



Republic of the Philippines

NATIONAL COUNCIL ON DISABILITY AFFAIRS

Depreciation Method

The straight line method of depreciation shall be adopted unless another method is more appropriate for agency operation.

Estimated Useful Life

The NCDA uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA. The NCDA uses a residual value equivalent to at least five percent of the cost of the PPE for the new acquisitions starting 2015.

3.5 Changes in accounting policies and estimates

The NCDA 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 NCDA recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit.

3.6 Budget information

The annual budget is prepared on a cash basis and is published in the government website.

As a result of the adoption of the cash basis for budgeting purposes, a separate Statement of Comparison of Budget and Actual Amounts is presented showing the basis, timing or entity differences. Explanatory comments are provided in the notes to the annual financial statements; first, the reasons for overall growth or decline in the budget are stated, followed by details of overspending or under-spending on line items.

3.7 Employee benefits

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

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

The NCDA 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.



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4. Prior Period Adjustments

Fundamental errors of prior years and recording of liquidation of prior year's cash advances are charged to Accumulated Surplus/Deficit. Those errors affecting the current year's operations are adjusted and charged to current year's accounts.

A prior period error shall be corrected by retrospective restatement, except to the extent that it is impracticable to determine either the period-specific effects or cumulative effect of the error.

5. Cash and Cash Equivalents

Accounts	As of December 31, 2016
Petty Cash Fund	25,000.00
Cash- Local Currency, Current, LBP	10,000.00
Cash- Treasury/Agency Account, Trust	96,851.00
Cash- MDS, Regular	3,357,525.25
Total Cash and Cash Equivalents	3,489,376.25

Petty Cash Fund refers to the cash releases to petty cash custodian to defray for the small operating requirements of the Council such as supplies and cost of meetings.

Cash, Local Currency, Current Account, LBP consists of the unutilized cash balance as of 31 December 2016 of the DSWD Fund representing its maintaining balance of P10,000.00

Cash, Treasury/Agency Account, Trust consists of collections from CBR Congress deposited to the National Treasury amounting to P96,851.00.

Cash-MDS, Regular consists of the unutilized cash in bank balance as of 31 December 2016 under Fund Code 101 amounting to P1,712,475.83 and unreleased checks reverted to cash totalling P1,645,049.42.