



Janice 2/23/16
Secretary / Adoption Board
Office of the Auditor

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of **INTERCOUNTRY ADOPTION BOARD** is responsible for all information and representations contained in the accompanying Statement of Financial Position as of **December 31, 2015** and the related Statement of Financial Performance, Statement of Cash Flows, Statement of Comparison of Budget and Actual Amounts, Statement of Changes in Net Assets/Equity and the Notes to Financial Statements for the calendar year then ended. The financial statements have been prepared in conformity with Philippine Public Sector Accounting Standards (PPSAS) and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

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CARINA F. SANGIL, CPA
Accountant III

FEB 22 2016
Date Signed

Janice

BERNADETTE B. ABEJO
Executive Director

2/23/16

Date Signed

INTERCOUNTRY ADOPTION BOARD
Statement of Financial Position
As of December 31, 2015
(With Comparative Figures for CY 2014)

	<u>Notes</u>	<u>2015</u>	<u>2014</u>
Assets			
Current Assets			
Cash and Cash Equivalents	5	P 12,093,880.02	P 13,946,769.51
Receivables	6	230,204.74	255,815.58
Inventories	7	703,258.60	874,971.48
Other Current Assets	8	2,008,556.13	1,608,462.16
Total Current Assets		<u>15,035,899.49</u>	<u>16,686,018.73</u>
Non-Current Assets			
Property, Plant and Equipment - Net	9	17,585,401.90	17,717,662.30
Other Non-Current Assets	8	331,221.22	369,707.53
Total Non-Current Assets		<u>17,916,623.12</u>	<u>18,087,369.83</u>
TOTAL ASSETS		<u>32,952,522.61</u>	<u>34,773,388.56</u>
Liabilities			
Current Liabilities			
Financial Liabilities	10	776,447.19	205,119.54
Inter-Agency Payables	11	121,903.82	173,615.23
Trust Liabilities	12	12,744,140.15	15,297,682.62
Total Current Liabilities		<u>13,642,491.16</u>	<u>15,676,417.39</u>
Total Liabilities		<u>13,642,491.16</u>	<u>15,676,417.39</u>
Net Assets/Equity			
Accumulated Surplus/(Deficit)	13	19,310,031.45	19,096,971.17
Total Net Assets/Equity		<u>19,310,031.45</u>	<u>19,096,971.17</u>
TOTAL LIABILITIES & EQUITY		<u>P 32,952,522.61</u>	<u>P 34,773,388.56</u>

See accompanying Notes to Financial Statements

INTERCOUNTRY ADOPTION BOARD
Statement of Financial Performance
For the Year Ended December 31, 2015
(With Comparative Figures for CY 2014)

	<u>Notes</u>	<u>2015</u>	<u>2014</u>
Revenue			
Service and Business Income	14	₱ 34,654,386.16	₱ 41,104,427.98
Shares, Grants and Donations			398,723.00
Total Revenue		<u><u>34,654,386.16</u></u>	<u><u>41,503,150.98</u></u>
Less: Current Operating Expenses			
Personnel Services	16	16,939,000.12	15,744,675.20
Maintenance and Other Operating Expenses	17	25,885,845.92	21,656,979.54
Financial Expenses		0.00	1,975.00
Non-Cash Expenses	18	<u>1,254,092.79</u>	<u>1,413,192.69</u>
Total Current Operating Expenses		<u><u>44,078,938.83</u></u>	<u><u>38,816,822.43</u></u>
Surplus/(Deficit) from Current Operations		(9,424,552.67)	2,686,328.55
Net Financial Assistance/Subsidy	15	<u>44,717,299.20</u>	<u>38,281,951.92</u>
Surplus/(Deficit) for the period		₱ <u><u>35,292,746.53</u></u>	₱ <u><u>40,968,280.47</u></u>

See accompanying Notes to Financial Statements

INTERCOUNTRY ADOPTION BOARD
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
For the Year Ended December 31, 2015
(With Comparative Figures for CY 2014)

