

# LUPON SCHOOL OF FISHERIES

Lupon, Davao Oriental

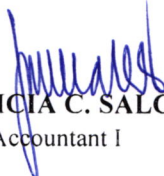
## POST-CLOSING TRIAL BALANCE

### FUND 161

As of December 31, 2016

ACCOUNTS	Account Code	Debit	Credit
Cash in Bank - Local Currency, Current Account	10102020	874,193.70	
Accounts Receivable	10301010	245,074.66	
Other Supplies and Materials Inventory	10404990	87,556.75	
Livestock Held for Consumption / Sale / Distribution	10702010	104,050.00	
School Buildings	10604020	995,774.27	
<i>Accumulated Depreciation - School Buildings</i>	10604021		175,053.80
Other Structures	10604990	508,698.06	
<i>Accumulated Depreciation - Other Structures</i>	10604991		125,580.91
Machinery	10605010	17,500.00	
<i>Accumulated Depreciation - Machinery</i>	10605011		16,763.54
Information and Communication Technology Equipment	10605030	393,000.00	
<i>Accumulated Depreciation - Information and Communication Technology Equipment</i>	10605031		214,765.00
Technical and Scientific Equipment	10605140	211,808.00	
<i>Accumulated Depreciation - Technical and Scientific Equipment</i>	10605140		199,013.91
Other Machinery and Equipment	10605990	130,498.00	
<i>Accumulated Depreciation - Other Machinery and Equipment</i>	10605991		55,190.89
Motor Vehicles	10606010	607,000.00	
<i>Accumulated Depreciation - Motor Vehicles</i>	10606011		197,050.92
Due to BIR	20201010		18,621.26
Accumulated Surplus / (Deficit)	30101010		3,173,113.21
<b>TOTAL</b>		<b>4,175,153.44</b>	<b>4,175,153.44</b>
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Certified Correct:

  
MA. LETICIA C. SALCEDO  
Accountant I

**LUPON SCHOOL OF FISHERIES**  
**DETAILED STATEMENT OF FINANCIAL PERFORMANCE**  
**FUND 161**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>2016</u>	<u>2015</u>
<b>Revenue</b>		
Business Income	156,366.00	154,996.00
Income from Hostels/Dormitories and Other Like Facilities	1,758,612.46	2,549,168.73
Sales Revenue	0.00	0.00
Less: Sales Discounts	<u>1,758,612.46</u>	<u>2,549,168.73</u>
Net Sales	691.25	1,181.34
Interest Income	6,213,690.00	5,679,005.25
Other Business Income	<u>8,129,359.71</u>	<u>8,384,351.32</u>
<b>Total Business Income</b>	<u>8,129,359.71</u>	<u>8,384,351.32</u>
<b>Total Revenue</b>		
	<u>8,129,359.71</u>	<u>8,384,351.32</u>
<b>Less: Current Operating Expenses</b>		
<b>Maintenance and Other Operating Expenses</b>		
<b>Traveling Expenses</b>		
Traveling Expenses-Local	48,010.00	42,374.00
<b>Total Traveling Expenses</b>	<u>48,010.00</u>	<u>42,374.00</u>
<b>Supplies and Materials Expenses</b>		
Fuel, Oil and Lubricants Expenses	169,762.29	124,431.65
Other Supplies and Materials Expenses	3,068,467.52	3,934,470.40
<b>Total Supplies and Materials Expenses</b>	<u>3,238,229.81</u>	<u>4,058,902.05</u>
<b>Utility Expenses</b>		
Water Expenses	110,604.48	65,707.52
Electricity Expenses	187,581.64	268,569.46
<b>Total Utility Expenses</b>	<u>298,186.12</u>	<u>334,276.98</u>
<b>Communication Expenses</b>		
Telephone Expenses	8,361.05	24,827.29
<b>Total Communication Expenses</b>	<u>8,361.05</u>	<u>24,827.29</u>
<b>Professional Services</b>		
Other Professional Services	142,267.09	0.00
<b>Total Professional Services</b>	<u>142,267.09</u>	<u>0.00</u>
<b>Repairs and Maintenance</b>		
Repairs and Maintenance - Buildings and Other Structures - School Buildings	192,837.58	698,018.65
Repairs and Maintenance - Machinery and Equipment - Other Machinery & Equip	106,000.00	11,650.00
Repairs and Maintenance-Transportation Equipment	44,007.00	89,203.00
<b>Total Repairs and Maintenance</b>	<u>342,844.58</u>	<u>798,871.65</u>
<b>Other Maintenance and Operating Expenses</b>		
Advertising Expenses		12,500.00
Rent/Lease Expenses	19,000.00	301,831.00
Other Maintenance and Operating Expenses	1,504,025.69	1,451,896.91
<b>Total Other Maintenance and Other Operating Expenses</b>	<u>1,523,025.69</u>	<u>1,766,227.91</u>
<b>Total Maintenance and Other Operating Expenses</b>	<u>5,600,924.34</u>	<u>7,025,479.88</u>
<b>Direct Cost</b>		
<b>Cost of Sales</b>		
Cost of Sales	1,146,116.03	1,131,811.49
<b>Total Direct Cost</b>	<u>1,146,116.03</u>	<u>1,131,811.49</u>
<b>Non-Cash Expenses</b>		
<b>Depreciation</b>		
Depreciation - Buildings and Other Structures - School Bldgs	27,841.71	48,326.32

