

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

| Pro-forma Notes to Financial Statements | Reference |
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A. Header

| | |
|--|---------|
| Name of Entity | PPSAS 1 |
| Notes to [Consolidated] Financial Statements | |
| For the year ended December 31, 2015 | |

B. Body**1. General Information/Agency Profile**

The [consolidated] financial statements of [Name of Entity] were authorized for issue on [date signed by the Head of Agency/Authorized Representative] as shown in the Statement of Management Responsibility for Financial Statements signed by _____, the [Head of Agency/Authorized Representative].

PPSAS 1.63(b)
PPSAS 14.26

[Name of Entity] is a [type of entity, *e.g.*, Department, Agency, etc.] established on [date of establishment by name of legislation] and operates under the authority of the [name of all relevant laws]. The mandate of [Name of Entity] is to _____. These services are grouped into the following key areas: [brief description of functional line items]. The Agency's registered office is located in _____.

PPSAS 1.150
PPSAS ,

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

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

PPSAS 1.129
PPSAS 2
PPSAS 6

The [consolidated] financial statements have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

3. Summary of Significant Accounting Policies**3.1 Basis of accounting**

The [consolidated] financial statements are prepared on an accrual basis in accordance with the Philippine Public Sector Accounting Standards (PPSAS).

PPSAS 1, 6

3.2 Consolidation**a. Consolidated Entities/Controlled Entities****Consolidated entities**

The [consolidated] financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity and all controlled entities.

PPSAS 6

Controlled entities

The controlled entities are all those entities (including special purpose

PPSAS 6

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entities) over which the controlling entity has the power to govern the financial and operating policies. The controlled entities are fully consolidated from the date on which control is transferred to the controlling entity. They are de-consolidated from the date that control ceases.

Inter-group transactions, balances and unrealized gains and losses on transactions between members of the group are eliminated in full.

The accounting policies of the controlled entities are consistent with the policies adopted by the controlling entity.

The controlled entities are [names of entities or cross reference to list elsewhere in the notes to the financial statements].

All the entities are fully consolidated except for [name of entities excluded and reason].

b. Interest in joint venture

The [Name of Entity] has an interest in a joint venture which is a jointly controlled entity, whereby the venturers have a binding arrangement that establishes joint control over the economic activities of the entity. The [Name of Entity] recognizes its interest in the joint venture using the equity method. PPSAS 8

Under the equity method, investments in joint ventures are carried in the consolidated statement of financial position at cost plus post acquisition changes in [Name of Entity]'s share of net assets of the joint venture. The consolidated statement of financial performance reflects the share of the results of operations of the joint venture. Where there has been a change recognised directly in the equity of the joint venture, [Name of Entity] recognises its share of any changes and discloses this, when applicable, in the consolidated statement of changes in net assets/equity. Surpluses and deficits resulting from transactions between [Name of Entity] and the joint venture are eliminated to the extent of the interest in the joint venture.

The use of the equity method is discontinued from the date on which [Name of Entity] ceases to have joint control over, or have significant influence in, a jointly controlled entity.

c. Investment in government business enterprises

[Name of Entity] consolidates business enterprises using the _____ method. These business enterprises are [names of enterprises or cross reference to list elsewhere in the notes to the financial statements].

Under the _____ method of accounting, (state the policies). Inter-agency transactions and balances are [not] eliminated, except for [state exemption].

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d. Trusts under administration

Trusts administered by [Name of Entity] are [not] [consolidated] in the financial statements as they are [not] controlled by [Name of Entity].

3.3 Financial instruments

a. Financial assets

Initial recognition and measurement

Financial assets within the scope of PPSAS 29-Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, held-to-maturity investments, loans and receivables or available-for-sale financial assets, as appropriate. The [Name of Entity] determines the classification of its financial assets at initial recognition. PPSAS 29.10
PPSAS 30.31

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the [Name of Entity] commits to purchase or sell the asset. PPSAS 29.40

The [Name of Entity]'s financial assets include: cash and short-term deposits; trade and other receivables; loans and other receivables; quoted and unquoted financial instruments; and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading and financial assets designated upon initial recognition at fair value through surplus and deficit. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. PPSAS 29.10
PPSAS 29.47
PPSAS 29.64(a)

Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with changes in fair value recognized in surplus or deficit.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized PPSAS 29.10
PPSAS 29.48(a)

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| cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit. | PPSAS 29.65 |
| <i>Held-to-maturity</i> | |
| Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the [Name of Entity] has the positive intention and ability to hold it to maturity. | PPSAS 29.10 PPSAS 29.48(b) |
| After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit. | PPSAS 29.63(a) |
| <i>Derecognition</i> | |
| The [Name of Entity] derecognizes a financial asset or, where applicable, a part of a financial asset or part of a [Name of Entity] of similar financial assets when: | PPSAS 29.19 PPSAS 29.20-22 |
| <ul style="list-style-type: none"> • The rights to receive cash flows from the asset have expired or is waived • The [Name of Entity] has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either: (a) the [Name of Entity] has transferred substantially all the risks and rewards of the asset; or (b) the [Name of Entity] has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. | |
| <i>Impairment of financial assets</i> | |
| The [Name of Entity] assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred “loss event”) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. | PPSAS 29.67-68 PPSAS 30.AG5(f) |
| Evidence of impairment may include the following indicators: | |
| <ul style="list-style-type: none"> • The debtors or a group of debtors are experiencing significant financial difficulty | |

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- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial assets carried at amortized cost

For financial assets carried at amortized cost, the [Name of Entity] first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the [Name of Entity] determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

PPSAS
29.72-73

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

PPSAS
29.AG117
PPSAS 30.20
PPSAS 29.73
PPSAS
29.AG126
PPSAS
30.AG5(d)(i)
and (ii)

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in surplus or deficit. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or transferred to the [Name of Entity]. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in surplus or deficit.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of PPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The entity determines the classification of its financial liabilities at initial recognition.

PPSAS 29.10

All financial liabilities are recognized initially at fair value and, in the case of

PPSAS 29.45

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| loans and borrowings, plus directly attributable transaction costs. | PPSAS 29.49 |
| The [Name of the Entity]'s financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts. | |
| <i>Subsequent measurement</i> | |
| The measurement of financial liabilities depends on their classification. | |
| <i>Financial liabilities at fair value through surplus or deficit</i> | |
| Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit. | PPSAS 29.10 PPSAS 29.49(a) |
| Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. | |
| This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by PPSAS 29. | |
| Gains or losses on liabilities held for trading are recognized in surplus or deficit. | PPSAS 29.64(a) |
| <i>Loans and borrowing</i> | |
| After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. | PPSAS 29.65 |
| Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. | |
| <i>Derecognition</i> | |
| A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. | PPSAS 29.41 |
| When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit. | PPSAS 29.43 |

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| c. Offsetting of financial instruments | |
| Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. | PPSAS 28.47 |
| d. Fair value of financial instruments | |
| The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. | PPSAS 29.51 PPSAS 29.10 |
| e. Derivative financial instruments | |
| <i>Initial recognition and subsequent measurement</i> | |
| The [Name of Entity] uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. | PPSAS 29.45 PPSAS 30.25 |
| Any gains or losses arising from changes in the fair value of derivatives are taken directly to surplus or deficit. The [Name of Entity] does not apply hedge accounting. | PPSAS 29.106 (a) (b) PPSAS 29.99 (a) (b) |
| 3.4 Cash and cash equivalents | |
| Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts. | PPSAS 2.8 PPSAS 2.9 PPSAS 2.56 |
| 3.5 Inventories | |
| Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. | PPSAS 12.15 PPSAS 12.17(a) |
| Costs incurred in bringing each product to its present location and condition are accounted for, as follows: | PPSAS 12.16 PPSAS 12.18 |
| <ul style="list-style-type: none"> Raw materials: purchase cost using the weighted average cost method | |

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

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

PPSAS 12.35

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

PPSAS 12.20

PPSAS 12.21

PPSAS 12.9

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the [Name of the Entity].

3.6 Investment Property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

PPSAS 16.26

PPSAS
16.86(a)

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over its estimated useful life of [number] years.

PPSAS 16.27

PPSAS 16.39

PPSAS 16.42

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition.

PPSAS 16.77

PPSAS 16.80

PPSAS 16.66

PPSAS 16.71

Transfers are made to or from investment property only when there is a change in use.

PPSAS 16.74

PPSAS 16.39

The [Name of the entity] uses the cost model for the measurement of investment property after initial recognition.

