



RECEIVED: Feb 28/17
Intercountry Adoption Board
Office of the Auditor

Government Accountancy Office
Office of the Director
RECEIVED

By: [Signature]
Date: MAR 08 2017

**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, 2016** 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.

[Signature]
JAYBIE I. CABRERA, CPA
Accountant III

02/07/2017
Date Signed

[Signature]
BERNADETTE B. ABEJO
Executive Director

Date Signed

**INTER-COUNTRY ADOPTION BOARD
STATEMENT OF FINANCIAL POSITION
(ALL FUNDS)**

**For the year Ended December 31,2016
(With Comparative Figures for CY 2015)**

	<u>Notes</u>	<u>2016</u>	<u>2015</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	12,916,419.46	12,093,880.02
Receivables	6	110,487.91	109,564.59
Inventories	7	557,426.31	703,258.60
Other Current Assets	8	2,106,075.44	2,008,556.13
Total Current Assets		<u>15,690,409.12</u>	<u>14,915,259.34</u>
Non-Current Assets			
Receivables	6	120,640.15	120,640.15
Other Non-Current Assets	8	51,766.36	331,221.22
Property, Plant and Equipment	9	18,392,745.34	17,585,401.90
Total Non-Current Assets		<u>18,565,151.85</u>	<u>18,037,263.27</u>
TOTAL ASSETS		<u><u>34,255,560.97</u></u>	<u><u>32,952,522.61</u></u>
LIABILITIES			
Current Liabilities			
Financial Liabilities	10	314,300.04	776,447.19
Inter-Agency Payables	11	291,372.62	121,903.82
Trust Liabilities	12	13,728,456.79	12,744,140.15
Other Payables		-	-
Total Current Liabilities		<u>14,334,129.45</u>	<u>13,642,491.16</u>
Non-Current Liabilities			
Total Non-Current Liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>14,334,129.45</u>	<u>13,642,491.16</u>
NET ASSETS/EQUITY			
Accumulated Surplus/(Deficit)	13	19,921,431.52	19,310,031.45
TOTAL NET ASSETS/EQUITY		<u><u>34,255,560.97</u></u>	<u><u>32,952,522.61</u></u>

**INTER-COUNTRY ADOPTION BOARD
DETAILED STATEMENT OF FINANCIAL POSITION
(ALL FUNDS)**

**For the Year Ended December 31, 2016
(With Comparative Figures for CY 2015)**

	Notes	<u>2016</u>	<u>2015</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	<u>12,916,419.46</u>	<u>12,093,880.02</u>
Cash on Hand		9,994.28	2,314.56
Petty Cash		9,994.28	2314.56
Treasury/Agency Cash Accounts		<u>12,906,425.18</u>	<u>12,091,565.46</u>
Cash - Treasury/Agency Deposit, Regular		-	
Cash - Treasury/Agency Deposit, Trust		12,906,425.18	11,717,080.42
Cash - Modified Disbursement System, Regular			368,465.37
Cash - Modified Disbursement System, Trust			6,019.67
Receivables	6	<u>110,487.91</u>	<u>109,564.59</u>
Inter-Agency Receivables		107,559.62	109,564.59
Due from National Government Agencies - PS		107,559.62	109,564.59
Other Receivables		<u>2,928.29</u>	
Receivables - Disallowances/Charges			
Other Receivables		2,928.29	
<i>Net Book Value - Other Receivables</i>		<u>2,928.29</u>	<u>-</u>
Inventories	7	<u>557,426.31</u>	<u>703,258.60</u>
Inventory Held for Consumption		439,053.51	703,258.60
Office Supplies Inventory		306,561.60	540,177.57
Other Supplies and Materials Inventory		132,491.91	163,081.03
Semi-expendable machinery & Equipment		<u>118,372.80</u>	<u>-</u>
Semi-expendable-ICT Equipment		118,372.80	
Other Current Assets	8	<u>2,106,075.44</u>	<u>2,008,556.13</u>
Advances		<u>1,738,901.51</u>	<u>1,891,934.85</u>
Advances to Payroll			118,305.00
Advances to Special Disbursing Officers		15,531.23	198,405.06
Advances to Special Disbursing Officers (Trust)		1,376,216.34	1,575,224.79
Advances to Officers and Employees		347,153.94	

**INTER-COUNTRY ADOPTION BOARD
 DETAILED STATEMENT OF FINANCIAL POSITION
 (ALL FUNDS)**

**For the Year Ended December 31, 2016
 (With Comparative Figures for CY 2015)**

	Notes	2016	2015
Prepayments		<u>64,655.07</u>	<u>58,708.28</u>
Prepaid Insurance		44,655.07	58,708.28
Other Prepayments		20,000.00	
Deposits		<u>302,518.86</u>	<u>57,913.00</u>
Guaranty Deposits		302,518.86	57,913.00
Total Current Assets		<u>15,690,409.12</u>	<u>14,915,259.34</u>
Non-Current Assets			
Receivables	6	<u>120,640.15</u>	<u>120,640.15</u>
Inter-Agency Receivables		<u>75,679.10</u>	<u>75,679.10</u>
Due from National Government Agencies - PS		75,679.10	75,679.10
Other Receivables		<u>44,961.05</u>	<u>44,961.05</u>
Receivables - Disallowances/Charges		42,616.24	42,616.24
Other Receivables		2,344.81	2,344.81
<i>Net Book Value - Other Receivables</i>		<u>44,961.05</u>	<u>44,961.05</u>
Other Current Assets	8	<u>51,766.36</u>	<u>331,221.22</u>
Advances		<u>51,766.36</u>	<u>51,766.36</u>
Advances to Special Disbursing Officers (Trust)		51,766.36	51,766.36
Deposits		<u>-</u>	<u>279,454.86</u>
Guaranty Deposits			279,454.86
Property, Plant and Equipment	9	<u>18,392,745.34</u>	<u>17,585,401.90</u>
Land		<u>9,147,849.15</u>	<u>9,158,297.38</u>
Land		<u>9,118,331.00</u>	<u>9,118,331.00</u>
Other Land Improvements		295,181.56	295,181.56
<i>Accumulated Depreciation</i>		<u>(265,663.41)</u>	<u>(255,215.18)</u>
<i>Net Book Value</i>		<u>29,518.15</u>	<u>39,966.38</u>
Buildings and Other Structures		<u>2,510,913.06</u>	<u>2,773,533.18</u>
Buildings		<u>5,886,221.83</u>	<u>5,886,221.83</u>
<i>Accumulated Depreciation</i>		<u>(3,375,308.77)</u>	<u>(3,112,688.65)</u>

