



Financial Statements

OFFICE OF THE OMBUDSMAN
Consolidated Detailed Balance Sheet
 As of December 31, 2012
 (With Comparative Figures for CY 2011)

	Notes	2012	2011
ASSETS			
Current Assets			
Cash			
Cash-Collecting Officers	P	0.20	P 413.35
Cash-Disbursing Officers	5.1	8,027.10	-
Petty Cash Fund	5.2	81,658.13	207,541.24
Payroll Fund		-	-
Cash-National Treasury, MDS	5.3	5,616,514.11	1,931,090.71
Cash in Bank- Local Currency, Current Account	5.4	84,780,088.20	28,831,565.65
Cash in Bank- Local Currency, Savings Account	5.5	459,565.82	457,727.02
Total Cash		90,945,853.56	31,428,337.97
Receivables			
Due from Officers and Employees		31,252.73	24,493.86
Due from NGAs	6.1	236,104.15	308,884.63
Due from Central Office	6.2	2,535,030.87	533,428.51
Due from Regional Offices	6.3	739,022.55	533,603.32
Due from Other Funds	6.4	1,027,156.25	1,012,514.54
Receivables - Disallowances/Charges	6.5	94,350.82	94,889.52
Advances to Officers and Employees	6.6	564,269.31	1,494,421.91
Other Receivables	6.7	34,021.06	267,737.86
Total Receivables		5,261,207.74	4,269,974.15
Inventories			
Office Supplies Inventory		10,137,515.15	10,915,272.59
Accountable Forms Inventory		171,550.00	149,260.00
Drugs and Medicine Inventory		225,356.70	125,044.36
Other Supplies Inventory		1,153,292.62	1,342,807.09
Total Inventories		11,687,714.47	12,532,384.04
Prepayments			
Prepaid Rent		-	39,000.00
Prepaid Insurance	7.1	1,574,251.99	1,283,251.03
Prepaid Interest	7.2	2,376,234.00	1,851,099.14
Advances to Contractors	7.3	74,818,333.33	0.00
Other Prepaid Expenses	7.4	427,027.87	425,288.59
Total Prepayments		79,195,847.19	3,598,638.76
Other Current Assets			
Guaranty Deposits	8	856,139.00	810,165.83
Total Current Assets		187,946,761.96	52,639,500.75



Financial Statements

	Notes	2012	2011
Investments			
Investments in Stocks	9	258,190.00	258,190.00
Property, Plant and Equipment			
Land	10.1	245,580,000.00	245,580,000.00
Office Buildings		738,975,688.98	790,638,777.23
Other Structures		1,788,581.50	1,788,581.50
Office Equipment		28,360,415.31	27,791,798.19
Furniture and Fixtures		32,128,614.04	30,339,644.84
IT Equipment and Software		115,383,678.17	107,475,652.70
Library Books		7,643,458.76	7,263,020.66
Communication Equipment		8,399,467.34	4,477,058.96
Medical, Dental and Laboratory Equipment		1,918,585.00	1,914,025.00
Sports Equipment		285,261.00	285,261.00
Other Machinery and Equipment		440,089.14	441,058.14
Motor Vehicles		73,488,755.66	71,472,755.66
Other Property, Plant and Equipment		12,820,063.95	12,347,078.07
Construction in Progress - Agency Assets	10.3	19,628,791.28	14,942,378.90
Arts, Archeological Specimen and Other Exhibits		9,818.82	9,818.82
Total Property, Plant and Equipment		1,286,851,268.95	1,316,766,909.67
Less: Accumulated Depreciation		409,354,410.52	338,592,066.19
Property, Plant and Equipment - Net		877,496,858.43	978,174,843.48
Other Assets			
Other Assets		6,735,168.38	9,706,597.00
Total Other Assets		6,735,168.38	9,706,597.00
TOTAL ASSETS		P 1,072,436,978.77	P 1,040,779,131.23

LIABILITIES AND EQUITY

LIABILITIES

Current Liabilities

Accounts Payable	11.1	P 13,477,146.51	P 16,542,090.56
Due to Officers and Employees	11.2	1,895,003.10	1,252,519.02
Due to National Treasury	11.3	52,974,240.62	98,153.31
Due to BIR	11.4	22,166,227.66	8,604,416.34
Due to GSS		3,484,691.50	6,046,956.75
Due to PAG-IBIG		840,454.97	874,876.22
Due to PHILHEALTH		299,651.57	369,476.93
Due to Other NGAs	11.5	3,811,249.20	4,553,555.38
Due to Other GOCCs	11.6	5,604,317.87	2,221.20
Due to Regional Offices	11.7	2,298,952.30	-
Due to Other Funds		1,683,728.17	1,540,881.78
Performance/Bidders/Bail Bonds Payable		989,469.63	959,591.57
Tax Refunds Payable		283,570.89	401,118.11
Other Payables	11.8	12,066,136.76	8,022,279.31
Total Current Liabilities		121,874,840.75	49,268,136.48



