



Bangko Sentral ng Pilipinas

OFFICE OF THE DEPUTY GOVERNOR SUPERVISION AND EXAMINATION SECTOR

CIRCULAR LETTER NO. CL-2008 - 015

To : **All Universal, Commercial and Thrift Banks**
Subject : **Valuation of Real and Other Properties Acquired (ROPA)**

All universal banks, commercial banks and thrift banks are hereby required to accomplish the attached survey form relative to its level of ROPA holdings as of 31 December 2007.

Data obtained from the survey shall be used in conjunction with an ongoing policy study on the alignment of accounting for ROPA with the provisions of Philippine Financial Reporting Standards/Philippine Accounting Standards.

Submission of the survey form should be made to the Office of Supervisory Policy Development not later than 30 April 2008 via e-mail at msison@bsp.gov.ph or facsimile at +632 5229759.

For compliance.


NESTOR A. ESPENILLA, JR.
Deputy Governor

Att: a/s

24 March 2008

Attention: Office of Supervisory Policy Development

Submission deadline: not later than 30 April 2008
Telephone Number: +632 5229759
E-mail: msison@bsp.gov.ph

(Name of Bank)
(Type of Bank)

Real and Other Properties Acquired (ROPA) as of 31 December 2007

I. ROPA Holdings

Particulars	ROPA valued in accordance with Circular No. 494, as amended ¹⁾		ROPA valued in accordance with PAS 40 ²⁾	
	Cost	Accumulated Depreciation	Allowance for Losses	Net Carrying Amount
Bank				
Land				
Buildings				
Other Properties Acquired				
Total				
Financial Allied Subsidiaries				
Land				
Buildings				
Other Properties Acquired				
Total				

II. P&L Impact of Change in Accounting Policy³⁾

Increase/(Decrease) in P&L Accounts	Period Prior to 31 December 2005		For the Years Ended	
			2006	2007
Bank				
Gain/(Loss) from Initial Recognition of ROPA				
Provision for Probable Losses - ROPA				
Depreciation Expense - ROPA				
Others (p/s. specify)				
Total				
Financial Allied Subsidiaries				
Gain/(Loss) from Initial Recognition of ROPA				
Provision for Probable Losses - ROPA				
Depreciation Expense - ROPA				
Others (p/s. specify)				
Total				

Notes:

- ¹⁾ ROPA initially valued at carrying amount of loan, (adjusted for unamortized premium/discount) less allowance for probable losses computed based on PAS 39 provisioning, plus accrued interest less allowance for probable losses computed based on PAS 39 provisioning plus transaction costs incurred upon acquisition.
²⁾ ROPA initially valued at its fair value upon date of acquisition (fair value of property plus directly attributable costs of acquisition)
³⁾ ROPA shall be subsequently measured using the cost model.
4) P/L impact or differences in the recorded amounts of gains/losses or income/expense using guidelines under Circular No. 494 and the provisions of PAS 40.

Certified Correct:

Name of Bank Authorized Signatory

Position