501.92	8,647,741,044.74	5,811,501.92
Due from Local Government Unit	17,813,000.00	-	-	-
Due from Operating Units	727,983,798.57	-	788,787,294.47	-
Due from Other Funds	4,138,974.62	-	15,974.62	-
Receivables-Disallowances/Charges	6,442,886.38	-	10,407,332.37	-
Due from Officers and Employees	27,907,257.02	1,193,394.40	61,075,013.02	207,448.40
Other Receivables (net of Allowance for Impairment)	-	155,414,653.50	165,530,663.21	5,292,456.44
Total	₱9,982,910,782.55	₱162,419,549.82	₱ 9,894,797,039.59	₱ 11,311,406.76

5.1 *Accounts Receivable* represents the amount due arising from overpayment to suppliers and contract of service workers.

PA Unit	Amount	Current	Non-Current
2nd ID	₱ 127,734.74	₱ 127,734.74	₱ -
9th ID	216.00	216.00	-
HPA	21,627.00	21,627.00	-
Total	₱ 149,577.74	₱ 149,577.74	₱ -

5.1.1 Aging of the account is as follows:

PA Unit	Amount	Less than 30 days	Less than 90 days	91-365 days	More than 365 days
2nd ID	₱ 127,734.74	127,734.74	₱ -	₱ -	₱ -
9th ID	216.00	216.00	-	-	-
HPA	21,627.00	-	-	-	21,627.00
Total	₱ 149,577.74	₱ 127,950.74	₱ -	₱ -	₱ 21,627.00

5.2 Due from National Government Agencies consists of unliquidated fund transfers to other offices/units of the National Government such as PS-DBM and National Printing Office (NPO) in the procurement of 1,000 booklets of ORs and common-use supplies. The decrease in the account was caused by the liquidations made by the Government Arsenal in the amount of ₱142,349,992.14 and PS-DBM in the amount of ₱6,857,115.40.

PA Unit	2020			2019 As Restated		
	PSDBM	NPO	Others	PSDBM	Arsenal	Others
1st ID	₱ -	₱ -	₱ -	₱ 129,076.35	₱ -	₱ -
2nd ID	2,722,014.69	-	-	2,031,351.66	-	-
3rd ID	-	-	-	-	-	-
4th ID	881.29	-	-	73,670.65	-	-
5th ID	71,990.40	-	-	38,555.70	-	-
7th ID/FSRR/ AAR/SFRA/ LRR/AR/1BCT	881,759.95	-	-	354,967.69	-	-
8th ID	-	-	-	-	-	-
9th ID	68,001.00	-	-	7,491.79	-	-
MID	1,013,280.75	-	-	1,013,280.75	-	-
TRADOC	2,283,373.01	-	-	2,283,373.01	-	-
51st EBde	167,250.81	-	-	155,610.34	-	-
52nd EBde	11,704.87	-	-	11,820.92	-	-
53rd EBde	7,964.43	-	-	-	-	-
54th EBde	36,500.00	-	-	83,507.74	-	-
HPA and Post Units	66,133,247.35	100,000.00	1,630,652.08	70,820,927.83	142,349,992.14	1,630,652.08
Sub-total	₱73,397,968.55	₱ 100,000.00	₱1,630,652.08	₱77,003,634.43	₱142,349,992.14	₱1,630,652.08
Total	₱ 75,128,620.63			₱ 220,984,278.65		

5.3 Due from Government-Owned and/or Controlled Corporations consists of receivables from the PITC for various fund transfers per Agency Outsourcing Requests which were not yet delivered nor liquidated; NKTi and Philippine Heart Center (PHC) representing advance payment for the confinement of PA personnel which have been dormant since 2007.

PA Unit	Amount	Current	Non-Current
MID/TRADOC	₱ 174,669,710.92	₱ 174,669,710.92	₱ 0.00
51 st EBde	357,112,390.45	357,112,390.45	0.00
HPA and Post Units	8,597,376,068.14	8,591,564,566.22	5,811,501.92
Total	₱9,129,158,169.51	₱9,123,346,667.59	₱5,811,501.92

5.4 *Due from Local Government Units (LGUs)* amounting to P17,813,000.00 represents transfer fund to the Provincial Government of Sorsogon for the activation requirements of CAAC-II obligated under ORS Nr 2700-02-102101-2020-11-000743 dated 05 November 2020 with Advice of Sub-Allotment Nr 2700-2020-0243 dated 29 September 2020.

5.5 *Due from Operating Units* represents intra-agency fund transfers to field units for the *implementation* of programs/projects.

PA Unit	Amount	Current	Non-Current
1 st ID	₱ 6,310.72	₱ 6,310.72	₱ -
3 rd ID	7,197,413.00	7,197,413.00	-
4 th ID	8,380,027.11	8,380,027.11	-
6 th ID	1,134,788.00	1,134,788.00	-
7 th ID	23,856,615.00	23,856,615.00	-
9 th ID	155,496.00	155,496.00	-
51 st EBde	409,081,090.04	409,081,090.04	-
53 rd EBde	119,587,058.70	119,587,058.70	-
54 th EBde	158,585,000.00	158,585,000.00	-
Total	₱ 727,983,798.57	₱ 727,983,798.57	₱ -

5.6 *Due from Other Funds* increased from ₱15,974.62 to ₱4,138,974.62 due to inadvertent payment to MED CORE PLUS ENTERPRISES for the procurement of Biological Safety Cabinet Class II A2 with PO Nr PANC-COVID19-004 under RAF (MDS Acct) instead of Internally Generated Fund under BURS Nr 02-206450-2020-06-000004 dated 30 June 2020 amounting to ₱1,558,000.00; and for payment made to LIFELINE DIAGNOSTIC SUPPLIES, INC for the procurement of Real-Time PCR Machine with BURS Nr 02-308603-2020-06-000037 dated 29 June 2020 which was erroneously charged to Cash-Local Currency Current Account, AGHTRF under Internally Generated Fund instead of Cash-Local Currency Current Account, PATRF under Trust Receipts Fund amounting to ₱2,565,000.00.

5.7 *Receivables-Disallowances/Charges* represents audit disallowances for various transactions including error in computation and/or overpricing of the claims which had become final and executory.

PA Unit	Amount	Less than 365 days	Over 1 Year	Over 2 Years
1 st ID	₱ 451,601.42	₱ -	₱ 451,601.42	₱ -
3 rd ID	992,089.86	-	992,089.86	-
6 th ID	13,781.81	-	13,781.81	-
9 th ID	111,616.40	-	111,616.40	-
51 st EB	33,661.79	-	33,661.79	-

PA Unit	Amount	Less than 365 days	Over 1 Year	Over 2 Years
HPA and Post Units	4,840,135.10	-	4,840,135.10	-
Total	₱ 6,442,886.38	₱ -	₱6,442,886.38	₱ -

5.7.1 The reduced amount from last year's balance amounting to ₱3,964,445.99 pertains to settlement of accountability from 4th ID, 51st EBde and HPA.

5.8 *Due from Officers and Employees* represents overpayment of salaries and wages and receivables from officers and employees pertaining to light and water consumption within PA premises. Details are as follows:

PA Unit	Amount	Current	Non-Current
1st ID	₱ 1,632,290.64	₱ 438,896.24	₱ 1,193,394.40
3rd ID	325,377.47	325,377.47	-
5th ID	4,486,136.83	4,486,136.83	-
6th ID	181,852.20	181,852.20	-
7th ID/FSRR/AAR/SFRA/ LRR/AR/1BCT	634,738.00	634,738.00	-
8th ID	2,142,722.71	2,142,722.71	-
9th ID	972,411.14	972,411.14	-
10th ID	50,000.00	50,000.00	-
11th ID	20,652.50	20,652.50	-
HPA and Post Units	18,654,469.93	18,654,469.93	-
Total	₱ 29,100,651.42	₱27,907,257.02	₱ 1,193,394.40

5.9 *Other Receivables* consists of dormant accounts reclassified from Advances for Operating Expenses, Advances to Officers and Employees, Due from Officers and Employees, dormant receivable from Supplier and Repair, Maintenance and Construction (RMC) Fund. Details are as follows:

PA Unit	Amount	Current	Non-Current
1st ID	₱ 35,780.00	-	₱ 35,780.00
2nd ID	7,072,788.50	-	7,072,788.50
3rd ID	1,660,083.66	-	1,660,083.66
4th ID	3,409,950.21	-	3,409,950.21
6th ID	5,504,560.16	-	5,504,560.16

PA Unit	Amount	Current	Non-Current
7th ID/FSRR/ AAR/SFRA/ LRR/AR/IBCT	1,393,612.18	-	1,393,612.18
8th ID	660,836.71	-	660,836.71
9th ID	514,308.38	-	514,308.38
10th ID	39,322.47	-	39,322.47
MID	1,047,064.60	-	1,047,064.60
51st EBde	2,302,077.38	-	2,302,077.38
52nd EBde	15,500.00	-	15,500.00
53rd EBde	1,586,322.51	-	1,586,322.51
54th EBde	4,000.00	-	4,000.00
HPA and Post Units	193,547,670.52	-	193,547,670.52
Total	₱218,793,877.28	₱ -	₱218,793,877.28

5.9.1 Impairment loss of ₱63,379,223.78 was recognized in compliance with COA Circular No. 2016-005 dated December 19, 2016, COA Circular 2012-004 dated November 28, 2012, COA Circular 94-013 dated December 13, 1994, COA Circular 97-002 dated February 10, 1997. Moreover, Section 9 of Chapter 5 Volume 1 of the GAM provides that: Entities shall evaluate the collectability of accounts receivable on an ongoing basis based on historical bad debts, customer/recipient credit-worthiness, current economic trends and changes in payment activity.

5.9.2 The account also includes the following:

Name/ Company	Particulars	Amount
Bairam Enterprises	Procurement of CVR Scorpion Tank Spare Parts	₱18,454,278.60
Petron Corp (PCOR)	Repair, Maintenance and Const. (RMC) Fund	146,734,607.74

5.9.3 The account of Bairam Enterprises amounting to ₱18,454,278.60 for the procurement of CVR Scorpion Tank Spare Parts remained undelivered and has been dormant for 12 years.

5.9.4 Receivable from Petron Corporation for Repair, Maintenance and Construction Fund amounting to ₱146,734,607.74 (₱69,600,300.62 for CY 2016 and ₱77,134,307.12 for CY 2017) was derived from the agreement entered into by the DND and Petron Corporation for the supply of DND-Wide Petroleum (LOT 1), Oil, Lubricants (LOT 2) and e-POL Card (Lot3). The details of allocation of RMC is as follows:

CY	Percentage Allocation		
	LOT 1	LOT 2	LOT 3
2016	15 percent of the total contract price	15 percent of the total contract price	6.5 percent based on the total payments made
2017	5.5 percent of total contract price	5.5 percent of total contract price	6.5 percent of total payments made

Per MOA, Repair, Maintenance and Construction Funds shall be managed and controlled by Petron Corporation. Report on Utilization per executed work (repair, maintenance, or construction) shall be submitted to the respective Commodity Managers represented by OG4, PA in the case of PA, within two weeks from payment thereof for monitoring and reconciliation of records.

