

Notes to Financial Statement

I. General/Agency Profile

Note 1 Basis of Reporting

The Bulacan Agricultural State College (BASC) was established in 1952. It started as the Community Agricultural School in Bintug, Plaridel, Bulacan with about 100 students. The succeeding years saw an increase in the number of students. Unlike before, students came not only from the local community but also from elsewhere in the province. With this, the school was aptly named Bulacan Provincial High School.

In 1955, with the growing population and a need to accommodate the same, Presidential Proclamation No. 163 was issued allocating 200 hectares of land for the school in Pinaod, San Ildefonso, Bulacan. Not long after, Republic Act No. 948 was issued changing the school name to Bulacan National Agricultural School (BuNAS).

In 1960, tertiary education was offered in BuNAS with a two-year Associate in Agriculture program which eventually lead to the offering of the Bachelor of Science in Agriculture Degree with majors in Agronomy and Animal Husbandry.

Cognizant of a broad-based agricultural education and training needs of the Bulakeños, Hon. Ricardo C. Silverio, then Representative of District III of the Province of Bulacan authored House Bill No. 2389 which moved for an expanded educational program for BuNAS. With bilateral approval of both Houses President Fidel V. Ramos signed Republic Act 8548, officially converting the Bulacan National Agricultural School to Bulacan National Agricultural State College on February 24, 1998. Its name was changed to Bulacan Agricultural State College by virtue of RA 9249 signed by her Excellency Gloria Macapagal Arroyo on February 19, 2004.

Note 2 Basis of Financial Statement Presentation

The financial statements were prepared in conformity with generally accepted state accounting principles and reflect amounts that are based on the estimates and informed judgment of management with an appropriate consideration to materiality.

Note 3 Summary of Significant Accounting Policies

3.1 The BASC uses accrual basis of accounting. All expenses are recognized when incurred and reported in the financial statements in the period to which they relate.

3.2 Notice of Cash Allocation (NCA) is recorded in the Regular Agency (RA) Book as well as those income/receipts, which the BASC is authorized to use.

3.3 The modified obligation system is used to record allotment received and obligation incurred. Separate registries are maintained to control allotment and obligation for each class of allotment.

3.4 Petty Cash Fund (PCF) account is maintained under the Imprest System. All replenishments are directly charged to the expense account. The PCF is not used to purchase regular inventory items for stock.

3.5 Payable accounts are recognized and recorded in the books of account only upon acceptance of the goods/inventory/other assets and rendition of services to the BASC.

Note 4 Correction of Fundamental Error

Fundamental errors of prior years were corrected by using the Prior Year's Adjustment Accounts.

Note 5 Cash and Other Cash Account

Cash in Bank – Local Currency, Current Account

The amount of P19,940,563.33 is deposited to the following Current Accounts maintained by the BASC with the Land Bank of the Philippines, Baliuag Branch and Development Bank of the Philippines, Malolos Branch.

Account Number	2013	2012
LBP Current Account No. 0102-1078-70	11,524,267	10,541,241
LBP Current Account No. 0102-1101-88 (DRT)	2,025,444	1,334,331
LBP Current Account No. 0565-003522-030	6,390,852	2,774,566
TOTAL	19,940,563	14,650,138

Current Assets	2013	2012
Cash- Collecting Officers	41,155	97,810
Payroll Fund	-	536,776
Cash in bank-Local Currency, Current Account	19,940,563	14,650,138
TOTAL CASH	19,981,718	15,284,724

Note 6 Receivables

This account includes the following:

Receivables	Gross Amount	2013 Allow for D/A	Net Amount	2012 Amount
Accounts Receivables	3,845,741	1,773	3,843,968	2,266,196
Loan Receivables-Others	3,567,350	152,168	3,415,182	3,716,800

Due from other Funds		-	-	708,622
Due from NGAs	150,000	-	150,000	150,000
Receivables- Disallowance/Charges	54,475	2,724	51,751	155,135
Advances to Officers and Employees	-	-	-	-
TOTAL	7,617,566	156,665	7,460,901	6,996,753

The Accounts Receivable account amounting to P3,845,741.10 consists of collectible tuition fee for CY 2012-2013; 2013-2014 and Organic Fertilizer.

