




Republic of the Philippines
Department of Finance
PRIVATIZATION AND MANAGEMENT OFFICE


STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Privatization and Management Office** is responsible for all information and representations contained in the accompanying Statement of Financial Position as of **December 31, 2019** and the related Statement of Financial Performance, Statement of Cash Flows, Statement of Comparison of Budget and Actual Amounts, Statement of Changes in Net Assets/Equity and the Notes to Financial Statements for the year then ended. The financial statements have been prepared in conformity with the Philippine 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.


RHODORA B. TORRALBA
Chief Accountant

Date: 2/3/2020


GERARD L. CHAN
Chief Privatization Officer

Date: _____



Privatization and Management Office
Statement of Financial Position
(All Funds)

As at December 31, 2019

	Notes	2019	2018
ASSETS			
Current assets			
Cash and cash equivalents	4	P 279,453,668.56	P 227,727,303.65
Investments	5	6,202,867.83	-
Receivables	6	338,961,464.25	513,405,604.14
Inventories	8	2,697,048.05	2,157,507.34
Other current assets	11	278,425.85	2,340,962.35
Total current assets		627,593,474.54	745,631,377.48
Non-current assets			
Investments	5	400,194,538.87	399,336,213.42
Receivables	6	15,245,789,957.38	15,928,966,040.37
Property, plant and equipment	9	63,805,796.82	64,078,500.54
Intangible Assets	10	1,685,879.19	2,196,330.94
Other non-current assets	11	43,351,699.45	43,351,699.45
Total non-current assets		15,754,827,871.71	16,437,928,784.72
TOTAL ASSETS		P 16,382,421,346.25	P 17,183,560,162.20
LIABILITIES			
Current liabilities			
Financial liabilities	12	P 25,099,381.84	P 12,017,912.23
Inter-agency payables	13	170,000,940.73	167,991,414.65
Trust liabilities	14	61,362,542.32	16,933,151.87
Deferred credits	15	-	317,283,388.87
Total current liabilities		256,462,864.89	514,225,867.62
Non-current liabilities			
Inter-agency payables	13	1,996,741.81	1,996,741.81
Trust liabilities	14	3,727,928.60	3,727,928.60
Deferred credits	15	15,879,253,387.22	16,418,845,049.40
Total non-current liabilities		15,884,978,057.63	16,424,569,719.81
TOTAL LIABILITIES		P 16,141,440,922.52	P 16,938,795,587.43
TOTAL ASSETS LESS TOTAL LIABILITIES		P 240,980,423.73	P 244,764,574.77
NET ASSETS/EQUITY			
Accumulated surplus/(deficit)	18	240,980,423.73	244,764,574.77
TOTAL NET ASSETS/EQUITY		P 240,980,423.73	P 244,764,574.77

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

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Privatization and Management Office
Statement of Financial Performance
(All Funds)

For the Year Ended December 31, 2019

	Notes	2019	2018
Revenue			
Business income	17	P 109,291,034.01	P 195,711,747.87
Total revenue		109,291,034.01	195,711,747.87
Less current operating expenses			
Personnel services	18	62,862,650.89	55,293,000.78
Maintenance and other operating expenses	19	85,878,673.83	59,241,415.91
Financial Expenses	20	8,537.50	6,750.00
Non-cash expenses	21	3,143,164.16	3,221,199.18
Current operating expenses		151,893,026.38	117,762,365.87
Surplus/(deficit) from current operations		P (42,601,992.37)	P 77,949,382.00
Net financial assistance/subsidy	22	79,433,022.51	71,866,042.23
Sale of Assets	23	11,530.00	-
Losses	24	(319,861.10)	-
Surplus/(deficit) for the period		P 36,522,699.04	P 149,815,424.23

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

Privatization and Management Office**Statement of Changes in Net Assets/Equity***(All Funds)*

For the Year Ended December 31, 2019

	Notes	2019	2018
Balance at January 1		P 244,764,574.77	P 178,612,524.20
Add/(Deduct):			
Changes in Net Assets/Equity for the Calendar Year			
Surplus/(Deficit) for the period		36,522,699.04	149,815,424.23
Adjustment of net revenue recognized directly in net assets/equity		(78,063,964.70)	(28,745,688.92)
Others		37,757,114.62	(54,917,684.74)
Balance at December 31	16	P 240,980,423.73	P 244,764,574.77

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

Privatization and Management Office

Statement of Cash Flows

(All Funds)

For the Year Ended December 31, 2019

	Notes	2019	2018
Cash Flows from Operating Activities			
Cash Inflows			
Receipt of Notice of Cash Allocation	P	79,013,302.12	P 78,777,045.38
Collection of income/revenues		28,354,690.20	2,087,698.41
Collection of receivables		95,845,710.61	63,612,847.38
Trust receipts		876,043,573.09	1,864,078,303.19
Other receipts		17,839,020.18	20,393,682.92
Adjustments		647,364.14	837,130.01
Total Cash Inflows		1,097,743,660.34	2,029,786,707.29
Cash Outflows			
Remittance to national treasury		868,884,317.18	1,795,544,862.67
Payment of expenses		109,435,278.10	86,492,688.60
Purchase of inventory		1,077,823.78	712,409.55
Grant of cash advances		1,826,573.80	3,190,368.77
Prepayments		1,255,899.74	3,527,406.20
Refund of deposits		7,987,393.12	406,000.00
Payment of payables		6,818,710.45	11,250,999.11
Remittance of personnel benefit contributions and mandatory deductions		18,762,644.85	17,387,634.05
Release of inter-agency fund transfer		622,078.98	487,834.37
Other disbursements		41,620,486.87	44,014,280.55
Reversal of unutilized NCA		2,022,661.38	6,911,003.15
Total Cash Outflows		1,060,313,868.25	1,969,925,487.02
Net Cash Provided by (Used in) Operating Activities	25	37,429,792.09	59,861,220.27
Cash Flows from Investing Activities		41,620,486.87	
Cash Inflows			
Proceeds from sale/disposal of property, plant and equipment		48,100.00	-
Receipt of cash dividends		15,609,235.00	28,096,623.00
Proceeds from matured/return of investments		1,000,732.43	1,087,085.43
Total Cash Inflows		16,658,067.43	29,183,708.43
Cash Outflows			
Purchase of property, plant and equipment		1,538,984.66	1,210,716.59
Purchase of intangible assets		822,509.94	-
Total Cash Outflows		2,361,494.60	1,210,716.59
Net Cash Provided by (Used in) Investing Activities		14,296,572.83	27,972,991.84
Increase (Decrease) in Cash and Cash Equivalents		51,726,364.91	87,834,212.11
Cash and Cash Equivalents, January 1		227,727,303.65	139,893,091.54
Cash and Cash Equivalents, December 31	4 P	279,453,668.56	P 227,727,303.65

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

Privatization and Management Office**Statement of Comparison of Budget and Actual Amounts***(All Funds)*

For the Year Ended December 31, 2019

Particulars	Notes	Budgeted Amount		Actual Amounts on Comparable Basis	Difference Final Budget and Actual
		Original	Final		
Receipts					
Services and business income	26.4.1	P 72,808,900.00	P 72,808,900.00	P 65,340,585.70	7,468,314.30
Total Receipts		72,808,900.00	72,808,900.00	65,340,585.70	7,468,314.30
Payments					
Personnel Services	26.4.2	65,898,000.00	66,381,000.00	62,862,650.89	3,518,349.11
Maintenance and other operating expenses	26.4.3	95,051,000.00	95,051,000.00	84,411,633.51	10,639,366.49
Capital outlay	26.4.4	2,106,000.00	2,106,000.00	2,059,744.58	46,255.42
Total Payments		163,055,000.00	163,538,000.00	149,334,028.98	14,203,971.02
Net Receipts/Payments		P (90,246,100.00)	P (90,729,100.00)	P (83,993,443.28)	(6,735,656.72)

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

Privatization and Management Office

Notes to Financial Statements

(All Funds)

For the Year Ended December 31, 2019

1. General Information/Agency Profile

1.1 The financial statements of Privatization and Management Office (PMO) were authorized for issue on FEB 03 2020 as shown in the Statement of Management Responsibility for Financial Statements signed by Atty. Gerard L. Chan, Chief Privatization Officer of PMO.

1.2 The PMO is an attached agency under the Department of Finance that serves as (a) the marketing arm of the government with respect to transferred-assets, government corporations and other properties assigned to it by the Privatization Council (PrC) for disposition, pursuant to Executive Order (EO) No. 323 (2000), as well as (b) the disposition entity of properties transferred to the Republic under the Philippine Property Act of 1946, Republic Act (RA) 8, and EO 99 (1947), pursuant to EO 471 (2005).

The PrC is the policy making body, also created under EO 323, mandated to oversee the Philippine Government's privatization program. It approves all proposed privatization plans prepared by PMO, and provides final approval for the proposed price and buyer for the assets. The PrC is a cabinet-level body composed of the Secretary of Finance as Chairman, with the Secretaries of Budget and Management, Trade and Industry, National Economic and Development Authority and Justice as Members. The National Treasurer and the Chairman of the Philippine Commission on Good Government sit in the PrC as non-voting members.

The PMO is the successor agency of the defunct Asset Privatization Trust (APT) whose term ended on December 31, 2000 pursuant to RA 8758. RA 8758 mandated that upon the expiration of APT's corporate life, all powers, functions, duties and responsibilities, all properties, real or personal assets, equipment and records, as well as obligations and liabilities shall devolve upon the National Government (NG). Thus, EO 323 organized the PrC and the PMO to take over the functions of the Privatization Committee and APT, respectively.

The assets for privatization include (a) Transferred assets from Philippine National Bank (PNB), Development Bank of the Philippines (DBP), Philippine Export and Foreign Loan Guarantee Corporation (PhilGuarantee), and National Development Company (NDC), which had been identified for privatization under Proclamation No. 50 (1986); (b) Assets re-conveyed by the Land Bank of the Philippines (LBP); (c) Government-Owned and Controlled Corporations (GOCC) and/or their specific/particular assets assigned on various dates to PMO by the PrC for disposition or dissolution; and (d) Assets which PMO is the designated disposition entity.

APT ending balances as at December 31, 2000 are as follows:

Total Assets	61,419,993,913.00
Total Liabilities	61,593,432,610.00
Net Equity	(173,438,697.00)
Total Liabilities and Equity	61,419,993,913.00

The above accounts were forwarded to PMO's books of accounts as beginning balances on January 1, 2001.

1.3 Merger with the Board of Liquidators (BOL)

EO 471, dated November 25, 2005, directed the merger of the Board of Liquidators (BOL) and the PMO, with the PMO as the surviving entity. The functions, rights, personnel, properties, assets, resources, technologies, materials and records as well as the obligations and the liabilities of the BOL were merged with PMO. The assets and/or rights, which the BOL was mandated to dispose under EO 372, were transferred to the NG, which entrusted said assets and/or rights to the PMO for appropriate disposition.

The assets of the various entities absorbed by the defunct BOL include the Abaca Corporation of the Philippines, Land Settlement and Development Corporation/National Resettlement and Rehabilitation Administration, Leyte Sab-A Basin

Development Authority, National Abaca and Other Fibers Corporation, National Coconut Corporation, National Marketing Corp and National Coal Authority.

BOL's financial condition as of December 31, 2006, as adjusted based on actual cash balances per passbooks as of December 31, 2006, in accordance with the recommendations in Commission on Audit (COA) Annual Audit Report for 2006, combined with the PMO is presented below:

Total Assets	1,816,987,257.18
Total Liabilities	1,787,850,277.81
Net Equity	29,136,979.37
Total Liabilities and Equity	1,816,987,257.18

The BOL was a self-sustaining agency without subsidy requirement from the NG-BTr since its creation in 1950. Its operational expenses were being funded from the liquidation proceeds of the abolished corporations under its administration as authorized under EO 372 (1950), and the pertinent EOs abolishing/liquidating the particular corporations.

The BOL assets for disposition turned over to the PMO consisted of landholdings owned by the defunct corporations administered by the BOL. These properties and the receivables representing the cost of lots that have been awarded to the beneficiaries were not recorded in its books at the time of merger with the PMO. Thus, the landholdings have no recorded book value in the PMO's books.

1.4 PMO assets for disposition

Assets for disposition by PMO comprise of real estate, building and improvement, plant and equipment, etc.; or financial instruments or other financial interests, equity investments, such as mining claims, etc.; or financial form, like loan and other receivables. As of December 31, 2019, there are:

- (a) Seventy three (72) various entities classified as "Transferred Assets" from PNB and DBP per Deed of Transfer both dated February 27, 1987, from NDC per Deed of Transfer dated November 14, 1988 and from PhilGuarantee per Deed of Transfer dated March 8, 1989;
- (b) Thirty five (35) financial assets re-conveyed by LBP per PrC letter dated October 16, 2009;
- (c) Twelve (12) GOCCs per Committee on Privatization/PrC letters dated September 29, 1998, December 10, 1999 and September 25, 2002;
- (d) Other assets which the PMO is the designated disposition entity; and
- (e) BOL assets for disposition turned over to the PMO under EO 471. These are:

1) Abaca Corporation of the Philippines (ABACORP) Accounts

Description	Property Number TCT : TD	Area (Sq. M.)
Portion of Lot No. 2, Plan Psu - 46225 Brgy. Poblacion, Municipality of Tigaon Camarines Sur (residential)	TCT No. T-1080 Abaca Producer's Cooperative Association NAFCO-ABACORP	6,633
Lot No. 6154, Cad 370, Iriga Cadastre Brgy. San Agustin, Iriga City Camarines Sur (resd'l/commercial)	TD No. 014-0656 and TD No. 014-1705 ABACORP	2,300
Parcel of land covered by Plan Psu 69478 San Juan, Municipality of Iriga Camarines Sur (agricultural)	TCT No. 9679 ABACORP	68,544
Lot Nos. 1091, 313 & 325 pt., Cad 308-D located in Brgy. Balud, Gubat Sorsogon (residential)	T-1619	3,992
Tract of agricultural land situated in Sitio Toctocan, Del Pilar, Municipality of Caramoan, Camarines Sur	TCT No. 9678 ABACORP	239,624
Total		321,093

2) Land Settlement and Development Corporation (LASEDECO) Accounts

Location	Home Lots	Total Land Area (sq. m.)	Class Farm Lots	Total Land Area (sq. m.)
I. General Santos City				
GSC	1,756	965,181.46	136	5,063,440.00
Polomolok	1,663	2,275,993.00	331	10,746,477.00
Tupi	1,474	1,824,125.51	672	50,529,242.00
Total	4,893	5,065,299.97	1,139	66,339,159.00
II. Koronadal				
Koronadal City	1,556	1,916,960.44	182	2,953,956.10
Banga	4,343	5,390,213.55	45	2,203,539.00
Surallah	1,998	2,223,988.58	104	3,160,405.00
Sto. Niño	1,411	1,562,197.06	71	2,426,580.00
Tampakan	730	1,006,902.57	90	2,156,089.00
Total	10,038	12,100,262.20	492	12,900,569.10
III. Isulan				
Norala	1,781	2,329,389.14	170	7,895,854.00
Isulan	1,398	1,523,821.18	-	-
Cabanatuan City	1	438.00	-	-
Total	3,180	3,853,648.32	170	7,895,854.00
Grand Total	18,111	21,019,210.49	1,801	87,135,582.10

3) National Abaca and Other Fibers Corporation (NAFCO)/Alien Properties (formerly enemy-owned corporations and associations)

Accounts/Location	No. of Plantation	No of Lots Undisposed	Area to be Disposed (sqm)
Davao Provinces	22	1,113	20,798,588
Davao City	47	1,507	15,045,167
Cebu City	1	58	7,358
Quezon	1	227	185,724
Tarlac	1	49	119,024
Zamboanga	1	6	104,891
Jose Abad Santos	1	31	191,308
Negros Occidental	2	3	142,925
Maguindanao	1	1	40,971
Total	77	2,995	36,635,956

4) National Marketing Corporation (NAMARCO) Accounts

Description	Property Number TCT : TD	Area (Sq. M.)
Lot 1-A-2, Psd-03-107804 (AR) with an area of 103,585 sq. m. and Lot 1-B-2, Psd-03-107804 (AR) with an area of 38,442 sq. m. located in Licab, Nueva Ecija less 11,881 sq.m. disposed lots	TCT No. NT-18442 Register of Deeds of Cabanatuan City	130,146
Lots Nos. 1672-A, Psd-123572 (AR) with an area of 18,525 sq. m. and Lot 1672-D, Psd-123572 (AR) with an area of 8,754 sq. m. located in Guinayangan, Quezon	TCT No. T-49644 (now TCT No. T-374588 RP-DAR)TD No. 12-0390185	27,279
Total		157,425

Receivable representing cost of awarded lots:

Accounts/Location	Current	Past Due	Total
Alien Accounts			
Cebu		810,188.57	810,188.57
Davao City	373,104.80	960,247.52	1,333,352.32
Davao del Sur		103,190.14	103,190.14
Davao del Norte		221,989.68	221,989.68
Davao Oriental		103,565.64	103,565.64
Compostela Valley		145,836.94	145,836.94
Basilan		536,221.48	536,221.48
Quezon		108,625.35	108,625.35
Tarlac		1,234,041.62	1,234,041.62
Sub-total	373,104.80	4,223,906.94	4,597,011.74
LASEDECO Accounts			
General Santos	571,700.27	1,395,772.59	1,967,472.86
Koronadal	567,619.83	864,629.76	1,432,249.59
Isulan	791,363.34	432,395.09	1,223,758.43
Sub-total	1,930,683.44	2,692,797.44	4,623,480.88
Grand Total	2,303,788.24	6,916,704.38	9,220,492.62

Total transfer price of these assets amounts to ₱51,042,863,533.23 as shown in the attached *Schedule 1*. This amount is not recorded in the books of PMO. The Bureau of the Treasury (BTr) is the authorized government agency directed to take up in the books of accounts of the NG all transactions contemplated with the transfer of assets and liabilities to NG, pursuant to Administrative Order Nos. 14 (1987) and 64 (1988).