Out of the ₱146,734,607.74 recorded receivables for Repair, Maintenance and Construction Fund as at year end, a total of ₱137,679,316.92 was already completed per status of RMC Project from Office of the Army Quarter Master. Details are as follows:

Description/Projects	Amount
Construction of new POL Dump in 10 th Infantry Division - CY 2015 RMC Fund	₱4,778,129.21
Construction of new POL Dump in 6 th Infantry Division - CY 2015 RMC Fund	5,655,300.00
Procurement of 8 units Fuel Tanker Truck, 20kl cap - CY 2016 RMC Fund	12,163,200.00
Procurement of 4 units Generator Set 25 KVA - CY 2016 RMC Fund	1,947,308.16
Procurement of Generator Set 40KVA - CY 2015 RMC Fund	1,400,000.00
Rehabilitation of existing POL Dump in 4 th Infantry Division - CY 2015 RMC Fund	4,200,000.00
Rehabilitation of existing POL Dump in HPA - CY 2015 RMC Fund	900,000.00
Rehabilitation of existing POL Dump in 103 rd Engineer Brigade, 1 st Infantry Division - CY 2016 RMC Fund	3,638,570.77
Rehabilitation of existing POL Dump in 1 st Infantry Division - CY 2016 RMC Fund	4,256,293.17
Rehabilitation of existing POL Dump in 51 st Engineer Brigade - CY 2016 RMC Fund	2,556,772.02
Rehabilitation of existing POL Dump in 8 th Infantry Division - CY 2016 RMC Fund	4,730,455.00
Rehabilitation of existing POL Dump in 9 th Forward Service Support Unit - CY 2016 RMC Fund	5,772,236.15
Procurement of Fuel Tanker Truck, 20kl cap - CY 2015	6,081,600.00

Description/Projects	Amount
RMC Fund	
Procurement of 2 units Generator set 25KVA – CY 2016 RMC Fund	1,947,308.10
Procurement of 8 units L355 Copier – CY 2016 RMC Fund	116,300.00
Rehabilitation of existing POL Dump in 2 nd Infantry Division – CY 2016 RMC Fund	4,111,113.15
Procurement of 25 units 4,500 ltrs Transportable Diesel Fuel Tank – CY 2017 RMC Fund	38,625,000.00
Procurement of 10 units Aircon Window Type 1.5Hp – CY 2017 RMC Fund	275,000.00
Procurement of 2 units Aircon Split Type 2.5Hp – CY 2017 RMC Fund	130,000.00
Rehabilitation of existing POL Dump in 7 th Infantry Division – CY 2017 RMC Fund	1,413,640.00
Procurement of 4 units Generator set 20KVA – CY 2017 RMC Fund	3,894,616.32
Rehabilitation of existing POL Dump in 4 th Infantry Division – CY 2017 RMC Fund	4,420,000.00
Rehabilitation of existing POL Dump in 9 th Infantry Division – CY 2017 RMC Fund	1,299,222.40
Rehabilitation of existing POL Dump in 52 nd EBde – CY 2017 RMC Fund	2,608,160.00
Rehabilitation of existing POL Dump in 403 rd EBde, 4 th Infantry Division – CY 2017 RMC Fund	4,080,000.00
Procurement of 2 units Fuel Tanker Truck 20kl cap – CY 2017 RMC Fund	12,163,200.00
Procurement of 3 units 4,500 ltrs Transportable Diesel Fuel Tank – CY 2017 RMC Fund	4,515,892.47
Total	₱137,679,316.92

5.9.5 The unrecognized completed projects will be accounted for in the books of accounts as soon as pertinent supporting documents from Office of the Army Quarter Master are transmitted to Accounting Service (AS).

6. Inventories

Accounts	2020			
	Inventories carried at the lower of cost and net realizable value	Inventories carried at fair value less cost to sell	Inventory write-down recognized during the year	Reversal of Inventory write-down recognized during the year
Inventory Held for Sale				
Carrying Amount, January 1, 2020	₱ 0.00	₱ 0.00	₱ 0.00	₱ 0.00
Additions/Acquisitions during the year	50,500.00	0.00	0.00	0.00

Accounts	2020			
	Inventories carried at the lower of cost and net realizable value	Inventories carried at fair value less cost to sell	Inventory write-down recognized during the year	Reversal of Inventory write-down recognized during the year
Expensed during the year except write-down	0.00	0.00	0.00	0.00
Write-down during the year	0.00	0.00	0.00	0.00
Reversal of Write-down during the year	0.00	0.00	0.00	0.00
<i>Carrying Amount, December 31, 2020</i>	₱ 50,500.00	₱ 0.00	₱ 0.00	₱ 0.00
Inventory Held for Consumption				
Carrying Amount, January 1, 2020	₱ 9,853,913,554.96	₱ 0.00	₱ 0.00	₱ 0.00
Additions/Acquisitions during the year	6,860,052,908.39	0.00	0.00	0.00
Expensed during the year except write-down	(3,133,523,529.38)	0.00	0.00	0.00
Write-down during the year	0.00	0.00	0.00	0.00
Reversal of Write-down during the year	0.00	0.00	0.00	0.00
<i>Carrying Amount, December 31, 2020</i>	₱13,580,442,933.97	₱ 0.00	₱ 0.00	₱ 0.00
Semi-Expendable Items				
Carrying Amount, January 1, 2020	₱ 9,141,421.98	₱ 0.00	₱ 0.00	₱ 0.00
Additions/Acquisitions during the year	131,549,951.17	0.00	0.00	0.00
Expensed during the year except write-down	(126,405,810.78)	0.00	0.00	0.00
Write-down during the year	0.00	0.00	0.00	0.00
Reversal of Write-down during the year	0.00	0.00	0.00	0.00
<i>Carrying Amount, December 31, 2020</i>	₱ 14,285,562.37	₱ 0.00	₱ 0.00	₱ 0.00
Total Carrying Amount, December 31, 2020	₱13,594,778,996.34	₱ 0.00	₱ 0.00	₱ 0.00

Inventory breakdown as follows:

Particulars	Amount	Current	Non-Current
Inventory Held for Sale			
Merchandise Inventory-Supplies and Materials	₱ 50,500.00	₱ 50,500.00	0.00
Total	50,500.00	50,500.00	0.00
Inventory Held for Consumption			
Office Supplies Inventory	159,637,697.81	158,940,217.81	697,480.00
Accountable Forms, Plates and Stickers Inventory	4,200.00	4,200.00	0.00
Drugs and Medicine Inventory	16,119,598.26	16,119,598.26	0.00
Medical, Dental and Laboratory Supplies Inventory	45,954,478.35	45,954,478.35	0.00
Fuel, Oil and Lubricants Inventory	1,470,308,614.05	1,466,895,097.30	3,413,516.75

Particulars	Amount	Current	Non-Current
Military, Police and Traffic Supplies Inventory	9,987,791,644.79	9,987,791,644.79	0.00
Chemical and Filtering Supplies Inventory	67,512.00	67,512.00	0.00
Construction Materials Inventory	28,258,444.58	28,258,444.58	0.00
Other Supplies and Materials Inventory	1,872,300,744.13	1,872,300,744.13	0.00
Total	13,580,442,933.97	13,576,331,937.22	4,110,996.75
Semi-Expendable Items			
Semi-Expendable Machinery	384,760.00	384,760.00	0.00
Semi-Expendable Office Equipment	1,369,060.00	1,369,060.00	0.00
Semi-Expendable ICT Equipment	1,928,174.18	1,928,174.18	0.00
Semi-Expendable Communication Equipment	5,489,449.00	5,489,449.00	0.00
Semi-Expendable Disaster Response and Rescue Equipment	1,375,475.00	1,375,475.00	0.00
Semi-Expendable Military and Police Equipment	85,000.00	85,000.00	0.00
Semi-Expendable Medical Equipment	81,075.00	81,075.00	0.00
Semi-Expendable Sports Equipment	197,011.44	197,011.44	0.00
Semi-Expendable Other Machinery Equipment	1,013,682.75	1,013,682.75	0.00
Semi-Expendable Furniture and Fixtures	2,357,125.00	2,232,025.00	125,100.00
Semi-Expendable Books	4,750.00	4,750.00	0.00
Total	₱ 14,285,562.37	₱ 14,160,462.37	₱ 125,100.00

- 6.1** *Office Supplies Inventory* represents cost of office supplies purchased. The non-current office supplies inventory for 2020 pertains to inventories unliquidated under BCDA fund.
- 6.2** *Drugs and Medicines Inventory* represents cost of drugs and medicines purchased requiring submission of RISs and RSMI from APAO for its liquidation.
- 6.3** *Medical, Dental and Laboratory Supplies Inventory* includes supplies for the use of Army General Hospital requiring submission of RISs and RSMI from APAO for its liquidation.
- 6.4** *Fuel, Oil and Lubricants (FOL) Inventory* pertains to deliveries made by Petron Corporation to the different PA units for use in their operation; awaiting liquidating instruments from APAO for issued inventories. The non-current FOL inventory for 2020 pertains to inventories unliquidated under BCDA fund.
- 6.5** *Military, Police and Traffic Supplies Inventory* represents cost of ammunitions, explosives, magazines, and other firearms accessories; awaiting liquidating instruments from APAO for the issued inventories.
- 6.6** *Construction Materials Inventory* pertains to cost of construction materials purchased for the repairs and maintenance of various buildings and structures.
- 6.7** *Other Supplies and Materials Inventory* pertains to the balance of procured clothing and individual equipment, 72-100RF inventories, spare parts, and other materials for the use of military personnel and repairs and maintenance of Army

facilities and equipment. This also includes dormant and unserviceable items and still on the process of reconciliation.

6.8 *Semi-Expendable Accounts* pertains to cost/fair value of the purchased/acquired machinery and equipment costing less than ₱15,000. The non-current semi-expendable furniture and fixtures pertains to 2019 unliquidated semi-expendable item recorded under BCDA fund.

6.9 The liquidation/issuance of the above-mentioned inventory accounts was solely dependent on the existence of liquidating instruments such as RIS and RSMI from the Property Accountability Office (PAO).

7. Property, Plant and Equipment

	Land	Land Improvements	Infrastructure Assets	Buildings and Other Structures	Machinery and Equipment
Carrying Amount, January 1, 2020	74,490,112,512.83	278,083,771.51	34,931,647.82	4,310,303,362.25	5,585,910,046.42
Additions/Acquisitions/Adjustments	137,130.00	5,966,580.43	1,183,903.89	298,857,550.37	2,638,350,049.15
Total	74,490,249,642.83	284,050,351.94	36,115,551.71	4,609,160,912.62	8,224,260,095.57
Less: Disposals/Adjustments	0.00	1,810,552.11	4,913,388.03	68,313,590.66	568,458,948.62
Depreciation (As per Statement of Financial Performance)	0.00	36,956,898.55	3,918,836.86	284,012,851.97	793,508,159.92
Impairment Loss (As per Statement of Financial Performance)	0.00	0.00	0.00	0.00	0.00
Carrying Amount, December 31, 2020 (per Statement of Financial Position)	74,490,249,642.83	245,282,901.28	27,283,326.82	4,256,834,469.99	6,862,292,987.03
Gross Cost (Asset Account Balance per Statement of Financial Position)	74,490,249,642.83	791,555,231.98	67,391,329.02	10,260,027,098.31	18,402,116,845.30
Less : Accumulated Depreciation	0.00	546,272,330.70	40,108,002.20	6,003,192,628.32	11,539,823,858.27
Allowance for Impairment	0.00	0.00	0.00	0.00	0.00
Carrying Amount, December 31, 2020 (per Statement of Financial Position)	74,490,249,642.83	245,282,901.28	27,283,326.82	4,256,834,469.99	6,862,292,987.03
	Transportation Equipment	Furniture & Fixtures	Other PPE	Construction in Progress	TOTAL
Carrying Amount, January 1, 2020	1,477,720,157.55	12,075,417.04	94,195,774.13	1,753,841,170.69	88,037,173,860.24
Additions/Acquisitions/Adjustments	924,377,424.28	988,106.18	52,107,716.40	69,389,599.24	3,991,358,059.94
Total	2,402,097,581.83	13,063,523.22	146,303,490.53	1,823,230,769.93	92,028,531,920.18
Disposals/Adjustments	144,192,662.76	362,655.84	1,750,047.57	70,074,265.76	859,876,111.35
Depreciation (As per Statement of Financial Performance)	341,431,777.48	791,307.37	21,221,457.88	0.00	1,481,833,252.38
Impairment Loss (As per Statement of Financial Performance)	0.00	0.00	5,754,800.54	0.00	5,754,800.54

	Transportation Equipment	Furniture & Fixtures	Other PPE	Construction in Progress	TOTAL
Carrying Amount, December 31, 2020 (As per Statement of Financial Position)	1,916,473,141.59	11,909,560.01	117,577,184.54	1,753,156,504.17	89,681,059,718.26
Gross Cost (Asset Account Balance per Statement of Financial Position)	5,546,325,439.51	23,185,282.14	232,937,195.45	1,753,156,504.17	111,566,944,568.71
Less : Accumulated Depreciation	3,629,852,297.92	11,275,722.13	115,360,010.91	0.00	21,885,884,850.45
Allowance for Impairment	0.00	0.00	0.00	0.00	
Carrying Amount, December 31, 2020 (As per Statement of Financial Position)	1,916,473,141.59	11,909,560.01	117,577,184.54	1,753,156,504.17	89,681,059,718.26

7.1 The additions/acquisitions/adjustments on the different property accounts were due to recording of unrecognized PPE found in station, newly acquired property and erroneous recording of accumulated depreciation from previous year. The disposals/adjustments consist mostly of transfers and tuned-in property to other division/field units.

7.2 *Intangible Asset* pertains to procurement of anti-virus and Zimbra email server delivered last June 2020 for use of Net Center, Army Signal Regiment under Contract Nr SIG 002-11-19.