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	Notes	2012	2011
Long-Term Liabilities			
Loans Payable, Domestic	11.9	52,788,641.05	46,753,200.00
Deferred Credits			
Other Deferred Credits		71,800.00	49,300.00
Total Liabilities		174,735,281.80	96,070,636.48
Equity			
Government Equity, Beginning January 1		944,708,494.75	884,538,919.85
Retained Operating Surplus:			
Current Operations		34,355,829.99	22,600,453.80
Prior Years' Adjustments	14	(81,362,627.77)	37,569,121.10
Total Retained Operating Surplus		(47,006,797.78)	60,169,574.90
Government Equity, Ending December 31		897,701,696.97	944,708,494.75
TOTAL LIABILITIES AND EQUITY		P 1,072,436,978.77	P 1,040,779,131.23

See Accompanying Notes to Financial Statements



Financial Statements

OFFICE OF THE OMBUDSMAN
Consolidated Detailed Statement of Income and Expenses
For the Year Ended December 31, 2012
(With Comparative Figures for CY2011)

	Notes	2012	2011
INCOME			
<i>Subsidy Income</i>			
Subsidy Income from National Government	12	P 1,476,684,717.62	P 1,245,377,999.36
Less: Subsidy to Regional Offices		(491,142,552.87)	(377,812,212.74)
Subsidy to Other Funds		(102,498.25)	(1,219,299.21)
Reversion of Unused Cash Allocation		(39,255,563.16)	(20,670.00)
<i>Subsidy Income - Net</i>		946,184,103.34	866,325,817.41
Subsidy from Other National Government Agencies		-	7,211,585.00
Subsidy from Central Office		491,060,496.67	380,068,327.76
Subsidy from Regional Office		82,056.20	0.00
Subsidy from Other Funds		300,231.00	0.00
<i>Total Subsidy Income</i>		1,437,626,887.21	1,253,605,730.17
<i>Other Income</i>			
Income from Grants and Donations		0.00	9,768,046.04
Interest Income		31,180.45	10,730.83
Miscellaneous Income		34,551.88	1,951.00
Other Fines and Penalties		27,189.10	2,693.75
Gain/Loss on Sale of Disposed Assets		0.00	0.00
<i>Total Other Income</i>		92,921.43	9,783,421.62
Total Income		1,437,719,808.64	1,263,389,151.79
LESS: EXPENSES			
<i>Personal Services</i>			
Salaries and Wages - Regular	13.1	715,903,839.37	725,149,938.59
Personnel Economic Relief Allowance	13.2	34,466,319.97	27,996,608.82
Representation Allowance (RA)		36,479,966.38	37,059,902.48
Transportation Allowance (TA)		35,367,541.57	36,990,843.21
Clothing/Uniform Allowance	13.3	-	4,540,000.00
Productivity Incentive Allowance		2,398,000.00	2,256,000.00
Other Bonuses and Allowances	13.4	37,397,523.15	32,748,750.00
Honoraria		357,633.47	202,399.30
Hazard Pay		259,897.00	271,622.25
Longevity Pay		85,000.00	105,000.00
Overtime and Night Pay		3,824,168.77	3,475,196.64
Cash Gift		6,756,750.00	6,922,075.50
Year End Bonus	13.5	53,993,840.83	43,807,846.75
Life and Retirement Insurance Contributions	13.6	61,343,977.46	48,713,047.36
PAG-IBIG Contributions		1,426,390.06	1,333,212.87
PHILHEALTH Contributions	13.7	4,332,305.50	3,775,613.48
EDC Contributions		1,488,040.33	1,345,782.99
Pensions Benefits - Civilian	13.8	15,731,478.00	12,205,134.27
Retirement Benefits - Civilian	13.9	5,491,141.54	10,544,022.35
Terminal Leave Benefits		8,438,605.78	9,305,394.39
Other Personnel Benefits	13.10	166,381,137.89	24,786,158.30
<i>Total Personal Services</i>		<i>1,191,923,557.07</i>	<i>1,033,534,549.55</i>



