



REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
Regional Office No. VII  
Cebu City

# **ANNUAL AUDIT REPORT**

**ON THE**

**MUNICIPALITY OF SAN JOSE**  
**Province of Negros Oriental**

**For the Year Ended December 31, 2024**



REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
**PROVINCIAL SATELLITE AUDIT OFFICE**  
**NEGROS ORIENTAL**  
E.J. Blanco Drive, Piapi, Dumaguete City 6200

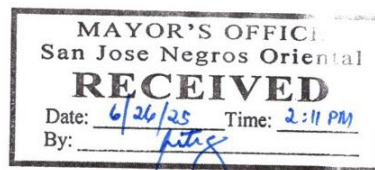
6/26/25  
J. Sabate  
j. sabate

**LOCAL GOVERNMENT AUDIT SECTOR**  
**AUDIT GROUP LGAS – F (NEGROS ORIENTAL 1)**  
**OFFICE OF THE SUPERVISING AUDITOR**

June 9, 2025

**HONORABLE MEL NICK S. LOGRONIO**

Municipal Mayor  
Municipality of San Jose  
Province of Negros Oriental



MUNICIPALITY OF SAN JOSE  
ACCOUNTING OFFICE

RECEIVED

NAME & SIGNATURE  
DATE: 6/26/25 TIME: 2:08PM

**Dear Mayor Logronio:**

We are pleased to transmit the Annual Audit Report (AAR) of the Municipality of San Jose, for the calendar year (CY) 2024 pursuant to Section 2, Article IX-D of the Philippine Constitution and Section 43 of the Presidential Decree (PD) No. 1445, otherwise known as the Government Auditing Code of the Philippines.

The audit was conducted to (a) ascertain the fairness of the presentation of the financial statements; (b) ascertain the propriety of financial transactions and compliance with prescribed rules and regulations; (c) recommend agency improvement opportunities; and (d) determine the extent of implementation of prior years' audit recommendations.

We conducted the audit in accordance with applicable International Standards of Supreme Audit Institutions (ISSAIs) and we believe that it provides a reasonable basis for our opinion.

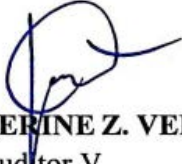
We rendered a qualified opinion on the fairness of the presentation of the financial statements (FS) for the year then ended.

The audit observations, together with the recommended courses of action, which were discussed by the Audit Team with you and your staff in an exit conference on May 26, 2025, are discussed in detail in Part II of the report. Likewise, Management's comments are also incorporated in Part II, where appropriate. The Status of Implementation of Prior Years' Audit Recommendations is discussed in Part III of this report.

We request that the recommendations be immediately implemented, and we would appreciate being informed of the action(s) taken thereon by submitting the attached duly accomplished Agency Action Plan and Status of Implementation (AAPSI) within 60 days from receipt of this report.

We express our appreciation for the valuable support and cooperation extended by the officials and staff of the Municipality of San Jose.

Very truly yours,



**KATHERINE Z. VELEZ**  
State Auditor V  
Supervising Auditor

Copy furnished:

1. The Honorable Sangguniang Bayan Members Thru: The Secretary, Sangguniang Bayan  
Municipality of San Jose, Province of Negros Oriental
2. The Regional Director  
Department of Interior and Local  
Government Region VII
3. The Regional Director  
Bureau of Local Government  
Finance Region VII
4. National Library (Soft Copy)
5. University of the Philippines (UP) Law Center (Soft Copy)
6. COA Commission Central Library (Soft Copy)

**MUNICIPALITY OF SAN JOSE**  
Province of Negros Oriental

**AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION**

Audit Observations and  
Recommendations For the Calendar  
Year 2024

As of \_\_\_\_\_

Ref.	Audit Observation	Audit Recommendation	Agency Action Plan				Status of Implementation	Reason for Partial/Delay/Non-Implementation, if applicable	Action Taken/Action to be taken
			Action Plan	Person/Dept. Responsible	Target Implementation Date				
					From	To			

**Prepared by:**

\_\_\_\_\_  
Municipal Treasurer

\_\_\_\_\_  
Municipal Accountant

**Noted by:**

\_\_\_\_\_  
Local Chief Executive

*Note: Status of Implementation may either be (a) Fully Implemented (b) Ongoing (c) Not Implemented (d) Partially Implemented (e) Delayed*



REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
**PROVINCIAL SATELLITE AUDITING**  
**OFFICE, NEGROS ORIENTAL**  
E.J. Blanco Drive, Piapi, 6200 Dumaguete City

**OFFICE OF THE AUDITOR**  
**Audit Team R7-04, LGAS-F Province of Negros Oriental 1**

June 2, 2025

**KATHERINE Z. VELEZ**

Supervising Auditor

LGAS F – Province of Negros Oriental 1

Dumaguete City

**Madam:**

In compliance with Section 2, Article IX-D of the Philippine Constitution and Section 43 of the Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines, we conducted Financial and Compliance Audit on the accounts and operations of the Municipality of San Jose, Province of Negros Oriental, for the year ended December 31, 2024.

The audit was conducted to: (a) ascertain the fairness of presentation of the financial statements (FS); (b) ascertain the propriety of financial transactions and compliance with prescribed rules and regulations; (c) recommend agency improvement opportunities; and (d) determine the extent of implementation of prior years' audit recommendations.

Our attached Report consists of four (4) parts, Part I - Audited Financial Statements, Part II - Audit Observations and Recommendations, Part III - Status of Implementation of Prior Years' Audit Recommendations and Part IV - Appendices.

Our comments and observations were communicated to Management through Audit Observation Memoranda and were discussed with agency personnel in an exit conference conducted on May 26, 2025. Their comments were incorporated in this Report, where appropriate.

We have looked into the audit areas which resulted from our risk assessments during the year as well as those contained in the General Audit Instructions (GAIs) dated 30 October 2024 of the Office of the Assistant Commissioner, Corporate Government Sector and in the Specific

Audit Instructions (SAIs) of the Office of the Regional Director, Local Government Sector. Attached is the Status of Implementation of the GAIs and SAIs as of November 11, 2024, for reference on the areas audited.

GAI/SAI Focus Area	Remarks
A. Financial Audit	
1. Cash in Bank	With audit finding – AO No. 4 and 5
2. Cash Local Treasury	No sufficient and competent evidence to warrant inclusion of audit observation
3. Investment Property, Buildings	N/A
4. Inventories (Inventory Held for Distribution: i) Welfare Goods for Distribution; Inventory Held for Consumption: i) Drugs and Medicines Inventory, ii) Medical, Dental and Laboratory Supplies Inventory, iii) Office Supplies Inventory, iv) Accountable Forms, Plates and Stickers, v) Other Supplies and Materials Inventory)	No sufficient and competent evidence to warrant inclusion of audit observation
5. PPE: (Land; Other Land Improvements; Infrastructure Assets: i) Road Networks, ii) Water Supply Systems, iii) Power Supply Systems, iv) Flood Control Systems, v) Parks, Plazas, and Monuments, vi) Other Infrastructure Assets; CIP – Buildings and Other Structures, CIP – Infrastructure Assets, Buildings and Other Structures; Buildings and Other Structures: i) Buildings, ii) School Buildings, iii) Hospitals and Health Centers, iv) Markets, v) Slaughterhouses, vi) Other Structures; Machinery and Equipment: Machinery and Equipment: i) Machinery, ii) Office Equipment, iii) Construction and Heavy Equipment, iv) ICT Equipment, v) DRRM Equipment, vi) Medical Equipment, vii) Communication Equipt., viii) Agri and Forestry Equipment, ix) Sports Equipment, x) Military, Police, and Security Equipment, xi) Technical and Scientific Equipment, xii) Other Machinery and Equipment; Transportation Equipment: i) Motor Vehicles, ii) Watercraft, iii) Other Transportation Equipment; Furniture and Fixtures; Other PPE	With audit finding – AO No. 1 and 6
6. Books	No sufficient and competent evidence to warrant inclusion of audit observation

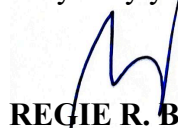
GAI/SAI Focus Area	Remarks
7. Receivables (Loans and Receivable Accounts: i) Real Property Tax Receivable, ii) Special Education Tax Receivable)	With audit finding – AO No. 2
8. Advances (i) Advances to Officers and Employees, ii) Advances to Special Disbursing Officer, iii) Advances for Payroll)	No sufficient and competent evidence to warrant inclusion of audit observation
9. Other Receivables ( i) Due from Officers and Employees, ii) Due from NGOs / Pos)	No sufficient and competent evidence to warrant inclusion of audit observation
10. Breeding Stocks	Biological Assets – with audit finding – AO No. 3
11. Financial Liabilities (Accounts Payable: Bills / Bonds / Loans Payable, i) Loans Payable – Domestic; Inter-Agency Payables, i) Due to NGAs, ii) Due to LGUs)	No sufficient and competent evidence to warrant inclusion of audit observation
12. Trust Liabilities	No sufficient and competent evidence to warrant inclusion of audit observation
13. Drugs and Medicines Expenses	No sufficient and competent evidence to warrant inclusion of audit observation
14. Other MOOE	No sufficient and competent evidence to warrant inclusion of audit observation
E. Non-Financial Audit Issues for Mandatory Reporting in the AAR	
15. Remittance to the Bureau of Internal Revenue (BIR) on taxes withheld from employees and suppliers in accordance with RA No. 8424 and its IRR under BIR RR No. 02-98	No sufficient and competent evidence to warrant inclusion of audit observation
16. Premium contributions and loan amortization to the Government Service Insurance System (GSIS) and Home Development Mutual Fund in accordance with RA No. 8291 and RA No. 9679, respectively	No sufficient and competent evidence to warrant inclusion of audit observation
17. Premium contributions and remittance to PhilHealth in accordance with RA No. 7875, as amended	No sufficient and competent evidence to warrant inclusion of audit observation
18. Audit of Official Development Assistance (ODA)	The municipality did not receive any ODA funds in CY 2024.
19. LGSF – Support to the Barangay Development Program of the National Task Force to End Local Communist Armed Conflict (NTF-ELCAC)	There were no funds received by the municipality in CY 2024.
20. Twenty percent Development Fund <ul style="list-style-type: none"> <li>• Projects completed but not yet recorded</li> <li>• Expenses not related to 20% Development Fund</li> </ul>	No sufficient and competent evidence to warrant inclusion of audit observation

<b>GAI/SAI Focus Area</b>	<b>Remarks</b>
21. Payments to Casuals, Job Order, Contractuals and Consultants vis-à-vis the requirements of COA Memorandum No. 2012-010 dated December 28, 2021	No sufficient and competent evidence to warrant inclusion of audit observation
22. DRRM Funds/QRF – Projects completed but not yet recorded and expenses not related to DRRM Funds	With audit finding – AO No. 10
23. Gender and Development (GAD) Funds – Expenses not related to GAD programs, projects and activities per approved GAD Plan and Budget	No sufficient and competent evidence to warrant inclusion of audit observation
24. National Task Force to End Local Communist Armed Conflict (NTF-ELCAC) Funds	No sufficient and competent evidence to warrant inclusion of audit observation
F. Other Accounts/Thrusts area not included in the GAI/SAI	
25. Submission of FS within the reglementary period	With audit finding – AO No. 7
26. Collection of delinquent real property taxes	With audit finding – AO No. 8
27. Renting of venues outside of the Municipality’s official station or territorial jurisdiction for training and planning activities	With audit finding – AO No. 9
28. Compliance to Item 6.1 of DepED, DBM and DILG Joint Circular No. 1, Series of 2017 on monitoring, transparency, and accountability in the allocation and utilization of Special Education Fund (SEF)	With audit finding – AO No. 11

We rendered a qualified opinion on the fairness of presentation of the FS for the year then ended.

We conducted the audit in accordance with applicable International Standards of Supreme Audit Institutions and we believe that it provides a reasonable basis for our opinion.

Very truly yours,



**REGIE R. BAOY**

State Auditor II

OIC-Audit Team Leader

## EXECUTIVE SUMMARY

### Introduction

The Municipality of San Jose was created through the enactment of Republic Act No. 1212 dated May 9, 1955. It became a 4<sup>th</sup> class Municipality of the Province of Negros Oriental effective January 1, 2025. It is composed of 14 Barangays, six of which are located in the coastal area, and the rest are located in the hinterlands. According to the CY 2020 census, it had a population of 21,956 people.

As of December 31, 2024, it had a personnel complement of 346, as shown below:

<i>Nature of Appointment to Office</i>	<i>Quantity</i>
Elective Officials	12
Permanent Positions	71
Casuals	25
Job Orders	238
<b>Total</b>	<b>346</b>

### Audit Objectives

The objectives of the audit were to (a) ascertain the level of assurance that may be placed on management assertions on the financial statements; (b) determine compliance of management with laws, rules, and regulations on the pre-identified audit thrusts/areas and recommend agency improvement opportunities thereon; and (c) determine the extent of implementation of prior years' audit recommendations.

### Audit Methodology

The Commission has been implementing a risk-based audit in the conduct of its audit services. However, to meet the evolving developments in public governance and fund management, the results-based approach in the audit was incorporated.

### Scope of Audit

An audit was conducted on the accounts and operations of the Municipal Government of San Jose for CY 2024. The audit consisted of a review of operating procedures, evaluation of the LGU's programs and projects, interviews of concerned government officials and employees, verification, reconciliation, confirmation, inspection, and analysis of accounts, and such other procedures considered necessary.

## Financial Highlights

A comparative analysis of the Statement of Financial Position, as illustrated below, showed increases in assets, liabilities, and equity:

Accounts	2024 (in ₱)	2023 (in ₱)	Increase (Decrease)
<b>Statement of Financial Position</b>			
Assets	380,601,279.15	341,980,222.62	38,621,056.53
Liabilities	150,442,115.58	120,181,780.03	30,260,335.55
Government Equity	230,159,163.57	221,798,442.59	8,360,720.98

On the other hand, the Statement of Financial Performance reflects an increase in revenue, a decrease in surplus, and increases in expenses, as shown below:

Accounts	2024 (in ₱)	2023 (in ₱)	Increase (Decrease)
<b>Results of Operations</b>			
Revenue	135,350,959.47	126,505,877.80	8,845,081.67
Personnel Services	(55,981,471.06)	(50,104,035.83)	5,877,435.23
Maintenance and Other Operating Expenses	(78,475,108.06)	(56,523,339.24)	21,951,768.82
Financial Expenses	(1,072,430.05)	(1,135,201.21)	(62,771.16)
Non-cash Expenses	(19,787,111.22)	(19,419,187.03)	367,924.19
Net Financial Assistance/ Subsidy	24,029,534.20	6,315,534.60	17,713,999.60
Net Surplus (Deficit)	4,064,373.28	5,639,649.09	(1,575,275.81)

The following table illustrates the decreases in the final budget or appropriations and the increase in actual amounts or obligations during the year:

Particulars	2024 (in ₱)	2023 (in ₱)	Increase (Decrease)
Final Budget	231,250,441.48	238,213,825.58	(6,963,384.10)
Actual Amounts	156,720,957.44	154,719,289.80	2,001,667.64

## **Independent Auditor's Report on the Financial Statements**

We rendered a qualified opinion on the fairness of the presentation of the financial statements for the year then ended, taking exceptions to the effects of the following:

1. The non-reconciliation of a net difference amounting to ₱72,894,810.00 between the General Ledger balance and the Report on the Physical Count of Property, Plant and Equipment (PPE) rendered the PPE account balance, with a gross amount of ₱113,077,252.99 as of December 31, 2024, unreliable and inaccurate.
2. The Real Property Tax (RPT) and Special Education Tax (SET) Receivables were not established at the beginning of the year, thus, understating the RPT and SET Receivables by ₱21,686,500.81.
3. Biological Assets totaling ₱3,311,219.14 as of December 31, 2024, were not reported at fair value less costs to sell, rendering the reported account in the financial statements unreliable.
4. The Municipal Accountant did not prepare Journal Entry Vouchers (JEV) for book reconciling items in the Bank Reconciliation Statements (BRS) totaling ₱1,314,220.44, resulting in an understatement of both the Cash in Bank and Liability accounts by the same amount.

## **Significant Observations and Recommendations**

The following are the significant audit observations and recommendations in the audit and/or evaluation of the operations of the Municipal Government for CY 2024. These, and other audit observations discussed by the Audit Team with Management in an exit conference on May 26, 2025, are fully presented in Part II of this Report.

- 1. Stale checks amounting to ₱198,161.51 were still recorded as reconciling items in the Bank Reconciliation Statements (BRS), resulting in an understatement of the Cash in Bank - Local Currency, Current Account balance by the same amount.**

We recommended that the Municipal Accountant make the necessary adjusting entries to account for the stale checks.

We also recommended that the Municipal Accountant conduct a thorough review and analysis of the list of outstanding checks, and regularly prepare JEVs for the cancellation of stale checks to reflect the correct monthly balances of the Cash in Bank accounts.

Furthermore, we recommended that the Municipal Treasurer regularly issue written notice to the payees at least one month before a check becomes stales, informing them of the check’s existence.

2. **Expenses for garbage collection and disposal totaling ₱170,215.00 were erroneously recorded under the Repairs and Maintenance- Land Improvements account instead of the “Environment/Sanitary Services” account, resulting in an understatement of the “Environment/Sanitary Services” account and an overstatement of the “Repairs and Maintenance – Land Improvement” account by the same amount.**

We recommended that the Municipal Accountant use the appropriate account for garbage collection and disposal, as prescribed in COA Circular No. 2015-009 dated December 1, 2015.

3. **The Municipality risks losing potential revenue that could be used to finance development projects programs and activities (PPAs) due to a low collection of delinquent real property taxes (RPT) amounting to ₱25,770,471.90 as of December 31, 2024. Consequently, the Municipality.**

We recommended and the Municipal Treasurer and Municipal Assessor agreed to conduct tax mapping to cleanse their records of real properties and post the Notice of Delinquency in the Payment of RPT pursuant to Section 254 of R.A 7160.

We further recommended that, after the Notice of Delinquency in the Payment of RPT is posted, Management avail itself of the remedies provided under R.A. No. 7160 to collect delinquent taxes.

### **Summary of Total Suspensions, Disallowances, and Charges as of Year-End**

The reported audit suspensions, disallowances, and charges of the LGU as of December 31, 2024, were as follows:

	<b>Beginning Balance (As of 1/1/2024)</b>	<b>This Period January 1 to December 31, 2024</b>		<b>Ending Balance (As of 12/31/24)</b>
		<b>NS/ND/NC</b>	<b>NSSDC</b>	
Notice of Suspension	₱ 0.00	₱ 0.00	₱ 0.00	₱ 0.00
Notice of Disallowance	877,232.72	0.00	0.00	877,232.72
Notice of Charge	0.00	0.00	0.00	0.00

### **Status of Implementation of Prior Years’ Recommendations**

Of the 24 audit recommendations contained in the CY 2024 and prior year’s Annual Audit Reports, eight were fully implemented, while 16 were not implemented.

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**PART I**  
**AUDITED FINANCIAL STATEMENTS**



REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
**REGIONAL OFFICE NO. VII**

M.J. Cuenco Avenue, Corner V. Sotto Street, 6000 Cebu City

## **INDEPENDENT AUDITOR'S REPORT**

### **HONORABLE MEL NICK S. LOGRONIO**

Municipal Mayor  
Municipality of San Jose  
Province of Negros Oriental

### **Qualified Opinion**

We have audited the financial statements of the Municipality of San Jose, Province of Negros Oriental, which comprise the statement of financial position as at December 31, 2024, and the statement of financial performance, statement of changes in net assets/equity, statement of cash flows, and statement of comparison of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Bases of Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality of San Jose as of December 31, 2024, and its financial performance, its cash flows, and its comparison of budget and actual amounts for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

### **Bases for Qualified Opinion**

1. The non-reconciliation of a net difference amounting to ₱72,894,810.00 between the General Ledger balance and the Report on the Physical Count of Property, Plant and Equipment (PPE) rendered the PPE account balance, with a gross amount of ₱113,077,252.99 as of December 31, 2024, unreliable and inaccurate.
2. The Real Property Tax (RPT) and Special Education Tax (SET) Receivables were not established at the beginning of the year, thus, understating the RPT and SET Receivables by ₱21,686,500.81.
3. Biological Assets totaling ₱3,311,219.14 as of December 31, 2024, were not reported at fair value less costs to sell, rendering the reported account in the financial statements unreliable.

4. The Municipal Accountant did not prepare Journal Entry Vouchers (JEV) for book reconciling items in the Bank Reconciliation Statements (BRS) totaling ₱1,314,220.44, resulting in an understatement of both the Cash in Bank and Liability accounts by the same amount.

We have conducted our audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the agency in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our qualified opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**


Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSASs, and for such internal control as management determines necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the LGU's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **COMMISSION ON AUDIT**

By: 

**REGIE R. BAOY**  
State Auditor II  
OIC- Audit Team Leader

May 26, 2025



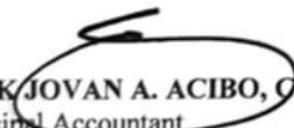
Republic of the Philippines  
Province of Negros Oriental  
**MUNICIPALITY OF SAN JOSE**  
Poblacion, 6202 San Jose, Negros Oriental

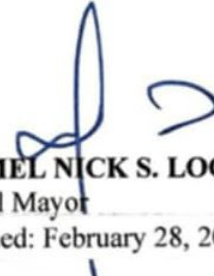


## STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of the **Municipality of San Jose** is responsible for all information and representations contained in the accompanying Statement of Financial Position as of **December 31, 2024** and the related Statements of Financial Performance, Statement of Cash Flows, Statement of Comparison of Budget and Actual Amounts, Statement of Changes in Net Assets/Equity and the Notes to Financial Statements for the year then ended. The financial statements have been prepared in conformity with the International Public Sector Accounting Standards (IPSAS) and Generally Accepted State Accounting Principles, and reflect amounts based in best estimates and informed judgment of management with an appropriate consideration to materiality.

