



Republic of the Philippines
Province of Bohol
Municipality of Sikatuna
CONSOLIDATED BALANCE SHEET
As of December 31, 2011

ASSETS

CURRENT ASSETS

| | | | |
|-----------------------------|------------|---|-----------------------|
| Cash | (Note 1) | P | 7,181,413.49 |
| Receivables | (Note 2) | | 1,613,279.62 |
| Inventories | (Note 3) | | 578,748.79 |
| TOTAL CURRENT ASSETS | | | P 9,373,441.90 |

PROPERTY, PLANT EQUIPMENT

(Note 4)

| | | | |
|---|--|---|------------------------|
| Land and Land Improvements | | P | 3,083,763.38 |
| Buildings | | | 16,027,424.64 |
| Office Equipment, Furniture and Fixtures | | | 3,720,599.97 |
| Machineries and Equipment | | | 4,655,886.65 |
| Transportation Equipment | | | 2,400,579.15 |
| Other Property, Plant and Equipment | | | 1,138,003.80 |
| Public Infrastructures | | | 9,644,217.12 |
| Less : Accumulated Depreciation | | | (4,084,674.34) |
| TOTAL PROPERTY, PLANT AND EQUIPMENT, NET | | | P 36,585,800.37 |

OTHER ASSETS

| | | | |
|--------------|--|---|------------|
| Other Assets | | P | 173,077.57 |
|--------------|--|---|------------|

TOTAL ASSETS

P 46,132,319.84

LIABILITIES AND EQUITY

CURRENT LIABILITIES

| | | | |
|----------------------------------|------------|---|-----------------------|
| Payables Accounts | (Note 5) | P | 2,246,355.74 |
| Inter - Agency Payables | (Note 6) | | 3,871,008.22 |
| Other Liability Accounts | (Note 7) | | 588,299.12 |
| TOTAL CURRENT LIABILITIES | | | P 6,705,663.08 |

LONG - TERM LIABILITIES

| | | | |
|--------------------------|------------|---|--------------|
| Loans Payable - Domestic | (Note 8) | P | 3,119,494.25 |
|--------------------------|------------|---|--------------|

DEFERRED CREDITS

| | | | |
|---------------------------------------|------------|---|------------|
| Deferred Real Property Income | (Note 9) | P | 265,081.83 |
| Deferred Special Education Tax Income | | | 209,121.83 |
| Other Deferred Credits | | | 1,074.15 |

TOTAL LIABILITIES

P 10,300,435.14

GOVERNMENT EQUITY

(Note 10)

P 35,831,884.70

TOTAL LIABILITIES AND EQUITY

P 46,132,319.84

(See accompanying notes to financial statements)



Republic of the Philippines
 Province of Bohol
 Municipality of Sikatuna
STATEMENT OF INCOME AND EXPENSES
CONSOLIDATED
For the Period Ended December 31, 2011

TAX REVENUE

| | | | |
|-------------|-------------|---|------------|
| Local Taxes | (Note 11) | P | 752,532.54 |
|-------------|-------------|---|------------|

GENERAL INCOME ACCOUNTS

| | | | |
|----------------------------|--|--|---------------|
| Internal Revenue Allotment | | | 25,478,747.00 |
|----------------------------|--|--|---------------|

| | | | |
|----------------------|-------------|--|-----------|
| Permits and Licenses | (Note 12) | | 77,966.50 |
|----------------------|-------------|--|-----------|

| | | | |
|-----------------|-------------|--|------------|
| Services Income | (Note 13) | | 252,397.25 |
|-----------------|-------------|--|------------|

| | | | |
|-----------------|-------------|--|--------------|
| Business Income | (Note 14) | | 1,838,805.11 |
|-----------------|-------------|--|--------------|

| | | | |
|--------------|--|--|-----------|
| Other Income | | | 29,517.33 |
|--------------|--|--|-----------|

| | | | |
|--|--|--|------------------|
| | | | 112,997.44 |
| | | | <u>29,517.33</u> |

TOTAL OPERATING INCOME

P 28,542,963.17

LESS : OPERATING EXPENSES

| | | | |
|-------------------|-------------|---|---------------|
| Personal Services | (Note 15) | P | 16,703,230.92 |
|-------------------|-------------|---|---------------|

| | | | |
|--|-------------|--|--------------|
| Maintenance and Other Operating Expenses | (Note 16) | | 9,273,516.73 |
|--|-------------|--|--------------|

| | | | |
|----------------------------------|-------------|--|--------------|
| Non Cash Expenses - Depreciation | (Note 17) | | 1,527,652.81 |
|----------------------------------|-------------|--|--------------|

| | | | |
|---------------------------------|--|----------|-----------------------------|
| TOTAL OPERATING EXPENSES | | P | <u>27,504,400.46</u> |
|---------------------------------|--|----------|-----------------------------|

INCOME FROM OPERATIONS

P 1,038,562.71

LESS : FINANCIAL EXPENSES

| | | | |
|--------------|--|--|----------|
| Bank Charges | | | 4,200.00 |
|--------------|--|--|----------|

| | | | |
|-------------------|--|--|------------|
| Interest Expenses | | | 392,761.06 |
|-------------------|--|--|------------|

| | | | |
|---------------------------------|--|----------|--------------------------|
| TOTAL FINANCIAL EXPENSES | | P | <u>396,961.06</u> |
|---------------------------------|--|----------|--------------------------|

INCOME BEFORE SUBSIDIES, DONATIONS & EXTRAORDINARY ITEMS

P 641,601.65

| | | | |
|--------|------------------|---|------------|
| Less : | Subsidy to LGU's | P | 333,753.00 |
|--------|------------------|---|------------|

| | | | |
|--|--------------------------|---|-------------------|
| | Subsidy to NGO's/PO's | | - |
| | | P | <u>333,753.00</u> |

NET INCOME/(LOSS)

P 307,848.65

(See accompanying notes to financial statements)



Republic of the Philippines
Province of Bohol
Municipality of Sikatuna
STATEMENT OF CASHFLOWS
CONSOLIDATED

For the Period Ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Inflows

| | | |
|--|---|------------------------|
| Share from Internal Revenue Allotment | P | 25,478,747.00 |
| Collection from Taxpayers | | 795,454.98 |
| Receipts from Sale of Goods and Services | | 2,169,168.86 |
| Interest Income | | 29,517.33 |
| Other Receipts | | 3,460,564.35 |
| TOTAL CASH INFLOWS | | P 31,933,452.52 |

Cash Outflows

| | | |
|--------------------------------|--|------------------------|
| Payment to Suppliers/Creditors | | 9,255,632.73 |
| Payment to Employees | | 16,703,230.92 |
| Interest Expense | | 392,761.06 |
| Other Disbursements | | 2,837,340.83 |
| TOTAL CASH OUTFLOWS | | P 29,188,965.54 |

NET CASH FROM OPERATING ACTIVITIES

P 2,744,486.98

CASH FLOWS FROM INVESTING ACTIVITIES

Cash Inflows

| | | |
|---------------------------------------|---|------------|
| Sale of Property, Plant and Equipment | P | - |
| TOTAL CASH INFLOWS | | P - |

Cash Outflows

| | | |
|---|--|-----------------------|
| Purchase of Property, Plant and Equipment | | 1,854,466.64 |
| TOTAL CASH OUTFLOWS | | P 1,854,466.64 |

NET CASH FROM INVESTING ACTIVITIES

P (1,854,466.64)

NET DECREASE IN CASH

P 890,020.34

CASH AT THE BEGINNING OF THE PERIOD

P 6,291,393.15

CASH AT THE END OF THE PERIOD

P 7,181,413.49

NOTES TO FINANCIAL STATEMENTS

I. AGENCY BACKGROUND

The Municipality of Sikatuna was created by virtue of Executive Order No. 88 issued on December 5, 1917. It was named in honor of the great Boholano Chieftain, who displayed courage and bravery in leading Boholanos to active victory.

Sikatuna is comprised of ten (10) barangays, and has a total land area of 3,822 hectares. It is a fifth class municipality, as classified by the Department of Interior and Local Government. Commercial activity in this municipality is marginal as most of the commercial establishments are suited only in the Poblacion. Sikatuna has just started in its journey in the field of tourism, the Sikatuna Tree Park.