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	Notes	2012	2011
Maintenance and Other Operating Expenses		8,081,795.89	10,403,375.95
Traveling Expenses - Local		4,367,114.57	3,227,720.31
Traveling Expenses - Foreign	13.11	2,471,765.16	4,021,401.34
Training Expenses		29,000.00	363,136.00
Scholarship Expenses		12,714,655.44	13,813,375.53
Office Supplies Expenses		238,050.00	100,355.00
Accountable Forms Expenses		389,413.09	753,542.11
Drugs and Medicines Expenses		538,236.20	826,566.90
Medical, Dental and Laboratory Supplies Expenses		4,781,405.57	4,577,259.24
Gasoline, Oil and Lubricants Expenses		0.00	650.00
Textbooks and Instructional Materials Expenses		1,494,552.59	1,917,905.92
Other Supplies Expenses		4,173,965.08	2,802,390.00
Water Expenses		34,795,164.36	28,270,738.75
Electricity Expenses	13.12	813,066.21	700,868.24
Postage and Deliveries		4,461,931.72	5,258,003.98
Telephone Expenses - Landline		2,596,660.51	2,653,046.01
Telephone Expenses - Mobile		1,014,485.92	857,795.19
Internet Expenses		19,010.48	9,420.00
Cable, Satellite, Telegraph and Radio Expenses		-	6,000.00
Membership Dues and Contributions to Organizations		187,651.60	798,065.30
Advertising Expenses		294,694.27	957,684.01
Printing and Binding Expenses		7,501,714.20	8,063,637.05
Rent Expenses		1,709,252.29	2,195,174.18
Representation Expenses		37,282.00	540,665.00
Transportation Expenses		1,331,964.66	1,225,422.11
Subscriptions Expenses		162,837.95	358,912.73
Auditing Services		5,355,000.00	3,539,096.00
Consultancy Services	13.13	4,480.00	62,500.02
Environment/ Sanitary Services		10,207,369.48	9,818,493.81
General Services	13.14	9,970,720.05	7,860,308.60
Janitorial Services	13.15	24,467,132.32	25,911,787.54
Security Services		20,400.00	27,050.00
Other Professional Services		0.00	29,925.00
Repairs and Maintenance - Land Improvements		865,645.00	832,688.02
Repairs and Maintenance - Office Buildings		128,210.00	252,164.95
Repairs and Maintenance - Office Equipment		54,891.10	75,004.75
Repairs and Maintenance - Furniture and Fixtures		92,230.75	154,916.00
Repairs and Maintenance - IT Equipment and Software		20,000.00	3,700.00
Repairs and Maintenance - Communication Equipment		2,650.00	1,500.00
Repairs and Maintenance - Medical, Dental and Laboratory Equipment		-	1,351.60
Repairs and Maintenance - Other Machinery & Equipment		2,866,653.36	2,472,189.19
Repairs and Maintenance - Motor Vehicles	13.16	43,360.77	7,970.00
Repairs & Maintenance - Other Property, Plant & Equipment		200,000.00	0.00



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	Notes	2012	2011
Donations	13.17	25,000.00	0.00
Confidential Expenses		25,000.00	0.00
Intelligence Expenses		3,348,633.69	3,804,848.07
Extraordinary Expenses		4,092,209.09	4,918,490.32
Miscellaneous Expenses		115,461.11	101,517.66
Taxes, Duties and Licenses		1,007,555.93	1,135,860.22
Fidelity Bond Premiums		2,285,409.70	3,107,883.97
Insurance Expenses		19,228,842.94	16,891,944.00
Depredation - Office Buildings	13.18	53,657.44	53,657.69
Depredation - Other Structures		1,492,660.83	1,346,879.14
Depredation - Office Equipment		1,880,001.66	1,847,221.43
Depredation - Furniture and Fixtures		9,661,101.06	9,673,231.19
Depredation - IT Equipment		255,779.80	265,108.28
Depredation - Library Books		552,961.54	320,361.35
Depredation - Communication Equipment	13.19	172,501.68	166,697.28
Depredation - Medical, Dental & Laboratory Equipment		25,524.96	25,673.52
Depredation - Sports Equipment		18,132.55	20,697.50
Depredation - Other Machineryes and Equipment		6,588,617.09	6,129,232.90
Depredation - Motor Vehicles		755,493.68	794,737.06
Depredation - Other Property, Plant and Equipment		42,534.09	14,748.52
Tax Refunds		2,310,328.81	2,534,905.82
Other Maintenance and Operating Expenses		202,444,052.44	198,909,463.25
Total MOOE			
Financial Expenses		18,580.00	16,750.00
Bank Charges		0.00	0.00
Documentary Stamps Expenses		8,979,801.14	8,329,946.19
Interest Expenses	13.20	0.00	0.00
Other Financial Charges		8,998,381.14	8,346,696.19
Total Financial Expenses			
		1,403,365,990.65	1,240,790,708.99
Total Expenses			
	P	34,353,817.99	P 22,598,442.80
EXCESS OF INCOME OVER EXPENSES			



Financial Statements

OFFICE OF THE OMBUDSMAN
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2012
(With Comparative Figures for CY2011)

