



Republic of the Philippines  
Department of Budget and Management  
**PROCUREMENT SERVICE**

RR Road, Cristobal Street, Paco, Manila, Philippines 1007  
Trunk line: 689-7750 Direct line: 563-9365 & 563-9395



**PROCUREMENT  
SERVICE**

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

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The management of Procurement Service, Department of Budget and Management is responsible for all information and representations contained in the accompanying Balance Sheet as of December 31, 2013 and the related Statement of Income and Expenses and Cash Flow for the year then ended. The financial statements have been prepared in conformity with 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.

**ALLAN RAUL M. CATALAN**  
Chief Accountant

**ESTANISLAO C. GRANADOS, JR.**  
Executive Director IV

PROCUREMENT SERVICE  
Department of Budget and Management  
**COMPARATIVE BALANCE SHEET**  
As of December 31, 2013, 2012 & 2011

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2/12/14  
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	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>INCREASE (DECREASE) 2013 VS 2012</u>	<u>% INC. (DEC.)</u>
<b>ASSETS</b>					
<b>Current Assets</b>					
<b>Cash (Note 4)</b>					
Cash-Collecting Officers (Sch.1.A-Tab J)	54,689,712.70	13,111,402.07	259,800,608.66	41,578,310.63	317.12%
Petty Cash Fund (Sch.1.B-Tab J)	686,134.75	736,134.75	838,886.25	(50,000.00)	-6.79%
Payroll Fund	-	-	-	-	0.00%
Cash in Bank- LC, CA (Sch. 1.C-Tab J)	4,922,088,676.32	3,164,299,894.49	1,384,219,179.75	1,757,788,781.83	55.55%
Cash in Bank- LC, SA (Sch. 1.D-Tab J)	37,371,615.01	1,738,516.44	118,997.58	35,633,098.57	2049.63%
Cash in Bank- LC, TD (Sch.1.E-Tab J)	3,500,000,000.00	2,500,000,000.00	2,500,000,000.00	1,000,000,000.00	40.00%
<b>Total Cash</b>	<b>8,514,836,138.78</b>	<b>5,679,885,947.75</b>	<b>4,144,977,672.24</b>	<b>2,834,950,191.03</b>	<b>49.91%</b>
<b>Receivables (Note 5)</b>					
Due from Officers & Emp. (Sch.2-Tab K)	153,728.46	100,570.15	55,962.73	53,158.31	52.86%
Due from National Treasury	4,762,003.38	4,762,003.38	4,762,003.38	-	0.00%
Due from NGAs (Sch.3-Tab L)	71,183,449.61	88,450,556.14	66,955,527.81	(17,267,106.53)	-19.52%
Due from GOCC's (Sch.4-Tab M)	6,061,614.22	33,911,397.03	3,801,101.81	(27,849,782.81)	-82.13%
Due from LGU's (Sch.5-Tab N)	11,770,845.36	4,413,949.03	4,531,079.86	7,356,896.33	166.67%
Due from Reg'l/Branch Offices(Sch.6-Tab O)	3,936,072.67	3,805,797.17	6,294,724.19	130,275.50	3.42%
Advances to Officers & Emp. (Sch.7-Tab P)	640,837.23	-	1,557,203.61	640,837.23	100.00%
Other Receivables (Sch.8-Tab Q)	1,305,667.31	2,826,571.47	1,099,294.32	(1,520,904.16)	-53.81%
<b>Total Other Receivables</b>	<b>99,814,218.24</b>	<b>138,270,844.37</b>	<b>89,056,897.71</b>	<b>(38,456,626.13)</b>	<b>-27.81%</b>
<b>Inventories (Note 6)</b>					
Merchandise Inventory (Sch.9-Tab R)	518,011,280.65	405,781,093.00	335,557,479.33	112,230,187.65	27.66%
<b>Prepayments (Note 7)</b>					