The municipal government of Sikatuna is headed by Mayor Jose M. Ellorimo Jr. A Vice Mayor and Ten (10) Sangguniang Bayan Members comprise the Legislative Department responsible for the formulation of resolutions, laws and ordinances. Further, there are eleven (11) department heads and twenty one (21) support staff commissioned to oversee various sectors and other priority areas such as treasury, accounting, budget, engineering, social welfare, planning, agriculture, assessor, health, registry and secretary to sanggunian.

The LGU of Sikatuna, Bohol have provided job opportunities to its constituents thru job orders and supported the LGU in the discharge of various activities, programs, and projects.

II. BASIS OF FINANCIAL STATEMENT

The Financial Statement presents the financial position of the municipality, in conformity with applicable laws, rules and regulations and generally accepted and prescribed state accounting principles and standards applied on a consistent basis.

III. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The Municipality uses the accrual basis of accounting. All expenses are recognized when incurred and reported in the financial statements in the period to which they relate. Income is on accrual basis except for transaction, where accrual basis is impractical or required by Law.
- 3.2 The modified obligation system is used to record obligations incurred. Separate registries are maintained to control allotment and obligations for each class of allotment.
- 3.3 Supplies and materials purchased are taken up directly as supplies expense and not recorded under Perpetual Inventory System. The inventories in the financial statements refer to items already issued to the employees but were still recorded in the books.
- 3.4 Property, Plant and Equipment with the corresponding useful life as indicated in the Manual, is carried at cost.
- 3.5 For assets under construction, expenses incurred during the construction of the Project are Capitalized.

- 3.6 Payable accounts are recognized and recorded in the books of accounts upon acceptance of the goods and rendition of services to the agency.
- 3.7 Accounts are classified to conform with the Revised Chart of Accounts prescribed under the New Government Accounting System (NGAS).
- 3.8 The agency has computed depreciations using the straight-line method as per COA circular no. 2003-07. Computations of depreciations based on its total balances. The LGU was still gathering data in order to establish its Detailed Schedules of Inventory.
- 3.9 Fundamental errors of prior years are corrected using the Prior Year's Adjustment account. Errors affecting current year's operations are charged to the current year's accounts.

BREAKDOWN / COMPOSITION AND EXPLANATORY NOTES ON MAJOR ACCOUNTS

Note 1 - CASH AND OTHER CASH ACCOUNTS

This account consists of:

| | Accounts | | Amount |
|-----|--|----------|---------------------|
| 101 | Cash in Vault | P | 10,889.38 |
| 103 | Cash - Disbursing Officers | | - |
| 104 | Petty Cash Fund | | - |
| 111 | Cash In Bank - Local Currency, Current Account | | 2,168,853.79 |
| 112 | Cash In Bank - Local Currency, Savings Account | | 5,001,670.32 |
| | Total | P | 7,181,413.49 |

The cash in vault was deposited in January, 2012.

Note 2 - RECEIVABLES

Details of this account were presented as follows:

| | Accounts | | Amount |
|-----|-------------------------------------|---|------------|
| 121 | Accounts Receivable | P | 81,409.47 |
| 123 | Due from Officers and Employees | | 11,692.39 |
| 126 | Loans Receivable - Others | | 82,949.00 |
| 127 | Real Property Tax Receivable | | 265,081.83 |
| 128 | Special Education Tax Receivable | | 209,121.83 |
| 144 | Due from Other Funds | | 70,000.00 |
| 146 | Receivables - Disallowances/Charges | | 11,368.52 |

| | | | |
|-----|------------------------------------|----------|---------------------|
| 148 | Advances to Officers and Employees | | 774,984.08 |
| 149 | Other Receivables | | 106,672.50 |
| | Total | P | 1,613,279.62 |

Due from Officers and Employees represent withholding tax on compensation balances of the Municipal Officials who were separated from service effective July, 1, 2010 and Municipal Employees as of December, 31, 2011. Loans Receivables are loans granted to qualified beneficiaries funded by DSWD-SEA K to augment their source of income. Office of the MSWDO failed to submit complete data in this regard, adjustments/reconciliation of this account is pending upon availability of pertinent papers. RPT Receivables was set up at the beginning of the year which amount was certified by the Municipal Assessor. Advances to Officers and Employees are outstanding/unliquidated cash advances granted to Municipal Officials and Employees.

Note 3 - INVENTORIES

Breakdown of this account includes the following:

| | Accounts | | Amount |
|-----|-----------------------------|----------|-------------------|
| 155 | Office Supplies Inventory | P | 394,944.58 |
| 156 | Accountable Forms Inventory | | 6,070.00 |
| 165 | Other Supplies Inventory | | 175,234.21 |
| 169 | Livestock Inventory | | 2,500.00 |
| | Total | P | 578,748.79 |

Office Supplies and Other Supplies Inventory represent unexpendable supplies issued to different offices of the Municipality which is subject to adjustment after a physical inventory is conducted to determine its usefulness and existence. While Livestock inventory is subject to reconciliation upon submission of pertinent documents from the Department of Agriculture before making any adjustment as to its proper valuation.

Note 4 - PROPERTY, PLANT AND EQUIPMENT

This account includes the following:

| | Accounts | | Amount |
|--|------------------------------|----------|----------------------|
| Land and Land Improvements | | | |
| 201 | Land | P | 18,578.28 |
| 202 | Land Improvements | | 3,065,185.10 |
| | Total | P | 3,083,763.38 |
| Buildings | | | |
| 211 | Office Buildings | P | 4,590,166.58 |
| 212 | School Buildings | | 238,707.71 |
| 213 | Hospitals and Health Centers | | 422,018.92 |
| 214 | Markets and Slaughterhouses | | 4,464,369.66 |
| 215 | Other Structures | | 6,312,161.77 |
| | Total | P | 16,027,424.64 |
| Office Equipment, Furniture and Fixtures | | | |
| 221 | Office Equipment | P | 1,110,972.36 |

| | | | | |
|--|--|---|--------------|------------------------|
| 222 | Furniture and Fixtures | | 463,238.15 | |
| 223 | IT Equipment and Software | | 2,146,389.46 | |
| | Total | | | P 3,720,599.97 |
| Machineries and Equipment | | | | |
| 226 | Machineries | P | 3,571,000.00 | |
| | Communication | | | |
| 229 | Equipment | | 813,922.25 | |
| 233 | Medical, Dental and Laboratory Equipment | | 151,698.00 | |
| 234 | Military and Police Equipment | | 57,750.00 | |
| 235 | Sports Equipment | | 61,516.40 | |
| | Total | | | P 4,655,886.65 |
| Transportation Equipment | | | | |
| 241 | Motor Vehicles | P | 2,400,579.15 | |
| | Total | | | P 2,400,579.15 |
| Other Property, Plant and Equipment | | | | |
| 250 | Other Property, Plant and Equipment | P | 1,138,003.80 | |
| | Total | | | P 1,138,003.80 |
| Public Infrastructures | | | | |
| 252 | Parks, Plazas and Monuments | P | 219,514.94 | |
| | Artesian Wells, Reservoirs, Pumping Stations and | | | |
| 254 | Conduits | P | 9,424,702.18 | |
| | Total | | | P 9,644,217.12 |
| Grand - Total | | | | P 40,670,474.71 |
| Less : Accumulated Depreciation | | | | |
| 302 | Land Improvements | P | 52,792.67 | |
| 311 | Office Buildings | | 136,985.38 | |
| 312 | School Buildings | | 10,741.85 | |
| | Hospitals and Health | | | |
| 313 | Centers | | 12,681.20 | |
| | Market and | | | |
| 314 | Slaughterhouses | | 83,574.08 | |
| 315 | Other Structures | | 175,521.26 | |
| 321 | Office Equipment | | 172,273.30 | |
| 322 | Furnitures and Fixtures | | 37,715.85 | |
| | IT Equipment & | | | |
| 323 | Software | | 572,885.22 | |
| 326 | Machineries | | 1,847,992.50 | |
| | Communication | | | |
| 329 | Equipment | | 68,893.60 | |
| | Medical, Dental and | | | |
| 333 | Laboratory Equipment | | 13,652.82 | |
| | Military and Police | | | |
| 334 | Equipment | | 5,197.50 | |
| 341 | Motor Vehicles | | 645,890.87 | |
| 350 | Other PPE | | 247,876.24 | |
| | | P | | 4,084,674.34 |
| PROPERTY, PLANT AND EQUIPMENT, NET | | | | P 36,585,800.37 |

Property, Plant and Equipment were depreciated using straight-line method with 10% residual value on its total balances. An inventory committee was already created and in the process of gathering data, conducting inspection and appraisal of the above properties in order to examine its existence, proper valuation and generate Detailed Schedule of Inventory.