PAG2 of

PPSAS 16

3.7 Property, Plant and Equipment

Recognition

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

PPSAS 17.13

The characteristics of PPE are as follows:

PPSAS 17.14

- tangible items;

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

An item of PPE is recognized as an asset if:

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

Measurement at Recognition

An item recognized as property, plant, and equipment is measured at cost. PPSAS 17.26

A PPE acquired through non-exchange transaction is measured at its fair value as at the date of acquisition. PPSAS 17.27

The cost of the PPE is the cash price equivalent or, for PPE acquired through non-exchange transaction its cost is its fair value as at recognition date. PPSAS 17.37

Cost includes the following: PPSAS 17.30

- 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.

Measurement After Recognition

After recognition, all property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. PPSAS 17.43
PAG2 of
PPSAS 17

When significant parts of property, plant and equipment are required to be replaced at intervals, the [Name of the entity] 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. PPSAS 17.24
PPSAS 17.25

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| All other repair and maintenance costs are recognized as expense in surplus or deficit as incurred. | PPSAS 17.23 |
| <i>Depreciation</i> | |
| Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. | PPSAS 17.59 |
| The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset. | PPSAS 17.64 |
| <i>Initial Recognition of Depreciation</i> | |
| 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. | PAG3 of PPSAS 17 |
| 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. | |
| <i>Depreciation Method</i> | |
| The straight line method of depreciation is adopted unless another method is more appropriate for agency operation. | PAG4 of PPSAS 17 |
| <i>Estimated Useful Life</i> | |
| The [name of the entity] uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA. | PAG5 of PPSAS 17 |
| The [name of the entity] uses a residual value equivalent to at least five percent (5%) of the cost of the PPE. | PAG6 of PPSAS 17 |
| <i>Impairment</i> | |
| 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. | |
| <i>Derecognition</i> | |
| The [name of the entity] derecognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized. | PPSAS 17.82 PPSAS 17.83 PPSAS 17.86 |

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3.8 Leases

[Name of the Entity] as a lessee

Finance Lease

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the [Name of the Entity]. PPSAS 13.13

Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The [Name of the Entity] also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. PPSAS 13.28

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. PPSAS 13.34

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the [Name of the Entity] will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. PPSAS 13.36
PPSAS 13.37

Operating lease

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the [Name of the Entity]. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term. PPSAS 13.42

[Name of the Entity] as a lessor

Finance Lease

The [Name of the Entity] recognizes lease payments receivable under a finance lease as assets in the statements of financial position. The assets are presented as receivable at an amount equal to the net investment in the lease. PPSAS 13.48

The finance revenue are recognized based on a pattern reflecting a constant periodic rate of return on the net investment in the finance lease. PPSAS 13.51

Operating Lease

Leases in which the [Name of the Entity] does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. PPSAS 13.13

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| Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term. | PPSAS 13.65 |
| Rent received from an operating lease is recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned. | PPSAS 13.63 |
| The depreciation policy for PPE are applied to similar assets leased by the entity. | PPSAS 13.66 |

3.9 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 fair value of the assets can be measured reliably. PPSAS 31.26

Intangible assets acquired separately are initially recognized at cost. PPSAS 31.31

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 PPSAS 31.39

Subsequent Expenditure on an Acquired In-process Research and Development Project

Subsequent expenditure on an in-process research or development project acquired separately and recognized as an intangible asset is: PPSAS 31.41

- Recognized as an expense when incurred if it is research expenditure;
- Recognized as an expense when incurred if it is development expenditure that does not satisfy the criteria for recognition as an intangible asset; and
- Added to the carrying amount of the acquired in-process research or development project if it is development expenditure that satisfies the recognition criteria for intangible assets.

Intangible Assets Acquired through Non-Exchange Transactions

The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date these were acquired. PPSAS 31.42-43

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| <i>Internally Generated Intangible Assets</i> | |
| Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. | PPSAS 31.49 PPSAS 31.55 |
| <i>Recognition of an Expense</i> | |
| Expenditure on an intangible item were recognized as an expense when it is incurred unless it forms part of the cost of an intangible asset that meets the recognition criteria of an intangible asset. | |
| <i>Subsequent Measurement</i> | |
| The useful life of the intangible assets is assessed as either finite or indefinite. | PPSAS 31.87 |
| Intangible assets with a finite life is amortized over its useful life: | PPSAS 31.96 PPSAS 26.22 |
| The straight line method is adopted in the amortization of the expected pattern of consumption of the expected future economic benefits or service potential. | PAG3 of PPSAS 31 PPSAS 31.117 |
| An intangible asset with indefinite useful lives was not be amortized. | PPSAS 31.106 |
| 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. | PPSAS 31.107 |
| The amortization period and the 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. | PPSAS 31.103 PPSAS 31.108 |
| 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. | PPSAS 31.112 |
| <i>Research and development costs</i> | |
| The [Name of the Entity] expenses research costs as incurred. Development costs on an individual project were recognized as intangible assets when the [Name of the Entity] can demonstrate: | PPSAS 31.52 PPSAS 31.55 |

- The technical feasibility of completing the asset so that the asset will be

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| available for use or sale | |
| <ul style="list-style-type: none"> • Its intention to complete and its ability to use or sell the asset • How the asset will generate future economic benefits or service potential • The availability of resources to complete the asset • The ability to measure reliably the expenditure during development | |
| Following initial recognition, intangible assets were carried at cost less any accumulated amortization and accumulated impairment losses. | PAG2 of PPSAS 31 PPSAS 31.73 |
| Amortization of the asset begins when development is complete and the asset is available for use. | PPSAS 26.23 PPSAS 26.73 |
| It is amortized over the period of expected future benefit. | PPSAS 31.121 |
| During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit. | |
| 3.10 Provisions | |
| Provisions were recognized when the [Name of the Entity] has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. | PPSAS 19.22 |
| Where the [Name of the Entity] expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. | PPSAS 19.63 |
| The expense relating to any provision is presented in the statement of financial performance net of any reimbursement. | PPSAS 19.64 |
| Provisions were reviewed at each reporting date, and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provisions were reversed. | PPSAS 19.69 |
| Contingent liabilities | |
| The [Name of the Entity] does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. | PPSAS 19.35 PPSAS 19.36 PPSAS 19.100 |

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

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Contingent assets

The [Name of the Entity] does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the [Name of the Entity] in the notes to the financial statements. PPSAS 19.39

Contingent assets were assessed continually to ensure that developments were appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

3.11 Changes in accounting policies and estimates

The [Name of the Entity] recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy were applied prospectively if retrospective application is impractical. PPSAS 3.27
PPSAS 3.30

The [Name of the Entity] recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit. PPSAS 3.41

The [Name of the Entity] correct material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by: PPSAS 3.47

- 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.

3.12 Foreign currency transactions

Transactions in foreign currencies were initially recognized by applying the spot exchange rate between the function currency and the foreign currency at the transaction. PPSAS 4.24

At each reporting date:

- Foreign currency monetary items were translated using the closing rate; PPSAS 4.27
- Nonmonetary items that were measured in terms of historical cost in a foreign currency were translated using the exchange rate at the date of the transaction; and
- Nonmonetary items that were measured at fair value in a foreign currency were translated using the exchange rates at the date when the fair value was determined. PPSAS 4.32

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Exchange differences arising (a) on the settlement of monetary items, or (b) on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements, were recognized in surplus or deficit in the period in which they arise, except as those arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation.

3.13 Revenue from non-exchange transactions

Recognition and Measurement of Assets from Non-Exchange Transactions

An inflow of resources from a non-exchange transaction, other than services in-kind, that meets the definition of an asset were recognized as an asset if the following criteria were met:

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

PPSAS 23.42

An asset acquired through a non-exchange transaction is initially measured at its fair value as at the date of acquisition.

Recognition Revenue from Non-Exchange Transactions

An inflow of resources from a non-exchange transaction recognized as an asset is recognized as revenue, except to the extent that a liability is also recognized in respect of the same inflow.

PPSAS 23.44

As [Name of entity] satisfies a present obligation recognized as a liability in respect of an inflow of resources from a non-exchange transaction recognized as an asset, it reduces the carrying amount of the liability recognized and recognize an amount of revenue equal to that reduction.

PPSAS 23.45

Measurement of Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognized by the entity, unless a corresponding liability is recognized.

PPSAS
23.48-49

Measurement of Liabilities on Initial Recognition from Non-Exchange Transactions

The amount recognized as a liability in a non-exchange transaction is the best estimate of the amount required to settle the present obligation at the reporting date.