	Note	2012	2011
Cash Flow from Operating Activities:			
<i>Cash Inflows</i>			
Receipt of Notice of Cash Allocation	12	P 1,345,072,334.00	P 1,172,776,161.00
Receipt of Subsidy from Central Office		449,505,254.48	379,803,241.91
Receipt of Fund from Regional Office		899,151.99	713,552.20
Receipt of Cash Dividends from Welfare Fund		777,605.11	775,480.77
Fund Transferred from CFAA Account		-	5,656,106.50
Fund Transferred from Payroll Fund Account		101,590.64	83,679.55
Cancellation of Lost/Stale Check (issued during the year)		233,230.13	483,723.41
Collection of Other Income		489,534.25	35,539.25
Refund of Cash Advance		360,538.87	346,758.98
Receipt of Erroneous Deposit		2,230.00	1,923.00
Receivable from Other Funds		368,362.78	662,400.00
Collection of Performance/Bidders/Bail Bonds		738,817.06	1,138,477.03
Collection of Bidding Fees/Bidding Documents		489,508.12	2,750,540.00
Collection of Overpayment of Personal Services Deducted Unbilled		276,311.72	244,730.20
Interest earned for the Year		117,705.68	64,984.76
Miscellaneous Income		58,085.72	33,102.67
Restoration of Cash Due to Unreleased Checks at Year-End		5,641,628.86	1,931,060.71
Collection of Intra-Agency Receivables		1,690.75	127,834.55
Deposit of collections with AGDB		52,524,085.94	-
Deposit of Funding Check for Regular Operating Requirements		20,000.00	-
Receipts of cash as Responsible Party		1,291,020.26	-
Establishment of Petty Cash Fund		4,900.00	-
Refund of Guarantee Deposits		6,285.28	-
Total Cash Inflows		1,853,880,271.64	1,567,629,326.49
<i>Less: Cash Outflows</i>			
Cash Payment of Personal Expenses		540,208,694.02	550,894,848.17
Cash Payment of Operating Expenses		368,763,585.48	301,493,918.48
Cash Payment of Payables		26,073,009.82	16,797,649.55
Cash Purchase of Inventories		4,515,214.53	8,327,549.12
Granting of Cash Advance / Petty Cash Fund		54,309,000.75	53,422,853.00
Remittance to GS 9/HDMF/Philhealth/NHMF& Other Payables		248,736,204.15	189,179,500.82
Remittance of Interest to the National Treasury		147,685.76	36,799.77
Payment to Other Funds		545,872.50	992,626.50
Release of Funds to Regional Offices		430,104,217.48	380,106,274.27
Cash Advances Granted to NGAs		1,011,301.97	361,752.78
Payment for First/Final Progress Billing of Contractor		4,360,957.08	7,639,972.08
Payment for Mobilization Fee to Contractors		74,818,333.33	-
Payment of Consultancy fee chargeable to the Project		-	303,856.19



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	2012	2011
Payment of Bank Charges	4,200.00	4,200.00
Reversion of Unused Notice of Cash Allocation	39,255,553.16	20,670.00
Reversing entry for prior year's unreleased checks	1,934,238.24	651,332.53
Cash Payment of Dividends from Welfare Fund	777,805.11	775,480.77
Cash Payments of Other Payables	72,552.98	7,405,555.98
Payment of Intra-Agency Payable	262,155.20	244,730.20
Remittance of Other NGAs/GOCs Payables	62,252.88	154,823.15
Refund of Performance/Bidder's/ Bail Bonds Payable	672,079.15	1,534,364.10
Total Cash Outflows	1,781,655,133.59	1,530,369,797.46
Cash Provided by Operating Activities	77,225,138.05	37,239,529.03
Cash Flow from Investing Activities		
<i>Less: Cash Outflows:</i>		
Granting of Cash Advance / Petty Cash Fund	-	1,585.00
Cash Purchase of Property, Plant and Equipment	9,915,422.46	13,847,826.30
Total Cash Outflows	9,915,422.46	13,849,411.30
Cash Provided by Investing Activities	(9,915,422.46)	(13,849,411.30)
Cash Flow from Financing Activities		
<i>Less: Cash Outflows:</i>		
Payment of Long-Term Liabilities	7,792,200.00	10,588,848.73
Cash Provided by Financing Activities	(7,792,200.00)	(10,588,848.73)
Total Cash Provided by Operating, Investing and Financing Activities	59,517,515.59	12,821,269.00
Add: Cash Balance, Beginning January 1	31,428,337.97	18,607,068.97
Cash Balance, Ending December 31	P 90,945,853.56	P 31,428,337.97



Financial Statements

Office of the Ombudsman – Consolidated NOTES TO FINANCIAL STATEMENTS December 31, 2012

1. General/Agency Profile

The 1987 Constitution, in its declaration of Principles and State Policies, mandated that the State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption. It has likewise reiterated that public office is a public trust and that public officers and employees must, at all times, be accountable to the people, serve them with utmost responsibility, integrity, loyalty and efficiency, act with patriotism and justice, and lead modest lives. Along this line, the same Constitution gave birth to the Office of the Ombudsman which it has expressly described as an independent body and the protector of the people. It has vested the Office with broad and comprehensive powers in order to institute reforms in the bureaucracy and prosecute erring government officials and employees. The Office is headed by Ombudsman Conchita Carpio Morales and assisted by Overall Deputy Ombudsman Orlando C. Casimiro. The sectoral offices in Luzon, Visayas, Mindanao, Military and Other Law Enforcement Offices (MOLEO) and Office of the Special Prosecutor (OSP) are led by a Deputy Ombudsman and Special Prosecutor, respectively.

2. Basis of Financial Statements Presentation

The statements have been prepared in accordance with generally accepted state accounting principles and standards.

3. Significant Accounting Policies

- 3.1 The Office of the Ombudsman uses the accrual basis of accounting. All expenses are recognized when incurred and reported in the financial statements in the period to which they relate. Income is on accrual basis except for transactions where accrual basis is impractical or when law requires other methods.
- 3.2 Notice of Cash Allocation is recorded in the books, as well as those income or receipts which the agency is authorized to use.
- 3.3 The costs of ending inventory of office supplies and materials and other inventory items are based on Moving Average Method.
- 3.4 *Petty Cash Fund* (PCF) account is maintained under the Imprest System. All replenishments are directly charged to the expense account and the petty cash fund is not used to purchase regular inventory items for stock.
- 3.5 Property, Plant and Equipment are carried at cost less accumulated depreciation. The straight line method of depreciation is used in depreciating the Property, Plant and Equipment with estimated useful lives ranging from five to 30 years. A residual value computed at ten (10) percent of the cost of assets is set and depreciation starts on the following month after purchase.
- 3.6 Accounts were classified to conform to the new Chart of Accounts prescribed under the New Government Accounting System (NGAS) per COA Circular No. 2004-008 dated September 20, 2004.
- 3.7 Payable accounts are recognized and recorded in the books of accounts only upon acceptance of the goods/inventory/other assets and rendition of services to the agency.
- 3.8 Financial Expenses such as bank charges are separately classified from MOOE.