Note 5 - PAYABLES ACCOUNTS

Accounts Payables represent the unpaid balance of CY2011 obligations/indebtedness to suppliers arising from the purchase of goods and services.

Note 6 - INTER - AGENCY PAYABLES

This account includes the following:

| | Accounts | | Amount |
|-----|---------------------|----------|-----------------------------------|
| 412 | Due to BIR | P | 188,730.41 |
| 413 | Due to GSIS | | 284,218.72 |
| 414 | Due to PAG-IBIG | | 50,886.16 |
| 415 | Due to PHILHEALTH | | 33,806.88 |
| 416 | Due to Other NGA's | | 2,340,808.58 |
| 417 | Due to Other GOCC's | | (437.90) |
| 418 | Due to LGU's | | 972,995.37 |
| | Total | P | <u><u>3,871,008.22</u></u> |

Note 7 - OTHER LIABILITY ACCOUNTS

This account includes the following:

| | Accounts | | Amount |
|-----|---------------------|----------|---------------------------------|
| 429 | Tax Refunds Payable | P | 3,164.42 |
| 439 | Other Payables | | 585,134.70 |
| | Total | P | <u><u>588,299.12</u></u> |

Tax refund payable represent the overwithheld tax on compensation of CY2010. The other liability accounts represent the amount collected or withheld from officers and employees for the account of private associations/entities in payment for salary loans.

Note 8 - LOANS PAYABLES - DOMESTIC

The Department of Finance on CY2005 and CY2006 grant, thru the Municipal Development Fund Office, a loan amounting to P3,736,737.39 to the Municipality, payable in 15 years with grace period of 3 years under Community Based Resource Management Project (CBRMP II). The said funds were used to purchase farm equipment and cargo truck, improvement of water system and constructions of farm to market roads and other infrastructures which are essential to the promotion of the general welfare of the community.

Note 9 - DEFERRED CREDITS

Deferred Real Property Income and Deferred Special Education Tax Income represent the reciprocal account for Real Property Tax Receivable and Special Tax Receivables respectively, that was recognized at the beginning of the year.

Note 10 - GOVERNMENT EQUITY

Details of this account were presented as follows:

| | | |
|---|----------|----------------------|
| Government Equity - Beginning Balance | P | 35,791,787.10 |
| Adjustment to Beginning Balance | | |
| Add(Deduct) | | |
| Current Operations | | 307,848.65 |
| Prior Year's Adjustments - Erroneous Entry | | (267,751.05) |
| Government Equity - Ending Balance | P | 35,831,884.70 |

Prior years adjustments represents the liquidation of cash advances for confidential and intelligence fund amounting to P200,000 for CY2009 and CY2010, under credit notice no. 2010-11-664-L, 2011-03-179-L and 2011-08-320-L and the remaining amount represents the correction of erroneous entry and liquidation of cash advances for travel. Result of operations for CY2011 shown P307,848.65 net income.

Note 11 - LOCAL TAXES

Breakdown of this account includes the following:

| | Accounts | | Amount |
|---------|--------------------------------------|----------|-------------------|
| 582 | Business Tax | P | 195,020.00 |
| 583 | Community Tax | | 46,897.33 |
| 588 | Real Property Tax | | 264,201.26 |
| 954 | Discount on Real Property Taxes | | 78,018.04 |
| 591 | Special Education Tax | | 330,251.56 |
| 955 | Discount on Special Education Tax | | 78,018.04 |
| 599 (1) | Fines and Penalties - Local taxes | | 9,026.37 |
| 599 (2) | Fines and Penalties - Local taxes | | 63,172.10 |
| | Total | P | 752,532.54 |

Note 12 - PERMITS AND LICENSES

This account includes the following:

| | Accounts | | Amount |
|-----|------------------------------|---|-----------|
| 601 | Fees on Weights and Measures | P | - |
| 605 | Permit Fees | | 60,674.70 |
| 606 | Registration Fees | | 16,091.00 |
| 608 | Other Permits and | | 799.30 |

| | | | |
|-----|---|--------------|--------------------|
| | Licenses | | |
| 609 | Fines and Penalties - Permits and Licenses | | 401.50 |
| | | Total | P 77,966.50 |

Note 13 - SERVICE INCOME

Breakdown of this account includes the following:

| | Accounts | | Amount |
|-----|--|--------------|---------------------|
| 613 | Clearance and Certification Fees | P | 84,081.75 |
| 616 | Garbage Fees | | 2,847.00 |
| 617 | Inspection Fees | | 5,405.00 |
| 619 | Medical, Dental and Laboratory Fees | | 20,085.00 |
| 628 | Other Service Income | | 139,978.50 |
| | | Total | P 252,397.25 |

Note 14 - BUSINESS INCOME

This account includes the following:

| | Accounts | | Amount |
|-----|--|--------------|-----------------------|
| 633 | Income from Cemetery Operations | P | 75.00 |
| 636 | Income from Markets | | 248,758.17 |
| 637 | Income from Slaughterhouses | | 25,123.00 |
| 639 | Income from Waterworks Systems | | 1,468,139.55 |
| 649 | Fines and Penalties - Business Income | | 96,709.39 |
| | | Total | P 1,838,805.11 |

Note 15 - PERSONAL SERVICES

Details of this account were presented as follows:

| | Accounts | | Amount |
|-----|---|---|--------------|
| 701 | Salaries and Wages - Regular | P | 9,788,752.73 |
| 711 | Personnel Economic Relief Allowance (PERA) | | 1,056,000.00 |
| 713 | Representation Allowance (RA) | | 978,600.00 |
| 714 | Transportation Allowance (TA) | | 978,600.00 |
| 715 | Clothing/Uniform Allowance | | 176,000.00 |
| 716 | Subsistence, Laundry and Quarter Allowance | | 99,000.00 |
| 717 | Productivity Incentive Allowance | | 64,000.00 |
| 720 | Honoraria | | 7,200.00 |
| 721 | Hazard Pay | | 41,073.00 |
| 724 | Cash Gift | | 220,000.00 |
| 725 | Year End Bonus | | 816,141.50 |
| 731 | Life and Retirement Insurance Contributions | | 1,174,737.13 |

| | | |
|-----|--|------------------------|
| 732 | PAG-IBIG Contributions | 52,800.00 |
| 733 | PHILHEALTH Contributions | 118,987.50 |
| 734 | ECC Contributions | 48,222.76 |
| 742 | Terminal Leave Benefits Other Personnel | 261,996.68 |
| 749 | Benefits | 821,119.62 |
| | Total | P 16,703,230.92 |