8. Other Assets

Particulars	2020		2019 As Restated	
	Current	Non-Current	Current	Non-Current
Advances for Operating Expenses	₪ 1,937,891.60	₪ -	₪ 1,881,500.03	₪ 1,806,604.75
Advances for Payroll	26,607,351.79	-	62,009,293.53	-
Advances to Special Disbursing Officer	114,476,304.85	-	459,411.73	-
Advances to Officers and Employees	1,144,265.19	-	75,969.16	-
Advances to Contractors	7,615,591.27	46,856,684.77	34,899,347.18	55,548,008.22
Other Prepayments	104,132.51	-	104,132.51	-
Deposits on Letters of Credit	5,245,050,148.09	-	4,964,580,173.32	-
Other Deposits	850,547,722.93	-	584,346,440.50	-

Particulars	2020		2019 As Restated	
	Current	Non-Current	Current	Non-Current
Other Assets	-	75,161,480.89	-	133,714,696.08
Sub-total	₱6,247,483,408.23	₱122,018,165.66	₱5,648,356,267.96	₱191,069,309.05
Total	₱ 6,369,501,573.89		₱ 5,839,425,577.01	

8.1 Advances for Operating Expenses represents the unliquidated cash advances granted to disbursing officers for MOOE of their respective units. Dormant accounts for more than two years were reclassified to Other Receivables. Aging as follows:

PA Unit	Unliquidated Cash Advance	Current (Less than 1 year)	Non-Current
4th ID	₱ 1,120,710.74	₱ 1,120,710.74	₱ -
7th ID/FSRR/ AAR/SFRA/LRR /AR/1BCT	384,800.00	384,800.00	-
8th ID	40,000.00	40,000.00	-
10th ID	97,570.62	97,570.62	-
11th ID	58,838.00	58,838.00	-
52nd EBde	181,412.43	181,412.43	-
53rd EBde	54,559.81	54,559.81	-
Total	₱ 1,937,891.60	₱ 1,937,891.60	₱ -

8.2 Advances for Payroll represents unliquidated cash advances granted to disbursing officers of different field units for payment of subsistence allowance and other benefits of military personnel and employees. Details are as follows:

PA Unit	Unliquidated Cash Advance	Current (Less than 1 year)	Non-Current (Over 1 year)
1st ID	₱ 36,600.00	₱ 36,600.00	₱ -
2nd ID	1,700,000.00	1,700,000.00	-
3rd ID	80,000.00	80,000.00	-
4th ID	421,970.64	421,970.64	-
7th ID/FSRR/ AAR/SFRA/ LRR/AR/1BCT	41,850.00	41,850.00	-
8th ID	14,295,600.00	14,295,600.00	-
10th ID	176,700.00	176,700.00	-
MID	9,854,631.15	9,854,631.15	-
Total	₱26,607,351.79	₱ 26,607,351.79	₱ -

8.3 *Advances to Special Disbursing Officers* consists of the unliquidated cash advances granted to disbursing officers for special purpose/time-bound undertakings such as training and other special activities.

PA Unit	Unliquidated Cash Advance	Current (Less than 1 year)	Non-Current (Over 1 year)
4th ID	₱ 5,065,463.96	₱ 5,065,463.96	₱ -
5th ID	371,400.00	371,400.00	-
7th ID/FSRR/ AAR/SFRA/ LRR/AR/1BCT	100,000.00	100,000.00	-
10th ID	291,000.00	291,000.00	-
MID	1,831,885.50	1,831,885.50	-
TRADOC	5,061,864.00	5,061,864.00	-
52nd Ebde	1,173,241.39	1,173,241.39	-
HPA and Post Units	100,581,450.00	100,581,450.00	-
Total	₱114,476,304.85	₱114,476,304.85	₱ -

8.4 *Advances to Officers and Employees* pertains to unliquidated cash advances granted to military personnel and civilian employees for their travelling expenses, both local and foreign.

PA Unit	Unliquidated Cash Advance	Current (Less than 1 year)	Non-Current (Over 1 year)
52nd Ebde	₱ 11,600.00	₱ 11,600.00	₱ -
HPA and Post Units	1,132,665.19	1,132,665.19	-
Total	₱ 1,144,265.19	₱ 1,144,265.19	₱ -

8.5 *Advances to Contractors* represents 15 percent advance payment to contractors for the mobilization of projects.

8.6 *Other Prepayments* represents the remaining balance of advance payment to Petron Corporation for the procurement of FOL products.

8.7 *Deposit on Letters of Credit* represents deposits for the opening of letters of credit in favor of the LBP and UCPB for various procurements that remain unliquidated as at year end.

8.8 *Other Deposits* represents amount transferred to DBP for the expenses incurred to facilitate Letter Offer and Acceptance for the packing, crafting, handling and transporting of EDA Grant for the PA under various Foreign Military Sales (FMS) Case. The balance increased due to newly transferred funds from RAF to

DBP for the procurement of various C4S Mission Essential Equipment under FMS.

PA Unit	2020	2019 As Restated
HPA and Post Units	850,547,722.93	584,346,440.50
Total	₱ 850,547,722.93	₱ 584,346,440.50

8.9 Other Assets represents the residual value of fully depreciated assets and the cost of unserviceable turned-in assets subject to disposal. This account was reduced by ₱56,363,655.53 during the year due to dropping of unserviceable PPE evidenced by Inspection and Inventory Report of Unserviceable Property (IIRUP) issued by the respective PAMU Disposal Team.

PA Unit	2020	2019 As Restated
3rd ID	₱ 10,542,410.73	₱ 10,542,410.73
6th ID	14,815,163.32	14,815,163.32
7th ID/FSRR/AAR/SFRA/ LRR/AR/1BCT	30,017,738.33	30,017,738.33
8th ID	2,355,174.07	2,355,174.07
9th ID	7,603,911.00	47,221,695.58
10th ID	8,672,624.30	21,826,721.15
53rd Ebde	1,154,459.14	1,154,459.14
54th Ebde	-	5,781,333.76
Total	₱ 75,161,480.89	₱ 133,714,696.08

9. Financial Liabilities

Particulars	2020		2019 As Restated	
	Current	Non-Current	Current	Non-Current
Accounts Payable	₱ 550,187,247.93	₱ 24,461,808.94	808,213,532.52	₱ -
Due to Officers and Employees	1,641,007,020.77	-	2,519,506,378.88	-
Total	₱ 2,191,194,268.70	₱ 24,461,808.94	₱ 3,327,719,911.40	₱ -

9.1 Accounts Payable consists of obligations due to external creditors for the procurement of various supplies and other requirements needed in the operations of the Command.

PA Unit	2020	Current (1 year and below)	Non-Current (Over 1 year)
1st ID	₱ 2,129,047.67	₱ 2,129,047.67	₱ -
2nd ID	25,088,664.07	24,758,224.07	330,440.00
3rd ID	1,822,874.58	1,822,874.58	-
4th ID	6,924,888.68	6,924,888.68	-
5th ID	4,272,649.63	4,272,649.63	-
6th ID	10,657,243.02	10,657,243.02	-
7th ID/FSRR/AAR /SFRA/ LRR/AR/ 1BCT	64,618,842.77	64,618,842.77	-
8th ID	324,661.31	324,661.31	-
9th ID	9,491,569.02	9,491,569.02	-
10th ID	7,238,263.11	7,238,263.11	-
11th ID	2,050,056.73	2,050,056.73	-
MID	27,328,513.83	27,328,513.83	-
TRADOC	5,506,525.60	5,506,525.60	-
51st Ebde	8,856,332.22	8,856,332.22	-
52nd Ebde	2,944,140.59	2,944,140.59	-
53rd Ebde	1,831,323.90	1,831,323.90	-
54th Ebde	10,480,836.31	10,480,836.31	-
55th Ebde	4,037,528.77	4,037,528.77	-
CMOR	2,684,908.74	2,684,908.74	-
HPA and Post Units	376,360,186.32	352,228,817.38	24,131,368.94
Total	₱ 574,649,056.87	₱ 550,187,247.93	₱24,461,808.94

9.2 *Due to Officers and Employees* consists of obligations for the personnel services and other claims of military and civilian personnel.

PA Unit	2020	Current (1 year and below)	Non-Current (Over 1 year)
1st ID	₱ 10,500,605.29	₱ 10,500,605.29	₱ -
2nd ID	42,015,037.41	42,015,037.41	-
3rd ID	5,899,696.77	5,899,696.77	-
4th ID	27,776,611.55	27,776,611.55	-
5th ID	26,510,540.65	26,510,540.65	-
6th ID	44,614,169.37	44,614,169.37	-
7th ID/FSRR/AAR /SFRA/LRR/AR/1BCT	94,343,044.53	94,343,044.53	-
8th ID	2,280,586.71	2,280,586.71	-
9th ID	6,960,326.82	6,960,326.82	-
10th ID	17,026,952.92	17,026,952.92	-
11th ID	465,253.35	465,253.35	-
MID	67,316,070.69	67,316,070.69	-
TRADOC	4,698,964.94	4,698,964.94	-
51st Ebde	45,851,088.61	45,851,088.61	-
52nd Ebde	280,259.02	280,259.02	-

PA Unit	2020	Current (1 year and below)	Non-Current (Over 1 year)
53rd Ebde	7,390,798.25	7,390,798.25	-
54th Ebde	20,568,298.28	20,568,298.28	-
55th Ebde	109,600.00	109,600.00	-
CMOR	81,881.30	81,881.30	-
HPA and Post Units	1,216,317,234.31	1,216,317,234.31	-
Total	₱1,641,007,020.77	₱ 1,641,007,020.77	₱ -

10. Inter-Agency Payables

Particulars	2020		2019 As Restated	
	Current	Non-Current	Current	Non-Current
Due to BIR	₱ 474,483,778.51	₱ 2,623,733.70	₱ 83,270,768.31	₱ 2,623,733.70
Due to GSIS	5,082,582.56	1,081.62	22,540,523.82	1,081.62
Due to Pag-IBIG	629,524.26	-	23,830,409.94	0
Due to Philhealth	51,960,933.78	8,038.73	1,300,693.74	8,038.73
Due to NGAs	1,421,505,618.76		1,323,161,288.62	0
Due to GOCCs	83,911.21		83,911.21	0
Due to LGUs	5,049,163.00		24,064.67	0
Total	₱1,958,795,512.08	₱2,632,854.05	₱1,454,211,660.31	₱2,632,854.05

10.1 *Due to BIR* represents the balance of taxes withheld from compensation of PA personnel and payment to suppliers to be remitted either thru TRA (for Regular and BCDA Fund) or LBP Check (for other Fund Clusters) in January 2021.

PA Unit	2020	2019 As Restated
1st ID	₱ 1,844,099.73	₱ 2,935,863.45
2nd ID	2,442,249.89	1,258,047.64
3rd ID	429,859.24	726,032.53
4th ID	1,960,199.35	1,587,764.26
5th ID	1,358,641.90	1,105,254.33
6th ID	759,117.06	665,835.85
7th ID/FSRR/AAR/SFRA/LRR/AR/1B CT	3,044,108.19	4,143,080.09
8th ID	1,242,314.17	1,799,042.36
9th ID	1,699,829.53	1,013,418.18
10th ID	-	-

PA Unit	2020	2019 As Restated
11th ID	2,249,063.66	864,583.07
MID/TRADOC	8,498,056.36	7,601,451.93
51st Ebde	507,496.05	63,999.03
52nd Ebde	275,504.58	589,514.59
53rd Ebde		181,244.11
54th Ebde	1,042,071.61	609,497.71
55th Ebde	541,905.77	715,626.44
CMOR	157,005.99	-
HPA and Post Units	449,055,989.13	60,034,246.44
Total	₱ 477,107,512.21	₱ 85,894,502.01

10.2 *Due to GSIS* consists of employees' premium payments and other payables withheld for remittance to GSIS. The amount of ₱16,078,536.37 was remitted in January 2021.

10.3 *Due to Pag-IBIG* represents the employee's premium and other payables withheld for remittance to Pag-IBIG. The amount of ₱23,755,659.07 was remitted in January 2021.

10.4 *Due to PhilHealth* consists of employees' premium and other payables withheld for remittance to PhilHealth. The amount of ₱831,907.51 was remitted in January 2021.

10.5 *Due to NGAs* pertains to the unliquidated balance of inter-agency transferred funds for on-going projects from NGAs being implemented by the military units as indicated below.