Depreciation - Buildings and Other Structures - Other Structures	20,484.61	0.00
Depreciation - Machinery and Equipment - ICT Equipment	74,670.00	90,458.56
Depreciation - Machinery and Equipment - Technical & Scientific Equip	7,745.26	0.00
Depreciation - Machinery and Equipment - Other Machinery & Equipment	9,357.50	0.00
Depreciation-Transportation Equipment	67,178.57	4,477.33
Depreciation-Furniture, Fixtures and Books	0.00	23,153.30
<b>Total Depreciation</b>	<u><b>207,277.65</b></u>	<u><b>166,415.51</b></u>
<b>Total Non-Cash Expenses</b>	<u><b>207,277.65</b></u>	<u><b>166,415.51</b></u>
<b>Current Operating Expenses</b>	<u><b>6,954,318.02</b></u>	<u><b>8,323,706.88</b></u>
<b>Surplus (Deficit) from Current Operations</b>	<b>1,175,041.69</b>	<b>60,644.44</b>
<b>Surplus (Deficit) for the period</b>	<u><u><b>1,175,041.69</b></u></u>	<u><u><b>60,644.44</b></u></u>

**LUPON SCHOOL OF FISHERIES  
 DETAILED STATEMENT OF FINANCIAL POSITION  
 FUND 161  
 AS OF DECEMBER 31, 2016**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Cash and Cash Equivalents</b>	<b>874,193.70</b>	<b>241,779.44</b>
Cash in Bank-Local Currency	874,193.70	241,779.44
Cash in Bank-Local Currency, Current Account	874,193.70	241,779.44
<b>Receivables</b>	<b>245,074.66</b>	<b>212,790.00</b>
Loans and Receivable Accounts	245,074.66	212,790.00
Accounts Receivable	245,074.66	212,790.00
Allowance for Impairment-Accounts Receivable	0.00	0.00
Net Value- Accounts Receivable	245,074.66	212,790.00
<b>Inventories</b>	<b>87,556.75</b>	<b>66,017.75</b>
Inventory Held for Consumption	87,556.75	66,017.75
Other Supplies and Materials Inventory	87,556.75	66,017.75
<b>Total Current Assets</b>	<b>1,206,825.11</b>	<b>520,587.19</b>
<b>Non-Current Assets</b>		
<b>Property, Plant and Equipment</b>	<b>1,880,859.36</b>	<b>1,552,700.17</b>
Buildings and Other Structures	1,203,837.62	549,460.26
School Buildings	995,774.27	293,070.59
Accumulated Depreciation-School Buildings	(175,053.80)	(147,212.09)
Accumulated Impairment Losses-School Buildings	0.00	0.00
Net Value	820,720.47	145,858.50
Other Structures	508,698.06	508,698.06
Accumulated Depreciation-Other Structures	(125,580.91)	(105,096.30)
Accumulated Impairment Losses-Other Structures	0.00	0.00
Net Value	383,117.15	403,601.76
Machinery and Equipment	267,072.66	418,675.59
Machinery	17,500.00	34,380.00
Accumulated Depreciation-Machinery	(16,763.54)	(30,631.64)
Accumulated Impairment Losses-Machinery	0.00	0.00
Net Value	736.46	3,748.36
Information and Communication Technology Equipment	393,000.00	400,800.00
Accumulated Depreciation-Information and Communication Technology Equipment	(214,765.00)	(142,454.17)
Accumulated Impairment Losses-Information and Communication Technology Equipment	0.00	0.00
Net Value	178,235.00	258,345.83
Technical and Scientific Equipment	211,808.00	572,687.50
Accumulated Depreciation-Technical and Scientific Equipment	(199,013.91)	(506,862.57)
Accumulated Impairment Losses-Technical and Scientific Equipment	0.00	0.00
Net Value	12,794.09	65,824.93
Other Machinery and Equipment	130,498.00	145,593.50
Accumulated Depreciation-Other Machinery and Equipment	(55,190.89)	(54,837.03)
Accumulated Impairment Losses-Other Machinery and Equipment	0.00	0.00
Net Value	75,307.11	90,756.47
Transportation Equipment	409,949.08	510,118.47
Motor Vehicles	607,000.00	639,990.82

