

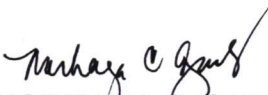


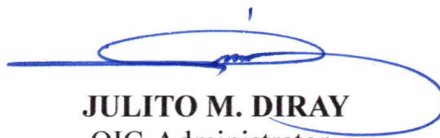
Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
DOJ Agencies Bldg., NIA Road, Diliman
Quezon City
Tel. No.: 02-927-68-26 <http://probation.gov.ph>

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Parole and Probation Administration is responsible for all information and representations contained in the accompanying Consolidated Statement of Financial Position as at **December 31, 2021** and the related Statement of Financial Performance, Statement of Cash Flows, Statement of Changes in Net Assets/Equity, Statement of Comparison of Budget and Actual Amount and the Notes to Financial Statements for the period. The financial statements have been prepared in conformity with the International Public Sector Accounting Standards and generally accepted state accounting principles, and reflect amounts that are based on the 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 are recognized.


NORHAYA C. GUILING
Chief, Financial and Management Division
2/10/2022
Date Signed


JULITO M. DIRAY
OIC-Administrator
2-10-22
Date Signed



Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
DOJ Agencies Bldg., NIA Road, Diliman, Quezon City

COMPARATIVE STATEMENT OF FINANCIAL POSITION
ALL FUNDS
For the Year Ended December 31, 2021
CONSOLIDATED

	<u>Note</u>	<u>2021</u>	<u>2020</u> As Restated
ASSETS			
Current Assets			
Cash and Cash Equivalents	6 P	9,699,727.97	8,493,638.88
Receivables	7	72,213,415.04	69,127,429.51
Inventories	8	11,998,102.29	7,284,107.44
Other Current Assets	9	433,924.69	157,857.96
Total Current Assets		94,345,169.99	85,063,033.79
Non-Current Assets			
Property, Plant and Equipment	10	250,790,423.61	201,391,632.44
Intangible Assets	11	23,842,925.33	12,743,416.37
Other Non-Current Assets	12	462,617.31	1,048,689.89
Total Non-Current Assets		275,095,966.25	215,183,738.70
Total Assets		369,441,136.24	300,246,772.49
LIABILITIES			
Current Liabilities			
Financial Liabilities	13	25,292,527.80	8,717,189.36
Inter-Agency Payables	14	8,434,542.06	1,319,603.78
Trust Liabilities	15	1,425,534.33	240,000.00
Deferred Credits/Unearned Income	16	18,954.24	114,072.80
Other Payables	17	(19,092.07)	7,965,177.29
Total Current Liabilities		35,152,466.36	18,356,043.23
Non-Current Liabilities			
Other Payables	17	247,261.18	-
Total Non-Current Liabilities		247,261.18	-
Total Liabilities		35,399,727.54	18,356,043.23
Total Assets less Total Liabilities		334,041,408.70	281,890,729.26
NET ASSETS/EQUITY			
Accumulated Surplus/(Deficit)	18	334,041,408.70	281,890,729.26
Total Net Assets/Equity	P	334,041,408.70	281,890,729.26

Certified Correct:

NOR-AIN D. DIMACUTA
Chief Accountant

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



Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
DOJ Agencies Bldg., NIA Road, Diliman, Quezon City

COMPARATIVE DETAILED STATEMENT OF FINANCIAL POSITION
ALL FUNDS
For the Year Ended December 31, 2021
CONSOLIDATED


	<u>2021</u>	<u>2020</u> As Restated
ASSETS		
Current Assets		
Cash and Cash Equivalents	P 9,699,727.97	P 8,493,638.88
Cash on Hand	75,804.00	51,479.69
Cash-Collecting Officers	-	1.75
Petty Cash	75,804.00	51,477.94
Cash in Bank-Local Currency	8,513,389.64	8,442,159.19
Cash in Bank-Local Currency, Current Account	8,513,389.64	8,442,159.19
Treasury/Agency Cash Accounts	1,110,534.33	-
Cash-Treasury/Agency Deposit, Trust	1,110,534.33	-
Receivables	72,213,415.04	69,127,429.51
Inter-Agency Receivables	70,420,609.41	67,137,914.15
Due from National Government Agencies	70,393,121.41	67,137,914.15
Due from Government-Owned and/or Controlled Corporations	27,488.00	-
Other Receivables	1,792,805.63	1,989,515.36
Receivables-Disallowances/Charges	1,560,986.44	1,578,045.67
Due from Officers and Employees	181,262.98	329,740.54
Other Receivables	50,556.21	81,729.15
Net Value-Other Receivables	50,556.21	81,729.15
Inventories	11,998,102.29	7,284,107.44
Inventory Held for Distribution	-	20,768.00
Medical, Dental and Laboratory Supplies for Distribution	-	20,768.00
Inventory Held for Consumption	9,374,570.92	5,951,407.84
Office Supplies Inventory	3,569,703.80	5,811,863.73
Accountable Forms, Plates and Stickers Inventory	12,764.51	13,506.51
Medical, Dental and Laboratory Supplies Inventory	5,642,977.20	-
Other Supplies and Materials Inventory	149,125.41	126,037.60
Semi-Expendable Machinery and Equipment	1,442,841.37	1,180,291.60
Semi-Expendable Office Equipment	199,179.00	91,803.00
Semi-Expendable Information and Communications Technology Equipment	1,170,142.87	1,085,474.69
Semi-Expendable Communications Equipment	-	-
Semi-Expendable Other Machinery and Equipment	73,519.50	3,013.91

	2021	2020 As Restated
Semi-Expendable Furniture, Fixtures and Books	1,180,690.00	131,640.00
Semi-Expendable Furniture and Fixtures	1,180,690.00	131,640.00
		-
Other Current Assets	433,924.69	157,857.96
		-
Advances	73,224.95	-
Advances to Special Disbursing Officers	56,674.95	-
Advances to Officers and Employees	16,550.00	-
		-
Prepayments	360,699.74	157,857.96
Advances to Contractors	-	41,808.00
Prepaid Rent	43,400.00	43,400.00
Prepaid Insurance	312,289.74	72,649.96
Other Prepayments	5,010.00	-
		-
Total Current Assets	94,345,169.99	85,063,033.79
Non-Current Assets		
Property, Plant and Equipment	250,790,423.61	201,391,632.44
Land	7,680.00	7,680.00
Land	7,680.00	7,680.00
Accumulated Impairment Losses- Land	-	-
Net Value	7,680.00	7,680.00
		-
Infrastructure Assets	23,017,305.82	13,223,823.69
Other Infrastructure Assets	25,356,074.88	14,730,920.00
Accumulated Depreciation-Other Infrastructure Assets	(2,338,769.06)	(1,507,096.31)
Accumulated Impairment Losses-Other Infrastructure Assets	-	-
Net Value	23,017,305.82	13,223,823.69
		-
Buildings and Other Structures	56,199,778.84	59,289,062.55
Buildings	93,186,625.05	93,186,625.05
Accumulated Depreciation-Buildings	(36,986,846.21)	(33,897,562.50)
Accumulated Impairment Losses-Buildings	-	-
Net Value	56,199,778.84	59,289,062.55
		-
Machinery and Equipment	156,777,454.82	109,510,919.58
Office Equipment	18,411,361.47	18,536,947.57
Accumulated Depreciation-Office Equipment	(11,135,743.10)	(9,518,338.79)
Accumulated Impairment Losses-Office Equipment	-	-
Net Value	7,275,618.37	9,018,608.78
		-
Information and Communication Technology Equipment	229,494,311.07	158,298,604.43
Accumulated Depreciation-Information and Communication Technology Equipment	(89,642,654.84)	(60,042,893.31)
Accumulated Impairment Losses-Information and Communication Technology Equipment	(3,959.94)	(3,959.94)
Net Value	139,847,696.29	98,251,751.18
		-
Communication Equipment	11,436,379.02	3,314,674.60
Accumulated Depreciation-Communication Equipment	(1,818,639.92)	(1,114,572.51)
Accumulated Impairment Losses-Communication	-	-
Net Value	9,617,739.10	2,200,102.09
		-
Medical Equipment	38,000.00	38,000.00
Accumulated Depreciation-Medical Equipment	(36,100.00)	(36,100.00)
Accumulated Impairment Losses-Medical Equipment	-	-
Net Value	1,900.00	1,900.00
		-
Other Machinery and Equipment	81,549.75	81,549.75

	2021	2020 As Restated
Accumulated Depreciation-Other Machinery and Equipment	(47,048.69)	(42,992.22)
Accumulated Impairment Losses-Other Machinery and Equipment	-	-
Net Value	<u>34,501.06</u>	<u>38,557.53</u>
Transportation Equipment	8,201,203.04	10,189,919.76
Motor Vehicles	23,254,351.00	24,162,595.00
Accumulated Depreciation-Motor Vehicles	(15,053,147.96)	(13,972,675.24)
Accumulated Impairment Losses-Motor Vehicles	-	-
Net Value	<u>8,201,203.04</u>	<u>10,189,919.76</u>
Furniture, Fixtures and Books	6,543,965.79	9,114,525.11
Furniture and Fixtures	9,357,031.49	11,138,327.49
Accumulated Depreciation-Furniture and Fixtures	(2,812,987.70)	(2,023,724.38)
Accumulated Impairment Losses-Furniture and Fixtures	(78.00)	(78.00)
Net Value	<u>6,543,965.79</u>	<u>9,114,525.11</u>
Other Property, Plant and Equipment	43,035.30	55,701.75
Other Property, Plant and Equipment	53,130.00	104,565.00
Accumulated Depreciation-Other Property, Plant and Equipment	(10,094.70)	(48,863.25)
Accumulated Impairment Losses-Other Property, Plant and Equipment	-	-
Net Value	<u>43,035.30</u>	<u>55,701.75</u>
Intangible Assets	23,842,925.33	12,743,416.37
Intangible Assets	23,842,925.33	12,743,416.37
Computer Software	26,979,659.67	14,306,160.56
Accumulated Amortization-Computer Software	(3,136,734.34)	(1,562,744.19)
Net Value	<u>23,842,925.33</u>	<u>12,743,416.37</u>
Other Non-Current Assets	462,617.31	1,048,689.89
Deposits	18,000.00	18,000.00
Guaranty Deposits	18,000.00	18,000.00
Other Assets	444,617.31	1,030,689.89
Other Assets	444,617.31	1,030,689.89
Accumulated Impairment Losses-Other Assets	-	-
Net Value	<u>444,617.31</u>	<u>1,030,689.89</u>
Total Non-Current Assets	275,095,966.25	215,183,738.70
TOTAL ASSETS	369,441,136.24	300,246,772.49
LIABILITIES		
Liabilities		
Current Liabilities		
Financial Liabilities	25,292,527.80	8,717,189.36
Payables	25,292,527.80	8,717,189.36
Accounts Payable	23,040,718.00	2,660,543.55
Due to Officers and Employees	2,251,809.80	5,981,415.80
Tax Refunds Payable	-	75,230.01
Inter-Agency Payables	8,434,542.06	1,319,603.78
Due to BIR	377,521.99	380,664.88