1.5 PMO's registered office is located at 104 Gamboa St., Legaspi Village, Makati City.

2. Statement of Compliance and Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with and comply with the Philippine Public Sector Accounting Standards (PPSAS) issued by the Commission on Audit per COA Resolution No. 2014-003 dated January 24, 2014.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

3. Summary of Significant Accounting Policies

3.1 Basis of Accounting

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

3.2 Fair Value of Transferred Assets

PMO does not regularly procure appraisal of transferred assets on a yearly basis to minimize expenses on appraisal fees. Appraisal of transferred asset shall be procured only once it is scheduled for disposition.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three (3) months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

3.4 Inventories

Inventories are measured at cost upon initial recognition. After initial recognition, inventories are measured using the weighted average method.

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

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:

- tangible items;
- held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- 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.

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 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 PMO 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 plant and equipment 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 PMO uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA.

The PMO uses a residual value equivalent to five percent (5%) 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 PMO 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 Intangible Assets

Intangible assets acquired are initially recognized at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets life is amortized over its useful life:

Computer software	1 to 5 years
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The straight line method is adopted in the amortization of intangible assets.

Intangible assets are assessed for impairment whenever there is an indication that the asset may be impaired.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the surplus or deficit when the asset is derecognized.

3.7 Contingent liabilities

The PMO does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

3.8 Litigation/Acquired assets expenses

Expenses incurred by the PMO in connection with litigation proceedings and registration/consolidation of ownership of acquired assets as well as those incurred in their preservation/maintenance are charged to Litigation/Acquired Assets Expenses account.

3.9 Change in accounting policies and estimates

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

The PMO recognizes the effect of changes in accounting estimate prospectively by including in surplus or deficit.

The PMO 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.

3.10 Foreign currency transactions

Transactions in foreign currencies are initially recognized by applying the spot exchange rate between the currency and the foreign currency at the date of transaction.

At each reporting date, foreign currency monetary items are translated using the closing rate.

3.11 Revenue from exchange transactions

As provided in EO 323, PMO is allowed to retain commissions, due diligence fees and proceeds from the sale of Asset Bidding Rules, information memoranda and similar documents, as well as a portion or percentage of proceeds from disposition efforts, not to exceed ten percent (10%), to be approved by the PrC, to maintain a revolving fund to be utilized for the payment of fees and reimbursable expenses and of the cost and expenses incurred in the conservation and disposition of the assets held or in the performance of its other responsibilities under EO 323. The amount retained is measured at fair value and recognized upon remittance of trust receipts to the BTr.

3.12 Budget information

The annual budget is prepared on cash basis and is published in the PMO and DBM websites.

A separate Statement of Comparison of Budget and Actual Amounts (SCBAA) was prepared since the budget and the financial statements were not made 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.

3.13 Employee benefits

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

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

3.14 Measurement uncertainty

The preparation of PMO's financial statements in conformity with PPSAS 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 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 financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

4. Cash and Cash Equivalents

Accounts	As of December 31, 2019
Cash on Hand	73,734.13
Cash in Bank - Local Currency	279,379,934.43
Total cash and cash equivalent	279,453,668.56

Cash on Hand represents Cash – Collecting Officer and Petty Cash Fund amounting to ₱3,143.00 and ₱70,591.13 respectively.

Cash in bank – local currency consist of LBP Interest Bearing Current Account (IBCA) No. 1802-1011-51 amounting to ₱69,726,114.44 and LBP IBCA No. 1802-1015-34 amounting to ₱209,653,819.99.

5. Investments

5.1 Reconciliation of Investments

Particulars	Financial Assets - Others As at December 31, 2019			TOTAL
	Investments in Stocks	Investments in Bonds	Other Investments	
Balance as at January 1, 2019	396,162,423.94	3,173,789.48	-	399,336,213.42
Addition/Receipt of transfer		2,619,593.16	6,202,867.83	8,822,460.99
Less Investments collected		(1,692,492.72)		(1,692,492.72)
Adjustments		(68,774.99)		(68,774.99)
Balance as at December 31, 2019	396,162,423.94	4,032,114.93	6,202,867.83	406,397,406.70

5.2 Total Investments

Particulars	Investments in Stocks	Investments in Bonds	Other Investments	TOTAL
Current Investments	-	-	6,202,867.83	6,202,867.83
Non-Current Investments	396,162,423.94	4,032,114.93	-	400,194,538.87
Total Investments	396,162,423.94	4,032,114.93	6,202,867.83	406,397,406.70

5.3 Investments in stocks:

Investments in stocks represent shares of stocks of Semirara Mining and Power Corporation amounting to ₱396,162,423.94.

The National Development Company (NDC), a government owned and controlled corporation created and existing by virtue of Presidential Decree No. 1648, owns 34,093,974 shares in Semirara Mining and Power Corporation (SMPC), a corporation registered under Philippine laws and listed in the Philippine Stock Exchange.

Republic Act No. 7656 and the concomitant Implementing Rules and Guidelines mandated GOCCs to remit to the National Government (NG) a portion of its net earnings in the form of cash dividends, stock dividends or property dividends. NDC has dividends payable to NG, pertaining to years 1996 to 2014 in the total amount of ₱2,014,935,463.50. In addition, NDC has other outstanding obligations to the NG as follows:

1. NG Advances relating to payment of NDC loan to the GFIs on account of First Centennial Clark Corporation		
a. Principal	P	1,500,000,000.00
b. Interest as of 30 September 2015		366,198,750.00
Total		1,866,198,750.00
2. Payable to the BTr relating to National Steel Corporation		35,928,529.50
3. Guarantee Fees due to the BTr		39,891,508.62
Total	P	1,942,018,788.12

Likewise, NDC has existing outstanding obligations with the PMO amounting to ₱396,162,423.94. Details of which is as follows:

1. Payable to PMO (DBP) relating to Eliscon Assets	P	325,899,477.94
2. Payable to PMO (DBP) relating to NCS-Pasig Steel		70,262,946.00
Total	P	396,162,423.94

On December 18, 2015, a Memorandum of Agreement (MOA) was executed by the Republic of the Philippines, the PMO, the Bureau of the Treasury (BTr) and the NDC wherein NDC agreed that it shall transfer and cede its SMPC shares to NG and PMO to settle its NG and PMO outstanding obligations as described above. All SMPC shares, including shares applicable to NDC's obligation to NG, were transferred to, and held-in-trust by the PMO. For obligation-settlement purposes, the total value of SMPC shares transferred as of December 31, 2015 amounts to ₱4,326,525,300.60 computed by multiplying the total number of shares at the closing rate of ₱135.00 per share less 6% discount or ₱126.90 per share. Value of shares applicable to NDC's obligation to NG is recorded in the books of the BTr.

On February 23, 2017, the Board of Directors of SMPC approved the issuance of 300% stock dividends to stockholders of record as of September 15, 2017. Number of shares as of December 31, 2019 totals 136,375,896 with a closing rate of ₱22.00 per share or a total value of ₱3,000,269,712.00.

5.4 Investment in bonds

Investment in bonds represents partial settlement of the DBP of its obligation which was due to the discrepancy in the transfer price of Northern Cement Corporation account under the Deed of Transfer dated February 27, 1987 as reconciled through DBP letter dated August 31, 1999.

5.5 Other Investments

Other investments represent Fixed Term Deposit with BTr which will mature on March 2, 2020.

6. Receivables

Accounts	Current	Non-Current	Total
Loans and Receivables	190,134,469.06	4,259,851.95	194,394,321.01
Lease Receivables	126,176,195.86	15,236,175,564.46	15,362,351,760.32
Inter-Agency Receivables	17,861,710.70	-	17,861,710.70
Other Receivables	4,789,088.63	5,354,540.97	10,143,629.60
Total Receivables	338,961,464.25	15,245,789,957.38	15,584,751,421.63

6.1 Loans and Receivables

Accounts	Current	Non-Current	Total
Interest Receivable	12,666.77	4,259,851.95	4,272,518.72
Loans Receivable - Others	190,121,802.29	-	190,121,802.29
Total Loans and Receivables	190,134,469.06	4,259,851.95	194,394,321.01

- 6.1.1 *Interest Receivable* consists of interest due on fixed-term deposit with the Bureau of the Treasury prior to its maturity date.

Part of this account amounting to ₱4,259,851.95 represents accrued penalty for non-payment of monthly lease rental of Unimasters Conglomeration, Inc. on the Leyte Park Hotel.

- 6.1.2 *Loans Receivable – Others* (₱190,121,802.29) represents receivable from Pamplona Redwood and Veneer Corporation on the outstanding balance of its obligation to APT under the Direct Debt Buy-Out scheme.

Pamplona Redwood and Veneer, Incorporated (PARVI) is a domestic corporation formerly engaged in the business of logging, sawmilling and wood processing. It obtained several loans from the PNB and the National Investment and Development Corporation (NIDC). To secure the said loans, PARVI mortgaged its properties in favor of PNB.

On February 27, 1987, a Deed of Transfer was executed by and between the PNB and the NG wherein the former's financial claim against PARVI was transferred to the latter with a total transfer price of ₱190,879,910.00, which the latter subsequently assigned to APT for disposition through Trust Agreement executed on same date.

One of the modes of disposition adopted by APT in disposing transferred assets was the Direct Debt By-Out (DDBO) scheme. Under the said scheme, owners of assets in financial form, such as PARVI, may settle their account through: (1) DDBO based on Transfer Price; or (2) DDBO based on the average of two highest appraisal values of asset.

PARVI submitted several proposals to settle their loan obligations under the DDBO scheme which the APT and the COP approved. However, these DDBOs were subsequently cancelled due to PARVI's failure to settle its obligation despite a number of extensions granted by APT on PARVI's requests. On August 9, 1990, another proposal was approved by the COP on PARVI's account for a DDBO settlement price of ₱419,620,991.11.

As of April 23, 1992, the Statement of Account of PARVI amounts to ₱190,121,802.29. The amount is exclusive of advances on insurance premium and interest on advances amounting to ₱2,052,183.00 and ₱804,914.23 respectively. Summary of the account is as follows:

Particulars	Amount
DDBO approved Price	419,620,991.11
Less: Payment from Escrow Account -	
Total Cash released by PNB	101,745,116.21
Payment from Escrow Account -	
Purchase of Marc Rich Papers	52,514,503.55
Total cash payment by PARVI	9,520,380.24
Total cash payment by FIHI	135,442,677.28
Balance	120,398,313.83
Add Interest from 09/14/90 to 9/30/91	69,723,488.46
DDBO balance, 4/23/92	190,121,802.29

In 1997 & 1998, two of the real properties securing PARVI's loan were sold in public auction by the Bureau of Internal Revenue – Revenue District Office No. 3 of Tuguegarao, Cagayan and by the Sandiganbayan through Tax Delinquency Sale.

The APT Board of Trustees, during its meeting on February 10, 1999, approved the foreclosure of PARVI's remaining mortgaged properties. The said board decision was issued despite the new proposal of PARVI for the release of PARVI's properties so that it can offer the same for sale with the intention to pay the balance of its obligation out of the proceeds thereof.

The APT did not enforce the foreclosure proceeding of PARVI's remaining properties until the expiration of its corporate term on December 31, 2000. In accordance with Republic Act (RA) No. 7181, as amended by RA Nos. 7661, 7886, and 8758, the claim reverted to the National Government (NG), which assigned the same for disposition to the PMO.

A discussion on the settlement of the obligations of PARVI with the National Government temporarily shelved the plans of the PMO to foreclose the mortgaged properties. In a letter dated December 6, 2005,

a proposal was made by Ms. Ruthie Lim-Santiago, administratrix of the estate of Alfonso D. Lim, Sr., and her lawyers, to settle the obligation of PARVI by way of dacion en pago of the mortgaged properties in favor of the NG. In reply thereto, the PMO made its counter-proposal in its letter dated January 16, 2006. Due to the failure of Ms. Lim-Santiago to respond to PMO's counter proposal, a demand letter was sent to her to submit her proposal within (15) days upon receipt. After several demand letters sent by PMO to make comments on its counter proposal, the estate, through the letter dated May 16, 2006 of its lawyer, Atty. Reynald R. Suarez, reiterated its previous proposal without conveying its acquiescence or denial on PMO's counter-proposal.

OSG is currently reviewing documents preparatory to filing available legal remedies, and is in the process of preparing six (6) extra-judicial foreclosure of Real Estate Mortgage.

6.2 Aging/Analysis of Receivable as at December 31, 2019

Particulars	Total	Not past due	Past due		
			< 30 days	30 - 60 days	> 60 days
Interest Receivable	4,272,518.72	12,666.77			4,259,851.95
Loans Receivable - Others	190,121,802.29				190,121,802.29
Operating Lease Receivable	29,250,000.00				29,250,000.00
Finance Lease Receivable	15,333,101,760.32	126,176,195.86			15,206,925,564.46
Other Receivables	15,246,125.09	2,164,507.79			13,081,617.30
Totals	15,571,992,206.42	128,353,370.42	-	-	15,443,638,836.00

6.3 Lease Receivable

Accounts	Current	Non-Current	Total
Operating Lease Receivables	-	29,250,000.00	29,250,000.00
Finance Lease Receivables	126,176,195.86	15,206,925,564.46	15,333,101,760.32
Total Lease Receivables	126,176,195.86	15,236,175,564.46	15,362,351,760.32

6.3.1 Operating Lease Receivables include the following accounts:

- a. Unimasters Conglomeration, Inc. (UCI) - ₱29,250,000.00 – Unpaid rental for the lease of Leyte Park Hotel (LPH).

LPH is a transferred asset from DBP, conveyed by NG to APT now PMO through Deed of Transfer dated February 27, 1987, located at Magsaysay Boulevard, Tacloban City. It is owned by: (1) APT, which holds 34% of the shares of the property; (2) the Philippine Tourism Authority, which holds 40%; and, (3) the remaining 26% is owned by the Province of Leyte.

On September 15, 1994, APT entered into a Contract of Lease with Unimasters Conglomeration, Inc. (UCI) wherein UCI will lease LPH for twelve (12) years at a monthly fee of ₱300,000.00 during the entire lease period, payable on or before the 16th calendar day of each month commencing on October 16, 1994. In case of non-payment by UCI of the monthly rental, a penalty of 3% per month shall be imposed of the unpaid amount and shall accrue from the date of nonpayment. Real property taxes shall be for the account of the APT. Any payment of real property taxes by UCI shall be credited against any amount due from UCI to APT.