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4. Correction of Fundamental Errors

Fundamental errors of prior years are corrected by using the *Prior Year's Adjustments* account. Errors affecting current year's operations are charged to current year's accounts.

5. Cash

- 5.1 The account *Cash Disbursing Officer* in OMB Mindanao represents cash advance for expenses incurred by BAC and the balance of expenses incurred during 2012 Christmas party which were refunded in January 2013. This account will be reclassified and closed to account *Advances to Officers and Employees* in CY2013.
- 5.2 The account *Petty Cash Fund* represents petty cash fund granted to Special Disbursing Officers.

OMB Office	PCF Custodian	Purpose	Amount
Central Office	Willy O. Misa	Day-to-date operations of Motorpool Section, OSD	35,000.00
Luzon	Coleen B. Palapus	BAC expenses during meetings	4,900.00
Mindanao	Aileen Rose Tiangco	Emergency purchases of office supplies, transportation expenses	1,754.48
Regional Office 10	M.a. Gemma Teresa Gavine	Emergency purchases of office supplies, transportation expenses	10,003.65
OSP	Mariano B. Sotto	Emergency purchases of office supplies, reference materials, IT supplies, emergency repairs of service vehicle, office facilities, office equipment, IT equipment; and transportation expenses	10,000.00
	Severo A. Sotto	Transportation and traveling expenses incurred by Process Servers, Drivers, Messengers, Liaison Officers and other OSP personnel, as well as photocopying expenses for copies of documents from other offices	20,000.00
Total			81,658.13

- 5.3 The account *Cash-National Treasury, MDS* represents restoration of cash equivalent to the unreleased checks in OMB Central Office in compliance with COA Circular Letter No. 2002-001 dated December 16, 2002.
- 5.4 The *Cash in Bank-Local Currency, CA* represents deposits maintained with Authorized Government Depository Banks (AGDBs) for the following:

OMB Office	Bank Account	Authority to maintain	Amount
Central Office	LBP North Ave. Branch-ATM Payroll Account	MOA, ATM Payroll Facility and ATM Installation dated January 8, 2004	206,186.44
	LBP North Ave. Branch-Bidders Account	DOF, DEM & COA Joint Resolution No. 005-2 dated June 2005	3,869,855.87
	LBP North Ave. Branch-OMB Trust Account (For Carlos Garcia Account)	Sandiganbayan Resolutions dated November 23, 2010 and December 7, 2010 for Criminal Case Nos. 28107 and SB-09-CRM 0194	52,921,689.30



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	LEP North Ave. Branch- IAAGOC	Office Memorandum dated July 6, 2004	3,142,407.61
	LEP North Ave. Branch- UNDP 2012	Project Terms of Reference	688,425.45
	LEP North Ave. Branch- UNDP	Mother Term of Reference for Public Administration Reforms	33,583.49
	Prior years		-1,826.74
Luzon	LEP North Ave. Branch Office of the Deputy Ombudsman for Luzon		4,400,165.91
Regional Office 4	LEP North Ave. Branch Office of the Deputy Ombudsman for Luzon RO4		583,778.19
Visayas	LEP Cebu Capitol Branch- Office of the Deputy Ombudsman for Visayas Cebu General Fund		875,716.88
Regional Office 6	LEP Cebu Capitol Branch- Office of the Deputy Ombudsman for Visayas RO6 Iloilo General Fund		1,918,399.21
Regional Office 8	LEP Cebu Capitol Branch- Office of the Deputy Ombudsman for Visayas RO8 Tacloban General Fund		213,779.90
Mindanao	Philippine Veterans Bank Davao Monteverde Branch- Office of the Ombudsman Mindanao		3,487,610.03
Regional Office 10	Philippine Veterans Bank Davao Monteverde Branch- Office of the Ombudsman Mindanao RO X		4,272,573.80
MOLEO	LEP North Ave. Branch Office of the Deputy Ombudsman for the Military		3,471,726.67
OSP	LEP COA Branch Office of the Special Prosecutor- Regular	Pursuant to the creation of Administrative Division of the Office of the Special Prosecutor and letter of request dated January 20, 2004	4,696,036.19
Total			84,780,088.20

5.5 The *Cash in Bank – Local Currency*, SA represents deposit maintained by OMB Mindanao with Postal Saving collections of certification fees and photocopying services.



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6. Receivable

- 6.1 The account *Due from National Government Agencies* represents overpayment to the Procurement Service (PS) for undelivered items.

