

Attachment 2. Budget Performance and Financial Statements

Financial Management means the efficient and effective management of money (funds) in such a manner as to accomplish the objectives of the organization. It also includes manners on how to raise the funds and how to allocate it. Not only about long term budgeting but also how to allocate the short term resources like current assets.

The provincial government should ensure sound financial management. This can be made thru accountable and transparent governance. The provincial government is only stewards of the resources of the people, thus the money of the government should be utilized properly and to be spent on endeavors leading towards utmost benefit for the citizenry. The effectiveness of a government also depends on how well, effective and efficient they manage their resources, more importantly their money. Every cent should be spent to where it intends to be spent.

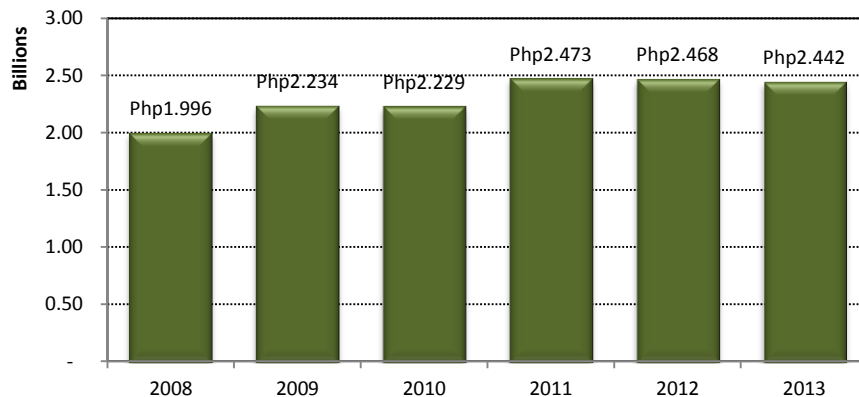
This part of the Local Government Report shall discuss the financial performance of the Province based on its official financial statements. Brief description on the trending of a particular financial aspect over five years will also be presented.

Result of Operation

Provincial Operating Income

The provincial income of Cavite for the year 2013 have reached the amount of Php2,441,960,116.42. There is no significant difference in the provincial income as compared to that of the previous year. However, a decrease of Php25,847,563.91 was recorded that corresponds to 1.047% decline in budget. The income was largely affected by factors like cityhood of Imus and Bacoor that led to lower local taxes but was compensated by the increase in internal revenue allotment by 13.53%. It is fair to note that the provincial income is stable at around Php2B since the year 2009.

Figure 1. Income by Year, Province of Cavite: 2008 to 2013



Financial management in the provincial government involves the classification of budget into two categories, the General Fund and the Special Education Fund. General funds are those that are being spent for the general expenses of the province like infrastructure projects, social services, economic services and everything other than education related programs which budgets are being drawn from the special education fund. Certain amount of budget is allocated under the special education fund in order to support the national government in the delivery of educational services. Special education fund on the other hand is being used to supplement teachers under the Local School Board, classroom construction and purchase of educational materials among other education related expenditures.

Due to the increase of internal revenue allotment, the general fund also increased by 3.47% equivalent to Php74,778,550.01. The general fund accounts to 91.41% of the entire provincial income. On the other hand, the special education fund accounts to 8.59% of the provincial income. The special education fund was greatly affected by the decrease in local taxes thus it recorded a decline of 32.43% or a reduction equivalent to Php100,626,113.92. Out of the total income, Php2,232,314,759 is general fund and only Php209,645,357.42 is special education fund (Figure 2 and 3).

Figure 2. Provincial Income with Fund Category by Year, Province of Cavite: 2008 to 2013

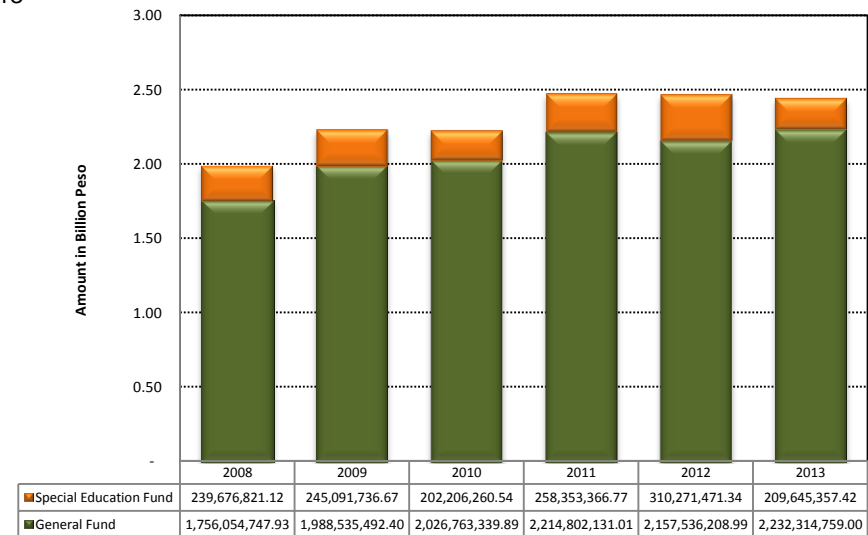
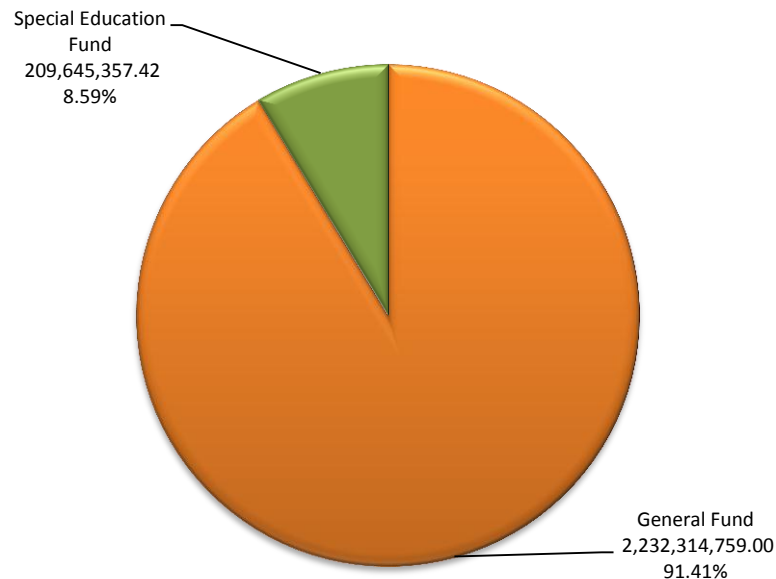


Figure 3. Income by Fund Category, Province of Cavite: 2013



Sources of Income

The income of the province can come from various sources. The amount of income of the province is critical in defining the programs to be implemented under the local administration, social, environment and economic sectors. The source of income of the province can come from national government subsidy, local collections and other sources, being the first two as the principal resource. The national government subsidy is in the form of Internal Revenue Allotment or what is commonly known as IRA. The local collections are from the real property taxes, permits and licenses fees being collected by the province as well as service income and business income. The other income includes dividends, insurances, interests, share from economic zones and Philippine Charity Sweepstakes Office (PCSO).