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

  
**MARK JOVAN A. ACIBO, CPA**  
Municipal Accountant  
Date Signed: February 28, 2025

  
**ATTY. MEL NICK S. LOGRONIO**  
Municipal Mayor  
Date Signed: February 28, 2025

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF FINANCIAL POSITION**  
**As of December 31, 2024**  
*(With Comparative Figures for CY 2023)*

	<u>Note</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and Cash Equivalents	4	₱ 107,875,021.41	₱ 93,604,541.67
Investments		-	-
Receivables	5	7,306,653.43	15,133,562.52
Inventories	6	5,682,228.31	8,192,465.83
Prepayments and Deferred Charges	7	416,405.65	1,168,935.27
<b>Total Current Assets</b>		<b>₱ 121,280,308.80</b>	<b>₱ 118,099,505.29</b>
<i>Non-Current Assets</i>			
Investments		-	-
Receivables		-	-
Investment Property		-	-
Property, Plant and Equipment	8	255,735,790.13	220,884,343.11
Biological Assets	9	3,585,180.22	2,996,374.22
Intangible Assets		-	-
<b>Total Non-Current Assets</b>		<b>₱ 259,320,970.35</b>	<b>₱ 223,880,717.33</b>
<b>Total Assets</b>		<b>₱ 380,601,279.15</b>	<b>₱ 341,980,222.62</b>
<b>LIABILITIES</b>			
<i>Current Liabilities</i>			
Financial Liabilities	10	₱ 6,579,964.38	₱ 8,080,667.66
Inter-Agency Payables	11	33,099,176.09	4,105,700.82
Intra-Agency Payables	12	2,551,550.59	5,265,577.24
Trust Liabilities	13	25,733,953.44	25,306,906.37
Deferred Credits/Unearned Income	14	4,083,161.09	9,161,699.32
Provisions		-	-
Other Payables		-	-
<b>Total Current Liabilities</b>		<b>₱ 72,047,805.59</b>	<b>₱ 51,920,551.41</b>
<i>Non-Current Liabilities</i>			
Financial Liabilities	10	₱ 78,394,309.99	₱ 68,261,228.62
Deferred Credits/Unearned Income		-	-
Provisions		-	-
Other Payables		-	-
<b>Total Non-Current Liabilities</b>		<b>₱ 78,394,309.99</b>	<b>₱ 68,261,228.62</b>
<b>Total Liabilities</b>		<b>₱ 150,442,115.58</b>	<b>₱ 120,181,780.03</b>
<b>NET ASSETS/EQUITY</b>			
Government Equity		₱ 230,159,163.57	₱ 221,798,442.59
<b>Total Liabilities and Net Assets/Equity</b>		<b>₱ 380,601,279.15</b>	<b>₱ 341,980,222.62</b>

*See accompanying Notes to Financial Statements.*

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**For the Year Ended December 31, 2024**  
*(With Comparative Figures for CY 2023)*

	<u>Note</u>	<u>2024</u>	<u>2023</u>
<b>Revenue</b>			
Tax Revenue	15	₱ 6,831,420.47	₱ 6,124,503.95
Share from Internal Revenue Collections	16	113,724,894.00	107,028,576.00
Other Share from National Taxes		-	-
Service and Business Income	17	11,144,569.19	9,998,936.23
Shares, Grants and Donations		-	-
Gains		-	-
Miscellaneous Income	18	3,650,075.81	3,353,861.62
<b>Total Revenue</b>		<u><b>135,350,959.47</b></u>	<u><b>126,505,877.80</b></u>
<b>Less: Current Operating Expenses</b>			
Personnel Services	19	55,981,471.06	50,104,035.83
Maintenance and Other Operating Expens	20	78,475,108.06	56,523,339.24
Financial Expenses	21	1,072,430.05	1,135,201.21
Non-cash Expenses	22	19,787,111.22	19,419,187.03
<b>Current Operating Expenses</b>		<u><b>155,316,120.39</b></u>	<u><b>127,181,763.31</b></u>
<b>Surplus (Deficit) from Current Operation</b>		<b>(19,965,160.92)</b>	<b>(675,885.51)</b>
Add (Deduct):			
Transfers, Assistance and Subsidy Fro	23	29,097,323.48	8,422,915.00
Transfers, Assistance and Subsidy To	24	5,067,789.28	2,107,380.40
<b>Net Financial Assistance/Subsidy</b>		<u><b>24,029,534.20</b></u>	<u><b>6,315,534.60</b></u>
<b>Surplus (Deficit) for the period</b>		<u><b>₱ 4,064,373.28</b></u>	<u><b>₱ 5,639,649.09</b></u>

*See accompanying Notes to Financial Statements.*

Province of Negros Oriental  
**Municipality of San Jose**  
**Statement of Changes in Net Assets/Equity**  
For the Year Ended December 31, 2024  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Balance, January 1</b>	₱ 221,798,442.59	₱ 211,147,036.98
Add (Deduct)		
Change in Accounting Policy	-	-
Prior Period Errors	283,972.71	16,750.21
Restated Balance	₱ 222,082,415.30	₱ 211,163,787.19
Add (Deduct) Changes in Net Assets/Equity during the year		
Adjustments recognized directly in Net Assets/Equity	4,012,374.99	4,995,006.31
Surplus (Deficit) for the period	4,064,373.28	5,639,649.09
<b>Total reconized revenue and expenses for the peri</b>	₱ 8,076,748.27	₱ 10,634,655.40
<b>Balance, December 31</b>	₱ <b>230,159,163.57</b>	₱ <b>221,798,442.59</b>

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended December 31, 2024  
*(With Comparative Figures for CY 2023)*

	<u>Note</u>	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities:</b>			
Cash Inflows:			
Collection from Taxpayers	P	6,831,420.47	P 6,124,503.95
Share from Internal Revenue Allotment		113,724,894.00	107,028,576.00
Receipts from business/service income		14,720,463.93	13,277,410.14
Interest Income		74,181.07	75,387.70
Dividend Income		-	-
Other Receipts		136,649,265.69	52,592,559.14
<b>Total Cash Inflow</b>	P	<u><b>272,000,225.16</b></u>	<u><b>P 179,098,436.93</b></u>
Cash Outflows:			
Payment of expenses	P	-	P -
Payments to suppliers and creditors		168,690,915.17	117,034,312.41
Payments to employees		55,981,471.06	50,091,811.51
Interest Expenses		1,072,430.05	964,712.20
Other Expenses		-	170,489.01
Total Cash Outflow	P	<u>225,744,816.28</u>	<u>P 168,261,325.13</u>
Net Cash from Operating Activities	25	<u><b>P 46,255,408.88</b></u>	<u><b>P 10,837,111.80</b></u>
<b>Cash Flows from Investing Activities:</b>			
Cash Inflows:			
Proceeds from Sale of Investment Property	P	-	P -
Proceeds from Sale/Disposal of Property, Plant & Equipment		-	-
Proceeds from Sale of Non-Current Investments		-	-
Collection of Principal on loans to other entities		-	-
Total Cash Inflow	P	<u>-</u>	<u>P -</u>
Cash Outflows:			
Purchase/Construction of Investment Property	P	-	P -
Purchase/Construction of Property, Plant & Equipment		45,526,458.77	52,695,647.82
Investment		-	-
Purchase of Bearer Biological Assets		-	-
Purchase of Intangible Assets		-	-
Grant of Loans		-	-
Total Cash Outflow	P	<u>45,526,458.77</u>	<u>P 52,695,647.82</u>
Net Cash from Investing Activities	P	<u><b>(45,526,458.77)</b></u>	<u><b>P (52,695,647.82)</b></u>
<b>Cash Flows from Financing Activities:</b>			
Cash Inflows:			
Proceeds from issuance of bonds	P	-	P -
Proceeds from Loans		13,541,529.63	32,470,121.74
Total Cash Inflow	P	<u>13,541,529.63</u>	<u>P 32,470,121.74</u>
Cash Outflows:			
Payment of Long-Term Liabilities	P	-	P -
Retirement/Redemption of Debt Securities		-	-
Payment of Loan Amortization		-	-
Total Cash Outflow	P	<u>-</u>	<u>P -</u>
Net Cash from Financing Activities	P	<u><b>13,541,529.63</b></u>	<u><b>P 32,470,121.74</b></u>
<b>Total Cash Provided by Operating, Investing &amp; Financing Activities</b>	P	<u>14,270,479.74</u>	<u>P (9,388,414.28)</u>
Cash, Beginning of the Period		93,604,541.67	102,992,955.95
<b>Cash, at the end of the Period</b>	4	<u><b>P 107,875,021.41</b></u>	<u><b>P 93,604,541.67</b></u>

See accompanying Notes to Financial Statements.

**Municipality of San Jose, Negros Oriental**  
Statement of Comparison of Budget and Actual Amounts  
**All Funds**  
For the Year Ended December 31, 2024  
*(With comparative figures for CY 2023)*

Particulars	Budgeted Amounts					Difference		Actual Amounts		Difference	
	Original		Final			Original and Final Budget				Final Budget and Actual	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	
<b>Revenue</b>											
<b>A. Local Sources</b>											
1. Tax Revenue											
a. Tax Revenue - Property	2,005,893.65	2,530,069.51	2,005,893.65	2,530,069.51	-	-	2,008,524.42	2,002,943.12	(2,630.77)	527,126.39	
b. Tax Revenue - Goods and Services	2,924,247.37	1,150,960.17	2,924,247.37	1,150,960.17	-	-	4,535,210.58	4,200,622.51	(1,610,963.21)	(3,049,662.34)	
c. Other Local Taxes	385,193.71	422,758.88	385,193.71	422,758.88	-	-	287,685.47	325,359.45	97,508.24	97,399.43	
Total Tax Revenue	5,315,334.73	4,103,788.56	5,315,334.73	4,103,788.56	-	-	6,831,420.47	6,528,925.08	(1,516,085.74)	(2,425,136.52)	
2. Non-Tax Revenue											
a. Service Income	3,375,003.40	2,009,938.33	3,375,003.40	2,009,938.33	-	-	3,301,535.15	3,746,415.57	73,468.25	(1,736,477.24)	
b. Business Income	5,400,103.81	4,153,636.74	5,400,103.81	4,153,636.74	-	-	7,152,089.75	5,794,998.09	(1,751,985.94)	(1,641,361.35)	
c. Other Income and Receipts	3,115,671.90	2,520,000.00	3,115,671.90	2,520,000.00	-	-	4,341,020.10	3,406,963.06	(1,225,348.20)	(886,963.06)	
Total Non-Tax Revenue	11,890,779.11	8,683,575.07	11,890,779.11	8,683,575.07	-	-	14,794,645.00	12,948,376.72	(2,903,865.89)	(4,264,801.65)	
<b>B. External Sources</b>											
1. Share from the National Internal Revenue Taxes (IRA)	113,716,110.00	107,077,362.00	113,716,110.00	107,077,362.00	-	-	113,724,894.00	107,028,576.00	(8,784.00)	48,786.00	
2. Share from GOCCs	-	-	-	-	-	-	-	-	-	-	
3. Other Shares from National Tax Collections	-	-	-	-	-	-	-	-	-	-	
a. Share from Ecozone	-	-	-	-	-	-	-	-	-	-	
b. Share from EVAT	-	-	-	-	-	-	-	-	-	-	
c. Share from National Wealth	-	-	-	-	-	-	-	-	-	-	
d. Share from Tobacco Excise Tax	-	-	-	-	-	-	-	-	-	-	
4. Other Receipts	-	-	-	-	-	-	-	-	-	-	
a. Grants and Donations	-	-	-	-	-	-	-	-	-	-	
b. Other Subsidy Income	-	-	-	-	-	-	-	-	-	-	
5. Inter-local Transfer	-	-	-	-	-	-	-	-	-	-	
6. Capital /Investment Receipts	-	-	-	-	-	-	-	-	-	-	
a. Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	
b. Sale of Investments	-	-	-	-	-	-	-	-	-	-	
c. Proceeds from Collection of Loan Receivables	-	-	-	-	-	-	-	-	-	-	
<b>C. Receipts from Borrowings</b>											
<b>Total Revenue and Receipts</b>	<b>130,922,223.84</b>	<b>119,864,725.63</b>	<b>130,922,223.84</b>	<b>119,864,725.63</b>	<b>-</b>	<b>-</b>	<b>135,350,959.47</b>	<b>126,505,877.80</b>	<b>(4,428,735.63)</b>	<b>(6,641,152.17)</b>	
<b>Expenditures</b>											
<b>Current Appropriations</b>											
<b>General Public Services</b>											
Personal Services	38,408,246.36	36,114,286.06	40,834,365.40	38,713,541.06	(2,426,119.04)	(2,599,255.00)	38,627,526.81	35,830,409.21	2,206,838.59	2,883,131.85	
Maintenance and Other Operating Expenses	17,055,983.82	15,391,315.27	33,444,854.89	27,059,451.03	(16,388,871.07)	(11,668,135.76)	31,570,172.42	24,165,703.06	1,874,682.47	2,893,747.97	
Capital Outlay	470,000.00	350,000.00	1,440,000.00	1,950,000.00	(970,000.00)	(1,600,000.00)	69,950.00	192,900.00	1,370,050.00	1,757,100.00	
<b>Education</b>											
Personal Services	-	-	-	-	-	-	-	-	-	-	
Maintenance and Other Operating Expenses	1,000,000.00	1,600,000.00	1,224,763.45	1,600,000.00	(224,763.45)	-	1,177,421.09	1,426,168.30	47,342.36	173,831.70	
Capital Outlay	-	-	-	-	-	-	-	-	-	-	
<b>Health, Nutrition and Population Control</b>											
Personal Services	6,882,794.58	5,625,539.97	6,899,636.33	4,114,975.97	(16,841.75)	1,510,564.00	6,406,222.53	3,756,361.64	493,413.80	358,614.33	
Maintenance and Other Operating Expenses	4,040,000.00	3,790,000.00	6,092,700.00	6,481,135.89	(2,052,700.00)	(2,691,135.89)	5,894,691.31	5,602,200.00	198,008.69	878,935.89	
Capital Outlay	-	-	-	-	-	-	-	-	-	-	
<b>Labor and Employment</b>											
Personal Services	-	-	-	-	-	-	-	-	-	-	
Maintenance and Other Operating Expenses	-	-	-	-	-	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	-	-	-	-	-	
<b>Housing and Community Development</b>											
Personal Services	-	-	-	-	-	-	-	-	-	-	
Maintenance and Other Operating Expenses	-	-	-	-	-	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	-	-	-	-	-	
<b>Social Services and Social Welfare</b>											
Personal Services	2,305,890.12	1,304,818.58	1,271,775.12	1,174,598.58	1,034,115.00	130,220.00	906,003.11	932,657.29	365,772.01	241,941.29	
Maintenance and Other Operating Expenses	5,280,712.39	3,169,736.28	5,043,712.39	4,456,936.28	237,000.00	(1,287,200.00)	4,225,924.22	3,299,353.46	817,788.17	1,157,582.82	
Capital Outlay	4,204,559.90	5,220,000.00	4,204,559.90	5,220,000.00	-	-	4,195,306.50	2,485,742.73	9,253.40	2,734,257.27	
<b>Economic Services</b>											
Personal Services	11,870,171.24	11,159,142.04	11,167,698.45	10,320,216.04	702,472.79	838,926.00	10,041,718.61	9,584,607.69	1,125,979.84	735,608.35	

Particulars	Budgeted Amounts				Difference		Actual Amounts		Difference	
	Original		Final		Original and Final Budget		2024	2023	Final Budget and Actual	
	2024	2023	2024	2023	2024	2023			2024	2023
Maintenance and Other Operating Expenses	5,805,310.00	5,508,531.49	8,147,884.62	8,471,131.49	(2,342,574.62)	(2,962,600.00)	7,614,126.64	7,689,392.89	533,757.98	781,738.60
Capital Outlay	60,000.00	220,000.00	60,000.00	220,000.00	-	-	-	69,995.00	60,000.00	150,005.00
<b>Other Purposes:</b>										
Debt Service					-	-			-	-
Financial Expense	1,000,000.00	1,400,000.00	1,000,000.00	1,650,000.00	-	(250,000.00)	982,928.89	1,650,000.00	17,071.11	-
Amortization	2,000,000.00	500,000.00	2,130,000.00	700,000.00	(130,000.00)	(200,000.00)	2,118,003.26	341,486.94	11,996.74	358,513.06
<b>LDRRMF</b>										
Maintenance and Other Operating Expenses	4,496,111.19	2,563,236.28	4,703,342.44	2,865,459.23	(207,231.25)	(302,222.95)	2,243,308.60	778,132.65	2,460,033.84	2,087,326.58
Capital Outlay	2,000,000.00	3,350,000.00	4,836,637.33	3,350,000.00	(2,836,637.33)	-	1,996,859.68	3,138,917.30	2,839,777.65	211,082.70
<b>20% Development Fund</b>										
Maintenance and Other Operating Expenses	5,343,222.00	4,715,472.40	5,843,222.00	5,185,633.10	(500,000.00)	(470,160.70)	4,531,260.30	2,832,253.77	1,311,961.70	2,353,379.33
Capital Outlay	17,400,000.00	16,700,000.00	22,777,779.79	26,100,000.00	(5,377,779.79)	(9,400,000.00)	5,556,712.75	10,526,942.36	17,221,067.04	15,573,057.64
<b>Share from National Wealth</b>										
Maintenance and Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
<b>Allocation for Senior Citizens and PWD</b>										
Maintenance and Other Operating Expenses	1,299,222.24	1,182,647.26	1,649,222.24	1,382,647.26	(350,000.00)	(200,000.00)	1,647,400.00	1,381,800.00	1,822.24	847.26
Capital Outlay	-	-	-	-	-	-	-	-	-	-
<b>Others</b>										
Personal Services	-	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
<b>Total Current Appropriations</b>	<b>130,922,223.84</b>	<b>119,864,725.63</b>	<b>162,772,154.35</b>	<b>151,015,725.93</b>	<b>(31,849,930.51)</b>	<b>(31,151,000.30)</b>	<b>129,805,536.72</b>	<b>115,685,024.29</b>	<b>32,966,617.63</b>	<b>35,330,701.64</b>
<b>Continuing Appropriations</b>										
<b>General Public Services</b>										
Capital Outlay	64,242,649.30	70,447,315.96	64,242,649.30	70,447,315.96	-	-	24,174,329.38	32,814,581.74	40,068,319.92	37,632,734.22
<b>Education</b>										
Capital Outlay	60,172.00	-	25,000.00	-	35,172.00	-	-	-	25,000.00	-
<b>Health, Nutrition and Population Control</b>										
Capital Outlay	-	260,172.00	-	260,172.00	-	-	-	200,000.00	-	60,172.00
<b>Labor and Employment</b>										
Capital Outlay	-	-	-	-	-	-	-	-	-	-
<b>Housing and Community Development</b>										
Capital Outlay	-	-	-	-	-	-	-	-	-	-
<b>Social Services and Social Welfare</b>										
Capital Outlay	3,761,611.83	3,346,421.25	3,040,357.83	3,346,421.25	721,254.00	-	2,601,091.34	2,319,066.69	439,266.49	1,027,354.56
<b>Economic Services</b>										
Capital Outlay	1,253,870.00	2,899,790.00	1,170,280.00	2,899,790.00	83,590.00	-	140,000.00	3,176,475.00	1,030,280.00	(276,685.00)
<b>Other Purposes:</b>										
Capital Outlay	-	10,244,400.44	-	10,244,400.44	-	-	-	524,142.08	-	9,720,258.36
<b>Total Continuing Appropriations</b>	<b>69,318,303.13</b>	<b>87,198,099.65</b>	<b>68,478,287.13</b>	<b>87,198,099.65</b>	<b>840,016.00</b>	<b>-</b>	<b>26,915,420.72</b>	<b>39,034,265.51</b>	<b>41,562,866.41</b>	<b>48,163,834.14</b>
<b>Total Appropriations</b>	<b>200,240,526.97</b>	<b>207,062,825.28</b>	<b>231,250,441.48</b>	<b>238,213,825.58</b>	<b>(31,009,914.51)</b>	<b>(31,151,000.30)</b>	<b>156,720,957.44</b>	<b>154,719,289.80</b>	<b>74,529,484.04</b>	<b>83,494,535.78</b>

## *Notes to Financial Statements*

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*(All amounts in Philippine Peso unless otherwise stated)*

### **Note 1. General Agency Profile**

The Municipality of San Jose is a coastal town located 14 kilometers north of Dumaguete City. It became a Municipality on May 9, 1955, upon the enactment of Republic Act (RA) No. 1212. Furthermore, the Municipality became a fourth (4<sup>th</sup>) class Municipality on January 1, 2025. It is composed of 14 Barangays.

As a local government unit (LGU), it enjoys the powers granted under RA 7160, otherwise known as the Local Government Code of 1991. These powers and functions are discharged by the local government officials. To give way to decentralization in government, the LGU is empowered to formulate development plans necessary or incidental to its efficient and effective governance, plans essential to the promotion of the general welfare and the provision of basic needs of the Filipino families, such as survival, shelter, and education. It is also tasked with maintaining peace and order, ensuring public safety, and ensuring that the ecosystem functions effectively by providing clean air and safe water, and conserving natural resources to support human life.

Pursuant to RA No. 7160, the Local Government Code of 1991, LGUs have the following goals:

- a. To improve the quality of life of the constituents and alleviate poverty through sustainable activities to meet the minimum basic needs;
- b. To attain economic growth and social equity through agricultural development with a balanced ecology;
- c. To maximize the development of business and industry to generate employment and increase income and purchasing power of the constituents;
- d. To provide infrastructure and utilities in support to the people's economic, social, political and ecological, activities as well as develop and create a climate favorable to industrialization;
- e. To ensure effective governance through responsive fiscal and administrative management;
- f. To encourage active participation of Non-governmental Organization/Private Organizations (NGOs/POs) and special bodies in planning and implementation of community programs and projects; and
- g. To provide livelihood and employment opportunities.

## **Note 2. Basis of Financial Statement Preparation**

The financial statements are prepared in accordance with and in compliance with, the International Public Sector Accounting Standards (IPSASs), pursuant to COA Circular No. 2015-002 dated March 9, 2015. The financial statements are presented in Philippine pesos, which is the functional and reporting currency of the Municipality. The accounting policies have been applied beginning in 2015.

## **Note 3. Summary of Significant Accounting Policies**

### **a. Basis of Accounting**

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

### **b. Consolidation**

The LGU maintains a special account within the General Fund for the economic enterprise it operates, which includes the Market Administration, Waterworks System, and Cemetery.

### **c. Revenue recognition**

#### **Revenue from non-exchange transactions**

##### *Taxes, fees, and fines*

The LGU 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 probable 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 LGU and can be measured reliably.

## **Revenue from exchange transactions**

### *Rendering of services*

The LGU 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.

### *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.

### *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.

## **d. Property, plant, and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. 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 LGU 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.

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 Municipality 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 five-year transitional provision for the recognition of the Public Infrastructure. In the first year of implementation of the IPSAS, the LGU did not recognize the Public Infrastructure in the books of accounts.

e. **Financial instruments**

**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 LGU 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 LGU's financial liabilities include trade and other payables, 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 designated upon initial recognition as at fair value through surplus or deficit.

*Derecognition*

A financial liability is derecognized when the obligation under the liability is discharged, canceled, 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 a derecognition 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.

### *Fair value of financial instruments*

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

#### **f. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash in bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. 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.

#### **g. Inventories**

Inventory is 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.

#### **h. Changes in accounting policies and estimates**

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

#### **i. Related parties**

The LGU 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 LGU, 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, and all Chiefs of Departments/Divisions.

**j. Budget information**

The annual budget is prepared using the modified cash basis, that is, all planned costs and income are presented in a single statement to determine the needs of the LGU. 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.

**k. Significant judgments and sources of estimation uncertainty**

*Judgments*

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

*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 LGU 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:

- i. The condition of the asset is based on the assessment of experts employed by the LGU;
- ii. The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
- iii. The nature of the processes in which the asset is deployed; and
- iv. Changes in the market in relation to the asset.

#### Note 4. Cash and Cash Equivalents

This account is composed of the following:

	<u>2024</u>	<u>2023</u>
<b>Cash on Hand</b>		
Cash Local Treasury	₱ 118,441.58	₱ 118,793.37
Petty Cash	200,000.00	-
<b>Cash in Bank – Local Currency</b>		
Cash in Bank – Local Currency, Current Account	107,556,579.83	93,485,748.30
<b>Total Cash and Cash Equivalents</b>	<b>₱ 107,875,021.41</b>	<b>₱ 93,604,541.67</b>

Cash in banks earns interest based on prevailing bank deposit rates. Short-term deposits are made for varying periods, depending on the LGUs immediate cash requirements, and earn interest at the applicable short-term deposit rate.

#### Note 5. Receivables, Net

This account is composed of the following:

##### *Current Receivables, Net*

<b>Loans and Receivable Accounts</b>		
Real Property Tax Receivable	₱ 1,905,196.20	₱ 4,437,554.24
Special Education Tax Receivable	2,177,964.89	4,724,145.08
<b>Inter-Agency Receivables</b>		
Due from GOCCs	40,054.46	40,054.46
Due from LGUs	361,824.81	361,824.81
<b>Intra-Agency Receivables</b>		
Due from Other Funds	2,616,830.50	5,309,180.36
<b>Advances</b>		
Advances for Payroll	549.00	-
Advances to Officers and Employees	-	12,370.00
<b>Other Receivables</b>		
Receivables – Disallowances/Charges	120,389.29	164,589.29
Other Receivables	83,844.28	83,844.28
<b>Total Current Receivables, Net</b>	<b>₱ 7,306,653.43</b>	<b>₱ 15,133,562.52</b>

No allowances for impairment were provided for dormant receivable accounts during the year.