Note 16 - MAINTENANCE AND OTHER OPERATING EXPENSES

This account includes the following:

| | Accounts | Amount |
|-----|--|--------------|
| 751 | Traveling Expenses - Local | P 647,236.79 |
| 753 | Training Expenses | 509,750.00 |
| 755 | Office Supplies Expenses | 415,022.92 |
| 756 | Accountable Forms Expenses | 69,235.25 |
| 759 | Drugs and Medicines Expenses | 271,884.89 |
| 760 | Medical, Dental and Laboratory Supplies Expenses | 30,145.00 |
| 761 | Gasoline, Oil and Lubricants Expenses | 247,432.46 |
| 762 | Agricultural Supplies Expenses | 2,720.00 |
| 765 | Other Supplies Expenses | 221,458.23 |
| 767 | Electricity Expenses | 1,788,236.65 |
| 771 | Postage and Deliveries | 2,240.00 |
| 772 | Telephone Expenses - Landline | 27,316.65 |
| 773 | Telephone Expenses - Mobile | 196,240.00 |
| 778 | Membership Dues and Contributions to Organizations | 16,200.00 |
| 786 | Subscriptions Expenses | 3,669.00 |
| 794 | Environment/Sanitary Services | 218,924.60 |
| 795 | General Services | 1,508,325.00 |
| 796 | Janitorial Services | 144,620.00 |
| 811 | Repairs and Maintenance - Office Buildings | 194,369.79 |
| 814 | Repairs and Maintenance - Markets and Slaughterhouses | 34,578.32 |
| 815 | Repairs and Maintenance - Other Structures | 203,730.50 |
| 821 | Repairs and Maintenance - Office Equipment | 10,560.00 |
| 823 | Repairs and Maintenance - IT Equipment and Software | 12,400.00 |
| 829 | Repairs and Maintenance - Communication Equipment | 1,500.00 |
| 841 | Repairs and Maintenance - Motor Vehicles | 89,991.10 |
| 851 | Repairs and Maintenance - Roads, Highways and Bridges | 72,170.00 |
| 852 | Repairs and Maintenance - Parks, Plazas and Monuments | 315,172.28 |
| 854 | Repairs and Maintenance - Artesian Wells, Reservoirs, Pumping Stations and Conduits | 231,745.53 |
| 878 | Donations | 41,000.00 |
| 884 | Miscellaneous Expenses | 19,904.11 |
| 892 | Fidelity Bond Premiums | 30,450.00 |
| 893 | Insurance Expenses | 498,567.93 |
| 969 | Other Maintenance and Operating Expenses | 1,196,719.73 |

Total

P 9,273,516.73

General Services expenses shown in the above accounts were wages of Job Orders employees for CY2011. Insurance expenses amounting to P494,200.40 represent payment for Medicare sa Masa for the whole year of 2011.

Note 17 - DEPRECIATION EXPENSES

This account includes the following:

| | Accounts | | Amount |
|-----|---|----------|---------------------|
| 902 | Depreciation - Land Improvements | P | 52,792.67 |
| 911 | Depreciation - Office Buildings | | 136,985.38 |
| 912 | Depreciation - School Buildings | | 10,741.85 |
| 913 | Depreciation - Hospitals and Health Centers | | 12,534.57 |
| 914 | Depreciation - Markets and Slaughterhouses | | 83,574.08 |
| 915 | Depreciation - Other Structures | | 85,029.69 |
| 921 | Depreciation - Office Equipment | | 168,484.59 |
| 922 | Depreciation - Furniture and Fixtures | | 33,733.65 |
| 923 | Depreciation - IT Equipment | | 299,129.57 |
| 926 | Depreciation - Machineries | | 214,260.00 |
| 929 | Depreciation - Communication Equipment | | 62,903.00 |
| 933 | Depreciation - Medical, Dental and Laboratory Equipment | | 13,652.82 |
| 934 | Depreciation - Military and Police Equipment | | 5,197.50 |
| 941 | Depreciation - Motor Vehicles | | 170,138.46 |
| 950 | Depreciation - Other Property, Plant and Equipment | | 178,494.98 |
| | Total | P | 1,527,652.81 |

Property, Plant and Equipment were depreciated using straight-line method, with 10% residual value, on its total balances. An inventory committee was already created and in the process of gathering data, conducting inspection and appraisal of the above properties in order to examine its existence, proper valuation and to generate Detailed Schedule of Inventory.



Republic of the Philippines
 Province of Bohol
 Municipality of Sikatuna
GENERAL FUND CONSOLIDATED BALANCE SHEET
As of December 31, 2011

ASSETS

CURRENT ASSETS

| | | | |
|-----------------------------|------------|---|-----------------------|
| Cash | (Note 1) | P | 5,987,268.33 |
| Receivables | (Note 2) | | 1,126,558.23 |
| Inventories | (Note 3) | | 535,979.38 |
| TOTAL CURRENT ASSETS | | | P 7,649,805.94 |

PROPERTY, PLANT EQUIPMENT

(Note 4)

| | | | |
|---|--|---|------------------------|
| Land and Land Improvements | | P | 605,163.53 |
| Buildings | | | 10,116,502.44 |
| Office Equipment, Furniture and Fixtures | | | 3,312,104.92 |
| Machineries and Equipment | | | 4,479,370.25 |
| Transportation Equipment | | | 2,350,879.15 |
| Other Property, Plant and Equipment | | | 999,671.50 |
| Public Infrastructures | | | 7,883,881.34 |
| Less : Accumulated Depreciation | | | (3,860,854.37) |
| TOTAL PROPERTY, PLANT AND EQUIPMENT, NET | | | P 25,886,718.76 |

OTHER ASSETS

| | | | |
|--------------|--|---|------------|
| Other Assets | | P | 165,478.37 |
|--------------|--|---|------------|

TOTAL ASSETS

P 33,702,003.07

LIABILITIES AND EQUITY

CURRENT LIABILITIES

| | | | |
|----------------------------------|------------|---|-----------------------|
| Payables Accounts | (Note 5) | P | 2,216,681.74 |
| Inter - Agency Payables | (Note 6) | | 1,432,642.67 |
| Other Liability Accounts | (Note 7) | | 249,112.11 |
| TOTAL CURRENT LIABILITIES | | | P 3,898,436.52 |

LONG - TERM LIABILITIES

| | | | |
|--------------------------|------------|---|--------------|
| Loans Payable - Domestic | (Note 8) | P | 3,119,494.25 |
|--------------------------|------------|---|--------------|

DEFERRED CREDITS

| | | | |
|-------------------------------|------------|---|------------|
| Deferred Real Property Income | (Note 9) | P | 265,081.83 |
|-------------------------------|------------|---|------------|

TOTAL LIABILITIES

P 7,283,012.60

GOVERNMENT EQUITY

(Note 10)

P 26,418,990.47

TOTAL LIABILITIES AND EQUITY

P 33,702,003.07

(See accompanying notes to financial statements)



Republic of the Philippines
 Province of Bohol
 Municipality of Sikatuna
STATEMENT OF INCOME AND EXPENSES
GENERAL FUND CONSOLIDATED
For the Period Ended December 31, 2011

TAX REVENUE

| | | | |
|-------------|-------------|---|------------|
| Local Taxes | (Note 11) | P | 465,203.42 |
|-------------|-------------|---|------------|

GENERAL INCOME ACCOUNTS

| | | | |
|----------------------------|--|--|---------------|
| Internal Revenue Allotment | | | 25,478,747.00 |
|----------------------------|--|--|---------------|

| | | | |
|----------------------|-------------|--|-----------|
| Permits and Licenses | (Note 12) | | 77,966.50 |
|----------------------|-------------|--|-----------|

| | | | |
|-----------------|-------------|--|------------|
| Services Income | (Note 13) | | 252,397.25 |
|-----------------|-------------|--|------------|

| | | | |
|-----------------|-------------|--|--------------|
| Business Income | (Note 14) | | 1,838,805.11 |
|-----------------|-------------|--|--------------|

Other Income

| | | | |
|--|----------------|--|-----------|
| | Interes Income | | 27,626.78 |
|--|----------------|--|-----------|

| | | | |
|--|-------------------------|--|------------|
| | Miscellaneous Income | | 112,997.44 |
|--|-------------------------|--|------------|

TOTAL OPERATING INCOME

| | | |
|--|----------|----------------------|
| | P | 28,253,743.50 |
|--|----------|----------------------|

LESS : OPERATING EXPENSES

| | | | |
|-------------------|-------------|---|---------------|
| Personal Services | (Note 15) | P | 16,703,230.92 |
|-------------------|-------------|---|---------------|

| | | | |
|--|-------------|--|--------------|
| Maintenance and Other Operating Expenses | (Note 16) | | 8,992,181.06 |
|--|-------------|--|--------------|

| | | | |
|----------------------------------|-------------|--|--------------|
| Non Cash Expenses - Depreciation | (Note 17) | | 1,527,652.81 |
|----------------------------------|-------------|--|--------------|

