Republic of the Philippines
Province of Negros Oriental
CITY OF DUMAGUETE

NOTES TO THE FINANCIAL STATEMENTS

Note 1 – LGU Profile

The City of Dumaguete is a component city of the Province of Negros Oriental. "Dumaguete" was coined from the Visayan word *dagit*, which means "to snatch". The word *dumaguet*, meaning "to swoop", was coined because of the frequent raids by pirates on this once coastal town and its power to attract and keep visitors. The LGU was created by virtue of Republic Act No. 327 dated July 15, 1948. At present, Dumaguete City is classified as a 2nd class city.

The City has a land area of 3,362 hectares (8,310 acres), situated on the plains of the southeastern coast of Negros Island near the mouth of the Banica River. Of the province's six cities, Dumaguete is the smallest in terms of land area. Dumaguete is politically subdivided into 30 barangays, all classified as urban. The eight barangays in the City's downtown area are known primarily by number. The smallest barangay is Barangay 4 with an area of only 5.11 hectares, while the biggest barangay is Barangay Banilad with 362.71 hectares.

Dumaguete has earned the distinction of being known as the "Center of Learning in the South," or a university town due to the presence of universities that have made their mark nationally and abroad. The City is a melting pot of students, professionals, artists, scholars, and the literati coming from different parts of the country and the world.

Tourism, the academe, Business Process Outsourcing (BPO), and technology-related activities, and the retail industries are the major sources of income for the City. BPOs and IT firms, as well as retail, are the fastest-rising industries. Data from the Department of Tourism shows that Dumaguete and Negros Oriental are among the top ten most visited tourist destinations in the country. Distinctively, Dumaguete ranked 5th among the world's top retirement hubs as cited by the Forbes Magazine.

The City is envisioned to be a model for academic excellence, public health and safety, environmental preservation and good governance, providing equal opportunity for all its constituents in a peaceful, friendly atmosphere through a God-centered leadership of the incumbent elected officials.

In the year 2022 the City of Dumaguete, through the Seasonal Foreign Worker Employment Program provided in the Common Interest Agreement and Memorandum of Understanding signed between Dumaguete City Mayor Felipe Antonio Remollo and Yeongdong-Gun Mayor Park Se Bok that provides job opportunities for Dumaguete residents. The City was able to deploy workers to South Korea in line with the sisterhood agreement between the two cities.

In the year 2024, the City of Dumaguete celebrates its 76th Charter Day Anniversary.

Awards and Recognitions

In CY 2024, the City of Dumaguete received the following awards/recognitions from the different award-giving bodies:

a. COMPLIANT status on all the parameters set forth in RA 9003 or the Ecological Solid Waste Management Act of 2000 for CY 2024
b. Nominee for the 2024 Outstanding LGU in Local Health System in Central Visayas Region
c. Top 2 Performing LGU for the 2023 Fully Immunized Child in Region VII
d. Certificate of Recognition by DILG Region VII recognizes Dumaguete City for attaining Ideal Functionality Level in the 2024 Local Council for the Protection of Children (LCPC)
e. 2024 BANSIWAG Award from DILG Region VII
f. Top LGU for Government Efficiency and Infrastructure by the Department of Trade and Industry
g. Emerging Sports Tourism Destination in the Philippines for the year 2023
h. Plaque of Recognition for Dumaguete City as 2024 Regional Best PESO (Component City Category)
i. Recognition from Bureau of Local Government Finance – Department of Finance (BLGF-DOF) Region VII for Surpassing the LGU Revenue Performance Target set for FY 2023
j. Awarded by the National Nutrition Council for Outstanding Performance

Note 2 – The Financial Statements

The consolidated financial statements of the City have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS). The consolidated financial statements are presented in pesos, which is the functional and reporting currency of the City and all values are presented up to the last centavos. The accounting policies have been applied starting in calendar year 2015.

Note 3 - Summary of Significant Accounting Policies

3.1 Basis of Accounting

The consolidated financial statements are prepared on an accrual basis in accordance with the IPSAS.

3.2 Consolidation

The controlled entities (funds) are all those over which the controlling entity has the power to govern the financial and operating policies. Inter-group transaction, balances and unrealized gains and losses on transactions between entities and funds are eliminated in full. The City maintains the following special accounts under the General Fund:

- 20% Development Fund
- Bayanihan Grant to Cities and Municipalities (BGCM) Special Account in the

General Fund

- Economic Enterprises:
    - Market
    - Slaughterhouse
    - Integrated Bus and Jeepney Terminal
    - Septage Treatment Facility

3.3 Interest in Joint Venture

In 2006, in an effort to protect groundwater, this being the only source of water supply, the City of Dumaguete, with technical assistance from the United States Agency for International Development (USAID), adopted a septage management program in a joint venture with the Dumaguete City Water District (DCWD), the local water utility company. Financial records are kept with the DCWD and part of the net income was then managed through a common fund by the City Septage Management Authority (CSMA) jointly composed of officials from both entities. Receipts for the common fund are recorded in the City Trust Fund and utilization was then subsequently approved by way of a CSMA Resolution.

In 2019, as an offshoot of the case against DCWD initiated by the City Mayor Felipe Antonio B. Remollo on behalf of the City Government, the DCWD donated all its equity, rights, and interests in the septage facility at Barangay Camanjac, Dumaguete City in favor of the City Government.

On March 2, 2020, Resolution No. 27, Ordinance No. 2, series of 2020, was approved. It is an ordinance further amending Ordinance No. 18 of series 2006, by re-classifying/ transferring user fees booked as part of the Trust Fund to the General Fund, declaring the Septage Facility as an Economic Enterprise, Expanding the Membership of the City Septage Management Authority (CSMA), and for other related purposes.

3.4 Revenue Recognition

Revenue from non-exchange transactions

Taxes, fees and fines

The City recognizes revenues from taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, liability is recognized instead of revenue. Other non-exchange revenues are recognized when it is improbable that the future economic benefit or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are 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 City and can be measured reliably.

Full implementation of the three-phase increase in tax revenue - real property and special education tax is in full swing. There will be no change in policy for the recognition of the aforementioned tax revenue in the years after.

Revenue from exchange transactions

Sale of goods

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

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.

Dividends

Dividends from investments with Negros Oriental Electric Cooperative (NORECO II) are recognized only when the dividend is received, which is usually not on a yearly basis.

Rental income

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

3.5 Investment Property

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30-year period.

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

3.6 Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the City recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, 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 in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life (per COA issuances on the prescribed useful life of assets).

Leased assets may consist of vehicles and machinery. The assets' residual values and useful lives are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount. The City 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.

Public Infrastructures were not previously recognized in the books. The LGU availed of the 5-year transitional provision for the recognition of the public infrastructure. For the first year of implementation of the PPSAS in 2015, the LGU did not recognize the public infrastructure in the books of accounts. Only in the succeeding year will public infrastructure be recorded in the books.

3.7 Leases

LGU as a lessee

Finance leases are leases that transfer substantially all risks and benefits incidental to ownership of the leased item to the City. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. Recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

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

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

The City entered into a major lease transaction on lease of Dumaguete City-Wide Fiber Optic network and CCTV provided by Philippine Long Distance Telephone, Inc. (PLDT, Inc.) spanning eight (8) years which started in CY 2020.

LGU as a lessor

Leases in which the City does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term.

Rent received from an operating lease is recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

3.8 Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with a finite life are amortized over its useful life. Software is amortized for two (2) to 10 years.

Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired. The amortization period and the amortization method, for an intangible asset with a finite useful life, are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in surplus or deficit as the expense category that is consistent with the nature of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the surplus or deficit when the asset is derecognized.