**Note 6. Inventories**

	<u>2024</u>	<u>2023</u>
<b>Inventory Held for Consumption</b>		
Office Supplies Inventory	₱ 307,638.00	₱ 361,504.00
Food Supplies Inventory	-	29,932.00
Accountable Forms, Plates and Stickers	85,050.00	1,717.00
Drugs & Medicines Inventory	898,135.00	1,185,672.00
Medical, Dental & Laboratory Supplies Inventory	133,788.40	249,614.50
Agricultural & Marine Supplies Inventory	501,653.00	94,418.00
Construction Materials Inventory	3,593,228.11	6,087,418.53
Other Supplies & Materials Inventory	162,735.80	182,189.80
<b>Total Inventories</b>	<b>₱ 5,682,228.31</b>	<b>₱ 8,192,465.83</b>

**Office Supplies Inventory** - are composed of supplies for the operation of each office of the LGU.

**Accountable Forms, Plates, & Stickers** - are composed of various accountable forms used in the office of the Treasurer.

**Food Supplies Inventory** - are composed of food items used in the disaster operation of the LGU.

**Drugs and Medicines Inventory** - are composed of various medicines used in the operation of the Rural Health Unit (RHU).

**Medical, Dental, & Laboratory Supplies Inventory** - includes supplies other than medicines that are used in the operations of the RHU.

**Agricultural & Marine Supplies Inventory** – includes agricultural supplies and veterinary medicines used in the operations of the Agriculture Office.

**Construction Materials Inventory** - are composed of construction materials used for the implementation of projects by administration.

**Other Supplies & Materials Inventory** - are composed of supplies, other than office supplies, used in the operations of the different offices of the LGU.

	<b>Office Supplies Inventory</b>	<b>Accountable Forms, Plates &amp; Stickers</b>	<b>Food Supplies Inventory</b>	<b>Drugs &amp; Medicines Inventory</b>	<b>Medical, Dental &amp; Laboratory Supplies Inventory</b>	<b>Agricultural &amp; Marine Supplies Inventory</b>	<b>Construction Materials Inventory</b>	<b>Other Supplies &amp; Materials Inventory</b>	<b>Total</b>
<b>Acquisition Cost</b>									
<b>As at 1/1/2023</b>	<b>403,402.00</b>	<b>218,157.00</b>	-	<b>1,506,322.89</b>	<b>724,449.92</b>	<b>1,567,336.00</b>	<b>351,915.00</b>	<b>74,845.00</b>	<b>4,846,427.81</b>
Additions	522,542.24	894,044.00	29,932.00	2,416,068.50	356,194.50	265,230.00	8,699,678.53	277,344.12	13,461,033.89
Disposals	-	-	-	-	-	-	-	-	-
Issuances / Adjustments	(564,440.24)	(1,110,484.00)	-	(2,736,719.39)	(831,029.92)	(1,738,148.00)	(2,964,175.00)	(169,999.32)	(10,114,995.87)
<b>As at 12/31/2023</b>	<b>361,504.00</b>	<b>1,717.00</b>	<b>29,932.00</b>	<b>1,185,672.00</b>	<b>249,614.50</b>	<b>94,418.00</b>	<b>6,087,418.53</b>	<b>182,189.80</b>	<b>8,192,465.83</b>
Additions	561,301.74	838,440.00	74,081.00	2,086,365.50	543,268.40	797,040.00	5,505,834.36	314,045.12	10,720,376.12
Disposals	-	-	-	-	-	-	-	-	-
Issuances / Adjustments	(615,167.74)	(755,107.00)	(104,013.00)	(2,373,902.50)	(659,094.50)	(389,805.00)	(8,000,024.78)	(333,499.12)	(13,230,613.64)
<b>As at 12/31/2024</b>	<b>307,638.00</b>	<b>85,050.00</b>	-	<b>898,135.00</b>	<b>133,788.40</b>	<b>501,653.00</b>	<b>3,593,228.11</b>	<b>162,735.80</b>	<b>5,682,228.31</b>

## Note 7. Prepayments and Deferred Charges

This account is composed of the following:

	<b>2024</b>	<b>2023</b>
<b>Prepayments</b>		
Advances to Contractors	₱ 373,434.01	₱ 1,153,874.79
Prepaid Insurance	42,971.64	15,060.48
<b>Total Prepayments and Deferred Charges</b>	<b>₱ 416,405.65</b>	<b>₱ 1,168,935.27</b>

## Note 8. Property, Plant, and Equipment (PPE), Net

This account is composed of the following:

Land	₱ 25,052,196.56	₱ 21,179,821.56
<b>Total Land Improvements, Net</b>	<b>25,052,196.56</b>	<b>21,179,821.56</b>
<b>Land Improvements</b>		
Other Land Improvements	7,930,024.64	3,335,058.35
<i>Accumulated Depreciation – Other Land Improvement</i>	(1,852,127.53)	(2,544,934.09)
<b>Total Land Improvements, Net</b>	<b>6,077,897.11</b>	<b>790,124.26</b>
<b>Infrastructure Assets</b>		
Road Networks	60,454,994.34	60,454,994.34
<i>Accumulated Depreciation – Road Networks</i>	(21,719,123.09)	(6,922,108.50)
Flood Control Systems	15,464,956.66	12,469,100.32
<i>Accumulated Depreciation – Flood Control Systems</i>	(1,821,068.46)	(1,287,154.30)
Water Supply Systems	32,805,325.58	26,880,339.30
<i>Accumulated Depreciation – Water Supply Systems</i>	(11,199,423.78)	(7,111,492.55)
Power Supply Systems	3,898,697.38	3,898,697.38
<i>Accumulated Depreciation – Power Supply Systems</i>	(1,467,760.30)	(1,220,842.79)
Parks, Plazas and Monuments	10,829,058.53	10,829,058.53
<i>Accumulated Depreciation – Parks, Plazas and Monuments</i>	(10,287,605.60)	(10,287,605.59)
Other Infrastructure Assets	101,750.00	101,750.00
<i>Accumulated Depreciation – Other Infrastructure Assets</i>	(33,026.35)	(23,360.10)
<b>Total Infrastructure Assets, Net</b>	<b>77,026,774.91</b>	<b>87,781,376.04</b>
<b>Buildings and Other Structures</b>		
Buildings	24,709,876.75	12,971,072.51

	<b>2024</b>	<b>2023</b>
<i>Accumulated Depreciation – Buildings</i>	(3,565,019.83)	(2,852,494.26)
School Buildings	1,588,080.00	1,588,080.00
<i>Accumulated Depreciation – School Buildings</i>	(881,085.10)	(1,244,108.62)
Hospitals and Health Centers	10,016,959.62	10,016,959.62
<i>Accumulated Depreciation- Hospitals and Health Centers</i>	(2,592,778.52)	(2,284,201.75)
Markets	8,932,998.40	8,932,998.40
<i>Accumulated Depreciation – Markets</i>	(2,226,499.90)	(4,695,654.63)
Other Structures	14,243,270.50	14,243,270.50
<i>Accumulated Depreciation – Other Structures</i>	(7,881,755.84)	(9,304,330.96)
<b>Total Buildings and Other Structures, Net</b>	<b>42,344,046.08</b>	<b>27,371,590.81</b>
<b>Machinery and Equipment</b>		
Machinery	1,448,000.00	1,448,000.00
<i>Accumulated Depreciation – Machinery</i>	(413,693.33)	(276,133.33)
Office Equipment	348,950.00	348,950.00
<i>Accumulated Depreciation – Office Equipment</i>	(269,594.16)	(237,294.16)
Information and Communication Technology Equipment	4,686,579.00	4,616,629.00
<i>Accumulated Depreciation - Information and Communication Technology Equipment</i>	(3,340,352.41)	(2,555,270.65)
Agricultural and Forestry Equipment	50,000.00	50,000.00
<i>Accumulated Depreciation – Agricultural and Forestry Equipment</i>	(42,354.17)	(37,604.17)
Marine and Fishery Equipment	595,248.84	595,248.84
<i>Accumulated Depreciation – Marine and Fishery Equipment</i>	(224,312.55)	(173,892.63)
Communication Equipment	558,755.60	506,355.60
<i>Accumulated Depreciation – Communication Equipment</i>	(186,062.82)	(153,287.82)
Construction and Heavy Equipment	4,846,981.40	4,846,981.40
<i>Accumulated Depreciation – Construction and Heavy Equipment</i>	(2,298,428.16)	(1,867,128.16)
Disaster Response and Rescue Equipment	11,094,748.70	11,027,648.70
<i>Accumulated Depreciation – Disaster Response and Rescue Equipment</i>	(5,810,248.34)	(4,775,720.07)
Military, Police, and Security Equipment	365,455.00	365,455.00
<i>Accumulated Depreciation – Military, Police and Security Equipment</i>	(217,420.76)	(182,702.55)
Medical Equipment	1,463,465.80	1,463,465.80
<i>Accumulated Depreciation – Medical Equipment</i>	(998,697.19)	(894,236.44)
Sports Equipment	140,000.00	140,000.00

	<u>2024</u>	<u>2023</u>
<i>Accumulated Depreciation – Sports Equipment</i>	(94,208.33)	(80,908.33)
<b>Other Machinery and Equipment</b>	<b>791,910.00</b>	<b>791,910.00</b>
<i>Accumulated Depreciation – Other Machinery and Equipment</i>	(474,695.76)	(423,113.77)
<b>Total Machinery and Equipment, Net</b>	<b>12,020,026.36</b>	<b>14,543,352.26</b>
<b>Transportation Equipment</b>		
Motor Vehicles	15,488,125.99	13,852,126.00
<i>Accumulated Depreciation – Motor Vehicles</i>	(7,733,994.87)	(6,738,552.14)
Other Transportation Equipment	2,465,000.00	2,465,000.00
<i>Accumulated Depreciation – Other Transportation Equipment</i>	(448,835.42)	(214,660.42)
<b>Total Transportation Equipment, Net</b>	<b>9,770,295.70</b>	<b>9,363,913.44</b>
<b>Furniture, Fixtures, and Books</b>		
Furniture and Fixtures	1,312,822.75	1,074,072.75
<i>Accumulated Depreciation – Furniture and Fixtures</i>	(666,885.83)	(571,154.40)
<b>Total Furniture, Fixtures, and Books, Net</b>	<b>645,936.92</b>	<b>502,918.35</b>
<b>Construction in Progress</b>		
<i>CIP – Land Improvements</i>	6,502,079.72	1,563,709.44
<i>CIP – Buildings and Other Structures</i>	76,296,536.77	57,787,536.95
<b>Total Construction in Progress, Net</b>	<b>82,798,616.49</b>	<b>59,351,246.39</b>
<b>Total Property, Plant, and Equipment, Net</b>	<b>₱ 255,735,790.13</b>	<b>₱ 220,884,343.11</b>

The LGU measured the residual value of all items of PPE but does not expect any residual value from these assets, as they are expected to be utilized for their entire economic lives and are not anticipated to have a significant scrap value. During the current financial year, the LGU reviewed the estimated useful lives and residual values of PPE, where appropriate.

The LGU has a total of **41.855 kilometers** of roads with a total cost of **₱60,454,994.34**. For the year ended, no expenditures were made for local road additions. Although **₱500,000.00** was allocated for major repairs and regular maintenance, no disbursements were made. No reductions were recorded due to derecognition. Additionally, no impairment losses or reversals of impairment were recognized for this asset during the year.

	Land	Land Improvements	Road Networks	Flood Control Systems	Water Supply Systems	Power Supply Systems	Park, Plazas, & Monuments	Other Infrastructure Assets	Buildings	School Buildings	Hospital & Health Centers
<b>Acquisition Cost</b>											
<b>As at 1/1/2023</b>	<b>21,179,821.56</b>	<b>3,335,058.35</b>	<b>52,663,780.55</b>	<b>12,469,100.32</b>	<b>24,268,079.30</b>	<b>3,898,697.38</b>	<b>10,829,058.53</b>	<b>101,750.00</b>	<b>4,781,631.26</b>	<b>1,588,080.00</b>	<b>10,016,959.62</b>
Additions	-	-	7,791,213.79	-	2,612,260.00	-	-	-	8,189,441.25	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers / Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 12/31/2023</b>	<b>21,179,821.56</b>	<b>3,335,058.35</b>	<b>60,454,994.34</b>	<b>12,469,100.32</b>	<b>26,880,339.30</b>	<b>3,898,697.38</b>	<b>10,829,058.53</b>	<b>101,750.00</b>	<b>12,971,072.51</b>	<b>1,588,080.00</b>	<b>10,016,959.62</b>
Additions	3,872,375.00	4,594,966.29	-	2,995,856.34	5,924,986.28	-	-	-	11,738,804.24	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers / Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 12/31/2024</b>	<b>25,052,196.56</b>	<b>7,930,024.64</b>	<b>60,454,994.34</b>	<b>15,464,956.66</b>	<b>32,805,325.58</b>	<b>3,898,697.38</b>	<b>10,829,058.53</b>	<b>101,750.00</b>	<b>24,709,876.75</b>	<b>1,588,080.00</b>	<b>10,016,959.62</b>
<b>Accumulated Depreciation</b>											
<b>As at 1/1/2023</b>	<b>-</b>	<b>2,495,331.92</b>	<b>4,989,313.76</b>	<b>813,328.49</b>	<b>5,825,304.43</b>	<b>973,925.29</b>	<b>93,922.30</b>	<b>13,693.85</b>	<b>2,526,996.87</b>	<b>1,224,775.44</b>	<b>1,666,713.36</b>
Depreciation Expense	-	49,602.17	1,932,794.74	473,825.81	1,286,188.12	246,917.50	10,193,683.29	9,666.25	325,497.39	19,333.18	617,488.39
Transfers / Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 12/31/2023</b>	<b>-</b>	<b>2,544,934.09</b>	<b>6,922,108.50</b>	<b>1,287,154.30</b>	<b>7,111,492.55</b>	<b>1,220,842.79</b>	<b>10,287,605.59</b>	<b>23,360.10</b>	<b>2,852,494.26</b>	<b>1,244,108.62</b>	<b>2,284,201.75</b>
Depreciation Expense	-	106,777.14	14,797,014.59	533,914.16	4,087,931.23	246,917.51	-	9,666.25	712,525.57	19,109.73	308,576.77
Transfers / Adjustments	-	(799,583.70)	-	-	-	-	0.01	-	-	(382,133.25)	-
<b>As at 12/31/2024</b>	<b>-</b>	<b>1,852,127.53</b>	<b>21,719,123.09</b>	<b>1,821,068.46</b>	<b>11,199,423.78</b>	<b>1,467,760.30</b>	<b>10,287,605.60</b>	<b>33,026.35</b>	<b>3,565,019.83</b>	<b>881,085.10</b>	<b>2,592,778.52</b>
<b>Net Book Values</b>											
<b>As at 12/31/2023</b>	<b>21,179,821.56</b>	<b>790,124.26</b>	<b>53,532,885.84</b>	<b>11,181,946.02</b>	<b>19,768,846.75</b>	<b>2,677,854.59</b>	<b>541,452.94</b>	<b>78,389.90</b>	<b>10,118,578.25</b>	<b>343,971.38</b>	<b>7,732,757.87</b>
<b>As at 12/31/2024</b>	<b>25,052,196.56</b>	<b>6,077,897.11</b>	<b>38,735,871.25</b>	<b>13,643,888.20</b>	<b>21,605,901.80</b>	<b>2,430,937.08</b>	<b>541,452.93</b>	<b>68,723.65</b>	<b>21,144,856.92</b>	<b>706,994.90</b>	<b>7,424,181.10</b>

	Markets	Other Structures	Machinery Equipments	Office Equipments	ICT Equipments	Agricultural & Forestry Equipments	Marine & Fishery Equipments	Communication Equipments	Construction & Heavy Equipments	Disaster Response & Rescue Equipments	Military, Police, & Security Equipments
<b>Acquisition Cost</b>											
<b>As at 1/1/2023</b>	<b>8,932,998.40</b>	<b>13,819,061.42</b>	<b>1,448,000.00</b>	<b>348,950.00</b>	<b>4,153,724.00</b>	<b>50,000.00</b>	<b>478,648.84</b>	<b>161,355.60</b>	<b>4,846,981.40</b>	<b>11,027,648.70</b>	<b>365,455.00</b>
Additions	-	424,209.08	-	-	462,905.00	-	116,600.00	345,000.00	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers / Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 12/31/2023</b>	<b>8,932,998.40</b>	<b>14,243,270.50</b>	<b>1,448,000.00</b>	<b>348,950.00</b>	<b>4,616,629.00</b>	<b>50,000.00</b>	<b>595,248.84</b>	<b>506,355.60</b>	<b>4,846,981.40</b>	<b>11,027,648.70</b>	<b>365,455.00</b>
Additions	-	-	-	-	69,950.00	-	-	52,400.00	-	67,100.00	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers / Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 12/31/2024</b>	<b>8,932,998.40</b>	<b>14,243,270.50</b>	<b>1,448,000.00</b>	<b>348,950.00</b>	<b>4,686,579.00</b>	<b>50,000.00</b>	<b>595,248.84</b>	<b>558,755.60</b>	<b>4,846,981.40</b>	<b>11,094,748.70</b>	<b>365,455.00</b>
<b>Accumulated Depreciation</b>											
<b>As at 1/1/2023</b>	<b>4,538,275.22</b>	<b>8,965,640.53</b>	<b>138,573.33</b>	<b>204,994.16</b>	<b>1,788,683.83</b>	<b>32,854.17</b>	<b>128,931.72</b>	<b>153,287.82</b>	<b>1,435,828.16</b>	<b>3,744,379.08</b>	<b>147,984.31</b>
Depreciation Expense	157,379.41	338,690.43	137,560.00	32,300.00	766,586.82	4,750.00	44,960.91	-	431,300.00	1,031,340.99	34,718.24
Transfers / Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 12/31/2023</b>	<b>4,695,654.63</b>	<b>9,304,330.96</b>	<b>276,133.33</b>	<b>237,294.16</b>	<b>2,555,270.65</b>	<b>37,604.17</b>	<b>173,892.63</b>	<b>153,287.82</b>	<b>1,867,128.16</b>	<b>4,775,720.07</b>	<b>182,702.55</b>
Depreciation Expense	-	148,900.48	137,560.00	32,300.00	785,081.76	4,750.00	50,419.92	32,775.00	431,300.00	1,034,528.27	34,718.22
Transfers / Adjustments	(2,469,154.73)	(1,571,475.60)	-	-	-	-	-	-	-	-	(0.01)
<b>As at 12/31/2024</b>	<b>2,226,499.90</b>	<b>7,881,755.84</b>	<b>413,693.33</b>	<b>269,594.16</b>	<b>3,340,352.41</b>	<b>42,354.17</b>	<b>224,312.55</b>	<b>186,062.82</b>	<b>2,298,428.16</b>	<b>5,810,248.34</b>	<b>217,420.76</b>
<b>Net Book Values</b>											
<b>As at 12/31/2023</b>	<b>4,237,343.77</b>	<b>4,938,939.54</b>	<b>1,171,866.67</b>	<b>111,655.84</b>	<b>2,061,358.35</b>	<b>12,395.83</b>	<b>421,356.21</b>	<b>353,067.78</b>	<b>2,979,853.24</b>	<b>6,251,928.63</b>	<b>182,752.45</b>
<b>As at 12/31/2024</b>	<b>6,706,498.50</b>	<b>6,361,514.66</b>	<b>1,034,306.67</b>	<b>79,355.84</b>	<b>1,346,226.59</b>	<b>7,645.83</b>	<b>370,936.29</b>	<b>372,692.78</b>	<b>2,548,553.24</b>	<b>5,284,500.36</b>	<b>148,034.24</b>

	Medical Equipments	Sports Equipments	Other Machinery & Equipments	Motor Vehicles	Other Transportation Equipments	Furnitures & Fixtures	CIP - Land Improvements	CIP - Buildings & Other Structures	Breeding Stocks	Plants & Trees	Total
<b>Acquisition Cost</b>											
<b>As at 1/1/2023</b>	<b>1,463,465.80</b>	<b>140,000.00</b>	<b>533,460.00</b>	<b>10,355,129.00</b>	-	<b>1,074,072.75</b>	<b>2,138,736.13</b>	<b>24,080,607.87</b>	<b>3,072,668.22</b>	<b>19,682.00</b>	233,642,662.00
Additions	-	-	258,450.00	3,496,997.00	2,465,000.00	-	1,872,224.26	44,308,813.51	-	-	72,343,113.89
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers / Adjustments	-	-	-	-	-	-	(2,447,250.95)	(10,601,884.43)	(95,976.00)	-	(13,145,111.38)
<b>As at 12/31/2023</b>	<b>1,463,465.80</b>	<b>140,000.00</b>	<b>791,910.00</b>	<b>13,852,126.00</b>	<b>2,465,000.00</b>	<b>1,074,072.75</b>	<b>1,563,709.44</b>	<b>57,787,536.95</b>	<b>2,976,692.22</b>	<b>19,682.00</b>	<b>292,840,664.51</b>
Additions	-	-	-	1,496,000.00	-	238,750.00	8,036,476.64	32,380,751.41	492,830.00	-	71,961,246.20
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers / Adjustments	-	-	-	139,999.99	-	-	(3,098,106.36)	(13,871,751.59)	95,976.00	-	(16,733,881.96)
<b>As at 12/31/2024</b>	<b>1,463,465.80</b>	<b>140,000.00</b>	<b>791,910.00</b>	<b>15,488,125.99</b>	<b>2,465,000.00</b>	<b>1,312,822.75</b>	<b>6,502,079.72</b>	<b>76,296,536.77</b>	<b>3,565,498.22</b>	<b>19,682.00</b>	<b>348,068,028.75</b>
<b>Accumulated Depreciation</b>											
<b>As at 1/1/2023</b>	<b>789,775.70</b>	<b>67,608.33</b>	<b>358,517.18</b>	<b>6,022,991.11</b>	-	<b>495,105.79</b>	-	-	-	-	<b>49,636,736.15</b>
Depreciation Expense	104,460.74	13,300.00	64,596.59	715,561.03	214,660.42	76,048.61	-	-	-	-	19,323,211.03
Transfers / Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 12/31/2023</b>	<b>894,236.44</b>	<b>80,908.33</b>	<b>423,113.77</b>	<b>6,738,552.14</b>	<b>214,660.42</b>	<b>571,154.40</b>	-	-	-	-	<b>68,959,947.18</b>
Depreciation Expense	104,460.75	13,300.00	51,581.99	995,442.73	234,175.00	95,731.43	-	-	-	-	25,009,458.50
Transfers / Adjustments	-	-	-	-	-	-	-	-	-	-	(5,222,347.28)
<b>As at 12/31/2024</b>	<b>998,697.19</b>	<b>94,208.33</b>	<b>474,695.76</b>	<b>7,733,994.87</b>	<b>448,835.42</b>	<b>666,885.83</b>	-	-	-	-	<b>88,747,058.40</b>
Net Book Values											
<b>As at 12/31/2023</b>	<b>569,229.36</b>	<b>59,091.67</b>	<b>368,796.23</b>	<b>7,113,573.86</b>	<b>2,250,339.58</b>	<b>502,918.35</b>	<b>1,563,709.44</b>	<b>57,787,536.95</b>	<b>2,976,692.22</b>	<b>19,682.00</b>	<b>223,880,717.33</b>
<b>As at 12/31/2024</b>	<b>464,768.61</b>	<b>45,791.67</b>	<b>317,214.24</b>	<b>7,754,131.12</b>	<b>2,016,164.58</b>	<b>645,936.92</b>	<b>6,502,079.72</b>	<b>76,296,536.77</b>	<b>3,565,498.22</b>	<b>19,682.00</b>	<b>259,320,970.35</b>

## Note 9. Biological Assets

This account is composed of the following:

	<b>2024</b>	<b>2023</b>
Breeding Stocks	₱ 3,565,498.22	₱ 2,976,692.22
Plants and Trees	19,682.00	19,682.00
<b>Total Biological Assets</b>	<b>₱ 3,585,180.22</b>	<b>₱ 2,996,374.22</b>

## Note 10. Financial Liabilities

This account is composed of the following:

### *Current Financial Liabilities*

<b>Financial Liabilities</b>		
<b>Payables</b>		
Accounts Payable	₱ 2,582,643.18	₱ 6,918,234.38
Due to Officers and Employees	588,872.94	1,162,433.28
Loans Payable – Domestic	3,408,448.26	0.00
<b>Total Payables</b>	<b>6,579,964.38</b>	<b>8,080,667.66</b>
<b>Bills/Bonds/Loans Payable</b>		

### *Non-Current Financial Liabilities*

Loans Payable – Domestic	₱ 78,394,309.99	₱ 68,261,228.62
<b>Total Bills/Bonds/Loans Payable</b>	<b>78,394,309.99</b>	<b>68,261,228.62</b>

Trade payables are non-interest bearing and are normally settled on 60-days terms. The loan payable is interest-bearing and has a term of 180 months. Interest payable is normally settled monthly throughout the financial year.