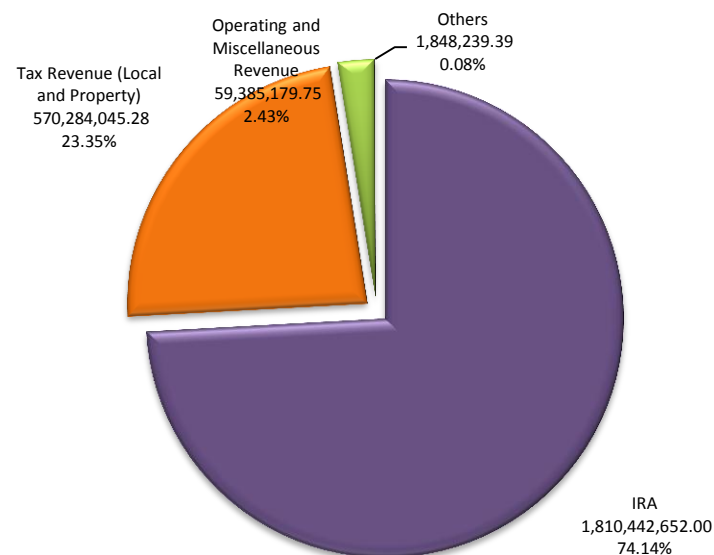
For the year 2013, the provincial income mainly came from the internal revenue allotment of the national government that accounts to a rate of 74.14%. This is also referred as IRA dependency rate. This is higher than the IRA dependency ratio of 67.62% in 2012 and 67.66% in year 2011. The revenue of the province from local and property taxes covers 23.35% of the income. However, there is a significant decrease in the revenue from local taxes. This was driven by cityhood of two municipalities that led to the non-remittance of provincial share from real property

taxes. This is despite the efforts of the provincial government to raise the collection of real property taxes thru the computerization of the real property tax system and ISO certification. The income from Tax Revenue decreased by 25.48% from year 2012 to 2013.

The third largest share is Service Income which totaled to 2.43%. This income came primarily from medical, dental and laboratory fees in the provincial hospital while a portion of it came from other services, permits and licenses.

More efforts should be exerted to further decrease the IRA dependency of the province while intensifying its drive to become independent in terms of its locally-sourced income. This would also reduce the impact of conversion of municipalities to cities (Figure 4).

Figure 4. Income by Source, Province of Cavite: 2013

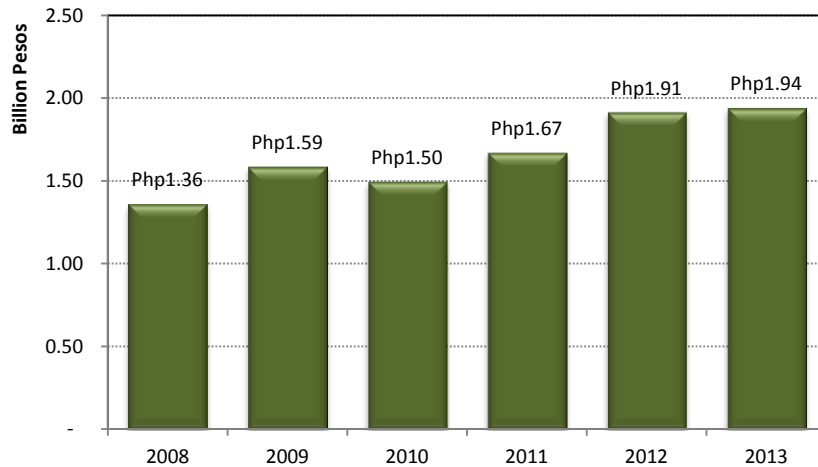


Provincial Operating Expenses

The two major expense accounts of the provincial government are Personal Services and Maintenance and Other Operating Expenses. For the year 2013, the total operating expenses have reached Php1,940,895,149.15. This can be translated to 79.48% of the income of the province. The operating expense did not pose significant increase but only pegged at Php26,356,081.41 or 1.38% from year 2012 to 2013.

In the last six years, the highest operating expense is recorded in the year 2013 at Php1.94B. The operating expenses do not include yet the financial expenses, subsidies to local government units, donations and other extraordinary items (Figure 5).

Figure 5. Operating Expenses by Year, Province of Cavite: 2013



The operating expense is divided into two fund classification such as the Special Education Fund and General Fund. The expenses under the SEF amounted to Php146,524,511.40 that is equivalent to 7.55% of the total expenses. The general fund expenses on the other hand amounted to Php1,794,370,637.75 equivalent to 92.45% of the total operating expense (Figure 6).

The general fund was used-up up to 80.38% while the special education was used-up at 69.89%. The expenses under the special education fund decreased from year 2012 to 2013. However, the fund utilization is highest in the year 2013 for the general fund (Figure 7).

Figure 6. Expenses by Fund Category, Province of Cavite: 2013

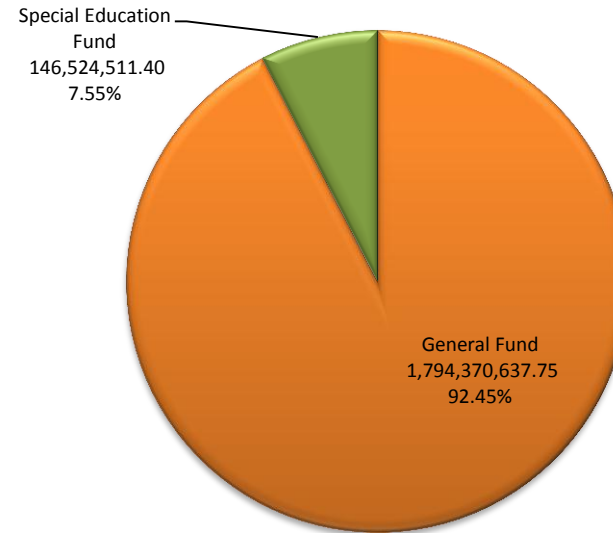
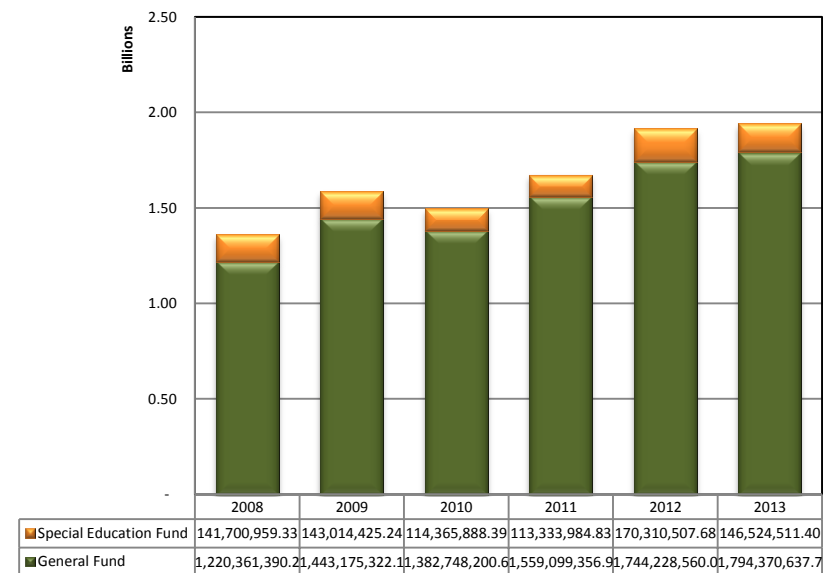


Figure 7. Operating Expenses with Fund Category by Year, Province of Cavite: 2008 to 2013



Gross Income, Expenses and Net Income

Financially speaking, the province is in good financial status based on its recorded net income for the past six years. In the provincial government setting, the net income is the money remained from income after all the expenses have already been deducted except for extraordinary expenses. For 2013, the province has a net income of Php267,892,161.61. The net income increased from the year 2012 to 2013 by 25.55% or equivalent to Php54,518,298.56. The net income rate of 2013 is at 10.97% (Figure 8).