	Notes	<u>Accumulated Surpluses/ (Deficits)</u>	<u>Accumulated Surpluses/ (Deficits)</u>
Balance at January 1, 2015	P	19,096,971.17	P 19,767,029.53
Changes in accounting policy			
Prior period adjustments/unrecorded			
Income and expenses		(354,442.06)	(133,388.43)
Other Adjustments			
Restated Balance		<u>18,742,529.11</u>	<u>19,633,641.10</u>
Changes in Net Assets/Equity for CY 2015			
Surplus for the period	19	35,292,746.53	40,968,280.47
Closing of Cash-Treasury/Agency Deposit		<u>(34,725,244.19)</u>	<u>(41,504,950.40)</u>
Total recognized revenue and expense for the period		<u>567,502.34</u>	<u>(536,669.93)</u>
Balance at December 31, 2015	P	<u>19,310,031.45</u>	P <u>19,096,971.17</u>

See accompanying Notes to Financial Statements

INTERCOUNTRY ADOPTION BOARD
Statement of Cash Flows
For the Year Ended December 31, 2015
(With Comparative Figures for CY 2014)

	Notes	<u>2015</u>	<u>2014</u>
Cash Flow from Operating Activities:			
<i>Cash Inflows:</i>			
Receipt of Notice of Cash Allocation	P	58,993,928.00	P 52,007,621.00
Collection of Income/Revenues		34,654,386.16	41,104,427.98
Trust Receipts		22,960,110.44	28,621,502.19
Other Receipts		480,890.89	670,111.37
Adjustments		424,485.04	85,309.79
Total Cash Inflows		<u>117,513,800.53</u>	<u>122,488,972.33</u>
<i>Cash Outflows</i>			
Remittance to National Treasury		44,559,768.58	54,261,871.19
Payment of Expenses		57,837,875.05	60,275,025.66
Purchase of Inventories		319,040.00	366,590.00
Grant of Cash Advances		8,776,197.75	-
Prepayments		172,871.38	102,310.01
Payment of Accounts Payable		128,109.54	360,513.64
Remittance of Personnel Benefit Contributions and Mandatory Deductions		2,171,319.07	2,031,088.93
Other Disbursements		13,243.59	103,876.00
Release of Inter-Agency Fund Transfers		292,502.12	511,949.87
Reversal of Unutilized NCA		3,932,043.87	3,888,614.68
Adjustments		77,010.00	71,466.03
Total Cash Outflows		<u>118,279,980.95</u>	<u>121,973,306.01</u>
Net Cash Provided (Used in) by Operating Activities		<u>(766,180.42)</u>	<u>515,666.32</u>
Cash Flows from Investing Activities			
<i>Cash Inflows</i>			
Proceeds from Sale of Investment Property		-	-
Proceeds from Sale/Disposal of PPE		-	-
Total Cash Inflows		<u>-</u>	<u>-</u>
<i>Cash Outflows</i>			
Purchase/Construction of Property, Plant and Equipment		1,086,709.07	242,593.00
Total Cash Outflows		<u>1,086,709.07</u>	<u>242,593.00</u>
Net Cash Provided (Used in) by Investing Activities		<u>(1,086,709.07)</u>	<u>(242,593.00)</u>
Increase (Decrease) in Cash and Cash Equivalents		<u>(1,852,889.49)</u>	<u>273,073.32</u>
Cash and Cash Equivalents, January 01, 2015		<u>13,946,769.51</u>	<u>13,673,696.19</u>
Cash and Cash Equivalents, December 31, 2015	P	<u><u>12,093,880.02</u></u>	P <u><u>13,946,769.51</u></u>

INTER-COUNTRY ADOPTION BOARD
 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
 FUND 101
 FOR THE YEAR ENDED DECEMBER 31, 2015