	<u>2021</u>	<u>2020</u> As Restated
Due to GSIS	239,940.30	691,643.28
Due to Pag-IBIG	2,418.95	123,621.48
Due to PhilHealth	2,655.82	139,245.18
Due to NGAs	7,812,005.00	(15,571.04)
Trust Liabilities	1,425,534.33	240,000.00
Trust Liabilities	315,000.00	240,000.00
Guaranty/Security Deposits Payable	1,110,534.33	-
Other Payables	(19,092.07)	7,965,177.29
Other Payables	(19,092.07)	7,965,177.29
Deferred Credits/Unearned Income	18,954.24	114,072.80
Other Deferred Credits	18,954.24	114,072.80
Total Current Liabilities	35,152,466.36	18,356,043.23
Non- Current Liabilities		-
Other Payables	247,261.18	-
Other Payables	247,261.18	-
Total Non-Current Liabilities	247,261.18	-
Total Liabilities	35,399,727.54	18,356,043.23
Total Assets less Total Liabilities	334,041,408.70	281,890,729.26
Net Assets/Equity		
Equity		
Government Equity	334,041,408.70	281,890,729.26
Accumulated Surplus/(Deficit)	334,041,408.70	281,890,729.26
Total Net Assets/Equity	P 334,041,408.70	P 281,890,729.26

Certified Correct:


NOR-AIN D. DIMACUTA
 Chief Accountant



Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
DOJ Agencies Bldg., NIA Road, Diliman, Quezon City

COMPARATIVE STATEMENT OF FINANCIAL PERFORMANCE
ALL FUNDS
For the Year Ended December 31, 2021
CONSOLIDATED

	<u>Note</u>	<u>2021</u>	<u>2020</u> As Restated
Revenue			
Service and Business Income	19	P 31,418.24	P 220,606.97
Total Revenue		<u>31,418.24</u>	<u>220,606.97</u>
Less: Current Operating Expenses			
Personnel Services	20	830,686,352.37	776,490,779.85
Maintenance and Other Operating Expenses	21	127,464,823.83	96,216,725.09
Non-Cash Expenses	22	<u>40,815,564.64</u>	<u>36,624,450.44</u>
Total Current Operating Expenses		<u>998,966,740.84</u>	<u>909,331,955.38</u>
Surplus/(Deficit) from Current Operations		<u>(998,935,322.60)</u>	<u>(909,111,348.41)</u>
Net Financial Assistance/Subsidy	23	1,051,741,831.78	891,824,937.66
Sale of Assets			100.00
Other Non-Operating Income	24	30,762.18	257,493.73
Gains		-	-
Losses	25	<u>142,649.49</u>	<u>269,209.05</u>
Surplus/(Deficit) for the period		P <u>52,694,621.87</u>	P <u>(17,298,026.07)</u>

Certified Correct:


NOR-AIN D. DIMACUTA
Chief Accountant

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



Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
DOJ Agencies Bldg., NIA Road, Diliman, Quezon City

COMPARATIVE DETAILED STATEMENT OF FINANCIAL PERFORMANCE
ALL FUNDS
For the Year Ended December 31, 2021
CONSOLIDATED

	<u>2021</u>	<u>2020</u> As Restated
Revenue		
Service and Business Income		
Fines and Penalties-Service Income	P -	P 506.52
Other Service Income	30,618.24	190,324.00
Total Service Income	<u>30,618.24</u>	<u>190,830.52</u>
Business Income		
Income from Hostels/Dormitories and Other Like Facilities	800.00	29,700.00
Interest Income	-	76.45
Total Business Income	<u>800.00</u>	<u>29,776.45</u>
Total Revenue	<u>31,418.24</u>	<u>220,606.97</u>
Less: Current Operating Expenses		
Personnel Services		
Salaries and Wages		
Salaries and Wages-Regular	529,593,020.59	535,751,688.68
Total Salaries and Wages	<u>529,593,020.59</u>	<u>535,751,688.68</u>
Other Compensation		
Personal Economic Relief Allowance (PERA)	23,001,388.34	23,739,819.80
Representation Allowance (RA)	12,375,052.99	12,436,669.80
Transportation Allowance (TA)	11,798,872.76	11,854,666.80
Clothing/Uniform Allowance	5,790,000.00	5,922,000.00
Honoraria	106,000.00	424,947.77
Hazard Pay	11,024,243.97	5,718,497.91
Year End Bonus	43,084,062.10	44,188,009.40
Cash Gift	4,800,500.00	4,961,500.00
Mid Year Bonus	43,603,107.00	42,368,124.60
Other Bonuses and Allowances	26,871,474.98	25,582,081.93
Total Other Compensation	<u>182,454,702.14</u>	<u>177,196,318.01</u>
Personnel Benefit Contributions		
Retirement and Life Insurance Premiums	61,973,882.88	17,734,152.24
Pag-IBIG Contributions	1,158,900.00	1,175,600.00
PhilHealth Contributions	6,453,096.14	6,497,748.12
Employees Compensation Insurance Premiums	1,160,500.00	1,187,700.00
Total Personnel Benefit Contributions	<u>70,746,379.02</u>	<u>26,595,200.36</u>
Other Personnel Benefits		
Terminal Leave Benefits	35,037,790.08	26,390,827.84
Other Personnel Benefits	12,854,460.54	10,556,744.96
Total Other Personnel Benefits	<u>47,892,250.62</u>	<u>36,947,572.80</u>
Total Personnel Services	<u>830,686,352.37</u>	<u>776,490,779.85</u>

	<u>2021</u>	<u>2020</u> As Restated
Training Expenses	8,246,799.54	5,087,422.14
Total Training and Scholarship Expenses	8,246,799.54	5,087,422.14
Supplies and Materials Expenses		
Office Supplies Expenses	17,815,432.99	12,557,911.08
Accountable Forms Expenses	57,742.00	18,416.00
Non-Accountable Forms Expenses	4,555.00	6,115.00
Welfare Goods Expenses	-	29,550.00
Drugs and Medicines Expenses	517,665.65	226,360.50
Medical, Dental and Laboratory Supplies Expenses	6,294,488.69	188,252.00
Fuel, Oil and Lubricants Expenses	1,581,254.94	1,073,650.78
Semi-Expendable Machinery and Equipment Expense	4,152,873.71	5,834,102.93
Semi-Expendable Furniture, Fixtures and Books Expense	2,490,745.27	1,037,648.66
Other Supplies and Materials Expenses	3,239,266.72	2,630,371.28
Total Supplies and Materials Expenses	36,154,024.97 ✓	23,602,378.23 ✓
Utility Expenses		
Water Expenses	942,692.61	773,285.04
Electricity Expenses	5,210,246.55	4,426,402.56
Total Utility Expenses	6,152,939.16 ✓	5,199,687.60 ✓
Communication Expenses		
Postage and Courier Services	2,613,887.59	2,227,511.47
Telephone Expenses	3,819,387.12	3,994,887.59
Internet Subscription Expenses	4,997,012.31	3,722,484.71
Cable, Satellite, Telegraph and Radio Expenses	4,500.00	5,400.00
Total Communication Expenses	11,434,787.02 ✓	9,950,283.77 ✓
Confidential, Intelligence and Extraordinary Expenses		
Extraordinary and Miscellaneous Expenses	2,063,047.43	1,874,732.01
Total Confidential, Intelligence and Extraordinary Expenses	2,063,047.43 ✓	1,874,732.01 ✓
Professional Services		
Legal Services	14,683.00	7,370.00
Auditing Services	155,686.57	51,678.13
Consultancy Services	6,475,379.21	119,240.00
Other Professional Services	13,918,513.99	11,657,058.00
Total Professional Services	20,564,262.77 ✓	11,835,346.13 ✓
General Services		
Environment/Sanitary Services	3,600.00	-
Janitorial Services	5,961,587.43	5,342,653.92
Security Services	1,209,129.47	1,248,430.68
Other General Services	12,225,104.83	10,359,117.49
Total General Services	19,399,421.73 ✓	16,950,202.09 ✓
Repairs and Maintenance		
Repairs and Maintenance-Buildings and Other Structures	219,621.28	203,423.19
Repairs and Maintenance-Machinery and Equipment	369,455.25	810,458.43
Repairs and Maintenance-Transportation Equipment	665,004.32	752,386.00
Repairs and Maintenance-Furniture and Fixtures	28,296.00	57,188.55
Repairs and Maintenance-Semi-Expendable Machinery and Equipment	51,300.00	32,870.00
Repairs and Maintenance-Semi-Expendable Furniture, Fixtures and Equipment	250.00	-
Total Repairs and Maintenance	1,333,926.85 ✓	1,856,326.17 ✓
Taxes, Insurance Premiums and Other Fees		
Taxes, Duties and Licenses	92,581.72	81,827.73
Fidelity Bond Premiums	603,541.99	635,792.24
Insurance Expenses	921,523.76	752,080.97
Total Taxes, Insurance Premiums and Other Fees	1,617,647.47 ✓	1,469,700.94 ✓

	2021	2020 As Restated
Other Maintenance and Operating Expenses		
Printing and Publication Expenses	527,447.70	424,877.85
Representation Expenses	802,801.47	1,051,533.05
Transportation and Delivery Expenses	1,465,350.31	455,451.70
Rent/Lease Expenses	7,815,621.98	7,621,951.38
Subscription Expenses	64,127.58	32,754.47
Donations	2,215.00	46,606.10
Other Maintenance and Operating Expenses	-	56,242.25
Total Other Maintenance and Other Operating Expenses	10,677,564.04	9,689,416.80
Total Maintenance and Other Operating Expenses	127,464,823.83	96,216,725.09
Non-Cash Expenses		
Depreciation		
Depreciation-Infrastructure Assets	831,672.75	699,121.31
Depreciation-Buildings and Other Structures	3,089,283.71	1,728,863.09
Depreciation-Machinery and Equipment	32,975,467.58	29,841,516.98
Depreciation-Transportation Equipment	1,943,304.52	2,387,741.99
Depreciation-Furniture, Fixtures and Books	789,263.32	859,487.74
Depreciation-Other Property, Plant and Equipment	10,094.70	85,849.80
Total Depreciation	39,639,086.58	35,602,580.91
Amortization		
Amortization-Intangible Assets	1,142,004.40	1,012,802.33
Impairment Loss		
Impairment Loss-Property, Plant and Equipment	34,473.66	9,067.20
Total Impairment Loss	34,473.66	9,067.20
Total Non-Cash Expenses	40,815,564.64	36,624,450.44
Current Operating Expenses	998,966,740.84	909,331,955.38
Surplus (Deficit) from Current Operations	(998,935,322.60)	(909,111,348.41)
Financial Assistance/Subsidy from NGAs, LGUs, GOCCs		
Subsidy from National Government	1,051,741,831.78	880,011,318.04
Subsidy from Central Office	32,412,273.21	11,813,619.62
GOCCs	1,084,154,104.99	891,824,937.66
Less: Financial Assistance/Subsidy to NGAs, LGUs, GOCCs,		
Subsidy to Regional Offices	32,412,273.21	-
Subsidies-Others	-	-
Total Financial Assistance/Subsidy to NGAs, LGUs, GOCCs	32,412,273.21	-
Net Financial Assistance/Subsidy	1,051,741,831.78	891,824,937.66
Other Non-Operating Income		
Sale of Assets		
Sale of Unserviceable Property	-	100.00
Total Sale of Assets	-	100.00
Miscellaneous Income		
Miscellaneous Income	30,762.18	257,493.73
Total Miscellaneous Income	30,762.18	257,493.73
Losses		
Loss on Sale of Property, Plant and Equipment	4,010.50	10,288.75
Loss on Sale of Assets	84,149.79	-
Loss of Assets	36,783.10	173,471.65
Loss on Sale of Unserviceable Property	17,706.10	85,448.65
Total Losses	142,649.49	269,209.05