Figure 8. Comparative Gross Income, Expenditure and Net Income by Year, Province of Cavite: 2008 to 2013

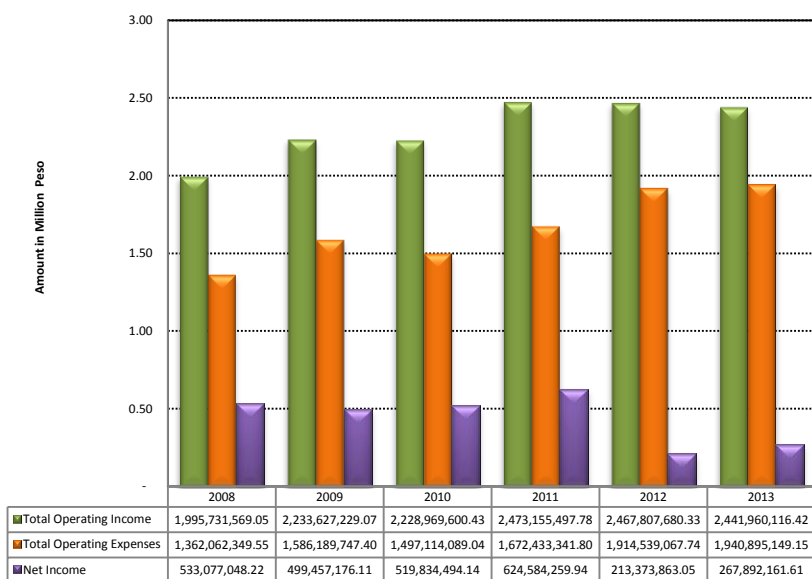


Figure 9. Statement of Income and Expenses, Province of Cavite:
For the year ended December 31, 2013

PROVINCE of CAVITE
CONSOLIDATED
STATEMENT OF INCOME AND EXPENSES
For the year ended December 31, 2013

Annex C

| | GENERAL FUND | SEF | TOTAL |
|---|-------------------------|-----------------------|-------------------------|
| TAX REVENUE | | | |
| Local Taxes | | | |
| Amusement Tax | 2,410,905.99 | - | 2,410,905.99 |
| Business Tax | - | - | - |
| Community Tax | - | - | - |
| Franchise Tax | 93,982,949.59 | - | 93,982,949.59 |
| Occupation Tax | 540,200.00 | - | 540,200.00 |
| Printing and Publication Tax | - | - | - |
| Property Transfer Tax | 77,345,480.99 | - | 77,345,480.99 |
| Real Property Tax | 150,435,489.77 | - | 150,435,489.77 |
| Less: Discount on Real Property Tax | (2,946,856.36) | - | (2,946,856.36) |
| Real Property Tax on Idle Lands | 213,012.80 | - | 213,012.80 |
| Special Assessment Tax | - | - | - |
| Special Education Tax | - | 216,373,942.21 | 216,373,942.21 |
| Less: Discount on Special Education Tax | - | (6,763,603.53) | (6,763,603.53) |
| Tax on Delivery Trucks and Vans | 22,749,825.00 | - | 22,749,825.00 |
| Tax on Sand, Gravel and Other Quarry Products | 48,744.72 | - | 48,744.72 |
| Other Local Taxes | 2,237,078.73 | - | 2,237,078.73 |
| Fines and Penalties- Local Taxes | 13,656,875.37 | - | 13,656,875.37 |
| Total Local Taxes | 360,673,706.60 | 209,610,338.68 | 570,284,045.28 |
| GENERAL INCOME ACCOUNTS | | | |
| Internal Revenue Allotment | 1,810,442,652.00 | - | 1,810,442,652.00 |
| Permits and Licenses | | | |
| Fees on Weights and Measures | - | - | - |
| Fishery Rental Fees | - | - | - |
| Franchising and Licensing Fees | - | - | - |
| Motor Vehicles Users Charge | - | - | - |
| Permit Fees | 22,000.00 | - | 22,000.00 |
| Registration Fees | - | - | - |
| Other Permits and Licenses | - | - | - |
| Fines and Penalties- Permits and Licenses | - | - | - |
| Total Permits and Licenses | 22,000.00 | - | 22,000.00 |
| Service Income | | | |
| Affiliation Fees | - | - | - |
| Athletic and Cultural Fees | - | - | - |
| Clearance and Certification Fees | 1,933,740.00 | - | 1,933,740.00 |
| Comprehensive Examination Fees | - | - | - |
| Diploma and Graduation Fees | - | - | - |
| Garbage Fees | - | - | - |
| Inspection Fees | - | - | - |
| Library Fees | - | - | - |
| Medical, Dental and Laboratory Fees | 17,678,557.49 | - | 17,678,557.49 |
| Processing Fees | - | - | - |
| Seminar Fees | - | - | - |
| Toll and Terminal Fees | - | - | - |
| Transcript of Records Fees | - | - | - |
| Other Services Income | - | - | - |
| Fines and Penalties - Service Income | - | - | - |
| Total Service Income | 19,612,297.49 | - | 19,612,297.49 |
| Business Income | | | |