Janie 2/3/16
 Inter-Country Adoption Board
 Office of the Auditor

Particulars	Note	Budgeted Amount		Actual Amounts on Comparable Basis	Difference Final Budget and Actual
		Original	Final		
RECEIPTS					
Services and Business Income	13 & 22.1		38,086	34,654	(3,432)
Assistance and Subsidy	14		43,306	43,306	
Other Non-Operating Receipts					
Refund of Petty Cash & Advances			64	64	
Total Receipts			<u>81,456</u>	<u>78,024</u>	<u>(3,432)</u>
PAYMENTS					
Personnel Services	22.2	14,611	16,547	16,934	(387)
Maintenance & Other Operating Expenses	22.2	27,433	26,633	26,018	615
Capital Outlay		1,114	1,114	1,090	24
Financial Expenses					
Other Disbursements					
Remittance to National Treasury			34,719	34,719	
Total Payments		<u>43,158</u>	<u>79,013</u>	<u>78,761</u>	<u>252</u>
NET RECEIPTS/PAYMENTS		<u>(43,158)</u>	<u>2,443</u>	<u>(737)</u>	<u>(3,180)</u>

Certified Correct:

Certified Correct:

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 ANGELITA N. GUERINIA
 Administrative Officer V

Carina
 CARINA P. SANGIL
 Accountant III

Notes to Financial Statements

1. General Information/Agency Profile

The Financial Statements (FSs) of Inter-Country Adoption Board (ICAB) were authorized for issue on February 23, 2016 as shown in the Statement of Management Responsibility for Financial Statements signed by Bernadette B. Abejo, Executive Director.

Inter-Country Adoption Board is an agency established on June 07, 1995 created under Republic Act No. 8043 otherwise known as the Inter-country Adoption Law of 1995.

Nature of Agency's operations

Mandate

The ICAB is mandated to act as the central authority in matters relating to inter-country adoption and the policy-making body for purposes of carrying out the provisions of the Inter-Country Adoption Act of 1995 (RA 8043).

Vision

ICAB envisions a world where children are raised by families that provide them with love and care, as well as opportunities for the full and harmonious development of their potentials.

Mission

To find permanent families abroad for Filipino children when there is absolutely no possibility that they can be adopted by families in the Philippines. ICAB aims to achieve this mission through:

- Formulation and development of policies, rules, and regulations to the protection of Filipino children adopted abroad;
- Development and implementation of inter-country adoption services, including post legal adoption services;
- Accreditation/authorization of foreign adoption agencies (FAAs) and child caring/placing agencies (CCA/CPAs) to participate in the program; and,
- Continuing partnership and networking with FAAs, CC/PAs, and other related agencies or Authorities.

Functions/Programs/Activities

A. Policy Formulation

Formulate and develop policies, rules, and regulations, programs and services to ensure the protection of Filipino children adopted abroad.

B. Program Development and Implementation

Promote the development and implementation of inter-country adoption services including post-legal adoption services.

C. Regulatory Function

Accredit and authorize foreign private adoption agencies and accredit through the DSWD child caring/placing agencies to participate in the Philippine inter-country adoption program.

D. Advocacy and Networking

Advocate for policies and measures to ensure the protection of Filipino children adopted abroad thru country-to-country agreements.

THRUSTS FOR CY 2015

1. POLICY FORMULATION AND RESEARCH

- a. Continuing development, enhancement and promotion of facilitative, clear and substantive policy guidelines on inter-country adoption program responsive to stakeholder's issues and concerns.

2. STANDARDS SETTING AND COMPLIANCE MONITORING

- a. Periodic authorization by the Board of Hague Country Adoption Agencies.
- b. Monitor and assess compliance and implementation of policies and procedures on inter-country adoption (ICA).

3. PROGRAM DEVELOPMENT AND IMPLEMENTATION

- a. Continuing implementation and institutionalization of system to reduce wait time and placement of children with prospective adoptive parents.

4. NETWORKING, CAPABILITY BUILDING AND ADVOCACY

- a. Provision of appropriate technical assistance and capability building packages to stakeholders e.g. social workers, caregivers, house parents on new trends and good practices on inter-country adoption program.
- b. Hosting of the 13th Philippine Global Consultation on Child Welfare Services.

5. INSTITUTIONAL STRENGTHENING

- a. Enhance the implementation of competency based recruitment, selection, training and promotion system of empowered and high functioning personnel.
- b. Institutionalize compliance with good governance conditions such as mandatory posting of budgetary, procurement and other reports in the Transparency Seal and PhilGEPS Posting.