Research and Development Cost

Research costs when incurred are treated as expenses by the LGU. Development costs on an individual project are recognized as intangible assets when the LGU can demonstrate:

(a) The technical feasibility of completing the asset so that the asset it will be available for use or sale;
(b) Its intention to complete and its ability to use or sell the asset;
(c) How the asset will generate future economic benefits or service potential;
(d) The availability of resources to complete the asset; and
(e) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

3.9 Impairment of non-financial assets

Impairment of cash-generating assets

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

Where the carrying amount of an asset or the cash-generating unit (CGU) exceeds its recoverable amount, the assets considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of financial performance in those expense categories consistent with the nature of the impaired asset.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the City estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in surplus or deficit.

Impairment of non-cash-generating assets

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

Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount.

In assessing value in use, the City has adopted the depreciation replacement cost approach. Under this approach, the present value of the remaining service potential of an asset is determined as the depreciated replacement cost of the asset. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset. In determining fair value less costs to sell, the price of the assets in a binding agreement in an arm's length transaction, adjusted for incremental costs that would be directly attributed to the disposal of the asset is used. If there is no binding agreement, but the asset is traded on an active market, fair value less cost to sell is the asset's market price less cost of disposal. If there is no binding sale agreement or active market for an asset, the City determines fair value less the cost to sell based on the best available information.

For each asset, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the LGU estimates the asset's recoverable service amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable service amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in surplus or deficit.

3.10 Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are classified as financial assets at fair value through surplus or deficit, loans and receivables. The City determines the classification of its financial assets at initial recognition.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Derecognition

The City derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when:

(a) The rights to receive cash flows from the asset have expired or are waived;
(b) The City has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either: (a) the LGU has transferred substantially all the risks and rewards of the asset; or (b) the LGU has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The City assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

(a) The debtors or a group of debtors are experiencing significant financial difficulty;
(b) Default or delinquency in interest or principal payments;
(c) The probability that debtors will enter bankruptcy or other financial reorganization; and
(d) Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial assets carried at amortized cost

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

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

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the losses recognized in surplus or deficit. If, in subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in surplus or deficit.

Financial liabilities

Initial recognition and measurement

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

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

The City's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as ad recognition of the original liability and the recognition of a new liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

3.12 Inventories

Inventories are measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

(a) Raw materials: purchase cost using the weighted average cost method;
(b) Finished goods and work in progress: cost of direct materials, labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

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

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the City.

3.13 Provisions

Provisions are recognized when the City has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the City expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Rehabilitation liability

Rehabilitation costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at current rate that reflects the risks specific to the rehabilitation liability. The unwinding of the discount is expensed as incurred and recognized in the statement of financial performance as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities

The City does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The City does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the City in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

3.14 Nature and purpose of reserves

The City still maintains reserves in terms of specific requirements, like the Sinking Fund, as a component of the Government Equity.

Changes in accounting policies and estimates

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

3.15 Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further, borrowing costs are charged to the Statement of Financial Performance.

3.16 Related parties

The City regards a related party as a person or an entity with the ability to exert control, individually or jointly, or to exercise significant influence over the City, or vice versa. Members of key management are regarded as related parties and comprise the Mayor, Vice-Mayor, Sanggunian Members, Committee Officials and Members, Accountant, Treasurer, Budget Officer, General Services and all Chiefs of Departments/Divisions.

3.17 Service concession arrangements

The City analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the City recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise, any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the City also recognizes corresponding liability, adjusted by a cash consideration paid or received.

3.18 Budget information

The annual budget is prepared on a modified cash basis, that is, all planned costs and income are presented in a single statement to determine the needs of the City. As a result of the adoption of the modified cash basis for budgeting purposes, there are basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts. 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.

3.19 Significant judgments and sources of estimation uncertainty

Judgments

In the process of applying the City's accounting policies, Management has made judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements.

Operating lease commitments – LGU as lessor

The City has entered into property leases for certain of its properties. The City has determined, based on an evaluation of the terms and conditions of the arrangements, (such as the lease term not constituting a substantial portion of the economic life of the commercial property) that it retains all the significant risks and rewards of ownership of the properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The City based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the LGU. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

(a) The condition of the asset is based on the assessment of experts employed by the City;
(b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
(c) The nature of the processes in which the asset is deployed; and
(d) Changes in the market in relation to the asset

Impairment of non-financial assets – cash-generating assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change, which may then impact Management's estimations and require a material adjustment to the carrying value of tangible assets.

The City reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Cash-generating assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates of expected future cash flows are prepared for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Impairment of non-financial assets – non- cash generating assets

The City reviews and tests the carrying value of non-cash-generating assets when events or changes in circumstances suggest that there may be a reduction in the future service potential that can reasonably be expected to be derived from the asset. Where indicators of possible impairment are present, the City undertakes impairment tests, which require the determination of the fair value of the asset and its recoverable service amount. The estimation of these inputs into the calculation relies on the use of estimates and assumptions.

Any subsequent changes to the factors supporting these estimates and assumptions may have an impact on the reported carrying amount of the related asset.

Fair value estimation – financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques, including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, judgment is required in establishing fair values. Judgment includes the consideration of inputs such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Held-to-maturity investments and loans and receivables

The City assesses its loans and receivables (including trade receivables) at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the LGU evaluates the indicators present in the market to determine if those indicators are indicative of impairment in its loans and receivables.

3.20 Financial instruments - financial risk management

Exposure to currency, commodity, interest rate, liquidity and credit risks arises in the normal course of the City's operations. This note presents information about the City's exposure to each of the mentioned risks, policies and processes for measuring and managing risk, and the City's management of capital. Further quantitative disclosures are included throughout these financial statements. The fair values set out below, are a comparison by class of the carrying amounts and fair values of the City's financial instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation.

The following methods and assumptions were used to estimate the fair values:

(a) Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments;
(b) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the City based on parameters such as interest rates, individual creditworthiness of the customer, and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the incurred losses of these receivables and market related interest rates. As at 31 December 2024, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values.

Fair value hierarchy

The City uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as price) or indirectly (i.e., derived from prices);
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Credit risk

Credit risk is the risk of financial loss to the City if customers or counterparties to financial instruments fail to meet their contractual obligations, and it arises principally from the City's investments, loans, receivables, and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as of 31 December 2024 was:

Investments	₱	67,109.50
Cash and Cash Equivalent		2,287,575,761.73
Maximum Exposure to Credit Risk	**₱**	**2,287,642,871.23**

Credit quality

Credit quality is assessed by the risk of default attached to counterparties to which the City extends credit and also those parties with whom the City invests. As such, the credit quality assessed extends to the customers, investments, and banks servicing the City.

For financial statement purposes, the investments and balances with banks are limited to the investments, loans receivable, and cash and cash equivalents line items in the statement of financial position. The City follows Department Order No. 27-05 of the Department of Finance (DOF) in the maintenance of depository accounts. It also determines the credit quality of investments and banks using information obtained from external rating agencies.

Investments

The City limits its exposure to credit risk by investing with only reputable financial institutions that have a sound credit rating (rated BB and above), which are within the specific guidelines set in accordance with the City Finance Committee and the Sanggunian approved investment policy. Consequently, the City does not consider there to be any significant exposure to credit risk.

Receivables

Receivables are amounts owed by consumers and are presented net of impairment losses. The City has a credit risk policy in place, and the exposure to credit risk is monitored on an ongoing basis. The City is compelled, by its constitutional mandate, to provide all of its residents with basic minimum services, without recourse to an assessment of creditworthiness. There were no material changes in the exposure to credit risk and its objectives, policies, and processes for managing and measuring the risk during the year under review.