**INTER-COUNTRY ADOPTION BOARD
 DETAILED STATEMENT OF FINANCIAL POSITION
 (ALL FUNDS)**

**For the Year Ended December 31, 2016
 (With Comparative Figures for CY 2015)**

	Notes	2016	2015
<i>Net Book Value</i>		<u>2,510,913.06</u>	<u>2,773,533.18</u>
Machinery and Equipment		<u>3,784,033.20</u>	<u>3,187,666.18</u>
Office Equipment		4,166,742.77	4,142,744.77
<i>Accumulated Depreciation</i>		<u>(2,872,708.57)</u>	<u>(2,649,286.32)</u>
<i>Net Book Value</i>		<u>1,294,034.20</u>	<u>1,493,458.45</u>
Information and Communication Technology Equipment		6,994,062.28	6,927,685.85
<i>Accumulated Depreciation</i>		<u>(4,685,668.16)</u>	<u>(5,525,097.16)</u>
<i>Net Book Value</i>		<u>2,308,394.12</u>	<u>1,402,588.69</u>
Communication Equipment		794,888.80	794,888.80
<i>Accumulated Depreciation</i>		<u>(613,283.92)</u>	<u>(503,269.76)</u>
<i>Net Book Value</i>		<u>181,604.88</u>	<u>291,619.04</u>
Transportation Equipment		<u>1,336,019.30</u>	<u>545,985.73</u>
Motor Vehicles		3,348,700.00	2,381,000.00
<i>Accumulated Depreciation</i>		<u>(2,012,680.70)</u>	<u>(1,835,014.27)</u>
<i>Net Book Value</i>		<u>1,336,019.30</u>	<u>545,985.73</u>
Furniture, Fixtures and Books		<u>780,363.16</u>	<u>920,644.41</u>
Furniture and Fixtures		2,841,493.73	2,841,493.73
<i>Accumulated Depreciation</i>		<u>(2,061,808.17)</u>	<u>(1,921,526.92)</u>
<i>Net Book Value</i>		<u>779,685.56</u>	<u>919,966.81</u>
Books		5,204.00	5,204.00
<i>Accumulated Depreciation</i>		<u>(4,526.40)</u>	<u>(4,526.40)</u>
<i>Net Book Value</i>		<u>677.60</u>	<u>677.60</u>
Other Property, Plant and Equipment	8	<u>833,567.47</u>	<u>999,275.02</u>
Other Property, Plant & Equipment		2,111,516.35	2,111,516.35
<i>Accumulated Depreciation</i>		<u>(1,277,948.88)</u>	<u>(1,112,241.33)</u>
<i>Net Book Value</i>		<u>833,567.47</u>	<u>999,275.02</u>
Total Non-Current Assets		<u>18,565,151.85</u>	<u>18,037,263.27</u>
TOTAL ASSETS		<u><u>34,255,560.97</u></u>	<u><u>32,952,522.61</u></u>
 Current Liabilities			
Financial Liabilities	10	<u>314,300.04</u>	<u>776,447.19</u>

**INTER-COUNTRY ADOPTION BOARD
 DETAILED STATEMENT OF FINANCIAL POSITION
 (ALL FUNDS)**

**For the Year Ended December 31,2016
 (With Comparative Figures for CY 2015)**

	Notes	2016	2015
Payables		<u>314,300.04</u>	<u>776,447.19</u>
Accounts Payable		314,300.04	776,447.19
Trust Liabilities		<u>-</u>	<u>-</u>
Guaranty/Security Deposits Payable		-	-
Inter-Agency Payables	11	<u>291,372.62</u>	<u>121,903.82</u>
Due to BIR		287,756.63	121,903.82
Due to GSIS		3,615.99	
Trust Liabilities	12	<u>13,728,456.79</u>	<u>12,744,140.15</u>
Trust Liabilities (Pre-Adoptive Costs)		13,728,456.79	12,744,140.15
Total Current Liabilities		<u>14,334,129.45</u>	<u>13,642,491.16</u>
 Non-Current Liabilities			
Total Non-Current Liabilities		<u>-</u>	<u>-</u>
 TOTAL LIABILITIES		<u>14,334,129.45</u>	<u>13,642,491.16</u>
 NET ASSETS/EQUITY			
Accumulated Surplus/(Deficit)	13	19,921,431.52	19,310,031.45
TOTAL NET ASSETS/EQUITY		<u>34,255,560.97</u>	<u>32,952,522.61</u>

INTER-COUNTRY ADOPTION BOARD
DETAILED STATEMENT OF FINANCIAL PERFORMANCE
(ALL FUNDS)
For the year Ended December 31,2016
(With Comparative Figures for CY 2015)