TOTAL OPERATING EXPENSES

| | | |
|--|----------|----------------------|
| | P | 27,223,064.79 |
|--|----------|----------------------|

INCOME FROM OPERATIONS

| | | |
|--|----------|---------------------|
| | P | 1,030,678.71 |
|--|----------|---------------------|

LESS : FINANCIAL EXPENSES

| | | | |
|--------------|--|--|----------|
| Bank Charges | | | 4,200.00 |
|--------------|--|--|----------|

| | | | |
|-------------------|--|--|------------|
| Interest Expenses | | | 392,761.06 |
|-------------------|--|--|------------|

TOTAL FINANCIAL EXPENSES

| | | |
|--|----------|-------------------|
| | P | 396,961.06 |
|--|----------|-------------------|

INCOME BEFORE SUBSIDIES, DONATIONS & EXTRAORDINARY ITEMS

| | | |
|--|----------|-------------------|
| | P | 633,717.65 |
|--|----------|-------------------|

| | | | |
|--------|------------------|---|------------|
| Less : | Subsidy to LGU's | P | 333,753.00 |
|--------|------------------|---|------------|

| | | | |
|--|--------------------------|--|---|
| | Subsidy to NGO's/PO;s | | - |
|--|--------------------------|--|---|

| | | |
|--|---|------------|
| | P | 333,753.00 |
|--|---|------------|

NET INCOME/(LOSS)

| | | |
|--|----------|-------------------|
| | P | 299,964.65 |
|--|----------|-------------------|

(See accompanying notes to financial statements)



Republic of the Philippines
 Province of Bohol
 Municipality of Sikatuna
STATEMENT OF CASHFLOWS
GENERAL FUND CONSOLIDATED
For the Period Ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Inflows

| | | |
|--|---|------------------------|
| Share from Internal Revenue Allotment | P | 25,478,747.00 |
| Collection from Taxpayers | | 465,203.42 |
| Receipts from Sale of Goods and Services | | 2,169,168.86 |
| Interest Income | | 27,626.78 |
| Other Receipts | | 844,057.58 |
| TOTAL CASH INFLOWS | | P 28,984,803.64 |

Cash Outflows

| | | |
|--------------------------------|--|------------------------|
| Payment to Suppliers/Creditors | | 8,992,181.06 |
| Payment to Employees | | 16,703,230.92 |
| Interest Expense | | 392,761.06 |
| Other Disbursements | | 517,487.03 |
| TOTAL CASH OUTFLOWS | | P 26,605,660.07 |

NET CASH FROM OPERATING ACTIVITIES

P 2,379,143.57

CASH FLOWS FROM INVESTING ACTIVITIES

Cash Inflows

| | | |
|---------------------------------------|---|------------|
| Sale of Property, Plant and Equipment | P | - |
| TOTAL CASH INFLOWS | | P - |

Cash Outflows

| | | |
|---|--|-----------------------|
| Purchase of Property, Plant and Equipment | | 1,742,782.54 |
| TOTAL CASH OUTFLOWS | | P 1,742,782.54 |

NET CASH FROM INVESTING ACTIVITIES

P (1,742,782.54)

NET DECREASE IN CASH

P 636,361.03

CASH AT THE BEGINNING OF THE PERIOD

P 5,350,907.30

CASH AT THE END OF THE PERIOD

P 5,987,268.33

NOTES TO FINANCIAL STATEMENTS

I. AGENCY BACKGROUND

The Municipality of Sikatuna was created by virtue of Executive Order No. 88 issued on December 5, 1917. It was named in honor of the great Boholano Chieftain, who displayed courage and bravery in leading Boholanos to active victory.

Sikatuna is comprised of ten (10) barangays, and has a total land area of 3,822 hectares. It is a fifth class municipality, as classified by the Department of Interior and Local Government. Commercial activity in this municipality is marginal as most of the commercial establishments are suited only in the Poblacion. Sikatuna has just started in its journey in the field of tourism, the Sikatuna Tree Park.

The municipal government of Sikatuna is headed by Mayor Jose M. Ellorimo Jr. A Vice Mayor and Ten (10) Sangguniang Bayan Members comprise the Legislative Department responsible for the formulation of resolutions, laws and ordinances. Further, there are eleven (11) department heads and twenty one (21) support staff commissioned to oversee various sectors and other priority areas such as treasury, accounting, budget, engineering, social welfare, planning, agriculture, assessor, health, registry and secretary to sanggunian.

The LGU of Sikatuna, Bohol have provided job opportunities to its constituents thru job orders and supported the LGU in the discharge of various activities, programs, and projects.

II. BASIS OF FINANCIAL STATEMENT

The Financial Statement presents the financial position of the municipality, in conformity with applicable laws, rules and regulations and generally accepted and prescribed state accounting principles and standards applied on a consistent basis.

III. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The Municipality uses the accrual basis of accounting. All expenses are recognized when incurred and reported in the financial statements in the period to which they relate. Income is on accrual basis except for transaction, where accrual basis is impractical or required by Law.
- 3.2 The modified obligation system is used to record obligations incurred. Separate registries are maintained to control allotment and obligations for each class of allotment.
- 3.3 Supplies and materials purchased are taken up directly as supplies expense and not recorded under Perpetual Inventory System. The inventories in the financial statements refer to items already issued to the employees but were still recorded in the books.
- 3.4 Property, Plant and Equipment with the corresponding useful life as indicated in the Manual, is carried at cost.
- 3.5 For assets under construction, expenses incurred during the construction of the Project are Capitalized.

- 3.6 Payable accounts are recognized and recorded in the books of accounts upon acceptance of the goods and rendition of services to the agency.
- 3.7 Accounts are classified to conform with the Revised Chart of Accounts prescribed under the New Government Accounting System (NGAS).
- 3.8 The agency has computed depreciations using the straight-line method as per COA circular no. 2003-07. Computations of depreciations based on its total balances. The LGU was still gathering data in order to establish its Detailed Schedules of Inventory.
- 3.9 Fundamental errors of prior years are corrected using the Prior Year's Adjustment account. Errors affecting current year's operations are charged to the current year's accounts.

BREAKDOWN / COMPOSITION AND EXPLANATORY NOTES ON MAJOR ACCOUNTS

Note 1 - CASH AND OTHER CASH ACCOUNTS

This account consists of:

| | Accounts | | Amount |
|-----|--|----------|---------------------|
| 101 | Cash in Vault | P | 10,886.44 |
| 103 | Cash - Disbursing Officers | | - |
| 104 | Petty Cash Fund | | - |
| 111 | Cash In Bank - Local Currency, Current Account | | 974,711.57 |
| 112 | Cash In Bank - Local Currency, Savings Account | | 5,001,670.32 |
| | Total | P | 5,987,268.33 |

The cash in vault was deposited in January, 2012.

Note 2 - RECEIVABLES

Details of this account were presented as follows:

| | Accounts | | Amount |
|-----|-----------------------|---|-----------|
| 121 | Accounts Receivable | P | 2,399.47 |
| 123 | Due from Officers and | | 11,692.39 |

| | | | |
|-----|--|-------------|-----------------------|
| | Employees | | |
| 126 | Loans Receivable - Others | | 82,949.00 |
| 127 | Real Property Tax Receivable | | 265,081.83 |
| 146 | Receivables - Disallowances/Charges | (Sched 1) | 11,368.52 |
| 148 | Advances to Officers and Employees | (Sched 2) | 753,067.02 |
| | Total | | P 1,126,558.23 |

Due from Officers and Employees represent withholding tax on compensation balances of the Municipal Officials who were separated from service effective July, 1, 2010 and Municipal Employees as of December, 31, 2011. Loans Receivables are loans granted to qualified beneficiaries funded by DSWD-SEA K to augment their source of income. Office of the MSWDO failed to submit complete data in this regard, adjustments/reconciliation of this account is pending upon availability of pertinent papers. RPT Receivables was set up at the beginning of the year which amount was certified by the Municipal Assessor. Advances to Officers and Employees are outstanding/unliquidated cash advances granted to Municipal Officials and Employees.