	<u>2021</u>	<u>2020</u> As Restated
Surplus (Deficit) for the period	P <u>52,694,621.87</u>	P <u>(17,298,026.07)</u>

Certified Correct:


NOR-AIN D. DIMACUTA
Chief Accountant



Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
DOJ Agencies Bldg., NIA Road, Diliman, Quezon City

COMPARATIVE STATEMENT OF CHANGES IN NET ASSETS/ EQUITY
ALL FUNDS
For the Year Ended December 31, 2021
CONSOLIDATED

	<u>Note</u>	<u>Accumulated Surplus/ (Deficit)</u>	
		<u>2021</u>	<u>2020</u>
			As Restated
Balance at January 1	P	283,158,715.05	P 260,717,022.37
Add/(Deduct):			-
Changes in accounting policy		-	-
Prior period errors		(1,261,358.17)	321,098.75
Other adjustments		(6,627.62)	(535,777.04)
Restated balance	18	281,890,729.26	260,502,344.08
			-
Add/(Deduct):			-
Changes in Net Assets/Equity for the Calendar Year			-
Surplus/(Deficit) for the period		52,694,621.87	(17,298,026.07)
Adjustment of net revenue recognized directly in net assets/equity		(549,135.77)	(737,198.63)
Others		5,193.34	39,423,609.88
			-
Balance at DECEMBER 31	P	334,041,408.70	P 281,890,729.26

Certified Correct:

NOR-AIN D. DIMACUTA
Chief Accountant

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



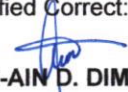
Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
DOJ Agencies Bldg., NIA Road, Diliman, Quezon City

COMPARATIVE STATEMENT OF CASH FLOWS
ALL FUNDS
For the Year Ended December 31, 2021
CONSOLIDATED

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Cash Inflows		
Receipt of Notice of Cash Allocation	P 1,129,190,199.58	P 1,010,110,804.02
Collection of Income/Revenues	31,418.24	220,024.00
Receipt of Assistance and Subsidy from Other NGAs, LGUs and GOCCs	42,050.00	7,928,571.45
Collection of Receivables	189,528.92	206,746.27
Receipt of Inter-Agency Fund Transfers	251,250.00	-
Trust Receipts	1,350,534.33	-
Other Receipts	483,650.32	765,028.91
Adjustments	161,022.58	266,212.39
Total Cash Inflows	<u>1,131,699,653.97</u>	<u>1,019,497,387.04</u>
Cash Outflows		
Remittance to National Treasury	549,135.77	736,881.93
Payment of Expenses	633,183,843.43	612,834,294.33
Purchase of Inventories	13,214,104.37	10,483,347.58
Grant of Cash Advances	2,266,495.38	2,010,553.92
Prepayments	515,687.00	76,967.94
Refund of Deposits	-	278,742.50
Payment of Accounts Payable	1,034,275.79	4,152,260.79
Remittance of Personnel Benefit Contributions and Mandatory Deductions	321,617,050.33	239,647,514.03
Release of Inter-Agency Fund Transfers	122,588.40	5,770,453.60
Reversal of Unutilized NCA	77,370,864.25	128,492,686.14
Adjustments	12,371.00	-
Total Cash Outflows	<u>1,049,886,415.72</u>	<u>1,004,483,702.76</u>
Net Cash Provided by (Used in) Operating Activities	<u>81,813,238.25</u>	<u>15,013,684.28</u>
Cash Flows from Investing Activities		
Cash Inflows		
Proceeds from Sale/Disposal of Property, Plant and Equipment	5,371.00	5,108.50
Total Cash Inflows	<u>5,371.00</u>	<u>5,108.50</u>
Cash Outflows		
Purchase/Construction of Property, Plant and Equipment	70,577,427.53	8,720,812.31
Purchase of Intangible Assets	10,035,092.63	4,198,384.66
Total Cash Outflows	<u>80,612,520.16</u>	<u>12,919,196.97</u>
Net Cash Provided by (Used in) Investing Activities	<u>(80,607,149.16)</u>	<u>(12,914,088.47)</u>
Net Cash Provided by (Used in) Financing Activities	<u>-</u>	<u>-</u>

	<u>2021</u>	<u>2020</u>
Increase (Decrease) in Cash and Cash Equivalents	1,206,089.09	2,099,595.81
Effects of Exchange Rate Changes on Cash and Cash	-	-
Cash and Cash Equivalents, January 1	<u>8,493,638.88</u>	<u>6,394,043.07</u>
Cash and Cash Equivalents, December 31	P <u><u>9,699,727.97</u></u>	P <u><u>8,493,638.88</u></u> ✓

Certified Correct:


NOR-AIN D. DIMACUTA
 Chief Accountant

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



Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
DOJ Agencies Bldg., NIA Road, Diliman, Quezon City

COMPARATIVE DETAILED STATEMENT OF CASH FLOWS
ALL FUNDS
For the Year Ended December 31, 2021
CONSOLIDATED

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Cash Inflows		
Receipt of Notice of Cash Allocation	P 1,129,190,199.58	P 1,010,110,804.02
Receipt of Notice of Cash Allocation	1,051,060,558.00	938,372,286.00
Constructive Receipt of NCA for TRA	78,129,641.58	71,738,518.02
Collection of Income/Revenues	31,418.24	220,024.00
Collection of service and business income	31,418.24	220,024.00
Receipt of Assistance and Subsidy from Other NGAs, LGUs and GOCCs	42,050.00	7,928,571.45
Assistance from Local Government Units	42,050.00	7,928,571.45
Collection of Receivables	189,528.92	206,746.27
Collection of receivable from audit disallowances	30,927.75	48,145.10
Collection of other receivables	158,601.17	158,601.17
Receipt of Inter-Agency Fund Transfers	251,250.00	-
Receipt of funds for the implementation of projects from NGAs/LGUs/GOCCs	251,250.00	-
Trust Receipts	1,350,534.33	-
Receipt of guaranty/security deposits	1,110,534.33	-
Receipt of customers' deposits	-	-
Collection of other trust receipts	240,000.00	-
Other Receipts	483,650.32	765,028.91
Receipt of refund of fund transfers	-	10,000.00
Receipt of payment for liquidated damages	-	203,222.96
Unused Petty Cash Fund	706.86	135.30
Refund of overpayment of Personnel Services	55,741.21	189,208.89
Refund of overpayment of Maintenance and Other Operating Expenses	17,747.18	10,964.32
Receipt of refund of cash advances	3,480.94	49,269.53
Other miscellaneous receipts	405,974.13	302,227.91
Adjustments	161,022.58	266,212.39
Restoration of cash for cancelled/lost/stale checks/ADA	161,022.58	249,846.49
Other adjustments-Inflow	-	16,365.90
Total Cash Inflows	1,131,699,653.97	1,019,497,387.04

Cash Outflows

Remittance to National Treasury	549,135.77	736,881.93
Payment of Expenses	633,183,843.43	612,834,294.33
Payment of personnel services	514,889,008.04	538,154,106.47
Payment of maintenance and other operating expenses	105,695,019.57	74,674,141.56
Payment of expenses pertaining to/incurred in the prior years	12,401,367.88	-
Liquidation of prior year's cash advances	198,447.94	6,046.30
Purchase of Inventories	13,214,104.37	10,483,347.58
Purchase of inventories for distribution	214,187.00	-
Purchase of inventory held for consumption	12,999,917.37	10,483,347.58
Grant of Cash Advances	2,266,495.38	2,010,553.92
Advances for operating expenses	680,567.12	640,356.83
Advances for payroll	413,300.00	162,800.00
Advances for special purpose/time-bound undertakings	936,063.26	945,906.21
Advances to officers and employees	236,565.00	261,490.88
Prepayments	515,687.00	76,967.94
Prepaid Rent	226,664.49	-
Prepaid Insurance	284,012.51	67,167.94
Other Prepayments	5,010.00	9,800.00
Payment of Accounts Payable	1,034,275.79	4,152,260.79
Remittance of Personnel Benefit Contributions and Mandatory Deductions	321,617,050.33	239,647,514.03
Remittance of taxes withheld not covered by TRA	56,808.84	13,996.63
Remittance of taxes withheld covered by TRA	78,129,641.58	71,738,518.02
Remittance to GSIS/Pag-IBIG/PhilHealth	160,089,062.59	112,278,684.69
Remittance of personnel benefits contributions	36,352,604.28	15,773,408.52
Remittance of other payables	46,988,933.04	39,842,906.17
Release of Inter-Agency Fund Transfers	122,588.40	5,770,453.60
Advances to Procurement Service	32,780.82	-
Advances to other NGAs/GOCCs/LGUs for purchase of goods/services	30,000.00	-
Release of funds to NGAs, GOCCs, LGUs for the implementation of projects	59,807.58	5,770,453.60
Reversal of Unutilized NCA	77,370,864.25	128,492,686.14
Adjustments	12,371.00	-
Other adjustments - Outflow	12,371.00	-
Total Cash Outflows	1,049,886,415.72	1,004,483,702.76
Net Cash Provided by (Used in) Operating Activities	81,813,238.25	15,013,684.28
Cash Flows from Investing Activities		
Cash Inflows		
Proceeds from Sale/Disposal of Property, Plant and Equipment	5,371.00	5,108.50
Total Cash Inflows	5,371.00	5,108.50

Cash Outflows		
Purchase/Construction of Property, Plant and Equipment	70,577,427.53	8,720,812.31
Purchase of machinery and equipment	44,184,934.16	4,417,212.28
Purchase of furniture, fixtures and books	-	2,958,800.74
Payment for property, plant and equipment obligated in prior year	26,392,493.37	1,344,799.29
 Purchase of Intangible Assets	10,035,092.63	4,198,384.66
Purchase of computer software	10,035,092.63	4,198,384.66
 Total Cash Outflows	80,612,520.16	12,919,196.97
 Net Cash Provided By (Used In) Investing Activities	(80,607,149.16)	(12,914,088.47)
 Net Cash Provided By (Used In) Financing Activities	-	-
 Increase (Decrease) in Cash and Cash Equivalents	1,206,089.09	2,099,595.81
 Effects of Exchange Rate Changes on Cash and Cash Equivalents	-	-
 Cash and Cash Equivalents, January 1	8,493,638.88	6,394,043.07
 Cash and Cash Equivalents, December 31	P 9,699,727.97	P 8,493,638.88
	(C 00)	(C 00)

Certified Correct:


NOR-AIN D. DIMACUTA
 Chief Accountant

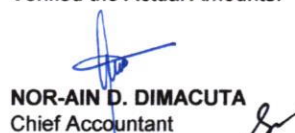
PAROLE AND PROBATION ADMINISTRATION
CONSOLIDATED STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
ALL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Particulars	Budgeted Amounts		Actual Amounts on Comparable Basis	Difference Final Budget and Actual
	Original	Final		
No				
RECEIPTS				
Tax Revenue	-	-	-	-
Services and Business Income	-	-	31,418.24	(31,418.24)
Assistance and Subsidy	-	-	-	-
Shares, Grants and Donations	-	-	-	-
Gains	-	-	-	-
Others	-	-	-	-
Other Receipts	-	-	1,712,394.33	(1,712,394.33)
Total Receipts	-	-	1,743,812.57	(1,743,812.57)
PAYMENTS				
Personnel Services	860,473,518.96	895,230,439.42	828,713,848.54	66,516,590.88
Maintenance and Other Operating Expenses	188,828,828.66	143,052,258.20	121,306,070.26	21,746,187.94
Capital Outlay	83,134,554.35	97,860,054.25	50,402,968.43	47,457,085.82
Financial Expenses				
Others				
Payments charged to Assistance and Subsidy			-	-
Others			51,870,668.13	(51,870,668.13)
Total Payments	1,132,436,901.97	1,136,142,751.87	1,052,293,555.36	83,849,196.51
NET RECEIPTS/PAYMENTS	26 (1,132,436,901.97)	(1,136,142,751.87)	(1,050,549,742.79)	(85,593,009.08)

Certified correct:


TERESA G. VISTA
 Chief Budget Officer

Verified the Actual Amounts:


NOR-AIN D. DIMACUTA
 Chief Accountant

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



Republic of the Philippines
Department of Justice
PAROLE AND PROBATION ADMINISTRATION
Diliman, Quezon City

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year ended December 31, 2021

1. General Information/Agency Profile

- 1.1. The consolidated financial statements of Parole and Probation Administration (PPA) as at December 31, 2021 were authorized for issue on February 10, 2022 as shown in the Statement of Management Responsibility for Financial Statements signed by Director Julito M. Diray, OIC-Administrator and Ms. Norhaya C. Guiling, Chief, Financial and Management Division.
- 1.2. This report covers the financial operations of the PPA, a government agency created by virtue of Presidential Decree (PD) No. 968, "The Probation Law of 1976". Executive Order No. 292 expands the function of the PPA to include the supervision and administration of the parole system in the country.
- 1.3. The mandate of the Agency is the rehabilitation of convicted offenders/prisoners who would like to undertake probation or parole or conditional pardon. The goals of the Agency are as follows;
 - 1.3.1. Promote the reformation of criminal offenders and reduce the incidence of recidivism;
 - 1.3.2. Provide a cheaper alternative to the institutional confinement of first time offenders who show signs of responding to individualized, community – based treatment programs; and
 - 1.3.3. Provide an opportunity for the reformation of a penitent offender, which might be less probable if he were not to serve prison sentence and prevent commission of other offenses.
- 1.4. To carry out its goals, it performs the following functions:
 - 1.4.1. Administers the Parole and Probation System
 - 1.4.2. Exercises supervision over parolees, pardonees and probationers
 - 1.4.3. Promotes the correction and rehabilitation of criminal offenders
- 1.5. The PPA office is located at DOJ Agencies Bldg., NIA Rd. cor. East Ave., Diliman, Quezon City.

2. Basis of Preparation of Financial Statements

- 2.1. The consolidated financial statements have been prepared in conformity with the

International Public Sector Accounting Standards (IPSAS).

- 2.2. The financial operation is decentralized to its 16 Regions. Regional Offices (ROs) received their funds directly from Department of Budget and Management (DBM). As such, ROs are directly responsible for their funds and the required reports to be submitted to PPA - Central Office (PPA-CO) for consolidation.

3. Summary of Significant Accounting Policies

3.1. Basis of accounting

The consolidated financial statements are prepared on an accrual basis. All expenses are recognized when incurred and reported in the financial statements in the period to which they relate. Income is on accrual basis except for transactions where accrual basis is impractical or when other methods are required by law.

3.2. Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the agency's Central Office and 16 ROs.

3.3. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash in bank, For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, net of outstanding bank overdrafts.

3.4. 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.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the agency.

3.5. Property, Plant and Equipment

Recognition

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

The characteristics of PPE are as follows:

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

An item of PPE is recognized as an asset if:

- It is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- The cost or fair value of the item can be measured reliably.
- It meets the capitalization threshold of ₱15,000.00

Measurement at Recognition

An item recognized as PPE is measured at cost.

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

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

Cost includes the following:

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

Measurement After Recognition

After recognition, all PPE are stated at cost less accumulated depreciation and impairment losses.

When significant parts of PPE are required to be replaced at intervals, the Agency recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as expense in surplus or deficit as incurred.

Depreciation

Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognized as expense unless it is

included in the cost of another asset.

Initial Recognition of Depreciation

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

For simplicity and to avoid proportionate computation, the depreciation is for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation is for the succeeding month.

Depreciation Method

The straight-line method of depreciation shall be adopted unless another method is more appropriate for agency operation.

Estimated Useful Life

The Agency uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA.

The Agency uses a residual value equivalent to at least five percent of the cost of the PPE.

Impairment

An asset's carrying amount is written down to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable service amount.

Derecognition

The Agency derecognizes items of PPE 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.

3.6. Changes in accounting policies and estimates

The PPA recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

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

It corrects material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- Restating the comparative amounts for prior period(s) presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

3.7. Revenue from non-exchange transactions

Recognition and Measurement of Assets from Non-Exchange Transactions

An inflow of resources from a non-exchange transaction, other than services in-kind, that meets the definition of an asset were recognized as an asset if the following criteria were met:

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

An asset acquired through a non-exchange transaction is initially measured at its fair value as at the date of acquisition.

Recognition Revenue from Non-Exchange Transactions

An inflow of resources from a non-exchange transaction recognized as an asset is recognized as revenue, except to the extent that a liability is also recognized in respect of the same inflow.

As the entity satisfies a present obligation recognized as a liability in respect of an inflow of resources from a non-exchange transaction recognized as an asset, it reduces the carrying amount of the liability recognized and recognize an amount of revenue equal to that reduction.

Measurement of Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognized by the entity, unless a corresponding liability is recognized.

Measurement of Liabilities on Initial Recognition from Non-Exchange Transactions

The amount recognized as a liability in a non-exchange transaction is the best estimate of the amount required to settle the present obligation at the reporting date.

Fees and fines not related to taxes

The Agency recognizes revenues from fees and fines, except those related to taxes, when earned and the asset recognition criteria were met. Deferred income is recognized instead of revenue if there is a related condition attached that would give rise to a liability to repay the amount.

Other non-exchange revenues were recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Gifts and Donations

The agency recognizes assets and revenue from gifts and donations when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Goods in-kind were recognized as assets when the goods were received, or there is a binding arrangement to receive the goods. If goods in-kind were received without conditions attached, revenue is recognized immediately. If conditions were attached, a liability is recognized, which is reduced and revenue recognized as the conditions were satisfied.

On initial recognition, gifts and donations including goods in-kind were measured at their fair value as at the date of acquisition, which were ascertained by reference to an active market, or by appraisal. An appraisal of the value of an asset is normally undertaken by a member of the valuation profession who holds a recognized and relevant professional qualification. For many assets, the fair value was ascertained by reference to quoted prices in an active and liquid market.

Transfers

The agency recognizes an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset, except those arising from services in-kind.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities and the related assets were measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the agency and can be measured reliably.

3.8. Budget Information

The annual budget was prepared on a cash basis and was published in the government website.

A separate Statement of Comparison of Budget and Actual Amounts (SCBAA) is prepared at the end of the fiscal year since the budget and the financial

statements were not prepared on comparable basis. The SCBAA was presented showing the original and final budget and the actual amounts on comparable basis to the budget. Explanatory comments are provided in the notes to the annual financial statements.

3.9. Impairment of Non-Financial Assets

Impairment of non-cash-generating assets

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

3.10. Employee benefits

The employees of the PPA are members of the Government Service Insurance System (GSIS) which provides life and retirement insurance coverage.

The Agency recognizes the undiscounted amount of short-term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

It recognizes expenses for accumulating compensated absences when these are paid (commuted or paid as terminal leave benefits). Unused entitlements that has accumulated at the reporting date are not recognized as expense. Non-accumulating compensated absences, like special leave privileges, are not recognized.

3.11. Measurement uncertainty

The preparation of consolidated financial statements in conformity with IPSAS, requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of the revenues and expenses during the period.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

4. Changes in Accounting Policies

There are no changes in accounting policies for the period.

5. Correction of Prior Year's Errors

Prior year's errors requiring adjustments were corrected retrospectively by adjusting the Accumulated Surplus/(Deficit) and related accounts.

6. Cash and Cash Equivalents

Accounts	2021	2020
Cash on Hand – Petty Cash	75,804.00	₱ 51,479.69
Cash in Bank – Local Currency	8,513,389.64	8,442,159.19
Treasury/Agency Cash Accounts	1,110,534.33	-
Total	₱ 9,699,727.97	₱ 8,493,638.88

6.1 Cash on Hand – Petty Cash

Petty Cash represents unused cash intended to defray small operating expenses as follows:

Office / Region	Amount
Central Office	₱ 40,175.00
Region II	10,000.00
Region III	10,000.00
Region IV-B	2,629.00
Region VII	10,000.00
Region X	3,000.00
Total	₱ 75,804.00

6.2 Cash in Bank – Local Currency

This account refers to Cash in Bank – Local Currency, Current Account which includes payroll funds and trust funds maintained with Authorized Government Servicing Banks, to wit:

Office	Particulars	Amount
Central Office	The amount includes: (a) the minimum monthly Average Daily Balance (ADB) of PPA Payroll fund account in compliance with the MOA between Land Bank of the Philippines-EDSA NIA Road and PPA-CO in the amount of ₱20,000.00; (b) Trust Fund Account consists of lodging fees collected from the occupants of PPA Dormitory; (c) , these are financial assistance that Source Agency requires PPA to deposit the fund in the existing trust fund account of PPA pursuant to Section 45, Chapter 5, Book VI of E.O. No. 292; (d) proceeds from sale of Bid Documents	₱ 705,373.46

Office	Particulars	Amount
Region VI	Consists of local aide from different LGUs to PPA Field offices for clients' livelihood program and Grants from DOLE for DOLE REHAB Project Phase II intended for PPA clients.	7,808,016.18
Total		₱ 8,513,389.64

6.3 Cash Treasury/Agency Deposit- Trust

This represents performance bond/security posted by supplier for various services/ obligations to be rendered in 2021 and 2022, these are deposited to National Treasury and will be returned to suppliers after completion or delivery of required goods and services.