The Agency's registered office is located at #2 Chicago Corner, E Garcia St. Cubao, Quezon City.

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

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

The FSs have been prepared on the basis of historical cost, unless stated otherwise and have been prepared based on the best estimates and informed judgment of Management with an appropriate consideration to materiality. The Statement of Cash Flows was prepared using the direct method.

3. Summary of Significant Accounting Policies

3.1 Basis of accounting

The FSs are prepared on an accrual basis in accordance with the Philippine Public Sector Accounting Standards (PPSAS).

3.2 Cash and cash equivalents

Cash and cash equivalents is comprised of cash on hand and cash in 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.

Collections of application and processing fees and trust account for pre-adoptive costs in foreign currencies (US\$) are recorded in Philippine Peso based on actual conversion/foreign exchange rate used by the Bureau of Treasury (BTr) subject to certification/confirmation of deposits/remittances issued by the BTr on all deposits made by the Board.

3.3 Inventories

Inventory is measured at cost upon initial recognition. The costs of ending inventories of supplies are computed using the weighted average method of inventory costing.

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

3.4 Property, Plant and Equipment

Recognition

An item is recognized as Property, Plant, and Equipment (PPE) if it meets the characteristics and recognition criteria as a PPE.

The characteristics of PPE are as follows:

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

An item of PPE is recognized as an asset if:

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

Measurement at Recognition

An item recognized as property, plant, and equipment is measured at cost. The cost of the PPE is its cash price equivalent.

Cost includes the following:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- Expenditure directly attributable to the acquisition of the items;

- 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.

When significant parts of property, plant and equipment are required to be replaced at intervals, the ICAB recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as expense in surplus or deficit as incurred.

Depreciation

Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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

Initial Recognition of Depreciation

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

For simplicity and to avoid proportionate computation, the depreciation begins in the succeeding month from purchase.

Depreciation Method

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

Estimated Useful Life

The ICAB uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA.

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

Impairment

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

Derecognition

The ICAB 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.

3.5 Changes in accounting policies and estimates

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

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

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

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

3.6 Foreign currency transactions

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

At each reporting date:

- Foreign currency monetary items are translated using the closing rate;

- Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined.

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, are 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.

3.7 Budget information

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

As a result of the adoption of the cash basis for budgeting purposes, a separate Statement of Comparison of Budget and Actual Amounts is presented showing the basis, timing or entity differences. Explanatory comments are provided in the notes to the annual financial statements; first, the reasons for overall growth or decline in the budget are stated, followed by details of overspending or underspending on line items.

3.8 Employee benefits

The employees of ICAB are member of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage.

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

4. Prior Period Adjustments

Fundamental errors of prior years and recording of liquidation of prior year's cash advances are charged to Government Equity. Those errors affecting the current year's operations are adjusted and charged to current year's accounts.

A prior period error shall be corrected by retrospective restatement, except to the extent that it is impracticable to determine either the period-specific effects or cumulative effect of the error.

5. Cash and Cash Equivalents

Accounts	2015	2014
Cash on Hand – Petty Cash	2,314.56	0.00
Cash – Treasury/Agency Deposit, Trust	11,717,080.42	13,869,759.51
Cash – MDS, Regular	368,465.37	77,010.00
Cash – MDS, Trust	6,019.67	0.00
Total Cash and Cash Equivalents	12,093,880.02	13,946,769.51

Cash – Treasury/Agency Deposit, Trust account pertains to accumulated trust receipt collections deposited to the Bureau of Treasury as custodial fund to defray the processing of pre-adoptive placement cost of children placed for inter-country adoption. Released of national cost allocation is deducted from this account.

Cash – Modified Disbursement System (MDS,) Regular and Cash – Modified Disbursement System (MDS), Trust represents unreleased checks issued from MDS Fund 101 and Fund 184, respectively, as of December 31, 2015 restored to cash balance recognizing Accounts Payable as counter-part.