<i>Accumulated Impairment Losses-Motor Vehicles</i>	0.00	0.00
<i>Net Value</i>	<u>409,949.08</u>	<u>510,118.47</u>
Furniture, Fixtures and Books	0.00	74,445.85
Furniture and Fixtures	0.00	151,921.91
<i>Accumulated Depreciation-Furniture and Fixtures</i>	0.00	(77,476.06)
<i>Accumulated Impairment Losses-Furniture and Fixtures</i>	0.00	0.00
<i>Net Value</i>	<u>0.00</u>	<u>74,445.85</u>
<b>Biological Assets</b>	<b><u>104,050.00</u></b>	<b><u>104,050.00</u></b>
Consumable Biological Assets	104,050.00	104,050.00
Livestock Held for Consumption/Sale/Distribution	104,050.00	104,050.00
<i>Consumption/Sale/Distribution</i>	0.00	0.00
<i>Net Value</i>	<u>104,050.00</u>	<u>104,050.00</u>
<b>Total Non-Current Assets</b>	<b><u>1,984,909.36</u></b>	<b><u>1,656,750.17</u></b>
<b>TOTAL ASSETS</b>	<b><u>3,191,734.47</u></b>	<b><u>2,177,337.36</u></b>
<b>LIABILITIES</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Inter-Agency Payables</b>	<b><u>18,621.26</u></b>	<b><u>0.00</u></b>
Due to BIR	18,621.26	0.00
<b>Total Current Liabilities</b>	<b><u>18,621.26</u></b>	<b><u>0.00</u></b>
<b>Total Liabilities</b>	<b><u>18,621.26</u></b>	<b><u>0.00</u></b>
<b>Total Assets less Total Liabilities</b>	<b><u>3,173,113.21</u></b>	<b><u>2,177,337.36</u></b>
<b>Net Assets/Equity</b>		
<b>Equity</b>		
<b>Government Equity</b>	<b><u>3,173,113.21</u></b>	<b><u>2,177,337.36</u></b>
Accumulated Surplus/(Deficit)	3,173,113.21	2,177,337.36
<b>Unrealized Gain/(Loss)</b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>
Unrealized Gain/(Loss) from Changes in the Fair Value of Financial Assets	0.00	0.00
<b>Total Net Assets/Equity</b>	<b><u>3,173,113.21</u></b>	<b><u>2,177,337.36</u></b>