	Notes	<u>2016</u>	<u>2015</u>
Service and Business Income	14		
Other Processing Fees (Adoption Fees)		32,565,258.64	32,228,301.16
Other Service Income (Accreditation Fees)		<u>1,136,271.00</u>	<u>2,426,085.00</u>
		<u>33,701,529.64</u>	<u>34,654,386.16</u>
Personnel Services	15		
Salaries and Wages			
Salaries & Wages - Regular		10,505,014.80	10,423,754.74
Total Salaries and Wages		<u>10,505,014.80</u>	<u>10,423,754.74</u>
Other Compensation			
Personnel Economic Relief Allowance (PERA)		681,569.26	767,994.80
Representation Allowance (RA)		218,583.22	168,000.00
Transportation Allowance (TA)		57,045.45	55,454.54
Clothing/Uniform Allowance		145,000.00	181,400.00
Subsistence Allowance		162,100.00	135,800.00
Productivity Incentive Allowance		-	63,333.33
Mid year/Year End Bonus		1,687,205.00	885,297.00
Cash Gift		146,500.00	162,500.00
Collective Negotiation Agreement Incentives		772,304.24	785,584.20
Productivity Enhancement Incentives		155,000.00	901,642.00
Performance Based Bonus		450,000.00	235,000.00
Overtime Pay		21,007.47	
Total Other Compensation		<u>4,496,314.64</u>	<u>4,342,005.87</u>
Personnel Benefit Contributions			
L & R Insurance Premiums		1,278,524.50	1,273,914.90
Pag-IBIG Contributions		34,700.00	38,900.00
PhilHealth Contributions		117,950.00	121,437.50
Employees Compensation Insurance Premiums		34,800.00	38,900.00
Provident/Welfare Fund Contributions		-	
Total Personnel Benefit Contributions		<u>1,465,974.50</u>	<u>1,473,152.40</u>
Other Personnel Benefits			
Terminal Leave Benefits		213,951.94	143,781.21
Other Personnel Benefits		484,388.56	556,305.90
Total Other Personnel Benefits		<u>698,340.50</u>	<u>700,087.11</u>
Total Personnel Services		<u>17,165,644.44</u>	<u>16,939,000.12</u>

INTER-COUNTRY ADOPTION BOARD
DETAILED STATEMENT OF FINANCIAL PERFORMANCE
(ALL FUNDS)
For the year Ended December 31,2016
(With Comparative Figures for CY 2015)

	Notes	<u>2016</u>	<u>2015</u>
Maintenance & Other Operating Expenses	16		
Traveling Expenses			
Traveling Expenses-Local		1,576,452.89	1,011,120.44
Traveling Expenses-Foreign		3,149,495.68	4,793,259.92
Total Traveling Expenses		<u>4,725,948.57</u>	<u>5,804,380.36</u>
Training and Scholarship Expenses			
Training Expenses		5,799,737.57	5,740,574.31
Scholarship Grants/Expenses			
Total Training and Scholarship Expenses		<u>5,799,737.57</u>	<u>5,740,574.31</u>
Supplies and Materials Expenses			
Office Supplies Expenses		826,103.45	628,305.73
Accountable Forms Expenses		5,100.00	65,600.00
Fuel, Oil & Lubricants Expenses		165,373.59	129,629.08
Other Supplies & Materials Expenses		2,892,683.93	4,136,112.11
Total Supplies and Materials Expenses		<u>3,889,260.97</u>	<u>4,959,646.92</u>
Utility Expenses			
Water Expenses		55,802.07	50,140.06
Electricity Expenses		634,757.63	753,724.48
Total Utility Expenses		<u>690,559.70</u>	<u>803,864.54</u>
Communication Expenses			
Postage & Courier Services		1,467,265.04	1,104,810.84
Telephone Expenses - Mobile		354,476.43	386,338.13
Telephone Expenses - Landline		533,264.42	523,624.27
Internet Subscription Expenses		268,850.00	269,060.00
Total Communication Expenses		<u>2,623,855.89</u>	<u>2,283,833.24</u>
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary & Miscellaneous Expenses		78,679.49	108,894.45
Total Confidential, Intelligence and Extraordinary Expenses		<u>78,679.49</u>	<u>108,894.45</u>
Professional Services			
Legal Services		1,421,393.19	56,900.00
Auditing Services		15,493.19	13,370.06
Consultancy Services		510,400.00	449,400.00
Other Professional Services		4,387,323.88	2,638,436.04
Other Professional Services		<u>6,334,610.26</u>	<u>3,158,106.10</u>

INTER-COUNTRY ADOPTION BOARD
DETAILED STATEMENT OF FINANCIAL PERFORMANCE
(ALL FUNDS)
For the year Ended December 31,2016
(With Comparative Figures for CY 2015)