6. Receivables

6.1 Inter-Agency Receivables

Accounts	2015			2014		
	Current	Non-Current	Total	Current	Non-Current	Total
Due from NGAS	109,564.59	75,679.10	185,243.69	135,175.43	75,679.10	210,854.53

Due from NGAs-Procurement Service of ₱185,243.69 refers to the advance payments made to Procurement Service – Department of Budget and Management for the procurement of office supplies and materials for official use of ICAB which are still undelivered as of December 31, 2015.

6.2 Other Receivables

Accounts	2015			2014		
	Current	Non-Current	Total	Current	Non-Current	Total
Receivables- Disallowances/Charges	0.00	42,616.24	42,616.24	0.00	42,616.24	42,616.24
Other Receivables	0.00	2,344.81	2,344.81	0.00	2,344.81	2,344.81
Total Other Receivables	0.00	44,961.05	44,961.05	0.00	44,961.05	44,961.05

Receivables - Disallowances/Charges in the amount of ₱42,616.24 pertains to the unsettled balance of audit disallowances in the prior years which is related to concerned ICAB employees/staff who were no longer connected with the ICAB.

However, there were unbooked audit disallowances pertaining to CY 2009-2012 with pending appeal. COA decision which denies ICAB appeal were released on late December 2015 to early 2016 in the total amount of ₱4,386,113.54. The amount of ₱5,000.00 was refunded per Official Receipt #2770273 dated December 29, 2015. ICAB management will request reconsideration for audit disallowances denied by the NGS-Cluster 6.

Other Receivables of ₱2,344.81 pertains to personal calls incurred by former ICAB staff and pre-accommodation incurred by one of the participants of ICAB training/seminar on inter-country adoption that was conducted in prior years. The said staff can no longer be located.

6.3 Aging/Analysis of Receivables

Accounts	2015					2014				
	Total	Not past due	Past Due			Total	Not past due	Past Due		
			< 30 days	30-60 days	>60 days			< 30 days	30-60 days	>60 days
Receivables- Disallowances /Charges	42,616.24	-	-	-	42,616.24	42,616.24	-	-	-	42,616.24
Other Receivables	2,344.81	-	-	-	2,344.81	2,344.81	-	-	-	2,344.81
Total	44,961.05	-	-	-	44,961.05	44,961.05	-	-	-	44,961.05

7. Inventories

Accounts	2015	2014
	Inventories carried at the lower of cost and net realizable value	
Inventory Held for Consumption		
Carrying Amount, January 1, 2015	874,971.48	840,108.12
Additions/Acquisitions during the year	637,152.96	745,129.18
Expensed during the year except write-down	(808,865.84)	(710,265.82)
Write-down during the year	(0.00)	(0.00)

Accounts	2015	2014
	Inventories carried at the lower of cost and net realizable value	
Reversal of Write-down during the year	0.00	0.00
TOTAL CARRYING AMOUNT, DECEMBER 31, 2015	703,258.60	874,971.48

Office Supplies Inventory account consists of office supplies for official use of ICAB officials and employees.

Other Supplies Inventory account consists of cultural items (i.e. miniature Philippine Flag, Philippine Jeepney toy, Dolls in native costume, etc.) being given to adoptive children as cultural souvenir during their pre-departure visits at ICAB office with their prospective adoptive parents.

8. Other Assets

8.1 Current and Non-Current Other Assets

Particulars	2015			2014		
	Current	Non-Current	Total	Current	Non-Current	Total
Advances	1,891,934.85	51,766.36	1,943,701.21	1,579,013.86	90,252.67	1,669,266.53
Prepayments	58,708.28	0.00	58,708.28	29,448.30	0.00	29,448.30
Deposits	57,913.00	279,454.86	337,367.86	0.00	279,454.86	279,454.86
Total Other Current Assets	2,008,556.13	331,221.22	2,339,777.35	1,608,462.16	369,707.53	1,978,169.69

Advances to Disbursing Officers (Trust) include cash advances granted to ICAB two (2) Special Disbursing Officers in the total amount of ₱950,000.00 to defray expenses for the first quarter of CY 2015 in order not to hamper the processing of pre-travel expenses of children placed for adoption abroad.