Note 3 - INVENTORIES

Breakdown of this account includes the following:

| | Accounts | | Amount |
|-----|------------------------------|----------|-------------------|
| 155 | Office Supplies Inventory | P | 394,944.58 |
| 156 | Accountable Forms Inventory | | 6,070.00 |
| 165 | Other Supplies Inventory | | 132,464.80 |
| 169 | Livestock Inventory | | 2,500.00 |
| | Total | P | 535,979.38 |

Office Supplies and Other Supplies Inventory represent unexpendable supplies issued to different offices of the Municipality which is subject to adjustment after a physical inventory is conducted to determine its usefulness and existence . While Livestock inventory is subject to reconciliation upon submission of pertinent documents from the Department of Agriculture before making any adjustment as to its proper valuation.

Note 4 - PROPERTY, PLANT AND EQUIPMENT

This account includes the following:

| | Accounts | | Amount |
|----------------------------|------------------------------|----------|-------------------|
| Land and Land Improvements | | | |
| 201 | Land | P | 18,578.28 |
| 202 | Land Improvements | | 586,585.25 |
| | Total | P | 605,163.53 |
| Buildings | | | |
| 211 | Office Buildings | P | 4,590,166.58 |
| 212 | School Buildings | | 238,707.71 |
| 213 | Hospitals and Health Centers | | 417,818.92 |
| 214 | Markets and Slaughterhouses | | 2,944,869.08 |

| | | | |
|--|---|----------|------------------------|
| 215 | Other Structures | | 1,924,940.15 |
| | Total | P | 10,116,502.44 |
| Office Equipment, Furniture and Fixtures | | | |
| 221 | Office Equipment | P | 998,075.56 |
| 222 | Furniture and Fixtures | | 435,983.40 |
| 223 | IT Equipment and Software | | 1,878,045.96 |
| | Total | P | 3,312,104.92 |
| Machineries and Equipment | | | |
| 226 | Machineries | P | 3,571,000.00 |
| 229 | Communication Equipment | | 698,922.25 |
| 233 | Medical, Dental and Laboratory Equipment | | 151,698.00 |
| 234 | Military and Police Equipment | | 57,750.00 |
| | Total | P | 4,479,370.25 |
| Transportation Equipment | | | |
| 241 | Motor Vehicles | P | 2,350,879.15 |
| | Total | P | 2,350,879.15 |
| Other Property, Plant and Equipment | | | |
| 250 | Other Property, Plant and Equipment | P | 999,671.50 |
| | Total | P | 999,671.50 |
| Public Infrastructures | | | |
| 252 | Parks, Plazas and Monuments | P | 219,514.94 |
| 254 | Artesian Wells, Reservoirs, Pumping Stations and Conduits | P | 7,664,366.40 |
| | Total | P | 7,883,881.34 |
| Grand - Total | | | P 29,747,573.13 |

Less : Accumulated Depreciation

| | | | |
|-----|--|---|---------------------|
| 302 | Land Improvements | P | 52,792.67 |
| 311 | Office Buildings | | 136,985.38 |
| 312 | School Buildings | | 10,741.85 |
| 313 | Hospitals and Health Centers | | 12,534.57 |
| 314 | Market and Slaughterhouses | | 83,574.08 |
| 315 | Other Structures | | 85,029.69 |
| 321 | Office Equipment | | 172,273.30 |
| 322 | Furnitures and Fixtures | | 37,715.85 |
| 323 | IT Equipment & Software | | 484,433.45 |
| 326 | Machineries | | 1,847,992.50 |
| 329 | Communication Equipment | | 68,893.60 |
| 333 | Medical, Dental and Laboratory Equipment | | 13,652.82 |
| 334 | Military and Police Equipment | | 5,197.50 |
| 341 | Motor Vehicles | | 601,160.87 |
| 350 | Other PPE | P | 247,876.24 |
| | | | 3,860,854.37 |

**PROPERTY, PLANT AND EQUIPMENT,
NET**

P 25,886,718.76

Property, Plant and Equipment were depreciated using straight-line method with 10% residual value on its total balances. An inventory committee was already created and in the process of gathering data, conducting inspection and appraisal of the above properties in order to examine its existence, proper valuation and generate Detailed Schedule of Inventory.

Note 5 - PAYABLES ACCOUNTS

Accounts Payables represent the unpaid balance of CY2011 obligations/indebtedness to suppliers arising from the purchase of goods and services.

Note 6 - INTER - AGENCY PAYABLES

This account includes the following:

| | Accounts | | Amount |
|-----|---------------------|----------|---------------------|
| 412 | Due to BIR | P | 171,013.34 |
| 413 | Due to GSIS | | 284,218.72 |
| 414 | Due to PAG-IBIG | | 50,886.16 |
| 415 | Due to PHILHEALTH | | 33,806.88 |
| 416 | Due to Other NGA's | | 395,223.39 |
| 417 | Due to Other GOCC's | | (437.90) |
| 418 | Due to LGU's | | 497,932.08 |
| | Total | P | 1,432,642.67 |

Note 7 - OTHER LIABILITY ACCOUNTS

This account includes the following:

| | Accounts | | Amount |
|-----|---------------------|----------|-------------------|
| 429 | Tax Refunds Payable | P | 3,164.42 |
| 439 | Other Payables | | 245,947.69 |
| | Total | P | 249,112.11 |

Tax refund payable represent the overwithheld tax on compensation of CY2010. The other liability accounts represent the amount collected or withheld from officers and employees for the account of private associations/entities in payment for salary loans.

Note 8 - LOANS PAYABLES - DOMESTIC

The Department of Finance on CY2005 and CY2006 grant, thru the Municipal Development Fund Office, a loan amounting to P3,736,737.39 to the Municipality, payable in 15 years with grace period of 3 years under Community Based Resource Management Project (CBRMP II). The said funds were used to purchase farm equipment and cargo

truck, improvement of water system and constructions of farm to market roads and other infrastructures which are essential to the promotion of the general welfare of the community.

Note 9 - DEFERRED CREDITS

Deferred Real Property Income represent the reciprocal account for Real Property Tax Receivable that was recognized at the beginning of the year.

Note 10 - GOVERNMENT EQUITY

Details of this account were presented as follows:

| | | |
|---|----------|----------------------|
| Government Equity - Beginning Balance | P | 26,378,440.87 |
| Adjustment to Beginning Balance | | |
| Add(Deduct) | | |
| Current Operations | | 299,964.65 |
| Prior Year's Adjustments - Erroneous Entry | | (259,415.05) |
| Government Equity - Ending Balance | P | 26,418,990.47 |

Prior years adjustments represents the liquidation of cash advances for confidential and intelligence fund amounting to P200,000 for CY2009 and CY2010, under credit notice no. 2010-11-664-L, 2011-03-179-L and 2011-08-320-L and the remaining amount represents the correction of erroneous entry and liquidation of cash advances for travel. Result of operations for CY2011 shown P299,964.65 net income.