The City's maximum exposure to credit risk is represented by the carrying value of each financial asset on the Statement of Financial Performance. The LGU has no significant concentration of credit risk, with exposure spread over a large number of consumers, and is not concentrated in any particular sector or geographic area.

The City establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables.

The outstanding amounts of the ten largest debtors represent 0.8% (2012: 1.2%) of the total outstanding balance. The average credit period on services rendered is 30 days from the date of invoice. Interest is raised at the three-month government bond rate plus 1% on any unpaid accounts after the due date. The City provided fully for all receivables outstanding over 365 days where there was no evidence of expected recovery. Receivables of up to 365 days are provided for based on estimated irrecoverable amounts, determined by reference to past default experience.

Cash and cash equivalents

The City limits its exposure to credit risk by investing cash and cash equivalents with only reputable financial institutions that have a sound credit rating, and within specific guidelines set in accordance with the Sanggunian's approved investment policy. Consequently, the City does not consider there to be any significant exposure to credit risk.

Liquidity risk

Liquidity risk is the risk of the City not being able to meet its obligations as they fall due. The City's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the City's reputation.

The City ensures that it has sufficient cash on demand to meet expected operating expenses through the use of cash flow forecasts.

The following are contractual liabilities of which are due and demandable:

2024	On Demand	>3 Months	3-12 Months	1-5 Years	> 5 Years	Total
Liabilities/Payables	₱212,599,747.48	0.00	0.00	0.00	0.00	₱212,599,747.48

Capital management

The primary objective of managing the City's capital is to ensure that there is sufficient cash available to support the City's funding requirements, including capital expenditure, to ensure that the City remains financially sound. The City monitors capital using a gearing ratio, which is net debt divided by total capital. In a capital intensive industry, a gearing ratio of less than 50% is considered reasonable. Included in net debt are interests bearing loans and borrowings, payables, less investments.

Market risk

Market risk is the risk of changes in market prices, such as foreign-exchange rates and interest rates, affecting the City's income or the value of its financial instrument holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on the risk. The weighted average interest rates and maturity profile on financial instruments as at 31 December 2024 are shown in the table below:

Particulars	**Weighted Ave. Int. Rate**	**1 Year or Less**	**1-5 Years**	**5 Years**	**Total**
Investments	0.00	₱ 67,109.50	0.00	0.00	₱ 67,109.50
Cash and Cash Equivalent	0.00	2,287,575,761.73	0.00	0.00	2,287,575,761.73
Total Financial Assets	**0.00**	**₱ 2,287,642,871.23**	**0.00**	**0.00**	**₱ 2,287,642,871.23**

Note 4 - Cash and Cash Equivalents

Account Title	**2024**	**2023**
Cash Local Treasury	₱ 9,067,569.89	₱ 7,105,819.71
Petty Cash	66,211.32	83,211.32
Cash in Bank-Local Currency, Current Account	1,497,904,750.43	1,330,285,726.50
Cash in Bank-Local Currency, Savings Account	26,230.09	1,230.09
Cash in Bank-Local Currency, Time Deposits	780,511,000.00	780,511,000.00
Total	**₱ 2,287,575,761.73**	**₱ 2,117,986,987.62**

Cash Local Treasury balance of ₱9,067,569.89 was deposited the next banking day.

Cash in Banks earn interest based on the prevailing bank deposit rates. Short-term deposits are made for varying periods, depending on the immediate cash requirements of the City, and earn interest at the respective short-term deposit rate.

The Cash in Bank amounting to ₱2,278,441,980.52 included an amount of ₱1,021,596,666.37 for the implementation of infrastructure projects and other continuing projects, payment of current liabilities in the amount ₱1,014,290,802.76 and the remaining cash balance of ₱1,170,482.89 from the Bayanihan Grant to Cities and Municipalities.

The Cash in Bank - Local Currency, Time Deposit matures every 30 days.

In CY 2024, the City opened a Gcash Savings Account with the Development Bank of the Philippines for all Gcash transactions.

The cash in banks are maintained in three (3) depository banks, namely, Land Bank of the Philippines (LBP), Development Bank of the Philippines (DBP) and Philippine Veterans Bank (PVB).

Note 5 – Investments

The investment balance of ₱67,109.50 as of December 31, 2024 and 2023 represents guaranty deposits which have long been dormant.

Note 6 - Receivables

Account Title	2024	2023
LOANS AND RECEIVABLE		
Accounts Receivable	₱ 705.00	₱ 705.00
Real Property Tax Receivable	275,682,808.29	249,502,141.73
Special Education Tax Receivable	102,750,885.83	84,703,644.33
Loans Receivables-Others	4,331,602.22	4,331,602.22
Total Loans and Receivables	**382,766,001.34**	**338,538,093.28**
INTER-AGENCY RECEIVABLES		
Due from NGAs	10,248,565.42	10,248,565.42
Due from GOCCs	6,214,469.68	6,214,469.68
Due from LGUs	7,786,389.26	7,764,399.26
Total Inter-Agency Receivables	**24,249,424.36**	**24,227,434.36**
INTRA-AGENCY RECEIVABLES		
Due from Other Funds	40,438,398.62	38,228,262.24
Due from Special Accounts	805,275.14	824,906.31
Total Intra-Agency Receivables	**41,243,673.76**	**39,053,168.55**
ADVANCES		
Advances for Operating Expenses	(51,557.05)	15,641.68
Advances for Payroll	1,633,993.19	1,633,858.35
Advances to Special Disbursing Officer	78,000.00	78,000.00
Advances for Officers and Employees	6,145,987.21	7,590,296.78
Total Advances	**7,806,423.35**	**9,317,796.81**

Account Title	2024	2023
OTHER RECEIVABLES		
Receivables-Disallowances/Charges	11,622,555.29	11,680,755.29
Due from Officers and Employees	12,359,197.10	13,417,956.04
Due from NGOs/POs	46,497,781.78	46,679,493.33
Other Receivables	16,643,482.86	14,180,908.25
Total Other Receivables	**87,123,017.03**	**85,959,112.91**
Total Receivables	**₱ 543,188,539.84**	**₱ 497,095,605.91**

Transfers from other government agencies represent those funds received for specific projects undertaken by the LGU for specific purposes. These funds were received on the basis of the project budgets submitted. Accordingly, the City is contractually bound to spend these funds only in connection with the projects. Furthermore, the contracts stipulate that the funds received for the project may only be applied to the costs incurred for the project, when the phases of the project are certified as complete. The conditions remaining, therefore, represent phases of the projects that are yet to be certified as complete. The return of the unspent portion of the fund is subject to the conditions stated in the respective Memoranda of Agreement executed between the City and the proponent government agencies.

The accounts Due from Other Funds and Due to Other Funds which are intra-agency reciprocal accounts are normally eliminated upon consolidation of the financial statements to avoid overstatement of assets and liabilities within the same reporting entity. However, for the current reporting period, these account balances have not yet been eliminated in the consolidation of the financial statements due to pending reconciliation and verification of supporting documents. The non-elimination of these balances may temporarily result in the overstatement of assets and liabilities, but does not affect the net financial position of the reporting entity, since the amounts pertain solely to intra-agency transactions (see Note 11).

Advances for Operating Expenses showed a credit balance in amount because there was over liquidation of the "Handog Pamasko" upon settlement.

Advances for Payroll account represent the reclassified balance from the New Government Accounting System (NGAS) account Cash Disbursing Officer.

The balance of the account Due from Officers and Employees includes the long outstanding unliquidated cash advances. Management has taken the appropriate measure to insure the immediate liquidation of this account.