The LGU has an outstanding Loans Payable amounting to ₱81,802,758.25, which was approved on April 30, 2021, with an approved amount of ₱97,891,148.32. This loan agreement was entered into between the LGU and the Development Bank of the Philippines and is used to finance the project "Design & Build of Multi-purpose Evacuation Center with Basic Facilities & Site Improvement." The loan is payable monthly for 180 months, or 15 years, with a 5.75% variable interest per annum, and will mature on June 02, 2037. The interest expense incurred and paid for the year amounts to ₱4,303,831.37. No payment of the principal amount was made during the year because the amortization of the principal will start in 2025.

**Note 11. Inter-Agency Payables**

This account is composed of the following:

	<b>2024</b>	<b>2023</b>
Due to BIR	₱ 1,324,711.17	₱ 632,785.27
Due to GSIS	275,555.76	1,101,872.38
Due to Pag-IBIG	115,260.34	135,166.04
Due to PhilHealth	519,967.59	234,061.60
Due to NGAs	29,876,166.56	868,633.16
Due to GOCCs	3,028.00	3,028.00
Due to LGUs	984,486.67	1,130,154.37
<b>Total Inter-Agency Payables</b>	<b>₱ 33,099,176.09</b>	<b>₱ 4,105,700.82</b>

The first four accounts represent amounts deducted from the salaries of officials and employees and are remitted to the respective government agencies immediately on the month following the month for which these were deducted, while the remaining accounts represent balances of funds received by the LGU for specific purposes.

Transfers from other government agencies represent funds received for specific projects undertaken by the LGU for specific purpose. These funds were received based on the project budgets submitted. Accordingly, the LGU 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 costs incurred for the project, as and when the phases of the project are certified as complete. The remaining conditions, 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 Memorandum of Agreements executed between the LGU and the proponent government agencies.

**Note 12. Intra – Agency Payables**

This account is composed of the following:

Due to Other Funds	₱ 2,551,550.59	₱ 5,265,577.24
<b>Total Intra – Agency Payables</b>	<b>₱ 2,551,550.59</b>	<b>₱ 5,265,577.24</b>

Due to Other Funds includes the one percent (1%) tax on real property, which is allotted by the Local Government Code to the local school boards or the Special Education Fund (SEF). It also includes the unexpended Local Disaster Risk Reduction Management Fund that is due to the Trust Fund.

### Note 13. Trust Liabilities

This account is composed of the following:

	<b>2024</b>	<b>2023</b>
Trust Liabilities	₱ 15,103,899.09	₱ 15,031,850.77
Trust Liabilities – Disaster Risk Reduction and Management Fund	9,762,256.14	9,456,072.74
Guaranty/Security Deposits Payable	867,798.21	818,982.86
<b>Total Trust Liabilities</b>	<b>₱ 25,733,953.44</b>	<b>₱ 25,306,906.37</b>

### Note 14. Deferred Credits/Unearned Income

This account is composed of the following:

#### *Current Deferred Credits/Unearned Income*

Deferred Real Property Tax	₱ 1,905,196.20	₱ 4,437,554.24
Deferred Special Education Tax	2,177,964.89	4,724,145.08
<b>Total Deferred Credits/Unearned Income</b>	<b>₱ 4,083,161.09</b>	<b>₱ 9,161,699.32</b>

### Note 15. Tax Revenue

This account is composed of the following:

<b>Tax Revenue – Individual and Corporation</b>		
Professional Tax	₱ 400.00	₱ -
Community Tax	287,685.47	325,359.45
<b>Total Tax Revenue – Individual and Corporation</b>	<b>288,085.47</b>	<b>325,359.45</b>
<b>Tax Revenue – Property</b>		
Real Property Tax – Basic	941,685.63	955,834.26
Discount on Real Property Tax – Basic	(125,794.63)	(129,370.30)
Special Education Tax	1,177,107.04	1,194,792.79
Discount on Special Education Tax	(157,243.24)	(161,712.89)
<b>Total Tax Revenue - Property</b>	<b>1,835,754.80</b>	<b>1,859,543.86</b>
<b>Tax Revenue – Goods and Services</b>		
Business Tax	4,298,487.48	3,689,251.34
Tax on Sand, Gravel & Other Quarry Products	236,323.20	106,950.00
<b>Total Tax Revenue - Goods and Services</b>	<b>4,534,810.68</b>	<b>3,796,201.34</b>
<b>Tax Revenue – Fines and Penalties</b>		

	<b>2024</b>	<b>2023</b>
Tax Revenue – Fines & Penalties – Property Taxes	172,769.52	143,399.30
<b>Total Tax Revenue – Fines and Penalties</b>	<b>172,769.52</b>	<b>143,399.30</b>
<b>Total Tax Revenue</b>	<b>₱ 6,831,420.47</b>	<b>₱ 6,124,503.95</b>

#### **Note 16. Share from National Taxes**

This account is composed of the following:

Share from Internal Revenue Collections (IRA)	₱ 113,724,894.00	₱ 107,028,576.00
<b>Total Share from National Taxes</b>	<b>₱ 113,724,894.00</b>	<b>₱ 107,028,576.00</b>

#### **Note 17. Service and Business Income**

This account is composed of the following:

<b>Service Income</b>		
Permit Fees	₱ 2,963,610.34	₱ 3,166,719.62
Registration Fees	18,231.00	24,395.00
Clearance and Certificate Fees	540,620.58	569,359.64
Occupation Fees	-	0.00
Fees for Sealing & Licensing of Weights & Measurements	5,290.00	6,655.00
<b>Total Service Income</b>	<b>3,527,751.92</b>	<b>3,767,129.26</b>
<b>Business Income</b>		
Waterworks System Fees	5,140,465.69	3,857,445.09
Receipt from Market Operations	1,499,332.75	1,688,656.00
Receipt from Cemetery Operations	94,800.00	74,080.00
Garbage Fees	190,520.00	172,817.00
Interest Income	74,181.07	75,387.70
Fines and Penalties – Business Income	617,517.76	363,421.18
<b>Total Business Income</b>	<b>7,616,817.27</b>	<b>6,231,806.97</b>
<b>Total Service and Business Income</b>	<b>₱ 11,144,569.19</b>	<b>₱ 9,998,936.23</b>

#### **Note 18. Other Income**

Miscellaneous Income	₱ 3,650,075.81	₱ 3,353,861.62
<b>Total Other Income</b>	<b>₱ 3,650,075.81</b>	<b>₱ 3,353,861.62</b>

**Note 19. Personnel Services**

This account is composed of the following:

	<u>2024</u>	<u>2023</u>
<b>Salaries and Wages</b>		
Salaries and Wages - Regular	₱ 29,348,815.87	₱ 25,307,046.90
Salaries and Wages – Casual/Contractual	2,734,059.55	2,858,876.31
<b>Total Salaries and Wages</b>	<b>32,082,875.42</b>	<b>28,165,923.21</b>
<b>Other Compensation</b>		
Personal Economic Relief Allowance (PERA)	2,239,272.73	2,263,454.55
Representation Allowance (RA)	1,623,737.50	1,424,062.50
Transportation Allowance (TA)	1,623,737.50	1,424,062.50
Clothing/Uniform Allowance	714,000.00	582,000.00
Subsistence Allowance	103,775.00	89,890.00
Laundry Allowance	14,130.65	9,668.16
Productivity Incentive Allowance	507,500.00	478,000.00
Honoraria	14,400.00	38,400.00
Hazard Pay	648,298.71	421,454.15
Overtime and Night Pay	268,720.53	385,352.63
Year End Bonus	2,823,073.05	2,293,155.00
Cash Gift	521,250.00	593,600.00
Other Bonuses and Allowances	4,596,831.00	4,257,615.00
<b>Total Other Compensation</b>	<b>15,856,726.67</b>	<b>14,260,714.49</b>
<b>Personnel Benefits Contributions</b>		
Retirement and Life Insurance Premiums	3,565,580.33	3,088,481.90
Pag-IBIG Contributions	240,900.00	113,100.00
PhilHealth Contributions	817,460.22	577,592.46
Employees Compensation Insurance Premiums	116,282.39	108,797.69
<b>Total Personnel Benefits Contributions</b>	<b>4,740,222.94</b>	<b>3,887,972.05</b>
<b>Other Personnel Benefits</b>		
Terminal Leave Benefits	575,616.34	2,410,849.19
Other Personnel Benefits	2,726,029.69	1,378,576.89
<b>Total Other Personnel Benefits</b>	<b>3,301,646.03</b>	<b>3,789,396.08</b>
<b>Total Personnel Benefits</b>	<b>₱ 55,981,471.06</b>	<b>₱ 50,104,035.83</b>

**Note 20. Maintenance and Other Operating Expenses (MOOE)**

This account is composed of the following:

<b>Traveling Expenses</b>		
Traveling Expenses - Local	₱ 2,686,579.11	₱ 2,581,043.50
<b>Total Traveling Expenses</b>	<b>2,686,579.11</b>	<b>2,581,043.50</b>

	<b>2024</b>	<b>2023</b>
<b>Training and Scholarship Expenses</b>		
Training Expenses	1,521,617.60	728,464.74
<b>Total Training and Scholarship Expenses</b>	<b>1,521,617.60</b>	<b>728,464.74</b>
<b>Supplies and Material Expenses</b>		
Office Supplies Expenses	512,689.69	617,976.74
Accountable Forms Expenses	672,870.00	1,110,484.00
Welfare Goods Expenses	-	20,053.82
Drugs and Medicines Expenses	1,886,749.40	3,294,839.39
Medical, Dental & Laboratory Supplies Expenses	427,380.00	836,529.92
Fuel, Oil and Lubricants Expenses	3,486,162.68	2,830,544.86
Agricultural and Marine Supplies Expenses	183,440.00	1,739,349.00
Other Supplies and Materials Expenses	3,641,600.61	2,725,646.02
<b>Total Supplies and Material Expenses</b>	<b>10,810,892.38</b>	<b>13,175,423.75</b>
<b>Utility Expenses</b>		
Electricity Expenses	3,360,949.35	3,503,075.19
<b>Total Utility Expenses</b>	<b>3,360,949.35</b>	<b>3,503,075.19</b>
<b>Communication Expenses</b>		
Postage and Courier Services	1,500.00	2,017.00
Internet Subscription Expenses	343,087.11	360,318.53
<b>Total Communication Expenses</b>	<b>344,587.11</b>	<b>362,335.33</b>
<b>Professional Services</b>		
Consultancy Services	720,000.00	720,000.00
Other Professional Services	292,200.00	281,500.00
<b>Total Professional Services</b>	<b>1,012,200.00</b>	<b>1,001,500.00</b>
<b>Repair and Maintenance -</b>		
Land Improvements	699,662.00	250,576.00
Infrastructure Assets	766,912.00	724,913.50
Buildings and Other Structures	295,038.50	534,665.50
Machinery and Equipment	126,759.48	37,282.00
Transportation Equipment	634,496.02	669,982.19
Furniture and Fixtures	-	6,369.00
<b>Total Repair and Maintenance</b>	<b>2,522,868.00</b>	<b>2,223,788.19</b>
Fidelity Bond Premiums	14,156.25	9,656.25
Insurance Expenses	61,117.09	96,615.18
<b>Total Taxes, Insurance Premiums, and Other Fees</b>	<b>75,273.34</b>	<b>106,271.43</b>
<b>Other Maintenance and Operating Expenses</b>		
Printing and Publication Expenses	10,440.24	-
Membership Dues and Contributions to Organization	-	200,000.00

	<b>2024</b>	<b>2023</b>
Other Maintenance and Operating Expenses	56,129,700.93	32,641,436.91
<b>Total Other Maintenance and Operating Expenses</b>	<b>56,140,141.17</b>	<b>32,841,436.91</b>
<b>Total Maintenance and Other Operating Expenses</b>	<b>₱ 78,475,108.06</b>	<b>₱ 56,523,339.24</b>

#### Note 21. Financial Expenses

Interest Expenses	₱ 1,072,430.05	₱ 964,712.20
Other Financial Charges	-	170,489.01
<b>Total Financial Expenses</b>	<b>₱ 1,072,430.05</b>	<b>₱ 1,135,201.21</b>

#### Note 22. Non – Cash Expenses

This account is composed of the following:

<b>Depreciation -</b>		
Land Improvements	₱ (692,806.56)	₱ 49,602.17
Infrastructure Assets	19,675,443.74	14,143,075.71
Building and Other Structures	(3,233,651.03)	1,458,388.80
Machinery and Equipment	2,712,775.91	2,665,874.29
Transportation Equipment	1,229,617.73	930,221.45
Furniture, Fixtures, and Books	95,731.43	76,048.61
Loss on Initial Recognition of Biological Assets	-	95,976.00
<b>Total Non – Cash Expenses</b>	<b>₱ 19,787,111.22</b>	<b>₱ 19,419,187.03</b>

#### Note 23. Transfers, Assistance, and Subsidy From

This account is composed of the following:

Subsidy from National Government	₱ 23,404,911.42	₱ 8,222,954.00
Subsidy from Local Government Units	249,135.00	199,961.00
Subsidy from Other Funds	5,443,277.06	-
<b>Total Transfers, Assistance, and Subsidy from</b>	<b>₱ 29,097,323.48</b>	<b>₱ 8,422,915.00</b>

**Note 24. Transfers, Assistance and Subsidy To**

This account is composed of the following:

	<b>2024</b>	<b>2023</b>
Subsidy to Other Funds	₱ 2,607,755.44	₱ 0.00
Transfers of unspent Current Year DRRM Funds to Trust Funds	2,460,033.84	2,107,380.40
<b>Total Transfers, Assistance and Subsidy to</b>	<b>₱ 5,067,789.28</b>	<b>₱ 2,107,380.40</b>

**Note 25. Reconciliation of Net Cash Flows from Operating Activities to Surplus (Deficit)**

<b>Surplus (Deficit)</b>	₱ 4,064,373.28	₱ 5,639,649.09
<b>Non-Cash Transactions</b>		
Depreciation	19,787,111.22	19,284,750.53
Amortization	29,016.06	38,460.50
Increase in Payables	127,080,248.58	52,689,369.14
Decrease in Payables	2,721,655.16	(61,710,435.36)
Increase in Receivables	(98,812,092.69)	(96,810.00)
Decrease in Receivables	(10,505,464.06)	-
Prior Period Adjustments	953,545.77	-
Non-Cash Adjustments	937,015.56	(5,007,872.10)
<b>Net Cash from Operating Activities</b>	<b>₱ 46,255,408.88</b>	<b>₱ 10,837,111.80</b>

**Note 26. Local Disaster Risk Reduction Management Fund (LDRRMF)**

The LDRRMF represents the amount set aside by the LGU to support its disaster risk management activities pursuant to RA No. 10121, otherwise known as the “Philippine Disaster Risk Reduction and Management Act of 2010.” The amount available and utilized during the year totaled **₱19,187,081.39** and **₱6,576,041.26**, respectively, broken down as follows:

Particulars	Amount		
	Available	Utilized	Balance
<b>Current Year Appropriation:</b>			
Quick Response Fund (QRF)	₱ 1,948,833.36	₱	₱ 1,948,833.36
Mitigation Fund (MF)			
MOOE	2,754,509.08	2,243,308.60	511,200.48
Capital Outlay	4,836,637.33	1,996,859.68	2,839,777.65
<b>Subtotal</b>	<b>9,539,979.77</b>	<b>4,240,168.28</b>	<b>5,299,811.49</b>
<b>Continuing Appropriation:</b>	<b>₱ 211,082.70</b>	<b>₱ 202,076.36</b>	<b>₱ 9,006.34</b>
<b>Special Trust Fund</b>			
CY 2023	₱ 2,087,326.58	₱ -	₱ 2,087,326.58

Particulars	Amount		
	Available	Utilized	Balance
CY 2022	3,018,287.60	-	3,018,287.60
CY 2021	1,241,827.04	-	1,241,827.04
CY 2020	935,787.92	-	935,787.92
CY 2019	48,768.16	29,775.00	18,993.16
CY 2018	1,831.53	1,831.53	-
CY 2014	686,250.33	686,250.33	-
CY 2013	1,415,939.76	1,415,939.76	-
<b>Subtotal</b>	<b>₱ 9,436,018.92</b>	<b>₱ 2,133,796.62</b>	<b>₱ 7,302,222.30</b>
<b>Total</b>	<b>₱ 19,187,081.39</b>	<b>₱ 6,576,041.26</b>	<b>₱ 12,611,040.13</b>

**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 those in the Consolidated Statement of Financial Performance for the Year - Ended December 31, 2024:

All Funds	Income	Personnel Services	MOOE	Financial Expenses	Capital Outlay
Comparison Statement of Budget & Actual	135,350,959.47	55,981,471.06	58,904,304.58	982,928.89	38,734,249.65
<b>Income not considered budget items</b>					
Non-cash income					
Gain on sale of asset					
<b>Budgetary items not considered as expenses</b>					
Budgetary items not considered as expenses			62,850.00		(38,734,249.65)
Budgetary items considered as expenses			(67,100.00)	89,501.16	
<b>Timing Differences</b>					
Prepayments from prior year recognized as expense in the current year			(27,911.16)		
Unconsumed Inventories charged to Current Appropriations			(4,051,081.78)		
<b>Per Statement of Financial Performance</b>	<b>135,350,959.47</b>	<b>55,981,471.06</b>	<b>54,821,061.64</b>	<b>1,072,430.05</b>	<b>0.00</b>

## **Note 28. Borrowing Cost**

All costs incurred in connection with borrowing are treated as expenses in the period in which they are incurred. However, borrowing costs (interest and fees) related to the construction of the project "**Design & Build of Multipurpose Evacuation Center with Basic Facilities and Site Improvement**" were capitalized as work in progress during the construction phase. The amount of borrowing cost (interest and fees) capitalized during the period amounted to **₱3,231,401.32**.

**PART II**  
**AUDITED OBSERVATIONS AND**  
**RECOMMENDATIONS**

## AUDIT OBSERVATIONS AND RECOMMENDATIONS

### FINANCIAL AUDIT

*Unreconciled difference of various PPE accounts - ₱72,894,810.00*

1. **The non-reconciliation of a net difference amounting to ₱72,894,810.00 between the General Ledger balance and the Report on the Physical Count of Property, Plant and Equipment (PPE), contrary to the guidelines and procedures in the One-Time Cleansing of PPE embodied in COA Circular No. 2020-006 dated January 31, 2020, rendered the balance of the PPE account as of December 31, 2024, with a gross amount of ₱113,077,252.99, unreliable and inaccurate.**

- 1.1 COA Circular No. 2020-006 dated January 31, 2020, prescribes the guidelines and procedures for inventory taking, recognition of those PPE items found at the station, and disposition of non-existing/missing PPE items for the one-time cleansing of PPE accounts of government agencies to establish PPE balances that are verifiable as to existence, condition and accountability.

- 1.2 The same circular provides the following guidelines, to wit:

- “5.1 Each government agency shall conduct a physical count of all its PPE, whether acquired through purchase or donation, including those constructed by the administration and found at the station.

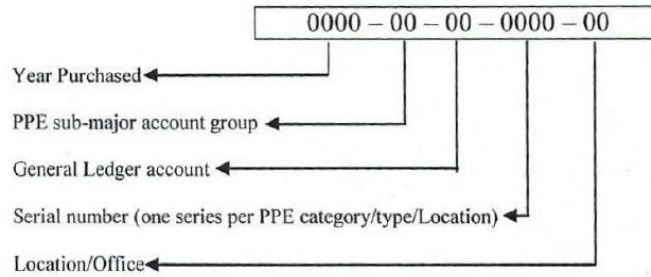
- 5.2 The Head of the Agency shall create an Inventory Committee composed of an adequate number of members to be able to complete the physical inventory in three months or less. The Inventory Committee shall have at least one member each from the Accounting and Property Divisions/Units of the agency.

- 5.3 The members of the Inventory Committee shall be temporarily relieved of all their regular duties to devote their full time to the conduct of the physical inventory taking until the same is completed.

- 5.4 The entire inventory taking shall be witnessed by the Commission on Audit (COA) Auditor. The Audit Team Leader and/or any of his/her audit team members may be assigned for the purpose.

- 5.5 The Head of the Agency may also require a representative from the agency's Audit Service/Unit to witness the inventory taking.

- 5.6 Each government agency shall adopt a uniform property identification system for PPE wherein a unique Property Number shall be assigned for each PPE item, using the following numbering system:



The codes for the PPE sub-major account group and General Ledger account correspond to those provided in the Revised Chart of Accounts prescribed under the Accounting Manuals of the respective Sectors (National, Local, and Corporate).

Additional digits may be used for serial numbers and location/office, as necessary.

5.7 For easy identification, the Property Number shall be prominently shown on the property sticker, in addition to the following vital information on the PPE item:

- a. Description of the property
- b. Model Number
- c. Serial Number
- d. Acquisition Date/Cost
- e. Person Accountable
- f. Space for the validation/signature of the Inventory Committee

5.8 The Inventory Committee shall be responsible for the actual count to ascertain the existence, completeness, and condition of all PPEs owned by the government agency.

5.9 In coordination with the Property Division/Unit, the Inventory Committee shall plan/strategize on how to conduct and complete the physical inventory within the prescribed period. It shall prepare a Physical Inventory Plan (PIP) containing, at the least, the specific assignments/duties of the Committee members, the cut-off date, and a schedule specifying the dates and locations of the inventory-taking activities from start-up to the targeted completion of the physical inventory.

5.10 The PIP shall be approved by the Head of the Agency.

5.11 The Inventory Committee shall submit the approved PIP to the COA Audit Team at least ten (10) calendar days before the scheduled start of inventory activities.

5.12 Property records shall be updated based on the results of the physical inventory and reconciled with accounting records to come up with the reconciled balances of PPE accounts to be considered as the correct balance of the agency's PPEs.”