LUPON SCHOOL OF FISHERIES  
STATEMENT OF CHANGES IN NET ASSETS/EQUITY  
FUND 161  
FOR THE YEAR ENDED DECEMBER 31, 2016

	Accumulated Surplus/ (Deficit)	
	<u>2016</u>	<u>2015</u>
<b>Balance at January 1</b>	2,177,337.36	2,116,692.92
<b>Add/(Deduct):</b>		
Changes in accounting policy		
Prior period errors		0.00
Other adjustments	(179,265.84)	
<b>Restated balance</b>	<u>1,998,071.52</u>	<u>2,116,692.92</u>
<b>Add/(Deduct):</b>		
<b>Changes in Net Assets/Equity for the Calendar Year</b>		
Surplus/(Deficit) for the period	1,175,041.69	60,644.44
Adjustment of net revenue recognized directly in net assets/equity <sup>1</sup>		
Others <sup>2</sup>		
<b>Balance at December 31</b>	<u><u>3,173,113.21</u></u>	<u><u>2,177,337.36</u></u>

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\*1 - Net revenue deposited with the National Treasury (revenue including constructive receipt of income by Foreign Based Agencies and income remitted by agencies thru TRA)

one unit

of the agency to another directly charged to Accumulated Surplus/(Deficit))

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*This statement should be read in conjunction with the accompanying notes.*

LUPON SCHOOL OF FISHERIES  
STATEMENT OF CASH FLOWS  
FUND 161  
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>2016</u>	<u>2015</u>
<b>Cash Flows From Operating Activities</b>		
<b>Cash Inflows</b>		
Proceeds from sale of goods and services	7,559,881.71	8,384,351.32
Collection of Receivables		
Collection of loans and receivables	581,822.87	813,820.00
<b>Total Cash Inflows</b>	<b><u>8,141,704.58</u></b>	<b><u>9,198,171.32</u></b>
<b>Cash Outflows</b>		
Payment of Expenses		
Payment of maintenance and other operating expenses	6,572,699.03	8,322,620.23
Grant of Cash Advances		
Advances to officers and employees	830,368.20	709,552.55
Remittance of Personnel Benefit Contributions and Mandatory Deductions		
Remittance of taxes withheld not covered by TRA	106,223.09	81,534.84
Adjustments	0.00	0.00
<b>Total Cash Outflows</b>	<b><u>7,509,290.32</u></b>	<b><u>9,113,707.62</u></b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b><u>632,414.26</u></b>	<b><u>84,463.70</u></b>
<b>Cash Flows from Investing Activities</b>		
<b>Cash Inflows</b>		
Proceeds from Sale of Investment Property	0.00	0.00
Proceeds from Sale/Disposal of Property, Plant and Equipment	0.00	0.00
Sale of Investments	0.00	0.00
Proceed from sale of stocks/bonds/marketable securities	0.00	0.00
Sale of investment in joint venture	0.00	0.00
Sale of investment in associates	0.00	0.00
Sale of other investments	0.00	0.00
Receipt of Cash Dividends	0.00	0.00
Proceeds from Matured/Return of Investments	0.00	0.00
Redemption of long term investments	0.00	0.00
Proceeds from matured investments	0.00	0.00
Proceeds from the return on investment in joint venture	0.00	0.00
Proceeds from the return on investment in associates	0.00	0.00
Collection of Long-Term Loans	0.00	0.00
Repayment of long term-loans by GOCC/GFI	0.00	0.00
Collection of long-term loans	0.00	0.00
Proceeds from Sale of Other Assets	0.00	0.00
Adjustments	0.00	0.00
<b>Total Cash Inflows</b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>
<b>Cash Outflows</b>		
Purchase/Construction of Investment Property	0.00	0.00
Purchase/Construction of Property, Plant and Equipment	0.00	114,000.00
Purchase of land	0.00	0.00
Payment for land improvements	0.00	0.00
Construction of infrastructure assets	0.00	0.00
Construction of buildings and other structures	0.00	0.00
Purchase of machinery and equipment	0.00	0.00
Purchase of transportation equipment	0.00	0.00
Purchase of furniture, fixtures and books	0.00	0.00
Payments for leased assets improvements	0.00	0.00
Construction in progress	0.00	0.00
Construction/Acquisition of heritage assets	0.00	0.00
Purchase of other property, plant and equipment	0.00	0.00
Payment of right-of-way	0.00	0.00
Advances to contractors	0.00	0.00
Payment of guaranty deposit	0.00	0.00
Payment of retention fee to contractors	0.00	0.00
Payment of other fees charged to the projects	0.00	0.00
Payment of incidental expenses	0.00	0.00
Payment for rehabilitation of property, plant and equipment (capitalized repair)	0.00	0.00