As of 31 December 2024, the aging analysis of current exchange receivables is as follows:

Particulars	Total	Neither past due not impaired	Past due but not impaired	
			30-60 days	> 60 days
Accounts Receivable	₱ 705.00			₱ 705.00

Particulars	Total	Neither past due not impaired	Past due but not impaired	
			30-60 days	> 60 days
Real Property Tax Receivable	275,682,808.29			275,682,808.29
Special Education Tax Receivable	102,750,885.83			102,750,885.83
Advances for Operating Expenses	(51,557.05)			(51,557.05)
Advances for Payroll	1,633,993.19			1,633,993.19
Advances for Special Disbursing Officer	78,000.00			78,000.00
Advances for Officer & Employees	6,145,987.21			6,145,987.21
Loans Receivables-Others	4,331,602.22			4,331,602.22
Due from NGAs	10,248,565.42			10,248,565.42
Due from GOCCs	6,214,469.68			6,214,469.68
Due from LGUs	7,786,389.26			7,786,389.26
Due from Other Funds	40,438,398.62			40,438,398.62
Due from Special	805,275.14			805,275.14
Receivables-Disallowances/Charges	11,622,555.29			11,622,555.29
Due from Officers and Employees	12,359,197.10			12,359,197.10
Due from NGOs/POs	46,497,781.78			46,497,781.78
Other Receivables	16,643,482.86			16,643,482.86
Total	**₱ 543,188,539.84**	**₱ 0.00**	**₱ 0.00**	**₱ 543,188,539.84**

There were no allowances for impairment provided during the year.

Note 7 – Inventories

This account is comprised of the following details below:

Account Title	2024	2023
INVENTORY HELD FOR DISTRIBUTION		
Agricultural Produce for Distribution	₱ 16,695.00	₱ 16,695.00
Property and Equipment for Distribution	5,902,999.86	5,902,999.86
Other Supplies and Materials for Distribution	596,688.00	596,688.00
INVENTORY HELD FOR CONSUMPTION		
Office Supplies Inventory	10,946,681.33	11,107,811.33
Accountable Forms, Plates and Stickers Inventory	32,596.58	32,596.58
Animal / Zoological Supplies Inventory	114,000.00	0.00
Food Supplies Inventory	572,713.00	499,500.00

Account Title	2024	2023
Medical, Dental and Laboratory Supplies Inventory	15,645.22	15,645.22
Fuel, Oil and Lubricants Inventory	89,337,122.13	91,737,714.48
Agricultural and Marine Supplies Inventory	15,000.00	0.00
Construction Materials Inventory	488,224.38	305,471.60
Other Supplies and Materials Inventory	1,381,851.52	1,337,761.52
Total	**₱ 109,420,217.02**	**₱ 111,552,883.59**

As of December 31, 2024, ₱109,420,217.02 of total inventory was carried at fair value less cost to sell. No inventory items were pledged as security during the current or prior financial year.

Note 8 – Prepayments and Deferred Charges

This account is comprised of the following:

Account Title	2024	2023
Prepaid Rent	₱ 814.76	₱ 814.76
Prepaid Registration	0.01	0.01
Prepaid Insurance	103,615.46	103,615.46
Other Prepayments	1,665,654.61	1,688,926.09
Discount on Advance Payments	7,030,209.56	7,237,638.81
Total	**₱ 8,800,294.40**	**₱ 9,030,995.13**

Prepaid Registration and Prepaid Insurance represent the asset/ prepaid portion of the Land Transportation Office (LTO) Registration and Government Service Insurance System (GSIS) as of December 31, 2024.

Discount on Advance Payments is a contra account to real property taxes collected in advance that is yet to be realized as income/revenue for the years 2023-2028.

Note 9 - Property, Plant and Equipment (Net Accumulated Depreciation)

The transfer and adjustment column relates to reclassifications between the different classes of assets and also to other categories of assets, including inventory and intangible assets.

The City measured the residual value of all items of property, plant and equipment, but does not expect a residual value of these assets, because these will be utilized for their entire economic lives and do not have a significant scrap value. All purchased assets starting in CY 2020 will have a residual value equivalent to 5% of its acquisition cost. Property, Plant and Equipment (PPE) purchase prior to CY 2020 shall maintain its residual value at 10% of its acquisition cost.

The fully depreciated assets are given a residual value of the 10% of the acquisition value for assets purchased prior to CY 2020 and a 5% residual value for assets purchased in CY 2020 and onwards. This cost will be used just so they can still be carried in the books before proper disposal procedures are undertaken, after which these will no longer be carried in the books of accounts. The City, specifically both the Accounting and General Services Offices, are still in the process of reconciling both their records since actual physical count and book amounts have a material and significant discrepancy. Fully depreciated assets are still to be evaluated and appropriate measures to dispose of these assets still need to be determined.

The Items-In-Transit amounting to ₱182,012,528.25 account is also temporarily lodged to the accounts Land - ₱88,783,811.62; Other Structure - ₱88,748,032.43; Furniture and Fixture - ₱4,229,070.71 and Other Property, Plant and Equipment - ₱251,613.49.

Property, Plant, and Equipment balance includes PPE transferred in 2024 from Trust Fund to the General Fund in the amount of ₱36,384,973.08.

In 2024, the City made a purchase of property owned by The Local Superior of the Ursuline Sister of Somasca, Inc. (Catherina Cittadini – St. Louis School).

As of December 31, 2024, the adjusted amounts of Property, Plant and Equipment are shown in the next page:

Account Code	Description	January 1, 2024	Additions	Disposals	Transfers/ Adjustments	December 31, 2024
1-07-01-010	Land	302,666,619.57	117,724,493.46	0.00	114,630.36	420,505,743.39
1-07-02-990	Other Land Improvements	12,707,400.31	0.00	0.00	29,126,738.50	41,834,138.81
1-07-03-010	Road Networks	68,647,675.79	0.00	0.00	28,900,387.01	97,548,062.80
1-07-03-020	Flood Control Systems	46,859,696.51	0.00	0.00	487,371.27	47,347,067.78
1-07-03-040	Water Supply Systems	1,084,753.80	0.00	0.00	0.00	1,084,753.80
1-07-03-050	Power Supply Systems	68,456,595.36	3,630,060.32	4,429,503.76	2,531,213.76	70,188,365.68
1-07-03-090	Parks, Plazas and Monuments	22,630,534.23	0.00	0.00	2,631,939.74	25,262,473.97
1-07-03-990	Other Infrastructure Assets	43,275,258.12	0.00	0.00	0.00	43,275,258.12
1-07-04-010	Buildings	28,653,104.57	0.00	0.00	12,917,380.17	41,570,484.74
1-07-04-020	School Buildings	6,220,262.97	0.00	0.00	0.00	6,220,262.97
1-07-04-030	Hospitals and Health Centers	4,797,425.14	0.00	0.00	668,384.14	5,465,809.28
1-07-04-040	Markets	35,032,943.00	0.00	0.00	2,774,432.11	37,807,375.11
1-07-04-050	Slaughterhouses	3,361,686.71	2,296,193.04	0.00	102,517.80	5,760,397.55
1-07-04-990	Other Structures	111,597,945.36	6,915.60	0.00	1,612,072.33	113,216,933.29
1-07-05-010	Machinery	3,376,198.59	0.00	6,818.00	0.00	3,369,380.59
1-07-05-020	Office Equipment	78,938,215.01	4,406,345.00	1,065,485.00	0.00	82,279,075.01
1-07-05-030	Information and Communication Technology Equipment	41,595,491.20	498,950.00	1,230,275.43	111,400.00	40,975,565.77
1-07-05-040	Agricultural and Forestry Equipment	1,836,610.47	155,000.00	78,569.00	0.00	1,913,041.47
1-07-05-050	Marine and Fishery Equipment	549,874.00	57,000.00	0.00	0.00	606,874.00
1-07-05-070	Communication Equipment	5,094,951.90	0.00	221,801.00	0.00	4,873,150.90
1-07-05-080	Construction and Heavy Equipment	95,307,113.12	8,912,000.00	0.00	0.00	104,219,113.12
1-07-05-090	Disaster Response and Rescue Equipment	11,499,016.59	146,997.00	15,178.00	0.00	11,630,835.59