- 1.3 The Statement of Financial Position as of December 31, 2023, reflected a total PPE account balance (gross) of ₱113,077,252.99, excluding land, infrastructure assets, and construction-in-progress. Compared with the Report on the Physical Count of PPE (RPCPPE), there was a net variance of ₱72,894,810.00, as shown in the table below:

<b>Account Name</b>	<b>Per GL (in ₱)</b>	<b>Per RPCPPE (in ₱)</b>	<b>Variance (in ₱)</b>
Land Improvements	7,930,024.64	0	0
Buildings and Other Structures	59,491,185.27	0	0
Machinery and Equipment	26,390,094.34	0	0
Transportation Equipment	17,953,125.99	0	0
Furniture, Fixtures, and Books	1,312,822.75		
<b>Total</b>	113,077,252.99	40,182,442.99	(72,894,810.00)

- 1.4 It can be gleaned from the table that after the physical inventory taking, the Inventory Committee did not reconcile the results of the count with the property and accounting records. Also, the Audit Team could not attribute the material discrepancy to specific PPE items because the Inventory Count Form (ICF) was not prepared per sub-major account group as required in Annex A of COA Circular 2020-006. The circular requires that the physical count be recorded and documented in a standard ICF, which shall be the basis for the preparation of the RPCPPE after the physical count. However, the PPE items in the ICF were classified per office. Thus, the PPE items in the RPCPPE submitted by the Municipal Treasurer were also grouped per office and not per sub-major account.
- 1.5 Furthermore, our interview with the Municipal Treasurer revealed that they have not prepared the PIP, which will assist the inventory committee in strategizing and planning how to conduct and complete the physical count within the prescribed period. The PIP will contain the specific assignments and duties of the committee members, the cut-off date, and a schedule specifying the dates and locations of the inventory-taking activities from the start-up to the targeted completion of the physical inventory.
- 1.6 In addition, our inquiry with the Municipal Accountant disclosed that they were unable to reconcile the accounting records and property records because the Municipal Treasurer had not completed the physical inventory of PPE at the time the financial statements were made.

- 1.7 Based on the foregoing, Management did not follow the general and procedural guidelines of COA Circular No. 2020-006 dated January 31, 2020, which aim to assist Management in implementing the one-time cleansing of PPE.
- 1.8 Discrepancies in the PPE account balances between the Statement of Financial Position and RPCPPE due to non-reconciliation rendered the balance of the PPE unreliable and inaccurate.
- 1.9 This observation was communicated to Management through Audit Observation Memorandum No. 2024-01(23) dated April 15, 2024.
- 1.10 **We recommended and Management agreed to direct the Inventory Committee to:**
  - a) **Prepare and submit the PIP to the COA Audit Team at least ten (10) calendar days before the start of the inventory activities;**
  - b) **Use the ICF prescribed in Annex A of COA Circular No. 2020-006 dated January 31, 2020; and**
  - c) **Reconcile the difference of ₱72,894,810.00 between the accounting and property records, and the result of the actual physical count pursuant to COA Circular No. 2020-006 dated January 31, 2020.**

*RPT and SET Receivables not established at the beginning of the year - ₱21,686,500.81*

2. **The Real Property Tax (RPT) and Special Education Tax (SET) Receivables were not established at the beginning of the year, contrary to Sections 19(b) and 20 of the New Government Accounting System (NGAS) Manual for Local Government Units (LGUs), Volume I, thus, understating the RPT and SET Receivables by ₱21,686,500.81.**
  - 2.1 Section 19 of the NGAS Manual for LGUSs, Volume I, requires the Modified accrual method of accounting to be used for real property taxes. At the beginning of the year, Real Property Tax Receivable and Special Education Tax Receivable must be established. This approach acknowledges the need to record in the books not just income estimates from real property taxes but also actual receivables from those taxes. However, to avoid appropriating uncollected revenues, which could lead to a significant cash overdraft, these amounts shall be credited to Deferred Real Property Taxes Income/Deferred Special Education Tax Income. Real Property Tax Income/Special Education Tax Income will be recognized upon receipt of collection.

- 2.2 Furthermore, Section 20 thereof provides that the Real Property Tax Receivables/Special Education Tax Receivables shall be established at the beginning of the year based on the Real Property Tax Account Register/Taxpayer’s index card. At the beginning of the year, the Treasurer shall furnish the Chief Accountant with a duly certified list showing the name of taxpayers and the amount due and collectible for the year. Based on the list, the Chief Accountant shall draw a Journal Entry Voucher (JEV) to record the debit to Real Property Tax Receivable/Special Education Tax Receivable and credit to the Deferred Real Property Tax Income/Deferred Special Education Tax Income.
- 2.3 Our review of the Certified List of Taxpayers and the Corresponding Amount Due and Demandable for CY 2024 showed a total taxable real property assessed value of ₱324,235,070.00 for the year. Hence, the total tax collectible for the current year for both Basic and Special Education Tax amounted to ₱3,242,350.70 each, or a total of ₱6,484,701.40.
- 2.4 However, an examination of the General Ledger and Schedules of Real Property Tax (RPT) and Special Education Tax (SET) Receivables, along with an inquiry with the Municipal Accountant, revealed that the RPT and SET Receivables totaling ₱6,484,701.40 were not established at the beginning of the year. Instead, the receivables from previous years were carried over to the current year, resulting in year-end balances of ₱1,905,196.20 and ₱2,177,964.89 for RPT and SET Receivables, respectively, totaling ₱4,083,161.09, as shown on the table below:

<b>Particular</b>	<b>Basic</b>	<b>SEF</b>	<b>Total</b>
Real Property Tax Receivable January 1, 2024	₱4,437,554.24	₱4,724,145.08	₱9,161,699.32
RPT Established at the Beginning of the Year	-	-	-
Real Property Tax Collected	(2,532,358.04)	(2,546,180.19)	(5,078,538.23)
<b>Real Property Tax Receivable, December 31, 2024</b>	<b>₱ 1,905,196.20</b>	<b>₱2,177,964.89</b>	<b>₱4,083,161.09</b>

- 2.5 A review of the List of Real Property Tax Delinquencies as of December 31, 2024, from the Municipal Treasurer disclosed a total collectible amount of ₱25,769,661.90. Hence, the RPT and SET Receivables are understated by ₱21,686,500.81.
- 2.6 Our interview with the Municipal Treasurer disclosed that they were unable to provide the Municipal Accountant with a copy of the Certified List of Taxpayers and the Corresponding Amount Due and Demandable for CY 2024. As a result, the Municipal Accountant did not establish the RPT Receivable at the beginning of the year.

- 2.7 Recording RPT and SET receivables is essential because they serve as references for decision-makers and financial statement users in determining the amounts still collectible and assessing the collection efficiency of the Municipal Treasurer. This information also enables the Local Chief Executive (LCE) to develop effective strategies to enhance RPT and collections. Additionally, it aids in reconciling records between the Treasurer, Assessor, and Accounting Offices.
- 2.8 Consequently, the financial statements did not accurately reflect the correct balances of the RPT/SET Receivables.
- 2.9 **We recommended and the Municipal Treasurer agreed to provide the Municipal Accountant with a copy of the RPT records for CY 2024 and prior years to establish the beginning balance for CY 2025. The Municipal Treasurer also agreed to henceforth, furnish the Municipal Accountant at the beginning of each year with a certified list of taxpayers with amounts due and collectible for the current year as their basis for recording the RPT and SET Receivables in compliance with Sections 19(b) and 20 of the NGAS Manual for LGUs, Volume 1.**

*Biological Assets' year-end balances were not reported at fair value less costs to sell - ₱3,311,219.14*

3. **Biological Assets totaling ₱3,311,219.14 as of December 31, 2024, were not reported at fair value less costs to sell, which is inconsistent with Paragraph 17 of International Public Sector Accounting Standards (IPSAS) 27, rendering the reported account in the financial statements unreliable.**
  - 3.1 Paragraph 16 of IPSAS 27 requires that a biological asset be measured at its fair value less costs to sell upon initial recognition and at each reporting date. Furthermore, paragraph 30 of the same IPSAS states that a gain or loss arising on initial recognition of a biological asset at fair value less costs to sell as well as from a change in fair value less costs to sell of a biological asset shall be included in surplus or deficit for the period in which it arises.
  - 3.2 In relation to this, COA Circular No. 2016-004 dated September 30, 2016, provides guidelines for the preparation of financial statements in line with the adoption of the International Public Sector Accounting Standards (IPSAS) by Local Government Units (LGUs). Section 4.5 of the circular specifies that the Municipal Agriculturist is responsible for providing the Municipal Accountant with an inventory of breeding stocks and other biological assets, along with the prevailing market price for each item as of the reporting date and information on the prevailing costs to sell these biological assets.
  - 3.3 However, our examination of the General Ledger and the Schedule of Biological Assets as of December 31, 2024, revealed the following Biological Assets purchased by the Municipality on various dates were still recorded at acquisition cost:

<b>Biological Assets</b>	<b>Acquisition Date</b>	<b>Acquisition Cost</b>
Piglets	2006 and prior years	<b>₱</b> 63,400.00
Cattles	2019	989,934.00
Carabaos	July 8, 2021	987,555.14
Goats	11/04/2022	299,900.00
Cattles	08/16/2022	477,600.00
Sheep	12/27/2024	492,830.00
<b>Total</b>		<b>₱3,311,219.14</b>

- 3.4 Our interview with the Municipal Accountant revealed that the piglets acquired by the Municipality costing ₱63,400.00 have been recorded in the books since CY 2006. He stated there were no available records to ascertain the whereabouts and condition of these animals.
- 3.5 The Municipal Accountant further explained that the reported amounts for the cattle, carabaos, and goats purchased from 2019 to 2022 were based on the physical inventory report submitted by the Municipal Agriculturist. Our review of this inventory report on Biological Assets revealed that the fair market prices for the biological assets purchased during this period were recorded at their cost at the time of purchase.
- 3.6 The Municipal Agriculturist explained that the prices for the cattle, carabaos, and goats were still recorded at their acquisition cost because an auction market for these animals could not be found. She further mentioned that these assets were dispersed to various beneficiaries and were not intended for sale, leading her to believe that fair values less costs to sell were not necessary. However, she assured the Audit Team that they would determine the fair values less costs to sell of the biological assets in 2025.
- 3.7 Since the Biological Assets were not reported at fair value less costs to sell, the reported amounts in the financial statements were unreliable.
- 3.8 **We recommended and the Municipal Agriculturist agreed to provide the Municipal Accountant with an inventory of biological assets, along with the prevailing market price for each item as of the reporting date and information on the prevailing cost to sell these biological assets.**

*Non-preparation of JEVs for book reconciling items in the BRS - ₱1,314,220.44*

4. **The Municipal Accountant did not prepare Journal Entry Vouchers (JEV) for book reconciling items in the Bank Reconciliation Statements (BRS) totaling ₱1,314,220.44, contrary to Item 3.3 of COA Circular No. 96-011 dated October 2, 1996, resulting in an understatement of both the Cash in Bank and Liability accounts by the same amount.**

- 4.1 COA Circular No. 96-011 dated October 2, 1996, provides guidelines on the preparation of the BRS. Item 3.3 of the circular requires the accountant to draw journal vouchers to record all valid reconciling items that require adjustment and correction in the General Ledger (GL).
- 4.2 Our review of the BRS for the month of December 2024 disclosed a total outstanding checks of ₱5,982,103.39. However, our verification of the outstanding checks based on the records of the Municipal Treasurer’s Office indicated that out of the ₱5,982,103.39, ₱291,181.58 were released to the payees in January 2025 while ₱1,023,038.86 remained unreleased as of February 20, 2025. Presented below are the details of these checks:

<b>Date</b>	<b>Check No.</b>	<b>DV No.</b>	<b>Amount</b>	<b>Actual Date Released</b>
12/27/2024	95231927	100-24-12-1647	₱ 2,600.00	1/7/2025
12/27/2024	95231928	100-24-12-1648	2,200.00	1/7/2025
12/27/2024	95231954	100-24-12-1660	35,491.07	1/22/2025
12/27/2024	95231955	100-24-12-1634	35,085.55	1/10/2025
12/27/2024	95231958	100-24-12-1665	15,394.61	1/6/2025
12/27/2024	95231960	100-24-12-1666	7,003.57	1/15/2025
12/27/2024	95231962	100-24-12-1667	3,501.78	1/15/2025
12/27/2024	95231969	100-24-12-1673	189,905.00	1/17/2025
<b>Subtotal</b>			<b>291,181.58</b>	
12/27/2024	95231956	100-24-12-1658	71,904.00	UNRELEASE
12/27/2024	95231957	100-24-12-1659	28,776.00	UNRELEASE
12/27/2024	95231964	100-24-12-1640	232,793.04	UNRELEASE
12/27/2024	95231971	100-24-12-1591	466,428.39	UNRELEASE
12/27/2024	95231972	100-24-12-1676	141,538.39	UNRELEASE
12/27/2024	95231975	100-24-12-1675	81,599.04	UNRELEASE
<b>Subtotal</b>			<b>1,023,038.86</b>	
<b>TOTAL</b>			<b>₱ 1,314,220.44</b>	

- 4.3 As shown in the table above, the total checks amounting to ₱1,314,220.44 should not have been classified as outstanding checks, as they had not been released to the payees as of December 31, 2024. Instead, these checks should be added to the unadjusted balance per book in the Bank Reconciliation Statement (BRS). Consequently, adjusting journal entries should be made to debit the Cash in Bank account and credit the appropriate liability account.
- 4.4 An interview with the Municipal Accountant revealed that he recorded the checks totaling ₱1,314,220.44 because these were dated December 27, 2024, even though the checks were not released yet as of December 31, 2024. However, this practice was contrary to the check disbursement process prescribed in the New Government Accounting System (NGAS) Manual for Local Government Units (LGU), Volume I. Section 44 of the NGAS Manual requires that the accountant

prepare the JEV only after receiving the Report of Check Issued (RCI) together with the DVs and supporting documents. He shall then record JEV in the Check Disbursements Journal.

- 4.5 As a result of the foregoing, the recorded unreleased checks of ₱1,314,220.44 understated the Cash in Bank and Liability accounts by the same amount.
- 4.6 **We recommended and the Municipal Accountant agreed to prepare JEVs for valid reconciling items that require adjustment and correction in the GL, in accordance with COA Circular No. 96-011 dated October 2, 1996.**
- 4.7 **We further recommended and the Municipal Accountant agreed to follow the check disbursement process prescribed in Section 44 of the NGAS Manual for LGUs, Volume I, to ensure that the JEVs are prepared and recorded based on the RCI, together with the DVs and supporting documents received from the Municipal Treasurer’s Office.**

*Stale checks still recorded as reconciling items - ₱198,161.51*

- 5. **Stale checks amounting to ₱198,161.51 are still recorded as reconciling items in the Bank Reconciliation Statements (BRS), which contradicts Section 59 of the New Government Accounting System (NGAS) Manual for LGUs, Volume I, resulting in an understatement of the Cash in Bank - Local Currency, Current Account balance by the same amount.**

- 5.1 Section 59 of the NGAS Manual for LGUs, Volume I, provides that checks may be canceled when they become spoiled or stale. It is stale if it has been outstanding for over six months from the date of issue or as prescribed by the depository bank. At least one month before a check becomes stale, the Treasurer shall send a written notice to the payee of the existence of the check.
- 5.2 Our verification of the Bank Reconciliation Statement (BRS) as of December 31, 2024, revealed that six checks, totaling ₱198,161.51, have remained outstanding for more than 10 to 72 months since their issuance date. These checks remained listed as reconciling items in the bank reconciliation statement as of year-end and are presented below:

	<b>Fund</b>	<b>Check Number</b>	<b>Date</b>	<b>Amount</b>	<b>No. of Months Outstanding</b>
1	General	74602849	01/01/2021	₱ 5,279.06	48
2	General	80749396	12/20/2022	3,000.00	24
3	General	90118425	03/08/2024	169,238.94	10
4	Trust	309	12/29/2018	5,000.00	72
5	Trust	382	06/30/2020	10,779.25	54
6	Trust	80750219	09/30/2023	4,864.26	15
<b>Total</b>				<b>₱ 198,161.51</b>	

- 5.3 Issued and released checks must be presented to depository banks within six months from the issuance date. If they are not presented, they cannot be accepted for encashment and are considered no longer negotiable instruments. However, creditors holding stale checks can receive a new check by submitting the spoiled or stale check to the Treasurer. The canceled check should be reported and attached to the Report of Checks Issued (RCI) for the period of cancellation. The replacement check must also be reported in the RCI.
- 5.4 Our interview with the Municipal Treasurer revealed that she did not send written notices to the payees at least one month before their checks became stale. Additionally, the Municipal Accountant admitted to overlooking these stale checks, which led to their continued inclusion as outstanding checks and reconciling items.
- 5.5 The non-cancellation of stale checks resulted in an understatement of the Cash in Bank - Local Currency, Current Account balance by ₱198,161.51.
- 5.6 **We recommended and the Municipal Accountant agreed to make the necessary adjusting entries to account for the stale checks.**
- 5.7 **We also recommended and the Municipal Accountant agreed to conduct a thorough review and analysis of the list of outstanding checks and regularly prepare the Journal Entry Voucher for the cancellation of stale checks to reflect the correct monthly balances of the Cash in Bank accounts.**
- 5.8 **Furthermore, we recommended and the Municipal Treasurer agreed to regularly send a written notice to the payee informing him of the check's existence at least one month before it becomes stale.**

*Erroneous recording of expense accounts – ₱170,215.00*

6. **Expenses for garbage collection and disposal totaling ₱170,215.00 were erroneously recorded under the Repairs and Maintenance- Land Improvements account instead of the “Environment/Sanitary Services” account, contrary to COA Circular No. 2015-009 dated December 1, 2015, resulting in an understatement of the “Environment/Sanitary Services” account and an overstatement of the “Repairs and Maintenance – Land Improvement” account by the same amount.**
  - 6.1 COA Circular No. 2015-009 dated December 1, 2015, prescribes the revised chart of accounts for local government units (LGUs). Item 4.1 thereof requires that LGUs record their financial transactions in accordance with the Chart of Accounts prescribed herein, effective January 1, 2015.
  - 6.2 Annex B of the abovementioned Circular provides the following account descriptions:

1. **Repairs and Maintenance – Land Improvements.** This account is used to record the cost of repairs and maintenance on Aquaculture structures and other land improvements constructed/ acquired/ developed for public use.
2. **Environment/Sanitary Services.** This account is used to record the cost of services contracted/undertaken by administration for the upkeep and sanitation of the public places. This includes the cost of clean and green program, garbage and hospital waste collection and disposal.

- 6.3 Our verification of the Disbursement Vouchers (DVs) revealed that in CY 2024, the Municipality paid the LGU of Bayawan City a total of ₱170,215.00 as a tipping fee. A review of the Memorandum of Agreement between the Municipality of San Jose and the City of Bayawan showed that this payment is a requirement for the disposal of the Municipality’s solid waste at Bayawan City’s Sanitary Landfill. Therefore, the tipping fee should be recorded under the “Environment/Sanitary Services” account as it pertains to the cost of garbage disposal.
- 6.4 However, our review of the Journal Entry Vouchers (JEVs) revealed that the payment of tipping fees for garbage disposal was incorrectly recorded under “Repair and Maintenance - Land Improvements” account instead of the “Environment/Sanitary Services” account, as shown in the table below:

<b>Date</b>	<b>JEV #</b>	<b>Particulars</b>	<b>Appropriate Account</b>	<b>Amount</b>
02/06/24	100-24-02-05	Tipping Fee for garbage disposal for January 24, 26 and 31, 2024	Environment/Sanitary Services	₱ 13,205.00
03/01/22	100-24-03-09	Tipping Fee for garbage disposal for February 2, 7, 21 and 28, 2024	Environment/Sanitary Services	16,985.00
		Tipping Fee for garbage disposal for the Month of June 2024	Environment/Sanitary Services	140,025.00
<b>Total Donations</b>				<b>₱170,215.00</b>

- 6.5 Our interview with the Municipal Accountant revealed that he recorded the payment of the tipping fee for garbage disposal under "Repair and Maintenance" because it was funded by the 20% Development Fund allocated for the Rehabilitation of the Residual Containment Area.
- 6.6 The above misclassification of expenses contradicts COA Circular No. 2015-009, dated December 1, 2015. As a result, the “Environment/Sanitary Services” account was understated, while the “Repairs and Maintenance – Land Improvement” account was overstated by the same amount.
- 6.7 **We recommended and the Municipal Accountant agreed to use the appropriate account prescribed in COA Circular No. 2015-009, dated December 1, 2015, for garbage collection and disposal.**

*Late submission of year-end financial statements*

**7. The Municipal Accountant was unable to submit the year-end financial statements (FS) of the Municipality for CY 2024 within the prescribed period, contrary to Section 41(2) of PD No. 1445 and Section 4.1 of COA Circular No. 2010-01 dated March 2, 2010, thus preventing municipal officials concerned from utilizing timely financial information, which is essential for making informed decisions.**

- 7.1 Section 41(2) of Presidential Decree (PD) No. 1445, or the Government Auditing Code of the Philippines, provides that the chief accountant or the official in charge of keeping the accounts of a government agency shall submit to the Commission year-end trial balances and such other supporting or subsidiary statements as may be required by the Commission not later than the fourteenth day of February.
- 7.2 Moreover, the same provision is found in Section 4.1 of COA Circular No. 2010-01 dated March 2, 2010, which states that the accountant shall submit the year-end FS and schedules to the auditor on or before February 14 of each year. This amends the provisions in Section 3.1 of COA Accounting Circular Letter No. 2007-002 dated January 19, 2007, which provides that year-end FS shall be submitted within 60 days after December 31 of each year.
- 7.3 Consistent with the adoption of the Philippine Sector Accounting Standards (PPSAS) in the LGUs, Section 3.4 of COA Circular 2016-004 dated September 30, 2016, prescribed the presentation of the financial statements as follows:
  - a. Statement of Financial Position;
  - b. Statement of Financial Performance;
  - c. Statement of Changes in Net Assets/Equity;
  - d. Cash Flow Statement;
  - e. Comparison Statement of Budget and Actual Amounts (SCBAA); and
  - f. Notes to Financial Statements.
- 7.4 On January 22, 2025, the Audit Team requested the submission of the FS, including schedules of subsidiary ledger balances of the controlling accounts in the general ledger (GL) as of December 31, 2024. However, the Municipal Accountant did not comply.
- 7.5 Due to the non-submission of the financial statements on February 14, 2025, we issued a demand letter on February 17, 2025, requesting that the Municipal Accountant promptly submit the year-end financial statements. On March 3, 2025, the Municipal Accountant submitted the completed FS and trial balances.
- 7.6 Our interview with the Municipal Accountant disclosed that the delayed preparation and submission of the FS was due to the large volume of transactions in the last quarter of 2024. He said that with more transactions, there's a significant increase in the amount of data that must be entered and processed.

This can be time-consuming, especially if done manually. He further added that using a manual accounting system can significantly slow down the process. Manual systems are less efficient than automated ones, leading to delays in data entry, processing, and report generation.

- 7.7 The delayed submission of the FS hindered timely audits and reviews, the outcomes of which are necessary for Management to make informed decisions in their daily operations. Also, the late submission of the FS affected their usefulness in providing relevant and timely information vital to decision-making by Management and higher authorities.
- 7.8 **We recommended and the Municipal Accountant agreed to improve the processes within the accounting office to streamline the preparation and timely submission of the required financial reports to the Audit Team.**
- 7.9 **Additionally, we recommended and the Municipal Accountant considered the implementation of the Electronic New Government Accounting System (eNGAS) to automate manual accounting processes and facilitate the timely preparation of Financial Statements.**

## COMPLIANCE AUDIT

### *Low collection of delinquent real property taxes*

8. **The Municipality did not follow the procedure prescribed in Section 254 of Republic Act (R.A) No. 7160, which led to a low collection of delinquent real property taxes (RPT) amounting to ₱25,770,471.90 as of December 31, 2024. Consequently, the Municipality risks losing potential revenue that could be used to finance development projects, programs, and activities (PPAs).**
  - 8.1 Section 254 of R.A No. 7160, also known as the Local Government Code, provides that when the real property tax or any other tax imposed under this code becomes delinquent, the provincial, city or municipal treasurer must immediately ensure that a notice of the delinquency is posted at the main entrance of the provincial capitol, or city or municipal hall and in a publicly accessible and conspicuous place in each barangay of the local government unit concerned. The notice of delinquency must also be published once a week for two consecutive weeks, in a newspaper of general circulation in the province, city, or municipality.
  - 8.2 It further states that the notice must specify the date on which the tax became delinquent and indicate that personal property may be distrained to effect payment. Additionally, it shall state that at any time before the distraint of personal property, the payment of the tax, along with surcharges, interests, and penalties, may be made in accordance with the following section. Unless the tax, surcharges and penalties are paid before the expiration of the year for which the tax is due, except when the notice of assessment or special levy is contested

administratively or judicially pursuant to the provisions of Chapter 3, Title II, Book II of this Code, the delinquent real property will be sold at public auction, and the title to the property will be vested in the purchaser, subject, however, to the right of the delinquent owner of the property or any person having legal interest therein to redeem the property within one (1) year from the date of sale.