Investments	0.00	0.00
Investment in stocks/bonds/marketable securities	0.00	0.00
Investment in GOCC/GFI	0.00	0.00
Investment in joint venture	0.00	0.00
Investment in associates	0.00	0.00
Other long-term investments	0.00	0.00
Purchase of Bearer Biological Assets	0.00	0.00
Purchase of breeding stocks	0.00	0.00
Purchase of livestock	0.00	0.00
Purchase of trees, plants and crops	0.00	0.00
Purchase of aquaculture	0.00	0.00
Purchase of other bearer biological assets	0.00	0.00
Purchase of Intangible Assets	0.00	0.00
Purchase of computer software	0.00	0.00
Purchase of other intangible assets	0.00	0.00
Grant of Loans	0.00	0.00
Release of funds for sub-loans	0.00	0.00
Grant of loans	0.00	0.00
Adjustments	0.00	0.00
<b>Total Cash Outflows</b>	<b>0.00</b>	<b>114,000.00</b>
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>0.00</b>	<b>(114,000.00)</b>
<b>Cash Flows From Financing Activities</b>		
<b>Cash Inflows</b>		
Proceeds from issuance of bills and bonds	0.00	0.00
Proceeds from issuance of bill	0.00	0.00
Proceeds from issuance of bonds	0.00	0.00
Proceeds from Domestic and Foreign Loans	0.00	0.00
Proceeds from issuance of notes payable	0.00	0.00
Proceeds from domestic loans	0.00	0.00
Proceeds from foreign loans	0.00	0.00
Adjustments	0.00	0.00
<b>Total Cash Inflows</b>	<b>0.00</b>	<b>0.00</b>
<b>Cash Outflows</b>		
Payment of Long-Term Liabilities	0.00	0.00
Payment of notes payable	0.00	0.00
Payment of domestic loans	0.00	0.00
Payment of foreign loans	0.00	0.00
Payment of finance lease payable	0.00	0.00
Payment of other long-term liabilities	0.00	0.00
Redemption of Bills/Bonds Issued	0.00	0.00
Payment for redemption of treasury bills	0.00	0.00
Payment for redemption of bonds	0.00	0.00
Payment of Interest Expense (BTR/NG Debt)	0.00	0.00
Adjustments	0.00	0.00
<b>Total Cash Outflows</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>0.00</b>	<b>0.00</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>632,414.26</b>	<b>(29,536.30)</b>
<b>Effects of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>0.00</b>	<b>0.00</b>
<b>Cash and Cash Equivalents, January 1</b>	<b>241,779.44</b>	<b>271,315.74</b>
<b>Cash and Cash Equivalents, December 31</b>	<b>874,193.70</b>	<b>241,779.44</b>

*This statement should be read in conjunction with the accompanying notes.*



LUPON SCHOOL OF FISHERIES  
Financial statements (Fund 161) for the year ended December 31, 2016