SIE CONSO
1 of 6

| | | | |
|---|-------------------------|-----------------------|-------------------------|
| Hospital Fees | 29,865,859.48 | - | 29,865,859.48 |
| Income from Canteen Operations | - | - | - |
| Income from Cemetery Operations | - | - | - |
| Income from Communication Facilities | - | - | - |
| Income from Dormitory Operations | - | - | - |
| Landing and Parking Fees | - | - | - |
| Income from Markets | - | - | - |
| Income from Slaughterhouse | - | - | - |
| Income from Transportation System | - | - | - |
| Income from Waterworks System | - | - | - |
| Printing and Publication Income | - | - | - |
| Rent Income | 5,164,197.94 | - | 5,164,197.94 |
| Sales Revenue | 2,932,925.00 | - | 2,932,925.00 |
| Cost of Goods Sold | - | - | - |
| Net Sales Revenue | 2,932,925.00 | - | 2,932,925.00 |
| Tuition Fees | - | - | - |
| Other Business Income | 1,787,899.84 | - | 1,787,899.84 |
| Fines and Penalties - Business Income | - | - | - |
| Total Business Income | 39,750,882.26 | - | 39,750,882.26 |
| Other Income | | | |
| Dividend Income | - | - | - |
| Income from Grants and Donations | - | - | - |
| Insurance Income | - | - | - |
| Interest Income | 1,794,375.49 | 35,018.74 | 1,829,394.23 |
| Sale of Confiscated/Abandoned/Seized Goods and Properties | - | - | - |
| Share from Economic Zones | 18,845.16 | - | 18,845.16 |
| Share from Expanded Value Added Tax | - | - | - |
| Share from National Wealth | - | - | - |
| Share from PCSO | - | - | - |
| Share from Tobacco Excise Tax | - | - | - |
| Miscellaneous Income | - | - | - |
| Other Fines and Penalties | - | - | - |
| Total Other Income | 1,813,220.65 | 35,018.74 | 1,848,239.39 |
| TOTAL OPERATING INCOME | 2,232,314,759.00 | 209,645,357.42 | 2,441,960,116.42 |
| EXPENSES | | | |
| PERSONAL SERVICES | | | |
| Salaries and Wages | | | |
| Salaries and Wages - Regular | 398,934,979.53 | - | 398,934,979.53 |
| Salaries and Wages - Military/Uniformed | - | - | - |
| Salaries and Wages - Part-time | - | - | - |
| Salaries and Wages - Substitute | - | - | - |
| Salaries and Wages - Casual | 123,348,418.23 | 772,666.34 | 124,121,084.57 |
| Salaries and Wages - Contractual | 9,576,079.45 | - | 9,576,079.45 |
| Salaries and Wages - Emergency | - | - | - |
| Other Compensation | | | |
| Personnel Economic Relief Allowance (PERA) | 63,647,517.84 | 154,533.66 | 63,802,051.50 |
| Additional Compensation (ADCOM) | - | - | - |
| Representation Allowance (RA) | 5,401,493.18 | - | 5,401,493.18 |
| Transportation Allowance (TA) | 1,068,977.27 | - | 1,068,977.27 |
| Clothing/Uniform Allowance | 13,588,000.00 | 25,000.00 | 13,613,000.00 |
| Subsistence, Laundry and Quarter Allowance | 12,449,648.31 | - | 12,449,648.31 |
| Productivity Incentive Allowance | 5,128,102.26 | 8,000.00 | 5,136,102.26 |
| Other Bonuses and Allowances | - | - | - |
| Honoraria | 162,000.00 | - | 162,000.00 |
| Hazard Pay | 20,888,147.30 | - | 20,888,147.30 |
| Longevity Pay | - | - | - |
| Overtime and Night Pay | 4,434,346.40 | - | 4,434,346.40 |
| Cash Gift | 13,693,835.90 | 17,500.00 | 13,711,335.90 |
| Year End Bonus | 45,384,168.10 | 35,000.00 | 45,419,168.10 |

SIE CONSO
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|---|-----------------------|---------------------|-----------------------|
| Personnel Benefits Contributions | | | |
| Life and Retirement Insurance Contributions | 63,636,518.06 | 32,400.00 | 63,668,918.06 |
| PAG-IBIG Contributions | 3,209,612.50 | 2,700.00 | 3,212,312.50 |
| PHILHEALTH Contributions | 5,976,392.36 | 3,100.00 | 5,979,492.36 |
| ECC Contributions | 3,164,794.21 | 2,700.00 | 3,167,494.21 |
| Other Personnel Benefits | | | |
| Pension Benefits - Civilian | - | - | - |
| Retirement Benefits - Civilian | - | - | - |
| Terminal Leave Benefits | 28,257,837.91 | - | 28,257,837.91 |
| Health Workers Benefits | - | - | - |
| Other Personnel Benefits | 69,999,464.26 | 50,000.00 | 70,049,464.26 |
| Total Personnel Services | 891,950,333.07 | 1,103,600.00 | 893,053,933.07 |
| MAINTENANCE AND OTHER OPERATING EXPENSES | | | |
| Travelling Expenses | | | |
| Travelling Expenses - Local | 5,284,694.77 | 492,144.00 | 5,776,838.77 |
| Travelling Expenses - Foreign | 65,770.71 | - | 65,770.71 |
| Training and Scholarship Expenses | | | |
| Training Expenses | 20,293,865.45 | 10,998,630.00 | 31,292,495.45 |
| Scholarship Expenses | 3,254,500.00 | - | 3,254,500.00 |
| Supplies and Material Expenses | | | |
| Office Supplies Expense | 22,346,086.24 | - | 22,346,086.24 |
| Accountable Forms Expenses | 590,520.00 | - | 590,520.00 |
| Animal/Zoological Supplies Expenses | 2,465,036.24 | - | 2,465,036.24 |
| Food Supplies Expenses | 50,839,268.57 | - | 50,839,268.57 |
| Drugs and Medicines Expenses | 8,128,051.71 | - | 8,128,051.71 |
| Medical, Dental and Laboratory Supplies Expenses | 23,236,479.78 | - | 23,236,479.78 |
| Gasoline, Oil and Lubrication Expenses | 64,330,583.86 | - | 64,330,583.86 |
| Agricultural Supplies Expenses | 4,638,008.00 | - | 4,638,008.00 |
| Textbooks and Instructional Materials Expenses | 9,818.35 | 18,197,403.60 | 18,207,221.95 |
| Military and Police Supplies Expenses | 24,200.00 | - | 24,200.00 |
| Other Supplies Expenses | 116,227,939.30 | 25,208,285.77 | 141,436,225.07 |
| Utility Expenses | | | |
| Water Expenses | 2,312,623.02 | - | 2,312,623.02 |
| Electricity Expenses | 53,373,899.21 | - | 53,373,899.21 |
| Cooking Gas Expenses | 73,534.00 | - | 73,534.00 |
| Communication Expenses | | | |
| Postage and Deliveries | 49,542.44 | - | 49,542.44 |
| Telephone Expenses - Landline | 2,351,107.38 | - | 2,351,107.38 |
| Telephone Expenses - Mobile | 2,538,947.66 | - | 2,538,947.66 |
| Internet Expenses | 2,382,036.03 | - | 2,382,036.03 |
| Cable, Satellite, Telegraph and Radio Expenses | 16,107.45 | - | 16,107.45 |
| Membership Dues and Contributions to Organizations | 550,259.00 | - | 550,259.00 |
| Awards and Indemnities Expenses | - | - | - |
| Advertising Expense | 3,030,810.00 | - | 3,030,810.00 |
| Printing and Binding Expenses | 1,846,856.65 | - | 1,846,856.65 |
| Rent Expenses | 13,460,139.48 | 740,000.00 | 14,200,139.48 |
| Representation Expenses | 6,901,225.15 | - | 6,901,225.15 |
| Transportation and Delivery Expenses | 20,000.00 | 992,750.00 | 1,012,750.00 |
| Storage Expenses | 1,130,992.16 | - | 1,130,992.16 |
| Subscriptions Expenses | 382,527.57 | - | 382,527.57 |
| Survey Expenses | - | - | - |
| Rewards and Other Claims | - | - | - |
| Professional Services | | | |
| Legal Services | 8,735,850.00 | - | 8,735,850.00 |
| Auditing Services | - | - | - |
| Consultancy Services | 8,053,000.00 | - | 8,053,000.00 |
| Environment/Sanitary Services | 128,600.00 | - | 128,600.00 |
| General Services | 3,488,484.25 | - | 3,488,484.25 |
| Janitorial Services | 13,059,048.82 | - | 13,059,048.82 |