Account Code	Description	January 1, 2024	Additions	Disposals	Transfers/ Adjustments	December 31, 2024
1-07-05-100	Military, Police and Security Equipment	1,485,028.70	0.00	5,996.00	0.00	1,479,032.70
1-07-05-110	Medical Equipment	13,934,647.17	190,000.00	447,297.00	0.00	13,677,350.17
1-07-05-130	Sports Equipment	739,368.90	0.00	0.00	0.00	739,368.90
1-07-05-140	Technical and Scientific Equipment	1,510,793.58	0.00	35,490.00	0.00	1.475.303.58
1-07-05-990	Other Machinery and Equipment	114,075,074.79	1,000,872.54	150,512.04	0.00	114,925,435.29
1-07-06-010	Motor Vehicles	83,119,346.36	18,285,547.00	0.00	1,027,910.00	102,432,803.36
1-07-06-040	Watercrafts	470,007.00	0.00	0.00	0.00	470,007.00
1-07-06-990	Other Transportation Equipment	6,808,642.20	0.00	8,000.00	0.00	6,800,642.20
1-07-07-010	Furniture and Fixtures	22,548,460.30	4,037,307.00	303,973.45	0.00	26,281,793.85
1-07-07-020	Books	17,929,972.13	4,016,500.00	0.00	0.00	21,946,472.13
1-07-99-010	Work/Zoo Animals	563,900.73	0.00	0.00	0.00	563,900.73
1-07-99-990	Other Property, Plant and Equipment	37,543,169.17	0.00	46,260.00	86,837.50	37,583,746.67
1-07-10-010	Construction in Progress - Land Improvements	42,854,313.06	2,913,693.00	0.00	(27,774,487.09)	17,993,518.97
1-07-10-020	Construction in Progress - Infrastructure Assets	774,753,746.33	43,439,873.09	0.00	(26,080,234.16)	792,113,385.26
1-07-10-030	Construction in Progress - Buildings and Other Structures	407,826,182.98	88,518,093.72	0.00	(16,958,290.15)	479,385,986.55
1-07-10-040	Construction in Progress - Leased Assets	146,481.80	0.00	0.00	0.00	146,481.80
	Total	**2,520,498,507.52**	**300,235,840.77**	**8,045,158.68**	**12,280,203.29**	**2,824,969,392.90**

The schedule of Depreciation and Impairment is presented below:

Account Code	Description	January 1, 2024	Depreciation	Disposal	December 31, 2024	
		Accumulated Depreciation			Accumulated Depreciation	Net Book Value
1-07-01-010	Land	0.00	0.00	0.00	0.00	420,505,743.39
1-07-02-990	Other Land Improvements	1,614,984.48	2,647,787.20	0.00	4,262,771.68	37,571,367.13
1-07-03-010	Road Networks	0.00	0.00	0.00	0.00	97,548,062.80
1-07-03-020	Flood Control Systems	0.00	0.00	0.00	0.00	47,347,067.78
1-07-03-040	Water Supply Systems	0.00	0.00	0.00	0.00	1,084,753.80
1-07-03-050	Power Supply Systems	26,786,046.47	4,135,547.78	4,100.00	30,917,494.25	39,270,871.43
1-07-03-090	Parks, Plazas and Monuments	0.00	0.00	0.00	0.00	25,262,473.97
1-07-03-990	Other Infrastructure Assets	0.00	0.00	0.00	0.00	43,275,258.12
1-07-04-010	Buildings	6,498,213.50	1,900,701.44	0.00	8,398,914.94	33,171,569.80
1-07-04-020	School Buildings	2,829,352.48	111,714.22	0.00	2,941,066.70	3,279,196.27
1-07-04-030	Hospitals and Health Centers	890,497.80	79,128.65	0.00	969,626.45	4,496,182.83
1-07-04-040	Markets	846,191.79	223,829.98	0.00	1,070,021.77	36,737,353.34
1-07-04-050	Slaughterhouses	657,310.60	1,130,408.37	0.00	1,787,718.97	3,972,678.58
1-07-04-990	Other Structures	13,278,101.80	1,200,766.78	0.00	14,478,868.58	98,738,064.71
1-07-05-010	Machinery	983,386.68	15,521.31	6,136.20	992,771.79	2,376,608.80
1-07-05-020	Office Equipment	35,091,372.04	6,446,978.74	934,184.18	40,604,166.60	41,674,908.41
1-07-05-030	Information and Communication Technology Equipment	27,035,733.75	7,362,193.27	1,083,334.65	33,314,592.37	7,660,973.40

Account Code	Description	January 1, 2024	Depreciation	Disposal	December 31, 2024	
		Accumulated Depreciation			Accumulated Depreciation	Net Book Value
1-07-05-040	Agricultural and Forestry Equipment	1,109,888.85	96,771.95	68,372.90	1,138,287.90	774,753.57
1-07-05-050	Marine and Fishery Equipment	329,832.53	37,440.00	0.00	367,272.53	239,601.47
1-07-05-070	Communication Equipment	2,779,394.09	131,015.26	169,099.80	2,741,309.55	2,131,841.35
1-07-05-080	Construction and Heavy Equipment	47,701,250.90	5,104,159.94	0.00	52,805,410.84	51,413,702.28
1-07-05-090	Disaster Response and Rescue Equipment	7,250,125.65	550,986.43	13,660.20	7,787,451.88	3,843,383.71
1-07-05-100	Military, Police and Security Equipment	912,396.59	69,547.32	5,396.40	976,547.51	502,485.19
1-07-05-110	Medical Equipment	7,973,020.30	763,399.79	396,239.40	8,340,180.69	5,337,169.48
1-07-05-130	Sports Equipment	425,054.05	23,332.32	0.00	448,386.37	290,982.53
1-07-05-140	Technical and Scientific Equipment	1,117,814.14	54,325.44	31,941.00	1,140,198.58	335,105.00
1-07-05-990	Other Machinery and Equipment	34,395,253.38	8,493,742.04	99,393.55	42,830,371.87	72,135,833.42
1-07-06-010	Motor Vehicles	27,423,823.31	9,291,546.28	0.00	36,715,369.59	65,717,433.77
1-07-06-040	Watercrafts	198,110.00	0.00	0.00	198,110.00	271,897.00
1-07-06-990	Other Transportation Equipment	1,619,482.19	10,678.86	5,533.33	1,583,857.72	5,176,014.48
1-07-07-010	Furniture and Fixtures	6,597,444.14	1,372,621.08	131,740.46	7,838,324.76	18,443,469.09
1-07-07-020	Books	8,392,501.72	1,600,578.00	0.00	9,993,079.72	11,953,392.41
1-07-99-010	Work/Zoo Animals	0.00	0.00	0.00	0.00	563,900.73
1-07-99-990	Other Property, Plant and Equipment	12,878,274.15	177,312.02	41,634.00	13,013,952.17	24,569,794.50
1-07-10-010	Construction in Progress - Land Improvements	0.00	0.00	0.00	0.00	17,993,518.97

Account Code	Description	January 1, 2024	Depreciation	Disposal	December 31, 2024	
		Accumulated Depreciation			Accumulated Depreciation	Net Book Value
1-07-10-020	Construction in Progress - Infrastructure Assets	0.00	0.00	0.00	0.00	792,113,385.26
1-07-10-030	Construction in Progress - Buildings and Other Structures	0.00	0.00	0.00	0.00	479,385,986.55
1-07-10-040	Construction in Progress - Leased Assets	0.00	0.00	0.00	0.00	146,481.80
Total		**277,614,857.38**	**53,032,034.47**	**2,990,766.07**	**327,656,125.78**	**2,497,313,267.12**

Note 10 – Biological Assets

This account represents breeding stocks amounting to ₱1,123,860.00 as of December 31, 2024 and ₱988,860.00 as of December 31, 2023. Said balances are stated in net recoverable value.