PPSAS 23.57

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

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|---|-----------|
|---|-----------|

Taxes

Taxes and the related fines and penalties were recognized when collected or when these were measurable and legally collectible. The related refunds, including those that were measurable and legally collectible, were deducted from the recognized tax revenue. PAG2 of
PPSAS 23

Fees and fines not related to taxes

The [Name of Entity] recognizes revenues from fees and fines, except those related to taxes, when earned and the asset recognition criteria were met. Deferred income is recognized instead of revenue if there is a related condition attached that would give rise to a liability to repay the amount. PPSAS 23.89

Other non-exchange revenues were recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Gifts and Donations

The [Name of Entity] recognizes assets and revenue from gifts and donations when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably. PPSAS 23.95

Goods in-kind were recognized as assets when the goods were received, or there is a binding arrangement to receive the goods. If goods in-kind were received without conditions attached, revenue is recognized immediately. If conditions were attached, a liability is recognized, which is reduced and revenue recognized as the conditions were satisfied. PPSAS 23.96

On initial recognition, gifts and donations including goods in-kind were measured at their fair value as at the date of acquisition, which were ascertained by reference to an active market, or by appraisal. An appraisal of the value of an asset is normally undertaken by a member of the valuation profession who holds a recognized and relevant professional qualification. For many assets, the fair value were ascertained by reference to quoted prices in an active and liquid market. PPSAS 23.97

Transfers

The [Name of Entity] recognizes an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset, except those arising from services in-kind. PPSAS 23.96

Services in-Kind

Services in-kind were not recognized as asset and revenue considering the complexity of the determination of and recognition of asset and revenue and the eventual recognition of expenses. PPSAS 23.98
PAG3 of
PPSAS 23

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

| Pro-forma Notes to Financial Statements | Reference |
|---|-----------|
|---|-----------|

Transfers from other government entities

Revenues from non-exchange transactions with other government entities and the related assets were measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the [Name of Entity] and can be measured reliably.

PPSAS 23.42

PPSAS 23.44

3.14 Revenue from Exchange transactions

Measurement of Revenue

Revenue was measured at the fair value of the consideration received or receivable.

PPSAS 9.14

Rendering of Services

The [Name of Entity] recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours.

PPSAS 9.19

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred were recoverable.

PPSAS 9.25

Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the [Name of Entity].

PPSAS 9.28

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

PPSAS 9.34

Dividends

Dividends or similar distributions were recognized when the [Name of Entity]'s right to receive payments is established.

PPSAS 9.34

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in

PPSAS 9.34

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

| Pro-forma Notes to Financial Statements | Reference |
|---|-----------|
|---|-----------|

revenue.

Royalties

Royalties were recognized as they were earned in accordance with the substance of the relevant agreement. PPSAS 9.34

3.15 Budget information

The annual budget is prepared on a cash basis and is published in the government website. PPSAS 24

A separate Statement of Comparison of Budget and Actual Amounts (SCBAA) was prepared since the budget and the financial statements 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 financial statements.

The annual budget figures included in the financial statements were for the controlling entity [Name of the Entity] and therefore exclude the budget for its [Name of controlled entities excluded]. The budgets of the [Name of controlled entities excluded] were not made publicly available. These budget figures were those approved by the governing body both at the beginning and during the year following a period of consultation with the public.

3.16 Impairment of Non-Financial Assets

Impairment of cash-generating assets

At each reporting date, the [Name of the Entity] assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the [Name of the Entity] estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that were largely independent of those from other assets or groups of assets. PPSAS 26.22
PPSAS 26.13

Where the carrying amount of an asset or the cash-generating unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. PPSAS 26.72

In assessing value in use, the estimated future cash flows were discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions were taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. PPSAS 26.43-45
PPSAS 26.68

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist PPSAS 26.99

[NAME OF ENTITY]
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|---|-----------|

or may have decreased. If such indication exists, the [Name of the Entity] estimates the asset's or cash-generating unit's recoverable amount.

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

PPSAS
26.103

Impairment of non-cash-generating assets

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

PPSAS 21.26

PPSAS 26.14

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

PPSAS 26.14

3.17 Related parties

The [Name of the Entity] regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the [Name of the Entity], or vice versa.

PPSAS 20.4

Members of key management were regarded as related parties and comprise the members of the Planning and Management Committee of the [Name of the Entity] such as: [position and designation of Planning and Management Committee] of the [Name of the Entity] and its controlled entities.

3.18 Service concession arrangements

The [Name of the Entity] analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the [Name of the Entity] recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price.

PPSAS 32.9
PPSAS 32.14

In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest

[NAME OF ENTITY]
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in the asset at the end of the arrangement. Any assets so recognized were measured at their fair value. To the extent that an asset has been recognized, the [Name of the Entity] also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

3.19 Borrowing costs

The benchmark treatment is used by the [Name of the Entity] in the recognition of borrowing costs pertaining to loans borrowed by the National Government (NG) which were recorded in the Bureau of the Treasury. PPSAS 5.14-15

Under the benchmark treatment, borrowings costs were recognized as expense in the period in which they were incurred, regardless of how the borrowings were applied.

3.20 Employee benefits

The employees of [Name of Entity] are member of the Government Service Insurance System (GSIS) [name of pension plan, if not GSIS], which provides life and retirement insurance coverage.

The [Name of Entity] recognizes the undiscounted amount of short term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

The [Name of Entity] recognizes expenses for accumulating compensated absences when these were paid (commuted or paid as terminal leave benefits). Unused entitlements that has accumulated at the reporting date were not recognized as expense. Non-accumulating compensated absences, like special leave privileges, were not recognized.

3.21 Measurement uncertainty

The preparation of [consolidated] financial statements in conformity with PPSAS, requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the [consolidated] financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include [enter significant estimates here, e.g. the useful life of capital assets, estimated employee benefits, rates for amortization, impairment of assets, liability for contaminated sites, etc.].

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

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

4. Changes in Accounting Policies

[Name of Entity] adopted the following new accounting policies:

4.1 [Header]

On [month day, year], [Name of Entity] adopted the PPSASs No. ____ to ____ [which replaced the existing standard]. The new standard includes the requirement for [recognition, measurement, presentation and disclosure of...] and is effective for years beginning on or after [month day, year]. This accounting change had [no] significant impact on [Name of Entity]'s [consolidated] financial statements.

5. Prior Period Adjustments

The [Name of Entity] has determined that [description of error].

As a result, [describe change, including peso amount, for each financial statement line item affected in current and prior year, and cumulative effect on opening accumulated surplus/(deficit) in current and prior year, and cumulative effect on surplus/deficit in prior year].

6. Cash and Cash Equivalents

| Accounts | As of December 31, 2015 (in thousand pesos) |
|--|---|
| Cash on Hand | xxx |
| Cash in Bank-Local Currency | xxx |
| Cash in Bank-Foreign Currency | xxx |
| Cash Equivalents | xxx |
| Total Cash and Cash Equivalents | xxx |

Restricted cash is [description, e.g. endowment funds].

Cash equivalents are [description of the cash equivalents]

7. Investments

7.1. Investments

7.1.1 Reconciliation of the Current Investments

| CURRENT INVESTMENTS As of December 31, 2014 (in thousand pesos) | | | | |
|---|--|---|--|-------|
| Particulars | Financial Assets at Fair Value through Surplus or Deficit | Financial Assets Held to Maturity | Available for Sale Financial Assets | TOTAL |
| Beginning Balance as of January 1, 2015 | xxx | xxx | xxx | xxx |
| Additional investments made | xxx | xxx | xxx | xxx |
| Fair value increase | xxx | xxx | xxx | xxx |

[NAME OF ENTITY]

[Consolidated] Financial statements for the year ended December 31, 2015

| CURRENT INVESTMENTS As of December 31, 2014 (in thousand pesos) | | | | |
|---|---|-----------------------------------|-------------------------------------|------------|
| Particulars | Financial Assets at Fair Value through Surplus or Deficit | Financial Assets Held to Maturity | Available for Sale Financial Assets | TOTAL |
| Amortization of discount on the acquisition of investment | - | - | - | - |
| Reclassification from a different class of investment | xxx | xxx | xxx | xxx |
| Less: <i>Fair value decrease</i> | (xxx) | (xxx) | (xxx) | (xxx) |
| <i>Amortization of premium on acquisition</i> | - | - | - | - |
| <i>Allowance for Impairment Loss</i> | - | - | - | - |
| <i>Investments sold/collected</i> | (xxx) | (xxx) | (xxx) | (xxx) |
| <i>Reclassification from a different class of investment</i> | (xxx) | (xxx) | (xxx) | (xxx) |
| Balance as of December 31, 2015 | xxx | xxx | xxx | xxx |

[Description of the composition of each group of financial assets and other relevant information]