| | | | |
|---|----------------|---------------|----------------|
| Security Services | 7,070,560.00 | - | 7,070,560.00 |
| Other Professional Services | 155,640,142.90 | 1,735,000.00 | 157,375,142.90 |
| Repairs and Maintenance | | | |
| Land and Improvements | | | |
| Repairs and Maintenance - Land Improvements | - | - | - |
| Repairs and Maintenance - Electrification, Power and Energy Structures | - | - | - |
| Buildings | | | |
| Repairs and Maintenance - Office Buildings | 5,672,565.73 | - | 5,672,565.73 |
| Repairs and Maintenance - School Buildings | - | 12,552,570.29 | 12,552,570.29 |
| Repairs and Maintenance - Hospitals and Health Center | 1,454,702.31 | - | 1,454,702.31 |
| Repairs and Maintenance - Markets and Slaughterhouse | - | - | - |
| Repairs and Maintenance - Other Structures | - | - | - |
| Leasehold Improvements | | | |
| Repairs and Maintenance - Leasehold Improvements, Le | - | - | - |
| Repairs and Maintenance - Leasehold Improvements, Bu | - | - | - |
| Repairs and Maintenance - Other Leasehold Improvemen | - | - | - |
| Office Equipment, Furniture and Fixtures | | | |
| Repairs and Maintenance - Office Equipment | 1,233,101.16 | - | 1,233,101.16 |
| Repairs and Maintenance - Furniture and Fixtures | 38,235.00 | - | 38,235.00 |
| Repairs and Maintenance - IT Equipment and Software | 659,466.65 | - | 659,466.65 |
| Machineries and Equipment | | | |
| Repairs and Maintenance - Machineries | - | - | - |
| Repairs and Maintenance - Agricultural, Fishery and Forestry Equipment | - | - | - |
| Repairs and Maintenance - Communication Equipment | - | - | - |
| Repairs and Maintenance - Construction and Heavy Equi | 7,200,228.40 | - | 7,200,228.40 |
| Repairs and Maintenance - Disaster Response and Rescue Equipment | 100,800.00 | - | 100,800.00 |
| Repairs and Maintenance - Hospital Equipment | 67,625.00 | - | 67,625.00 |
| Repairs and Maintenance - Medical, Dental and Laboratory Equipment | 220,505.00 | - | 220,505.00 |
| Repairs and Maintenance - Military and Police Equipmen | - | - | - |
| Repairs and Maintenance - Sports Equipment | - | - | - |
| Repairs and Maintenance - Technical and Scientific Equi | - | - | - |
| Repairs and Maintenance - Other Machineries and Equip | 26,460.00 | - | 26,460.00 |
| Transportation Equipment | | | |
| Repairs and Maintenance - Motor Vehicles | 7,196,118.70 | - | 7,196,118.70 |
| Repairs and Maintenance - Watercrafts | - | - | - |
| Repairs and Maintenance - Other Transportation Equipm | - | - | - |
| Other Property, Plant and Equipment | | | |
| Repairs and Maintenance - Other Property, Plant and Eq | - | - | - |
| Public Infrastructures | | | |
| Repairs and Maintenance - Roads, Highways and Bridge | 10,756,375.74 | - | 10,756,375.74 |
| Repairs and Maintenance - Plazas, Parks and Monument | - | - | - |
| Repairs and Maintenance - Ports, Lighthouses and Harb | - | - | - |
| Repairs and Maintenance - Artesian Wells, Reservoirs, Pumping Stations and Conduits | 2,759,303.41 | - | 2,759,303.41 |
| Repairs and Maintenance - Irrigation Canals and Laterals | 44,000.00 | - | 44,000.00 |
| Repairs and Maintenance - Flood Controls | - | - | - |
| Repairs and Maintenance - Waterways, Aqueducts, Seawalls, River/Walls and Others | - | - | - |
| Repairs and Maintenance - Other Public Infrastructures | 5,978,577.45 | 543,856.18 | 6,522,433.63 |
| Reforestation Projects | | | |
| Repairs and Maintenance - Reforestation- Upland | - | - | - |
| Repairs and Maintenance - Reforestation - Marshland/ Swampland | - | - | - |
| Confidential, Intelligence, Extraordinary and Miscellaneous Expenses | | | |
| Confidential Expenses | 81,200,000.00 | - | 81,200,000.00 |

| | | | |
|---|-------------------------|-----------------------|-------------------------|
| Intelligence Expenses | | - | - |
| Extraordinary Expenses | 3,745,255.70 | - | 3,745,255.70 |
| Miscellaneous Expenses | - | - | - |
| Taxes, Insurance Premiums and Other Fees | | | |
| Taxes, duties and Licenses | 5,423,703.68 | - | 5,423,703.68 |
| Fidelity Bond Premiums | 501,078.75 | - | 501,078.75 |
| Insurance Expenses | 5,006,827.15 | - | 5,006,827.15 |
| Non-Cash Expenses | | | |
| Depreciation | | | |
| Land Improvements | | | |
| Depreciation - Land Improvements | 5,375,866.96 | 1,532,327.52 | 6,908,194.48 |
| Depreciation - Electrification, Power and Energy Structures | - | - | - |
| Buildings | | | |
| Depreciation - Office Buildings | 22,531,643.52 | - | 22,531,643.52 |
| Depreciation - School Buildings | 3,321,807.09 | 34,450,442.44 | 37,772,249.53 |
| Depreciation - Hospitals and Health Centers | 4,354,160.55 | - | 4,354,160.55 |
| Depreciation - Markets and Slaughterhouses | - | - | - |
| Depreciation - Other Structures | 2,188,443.98 | 3,782,007.00 | 5,970,450.98 |
| Leasehold Improvements | | | |
| Depreciation - Leasehold Improvements, Land | 24,106.03 | - | 24,106.03 |
| Depreciation - Leasehold Improvements, Buildings | - | - | - |
| Depreciation - Other Leasehold Improvements | - | - | - |
| Office Equipment, Furniture and Fixtures | | | |
| Depreciation - Office Equipment | 3,507,803.21 | 2,080,496.40 | 5,588,299.61 |
| Depreciation - Furniture and Fixtures | 4,626,523.94 | 8,545,544.48 | 13,172,068.42 |
| Depreciation - IT Equipment | 6,708,770.16 | 564,966.36 | 7,273,736.52 |
| Depreciation - Library Books | 319,127.68 | - | 319,127.68 |
| Machineries and Equipment | | | |
| Depreciation - Machineries | - | - | - |
| Depreciation - Agricultural, Fishery and Forestry Equipme | 918,717.43 | - | 918,717.43 |
| Depreciation - Communication Equipment | 4,066,071.29 | 29,792.58 | 4,095,863.87 |
| Depreciation - Construction and Heavy Equipment | 19,619,520.57 | - | 19,619,520.57 |
| Depreciation - Disaster Response & Rescue Eqp. | 795,433.80 | - | 795,433.80 |
| Depreciation - Hospital Equipment | 1,122,025.50 | - | 1,122,025.50 |
| Depreciation - Medical, Dental and Laboratory Equipmen | 2,539,893.81 | 1,342,699.80 | 3,882,593.61 |
| Depreciation - Military and Police Equipment | 1,546,572.85 | - | 1,546,572.85 |
| Depreciation - Sports Equipment | - | - | - |
| Depreciation - Technical and Scientific Equipment | 30,321.60 | 18,509,317.43 | 18,539,639.03 |
| Depreciation - Other Machineries and Equipment | 1,295,292.13 | - | 1,295,292.13 |
| Transportation and Equipment | | | |
| Depreciation - Motor Vehicles | 21,249,642.11 | 127,212.36 | 21,376,854.47 |
| Depreciation - Watercrafts | 992,624.29 | - | 992,624.29 |
| Depreciation - Other Transportation Equipment | - | - | - |
| Other Property, Plant and Equipment | | | |
| Depreciation - Other Property, Plant and Equipment | 1,281,484.95 | 2,519,465.19 | 3,800,950.14 |
| Other Maintenance and Operating Expenses | | | |
| Loss of Assets | - | - | - |
| Loss on Guaranty | - | - | - |
| Other Maintenance and Operating Expenses | 46,388,405.25 | 476,000.00 | 46,864,405.25 |
| TOTAL MAINTENANCE & OPERATING EXPENSES | 902,420,304.68 | 145,420,911.40 | 1,047,841,216.08 |
| TOTAL OPERATING EXPENSES | 1,794,370,637.75 | 146,524,511.40 | 1,940,895,149.15 |
| INCOME FROM OPERATIONS | 437,944,121.25 | 63,120,846.02 | 501,064,967.27 |
| FINANCIAL EXPENSES | | | |
| Bank Charges | 70,330.00 | - | 70,330.00 |
| Commitment Fees | - | - | - |
| Documentary Stamps Expenses | 147,435.74 | - | 147,435.74 |
| Interest Expenses | 4,077,496.11 | 21,008,035.61 | 25,085,531.72 |
| Other Financial Charges | 5,027.72 | 210,080.32 | 215,108.04 |
| Total | 4,300,289.57 | 21,218,115.93 | 25,518,405.50 |