- 8.3 Our review of the Certified List of All Real Property Tax Delinquencies as of December 31, 2024, indicated that delinquencies had increased from CY 2021 to CY 2024, as shown on the table below:

Year	Delinquent Taxes	Percentage of Increase from Previous Year
2021	₱33,399,344.76	-
2022	₱36,719,789.11	9.94%
2023	₱40,038,655.50	9.04%
2024	₱43,097,848.82	7.64%

- 8.4 The table above includes amounts dating back to CY 1980, allowing corresponding penalties and charges to continue accruing. An inquiry with the Municipal Treasurer disclosed that notices were sent to the property owners to enhance the collection of tax delinquencies. During the four-year period, the following notices were sent:

Year	No. of Notices Issued	Amount
2021	48	₱ 2,077,253.20
2022	44	₱ 984,004.96
2023	80	₱ 2,404,263.56
2024	89	₱ 4,144,150.18

- 8.5 In addition to sending the notices above, the Municipal Treasurer conducted an information drive for taxpayers to take advantage of the RPT Amnesty Program provided under Section 30 of R.A. No. 12001, which offers relief from penalties, surcharges, and interest on all unpaid real property taxes, including SEF, and other special levy taxes, prior to the Act. However, despite the effort to send the notices of delinquency, the Municipality collected only an average of 10.09% out of the ₱9,609,671.90 collectibles for the four-year period ended December 31, 2024, as shown on the table below:

Year	No. of Notices Issued	Amount		Percentage of Collection
		Due	Collection	
2021	48	2,077,253.20	₱ 474,034.78	22.82%
2022	44	984,004.96	63,730.44	6.48%
2023	80	2,404,263.56	79,463.74	3.31%
2024	89	4,144,150.18	321,200.04	7.75%
<b>TOTAL</b>		<b>9,609,671.90</b>	<b>₱ 938,429.00</b>	<b>10.09%%</b>

- 8.6 In an interview, the Municipal Treasurer disclosed that they recently failed to post the notice of delinquency as required under Section 254 of R.A. No. 7160 at the main entrance of the municipal hall and in publicly accessible and conspicuous places in each barangay of the Municipality. She explained that she had discussed with the Municipal Assessor the need to cleanse and inventory real properties to cancel or avoid duplication of non-existent buildings. She emphasized that tax mapping is essential because some delinquent taxpayers feel ashamed if their names are posted in public places. Therefore, the Municipality is cautious when posting notices, ensuring that the subject property actually exists.
- 8.7 As a result of the foregoing, the collection of delinquent RPT was low; thus, the Municipality risks losing potential revenues that could be used to finance development PPAs.
- 8.8 **We recommended and the Municipal Treasurer and Municipal Assessor agreed to conduct tax mapping to cleanse their records of real properties and post the Notice of Delinquency in the Payment of RPT pursuant to Section 254 of R.A 7160.**
- 8.9 **We further recommended and Management agreed that, after the Notice of Delinquency in the Payment of RPT is posted, the Municipality avail itself of the remedies provided under R.A. No. 7160 to collect delinquent taxes.**

*Renting venues outside the Municipality's official station or territorial jurisdiction for training and planning activities*

9. **A total of ₱880,000.00 was spent on renting venues outside the Municipality's official station or territorial jurisdiction for training and planning activities, contrary to the Department of the Interior and Local Government (DILG) Memorandum Circular (MC) No. 2011-059 dated April 25, 2011, resulting in the uneconomical use of scarce government financial resources.**
- 9.1 DILG MC No. 2011-059 dated April 25, 2011, provides guidelines on training, seminars, workshops, or similar activities organized or funded by Local Government Units (LGU). According to the MC, conducting trainings, seminars, workshops, or similar activities in places outside the LGU's official station or territorial jurisdictions affects its ability to finance desirable development programs or projects. It limits the capacity of the LGU to fulfill its constitutional mandate to provide a quality life for all. Hence, the MC strongly discourages conducting the aforementioned training, seminar, workshop, or similar activity outside the official station or territorial jurisdiction of the LGU. Additionally, the MC reminds LGU officials to take full cognizance of their principal responsibility and accountability regarding the prudent use of scarce financial resources.

9.2 Our post-audit of the following Disbursement Vouchers (DVs) revealed that the Municipality spent a total of ₱880,000.00 on the rental of venues for training and planning activities:

<b>DV #</b>	<b>Particulars</b>	<b>Amount</b>
100-24-07-805	Rental of Venue for Training on Public Service Continuity Planning (PSCP) on June 25-28, 2024 at Cebu City	₱410,000.00
100-24-11-1475	Rental of Venue for Contingency Planning and Enhancement of Local Council for the Protection of Children (LCPC) on September 16-20, 2024 at Cebu City	470,000.00
<b>Total</b>		<b>₱880,000.00</b>

9.3 Our verification of the supporting documents, including the activity designs, pictures, and attendance sheets, revealed that the training on PSCP and Contingency Planning was organized by the Municipality and attended by its officials and employees. Furthermore, a review of the official receipts, statements of accounts, and purchase orders disclosed that the said training and planning activities were held in various hotels in Cebu City, which were outside the official station or territorial jurisdiction of the Municipality, contrary to DILG MC No. 2011-059 dated April 25, 2011. These expenses were charged under the Local Disaster Risk Reduction and Management Fund (LDRRMF) and the 1% LCPC fund.

9.4 Additionally, we observed that during the PSCP training held in Cebu City, from June 25 to 28, 2024, under DV No. 100-24-07-805, the attendance varied from the 40 participants guaranteed in the Contract Agreement. Specifically, 38 participants attended on June 25 and 26, 30 participants on June 27, and 31 participants on June 28. Moreover, we noted in a letter from the Officer-in-Charge (OIC) of the Office of the Civil Defense (OCD) Region VII, dated February 19, 2024, addressed to the Local Chief Executive (LCE), that the PSCP training was scheduled for June 25 to 28, 2024 in Negros Oriental, not in Cebu City.

9.5 Examination of the attendance sheets under DV No. 100-24-11-1475 showed that only 34 participants were present on the actual days of the Contingency Planning and Enhancement of LCPC from September 16 to 20, 2024 in Cebu City. In a justification letter prepared by the Local Disaster Risk Reduction and Management Officer (LDRRMO) and noted by the LCE, it was mentioned that the reduced attendance was primarily due to conflicts in the schedules of participants who were ordered by the LCE to attend necessary work activities related to their professional activities.

9.6 The practice of conducting training and planning activities outside the official station or territorial jurisdiction has resulted in inefficient use of limited government financial resources. The Municipality could have reduced costs by eliminating transportation expenses and opting for lower venue rates if the activities were held within the Municipality or nearby towns.

9.7 **We recommended and Management agreed to:**

- a) **Ensure that all future training and planning activities take place within the Municipality's official station or territorial jurisdiction, as stipulated by DILG Memorandum Circular No. 2011-059, thereby reducing unnecessary expenses and ensuring compliance with regulations.**
- b) **Choose venues within the Municipality or nearby towns to reduce costs associated with transportation and venue rental.**
- c) **Implement improved scheduling and communication strategies to ensure higher attendance rates for training and planning activities, such as coordinating with participants well in advance to avoid conflicts with their professional duties.**
- d) **Conduct a cost-benefit analysis before approving any training or planning activities outside the Municipality to facilitate informed decisions that align with the Municipality's financial constraints and priorities.**

*Expenses not related to DRRM Funds*

**10. Expenses totaling ₱74,081.00 for food and meals provided to responders at the Local Disaster Risk Reduction and Management Office (LDRRMO) during their 24/7 operations were charged to the Local Disaster Risk Reduction and Management Fund (LDRRMF), contrary to Item 5.0 of the NDRRMC, DBM, and DILG Joint Memorandum Circular No. 2013-1 issued on March 25, 2013, thereby reducing the funds allocated for disaster risk reduction and management activities.**

10.1 Item 5.0 of NDRRMC-DBM-DILG JMC No. 2013-1 dated March 25, 2013, provides that the LDRRMF can be utilized for projects, programs and/or activities for disaster prevention and mitigation, preparedness, response, rehabilitation and recovery. The LDRRMF can also be used to acquire equipment for disaster response and rescue activities.

10.2 However, our post-audit of Disbursement Voucher (DV) No. 100-24-10-1357 revealed that the Municipality spent a total of ₱74,081.00 on food and meals for the responders in the LDRRMO during their 24/7 operations. A review of the sales invoice and delivery receipt indicated that the following food supplies were received on April 4, 2024:

Description	Unit	Qty.	Unit Cost	Amount
Bottled Water	Bottle	422	20.00	₱ 8,440.00
Assorted Biscuits	Pack	100	140.00	14,000.00
Rice (25 kilos)	Sack	4	1,254.00	5,016.00
Cup Noodles	Piece	250	36.00	9,000.00
Egg	Tray	50	280.00	14,000.00
Plastic Cups	Set	27	50.00	1,350.00
Plastic Spoon and Fork	Set	27	75	2,025.00
Coffee 3 in 1	Pack	50	230.00	11,500.00
Canned Sardines	Piece	50	59.00	2,950.00
Canned Tuna	Piece	50	58.00	2,900.00
Canned Beef	Piece	50	58.00	2,900.00
<b>Total</b>				<b>₱ 74,081.00</b>

- 10.3 However, further examination of the supporting documents revealed that the Municipality was not in a State of Calamity during this period. Our interview with the Local Disaster Risk Reduction and Management Officer indicated that the food supplies were consumed by the responders during their 24/7 operations. He explained that the LDRRMO provided food and meals since some responders work for 24 hours straight. Nonetheless, he added that the LDRRMO no longer charged the 2025 LDRRMF for food and meals for their responders during their 24/7 operations.
- 10.4 Management is reminded that the law treats the LDRRMF as a specific fund intended solely for designated purposes. Charging food and meals for responders during their daily operations to the LDRRMF reduces the funds available for disaster risk reduction and management purposes, thereby defeating the main purpose for which the fund was created.
- 10.5 **We recommended and the LDRRMO agreed to utilize the LDRRMF in accordance with NDRRMC, DBM, and DILG Joint Memorandum Circular No. 2013-01 dated March 25, 2013, to strengthen the capacity of the LGU to avoid or mitigate the adverse effects of disasters or calamities.**

*Non-compliance with Item 6.1 of DepED, DBM and DILG Joint Circular No. 1, Series of 2017 on monitoring, transparency, and accountability in the allocation and utilization of the SEF*

- 11. The Municipality did not comply with Item 6.1 of DepED, DBM and DILG Joint Circular No. 1, Series of 2017, due to the various deficiencies noted, hindering effective monitoring, transparency and accountability in the allocation and utilization of the Special Education Fund (SEF).**

- 11.1 The Department of Education (DepEd), Department of Budget and Management (DBM), and the Department of the Interior and Local Government (DILG) issued Joint Circular (JC) No. 1, series of 2017 dated January 19, 2017, to revise the guidelines on the use of the SEF. Item 6.1 of the JC guidelines on monitoring, transparency, and accountability in the utilization of the SEF.
- 11.2 Our audit of the allocation and utilization of the SEF in CY 2024 revealed that the Municipality was not in compliance with Item 6.1 of the JC due to the following deficiencies:
- a) The Local School Board (LSB) did not provide the Municipal Budget Officer, Municipal Accountant, and Municipal Treasurer with a copy of the approved SEF Budget within seven (7) days after its approval.**
- 11.3 Item 6.1 of the Joint Circular mandates that, within seven (7) days after the approval of the SEF Budget, the LSB shall provide the Municipal Budget Officer, Municipal Accountant, and Municipal Treasurer with a copy of the approved SEF Budget. This document serves as the basis for disbursements, certification of fund availability, and record-keeping purposes.
- 11.4 Our review of the SEF Budget confirmed that it was approved by the LSB on November 29, 2023. Hence, the Municipal Budget Officer, Municipal Accountant, and Municipal Treasurer had to receive the approved SEF Budget by December 7, 2023. However, a request made on February 21, 2025, to the Office of the LSB Vice Chairperson for a copy of the SEF Budget, stamped as "received" by the aforementioned offices, revealed that no such copies exist. This lack of documentation prevents us from verifying the date of receipt by the intended recipients. Nonetheless, the LSB Vice Chairperson explained that, upon approval by the LSB, copies are immediately provided to the recipients due to the closeness of their offices, without requiring them to formally acknowledge receipt.
- 11.5 Having documents stamped as "received" by the recipients serves as a form of acknowledgment, ensures accountability, tracks delivery timelines, and mitigates disputes regarding receipt. Additionally, it allows verification of compliance with relevant regulatory and procedural requirements, such as Section 6.1 of DepEd-DBM-DILG Joint Circular No. 1, s. 2017, which aims to promote transparency and accountability on the allocation of the SEF Budget.
- b) The LSB was unable to submit the quarterly and annual reports on SEF utilization to the DepEd Central Office (CO) through the appropriate channels, with copies furnished to the local sanggunian, as well as to the Regional Offices of the DBM and DILG.**

- 11.6 Item 6.1 of the Joint Circular also provides that the LSB must submit quarterly and annual reports on SEF utilization using the SEF Budget Accountability Form No. 1. These reports, prepared by the Municipal Accountant, must be submitted to the DepEd Central Office (CO) through appropriate channels, with copies furnished the local sanggunian, as well as the Regional Offices of the DBM and DILG. Quarterly reports should be submitted not later than the 20<sup>th</sup> day after the end of the quarter. Annual reports should be submitted not later than the 15<sup>th</sup> day of February of the following year.
- 11.7 An interview with the Vice-Chairperson of the LSB revealed that, in CY 2024, no copies of the Quarterly and Annual Reports were submitted to the DepEd Central Office. Additionally, the concerned local sanggunian and the DBM and DILG Regional Offices did not receive these reports.
- 11.8 The person responsible for submissions noted that, in the past, reports were sent through a group chat on Messenger to the Division focal person. However, for CY 2024, there has been no request for submissions from the focal person. Additionally, the LSB Vice-Chairperson acknowledged that the provisions had been overlooked due to their multiple responsibilities but promised to ensure that submissions to the relevant agencies would be made within the prescribed timelines moving forward.
- 11.9 The non-submission of reports may impede progress monitoring. Furthermore, utilization reports are essential for central offices to assess financial and operational efficiency; their absence significantly hampers effective decision-making.
- c) The LSB did not post the Quarterly and Annual SEF Utilization Reports on the LGU website and/or at least three (3) conspicuous public places in the Municipality.**
- 11.10 Under Item 6.1 of the DepED, DBM, and DILG Joint Circular No.1 Series of 2017, the LSB is required to post the utilization report of the SEF Budget on the website of the LGU and/or in at least three conspicuous public places for transparency and accountability in compliance with the Full Disclosure Policy (FDP) of the DILG.
- 11.11 DILG Memorandum Circular (MC) No. 2011-134 dated September 19, 2011, which amends DILG Memorandum Circular No. 2010-83, s. 2010, titled *Full Disclosure of Local Budget and Finances, and Bids and Public Offerings*, in furtherance of the Full Disclosure Policy, provides guidance to all Local Chief Executives with the documents to be posted on a quarterly basis, the modalities of posting and the conspicuous public places where the documents may be posted.

- 11.12 According to the DILG Memorandum Circular mentioned above, "conspicuous places" refer to locations such as the municipal hall and various government-owned facilities. These include, but are not limited to, social centers, gymnasiums, auditoriums, manpower development centers, training centers, transport terminals, public markets, public schools, health stations or centers, and hospitals. Additionally, required documents may also be posted in facilities owned by religious groups and the Chamber of Commerce, subject to their consent.
- 11.13 Likewise, the Memorandum Circular provides for Municipal Governments to post, among others, the Report of SEF Utilization on the periods set forth:

<b>Documents to Post on a Quarterly Basis:</b>	
Within 1 <sup>st</sup> Quarter (January – March)	Previous Year, Report of SEF Utilization
Within 2 <sup>nd</sup> Quarter (April – June)	Current Year, Report of SEF Utilization
Within 3 <sup>rd</sup> Quarter (July – September)	1 <sup>st</sup> and 2 <sup>nd</sup> Quarter, Current Year, Report of SEF Utilization
Within 4 <sup>th</sup> Quarter (October – December)	1 <sup>st</sup> to 3 <sup>rd</sup> Quarter, Current Year, Report of SEF Utilization

- 11.14 The DILG Memorandum Circular requires that the SEF Utilization Report be posted on the LGU website or in at least three (3) publicly accessible and conspicuous places within the province or city. Alternatively, the report can be published in a newspaper of general circulation within the territorial jurisdiction of the local government unit.
- 11.15 On February 20, 2025, we verified compliance with the aforementioned requirements and found that only the SEF Utilization Reports for the 2nd Quarter of CY 2024 were posted on the FDP Bulletin Boards located at the parking area near the Municipal Hall and at the Public Market. Additionally, only the 3rd Quarter SEF Utilization Report was posted on the FDP Bulletin Board located on the 2nd Floor of the Municipal Hall.
- 11.16 This indicates that the SEF Utilization Reports for the 3rd and 4th quarters, as well as the annual report, were not posted on two (2) of the Bulletin Boards mentioned. Additionally, the 4th quarter and annual reports were not posted on one (1) of the Bulletin Boards mentioned.
- 11.17 Moreover, we also verified compliance relative to the posting of the SEF Utilization Reports at the LGU website and found that the last SEF Utilization Report posted there was for the 3<sup>rd</sup> quarter of 2022. Hence, the quarterly and annual reports onwards were no longer posted on the LGU website, contrary to the above-mentioned criteria.

- 11.18 The LSB Vice-Chairperson mentioned that they were unaware of this provision. However, it was brought to their attention that the SEF Utilization Reports, though not updated as to the period for posting, were posted at the FDP Bulletin Boards of the Municipality. Thereat, she recognized the need for communication with the person responsible for the timely posting of the SEF Utilization Reports.
- 11.19 Posting the SEF Utilization Reports on the LGU website and on bulletin boards or at least three (3) conspicuous public places would have afforded citizens with direct access to information. As a result, not posting the reports eliminates transparency and accountability to the public regarding the utilization of the SEF budget.
- 11.20 The aforementioned deficiencies in the allocation and utilization of the SEF have hindered effective monitoring, transparency, and accountability in managing the fund.
- 11.21 **We recommended and the Local School Board (LSB) Chairperson and Vice-Chairperson agreed to:**
- 1. Ensure that the approved SEF Budget is stamped as “received” by the Municipal Budget Officer, Municipal Accountant, and Municipal Treasurer within the indicative timeline or within seven (7) days after approval of the SEF Budget for verification of compliance with Sec. 6.1 of DepEd-DBM-DILG Joint Circular, s. 2017;**
  - 2. Ensure the timely submission of the quarterly and annual SEF Utilization Reports within the specified timelines stated in the above-mentioned Joint Circular to the DepEd Central Office through appropriate channels and copy furnished the local sanggunian and Regional Offices of the DBM and DILG; and**
  - 3. Ensure that the quarterly and annual SEF Utilization Reports are posted on the LGU website and on the three (3) Full Disclosure Policy Bulletin Boards of the Municipality within their indicated timelines as specified in the Joint Circular above.**

## **OTHER MANDATORY AREAS**

### ***Compliance with Tax Laws***

12. The Municipality of San Jose complied with tax laws on withholding taxes from salaries, wages, purchases of goods and services, and value-added tax. Taxes withheld were remitted to the Bureau of Internal Revenue within the reglementary period.

<b>Particular</b>	<b>General Fund</b>	<b>SEF</b>	<b>Trust Fund</b>	<b>Total</b>
Beginning Balance	518,735.53	8,196.52	105,753.29	632,685.34
Add: Taxes withheld from Jan-Dec 2024	5,854,982.91	41,853.42	6,122,104.96	12,018,941.29
Less: Remittance from Jan-Dec 2024	5,633,081.17	25,223.44	5,668,610.85	11,326,915.46
<b>Balance as of December 31, 2024</b>	<b>740,637.27</b>	<b>24,826.50</b>	<b>559,247.40</b>	<b>1,324,711.17</b>

13. Out of the ending balance, the details of the remittances are summarized below:

<b>Particular</b>	<b>General Fund</b>	<b>SEF</b>	<b>Trust Fund</b>	<b>Total</b>
Amount Remitted	761,427.69	23,065.91	452,926.75	1,237,420.35
Date Remitted	Jan. 10, 2025	Jan. 10, 2025	Jan. 10, 2025	

14. Over-remittance from GF to the BIR is claimed as tax credit, while SEF and TF are still subject to reconciliation.

***Compliance with Mandatory Deductions (GSIS, PAG-IBIG, and PHILHEALTH)***

15. The Municipal Government remits its GSIS, PAG-IBIG, and PHILHEALTH premiums and contributions within the reglementary period.

<b>Particular</b>	<b>Due to GSIS</b>	<b>Due to Pag-IBIG</b>	<b>Due to PhilHealth</b>	<b>Total</b>
Beginning Balance	1,101,872.38	135,166.04	89,161.12	1,326,199.54
Add: Mandatory Contributions Withheld from Jan-Dec 2024	6,344,998.18	482,594.71	1,634,577.55	8,462,170.44
Add: Loan Repayments Withheld from Jan-Dec 2024	2,912,846.92	358,712.39	0.00	3,271,559.31
Less: Remittance of Mandatory Contributions from Jan-Dec 2024	6,929,460.82	500,100.01	1,595,751.09	9,025,311.92

<b>Particular</b>	<b>Due to GSIS</b>	<b>Due to Pag-IBIG</b>	<b>Due to PhilHealth</b>	<b>Total</b>
Less: Remittance of Loan Repayments from Jan-Dec 2024	3,154,700.90	361,112.79	0.00	3,515,813.69
<b>Balance as of December 31, 2024</b>	<b>275,555.76</b>	<b>115,260.34</b>	<b>127,987.58</b>	<b>518,803.68</b>

16. Out of the ending balance, the details of the remittances are summarized below:

<b>Particular</b>	<b>Due to GSIS</b>	<b>Due to Pag-IBIG</b>	<b>Due to PhilHealth</b>	<b>Total</b>
<b>Amount Remitted:</b>				
For Mandatory Contributions	7,921.71	1,600.00	127,987.58	<b>137,509.29</b>
For Loan Repayments	0.00	0.00	0.00	<b>0.00</b>
Date Remitted	Jan. 27, 2025	Jan. 28, 2025	Jan. 14, 2025	

17. Unremitted prior years' balances, which formed part of the balances as of December 31, 2024, are still subject for reconciliation.

## **SETTLEMENT OF ACCOUNTS**

18. The reported audit suspensions, disallowances, and charges of the LGU as at December 31, 2024, were as follows:

	<b>Beginning Balance (As of 1/1/2024)</b>	<b>This Period January 1 to December 31, 2024</b>		<b>Ending Balance (As of 12/31/24)</b>
		<b>NS/ND/NC</b>	<b>NSSDC</b>	
Notice of Suspension	₱ 0.00	₱ 0.00	₱ 0.00	₱ 0.00
Notice of Disallowance	877,232.72	0.00	0.00	877,232.72
Notice of Charge	0.00	0.00	0.00	0.00

18.1 The breakdown of the timing and age of the disallowances could not be provided as the ND records were not turned over and have not been located by the current audit team.