Note 11 – Liabilities

This account is composed of:

Account Title	2024	2023
FINANCIAL LIABILITIES		
Accounts Payable	₱ 212,508,640.93	₱ 185,668,685.64
Due to Officers and Employees	91,106.55	91,106.55
Total	**₱ 212,599,747.48**	**₱ 185,759,792.19**

Accounts Payable represents claims of suppliers for the delivery of goods and services to the City. Reservation for additional adjustment for accounts payable account will be reflected in the following year.

Account Title	2024	2023
INTER-AGENCY PAYABLES		
Due to BIR	₱ 3,225,807.67	₱ 1,725,797.48
Due to GSIS	5,543,056.94	6,532,867.62
Due to Pag-IBIG	766,252.85	562,417.60
Due to Philhealth	1,725,860.03	1,463,076.07
Due to NGAs	58,961,154.65	48,185,907.89
Due to GOCCs	22,469,590.78	25,698,902.14
Due to LGUs	35,681,066.27	37,218,571.16
Total	**₱ 128,372,789.19**	**₱ 121,387,539.96**

The first four accounts represent the amount deducted from the salaries of officials and employees, which was remitted to the respective government agencies immediately following the month for which these were deducted. Part of the beginning balances of these accounts are for identification. Reconciliation of balances is not possible because of the lack of sufficient records from both the Accounting Office and Commission on Audit (COA) as these offices were razed by fire some time ago. On the other hand, the remaining accounts represent the balances of funds received by the City for specific purposes.

Account Title	2024	2023
INTRA-AGENCY PAYABLES		
Due to Other Funds	₱ 38,226,905.66	₱ 30,700,228.30
Due to Special Accounts	4,500.00	4,500.00
Total	**₱ 38,231,405.66**	**₱ 30,704,728.30**
TRUST LIABILITIES		
Trust Liabilities	₱ 7,563,670.36	₱ 6,795,521.57
Trust Liabilities-LDRRMF	142,652,003.96	115,804,819.74
Guaranty/Security Deposits Payable	11,058,472.06	10,841,040.11
Total	**₱ 161,274,146.38**	**₱ 133,441,381.42**

The accounts Due from Other Funds and Due to Other Funds which are intra-agency reciprocal accounts are normally eliminated upon consolidation of the financial statements to avoid overstatement of assets and liabilities within the same reporting entity. However, for the current reporting period, these account balances have not yet been eliminated in the consolidation of the financial statements due to pending reconciliation and verification of supporting documents. The non-elimination of these balances may temporarily result in the overstatement of assets and liabilities, but does not affect the net financial position of the reporting entity, since the amounts pertain solely to intra-agency transactions (see Note 6).

As presented in the Statement of Financial Position, Deferred Credits/Unearned Income are reclassified into current and non-current portion as detailed below:

Account Title	2024	2023
Deferred Credits in Detail:		
Deferred Real property Tax (GF)	275,682,808.29	₱ 249,502,141.73
Deferred Real property Tax (SEF)	102,680,191.42	84,632,949.92
Other Deferred Credits (GF)	177,451,364.03	164,681,635.70
Other Deferred Credits (TF)	89,621,318.08	116,914,183.22
Other Deferred Credits (SEF)	24,179,719.18	24,797,585.96
Total Deferred Credits per Trial Balance	**669,615,401.00**	**640,528,496.53**
Deferred Credits - Current		
RPT to be Realized in 2025	27,043,200.76	47,606,816.80
Other Deferred Credits – Due and Demandable	443,416,313.29	392,109,908.82
LESS: Total Deferred Credits - Current	**470,459,514.05**	**439,716,725.62**
Total Deferred Credits – Non-Current	**199,155,886.95**	**200,811,770.91**
Total Deferred Credits – Non-Current in detail:		
Portion of PEI & Loyalty	6,584,779.13	6,584,779.13
RPT Realizable in 2025-2028 (GF & SEF)	130,149,025.00	104,820,452.74
Other Deferred Credits (all fund)	62,422,082.82	89,406,539.04
Total	**₱ 199,155,886.95**	**₱ 200,811,770.91**

Forming part of the Deferred Credits account are the disallowances for loyalty and Productivity Enhancement Incentive (PEI) set up as receivable with corresponding deferred credits account. Once collected, the receivable account is closed and a corollary entry is made to revert the deferred account and recognize the Prior Year's Adjustment account which eventually closes to the Government Equity Account.

Note 12 - Provisions

Provision for terminal leave pay is allocated on a yearly basis with an estimation of the probable personnel who are due for retirement during the year. Monetization of leave credits is also provided in the City's Annual Budget and availment is subject to the approval of the Monetization Committee. Annual leave accrues to employees on a monthly basis pursuant to Civil Service Rules and Regulations. The provision is an estimate of the amount due to officials and employees as at the financial year-end, based on the value of statutory and non-statutory leave. The provision is calculated based on the leave entitlement due to City personnel at year end.

Performance bonuses

No provision is being appropriated in the Annual Budget. However, the grant of performance bonus to qualified employees is made by way of a supplemental budget. Performance bonuses accrue to officials and personnel on an annual basis subject to the achievement of predetermined performance standards indicated in the Performance Commitment and Review Form. The provision is an estimate of the amount due to staff in the service of the City at the reporting date. Since the performance assessment process was not yet complete as at reporting date, the provision is based on the quarterly performance assessments and the availability of budget for bonuses.

The Human Resource Management Office of the City maintains the official record of leave credits and other personnel matters. The Office has yet to come up with an updated consolidated report. It is important for an updated report since the carrying value of these provisions increases as the salary of officials and employees of the City increases through merit increases, salary increases and promotions, hence a realistic provision can be sufficiently allocated.

Note 13 – Other Payables

This account represents balances of payables other than those classified above composed of retention deducted from suppliers, retention for disallowed PEI 2013 which is on appeal, cooperative accounts with the city and other payables to various individuals.

Account Title	2024	2023
General Fund	₱ 8,562,882.50	₱ 7,690,107.89
Special Education Fund	358,017.27	275,050.39
Trust Fund	3,423,753.63	3,421,909.63
Total	**₱ 12,344,653.40**	**₱ 11,387,067.91**

Note 14 – Tax Revenue

Account Title	2024	2023
Professional Tax	₱ 388,332.17	₱ 362,647.50
Community Tax	9,137,168.72	8,841,275.70
Real Property Tax-Basic	64,814,091.23	60,995,748.40
Discount on Real Property Tax- Basic	(7,416,445.70)	(6,841,214.71)
Special Education Tax	63,061,417.66	59,258,965.56
Discount on Special Education Tax	(7,500,547.64)	(6,923,903.83)
Real Property Transfer Tax	17,382,863.95	20,717,819.19
Business Tax	248,615,708.50	232,151,813.28
Tax on Sand, Gravel and Other	0.00	1,375.00
Tax on Delivery Trucks and Vans	975,661.25	976,800.00
Amusement Tax	3,088,114.12	3,308,574.55
Franchise Tax	1,894,772.96	1,917,230.46
Printing and Publication Tax	255,108.51	167,939.09
Other Taxes	1,193,278.41	1,262,107.66
Tax Revenue – Fines and Penalties – Property Taxes	2,987,654.44	3,142,481.98

Account Title	2024	2023
Tax Revenue – Fines and Penalties – Taxes on Goods and Services	15,742,814.63	9,290,198.81
Total	**₱ 414,619,993.21**	**₱ 388,629,858.64**

Note 15 – Share from Internal Revenue Collection

This account is used to record the share of local government units from the national internal revenue taxes collected. For CY 2024 and 2023, the City had an actual receipt of Internal Revenue Allotment (IRA) in the amount of ₱681,527,021.40 and ₱643,655,715.00, respectively.