| | | | |
|--|-----------------------|----------------------|-----------------------|
| Income before Subsidies, Donations and Extraordinary Items | 433,643,831.68 | 41,902,730.09 | 475,546,561.77 |
| Add: Subsidy from Other National Government A | | | |
| Subsidy from Other LGUs | - | - | - |
| Subsidy from Other Funds | - | - | - |
| Total | | | |
| Less Subsidy to National Government Units | 4,000,000.00 | - | 4,000,000.00 |
| Subsidy to Local Government Units | 47,206,279.24 | - | 47,206,279.24 |
| Subsidy to Gov't Owned and Controlled Corp | - | - | - |
| Subsidy to NGOs/POs | - | - | - |
| Subsidy to Other Funds | 25,990,160.22 | - | 25,990,160.22 |
| Donations | 130,507,960.70 | - | 130,507,960.70 |
| Total | 207,704,400.16 | | 207,704,400.16 |
| Income before Extraordinary Items | 225,939,431.52 | 41,902,730.09 | 267,842,161.61 |
| Add (Less) Extraordinary Items: | | | |
| Gain/Loss on foreign Exchange | - | - | - |
| Gain/Loss on Sale of Disposed Assets | 50,000.00 | - | 50,000.00 |
| Gain/Loss on Sale of Securities | - | - | - |
| NET INCOME | 225,989,431.52 | 41,902,730.09 | 267,892,161.61 |

Certified Correct:

LAURO D. MONZON
 Provincial Accountant

Figure 10.Consolidated Balance Sheet, Province of Cavite: as of December 31, 2013

| PROVINCE of CAVITE CONSOLIDATED BALANCE SHEET As of December 31, 2013 | | | | Annex B |
|--|-----------------------|----------------------|----------------------|-----------------------|
| | GENERAL FUND | S E F | TRUST FUND | TOTAL |
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| CASH | | | | |
| Cash on Hand | | | | |
| Cash in Vault | 4,840,310.43 | 2,048,187.71 | - | 6,888,498.14 |
| Cash-Collecting Officers | | | | |
| Cash-Disbursing Officers | 8,000.00 | - | - | 8,000.00 |
| Petty Cash Fund | | | | |
| Payroll Fund | | | | |
| Cash in Banks-Local Currency | | | | |
| Cash in Bank -Local Currency, Current Account | 272,808,089.81 | 4,189,431.36 | 63,347,167.03 | 340,344,688.20 |
| Cash in Bank -Local Currency, Savings Account | 941,030.40 | - | - | 941,030.40 |
| Cash in Bank -Local Currency, Time Deposits | 77,841,066.72 | - | - | 77,841,066.72 |
| Cash in Banks- Foreign Currency | | | | |
| Cash in Bank - Foreign Currency, Current Account | - | - | - | - |
| Cash in Bank - Foreign Currency, Savings Account | - | - | - | - |
| Cash in Bank -Foreign Currency, Time Deposits | - | - | - | - |
| Total Cash | 356,438,497.36 | 6,237,619.07 | 63,347,167.03 | 426,023,283.46 |
| RECEIVABLES | | | | |
| Receivable Accounts | | | | |
| Accounts Receivable | 33,222,675.44 | - | - | 33,222,675.44 |
| Notes Receivables | - | - | - | - |
| Due from Officers and Employees | 581,553.69 | - | - | 581,553.69 |
| Loans Receivables-GOCCs | - | - | - | - |
| Loans Receivables-Others | 2,081,358.00 | - | - | 2,081,358.00 |
| Loans Receivables-LGUs | - | - | - | - |
| Real Property Tax Receivable | - | - | - | - |
| Special Education Tax Receivable | - | - | - | - |
| Interests Receivable | - | - | - | - |
| Inter-agency Receivables | | | | |
| Due from NGAs | - | - | - | - |
| Due from GOCCs | - | - | - | - |
| Due from LGUs | 37,974,019.94 | 19,646,995.36 | - | 57,621,015.30 |
| Due from NGOs/Pos | - | - | - | - |
| Intra-agency Receivables | | | | |
| Due from Other Funds | - | - | - | - |
| Other Receivables | | | | |
| Receivables - Disallowances/Charges | 3,016,923.41 | - | - | 3,016,923.41 |
| Advances to Officers and Employees | 4,473,613.85 | 583,000.00 | 866,370.05 | 5,922,983.90 |
| Other Receivables | 362,825.74 | - | - | 362,825.74 |
| Total Receivables | 81,712,970.07 | 20,229,995.36 | 866,370.05 | 102,809,335.48 |
| INVENTORIES | | | | |
| Materials | | | | |
| Raw Materials Inventory | - | - | - | - |
| Work-in Process Inventory | - | - | - | - |
| Finished Goods Inventory | - | - | - | - |
| Merchandise Inventory | 30,234,632.03 | - | - | 30,234,632.03 |
| Supplies | | | | |
| Office Supplies Inventory | 3,509,340.66 | - | - | 3,509,340.66 |
| Accountable Forms Inventory | 1,458,192.39 | - | - | 1,458,192.39 |
| Animal/Zoological Supplies Inventory | - | - | - | - |
| Food Supplies Inventory | - | - | - | - |
| Drugs and Medicines Inventory | - | - | - | - |