PA Unit	2020	2019 As Restated
1 st ID	₱ -	₱ 500,000.00
2 nd ID		500,000.00
3 rd ID	7,197,413.00	16,778,363.00
5 th ID	916,634.55	-
6 th ID	1,437,835.50	7,180,450.00
7 th ID/AAR	1,971,211.70	1,971,211.70
9 th ID	500,000.00	1,000,000.00
MID	466,956.41	921,956.41
TRADOC	2,528.00	883,628.00
51 st EBde	219,416.12	1,474,306.90
53 rd EBde	210,311.68	210,311.68
54 th EBde	194,438,789.33	35,853,789.33
HPA	1,214,144,522.47	1,255,887,271.60
Total	₱ 1,421,505,618.76	₱ 1,323,161,288.62

10.6 *Due to GOCCs* pertains to the balance of funds received from PAGCOR in CY 2019 intended to support the foreign travel of AFO officers and

personnel for the Observation Tour and Safety in Hongkong and the amount withheld from the salary of Military/civilian personnel for loans payable to financial institutions not remitted at year end.

PA Unit	2020	2019 As Restated
3 rd ID	₱ 9,911.21	₱ 9,911.21
HPA and Post Units	74,000.00	74,000.00
Total	₱ 83,911.21	₱ 83,911.21

10.7 *Due to LGUs* consists of balance of funds received from LGUs for the implementation of specific programs or projects.

11. Intra-Agency Payables

Accounts	2020	2019 As Restated
Due to Central Office	₱ 578,961,644.69	₱ 632,550,618.92
Due to Other Funds	4,123,000.00	-
Due to Bureaus	1,200,000.00	1,200,000.00
Total	₱ 584,284,644.69	₱ 633,750,618.92

11.1 *Due to Central Office* pertains to the balance of transferred fund to operating units from HPA for the implementation of various projects.

11.2 *Due to Bureaus* represents the receipt of fund from PA Provident Fund for the acquisition of motor vehicle.

12. Trust Liabilities

Accounts	2020	2019 As Restated
Trust Liabilities	₱ 343,347,393.01	₱ 266,279,969.68
Guaranty/Security Deposits Payable	513,318,897.82	205,936,856.04
Total	₱ 856,666,290.83	₱ 472,216,825.72

12.1 Trust Liabilities pertains to receipt of amount held in trust for specific purpose. This includes collections from light and water, Married Officers Quarters, proceeds from the sale of bid documents, receipt of performance bond, and insurance claimed from AFGIC.

PA Unit	2020	2019 As Restated
1st ID	₱ -	₱ 6,489.04
3rd ID	1,509,200.00	1,509,200.00
4th ID	26,054,679.52	26,113,039.17
5th ID	5,077,941.99	1,977,941.99
6th ID	-	500,000.00
7th ID/FSRR/AAR/SFRA/LRR/AR/1BCT	14,364,327.54	9,335,481.40

PA Unit	2020	2019 As Restated
8th ID	15,000.00	-
9th ID	3,747,364.20	3,163,622.48
10th ID	120,000.00	250.00
11th ID	21,500.00	-
52nd Ebde	-	6,050.00
53rd Ebde	3,419,214.44	3,619,649.41
54th Ebde	210,000.00	10,000.00
HPA and Post Units	288,808,165.32	220,038,246.19
Total	₱ 343,347,393.01	₱ 266,279,969.68

12.2 *Guaranty/Security Deposits Payable* pertains to collections of winning bidder's bond, performance bond and 10 percent retention money payable to suppliers.

PA Unit	2020	2019 As Restated
2nd ID	₱ -	₱ 79,874.34
3rd ID	-	20,300.00
10th ID	5,432,799.62	1,904,651.59
MID/TRADOC	2,129,810.24	9,628,450.32
51st Ebde	55,393,700.48	57,624,587.08
53rd Ebde	209,712.75	1,058,680.22
HPA and Post Units	450,152,874.73	135,620,312.49
Total	₱ 513,318,897.82	₱ 205,936,856.04

13. Deferred Credits/Unearned Income

Accounts	2020	2019 As Restated
Other Deferred Credits	₱ 38,465,750.72	₱ 24,053,265.92
Total	₱ 38,465,750.72	₱ 24,053,265.92

13.1 *Other Deferred Credits* consists of collection of overpayments of pay and allowances and B-4 accounts from military personnel. The B-4 accounts are deductions from the salaries of military personnel until such time that those overpayments have been fully recovered by the Agency.

14. Other Payables consists of deduction from the salaries of active employees pending remittances to various financial institutions, stale and cancelled checks from RCA/SFA and commutation account. It also includes collection from PA trust receipts such as rental fee from concessionaires, reimbursement from PhilHealth including professional fees, and unpaid Class "E" Allotment.

15. Service and Business Income

Particulars	2020	2019 As Restated
Service Income		
Fines and Penalties - Service Income	₱ -	₱ 94,163.62
Other Service Income	76,718,494.56	86,735,628.29
Business Income		
Rent/Lease Income	6,920,782.88	10,640,111.97
Hospital Fees	5,306,225.75	6,274,831.00
Interest Income	942,668.34	1,696,231.31
Total Service and Business Income	₱89,888,171.53	₱ 105,440,966.19

- 15.1** For previous years, Fines and Penalties – Service Income account arises from liquidated damages from suppliers and/or contractors on the delays of deliveries and/or completion of projects. However, for CY 2020, Miscellaneous Income was used instead to comply with the set example provided under GAM.
- 15.2** Other Service Income comprises of income derived from service fees from financial institutions, issuance of PA military/dependent identification cards and services rendered by dental dispensaries.
- 15.3** Rent/Lease Income pertains to collection of rentals from transient facilities and business establishments within the camp premises.
- 15.4** Hospital Fees consists of collection of fees for services rendered by Army General Hospital to outpatients and collection from Philhealth.

16. Shares, Grants and Donations

Accounts	2020	2019 As Restated
Donations in Cash	₱ 1,603,469.00	₱ 1,106,850.00
Donations in Kind	5,504,360.00	2,865,549.00
Total	₱ 7,107,829.00	₱ 3,972,399.00

16.1 The Donations in Cash account for year 2020 consists of: (a) Cash Donation to 5th Infantry Division amounting to ₱ 1,593,469.00, (b) Cash Donation to CMOR amounting to ₱ 10,000.00.

16.2 Donations in Kind account for year 2020 consists of: (a) Donation to 5th Infantry Division amounting to ₱ 5,480,200.00, (b) Donation to 51st EBde amounting to ₱ 24,160.00.

17. Personnel Services

Accounts	2020	2019 As Restated
Salaries and Wages	₱ 39,803,770,266.59	₱ 38,574,808,509.69
Other Compensation	33,042,317,383.82	31,929,625,092.05
Personnel Benefit Contributions	964,359,733.32	810,837,811.99
Other Personnel Benefits	4,913,140,528.67	5,829,746,515.00
Total	₱ 78,723,587,912.40	₱ 77,145,017,928.73

17.1 *Salaries and Wages*

Accounts	2020	2019 As Restated
Basic Salary-Civilian	₱ 356,337,878.51	₱ 327,689,240.43
Base Pay – Military/Uniformed Personnel	39,447,432,388.08	38,247,119,269.26
Total Salaries and Wages	₱ 39,803,770,266.59	₱ 38,574,808,509.69

17.1.1 The increase is attributed by the continuous sustainment of activated units which started in FY 2019. It will essentially increase the salaries and wages and mandatory claims (i.e Subsistence Allowance, PERA). Moreover, the activation of units and deployment of personnel in priority areas (or areas of conflict) significantly increase the collateral entitlement by large; particularly Hazard Pay and Hazardous Duty Pay.

17.2 *Other Compensation*

Accounts	2020	2019 As Restated
Personal Economic Relief Allowance (PERA)	₱ 2,406,039,407.63	₱ 2,313,848,711.44
Representation Allowance (RA)	206,612.91	197,666.67
Transportation Allowance (TA)	206,612.90	197,666.66
Clothing/Uniform Allowance	313,120,428.97	426,077,338.64
Subsistence Allowance	9,161,281,838.78	8,879,881,550.20
Laundry Allowance	38,791,479.42	38,424,639.37
Quarters Allowance	520,604,855.41	503,681,873.72
Honoraria	2,025,744.00	732,796.78
Hazard Pay	2,031,702,568.27	1,363,727,568.11
Longevity Pay	7,313,295,652.88	7,289,960,417.76
Overtime Pay and Night Pay	707,733.00	1,897,157.40
Year End Bonus	6,519,673,566.18	6,364,225,557.17
Cash Gift	507,183,396.20	498,571,500.00
Other Bonuses and Allowances	4,227,477,487.27	4,248,200,648.13
Total Other Compensation	₱ 33,042,317,383.82	₱ 31,929,625,092.05

17.3 Personnel Benefit Contributions

Accounts	2020	2019 As Restated
Retirement and Life Insurance Premiums	₱ 9,721,532.49	₱ 39,120,865.71
Pag-IBIG Contributions	118,333,771.50	115,651,157.10
PhilHealth Contributions	591,311,455.33	507,930,357.44
Employees Compensation Insurance Prems.	102,451,100.00	118,301,519.74
Provident/Welfare Fund Contributions	142,541,874.00	29,833,912.00
Total Personnel Benefit Contributions	₱ 964,359,733.32	₱ 810,837,811.99

17.4 Other Personnel Benefits

Accounts	2020	2019 As Restated
Retirement Gratuity	₱ 7,905,102.65	₱ 58,289,096.29
Terminal Leave Benefits	3,671,404,602.33	4,609,665,137.45
Other Personnel Benefits	1,233,830,823.69	1,161,792,281.26
Total Other Personnel Benefits	₱ 4,913,140,528.67	₱ 5,829,746,515.00

18. Maintenance and Other Operating Expenses

Accounts	2020	2019 As Restated
Traveling Expenses	₱ 88,655,775.99	₱ 269,528,982.41
Training and Scholarship Expenses	385,874,851.85	423,319,232.01
Supplies and Materials Expenses	3,259,929,340.16	3,161,841,100.76
Utility Expenses	593,501,936.92	588,278,550.85
Communication Expenses	141,721,456.05	123,909,034.86
Awards/Rewards and Prizes	2,154,017.00	1,842,542.67
Survey, Research, Exploration and Development Expenses	200,000.00	2,333,000.00
Confidential, Intelligence and Extraordinary Expenses	344,008,000.00	444,000,000.00
Professional Services	24,502,473.69	26,507,079.24
General Services	8,190,759.72	8,633,435.69
Repairs and Maintenance	1,246,895,421.59	1,337,547,011.80
Taxes, Insurance Premiums and Other Fees	723,626,285.33	708,262,686.69
Labor and Wages	83,489,347.25	64,379,105.20
Other Maintenance and Operating Expenses	538,722,878.63	507,085,043.53
Total Maintenance and Other Operating Expenses	₱ 7,441,472,544.18	₱ 7,667,466,805.71

18.1 *Traveling Expenses*

Accounts	2020	2019 As Restated
Traveling Expenses – Local	₱ 86,768,821.25	₱ 215,234,553.19
Traveling Expenses - Foreign	1,886,954.74	54,294,429.22
Total Traveling Expenses	₱ 88,655,775.99	₱ 269,528,982.41

18.1.1 The decrease in Traveling Expenses was the result of travel restrictions at the height of the global pandemic. The implementation of community quarantine effected a PA-wide discontinuance of major activities related to travel.

18.2 *Training and Scholarship Expenses*

Accounts	2020	2019 As Restated
Training Expenses	₱ 384,956,009.16	₱ 422,046,698.27
Scholarship Grants/Expenses	918,842.69	1,272,53a3.74
Total Training and Scholarship Exp.	₱ 385,874,851.85	₱ 423,319,232.01

18.2.1 The issuance of DBM NBC Nr 580 dated 22 April 2020, provided a directive to discontinue at least 10 percent of training, seminar and workshop costs. The said provision essentially decreased the number of trainings conducted in FY 2020.