During the efficacy of the contract, UCI defaulted on its obligation to pay the monthly rentals which prompted PMO to send several demand letters to UCI but no payment was made. On September 7, 2006, PMO wrote UCI a letter notifying the same that its obligation remained unsettled; informing further that the contract shall expire on September 15, 2006 and shall not be renewed; and requiring UCI to surrender and return the leased property to PMO.

Previously, in 2004, the Commission on Audit issued Audit Observation Memorandum No. 007 recommending PMO to record in its books the unpaid rental due from UCI amounting to ₱15,059,851.95, including interest as of December 31, 2003. PMO complied with the recommendation and recorded an accrued monthly rental of ₱300,000.00. Total unpaid rental and total interest as of to date amount to ₱29,250,000.00 and ₱4,259,851.95 respectively.

On September 13, 2006, UCI filed a complaint for specific performance, injunction and damages with urgent prayer for issuance of a temporary restraining order and/or writ of preliminary injunction before the Regional Trial Court, Makati City, docketed as Civil Case No. 06-781. The complaint seeks to, among others, enjoin PMO from taking over the property; declare the termination of the contract as null and void; declare the contract renewed for another twelve (12) years; and direct the conduct of an accounting to determine the true and correct amount of lease rentals to be paid by UCI.

On March 10, 2010, an Ejectment Case against UCI was filed by PMO with the Municipal Trial Court in Cities, Tacloban City docketed as Civil Case no. 2010-03-CV-2 for non-payment of monthly rentals. The Makati Regional Trial Court issued its decision on October 14, 2014 ordering UCI to pay PMO, PTA and the Province of Leyte the accrued rentals from 2001 to 2013 and the additional monthly rentals until September 15, 2018. Further, the trial court reduced the monthly rental during the period that UCI was allegedly not issued a business permit; did not impose the 3% default penalty against UCI in accordance with the provision of the Contract of Lease; considered as the Contract renewed; and ordering PMO, PTA and the Province of Leyte to pay the City Government of Tacloban the accrued real property taxes on the LPH.

PMO filed a petition with the Court of Appeals docketed as CA-G.R. No. CV-104905 with the prayer that the Decision dated October 14, 2014 and the Order dated April 21, 2015 of the Regional Trial Court, Makati City be reversed and set aside and a new decision be rendered.

In a letter dated December 8, 2016, UCI, through its president Wilson L. Chan, submitted a proposal for the settlement of its obligation. On January 18, 2018, PMO transmitted a letter to Mr. Chan rejecting the latter's offer, stating that the amount was way below the fair market value of LPH.

On October 1, 2019, PMO through the OSG filed a comment on the Motion for Reconsideration filed by UCI on the CA Resolution dated August 19, 2019.

The case is still pending before the Court of Appeals.

b. Other Operating Lease Receivables which are unrecorded in PMO books:

1. Sunvar Realty Corporation – ₱2,141,246,848.93

On January 29, 2003 the PrC designated PMO as disposition entity of a NG/NPC-Makati Property consisting of parcels of land located between Pasong Tamo and Vito Cruz Extension, Makati City, which was subject of a lease agreement for twenty five (25) years from January 1, 1978 to December 31, 2002 subject for renewal for another 25 years upon mutual agreement between NG/NPC and Technology Resources Center Foundation, Inc. (TRCFI), whose functions were later assumed by Philippine Development Alternatives Foundation (PhilDAF) in February 17, 1987 following the reorganization of the government. Under the lease contract, TRCFI/PhilDAF has the right to sublease the leased land which it did in favor of Sunvar Realty Corporation ("Sunvar") commencing on different dates and ending on December 31, 2002. On June 3, 2002, NG/NPC notified PhilDAF of its decision not to renew the lease contract. The OSG wrote on February 22, 2008 to Sunvar to completely vacate the leased land and a Final Notice to Vacate dated January 26, 2009. Subsequently, the OSG filed for unlawful Detainer Case at the Metropolitan Trial Court (MTC), Makati City on July 23, 2009. On June 10, 2015 the MTC issued a decision ordering Sunvar to vacate the premises they occupy and surrender possession; and pay NG/NPC/PMO back rentals of Four Hundred Seventy Eight Million Two Hundred Thousand and Six Hundred Pesos (₱478,200,600.00) as of May 2015 with monthly rental of Three Million Two Hundred Nine thousand Four Hundred Pesos (₱3,209,400.00) beginning June 2015 up to and until Sunvar shall have finally

vacated the premises as reasonable compensation for the use and occupancy of the premises.

As a result of the 14 August 2015 Resolution of the Court of Appeals, Sheriff Robert T. Bautista of the Regional Trial Court Branch 141 of Makati issued a Notice to Vacate, on 15 August 2017 until 22 August 2017, ordering the surrender of the properties within three (3) days from receipt of the notice.

A Sheriff's Return on Writ of Execution dated 14 August 2017 was issued on 22 August 2017, placing PMO in possession of the premises. On even date, PMO acknowledged the turnover of the properties subject of the writ.

The Regional Trial Court Branch 141 of Makati City affirmed the MTC decision, with modification, ordering Sunvar to pay NG/NPC/PMO as reasonable compensation for its occupation of the property the amount of Six Hundred Thirty Million One Hundred Twenty Three Thousand Seven Hundred Pesos (P630,123,700.00) from January 1, 2003 to March 31, 2009, and the amount of Ten Million Three Hundred Sixty Four Thousand Pesos (P10,364,000.00) per month from April 1, 2009 increasing gradually by Ten (10) percent per year until July 31, 2017 considering that Sunvar and all persons claiming rights under it have vacated the premises in August 2017.

Sunvar filed an Omnibus Motion challenging the execution of the MTC Decision. On June 19, 2019, PMO received a copy of RTC Order dated June 11, 2019, denying the Omnibus Motion by Sunvar for lack of merit.

2. Other unpaid lease rental of P159,234,933.38 as of December 31, 2019 as shown in the attached *Schedule 2*.

6.3.2 *Finance Lease Receivables* consist of the following accounts:

- a. G. Holdings, Inc. - P241,702,122.86 – representing unpaid balance of the purchase price of 4,500,000 shares of stock and company notes of Maricalum Mining Corporation (MMC) sold by APT to G. Holdings, Inc. (GHI).

On October 2, 1992, a Purchase and Sale Agreement was entered into by and between the Republic of the Philippines through the APT and the GHI, a Stock Corporation registered with the Securities and Exchange Commission (SEC), for the disposition of MMC which is a transferred asset from the DBP and PNB.

Under the Agreement, APT undertook to sell and deliver the following to GHI in consideration of the total purchase price of P673,161,280.00:

- (1) 90% of the entire issued and outstanding shares of MMC with a par value of P4,500,000.00; and,
- (2) Company Notes amounting to P3,258,771,000.00.

The Agreement also provided for a down payment of P98,704,000.00 which was settled by GHI under APT Official Receipt Nos. 14445 and 16618 dated August 18, 1992 and October 22, 1992 respectively, with the balance of P574,457,280.00 divided into four tranches payable in installment over a period of ten (10) years.

On April 6, 1993, GHI complied with the payment of 1st installment amounting to P2,467,600.00 which reduced the account to P571,989,680.00.

GHI filed a case for specific performance and damages with the Regional Trial Court (RTC) Manila due to conflicting interpretations of the reckoning date of payment of the balance of the purchase price. The Republic claimed that it should be on the seventh month from the signing of the agreement while GHI

insisted that it should begin seven (7) months after the fulfillment of the closing conditions. The RTC Decision dated June 11, 1996 ordered the APT to execute the corresponding document of transfer and cause the actual delivery of subject shares and notes to GHI within a period of thirty (30) days from receipt of the Decision after the GHI shall have paid in full the entire balance at its present value of ₱241,702,122.86, computed pursuant to the prepayment provisions of the Agreement. GHI shall pay the balance simultaneously with the delivery of the Deed of Transfer and actual delivery of the shares and notes.

The RTC's decision was affirmed by the Supreme Court in its Notice of Judgment dated November 22, 2005. Consequently, the account balance was adjusted to ₱241,702,122.86.

- b. Provincial Government of Abra - ₱71,200,000.00 – represents balance of the ₱100,200,000.00 purchase price of Cellophil Resources Corporation (CRC) sold by PMO to the Provincial Government of Abra (PGA).

On January 27, 2004, PMO entered into a Deed of Conditional Sale with PGA wherein all the remaining assets of CRC, a transferred asset by NG to APT pursuant to Trust Agreement dated February 27, 1987, consisting of lands, buildings and other improvements, machinery and equipment were conditionally sold by PMO to PGA for the purchase price of ₱100,200,000.00 with the following payment terms:

Purchase Price		100,200,000.00
Down Payment		
PGA's allotment from Tobacco Excise Tax (R.A. 7171) which will be assigned to PMO	33,700,000.00	
Off-setting of PGA's tax claims/receivables against PMO/CRC	30,000,000.00	63,700,000.00
Balance		<u>36,500,000.00</u>
Balance shall be paid as follows:		
December 2004		12,166,666.67
December 2005		12,166,666.67
December 2006		12,166,666.66
Total		<u>36,500,000.00</u>

A Deed of Assignment was executed by and between PMO and PGA on January 28, 2004 whereby PGA assigned, transferred and conveyed its unremitted share from NG of the proceeds of the Tobacco Excise Tax in the amount of ₱33,700,000.00 and its tax claims against PMO amounting to ₱30,000,000.00 as down payment of the purchase price. Furthermore, an addendum to the Deed of Conditional Sale was signed on January 30, 2004 stating that PGA shall cause the dismissal of all tax claims filed against PMO/CRC and shall assume responsibility as to the outcome of all the cases filed for and against PMO/CRC.

On April 12, 2004, the Department of Budget and Management clarified that the release of PGA's share from RA 7171 to the PMO contravenes the provision of Memorandum Circular No. 61-A dated November 28, 1993 and the shares from RA 7171 shall be released directly to the local government units concerned.

PGA has made total payments of ₱29,000,000.00 from 2005 to 2007. Balance of PGA's obligation in PMO books amounts to ₱71,200,000.00 (purchase price of ₱100,200,000.00 less total payments of ₱29,000,000.00). This amount is still inclusive of ₱30,000,000.00 to be paid through offsetting the tax claim which will be adjusted upon receipt of documents from PGA relative to the dropping of the case.

On January 20, 2017, a collection/demand letter was sent by PMO to PGA. In a letter to Sec. Carlos Dominguez of the Department of Finance dated August 6, 2019, the PGA signified the intention to pay and offered to settle the outstanding amount in 36 monthly amortizations.

PGA's offer is still under evaluation by the PMO.

- c. Philnico Mining and Industrial Corporation - ₱14,905,855,832.00 - represents peso equivalent of the unpaid balance of US\$263,762,000.00 purchase price of 22,500,000 shares of stock, representing 90% ownership, in Nonoc Mining and Industrial Corporation (NMIC Shares), which were sold by APT to Philnico Industrial Corporation (Philnico) in 1996.

Nonoc Mining and Industrial Corporation (NMIC) was incorporated by the Philippine National Bank (PNB) and Development Bank of the Philippines (DBP) as the assignee of all the foreclosed mining assets (i.e., Nickel Refinery Plant, buildings and equipment, and mining rights over the Nonoc Mining Area) of Marinduque Mining and Industrial Corporation. In 1986, pursuant to Proclamation No. 50 issued by President Corazon C. Aquino, PNB and DBP transferred all its shares in NMIC to the APT for privatization and disposition.

APT Disposition of Shares in NMIC

In 1989, APT sought to privatize the NMIC Shares through a sale by public bidding which failed. Thereafter, APT sought proposals for the outright purchase and/or lease with option to purchase the mining rights for the Nonoc Mining Area. In 1990, APT entered into a Definitive Agreement with Philnico for the sale of the NMIC Shares, subject to the condition that a Mineral Production and Sharing Agreement (MPSA) be issued to NMIC for the Nonoc Mining Area.

Philnico failed to comply with the conditions of the Definitive Agreement despite several extensions due to its failure to obtain the financing needed to bring the nickel refinery back in operation. In 1995, Philnico sold all its shares in Philnico to Pacific Nickel Holdings Limited (PNHL).

In 1996, Philnico/PNHL negotiated with APT for the restructuring of the payment terms for the purchase of the NMIC Shares. Thus, the Amended and Restated Definitive Agreement (ARDA) was entered into on May 10, 1996 between APT and Philnico.

The ARDA provides the amortization schedule for payment of the purchase price for the NMIC Shares. On September 27, 1999, the terms of payment were amended through an Amendment Agreement such that: (a) the purchase price of USD 260 million was payable in 23 semi-annual installments over a period of 15 years from 1999 (inclusive of a 3-1/2 year grace period), with Philnico being obliged to pay only 50% of each principal installment if the average LME price of nickel during the six-month period ending one-month prior to such installment payment date is not higher than the Company's cash break-even price for such period; (b) the purchase price of US\$ 3.762 million was payable in 171 monthly installments from 1996 to 2010; and (c) the advances made by APT to settle labor claims amounting to ₱74,501,000.00, and to settle the receivables of Marc Rich and Phillip Brothers Oceanic, Inc. amounting to US\$ 29.77 million, were payable in semi-annual installments from 2003 to 2014. Five years into the payment schedule, Philnico failed to pay the monthly amortizations for its purchase of the NMIC Shares.

Issuance and Assignment of the MPSA

In 1991, in compliance with the Definitive Agreement, NMIC applied for an MPSA with the Department of Environment and Natural Resources (DENR). On September 2, 1996, President Fidel V. Ramos, after initial grant and revocation of MPSA, which both occurred in 1995, through the Executive Secretary, approved the reinstatement of the MPSA in the name of Philnico. Thus, in 1997, APT and Philnico entered into a Supplemental Agreement allowing the assignment by Philnico of the MPSA to its subsidiary, Pacific Nickel Philippines, Inc. (PNPI). Furthermore, a Pledge Agreement was entered into whereby Philnico pledged in favor of the Government the: (a) NMIC Shares; and (b) 250,000 shares of stock it owned in PNPI (PNPI Shares), as security for the payment of the Purchase Price. On August 7, 1997, the DENR approved the Amendment to Philnico's MPSA, the Deed of Assignment of MPSA by Philnico to PNPI, and the Mineral Processing Permit of NMIC.

Transfer of Claim to PMO

Upon the expiration of APT's corporate term on December 31, 2000, in accordance with Republic Act (RA) No. 7181, as amended by RA Nos. 7661, 7886, and 8758, the claim reverted to the National Government, which assigned the same for disposition to the PMO.

On September 14, 2016, the Regional Trial Court of Makati issued an Order in relation to the complaint filed by Philnico for Prohibition against Reversion of Shares with Prayer for Writ of Preliminary Injunction and/or Temporary Restraining Order, Suspension of Payment and Fixing of Period of Payment, against PMO, Philnico Processing Corp. (PPC) and the Corporate Secretary of PPC docketed as Civil Case No. 03-114, which granted the motion for summary judgment. Philnico was directed to commence installment payments to PMO under the ARDA not later than December 31, 2021 or after the first of the two nickel processing plant is placed under commercial operations in accordance with the pertinent provisions of the ARDA, whichever comes earlier, and covering the following installment payments:

- (1) Resumption of the installment payments on the "smaller portion" of the purchase price under the ARDA; and
- (2) Commencement of the installment payments on the (i) "bigger portion" of the purchase price under the ARDA in the amount of \$260 Million; (ii) \$29.77 Million; and (iii) the ₱74.501 Million portions.

On October 11, 2016, PMO, through the Office of the Solicitor General (OSG), filed a notice of appeal assailing the Order, which was denied per Notice of Judgement and Decision dated February 27, 2019. Subsequently, PMO filed an Entry of Appearance and Motion for Reconsideration on March 28, 2019, which was again denied per CA Resolution dated November 07, 2019.