Pro-forma Notes to Financial Statements	Reference
<b>A. Header</b>	
Lupon School of Fisheries Notes to Financial Statements (Fund 161) For the year ended December 31, 2016	PPSAS 1
<b>B. Body</b>	
<b>1. General Information/Agency Profile</b>	
The financial statements of Lupon School of Fisheries were authorized for issue on February 3, 2017 as shown in the Statement of Management Responsibility for Financial Statements signed by <b><u>RUTH R. PUNDANG</u></b> , the Vocational School Administrator III.	PPSAS 1.63(b) PPSAS 14.26
<b><u>LUPON SCHOOL OF FISHERIES</u></b> is a <b><u>TESDA Technology Institution</u></b> established on <b><u>November 15, 1982</u></b> and operates under the authority of the <b><u>Technical Education and Skills Development Authority</u></b> . The mandate of Lupon School of Fisheries is to implement the comprehensive development plan for middle level manpower. These services are grouped into the following key areas: training, production, research and extension services. The Agency's registered office is located in Roxas cor. Panuncialman Sts., Brgy. Poblacion, Lupon, Davao Oriental.	PPSAS 1.150 PPSAS ,
<b>2. Statement of Compliance and Basis of Preparation of Financial Statements</b>	
The financial statements have been prepared in accordance with and comply with the Philippine Public Sector Accounting Standards (PPSAS) issued by the Commission on Audit per COA Resolution No. 2014-003 dated January 24, 2014.	PPSAS 1.129 PPSAS 2 PPSAS 6
The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.	
<b>3. Summary of Significant Accounting Policies</b>	
<b>3.1 Basis of accounting</b>	
The financial statements are prepared on an accrual basis in accordance with the Philippine Public Sector Accounting Standards (PPSAS).	PPSAS 1, 6
<b>3.2 Cash and cash equivalents</b>	
Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.	PPSAS 2.8 PPSAS 2.9 PPSAS 2.56

LUPON SCHOOL OF FISHERIES  
Financial statements (Fund 161) for the year ended December 31, 2016

Pro-forma Notes to Financial Statements	Reference
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### 3.3 Property, Plant and Equipment

#### *Recognition*

An item is recognized as property, plant, and equipment (PPE) if it meets the characteristics and recognition criteria as a PPE. PPSAS 17.13

The characteristics of PPE are as follows: PPSAS 17.14

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

An item of PPE is recognized as an asset if:

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

#### *Measurement at Recognition*

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

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

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

Cost includes the following: PPSAS 17.30

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- expenditure that is directly attributable to the acquisition of the items; and
- initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

#### *Measurement After Recognition*

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

LUPON SCHOOL OF FISHERIES  
Financial statements (Fund 161) for the year ended December 31, 2016

Pro-forma Notes to Financial Statements	Reference
	PPSAS 17
When significant parts of property, plant and equipment are required to be replaced at intervals, the [Name of the entity] recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.	PPSAS 17.24 PPSAS 17.25
All other repair and maintenance costs are recognized as expense in surplus or deficit as incurred.	PPSAS 17.23
<b><i>Depreciation</i></b>	
Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.	PPSAS 17.59
The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.	PPSAS 17.64
<b><i>Initial Recognition of Depreciation</i></b>	
Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.	PAG3 of PPSAS 17
For simplicity and to avoid proportionate computation, the depreciation is for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation is for the succeeding month.	
<b><i>Depreciation Method</i></b>	
The straight line method of depreciation is adopted unless another method is more appropriate for agency operation.	PAG4 of PPSAS 17
<b><i>Estimated Useful Life</i></b>	
The [name of the entity] uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA.	PAG5 of PPSAS 17
The [name of the entity] uses a residual value equivalent to at least five percent (5%) of the cost of the PPE.	PAG6 of PPSAS 17
<b><i>Impairment</i></b>	
An asset's carrying amount is written down to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable service amount.	
<b><i>Derecognition</i></b>	

LUPON SCHOOL OF FISHERIES  
Financial statements (Fund 161) for the year ended December 31, 2016

Pro-forma Notes to Financial Statements	Reference
The [name of the entity] derecognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized.	PPSAS 17.82 PPSAS 17.83 PPSAS 17.86
<b>3.4 Changes in accounting policies and estimates</b>	
The Lupon School of Fisheries recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy were applied prospectively if retrospective application is impractical.	PPSAS 3.27 PPSAS 3.30
The Lupon School of Fisheries recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit.	PPSAS 3.41
The Lupon School of Fisheries correct material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:	PPSAS 3.47
<ul style="list-style-type: none"> <li>• Restating the comparative amounts for prior period(s) presented in which the error occurred; or</li> <li>• 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.</li> </ul>	
<b><i>Services in-Kind</i></b>	
Services in-kind were not recognized as asset and revenue considering the complexity of the determination of and recognition of asset and revenue and the eventual recognition of expenses.	PPSAS 23.98 PAG3 of PPSAS 23
<b><i>Transfers from other government entities</i></b>	
Revenues from non-exchange transactions with other government entities and the related assets were measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the [Name of Entity] and can be measured reliably.	PPSAS 23.42 PPSAS 23.44
<b>3.5 Revenue from Exchange transactions</b>	
<b><i>Measurement of Revenue</i></b>	
Revenue was measured at the fair value of the consideration received or receivable.	PPSAS 9.14