18.3 *Supplies and Materials Expenses*

Accounts	2020	2019 As Restated
Office Supplies Expenses	₱ 160,012,877.30	₱ 130,652,913.22
Accountable Forms Expenses	413,624.00	388,440.00
Non-Accountable Forms Expenses	2,248,909.50	3,002,710.00
Animal/Zoological Supplies Expenses	5,500,000.00	5,296,208.00
Food Supplies Expenses	6,000.00	295,210.00
Welfare Goods Expenses	231,089,938.45	250,162,823.77
Drugs and Medicines Expenses	52,506,603.94	53,319,599.67
Medical, Dental and Laboratory Supplies Expenses	126,047,179.30	79,990,723.08
Fuel, Oil and Lubricants Expenses	652,472,149.13	1,010,316,139.86
Agricultural and Marine Supplies Expenses		
Military, Police and Traffic Supplies Expenses	59,164,634.12	137,917,338.27
Chemical and Filtering Supplies Expenses	1,367,699.00	2,541,842.50

Accounts	2020	2019 As Restated
Semi-Expendable Machinery and Equipment Expenses	122,829,314.78	35,076,596.29
Semi-Expendable Furniture, Fixtures and Books Expenses	3,576,496.00	4,819,075.41
Other Supplies and Materials Expenses	1,842,693,914.64	1,448,061,480.69
Total Supplies and Materials Expenses	₱ 3,259,929,340.16	₱ 3,161,841,100.76

18.3.1 The Supplies and Material Expenses for CY 2020 pertain to inventory consumptions for the current year only. PY's consumptions recorded under the Accumulated Surplus account were restated to conform with the CY 2020 FS presentation. The unprecedented pandemic shifted the Army's focus in providing immediate supplies in response to the pandemic, prioritizing the necessary requirements of front-liners thereby, increasing medical and laboratory expenses, and other supplies and materials expenses, as well as office supplies expenses for the day-to-day operations of PA Offices.

18.4 *Utility Expenses*

Accounts	2020	2019 As Restated
Water Expenses	₱ 134,073,595.93	₱ 134,791,480.41
Electricity Expenses	459,428,340.99	453,487,070.44
Total Utility Expenses	₱ 593,501,936.92	₱ 588,278,550.85

18.4.1. The increase in the Electricity Expenses was brought about by the activation of several offices.

18.5 *Communication Expenses*

Accounts	2020	2019 As Restated
Postage and Courier Services	₱ 794,964.88	₱ 1,484,211.59
Telephone Expenses	89,743,713.12	71,288,377.96
Internet Subscription Expenses	27,298,041.75	27,431,174.74
Cable, Satellite, Telegraph and Radio Exp.	23,884,736.30	23,705,270.57
Total Communication Expenses	₱ 141,721,456.05	₱ 123,909,034.86

18.5.1 As the Command adapts to the new normal, a significant increase in Communication Expenses were reported. The increase was primarily due to the increased demand and usage rate in internet connection as a means of communication with other units. It can be gleaned that the operations of PA necessitate strong communication adding the challenge of connecting with geographically separated units. The

pandemic also necessitates a new modality of communication to address the barrier and stoppage of operational and administrative programs.

18.6 *Awards/Rewards and Prizes*

Accounts	2020	2019 As Restated
Awards/Rewards Expenses	₱ 1,288,967.00	₱ 1,267,274.00
Prizes	865,050.00	575,268.67
Total Awards/Rewards and Prizes	₱ 2,154,017.00	₱ 1,842,542.67

18.7 *Survey, Research, Exploration and Development Expenses*

Accounts	2020	2019 As Restated
Survey Expenses	₱ 200,000.00	₱ 2,333,000.00

18.8 *Confidential, Intelligence and Extraordinary Expenses*

Accounts	2020	2019 As Restated
Intelligence Expenses	₱ 344,008,000.00	₱ 444,000,000.00

18.9 *Professional Expenses*

Accounts	2020	2019 As Restated
Legal Services	₱ 1,602,747.35	₱ 1,527,045.89
Auditing Services	5,201,363.00	2,708,479.70
Consultancy Services	1,551,800.00	516,120.00
Other Professional Services	16,146,563.34	21,755,433.65
Total Professional Services	₱ 24,502,473.69	₱ 26,507,079.24

18.9.1 Other Professional Services account consists of retainer fees of professionals, such as medical and dental doctors.

18.10 *General Services*

Accounts	2020	2019 As Restated
Environment/Sanitary Services	₱ -	₱ 35,245.00
Janitorial Services	6,767,883.72	7,437,190.71
Security Services	0.00	0.00
Other General Services	1,422,876.00	1,160,999.98
Total General Services	₱ 8,190,759.72	₱ 8,633,435.69

18.11 *Repair and Maintenance*

Accounts	2020	2019 As Restated
Repairs and Maintenance-Land Improvements	₱ 8,655,583.02	₱ 5,098,160.15
Repairs and Maintenance-Infrastructure Assets	3,089,953.00	19,576,290.00
Repairs and Maintenance-Buildings and Other Structures	529,793,109.81	661,733,809.07
Repairs and Maintenance-Machinery and Equipment	342,009,915.83	345,397,525.79
Repairs and Maintenance-Transportation Equipment	350,031,962.66	296,581,075.34
Repairs and Maintenance-Furniture and Fixtures	1,364,481.42	3,201,352.56
Repairs and Maintenance- Semi-Expendable Machinery and Equipment	11,133,158.85	5,695,272.00
Repairs and Maintenance- Semi-Expendable Furniture and Fixtures	146,787.00	258,526.89
Repairs and Maintenance-Other Property, Plant and Equipment	670,470.00	5,000.00
Total Repairs and Maintenance Exps.	₱ 1,246,895,421.59	₱ 1,337,547,011.80

18.11.1 The PA was one of the front-liners extensively used in the pandemic. The vehicle requirement required by different agencies to transport aides, essential goods, and services were provided by the Command. The increase in the repairs and materials requirements of machinery, transportation, semi-expendable machinery and equipment, and other PPE translates the increase of activities supported by the agency to provide assistance to localities affected by the pandemic.

18.12 *Taxes, Insurance Premiums and Other Fees*

Accounts	2020	2019 As Restated
Taxes, Duties and Licenses	₱ 685,669,669.40	₱ 665,725,088.54
Fidelity Bond Premiums	9,796,639.29	8,150,520.00
Insurance Expenses	28,159,976.64	34,387,078.15
Total Taxes, Insurance Premiums and Other Fees	₱ 723,626,285.33	₱ 708,262,686.69

18.12.1 Taxes, Duties and Licenses account pertains to the required duties and taxes arising from the importation of various ordnance items consigned to PA for the procurement of ammunition, materiel and other assets.

18.13 *Labor and Wages*

Accounts	2020	2019 As Restated
Labor and Wages	₱ 83,489,347.25	₱ 64,379,105.20

18.14 *Other Maintenance and Operating Expenses*

Accounts	2020	2019 As Restated
Advertising Expenses	₱ -	₱ 6,000.00
Printing and Publication Expenses	18,198,340.79	13,684,686.65
Representation Expenses	491,300,053.71	442,495,477.66
Transportation and Delivery Expenses	15,570,508.58	33,112,573.12
Rent/Lease Expenses	7,751,259.29	12,175,703.58
Membership Dues and Contributions to Organizations	83,130.00	63,795.00
Subscription Expenses	2,989,450.74	1,926,546.02
Other Maintenance and Operating Exp.	2,830,135.52	3,620,261.50
Total Other MOEs	₱ 538,722,878.63	₱ 507,085,043.53

18.14.1 Aside from the usual fund utilization, the increase was primarily due to the implementation of targets pertaining to organization development which required intensified civil military operations PA-Wide. Moreover, FY 2020 provided a level up capability for territorial defense and enhanced combined arms capability which required representation.

19. Financial Expenses

Accounts	2020	2019 As Restated
Bank Charges	₱ 1,744.72	₱ 979.75

20. Non-Cash Expenses

Particulars	2020	2019 As Restated
Depreciation/Impairment Loss/Losses		
Depreciation- Other Land Improvements	₱ 36,956,898.55	₱ 36,733,465.20
Depreciation-Infrastructure Assets	3,918,836.86	4,900,718.05
Depreciation-Buildings and Other Structures	284,012,851.97	279,656,203.31
Depreciation-Machinery and Equipment	793,508,159.92	746,627,648.14
Depreciation-Transportation Equipment	341,431,777.48	324,858,874.28

Particulars	2020	2019 As Restated
Depreciation-Furniture, Fixtures and Books	791,307.37	784,359.35
Depreciation-Other Property, Plant Equipment	21,221,457.88	11,749,981.22
Impairment Loss-Other Receivable	14,549,548.10	12,700,043.32
Impairment Loss-Other Property, Plant Equipment	5,754,880.54	4,242,013.30
Total Non-Cash Expenses	₱ 1,502,145,718.67	₱ 1,422,253,306.17

21. Net Financial Assistance/Subsidy

Particulars	2020	2019 As Restated
NCA received from DBM and GHQ		
Regular Agency	₱96,091,813,714.65	₱89,367,362,724.00
BCDA	36,928,789.00	38,461,452.00
Trust and Other Receipts	1,149,932.00	68,934,276.00
Total	96,129,892,435.65	89,474,758,452.00
Add: Tax Remittance Advice		
Regular Agency	2,767,430,144.80	3,207,456,135.70
BCDA	0.00	0.00
Total Subsidy from National Government	98,897,322,580.45	92,682,214,587.70
Less: Reversion of Unutilized NCA		
Regular Agency	24,458,866.15	22,736,437.07
BCDA	2.23	2.08
Trust and Other Receipts	3,149,932.00	0.00
Total Reversion	27,608,800.38	22,736,439.15
Sub-total	98,869,713,780.07	92,659,478,148.55
Adjustments	(572,555,969.92)	653,088,552.67
Net Subsidy from National Government	98,297,157,810.15	93,312,566,701.22
Subsidy from Central Office	403,584,707.58	929,945,739.27
Subsidy from Other National Government Agencies	0.00	210,194.00
Subsidy to NGAs	0.00	0.00
Subsidy to Operating Units	(1,092,397,903.47)	(1,845,039,760.33)
Subsidies-Others	(2,426,919,203.40)	(888,956,880.00)
Total Financial Assistance/Subsidy	₱95,181,425,410.86	₱91,508,725,994.16

22. Other Non-Operating Income

Particulars	2020	2019 As Restated
Sale of Unserviceable Property	₱ 524,010.00	₱ -
Miscellaneous Income		
Miscellaneous Income	124,851,442.57	74,431,405.78
Total	₱ 125,375,452.57	₱ 74,431,405.78

23. Gains

PA Unit	2020	2019 As Restated
5 th ID	₱ -	₱ 14.97
7 th ID	45,775.32	2,228,800.00
MID/TRADOC	0.00	2,970.00
Total	₱ 45,775.32	₱ 2,231,784.97

24. Loss of Asset

PA Unit	2020	2019 As Restated
1 st ID	₱ 279.30	₱ -
3 rd ID	66,493.63	25,502.80
4 th ID	25,000.00	0.00
5 th ID	51,168.27	314,190.82
6 th ID	-	3,471.00
7 th ID	28,483.81	18,212.23
9 th ID	199,108.64	217,969.86
HPA and Post Units	65,000.00	0.00
Total	₱ 435,533.65	₱ 579,346.71

25. Adjustments on Accumulated Surplus:

Particulars	Debit	Credit	Balance
a. Prior Period Errors			
Unrecorded Income/Expenses	790,391,309.13	₱ 0.00	(790,391,309.13)
Other Adjustments	123,559,630.01	0.00	(913,950,939.14)
Total	913,950,939.14	0.00	
b. Adjustment of Net Revenue recognized Directly in Net Assets/Equity			
Closing of Treasury/Deposit Accounts	476,937,918.75		(1,390,888,857.89)
Other Adjustments	0.00	24,642,987.30	(1,366,245,870.59)
Total	476,937,918.75	24,642,987.30	
Surplus/(Deficit) for the Period	0.00	7,736,199,185.66	6,369,953,315.07

Particulars	Debit	Credit	Balance
c. Others			
Adjustments of Property, Plant, and Equipment and other various adjustments	0.00	1,705,349,042.43	8,075,302,357.50
Total	0.00	1,705,349,042.43	

26. Adjustments on Cash Flows consist of the following:

Particulars	2020	2019 As Restated
Adjustment on Cash Inflows		
Restoration of Cash for Unreleased Checks	₱ 729,950.60	₱ -
Restoration of Cash for Cancelled/Lost/Stale Checks/ADA	224,926,822.02	3,508,097.45
Other adjustments-Inflow	19,628,917,095.02	17,906,543,955.79
Total Adjustments on Cash Inflows	19,854,573,867.64	17,910,052,053.24
Adjustment on Cash Outflows		
Reversing entry for unreleased checks in previous year	0.00	273,939.27
Closing of Cash-Treasury/Agency Deposit Regular	448,654,406.74	736,370,082.51
Other adjustments-Outflow	20,278,199,648.58	18,877,696,601.77
Total Adjustments on Cash Outflows	₱20,726,854,055.32	₱19,614,340,623.55

26.1 The Other adjustments – inflow and outflow pertain to Receipt of Notice of Transfer of Cash Allocation (NTCAs) by the different Army FAUs, Issuance of Notice of Transfer of Allocation (NTAs) to the different FAUs and adjustments on the erroneous usage of Cash Accounts.