As of December 31, 2019, the Statement of Account of Philnico amounts to ₱14,905,855,832.00, details follow:

Particulars	Due Date	In US Dollar	Peso Equivalent
Purchase Price			
Shares of Common Stocks (Note 1)	Due from Aug. 1996 to Sep. 2010	3,762,000.00	
Shares of Common Stocks (Note 2)	Due from Sep. 2003 to Sep. 2014	260,000,000.00	263,762,000.00
Less Total Payments			1,254,000.00
Balance			262,508,000.00
Add Repayment of Advances (Note 3)	Due from Sep. 2003 to Sep. 2014	29,770,000.00	
Total		292,278,000.00	14,831,354,832.00
Add Advances (Note 4)	Due from Sep. 2003 to Sep. 2014		74,501,000.00
TOTAL			14,905,855,832.00

Note: US dollar was converted using BSP Average Rate of US\$ 1.00: ₱ 50.744 as of Dec. 27, 2019

Note 1 - Represents sales price for the 22,500,000 shares of Common Stock of NMIC, payable in 171 monthly installments. The 1st installment to begin 9 months from the date of the Final notice as defined in the ARDA (i.e., Nov. 29, 1995) or on August 29, 1996.

Note 2 - Represents sales price for the 22,500,000 shares of Common Stock of NMIC (in addition to Note 1), payable in 23 successive semi-annual installments to begin 3 1/2 years from the date of Amendment Agreement (AA) (i.e., September 27, 1999) or on September 27, 2003 as per Annex B of the AA.

Note 3 - Represents advances made by APT for the settlement of the receivables of Marc Rich and Philip Brother Oceanic, Inc. from NMIC, payable in 23 successive semi-annual installment to begin 3 1/2 years from the date of Amendment Agreement (AA) (i.e., September 27, 1999), or on September 27, 2003 as per Annex C of the AA.

Note 4 - Represents advances made by APT for the settlement of labor claims against NMIC's assets, payable in 23 successive semi-annual installments to begin 3 1/2 years from the date of Amendment Agreement (AA) (i.e., September 27, 1999) or on September 27, 2003 as per Annex D of the AA.

- d. Social Housing Finance Corporation - ₱45,321,600.00 – represents balance of the ₱56,652,000.00 purchase price of parcels of land sold by PMO to Social Housing Finance Corporation (SHFC).

On July 11, 2016, PMO entered into a Deed of Absolute Sale with SHFC wherein five (5) parcels of land, formerly owned by the National Coconut Corporation (NACOCO), was entrusted by the NG to PMO for administration and disposition pursuant to E.O. No. 471 dated November 17, 2005, with a total area of 2,360.50 sq. m. were sold to SHFC for a total consideration of ₱56,652,000.00. The amount of ₱11,330,400.00 was paid by SHFC to PMO in August 2016 representing twenty percent (20%) of the purchase price. The balance of ₱45,321,600.00 shall be paid upon cancellation of the encumbrance annotated on the titles and the submission of the original owner's duplicate copies of titles, free from liens and encumbrances.

The PMO had already coordinated with OSG in relation to the filing of the petition before the court. On September 30, 2019 PMO through the OSG filed a Petition for cancellation of Annotation of Encumbrances of Transfer Certificates of Title.

- e. Triplex Enterprises, Incorporated – ₱69,022,205.46 - unpaid balance of the total consideration of contract to sell entered into by PMO and Triplex Enterprises, Incorporated (TEI).

On April 21, 2016, a contract to sell was made and executed by PMO in favor of TEI wherein the former agreed to sell to the latter two (2) parcels of land, with an aggregate area of more or less 13,000 sq. m., located in Parañaque City, which were formerly owned by Luzon Aggregates, Incorporated, an account transferred by NG to PMO for disposition, for the amount of ₱268,000,000.00 with a down payment of ₱32,000,000.00 and the balance payable in five (5) years through quarterly amortizations with interest at the rate of 3.5% per annum or for a total consideration of ₱290,932,824.76.

6.4 Inter-Agency Receivables

Accounts	Current	Non-Current	Total
Due from National Government Agencies	3,900,827.61	-	3,900,827.61
Due from Government-Owned or Controlled Corporations	13,960,883.09	-	13,960,883.09
Total Inter-Agency Receivables	17,861,710.70	-	17,861,710.70

6.4.1 Due from National Government Agencies

This account comprises:

NGAs	Particulars	Amount
Presidential Commission on Good Government (PCGG)	Expenses incurred by APT in the disposition of sequestered assets of the PCGG.	3,900,827.61
Total Due from National Government Agencies		3,900,827.61

Receivables from PCGG will be adjusted upon completion of on-going analysis.

6.4.2 Due from Government-Owned or Controlled Corporations

This account includes the following items:

GOCCs	Particulars	Amount
Development Bank of the Philippines	Consultancy fees and other expenses	4,995,782.47
Government Service Insurance System	Reimbursement of expenses for the repair of 3rd party car, Honda Civic UBK-564, damaged by Mitsubishi Pajero assigned to CPO RSC; Repair of Suzuki Vitara; Repair of Nissan Cefiro	79,629.60
North Davao Mining Corporation	COA adjustments	8,885,471.02
Total Due from Government-Owned or Controlled Corporations		13,960,883.09

6.5 Other Receivables

6.5.1 Receivables – disallowances/charges

Receivables – disallowances/charges amounting to ₱2,624,580.84 includes: a) PMO disallowances amounting to ₱1,954,555.64 representing disallowances for unauthorized foreign travel expenses, excessive remittance of employer's share on the mandatory Pag-IBIG contribution, excessive claim of representation allowance, and unauthorized charging of transferred asset expenses against PMO revolving fund; and b) BOL disallowances amounting to ₱670,025.20.

APT disallowances amounting to ₱22,646,642.95 – only ₱7,381,103.05 of this amount has supporting documents from COA. PMO has not likewise found any supporting Notice of Disallowance (ND) for the remaining ₱15,265,539.90. COA has noted that there is likewise an unaccounted difference for verification of ₱9,142,143.88 per letter dated August 15, 2012.

6.5.2 Other Receivables

Accounts	Current	Non-Current	Total
Other Receivables	2,164,507.79	13,081,617.30	15,246,125.09
Allowance for Impairment - Other Receivables	-	(7,727,076.33)	(7,727,076.33)
Net Value - Other Receivables	2,164,507.79	5,354,540.97	7,519,048.76

This account includes the following items:

- Mile Long Complex (MLC), ₱2,164,507.79 – Represents advances made by PMO for the management, conservation, and maintenance of MLC. This amount is to be reimbursed from the proceeds of lease rental from MLC.
- Calinog-Lambunao Sugar Mill - ₱162,709.38 and Pigress - ₱11,545.88 – COA adjustments. PMO filed a request for dropping of these accounts with COA on July 21, 2005.
- Marinduque Mining and Industrial Corporation (MMIC) - ₱500,000.00 – 50% share of APT on budget for arbitration expenses per BR#95-53 dated February 28, 1993. This account has been dormant for more than 20 years. Moreover, MMIC is no longer operational and its corporate term had expired on October 4, 1999. A request for write-off of the account was filed with COA on June 23, 2017, which was denied per COA NGS Cluster 2 Decision No. 2018-09 dated February 26, 2018. An appeal was filed by PMO that was denied per COA Decision No. 2018-004 dated June 6, 2018.
- Various accounts from the former BOL, ₱7,727,076.33 – represent receivables from the defunct government corporations. These accounts include receivables of the defunct Congressional Accounts Liquidation Office (CALO) totaling ₱7,224,779.34 with no supporting documents showing details of the receivables. Requests for write-off of these accounts were filed with COA on September 1, 2016. The request was partially approved per COA NGS Decision No. 2018-001 dated April 16, 2018. Of the requested amount, 2,654,391.19 was denied for write-off.

A 100% allowance for impairment was provided for various dormant receivables from the former BOL.

e. Receivable from other sources:

	Particulars	Amount
Pantranco North Express, Inc.	Advances to PNEI Management Committee for salaries	3,897,941.48
Emerald Plaza	Telephone/water/electric bill	356,484.37
Locator Marketing Corporation	Share in common expenses in the building i.e garbage dues, water and electric bill.	191,960.69
Inland Property Ventures	Share in common expenses in the building i.e garbage dues, water and electric bill.	128,129.46
Villapando, Carlito	Share in common expenses in the building i.e garbage dues, water and electric bill.	99,531.15
Sta. Clara Lumber Co., Inc.	Payment of separation pay (ex-gratia) of former employees (c/o D. Santos, A. Solangon and A. Reyes)	5,759.40
New FS Cool Air Ind'l., Inc.	Overpayment of check issued	479.16
TOTAL		4,680,285.71

6.6 Receivables written-off

The following receivables were written-off by PMO:

Account	Particulars	Reason for Write-off	Authority	No. of years uncollected	Amount
Operating Lease Receivable	Unpaid lease rental - Menzi Development Corporation (MENDECO)	MENDECO no longer existing; No supporting documents to validate the account; No documented Contract of Lease	COA Decision No. 2017-006 dated December 24, 2017	More than 10 years	8,000,000.00
Other Receivables	Unliquidated Cash Advances - Former employees of the defunct APT	Lack of supporting documents and unknown whereabouts	COA NGS Cluster 2 Decision No. 2017-23 dated October 20, 2017	More than 10 years	221,840.33
	CALO - Accounts Receivable	No supporting evidence, records or documents showing the details of account	NGS Decision No. 2018-001 dated April 16, 2018	More than 10 years	4,266,086.83
	CALO - Due from National Treasury	No supporting evidence, records or documents showing the details of account	NGS Cluster 2 Decision No. 2018-21	More than 10 years	(314,671.92)
	CALO - Due from NGAs	No supporting evidence, records or documents showing the details of account	NGS Cluster 2 Decision No. 2018-21	More than 10 years	471,196.34
	CALO - Due from GOCCs	No supporting evidence, records or documents showing the details of account	NGS Cluster 2 Decision No. 2018-21	More than 10 years	147,776.90
TOTAL					12,487,927.16

7. Financial Instruments – financial risk management

The nature of PMO operations inevitably involves financial risks that must be measured, monitored and managed by an effective risk management system. Effective risk management ensures that financial risks taken are properly identified, assessed, measured and managed. The diligent monitoring and management of financial risks require the development of a risk-conscious culture that will influence daily business activities and decision-making.

PMO develops risk management policies and procedures that address specific financial risks and monitors strict compliance thereto.

PMO has significant exposures to the following financial risk from its use of financial instruments:

- Credit risk
- Foreign currency risk

The management is responsible for the overall risks management approach and approving the risk strategies and principles.

Credit risk

Credit risk is the risk of financial loss arising from the counterparties' inability or unwillingness to settle their financial obligation to the PMO as expected or originally contracted.

PMO requires the submission of the following in the process of disposition of assets worth at least P50 million:

1. General requirements – SEC registration, DTI registration, Articles of Incorporation and By-laws or its equivalent; Business Structure and General Information Sheet or equivalent information if individual or partnership;
2. Technical requirements – track record as reputable proprietor/ institution/ corporation; and
3. Financial requirements – latest audited financial statements.

The table below shows the PMO maximum credit risk exposure which is equivalent to the total carrying amount of the financial assets.

Accounts	Amount	Past Due
Interest Receivable	4,272,518.72	4,259,851.95
Loans Receivables-Others	190,121,802.29	190,121,802.29
Operating Lease Receivable	29,250,000.00	29,250,000.00
Finance Lease Receivable	15,333,101,760.32	15,218,757,954.86
Due from National Government Agencies	3,900,859.55	3,900,827.61
Due from GOCCs	13,960,883.09	13,960,883.09
Other Receivables	15,246,125.09	13,081,617.30
Total Other Receivables	15,589,853,949.06	15,473,332,937.10

Foreign currency risk

Foreign currency risk arises on financial instruments that are denominated in a foreign currency other than the functional currency in which they are measured.

The PMO has transactional currency exposures. Any depreciation or appreciation of the foreign currencies against the peso posts significant foreign exchange gains or losses relating to receivables.

8. Inventories

Particulars	Amount
Inventories	
Carrying Amount, January 1, 2019	2,157,507.34
Purchases	1,954,537.90
Expensed during the year except write-down	(1,379,922.10)
Adjustments/Write-down during the year	(35,075.09)
Carrying Amount, December 31, 2019	2,697,048.05

Inventory includes:

Particulars	Current	Non-Current	Total
Office Supplies Inventory	1,379,539.72		1,379,539.72
Non-Accountable Forms Inventory	38,126.31		38,126.31
Other Supplies and Materials Inventory	1,278,615.22		1,278,615.22
Semi-expendable ICT Equipment	766.80		766.80
Total inventories	2,697,048.05	-	2,697,048.05

Office supplies inventory and other supplies and materials inventory include amounts of ₱590,164.72 and ₱725,571.34, respectively which represent book balances of abolished corporations transferred to BoL prior to its merger with PMO. A request for dropping of the accounts was resubmitted to COA on June 30, 2016. The request was denied per COA Decision No. 2017-008 dated November 28, 2017. The PMO filed a Motion for Reconsideration dated January 22, 2018. To date, COA has not rendered a decision on the appeal.

9. Property, Plant and Equipment

	Buildings & Other Structures	Machinery & Equipment	Transportation Equipment	Furniture, Fixtures & Books	Others	Construction in Progress	Total
Carrying Amount, January 1, 2019	22,314,245.26	22,976,227.31	2,891,400.96	4,671,685.20	9,505,214.55	1,719,727.26	64,078,500.54
Additions		1,626,097.00					1,626,097.00
Total	22,314,245.26	24,602,324.31	2,891,400.96	4,671,685.20	9,505,214.55	1,719,727.26	65,704,597.54
Disposals		(4,631.10)	(357,800.00)				(362,431.10)
Transfers/adjustments		244,395.21					244,395.21
Depreciation (As per Statement of Financial Performance)		(1,141,898.03)	(478,735.92)	(36,575.76)	(123,555.12)		(1,780,764.83)
Impairment Loss (As per Statement of Financial Performance)							-
Carrying Amount, December 31, 2019 (As per Statement of Financial Position)	22,314,245.26	23,700,190.39	2,054,865.04	4,635,109.44	9,381,659.43	1,719,727.26	63,805,796.82
Gross Cost (Asset Account Balance per Statement of Financial Position)	22,689,342.78	29,779,239.29	5,252,826.00	5,001,218.08	9,547,020.65	1,719,727.26	73,989,374.06
Less: Accumulated Depreciation	(375,097.52)	(6,079,048.90)	(3,197,960.96)	(366,108.64)	(165,361.22)		(10,183,577.24)
Allowance for Impairment							-
Carrying Amount, December 31, 2019 (As per Statement of Financial Position)	22,314,245.26	23,700,190.39	2,054,865.04	4,635,109.44	9,381,659.43	1,719,727.26	63,805,796.82

9.1 Property, plant and equipment (PPE) account includes:

- 9.1.1 Book balances of PPEs of abolished corporations under the former BOL amounting to ₱55,054,125.01 – This PPEs had no actual turn-over from BOL to PMO and were found to be non-existing. A request for the dropping of Other Structures, Office Equipment, and Construction in Progress – Agency Assets accounts pertaining to CALO amounting to ₱30,553,973.29 were filed with COA on September 1, 2016 respectively. The request for write-off of was denied per COA NGS

Decision No. 2018-001 dated April 16, 2018. Remaining BOL accounts are for analysis and will be included in the request for dropping.

- 9.2 Regular maintenance, repairs and minor replacements are charged against Maintenance and Other Operating Expenses (MOOE) as these were incurred.

