

	2023	2022
Terminal leave benefits	153,835	0
Other bonuses and allowances	125,000	125,000
Personnel economic relief allowance	120,000	120,000
Overtime and night pay	119,371	58,582
PhilHealth contribution	52,616	51,993
Clothing/uniform allowance	30,000	30,000
Cash gift	25,000	25,000
Pag-IBIG contribution	9,871	51,934
EC contribution	4,600	1,800
	4,347,873	3,934,593

18. MAINTENANCE AND OTHER OPERATING EXPENSES (MOOE)

This account consists of the following:

	2023	2022
Repairs and maintenance	6,024,205	9,326,081
Janitorial services	4,977,794	4,647,968
Security services	4,005,568	3,683,515
Depreciation expense	3,313,969	2,840,766
Insurance expense	736,631	731,310
Taxes, duties and licenses	336,859	0
Telephone and internet expense	194,475	372,804
Other supplies and materials expense	190,414	164,062
Extraordinary and miscellaneous expense	182,511	154,740
Auditing services	158,823	134,939
Semi-expendable expense – machinery and equipment	112,546	32,525
Office supplies expense	108,577	109,618
Fuel, oil, and lubricants expense	91,506	63,194
Fidelity bond premium	82,125	3,375
Semi-expendable expense – furniture and fixtures	18,000	17,850
Transportation and delivery expense	6,958	4,429
Training expense	3,539	48,619
Other professional services	3,400	3,400
Accountable forms expense	2,400	2,500
Other MOOE	939,739	1,030,747
	21,490,039	23,372,442

Other MOOE mainly represents expenses for building maintenance such as pest control, water treatment, sanitation, and disinfection.

19. POWER AND WATER CONSUMPTION

The total amount of electricity and water consumption of the entire building of the condominium project are shown below:

	2023	2022
Electricity	45,396,013	45,790,020
Water	4,575,774	4,975,914
	49,971,787	50,765,934

Electricity and water consumption of the entire building are borne by the unit owners/occupants. The monthly statements of accounts of utility companies are directly billed to the PDGCC based on monthly reading per mother meter. The Corporation makes advance payment to the utility companies and bills the occupants accordingly, as reimbursement of the total amount paid by the Corporation based on their monthly consumption per sub-meter. Any difference between the mother meter and sub-meters are charged to the common areas and shared proportionately based on the determined share of the occupants.

20. GOVERNMENT EQUITY

Government equity represents ownership of the members, the Bureau of the Treasury, Office of the President and the Intramuros Administration, in the Net Assets of the PDGCC.

Membership in the PDGCC is an appurtenance to the ownership of condominium unit. It is controlled by the Government of the Republic of the Philippines, thru the following agencies, upon acquisitions of all the units in the eight-story building of the project since the years 1980 to 1981, partitioned as follows:

Agency	Ownership
Bureau of the Treasury (BTr)	¼ of the 1 st floor, 2 nd , 3 rd , 4 th , and 6 th floors (15,606.31 sq. m)
Intramuros Administration (IA)	5 th floor (3,710.60 sq. m)
Office of the President (OP)	¾ of the 1 st floor, 7 th and 8 th floors (9,589.85 sq. m)

21. RETAINED EARNINGS

The Retained earnings was appropriated for the projects of PDGCC, as follows:

Projects	2023	2022
Monetization of leave credits	676,905	676,905
Furniture for the improvement of PDGCC lobbies	616,000	616,000
Rehabilitation of monumental lightings	2,200,000	2,200,000
Replacement of 18 pcs 6" sprinkler isolation valves	925,819	1,200,000
Installation of 9 units TV with broadcasting system	0	850,000
Replacement parts for 4 units elevators	1,388,903	0
Conduct of structural assessment and sanitary	868,000	0
	6,675,627	5,542,905

Retained earnings also includes unappropriated portion amounting to P27.178 million and P23.123 million for CYs 2023 and 2022, respectively.