	Gross Amount	2013 Allow for D/A	Net Amount	2012 Amount
2 nd Sem. CY 2012-2013	186,575	-	186,575	38,170
2 nd Sem. CY 2013-2014	3,623,716	-	3,623,716	2,192,576
Organic Fertilizer	35,450	1,773	33,677	35,450
TOTAL	3,845,741	1,773	3,843,968	2,266,196

The Loans Receivable account amounting to P653,950.00 represents loan granted to 265 students belonging to 3rd & 4th Year level for SY 2004 – 2005 sponsored by CHED under the Student Financial Assistance Program (STUFAP) and P2,389,400.00 represents loan granted to 491 students for SY 2008-2009 under the SAFE 4R loan program also by CHED while the amount of P400,000.00 represents loan granted to farmers within the 3rd District of Bulacan under the Technology Commercialization Program also sponsored by CHED – HEDF and P124,000.00 loan under the Palayamanan Community sponsored by PhilRice, and Provincial Government of Bulacan and DA-RFO3 with the following breakdown:

	Gross Amount	2013 Allow for D/A	Net Amount	2012 Amount
STUFAP- 3 RD & 4 TH yr. CY 2004-2005	653,950	32,968	620,982	667,050
4 th yr. Loan-3 rd yr. and 4 th yr CY 2008-2009	2,389,400	119,470	2,269,930	2,454,650
Technology Commercialization	400,000	-	400,000	280,000
Palamayanan Community	124,000	-	124,000	315,100
TOTAL	3,567,350	152,438	3,414,912	3,716,800

The Due to NGAs amounting to P150,000.00 represents fund transfer to Isabela State University for IRRI as funding support for the conduct of 2nd National Conference for Aerobic Rice.

The Receivable-Disallowances & Charges in the amount of P54,475.00 represent Cash Advance granted to Mr. Juanito Silan Jr. , the Buyer V of the BASC for traveling expenses and allowances regarding the trip to Australia from September 29 to October 13, 2001 which was disallowed in post-audit due to lack of documentary requirements. He did not appear to get clearance for his money and property accountabilities upon retiring from the service effective October 21, 2004.

Note 7 Inventories

This account includes the following:

Inventories	2013	2012
Office Supplies Inventory	40,773	83,142
Other Supplies Inventory	3,021,929	2,894,542
Textbooks and Instructional Materials Inventory	827,439	1,286,396
Livestock Inventory	508,840	403,680
Agricultural Inventory	4,830	-
TOTAL	4,403,811	4,667,760

The livestock inventory account amounting to P508,840 represents the total cost of inventory of 2,400 heads layers amounting to P502,000.00 and one Swine Breeder amounting to P6,840.00.

Note 8 Property Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation. Accumulated depreciation of prior years was charged to the Prior Years' Adjustment account while the depreciation for CY 2013 was charged to the Depreciation Expense account. The straight line method of depreciation is used in depreciating the Property, Plant and Equipment.

This account consists of the following:

	2013 Acquisition Cost	2012 Acquisition Cost	2013 Accumulated Depreciation	2012 Accumulated Depreciation	2013 Net Book Value	2012 Net Book Value
Land	16,020	16,020	-	-	16,020	16,020
Land Improvement	3,417,295	2, 857,830	2,390,279	2,298,785	1,027,016	559,045
Office Buildings	13,501,113	13,495,513	3,917,956	3,544,328	9,583,157	9,951,185
School Buildings	42,872,651	32,914,169	10,322,378	9,481,062	32,550,273	23,433,107
Other Structures	34,425,804	31,641,108	12,865,360	12,154,235	21,560,445	19,486,873
Office Equipment	3,490,665	3,298,161	2,651,470	2,474,004	839,195	824,157
Furniture and Fixture	3,061,359	2,516,109	1,233,739	1,041,507	1,827,620	1,474,602
IT Equipment	11,278,585	10,021,424	7,006,371	6,117,299	4,272,214	3,904,125