27. Status of Allotments, Obligations and Balances

Expense Class	Allotment Received	Obligation	Unobligated Balances
Regular Fund			
Personnel Services	₱76,685,957,000.00	₱75,821,641,061.31	₱864,315,938.69
Maintenance and Other Operating Expenses	13,452,753,000.00	12,780,115,350.00	672,637,650.00
Capital Outlay	1,278,438,000.00	819,332,097.17	459,105,902.83
Total Regular Fund	91,417,148,000.00	89,421,088,508.48	1,996,059,491.52
Automatic Appropriation			
RLIP (PS)	9,969,378.00	6,486,289.65	3,483,088.35
Customs, Duties			

Expense Class	Allotment Received	Obligation	Unobligated Balances
and Taxes (MOOE)	675,918,936.00	675,918,936.00	0.00
Total Automatic Appropriation	685,888,314.00	682,405,225.65	3,483,088.35
Special Purpose Fund			
Misc. Personnel Benefit Fund	2,695,811,256.00	2,401,988,099.46	293,823,156.54
Pension and Gratuity Fund	2,128,772,351.00	2,128,697,565.73	74,785.27
Calamity Fund	14,687,371.00	11,255,317.00	3,432,054.00
Total Special Purpose Fund	4,839,270,978.00	4,541,940,982.19	297,329,995.81
Continuing Appropriations (RA 11260)			
Regular Appropriations			
Maintenance and Other Operating Expenses	725,314,796.64	710,808,500.71	14,506,295.93
Capital Outlay	1,865,414,361.00	1,292,570,521.93	572,843,839.07
Total Continuing Regular Appropriations	2,590,729,157.64	2,003,379,022.64	587,350,135.00
CAA Financial Support	850,000,000.00	850,000,000.00	0.00
Additional Hazardous Duty Pay	10,504,020.00	10,504,020.00	0.00
Total Continuing Appropriations	3,451,233,177.64	2,863,883,042.64	587,350,135.00
Total BCDA Fund	653,154,721.59	84,277,354.32	568,877,367.27
Grand Total	₱101,046,695,191.23	₱97,593,595,113.28	₱3,453,100,077.95

28. The Comparative FS for the year 2019-2020 was restated to reflect correction of errors pertaining to recognition in the year of occurrence of unrecognized income for interest earned and expenses for prior year depreciation, setup of prior year (PY) payable accounts for PS and MOOE claims, transfer/issuance of PY inventories, liquidation of PY CAs, PY liquidation/issuance of inventories, and refund of PY overpayment of pay and allowances affecting nominal accounts.

The effects of the aforementioned accounting errors in the balances of the 2019 income and expenses are presented in the table below:

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Cash-Collecting Officer	₱ 12,122,183.54	-	₱ 12,122,183.54	
Cash in Bank-Local Currency, Current Account	2,073,650,162.71	-	2,073,650,162.71	
Cash-Treasury/Agency Deposit, Trust	400,665,865.83	-	400,665,865.83	
Accounts Receivable	255,438.51	-	255,438.51	
Due from National Government Agencies	223,914,235.44	2,929,956.79	220,984,278.65	Receipt of Inventory
Due from Government-Owned and/or Controlled Corporations	8,653,552,546.66	-	8,653,552,546.66	
Due from Bureaus	-	-	-	
Due from Operating Units	789,240,294.47	453,000.00	788,787,294.47	Liquidation of IATF
Due from Other Funds	15,974.62	-	15,974.62	
Receivables-Disallowances/Charges	10,407,332.37	-	10,407,332.37	
Due from Officers and Employees	18,461,835.89	(42,820,625.53)	61,282,461.42	Set up of accountability for overpayment of Pay and Allowances
Other Receivables	214,308,659.81	(5,085,700.90)	219,394,360.71	Set up of accountability
Allowance for Impairment-Other Receivables	(48,571,241.06)	-	(48,571,241.06)	
Office Supplies Inventory	153,460,189.27	694,218.66	152,765,970.61	Liquidation of Inventory
Accountable Forms, Plates and Stickers Inventory	4,200.00	-	4,200.00	
Drugs and Medicines Inventory	8,613,673.76	215,094.00	8,398,579.76	Liquidation of Inventory
Medical, Dental and Laboratory Supplies Inventory	47,672,261.57	3,112,302.50	44,559,959.07	Liquidation of Inventory
Fuel, Oil and Lubricants Inventory	1,342,934,386.59	128,121,101.81	1,214,813,284.78	Liquidation of Inventory
Military, Police and Traffic Supplies Inventory	6,780,106,877.63	92,932,600.67	6,687,174,276.96	Liquidation of Inventory
Chemical and Filtering Supplies Inventory	11,700.00	-	11,700.00	
Construction Materials Inventory	19,692,773.88	12,241,643.38	7,451,130.50	Liquidation of Inventory
Other Supplies and Materials Inventory	1,501,417,492.26	19,531,515.00	1,481,885,977.26	Liquidation of Inventory
Semi-Expendable Machinery	342,880.00	-	342,880.00	
Semi-Expendable Office Equipment	1,455,875.00	89,385.00	1,366,490.00	Liquidation of Inventory
Semi-Expendable Information and Communication Technology Equipment	1,150,761.18	163,953.00	986,808.18	Liquidation of Inventory
Semi-Expendable	1,155,101.05	6,150.50	1,148,950.55	Liquidation of

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Communication Equipment				Inventory
Semi-Expendable Disaster Response and Rescue Equipment	1,395,475.00	-	1,395,475.00	
Semi-Expendable Military, Police and Security Equipment	85,000.00	-	85,000.00	
Semi-Expendable Medical Equipment	96,075.00	15,000.00	81,075.00	Liquidation of Inventory
Semi-Expendable Sports Equipment	140,839.00	-	140,839.00	
Semi-Expendable Other Machinery and Equipment	1,078,412.75	121,650.00	956,762.75	Liquidation of Inventory
Semi-Expendable Furniture and Fixtures	2,235,253.00	16,898.00	2,218,355.00	Liquidation of Inventory
Semi-Expendable Books	5,750.00		5,750.00	
Land	74,490,112,512.83	-	74,490,112,512.83	
Other Land Improvements	782,279,060.48	-	782,279,060.48	
Accumulated Depreciation-Other Land Improvements	(504,195,288.97)	1,425.00	(504,196,713.97)	Depreciation Adjustment
Road Networks	3,141,588.59	-	3,141,588.59	
Accumulated Depreciation-Road Networks	(2,836,179.34)	-	(2,836,179.34)	
Sewerage System	12,264,493.60	-	12,264,493.60	
Accumulated Depreciation-Sewerage System	(645,318.08)	-	(645,318.08)	
Water Supply Systems	9,525,758.87	-	9,525,758.87	
Accumulated Depreciation-Water Supply Systems	(3,894,985.19)	-	(3,894,985.19)	
Power Supply Systems	39,805,809.46	-	39,805,809.46	
Accumulated Depreciation-Power Supply Systems	(23,156,848.98)	-	(23,156,848.98)	
Communication Networks	1,196,750.00	-	1,196,750.00	
Accumulated Depreciation-Communication Networks	(969,421.11)	-	(969,421.11)	
Other Infrastructure Assets	5,000,000.00	-	5,000,000.00	
Accumulated Depreciation-Other Infrastructure Assets	(4,500,000.00)		(4,500,000.00)	
Buildings	8,043,852,527.51	(200,000.00)	8,044,052,527.51	Recognition of asset
Accumulated Depreciation-Buildings	(4,649,670,491.74)	81,436.09	(4,649,751,927.83)	Recognition of PY Depreciation
Hospitals and Health Centers	347,965,523.95	-	347,965,523.95	
Accumulated Depreciation-Hospitals and Health Centers	(233,446,362.61)	-	(233,446,362.61)	
Other Structures	1,574,406,427.61	(495,000.00)	1,574,901,427.61	Recognition of asset

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Accumulated Depreciation-Other Structures	(772,804,262.47)	79,299.18	(772,883,561.65)	Recognition of PY Depreciation
Machinery	158,938,063.13	-	158,938,063.13	
Accumulated Depreciation-Machinery	(92,349,446.03)	(18,578.14)	(92,330,867.89)	Depreciation Adjustment
Office Equipment	113,739,113.86	-	113,739,113.86	
Accumulated Depreciation-Office Equipment	(67,094,206.69)	214,652.10	(67,308,858.79)	Depreciation Adjustment
Impairment Loss-Office Equipment	(191,515.46)	(190,208.96)	(1,306.50)	Adjustment
Information and Communication Technology Equipment	647,259,154.00	-	647,259,154.00	
Accumulated Depreciation-Information and Communication Technology Equipment	(416,517,157.30)	2,191,655.75	(418,708,813.05)	Depreciation Adjustment
Impairment Loss-Information and Communication Technology Equipment	(2,149,439.81)	(2,138,460.58)	(10,979.23)	Adjustment
Agricultural and Forestry Equipment	2,797,000.00		2,797,000.00	
Accumulated Depreciation-Agricultural and Forestry Equipment	(265,715.04)		(265,715.04)	
Communication Equipment	4,528,312,460.96	-	4,528,312,460.96	
Accumulated Depreciation-Communication Equipment	(3,396,217,647.13)	828,673.75	(3,397,046,320.88)	Depreciation Adjustment
Construction and Heavy Equipment	1,825,292,905.06	-	1,825,292,905.06	
Accumulated Depreciation-Construction and Heavy Equipment	(849,549,329.14)	-	(849,549,329.14)	
Impairment Loss-Construction and Heavy Equipment	(355,643.29)		(355,643.29)	
Firefighting Equipment and Accessories	28,736,866.85	-	28,736,866.85	
Flood and Rescue Equipment	59,001,798.12	-	59,001,798.12	
Earthquake Rescue Equipment	10,162,435.62	-	10,162,435.62	
Landslide Rescue Equipment	5,538,458.44	-	5,538,458.44	
Accumulated Depreciation-Disaster Response and Rescue Equipment	(43,448,576.08)	-	(43,448,576.08)	
Military, Police and Security Equipment	8,335,510,767.59	-	8,335,510,767.59	
Accumulated Depreciation-Military, Police and Security	(5,483,920,451.55)	1,985,046.12	(5,485,905,497.67)	Depreciation Adjustment

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Equipment				
Medical Equipment	297,635,789.07	-	297,635,789.07	
Accumulated Depreciation-Medical Equipment	(182,765,985.08)	144,495.43	(182,910,480.51)	Depreciation Adjustment
Printing Equipment	2,731,260.00	-	2,731,260.00	
Accumulated Depreciation-Printing Equipment	(2,315,191.02)	-	(2,315,191.02)	
Sports Equipment	79,519,552.64	-	79,519,552.64	
Accumulated Depreciation-Sports Equipment	(32,111,054.41)	-	(32,111,054.41)	
Technical and Scientific Equipment	53,286,411.53	-	53,286,411.53	
Accumulated Depreciation-Technical and Scientific Equipment	(36,512,548.11)	-	(36,512,548.11)	
Other Machinery and Equipment	86,834,375.96	-	86,834,375.96	
Accumulated Depreciation-Other Machinery and Equipment	(43,622,460.27)	481.33	(43,622,941.60)	Depreciation Adjustment
Motor Vehicles	4,568,111,583.98	(549,000.00)	4,568,660,583.98	Recognition of asset
Accumulated Depreciation-Motor Vehicles	(3,222,281,855.31)	23,012,664.75	(3,245,294,520.06)	Depreciation Adjustment
Impairment Loss- Motor Vehicles	(224,943.54)		(224,943.54)	
Aircrafts and Aircrafts Ground Equipment	17,640,000.00	-	17,640,000.00	
Accumulated Depreciation-Aircrafts and Aircrafts Ground Equipment	(16,712,083.24)	-	(16,712,083.24)	
Watercrafts	366,774,106.58	-	366,774,106.58	
Accumulated Depreciation-Watercrafts	(248,005,774.32)	-	(248,005,774.32)	
Other Transportation Equipment	25,803,342.13	-	25,803,342.13	
Accumulated Depreciation-Other Transportation Equipment	(13,384,218.73)	10,687.50	(13,394,906.23)	Depreciation Adjustment
Furniture and Fixtures	22,038,264.68	-	22,038,264.68	
Accumulated Depreciation-Furniture and Fixtures	(9,994,702.20)	-	(9,994,702.20)	
Books	536,429.46	-	536,429.46	
Accumulated Depreciation-Books	(504,574.90)	-	(504,574.90)	
Construction in Progress-Land Improvements	220,642,717.63	-	220,642,717.63	
Construction in Progress-Infrastructure Assets	1,105,225,689.87	-	1,105,225,689.87	
Construction in Progress-Buildings and	427,972,763.19	-	427,972,763.19	