Note 16 – Service and Business Income

Account Title	2024	2023
Permit Fees	₱ 29,282,772.72	₱ 22,590,412.43
Registration Fees	4,163,593.75	2,678,450.00
Registration Plates, Tags and Stickers Fees	324,527.00	315,669.00
Clearance and Certificate Fees	15,254,152.89	14,414,649.18
Supervision and Regulation	3,117,730.00	2,808,616.00
Inspection Fees	8.206,321.15	8,117,831.92
Occupation Fees	2,345,503.03	2,056,076.25
Fees for Sealing and Licensing of Weights/Measures	120,945.00	122,745.00
Fines and Penalties – Service	0.00	0.00
Other Service Income	77,406.75	72,196.14
BUSINESS INCOME		
Affiliation Fees	37,800.00	69,900.00
Rent/Lease Income	5,000,700.00	2,160,052.50
Transportation System Fees	3,261,014.00	3,141,812.00
Receipts from Market Operations	27,100,225.05	31,223,318.57
Slaughterhouse Operations	11,532,297.87	10,913,821.15
Receipts from Cemetery	1,505,800.00	1,479,940.00
Garbage Fees	6,070,249.50	5,172,245.75
Hospital Fees	5,946,910.00	6,144,859.67
Interest Income	12,136,546.39	10,095,957.78
Other Business Income	8,124,901.58	10,202,501.69
Total	**₱ 143,609,396.68**	**₱ 133,781,055.03**

Note 17 – Share, Grants and Donation

This account represents share, grants and donation amounting to ₱1,386,018.46 as of December 31, 2024 and ₱977,687.66 as of December 31, 2023.

Note 18 – Personnel Services

This account is composed of the following:

Account Title	2024	2023
PERSONNEL SERVICES		
Salaries and Wages-Regular	₱ 129,299,531.34	₱ 120,952,926.30
Salaries and Wages-Casual/Contractual	74,134,942.14	79,702,790.04
OTHER COMPENSATION		
Personal Economic Relief Allowance	22,012,199.93	23,112,173.24
Representation Allowance (RA)	3,271,998.48	2,883,825.00
Transportation Allowance (TA)	3,250,549.60	2,883,825.00
Clothing/ Uniform Allowance	6,679,000.00	5,496,000.00
Subsistence Allowance	487,520.46	442,557.22
Laundry Allowance	52,125.00	47,100.00
Honoraria	1,104,826.06	863,052.66
Hazard Pay	6,580,717.55	6,703,602.69
Overtime and Night Pay	1,428,666.65	1,261,122.11
Year End Bonus	18,779,074.36	17,239,831.11
Cash Gift	4,873,000.00	5,075,000.00
Other Bonuses and Allowances	58,579,624.06	45,193,948.06
PERSONNEL BENEFIT		
Retirement and Life Insurance Premiums	24,309,254.39	24,229,612.44
Pag-IBIG Contributions	2,202,426.40	1,202,084.92
PhilHealth Contributions	5,247,388.38	4,113,497.49
Employees Compensation Insurance	1,094,969.51	1,127,675.02
OTHER PERSONNEL BENEFITS		
Terminal Leave Benefits	23,523,782.39	19,903,096.67
Retirement Gratuity	0.00	71,387.03
Other Personnel Benefits	7,938,329.55	12,067,896.18
Total	**₱ 394,849,926.25**	**₱ 374,573,003.18**

Note 19 – Maintenance and Other Operating Expenses

This account is composed of the following:

Account Title	2024	2023
TRAVELLING EXPENSES		
Traveling Expenses - Local	₱ 3,208,522.24	₱ 2,894,258.00
TRAINING AND SCHOLARSHIP		
Training Expenses	15,487,682.00	15,742,711.26
Scholarship Grants/Expenses	0.00	700,000.00
SUPPLIES AND MATERIALS		
Office Supplies Expenses	5,730,831.54	6,882,129.05
Accountable Forms Expenses	2,502,200.00	2,506,500.00
Animal/Zoological Supplies Expenses	263,991.00	306,424.00
Food Supplies Expenses	286,388.50	4,835,011.35
Drugs and Medicines Expenses	3,282,049.11	3,989,274.02
Medical, Dental and Laboratory Supplies Expenses	721,583.82	215,305.64
Fuel, Oil and Lubricants Expenses	15,926,585.25	23,455,416.00
Agricultural and Marine Supplies	259,740.00	0.00
Other Supplies and Materials Expenses	1,530,951.20	1,857,834.29

Account Title	2024	2023
UTILITY EXPENSE		
Water Expenses	15,720,844.96	14,121,137.61
Electricity Expenses	46,424,424.22	39,360,390.81
COMMUNICATION EXPENSE		
Postage and Courier Services	52,053.99	41,286.00
Telephone Expenses	1,802,441.99	1,724,004.76
Internet Subscription Expenses	50,297.00	118,365.60
Awards/ Rewards Expenses	3,573,650.00	5,436,673.13
Prizes	14,900.00	19,700.00
Extraordinary and Miscellaneous	643,408.40	736,002.00
PROFESSIONAL SERVICES		
Other Professional Services	5,279,194.50	4,339,000.00
Security Services	11,946,783.30	17,837,403.93
Other General Services	117,465,853.96	106,484,324.59
REPAIRS AND MAINTENANCE		
Repairs and Maintenance – Land Improvements	541,120.31	538,892.00
Repairs and Maintenance – Infrastructure	9,242,165.89	6,109,068.94
Repairs and Maintenance - Buildings and Other Structures	1,617,852.67	1,657,867.15
Repairs and Maintenance - Machinery and Equipment	419,734.75	497,113.42
Repairs and Maintenance - Transportation	7,489,758.23	7,835,424.78
Repairs and Maintenance – Other Property, Plant and Equipment	3,585,615.00	726,995.40
TAXES, INSURANCE PREMIUMS AND OTHER FEES		
Fidelity Bond Premiums	223,676.82	207,773.25
Insurance Expenses	1,625,095.66	2,416,712.77
OTHER MAINTENANCE AND OPERATING EXPENSES		
Advertising Expenses	328,600.00	418,800.00
Printing and Publication Expenses	24,870.00	70,880.00
Rent Expenses	8,726,995.20	8,723,635.20
Membership Dues and Contributions to Organizations	335,800.00	982,150.00
Subscription Expenses	0.00	0.00
Donations	115,923,688.43	97,933,024.59
Other Maintenance and Operating Expenses	100,693,586.51	70,558,870.64
Total	**₱ 502,952,936.45**	**₱ 452,280,360.18**

Note 20 – Non-Cash Expenses

This account is composed of the following:

Account Title	2024	2023
DEPRECIATION AND AMORTIZATION		
Depreciation - Land Improvements	₱ 2,647,787.20	₱ 126,568.97
Depreciation - Infrastructure Assets	4,135,547.78	7,836,427.57
Depreciation - Buildings and Other Structures	4,646,549.44	3,214,101.23
Depreciation - Machinery and Equipment	25,733,487.20	19,777,855.97
Depreciation - Transportation	9,302,225.14	6,925,127.51
Depreciation - Furniture, Fixtures and Books	4,715,598.41	5,910,206.01
Depreciation - Other Property, Plant and Equipment	1,850,839.30	811,987.85
Total	**₱ 53,032,034.47**	**₱ 44,602,275.11**

Note 21 - Financial Expenses

The bank charges pertain to the cost of the checkbooks amounting to ₱26,700.00 as of December 31, 2024 and ₱17,850.00 as of December 31, 2023.