Prepaid Rent	701,467.82	7,400.00	7,400.00	694,067.82	9379.29%
Prepaid Insurance	511,615.72	406,226.21	416,311.77	105,389.51	25.94%
Deposits on Letters of Credit(Sch.10-Tab S)	27,721,990.72	91,793,162.47	1,208,938,073.12	(64,071,171.75)	-69.80%
Organization Costs - GEPS (Sch.11-Tab T)	7,807,044.01	7,807,044.01	7,807,044.01	-	0.00%
Other Prepaid Expenses	17,500.00	17,500.00	17,500.00	-	0.00%
<b>Total Prepayments</b>	<b>36,759,618.27</b>	<b>100,031,332.69</b>	<b>1,217,186,328.90</b>	<b>(63,271,714.42)</b>	<b>-63.25%</b>
<b>Other Current Assets</b>					
Guaranty Deposits	1,421,420.53	411,887.13	373,455.13	1,009,533.40	245.10%
<b>Total Current Assets</b>	<b>9,170,842,676.47</b>	<b>6,324,381,104.94</b>	<b>5,787,151,833.31</b>	<b>2,846,461,571.53</b>	<b>45.01%</b>
<b>Property, Plant and Equipment, Net (Note 8)</b>					
Land	19,102,162.97	19,102,162.97	19,102,162.97	-	0.00%
Office Buildings	53,205,478.19	56,029,971.89	59,416,639.76	(2,824,493.70)	-5.04%
Leasehold Improvements- Building	2,626,242.87	-	-	2,626,242.87	100.00%
Office Equipment	2,101,376.24	1,752,306.42	1,261,691.09	349,069.82	19.92%
Furniture & Fixtures	3,882,521.94	4,195,448.98	2,701,113.55	(312,927.04)	-7.46%
IT Equipment & Software	12,983,558.20	7,778,061.73	6,287,157.69	5,205,496.47	66.93%
Library Books	15,611.96	20,466.35	48,413.60	(4,854.39)	-23.72%
Communication Equipment	191,502.94	144,455.49	14,897.11	47,047.45	32.57%
Military & Police Equipment	12,539.47	17,669.47	30,860.56	(5,130.00)	-29.03%
Other Machineries & Equipment	118,068.19	122,477.81	7,295.16	(4,409.62)	-3.60%
Motor Vehicles	4,225,242.56	3,736,976.36	4,887,456.48	488,266.20	13.07%
Other Property, Plant & Equipment	170,757.20	218,720.48	222,585.48	(47,963.28)	-21.93%
Other Assets	6,472.66	6,472.66	-	-	0.00%
<b>Total Property, Plant and Eqpt. (Sch.12-Tab U)</b>	<b>98,641,535.39</b>	<b>93,125,190.61</b>	<b>93,980,273.45</b>	<b>5,516,344.78</b>	<b>5.92%</b>
<b>TOTAL ASSETS</b>	<b>9,269,484,211.86</b>	<b>6,417,506,295.55</b>	<b>5,881,132,106.76</b>	<b>2,851,977,916.31</b>	<b>44.44%</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Liabilities</b>					
<b>Current Liabilities</b>					
<b>Payable Accounts (Note 9)</b>					
Accounts Payable (Sch.13-Tab V)	1,017,724,986.24	752,637,365.92	654,914,935.13	265,087,620.32	35.22%
Due to Officers and Employees	220,179.28	191,395.56	187,286.20	28,783.72	15.04%
Due to National Treasury	138,071,132.87	72,759,848.89	67,496,519.51	65,311,283.98	89.76%
Due to BIR (Sch. 14- Tab W)	30,882,154.55	7,750,458.61	10,785,540.00	23,131,695.94	298.46%
Due to GSIS	1,321,143.71	1,295,680.83	1,280,317.24	25,462.88	1.97%
Due to Pag-ibig	95,764.30	99,017.37	89,060.85	(3,233.07)	-3.27%
Due to Philhealth	45,458.89	45,118.15	45,430.65	340.74	0.76%
Due to Other NGAs (Sch. 15-Tab X)	7,206,560,772.33	4,902,483,953.01	4,582,967,584.48	2,304,076,819.32	47.00%
Due to Other GOCCs(Sch16-Tab Y)	97,020,820.76	75,335,016.20	53,706,671.65	21,685,804.56	28.79%
Due to LGUs (Sch 17-Tab Z)	55,713,036.98	44,703,684.90	39,533,119.38	11,009,352.08	24.63%