Note 11 - LOCAL TAXES

Breakdown of this account includes the following:

| | Accounts | | Amount |
|---------|--------------------------------------|----------|-------------------|
| 582 | Business Tax | P | 195,020.00 |
| 583 | Community Tax | | 46,897.33 |
| 588 | Real Property Tax | | 264,201.26 |
| 954 | Discount on Real Property Taxes | | 78,018.04 |
| 599 (1) | Fines and Penalties - Local taxes | | 9,026.37 |
| 599 (2) | Fines and Penalties - Local taxes | | 28,076.50 |
| | Total | P | 465,203.42 |

Note 12 - PERMITS AND LICENSES

This account includes the following:

| Accounts | Amount |
|----------|--------|
|----------|--------|

| | | | |
|--------------|--|----------|------------------|
| 601 | Fees on Weights and Measures | P | - |
| 605 | Permit Fees | | 60,674.70 |
| 606 | Registration Fees | | 16,091.00 |
| 608 | Other Permits and Licenses | | 799.30 |
| 609 | Fines and Penalties - Permits and Licenses | | 401.50 |
| Total | | P | 77,966.50 |

Note 13 - SERVICE INCOME

Breakdown of this account includes the following:

| | Accounts | | Amount |
|--------------|-------------------------------------|----------|-------------------|
| 613 | Clearance and Certification Fees | P | 84,081.75 |
| 616 | Garbage Fees | | 2,847.00 |
| 617 | Inspection Fees | | 5,405.00 |
| 619 | Medical, Dental and Laboratory Fees | | 20,085.00 |
| 628 | Other Service Income | | 139,978.50 |
| Total | | P | 252,397.25 |

Note 14 - BUSINESS INCOME

This account includes the following:

| | Accounts | | Amount |
|--------------|---------------------------------------|----------|---------------------|
| 633 | Income from Cemetery Operations | P | 75.00 |
| 636 | Income from Markets | | 248,758.17 |
| 637 | Income from Slaughterhouses | | 25,123.00 |
| 639 | Income from Waterworks Systems | | 1,468,139.55 |
| 649 | Fines and Penalties - Business Income | | 96,709.39 |
| Total | | P | 1,838,805.11 |

Note 15 - PERSONAL SERVICES

Details of this account were presented as follows:

| | Accounts | | Amount |
|-----|--|---|--------------|
| 701 | Salaries and Wages - Regular | P | 9,788,752.73 |
| 711 | Personnel Economic Relief Allowance (PERA) | | 1,056,000.00 |
| 713 | Representation Allowance (RA) | | 978,600.00 |
| 714 | Transportation Allowance (TA) Clothing/Uniform | | 978,600.00 |
| 715 | Allowance | | 176,000.00 |
| 716 | Subsistence, Laundry and Quarter Allowance | | 99,000.00 |
| 717 | Productivity Incentive Allowance | | 64,000.00 |
| 720 | Honoraria | | 7,200.00 |
| 721 | Hazard Pay | | 41,073.00 |

| | | |
|--------------|---|------------------------|
| 724 | Cash Gift | 220,000.00 |
| 725 | Year End Bonus | 816,141.50 |
| 731 | Life and Retirement Insurance Contributions PAG-IBIG | 1,174,737.13 |
| 732 | Contributions | 52,800.00 |
| 733 | PHILHEALTH Contributions | 118,987.50 |
| 734 | ECC Contributions | 48,222.76 |
| 742 | Terminal Leave Benefits | 261,996.68 |
| 749 | Other Personnel Benefits | 821,119.62 |
| Total | | P 16,703,230.92 |

Note 16 - MAINTENANCE AND OTHER OPERATING EXPENSES

This account includes the following:

| | Accounts | Amount |
|-----|---|--------------|
| | Traveling Expenses - | |
| 751 | Local | P 637,252.79 |
| 753 | Training Expenses | 501,850.00 |
| | Office Supplies | |
| 755 | Expenses | 394,462.00 |
| 756 | Accountable Forms Expenses | 64,789.00 |
| 759 | Drugs and Medicines Expenses | 271,884.89 |
| 760 | Medical, Dental and Laboratory Supplies Expenses | 30,145.00 |
| | Gasoline, Oil and Lubricants | |
| 761 | Expenses | 247,432.46 |
| 762 | Agricultural Supplies Expenses | 2,720.00 |
| 765 | Other Supplies Expenses | 208,824.73 |
| 767 | Electricity Expenses | 1,788,236.65 |
| 771 | Postage and Deliveries | 2,240.00 |
| 772 | Telephone Expenses - Landline | 27,316.65 |
| 773 | Telephone Expenses - Mobile | 189,280.00 |
| 778 | Membership Dues and Contributions to Organizations | 16,200.00 |
| 786 | Subscriptions Expenses | 3,669.00 |
| 794 | Environment/Sanitary Services | 218,924.60 |
| 795 | General Services | 1,508,325.00 |
| 796 | Janitorial Services | 144,620.00 |
| 811 | Repairs and Maintenance - Office Buildings | 194,369.79 |
| 814 | Repairs and Maintenance - Markets and Slaughterhouses | 34,578.32 |
| 815 | Repairs and Maintenance - Other Structures | 203,730.50 |
| 821 | Repairs and Maintenance - Office Equipment | 10,560.00 |
| 823 | Repairs and Maintenance - IT Equipment and Software | 12,400.00 |
| 829 | Repairs and Maintenance - Communication Equipment | 1,500.00 |
| 841 | Repairs and Maintenance - Motor Vehicles | 89,991.10 |
| | Repairs and Maintenance - Roads, Highways and | |
| 851 | Bridges | 72,170.00 |
| | Repairs and Maintenance - Parks, Plazas and | |
| 852 | Monuments | 315,172.28 |
| | Repairs and Maintenance - Artesian Wells, Reservoirs, | |
| 854 | Pumping Stations and Conduits | 231,745.53 |
| 878 | Donations | 41,000.00 |

| | | |
|-----|--|-----------------------|
| 884 | Miscellaneous Expenses | 19,904.11 |
| 892 | Fidelity Bond Premiums | 30,450.00 |
| 893 | Insurance Expenses | 498,567.93 |
| 969 | Other Maintenance and Operating Expenses | 977,868.73 |
| | Total | P 8,992,181.06 |

General Services expenses shown in the above accounts were wages of Job Orders employees for CY2011. Insurance expenses amounting to P494,200.40 represent payment for Medicare sa Masa for the whole year of 2011.

Note 17 - DEPRECIATION EXPENSES

This account includes the following:

| | Accounts | Amount |
|-----|---|-----------------------|
| 902 | Depreciation - Land Improvements | P 52,792.67 |
| 911 | Depreciation - Office Buildings | 136,985.38 |
| 912 | Depreciation - School Buildings | 10,741.85 |
| 913 | Depreciation - Hospitals and Health Centers | 12,534.57 |
| 914 | Depreciation - Markets and Slaughterhouses | 83,574.08 |
| 915 | Depreciation - Other Structures | 85,029.69 |
| 921 | Depreciation - Office Equipment | 168,484.59 |
| 922 | Depreciation - Furniture and Fixtures | 33,733.65 |
| 923 | Depreciation - IT Equipment | 299,129.57 |
| 926 | Depreciation - Machineries | 214,260.00 |
| 929 | Depreciation - Communication Equipment | 62,903.00 |
| 933 | Depreciation - Medical, Dental and Laboratory Equipment | 13,652.82 |
| 934 | Depreciation - Military and Police Equipment | 5,197.50 |
| 941 | Depreciation - Motor Vehicles | 170,138.46 |
| 950 | Depreciation - Other Property, Plant and Equipment | 178,494.98 |
| | Total | P 1,527,652.81 |

Property, Plant and Equipment were depreciated using straight-line method, with 10% residual value, on its total balances. An inventory committee was already created and in the process of gathering data, conducting inspection and appraisal of the above properties in order to examine its existence, proper valuation and to generate Detailed Schedule of Inventory.



Republic of the Philippines
 Province of Bohol
 Municipality of Sikatuna
SPECIAL EDUCATION FUND BALANCE SHEET
As of December 31, 2011

ASSETS

CURRENT ASSETS

| | | |
|--|----------|-------------------|
| Cash in Vault | P | 2.94 |
| Cash In Bank - Local Currency, Current Account | | 231,196.70 |
| Special Education Tax Receivable | | 209,121.83 |
| Advances to Officers and Employees | | 21,917.06 |
| Other Receivables | | 64,272.50 |
| Other Structures | | 42,769.41 |
| TOTAL CURRENT ASSETS | P | 569,280.44 |

PROPERTY, PLANT EQUIPMENT

| | | |
|---|----------|-------------------|
| Land and Land Improvements | P | - |
| Other Structures | | 108,295.00 |
| Office Equipment | | 56,921.80 |
| Furniture and Fixtures | | 27,254.75 |
| IT Equipment and Software | | 268,343.50 |
| Accumulated Depreciation - IT Equipment | | (88,451.77) |
| Sports Equipment | | 61,516.40 |
| Other Property, Plant and Equipment | | 24,087.00 |
| TOTAL PROPERTY, PLANT AND EQUIPMENT, NET | P | 457,966.68 |