10. Intangible Assets

Particulars	Computer Software	Other Intangible Assets	TOTAL
Carrying Amount, January 1, 2018	2,196,330.94	-	2,196,330.94
Additions-Purchased/Acquired thru exchange or non-exchange transaction	851,947.58	-	851,947.58
Total	3,048,278.52	-	3,048,278.52
Disposal	-	-	-
Adjustments			
Amortization Recognized (As per Statement of Financial Performance)	(1,362,399.33)	-	(1,362,399.33)
Carrying Amount, December 31, 2019 (As per Statement of Financial Position)	1,685,879.19	-	1,685,879.19
Gross Cost (Balance per Statement of Financial Position)	7,294,116.62	-	7,294,116.62
Less: Accumulated Amortization	(5,608,237.43)	-	(5,608,237.43)
Carrying Amount, December 31, 2019 (As per Statement of Financial Position)	1,685,879.19	-	1,685,879.19

11. Other Assets

11.1 Current and Non-Current Other Assets

Accounts	Current	Non-Current	Total
Advances	108,440.00	-	108,440.00
Prepayments	21,304.61	21,724,600.84	21,745,905.45
Deposits	148,681.24	764,406.16	913,087.40
Other Assets	-	20,862,692.45	20,862,692.45
Totals	278,425.85	43,351,699.45	43,630,125.30

11.1.1 Advances

Accounts	Amount
Advances to Special Disbursing Officer	57,600.00
Advances to Officers and Employees (Schedule 3)	50,840.00
Total advances	108,440.00

Advances written-off

In accordance with the COA National Government Sector Cluster 2 Decision No. 2017-23 dated October 20, 2017, the PMO has written-off dormant unliquidated cash advances for travel of former officers/employees of BOL who are no longer connected with the office amounting to ₱109,673.52.

11.1.2 Prepayments

Accounts	Amount
Prepaid Insurance	21,304.61
Other Prepayments	21,724,600.84
Total prepayments	21,745,905.45

Other prepaid expenses amounting to ₱21,724,600.84 represents net book balances of abolished corporations under the former BOL of which ₱16,942,698.19 pertains to prepaid expense account of CALO which was included in the request for dropping of account filed with COA on September 1, 2016. The request was denied per COA Decision No. 2017-007 dated November 28, 2017. A Request for Reconsideration/Appeal was filed by PMO with the COA Commission Proper on February 23, 2018.

11.1.3 Deposits

Accounts	Amount
Guaranty Deposits	913,087.40
Total deposits	913,087.40

Part of this account amounting to ₱764,406.16 represents net book balances of abolished corporations under the former BOL. A request for the dropping of the amount of ₱219,909.11 pertaining to guaranty deposit account of CALO was submitted to COA on September 1, 2016. The request was denied per COA NGS Decision No. 2018-001 dated April 16, 2018.

11.1.4 Other Assets

Accounts	Amount
Acquired Assets	17,586,469.97
Other Assets	3,276,222.48
Total other assets	20,862,692.45

11.1.4.1 Acquired assets account represents landholdings of LSBDA, a BOL abolished corporation, which details of account cannot be established as there were no documents given to BOL upon turn-over.

11.1.4.2 Other Assets account represents book balance of Items in Transit of CALO, an abolished corporations under the former BOL. A request for dropping of this account was filed with COA on September 1, 2016. The request was denied per COA NGS Decision No. 2018-001 dated April 16, 2018.

12. Financial Liabilities

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Accounts Payable (Schedule 4)	25,033,010.55	-	11,953,337.12	-
Due to Officers and Employees (Schedule 5)	66,371.29	-	64,575.11	-
Total Payables	25,099,381.84	-	12,017,912.23	-

13. Inter-Agency Payables

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Due to BIR	664,820.73	-	931,258.67	-
Due to GSIS	33,095.80	-	16,528.88	-
Due to Pag-IBIG	800.00	-	300.00	-
Due to PhilHealth	1,534.29	-	1,491.32	-
Due to NGAs (Schedule 6)	169,300,689.91	-	167,041,835.78	-
Due to GOCCs (Schedule 7)	-	1,996,741.81	-	1,996,741.81
Total Inter-Agency Payables	170,000,940.73	1,996,741.81	167,991,414.65	1,996,741.81

Due to GOCCs account comprises dormant accounts and was reclassified from current to non-current.

14. Trust Liabilities

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Trust Liabilities (Schedule 8)	60,077,437.80	-	7,850,684.22	-
Guaranty/Security Deposits Payable	831,304.52	-	836,949.77	-
Customers' Deposits Payable (Schedule 9)	453,800.00	3,727,928.60	8,245,517.88	3,727,928.60
Total Trust Liabilities	61,362,542.32	3,727,928.60	16,933,151.87	3,727,928.60

15. Deferred Credits

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Other Deferred Credits (Schedule 10)	-	15,879,253,387.22	317,283,388.87	16,418,845,049.40
Total Deferred Credits	-	15,879,253,387.22	317,283,388.87	16,418,845,049.40

This account was used as contra account in recording the receivables arising from the installment sale of PMO's transferred assets. This will be reversed upon collection of such receivable and/or upon receipts of clearance from COA to write-off corresponding dormant accounts.

16. Equity

COA Circular Nos. 2013-002 & 2014-003 prescribing government agencies to use the revised chart of accounts for national government agencies require PMO to reclassify the amount of ₱8,000,000.00 as "Contributed Capital" which had formed part of the Government Equity of PMO. Since PMO took up all ending balances of APT accounts as of December 31, 2000, said amount which was previously recorded as Paid in Capital in APT books are now reclassified as "Contributed Capital" in PMO's books.

17. Business Income

Particulars	2019	2018
Dividend Income	15,609,235.00	28,096,623.00
Interest Income	25,404,147.20	529,934.61
Other Business Income	68,277,651.81	167,085,190.26
Total Business Income	109,291,034.01	195,711,747.87

Other business income includes ₱68,032,243.53 retained from the sales proceeds and other income remitted to the BTr as authorized under Section 6, Article III of EO 323.

18. Personnel Services

Particulars	2019	2018
Salaries and Wages	43,172,501.72	36,883,942.52
Other Compensation	11,278,940.33	11,935,091.11
Personnel Benefit Contributions	5,757,657.63	4,958,375.69
Other Personnel Benefits	2,653,551.21	1,515,591.46
Total Personnel Services	62,862,650.89	55,293,000.78

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

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

18.1 Salaries and Wages

Particulars	2019	2018
Salaries and Wages - Regular	43,172,501.72	36,883,942.52
Total Salaries and Wages	43,172,501.72	36,883,942.52

18.2 Other Compensation

Particulars	2019	2018
Personal Economic Relief Allowance (PERA)	1,619,243.98	1,552,347.08
Representation Allowance (RA)	906,500.00	910,500.00
Transportation Allowance (TA)	626,500.00	613,000.00
Clothing/Uniform Allowance	396,000.00	378,000.00
Honoraria	-	107,000.00
Overtime and Night Pay	-	5,859.93
Year End Bonus	7,070,446.35	6,183,178.70
Cash Gift	329,250.00	334,000.00
Other Bonuses and Allowances	331,000.00	1,851,205.40
Total Other Compensation	11,278,940.33	11,935,091.11

18.3 Employees Future Benefits

The PMO and its employees contribute to the GSIS in accordance with Commonwealth Act No. 186 (1936) as amended by RA 8921 dated June 24, 1997. The GSIS administers the plan including payment of pension benefits to employees to act the act applies. The GSIS pension plan is a defined contribution plan that provides life and retirement insurance coverage. The employer's contribution to the defined contribution plan amounted to ₱5,191,255.11 as shown in Section 18.4.

18.4 Personnel Benefit Contributions

Particulars	2019	2018
Retirement and Life Insurance Premiums	5,191,255.11	4,431,908.07
Pag-IBIG Contributions	81,300.00	77,700.00
PhilHealth Contributions	403,302.52	370,767.62
Employees Compensation Insurance Premiums	81,800.00	78,000.00
Total Personnel Benefit Contributions	5,757,657.63	4,958,375.69

18.5 Other Personnel Benefits

Particulars	2019	2018
Terminal Leave Benefits	679,207.42	1,510,591.46
Other Personnel Benefits	1,974,343.79	5,000.00
Total Other Personnel Benefits	2,653,551.21	1,515,591.46

19. Maintenance and Other Operating Expenses

Particulars	2019	2018
Traveling Expenses	770,938.83	833,756.15
Training and Scholarship Expenses	503,389.67	903,815.53
Supplies and Materials Expenses	2,186,558.66	2,509,664.25
Utility Expenses	2,727,288.99	3,157,302.20
Communication Expenses	1,522,458.12	1,315,242.78
Extraordinary and Miscellaneous Expenses	627,500.00	2,628,588.94
Professional Services	26,422,503.29	9,371,716.87
General Services	8,861,244.19	9,419,938.31
Repairs and Maintenance	678,572.90	459,979.29
Taxes, Insurance Premiums and Other Fees	144,506.48	71,746.99
Other Maintenance and Operating Expenses	41,433,712.70	28,569,664.60
Total Maintenance and Other Operating Expenses	85,878,673.83	59,241,415.91

19.1 Traveling Expenses

Particulars	2019	2018
Traveling Expenses - Local	770,938.83	833,756.15
Total Traveling Expenses	770,938.83	833,756.15

19.2 Training and Scholarship Expenses

Particulars	2019	2018
Training and Scholarship Expenses	503,389.67	903,815.53
Total Training and Scholarship Expenses	503,389.67	903,815.53

19.3 Supplies and Materials Expenses

Particulars	2019	2018
Office Supplies Expenses	915,911.68	1,343,347.61
Accountable Forms Expenses	4,688.00	2,700.00
Non-Accountable Forms Expenses	5,493.68	28,176.60
Fuel, Oil and Lubricants Expenses	361,126.17	424,650.03
Semi-Expendable Machinery and Equipment Expenses	244,122.87	70,159.00
Semi-Expendable Furniture, Fixtures & Books Expenses	-	4,999.80
Other Supplies and Materials Expenses	655,216.26	635,631.21
Total Supplies and Materials Expenses	2,186,558.66	2,509,664.25

19.4 Utility Expenses

Particulars	2019	2018
Water Expenses	775,999.01	889,239.50
Electricity Expenses	1,951,289.98	2,268,062.70
Total Utility Expenses	2,727,288.99	3,157,302.20

19.5 Communication Expenses

Particulars	2019	2018
Postage and Courier Services	58,710.00	50,512.00
Telephone Expenses	963,754.84	910,332.38
Internet Subscription Expenses	499,993.28	354,398.40
Total Communication Expenses	1,522,458.12	1,315,242.78

19.6 Extraordinary and Miscellaneous Expenses

Particulars	2019	2018
Extraordinary and Miscellaneous Expenses	627,500.00	2,628,588.94
Total Extraordinary and Misc. Expenses	627,500.00	2,628,588.94

19.7 Professional Services

Particulars	2019	2018
Auditing Services	124,864.31	407,833.09
Consultancy Services	25,429,081.19	7,583,262.71
Other Professional Services	868,557.79	1,380,621.07
Total Professional Services	26,422,503.29	9,371,716.87

19.8 General Services

Particulars	2019	2018
Environment/Sanitary Services	42,606.83	26,909.62
Janitorial Services	1,362,818.46	1,369,726.46
Security Services	4,906,385.67	4,593,588.18
Other General Services	2,549,433.23	3,429,714.05
Total General Services	8,861,244.19	9,419,938.31

19.9 Repairs and Maintenance

Particulars	2019	2018
Repairs and Maintenance - Building and Other Structures	166,253.53	109,430.75
Repairs and Maintenance - Machinery and Equipment	203,633.00	99,060.00
Repairs and Maintenance - Transportation Equipment	308,686.37	251,488.54
Total Repairs and Maintenance	678,572.90	459,979.29

19.10 Taxes, Insurance Premiums and Other Fees

Particulars	2019	2018
Taxes, Duties and Licenses	7,457.18	7,413.12
Fidelity Bonds Premiums	10,212.50	3,337.50
Insurance Expenses	126,836.80	60,996.37
Total Taxes, Insurance Premiums and Other Fees	144,506.48	71,746.99

19.11 Other Maintenance and Operating Expenses

Particulars	2019	2018
Advertising Expenses	759,882.82	1,193,476.00
Representation Expenses	284,204.89	559,977.58
Rent/Lease Expenses	1,093,709.81	454,682.12
Membership Dues and Contributions to Organization	40,471.74	28,786.21
Subscription Expenses	1,554.00	1,554.00
Litigation/Acquired Assets Expenses	36,497,928.28	25,781,168.38
Other Maintenance and Operating Expenses	2,755,961.16	550,020.31
Total Other Maintenance and Operating Expenses	41,433,712.70	28,569,664.60

Litigation/Acquired Assets Expenses represent expenses incurred in connection with litigation proceedings and registration/consolidation of ownership of acquired assets, as well as expenses incurred in the conservation, repair and maintenance of assets/properties. Acquired assets are real and financial assets transferred to the NG pursuant to Proclamation No. 50 and other laws.

For the year ended December 31, 2019, Litigation/Acquired Assets Expenses account consists of the following:

Accounts	Amount
Traveling Expenses - Local	655,459.88
Water Expenses	11,004.68
Electricity Expenses	38,188.81
Legal Services	1,692,000.00
Taxes	7,000.00
Security Services	12,037,162.29
Other General Services	6,637,304.64
Repairs and Maintenance	10,933,982.40
Insurance Expenses	3,753,366.27
Rent/Lease Expenses	421,562.40
Membership Dues and Contributions to Organization	149,703.04
Other Maintenance and Operating Expenses	161,193.87
Total Litigation/Acquired Assets Expenses	36,497,928.28

20. Financial Expenses

Particulars	2019	2018
Bank Charges	8,537.50	6,750.00
Total Other Maintenance and Operating Expenses	8,537.50	6,750.00

21. Non-Cash Expenses

Particulars	2019	2018
Depreciation	1,780,764.83	1,868,276.13
Amortization	1,362,399.33	1,352,923.05
Total Other Maintenance and Operating Expenses	3,143,164.16	3,221,199.18

21.1 Depreciation

Particulars	2019	2018
Depreciation - Buildings and Other Structures		211,738.71
Depreciation - Machinery and Equipment	1,141,898.03	1,108,062.88
Depreciation - Transportation Equipment	478,735.92	480,605.97
Depreciation - Furniture, Fixtures and Books	36,575.76	41,108.46
Depreciation - Other Property, Plant & Equip't.	123,555.12	26,760.11
Total Depreciation	1,780,764.83	1,868,276.13

21.2 Amortization

Particulars	2019	2018
Amortization - Intangible Assets	1,362,399.33	1,352,923.05
Total Amortization	1,362,399.33	1,352,923.05

22. Net Financial Assistance/Subsidy

Particulars	Amount
Notice of Cash Allocation (NCA) received from DBM for payment of agency's personnel services	74,767,000.00
Tax Remittance Advice (TRA) issued to BIR	6,689,688.39
Total	81,456,688.39
Less Reversion of unused NCA	2,023,665.88
Net Financial Assistance/Subsidy	79,433,022.51

23. Sale of Assets

Particulars	2019	2018
Sale of Unserviceable Properties	11,530.00	-
Total Sale of Unserviceable Properties	11,530.00	-

24. Losses

Particulars	2019	2018
Loss on Sale of Property, Plant and Equipment	319,861.10	-
Total Loss on Sale of Property, Plant & Equipment	319,861.10	-