7. Receivables

Accounts	2021	2020 (Restated)
Inter-Agency Receivables	₱ 70,420,609.41	₱ 67,141,284.30
Adjustments	-	(3,370.15)
<i>Subtotal</i>	<i>70,420,609.41</i>	<i>67,137,914.15</i>
Other Receivables	1,792,805.63	1,784,319.42
Adjustments		205,195.94
<i>Subtotal</i>	<i>1,792,805.63</i>	<i>1,989,515.36</i>
Total	₱ 72,213,415.04	₱ 69,127,429.51

7.1 Inter-Agency Receivables

Accounts	2021	2020 (Restated)
Due from National Government Agencies	₱ 70,393,121.41	₱ 67,141,284.30
Due from Government-Owned and/or Controlled Corporations	27,488.00	-
Adjustment	-	(3,370.15)
Total	₱ 70,420,609.41	₱ 67,137,914.15

7.1.1 Due from National Government Agencies

Account Name	Total Amount	Amount Due			
		Current		Past Due	
		Less than 30-90 days	91-365 days	Over 1 year	Over 2 years
ICTO (formerly NCC)	₱66,119,476.47	₱ -	₱ -	₱ -	₱66,119,476.47
Procureme	4,273,644.94			-	544,702.69

nt Service – (DBM)		3,728,930.22	12.03		
Grand Total	₱70,393,121.41	₱3,728,930.22	₱ 12.03	₱544,702.69	₱66,119,476.47

- a.) Past due balance of over 3 years amounting to ₱66,119,476.47 represents the unliquidated fund transfer to National Computer Center (NCC) for the implementation of the National Crime Information System (NCIS). The NCC was abolished and its functions and records were transferred to Department of Information and Communications Technology (DICT).
- b.) Due from PS-DBM pertains to (1) Unutilized fund due to non-delivery and/or non-availability of common-use supplies; (2) Credit Line balance for the Government Fares Agreement (GFA); (3) Fund Transfer for the PMEIS project.

1. Details of unutilized fund for the procurement of CSE

Particulars	2021	2020
Balance, January 1	₱ 202,555.93	₱ 57,484.41
Add: Advance Payments	238,765.48	633,341.84
Less: Deliveries	433,272.70	488,270.32
Balance, December 31	₱ 8,048.71	₱ 202,555.93

2. Details of unutilized fund for GFA

Particulars	2021	2020
Balance, January 1	₱ 563,539.58	₱ 634,479.56
Add: Advance Payments	-	39,034.97
Less: Deliveries	18,836.89	109,974.95
Balance, December 31	₱ 544,702.69	₱ 563,539.58

3. Details of unutilized fund for PMEIS

Particulars	2021	2020
Balance, January 1	₱ -	₱ -
Add: Advance Payments	3,720,893.54	-
Less: Deliveries	-	-
Balance, December 31	₱ 3,720,893.54	₱ -

7.1.2 Due from GOCCs

Account Name	Total Amount	Amount Due		Remarks
		Current		
		Less than 30-90 days	91-365 days	
PhilPost	26,688.00		26,688.00	2-month mailing fund
LBP	800.00	800.00		Pre-ordered

				checkbook
Total	27,488.00	800.00	26,688.00	

7.2 Other Receivables

Accounts	2021	2020 (Restated)
Receivables —		
Disallowances/Charges	₱ 1,560,986.44	₱ 1,578,045.67
Due from Officers and Employees	181,262.98	329,740.54
Other Receivables	50,556.21	81,729.15
Total	₱ 1,792,805.63	₱ 1,989,515.36

7.2.1 Receivables – Disallowances/Charges

Aging of the account as follows:

Office/ Region	Amount	Amount Due		Remarks
		Current	Past Due	
		Less than 1 year	Over 3 years above	
CO	₱284,172.97	-	₱284,172.97	Disallowance on the purchase of Motor Vehicle from Prince Motor Corp.
V	159,004.58	-	159,004.58	Disallowance on monetization of leave credits of retired RD
VI	805,558.78	3,000.00	802,558.78	Disallowance of Hazard Pay – PSW due to lack of documentary requirements/ Disallowance on Sports & Cultural
XII	312,250.11	-	312,250.11	10 years above disallowances of employees who are already retired, could no longer be located and/or insolvent.
Total	₱1,560,986.44	₱3,000.00	₱ 1,557,986.44	

7.2.2 Due from Officers and Employees

The following regions have outstanding claims from their officers and employees:

Office/ Region	Amount	Amount Due		Remarks
		Current Due	Past Due	
		Less than 30-90 days	Over 2 years	
CAR	₱108,445.50	₱108,445.50	₱ -	Overpayment of SRI 2021
III	18,954.24	-	18,954.24	Lost asset
IX	43,609.53	-	43,609.53	Over-remittances
X	10,253.71	10,253.71		Excess CA and over remittance to GSIS
Total	₱181,262.98	₱118,699.21	₱ 62,563.77	

The accountable officer of PPA-Region III submitted a request to deduct the amount of liability for the lost property from her retirement benefits, subject for approval.

Past due balance from over-remittances of the following accounts from CY 2014-2015 were reclassified to Due from Officers and Employees account on June of CY 2019 pending payment from retired/insolvent personnel but remains unpaid as of the Quarter ended December 31, 2021. Details are as follows:

Region	Particulars	Amount
IX	GSIS	₱ 32,244.98
	Pag-IBIG	1,694.84
	Philhealth	92.46
	BIR	674.33
	Other Payables	8,902.92
	Total	₱ 43,609.53

7.2.3 Other Receivables

Other Receivables include the following:

Region	Particulars	Amount
NCR	Overpayment of salaries of resigned employees	₱ 20,253.47
CAR	Overpayment of SRI 2021 of resigned employee	5,481.00
IV-B	Cebu Pacific Air tickets which were converted to Travel Fund due to cancellation of flights	24,821.74
Total		₱ 50,556.21

8. Inventories

Accounts	2021	2020
Inventory held for Distribution		
Carrying Amount, Beginning	₱ -	₱ 47,584.00
Purchases/Additions for the period		-
Expensed during the year except write-down		26,816.00
<i>Carrying Amount, Dec. 31</i>	₱ -	₱ 20,768.00

Inventory held for Consumption	2021	2020 (Restated)
Carrying Amount, Beginning	₱ 5,951,407.84	₱ 3,518,132.30
Purchases/Additions for the period	31,352,314.13	17,655,779.84
Expensed during the year except write-down	27,929,151.05	15,222,504.30
<i>Carrying Amount, Dec. 31</i>	₱ 9,374,570.92	₱ 5,951,407.84

Semi-Expendable Machinery and Equipment	2021	2020 (Restated)
Carrying Amount, Beginning	₱ 1,180,291.60	₱ 1,672,093.00
Purchases/ Additions for the period	4,603,059.78	5,126,032.01
Expensed during the year except write-down	4,152,873.71	5,617,833.41
<i>Carrying Amount, Dec. 31</i>	₱ 1,442,841.37	₱ 1,180,291.60

Semi-Expendable Furniture and Fixtures and Books	2021	2020 (Restated)
Carrying Amount, Beginning	₱ 131,640.00	₱ 191,730.00
Purchases/ Additions for the period	3,539,795.27	978,948.16
Expensed during the year except write-down	2,490,745.27	1,039,038.16
<i>Carrying Amount, Dec. 31</i>	₱ 1,180,690.00	₱ 131,640.00

These balances represent inventories of prior years' and current year which remained unissued. Inventories are recognized as expense when issued to end-users.

Inventory held for Consumption includes Medical, Dental and Laboratory Supplies Inventory which consists of Two-Panel Drug Test Kits for the Random Drug testing activity of PPA Field Offices in support to the Philippines Anti-Drugs Strategy (PADS).

9. Other Current Assets

Particulars	2021	2020 (Restated)
Advances to Special Disbursing Officer	₱ 56,674.95	-
Advances to Contractor	-	41,808.00
Advances to Officers and Employees	16,550.00	
Prepaid Rent	43,400.00	43,400.00
Prepaid Insurance	312,289.74	72,649.96
Other Prepayments	5,010.00	-
Total Other Current Assets	₱ 360,699.74	₱ 157,857.96

9.1 Advances to Special Disbursing Officers

Region	Particulars	Amount
Region XIII	To cover emergency expenses in response to Surigao City PPO and Surigao del Norte due to Typhoon Odette (not yet liquidated as of January 31, 2022)	₱ 56,674.95
Total		₱ 56,674.95

9.2 Advances to Officers and Employees

Cash advance of PPA-Region IX to cover payment of VPA Allowances for the 3rd Quarter of 2021. Not yet fully liquidated as of January 31, 2022.

9.3 Prepaid Rent

This represents advance rental payment for office space occupied by PPA-Regional Office X.

9.4 Prepaid Insurance

This represents unamortized prepaid insurance for building and various PPE.

Region	Amount
Central Office	₱ 107,026.56
NCR	14,531.85
CAR	27,255.77
Region IV-B	19,423.14
Region VII	64,149.54
Region XIII	79,902.88
Total	₱ 312,289.74

10. Property, Plant and Equipment

	Land	Infrastructure Assets	Building	Machinery and Equipment
Carrying Amount, Jan. 1, 2021 (Restated)	7,680.00	13,223,823.69	59,289,062.55	109,510,919.58
Additions/ Acquisitions	-	10,625,154.88	-	80,315,413.00
Total	7,680.00	23,848,978.57	59,289,062.55	189,826,332.58
Less: Disposals	-	-		58,457.17
Depreciation (per St. of Financial Performance)		831,672.75	3,089,283.71	32,975,467.58
Adjustments	-	-	-	(14,953.01)
Carrying Amount, Dec 31, 2021	7,680.00	23,017,305.82	56,199,778.84	156,777,454.82

Gross Cost	7,680.00	25,356,074.88	93,186,625.05	259,461,601.31
Less: Acc. Depreciation	-	2,338,769.06	36,986,846.21	102,680,186.55
Allowance for Impairment	-	-	-	3,959.94
Carrying Amount, Dec 31, 2021	7,680.00	23,017,305.82	56,199,778.84	156,777,454.82

	Transportation Equipment	Furniture and Fixtures and Books	Other PPE	Total
Carrying Amount, Jan. 1, 2021 (Restated)	10,189,919.76	9,114,525.11	55,701.75	201,391,632.44
Additions/ Acquisitions	-	-	-	90,940,567.88
Total	10,189,919.76	9,114,525.11	55,701.75	292,332,200.32
Less:				
Disposals	45,412.20	-	-	103,869.37
Depreciation (per St. of Financial Performance)	1,943,304.52	789,263.32	10,094.70	39,639,086.58
Adjustments	-	(1,781,296.00)	(2,571.75)	(1,798,820.76)
Carrying Amount, Dec 31, 2021	8,201,203.04	6,543,965.79	43,035.30	250,790,423.61

Gross Cost	23,254,351.00	9,357,031.49	53,130.00	410,676,493.73
Less: Acc. Depreciation	15,053,147.96	2,812,987.70	10,094.70	159,882,032.18
Allowance for	-	78.00	-	

Impairment				4,037.94
Carrying Amount, Dec 31, 2021	8,201,203.04	6,543,965.79	43,035.30	250,790,423.61

10.1 Additions/Acquisitions during the year are as follows:

Account Title	Purpose	Amount
Other Infrastructure	Upgrading of Local Area Network and server facility	₱ 10,625,154.88
Machinery and Equipment	Acquisition of various ICT Equipment for the implementation of Performance Monitoring and Evaluation Information System (PMEIS) and Enhancement of Information Systems	78,827,826.44
	Purchase of Office Equipment during the year	469,028.90
	Recognition of Additional Hardware and Software requirement for the implementation of Probation Information System (PIS)	1,018,557.66
Total		₱ 90,940,567.88

10.2 The Adjustments in Table 10 include reclassifications of various PPE to semi-expendable items.

10.3 Difference between the total amount of purchases of Machinery and Equipment in Table 10.1 against the amount of purchases of PPEs under investing activities of cash flows statement is because the PPE was recorded in the books at cost while net of tax in the Statement of Cash Flows.