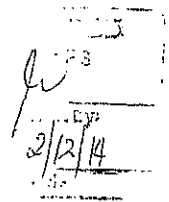
PROCUREMENT SERVICE  
 Department of Budget and Management  
**COMPARATIVE BALANCE SHEET**  
 As of December 31, 2013, 2012 & 2011

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>INCREASE (DECREASE) 2013 VS 2012</u>	<u>% INC. (DEC.)</u>
Due to Reg'l/Branch Offices	6,945.40	6,630.60	6,545.40	314.80	4.75%
Due to Other Funds	453,487.37	453,487.37	453,487.37	(0.00)	0.00%
Perf/Bidders/Bail Bonds Payable (Sch 18-Tab AA)	50,588,853.63	50,144,875.74	43,570,151.46	443,977.89	0.89%
Other Payables (Sch. 19 -Tab AB)	138,702,624.49	88,213,156.63	76,272,048.61	50,489,467.86	57.24%
<b>Total Current Liabilities</b>	<b>8,737,407,380.80</b>	<b>5,996,119,689.78</b>	<b>5,531,308,697.93</b>	<b>2,741,287,691.02</b>	<b>45.72%</b>
<b>Equity (Note 10)</b>					
Government Equity	532,076,831.06	421,386,605.77	349,823,408.83	110,690,225.29	26.27%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9,269,484,211.86</b>	<b>6,417,506,295.55</b>	<b>5,881,132,106.76</b>	<b>2,851,977,916.31</b>	<b>44.44%</b>

**CERTIFIED CORRECT:**


  
**ALLAN RAUL M. CATALAN**  
 Chief Accountant

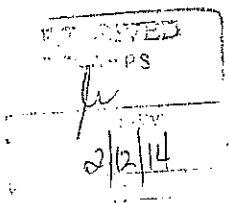
**PROCUREMENT SERVICE**  
**Department of Budget and Management**  
**COMPARATIVE STATEMENT OF GOVERNMENT EQUITY**  
**As of December 31, 2013, 2012 & 2011**

  
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	<u>2013</u>	<u>2012</u>	<u>2011</u>
Accumulated Earnings of Prior Years	421,386,605.77	349,823,408.83	561,053,816.62
Add (Deduct) Current Year			
Net Income	148,541,337.40	97,993,240.26	44,453,150.43
Adjustment of Prior Years			
Restoration(Closing) of Organization Cost	-	-	(203,386,144.61)
Expenses of PhilGEPS charged to Prior Income	(21,838,249.32)	(18,110,490.46)	-
Refmittance of Interest Income	-	-	(73,755,238.77)
Other Adjustments	(16,012,862.79)	(8,319,552.86)	21,457,825.16
Sub-total	110,690,225.29	71,563,196.94	(211,230,407.79)
<b>Total</b>	<b>532,076,831.06</b>	<b>421,386,605.77</b>	<b>349,823,408.83</b>

CERTIFIED CORRECT:

  
ALLAN RAUL M. CATALAN  
 Chief Accountant



**PROCUREMENT SERVICE**  
 Department of Budget and Management  
**COMPARATIVE INCOME STATEMENTS**  
 For The Year Ended December 31, 2013, 2012 & 2011