7.1.2 Reconciliation of the Non-Current Investments

| NON-CURRENT INVESTMENTS As of December 31, 2015 (in thousand pesos) | | | | | |
|---|-----------------------------------|---------------------------|----------------------|------------------------------|------------|
| Particulars | Financial Assets Held to Maturity | Financial Assets – Others | Investments in GOCCs | Investments in Joint Venture | TOTAL |
| Beginning Balance as of January 1, 2015 | xxx | xxx | xxx | xxx | xxx |
| Additional investments made | xxx | xxx | xxx | xxx | xxx |
| Fair value increase | xxx | xxx | xxx | xxx | xxx |
| Amortization of discount on the acquisition of investment | - | - | - | - | - |
| Reclassification from a different class of investment | xxx | xxx | xxx | xxx | xxx |
| Less: <i>Fair value decrease</i> | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| <i>Amortization of premium on acquisition</i> | - | - | - | - | - |
| <i>Allowance for Impairment Loss</i> | - | - | - | - | - |
| <i>Investments sold/collected</i> | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| <i>Reclassification from a different class of investment</i> | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| Balance as of December 31, 2015 | xxx | xxx | xxx | xxx | xxx |

[NAME OF ENTITY]

[Consolidated] Financial statements for the year ended December 31, 2015

[Description of the composition of each group of financial assets and other relevant information]

7.1.3 Total Investments

| Particulars | As of December 31, 2015 (in thousand pesos) |
|-------------------------------|--|
| Total Current Investments | xxx |
| Total Non-Current Investments | xxx |
| Total Investments | xxx |

7.1.4 Investments in Government Business Enterprises

[Name of Entity] owns [%] of [name of business enterprise]

7.1.5 Investments in Joint Venture

[Name of the government partner] to which [Name of Entity] owns and operates the [activities undertaken by the partnership] for [name of the organization/recipients/ entities, etc.] [Name of Entity] provides contributions to fund its operations. [Name of the entity to which the entity is a partner]'s financial results are proportionately consolidated with those of [Name of Entity] based upon [Name of Entity]'s share of its total contributions of [#% (20X1: #%)].

[Description of the entity's share of any contingencies and contractual obligations of government partnerships and those contingencies that exist when [Name of Entity] is contingently liable for the liabilities of other parties in the entity's statement of position].

The amounts included in these consolidated financial statements are as follows:

[Consolidated] Statement of Financial Position

| Particulars | As of December 31, 2015 (in thousand pesos) |
|--------------------------------------|--|
| Financial assets | xxx |
| Liabilities | xxx |
| Net Liabilities | (xxx) |
| Non-financial assets | xxx |
| Accumulated surplus (deficit) | xxx |

[Consolidated] Statement of Operations

| Particulars | For CY 2015 |
|--|-------------|
| Revenue | xxx |
| Expenses | (xxx) |
| Surplus (deficit) for the year | xxx |
| Accumulated surplus (deficit) – beginning of year | xxx |
| Accumulated surplus (deficit) , December 31, 2015 | xxx |

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

8. Receivables

8.1 Loans and Receivables

| Accounts | 2015 (in thousand pesos) | | |
|---|-----------------------------|-------------|------------|
| | Current | Non-Current | Total |
| Accounts Receivable | xxx | xxx | xxx |
| <i>Allowance for Impairment-Accounts Receivable</i> | (xxx) | (xxx) | (xxx) |
| <i>Net Value- Accounts Receivable</i> | xxx | xxx | xxx |
| Notes Receivable | xxx | xxx | xxx |
| <i>Allowance for Impairment-Notes Receivable</i> | (xxx) | (xxx) | (xxx) |
| <i>Net Value- Notes Receivable</i> | xxx | xxx | xxx |
| Loans Receivable-Government-Owned or Controlled Corporations | xxx | xxx | xxx |
| <i>Allowance for Impairment-Loans Receivable-GOCCs</i> | (xxx) | (xxx) | (xxx) |
| <i>Net Value- Loans Receivable-GOCCs</i> | xxx | xxx | xxx |
| Loans Receivable-Local Government Units | xxx | xxx | xxx |
| <i>Allowance for Impairment-Loans Receivable-Local Government Units</i> | (xxx) | (xxx) | (xxx) |
| <i>Net Value-Loans Receivable-LGUs</i> | xxx | xxx | xxx |
| Interests Receivable | xxx | xxx | xxx |
| <i>Allowance for Impairment-Interests Receivable</i> | (xxx) | (xxx) | (xxx) |
| <i>Net Value-Interests Receivable</i> | xxx | xxx | xxx |
| Dividends Receivable | xxx | xxx | xxx |
| Loans Receivable-Others | xxx | xxx | xxx |
| <i>Allowance for Impairment-Loans Receivable-Others</i> | (xxx) | (xxx) | (xxx) |
| <i>Net Value-Loans Receivable-Others</i> | xxx | xxx | xxx |
| TOTALS | xxx | xxx | xxx |

[Describe security held for each class of loans/receivables]

[For loans denominated in foreign currencies, also disclose the currency, amount, and peso equivalent].

8.2 Aging/ Analysis of Receivables

As at December 31, 2015

| Accounts | Total | Not past due | Past due | | |
|------------------------|-------|--------------|-----------|------------|-----------|
| | | | < 30 days | 30-60 days | > 60 days |
| Accounts Receivable | xxx | xxx | xxx | xxx | xxx |
| Notes Receivable | xxx | xxx | xxx | xxx | xxx |
| Loans Receivable-GOCCs | xxx | xxx | xxx | xxx | xxx |
| Loans Receivable-LGUs | xxx | xxx | xxx | xxx | xxx |
| Interests Receivable | xxx | xxx | xxx | xxx | xxx |

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

| Accounts | Total | Not past due | Past due | | |
|----------------------------|------------|--------------|------------|------------|------------|
| | | | < 30 days | 30-60 days | > 60 days |
| Dividends Receivable | xxx | xxx | xxx | xxx | xxx |
| Loans Receivable-Others | xxx | xxx | xxx | xxx | xxx |
| Operating Lease Receivable | xxx | xxx | xxx | xxx | xxx |
| Finance Lease Receivable | xxx | xxx | xxx | xxx | xxx |
| Other Receivables | xxx | xxx | xxx | xxx | xxx |
| Total | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> |

8.3 Lease Receivables

| Accounts | 2015 (in thousand pesos) | | |
|---|-----------------------------|-------------|------------|
| | Current | Non-Current | Total |
| Operating Lease Receivable | xxx | xxx | xxx |
| Allowance for Impairment-Operating Lease Receivable | (xxx) | (xxx) | (xxx) |
| Net Value-Operating Lease Receivable | xxx | xxx | xxx |
| Finance Lease Receivable | xxx | xxx | xxx |
| Allowance for Impairment-Finance Lease Receivable | (xxx) | (xxx) | (xxx) |
| Net Value-Finance Lease Receivable | xxx | xxx | xxx |
| TOTALS | xxx | xxx | xxx |

The total future minimum lease payments of [Name of the Entity] under non-cancellable operating lease contracts with [name of lessors] are as follows:

| Particulars | 2015 (in thousand pesos) |
|---|-----------------------------|
| Operating lease: | |
| Not later than one year | xxx |
| Later than one year and not later than five years | xxx |
| Later than five years | xxx |
| Sub-total | xxx |
| Finance lease: | |
| Not later than one year | xxx |
| Later than one year and not later than five years | xxx |
| Later than five years | xxx |
| Sub-total | xxx |
| TOTALS | xxx |

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

8.4 Inter-Agency Receivables

| Accounts | 2015 (in thousand pesos) | | |
|--|-----------------------------|-------------|------------|
| | Current | Non-Current | Total |
| Due from National Government Agencies | xxx | xxx | xxx |
| Due from Government-Owned or Controlled Corporations | xxx | xxx | xxx |
| Due from Local Government Units | xxx | xxx | xxx |
| Due from Joint Venture | xxx | xxx | xxx |
| TOTALS | xxx | xxx | xxx |

9. Inventories

| Accounts | 2015 (in thousand pesos) | | | |
|--|---|---|---|---|
| | 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, 2015 | xxx | xxx | xxx | xxx |
| Additions/Acquisitions during the year | xxx | xxx | xxx | xxx |
| Expensed during the year except write-down | (xxx) | (xxx) | (xxx) | (xxx) |
| Write-down during the year | (xxx) | (xxx) | (xxx) | (xxx) |
| Reversal of Write-down during the year | xxx | xxx | xxx | xxx |
| Carrying Amount, December 31, 2015 | xxx | xxx | xxx | xxx |
| Inventory Held for Distribution | | | | |
| Carrying Amount, January 1, 2015 | xxx | xxx | xxx | xxx |
| Additions/Acquisitions during the year | xxx | xxx | xxx | xxx |
| Expensed during the year except write-down | (xxx) | (xxx) | (xxx) | (xxx) |
| Write-down during the year | (xxx) | (xxx) | (xxx) | (xxx) |
| Reversal of Write-down during the year | xxx | xxx | xxx | xxx |
| Carrying Amount, December 31, 2015 | xxx | xxx | xxx | xxx |
| Inventory Held for Manufacturing | | | | |
| Carrying Amount, January 1, 2015 | xxx | xxx | xxx | xxx |
| Additions/Acquisitions during the year | xxx | xxx | xxx | xxx |
| Expensed during the year except write-down | (xxx) | (xxx) | (xxx) | (xxx) |
| Write-down during the year | (xxx) | (xxx) | (xxx) | (xxx) |