11. Intangible Assets

Particulars	2021	2020 (Restated)
Computer Software	26,979,659.67	14,258,162.14
Accumulated Amortization-Computer Software	(3,136,734.34)	(1,562,744.19)
Adjustment		47,998.42
Net Value	23,842,925.33	12,743,416.37

Particulars	2021	2020
Carrying Amount, Beginning	12,743,416.37	10,339,932.02
Add: Additions/Acquisitions	12,241,513.36	1,272,200.00
Adjustments:		
Reclassifications		2,094,560.48
Adjustment		47,998.42
Less: Amortization per	1,142,004.40	1,011,274.55

Statement of Financial Performance		
Carrying Amount, Ending	23,842,925.33	12,743,416.37

- 11.1 The Intangible Assets – Computer Software are composed of: (1) Application Systems, which were developed solely for the use of PPA with an indefinite useful life; and (2) Licenses and system software, which were purchased from suppliers and have a 3-5year useful life.
- 11.2 PPA-Central Office acquired additional Computer Software for the deployment of the Case Management Information System (CMIS).
- 11.3 Increase in this account is due to acquisition of 1,260 mail accounts and various firewall systems in relation with the implementation of the various information technology (IT) projects of the agency.

12. Other Non-Current Assets

The Account is composed of:

Particulars	2021	2020
Guaranty Deposits	₱ 18,000.00	₱ 18,000.00
Other Assets	444,617.31	1,030,689.89
Total	462,617.31	₱ 1,048,689.89

12.1 Guaranty Deposits

This represents security deposit to East Avenue Petron Service Center, the fuel provider for motor vehicles of PPA - CO since 2016.

12.2 Other Assets

Other Assets classified as non-current consists of obsolete and unserviceable assets awaiting final disposition as well as that serviceable equipment that are still functional but already obsolete and fully depreciated and ready for disposal.

Office	2021	2020
NCR	₱ -	₱ 64,231.69
Region I	18,246.70	-
Region VII	21,535.60	21,535.60
Region VIII	404,835.01	404,835.01
Region IX	-	540,087.59
Total	₱ 462,617.31	₱ 1,030,689.89

13. Financial Liabilities

This account pertains to the following:

Particulars	2021	2020 (Restated)
Accounts Payable	₱ 23,040,718.00	₱ 2,660,543.55
Due to Officers and Employees	2,251,809.80	5,981,415.80
Tax Refunds Payable	-	75,230.01
Total	₱ 25,292,527.80	₱ 8,717,189.36

13.1 Accounts Payable pertains to unpaid obligation to various creditors as of December 31, 2021.

Region	Current Year Balance < 30 days
Central Office	₱ 22,094,926.32
NCR	351,137.19
CAR	73,659.47
Region IV-B	110,832.66
Region VI	57,255.05
Region XII	352,907.31
Total	₱ 23,040,718.00

13.2 Due to Officers and Employees account pertains to unpaid obligations covering salaries and other claims as of December 31, 2021.

Office/ Region	Current Year Balance	Current	Past Due
		Less than 30 days	Over 1 year
Central Office	₱ 97,847.63	₱ 97,847.63	-
NCR	99,797.97	98,928.01	₱ 869.96
Region III	1,790,000.00	1,790,000.00	-
CAR	77,359.23	77,359.23	-
Region VI	188.93	188.93	-
Region IX	98,913.11	98,913.11	-
Region X	0.03	0.03	-
Region XII	61,700.95	61,700.95	-
Region XIII	26,001.95	26,001.95	-
Total	₱ 2,251,809.80	₱ 2,250,939.84	₱ 869.96

14. Inter-Agency Payables

Particulars	2021	2020 (Restated)
Due to BIR	₱ 377,521.99	₱ 380,664.88
Due to GSIS	239,940.30	691,643.28

Particulars	2021	2020 (Restated)
Due to Pag-IBIG	2,418.95	123,621.48
Due to PHILHEALTH	2,655.82	139,245.18
Due to NGAs	7,812,005.00	(15,571.04)
Total Inter-Agency Payables	₱ 8,434,542.06	₱ 1,319,603.78

14.1 Due to BIR balance pertains to taxes withheld for the month of December 2021 in PPA-CAR. This was remitted on January 5, 2022.

14.2 Due to GSIS, Due to Pag-IBIG, and Due to PhilHealth accounts are the employees' share in the contribution for premium payments and other related loan payables for the month of December and will be remitted in CY2022.

14.3 Due to NGAs include the fund received at PPA-Region VI from the Department of Labor and Employment (DOLE) for the implementation of DOLE Rehab Project Phase II Batch II amounting to P7,560,755.00 intended for the PPA clients.

14.4 Due to NGAs include the funds amounting to P251,250.00 from the Dangerous Drugs Board (DDB) received by PPA-Central Office for the implementation of the project entitled "Drugs Testing Towards a Drug-Free Workplace. Drug Test Kits have already been purchased and random testing will be done in 2022.

15. Trust Liabilities

Particulars	2021	2020 (Restated)
Trust Liabilities	₱ 315,000.00	₱ 240,000.00
Guaranty/Security Deposits Payable	1,110,534.33	-
Total Inter-Agency Payables	₱ 1,425,534.33	₱ 240,000.00

15.1 Trust Liabilities represent receipt of proceeds from sale of bid documents to be used as honorarium to BAC members, BAC Secretariat and Technical Working group.

15.2 Guaranty/Security Deposits Payable represents performance security posted by suppliers for the performance of various services and it shall be refunded to suppliers upon successful completion and/or delivery of the required services/goods.

16. Guaranty/ Security Deposits Payable

Other Deferred Credits represent the accountability of the accountable officer for the loss of (1) unit of Laptop computer in PPA- Region III.

17. Other Payables

17.1 Other Payables – Current

Particulars	2021	2020 (Restated)
Other Payables – Current	₱ (19,092.07)	₱ 7,965,177.29
Total Other Payables	₱ (19,092.07)	₱ 7,965,177.29

Other Payables consists of contributions/loan payments of member employees to be remitted to various financial institutions including Landbank of the Philippines, PPA Provident Fund, PPAMCO and PPOLPI. The negative balance was a result of over-remittance, subject for reconciliation by PPA-Region V. Prior Year's balance in the amount of P7,560,755.00 representing receipt of funds for the implementation of DOLE Rehab Project Phase II Batch II was reclassified to Due from NGAs account.

17.2 Other Payables – Non-Current

Particulars	2021	2020
Other Payables – Non-current	₱ 247,261.18	₱-
Total Other Payables	₱ 247,261.18	₱-

Other Payables – Non-Current represent trust fund of PPA-Region VI for different projects/purposes from various offices.

18. Accumulated Surplus/ (Deficit)

Prior year's errors affecting income and expense accounts were adjusted to the Accumulated Surplus (Deficit) account.

18.1 Opening Balance

Various errors in the recording of transactions for CY 2020 and below were determined during the year. As a result, the balance of the Accumulated Surplus as of January 1, 2021 was restated as follows:

Balance at January 1, 2021	₱ 283,158,715.05
Prior Period Errors / Unrecorded Expenses	(1,261,358.17)
Other Adjustments	(6,627.62)
Restated Balance, January 1, 2021	₱ 281,890,729.26

a) Breakdown of Prior Years Adjustments

Region	Particulars	Accumulated Surplus/(Deficit)	
		Debit	Credit
Central Office	Adjustment in Computer Software		47,998.42
	Adjustment PY Miscellaneous Income	240,000.00	

	<i>Sub-total</i>	192,001.58	
<i>NCR</i>	Set up receivable overpayment		36,691.94
	Reclassification of account and adjustment of depreciation of PPEs	297,938.91	
	Adjustment on the beginning balance of Other Supplies and Materials Expenses	4,859.33	
	<i>Sub-total</i>	266,106.30	
<i>CAR</i>	Adjustment on the 8 units of router Video IP Phone Adjustment		48,521.24
	Issuance of 7 units printer and signature pad to RO and FO	140,708.88	
	To record adjustment on the insurance previously recorded as insurance expenses		1,386.24
	To record adjustment on overstatement of repairs and maintenance expenses on 2020		13,530.00
	Disallowance of the TEV of VPA's for CY 2020		5,900.00
	<i>Sub-total</i>	71,371.40	
<i>Region III</i>	Adjustment on Depreciation Expense of PPEs	106,902.37	
	Adjustment ICT Equipment		954.65
	<i>Sub-total</i>	107,857.02	
<i>Region IV-A</i>	Derecognize 2019 lost asset & Overstated loss recognized in 2019	58,973.51	
	Additional 2020 semi-expendable expenses	29,663.34	
	Understated Feb. 2020 Office Supplies Inventory		96,863.00
	Understated 2020 ICTE		95,118.56
	<i>Sub-total</i>		103,344.71
<i>Region IV-B</i>	Overstatement of Expenses - Error in recording Cost of issued semi expendable ICT Equipment	8,299.92	
	Understatement of Net Value of Asset/ Overstatement of Accumulated Depreciation and reclass of ICT to Comm Eqpt		22,349.25
	Understatement of Expenses error in recording petty cash expenses in the correct period	10,462.00	
	<i>Sub-total</i>		3,587.33
<i>Region V</i>	Unrecorded depreciation	53,959.13	
	Adjustment 2020 expenses paid in 2021	63,837.32	
	<i>Sub-total</i>	117,796.45	
<i>Region VI</i>	Cancellation of PY Check	3,842.00	
	Disallowance due to lack of documents to support claim		162,604.00
	<i>Sub-total</i>		158,762.00
<i>Region VIII</i>	Adjustment on Depreciation		40,856.39
	Cancellation of PY Check		11,000.00

	<i>Sub-total</i>		51,856.39
<i>Region IX</i>	Transfer of previously donated Motor Vehicle to PPA-Region XII	23,900.00	
	Unrecorded of Unserviceable Office Equipment	7,213.09	
	<i>Sub-total</i>	31,113.09	
<i>Region XII</i>	Reclassification of PPE to Semi-Expendable Expenses	507,712.19	
	<i>Sub-total</i>	507,712.19	
<i>Region XIII</i>	Expenses pertaining to prior year	284,950.57	
	<i>Sub-total</i>	284,950.57	
Total Prior Period Errors		<u>1,261,358.17</u>	

b) Breakdown of Other Adjustments

Region	Particulars	Accumulated Surplus/(Deficit)	
		Debit	Credit
Central Office	PY expenses paid in 2021	237,728.90	
	Reversion of unpaid payable		27,063.47
	Cancellation of PY check	24,777.80	
	Accumulated depreciation adjustment on building		15,900.27
	Adjustment Due from NGAS		91.51
	<i>Sub-total</i>	219,451.45	
Region I	Adjustment on Communication and ICT Equipment		51,527.92
CAR	Adjustments on Semi-Expendable inventory		215,579.52
Region 4-A	April ICTE understatement		37,471.38
	Amount withheld from resigned employee's 4-day PS,		18.13
	Adjusted records, no deficiency billings.		1,178.41
	Deducted from personnel & subsequently reversed to the Treasury.		8,327.45
	Adjusting entries for inventories	38,403.76	
	<i>Sub-total</i>		8,591.61
Region X	Relief of Accountability ICT and OE	58,196.22	
Region XIII	Cancellation of stale check issued in the prior year without replacement	4,679.00	
Total Other Adjustments		<u>6,627.62</u>	