OMB Office	Amount
Central Office	230,483.42
Luzon	.33
Regional Office 4	1.40
MOLEO	5,618.50
OSP	.50
Total	236,104.15

- 6.2 The account *Due from Central Office* are presented below:

OMB Office	Amount
Luzon	16,037.63
Visayas	1,341,321.66
Regional Office 6	83,258.98
Regional Office 8	134,586.65
Mindanao	474,935.69
Regional Office 10	33,395.46
MOLEO	461,494.80
Total	2,535,030.87

- 6.3 The account *Due from Regional Offices' Staff Bureaus* represents unliquidated internal operating budget (I.O.B.) granted to Area/Sectoral Offices before decentralization in the OMB Central Office.

OMB Office	Amount
Central Office	123,691.90
Visayas	2,230.00
ROS	613,100.65
Total	739,022.55

- 6.4 The account *Due from Other Funds* pertains to the funds transfer to OMB Luzon CFAG account intended for the purchase of equipment.

- 6.5 The account *Disallowances/Charges* consists of amounts due from suppliers and employees resulting from audit disallowances which have become final and executory.

OMB Office	Amount
Central Office	28,754.37
Visayas	12,850.65
Mindanao	52,745.80
Total	94,350.82

In the Mindanao sector, this account pertains to former employees of OMB Mindanao who have yet to refund their obligations to the Office. Collection letters are prepared to remind them of their obligations. Also, a letter in April 2006 requesting for the relief of accountability of two deceased employees has not been acted as of December 31, 2012.



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6.6 The account *Advances to Officers and Employees* consist of the following:

OMB Office	Purpose	Current			Prior Years
		Less than 30 days	31-90 days	91-365 days	More than 2 years
Central Office	Travel				39,537.80
	Confidential and intelligence fund		112,198.00	250,000.00	150,000.00
	Special Purpose	10,577.30			
Mindanao	Travel		676.21		
RO10			1,280.00		
Total		10,577.30	114,154.21	250,000.00	189,537.80

6.7 The account *Other Receivables* pertains to the following:

OMB Office	Particulars	Amount
Central Office	Malaysian Anti-Corruption Academy (MACA) for the traveling expenses	17,852.04
Visayas	Two lost units of Sony Cassette Recorded @ P1,990.00; and Receivable from Ms. Falcon, Cashier, in the amount of P2,400.00 for inadvertently issuing a check without cancelling the previously issued check. Said check was issued in September 26, 2008 and was later negotiated on December 12, 2008 by the payee.	4,390.00
OSP	Over-payment on salaries and allowances of separated employees	11,779.02
Total		34,021.06

7. Prepayments

7.1 Prepaid Insurance

This account pertains to the unexpired portion of prepayment to Government Security Insurance Service (GSIS) for the Insurance of Building and Equipment of the Office.

7.2 Prepaid Interest

This account pertains to the unexpired portion of prepayment to NATIONAL HOUSING AUTHORITY for the 5th annual amortization of the RP Lot# R. P. No. 3-B4-B-1-B-3-B-2 A (North Triangle, Q.C.; TCT# N-291453) as permanent site for OMB Annex Building. Adjustment to take up the expired portion was recorded per JEV-2012-03-001310.



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7.3 Advances to Contractors

On November 22, 2012, mobilization fee of ₱74,818,333.33 or the equivalent fifteen percent (15%) of the total contract price was paid to Joint Venture Filipinas (Prefab, Bldg.) Systems, Inc. and F. F. Cruz & Co. Inc. for the construction of the five storey annex building of the Office of the Ombudsman.

7.4 Other Prepaid Expenses

This account consists of subscription of license software and magazine, newspapers, official gazette in the Central Office and the deposit maintained at the gasoline supplier of OMB MOLEO.

OMB Office	Amount
Central Office	390,288.59
RO8	1,739.28
MOLEO	35,000.00
Total	427,027.87

8. Guaranty Deposits

This account consists of gasoline and electric deposits as follows:

OMB Office	Amount
Central Office	495,000.00
Luzon	51,000.00
RO6	179,802.00
RO8	93,537.00
MOLEO	16,800.00
OSP	20,000.00
Total	856,139.00

9. Investments in Stocks

This account in OMB Central Office consists of:

Particulars	Amount
MERALCO	244,190.00
PLDT	14,000.00
Total	258,190.00

10. Property, Plant and Equipment

- 10.1 Land represents the value of lot at Agham Road, Diliman, Quezon City where the main office is located with an area of 10,000 square meters and the adjacent lot with an area of 5,772 square meters.