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

| Accounts | 2015 (in thousand pesos) | | | |
|---|---|---|---|---|
| | 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 |
| Reversal of Write-down during the year | xxx | xxx | xxx | xxx |
| Carrying Amount, December 31, 2015 | xxx | xxx | xxx | xxx |
| Inventory Held for Consumption | xxx | xxx | xxx | xxx |
| Carrying Amount, January 1, 2015 | xxx | xxx | xxx | xxx |
| Additions/Acquisitions during the year | xxx | xxx | xxx | xxx |
| Expensed during the year except write-down | (xxx) | (xxx) | (xxx) | (xxx) |
| Write-down during the year | (xxx) | (xxx) | (xxx) | (xxx) |
| Reversal of Write-down during the year | xxx | xxx | xxx | xxx |
| Carrying Amount, December 31, 2015 | xxx | xxx | xxx | xxx |
| TOTAL CARRYING AMOUNT, DECEMBER 31, 2015 | xxx | xxx | xxx | xxx |

[Name of Entity] [description of significant balances of inventories and other relevant information].

10. Investment Property

| Particulars | 2015 (in thousand pesos) | | |
|--|-----------------------------|-------------------------------|------------|
| | Investment Property-Land | Investment Property-Buildings | Total |
| Carrying Amount, January 1, 2015 | xxx | xxx | xxx |
| Additions/Acquisitions | xxx | xxx | xxx |
| Transfers from inventories/owner-occupied property | xxx | xxx | xxx |
| Other Changes | xxx | xxx | xxx |
| Total | xxx | xxx | xxx |
| Disposals | (xxx) | (xxx) | (xxx) |
| Depreciation (As per Statement of Financial Performance) | (xxx) | (xxx) | (xxx) |
| Impairment Loss (As per Statement of Financial Performance) | (xxx) | (xxx) | (xxx) |
| Transfers to inventories/owner-occupied property | (xxx) | (xxx) | (xxx) |
| Other Changes | (xxx) | (xxx) | (xxx) |
| Carrying Amount, December 31, 2015 (As per Statement of Financial Position) | xxx | xxx | xxx |

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| Particulars | 2015 (in thousand pesos) | | |
|--|---------------------------------|--------------------------------------|------------|
| | Investment Property- Land | Investment Property- Buildings | Total |
| Gross Cost (Balance per Statement of Financial Position) | xxx | xxx | xxx |
| Less : Accumulated Depreciation | (xxx) | (xxx) | (xxx) |
| Accumulated Impairment Loss | (xxx) | (xxx) | (xxx) |
| Carrying Amount, December 31, 2015 (As per Statement of Financial Position) | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> |

The [Name of the Entity] uses the following criteria to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of operations (inventory):

- [State the criteria]

The rental revenue and direct operating expenses amounted to [state the amounts].

11. Property, Plant and Equipment

| | Land | Land Improvements | Infrastructure Assets | Buildings and Other Structures | Machinery and Equipment | TOTAL |
|--|------------|----------------------|--------------------------|--------------------------------------|-------------------------------|------------|
| Carrying Amount, January 1, 2015 | xxx | xxx | xxx | xxx | xxx | xxx |
| Additions/Acquisitions | xxx | xxx | xxx | xxx | xxx | xxx |
| Total | xxx | xxx | xxx | xxx | xxx | xxx |
| <i>Disposals</i> | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| <i>Depreciation (As per Statement of Financial Performance)</i> | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| <i>Impairment Loss (As per Statement of Financial Performance)</i> | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| Carrying Amount, December 31, 2015 (As per Statement of Financial Position) | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> |

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| Gross Cost (Asset Account Balance per Statement of Financial Position) | xxx | xxx | xxx | xxx | xxx | xxx |
| Less : Accumulated Depreciation | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| Allowance for Impairment | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| Carrying Amount, December 31, 2015 (As per Statement of Financial Position) | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> |

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[Disclosure of carrying amount of temporarily idle PPE, fully depreciated PPE still in use and PPE retired from active use and held for disposal, and the fair value of PPE when this is materially different from the carrying amount]

12. Biological Assets

12.1 Reconciliation of the amount of Breeding Stocks

| Name of Entity Reconciliation of the Carrying Amount of Breeding Stocks As of December 31, 2015 | | |
|---|---------|------------|
| Carrying Amount as of January 1, 2015 | | 30,000.00 |
| Increases due to purchases | | 5,200.00 |
| Gain arising from changes in fair value less costs to sell attributable to physical changes | Table 1 | 28,850.00 |
| Gain arising from changes in fair value less costs to sell attributable to price changes | Table 2 | 3,200.00 |
| Decreases due to sales | | (5,700.00) |
| Carrying amount at December 31, 2015 | | 61,550.00 |

Table 1: Due to Physical Change

| <u>Date Recognized</u> | <u>Qty.</u> | <u>CAFV</u> | <u>PAFV</u> | <u>Difference</u> | <u>Amount</u> |
|------------------------|-------------|-------------|-------------|-------------------|------------------|
| July 1, 2015 | 10 | 2,000 | | 2,000 | 20,000.00 |
| | 5 | 5,100 | 5,000 | 100 | 500.00 |
| Dec. 31, 2015 | 3 | 2,150 | | 2,150 | 6,450.00 |
| | 2 | 5,400 | 5,200 | 200 | 400.00 |
| | 5 | 5,700 | 5,400 | 300 | 1,500.00 |
| | | | | | <u>28,850.00</u> |

Table 2: Due to Price Change

| <u>Date Recognized</u> | <u>Qty.</u> | <u>CFV *¹</u> | <u>PFV *²</u> | <u>Difference</u> | <u>Amount</u> |
|--|-------------|--------------------------|--------------------------|-------------------|-----------------|
| July 1, 2015 | 5 | 5100 | 5000 | 100 | 500.00 |
| Dec. 31, 2015 | 10 | 2150 | 2000 | 150 | 1,500.00 |
| | 2 | 5200 | 5100 | 100 | 200.00 |
| | 5 | 5400 | 5200 | 200 | 1,000.00 |
| | | | | | <u>3,200.00</u> |
| ¹ CFV-Current Fair Value-FV of the Breeding Stocks of the same age when the breeding stocks were recognized | | | | | |
| ² PFV-Previous Fair Value-FV of the breeding stocks on the previous recognition date (July 1, 2015) | | | | | |

Note: the above format may be used for other biological assets.

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13. Intangible Assets

| Particulars | 2015 (in thousand pesos) | | |
|--|-----------------------------|-------------------------|-------------------|
| | Computer Software | Other Intangible Assets | Total |
| Carrying Amount, January 1, 2015 | xxx | xxx | xxx |
| Additions-Internally Developed | xxx | xxx | xxx |
| Additions-Purchased/Acquired thru exchange on non-exchange transaction | xxx | xxx | xxx |
| Impairment Loss Reversed (As per Statement of Financial Performance) | xxx | xxx | xxx |
| Total | xxx | xxx | xxx |
| Disposals | (xxx) | (xxx) | (xxx) |
| Amortization recognized (As per Statement of Financial Performance) | (xxx) | (xxx) | (xxx) |
| Impairment Loss (As per Statement of Financial Performance) | (xxx) | (xxx) | (xxx) |
| Other Changes | (xxx) | (xxx) | (xxx) |
| Carrying Amount, December 31, 2015 (As per Statement of Financial Position) | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> |
| Gross Cost (Balance per Statement of Financial Position) | xxx | xxx | xxx |
| Less : Accumulated Amortization (including accumulated impairment loss) | (xxx) | (xxx) | (xxx) |
| Carrying Amount, December 31, 2015 (As per Statement of Financial Position) | <u>xxx</u> | <u>xxx</u> | <u>xxx</u> |

Intangible asset amounting to [amount] were assessed to have an indefinite useful life based on the [state the reasons or the factors supporting the assessment]

[State the description, the carrying amount and remaining amortization period of any individual intangible asset that is material to the entity's financial statements]

[For intangible assets acquired through a non-exchange transaction and initially recognized at fair value, state: a) the fair value initially recognized for these assets; b) their carrying amount; and c) measured after recognition.]

