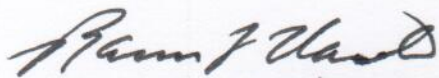



Philippine Center for Economic Development  
Statement of Cash Position  
September 30, 2013

Cash-Other Banks, Current Account	P	3,777,856.43
Cash-Other Banks, Time Deposit		30,177,739.16
Petty Cash Fund		<u>50,000.00</u>
Total Cash	P	<u>34,005,595.59</u>

Approved:

  
Ramon L. Clarete  
Executive Director

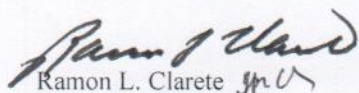
Certified correct:

  
Milagros O. Savella  
Accountant

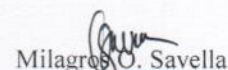
**Philippine Center for Economic Development**  
**Cash Flow Statement**  
**For the quarter ending September 30, 2013**

	<u>July</u>	<u>August</u>	<u>September</u>
Cash, beginning	P 37,637,572.10	P 36,432,297.07	P 32,550,043.85
Add: Cash Receipts			
Interest income	P	P	P 2,756.55
Miscellaneous income	27.48		
Collection of rental income	501,450.00	64,600.00	103,350.00
Refund from cash advance			2,106.40
Subsidy from National Government		1,813,000.00	1,812,000.00
Due to Other NGA's			14,928.00
Collection of interest on Treasury Bonds	620,700.00	221,050.00	529,800.00
Withholding taxes, GSIS & Pag-Ibig premiums	273,119.23	93,256.33	102,783.52
Total Receipts	P 1,395,296.71	P 2,191,906.33	P 2,567,724.47
Total funds available during the period	P 39,032,868.81	P 38,624,203.40	P 35,117,768.32
Less: Cash Disbursements			
Current operating expenses	P 2,310,806.47	P 914,677.77	P 994,096.32
Inventories - supplies and materials	71,336.00	45,650.00	6,515.00
Advances to officers and employees		65,149.04	5,840.00
Advances for expenses of DSWD		15,900.00	
Payment of accounts payable	12,666.66		
Prepaid expenses			3,402.00
Due from PITC (Simone)		4,762,616.32	
Purchase of equipment	86,836.80		9,965.50
Remittance of withholding taxes & premiums	118,925.81	270,166.42	92,353.91
Total Disbursements	P 2,600,571.74	P 6,074,159.55	P 1,112,172.73
Cash, ending	P 36,432,297.07	P 32,550,043.85	P 34,005,595.59

Approved:

  
Ramon L. Clarete  
Executive Director

Certified correct:

  
Milagros O. Savella  
Accountant

**Philippine Center for Economic Development  
Balance Sheet  
September 30, 2013**

**ASSETS**

**Current Assets**

Cash

Cash-Collecting Officer	<b>P</b>	0.00	
Local Currency, Current Account		3,777,856.43	
Local Currency, Time Deposit		30,177,739.16	
Petty Cash Fund		50,000.00	<b>P</b> 34,005,595.59

Accounts Receivable

1,866,220.00

Less: Allowance for Doubtful Accounts

12,720.00

1,853,500.00

Interest Receivable (Note 4)

850,489.35

Due from NGAs (Note 5)

23,355,329.94

Advances to Officers & Employees

568.04

Office Supplies Inventory

577,611.86

Accountable Forms Inventory

2,200.00

Total Current Assets

**P** 60,645,294.78

**Investment in Stocks**

28,500.00

**Investment in Bonds (Note 3)**

75,808,419.43

**Prepaid Expenses and Deposits**

Prepaid Insurance

**P** 10,125.00

Other Prepaid Expenses (Note 6)

148,736.81

158,861.81

**Property, Plant and Equipment (Note 7)**

Land Improvements

**P** 1,090,380.51

Buildings

23,161,311.75

Office Equipment

1,275,810.99

Furniture & Fixtures

1,987,344.79

IT Equipment & Software

2,960,043.86

Communication Equipment

640,419.00

Motor Vehicle

1,762,500.00

Construction in Progress

287,356.32

Arts, Archeological & Other Exhibits

51,550.00

**P** 33,216,717.22

Less: Accumulated Depreciation

26,657,895.87

6,558,821.35

**TOTAL ASSETS**

**P** 143,199,897.37

**Philippine Center for Economic Development  
Balance Sheet  
September 30, 2013**

**LIABILITIES, AND RESIDUAL EQUITY/CAPITAL**

**Liabilities**

Current Liabilities

Accounts Payable	133,941.22
Due to BIR	73,758.04
Due to GSIS	1,047.77
Due to other NGAs (NEDA)	<u>160,404.00</u>

Total Current Liabilities

**P** 369,151.03

**Equity**

Donated Capital (Note 8)	<b>P</b> 14,890,128.99
Capital - Miscellaneous (Note 9)	23,677,892.62
Retained Earnings	<u>104,262,724.73</u>

Total Equity

142,830,746.34


**TOTAL LIABILITIES AND EQUITY**

**P** 143,199,897.37

Approved:

  
Ramon L. Clarete  
Executive Director

Certified correct:

  
Milagros O. Savella  
Accountant

**Philippine Center for Economic Development**  
**Statement of Income**  
**For the Quarter Ending September 30, 2013**

**INCOME**

Rent Income	<b>P</b> 1,016,200.00
Interest Income	969,391.34
Miscellaneous Income	10,816.26

**TOTAL INCOME**

**P** 1,996,407.60

**EXPENSES**

**Personal Services**

Salaries and Wages- Regular Pay	<b>P</b> 275,805.00
Personnel Economic Relief Allowance (PERA)	36,000.00
Life & Retirement/PhilHealth/HDMF/ECC Contributions	33,096.60
Pag-Ibig Contributions	1,800.00
PhilHealth Contributions	3,337.50
ECC Contributions	1,800.00
Other Personal Benefits	207,993.00

559,832.10

**Maintenance and Other Operating Expenses**

Travelling Expenses - local	<b>P</b> 1,436.00
Training Expenses	43,281.00
Office Supplies Expenses	96,554.95
Accountable Forms Expenses	450.00
Other Supplies Expenses	31,188.04
Postage and Deliveries	1,982.00
Printing and Binding Services	61,197.25
Representation Expenses	89,861.33
Other Professional Services	671,059.20
Repairs & Maintenance	38,729.25
Donations (UPSE)	2,548,328.41
Miscellaneous Expenses	6,499.00
Taxes, Duties and Licenses	5,478.12
Insurance Expense	4,073.47
Depreciation Expense	206,914.15

3,807,032.17

**TOTAL EXPENSES**

**P** 4,366,864.27

**NET (LOSS) INCOME before Subsidy**

(2,370,456.67)

Subsidy from National Government

3,625,000.00

**NET (LOSS) INCOME after Subsidy**

**P** 1,254,543.33

**Philippine Center for Economic Development**  
**Statement of Changes in Equity**  
**For the Quarter Ending September 30, 2013**

	<u>Donated Capital</u>	<u>Miscellaneous</u>	<u>Retained Earnings</u>	<u>TOTAL</u>
Balances, July 1, 2013	P 14,890,128.99	P 23,677,892.62	P 103,008,181.40	P 141,576,203.01
Add/Deduct:				
Net Income (Loss) for the Period			1,254,543.33	1,254,543.33
<b>Balances, September 30, 2013</b>	<b>P 14,890,128.99</b>	<b>P 23,677,892.62</b>	<b>P 104,262,724.73</b>	<b>P 142,830,746.34</b>

**Philippine Center for Economic Development**  
**Statement of Income**  
**For the Period January 1 to September 30, 2013**

**INCOME**

Rent Income	P 3,517,820.00
Interest Income	3,253,292.89
Miscellaneous Income	18,672.26

**TOTAL INCOME**

**P 6,789,785.15**

**EXPENSES**

**Personal Services**

Salaries and Wages- Regular Pay	P 827,415.00	
Personnel Economic Relief Allowance (PERA)	108,000.00	
Clothing/Uniform Allowance	30,000.00	
Productivity Incentive Allowance	12,733.33	
Other Bonus and Allowances	18,000.00	
Cash Gift	15,000.00	
Year End Bonus	45,967.50	
Life & Retirement/PhilHealth/HDMF/ECC Contributions	99,289.80	
PAG-IBIG Contributions	5,400.00	
PhilHealth Contributions	10,012.50	
ECC Contributions	5,400.00	
Other Personnel Benefits	623,979.00	1,801,197.13

**Maintenance and Other Operating Expenses**

Travelling Expenses - local	P 13,558.00	
Training Expenses	94,108.00	
Office Supplies Expenses	287,842.13	
Accountable Forms Expense	1,700.00	
Other Supplies Expenses	93,431.31	
Postage and Deliveries	6,126.00	
Printing & Binding Services	68,925.50	
Representation Expenses	198,448.49	
Other Professional Services	3,171,613.01	
Repairs & Maintenance	959,011.67	
Donations	5,852,231.53	
Miscellaneous Expenses	33,698.77	
Taxes, Duties and Licenses	5,978.12	
Insurance Expense	10,216.71	
Depreciation Expense	980,624.81	

11,777,514.05

**TOTAL EXPENSES**

**P 13,578,711.18**

**NET (LOSS) INCOME, before Subsidy**

(6,788,926.03)

Subsidy from National Government

10,875,000.00

**NET (LOSS) INCOME, after Subsidy**

**P 4,086,073.97**

**Philippine Center for Economic Development  
Statement of Changes in Equity  
For the Period January 1 to September 30, 2013**

	<u>Donated Capital</u>	<u>Miscellaneous</u>	<u>Retained Earnings</u>	<u>TOTAL</u>
Balances, January 1, 2013	P 14,890,128.99	P 23,677,892.62	P 100,176,650.76	P 138,744,672.37
Add/Deduct:				
Net Income (Loss) for the Period			4,086,073.97	4,086,073.97
Add: Prior Year's Adjustments				0.00
<b>Balances, September 30, 2013</b>	<b>P 14,890,128.99</b>	<b>P 23,677,892.62</b>	<b>P 104,262,724.73</b>	<b>P 142,830,746.34</b>