	Notes	<u>2016</u>	<u>2015</u>
General Services			
Security Services		828,785.07	797,147.96
Other General Services		63,003.20	54,317.20
Total General Services		<u>891,788.27</u>	<u>851,465.16</u>
Repairs and Maintenance			
Repairs & Maintenance - Bldgs & Other Structures		287,794.32	290,020.00
Repairs & Maintenance - Office Equipment		39,897.39	47,650.00
Repairs & Maintenance - ICT Equipment		7,526.00	13,221.00
Repairs & Maintenance - Transportation Equipment		340,944.39	107,561.30
Repairs & Maintenance-Furniture & Fixtures		-	568.00
Repairs & Maintenance-Other Propert, Plant & Eqpt		-	750.00
Total Repairs and Maintenance		<u>676,162.10</u>	<u>459,770.30</u>
Taxes, Insurance Premiums and Other Fees			
Fidelity Bond Premiums		22,533.35	7,722.43
Insurance Expenses		78,781.76	69,856.78
Total Taxes, Insurance Premiums and Other Fees		<u>101,315.11</u>	<u>77,579.21</u>
Other Maintenance and Operating Expenses			
Advertising Expenses		-	32,901.39
Printing & Publication Expenses		323,722.19	144,169.92
Representation Expenses		421,729.51	468,386.61
Transportation and Delivery Expenses		-	-00
Rents - Buildings & Structures		367,640.00	339,360.00
Rents - Motor Vehicles		81,590.00	97,368.43
Rents - Equipment		212,580.00	236,219.64
Subscription Expenses		6,638.00	6,068.00
Donations		3,160.00	48,387.90
Other Maintenance & Operating Expenses		329,948.72	264,869.44
Total Other Maintenance and Operating Expenses		<u>1,747,008.42</u>	<u>1,637,731.33</u>
Total Maintenance and Other Operating Expenses		<u>27,558,926.35</u>	<u>25,885,845.92</u>
Financial Expenses			
Bank Charges	17	2,920.04	
Total Financial Expenses		<u>2,920.04</u>	-
Total Financial Expenses		<u>2,920.04</u>	-
Non-Cash Expenses			
	18		

INTER-COUNTRY ADOPTION BOARD
DETAILED STATEMENT OF FINANCIAL PERFORMANCE
(ALL FUNDS)
For the year Ended December 31,2016
(With Comparative Figures for CY 2015)

	Notes	<u>2016</u>	<u>2015</u>
Depreciation			
Depreciation - Other Land Improvements		10,448.23	-
Depreciation - Buildings		262,620.12	262,620.12
Depreciation - Office Equipment		199,542.25	121,344.64
Depreciation - ICT Equipment		304,507.90	270,420.50
Depreciation - Communication Equipment		110,014.16	110,014.16
Depreciation - Motor Vehicles		177,666.43	192,503.58
Depreciation - Furniture & Fixtures		140,281.25	131,482.24
Depreciation - Other Property, Plant & Equipment		165,707.55	165,707.55
Total Depreciation		<u>1,370,787.89</u>	<u>1,254,092.79</u>
Total Non-Cash Expenses		<u>1,370,787.89</u>	<u>1,254,092.79</u>
Current Operating Expenses		<u>46,098,278.72</u>	<u>44,078,938.83</u>
Surplus (Deficit) from Current Operations		<u>(12,396,749.08)</u>	<u>(9,424,552.67)</u>
Financial Assistance/Subsidy from NGAs, LGUs, GOCCs			
Subsidy from National Government		46,733,351.13	44,717,299.20
Subsidy from other NGAs		-	
Total Financial Assistance/Subsidy from NGAs	19	<u>46,733,351.13</u>	<u>44,717,299.20</u>
Other Non-Operating Income			
Sales of Assets	20	26,740.00	
Losses			
Losse on Sale of Property, Plant and Equipment	21	(110,349.10)	
Surplus (Deficit) for the period		<u><u>34,252,992.95</u></u>	<u><u>35,292,746.53</u></u>

INTER-COUNTRY ADOPTION BOARD
CONDENSED STATEMENT OF FINANCIAL PERFORMANCE
(ALL FUNDS)

For the period ended December 31,2016
(With Comparative Figures for CY 2015)

	<u>Notes</u>	<u>2016</u>	<u>2015</u>
Revenue			
Service and Business Income	14	33,701,529.64	34,654,386.16
Shares, Grants and Donations			
Total Revenue		33,701,529.64	34,654,386.16
Less: Current Operating Expenses			
Personal Services	15	17,165,644.44	16,939,000.12
Maintenance & Other Operating Expenses	16	27,558,926.35	25,885,845.92
Financial Expenses	17	2,920.04	
Non-Cash Expenses	18	1,370,787.89	1,254,092.79
Total Current and Operating Expenses		46,098,278.72	44,078,938.83
Surplus/(Deficit) from Current Operations		(12,396,749.08)	(9,424,552.67)
Net Financial Assistance/Subsidy	15	46,733,351.13	44,717,299.20
Sale of Assets	21	26,740.00	
Gains		-	
Losses	20	(110,349.10)	
Surplus/(Deficit) for the period		34,252,992.95	35,292,746.53

INTER-COUNTRY ADOPTION BOARD
STATEMENT OF CASH FLOW
(ALL FUNDS)
For the period December 31,2016
(In Pesos)

Cash Flows from Operating Activities:

Cash Inflows -

Deposit to National Treasury (Cash - Treasury/Agency Deposit, Trust)	10,932,512.52
Receipt of Notice of Cash Allocation - Regular	48,918,567.00
Receipt of Notice of Cash Allocation - Trust Receipts	11,332,877.00
Collection of Income/Revenues - Other Application/Processing Fees	32,565,258.64
Collection of Income/Revenues - Other Service Income (Accreditation Fees)	1,136,271.00
Trust Receipts - Pre-Adoptive Fees	10,589,699.27
Other Receipts-Refund of excess Cash Advances/Overpayments of Expenses	92,163.05
Other Receipts-Refund of excess Cash Advances - Trust Fund	342,813.25
Set up of petty cash fund	160,000.00
Adjustments-reversal of check (Trust Receipts)	8,628.99
Adjustments-Reversal of Stale Check	58,764.74
Total Cash Inflows	<u>116,137,555.46</u>