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Sales Revenue (Note 11)	4,538,865,901.19	4,424,858,589.38	2,762,540,298.80
Less: Sales Returns	7,733,900.61	2,691,093.27	1,290,679.68
Net Sales (Sch. 24-Tab AG)	<u>4,531,132,000.58</u>	<u>4,422,167,496.11</u>	<u>2,761,249,619.12</u>
Less: Cost of Sales			
Inventory	405,781,093.00	335,557,479.33	395,858,152.02
Less: Adjustments	4,409,262.51	7,190,277.19	4,978,119.59
Overstatement of Beg. Inventory			
Total Adjustment to Beg. Inventory	<u>4,409,262.51</u>	<u>7,190,277.19</u>	<u>4,978,119.59</u>
Adjusted Inventory	401,371,830.49	328,367,202.14	390,880,032.43
Add: Purchases	4,391,643,276.16	4,268,133,576.05	2,543,055,923.41
Freight In	23,823,311.50	22,644,091.01	13,546,731.02
Total Cost of Goods Available	<u>4,816,838,418.15</u>	<u>4,619,144,869.20</u>	<u>2,947,482,686.86</u>
Less: Inventory, Dec. 31 (Sch. 9 Tab R)	518,011,280.65	405,781,093.00	335,557,479.33
Total Cost of Sales	<u>4,298,827,137.50</u>	<u>4,213,363,776.20</u>	<u>2,611,925,207.53</u>
Net Mark-Up	<u>232,304,863.08</u>	<u>208,803,719.91</u>	<u>149,324,411.59</u>
Less: Expenses (Note 12)			
Personal Services: (Sch. 25-Tab AH)			
Salaries & Wages - Contractual	38,466,224.88	37,660,240.46	34,079,658.96
Personnel Economic Relief Allow.	3,466,200.00	3,547,818.18	3,502,090.91
Representation Allowance	688,977.27	572,600.00	790,600.00
Transportation Allowance	508,977.27	398,000.00	506,000.00
Clothing & Uniform Allowance	725,000.00	745,000.00	584,000.00
Productivity Incentive Allowance	309,000.00	294,000.00	334,000.00
Other Bonuses & Allowances	-	6,520,022.55	5,899,721.40
Longevity Pay	200,000.00	105,000.00	60,000.00
Overtime & Night Pay	1,275,096.82	1,021,123.72	699,381.37
Cash Gift	722,500.00	740,000.00	725,125.00
Year End Bonus	3,214,264.00	3,277,120.50	2,948,314.50
Life & Retirement Insurance Cont.	4,610,783.04	4,540,093.20	4,123,732.02
Pag-Ibig Contributions	173,400.00	177,500.00	175,000.00
PhilHealth Contributions	430,862.50	412,100.00	381,700.00
ECC Contributions	173,400.00	177,433.53	173,473.46
Retirement Benefits- Civilian	1,035,008.84	2,684,275.00	-
Terminal Leave Benefits	647,949.71	413,543.55	174,211.79
Other Personnel Benefits	8,723,436.08	3,551,074.04	4,373,245.83
Sub-Total Personal Services	<u>65,371,080.41</u>	<u>66,836,944.73</u>	<u>59,530,255.24</u>
Maintenance & Other Oper. Expenses: (Sch. 26-Tab AI)			
Travel Expenses-Local	1,066,339.85	888,878.18	1,492,754.08
Travel Expenses-Foreign	4,500.00	-	1,500.00
Training Expenses	794,236.07	942,655.50	691,978.15
Office Supplies Expense	4,130,116.98	4,189,235.80	3,266,854.52
Gasoline, Oil & Lubricants Expense	2,240,136.72	2,793,472.91	2,601,795.16
Water Expenses	1,689,434.52	1,750,973.74	1,170,401.46
Electricity Expenses	5,722,028.65	4,829,750.61	4,215,993.08
Postage & Deliveries	102,401.17	84,458.33	90,992.51
Telephone Expense - Landline	915,407.96	955,369.62	1,006,966.87
Telephone Expense - Mobile	882,900.54	592,663.44	705,312.37
Internet Expense	580,177.37	619,422.91	976,972.20
Membership Dues & Contributions to Org	1,645.53	-	-
Awards and Indemnities	1,775,505.25	-	-
Advertising Expenses	413,200.00	612,732.35	468,308.80
Printing & Binding Expense	2,216.00	3,340.00	19,056.72
Rent Expenses	381,600.29	38,432.00	-
Representation Expenses	2,243,453.94	1,446,690.52	1,750,923.25
Subscription Expenses	30,000.50	33,262.00	43,043.00