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Other Structures				
Work/Zoo Animals	3,235,000.00	-	3,235,000.00	
Other Property, Plant and Equipment	176,969,528.55	-	176,969,528.55	
Accumulated Depreciation-Other Property, Plant and Equipment	(86,008,754.42)	-	(86,008,754.42)	
Tree				
Advances for Operating Expenses	3,875,745.78	187,641.00	3,688,104.78	Liquidation of advances
Advances for Payroll	96,299,446.07	34,290,152.54	62,009,293.53	Liquidation of advances
Advances to Special Disbursing Officer	15,041,136.96	14,581,725.23	459,411.73	Liquidation of advances
Advances to Officers and Employees	771,252.25	695,283.09	75,969.16	Liquidation of advances
Advances to Contractors	90,447,355.40	-	90,447,355.40	
Other Prepayments	104,132.51	-	104,132.51	
Deposits on Letters of Credit	4,964,580,173.32	-	4,964,580,173.32	
Other Deposits	584,349,875.50	3,435.00	584,346,440.50	Adjustment
Other Assets	133,714,696.08	-	133,714,696.08	
Accounts Payable	(676,913,143.39)	131,300,389.13	(808,213,532.52)	Set up of payable
Due to Officers and Employees	(2,005,635,933.12)	513,870,445.76	(2,519,506,378.88)	Set up of payable
Due to BIR	(85,894,502.03)	(0.02)	(85,894,502.01)	Adjustment
Due to GSIS-Life and Retirement Premium	(21,955,690.14)	7,751.54	(21,963,441.68)	Set up of payable
Due to GSIS-ECC	(549,600.00)	-	(549,600.00)	
Due to GSIS-Salary Loan	(2,500.00)	-	(2,500.00)	
Due to GSIS-Policy Loan	(26,063.76)	-	(26,063.76)	
Pag-IBIG Premium	(19,701,385.65)	4,870.52	(19,706,256.17)	Set up of payable
Pag-IBIG Multi-Purpose Loan	(4,124,153.77)		(4,124,153.77)	
Due to PhilHealth	(1,288,057.67)	20,674.80	(1,308,732.47)	Set up of payable
Due to NGAs	(1,336,399,751.37)	(13,238,462.75)	(1,323,161,288.62)	Liquidation to source agency of Inter-Agency Transferred Funds
Due to GOCCs	(2,215,911.21)	(2,132,000.00)	(83,911.21)	Liquidation to source agency of Inter-Agency Transferred Funds
Due to LGUs	(24,064.67)	-	(24,064.67)	
Due to Central Office	(636,182,680.42)	-	(636,182,680.42)	
Due to Bureaus	(1,200,000.00)	-	(1,200,000.00)	
Trust Liabilities	(266,279,969.68)	-	(266,279,969.68)	
Guaranty/Security Deposits Payable	(205,802,181.14)	134,674.90	(205,936,856.04)	Set up of payable
Other Deferred Credits	(24,053,265.92)	-	(24,053,265.92)	
Other Payables	(83,216,546.01)	2,666.42	(83,219,212.43)	Set up of payable
Accumulated Surplus/(Deficit)	(104,963,261,873.12)	(574,202,175.62)	(104,389,059,697.50)	Restated Amount
Fines and Penalties-Service Income	(94,163.62)	-	(94,163.62)	
Other Service Income	(86,431,235.14)	304,393.15	(86,735,628.29)	Unrecorded Income

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of	2019 Restated Balance	
		Errors (Over) Under		
Rent/Lease Income	(10,640,111.97)	-	(10,640,111.97)	
Hospital Fees	(6,251,941.00)	22,890.00	(6,274,831.00)	Unrecorded Income
Interest Income - Interest on NG Deposits	(81,165.99)	-	(81,165.99)	
Interest Income - Others	(1,378,072.01)	236,993.31	(1,615,065.32)	Unrecorded Income
Subsidy from National Government	(93,036,747,402.70)	275,819,298.52	(93,312,566,701.22)	Adjustment
Subsidy from Other National Government	(210,194.00)	-	(210,194.00)	
Subsidy from Central Office	(928,460,739.27)	1,485,000.00	(929,945,739.27)	Adjustment
Donations in Cash	-	1,106,850.00	(1,106,850.00)	Liquidation of IATF to Source Agency wherein PPE was retained by Philippine Army
Donations in Kind	(2,865,549.00)	-	(2,865,549.00)	
Other Gains	(2,231,784.97)	-	(2,231,784.97)	
Miscellaneous Income	(71,700,481.86)	2,730,923.92	(74,431,405.78)	Recognition of PY Income
Basic Salary-Civilian	327,325,653.94	(363,586.49)	327,689,240.43	Net effect of set up of PY PS claim and Overpayment of Pay and Allowances
Base Pay-Military/Uniformed Personnel	38,237,387,468.76	(9,731,800.50)	38,247,119,269.26	
PERA-Civilian	32,554,238.34	18,000.00	32,536,238.34	Set up PY PS Claim Overpayment of Pay and Allowances
PERA-Military/Uniformed Personnel	2,278,571,874.06	(2,740,599.04)	2,281,312,473.10	Set up PY PS Claim
Representation Allowance	197,666.67	-	197,666.67	
Transportation Allowance	197,666.66	-	197,666.66	
Clothing/Uniform Allowance-Civilian	7,860,000.00	(6,000.00)	7,866,000.00	Set up PY PS Claim
Clothing/Uniform Allowance-Military/Uniformed Personnel	232,022,407.05	(260,079.17)	232,282,486.22	Set up PY PS Claim
Clothing/Uniform Allowance-Initial-Military/Uniformed Personnel	1,896,108.62	-	1,896,108.62	
Clothing/Uniform Allowance-Special-Military/Uniformed Personnel	29,069,908.20	(25,290,751.00)	54,360,659.20	Liquidation of advances and set up PY PS Claim
Clothing/Uniform Allowance-Cold Weather-Military/Uniformed Personnel	3,108,814.00	(23,161.00)	3,131,975.00	
Clothing/Uniform Allowance-Reenlistment-Military/Uniformed Personnel	114,153,293.30	(11,791,316.30)	125,944,609.60	Set up PY PS Claim

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Clothing/Uniform Allowance-Maintenance Cold Weather-Military/Uniformed Personnel	594,300.00	(1,200.00)	595,500.00	Set up PY PS Claim
Subsistence Allowance-Military/Uniformed Personnel	8,862,393,028.50	(5,697,060.00)	8,868,090,088.50	Liquidation of advances and set up PY PS Claim
Subsistence Allowance-Magna Carta Benefits for Public Health Workers under RA 7305	11,752,211.70	(39,250.00)	11,791,461.70	Set up PY PS Claim
Laundry Allowance-Civilian	3,169,707.30	-	3,169,707.30	
Laundry Allowance-Military/Uniformed Personnel	33,674,176.89	(203,587.03)	33,877,763.92	Set up PY PS Claim
Laundry Allowance-Magna Carta Benefits for Public Health Workers under RA 7305	1,402,068.15	24,900.00	1,377,168.15	Overpayment of Pay and Allowances
Quarters Allowance-Military/Uniformed Personnel	503,125,285.40	(556,588.32)	503,681,873.72	Set up PY PS Claim
Honoraria-Civilian	10,627.88	-	10,627.88	
Honoraria-Military/Uniformed Personnel	722,168.92	.02	722,168.90	Adjustment of set-up of Due to Officers and Employees
Hazard Pay	614,493,127.31	(815,195.27)	615,308,322.58	Set up PY PS Claim
Hazard Pay-Civilian	11,000.00	(2,854.28)	13,854.28	Set up PY PS Claim
Hazard Pay-Military/Uniformed Personnel	36,507,821.57	(24,389,413.35)	60,897,234.92	Set up PY PS Claim
Hazard Pay-Magna Carta Benefits for Public Health Workers under RA 7305	25,153,972.59	(240,639.67)	25,394,612.26	Set up PY PS Claim
Hazardous Duty Pay	598,592,979.00	(63,520,565.07)	662,113,544.07	Set up PY PS Claim
Longevity Pay-Civilian	2,768,050.09	(140,062.91)	2,908,113.00	Set up PY PS Claim
Longevity Pay-Military/Uniformed Personnel	7,284,057,867.33	(2,994,437.43)	7,287,052,304.76	Set up PY PS Claim
Overtime Pay	1,580,104.91	(317,052.49)	1,897,157.40	Set up PY PS Claim
Bonus-Civilian	53,532,724.60	(429,552.00)	53,962,276.60	Set up PY PS Claim
Bonus-Military/Uniformed Personnel	6,301,526,530.46	(8,736,750.11)	6,310,263,280.57	Set up PY PS Claim
Cash Gift-Civilian	6,724,750.00	-	6,724,750.00	
Cash Gift-Military/Uniformed Personnel	491,821,750.00	(25,000.00)	491,846,750.00	Set up PY PS Claim
Productivity Enhancement Incentive-Civilian	6,711,500.00	(22,500.00)	6,734,000.00	Set up PY PS Claim
Productivity Enhancement Incentive-Military/Uniformed Personnel	491,291,177.64	(80,000.00)	491,371,177.64	Set up PY PS Claim
Performance Based Bonus-Military/Uniformed Personnel	-	(294,778.42)	294,778.42	Set up PY PS Claim

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Flying Pay-Duty Based Allowance	27,064,875.00	(1,558,930.50)	28,623,805.50	Set up PY PS Claim
Special Group Team Insurance-DBA-MUP	50,409,164.64	-	50,409,164.64	
Hardship Allowance-DBA-MUP	2,335,695.88	-	2,335,695.88	
Combat Duty Pay-DBA-MUP	3,008,534,778.62	(2,654,819.85)	3,011,189,598.47	Set up PY PS Claim
Instructor's Duty Pay-DBA-MUP	197,364,276.08	(30,327,136.42)	227,691,412.50	Set up PY PS Claim
Reservist's Pay-DBA-MUP	142,196,260.62	(2,572,057.05)	144,768,317.67	Set up PY PS Claim
Medal of Valor Award-DBA-MUP	19,800,000.00	-	19,800,000.00	
Hospitalization Expense-DBA-MUP	91,697,954.52	(4,558,533.61)	96,256,488.13	Set up PY PS Claim
Parachutist Pay-DBA-MUP	166,761,708.50	(1,964,500.78)	168,726,209.28	Set up PY PS Claim
Retirement and Life Insurance Premiums	39,120,865.71	-	39,120,865.71	
Pag-IBIG-Civilian	1,629,300.00	-	1,629,300.00	
Pag-IBIG-Military/Uniformed Personnel	114,021,857.10	-	114,021,857.10	
Philhealth-Civilian	4,374,701.13	-	4,374,701.13	
Philhealth-Military/Uniformed Personnel	503,555,656.31	-	503,555,656.31	
ECIP-Civilian	2,111,406.05	-	2,111,406.05	
ECIP-Military/Uniformed Personnel	116,190,113.69	-	116,190,113.69	
Provident/Welfare Fund Contributions	29,833,912.00	-	29,833,912.00	
Retirement Gratuity-Civilian	10,200,885.90	-	10,200,885.90	
Retirement Gratuity-Military/Uniformed Personnel	48,088,210.39	-	48,088,210.39	
Terminal Leave Benefits-Civilian	25,651,508.21	-	25,651,508.21	
Terminal Leave Benefits-Military/Uniformed Personnel	4,584,493,533.98	479,904.74	4,584,013,629.24	Overpayment of Pay and Allowances
Other Personnel Benefits	1,147,272,094.02	(14,520,187.24)	1,161,792,281.26	Setup PY PS Claim
Traveling Expenses - Local	213,015,358.06	(2,219,195.13)	215,234,553.19	Setup PY MOOE Claim
Traveling Expenses - Foreign	55,555,905.24	1,261,476.02	54,294,429.22	Net effect of Setup of PY MOOE Claim and Liquidation of IATF to Source Agency
Training Expenses	415,084,048.87	(6,962,649.40)	422,046,698.27	Net effect of Setup of PY MOOE Claim and Liquidation of IATF to Source Agency
Scholarship Grants/Expenses	707,187.51	(565,346.23)	1,272,533.74	Setup PY MOOE Claim
Office Supplies Expenses	123,414,711.33	(7,238,201.89)	130,652,913.22	Net effect of Setup of PY MOOE Claim and Liquidation of IATF to Source Agency