Cash Outflows -

Remittance to National Treasury - Other Application/Processing Fees	32,565,258.64
Remittance to National Treasury - Other Service Income (Accreditation Fees)	1,136,271.00
Remittance to National Treasury - Trust Receipts (Pre-Adoptive Fees)	10,589,699.27
Remittance to National Treasury - Refund of excess Cash Advances/Overpayment	92,163.05
Remittance to National Treasury - Refund of excess Cash Advances (Trust Fund)	342,813.25
Remittance to National Treasury - Proceeds from Sale/Disposal of Property, Plant & Equipment	47,080.00
Payment of Expenses	32,741,578.80
Purchase of Inventories	400,611.95
Grant of Cash Advances - Regular	4,224,583.15
Grant of Cash Advances - Trust Fund	3,657,259.75
Prepayments	134,077.76
Remittance of Personnel Benefit Contributions & Mandatory Deductions	4,189,993.97
Refund of C/A for operating expenses for CY 2015	1,814.56
Advances to Procurement Service	423,381.17
Charges from Cash, Treasury/Agency Deposit, Trust (release of NCA, Trust)	11,332,877.00
Charges from Trust Liability Account - Payment of Pre-adoptive Cost	6,094,537.00
Reversal of unutilized NCA - Regular	5,133,816.06
Adjustments - Reversal of unreleased checks in prior year, Regular	368,465.37
Adjustments - Reversal of unreleased checks in prior year, Trust Fund	6,019.67
Total Cash Outflows	<u>113,482,301.42</u>

Net Cash Provided by (Used in) Operating Activities	<u>2,655,254.04</u>
--	----------------------------

Cash Flow from Investing Activities:

Cash Inflows -

Proceeds from Sale/Disposal of Property, Plant & Equipment	47,080.00
Total Cash Inflows	<u>47,080.00</u>

Cash Outflows -

Purchase/Construction of Property Plant & Equipment	1,879,794.60
Grant of Loans	
Adjustments	
Total Cash Outflows	<u>1,879,794.60</u>

**INTER-COUNTRY ADOPTION BOARD
STATEMENT OF CASH FLOW
(ALL FUNDS)
For the period December 31,2016
(In Pesos)**

Net Cash Provided by (Used in) Investing Activities	<u>(1,832,714.60)</u>
Increase (Decrease) in Cash and Cash Equivalents	<u>822,539.44</u>
Effects of Exchange Rate Changes on Cash and Cash Equivalents	<u>-</u>
Cash and Cash Equivalents, January 1, 2016	<u>12,093,880.02</u>
Cash and Cash Equivalents, December 31, 2016	<u><u>12,916,419.46</u></u>

Inter-country Adoption Board
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
(ALL FUNDS)
As of December 31,2016
(With Comparative Figures for CY 2015)

	<u>2016</u>	<u>2015</u>
	<u>Accumulated Surplus/ (Deficit)</u>	<u>Accumulated Surplus/ (Deficit)</u>
Balance at January 1,2016	19,310,031.45	19,096,971.17
Add/(Deduct):		
Changes in Accounting Policy	-	-
Prior Period Adjustments/Unrecorded Income and Expenses	225,928.73	(354,442.06)
Other Adjustments		
Restated Balance	<u>19,535,960.18</u>	<u>18,742,529.11</u>
Add/(Deduct):		
Changes in Net Assets/Equity for the Calendar Year		
Surplus/(Deficit) for the period	34,252,992.95	35,292,746.53
Closing of Cash - Treasury/Agency Deposit, Regular	(33,867,521.61)	(34,725,244.19)
Balance at December 31,2016	<u><u>19,921,431.52</u></u>	<u><u>19,310,031.45</u></u>

**Inter-Country Adoption Board
Notes to Financial Statements
For the year ended December 31, 2016**

1. General Information/Agency Profile

The Financial Statements (FSs) of Inter-Country Adoption Board (ICAB) were authorized for issue on February 7, 2017 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.

MANDATE

The Inter-Country Adoption Board (ICAB) is the agency of the National Government 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 (R.A. 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 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

To promote the development and implementation of inter-country adoption services, including post-legal adoption services.

C. Regulatory Function

Accredit/re-accredit and authorize foreign private adoption agencies and child caring/placement agencies to participate in the 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 FY 2016

1. POLICY FORMULATION AND RESEARCH

- a. Strengthen advocacy for the passage of law amending provisions of R.A. 8043.
- b. Formulation of new and more responsive rules & regulations, policies and guidelines on Intercountry Adoption particularly on adoption applications and post legal adoption services supported by research studies.

2. STANDARDS SETTING AND COMPLIANCE MONITORING

- a. Intensify monitoring of compliance to standards and provisions of the R.A. 8043 and conformity to the statutes of The Hague Convention of the Foreign Adoption Agencies (FAAs), Child Caring Agencies (CCAs) and Liaison Service Agencies (LSAs).
- b. Periodic authorization by the Board of The Hague Country Foreign Adoption Agencies and accreditation of Non-Hague Country Foreign Adoption Agencies (FAAs).

3. PROGRAM DEVELOPMENT & IMPLEMENTATION

- a. Strengthen provision of comprehensive technical assistance on case management of children cleared for Inter-Country Adoption Board to local sectoral stakeholders.

4. NETWORKING, CAPABILITY BUILDING AND ADVOCACY

- a. Advocacy with the legislative representatives to help sponsor amendment of ICA Law.
- b. Continuing capacity-building packages for local implementers of the Philippine Inter-Country Adoption Program through trainings and workshops.

5. INSTITUTIONAL STRENGTHENING

- a. Further, capacitate and empower ICAB Staff for improved and efficient performance in accomplishment of mandate and goals through human resource development.
- b. Transfer to a location acceptable and accessible to client profile.
- c. Institutionalization of ISSP and GAD Program Retribution.
- d. Intent to pursue ISO Quality Management System 9001:2008 Certification.