and Software						
Library Books	3,000,647	2,836,297	2,296,152	2,095,191	704,495	741,106
Machineries	314,065	314,065	173,891	150,842	140,174	163,223
Agricultural, Fishery, Forestry Equipment	1,147,168	1,147,168	857,959	782,485	289,208	364,683
Communication Equipment	1,329,670	1,178,811	781,315	712,475	548,355	466,336
Fire Fighting Equipment and Accesories	72,152	72,152	63,082	60,919	9,070	11,233
Medical, Dental and laboratory Equipment	321,605	321,605	265,935	260,674	55,670	60,931
Military and Police Equipment	22,645	22,645	6,521	4,541	16,124	18,104
Sport equipment	437,294	437,294	252,795	220,742	184,499	216,552
Technical and Scientific Equipment	5,219,019	4,793,671	2,603,556	2,240,029	2,615,463	2,553,642
Other Machineries and Equipment	588,182	474,182	236,045	195,808	352,137	278,374
Motor Vehicles	2,997,780	2,997,780	1,883,449	1,635,614	1,114,331	1,362,166
Other Property Plant and Equipment	2,073,683	1,775,491	1,386,213	1,234,694	687,470	540,797
TOTAL		115,688,330		46,705,234	78,392,936	68,983,096

Land represents the cost of surveying only because the land of BASC was awarded thru Proclamation No. 163 signed by then President Ramon Magsaysay on June 8, 1955 wherein the BASC received 921,605 square meters of land from Buenavista Estate, Province of Bulacan. An additional site in Akle, San Ildefonso, Bulacan, was given thru Proclamation No. 114 dated May 25, 1963 by then President Diosdado Macapagal with a total 4,420,296 square meters. Unfortunately the BASC was occupying only 223,918.71 square meters or 22.39 hectares out of the 921,605 square meters because of squatting while the site in Akle, San Ildefonso, Bulacan was totally unoccupied by the BASC.

Note 9 Current Liabilities

This Account consists of:

	2013	2012
Accounts Payable	229,428	256,612
Due to National Treasury	-	100,660
Due to BIR	614,044	508,803
Due to GSIS	5,646	3,720
Due to Other NGAs	13,378,824	12,226,238

Due to LGUs	503	503
Due to other Funds	-	708,622
Performance/Bidder/Bail Bonds Payable	5,533	5,533
Other Payables	5,558,398	3,441,839
TOTAL	19,792,376	17,252,530

The accounts payable account consists of unpaid obligation to Prince Technology under Fund 164 amounting to P100,000.00 for CY 2009 chargeable to BASC income for the installation of enrollment system in the College and unpaid obligation for CY 2013 chargeable also to Income (Fund164).

Note 10 Long Term Liabilities

Long Term Liabilities	2013	2012
TOTAL CURRENT LIABILITIES	19,792,376	17,252,530
Loan payable- Domestic	-	574,000
DEFERRED CREDITS		
Other Deferred credits	3,623,716	2,192,576
TOTAL LONG TERM LIABILITIES	3,623,716	2,192,576
TOTAL LIABILITIES	23,416,092	20,019,106

Note 11 Government Equity

	2013	2012
Government Equity, Beginning January 1, 2013	75,749,730	43,342,959
Retained Operating Surplus		
Current Operations	13,604,685	4,963,837
Prior Year's Adjustments	(1,148,098)	27,650,201
Total	12,456,587	32,614,038
Loss on Sale of Disposal Assets	(22,071)	(207,267)
Government Equity, Ending December 31, 2013	88,184,247	75,749,730

Note 12 Subsidy Income from National Government

This account includes the following:

	2013	2012
NCA received from DBM for payment of expenses of the Agency for operational requirements	72,502,018	56,183,000
Add: Tax Remittance Advice (TRA) issued to BIR	5,914,716	4,785,699

sub total	78,416,734	60,968,699
Less: Remittance to Bureau of Treasury for excess Cash Advances	18,939	12,720
Reversion of Unused NCA	1,595,746	3,043,264
sub total	1,614,685	3,055,984
TOTAL	76,802,049	57,912,715

Note 13 Inter-Agency Fund Transfer

Fund totaling P12,643,525.45 were received from the following agencies:

	2013	2012
BUTIL Partylist	-	258,000
CHED	3,080,881	3,477,550
CHED- Regional office	-	90,000
CIBAC	280,000	710,000
CLSU	212,430	30,000
CICT	-	1,019,040
Cong. Joselito Mendoza	300,000	600,00
DA	174,900	245,570
DAR	580,000	720,000
DA-BAR	2,101,750	
DAR-RFU 3	3,000,000	3,500,000
Dr. Gil Villacorte	1,000,000	
Friendship Builders	80,000	
IRRI	-	588,136
Municipality of San Ildefonso	300,000	100,000
OWWA	7,550	2,633
Philippine Veterans Affairs Office (PVAO)	4,635	17,520
Provincial Government of Bulacan	920,500	3,410,500
DOLE	-	245,500
Philippine Rice Research Institute	505,424	229,050
PCARRD	-	218,010
PNRI	-	-
PDAF	-	-
Praxis Fides	17,600	-
Ramon Magsaysay Technological University	60,300	-
San Isidro Labrador	17,555	40,835
TOTAL	12,643,525	15,502,344

Note 14 Allotment, Obligation and Balances

The Total Allotment during the year from Fund 101 amounted to P60,920,000 with obligation incurred amounting to P57,912,714 broken down below. While for Fund

164, the BASIC total allotment amounting to P21,685,337 including allotment carried over from FY 2012 with total obligation amounting to P20,342,064 is shown below.

Agency /Fund	Category	2013			2012		
		Allotment			Allotment		
		Extended	Current	Total	Extended	Current	Total
101	PS	-	59,307,595	59,307,595	-	51,210,000	51,210,000
	MOOE	-	9,813,000	9,813,000	-	6,710,000	6,710,000
	CO	-	4,773,000	4,773,000	-	3,000,000	3,000,000
	Con. Approp.	3,000,000		3,000,000	-		
TOTAL		3,000,000	73,893,595	76,893,595	-	60,920,000	6,920,000
164	PS	7,762	6,570,000	6,577,762	580	6,655,000	6,655,580
	MOOE	1,128,141	12,956,394	14,084,535	185,937	12,000,000	12,185,937
	CO	207,370	4,500,000	4,707,370	27,820	2,816,000	2,843,820
	Total	1,343,273	24,026,394	25,369,667	214,337	21,471,000	21,685,337
Grand Total		4,343,273	97,919,989	102,263,262	214,337	82,391,000	82,605,337

Agency /Fund	Category	2013		2013			2012		
		Obligation	Obligation	Unexpended Balance			Unexpended Balance		
				Total	Reverted	Extended	Total	Reverted	Extended
101	PS	59,230,104	51,202,732	77,492	77,492	-	7,268	7,268	-
	MOOE	9,812,964	6,709,982	36	36	-	18	18	-
	CO	4,771,832	-	1,168	1,168	-	3,000,000	-	3,000,000
	Con. Approp.	2,987,149	-	12,851	12,851	-	-	-	
	Total	76,802,049	57,912,714	91,547	91,547	-	3,007,286	7,286	3,000,000
164	PS	6,556,770	6,647,818	20,992	-	20,992	7,762	-	7,762
	MOOE	12,632,062	11,057,797	1,452,473	-	1,452,473	1,128,141	-	1,128,141
	CO	3,304,179	2,636,450	1,403,191	-	12,403,191	207,370	-	207,370
	Total	22,493,011	20,342,065	2,876,656	-	2,876,656	1,343,273	-	1,343,273
Grand Total		99,295,060	78,254,779	2,968,203	91,547	2,876,656	4,350,559	7,286	4,343,273