Other adjustments pertain to the following:

	2023	2022
Unaccrued prior year's lease income	0	120,000
Derecognition of retirement benefits	0	526,501
Underbilling of assessment dues	0	41,146
Over-remittance of Pag-IBIG employer's share	313,171	0
Unpaid documentary stamp tax billed by the GSIS on non-life insurance policies issued to PDGCC in prior years	(182,260)	0
Recognition of money value of leave credits	(1,494,802)	0
Recognition of withholding tax at source	75,020	0
	(1,288,871)	687,647

22. RELATED PARTY DISCLOSURES

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. The Board of Directors has the authority and responsibility for planning, directing, and controlling the activities of PDGCC. The eight members of the Board of Directors of the PDGCC as at December 31, 2023 are key officials of three government agencies owning unit/s in the condominium project. Details are as follows:

Name	Designation	Office	Date of assumption
Rosalia V. De Leon	President	BTr	February 2017 to September 2023
Sharon P. Almanza	President	BTr	October 2023
Amante A. Liberato	Vice President	OP	January 2023
Jone Rechie L. Gigayon	Alternate for Mr. Liberato	OP	January 2023 to October 2023
Atty. Gisela F. Lood	Corporate Secretary	BTr	November 2003 to July 2023
Atty. Erwin D. Sta. Ana	Corporate Secretary	BTr	July 2023
Atty. Joan M. Padilla	Assistant Corporate Secretary	IA	January 2023
Eduardo Anthony G. Mariño, III	Treasurer	BTr	April 2021
Ma. Nanette C. Diaz	Assistant Treasurer	BTr	June 2003
Maria Edsie Buado-Garcia	Internal Auditor	OP	January 2023
Crisanta Leonor Chianpian	Alternate for Ms. Buado-Garcia	OP	January 2019
Gail Stephanie C. Maderazo	Legal Counsel	OP	April 2022
Atty. Ian P. Punongbayan	Alternate for Ms. Maderazo	OP	June 2023

The positions of the Board of Directors of the Corporation are without compensation. Only per diems are given to the members of the Governing Board for attendance in meetings, reasonable communication expenses in their performance of official duties and performance-based incentives for exceeding performance targets. No other allowance is granted.

PDGCC Board of Directors received per diem of P285,000 for CY 2023 and communication allowance of P182,000 and per diem of P360,000 for CY 2022.

There is no existing agreement between the Corporation and the Board of Directors relative to purchases of goods and services, rendering of services, provisions for neither guaranties nor settlement of liabilities on behalf of the Corporation.

Significant transactions with unit owners consist of receivables and payables. The year end balances in respect of related parties included in the financial statements are as follows:

	2023	2022
Due from IA	1,247,885	555,498
Due from OP	0	402,975
Due from BTr	0	616,702
	1,247,885	1,575,175

23. COMPLIANCE WITH TAX LAWS

The supplementary information required by the BIR under its existing revenue regulations (RR) are as follows:

23.1 Requirements under RR No. 15-2010

In compliance with the requirements set forth by BIR RR No. 15-2010, the information on withholding taxes paid/remitted during the taxable year are:

	2023	2022
Withholding tax on government money payments	2,817,085	2,874,531
Expanded withholding tax	1,206,814	1,183,810
Tax on compensation	258,997	324,724
Final withholding tax	336,859	0
	4,619,755	4,383,066

23.2 Tax assessment

The Corporation has no tax cases, under preliminary investigation, litigation and/or prosecution in the courts or bodies outside BIR.

23.3 Requirements under RR No. 19-2011, as amended

RR No. 19-2011 requires schedules of taxable revenues and other non-operating income, cost of sales and services, itemized deductions and other significant tax information, to be disclosed in the Notes to Financial Statements.

PDGCC secured from BIR the updated Certificate of Registration (COR) with OCN No. 1RC0001102413 as replacement to old COR (1556).

The PDGCC is compliant on the filing of BIR Form Nos. 1604CF (Annual Information Return of Income Tax Withheld on Compensation and Final Withholding Taxes, 1604E (Annual Information Return of Creditable Income Taxes Withheld/Income Payments Exempt from Withholding Taxes), and other BIR returns required for a withholding agent to file and remit the amount due thereon.

The PDGCC has also complied in filing the returns through the E-Filing System as prescribed by the BIR per RR Nos. 6-2014 and 5-2015 dated September 5, 2014 and March 17, 2015, respectively.

PART II

OBSERVATIONS AND RECOMMENDATIONS