18.2 Impact of Errors/ Corrections in the Consolidated Statement of Financial Position

Accounts	2020 Balance	Adjustments	2020 Restated Balance
Cash and Cash Equivalents	8,493,638.88	-	8,493,638.88
Receivables	68,925,603.72	201,825.79	69,127,429.51
Inventories	7,179,056.83	105,050.61	7,284,107.44
Other Current Assets	386,425.63	(228,567.67)	157,857.96
Property, Plant and Equipment	202,252,458.66	(860,826.22)	201,391,632.44
Intangible Assets	12,695,417.95	47,998.42	12,743,416.37
Other Non-Current Assets	1,048,689.89	-	1,048,689.89
Total Assets	300,981,291.56	(734,519.07)	300,246,772.49
Financial Liabilities	8,426,929.29	290,260.07	8,717,189.36
Inter-Agency Payables	1,319,060.72	543.06	1,319,603.78
Trust Liabilities	-	240,000.00	240,000.00
Deferred Credits/Unearned Income	114,072.80	-	114,072.80
Other Payables	7,962,513.70	2,663.59	7,965,177.29
Total Liabilities	17,822,576.51	533,466.72	18,356,043.23
Accumulated Surplus/(Deficit) Opening Balance	260,776,942.95	(274,598.87)	260,502,344.08
Changes in Net Assets/Equity for the Calendar Year	22,381,772.10	(993,386.92)	21,388,385.18
Total Equity	283,158,715.05	(1,267,985.79)	281,890,729.26

18.3 Impact of Errors/ Corrections in the Consolidated Statement of Financial Performance

Accounts	2020 Balance	Adjustments	2020 Restated Balance
Total Revenues	220,606.97	-	220,606.97
Personnel Services	776,562,252.03	(71,472.18)	776,490,779.85
MOOE	95,735,198.98	481,526.11	96,216,725.09
Non-Cash Expenses	36,339,313.67	285,136.77	36,624,450.44
Total Current Operating Expenses	908,636,764.68	695,190.70	909,331,955.38
Net Financial Subsidy	891,824,937.66	-	891,824,937.66
Other Non-Operating Income	497,593.73	(240,000.00)	257,593.73
Losses	211,012.83	58,196.22	269,209.05

Total Surplus/(Deficit) for the period	(16,304,639.15)	(993,386.92)	(17,298,026.07)
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18.4 Adjustment of net revenue recognized directly in net assets/equity

The balance of Cash - Treasury/ Agency Deposit, Regular consist of collection of refunds of current and prior years expenses and proceeds from sale of bid documents and unserviceable properties which were remitted to the Bureau of Treasury. This was closed to Accumulated Surplus/(Deficit) account at year-end.

18.5 Other Changes in Net Assets/Equity for the Calendar Year

This pertains to direct adjustments to Net Assets/Equity which are not revenues or expenses. These were directly charged to Accumulated Surplus/(Deficit) account. The changes in Net Assets/Equity were mainly due to: (1) PPE, Intangible Assets and Semi-Expendable ICT Equipment for the Probation Information System purchased in Prior Years and were transferred in the Current Year; (2) Transfer of building – Halfway House and Livelihood Training Center (HHLTC) to PPA- Region VI.

19. Service and Business Income

Particulars	2021	2020
Service Income		
Fines and Penalties- Service Income	₱ -	₱ 506.52
Other Service Income	30,618.24	190,324.00
Business Income		
Income from Hostels/Dormitories	800.00	29,700.00
Interest Income	-	76.45
Total Service and Business Income	₱ 31,418.24	₱ 220,606.97

19.1 Other Service Income represents registration fees from regional office participants for the trainings conducted in the Central Office.

19.2 Income from Hostels/Dormitories and Other Like Facilities pertains to lodging fees collected from occupants of Multi-purpose Hall Dormitory.

20. Personnel Services

Particulars	2021	2020 (Restated)
Salaries and Wages - Regular	529,593,020.59	535,751,688.68
Other Compensation	182,454,702.14	177,196,318.01
Personnel Benefit Contributions	70,746,379.02	26,595,200.36
Other Personnel Benefits	47,892,250.62	36,947,572.80

Particulars	2021	2020 (Restated)
Total	830,686,352.37	776,490,779.85

20.1 Salaries and Wages – Regular

Particulars	2021	2020 (Restated)
Salaries and Wages - Regular	529,593,020.59	535,751,688.68
Total	529,593,020.59	535,751,688.68

Salary Standardization Law V or SSL V Second Tranche was implemented effective January 1, 2021. However, the Salaries and Wages – Regular decreased from the previous year due to decrease in personnel and reclassification of payment of leave credits monetization to Other Personnel Benefits.

20.2 Other Compensation

Particulars	2021	2020 (Restated)
Personal Economic Relief Allowance (PERA)	23,001,388.34	23,739,819.80
Representation Allowance (RA)	12,375,052.99	12,436,669.80
Transportation Allowance (TA)	11,798,872.76	11,854,666.80
Clothing/Uniform Allowance	5,790,000.00	5,922,000.00
Honoraria	106,000.00	424,947.77
Hazard Pay	11,024,243.97	5,718,497.91
Year End Bonus	43,084,062.10	44,188,009.40
Cash Gift	4,800,500.00	4,961,500.00
Mid-Year Bonus	43,603,107.00	42,368,124.60
Other Bonuses and Allowances	26,871,474.98	25,582,081.93
Total Other Compensation	182,454,702.14	177,196,318.01

Hazard Pay are granted to Registered Public Social Workers authorized under Section 16 of the Implementing Rules and Regulation (IRR) of Republic Act No. 9433 otherwise known as the Magna Carta for Public Social Workers.

Hazard Pay – COVID19 were granted to officers and employees who were required to physically report to work during the implementation of Enhanced Community Quarantine (ECQ).

Other Bonuses and Allowances include the payment of Performance Enhancement Incentives (PEI), Collective Negotiation Agreement (CNA) Incentives and Anniversary Bonus. Details below:

Particulars	2021	2020
PEI	5,401,250.00	7,196,802.00

Particulars	2021	2020
CNA Incentives	18,887,224.98	18,385,279.93
Anniversary Bonus	2,583,000.00	-
Total	26,871,474.98	25,582,081.93

20.3 Employees Future Benefits

The PPA and its employees contribute to the GSIS in accordance with the RA 8291. The GSIS administers the plan, including payment of pension benefits to employees to whom the act applies.

20.4 Personnel Benefit Contributions

Particulars	2021	2020
Retirement and Life Insurance Premiums	61,973,882.88	17,734,152.24
Pag-IBIG Contributions	1,158,900.00	1,175,600.00
PhilHealth Contributions	6,453,096.14	6,497,748.12
Employees Compensation Insurance Premiums	1,160,500.00	1,187,700.00
Total Personnel Benefit Contributions	70,746,379.02	26,595,200.36

20.5 Other Personnel Benefits

Particulars	2021	2020 (Restated)
Terminal Leave Benefits	35,037,790.08	26,390,827.84
Other Personnel Benefits	12,854,460.54	10,556,744.96
Total Other Personnel Benefits	47,892,250.62	36,922,982.73

Other Personnel Benefits include the payment of Loyalty Award, Monetization, Step-Increment and the grant of Service Recognition Incentive (SRI) to officials and employees.

21. Maintenance and Other Operating Expenses

Particulars	2021	2020 (Restated)
Traveling Expenses	9,820,402.85	8,701,229.21
Training and Scholarship Expenses	8,246,799.54	5,087,422.14
Supplies and Materials Expenses	36,154,024.97	23,602,378.23
Utility Expenses	6,152,939.16	5,199,687.60
Communication Expenses	11,434,787.02	9,950,283.77
Confidential, Intelligence and Extraordinary Expenses	2,063,047.43	1,874,732.01

Professional Services	20,564,262.77	11,835,346.13
General Services	19,399,421.73	16,950,202.09
Repairs and Maintenance	1,333,926.85	1,856,326.17
Taxes, Insurance Premiums and Other Fees	1,617,647.47	1,469,700.94
Other Maintenance and Operating Expenses	10,677,564.04	9,689,416.80
Total	127,464,823.83	96,216,725.09

21.1 Traveling Expenses

Particulars	2021	2020 (Restated)
Traveling Expenses - Local	9,820,402.85	8,701,229.21
Total Traveling Expenses	9,820,402.85	8,701,229.21

This account pertains to the local transportation expenses incurred by officers and employees that include bus fares, airplane tickets, per diems and all other related expenses. Traveling Expenses are mainly attributed to the conduct of investigation of clients and supervision of probationers and parolees.

21.2 Training and Scholarship Expenses

Particulars	2021	2020 (Restated)
Training Expenses	8,246,799.54	5,087,422.14
Total Training and Scholarship Expenses	8,246,799.54	5,087,422.14

This account is used to recognize the costs incurred for the participation/attendance and conduct of trainings, conventions and seminars/workshops. It includes training fees, honoraria of lectures, cost of supplies, meals and snacks and other related expenses.

21.3 Supplies and Materials Expenses

Particulars	2021	2020 (Restated)
Office Supplies Expenses	17,815,432.99	12,557,911.08
Accountable Forms Expenses	57,742.00	18,416.00
Non -Accountable Forms Expenses	4,555.00	6,115.00
Welfare Goods Expense	-	29,550.00
Drugs and Medicines Expenses	517,665.65	226,360.50
Medical, Dental and Laboratory Supplies Expenses	6,294,488.69	188,252.00
Fuel, Oil and Lubricants Expenses	1,581,254.94	1,073,650.78
Semi-Expendable Machinery and Equipment Expense	4,152,873.71	5,834,102.93

Particulars	2021	2020 (Restated)
Semi-Expendable Furniture, Fixtures and Books Expense	2,490,745.27	1,037,648.66
Other Supplies and Materials Expenses	3,239,266.72	2,630,371.28
Total Supplies and Materials Expenses	36,154,024.97	23,602,378.23

Supplies and Materials Expenses comprises the office supplies, janitorial supplies and other supplies in compliance with the COVID-19 response initiatives of the government. Purchase of additional supplies increased in preparation for ISO accreditation of regional offices.

Increase in Medical, Dental and Laboratory Supplies is due to the receipt of Two-Panel Drug Test Kits for the Random Drug testing activity of PPA Field Offices in support to the Philippines Anti-Drugs Strategy (PADS).