Note 22 - Transfers, Assistance and Subsidy From

Account Title	2024	2023
Subsidy from National Government Agencies	₱ 92,940,157.19	₱ 55,843,773.00
Subsidy from Local Government Units	4,684,446.46	9,646,508.10
Subsidy from GOCCs	6,056,716.00	680,611.40
Subsidy from General Fund-Proper/Special Accounts	26,642,692.32	26,642,692.32
Transfers from General Fund of Unspent DRRMF	2,495.00	8,861,399.75
Total	**₱ 130,326,506.97**	**₱ 101,674,984.57**

Note 23 – Transfers, Assistance and Subsidy To

This account is composed of the following:

Account Title	2024	2023
Subsidy to NGAs	₱ 0.00	₱ 200,000.00
Subsidy to LGUs	0.00	1,500,000.00
Subsidy to Local Economic Enterprise	26,642,692.32	26,642,692.32
Transfer of Unspent Current Year DRRM Funds to Trust Fund	26,849,679.22	26,770,328.95
Total	**₱ 53,492,371.54**	**₱ 55,113,021.27**

Note 24 – Miscellaneous Income

This account is composed of all other income and receipts that cannot be classified under specific income accounts, as follows:

Account Title	2024	2023
Miscellaneous Income (GF)	₱ 2,637,638.44	₱ 2,881,052.37
Miscellaneous Income (SEF)	2,702.51	52,650.27
Miscellaneous Income (TF)	4,452.35	10,031.33
Total	**₱ 2,644,793.30**	**₱ 2,943,733.97**

Note 25 – Local Disaster Risk Reduction Management Fund (LDRRMF)

The Local Disaster Risk Reduction Management Fund represents the amount set aside by the City to support its disaster risk reduction management activities pursuant to Republic Act No. 10121, otherwise known as the "Philippine Disaster Risk Reduction and Management Act of 2010." The amount available and utilized during the year 2024 totaled ₱224,180,530.21 and ₱51,137,658.84 respectively, leaving a balance of ₱173,042,871.37 broken down as follows:

Particulars	Amount		
	Available	Utilized	Balance
Current Year Appropriation			
Quick Response Fund	₱ 17,228,831.92	₱ 17,228,831.92	₱ 0.00
Mitigation Fund (MF)			
MOOE	16,000,607.83	16,000,607.83	0.00
Capital Outlay	24,200,000.00	6,201,363.65	17,998,636.35
Subtotal	**₱ 57,429,439.75**	**₱ 39,430,803.40**	**₱ 17,998,636.35**
Continuing Appropriation – Capital Outlay			
CY 2016	1,196,332.49	0.00	1,196,332.49
CY 2017	2,799,309.64	0.00	2,799,309.64
CY 2018	5,093,901.37	299,619.70	4,794,281.67
CY 2019	3,262,776.02	0.00	3,262,776.02
CY 2020	10,162,497.63	1,181,391.57	8,981,106.06
CY 2021	8,667,047.97	0.00	8,667,047.97
CY 2022	10,741,270.34	2,431,987.50	8,309,282.84
CY 2023	15,458,238.16	7,793,856.67	7,664,381,49
Subtotal	**57,381,373.62**	**₱ 11,706,855.44**	**₱ 45,674,518.18**
Special Trust Fund (Transfers)			
CY 2010	₱ 99,549.88	₱ 0.00	₱ 99,549.88
CY 2011	496,186.72	0.00	496,186.72
CY 2012	563,099.25	0.00	563,099.25
CY 2013	6,775,524.29	0.00	6,775,524.29
CY 2014	119,925.00	0.00	119,925.00
CY 2015	477,609.03	0.00	477,609.03
CY 2016	141,093.90	0.00	141,093.90
CY 2017	542,491.33	0.00	542,491.33

Particulars	Amount		
	Available	**Utilized**	**Balance**
CY 2019	7,455,296.43	0.00	7,455,296.43
CY 2020	15,895,668.19	0.00	15,895,668.19
CY 2021	20,005,548.73	0.00	20,005,548.73
CY 2022	30,027,395.14	0.00	30,027,395.14
CY 2023	26,770,328.95	0.00	26,770,328.95
Subtotal	**₱ 109,369,716.84**	₱ 0.00	**₱ 109,369,716.84**
Grand Total	**₱ 224,180,530.21**	**₱ 51,137,658.84**	**₱ 173,042,871.37**

Unobligated Balances of Local Disaster Risk Reduction Management Fund held in Trust that is due for transfer back to General Fund after five years is pending transfer due to unpaid obligations/liquidations which are not yet processed as of to date.

Note 26 – Reconciliation of Net Cash Flows from Operating Activities to Surplus/ (Deficit)

Reconciliation made for the Net Cash from Operating Activities portion only of the Consolidated Statement of Cash Flows:

Particulars	2024	2023
Surplus (Deficit)	₱ 369,759,761.31	₱ 345,076,525.13
Add: Depreciation	53,032,034.47	44,602,275.11
Sub-total after Non-Cash	**422,791,795.78**	**389,678,800.24**
Add/(Deduct):		
Decrease (Increase) in Receivables	(46,092,933.93)	(43,595,214.68)
(Increase) Decrease in Inventories	2,132,666.57	(23,162,504.37)
(Increase) Decrease in Prepayments	230,700.73	(1,512,872.40)
Increase in Current Liabilities	103,280,635.27	64,811,398.64
Increase (Decrease) in Non-Current Liabilities	(39,076,181.67)	13,594,398.44
Sub-total	**443,266,682.75**	**399,814,005.87**
OTHER ITEMS:		
Other Non-Income Receipts	41,313,767.96	22,124,628.75
Other Payments	39,638,012.56	5,154,905.21
Interest Payment/Subsidy Payments	0.00	0.00
Net Cash From Operating Activities	**₱ 524,218,463.27**	**₱ 427,093,539.83**

Note 27 – Reconciliation of Statement of Comparison of Budget and Actual Amount

Reconciliation between actual amounts on a comparable basis as presented in this statement and in the Statement of Financial Position for the year ended December 31, 2024:

All Funds	Receipts/ Revenue	Personnel Services	MOOE	Financial Expenses	Capital Outlay
Comparison Statement of Budget and Actual	**1,608,938,769.07**	**357,866,382.89**	**458,694,163.22**	**0.00**	**454,994,466.90**
Borrowings/ Surplus Supplemental	(340,043,739.58)				
Accounts Payable Adjustment at Year-end (For recon)		12,336,717.30	225,906.51		
Bank Charges			(3,750.00)	26,700.00	
Transfer, Assistance & Subsidy, MOOE per Budget	(26,642,692.32)				
Capital Expenditures					(454,994,466.90)
Trust Fund Actual Data	1,534,885.88	24,646,826.06	44,036,616.72		
Per Statement of Financial Performance	**1,243,787,223.05**	**394,849,926.25**	**502,952,936.45**	**26,700.00**	**0.00**