14. Other Assets

14.1 Current and Non-Current Other Assets

| Particulars | 2014 (in thousand pesos) | | |
|---------------|-----------------------------|-------------|------------|
| | Current | Non-Current | Total |
| Advances | xxx | xxx | xxx |
| Prepayments | xxx | xxx | xxx |
| Deposits | xxx | xxx | xxx |
| Other Assets | xxx | xxx | xxx |
| TOTALS | xxx | xxx | xxx |

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14.2 Contingent Assets

The [Name of Entity] has the following contingent assets where the estimated or known assets are, or exceed [amounts]. Collection of these assets is dependent on the [describe nature of future event that will confirm existence of asset]. Contingent assets are not recorded in the [consolidated] financial statements.

15. Financial Liabilities

15.1 Payables

| Particulars | 2015 | | 2014 | |
|---|------------|-------------|------------|-------------|
| | Current | Non-Current | Current | Non-Current |
| Payables | xxx | xxx | xxx | xxx |
| Accounts Payable | xxx | xxx | xxx | xxx |
| Notes Payable | xxx | xxx | xxx | xxx |
| Service Concession Arrangements Payable | xxx | xxx | xxx | xxx |
| Finance Lease Payable | xxx | xxx | xxx | xxx |
| Other Payables | xxx | xxx | xxx | xxx |
| Total Payables | xxx | xxx | xxx | xxx |

15.2 Finance Lease Payable

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Undiscounted Minimum Lease Payments | | |
| Not later than one year | xxx | xxx |
| Later than one year and not later than five years | xxx | xxx |
| Later than five years | xxx | xxx |
| Total Undiscounted Minimum Lease Payments | xxx | xxx |

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Present Value of Minimum Lease Payments | xxx | xxx |
| Not later than one year | xxx | xxx |
| Later than one year and not later than five years | xxx | xxx |
| Later than five years | | |
| Total Undiscounted Minimum Lease Payments | xxx | xxx |

Finance leases are mainly [description of lease transaction].

The fair value of finance lease liabilities is [state the fair value].

15.3 Bills/Bonds/Loans Payable

| Particulars | 2015 | 2014 | 2015 | 2014 |
|---|---------|-------------|---------|-------------|
| | Current | Non-Current | Current | Non-Current |
| Treasury Bills Payable | xxx | xxx | xxx | xxx |
| Bonds Payable-Domestic | | | | |
| <i>Discount on Bonds Payable-Domestic</i> | (xxx) | (xxx) | (xxx) | (xxx) |

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| Particulars | 2015 | 2014 | 2015 | 2014 |
|--|------------|-------------|------------|-------------|
| | Current | Non-Current | Current | Non-Current |
| <i>Premium on Bonds Payable-Domestic</i> | xxx | xxx | xxx | xxx |
| Net Value | xxx | xxx | xxx | xxx |
| Bonds Payable-Foreign | | | | |
| <i>Discount on Bonds Payable-Foreign</i> | (xxx) | (xxx) | (xxx) | (xxx) |
| <i>Premium on Bonds Payable-Foreign</i> | xxx | xxx | xxx | xxx |
| Net Value | xxx | xxx | xxx | xxx |
| Total Bills/Bonds/Loans Payable | xxx | xxx | xxx | xxx |

The Treasury Bills Payable, Bonds Payable and Loans payable are measured at amortized cost. The fair value of Treasury Bills Payable, Bonds Payable and Loans payable are [amount], [amount] and [amount], respectively. The valuation reported at fair value is also based on [e.g. observable market prices].

16. Inter-Agency Payables

| Particulars | 2015 | | 2014 | |
|------------------------------------|------------|-------------|------------|-------------|
| | Current | Non-Current | Current | Non-Current |
| Due to BIR | xxx | xxx | xxx | xxx |
| Due to GSIS | xxx | xxx | xxx | xxx |
| Due to Pag-IBIG | xxx | xxx | xxx | xxx |
| Due to PhilHealth | xxx | xxx | xxx | xxx |
| Due to NGAs | xxx | xxx | xxx | xxx |
| Due to GOCCs | xxx | xxx | xxx | xxx |
| Due to LGUs | xxx | xxx | xxx | xxx |
| Due to Joint Venture | xxx | xxx | xxx | xxx |
| Total Inter-Agency Payables | xxx | xxx | xxx | xxx |

17. Trust Liabilities

| Particulars | 2015 | | 2014 | |
|---|------------|-------------|------------|-------------|
| | Current | Non-Current | Current | Non-Current |
| Trust Liabilities | xxx | xxx | xxx | xxx |
| Trust Liabilities-Disaster Risk Reduction and Management Fund | xxx | xxx | xxx | xxx |
| Bail Bonds Payable | xxx | xxx | xxx | xxx |
| Guaranty/Security Deposits Payable | xxx | xxx | xxx | xxx |
| Customers' Deposits Payable | xxx | xxx | xxx | xxx |
| Total Trust Liabilities | xxx | xxx | xxx | xxx |

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18. Deferred Credits/Unearned Income

| Particulars | 2015 | | 2014 | |
|---|------------|-------------|------------|-------------|
| | Current | Non-Current | Current | Non-Current |
| Deferred Finance Lease Revenue | xxx | xxx | xxx | xxx |
| Other Deferred Credits | xxx | xxx | xxx | xxx |
| Unearned Revenue-Investment Property | xxx | xxx | xxx | xxx |
| Other Unearned Revenue | xxx | xxx | xxx | xxx |
| Total Deferred Credits/Unearned Income | xxx | xxx | xxx | xxx |

19. Provisions

| Particulars | 2015 | | 2014 | |
|-----------------------------|------------|-------------|------------|-------------|
| | Current | Non-Current | Current | Non-Current |
| Pension Benefits Payable | xxx | xxx | xxx | xxx |
| Leave Benefits Payable | xxx | xxx | xxx | xxx |
| Retirement Gratuity Payable | xxx | xxx | xxx | xxx |
| Other Provisions | xxx | xxx | xxx | xxx |
| Total Provisions | xxx | xxx | xxx | xxx |

20. Other Payables

The [Name of Entity] has payables to agencies not classified as financial liabilities pertaining to [description, amounts (current and non-current)].

21. Tax Revenue

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Tax Revenue-Individual and Corporation | xxx | xxx |
| Income Tax | xxx | xxx |
| Professional Tax | xxx | xxx |
| Travel Tax | xxx | xxx |
| Immigration Tax | xxx | xxx |
| Tax Revenue-Property | xxx | xxx |
| Estate Tax | xxx | xxx |
| Donors Tax | xxx | xxx |
| Capital Gains Tax | xxx | xxx |
| Tax Revenue-Goods and Services | xxx | xxx |
| Import Duties | xxx | xxx |
| Excise Tax | xxx | xxx |
| Business Tax | xxx | xxx |
| Tax on Sand, Gravel and Other Quarry Products | xxx | xxx |
| Tax on Delivery Vans and Trucks | xxx | xxx |
| Tax Revenue-Others | xxx | xxx |
| Documentary Stamp Tax | xxx | xxx |
| Motor Vehicles Users' Charge | xxx | xxx |
| TOTAL TAX REVENUE | xxx | xxx |

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22. Service and Business Income

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Service Income | xxx | xxx |
| Permit Fees | xxx | xxx |
| Registration Fees | xxx | xxx |
| Registration Plates, Tags and Stickers Fees | xxx | xxx |
| Clearance and Certification Fees | xxx | xxx |
| Franchising Fees | xxx | xxx |
| Licensing Fees | xxx | xxx |
| Supervision and Regulation Enforcement Fees | xxx | xxx |
| Spectrum Usage Fees | xxx | xxx |
| Legal Fees | xxx | xxx |
| Inspection Fees | xxx | xxx |
| Verification and Authentication Fees | xxx | xxx |
| Passport and Visa Fees | xxx | xxx |
| Processing Fees | xxx | xxx |
| Fines and Penalties-Service Income | xxx | xxx |
| Other Service Income | xxx | xxx |
| Business Income | xxx | xxx |
| School Fees | xxx | xxx |
| Affiliation Fees | xxx | xxx |
| Examination Fees | xxx | xxx |
| Seminar/Training Fees | xxx | xxx |
| Rent/Lease Income | xxx | xxx |
| Communication Network Fees | xxx | xxx |
| Transportation System Fees | xxx | xxx |
| Road Network Fees | xxx | xxx |
| Waterworks System Fees | xxx | xxx |
| Power Supply System Fees | xxx | xxx |
| Seaport System Fees | xxx | xxx |
| Landing and Parking Fees | xxx | xxx |
| Income from Hostels/Dormitories and Other Like Facilities | xxx | xxx |
| Slaughterhouse Operation | xxx | xxx |
| Income from Printing and Publication | xxx | xxx |
| Sales Revenue | xxx | xxx |
| Less: Sales Discounts | xxx | xxx |
| Net Sales | xxx | xxx |
| Hospital Fees | xxx | xxx |
| Guarantee Income | xxx | xxx |
| Fidelity Insurance Income | xxx | xxx |
| Dividend Income | xxx | xxx |
| Interest Income | xxx | xxx |
| Share in the Profit of Joint Venture | xxx | xxx |
| Fines and Penalties-Business Income | xxx | xxx |
| Total Service and Business Income | xxx | xxx |