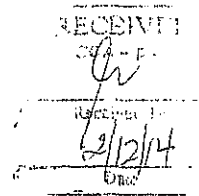
**PROCUREMENT SERVICE**  
**Department of Budget and Management**  
**COMPARATIVE INCOME STATEMENTS**  
**For The Year Ended December 31, 2013, 2012 & 2011**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Legal Services	975,793.15	5,975.00	6,255.00
Consultancy Services	2,200,000.00	640,000.00	650,000.00
General Services -Job Order	21,605,663.26	15,037,729.98	15,828,872.23
Janitorial Services	2,120,261.58	1,806,662.92	1,651,925.92
Security Services	7,207,287.22	6,228,879.22	5,237,783.70
Other Professional Expenses	6,687,758.08	-	-
R & M - Office Buildings	2,064,588.52	433,596.70	1,323,585.71
R & M - Office Equipment	24,390.00	40,584.60	38,848.20
R & M - Furniture & Fixtures	1,092.00	2,079.75	2,540.00
R & M - IT Equipment & Software	70,719.67	168,688.96	73,924.75
R & M -Other Machinery & Eqt.	75,450.00	-	57,560.00
R & M - Motor Vehicles	1,593,194.12	1,670,839.00	1,809,163.03
Donations	21,959.39	-	2,302,132.83
Extraordinary Expenses	50,000.04	50,000.04	50,001.03
Miscellaneous Expenses	72,330.20	73,482.82	805,745.29
Taxes, Duties & Licenses	194,524.86	197,140.45	140,877.69
Fidelity Bond Premiums	295,354.99	217,821.81	220,329.48
Insurance	731,099.14	717,177.60	734,817.01
Dep'n Exp. - Office Buildings	3,118,638.00	3,117,212.22	2,303,754.72
Dep'n Exp. - Leasehold Improvements- B	102,321.20	-	-
Dep'n Expense - Office Equipmt	332,624.94	327,769.10	385,204.26
Dep'n Expense - Furnitures & Fixtures	525,740.95	357,011.88	320,601.33
Dep'n Expense - IT Equipment	2,275,962.26	1,803,188.50	2,033,644.54
Dep'n Expense - Library Books	4,854.39	10,024.78	16,500.13
Dep'n Expense - Communication Equipmt.	21,055.75	11,541.62	10,232.79
Dep'n - Military & Police Equipmt.	5,130.00	5,130.00	6,866.12
Dep'n-Other Machinery & Equipment	20,959.62	19,028.08	25,017.39
Dep'n - Motor Vehicles	883,037.41	1,226,484.02	1,255,251.56
Dep'n-Other Property, Plant & Equipmt.	47,963.28	42,010.13	12,483.00
Loss of Assets	4,409,262.51	5,998,606.75	2,156,226.07
Other Maintenance & Operating Expense	6,252,281.77	3,770,950.63	1,824,416.28
Bank Charges	8,801.50	8,725.75	6,329.60
Sub-Total Maint. & Other Oper. Exp.	<u>86,975,401.14</u>	<u>63,769,680.22</u>	<u>59,793,741.83</u>
Total Expenses	<u>152,346,481.55</u>	<u>130,606,624.95</u>	<u>119,323,997.07</u>
Net Income before Other Income	<u>79,958,381.53</u>	<u>78,197,094.96</u>	<u>30,000,414.52</u>
Add: Other Income			
Other Business Income	55,555.00	1,332,128.52	1,757,669.08
Income from Fines and Penalties	14,900,401.12	6,214,531.24	2,452,972.83
Miscellaneous Income	44,107.25	13,756.18	128,209.27
Income from Grants & Donations		184,985.90	208,084.73
Gain/Loss on Sale of Disposed Assets	(73,447.87)	(48,054.17)	-
Clearance & Certification Fees	52,556,482.82	10,794,320.00	9,905,800.00
Seminar Fees	1,099,857.55	1,304,477.63	-
Total Other Income	<u>68,582,955.87</u>	<u>19,796,145.30</u>	<u>14,452,735.91</u>
NET INCOME (Note 13)	<u>146,541,337.40</u>	<u>97,993,240.26</u>	<u>44,453,150.43</u>