## **OTHER MATTERS**

19. We have audited the other areas specified under the COA Local Government Audit Sector (LGAS) Unnumbered Memorandum dated October 30, 2024. However, we have not obtained sufficient and competent evidence on these matters to warrant the inclusion of audit observations in this Report.

**PART III**  
**STATUS OF IMPLEMENTATION**  
**OF PRIOR YEARS' AUDIT**  
**RECOMMENDATIONS**

## STATUS OF IMPLEMENTATION OF PRIOR YEARS' UNIMPLEMENTED AUDIT RECOMMENDATIONS

Of the 24 audit recommendations contained in the CY 2024 and prior years' Annual Audit Reports, eight were fully implemented, and 16 were not implemented at all.

REFERENCE	OBSERVATION	RECOMMENDATION	STATUS OF IMPLEMENTATION / RESULTS OF VALIDATION
<p><u>2023 AAR</u> AO No. 1, Page 34</p>	<p>The non-reconciliation of a net difference amounting to ₱56,187,136.63 between the General Ledger balance and the Report on the Physical Count of Property, Plant, and Equipment (PPE), contrary to the guidelines and procedures in the One-Time Cleansing of PPE embodied in COA Circular No. 2020-006 dated January 31, 2020, rendered the balance of the PPE account as of December 31, 2023, with a gross amount of ₱93,887,372.47, unreliable and inaccurate.</p>	<p>Management direct the Inventory Committee to:</p> <ol style="list-style-type: none"> <li>1. Work on the reconciled difference of ₱56,187,136.63 between the accounting and property records, and the result of the actual physical count;</li> <li>2. Adopt the uniform numbering system for property numbers of PPE and require the Property Unit to update the property stickers based on the prescribed format and to include the required information under Section 5.6 and 5.7 of COA Circular No. 2020-006 dated January 31, 2020; and</li> <li>3. Conduct a physical count of all the PPE, whether acquired through purchase or donation, using the prescribed forms in Annexes of COA Circular No. 2020-006 dated January 31, 2020, and prepare and submit the duly accomplished RPCPPE.</li> </ol>	<p>Unimplemented</p> <p><i>This was reiterated in the audit of CY 2024 accounts as AO No. 1.</i></p>
<p><u>2023 AAR</u> AO No. 2, Page 37</p>	<p>The accuracy and reliability of the Local Road Network (LRN) account totaling ₱53,532,885.84 could not be ascertained due to various deficiencies noted, in violation of</p>	<p>The Local Chief Executive to:</p> <ol style="list-style-type: none"> <li>4. Create an Inventory Committee to focus on the physical count of local roads; and</li> </ol>	<p>Implemented</p>

REFERENCE	OBSERVATION	RECOMMENDATION	STATUS OF IMPLEMENTATION / RESULTS OF VALIDATION
	COA Circular No. 2015-008 dated November 23, 2015, thereby, affecting the fair presentation of the account in the financial statements (FS).	5. Enjoin the Municipal Treasurer, Municipal Accountant, and Municipal Engineer to strictly comply with the accounting and reporting guidelines on the local roads asset management system pursuant to COA Circular No. 2015-008 dated October 23, 2015.	Unimplemented  The required documents confirming compliance with the recommendation were still pending submission.
2023 AAR AO No. 3, Page 40	The Accounts Payable (A/P) balance of ₱6,918,234.38 as of December 31, 2023, was not accurately presented in the Statement of Financial Position due to the inclusion of undocumented obligations without valid claims, amounting to ₱4,248,633.58, that have remained outstanding for more than two years, which were not reverted to the unappropriated surplus, inconsistent with Section 98 of P.D. No. 1445.	6. Management revert to the unappropriated surplus of the General Fund the balance of the undocumented Accounts Payables with no valid claims pursuant to Section 98 of P.D. No. 1445.	Implemented
2023 AAR AO No. 4, Page 41	Disclosures in the Notes to Financial Statements on “Loans Payable – Domestic” account balance of ₱68,261,228.62 is incomplete, a departure from the fair presentation requirement under the International Public Sector Accounting Standards (IPSAS) thus, affecting the usefulness of the financial information on loans to its users.	7. The Municipal Accountant revise the Notes to the Financial Statements to include the principal amount, interest rate, maturity date, purpose of the loan, and interest expense of the Loans Payable - Domestic account.	Implemented

REFERENCE	OBSERVATION	RECOMMENDATION	STATUS OF IMPLEMENTATION / RESULTS OF VALIDATION
<p><u>2023 AAR</u> AO No. 5, Page 42</p>	<p>Unexpended balances of Continuing Appropriations amounting to ₱20,759,703.80 for various projects, programs, and activities (PPAs) remained unutilized, inconsistent with Section 4.0 of the DBM-DOF-DILG Joint Memorandum Circular No. 1 dated November 4, 2020, and Section 322 of R.A. No. 7160, thereby depriving the public of timely benefits from the development PPAs that could have been programmed from the unexpended amount.</p>	<p>8. The Municipal Budget Officer, MPDO, Municipal Engineer, and Municipal Accountant review and monitor the balances of the continuing appropriations under the 20% DF, which shall be the basis for the Local Finance Committee to recommend to the Local Chief Executive the reversion of those pertaining to completed projects and those no longer needed so that the funds may be appropriated and utilized for other priority development projects.</p> <p>9. Management address the causes of delay, like insufficient funds, road ROW issues, and project plan and site problems.</p>	<p>Unimplemented</p> <p>The LFC had not yet conducted a meeting due to the busy schedule of its members and the municipal engineer.</p> <p>Unimplemented</p>
<p><u>2023 AAR</u> AO No. 7, Page 46</p>	<p>The Municipality spent ₱1,998,997.00 out of the LDRRMF for the purchase of a rescue vehicle utilized for trips not related to disaster rescue or response activities, inconsistent with Section 5.0 of NDRRMC-DBM-DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013 and DILG Memorandum Circular No. 2012-73 dated April 17, 2012, thus, reducing the funds available for disaster risk management, relief, rehabilitation, and recovery programs.</p>	<p>10. Management utilize the procured rescue vehicle exclusively for response and rescue/relief activities in accordance with DILG Memorandum Circular No. 2022-105 dated August 23, 2022. Otherwise, the LDRRMF should be reimbursed from the general fund for the cost of the vehicle.</p> <p>11. Management adhere strictly to the provisions of DILG Memorandum Circular No. 2012-73 dated April 17, 2012, and NDRRMC-DBM-DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013, on the utilization of the LDRRMF.</p>	<p>Unimplemented</p> <p>The required documents confirming compliance with the recommendation were still pending submission.</p> <p>Unimplemented</p>



REFERENCE	OBSERVATION	RECOMMENDATION	STATUS OF IMPLEMENTATION / RESULTS OF VALIDATION
<p><u>2021 AAR</u> AO No. 5, Page 40</p>	<p>The one-unit manlift truck costing ₱1,799,000.00 procured out of the LDRRMF is not brand new but reconditioned, hence, it did not fully conform to the specification called for in the Invitation to Bid (ITB). Moreover, Tax Duty Receipt was not submitted to the Audit Team, contrary to Section 2 Administrative Order No. 200 dated November 21, 1990, thus, proof that the equipment is a duly imported item, as well as proper payment of all the taxes, duties and other charges, could not be established.</p> <p>a) The man lift truck delivered is not brand new but reconditioned, hence, it did not fully conform to the specification called for in the ITB.</p> <p>b) Tax receipts from the Bureau of Customs or the BIR were not submitted to the Audit Team.</p>	<p>15. Management require the supplier/dealer to submit the tax and duty receipt corresponding to the equipment procured in accordance with Section 2 of A.O. No. 200 dated November of 21, 1990.</p>	<p>Implemented</p> <p>(Closed due to a change in condition:</p> <p>An Affidavit from the supplier claims that the necessary tax and duty receipts were submitted to the Land Transportation Office (LTO) along with other required documents; therefore, they can no longer be provided to the Municipality.)</p>
<p><u>2020 AAR</u> Page 53</p>	<p>The updated Annual Procurement Plan (APP), Notice of Awards (NOA), and other information on goods procured through emergency procurement were not submitted and posted on the GPPB online portal contrary to Section 9 of GPPB Circular No. 01-2020 dated April 6, 2020. Hence, accountability and</p>	<p>16. Management require the BAC, through its Secretariat, to post in the GPPB online portal the updated APP, NOA, and other information relative to the Municipality's procurement projects in accordance with the provisions of GPPB Circular No. 01-2020 dated April 6, 2020. The BAC Secretariat also issue a certification on the posting of the NOA, Contract, or Purchase Orders in any</p>	<p>Implemented</p> <p>(Closed due to a change in condition)</p>

REFERENCE	OBSERVATION	RECOMMENDATION	STATUS OF IMPLEMENTATION / RESULTS OF VALIDATION
	transparency in the conduct of emergency procurement under the Bayanihan Act were not fully achieved.	conspicuous place in the premises of the Municipality.	
<u>2018 AAR</u> Page 30	The balances of movable Property, Plant, and Equipment (PPE) accounts included unserviceable properties with acquisition costs and net book values totaling at least ₱1,570,851.70 and ₱448,324.80, respectively, which the Municipality had not yet disposed of, hence, could not be dropped from the books, contrary to Sections 162 and 195 of COA Circular No. 92-386 dated October 20, 1992, thus, resulting in the overstatement of the PPE accounts.	17. We recommended that the person immediately accountable for the unserviceable properties turn over the items to the Municipal Treasurer for cancellation of the Memorandum Receipt/Acknowledgement Receipt of Equipment.  18. The Local Chief Executive (LCE) create an Appraisal and Disposal Committee to appraise the value of unserviceable properties for the immediate disposal and drop thereof from the book of accounts in order to fairly present the PPE account in the financial statements	Unimplemented  Unserviceable properties had already been turned over to the MTO but had not yet been disposed of and had been dropped from the books of account.  Unimplemented  Management had already committed to creating the Appraisal and Disposal Committee to facilitate the proper disposal of unserviceable properties; however, an inventory had not yet been conducted.
<u>2018 AAR</u> Page 34	Inter-agency and other receivable account balances totaling ₱174,059.13 have been dormant for over 10 years, yet no allowance for impairment of receivables was recognized as prescribed under paragraph 67 of the Philippine Public Sector Accounting Standards (PPSAS) 29, and the pertinent provision of COA Circular No.	19. The Municipal Accountant comply with all the conditions and requirements of COA Circular No. 2016-005 for the possible write-off of the specified dormant receivables, through the Local Chief Executive, to the Commission on Audit.	Unimplemented:  Not all dormant accounts identified were subjected to a request for write-off because the supporting documents still needed to be obtained.

REFERENCE	OBSERVATION	RECOMMENDATION	STATUS OF IMPLEMENTATION / RESULTS OF VALIDATION
	2016-005 dated December 19, 2016. Therefore, these accounts were not fairly presented in the financial statements.		
<u>2018 AAR</u> Page 50	The Notice of Award, Notice to Proceed and Approved Contract were not posted on the PhilGEPs website contrary to Section 37.1 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, hence, the principles on transparency and public monitoring of government procurement process were not fully achieved.	20. Management require the BAC to observe the provisions of IRR of RA No. 9184 in the posting of notice of award, notice to proceed, and the approved contract on the PhilGEPs website. The BAC Secretariat also issue a certificate on the posting of the Notice of Awards on any conspicuous place in the premises of the Municipality	Implemented  (Closed due to change in condition)
<u>2015 AAR</u> AO No. 2, Page 23	The accuracy of all the receivable accounts amounting to ₱95,160.18 in the Trust Fund is unreliable because they pertain to old balances which have remained dormant for more than 10 years.	21. The Municipal Accountant evaluate the collectability of receivables, review and analyze the accounts and, if not possible due to the absence of records, the Local Chief Executive request for authority to write-off from the Commission on Audit.	Unimplemented:  The subject receivables had remained outstanding as of December 31, 2024, due to inadequate records supporting the accounts.
<u>2011 AAR</u>	The Municipality of San Jose granted productivity enhancement incentives for CY 2010 to its officials and employees at P23,000.00 each or a total amount of P1,771,000.00 even if it exceeded the PS limitation by P3,249,163.12 in violation of Section 325 (a) of the Local Government Code of 1991 and Section 8.1 of DBM Budget	22. Officials and employees concerned to immediately refund in full the productivity enhancement incentive received by them for CY 2010. Henceforth, the local chief executive should ensure that the grant of similar benefits complies with prescribed guidelines, specifically insofar as the observance of the PS limitation is concerned so that the disbursements will not be disallowed in audit.	Unimplemented:  The recommendation had not yet been fully implemented due to refunds not yet being paid.

REFERENCE	OBSERVATION	RECOMMENDATION	STATUS OF IMPLEMENTATION / RESULTS OF VALIDATION
	Circular No. 2010-3 dated November 30, 2010, thereby making the excess disbursements illegal.		
<u>2002 AAR</u>	The land claimed by the Municipality with a total market value of P2,248,226.00 had not been issued Torrens titles and certificates of title as evidence of ownership in violation of Section 23 (2) Title I-B, Book V, and the 1987 Administrative Code.	23. The department heads concerned to process the titles of the land claimed by the Municipality and also requires the Municipal Accountant to record the said land in the books of accounts as soon as the titles have been issued	Unimplemented: Challenges in retrieving the documents for the titling of lots.

**PART IV**  
**APPENDICES**

## PART IV APPENDICES

Title	Ref
<b>I. Financial Statements by Fund</b>	
A. Statement of Financial Position	
General Fund	A.1
Special Education Fund	A.2
Trust Fund	A.3
B. Statement of Financial Performance	
General Fund	B.1
Special Education Fund	B.2
Trust Fund	B.3
C. Statement of Changes in Net Assets/Equity	
General Fund	C.1
Special Education Fund	C.2
Trust Fund	C.3
D. Statement of Cash Flows	
General Fund	D.1
Special Education Fund	D.2
Trust Fund	D.3
E. Statement of Comparison of Budget and Actual Amounts	
General Fund	E.1
Special Education Fund	E.2

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF FINANCIAL POSITION**  
 General Fund  
**As at December 31, 2024**  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<i>Current Assets</i>		
Cash and Cash Equivalents	₱ 69,176,379.41	₱ 81,207,593.79
Investments	-	-
Receivables	2,416,697.86	5,005,026.90
Inventories	5,682,228.31	8,192,465.83
Prepayments and Deferred Charges	416,405.65	1,168,935.27
<b>Total Current Assets</b>	<b><u>77,691,711.23</u></b>	<b><u>95,574,021.79</u></b>
<i>Non-Current Assets</i>		
Investments	-	-
Receivables	-	-
Investment Property	-	-
Property, Plant and Equipment	249,038,305.64	220,482,245.22
Biological Assets	3,330,901.14	2,742,095.14
Intangible Assets	-	-
<b>Total Non-Current Assets</b>	<b><u>252,369,206.78</u></b>	<b><u>223,224,340.36</u></b>
<b>Total Assets</b>	<b><u>₱ 330,060,918.01</u></b>	<b><u>₱ 318,798,362.15</u></b>
<b>LIABILITIES</b>		
<i>Current Liabilities</i>		
Financial Liabilities	6,382,021.06	7,684,387.54
Inter-Agency Payables	1,636,692.67	2,320,860.99
Intra-Agency Payables	2,551,550.59	5,265,577.24
Trust Liabilities	9,873,389.50	9,996,754.26
Deferred Credits/Unearned Income	1,905,196.20	4,437,554.24
Provisions	-	-
Other Payables	-	-
<b>Total Current Liabilities</b>	<b><u>22,348,850.02</u></b>	<b><u>29,705,134.27</u></b>
<i>Non-Current Liabilities</i>		
Financial Liabilities	78,394,309.99	68,261,228.62
Deferred Credits/Unearned Income	-	-
Provisions	-	-
Other Payables	-	-
<b>Total Non-Current Liabilities</b>	<b><u>78,394,309.99</u></b>	<b><u>68,261,228.62</u></b>
<b>Total Liabilities</b>	<b><u>100,743,160.01</u></b>	<b><u>97,966,362.89</u></b>
<b>NET ASSETS/EQUITY</b>		
Government Equity	229,317,758.00	220,831,999.26
<b>Total Liabilities and Net Assets/Equity</b>	<b><u>₱ 330,060,918.01</u></b>	<b><u>₱ 318,798,362.15</u></b>

Province of Negros Oriental  
Municipality of San Jose  
**STATEMENT OF FINANCIAL POSITION**  
Special Education Fund  
**As at December 31, 2024**  
(With Comparative Figures for CY 2023)

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<i>Current Assets</i>		
Cash and Cash Equivalents	₱ 601,695.53	₱ 817,506.29
Investments	-	-
Receivables	2,334,761.55	4,907,657.44
Inventories	-	-
Prepayments and Deferred Charges	-	-
<b>Total Current Assets</b>	<b><u>2,936,457.08</u></b>	<b><u>5,725,163.73</u></b>
<i>Non-Current Assets</i>		
Investments	-	-
Receivables	-	-
Investment Property	-	-
Property, Plant and Equipment	337,879.77	402,097.89
Biological Assets	-	-
Intangible Assets	-	-
<b>Total Non-Current Assets</b>	<b><u>337,879.77</u></b>	<b><u>402,097.89</u></b>
<b>Total Assets</b>	<b><u>₱ 3,274,336.85</u></b>	<b><u>₱ 6,127,261.62</u></b>
<b>LIABILITIES</b>		
<i>Current Liabilities</i>		
Financial Liabilities	197,943.32	396,280.12
Inter-Agency Payables	57,023.07	40,393.09
Intra-Agency Payables	-	-
Trust Liabilities	-	-
Deferred Credits/Unearned Income	2,177,964.89	4,724,145.08
Provisions	-	-
Other Payables	-	-
<b>Total Current Liabilities</b>	<b><u>2,432,931.28</u></b>	<b><u>5,160,818.29</u></b>
<i>Non-Current Liabilities</i>		
Financial Liabilities	-	-
Deferred Credits/Unearned Income	-	-
Provisions	-	-
Other Payables	-	-
<b>Total Non-Current Liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Liabilities</b>	<b><u>2,432,931.28</u></b>	<b><u>5,160,818.29</u></b>
<b>NET ASSETS/EQUITY</b>		
Government Equity	841,405.57	966,443.33
<b>Total Liabilities and Net Assets/Equity</b>	<b><u>₱ 3,274,336.85</u></b>	<b><u>₱ 6,127,261.62</u></b>

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF FINANCIAL POSITION**  
Trust Fund  
**As at December 31, 2024**  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<i>Current Assets</i>		
Cash and Cash Equivalents	₱ 38,096,946.47	₱ 11,579,441.59
Investments	-	-
Receivables	2,555,194.02	5,220,878.18
Inventories	-	-
Prepayments and Deferred Charges	-	-
<b>Total Current Assets</b>	<b><u>40,652,140.49</u></b>	<b><u>16,800,319.77</u></b>
<i>Non-Current Assets</i>		
Investments	-	-
Receivables	-	-
Investment Property	-	-
Property, Plant and Equipment	6,359,604.72	-
Biological Assets	254,279.08	254,279.08
Intangible Assets	-	-
<b>Total Non-Current Assets</b>	<b><u>6,613,883.80</u></b>	<b><u>254,279.08</u></b>
<b>Total Assets</b>	<b><u>₱ 47,266,024.29</u></b>	<b><u>₱ 17,054,598.85</u></b>
<b>LIABILITIES</b>		
<i>Current Liabilities</i>		
Financial Liabilities	-	-
Inter-Agency Payables	31,405,460.35	1,744,446.74
Intra-Agency Payables	-	-
Trust Liabilities	15,860,563.94	15,310,152.11
Deferred Credits/Unearned Income	-	-
Provisions	-	-
Other Payables	-	-
<b>Total Current Liabilities</b>	<b><u>47,266,024.29</u></b>	<b><u>17,054,598.85</u></b>
<i>Non-Current Liabilities</i>		
Financial Liabilities	-	-
Deferred Credits/Unearned Income	-	-
Provisions	-	-
Other Payables	-	-
<b>Total Non-Current Liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Liabilities</b>	<b><u>47,266,024.29</u></b>	<b><u>17,054,598.85</u></b>
<b>NET ASSETS/EQUITY</b>		
Government Equity	-	-
<b>Total Liabilities and Net Assets/Equity</b>	<b><u>₱ 47,266,024.29</u></b>	<b><u>₱ 17,054,598.85</u></b>

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
 General Fund  
**For the Year Ended December 31, 2024**  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Revenue</b>		
Tax Revenue	₱ 5,715,573.56	₱ 5,011,757.77
Share from Internal Revenue Collections	113,724,894.00	107,028,576.00
Other Share from National Taxes	-	-
Service and Business Income	11,143,814.65	9,997,946.58
Shares, Grants and Donations	-	-
Gains	-	-
Miscellaneous Income	3,650,075.81	3,353,861.62
<b>Total Revenue</b>	<b><u>134,234,358.02</u></b>	<b><u>125,392,141.97</u></b>
<b>Less: Current Operating Expenses</b>		
Personnel Services	55,981,471.06	50,104,035.83
Maintenance and Other Operating Expenses	53,643,640.55	46,674,255.94
Financial Expenses	1,072,430.05	1,135,201.21
Non-cash Expenses	19,722,893.10	19,353,248.45
<b>Current Operating Expenses</b>	<b><u>130,420,434.76</u></b>	<b><u>117,266,741.43</u></b>
<b>Surplus (Deficit) from Current Operation</b>	<b>3,813,923.26</b>	<b>8,125,400.54</b>
Add (Deduct):		
Transfers, Assistance and Subsidy From	5,443,277.06	-
Transfers, Assistance and Subsidy To	5,067,789.28	2,107,380.40
<b>Net Financial Assistance/Subsidy</b>	<b><u>375,487.78</u></b>	<b><u>(2,107,380.40)</u></b>
<b>Surplus (Deficit) for the period</b>	<b>₱ <u><u>4,189,411.04</u></u></b>	<b>₱ <u><u>6,018,020.14</u></u></b>

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
Special Education Fund  
**For the Year Ended December 31, 2024**  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Revenue</b>		
Tax Revenue	₱ 1,115,846.91	₱ 1,112,746.18
Share from Internal Revenue Collections	-	-
Other Share from National Taxes	-	-
Service and Business Income	754.54	989.65
Shares, Grants and Donations	-	-
Gains	-	-
<b>Total Revenue</b>	<u><b>1,116,601.45</b></u>	<u><b>1,113,735.83</b></u>
<b>Less: Current Operating Expenses</b>		
Personnel Services	-	-
Maintenance and Other Operating Expenses	1,177,421.09	1,426,168.30
Financial Expenses	-	-
Non-cash Expenses	64,218.12	65,938.58
<b>Current Operating Expenses</b>	<u><b>1,241,639.21</b></u>	<u><b>1,492,106.88</b></u>
<b>Surplus (Deficit) from Current Operation</b>	<b>(125,037.76)</b>	<b>(378,371.05)</b>
Add (Deduct):		
Transfers, Assistance and Subsidy From	-	-
Transfers, Assistance and Subsidy To	-	-
<b>Net Financial Assistance/Subsidy</b>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Surplus (Deficit) for the period</b>	<b>₱ <u><u>(125,037.76)</u></u></b>	<b>₱ <u><u>(378,371.05)</u></u></b>