BSCONSO
1 of 4

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|---|-------------------------|-----------------------|----------------------|-------------------------|
| Medical, Dental and Laboratory Supplies Inventory | - | - | - | - |
| Gasoline, Oil and Lubricants Inventory | - | - | - | - |
| Agricultural Supplies Inventory | - | - | - | - |
| Textbooks and Instructional Materials Inventory | - | 783,760,046.57 | - | 783,760,046.57 |
| Military and Police Supplies Inventory | - | - | - | - |
| Other Supplies Inventory | 1,337,498.89 | 83,270,824.75 | - | 84,608,323.64 |
| Confiscated/Abandoned/Seized Goods Inventory | - | - | - | - |
| Spare Parts Inventory | - | - | - | - |
| Construction Materials Inventory | - | - | - | - |
| Agricultural, Fishery and Forestry Products | - | - | - | - |
| Livestock Inventory | - | - | - | - |
| Crops and Fruits Inventory | - | - | - | - |
| Other Agricultural, Fishery and Forestry Products Inventory | - | - | - | - |
| Total Inventories | 36,539,663.97 | 867,030,871.32 | - | 903,570,535.29 |
| PREPAYMENTS | | | | |
| Prepaid Rent | - | - | - | - |
| Prepaid Insurance | - | - | - | - |
| Prepaid Interest | - | - | - | - |
| Deposit on Letters of Credit | - | - | - | - |
| Advances to Contractors | - | - | - | - |
| Deferred Charges | - | - | - | - |
| Other Prepaid Expenses | - | - | - | - |
| Total Prepayments | - | - | - | - |
| OTHER CURRENT ASSETS | | | | |
| Guaranty Deposits | 180,000.00 | - | - | 180,000.00 |
| Other Current Assets | - | - | - | - |
| Total Other Current Assets | 180,000.00 | - | - | 180,000.00 |
| TOTAL CURRENT ASSETS | 474,871,131.40 | 893,498,485.75 | 64,213,537.08 | 1,432,583,154.23 |
| INVESTMENTS | | | | |
| Investments in Treasury Bills | - | - | - | - |
| Investments in Stocks | 5,000,000.00 | - | - | 5,000,000.00 |
| Investments in Bonds | - | - | - | - |
| Other Investments and Marketable Securities | 13,771,888.37 | 270,710.00 | - | 14,042,598.37 |
| Sinking Fund | - | - | - | - |
| TOTAL INVESTMENTS | 18,771,888.37 | 270,710.00 | - | 19,042,598.37 |
| PROPERTY, PLANT AND EQUIPMENT (Net of Depreciation) | | | | |
| LAND AND LAND IMPROVEMENTS | | | | |
| Land | 797,318,322.51 | - | - | 797,318,322.51 |
| Land Improvements | 216,575,081.45 | 11,599,753.21 | 18,850,818.28 | 247,025,652.94 |
| Electrification, Power and Energy Structures | - | - | - | - |
| Total Land and Land Improvements | 1,013,893,403.96 | 11,599,753.21 | 18,850,818.28 | 1,044,343,975.45 |
| BUILDINGS | | | | |
| Office Buildings | 455,241,299.97 | - | 8,214,531.55 | 463,455,831.52 |
| School Buildings | 118,588,613.14 | 661,898,229.28 | - | 780,486,842.42 |
| Hospitals and Health Centers | 91,658,918.67 | - | - | 91,658,918.67 |
| Markets and Slaughterhouses | - | - | - | - |
| Other Structures | 77,842,660.26 | 18,810,695.47 | - | 96,653,355.73 |
| Total Buildings | 743,331,492.04 | 680,708,924.75 | 8,214,531.55 | 1,432,254,948.34 |
| LEASEHOLD IMPROVEMENTS | | | | |
| Leasehold Improvements, Land | 87,049.53 | - | - | 87,049.53 |
| Leasehold Improvements, Buildings | - | - | - | - |
| Other Leasehold Improvements | - | - | - | - |
| Total Leasehold Improvements | 87,049.53 | - | - | 87,049.53 |
| OFFICE EQUIPMENT, FURNITURE AND FIXTURES | | | | |
| Office Equipment | 30,119,235.91 | 6,618,625.52 | - | 36,737,861.43 |
| Furniture and Fixtures | 42,284,015.53 | 110,071,077.76 | 17,838,258.74 | 170,193,352.03 |
| IT Equipment and Software | 152,337,693.86 | 43,297,525.80 | - | 195,635,219.66 |
| Library Books | 2,737,446.38 | 181,426.65 | - | 2,918,873.03 |
| Total Office Equipment, Furniture and Fixtures | 227,478,391.68 | 160,168,655.73 | 17,838,258.74 | 405,485,306.15 |
| MACHINERIES AND EQUIPMENT | | | | |
| Machineries | - | - | - | - |
| Agricultural, Fishery and Forestry Equipment | 7,544,597.57 | - | - | 7,544,597.57 |

