



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

OFFICE OF THE DEPUTY GOVERNOR SUPERVISION AND EXAMINATION SECTOR

CIRCULAR LETTER

TO : ALL RURAL/COOPERATIVE/MICROFINANCE (RURAL) BANKS

Circular No. 249 dated June 26, 2000 which implemented the Updated Manual of Accounts, revised reportorial requirements and other related reports (Manual of Unified Reports – General Ledger/Subsidiary Ledger) of rural /cooperative/rural microfinance (rural) banks is hereby amended to further include the following:

A. Taxable and Non-Taxable Deposit Liabilities

Banks shall record separately deposit accounts of individuals which are tax-exempt under R.A. No. 8424 (Tax Reform Act of 1997) and deposit accounts of foundations, charitable institutions, provident funds, pension funds and government agencies which are qualified to be tax-exempt under existing laws.

Banks shall also record separately the interest expense on these deposits.

B. Deferred Income Tax

To enhance the monitoring of the account Deferred Income Tax and to properly define its source, the following sub-accounts are created:

- Deferred Income Tax - Timing Differences
- Deferred Income Tax - Net Operating Loss Carry-Over (NOLCO)
- Deferred Income Tax - Minimum Corporate Income Tax (MCIT)
- Allowance for Probable Losses - Deferred Income Tax

C. Restructured Loans and Development Incentive Loans

Additional sub-accounts for Restructured Loans and Development Incentive Loans are also created to eliminate variances resulting from cross – verification of balances reflected in the quarterly Report on the Utilization of Loanable Funds Generated Which Were Set Aside for Agrarian Reform Credit and Other Agricultural Credit against the Monthly Consolidated Statement of Condition as follows:



MAG-IMPOK SA BANGKO

Restructured Agrarian Reform /Other Agricultural Credit Loans
Restructured Development Incentive Loans
Past Due Restructured Agrarian Reform/Other Agricultural Credit Loans
Past Due Restructured Development Incentive Loans
Items in Litigation – Restructured Agrarian Reform/Other Agricultural
Credit Loans
Items in Litigation – Restructured Development Incentive Loans

Accordingly, the foregoing amendments to Circular No. 249 dated June 26, 2000, shall be disclosed in the following reports:

- A. Consolidated Statement of Condition (CSOC)
 - 1. Main Report - Annex A
 - 2. Schedule 2 page 3 – Annex B
- B. Consolidated Statement of Income and Expenses (CSIE) – Annex C
- C. Analysis of Undivided Profits and Surplus (Free) Accounts – Annex D
- D. Manual of the Unified Reports (GL/SL)
 - Manual of Accounts – Annex E
 - General Ledger Template – Annex F
 - Deposit Liabilities Subsidiary Ledger (SL) – Data Structure – Annex G
 - SCHAD Template (Additional Information Schedule) – Annex H
 - SCHAD Data Structure – Annex I

All rural/cooperative/microfinance (rural) banks shall submit the CSOC, Schedule 2, CSIE and Analysis of Undivided Profits and Surplus (Free) Accounts, as revised, starting with reports as of end March 2003.

Templates of the revised reports as well as the additional Schedules required under Circular Letters dated May 15, 2002, September 25, 2002 and October 2, 2002, shall be available upon request from SRSO, 16th floor Multi-Storey Building, A. Mabini St., Manila., or at telephone nos. 525-5234.


NESTOR A. ESPENILLA, JR.
Sector-In-Charge

November 13, 2002