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23. Shares, Grants and Donations

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Share from National Wealth | xxx | xxx |
| Share from PAGCOR/PCSO | xxx | xxx |
| Share from Earnings of GOCCs | xxx | xxx |
| Income from Grants and Donations in Cash | xxx | xxx |
| Income from Grants and Donations in Kind | xxx | xxx |
| Total Shares, Grants and Donations | xxx | xxx |

24. Personnel Services

24.1 Salaries and Wages

| Particulars | 2015 | 2014 |
|---------------------------------------|------------|------------|
| Salaries and Wages-Regular | xxx | xxx |
| Salaries and Wages-Casual/Contractual | xxx | xxx |
| Total Salaries and Wages | xxx | xxx |

24.2 Other Compensation

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Personal Economic Relief Allowance (PERA) | xxx | xxx |
| Representation Allowance (RA) | xxx | xxx |
| Transportation Allowance (TA) | xxx | xxx |
| Clothing/Uniform Allowance | xxx | xxx |
| Subsistence Allowance | xxx | xxx |
| Laundry Allowance | xxx | xxx |
| Quarters Allowance | xxx | xxx |
| Productivity Incentive Allowance | xxx | xxx |
| Overseas Allowance | xxx | xxx |
| Honoraria | xxx | xxx |
| Hazard Pay | xxx | xxx |
| Longevity Pay | xxx | xxx |
| Overtime and Night Pay | xxx | xxx |
| Year End Bonus | xxx | xxx |
| Cash Gift | xxx | xxx |
| Other Bonuses and Allowances | xxx | xxx |
| Total Other Compensation | xxx | xxx |

24.3 Employees Future Benefits

The [Name of Entity] and its employees contribute to the [e.g., GSIS] in accordance with the [name of the applicable Act/s]. The [Name of the entity responsible, e.g. GSIS] administers the plan, including payment of pension benefits to employees to whom the act applies. [Name of the benefit plan] is a defined contribution plan [name of other plans]. The contribution to the defined contribution plan amounted to [amount of retirement premiums paid, etc.]

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24.4 Personnel Benefit Contributions

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Retirement and Life Insurance Premiums | xxx | xxx |
| PhilHealth Contributions | xxx | xxx |
| Employees Compensation Insurance Premiums | xxx | xxx |
| Provident/Welfare Fund Contributions | xxx | xxx |
| Total Personnel Benefit Contributions | xxx | xxx |

24.5 Other Personnel Benefits

| Particulars | 2015 | 2014 |
|---------------------------------------|------------|------------|
| Pension Benefits | xxx | xxx |
| Retirement Gratuity | xxx | xxx |
| Terminal Leave Benefits | xxx | xxx |
| Other Personnel Benefits | xxx | xxx |
| Total Other Personnel Benefits | xxx | xxx |

25. Maintenance and Other Operating Expenses

25.1 Traveling Expenses

| Particulars | 2015 | 2014 |
|---------------------------------|------------|------------|
| Traveling Expenses-Local | xxx | xxx |
| Traveling Expenses-Foreign | xxx | xxx |
| Total Traveling Expenses | xxx | xxx |

25.2 Training and Scholarship Expenses

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Training Expenses | xxx | xxx |
| Scholarship Grants/Expenses | xxx | xxx |
| Total Training and Scholarship Expenses | xxx | xxx |

25.3 Supplies and Materials Expenses

| Particulars | 2015 | 2014 |
|--|------|------|
| Office Supplies Expenses | xxx | xxx |
| Accountable Forms Expenses | xxx | xxx |
| Non-Accountable Forms Expenses | xxx | xxx |
| Animal/Zoological Supplies Expenses | xxx | xxx |
| Food Supplies Expenses | xxx | xxx |
| Welfare Goods Expenses | xxx | xxx |
| Drugs and Medicines Expenses | xxx | xxx |
| Medical, Dental and Laboratory Supplies Expenses | xxx | xxx |
| Fuel, Oil and Lubricants Expenses | xxx | xxx |
| Agricultural and Marine Supplies Expenses | xxx | xxx |
| Textbooks and Instructional Materials Expenses | xxx | xxx |
| Military, Police and Traffic Supplies Expenses | xxx | xxx |

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| Particulars | 2015 | 2014 |
|--|------------|------------|
| Chemical and Filtering Supplies Expenses | xxx | xxx |
| Other Supplies and Materials Expenses | xxx | xxx |
| Total Supplies and Materials Expenses | xxx | xxx |

25.4 Utility Expenses

| Particulars | 2015 | 2014 |
|-------------------------------|------------|------------|
| Water Expenses | xxx | xxx |
| Electricity Expenses | xxx | xxx |
| Total Utility Expenses | xxx | xxx |

25.5 Communication Expenses

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Postage and Courier Services | xxx | xxx |
| Telephone Expenses | xxx | xxx |
| Internet Subscription Expenses | xxx | xxx |
| Cable, Satellite, Telegraph and Radio Expenses | xxx | xxx |
| Total Communication Expenses | xxx | xxx |

25.6 Awards/Rewards and Prizes

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Awards/Rewards Expenses | xxx | xxx |
| Prizes | xxx | xxx |
| Total Awards/Rewards and Prizes | xxx | xxx |

25.7 Survey, Research, Exploration and Development Expenses

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Survey Expenses | xxx | xxx |
| Research, Exploration and Development Expenses | xxx | xxx |
| Total Survey, Research, Exploration and Development Expenses | xxx | xxx |

25.8 Demolition/Relocation and Desilting/Dredging Expenses

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Demolition and Relocation Expenses | xxx | xxx |
| Desilting and Dredging Expenses | xxx | xxx |
| Total Demolition/Relocation and Desilting/Dredging Expenses | xxx | xxx |

25.9 Generation, Transmission and Distribution Expenses

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Generation, Transmission and Distribution Expenses | xxx | xxx |
| Total Generation, Transmission and Distribution Expenses | xxx | xxx |

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25.10 Confidential, Intelligence and Extraordinary Expenses

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Confidential Expenses | xxx | xxx |
| Intelligence Expenses | xxx | xxx |
| Extraordinary and Miscellaneous Expenses | xxx | xxx |
| Total Confidential, Intelligence and Extraordinary Expenses | xxx | xxx |

25.11 Professional Services

| Particulars | 2015 | 2014 |
|------------------------------------|------------|------------|
| Legal Services | xxx | xxx |
| Auditing Services | xxx | xxx |
| Consultancy Services | xxx | xxx |
| Other Professional Services | xxx | xxx |
| Total Professional Services | xxx | xxx |

25.12 Repairs and Maintenance

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Repairs and Maintenance-Investment Property | xxx | xxx |
| Repairs and Maintenance-Land Improvements | xxx | xxx |
| Repairs and Maintenance-Infrastructure Assets | xxx | xxx |
| Repairs and Maintenance-Buildings and Other Structures | xxx | xxx |
| Repairs and Maintenance-Machinery and Equipment | xxx | xxx |
| Repairs and Maintenance-Transportation Equipment | xxx | xxx |
| Repairs and Maintenance-Furniture and Fixtures | xxx | xxx |
| Repairs and Maintenance-Leased Assets | xxx | xxx |
| Repairs and Maintenance-Leased Assets Improvements | xxx | xxx |
| Restoration and Maintenance-Heritage Assets | xxx | xxx |
| Repairs and Maintenance-Other Property, Plant and Equipment | xxx | xxx |
| Total Repairs and Maintenance Expenses | xxx | xxx |

25.13 Taxes, Insurance Premiums and Other Fees

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Taxes, Duties and Licenses | xxx | xxx |
| Fidelity Bond Premiums | xxx | xxx |
| Insurance Expenses | xxx | xxx |
| Total Taxes, Insurance Premiums and Other Fees | xxx | xxx |

25.14 Labor and Wages

| Particulars | 2015 | 2014 |
|-----------------|------|------|
| Labor and Wages | xxx | xxx |

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25.15 Other Maintenance and Operating Expenses