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10.2 Details of Accumulated Depreciation are as follows

Account Description	Acquisition Cost	Accumulated Depreciation	Net Book Value
Office Buildings	738,975,688.98	235,092,649.18	503,883,039.80
Other Structures	1,788,581.50	420,316.65	1,368,264.85
Office Equipment	28,360,415.31	20,996,126.20	7,364,289.11
Furniture & Fixtures	32,128,614.04	18,309,087.71	13,819,526.33
IT Equipment and Software	115,383,678.17	80,327,556.82	35,056,121.35
Library Books	7,643,458.76	4,754,172.08	2,889,286.68
Communication Equipment	8,399,467.34	2,436,010.64	5,963,456.70
Medical, Dental and Laboratory Equipment	1,918,585.00	480,282.15	1,438,302.85
Sports Equipment	285,261.00	73,531.49	211,729.51
Other Machineries & Equipment	440,089.14	338,102.03	101,987.11
Motor Vehicles	73,488,755.66	37,672,029.47	35,816,726.19
Other Property, Plant and Equipment	12,820,063.95	8,454,546.10	4,365,517.85
Total	1,021,632,658.85	409,354,410.52	612,278,248.33

10.3 Construction in Progress

On September 7, 2010, an agreement was made and executed by and between the Office of the Ombudsman and the Department of Public Works and Highways (DPWH) wherein the OMB sought the assistance of the DPWH in the construction, management and supervision of the establishment of a two-storey multi-purpose building with roof deck at Camay East, Rosales, Pangasinan.

On December 20, 2010, an amended contract agreement was made by and between DPWH, Pangasinan 3rd District Engineering Office, Tumana, Rosales, Pangasinan as the authorized representative of the OMB and Performance Builders & Developers Corporation.

The Office of the Ombudsman, thru its representative, the DPWH, contracted Performance Builders & Developers Corp. for the construction of the building for Seventeen Million Three Hundred Sixty Three Thousand Two Hundred Ten & 66/100 Pesos (P17,363,210.66).

As of December 31, 2012, the construction of the building was entirely completed awaiting final acceptance by the Office.

Also included in the Construction in Progress account is the constructed sewage treatment plant project in the OMB Central Office and the cost of soil investigation for the OMB Complex.



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11. Other Assets

The decrease was due to adjustment made for disposed/donated unserviceable properties.

12. Liabilities

12.1 Accounts Payable

This account consists of payables to various suppliers of the agency for goods delivered and services rendered job orders personnel, janitors and security agency personnel. Also included is the setup of payable equivalent to the unreleased checks in OMB Central Office in compliance with COA Circular Letter No. 2002-001 dated December 16, 2002. This account consists of:

Particulars	Amount
Central Office	8,883,504.84
Luzon	1,915,594.41
Visayas- Cebu	722,886.00
VisayasRO 6	372,455.97
VisayasRO 8	260,300.22
Mindanao	452,761.58
Mindanao RO10	75,564.96
MOLEO	60,341.58
OSP	733,736.95
Total	13,477,146.51

12.2 Due to Officers and Employees

This account consists of unpaid salaries, step increment, overtime services, and reimbursement of expenses incurred, as follows:

Particulars	Amount
Central Office	648,356.82
Luzon	67,668.24
Luzon ROIV	9,731.12
Visayas	738,754.99
VisayasRO 8	12,017.81
Mindanao	381,700.06
MOLEO	5,370.51
OSP	31,403.55
Total	1,895,003.10

12.3 Due to National Treasury

This account consists of:

Particulars	Amount
Gain from sale of agency properties	5,484.38
Interest earned	440,004.60
Remittances from concerned depository banks of Carlos F. Garcia accounts	52,524,085.94
Penalty for late delivery	4,665.70
Total	52,974,240.62



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The gain from sale agency assets pertains to the Sony Cassette Recorder and double point Sheaffer brand Deskpen charged as accountability of the late OCB Director. Adjustment was made in the books per JEV No. 2013-01-000892 dated January 31, 2013. Interest earned from Trust Accounts maintained in the Land Bank of The Philippines were remitted on March 1, 2013 except for the Trust Account of Carlos Gardia Cases. Remittance for the penalty of late delivery by the suppliers were no longer accepted by the Bureau of the Treasury hence an adjustment in the books of accounts per JEV No. 2013-01-000914 dated January 31, 2013.

12.4 Due to BIR

This account consists of taxes withheld from the employees and various suppliers and remitted to the Bureau of Internal Revenue (BIR) in January 2013, as follows:

Particulars	Amount
Central Office	12,837,508.74
Luzon	3,532,527.68
RO4	166,066.88
Mindanao	707,010.30
RO10	37,320.79
MOLEO	625,218.19
OSP	4,260,555.08
Total	22,166,227.66

12.5 Due to Other NGAs

This account consists of the Inter-Agency Anti-Graft Coordinating Council (IAGCC) in OMB Central Office and National Home Mortgage Finance Corporation in Mindanao:

Particulars	Amount
Inter-Agency Anti-Graft Coordinating Council	3,152,240.89
Prior years	653,768.17
National Home Mortgage Finance Corp.	5,240.14
Total	3,811,249.20

The account of prior years is for reconciliation as forwarding balance in converting the balance from manual to electronic NGAS in the Central Office.

12.6 Due to Other GOCCs

This account in OMB Central Office consists of:

Particulars	Amount
Government Service Insurance System	5,434,408.63
Home Development Mutual Fund	167,112.50
National Home Mortgage Finance Corp.	1,321.74
Philippine Health Insurance Corp.	1,475.00
Total	5,604,317.87

The above amount is the reversion of cash on unreleased checks as of December 31, 2012.



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12.7 Due to Regional Offices/Staff/Bureaus

This account pertains to the setup of payable to area/sectoral offices with Sub Allotment Advice as of December 31, 2012 in the OMB Central Office.