**LUPON SCHOOL OF FISHERIES**  
Financial statements (Fund 161) for the year ended December 31, 2016

Pro-forma Notes to Financial Statements	Reference
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**Rendering of Services**

The Lupon School of Fisheries recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours. PPSAS 9.19

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred were recoverable. PPSAS 9.25

**Sale of Goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to Lupon School of Fisheries. PPSAS 9.28

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period. PPSAS 9.34

**3.6 Budget information**

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

A separate Statement of Comparison of Budget and Actual Amounts (SCBAA) was prepared since the budget and the financial statements were not prepared on comparable basis. The SCBAA was presented showing the original and final budget and the actual amounts on comparable basis to the budget. Explanatory comments are provided in the notes to the annual financial statements.

The annual budget figures included in the financial statements were for the controlling entity, Lupon School of Fisheries. These budget figures were those approved by the governing body both at the beginning and during the year following a period of consultation with the public.

**4. Receivables****4.1 Loans and Receivables**

Accounts	2016 (in thousand pesos)		
	Current	Non- Current	Total
Accounts Receivable	245	0.00	245
<i>Allowance for Impairment-Accounts Receivable</i>	0.00	0.00	0.00

LUPON SCHOOL OF FISHERIES  
Financial statements (Fund 161) for the year ended December 31, 2016

Accounts	2016 (in thousand pesos)		
	<i>Net Value- Accounts Receivable</i>	245	0.00
<b>TOTALS</b>	245	0.00	245

Accounts receivable is broken down as follows: Lupon School of Fisheries – Income Generating Projects P 227,074.66 and from the operations of SP Dormitel & Resto P 18,000.00.

#### 4.2 Aging/ Analysis of Receivables

*As at December 31, 2016*

Accounts	Total	Not past due	Past due		
			< 30 days	30-60 days	> 60 days
Accounts Receivable	245,074.65	77,786.80	43,755.10	123,532.75	0.00
<b>Total</b>	<u>245,074.65</u>	<u>77,786.80</u>	<u>43,755.10</u>	<u>123,532.75</u>	<u>0.00</u>

#### 5. Property, Plant and Equipment

	Land	Land Improvements	Infrastructure Assets	Buildings and Other Structures	Machinery and Equipment	TOTAL
<b>Carrying Amount, January 1, 2016</b>	0.00	0.00	0.00	549,460.26	1,003,239.91	1,552,700.17
Additions/Acquisitions	0.00	0.00	0.00			
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	702,703.68	11,999.00	714,702.68
<i>Disposals</i>	(0.00)	(0.00)			(179,265.84)	(179,265.84)
<i>Depreciation (As per Statement of Financial Performance)</i>	(0.00)	(0.00)	(0.00)	(48,326.32)	(158,951.33)	(207,277.65)
<i>Impairment Loss (As per Statement of Financial Performance)</i>	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
<b>Carrying Amount, December 31, 2016 (As per Statement of Financial Position)</b>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>1,203,837.62</b></u>	<u><b>677,021.74</b></u>	<u><b>1,880,859.36</b></u>

<i>Gross Cost (Asset Account Balance per Statement of Financial Position)</i>	0.00	0.00	0.00	1,504,472.33	1,359,806.00	2,864,278.33
<i>Less: Accumulated Depreciation Allowance for Impairment</i>	(0.00)	(0.00)	(0.00)	(300,634.71)	(682,784.26)	(983,418.97)
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
<b>Carrying Amount, December 31, 2016 (As per Statement of Financial Position)</b>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>1,203,837.62</b></u>	<u><b>677,021.74</b></u>	<u><b>1,880,859.36</b></u>