**PHILIPPINE CENTER FOR ECONOMIC DEVELOPMENT**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2013**

**1. GENERAL INFORMATION**

The Philippine Center for Economic Development (PCED) was created by virtue of Presidential Decree No. 453 on May 13, 1974. The function of the Center is to give financial and moral support to the research, teaching, training and other programs of the School of Economics of the University of the Philippines. To provide a source for the funding of programs and projects of the Center, PD 453 established an Endowment Fund which shall be self-sustaining and shall consist of contributions, donations, bequests, grants and loans from domestic and/or foreign sources, government subsidy appropriations and other income accruing from the operations of the Center.

The Center holds office at the University of the Philippines – School of Economics, Diliman Campus, Quezon City.

**2. SIGNIFICANT ACCOUNTING POLICIES**

- 2.1 The Statements of PCED have been prepared in accordance with generally accepted state accounting principles in the Philippines.
- 2.2 Financial assets earlier classified as investments are reclassified as Held-to-maturity investments. The Center's management has the intention and ability to hold to maturity its financial assets with determinable payments and fixed maturity. Those held-to-maturity investments with maturities of one (1) year or less from balance sheet date are included in the current assets, and those with maturities greater than 12 months after the balance sheet date are classified as non-current assets. These investments are recorded at premium or discount, which is amortized over the life of the bonds.
- 2.3 Allowance for doubtful accounts is maintained at a level adequate to provide for potential uncollectibility of receivables. A review of the receivables, designed to identify accounts to be provided with allowance, is made on a regular basis.
- 2.4 Inventories are valued at cost using the Moving Average Method.
- 2.5 Property, Plant and Equipment (PPE) is comprised mainly of office space and equipment and carried at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the items.  
  
Depreciation on assets is calculated using the straight-line method to allocate the cost of the asset net of residual value of 10% of cost over its estimated useful life as prescribed by COA Circular 2003-007 which provides the policies and guidelines on the computation of depreciation of government property and on their useful lives ranging from five to ten years. Depreciation starts on the second month after purchase.  
  
Major repairs/renovations are depreciated over the remaining useful life of the related asset while regular maintenance, repair and minor replacements are charged against Maintenance and Other Operating Expenses (MOOE) as these are incurred.
- 2.6 Payable accounts are recognized and recorded in the books of accounts only upon delivery of the goods/inventory/other assets and rendition of services to the agency.

### 3. FINANCIAL ASSETS

This account consists of placements in Treasury Bills and Bonds classified as follows:

	<u>Current</u>	<u>Non-Current</u>
Treasury Bills		P -
Treasury Bonds	-	<u>75,808,419.43</u>
<b>Total</b>	<b>P -</b>	<b><u><u>P75,808,419.43</u></u></b>

### 4. INTEREST RECEIVABLES

This represents accrued interest on GOCC series Treasury Bills and Bonds

### 5. DUE FROM NGA'S

Amount due from Philippine International Trading Corporation (PITC) for roof rectification of PCED buildings 1 and 2 and renovation of auditorium.

### 6. OTHER PREPAID EXPENSES

This account consists of:

Prepaid Subscriptions	P143,736.81
PLDT Deposit	<u>5,000.00</u>
	<u><u>P148,736.81</u></u>

### 7. PROPERTY, PLANT AND EQUIPMENT

	Land Improvements Buildings and Structures	Office Equipment Furniture and Fixtures and Artworks	Motor Vehicle	Total
<b>Cost</b>				
July 1, 2013	24,539,048.58	6,670,079.59	1,762,500.00	32,971,628.17
Additions	0.00	245,089.05	0.00	245,089.05
Deductions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
September 30, 2013	24,539,048.58	6,915,168.64	1,762,500.00	32,216,717.22

	Land Improvements Buildings and Structures	Office Equipment Furniture and Fixtures and Artworks	Motor Vehicle	Total
<b>Accumulated Depreciation</b>				
July 1, 2013	21,562,089.03	3,466,169.64	1,422,723.05	26,450,981.72
Additions	28,997.72	145,211.08	32,705.35	206,914.15
Deductions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
September 30, 2013	21,591,086.75	3,611,380.72	1,455,428.40	26,657,895.87
<b>Net Book Value</b>				
September 30, 2013	2,947,961.83	3,303,787.92	307,071.60	6,558,821.35

#### 8. DONATED CAPITAL

This account represents the following: (a) donation by the Japanese Government for the construction of Building II with an auditorium (PCED-UPSE Library) and equipment, (b) grants from the Population Council Foundation for Special Projects and (c) equipment donated by ESIA/WID Project.

#### 9. CAPITAL - MISCELLANEOUS

This represents the subsidy from the National Government of P17,000,000 for Endowment Fund, P6,477,892.62 for Building I and donation for the Leonides S. Virata Professorial Chair of P200,000.