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Advertising Expenses | xxx | xxx |
| Printing and Publication Expenses | xxx | xxx |
| Representation Expenses | xxx | xxx |
| Transportation and Delivery Expenses | xxx | xxx |
| Rent/Lease Expenses | xxx | xxx |
| Membership Dues and Contributions to Organizations | xxx | xxx |
| Subscription Expenses | xxx | xxx |
| Donations | xxx | xxx |
| Litigation/Acquired Assets Expenses | xxx | xxx |
| Other Maintenance and Operating Expenses | xxx | xxx |
| Total Other Maintenance and Operating Expenses | xxx | xxx |

26. Financial Expenses

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Management Supervision/Trusteeship Fees | xxx | xxx |
| Interest Expenses | xxx | xxx |
| Guarantee Fees | xxx | xxx |
| Bank Charges | xxx | xxx |
| Commitment Fees | xxx | xxx |
| Other Financial Charges | xxx | xxx |
| Total Financial Expenses | xxx | xxx |

27. Non-Cash Expenses

27.1. Depreciation

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Depreciation-Investment Property | xxx | xxx |
| Depreciation-Land Improvements | xxx | xxx |
| Depreciation-Infrastructure Assets | xxx | xxx |
| Depreciation-Buildings and Other Structures | xxx | xxx |
| Depreciation-Machinery and Equipment | xxx | xxx |
| Depreciation-Transportation Equipment | xxx | xxx |
| Depreciation-Furniture, Fixtures and Books | xxx | xxx |
| Depreciation-Leased Assets | xxx | xxx |
| Depreciation-Leased Assets Improvements | xxx | xxx |
| Depreciation-Heritage Assets | xxx | xxx |
| Depreciation-Service Concession Assets | xxx | xxx |
| Depreciation-Other Property, Plant and Equipment | xxx | xxx |
| Total Depreciation | xxx | xxx |

27.2. Amortization

| Particulars | 2015 | 2014 |
|----------------------------------|------|------|
| Amortization – Intangible Assets | xxx | xxx |

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27.3. Impairment Loss

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Impairment Loss-Financial Assets Held to Maturity | xxx | xxx |
| Impairment Loss-Loans and Receivables | xxx | xxx |
| Impairment Loss-Lease Receivables | xxx | xxx |
| Impairment Loss-Investments in GOCCs | xxx | xxx |
| Impairment Loss-Investments in Joint Venture | xxx | xxx |
| Impairment Loss-Other Receivables | xxx | xxx |
| Impairment Loss-Inventories | xxx | xxx |
| Impairment Loss-Investment Property | xxx | xxx |
| Impairment Loss-Property, Plant and Equipment | xxx | xxx |
| Impairment Loss-Biological Assets | xxx | xxx |
| Impairment Loss-Intangible Assets | xxx | xxx |
| Impairment Loss-Investments in Associates | xxx | xxx |
| Impairment Loss-Other Assets | | |
| Total Impairment Loss | xxx | xxx |

27.4. Losses

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Loss on Sale of Biological Assets | xxx | xxx |
| Loss on Sale of Agricultural Produce | xxx | xxx |
| Loss on Initial Recognition of Biological Assets | xxx | xxx |
| Total Losses | xxx | xxx |

28. Net Financial Assistance/Subsidy

Financial Assistance/Subsidy from NGAs, LGUs, GOCCs

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Subsidy from National Government | xxx | xxx |
| Subsidy from other NGAs | xxx | xxx |
| Assistance from Local Government Units | xxx | xxx |
| Assistance from Government-Owned or Controlled Corporations | xxx | xxx |
| Total Financial Assistance/Subsidy from NGAs, LGUs, GOCCs | xxx | xxx |

Less: Financial Assistance/Subsidy to NGAs, LGUs, GOCCs, NGOs/POs

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Financial Assistance to NGAs | xxx | xxx |
| Subsidy to NGAs (for BTr only) | xxx | xxx |
| Financial Assistance to Local Government Units | xxx | xxx |
| Budgetary Support to GOCCs | xxx | xxx |
| Financial Assistance to NGOs/POs | xxx | xxx |
| Subsidies-Others | xxx | xxx |
| Total Financial Assistance/Subsidy to NGAs, LGUs, GOCCs | xxx | xxx |
| Net Financial Assistance/Subsidy | xxx | xxx |

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29. Non-Operating Income, Gain or Losses

29.1. Non-Operating Income/Gain

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Sale of Garnished/Confiscated/Abandoned/Seized Goods and Properties | xxx | xxx |
| Gain on Foreign Exchange (FOREX) | xxx | xxx |
| Gain on Sale of Investments | xxx | xxx |
| Gain on Sale of Investment Property | xxx | xxx |
| Gain on Sale of Property, Plant and Equipment | xxx | xxx |
| Gain on Sale of Intangible Assets | xxx | xxx |
| Other Gains | xxx | xxx |
| Total Non-Operating Income/Gain | xxx | xxx |

29.2. Non-Operating Losses

| Particulars | 2015 | 2014 |
|---|------------|------------|
| Loss on Foreign Exchange (FOREX) | xxx | xxx |
| Loss on Sale of Investments | xxx | xxx |
| Loss on Sale of Investment Property | xxx | xxx |
| Loss on Sale of Property, Plant and Equipment | xxx | xxx |
| Loss on Sale of Intangible Assets | xxx | xxx |
| Loss on Sale of Assets | xxx | xxx |
| Loss of Assets | xxx | xxx |
| Loss on Guaranty | xxx | xxx |
| Other Losses | xxx | xxx |
| Total Non-Operating Losses | xxx | xxx |

30. Reconciliation of Net Cash Flows from Operating Activities to Surplus/(Deficit)

| Particulars | 2015 | 2014 |
|--|------------|------------|
| Surplus/Deficit for the year | xxx | xxx |
| Non-cash movements | xxx | xxx |
| Depreciation | xxx | xxx |
| Amortization | xxx | xxx |
| Increase in Impairment Losses | xxx | xxx |
| Increase in Payables | xxx | xxx |
| Increase in borrowings | xxx | xxx |
| Gain/losses on sale of property, plant and equipment | (xxx) | (xxx) |
| Gain/losses on sale of investments | (xxx) | (xxx) |
| Increase in other current assets | (xxx) | (xxx) |
| Increase in investments due to revaluation | (xxx) | (xxx) |
| Increase in receivables | (xxx) | (xxx) |
| Net Cash Flows from Operating Activities | xxx | xxx |

[NAME OF ENTITY]
[Consolidated] Financial statements for the year ended December 31, 2015

31. Related party transactions

These financial statements include the financial statements of the Department/Agency and the controlled entity listed in the following table:

| Name | Equity Interest | |
|------|-----------------|------|
| | 2015 | 2014 |
| | xxx | xxx |
| | xxx | xxx |
| | xxx | xxx |
| | xxx | xxx |
| | xxx | xxx |

31.1 Key Management's interest:

31.2 Terms and Conditions of transactions with related parties

31.3 Key Management Personnel

The key management personnel of the [Name of the Entity] are the [Head of the Entity/Agency], the members of the governing body, and the members of the senior management group. The governing body consists of members appointed by [Head of the Entity/Other Appointing Authority]. The senior management group consists of the [agency's chief executive officer, the chief financial officer and the head of departments].

31.4 Key Management Personnel Compensation

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

| Particulars | Aggregate Remuneration |
|---------------------------------------|------------------------|
| Salaries and Wages | xxx |
| Other Compensation | xxx |
| Personnel Benefit Contributions | xxx |
| Other Personnel Benefits | xxx |
| Total Other Personnel Benefits | xxx |

The Secretary of the Department which has supervision over the [Name of the Agency/Entity] is not remunerated by Agency/Entity.

31.5 Remuneration and Compensation Provided to Close Family Members of Key Management Personnel

During the reporting period, total remuneration and compensation of [amount] was provided by the Agency to employees who are close family members of key management personnel.

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[Consolidated] Financial statements for the year ended December 31, 2015

32. Service concession arrangement

During the current reporting period, the [name of the entity/agency] entered into a service concession arrangement with a [name of the private company] to provide [description/benefits/other relevant information about the concession arrangement].

| | 2015 | 2014 |
|--|------------|------------|
| Fair value of service concession assets recognized | xxx | xxx |
| Accumulated depreciation to-date | xxx | xxx |
| Net carrying amount | xxx | xxx |
| | | |
| Service concession liability-beginning | xxx | xxx |
| Service concession revenue recognized | xxx | xxx |
| Service concession liability-closing | xxx | xxx |

NOTE TO USERS:

Although efforts were exerted to provide this basic model, this cannot be expected to address every type of transactions or disclosure requirements and it is not comprehensive enough in all respects to meet the needs of every user. Further, this model is not intended to cover all aspects of standards with regard to disclosures. Applying the PPSASs requires professional judgment.