The Agency's registered office is located at #2 Chicago corner Ermin Garcia Street, Brgy. Pinagkaisahan, Cubao Quezon City.

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

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

The FSs have been prepared based on historical cost, unless stated otherwise and have been prepared based on the best estimates and informed judgement 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 accrual basis in accordance with the Philippine Public Sector Accounting Standards (PPSAS).

3.2 Consolidation

Trust administered by ICAB are consolidated in the financial statements.

3.3 Cash and Cash Equivalents

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

3.4 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.

3.5 Property, Plant and Equipment

Recognition

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

The characteristics of PPE are as follows:

- Tangible items
- are held for use in the production or supply of goods or services, 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 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 cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs when either 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 asset 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 of 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 of 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 assets' 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.

3.6 Changes in Accounting Policies and Estimate

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 estimate 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.

3.7 Foreign Currency Transaction

Transaction 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 items 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 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 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.

3.8 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.

3.9 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 employees' benefits, like salaries, wages, bonuses, allowance, etc. as expenses unless capitalized, and as 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 or prior year's cash advances are charged to accumulated surplus/ (deficit). Those errors affecting the current year's operation 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	2016	2015
Petty Cash	9,994.28	2,314.56
Cash-Treasury/Agency Deposit Trust	12,906,425.18	11,717,080.42
Cash-MDS, Regular	0.00	368,465.37
Cash-MDS Trust	0.00	6,019.67
Total Cash and Cash Equivalents	12,916,419.46	12,093,880.02

Petty Cash pertains to cash refund of excess petty cash fund from petty cash custodians.

Cash-Treasury/Agency Deposit Trust accounts pertains to accumulated trust receipts collection deposited to 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 cash allocation is deducted from this account.

6. Receivables

6.1 Inter-Agency Receivables

Accounts	2016			2015		
	Current	Non-Current	Total	Current	Non-Current	Total
Due from NGAS	107,559.62	75,679.10	183,238.72	109,564.59	75,679.10	185,243.69

Due from NGAs- Procurement Service of P 183,238.72 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, 2016.

6.2 Other Receivables

Accounts	2016			2015		
	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	2,928.29	2,344.81	5,273.10	0.00	2,344.81	2,344.81
Total Other Receivables	2,928.29	44,961.05	47,889.34	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.

Other Receivables of ₱5,273.10 pertains receivables to from ICAB staff. The amount 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. The remaining amount pertains to tax withheld adjustment as of December 2016.

6.3 Aging/Analysis of Receivables

Accounts	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	5,273.10	2,928.29	-	-	2,344.81	2,344.81	-	-	-	2,344.81
Total	47,889.34	2,928.29	-	-	44,961.05	44,961.05	-	-	-	44,961.05

7. Inventories

7.1 Inventory Held for Consumption

Accounts	2016	2015
	Inventories carried at the lower of cost and net realizable value	
Inventory Held for Consumption		
Carrying Amount, January 1,2016	703,258.60	874,971.48
Additional/Acquisitions during the year	662,626.14	637,152.96
Expensed during the year except write-down	(926,831.23)	(808,865.84)
Write-down during the year	0.00	0.00
Reversal of Write-down during the year	0.00	0.00
TOTAL CARRYING AMOUNT,DEC 31,2016	439,053.51	703,258.60

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 costumes, etc.) being given to adoptive children as cultural souvenir during their pre-departure visits at ICAB office with their prospective adoptive parents,

7.2 Semi-expandable Machinery and Equipment Inventory

Accounts	2016			2015		
	Current	Non-Current	Total	Current	Non-Current	Total
Semi-Expendable Machinery and Equipment						
Semi-expendable ICT Eqpt.	118,372.80	0.00	118,372.80	0.00	0.00	0.00

Semi expendable-ICT Equipment account consists of ICT Equipment that is below the capitalization threshold of ₱15, 000.00.

8. Other Assets

Current and Non-Current Other Assets

Accounts	2016			2015		
	Current	Non-Current	Total	Current	Non-Current	Total
Advances	1,738,901.51	51,766.36	1,790,667.87	1,891,934.85	51,766.36	1,943,701.21
Prepayments	64,655.07	0.00	64,655.07	58,708.28	0.00	58,708.28
Deposits	302,518.86	0.00	302,518.86	57,913.00	279,454.86	337,367.86
Total Other Assets	2,106,075.44	51,766.36	2,157,841.80	2,008,556.13	331,221.22	2,339,777.35

Advances to Disbursing Officers (Trust) includes cash advances granted to ICAB two (2) Special Disbursing Officers in the total of ₱1,000,000 to defray expenses of CY 2017 in order not to hamper the processing of pre-travel expenses of children placed for adoption abroad. It also includes unsettled balance amounting to ₱51,766.36 with Audit Disallowance and appeal, however NGS-Cluster 6 denies appeal.