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Accountable Forms Expenses	388,440.00	-	388,440.00	
Non-Accountable Forms Expenses	3,002,710.00	-	3,002,710.00	
Animal/Zoological Supplies Expenses	5,491,643.00	195,435.00	5,296,208.00	Liquidation of IATF to Source Agency
Food Supplies Expenses	295,210.00	-	295,210.00	
Welfare Goods Expenses	250,162,823.77	-	250,162,823.77	
Drug and Medicines Expenses	51,792,202.92	(1,527,396.75)	53,319,599.67	Net effect of Setup of PY MOOE Claim, Liquidation of Inventory and Liquidation of IATF to Source Agency
Medical, Dental and Laboratory Supplies Expenses	74,529,940.78	(5,460,782.30)	79,990,723.08	Setup of PY MOOE Claim, Liquidation of Inventory
Fuel, Oil and Lubricants Expenses	875,460,341.45	(134,855,798.41)	1,010,316,139.86	Setup of PY MOOE Claim, Liquidation of Inventory
Military, Police and Traffic Supplies Expenses	52,966,757.60	(84,950,580.67)	137,917,338.27	Net effect of Setup of PY MOOE Claim, Liquidation of Inventory and Liquidation of IATF to Source Agency
Chemical and Filtering Supplies Expenses	2,525,862.50	(15,980.00)	2,541,842.50	Setup of PY MOOE Claim, Liquidation of Inventory
Semi-Expendable Machinery Expense	559,489.25	(2,556,563.96)	3,116,053.21	Set-up of PY MOOE Claim, Liquidation of Inventory
Semi-Expendable Office Equipment Expense	2,798,352.00	4,867.00	2,793,485.00	Adjustment
Semi-Expendable Information and Communication Technology Equipment Expense	22,069,011.23	1,024,353.00	21,044,658.23	Adjustment
Semi-Expendable Communication Equipment Expense	4,006,073.56	832,359.46	3,173,714.10	Net Effect of Adjustment and Liquidation of IATF to Source Agency
Semi-Expendable Disaster Response and Rescue Equipment Expense	1,305,996.00	218,238.00	1,087,758.00	Adjustment
Semi-Expendable Military, Police and Security Equipment Expense	636,222.75	3,080.00	633,142.75	Adjustment
Semi-Expendable Medical Equipment Expense	114,077.00	(15,000.00)	129,077.00	Setup of PY MOOE Claim and Liquidation of Inventory
Semi-Expendable Printing Equipment Expense	51,340.00	-	51,340.00	
Semi-Expendable Sports Equipment Expense	281,512.00	41,044.00	240,468.00	Adjustment
Semi-Expendable Other Machinery and	2,775,010.00	(31,890.00)	2,806,900.00	Setup of PY MOOE Claim and

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Equipment Expense				Liquidation of Inventory
Semi-Expendable Furniture and Fixtures Expense	3,816,061.60	(985,113.81)	4,801,175.41	Setup of PY MOOE Claim and Liquidation of Inventory
Semi-Expendable Books Expense	17,900.00	-	17,900.00	
Other Supplies and Materials Expenses	1,410,347,783.54	(37,713,697.15)	1,448,061,480.69	Net effect of Setup of PY MOOE Claim, Liquidation of Inventory and Liquidation of IATF to Source Agency
Water Expenses	134,791,480.41	-	134,791,480.41	
Electricity Expenses	453,484,352.54	(2,717.90)	453,487,070.44	Adjustment
Postage and Courier Services	1,462,011.59	(22,200.00)	1,484,211.59	Setup of PY MOOE Claim
Telephone Expenses-Mobile	68,415,504.36	(116,463.74)	68,531,968.10	Adjustment and Liquidation of IATF to Source Agency
Telephone Expenses-Landline	2,280,785.67	(475,624.19)	2,756,409.86	Setup of PY MOOE Claim
Internet Subscription Expenses	27,391,575.45	(39,599.29)	27,431,174.74	Setup of PY MOOE Claim
Cable, Satellite, Telegraph & Radio Expenses	22,326,647.20	(1,378,623.37)	23,705,270.57	Setup of PY MOOE Claim
Awards/Rewards Expenses	1,267,274.00	-	1,267,274.00	
Prizes	620,495.00	45,226.33	575,268.67	Adjustment
Survey Expenses	2,095,000.00	(238,000.00)	2,333,000.00	Setup of PY MOOE Claim
Intelligence Expenses	444,000,000.00	-	444,000,000.00	
Legal Services	1,576,045.89	49,000.00	1,527,045.89	Adjustment
Auditing Services	2,708,479.70	-	2,708,479.70	
Consultancy Services	56,120.00	(460,000.00)	516,120.00	Setup of PY MOOE Claim
Other Professional Services	21,777,183.65	21,750.00	21,755,433.65	Adjustment
Environment/Sanitary Services	35,245.00	-	35,245.00	
Janitorial Services	4,537,142.86	(2,900,047.85)	7,437,190.71	Setup of PY MOOE Claim
Other General Services	1,160,999.98	-	1,160,999.98	
Repairs and Maintenance-Other Land Improvements	4,973,160.15	(125,000.00)	5,098,160.15	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Road Networks	1,003,085.45	26,966.00	976,119.45	Adjustment
Repairs and Maintenance-Water Supply Systems	10,428,756.95	(106,542.78)	10,535,299.73	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Power Supply Systems	5,916,807.82	(154,907.00)	6,071,714.82	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Other	1,993,156.00	-	1,993,156.00	

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Infrastructure Assets				
Repairs and Maintenance-Buildings	497,568,698.86	(39,929,220.96)	537,497,919.82	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Hospitals and Health Centers	5,395,677.58	(898,942.00)	6,294,619.58	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Other Structures	115,196,657.27	(2,744,612.40)	117,941,269.67	Net effect of Setup of PY MOOE Claim, Liquidation of Inventory and Adjustment
Repairs and Maintenance-Machinery	5,477,567.00	(932,558.71)	6,410,125.71	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Office Equipment	15,251,343.19	(3,714,619.72)	18,965,962.91	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Information and Communication Technology Equipment	72,895,109.11	(3,486,177.43)	76,381,286.54	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Communication Equipment	22,612,743.50	(523,432.00)	23,136,175.50	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Construction and Heavy Equipment	30,623,786.25	(3,199,137.50)	33,822,923.75	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Disaster Response and Rescue Equipment	1,220,162.00	(344,300.00)	1,564,462.00	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Military, Police and Security Equipment	178,168,243.70	3,344,166.50	174,824,077.20	Adjustment
Repairs and Maintenance-Medical Equipment	3,272,176.00	(1,031,385.00)	4,303,561.00	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Printing Equipment	114,520.00	-	114,520.00	
Repairs and Maintenance-Sports Equipment	538,706.00	-	538,706.00	
Repairs and Maintenance-Technical and Scientific Equipment	90,600.00	-	90,600.00	
Repairs and Maintenance-Other Machinery and Equipment	4,620,272.18	(624,853.00)	5,245,125.18	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and	261,058,457.07	(16,426,316.22)	277,484,773.29	Setup of PY MOOE

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of	2019 Restated Balance	
		Errors (Over) Under		
Maintenance-Motor Vehicles				Claim and Liquidation of Inventory
Repairs and Maintenance Aircrafts and Aircrafts Ground Equipment	5,223,985.05	-	5,223,985.05	
Repairs and Maintenance-Watercrafts	13,597,035.00	-	13,597,035.00	
Repairs and Maintenance-Other Transportation Equipment	250,432.00	(24,850.00)	275,282.00	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Furniture and Fixtures	2,584,542.56	(616,810.00)	3,201,352.56	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Semi-Expendable Machinery	57,156.00	-	57,156.00	
Repairs and Maintenance-Semi-Expendable Office Equipment	783,590.00	(84,532.00)	868,122.00	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Semi-Expendable Information and Communication Technology Equipment	3,154,165.50	(147,785.00)	3,301,950.50	Setup of PY MOOE Claim and Liquidation of Inventory
Repairs and Maintenance-Semi-Expendable Communication Equipment	996,704.50	-	996,704.50	
Repairs and Maintenance-Semi-Expendable Disaster Response and Rescue Equipment	66,639.00	-	66,639.00	
Repairs and Maintenance-Semi-Expendable Military, Police and Security Equipment	59,385.00	-	59,385.00	
Repairs and Maintenance-Semi-Expendable Medical Equipment	158,330.00	-	158,330.00	
Repairs and Maintenance-Semi-Expendable Sports Equipment	20,820.00	-	20,820.00	
Repairs and Maintenance-Semi-Expendable Technical and Scientific Equipment	65,590.00	-	65,590.00	
Repairs and Maintenance-Semi-Expendable Other Machinery and Equipment	100,575.00	-	100,575.00	

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Repairs and Maintenance-Semi-Expendable Furniture and Fixtures	258,526.89	-	258,526.89	
Repairs and Maintenance-Other Property, Plant and Equipment	5,000.00	-	5,000.00	
Subsidy to Operating Units	1,845,039,760.33	-	1,845,039,760.33	
Subsidy-Others	888,921,780.00	(35,100.00)	888,956,880.00	Liquidation of PY cash advance
Taxes, Duties and Licenses	665,792,606.11	67,517.57	665,725,088.54	Adjustment
Fidelity Bond Premiums	8,155,020.00	4,500.00	8,150,520.00	Adjustment
Insurance Expenses	34,387,078.15	-	34,387,078.15	
Labor and Wages	64,168,202.89	(210,902.31)	64,379,105.20	Setup of PY MOOE Claim
Advertising Expenses	6,000.00	-	6,000.00	
Printing and Publication Expenses	11,057,425.91	(2,627,260.74)	13,684,686.65	Setup of PY MOOE Claim
Representation Expenses	425,568,558.94	(16,926,918.72)	442,495,477.66	Net effect of Setup of PY MOOE Claim and Liquidation of IATF to Source Agency
Transportation and Delivery Expenses	32,316,623.12	(795,950.00)	33,112,573.12	Setup of PY MOOE Claim
Rents-Land	366,000.00	-	366,000.00	
Rents-Motor Vehicles	1,912,126.00	(27,000.00)	1,939,126.00	Setup of PY MOOE Claim
Rents-Equipment	9,747,247.58	1,245,270.00	8,501,977.58	Adjustment
Rents-Living Quarters	168,000.00	-	168,000.00	
Operating Lease	-	(1,200,600.00)	1,200,600.00	Setup of PY MOOE Claim
Membership Dues and Contributions to Organizations	63,795.00	-	63,795.00	
Subscription Expenses	1,670,531.02	(256,015.00)	1,926,546.02	Setup of PY MOOE Claim
Other Maintenance and Operating Expenses	3,559,791.50	(60,470.00)	3,620,261.50	Setup of PY MOOE Claim
Bank Charges	979.75	-	979.75	
Depreciation-Other Land Improvements	36,700,758.21	(32,706.99)	36,733,465.20	Adjustment in depreciation/PY Depreciation
Depreciation-Infrastructure Assets	4,900,718.05	-	4,900,718.05	
Depreciation-Buildings and Other Structures	279,494,085.17	(162,118.14)	279,656,203.31	Adjustment in depreciation/PY Depreciation
Depreciation-Machinery and Equipment	740,144,738.24	(6,482,909.9)	746,627,648.14	Adjustment in depreciation/PY Depreciation
Depreciation-Transportation Equipment	302,592,797.42	(22,266,076.86)	324,858,874.28	Adjustment in depreciation/PY Depreciation
Depreciation-Furniture, Fixture and Books	799,910.64	15,551.29	784,359.35	Adjustment in depreciation
Depreciation-Other Property, Plant and Equipment	11,696,971.37	(53,009.85)	11,749,981.22	Adjustment in depreciation/PY Depreciation

ACCOUNTS	(in Philippine Pesos)			REMARKS
	2019 Balances	Effect of Errors	2019 Restated Balance	
		(Over) Under		
Impairment Loss-Other Receivables	12,700,043.32	-	12,700,043.32	
Impairment Loss-Property, Plant and Equipment	4,242,013.30	-	4,242,013.30	
Loss of Assets	579,346.71	-	579,346.71	
BALANCE	0.00	0.00	0.00	