Prepaid Insurance represents the unexpired portion of GSIS vehicle and property insurance and fidelity bond premiums of bonded regular and disbursing officers & employees.

Guaranty Deposits consist of deposits made by the ICAB such as lease rental agreement and credit line facilities for the supply of gasoline, diesel and other services. Current Deposits represents security deposits for the venue in the conduct Global Consultation on Child Welfare held last September 2015.

9. Property, Plant & Equipment

PARTICULARS	LAND	LAND IMPROVEMENTS	BUILDINGS AND OTHER STRUCTURES	MACHINERY AND EQUIPMENT	MOTOR VEHICLES	FURNITURE, FIXTURES AND BOOKS	OTHER PPE	TOTAL
CARRYING AMOUNT, JANUARY 1, 2015	9,118,331.00	39,966.38	3,036,153.30	2,665,533.09	783,289.31	909,406.65	1,164,982.57	17,717,662.30
ADDITIONS/ACQUISITIONS	0.00	0.00	0.00	946,839.07		142,720.00	0.00	1,089,559.07
ADJUSTMENTS					(448,000.00)			(448,000.00)

PARTICULARS	LAND	LAND IMPROVEMENTS	BUILDINGS AND OTHER STRUCTURES	MACHINERY AND EQUIPMENT	MOTOR VEHICLES	FURNITURE, FIXTURES AND BOOKS	OTHER PPE	TOTAL
TOTAL	9,118,331.00	39,966.38	3,036,153.30	3,612,372.16	335,289.31	1,052,126.65	1,164,982.57	18,359,221.37
DISPOSALS	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
DEPRECIATION (AS PER STATEMENT OF FINANCIAL PERFORMANCE)	(0.00)	(0.00)	(262,620.12)	(501,779.30)	(192,503.58)	(131,482.24)	(165,707.55)	(1,254,092.79)
ADJUSTMENTS	(0.00)	(0.00)	(0.00)	77,073.32	403,200.00	(0.00)	(0.00)	480,273.32
IMPAIRMENT LOSS	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
CARRYING AMOUNT, DECEMBER 31, 2015	9,118,331.00	39,966.38	2,773,533.18	3,187,666.18	545,985.73	920,644.41	999,275.02	17,585,401.90
GROSS COST (ASSET ACCOUNT BALANCE PER STATEMENT OF FINANCIAL POSITION)	9,118,331.00	295,181.56	5,886,221.83	11,865,319.42	2,381,000.00	2,846,697.73	2,111,516.35	34,504,267.89
LESS: ACC. DEPRECIATION	(0.00)	(255,215.18)	(3,112,688.65)	(8,677,653.24)	(1,835,014.27)	(1,926,053.32)	(1,112,241.33)	(16,918,865.99)
ALLOW. FOR IMPAIRMENT	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
CARRYING AMOUNT, DECEMBER 31, 2015	9,118,331.00	39,966.38	2,773,533.18	3,187,666.18	545,985.73	920,644.41	999,275.02	17,585,401.90

10. Financial Liabilities

10.1 Payables

Accounts	2015			2014		
	Current	Non-Current	Total	Current	Non-Current	Total
Accounts Payable	776,447.19	0.00	776,447.19	205,119.54	0.00	205,119.54

Accounts Payable account is composed of current year's obligated expenses which include check payments which are not yet claimed by creditors/payees and still unreleased as of December 31, 2015.

11. Inter-Agency Payables

Accounts	2015			2014		
	Current	Non-Current	Total	Current	Non-Current	Total
Due to BIR	121,903.82	0.00	121,903.82	173,615.23	0.00	173,615.23

Due to BIR account represents taxes withheld in December 2015 which were remitted on January 7, 2016.