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

	2019	2018
Surplus/(deficit)	36,522,699.04	149,815,424.23
Non-cash movements		
Depreciation and Amortization	3,148,096.22	3,221,199.18
Cash Dividend Received	(15,609,235.00)	(28,096,623.00)
Interest on Bond Redemption	(11,559.21)	-
Sale of Unserviceable Properties	(11,530.00)	-
Loss on sale of Property, Plant and Equipment	319,861.10	-
Reversal of Allowance for Impairment - Other Receivables	-	(892,489,834.15)
Accumulated surplus/(deficit)	(40,556,177.35)	(68,512,050.75)
(Increase)Decrease in Investment in Bonds	(550,199.60)	-
(Increase)Decrease in Other Investments	(6,202,867.83)	-
(Increase)Decrease in Interest Receivable	(5,355.58)	465.92
(Increase)Decrease in Loans Receivable	-	10,066,000.00
(Increase)Decrease in Finance Lease Receivable	631,803,834.68	(767,395,603.13)
(Increase)Decrease in Due from NGAs	31.94	807.60
(Increase)Decrease in Due from GOCCs	1,610,919.72	7,431,429.77
(Increase)Decrease in Receivables-Disallowances/Charges	10,000.00	46,759.40
(Increase)Decrease in Other Receivable	43,667,042.19	885,672,831.02
(Increase)Decrease in Allowance for Impairment - Other R'bles	(41,762,370.80)	-
(Increase)Decrease in Office Supplies Inventory	(148,697.70)	52,074.16
(Increase)Decrease in Non-Accountable Forms Inventory	(27,207.69)	28,251.49
(Increase)Decrease in Other Supplies and Materials Inventory	(364,146.52)	(36,198.80)
(Increase)Decrease in Semi-Expendable ICT Equipment	511.20	-
(Increase)Decrease in Advances to Special Disbursing Officer	(57,600.00)	(58,539.00)
(Increase)Decrease in Advances to Officers and Employees	7,699.00	31,195.00
(Increase)Decrease in Prepaid Insurance	2,234,649.74	(1,196,604.41)
(Increase)Decrease in Other Prepayments	1,554.00	10,586.70
(Increase)Decrease in Guaranty Deposit	(123,766.24)	-
(Increase)Decrease in Acquired Assets	-	43,730,249.75
Increase(Decrease) in Accounts Payable	13,079,673.43	(6,021,789.68)
Increase(Decrease) in Due to Officers and Employees	1,796.18	(5,238.88)
Increase(Decrease) in Due to BIR	(382,987.91)	(29,618.45)
Increase(Decrease) in Due to GSIS	16,566.92	6,182.81
Increase(Decrease) in Due to Pag-IBIG	500.00	100.00
Increase(Decrease) in Due to PHILHEALTH	42.97	403.82
Increase(Decrease) in Due to NGAs	2,258,854.13	159,520,835.78
Increase(Decrease) in Due to GOCCs	-	(2,133,160.41)
Increase(Decrease) in Trust Liabilities	52,226,753.58	(12,663,146.78)
Increase(Decrease) in Guaranty/Security Deposits Payable	(5,645.25)	-
Increase(Decrease) in Customers' Deposit Payable	(7,785,717.88)	(15,829,705.25)
Increase(Decrease) in Other Deferred Credits	(635,876,229.39)	754,215,372.11
Increase(Decrease) in Other Payables	-	(159,520,835.78)
Net cash flows from operating activities	37,429,792.09	59,861,220.27

26. Notes to the Statement of Comparison of Budget and Actual Amounts

26.1 PMO's budget is prepared on cash basis and covers the same period as the date of financial statements.

26.2 PMO's budget for the year 2019 was passed through legislative action and approved by the President of the Republic of the Philippines under the General Appropriations Act for FY2019 (RA 11260) dated April 15, 2019. PMO's total approved budget for Personnel Services (PS), Maintenance and Other Expenses (MOOE), and Capital Outlay (CO) amounts to ₱83,055,000.00. The PMO also received Special Allotment Release Order

amounting to ₱483,000.00 for the Service Recognition Incentives FY 2019.

- 26.3 In addition, the Chief Privatization Officer approved budget for MOOE and CO amounting to ₱80,000,000.00 sourced from the revolving fund maintained by PMO, as authorized under Section 6, Article III of EO 323.

Section 6, Article III of EO 323 (2000):

"The Office shall be allowed to retain commissions, due diligence fees and proceeds from the sale of Asset Bidding Rules, information memoranda and similar documents, as well as a portion or percentage of proceeds from disposition efforts, not to exceed ten percent (10%), to be approved by the Council to maintain a revolving fund to be utilized for the payment of fees and reimbursable expenses and of the costs and expenses incurred by the Office in the conservation and disposition of the assets held by it or in the performance of its other responsibilities under this Executive Order."

Section 3 of EO 471(2005):

"The PMO shall be allowed to retain a portion not exceeding ten percent (10%) of the proceeds from the disposition of BOL properties, which shall serve as the revolving fund for the payment of costs and expenses incurred by the PMO in the conservation and disposition of government assets."

26.4 Material differences of budget and actual amounts:

- 26.4.1 Services and Business Income – PMO implemented various disposition plans throughout the year as approved by the Privatization Council. However, biddings failed due to lack of interested bidders for the following assets: (a) Elorde Sports Complex and Tourism Development Corp.; (b) Technology Resource Center; (c) Radio Philippines Network; (d) Al Amanah Islamic Bank; and (e) Peninsula Bank.

In addition, Prc approvals for disposition plans submitted throughout the year were received by PMO in the latter part of 2019, and shall be implemented in 2020.

- 26.4.2 Personnel Services - Underspending was due to unfilled positions from the beginning until the latter part of the year. The PMO solicited job applications through posting of vacancy in PMO and other employment websites to attract job seekers from which a pool of qualified candidates for all vacant positions were shortlisted.
- 26.4.3 Maintenance and Other Operating Expenses – variances were due to: (a) compliance to Department Order No. 056-2018 dated November 9, 2018 issued by the Department of Finance (DOF) directing DOF- attached agencies to prioritize and cut down spending, to which PMO committed to implement cost- saving programs amounting to ₱501,000.00; (b) over budgeted amounts intended for travelling, insurance, appraisal, advertising, procurement of technical advisor and consultancy services; and (c) from the budgeted amounts, savings was also realized due to reduction in number of caretakers assigned to PMO assets.
- 26.4.4 Capital Outlay- difference represents savings generated from the contracted cost.

27. Remittance to the National Treasury

For the year ended December 31, 2019, PMO's total remittance to the National Treasury amounts to ₱871,655,487.68. This amount includes:

	Amount
Remittances from collections:	
Sales	492,700,581.61
Leases	129,970,163.88
Interests	118,089.52
Others	248,866,652.67
Total Remittances	871,655,487.68

Other remittances include direct remittance on transfer of APT/PMO lands valued for Comprehensive Agrarian Reform Program (CARP) distribution to the Department of Agrarian Reform (DAR) amounting to ₱2,771,867.47.

28. Key Management Personnel

The key management personnel of the PMO are the Chief Privatization Officer (CPO) and four (4) Deputy Privatization Officers (DPOs). The senior officers group consists of the agency's Division Chiefs.

For the year ended December 31, 2019, the aggregate remuneration of the top five (5) officers of PMO on a fulltime equivalent basis receiving remuneration within this category, are:

Particulars	Aggregate Remuneration
Salaries and Wages	8,492,649.34
Other Compensation	2,345,659.63
Personnel Benefit Contributions	1,047,104.30
Total cash and cash equivalent	11,885,413.27



PRIVATIZATION AND MANAGEMENT OFFICE

104 Gamboa St., Legaspi Village, Makati City

Main Office

Pre-Closing Trial Balance

As of December 31, 2019

Account Title	Account Code	Debit	Credit
Cash - Collecting Officer	10101010	3,143.00	
Petty Cash	10101020	70,591.13	
Cash in Bank - Local Currency, Current Account	10102020	279,379,934.43	
Cash - Treasury/Agency Deposit, Regular	10104010	78,063,964.70	
Investments in Stocks	10203010	396,162,423.94	
Investments in Bonds	10203020	4,032,114.93	
Other Investments	10203990	6,202,867.83	
Interests Receivable	10301050	4,272,518.72	
Loans Receivable - Others	10301990	190,121,802.29	
Operating Lease Receivable	10302010	29,250,000.00	
Finance Lease Receivable	10302020	15,333,101,760.32	
Due from National Government Agencies	10303010	3,900,827.61	
Due from Government-Owned and/or Controlled Corporations	10303020	13,960,883.09	
Receivables - Disallowances/Charges	10305010	2,624,580.84	
Other Receivables	10305990	15,246,125.09	
Allowance for Impairment - Other Receivables	10305991		7,727,076.33
Office Supplies Inventory	10404010	1,379,539.72	
Non-Accountable Forms Inventory	10404030	38,126.31	
Other Supplies and Materials Inventory	10404990	1,278,615.22	
Semi-Expendable Information and Communications Technology Equipment	10405030	766.80	
Buildings	10604010	1,534,643.22	
Accumulated Depreciation - Buildings	10604011		133,402.98
Other Structures	10604990	21,154,699.56	
Accumulated Depreciation - Other Structures	10604991		241,694.54
Office Equipment	10605020	21,343,956.52	
Accumulated Depreciation - Office Equipment	10605021		1,533,535.37
Information and Communication Technology Equipment	10605030	7,816,182.77	
Accumulated Depreciation - Information and Communication Technology Equipment	10605031		4,395,412.46
Other Machinery and Equipment	10605990	619,100.00	
Accumulated Depreciation - Other Machinery and Equipment	10605991		150,101.07
Motor Vehicles	10606010	5,252,826.00	
Accumulated Depreciation - Motor Vehicles	10606011		3,197,960.96
Furniture and Fixtures	10607010	5,001,218.08	
Accumulated Depreciation - Furniture and Fixtures	10607011		366,108.64
Other Property, Plant and Equipment	10698990	9,547,020.65	
Accumulated Depreciation - Other Property, Plant and Equipment	10698991		165,361.22
Construction in Progress - Buildings and Other Structures	10699030	1,719,727.26	
Computer Software	10801020	7,294,116.62	
Accumulated Amortization - Computer Software	10801021		5,608,237.43
Advances to Special Disbursing Officer	19901030	57,600.00	
Advances to Officers and Employees	19901040	50,840.00	
Prepaid Insurance	19902050	21,304.61	
Other Prepayments	19902990	21,724,600.84	
Guaranty Deposits	19903020	913,087.40	
Acquired Assets	19999010	17,586,469.97	
Other Assets	19999990	3,276,222.48	
Accounts Payable	20101010		25,033,010.55
Due to Officers and Employees	20101020		66,371.29
Due to BIR	20201010		664,820.73
Due to GSIS	20201020		33,095.80
Due to Pag-IBIG	20201030		800.00
Due to PhilHealth	20201040		1,534.29
Due to NGAs	20201050		169,300,689.91
Due to GOCCs	20201060		1,996,741.81
Trust Liabilities	20401010		60,077,437.80
Guaranty/Security Deposits Payable	20401040		831,304.52
Customers' Deposits Payable	20401050		4,181,728.60
Other Deferred Credits	20501990		15,879,253,387.22
Accumulated Surplus/(Deficit)	30101010		274,521,689.39
Contributed Capital	30101030		8,000,000.00



PRIVATIZATION AND MANAGEMENT OFFICE

104 Gamboa St., Legaspi Village, Makati City

Main Office

Pre-Closing Trial Balance

As of December 31, 2019

Account Title	Account Code	Debit	Credit
Dividend Income	40202200		15,609,235.00
Interest Income	40202210		25,404,147.20
Other Business Income	40202990		68,277,651.81
Subsidy from National Government	40301010		79,433,022.51
Sale of Unserviceable Property	40601020		11,530.00
Salaries and Wages - Regular	50101010	43,172,501.72	
Personal Economic Relief Allowance (PERA)	50102010	1,619,243.98	
Representation Allowance (RA)	50102020	906,500.00	
Transportation Allowance (TA)	50102030	626,500.00	
Clothing/Uniform Allowance	50102040	396,000.00	
Year End Bonus	50102140	7,070,446.35	
Cash Gift	50102150	329,250.00	
Other Bonuses and Allowances	50102990	331,000.00	
Retirement and Life Insurance Premiums	50103010	5,191,255.11	
Pag-IBIG Contributions	50103020	81,300.00	
PhilHealth Contributions	50103030	403,302.52	
Employees Compensation Insurance Premiums	50103040	81,800.00	
Terminal Leave Benefits	50104030	679,207.42	
Other Personnel Benefits	50104990	1,974,343.79	
Traveling Expenses - Local	50201010	770,938.83	
Training Expenses	50202010	503,389.67	
Office Supplies Expenses	50203010	915,911.68	
Accountable Forms Expenses	50203020	4,688.00	
Non-Accountable Forms Expenses	50203030	5,493.68	
Fuel, Oil and Lubricants Expenses	50203090	361,126.17	
Semi-Expendable Machinery and Equipment Expenses	50203210	244,122.87	
Other Supplies and Materials Expenses	50203990	655,216.26	
Water Expenses	50204010	775,999.01	
Electricity Expenses	50204020	1,951,289.98	
Postage and Courier Services	50205010	58,710.00	
Telephone Expenses	50205020	963,754.84	
Internet Subscription Expenses	50205030	499,993.28	
Extraordinary and Miscellaneous Expenses	50210030	627,500.00	
Auditing Services	50211020	124,864.31	
Consultancy Services	50211030	25,429,081.19	
Other Professional Services	50211990	868,557.79	
Environment/Sanitary Services	50212010	42,606.83	
Janitorial Services	50212020	1,362,818.46	
Security Services	50212030	4,906,385.67	
Other General Services	50212990	2,549,433.23	
Repairs and Maintenance - Buildings and Other Structures	50213040	166,253.53	
Repairs and Maintenance - Machinery and Equipment	50213050	203,633.00	
Repairs and Maintenance - Transportation Equipment	50213060	308,686.37	
Taxes, Duties and Licenses	50215010	7,457.18	
Fidelity Bond Premiums	50215020	10,212.50	
Insurance Expenses	50215030	126,836.80	
Advertising Expenses	50299010	759,882.82	
Representation Expenses	50299030	284,204.89	
Rent/Lease Expenses	50299050	1,093,709.81	
Membership Dues and Contributions to Organizations	50299060	40,471.74	
Subscription Expenses	50299070	1,554.00	
Litigation/Acquired Assets Expenses	50299090	36,497,928.28	
Other Maintenance and Operating Expenses	50299990	2,755,961.16	
Bank Charges	50301040	8,537.50	
Depreciation - Machinery and Equipment	50501050	1,141,898.03	
Depreciation - Transportation Equipment	50501060	478,735.92	
Depreciation - Furniture, Fixtures and Books	50501070	36,575.76	
Depreciation - Other Property, Plant and Equipment	50501990	123,555.12	
Amortization - Intangible Assets	50502010	1,362,399.33	
Loss on Sale of Property, Plant and Equipment	50504040	319,861.10	



PRIVATIZATION AND MANAGEMENT OFFICE

104 Gamboa St., Legaspi Village, Makati City

Main Office

Pre-Closing Trial Balance

As of December 31, 2019

Account Title	Account Code	Debit	Credit
TOTAL		16,636,217,089.43	16,636,217,089.43

GENERAL FUND - NEW GENERAL APPROPRIATIONS - SPECIFIC BUDGETS OF
NATIONAL GOVERNMENT AGENCIES
OFF-BUDGETARY FUNDS - REVOLVING FUNDS - PRIVATIZATION AND MANAGEMENT
OFFICE REVOLVING FUND - INCOME FOR CONSERVATION AND DISPOSITION OF
TRANSFERRED ASSETS - E.O. 323

Certified Correct :


RINA DORA B. TORRALBA
Chief Accountant
Financial Management Division (FMD)