Particulars	Amount
OMB-Visayas	1,339,126.35
OMB-Mindanao	441,540.23
OMB-Mindanao (RO10)	66,790.92
OMB-MOLEO	451,494.80
Total	2,298,952.30

12.8 Other Payables

This account consists in the OMB Central Office, Mindanao, RO10, MOLEO and OSP of the following:

Particulars	Amount
OMB-UNDP	96,700.00
OMB-UNDP 2012	685,964.70
OMB-EMWF	4,060,366.69
OMB-Multi Purpose Cooperative	1,184,355.04
OMB Employees Association	8,840.00
Bidding fees/bidding documents	3,216,114.12
Others	2,801,550.07
Prior years	12,246.14
Total	12,066,136.76

The account of prior years is for reconciliation as forwarding balance in converting the balance from manual to electronic NGAS in OMB Central Office.

12.9 Loans Payable-Domestic

On May 9, 2007, the National Housing Authority has approved the Award of Institutional Lot 3-B-4-B-1-B-3-B-2-A at North Triangle, Quezon City with Transfer Certificate of Title No. N-291453 in favor of the Office of the Ombudsman. The lot has a total selling price of P86,580,000.00 with ten percent (10%) required down payment and the balance payable in ten (10) years at an interest rate of sixteen percent (16%) per annum.

Principal Balance: P52,788,641.05 as of December 31, 2012. This amount is the corrected present value of loan as indicated in the amortization schedule provided by the National Housing Authority.

13. Subsidy Income from National Government

	2012	2011
NCA received from DBM for operational requirements	1,345,072,334.00	1,172,776,161.00
Add: Tax remittance issued to BIR	131,612,383.62	72,601,838.36
Sub-total	1,476,684,717.62	1,245,377,999.36
Less: Reversion of NCA	39,255,563.16	20,670.00
Total	1,437,429,154.46	1,245,357,329.36



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14. Expenses

- 14.1 Salaries and Wages-Regular Pay - The material decrease was due to the increase in salary of OMB Personnel per NBC 540 and the reclassification of account used.
- 14.2 Personnel Economic Relief Allowance - The material increase was due to the reclassification of account.
- 14.3 Clothing/Uniform Allowance - No payment was made yet due to non-delivery of uniform contracted to supplier.
- 14.4 Other Bonuses and Allowances - The material increase was due to the reclassification of account.
- 14.5 Year-end Bonus - The material increase was due to the increase in salary of OMB Personnel per NBC 540.
- 14.6 Life and Retirement Insurance Contributions - The material increase was due to the increase in salary of OMB Personnel per NBC 540.
- 14.7 Philhealth Contributions - The material increase was due to the increase in salary of OMB Personnel per NBC 540.
- 14.8 Pensions Benefits – Civilian - The material increase was due to the increase in salary of OMB Personnel per NBC 540.
- 14.9 Retirement Benefits – Civilian - This pertains to the retirement benefits paid to two personnel of OMB-CO.
- 14.10 Other Personnel Benefits - The material increase was due to the release of Emergency Economic Assistance I and II, Basic Comprehensive Medical Check-up Benefit, Year-end Assistance, Cash Gift given during Christmas and Productivity Enhancement Incentive.
- 14.11 Traveling Expenses-Foreign - The material increase was due to the increase in number of OMB personnel sent abroad to attend international conferences and trainings.
- 14.12 Electricity - The material increase was due to the set up of payables at year-end for services already provided and billed but not yet paid.
- 14.13 Consultancy - The material increase was due to additional consultants contracted by the Office.
- 14.14 General Services - The material increase was due to the set up of payables at year-end for services already provided and billed but not yet paid.
- 14.15 Janitorial Services - The material increase was due to the set up of payables at year-end for services already provided and billed but not yet paid.
- 14.16 Repairs and Maintenance-Motor Vehicles - The increase was due to various repairs and maintenance undergone by various OMB vehicles.
- 14.17 Donations - This account pertains to the cash donation to the Philippine National Red Cross for typhoon victims.
- 14.18 Depreciation-Office Buildings - The material increase was due to the reclassification of account recorded in other funds.
- 14.19 Depreciation-Communication Equipment - The increase was attributed to the purchase of IP PABX system for the Office of the Ombudsman.
- 14.20 Interest Expense - The increase was due to the correction made in recording the present value of loan as indicated in the amortization schedule provided by the National Housing Authority.

15. Prior Years Adjustments

This account consists of:

Particulars	Amount
Payment for unrecorded expenses of prior years – PS	61,208,616.52
Payment for unrecorded expenses of prior years – MOOE	29,069,848.37
Cash settlement of disallowances of prior years	143,493.96
Closing of Petty Cash Fund	150,000.00
Write-off of various PPE due to transfers and destruction	15,891.43
Other adjustment of prior years' transactions, which result in decrease of the Retained Operating Surplus	147,068,086.54
Other adjustment of prior years' transactions, which result in increase of the Retained Operating Surplus	- 156,293,309.05
Total	81,362,627.77

16. Receipt of Notice of Cash Allocation (NCA)

Notice of Cash Allocation received from Department of Budget and Management amounting to P1,345,072,33400 includes the amortization due on the land acquired from National Housing Authority.