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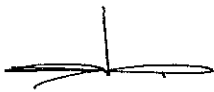
  
**ALLAN RAUL M. CATALAN**  
 Chief Accountant

PROCUREMENT SERVICE  
Department of Budget and Management  
**COMPARATIVE CONDENSED BALANCE SHEET**  
As of December 31, 2013, 2012 & 2011



<u>ASSETS</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>INCREASE (DECREASE)</u> <u>2013 VS 2012</u>	<u>% INC. (DEC.)</u>
<b>Current Assets</b>					
Cash (Note 4 )	8,514,836,138.78	5,679,885,947.75	4,144,977,672.24	2,834,950,191.03	49.91%
Receivables (Note 5)	99,814,218.24	138,270,844.37	89,056,897.71	(38,456,626.13)	-27.81%
Inventories (Note 6 )	518,011,280.65	405,781,093.00	335,557,479.33	112,230,187.65	27.66%
Prepayments (Note 7)	36,759,618.27	100,031,332.69	1,217,186,328.90	(63,271,714.42)	-63.25%
Other Current Assets	1,421,420.53	411,887.13	373,455.13	1,009,533.40	245.10%
<b>Total Current Assets</b>	<b>9,170,842,676.47</b>	<b>6,324,381,104.94</b>	<b>5,787,151,833.31</b>	<b>2,846,461,571.53</b>	<b>45.01%</b>
<b>Property, Plant and Equipment, Net (Note 8 )</b>					
Land	19,102,162.97	19,102,162.97	19,102,162.97	-	0.00%
Office Buildings	53,205,478.19	56,029,971.89	59,416,639.76	(2,824,493.70)	-5.04%
Leasehold Improvements- Building	2,626,242.87			2,626,242.87	100.00%
Office Equipment	2,101,376.24	1,752,306.42	1,261,691.09	349,069.82	19.92%
Furniture & Fixtures	3,882,521.94	4,195,448.98	2,701,113.55	(312,927.04)	-7.46%
IT Equipment & Software	12,983,558.20	7,778,061.73	6,287,157.69	5,205,496.47	66.93%
Library Books	15,611.96	20,466.35	48,413.60	(4,854.39)	-23.72%
Communication Equipment	191,502.94	144,455.49	14,897.11	47,047.45	32.57%
Military & Police Equipment	12,539.47	17,669.47	30,860.56	(5,130.00)	-29.03%
Other Machinery & Equipment	118,068.19	122,477.81	7,295.16	(4,409.62)	-3.60%
Motor Vehicles	4,225,242.56	3,736,976.36	4,887,456.48	488,266.20	13.07%
Other Property, Plant & Equipment	170,757.20	218,720.48	222,585.48	(47,963.28)	-21.93%
Other Assets	6,472.65	6,472.66		-	0.00%
<b>Total Property, Plant and Equipt.</b>	<b>98,641,535.39</b>	<b>93,125,190.61</b>	<b>93,980,273.45</b>	<b>5,516,344.78</b>	<b>5.92%</b>
<b>TOTAL ASSETS</b>	<b>9,269,484,211.86</b>	<b>6,417,506,295.55</b>	<b>5,881,132,106.76</b>	<b>2,851,977,916.31</b>	<b>44.44%</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Payable Accounts (Note 9)					
Accounts Payable (Sch.13-Tab V)	1,017,724,986.24	752,637,365.92	654,914,935.13	265,087,620.32	35.22%
Due to Officers and Employees	220,179.28	191,395.56	187,286.20	28,783.72	15.04%
Due to National Treasury	138,071,132.87	72,759,848.89	67,496,519.51	65,311,283.98	89.76%
Due to BIR (Sch. 14- Tab W)	30,882,154.55	7,750,458.61	10,785,540.00	23,131,695.94	298.46%
Due to GSIS	1,321,143.71	1,295,680.83	1,280,317.24	25,462.88	1.97%
Due to Pag-ibig	95,784.30	99,017.37	89,060.85	(3,233.07)	-3.27%
Due to Philhealth	45,458.89	45,118.15	45,430.65	340.74	0.76%
Due to Other NGAs (Sch. 15-Tab X)	7,206,560,772.33	4,902,483,953.01	4,582,967,584.48	2,304,076,819.32	47.00%
Due to Other GOCCs(Sch16-Tab Y)	97,020,820.76	75,335,016.20	53,706,671.65	21,685,804.56	28.79%
Due to LGUs (Sch 17-Tab Z)	55,713,036.98	44,703,684.90	39,533,119.38	11,009,352.08	24.63%
Due to Reg'l/Branch Offices	6,945.40	6,630.60	6,545.40	314.80	4.75%
Due to Other Funds	453,487.37	453,487.37	453,487.37	(0.00)	0.00%
Perf./Bidders/Ball Bonds Payable (Sch 18-Tab AA)	50,588,853.63	50,144,875.74	43,570,151.46	443,977.89	0.89%
Other Payables (Sch. 19 -Tab AB)	138,702,624.49	88,213,156.63	76,272,048.61	50,489,467.86	57.24%
<b>Total Liabilities</b>	<b>8,737,407,380.80</b>	<b>5,996,119,689.78</b>	<b>5,531,308,697.93</b>	<b>2,741,287,691.02</b>	<b>45.72%</b>
<b>Equity (Note 10)</b>					
Government Equity	532,076,831.06	421,386,605.77	349,823,408.83	110,690,225.29	26.27%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9,269,484,211.86</b>	<b>6,417,506,295.55</b>	<b>5,881,132,106.76</b>	<b>2,851,977,916.31</b>	<b>44.44%</b>