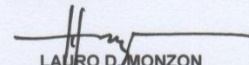
BSCONSO
2 of 4

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|--|-------------------------|-------------------------|-----------------------|-------------------------|
| Communication Equipment | 73,698,381.42 | 44,957.92 | - | 73,743,339.34 |
| Construction and Heavy Equipment | 119,856,605.50 | - | - | 119,856,605.50 |
| Disaster Response and Rescue Equipment | 7,985,941.43 | - | - | 7,985,941.43 |
| Hospital Equipment | 8,735,968.87 | - | - | 8,735,968.87 |
| Medical, Dental and Laboratory Equipment | 22,002,300.80 | 10,893,504.50 | - | 32,895,805.30 |
| Military and Police Equipment | 4,643,768.64 | - | - | 4,643,768.64 |
| Sports Equipment | - | - | - | - |
| Technical and Scientific Equipment | 367,884.53 | 115,031,163.92 | - | 115,399,048.45 |
| Other Machineries and Equipment | 10,318,247.48 | 12,316,219.00 | - | 22,634,466.48 |
| Total Machineries and Equipment | 255,153,696.24 | 138,285,845.34 | - | 393,439,541.58 |
| TRANSPORTATION EQUIPMENT | | | | |
| Motor Vehicles | 210,753,249.16 | 1,879,481.09 | - | 212,632,730.25 |
| Watercrafts | 11,836,398.21 | - | - | 11,836,398.21 |
| Other Transportation Equipment | - | - | - | - |
| Total Transportation Equipment | 222,589,647.37 | 1,879,481.09 | - | 224,469,128.46 |
| OTHER PROPERTY, PLANT AND EQUIPMENT | | | | |
| Other Property, Plant and Equipment | 22,510,166.50 | 91,319,411.73 | - | 113,829,578.23 |
| Total Other Property, Plant and Equipment | 22,510,166.50 | 91,319,411.73 | - | 113,829,578.23 |
| PUBLIC INFRASTRUCTURES | | | | |
| Roads, Highways and Bridges | - | - | - | - |
| Plazas, Parks and Monuments | - | - | - | - |
| Ports, Lighthouses and Harbors | - | - | - | - |
| Artesian, Wells, Reservoirs, Pumping Stations and Conduits | - | - | - | - |
| Irrigation, Canals and Laterals | - | - | - | - |
| Flood Controls | - | - | - | - |
| Waterways, Aqueducts, Seawalls | - | - | - | - |
| Other Public Infrastructures | - | - | - | - |
| Total Public Infrastructure | - | - | - | - |
| REFORESTATION PROJECTS | | | | |
| Reforestation - Upland | - | - | - | - |
| Reforestation - Marshland/Swampland | - | - | - | - |
| Total Reforestation Projects | - | - | - | - |
| CONSTRUCTION IN PROGRESS | | | | |
| Construction in Progress - Agency Assets | 1,851,954.44 | 28,424,528.53 | - | 30,276,482.97 |
| Public Infrastructures/Reforestation Projects | | | | |
| Construction in Progress -Roads, Highways and Bridges | 66,561,520.76 | - | - | 66,561,520.76 |
| Construction in Progress -Plazas, Parks and Monuments | - | - | - | - |
| Construction in Progress -Ports, Lighthouses and Harbors | - | - | - | - |
| Construction in Progress -Artesian, Wells, Reservoirs, Pumping Stations and Conduits | 9,361,061.11 | - | - | 9,361,061.11 |
| Construction in Progress - Irrigation, Canals and Laterals | 13,226,873.83 | - | - | 13,226,873.83 |
| Construction in Progress - Flood Controls | - | - | - | - |
| Construction in Progress - Waterways, Aqueducts, Seawalls | - | - | - | - |
| River Walls and Others | 22,637,656.94 | - | - | 22,637,656.94 |
| Construction in Progress - Other Public Infrastructures | 294,728,184.46 | - | - | 294,728,184.46 |
| Construction in Progress - Reforestation - Upland | - | - | - | - |
| Construction in Progress - Reforestation - Marshland/ Swampland | - | - | - | - |
| Total Construction in Progress | 408,367,251.54 | 28,424,528.53 | - | 436,791,780.07 |
| Total Property, Plant and Equipment | 2,893,411,098.66 | 1,112,386,600.38 | 44,903,608.57 | 4,050,701,307.61 |
| OTHER ASSETS | | | | |
| Work/Other Animals | - | - | - | - |
| Breeding Stocks | 513,630.00 | - | - | 513,630.00 |
| Arts, Archeological Speciment and Other Exhibits | - | - | - | - |
| Items in Transit | - | - | - | - |
| Other Assets | 313,287,782.01 | - | - | 313,287,782.01 |
| Total Other Assets | 313,801,412.01 | - | - | 313,801,412.01 |
| TOTAL ASSET | 3,700,855,530.64 | 2,006,155,796.13 | 109,117,145.65 | 5,816,128,472.42 |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Payable Accounts | | | | |

BSCONSO
3 of 4

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|---|-------------------------|-------------------------|-----------------------|-------------------------|
| Accounts Payable | 615,447,264.51 | 44,961,801.09 | - | 660,409,065.60 |
| Notes Payable | - | - | - | - |
| Due to Officers and Employees | 23,321,649.97 | 65,000.00 | - | 23,386,649.97 |
| Interest Payable | - | - | - | - |
| Inter-Agency Payables | | | | |
| Due to BIR | 7,847,218.52 | 932,835.97 | 1,303,897.31 | 10,083,951.80 |
| Due to GSIS | 13,769,005.01 | - | - | 13,769,005.01 |
| Due to PAG-IBIG | 1,845,159.05 | - | - | 1,845,159.05 |
| Due to PHILHEALTH | 1,891,355.72 | - | - | 1,891,355.72 |
| Due to Other NGAs | 35,230,952.79 | - | 16,039,077.87 | 51,270,030.66 |
| Due to Other GOCCs | 10,306,607.83 | - | 74,808.91 | 10,381,416.74 |
| Due to LGUs | 23,092,256.46 | - | 680,286.17 | 23,772,542.63 |
| Intra-Agency Payables | | | | |
| Due to Other Funds | 104,538,811.10 | - | - | 104,538,811.10 |
| Other Liability Accounts | | | | |
| Guaranty Deposits Payable | 19,519.68 | - | - | 19,519.68 |
| Performance/Bidders/Bail Bonds Payable | 116,755.36 | - | 4,546,199.40 | 4,662,954.76 |
| Tax Refunds Payable | - | - | - | - |
| Trust Liabilities - DRRMC | - | - | 10,173.85 | 10,173.85 |
| Other Payables | 24,553,278.95 | 1,569,858.80 | 41,559,093.57 | 67,682,231.32 |
| Total Current Liabilities | 861,979,834.95 | 47,529,495.86 | 64,213,537.08 | 973,722,867.89 |
| LONG-TERM LIABILITIES | | | | |
| Mortgage/Bonds/Loans Payable | | | | |
| Mortgage Payable | - | - | - | - |
| Bonds Payable - Domestic | - | - | - | - |
| Bonds Payable - Foreign | - | - | - | - |
| Loans Payable - Domestic | 60,403,794.44 | 366,715,122.53 | - | 427,118,916.97 |
| Loans Payable - Foreign | - | - | - | - |
| Other Long-Term Liabilities | - | - | - | - |
| Total Long-Term Liabilities | 60,403,794.44 | 366,715,122.53 | - | 427,118,916.97 |
| TOTAL LIABILITIES | 922,383,629.39 | 414,244,618.39 | 64,213,537.08 | 1,400,841,784.86 |
| DEFERRED CREDITS | | | | |
| Deferred Real Property Tax Income | 3,851,394.48 | - | - | 3,851,394.48 |
| Deferred Special Education Tax Income | - | 3,796,315.38 | - | 3,796,315.38 |
| Other Deferred Credits | 37,748.29 | - | - | 37,748.29 |
| Total Deferred Credits | 3,889,142.77 | 3,796,315.38 | - | 7,685,458.15 |
| EQUITY | | | | |
| Government Equity - Beginning | 2,333,417,280.42 | 1,544,836,571.45 | 44,903,608.57 | 3,923,157,460.44 |
| Adjustment to Beg. Bal. | - | - | - | - |
| Transfer from Trust Fund | 504,630,448.51 | - | - | 504,630,448.51 |
| Add: Retained Operating Surplus: | | | | |
| Current Operations | 225,989,431.52 | 41,902,730.09 | - | 267,892,161.61 |
| Prior Year's Adjustments | 85,002,273.82 | 1,375,560.82 | - | 86,377,834.64 |
| Less: Transfer to Registry | | | | |
| Public Infrastructures | 374,456,675.79 | - | - | 374,456,675.79 |
| Reforestation Projects | - | - | - | - |
| Prior Year's Adjustments | - | - | - | - |
| Government Equity - End | 2,774,582,758.48 | 1,588,114,862.36 | 44,903,608.57 | 4,407,601,229.41 |
| TOTAL LIABILITIES AND EQUITY | 3,700,855,530.64 | 2,006,155,796.13 | 109,117,145.65 | 5,816,128,472.42 |

Certified Correct:


LAURO D. MONZON
Provincial Accountant

BSCONSO
4 of 4