PRIVATIZATION AND MANAGEMENT OFFICE

104 Gamboa St., Legaspi Village, Makati City

Main Office

Post-Closing Trial Balance

As of December 31, 2019

Account Title	Account Code	Debit	Credit
Cash - Collecting Officer	10101010	3,143.00	
Petty Cash	10101020	70,591.13	
Cash in Bank - Local Currency, Current Account	10102020	279,379,934.43	
Investments in Stocks	10203010	396,162,423.94	
Investments in Bonds	10203020	4,032,114.93	
Other Investments	10203990	6,202,867.83	
Interests Receivable	10301050	4,272,518.72	
Loans Receivable - Others	10301990	190,121,802.29	
Operating Lease Receivable	10302010	29,250,000.00	
Finance Lease Receivable	10302020	15,333,101,760.32	
Due from National Government Agencies	10303010	3,900,827.61	
Due from Government-Owned and/or Controlled Corporations	10303020	13,960,883.09	
Receivables - Disallowances/Charges	10305010	2,624,580.84	
Other Receivables	10305990	15,246,125.09	
Allowance for Impairment - Other Receivables	10305991		7,727,076.33
Office Supplies Inventory	10404010	1,379,539.72	
Non-Accountable Forms Inventory	10404030	38,126.31	
Other Supplies and Materials Inventory	10404990	1,278,615.22	
Semi-Expendable Information and Communications Technology Equipment	10405030	766.80	
Buildings	10604010	1,534,643.22	
Accumulated Depreciation - Buildings	10604011		133,402.98
Other Structures	10604990	21,154,699.56	
Accumulated Depreciation - Other Structures	10604991		241,694.54
Office Equipment	10605020	21,343,956.52	
Accumulated Depreciation - Office Equipment	10605021		1,533,535.37
Information and Communication Technology Equipment	10605030	7,816,182.77	
Accumulated Depreciation - Information and Communication Technology Equipment	10605031		4,395,412.46
Other Machinery and Equipment	10605990	619,100.00	
Accumulated Depreciation - Other Machinery and Equipment	10605991		150,101.07
Motor Vehicles	10606010	5,252,826.00	
Accumulated Depreciation - Motor Vehicles	10606011		3,197,960.96
Furniture and Fixtures	10607010	5,001,218.08	
Accumulated Depreciation - Furniture and Fixtures	10607011		366,108.64
Other Property, Plant and Equipment	10698990	9,547,020.65	
Accumulated Depreciation - Other Property, Plant and Equipment	10698991		165,361.22
Construction in Progress - Buildings and Other Structures	10699030	1,719,727.26	
Computer Software	10801020	7,294,116.62	
Accumulated Amortization - Computer Software	10801021		5,608,237.43
Advances to Special Disbursing Officer	19901030	57,600.00	
Advances to Officers and Employees	19901040	50,840.00	
Prepaid Insurance	19902050	21,304.61	
Other Prepayments	19902990	21,724,600.84	
Guaranty Deposits	19903020	913,087.40	
Acquired Assets	19999010	17,586,469.97	
Other Assets	19999990	3,276,222.48	
Accounts Payable	20101010		25,033,010.55
Due to Officers and Employees	20101020		66,371.29
Due to BIR	20201010		664,820.73
Due to GSIS	20201020		33,095.80
Due to Pag-IBIG	20201030		800.00
Due to PhilHealth	20201040		1,534.29
Due to NGAs	20201050		169,300,689.91
Due to GOCCs	20201060		1,996,741.81
Trust Liabilities	20401010		60,077,437.80
Guaranty/Security Deposits Payable	20401040		831,304.52
Customers' Deposits Payable	20401050		4,181,728.60
Other Deferred Credits	20501990		15,879,253,387.22
Accumulated Surplus/(Deficit)	30101010		232,980,423.73
Contributed Capital	30101030		8,000,000.00



PRIVATIZATION AND MANAGEMENT OFFICE

104 Gamboa St., Legaspi Village, Makati City

Main Office

Post-Closing Trial Balance

As of December 31, 2019

Account Title	Account Code	Debit	Credit
TOTAL		16,405,940,237.25	16,405,940,237.25

GENERAL FUND - NEW GENERAL APPROPRIATIONS - SPECIFIC BUDGETS OF
NATIONAL GOVERNMENT AGENCIES
OFF-BUDGETARY FUNDS - REVOLVING FUNDS - PRIVATIZATION AND MANAGEMENT
OFFICE REVOLVING FUND - INCOME FOR CONSERVATION AND DISPOSITION OF
TRANSFERRED ASSETS – E.O. 323

Certified Correct :


RODORA B. TORRALBA
Chief Accountant

Financial Management Division (FMD)

PRIVATIZATION and MANAGEMENT OFFICE

104 Gamboa Street, Legaspi Village, Makati City

LIST OF ASSETS As of December 31, 2019

Schedule 1

NO.	ASSET NAME	DESCRIPTION	GFI	TRANSFER PRICE
A. TRANSFERRED ASSETS				
1	Apo Production Unit, Incorporated	Printing machineries and equipment	PNB	88,643,790.00
2	Asialand Development Corporation	Parcels of land located in San Jose Del Monte, Bulacan	DBP	11,497,000.00
3	Asiatic Integrated Corporation	Warehouses in Mariveles, Bataan	PNB	32,332,570.00
4	Atlas Textile Mills	Land located in Novaliches, Quezon City	DBP	114,792,000.00
5	Basay Mining Corporation	Mining claims	DBP/PNB	996,532,960.00
6	Carruf Development Corporation	Condominium Units in Legaspi Towers 300 located in Roxas Blvd., Manila	PNB	80,900,750.00
7	Cellophil Resources Corporation	Shares of Stocks	DBP/NDC	1,780,055,842.40
8	Central Santos Lopez	Parcels of land located in San Rafael, Iloilo	PNB	77,137,680.00
9	Computer Electronics, Incorporated	Parcel of land located in Veterans Village, Quezon City	DBP	12,156,000.00
10	Cultural Center of the Philippines	Parcel of land located in Manila	PNB	95,555,000.00
11	Davao Timber Corporation	Parcel of land located in Mati, Davao Oriental	DBP	366,696,000.00
12	DBT Integrated Home and Development Corp.	Parcels of land located in Angono, Rizal	PNB	248,496,610.00
13	Delta Motors Corporation	Various parcels of land in Parañaque City, Tondo, Manila, Quezon City and Silang, Cavite	PNB	1,638,799,840.00
14	Elorde Sports and Tourism Development Corp.	Parcel of land located in Sucat Road, Parañaque	DBP	27,952,000.00
15	Emmanuel Community Hospital, Incorporated	Parcel of land with buildings and land improvements located in Tondo, Manila	DBP	45,966,000.00
16	Far East Starch Corporation	Parcel of land located in Calamba, Laguna	DBP	79,630,000.00
17	Fil-Eastern Wood Industries, Incorporated	Parcels of land located in Quezon City	DBP	16,711,000.00
18	Filipinas Carbon and Mining Corporation	For dissolution	PNB	97,235,200.00
19	Filipinas Mills, Inc.	Various real properties located in Antipolo and General Santos City	DBP	15,785,000.00
20	Hercules Minerals and Oils, Inc.	Mining Claims	PNB	539,882,500.00
21	Integrated Shoe, Incorporated	Parcel of land located in Caloocan City	PNB	36,147,040.00
22	Interphase Development Systems, Incorporated	For dissolution	DBP	25,225,000.00
23	Landoil Group of Companies	Various parcels of land and Share of Stocks	PNB	459,928,510.00
24	Landoil Resources Corporation	Parcels of land located in Mariveles, Bataan	DBP/PEFLGC	100,024,548.46
25	Leyte Park Hotel	Parcel of land, buildings, other land improvements and various inventories located in Tacloban, Leyte	DBP	36,952,000.00
26	Luzon Aggregates, Incorporated	Parcels of land located in Norzagaray, Bulacan and Parañaque City	DBP	25,837,000.00
27	Manarra Cassava Flour Mills, Incorporated	Parcels of land located in Cadiz City, Negros Occidental	DBP	33,166,000.00
28	Maricalum Mining Corporation	Shares of Stock	DBP	2,479,333,000.00
29	Marinduque Mining and Industrial Corporation	Mining claims	PNB	7,036,990,070.00
30	Merchant Investment Corporation	Shares in Manila Golf and Country Club and Canlubang Golf and Country Club	DBP	45,611,000.00
31	Metro Manila Transit Corporation	Shares of Stock	DBP	263,093,000.00
32	Mindanao Polysack Mfg. Corporation	Parcel of land located in Matampay, Cotabato	DBP	25,225,000.00

PRIVATIZATION and MANAGEMENT OFFICE

104 Gamboa Street, Legaspi Village, Makati City

LIST OF ASSETS

As of December 31, 2019

NO.	ASSET NAME	DESCRIPTION	GFI	TRANSFER PRICE
33	Mindanao Progress Corporation-NFA	Parcels of land located in Sultan Kudarat and Quezon City	DBP	92,414,000.00
34	Montilla Manufacturing Corporation	Parcels of land located in Negros Occidental	DBP	16,560,000.00
35	National Housing Authority - Victoria Wave	Parcel of land located in Tala, Caloocan City	DBP/PNB	201,073,000.00
36	National Sugar Development Company	Various parcels of land located in Floridablanca, Pampanga	PNB	126,788,500.00
37	Nonoc Mining and Industrial Corporation	Mining claims, machineries and equipment located in Surigao	DBP/PNB	12,679,595,510.00
38	Pacific Mills, Incorporated	Parcel of land located in Balintawak, Quezon City	DBP	17,965,000.00
39	Pamplona Redwood Venner, Inc.	Various parcels of land located in Claveria, Cagayan, Tagaytay City and Angono, Rizal	PNB	190,879,910.00
40	Panay Railways, Incorporated	Shares of Stock and parcels of land	DBP	58,731,000.00
41	Pantranco North Express, Incorporated	Parcels of land located in Santiago, Isabela	PNB	576,834,020.00
42	Paper Industries Corporation of the Philippines	Shares of Stock	DBP/PNB	1,496,444,050.00
43	Paragon Paper Industries, Incorporated	Parcels of land located in Hermosa, Bataan	DBP	1,121,958,000.00
44	Peninsula Development Bank	Various parcels of land located in Camarines Norte, Quezon, Batangas and Quezon City	DBP	23,187,000.00
45	Peoples Industrial and Commercial Corporation	Parcel of land located in Navotas, Metro Manila	DBP	326,939,000.00
46	Philippine Iron Manufacturing Co., Inc. (PHILIMCO)/ Philippine United Foundry & Machinery Corp. (PHUMACO)	Parcels of land located in Cabuyao, Laguna and Quezon City	DBP	38,356,000.00
47	Philippine Aerospace Development Corporation	Shares of Stock	DBP	20,000,000.00
48	Philippine Cellophane Film Corporation	Shares of Stock and parcels of land located in Naguillan, La Union	DBP/NDC	419,430,151.53
49	Philippine Knitting Mills, Incorporated	Parcels of land located in Mayamot and Cupang, Antipolo, Rizal	DBP	105,968,000.00
50	Philippine National Construction Corp.	Shares of Stock & parcels of land	DBP/PNB/NDC/PE FLGC	7,746,267,815.05
51	Philippine National Railways	Shares of Stock	DBP/PNB	57,290,570.00
52	Philippine Seeds, Incorporated	Parcels of land located in Talisay, Negros Occidental and Bay, Laguna	DBP	90,574,000.00
53	Philippine Singapore Ports Corporation	Share in Batulao Golf & Country Club	DBP/PEFLGC	804,229,353.77
54	Philippine Smelters Corporation	Parcels of land located in Camarines Norte	DBP	57,076,000.00
55	Philippine Sugar Corporation	Shares of stock	PNB	43,000,000.00
56	Pioneer Glass and Manufacturing Corporation	Parcels of land located in Rosario, Cavite	DBP	64,602,000.00
57	Piso Development Bank, Incorporated	Financial Claims	DBP	15,269,000.00
58	Polystyrene Manufacturing Company, Incorporated	Parcels of land located in Bo. Paso de Blas, Valenzuela, buildings, machineries and equipment	DBP	34,024,000.00
59	Prime White Cement Corporation	Parcel of land located in San Fernando, Pampanga	PNB	69,233,100.00
60	Radio Philippines Network, Incorporated	Equity, Franchise, Machinery and Equipment	PNB	200,124,670.00
61	Rafols Hotel Corporation	Leasehold rights	DBP	137,808,000.00
62	Republic Hardwood, Incorporated	Parcels of land located in Camarines Norte	DBP	41,477,000.00
63	Sanpiro Realty Corporation	Condominium Units located in Atrium Building, Makati City	PNB	116,230,820.00

PRIVATIZATION and MANAGEMENT OFFICE

104 Gamboa Street, Legaspi Village, Makati City

LIST OF ASSETS As of December 31, 2019

NO.	ASSET NAME	DESCRIPTION	GFI	TRANSFER PRICE
64	Selectra Electronics Corporation	Various parcels of land located in Montalban, Rizal, Quezon City and Baliuag, Bulacan	DBP	61,843,000.00
65	Semirara Coal Corporation	Shares of Stock	DBP	50,000,000.00
66	Sta. Clara Lumber Company, Incorporated	Parcels of land located in Zamboanga del Sur and Tagum, Davao del Norte	DBP	210,058,000.00
67	Sta. Cruz Agro-Industrial Corporation	Parcel of land located in Valenzuela City	DBP	55,447,000.00
68	United Cathay Industries Corporation	Parcel of land located in San Mateo, Rizal	DBP	41,314,000.00
69	Utility Enterprises Corporation	Parcels of land located in Danao City, Cebu	DBP	145,692,000.00
70	VMC Rural Electrification Corp.	Various machineries and equipment located in Negros Occidental	DBP	53,661,000.00
71	Western Minolco Corporation	Condominium unit located in Green Mansion Condominium, Baguio City	DBP	827,572,000.00
72	Wright Paterson Manufacturing Corp.	Parcels of land located in San Jose, Occidental Mindoro	DBP	44,518,000.00
Subtotal				45,414,724,381.21
B. GOVERNMENT OWNED & CONTROLLED CORPORATIONS (GOCCs)				
1	East Visayas Agricultural Projects, Inc.	Feedmill, Piggery, Buildings and Motorcycle Vehicle		N/A
2	Integrated Feedmills Corporation	For dissolution		N/A
3	Marawi Resort Hotel, Incorporated	Shares of Stock		N/A
4	Mindeva Coco-Coir Industries, Incorporated	Parcel of land located in Oroquieta, Cagayan		N/A
5	Mountain Springs Development Corp.	Shares of Stock		N/A
6	Northern Food Corporation	Shares of Stock, machinery and equipment located in Ilocos Norte		N/A
7	Philippine Fruit & Vegetable Inds., Inc.	Machineries, plant and equipment		N/A
8	Philippine Postal Corporation	Shares of stock		N/A
9	Phividec Panay Agro-Industrial Corp.	Shares of Stock and land located in Panay, Iloilo		N/A
10	San Carlos Fruit Corporation	For dissolution		N/A
11	Shoe Technology Corporation	For dissolution		N/A
12	USIPHIL, Incorporated	Shares of Stock	NDC	110,690,522.58
Subtotal				110,690,522.58
C. OTHER ASSETS				
1	Al-Amanah Islamic & Investment Bank	Parcels of land located in Mindanao		N/A
2	Central Bank-Board of Liquidators (CB-BOL)	Parcels of land (subject of actual turn-over and physical inventory)		N/A
3	Food Terminal, Incorporated	Parcel of land located in Taguig City (PEZA Area)		N/A
4	National Government/Makati Property	Parcels of land located in Makati City		N/A
5	New Bilibid Prison (NBP)	Parcels of land located in Muntinlupa City (subject of actual turn-over and physical inventory)		N/A
6	Technology Resource Center (TRC)	Various parcels of land located nationwide		887,714,244.00
Subtotal				887,714,244.00

PRIVATIZATION and MANAGEMENT OFFICE

104 Gamboa Street, Legaspi Village, Makati City

LIST OF ASSETS

As of December 31, 2019

NO.	ASSET NAME	DESCRIPTION	GFI	TRANSFER PRICE
D. ASSETS RECONVEYED BY LANDBANK OF THE PHILIPPINES				
1	Aggregate Mining Exponent		PNB	88,383,410.00
2	Air Manila, Inc.		PNB	72,910,870.00
3	Aluminum World Corp.		DBP	81,625,000.00
4	Asian Water and Sewer Systems, Inc.		DBP/PEFLGC	592,560,074.47
5	Baguio Hilltop Enterprises		DBP	29,967,000.00
6	Balane, Salvador		DBP	14,387,000.00
7	Black Mountain, Inc.		DBP	13,792,000.00
8	Caloocan City Government		DBP	22,114,000.00
9	Cathay Philippines Electronics, Inc.		DBP	14,204,000.00
10	Cement Center, Inc.		DBP	19,206,000.00
11	Clover Manufacturing		DBP	10,031,000.00
12	Development Bank of Rizal		DBP	12,212,000.00
13	Erectors, Inc.		PEFLGC/PNB	1,377,822,390.97
14	Games and Amusement Board		PNB	42,697,470.00
15	Golden Country Farms, Inc		DBP/PNB	364,936,010.00
16	Manila Seedling Bank Foundation, Inc.		DBP	15,319,000.00
17	Mayflower Shipping Corporation		DBP	10,669,000.00
18	Metro Manila Commission		DBP	54,611,000.00
19	Mindanao Coconut Oil Mills, Inc.		PNB	34,194,430.00
20	Municipality of Malabon		DBP	23,630,000.00
21	NDC/National Steel Corporation		DBP	857,000.00
22	PCSO/Lung Center of the Philippines		PNB	170,255,090.00
23	Peroxide Philippines, Corporation		DBP	106,477,000.00
24	Philippine Airlines, Inc.		PNB	15,328,120.00
25	Philippine Navy		PNB	81,665,470.00
26	Philippine Sugar Commission		PNB	856,247,010.00
27	Public Estate Authority		PNB	18,725,070.00
28	Southwestern Export Crafts Co.		PNB	144,818,920.00
29	Sta. Ines Mining and Steel Corporation		DBP	84,870,000.00
30	Sugar Producers Cooperative		PNB	28,469,660.00
31	Sulu-Agro Industrial Corporation		PNB	94,300,070.00
32	Tayabas Cement Co., Inc.		PNB	35,019,910.00
33	Trident Mining and Ind. Corporation		PNB	17,992,000.00
34	V.C. Ponce Co., Inc.		PNB	28,211,410.00
35	Western Agro Ind. Corporation		DBP	51,226,000.00
Subtotal				4,629,734,385.44