21.4 Utility Expenses

Particulars	2021	2020
Water Expenses	942,692.61	773,285.04
Electricity Expenses	5,210,246.55	4,426,402.56
Total Utilities Expenses	6,152,939.16	5,199,687.60

21.5 Communication Expenses

Particulars	2021	2020 (Restated)
Postage and Courier Services	2,613,887.59	2,227,511.47
Telephone Expenses	3,819,387.12	3,994,887.59
Internet Subscription Expenses	4,997,012.31	3,722,484.71
Cable, Satellite, Telegraph and Radio Expenses	4,500.00	5,400.00
Total Communication Expenses	11,434,787.02	9,950,283.77

21.6 Confidential, Intelligence and Extraordinary Expenses

This pertains to the annual extraordinary and miscellaneous expenses by the OIC-Administrator, OIC-Deputy Administrator and Regional Directors authorized under Section 44 of GAA General Provisions FY 2021.

21.7 Professional Services

Particulars	2021	2020 (Restated)
Legal Services	14,683.00	7,370.00
Auditing Services	155,686.57	51,678.13
Consultancy Services	6,475,379.21	119,240.00

Other Professional Services	13,918,513.99	11,657,058.00
Total Professional Services	20,564,262.77	11,835,346.13

Consultancy Services was paid to UP-NCPAG for the project entitled “Impact Assessment on the Rehabilitation Program of the Parole and Probation Administration”.

21.8 General Services

Particulars	2021	2020 (Restated)
Environment/Sanitary Services	3,600.00	-
Janitorial Services	5,961,587.43	5,342,653.92
Security Services	1,209,129.47	1,248,430.68
Other General Services	12,225,104.83	10,359,117.49
Total General Services	19,399,421.73	16,950,202.09

The Other General Services include payment of allowances, traveling, and trainings related to Volunteer Probation Aides (VPAs). The salaries of Job Order Personnel are also charged to this account.

21.9 Repairs and Maintenance

Particulars	2021	2020 (Restated)
Repairs and Maintenance - Buildings and Other Structures	219,621.28	203,423.19
Repairs and Maintenance - Machinery and Equipment	369,455.25	810,458.43
Repairs and Maintenance - Transportation Equipment	665,004.32	752,386.00
Repairs and Maintenance - Furniture and Fixtures	28,296.00	57,188.55
Repairs and Maintenance – Semi-Expendable Machinery and Equipment	51,300.00	32,870.00
Repairs and Maintenance – Semi-Expendable Furniture and Fixtures and Books	250.00	-
Total Repairs and Maintenance Expenses	1,333,926.85	1,856,326.17

21.10 Taxes, Insurance Premiums and Other Fees

Particulars	2021	2020 (Restated)
Taxes, Duties and Licenses	92,581.72	81,827.73
Fidelity Bond Premiums	603,541.99	635,792.24
Insurance Expenses	921,523.76	752,080.97

Total Taxes, Insurance Premiums and Other Fees	1,617,647.47	1,469,700.94
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21.11 Other Maintenance and Operating Expenses

Particulars	2021	2020 (Restated)
Printing and Publication Expenses	527,447.70	424,877.85
Representation Expenses	802,801.47	1,051,533.05
Transportation and Delivery Expenses	1,465,350.31	455,451.70
Rent/Lease Expenses	7,815,621.98	7,621,951.38
Subscription Expenses	64,127.58	32,754.47
Donations	2,215.00	46,606.10
Other Maintenance and Operating Expenses	-	56,242.25
Total Other Maintenance and Operating Expenses	10,677,564.04	9,689,416.80

Transportation and Delivery Expenses account was used to record payment for courier services for transporting ICT Equipment and inventory from PPA – Central Office to Regional Offices.

Donations account was used to recognize the disposal of PPE through donation.

22. Non-Cash Expenses

Particulars	2021	2020 (Restated)
Depreciation	39,639,086.58	35,602,580.91
Amortization	1,142,004.40	1,012,802.33
Impairment loss	34,473.66	9,067.20
Non-Cash Expenses	40,815,564.64	36,624,450.44

22.1 Depreciation

Particulars	2021	2020 (Restated)
Depreciation – Other Infrastructures	831,672.75	699,121.31
Depreciation - Buildings and Other Structures	3,089,283.71	1,728,863.09
Depreciation - Machinery and Equipment	32,975,467.58	29,841,516.98
Depreciation - Transportation Equipment	1,943,304.52	2,387,741.99
Depreciation - Furniture, Fixtures and Books	789,263.32	859,487.74
Depreciation-Other Property, Plant and Equipment	10,094.70	85,849.80
Total Depreciation	39,639,086.58	35,602,580.91

22.2 Amortization

Particulars	2021	2020 (Restated)
Amortization-Intangible Assets	1,142,004.40	1,012,802.33
Total Amortization	1,142,004.40	1,012,802.33

22.3 Impairment Loss

The disposal of Property, Plant and Equipment through destruction in PPA-Region IX and Region XIII resulted to an impairment loss in the total amount of P 34,473.66.

23. Net Financial Assistance/Subsidy

Financial Assistance/Subsidy from NGAs, LGUs, GOCCs

Particulars	2021	2020
Subsidy from National Government	1,051,741,831.78	₱ 880,011,318.04
Subsidy from Central Office	32,412,273.21	11,813,619.62
Total Financial Assistance/Subsidy from NGAs, LGUs, GOCCs	1,084,154,104.99	891,824,937.66
Subsidy to Regional Office	32,412,273.21	-
Total Financial Assistance/Subsidy to NGAs, LGUs, GOCCs	32,412,273.21	-
Net Financial Assistance / Subsidy	1,051,741,831.78	₱ 891,824,937.66

23.1 Subsidy from National Government

Particulars	CY 2021	CY 2020
Subsidy from National Government		
Total NCA Received	₱ 1,051,060,558.00	₱ 938,372,286.00
Add: Tax Remittance Advice (TRA)	78,129,641.58	71,738,518.02
<i>Total</i>	<i>1,129,190,199.58</i>	<i>1,010,110,804.02</i>
Less:		
Reversion of unused NCA	77,370,864.25	128,492,686.14
Adjustments	77,503.55	1,606,799.84
Subsidy from National Government	₱1,051,741,831.78	₱ 880,011,318.04

23.2 Subsidy from Central Office and Subsidy to Regional Offices

PPA – Central Office transferred to Regional Offices ICT Equipment, Communication Equipment and Semi-Expendable ICT Equipment for the implementation of the various projects of the agency i.e. Performance Monitoring and Evaluation Information System (PMEIS), Enhancement of Information Systems (EIS) and Case Management Information System (CMIS).

24. Other Non-Operating Income

24.1 Miscellaneous Income

Region	Particulars	Amount
CO	Penalties imposed to supplier	₱ 534.92
Region III	Proceeds from disposal of valueless records	7,047.26
Region VIII	Payment of accountable officer for the lost property	23,180.00
Total		₱ 30,762.18

25. Losses

Account	Particulars	Amount
Loss on Sale of Property, Plant and Equipment	Region III & Region XII disposal of properties	₱ 4,010.50
Loss on Sale of Assets	NCR -Disposal of unserviceable properties	84,149.79
Loss of Assets	Region VI & VIII due to loss of PPE	36,783.10
Loss on sale of Unserviceable Property	Region III disposal of unserviceable properties	17,706.10
Total Losses		₱ 142,649.49

26. Budget Information

26.1 Statement of Allotment, Obligations and Balances CY 2021

Particulars	Allotment	Obligation	Balances
Current Appropriations			
Programs			
PS	859,386,008.46	797,318,644.38	62,067,364.08
MOOE	110,156,254.54	104,913,725.44	5,242,529.10
CO			
Projects			
MOOE	28,941,000.00	24,872,426.57	4,068,573.43
CO	72,186,000.00	71,408,690.00	777,310.00
Total Current			

Particulars	Allotment	Obligation	Balances
Appropriations	1,070,669,263.00	998,513,486.39	72,155,776.61
Continuing Appropriations			
Programs			
PS	35,844,430.96	33,476,336.70	2,368,094.26
MOOE	2,192,131.04	2,176,791.02	15,340.02
CO	446,522.25	434,084.90	12,437.35
Projects			
MOOE	1,762,872.62	1,762,801.98	70.64
CO	25,227,532.00	25,227,443.06	88.94
Total Continuing Appropriations	65,473,488.87	63,077,457.66	2,396,031.21
Grand Total	1,136,142,751.87	1,061,590,944.05	74,551,807.82

The difference between the Original and Final Budget as presented in the SCBAA is due to the discontinuance of appropriated programs, activities or projects (PAPs) pursuant to Administrative Order No. 41 s. 2021 as implemented under National Budget Circular No. 586 dated May 21, 2021.

26.2 Comparison of Budget and Actual Amounts

The Original Budget refers to the initial approved budget for the period inclusive of carried over prior years while Final Budget refers to original budget adjusted for all reserves, transfers, allocations and supplemental appropriation applicable to the budget period.

The difference between Budget and Actual Amounts represents unobligated allotments and unpaid obligations for the period.

26.3 Reconciliation of Actual Amount Per Statement of Comparison and Budget Amounts and Net Cash Flows from Operating, Investing and Financing Activities Per Statement of Cash Flows

Particulars	Operating	Investing	Total
Actual Amount Per Statement of Comparison and Budget Amounts	(1,000,146,774.36)	(50,402,968.43)	(1,050,549,742.79)
<i>Basis Differences*</i>	1,081,960,012.61	(30,204,180.73)	1,051,755,831.88
Total Cash Provided (Used) In from Operating, Investing and Financing Activities Per Statement of Cash Flows	81,813,238.25	(80,607,149.16)	1,206,089.09

Particulars	Operating	Investing	Total
*Basis Differences:			
Used NCA/ SING –	₱ 1,051,741,831.78		
Add: Adjustment for PY Cancelled check		14,000.10	
	<u>₱ 1,051,755,831.88</u>		

27. Not Yet Due and Demandable Obligations

At the end of the closing year, the agency has aggregated a total amount of P43,797,514.50 as Not Yet Due and Demandable Obligations. Presented below is the detailed breakdown of the said obligations:

Name of Contractor	Particular	Amount
University of the Philippines	Consulting Services	2,699,314.50
Bureau of Veritas	Consultancy Services for QMS ISO Certification	170,800.00
Bendecir Pharma Co. Ltd.	Supply and Delivery of two-panel drug test kits	10,721,700.00
Appcentric Solutions, Inc.	Development of Performance Monitoring and Evaluation Information System Application Software	5,045,000.00
Appcentric Solutions, Inc.	Development of the enhanced of information system	3,195,000.00
Sonkkens Office Equipment Trading	Supply, delivery and installation of ICT software for the expansion of development of parole and probation case management information system	6,195,000.00
Sonkkens Office Equipment Trading	Supply, delivery and installation of ICT equipment for the parole and probation Case Management Information system	8,058,600.00
Sonkkens Office Equipment Trading	Supply, delivery and installation of additional ICT equipment for the enhancement of information system	7,712,100.00
Total		43,797,514.50

28. Other Disclosures

28.1 Related Party Transactions

The Agency has no related party transaction as that have existing significant influence over the entity.

28.2 Pending Lawsuit

The Agency has no pending lawsuit with any person or institution.

28.3 Litigations and Claims

The Agency has no existing litigations or claims for any individual or institution. However, it has an existing receivable disallowances/charge from retired personnel.

28.4 Assets Pledges as Securities

The Agency has no assets pledges as Securities to any financial institution either private and government.