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

Guaranty Deposits consist of deposit made by ICAB such as lease rental agreement and credit line facilities for the supply of gasoline, diesel and other services

9. Property, Plant and 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, 2016	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
ADDITIONS/ACQUISITIONS	0.00	0.00	0.00	1,344,660.43	967,700.00	0.00	0.00	2,312,360.43
TOTAL	9,118,331.00	39,966.38	2,773,533.18	4,532,326.61	1,513,685.73	920,644.41	999,275.02	19,897,762.33
DISPOSALS	(0.00)	(0.00)	(0.00)	(110,349.10)	(0.00)	(0.00)	(0.00)	(110,349.10)
ADJUSTMENT				(23,880.00)				(23,880.00)

PARTICULARS	LAND	LAND IMPROVEMENTS	BUILDINGS AND OTHER STRUCTURES	MACHINERY AND EQUIPMENT	MOTOR VEHICLES	FURNITURE, FIXTURES AND BOOKS	OTHER PPE	TOTAL
DEPRECIATION (AS PER STATEMENT OF FINANCIAL PERFORMANCE)		(10,448.23)	(262,620.12)	(614,064.31)	(177,666.43)	(140,281.25)	(165,707.55)	(1,370,787.89)
IMPAIRMENT LOSS	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
CARRYING AMOUNT, DECEMBER 31, 2016	9,118,331.00	29,518.15	2,510,913.06	3,784,033.20	1,336,019.30	780,363.16	833,567.47	18,392,745.34
GROSS COST (ASSET ACCOUNT BALANCE PER STATEMENT OF FINANCIAL POSITION)	9,118,331.00	295,181.56	5,886,221.83	11,955,693.85	3,348,700.00	2,841,493.73	2,111,516.35	19,897,762.33
LESS : ACC. DEPRECIATION ALLOW. FOR IMPAIRMENT	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
CARRYING AMOUNT, DECEMBER 31, 2016	9,118,331.00	29,518.15	2,510,913.06	3,784,033.20	1,336,019.30	780,363.16	833,567.47	18,392,745.34

10. Financial Liabilities

Accounts	2016			2015		
	Current	Non-Current	Total	Current	Non-Current	Total
Accounts Payable	314,300.04	0.00	314,300.04	776,447.19	0.00	776,447.19

Accounts Payable account is composed of current year's expenses, which is to be paid for the following year 2017.

11. Inter-Agency Payables

Accounts	2016			2015		
	Current	Non-Current	Total	Current	Non-Current	Total
Due to BIR	287,756.63	0.00	287,756.63	121,903.82	0.00	121,903.82
Due to GSIS	3,615.99	0.00	3,615.99	0.00	0.00	0.00
Total	291,372.62	0.00	291,372.62	121,903.82	0.00	121,903.82

Due to BIR account represents taxes withheld in December 2016 which were remitted on January 6, 2017.

Due to GSIS account represents loan deducted from December, 2016 payroll that is to be refunded to employee on January 2017 payroll because that is already fully paid as of October 2016.

12. Trust Liabilities

Accounts	2016			2015		
	Current	Non-Current	Total	Current	Non-Current	Total
Trust Liabilities	13,728,456.79	0.00	13,728,456.79	12,744,140.15	0.00	12,744,140.15

Trust Liabilities (Pre-Adoptive Costs) account consists of trust receipts/ custodial fund pertaining to collections received from Prospective Adoptive Parents (PAPs) applicants to cover cost of processing adoptive children placed for inter-country adoption by the Board.

13. Accumulated Surplus/(Deficit)

Accounts	2016	2015
Accumulated Surplus/(Deficit)	19,921,431.52	19,310,031.45

Accumulated Surplus/ (Deficit) account is used to record the cumulative results of normal and continuous operations of the agency including prior period adjustments.

14. Service and Other Income

Accounts	2016	2015
Other Processing Fees	32,565,258.64	32,228,301.16
Other Service Income	1,136,271.00	2,426,085.00
Total Service & Other Income	33,701,529.64	34,654,386.16

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 the accreditation/authorization of Foreign Adoption Agencies.

15. Personnel Services

15.1 Salaries and Wages

Accounts	2016	2015
Salaries and Wages-Regular	10,505,014.80	10,423,754.74

Salaries and Wages account pertains to salaries of 31 ICAB employees occupying regular plantilla positions as of December 31, 2016. Nine of them were hired in CY 2016.

15.2 Other Compensation

Accounts	2016	2015
Personal Economic Relief Allowance (PERA)	681,569.26	767,994.80
Representation Allowance (RA)	218,583.22	168,000.00
Transportation Allowance (TA)	57,045.45	55,454.54
Clothing/Uniform Allowance	145,000.00	181,400.00
Subsistence Allowance	162,100.00	135,800.00
Productivity Incentive Allowance	0.00	63,333.33
Mid-Year/Year-end Bonus	1,687,205.00	885,297.00
Cash Gift	146,500.00	162,500.00

Accounts	2016	2015
Collective Negotiation Agreement Incentives	772,304.24	785,584.20
Performance Enhancement Incentives	155,000.00	901,642.22
Performance Based Bonus	450,000.00	235,000.00
Overtime Pay	21,007.47	0.00
Total Other Compensation	4,496,314.64	4,342,005.87

15.3 Personal Benefit Contributions

Accounts	2016	2015
Retirement and Life Insurance Premiums	1,278,524.50	1,273,914.90
Pag-ibig Contributions	34,700.00	38,900.00
Philhealth Contributions	117,950.00	121,437.50
Employees Compensation Insurance Premiums	34,800.00	38,900.00
Total Personal Benefit Contributions	1,465,974.50	1,473,152.40

15.4 Other Personal Benefits

Accounts	2016	2015
Terminal Leave Benefits	213,951.94	143,781.21
Other Personnel Benefits	484,388.56	556,305.90
Total Other Personal Benefits	698,340.50	700,087.11

16. Maintenance and Other Operating Expenses

16.1 Traveling Expenses

Accounts	2016	2015
Traveling Expenses-Local	1,576,452.89	1,011,120.44
Traveling Expenses-Foreign	3,149,495.68	4,793,259.92
Total Traveling Expenses	4,725,948.57	5,804,380.36

Traveling Expenses-Foreign account pertains to costs incurred by ICAB Officers and Employees and Board in the reaccreditation visit to Foreign Adoption Agencies (FAAs), summer hosting programs and participation to meetings relative to intercountry adoption. This includes transportation, travel per diems, passport and visa processing and all other related expenses.