Province of Negros Oriental  
Municipality of San Jose  
**STATEMENT OF FINANCIAL PERFORMANCE**  
Trust Fund  
**For the Year Ended December 31, 2024**  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Revenue</b>		
Tax Revenue	₱ -	₱ -
Share from Internal Revenue Collections	-	-
Other Share from National Taxes	-	-
Service and Business Income	-	-
Shares, Grants and Donations	-	-
Gains	-	-
<b>Total Revenue</b>	-	-
<b>Less: Current Operating Expenses</b>		
Personnel Services	-	-
Maintenance and Other Operating Expenses	23,654,046.42	8,422,915.00
Financial Expenses	-	-
Non-cash Expenses	-	-
<b>Current Operating Expenses</b>	<b>23,654,046.42</b>	<b>8,422,915.00</b>
<b>Surplus (Deficit) from Current Operation</b>	<b>(23,654,046.42)</b>	<b>(8,422,915.00)</b>
Add (Deduct):		
Transfers, Assistance and Subsidy From	23,654,046.42	8,422,915.00
Transfers, Assistance and Subsidy To	-	-
<b>Net Financial Assistance/Subsidy</b>	<b>23,654,046.42</b>	<b>8,422,915.00</b>
<b>Surplus (Deficit) for the period</b>	<b>₱ 0.00</b>	<b>₱ -</b>

Province of Negros Oriental  
**Municipality of San Jose**  
 General Fund  
**Statement of Changes in Net Assets/Equity**  
 For the Year Ended December 31, 2024  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Balance, January 1</b>	₱ 220,831,999.26	₱ 209,802,222.60
Add (Deduct)		
Change in Accounting Policy	-	-
Prior Period Errors	283,972.71	16,750.21
Restated Balance	<u>221,115,971.97</u>	<u>209,818,972.81</u>
Add (Deduct) Changes in Net Assets/Equity during the year		
Adjustments recognized directly in Net Assets/Equity	4,012,374.99	4,995,006.31
Surplus (Deficit) for the period	<u>4,189,411.04</u>	<u>6,018,020.14</u>
<b>Total reconized revenue and expenses for the period</b>	<u>8,201,786.03</u>	<u>11,013,026.45</u>
<b>Balance, December 31</b>	<u><u>₱ 229,317,758.00</u></u>	<u><u>₱ 220,831,999.26</u></u>



Province of Negros Oriental  
**Municipality of San Jose**  
 Special Education Fund  
**Statement of Changes in Net Assets/Equity**  
 For the Year Ended December 31, 2024  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Balance, January 1</b>	₱ 966,443.33	₱ 1,344,814.38
Add (Deduct)		
Change in Accounting Policy	-	-
Prior Period Errors	-	-
Restated Balance	<u>966,443.33</u>	<u>1,344,814.38</u>
Add (Deduct) Changes in Net Assets/Equity during the year		
Adjustments recognized directly in Net Assets/Equity	-	-
Surplus (Deficit) for the period	<u>(125,037.76)</u>	<u>(378,371.05)</u>
<b>Total reconized revenue and expenses for the period</b>	<u>(125,037.76)</u>	<u>(378,371.05)</u>
<b>Balance, December 31</b>	<u><u>₱ 841,405.57</u></u>	<u><u>₱ 966,443.33</u></u>

Province of Negros Oriental  
**Municipality of San Jose**  
 Trust Fund  
**Statement of Changes in Net Assets/Equity**  
 For the Year Ended December 31, 2024  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Balance, January 1</b>	₱ -	₱ -
Add (Deduct)		
Change in Accounting Policy	-	-
Prior Period Errors	-	-
Restated Balance	-	-
Add (Deduct) Changes in Net Assets/Equity during the year		
Adjustments recognized directly in Net Assets/Equity	-	-
Surplus (Deficit) for the period	-	-
<b>Total reconized revenue and expenses for the period</b>	-	-
<b>Balance, December 31</b>	₱ -	₱ -

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF CASH FLOWS**  
 General Fund  
 For the Year Ended December 31, 2024  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities:</b>		
Cash Inflows:		
Collection from Taxpayers	₱ 5,715,573.56	₱ 5,011,757.77
Share from Internal Revenue Allotment	113,724,894.00	107,028,576.00
Receipts from business/service income	14,720,463.93	13,277,410.14
Interest Income	73,426.53	74,398.05
Dividend Income	-	-
Other Receipts	69,000,973.96	35,005,898.82
<b>Total Cash Inflow</b>	<b>203,235,331.98</b>	<b>160,398,040.78</b>
Cash Outflows:		
Payment of expenses	-	-
Payments to suppliers and creditors	132,587,320.83	89,523,424.37
Payments to employees	55,981,471.06	50,091,811.51
Interest Expenses	1,072,430.05	964,712.20
Other Expenses	-	170,489.01
Total Cash Outflow	189,641,221.94	140,750,437.09
Net Cash from Operating Activities	<b>13,594,110.04</b>	<b>19,647,603.69</b>
<b>Cash Flows from Investing Activities:</b>		
Cash Inflows:		
Proceeds from Sale of Investment Property	-	-
Proceeds from Sale/Disposal of Property, Plant & Equipment	-	-
Proceeds from Sale of Non-Current Investments	-	-
Collection of Principal on loans to other entities	-	-
Total Cash Inflow	-	-
Cash Outflows:		
Purchase/Construction of Investment Property	-	-
Purchase/Construction of Property, Plant & Equipment	39,166,854.05	53,444,898.77
Investment	-	-
Purchase of Bearer Biological Assets	-	-
Purchase of Intangible Assets	-	-
Grant of Loans	-	-
Total Cash Outflow	39,166,854.05	53,444,898.77
Net Cash from Investing Activities	<b>(39,166,854.05)</b>	<b>(53,444,898.77)</b>
<b>Cash Flows from Financing Activities:</b>		
Cash Inflows:		
Proceeds from issuance of bonds	-	-
Proceeds from Loans	13,541,529.63	32,470,121.74
Total Cash Inflow	13,541,529.63	32,470,121.74
Cash Outflows:		
Payment of Long-Term Liabilities	-	-
Retirement/Redemption of Debt Securities	-	-
Payment of Loan Amortization	-	-
Total Cash Outflow	-	-
Net Cash from Financing Activities	<b>13,541,529.63</b>	<b>32,470,121.74</b>
<b>Total Cash Provided by Operating, Investing &amp; Financing Activities</b>	<b>(12,031,214.38)</b>	<b>(1,327,173.34)</b>
Cash, Beginning of the Period	81,207,593.79	82,534,767.13
<b>Cash, at the end of the Period</b>	<b>₱ 69,176,379.41</b>	<b>₱ 81,207,593.79</b>

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF CASH FLOWS**  
Special Education Fund  
For the Year Ended December 31, 2024  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities:</b>		
Cash Inflows:		
Collection from Taxpayers	₱ 1,115,846.91	₱ 1,112,746.18
Share from Internal Revenue Allotment	-	-
Receipts from business/service income	-	-
Interest Income	754.54	989.65
Dividend Income	-	-
Other Receipts	130,119.12	290,823.54
<b>Total Cash Inflow</b>	<b><u>1,246,720.57</u></b>	<b><u>1,404,559.37</u></b>
Cash Outflows:		
Payment of expenses	-	-
Payments to suppliers and creditors	1,462,531.33	1,731,310.25
Payments to employees	-	-
Interest Expenses	-	-
Other Expenses	-	-
Total Cash Outflow	<u>1,462,531.33</u>	<u>1,731,310.25</u>
Net Cash from Operating Activities	<b><u>(215,810.76)</u></b>	<b><u>(326,750.88)</u></b>
<b>Cash Flows from Investing Activities:</b>		
Cash Inflows:		
Proceeds from Sale of Investment Property	-	-
Proceeds from Sale/Disposal of Property, Plant & Equipment	-	-
Proceeds from Sale of Non-Current Investments	-	-
Collection of Principal on loans to other entities	-	-
Total Cash Inflow	<u>-</u>	<u>-</u>
Cash Outflows:		
Purchase/Construction of Investment Property	-	-
Purchase/Construction of Property, Plant & Equipment	-	-
Investment	-	-
Purchase of Bearer Biological Assets	-	-
Purchase of Intangible Assets	-	-
Grant of Loans	-	-
Total Cash Outflow	<u>-</u>	<u>-</u>
Net Cash from Investing Activities	<u>-</u>	<u>-</u>
<b>Cash Flows from Financing Activities:</b>		
Cash Inflows:		
Proceeds from issuance of bonds	-	-
Proceeds from Loans	-	-
Total Cash Inflow	<u>-</u>	<u>-</u>
Cash Outflows:		
Payment of Long-Term Liabilities	-	-
Retirement/Redemption of Debt Securities	-	-
Payment of Loan Amortization	-	-
Total Cash Outflow	<u>-</u>	<u>-</u>
Net Cash from Financing Activities	<u>-</u>	<u>-</u>
<b>Total Cash Provided by Operating, Investing &amp; Financing Activities</b>	<b><u>(215,810.76)</u></b>	<b><u>(326,750.88)</u></b>
Cash, Beginning of the Period	817,506.29	1,144,257.17
<b>Cash, at the end of the Period</b>	<b><u>₱ 601,695.53</u></b>	<b><u>₱ 817,506.29</u></b>

Province of Negros Oriental  
**Municipality of San Jose**  
**STATEMENT OF CASH FLOWS**  
Trust Fund  
For the Year Ended December 31, 2024  
*(With Comparative Figures for CY 2023)*

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities:</b>		
Cash Inflows:		
Collection from Taxpayers	₱ -	₱ -
Share from Internal Revenue Allotment	-	-
Receipts from business/service income	-	-
Interest Income	-	-
Dividend Income	-	-
Other Receipts	67,518,172.61	17,295,836.78
<b>Total Cash Inflow</b>	<b>67,518,172.61</b>	<b>17,295,836.78</b>
Cash Outflows:		
Payment of expenses	-	-
Payments to suppliers and creditors	34,641,063.01	25,779,577.79
Payments to employees	-	-
Interest Expenses	-	-
Other Expenses	-	-
Total Cash Outflow	34,641,063.01	25,779,577.79
Net Cash from Operating Activities	<b>32,877,109.60</b>	<b>(8,483,741.01)</b>
<b>Cash Flows from Investing Activities:</b>		
Cash Inflows:		
Proceeds from Sale of Investment Property	-	-
Proceeds from Sale/Disposal of Property, Plant & Equipment	-	-
Proceeds from Sale of Non-Current Investments	-	-
Collection of Principal on loans to other entities	-	-
Total Cash Inflow	-	-
Cash Outflows:		
Purchase/Construction of Investment Property	-	-
Purchase/Construction of Property, Plant & Equipment Investment	6,359,604.72	(749,250.95)
Purchase of Bearer Biological Assets	-	-
Purchase of Intangible Assets	-	-
Grant of Loans	-	-
Total Cash Outflow	6,359,604.72	(749,250.95)
Net Cash from Investing Activities	<b>(6,359,604.72)</b>	<b>749,250.95</b>
<b>Cash Flows from Financing Activities:</b>		
Cash Inflows:		
Proceeds from issuance of bonds	-	-
Proceeds from Loans	-	-
Total Cash Inflow	-	-
Cash Outflows:		
Payment of Long-Term Liabilities	-	-
Retirement/Redemption of Debt Securities	-	-
Payment of Loan Amortization	-	-
Total Cash Outflow	-	-
Net Cash from Financing Activities	-	-
<b>Total Cash Provided by Operating, Investing &amp; Financing Activities</b>	<b>26,517,504.88</b>	<b>(7,734,490.06)</b>
Cash, Beginning of the Period	11,579,441.59	19,313,931.65
<b>Cash, at the end of the Period</b>	<b>₱ 38,096,946.47</b>	<b>₱ 11,579,441.59</b>



Particulars	Budgeted Amounts				Difference		Actual Amounts		Difference	
	Original		Final		Original and Final Budget		2024	2023	Final Budget and Actual	
	2024	2023	2024	2023	2024	2023			2024	2023
Capital Outlay					-	-			-	-
<b>Housing and Community Development</b>					-	-			-	-
Personal Services					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Social Services and Social Welfare</b>					-	-			-	-
Personal Services	2,305,890.12	1,304,818.58	1,271,775.12	1,174,598.58	1,034,115.00	130,220.00	906,003.11	932,657.29	365,772.01	241,941.29
Maintenance and Other Operating Expenses	5,280,712.39	3,169,736.28	5,043,712.39	4,456,936.28	237,000.00	(1,287,200.00)	4,225,924.22	3,299,353.46	817,788.17	1,157,582.82
Capital Outlay	4,204,559.90	5,220,000.00	4,204,559.90	5,220,000.00	-	-	4,195,306.50	2,485,742.73	9,253.40	2,734,257.27
<b>Economic Services</b>					-	-			-	-
Personal Services	11,870,171.24	11,159,142.04	11,167,698.45	10,320,216.04	702,472.79	838,926.00	10,041,718.61	9,584,607.69	1,125,979.84	735,608.35
Maintenance and Other Operating Expenses	5,805,310.00	5,508,531.49	8,147,884.62	8,471,131.49	(2,342,574.62)	(2,962,600.00)	7,614,126.64	7,689,392.89	533,757.98	781,738.60
Capital Outlay	60,000.00	220,000.00	60,000.00	220,000.00	-	-	-	69,995.00	60,000.00	150,005.00
<b>Other Purposes:</b>					-	-			-	-
Debt Service					-	-			-	-
Financial Expense	1,000,000.00	1,400,000.00	1,000,000.00	1,650,000.00	-	(250,000.00)	982,928.89	1,650,000.00	17,071.11	-
Amortization	2,000,000.00	500,000.00	2,130,000.00	700,000.00	(130,000.00)	(200,000.00)	2,118,003.26	341,486.94	11,996.74	358,513.06
<b>LDRRMF</b>					-	-			-	-
Maintenance and Other Operating Expenses	4,496,111.19	2,563,236.28	4,703,342.44	2,865,459.23	(207,231.25)	(302,222.95)	2,243,308.60	778,132.65	2,460,033.84	2,087,326.58
Capital Outlay	2,000,000.00	3,350,000.00	4,836,637.33	3,350,000.00	(2,836,637.33)	-	1,996,859.68	3,138,917.30	2,839,777.65	211,082.70
<b>20% Development Fund</b>					-	-			-	-
Maintenance and Other Operating Expenses	5,343,222.00	4,715,472.40	5,843,222.00	5,185,633.10	(500,000.00)	(470,160.70)	4,531,260.30	2,832,253.77	1,311,961.70	2,353,379.33
Capital Outlay	17,400,000.00	16,700,000.00	22,777,779.79	26,100,000.00	(5,377,779.79)	(9,400,000.00)	5,556,712.75	10,526,942.36	17,221,067.04	15,573,057.64
<b>Share from National Wealth</b>					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Allocation for Senior Citizens and PWD</b>					-	-			-	-
Maintenance and Other Operating Expenses	1,299,222.24	1,182,647.26	1,649,222.24	1,382,647.26	(350,000.00)	(200,000.00)	1,647,400.00	1,381,800.00	1,822.24	847.26
Capital Outlay					-	-			-	-
<b>Others</b>					-	-			-	-
Personal Services					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Total Current Appropriations</b>	<b>129,922,223.84</b>	<b>118,264,725.63</b>	<b>161,547,390.90</b>	<b>149,415,725.93</b>	<b>(31,625,167.06)</b>	<b>(31,151,000.30)</b>	<b>128,628,115.63</b>	<b>114,258,855.99</b>	<b>32,919,275.27</b>	<b>35,156,869.94</b>
<b>Continuing Appropriations</b>					-	-			-	-
<b>General Public Services</b>					-	-			-	-
Capital Outlay	64,219,494.30	70,296,384.21	64,219,494.30	70,296,384.21	-	-	24,174,329.38	32,814,581.74	40,045,164.92	37,481,802.47
<b>Education</b>					-	-			-	-
Capital Outlay	60,172.00		25,000.00		35,172.00	-	-	-	25,000.00	-
<b>Health, Nutrition and Population Control</b>					-	-			-	-
Capital Outlay		260,172.00		260,172.00	-	-		200,000.00	-	60,172.00
<b>Labor and Employment</b>					-	-			-	-
Capital Outlay					-	-			-	-
<b>Housing and Community Development</b>					-	-			-	-
Capital Outlay					-	-			-	-
<b>Social Services and Social Welfare</b>					-	-			-	-
Capital Outlay	3,761,611.83	3,346,421.25	3,040,357.83	3,346,421.25	721,254.00	-	2,601,091.34	2,319,066.69	439,266.49	1,027,354.56
<b>Economic Services</b>					-	-			-	-
Capital Outlay	1,253,870.00	2,899,790.00	1,170,280.00	2,899,790.00	83,590.00	-	140,000.00	3,176,475.00	1,030,280.00	(276,685.00)
<b>Other Purposes:</b>					-	-			-	-
Capital Outlay		10,244,400.44		10,244,400.44	-	-		524,142.08	-	9,720,258.36
<b>Total Continuing Appropriations</b>	<b>69,295,148.13</b>	<b>87,047,167.90</b>	<b>68,455,132.13</b>	<b>87,047,167.90</b>	<b>840,016.00</b>	<b>-</b>	<b>26,915,420.72</b>	<b>39,034,265.51</b>	<b>41,539,711.41</b>	<b>48,012,902.39</b>
<b>Total Appropriations</b>	<b>199,217,371.97</b>	<b>205,311,893.53</b>	<b>230,002,523.03</b>	<b>236,462,893.83</b>	<b>(30,785,151.06)</b>	<b>(31,151,000.30)</b>	<b>155,543,536.35</b>	<b>153,293,121.50</b>	<b>74,458,986.68</b>	<b>83,169,772.33</b>

**Municipality of San Jose, Negros Oriental**  
Statement of Comparison of Budget and Actual Amounts  
**Special Education Fund**  
For the Year Ended December 31, 2024  
*(With comparative figures for CY 2023)*

Appendix E.2

Particulars	Budgeted Amounts					Difference		Actual Amounts		Difference	
	Original		Final			Original and Final Budget		2024		Final Budget and Actual	
	2024	2023	2024	2023	2023	2024	2023	2024	2023	2024	2023
<b>Revenue</b>											
A. Local Sources											
1. Tax Revenue											
a. Tax Revenue - Property	1,000,000.00	1,600,000.00	1,000,000.00	1,600,000.00		-		1,115,846.91	1,112,746.18	(115,846.91)	487,253.82
b. Tax Revenue - Goods and Services						-	-			-	-
c. Other Local Taxes						-	-			-	-
<b>Total Tax Revenue</b>	<b>1,000,000.00</b>	<b>1,600,000.00</b>	<b>1,000,000.00</b>	<b>1,600,000.00</b>		-	-	<b>1,115,846.91</b>	<b>1,112,746.18</b>	<b>(115,846.91)</b>	<b>487,253.82</b>
2. Non-Tax Revenue											
a. Service Income						-	-	754.54	989.65	(754.54)	(989.65)
b. Business Income						-	-			-	-
c. Other Income and Receipts						-	-			-	-
<b>Total Non-Tax Revenue</b>	-	-	-	-		-	-	<b>754.54</b>	<b>989.65</b>	<b>(754.54)</b>	<b>(989.65)</b>
B. External Sources											
1. Share from the National Internal Revenue Taxes (IRA)						-	-			-	-
2. Share from GOCCs						-	-			-	-
3. Other Shares from National Tax Collections	-	-	-	-		-	-	-	-	-	-
a. Share from Ecozone						-	-			-	-
b. Share from EVAT						-	-			-	-
c. Share from National Wealth						-	-			-	-
d. Share from Tobacco Excise Tax						-	-			-	-
4. Other Receipts	-	-	-	-		-	-	-	-	-	-
a. Grants and Donations						-	-			-	-
b. Other Subsidy Income						-	-			-	-
5. Inter-local Transfer						-	-			-	-
6. Capital /Investment Receipts	-	-	-	-		-	-	-	-	-	-
a. Sale of Capital Assets						-	-			-	-
b. Sale of Investments						-	-			-	-
c. Proceeds from Collections of Loan Receivables						-	-			-	-
C. Receipts from Borrowings						-	-			-	-
<b>Total Revenue and Receipts</b>	<b>1,000,000.00</b>	<b>1,600,000.00</b>	<b>1,000,000.00</b>	<b>1,600,000.00</b>		-	-	<b>1,116,601.45</b>	<b>1,113,735.83</b>	<b>(116,601.45)</b>	<b>486,264.17</b>
<b>Expenditures</b>											
<b>Current Appropriations</b>											
<b>General Public Services</b>											
Personal Services						-	-			-	-
Maintenance and Other Operating Expenses						-	-			-	-
Capital Outlay						-	-			-	-
<b>Education</b>											
Personal Services						-	-			-	-
Maintenance and Other Operating Expenses	1,000,000.00	1,600,000.00	1,224,763.45	1,600,000.00		(224,763.45)	-	1,177,421.09	1,426,168.30	47,342.36	173,831.70
Capital Outlay						-	-			-	-
<b>Health, Nutrition and Population Control</b>											
Personal Services						-	-			-	-
Maintenance and Other Operating Expenses						-	-			-	-
Capital Outlay						-	-			-	-

Particulars	Budgeted Amounts				Difference		Actual Amounts		Difference	
	Original		Final		Original and Final Budget		2024	2023	Final Budget and Actual	
	2024	2023	2024	2023	2024	2023			2024	2023
<b>Labor and Employment</b>					-	-			-	-
Personal Services					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Housing and Community Development</b>					-	-			-	-
Personal Services					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Social Services and Social Welfare</b>					-	-			-	-
Personal Services					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Economic Services</b>					-	-			-	-
Personal Services					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Other Purposes:</b>					-	-			-	-
Debt Service					-	-			-	-
Financial Expense					-	-			-	-
Amortization					-	-			-	-
<b>LDRRMF</b>					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>20% Development Fund</b>					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Share from National Wealth</b>					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Allocation for Senior Citizens and PWD</b>					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Others</b>					-	-			-	-
Personal Services					-	-			-	-
Maintenance and Other Operating Expenses					-	-			-	-
Capital Outlay					-	-			-	-
<b>Total Current Appropriations</b>	<b>1,000,000.00</b>	<b>1,600,000.00</b>	<b>1,224,763.45</b>	<b>1,600,000.00</b>	<b>(224,763.45)</b>	<b>-</b>	<b>1,177,421.09</b>	<b>1,426,168.30</b>	<b>47,342.36</b>	<b>173,831.70</b>
<b>Continuing Appropriations</b>					-	-			-	-
<b>General Public Services</b>					-	-			-	-
Capital Outlay	23,155.00	150,931.75	23,155.00	150,931.75	-	-			23,155.00	150,931.75
<b>Education</b>					-	-			-	-
Capital Outlay					-	-			-	-
<b>Health, Nutrition and Population Control</b>					-	-			-	-
Capital Outlay					-	-			-	-
<b>Labor and Employment</b>					-	-			-	-
Capital Outlay					-	-			-	-
<b>Housing and Community Development</b>					-	-			-	-
Capital Outlay					-	-			-	-
<b>Social Services and Social Welfare</b>					-	-			-	-
Capital Outlay					-	-			-	-

Particulars	Budgeted Amounts				Difference		Actual Amounts		Difference	
	Original		Final		Original and Final Budget				Final Budget and Actual	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Economic Services					-	-			-	-
Capital Outlay					-	-			-	-
Other Purposes:					-	-			-	-
Capital Outlay					-	-			-	-
<b>Total Continuing Appropriations</b>	<b>23,155.00</b>	<b>150,931.75</b>	<b>23,155.00</b>	<b>150,931.75</b>	-	-	-	-	<b>23,155.00</b>	<b>150,931.75</b>
<b>Total Appropriations</b>	<b>1,023,155.00</b>	<b>1,750,931.75</b>	<b>1,247,918.45</b>	<b>1,750,931.75</b>	<b>(224,763.45)</b>	-	<b>1,177,421.09</b>	<b>1,426,168.30</b>	<b>70,497.36</b>	<b>324,763.45</b>