OTHER ASSETS

| | | |
|--------------|---|----------|
| Other Assets | P | 7,599.20 |
|--------------|---|----------|

TOTAL ASSETS

P 1,034,846.32

LIABILITIES AND EQUITY

LIABILITIES

| | | |
|---------------------------------------|----------|-------------------|
| Accounts Payables | P | 29,674.00 |
| Inter - Agency Payables | | |
| Due to BIR | | 4,573.05 |
| Due to LGU's | | 84,897.35 |
| Deferred Special Education Tax Income | | 209,121.83 |
| Other Deferred Credits | | 1,074.15 |
| TOTAL LIABILITIES | P | 329,340.38 |

GOVERNMENT EQUITY

(Note 1)

P 705,505.94

TOTAL LIABILITIES AND EQUITY

P 1,034,846.32

(See accompanying notes to financial statements)



Republic of the Philippines
Province of Bohol
Municipality of Sikatuna
STATEMENT OF INCOME AND EXPENSES
SPECIAL EDUCATION FUND
For the Period Ended December 31, 2011

TAX REVENUE

| | | |
|-----------------------------------|---|------------|
| Special Education Tax | P | 330,251.56 |
| Fines and Penalties - Local taxes | | 35,095.60 |

GENERAL INCOME ACCOUNTS

| | | |
|-----------------|--|----------|
| Interest Income | | 1,890.55 |
|-----------------|--|----------|

TOTAL OPERATING INCOME

P 367,237.71

LESS : EXPENSES

| | | |
|--|---|------------|
| Traveling Expenses - Local | P | 9,984.00 |
| Training Expenses | | 7,900.00 |
| Office Supplies Expenses | | 20,560.92 |
| Accountable Forms Expenses | | 4,446.25 |
| Other Supplies Expenses | | 12,633.50 |
| Telephone Expenses - Mobile | | 6,960.00 |
| Discount on Special Education Tax | | 78,018.04 |
| Other Maintenance and Operating Expenses | | 218,851.00 |

TOTAL EXPENSES

P 359,353.71

NET INCOME/(LOSS)

P 7,884.00

(See accompanying notes to financial statements)



Republic of the Philippines
 Province of Bohol
 Municipality of Sikatuna
STATEMENT OF CASHFLOWS
SPECIAL EDUCATION FUND
For the Period Ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Inflows

| | | |
|--|----------|---------------------|
| Share from Internal Revenue Allotment | P | - |
| Collection from Taxpayers | | 330,251.56 |
| Receipts from Sale of Goods and Services | | |
| Interest Income | | 1,890.55 |
| Other Receipts | | 1,482,387.34 |
| TOTAL CASH INFLOWS | P | 1,814,529.45 |

Cash Outflows

| | | |
|--------------------------------|----------|---------------------|
| Payment to Suppliers/Creditors | | 263,451.67 |
| Payment to Employees | | |
| Interest Expense | | |
| Other Disbursements | | 1,509,966.51 |
| TOTAL CASH OUTFLOWS | P | 1,773,418.18 |

NET CASH FROM OPERATING ACTIVITIES

P 41,111.27

CASH FLOWS FROM INVESTING ACTIVITIES

Cash Inflows

| | | |
|---------------------------------------|----------|----------|
| Sale of Property, Plant and Equipment | P | - |
| TOTAL CASH INFLOWS | P | - |

Cash Outflows

| | | |
|---|----------|-------------------|
| Purchase of Property, Plant and Equipment | | 111,684.10 |
| TOTAL CASH OUTFLOWS | P | 111,684.10 |

NET CASH FROM INVESTING ACTIVITIES

P (111,684.10)

NET DECREASE IN CASH

P (70,572.83)

CASH AT THE BEGINNING OF THE PERIOD

P 301,772.47

CASH AT THE END OF THE PERIOD

P 231,199.64

Note 1 - GOVERNMENT EQUITY

Details of this account were presented as follows:

| | | |
|---|----------|-------------------|
| Government Equity - Beginning Balance | P | 705,957.94 |
| Add(Deduct) | | |
| Current Operations | | 7,884.00 |
| Prior Year's Adjustment | | (8,336.00) |
| Government Equity - Ending Balance | P | 705,505.94 |

Prior year's adjustment represent liquidation of cash advance of Ms. Elizabeth J. Pido for 2010 National Conference for Non Formal Educators in Baquio City.



Republic of the Philippines
 Province of Bohol
 Municipality of Sikatuna
TRUST FUND BALANCE SHEET
As of December 31, 2011

ASSETS

CURRENT ASSETS

| | | |
|-----------------------------|----------|---------------------|
| Cash | P | 962,945.52 |
| Receivables | | 79,010.00 |
| Due from Other Funds | | 70,000.00 |
| Other Receivables | | 42,400.00 |
| TOTAL CURRENT ASSETS | P | 1,154,355.52 |

PROPERTY, PLANT EQUIPMENT

| | | |
|---|--------------|----------------------|
| Land and Land Improvements | | |
| Land Improvements | P | 2,478,599.85 |
| Buildings | | |
| Hospitals and Health Centers | P | 4,200.00 |
| Less : Accumulated Depreciation | | (146.63) |
| Markets and Slaughterhouse | | 1,519,500.58 |
| Other Structures | 4,278,926.62 | |
| Less : Accumulated Depreciation | | (90,491.57) |
| Office Equipment, Furniture and Fixtures | | |
| Office Equipment | | 55,975.00 |
| Communication Equipment | | 115,000.00 |
| Transportation Equipment | | |
| Motor Vehicles | 49,700.00 | |
| Less : Accumulated Depreciation | (44,730.00) | 4,970.00 |
| Other Property, Plant and Equipment | | 114,245.30 |
| Public Infrastructures | | |
| Artesian Wells, Reservoirs, Pumping Stations and Conduits | | 1,760,335.78 |
| TOTAL PROPERTY, PLANT AND EQUIPMENT, NET | P | 10,241,114.93 |

TOTAL ASSETS

P 11,395,470.45

LIABILITIES AND EQUITY

LIABILITIES

| | | |
|--------------------------|----------|---------------------|
| Payables Accounts | P | - |
| Inter - Agency Payables | | |
| Due to BIR | | 13,144.02 |
| Due to NGA's | | 1,945,585.19 |
| Due to LGU's | | 390,165.94 |
| Other Payables | | 339,187.01 |
| TOTAL LIABILITIES | P | 2,688,082.16 |

GOVERNMENT EQUITY

P 8,707,388.29

TOTAL LIABILITIES AND EQUITY

P 11,395,470.45



Republic of the Philippines
 Province of Bohol
 Municipality of Sikatuna
STATEMENT OF CASHFLOWS
TRUST FUND
For the Period Ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Inflows

| | | |
|--|----------|---------------------|
| Share from Internal Revenue | P | - |
| Allotment | | - |
| Collection from Taxpayers | | - |
| Receipts from Sale of Goods and Services | | - |
| Interest Income | | - |
| Other Receipts | | 1,134,119.43 |
| TOTAL CASH INFLOWS | P | 1,134,119.43 |

Cash Outflows

| | | |
|--------------------------------|----------|-------------------|
| Payment to Suppliers/Creditors | | - |
| Payment to Employees | | - |
| Interest Expense | | - |
| Other Disbursements | | 809,887.29 |
| TOTAL CASH OUTFLOWS | P | 809,887.29 |

NET CASH FROM OPERATING ACTIVITIES

P 324,232.14

CASH FLOWS FROM INVESTING ACTIVITIES

Cash Inflows

| | | |
|---------------------------------------|----------|----------|
| Sale of Property, Plant and Equipment | P | - |
| TOTAL CASH INFLOWS | P | - |

Cash Outflows

| | | |
|---|----------|----------|
| Purchase of Property, Plant and Equipment | | - |
| TOTAL CASH OUTFLOWS | P | - |

NET CASH FROM INVESTING ACTIVITIES

P -

NET DECREASE IN CASH

P 324,232.14

CASH AT THE BEGINNING OF THE PERIOD

P 638,713.38

CASH AT THE END OF THE PERIOD

P 962,945.52