16.2 Training and Scholarship Expenses

Accounts	2016	2015
Training Expenses	5,799,737.57	5,740,574.31

Training Expenses account includes costs incurred in the conduct of trainings for Social Workers on capacity building package on ICA Program & preparing children for Adoption in different regions in the Philippines. It also includes costs incurred in the participation/attendance of the ICAB employees in and conduct of trainings,

conventions and seminar/workshops. It includes training fees, honoraria of lecturers, cost of handouts, supplies, materials, meals, snacks and all other training related expenses.

16.3 Supplies and Materials Expenses

Accounts	2016	2015
Office Supplies Expenses	826,103.45	628,305.73
Accountable Forms Expenses	5,100.00	65,600.00
Fuel, Oil and Lubricants Expenses	165,373.59	129,629.08
Other Supplies and Materials Expenses	2,892,683.93	4,136,112.11
Total Supplies and Materials Expenses	3,889,260.97	4,959,646.92

16.4 Utility Expenses

Accounts	2016	2015
Water Expenses	55,802.07	50,140.06
Electricity Expenses	634,757.63	753,724.48
Total Utility Expenses	690,559.70	803,864.54

16.5 Communication Expenses

Accounts	2016	2015
Postage and Courier Services	1,467,265.04	1,104,810.84
Telephone Expenses-Mobile	354,476.43	386,338.13
Telephone Expenses-Landline	533,264.42	523,624.27
Internet Subscription Expenses	268,850.00	269,060.00
Total Communication Expenses	2,623,855.89	2,283,833.24

16.6 Confidential, Intelligence and Extraordinary Expenses

Accounts	2016	2015
Extraordinary and Miscellaneous Expenses	78,679.49	108,894.45

16.7 Professional Services

Accounts	2016	2015
Legal Services	1,421,393.19	56,900.00
Auditing Services	15,493.19	13,370.06
Consultancy Services	510,400.00	449,400.00
Other Professional Services	4,387,323.88	2,638,436.04
Total Professional Services	6,334,610.26	3,158,106.10

16.8 General Services

Accounts	2016	2015
Security Services	828,785.07	797,147.96
Other General Services	63,003.20	54,317.20
Total General Services	891,788.27	851,465.16

16.9 Repairs and Maintenance

Accounts	2016	2015
Repair and Maintenance – Buildings	287,794.32	290,020.00
Repair and Maintenance – Office Equipment	39,897.39	47,650.00
Repair and Maintenance – ICT Equipment	7,526.00	13,221.00
Repair and Maintenance – Transportation Eqpt	340,944.39	107,561.30
Repair and Maintenance – Furniture & Fixtures	0.00	568.00
Repair and Maintenance – Other PPE	0.00	750.00
Total Repairs and Maintenance	676,162.10	459,770.30

16.10 Taxes, Insurance Premiums and Other Fees

Accounts	2016	2015
Fidelity Bond Premiums	22,533.35	7,722.43
Insurance Expenses	78,781.76	69,856.78
Total Taxes, Insurance Premiums and Other Fees	101,315.11	77,579.21

16.11 Other Maintenance and Operating Expenses

Accounts	2016	2015
Advertising Expenses	0.00	32,901.39
Printing and Publication Expenses	323,722.19	144,169.92
Representation Expenses	421,729.51	468,386.61
Rent/ Lease Expenses	661,810.00	672,948.07
Subscription Expenses	6,638.00	6,068.00
Donations	3,160.00	48,387.90
Other Maintenance and Operating Expenses	329,948.72	264,869.44
Total Other Maintenance and Operating Expenses	1,747,008.42	1,637,731.33

17. Financial Expenses

Accounts	2016	2015
Bank Charges	2,920.04	0.00

Bank Charges are cost incurred from bank to bank transfer of payment for the professional legal fees rendered in foreign country.

18. Non-Cash Expenses

Accounts	2016	2015
Depreciation - Land Improvement	10,448.23	0.00
Depreciation – Buildings & Other Structures	262,620.12	262,620.12
Depreciation – Office Equipment	199,542.25	121,344.64
Depreciation – ICT Equipment	304,507.90	270,420.50
Depreciation – Communication Equipment	110,014.16	110,014.16

Accounts	2016	2015
Depreciation – Transportation Equipment	177,666.43	192,503.58
Depreciation – Furniture and Fixtures	140,281.25	131,482.24
Depreciation – Other PPE	165,707.55	165,707.55
Total Depreciation Expenses	1,370,787.89	1,254,092.79

19. Assistance and Subsidy

Accounts	2016	2015
Subsidy from National Government	46,733,351.13	44,717,299.20

This account consists of the following:

NCA received from DBM-Fund 101	48,918,567.00
Less: Reversion of unused NCA (1 st to 4 th qt)	<u>(5,133,817.06)</u>
Net NCA	43,784,749.94
Add: TRA issued thru BIR e-FPS	<u>2,948,601.19</u>
	<u>46,733,351.13</u>

Reverted unused NCA consists of ₱2,624,817.06 for Personnel Services due to unfilled plantilla positions as of December 31, 2016 and the amount of ₱2,509,000.00 for MOOE. The amount of ₱2.509 million was requested in the 4th quarter for the implementation of the unimplemented programs, projects and activities in the previous quarters.

20. Other Non-Operating Income

Accounts	2016	2015
Other Non-Operating Income-Sales of Assets	26,740.00	0.00

21. Losses

Accounts	2016	2015
Loss on Sale of Property, Plant & Equipment	110,349.10	0.00