



**DEPARTMENT OF BUDGET AND MANAGEMENT  
DEPARTMENT OF FINANCE**

**Joint Circular No.** 2015 - 1  
**Date** Feb. 5, 2015

**FOR :** The Provincial Governors, City and Municipal Mayors, Members of the Sanggunian, Provincial, City and Municipal Treasurers, Accountants and Budget Officers, Regional Office (RO) and Central Office (CO) Directors of the Department of Budget and Management (DBM) and Department of Finance – Bureau of Local Government Finance (DOF-BLGF) and All Others Concerned

**SUBJECT :** **GUIDELINES IN THE ADOPTION OF THE MODIFIED STATEMENT OF RECEIPTS AND EXPENDITURES FORMAT OF LOCAL GOVERNMENT UNITS**

---

**1.0 PURPOSE**

- 1.1 To update the classification and treatment of accounts;
- 1.2 To adopt a more systematic format in the preparation of reports for submission by local government units (LGUs) to oversight member departments/agencies for the three-year period of the Statement of Receipts and Expenditures (SRE) to be accomplished by the local treasurers for the actual year, and the accountants and budget officers for the current and proposed budget years; and
- 1.3 To delineate the roles and responsibilities of the DBM, DOF and the local officials concerned in the preparation of the SRE.

**2.0 GENERAL GUIDELINES**

- 2.1 The reporting format of the DOF - BLGF in the preparation of the SRE shall be adopted in compliance with the reporting requirements per Sections 315, 352 and 513 of Republic Act (RA) No. 7160 (The Local Government Code of 1991).
- 2.2 For consistency, local treasurers, accountants and budget officers shall be guided by the classification and grouping of accounts in Annex "A". Reference is made to DOF Department Order on the adoption of the SRE; and joint endeavor with DBM in coming-up with a standard nomenclature and treatment of receipts and expenditures.
- 2.3 The SRE accomplished by the LGU shall be submitted to the BLGF CO or RO and DBM RO within the prescribed period in the advisory issued by the respective agencies.

### 3.0 ROLES AND RESPONSIBILITIES

#### 3.1 DOF

##### 3.1.1 The DOF-BLGF ROs shall:

- 3.1.1.1 Review the SRE reports submitted by the treasurers and ensure the accuracy of the reported information;
- 3.1.1.2 Provide technical assistance in the preparation of the SRE when necessary;
- 3.1.1.3 Ascertain the timely submission of reports by the Treasurers; and
- 3.1.1.4 Validate the propriety and accuracy of the SRE reports and ensure that the ending balance of the previous year should be the beginning balance of the succeeding year. If there are adjustments, proper disclosure shall be made on the nature/details of the adjustment.

##### 3.1.2 DOF- BLGF CO shall:

- 3.1.2.1 Monitor the LGU financial performance and provide the necessary financial advices;
- 3.1.2.2 Prepare the consolidated SRE reports and other reports required by various oversight agencies and stakeholders;
- 3.1.2.3 Conduct financial analysis on macro level;
- 3.1.2.4 Maintain the SRE system and database and other systems linked to the SRE database;
- 3.1.2.5 Initiate improvement in the SRE system; and
- 3.1.2.6 Impose sanctions on Treasurers who failed to submit reports on time, or which made misrepresentations thereof.

#### 3.2 DBM

##### 3.2.1 DBM - ROs shall:

- 3.2.1.1 Request LGUs under their coverage to submit the duly accomplished SRE for the current and actual year;
- 3.2.1.2 Provide technical assistance in the preparation of the SRE; and
- 3.2.1.3 Review the SRE submitted by LGUs with reference to the actual income collections and expenditures incurred,

and consolidate the same for submission to the DBM CO.

3.2.2 DBM - CO shall:

3.2.2.1 Prepare the consolidated SRE to be reflected in Tables F3 - F16 of the Budget of Expenditures and Sources of Financing.

3.3 LGU Officials Concerned

Pursuant to Section 315 of RA No. 7160, the following local officials shall:

3.3.1 Local Treasurers - submit to the local chief executive a certified statement of the actual receipts and expenditures of the preceding fiscal year. In addition, the provincial treasurers shall review and render technical assistance to the municipal treasurers under their jurisdiction in the preparation of the reports embodied under Section 315 of RA No. 7160.

3.3.2 Local Accountants - jointly with the local treasurer, certify the actual receipts and expenditure for the past year; and


3.3.3 Budget Officers - prepare, in coordination with the local treasurer and accountant, the estimated receipts and expenditures of the last two quarters of the current year and that of the budget year.

**4.0 REPEALING CLAUSE**

All circulars that are not consistent with this Joint Circular are hereby repealed/amended accordingly.

**5.0 EFFECTIVITY**

This Joint Circular shall take effect immediately.

  
**FLORENCIO B. ABAD**  
Secretary  
Department of Budget and Management

  
**CESAR V. PURISIMA**  
Secretary  
Department of Finance

**024853**

Name of LGU : \_\_\_\_\_  
**STATEMENT OF RECEIPTS AND EXPENDITURES**  
 For the period : \_\_\_\_\_  
 \_\_\_\_\_ Funds

Particulars (1)	Account Code (PGCA) (2)
<b>RECEIPTS</b>	
I. Beginning Cash Balance	
II. Receipts	
A. Local Sources	
1. Tax Revenue	
a. Real Property Tax (RPT)	
i. Basic RPT	
ii. Special Education Fund	
b. Business Tax	
c. Other Local Taxes	
Total Tax Revenue	
2. Non Tax Revenue	
a. Regulatory Fees	
b. Service/User Charges	
c. Receipts from Economic Enterprise	
d. Other Receipts	
Total Non Tax Revenue	
Total Local Sources	
B. External Sources	
1. Internal Revenue Allotment	
2. Share from GOCCs (PAGCOR and PCSO)	
3. Other Shares from National Tax Collection	
a. Share from Ecozone	
b. Share from EVAT	
c. Share from National Wealth	
d. Share from Tobacco Excise Tax	
4. Inter-Local Transfer	
5. Extraordinary Receipts / Grants / Donation / Aids	
Total External Sources	
C. Non-Income Receipts	
1. Capital Investment Receipts	
a. Proceeds from Sale of Assets	
b. Proceeds from Sale of Debt Securities of Other Entities	
c. Collection of Loans Receivables	
Total Capital Investment Receipts	
2. Receipts from Loans and Borrowings	
a. Acquisition of Loans	
b. Issuance of Bonds	
Total Receipts from Loans and Borrowings	
Total Non-Income Receipts	
<b>Total Receipts</b>	

EXPENDITURES	
I. General Services	
II. Economic Services	
III. Social Services	
IV. Debt Services	
Total Expenditures	
Ending Cash Balance	