12. Trust Liabilities

Accounts	2015			2014		
	Current	Non-Current	Total	Current	Non-Current	Total
Trust Liabilities	12,744,140.15	0.00	12,744,140.15	15,291,282.62	0.00	15,291,282.62
Other Payables	0.00	0.00	0.00	6,400.00	0.00	6,400.00
Total Trust Liab.	12,744,140.15	0.00	12,744,140.15	15,297,682.62	0.00	15,297,682.62

Trust Liabilities (Pre-Adoptive Costs) account consist of trust receipts/custodial fund pertaining to collections received from Prospective Adoptive Parents (PAPs) applicants to cover the cost of processing of pre-adoptive placement/pre-travel expenses of prospective adoptive children placed for inter-country adoption by the Board in the amount of ₱12,744,140.15.

13. Accumulated Surplus/(Deficit)

Accumulated Surplus/(Deficit) account is used to record the cumulative results of normal and continuous operations of the agency including prior period adjustments, payment of unobligated expenses in prior year, effects of changes in accounting policy and other capital adjustments.

14. Service and Other Income

Accounts	2015	2014
Processing Fee	32,228,301.16	39,643,463.98
Other Service Income	2,426,085.00	1,460,964.00
Total Service & Other Income	34,654,386.16	41,104,427.98

Processing Fees account pertains to Adoption Fees which consist of Application Fee and Processing Fee.

Other Service Income pertains to Accreditation Fees to defray expenses for accreditation/authorization of Foreign Adoption Agencies.

15. Assistance and Subsidy

This account consists of the following:

NCA received from DBM – Fund 101	₱ 43,305,630.00
Less: Reversion of Unused NCA	1,717,849.05
Net NCA	₱ 41,587,780.95
Add: Tax Remittance Advice issued thru BIR e-FPS	3,129,518.25
	<u><u>₱44,717,299.20</u></u>

16. Personnel Services

16.1 Salaries and Wages

Particulars	2015	2014
Salaries and Wages - Regular	10,423,754.74	10,582,954.62

16.2 Other Compensation

Particulars	2015	2014
Personal Economic Relief Allowance (PERA)	767,994.80	775,188.88
Representation Allowance (RA)	168,000.00	168,000.00
Transportation Allowance (TA)	55,454.54	57,045.44
Clothing/Uniform Allowance	181,400.00	165,000.00
Subsistence Allowance	135,800.00	160,600.00
Productivity Incentive Allowance	63,333.33	60,333.34
Year End Bonus	885,297.00	898,360.00
Cash Gift	162,500.00	165,000.00
Other Bonuses and Allowances	1,922,226.20	874,580.57
Total Other Compensation	4,342,005.87	3,324,108.23

16.3 Personnel Benefit Contributions

Particulars	2015	2014
Retirement and Life Insurance Premiums	1,273,914.90	1,279,594.95
Pag-Ibig Contributions	38,900.00	39,000.00
PHILHEALTH Contributions	121,437.50	122,075.00
Employees Compensation Insurance Premiums	38,900.00	39,000.00
Total Personnel Benefit Contributions	1,473,152.40	1,479,669.95

16.4 Other Personnel Benefits

Particulars	2015	2014
Terminal Leave Benefits	143,781.21	0.00
Other Personnel Benefits	556,305.90	357,942.40
Total Other Personnel Benefits	700,087.11	357,942.40

17. Maintenance and Other Operating Expenses**17.1 Traveling Expenses**

Particulars	2015	2014
Traveling Expenses – Local	1,011,120.44	1,156,400.26
Traveling Expenses – Foreign	4,793,259.92	3,818,887.05
Total Traveling Expenses	5,804,380.36	4,975,287.31

17.2 Training and Scholarship Expenses

Particulars	2015	2014
Training Expenses	5,740,574.31	2,384,712.09

17.3 Supplies and Materials Expenses

Particulars	2015	2014
Office Supplies Expenses	628,305.73	622,425.68

Particulars	2015	2014
Accountable Forms Expenses	65,600.00	15,067.50
Fuel, Oil and Lubricants Expenses	129,629.08	230,311.02
Other Supplies and Materials Expenses	4,136,112.11	3,309,938.70
Total Supplies and Materials Expenses	4,959,646.92	4,177,742.90

17.4 Utility Expenses

Particulars	2015	2014
Water Expenses	50,140.06	61,608.48
Electricity Expenses	753,724.48	780,755.98
Total Utility Expenses	803,864.54	842,364.46