**LUPON SCHOOL OF FISHERIES**  
Financial statements (Fund 161) for the year ended December 31, 2016

**6. Inter-Agency Payables**

Particulars	2016		2015	
	Current	Non-Current	Current	Non-Current
Due to BIR	18,621.26	0.00	0.00	0.00
<b>Total Inter-Agency Payables</b>	<b>18,621.26</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**7. Service and Business Income**

Particulars	2016	2015
<b>Business Income</b>		
Income from Hostels/Dormitories and Other Like Facilities	156,366.00	154,996.00
Sales Revenue	1,758,612.46	2,549,168.73
Less: Sales Discounts	0.00	0.00
Net Sales	1,758,612.46	2,549,168.73
Interest Income	691.25	1,181.34
Other Business Income	6,213,690.00	5,679,005.25
<b>Total Business Income</b>	<b>8,129,359.71</b>	<b>8,129,359.71</b>

**8. Maintenance and Other Operating Expenses****8.1 Traveling Expenses**

Particulars	2016	2015
Traveling Expenses-Local	48,010.00	42,374.00
<b>Total Traveling Expenses</b>	<b>48,010.00</b>	<b>42,374.00</b>

**8.2 Supplies and Materials Expenses**

Particulars	2016	2015
Fuel, Oil and Lubricants Expenses	169,762.29	124,431.65
Other Supplies and Materials Expenses	3,068,467.52	3,934,470.40
<b>Total Supplies and Materials Expenses</b>	<b>3,238,229.81</b>	<b>4,058,902.05</b>

**8.3 Utility Expenses**

Particulars	2016	2015
Water Expenses	110,604.48	65,707.52
Electricity Expenses	187,581.64	268,569.46
<b>Total Utility Expenses</b>	<b>298,186.12</b>	<b>334,276.98</b>

**8.4 Communication Expenses**

Particulars	2016	2015
Telephone Expenses	8,361.05	24,827.29
<b>Total Communication Expenses</b>	<b>8,361.05</b>	<b>24,827.29</b>

## LUPON SCHOOL OF FISHERIES

Financial statements (Fund 161) for the year ended December 31, 2016

## 9. Professional Services

Particulars	2016	2015
Other Professional Services	142,267.09	0.00
<b>Total Professional Services</b>	<b>142,267.09</b>	<b>0.00</b>

## 10. Repairs and Maintenance

Particulars	2016	2015
Repairs and Maintenance-Buildings and Other Structures	192,837.58	698,018.65
Repairs and Maintenance-Machinery and Equipment	106,000.00	11,650.00
Repairs and Maintenance-Transportation Equipment	44,007.00	89,203.00
<b>Total Repairs and Maintenance Expenses</b>	<b>342,844.58</b>	<b>798,871.65</b>

## 11. Other Maintenance and Operating Expenses

Particulars	2016	2015
Advertising Expenses	0.00	12,500.00
Rent/Lease Expenses	19,000.00	301,831.00
Other Maintenance and Operating Expenses	1,504,025.69	1,451,896.91
<b>Total Other Maintenance and Operating Expenses</b>	<b>1,523,025.69</b>	<b>1,766,227.91</b>

## 25.1 Direct Cost

Particulars	2016	2015
Cost of Sales	1,146,116.03	1,131,811.49
<b>Total Direct Cost</b>	<b>1,146,116.03</b>	<b>1,131,811.49</b>

## 12. Non-Cash Expenses

## 27.1. Depreciation

Particulars	2016	2015
Depreciation-Buildings and Other Structures	48,326.32	48,326.32
Depreciation-Machinery and Equipment	91,772.76	90,458.56
Depreciation-Transportation Equipment	67,178.57	4,477.33
Depreciation-Furniture, Fixtures and Books	0.00	23,153.30
<b>Total Depreciation</b>	<b>207,277.65</b>	<b>166,415.51</b>

## NOTE TO USERS:

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