**CERTIFIED CORRECT:**

  
**ALLAN RAUL M. CATALAN**  
Chief Accountant

**PROCUREMENT SERVICE**  
 Department of Budget and Management  
**COMPARATIVE CONDENSED INCOME STATEMENTS**  
 For The Year Ended December 31, 2013, 2012 & 2011

REC  
 2/12/14

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Net Sales (Note 11)	4,531,132,000.58	4,422,167,496.11	2,761,249,619.12
Less: Cost of Sales	4,298,827,137.50	4,213,363,776.20	2,611,925,207.53
Net Mark-Up	<u>232,304,863.08</u>	<u>208,803,719.91</u>	<u>149,324,411.59</u>
Other Service Income			
Total Income	<u>232,304,863.08</u>	<u>208,803,719.91</u>	<u>149,324,411.59</u>
Less: Expenses (Note 12)			
Personal Services	65,371,080.41	66,836,944.73	59,530,255.24
Maint. & Other Oper. Expenses	86,975,401.14	63,769,680.22	59,793,741.83
Total Expenses	<u>152,346,481.55</u>	<u>130,606,624.95</u>	<u>119,323,997.07</u>
Net Income before Other Income	<u>79,958,381.53</u>	<u>78,197,094.96</u>	<u>30,000,414.52</u>
Add: Other Income			
Other Business Inc.-Bid Forms	55,555.00	1,332,128.52	1,757,669.08
Income from Fines and Penalties	14,900,401.12	6,214,531.24	2,452,972.83
Interest Income	-	-	-
Miscellaneous Income	44,107.25	13,756.18	128,209.27
Income from Grants & Donations	-	184,985.90	208,084.73
Gain/Loss on Sale of Disposed Assets	(73,447.87)	(48,054.17)	-
Clearance & Certification Fees	52,556,482.82	10,794,320.00	9,905,800.00
Seminar Fees	1,099,857.55	1,304,477.63	-
Gain/Loss on Foreign Exchange	-	-	-
Total Other Income	<u>68,582,955.87</u>	<u>19,796,145.30</u>	<u>14,452,735.91</u>
NET INCOME (Note 13)	<u>148,541,337.40</u>	<u>97,993,240.26</u>	<u>44,453,150.43</u>

CERTIFIED CORRECT:

  
**ALLAN RAUL M. CATALAN**  
 Chief Accountant