17.5 Communication Expenses

Particulars	2015	2014
Postage and Courier Services	1,104,810.84	1,520,783.76
Telephone Expenses-Mobile	386,338.13	0.00
Telephone Expenses- Landline	523,624.27	725,036.70
Internet Subscription Expenses	269,060.00	268,912.00
Total Communication Expenses	2,283,833.24	2,514,732.46

17.6 Confidential, Intelligence and Extraordinary Expenses

Particulars	2015	2014
Extraordinary and Miscellaneous Expenses	108,894.45	89,416.49

17.7 Professional Services

Particulars	2015	2014
Legal Services	56,900.00	48,900.00
Auditing Services	13,370.06	14,962.43
Consultancy Services	449,400.00	532,400.00
Other Professional Services	2,638,436.04	2,761,017.00
Total Professional Services	3,158,106.10	3,357,279.43

17.8 General Services

Particulars	2015	2014
Security Services	797,147.96	747,152.73
Other General Services	54,317.20	58,077.60
Total General Services	851,465.16	805,230.33

17.9 Repairs and Maintenance

Particulars	2015	2014
Repairs and Maint. - Buildings and Other Structures	290,020.00	89,821.80

Particulars	2015	2014
Repairs and Maint. - Machinery and Equipment	60,871.00	44,543.20
Repairs and Maint. - Transportation Equipment	107,561.30	368,055.57
Repairs and Maint. - Furniture and Fixtures	568.00	0.00
Repairs and Maint. - Other Property, Plant and Eqpt	750.00	0.00
Total Repairs and Maintenance	459,770.30	502,420.57

17.10 Taxes, Insurance Premiums and Other Fees

Particulars	2015	2014
Fidelity Bond Premiums	7,722.43	0.00
Insurance Expenses	69,856.78	111,697.00
Total Taxes, Insurance Premiums and Other Fees	77,579.21	111,697.00

17.11 Other Maintenance and Operating Expenses

Particulars	2015	2014
Advertising Expenses	32,901.39	0.00
Printing and Publication Expenses	144,169.92	257,578.24
Representation Expenses	468,386.61	405,295.46
Transportation and Delivery Expenses	0.00	200.00
Rent/Lease Expense	672,948.07	564,730.38
Subscription Expenses	6,068.00	7,062.00
Donations	48,387.90	56,313.34
Other Maintenance and Operating Expenses	264,869.44	604,917.08
Total Other Maintenance and Operating Expenses	1,637,731.33	1,896,096.50

Financial Expenses

Particulars	2015	2014
Bank Charges	0.00	1,975.00

18. Non-Cash Expenses

Particulars	2015	2014
Depreciation - Land Improvements	0.00	3,482.74
Depreciation - Buildings and Other Structures	262,620.12	263,538.12
Depreciation - Machinery and Equipment	501,779.30	640,138.31
Depreciation - Transportation Equipment	192,503.58	218,185.71
Depreciation - Furniture, Fixtures and Books	131,482.24	125,634.97
Depreciation - Other Property, Plant and Equipment	165,707.55	162,212.84
Total Depreciation	1,254,092.79	1,413,192.69

19. Surplus for the Period

This pertains to the excess of revenue over the current operating expenses, referring to the statement of financial performance.

20. Statement of Comparison of Budget and Actual Amounts

20.1 Receipts

ICAB was not able to meet its target income for CY 2015, hence, there is a difference in the final budget over the actual in the amount of ₱3,432,000. This is primarily due to the continuing implementation of moratorium in the acceptance of adoption application in view of the limited number of children cleared for inter-country adoption.

20.2 Payments

Overspending in PS was due to allotment not provided by the DBM for the payment of monetization of leave credits and payment of terminal leave benefit. However, these are being charged against savings generated by the Maintenance and Other Operating Expenses.

Underspending from Maintenance and Other Operating Expenses (MOOE) was from the unobligated balance for continuing appropriation for CY 2016, 20% of the amount was reverted to BTr for CNA declaration and payment of accounts payable.