PRIVATIZATION and MANAGEMENT OFFICE

104 Gamboa Street, Legaspi Village, Makati City

LIST OF ASSETS As of December 31, 2019

NO.	ASSET NAME	DESCRIPTION	GFI	TRANSFER PRICE
E. TRANSFERRED ASSETS FROM BOARD OF LIQUIDATORS (BOL)				
1	Abaca Corp. of the Phils. (ABACORP)	Lots located in Garchitorena, Camarines Sur Lots located in Iriga City Lots located in Gubat, Sorsogon Lots located in Tigaon, Camarines Sur		N/A
2	Land Settlement Development Corporation (LASEDECO) / National Resettlement and	Lots located in General Santos City Lots located in Polomolok, South Cotabato Lots located in Tupi, South Cotabato Lots located in Surallah, South Cotabato Lots located in Koronadal City, South Cotabato Lots located in Tampakan, South Cotabato Lots located in Banga, South Cotabato Lots located in Sto. Niño, South Cotabato Lots located in Norala, South Cotabato Lots located in Isulan, Sultan Kudarat Lots located in Cabanatuan City		N/A
3	Leyta Sab-A Basin Development Authority	Lots located in Tacloban City - Prudasco Lots located in Simangan, Relocation Site, Isabel, Leyte Lots located in San Miguel, Leyte		N/A
4	National Abaca & Other Fibers Corporation (NAFCO)	Lots located in Cebu Lots located in Davao Del Sur Lots located in Compostela Valley Lots located in Davao Oriental Lots located in Davao del Norte Lots located in Davao City Lots located in San Francisco, Quezon Lots located in Zamboanga City Lots located in Tarlac Lots located in Butulan, Abad Santos Lots located in Negros Occidental		N/A
5	National Coconut Corporation (NACOCO)	Lots located in Buenavista, Quezon		N/A
6	National Marketing Corp. (NAMARCO)	Lots located in Guinayangan, Quezon Lots located in Licab, Nueva Ecija		N/A
		Subtotal		N/A
		GRAND TOTAL		51,042,863,533.23

Privatization and Management Office

Schedule of Lease Receivable

All Funds

As of December 31, 2019

Schedule 2

	Asset Name	Lessee		AMOUNT
1	Elorde Sports Dev't. Corp.	Arsenio Soriano		4,000.00
2	Elorde Sports Dev't. Corp.	Maximo Llantos		6,000.00
3	Elorde Sports Dev't. Corp.	Rotillo Atok		140,312.50
4	Elorde Sports Dev't. Corp.	Ernesto Allanigue		110,000.00
5	Elorde Sports Dev't. Corp.	Melencio Basco		379,200.00
6	Elorde Sports Dev't. Corp.	Nelson Mendoza		61,263.64
7	Emmanuel Community Hospital, Inc.	Metro Manila Development Authority		10,239,622.34
8	Leyte Park Hotel	Unimaster Conglomeration, Inc		139,712,189.32
9	Philippine International Corp.	Star Parks Corp.		8,582,345.58
	TOTAL		P	159,234,933.38

Certified Correct:

**RHODORA B. TORRALBA**
Chief Accountant

PRIVATIZATION AND MANAGEMENT OFFICE

Main Office

104 Gamboa St., Legaspi Village, Makati City

Schedule 3

Schedule of (19901040) Advances to Officers and Employees

As of December 31, 2019

All Funds

Group Name :

Code	Description	Amount
19901040-00-275	ANTONIO, MARY NOREEN AGLENAM	17,398.00
19901040-00-142	PADUA, LAVELITO N	180.00
19901040-00-067	REYES, ALBERTO C	18,262.00
19901040-00-603	TEJONES-ZUÑIGA, MA. ZORAYDA V	15,000.00
	Total	50,840.00
	Grand Total	<u><u>50,840.00</u></u>

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PRIVATIZATION AND MANAGEMENT OFFICE

Main Office

104 Gamboa St., Legaspi Village, Makati City

Schedule 4**Schedule of (20101010) Accounts Payable**

As of December 31, 2019

All Funds

Group Name :

Code	Description	Amount
20101010-00-000-000-000-0069	AGF ELITEGROUP DISTRIBUTION, INC.	5,600.00
20101010-00-227-287-319-000	ALAS GROUP, INC	215,000.00
20101010-00-221-769-119-0000	ALEXIS SECURITY AGENCY PROVIDER PHILS CO INC	3,592,625.69
20101010-00-001	BAYOCA, DARWIN	5,977.79
20101010-00-708-449-866-000	BAYON-ON, JUNEL L	5,880.00
20101010-00-000-177-334-000	BUSINESS WORLD PUBLISHING CORP	76,608.00
20101010-00-231	CALUYO, EMMANUEL S	318.00
20101010-00-000-000-000-0049	CANLUBANG GOLF AND COUNTRY CLUB	10,960.00
20101010-00-104-013-847-000	CATALINA SECURITY AGENCY	2,398,853.45
20101010-00-000-052-501-0000	COMPUCARE CENTER	17,985.00
20101010-00-000-553-043-0000	DAVAO LIGHT AND POWER CO, INC	526.36
20101010-00-007	LBP-PAYROLL(COS/JO)	423,000.00
20101010-00-000-782-414-0000	LEGASPI TOWERS 300, INC	4,709.92
20101010-00-006	LPB-PAYROLL (CARETAKERS)	258,000.00
20101010-00-000-000-000-0047	MAKATI COMMERCIAL ESTATE ASSO, INC	8,969.86
20101010-00-237	MANA-AY, ERNESTO T	1,254.00
20101010-00-000-101-528-0000	MERALCO	4,491.97
20101010-00-000-394-720-000	ODIN SECURITY AGENCY, INC	1,135,332.10

20101010-00-000-482-983-0000	OFFICE OF THE SOLICITOR GENERAL	1,692,000.00
20101010-00-001-649-450-0000	PALAFOX ASSOCIATES	6,899,200.00
20101010-00-000-000-000-0071	PHIL. BUSINESS DAILY MIRROR PUB, INC	56,448.00
20101010-00-000-805-207-000	PHILSTAR DAILY, INC	87,964.80
20101010-00-001-310-350-0000	RESOURCES, ENVIRONMENT AND ECONOMICS CENTER FOR STUDIES, INC.	7,499,999.93
20101010-00-003	SUBONG, CARLO	1,194.54
20101010-00-004	UNRELEASED CHECKS	629,891.14
20101010-00-218	VALDEZ, GINA P	220.00

Total	25,033,010.55
Grand Total	<u><u>25,033,010.55</u></u>

PRIVATIZATION AND MANAGEMENT OFFICE

Main Office

104 Gamboa St., Legaspi Village, Makati City

Schedule 5

Schedule of (20101020) Due to Officers and Employees

As of December 31, 2019

All Funds

Group Name :

Code	Description	Amount
20101020-00-271	ARISTON, JACKLYN MACATIAG	7,512.00
20101020-00-272	DUCUSIN, AC BERNADETTE MALICDEM	336.18
20101020-00-001	PAPA, CHRISTIAN LOVEE	58,523.11
	Total	<u>66,371.29</u>
	Grand Total	<u><u>66,371.29</u></u>

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PRIVATIZATION AND MANAGEMENT OFFICE

Main Office

104 Gamboa St., Legaspi Village, Makati City

Schedule 6

Schedule of (20201050) Due to NGAs

As of December 31, 2019

All Funds

Group Name :

Code	Description	Amount
20201050-00-002	BUREAU OF THE TREASURY (NCA FOREIGN LOAN REPAYMENT)	159,520,835.78
20201050-00-004	BUREAU OF THE TREASURY (RETURN OF MDS CASH ADVANCE DEPOSITED TO RETENTIO	1,004.50
20201050-00-001	COMMISSION ON AUDIT	7,521,000.00
20201050-00-003	TECHNOLOGY RESOURCE CENTER	2,257,849.63
	Total	169,300,689.91
	Grand Total	<u>169,300,689.91</u>

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PRIVATIZATION AND MANAGEMENT OFFICE

Main Office

104 Gamboa St., Legaspi Village, Makati City

Schedule 7

Schedule of (20201060) Due to GOCCs

As of December 31, 2019

All Funds

Group Name :

Code	Description	Amount
20201060-00-003	GOLDEN COUNTRY FARMS, INCORPORATED	706,733.84
20201060-00-005	NORTH COTABATO SUGAR INDUSTRIAL, INCORPORATED	1,290,007.97
	Total	1,996,741.81
	Grand Total	<u><u>1,996,741.81</u></u>

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PRIVATIZATION AND MANAGEMENT OFFICE

Main Office

104 Gamboa St., Legaspi Village, Makati City

Schedule 8**Schedule of (20401010) Trust Liabilities**

As of December 31, 2019

All Funds

Group Name : 20401010-00-001 SALES

Code	Description	Amount
20401010-00-001-018	AAIBP - HELEN B. PARE	1,810,000.00
20401010-00-001-022	AAIBP - DAISY SAMBO	2,905,500.00
20401010-00-001-019	AAIBP - FLORA U. SALENDAB	360,000.00
20401010-00-001-014	AAIBP - HELEN ORTIZ	260,800.00
20401010-00-001-020	AAIBP - PORTIA M. UY	1,350,000.00
20401010-00-001-021	AAIBP - SANTOS C. BUNACHITA, JR.	1,646,200.00
20401010-00-001-015	AAIBP - ZORAYDA G. PANDAIN	1,650,000.00
20401010-00-001-016	INTEGRATED CHEM - ROLANDO A. CASTRO	22,320,000.00
20401010-00-001-001	LUZON AGGREGATES - TRIPLEX ENTERPRISES, INC	13,447,304.01
20401010-00-001-017	PENBANK - ELMER AZUREZ, JR.	120,000.00
20401010-00-001-012	PENBANK - GERALDINE NAPOLES	240,000.00
20401010-00-001-013	PENBANK - REY LAGARTEJA	1,200,000.00

	Total	47,309,804.01
Group Name :	20401010-00-002 LEASES	

Code	Description	Amount
20401010-00-001-10	CB-BOL - EMMANUEL DY SY	45,000.00
20401010-00-002-002	ELORDE SPORTS & TOURISM DEV'T - ARSENIO SORIANO	4,000.00

20401010-00-002-003	ELORDE SPORTS & TOURISM DEV'T - MAXIMO LLANTOS	6,000.00
20401010-00-002-010	ELORDE SPORTS & TOURISM DEV'T - ROTILLO ATOK	2,000.00
20401010-00-002-006	NATIONAL HOUSING AUTHORITY - VICTORIA WAVE, INC	1,453,635.70
20401010-00-002-008	NG/NPC/PDAF - VARIOUS LESSEES OF MILE LONG COMPLEX	9,309,207.51

	Total	10,819,843.21
Group Name :	20401010-00-004 OTHERS	

Code	Description	Amount
20401010-00-004-001	NORTHERN CEMENT CORP - DEV'T BANK OF THE PHILIPPINES	27,790.58
20401010-00-004-002	PMO UNSERVICEABLE	1,920,000.00
	Total	1,947,790.58
	Grand Total	60,077,437.80

PRIVATIZATION AND MANAGEMENT OFFICE
Main Office
104 Gamboa St., Legaspi Village, Makati City

Schedule 9

Schedule of (20401050) Customers' Deposits Payable

As of December 31, 2019

All Funds

Group Name :

Code	Description	Amount
20401050-00-012	BEVERLY MAGUIGUILID - AL-AMANAH	21,100.00
20401050-00-015	FLORA U. SALENDAB	40,000.00
20401050-00-004	JOSE MORENO, JR - NORTH DAVAO MINING CORP	2,100,000.00
20401050-00-019	JULIO VICTOR CEGUERA	4,200.00
20401050-00-018	JUVER PONCE SIBAL	23,500.00
20401050-00-008	PAMPLONA REDWOOD VENEER, INC - PARVI	1,627,928.60
20401050-00-016	PORTIA M. UY	150,000.00
20401050-00-017	RICLEN JUNKSHOP	215,000.00
	Total	<u>4,181,728.60</u>
	Grand Total	<u>4,181,728.60</u>

PRIVATIZATION AND MANAGEMENT OFFICE

Main Office

104 Gamboa St., Legaspi Village, Makati City

Schedule 10**Schedule of (20501990) Other Deferred Credits**

As of December 31, 2019

All Funds

Group Name : 20501990-00-001 RECEIVABLES

Code	Description	Amount
20501990-00-001-002	CALINOG LAMBUNAO SUGAR MILL (COA ADJUSTMENT)	162,709.38
20501990-00-001-003	CELLOPHIL RESOURCES CORP (PROVINCIAL GOV'T OF ABRA)	71,200,000.00
20501990-00-001-007	LEYTE PARK HOTE (UNIMASTER CONGLOMERATION, INC)	33,959,851.95
20501990-00-001-004	LUZON AGGREGATES, INC (TRIPLEX ENTERPRISES, INC)	69,022,205.46
20501990-00-001-008	MARICALUM MINING CORP (G HOLDINGS CO, INC)	241,702,122.86
20501990-00-001-005	NATIONAL COCONUT CORPORATION (SOCIAL HOUSING FINANCE CORP)	45,321,600.00
20501990-00-001-009	NONOC MINING & IND'L CORP (PHILNICO MINING & IND'L CORP)	14,905,855,832.00
20501990-00-001-006	NORTHERN CEMENT CORPORATION (DEV'T BANK OF THE PHIL)	225,099,711.58
20501990-00-001-011	PAMPLONA REDWOOD VENEER, INC (DIRECT DEBT BUY-OUT)	190,121,802.29
20501990-00-001-001	PIGRESS (COA ADJUSTMENT)	11,545.88

	Total	15,782,457,381.40
Group Name :	20501990-00-002 OVER REMITTANCES	

Code	Description	Amount
20501990-00-002-002	AL AMANAH BANK	(11,016.00)
20501990-00-002-001	ASEAN FINANCE CORPORATION	(14,755.34)
20501990-00-002-003	BICOLANDIA SUGAR DEVELOPMENT CORP	(17,438,877.80)
20501990-00-002-004	COMPUTER ELECTRONICS	(0.10)

20501990-00-002-005	DUPAX RUBBER CORPORATION	(295,459.27)
20501990-00-002-006	ERECTORS, INCORPORATED	(2,811,411.26)
20501990-00-002-007	MARINDUQUE MINING AND IND'L CORP	(51,600.00)
20501990-00-002-008	NDC - ILIGAN INTEGRATED STEEL MILLS	(10,079,006.22)
20501990-00-002-009	NORTHERN CEMENT CORPORATION	(7,043,646.48)
20501990-00-002-010	TOLONG SUGAR CORPORATION	(42,012,394.66)

	Total	<u>(79,758,167.13)</u>
Group Name :	20501990-00-003 OTHERS	

Code	Description	Amount
20501990-00-003-004	COLLECTION ACCOUNT IBCA 1802-1011-51 - UNACCOUNTED DEPOSITS	832,490.53
20501990-00-003-002	DELTA MOTORS CORPORATION	241,271.23
20501990-00-003-001	NATIONAL DEVELOPMENT CORP - NDC CREDITORS	384,383.90
20501990-00-003-005	RETENTION ACCOUNT IBCA 1802-1015-34 - UNACCOUNTED DEPOSITS	1,200.00
20501990-00-003-003	SEMIRARA MINING AND POWER CORP - SHARES OF STOCKS	396,162,423.94

Total	<u>397,621,769.60</u>
Grand Total	<u><u>16,100,320,983.87</u></u>