

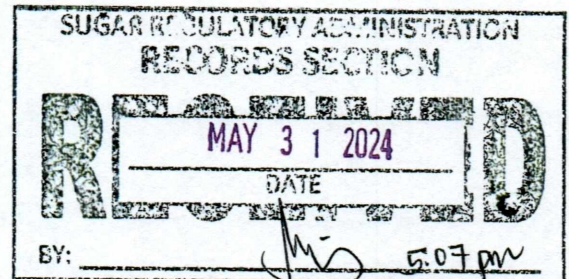


REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
COMMONWEALTH AVENUE, QUEZON CITY

**CORPORATE GOVERNMENT AUDIT SECTOR**  
**Cluster 5 – Agriculture and Natural Resources**

May 31, 2024

**Mr. PABLO LUIS S. AZCONA**  
Administrator and Chief Executive Officer (CEO)  
Sugar Regulatory Administration  
Sugar Center Building  
North Avenue, Diliman, Quezon City



**Dear Administrator and CEO AZCONA:**

Pursuant to Section 2, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree (PD) No. 1445, otherwise known as the Government Auditing Code of the Philippines, we transmit herewith our Report on the results of the audit of the accounts and transactions of the **Sugar Regulatory Administration (SRA)** for the years ended December 31, 2023 and 2022.

The Report consists of the Independent Auditor's Report, the Audited Financial Statements, the Observations and Recommendations, the Status of Implementation of Prior Years' Audit Recommendations, and the Annex.

The Auditor rendered a qualified opinion on the fairness of the presentation of the financial statements of the SRA as at and for the years ended December 31, 2023 and 2022, in view of the following:

1. The Property, plant and equipment (PPE), Accumulated depreciation, Impairment losses, Accumulated surplus/(deficit) and other accounts affected were misstated as the unserviceable PPE items with a total cost of P32.052 million in the SRA Head Office (HO) were not yet derecognized in the books since these were not yet disposed of as at year end, contrary to Paragraph 82 of the International Public Sector Accounting Standard (IPSAS) 17, which provides that the carrying amount of the PPE shall be derecognized on disposal or when no future economic benefits or service potential is expected from its use or disposal; and
2. There was no disclosure in the Notes to financial statements on the Investment property-land account as to the fair values of the two (2) lots located in Quezon City with total land area of 68,928 square meters (sq.m.), contrary to Paragraphs 86 and 90 of IPSAS 16, thereby depriving the users of the financial statements of relevant information for decision making.



For the above observations which caused the issuance of a qualified opinion, we recommended that Management:

- 1.1. Direct the General Administrative Division/Disposal Committee to:
  - a. Prepare the Inventory and Inspection Report of Unserviceable Property (IIRUP) and facilitate the immediate disposal of the unserviceable properties costing P32.052 million, pursuant to COA-Department of Budget and Management (DBM) Joint Circular No. 2024-1 dated January 30, 2024, on the Revised Manual on the Disposal of Government Properties; and
  - b. Upon disposal, submit the duly accomplished IIRUP to the Accounting Division, as basis of the latter to derecognize the unserviceable PPE items in the books of accounts.
- 2.1. Require the Property/Procurement/Building and Transport Maintenance Section (PPBTMS) to closely coordinate with the hired appraiser to expedite the appraisal of the two (2) lots located in Batasan Hills, Quezon City, and furnish the Accounting Division of the Appraisal Report.
- 2.2. Require the Accounting Division to provide the necessary and adequate disclosures on the Investment property-land account in the Notes to financial statements based on the Appraisal Report.

The other significant audit observations and the corresponding recommendations that need immediate action are as follows:

3. Some farm machineries and implements given to the sugarcane farmer-beneficiaries under the Block Farm (BF) Program costing P34.362 million were either underutilized or not utilized at all due to, among others, the lack of trainings on the proper use and maintenance of these farm machineries and implements and non-suitability of the procured items to the farm topography and landscape, or soil type, thereby hampering the attainment of the Program's objectives which are to boost the production of sugarcane and sugar, and increase the incomes of the sugarcane farmers/planters and farm workers. Moreover, 24 donated machineries and implements costing P34.748 million were not covered by Deeds of Donation, hence the responsibilities and accountabilities of the SRA and the beneficiaries were not clearly defined.
- 3.1. We reiterated our prior year's recommendations that Management direct the Research Development and Extension (RD&E) Department/concerned offices to:
  - a. Consider the transfer of the incompatible, unused/idle farm machineries and implements to other BF's where these could be utilized by conducting proper assessment prior to the transfer to the new beneficiaries; and
  - b. Conduct trainings or require the suppliers concerned to train the BF Program beneficiaries on the proper use and maintenance of the donated farm machineries and implements pursuant to Rule 3.1.(C).i of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 10659.



3.2. We further recommended that Management:

- a. Require the RD&E Department to conduct proper assessment on the needs of the BF Program beneficiaries prior to procuring the farm machineries and implements to avoid underutilization or non-utilization thereof, which could result in wastage of government resources; and
- b. Execute a Deed of Donation with the beneficiaries of the BF Program for every donated farm machinery or farm implement to establish the responsibilities and accountabilities of both parties.

4. Several deficiencies were noted in the implementation of the Sugarcane Industry Development Act (SIDA) Scholarship Program, thus affecting its objectives of enabling the underprivileged access to education and opportunities and encouraging interest in the fields of discipline which are necessary for the development, sustainability and competitiveness of the Philippine sugarcane industry, viz.:

- a. The SRA has no data/information on the employment status of the 154 scholars who have graduated in calendar year (CY) 2020 onwards, hence it could not be determined whether they have rendered the required service obligations pursuant to Section 7.2 of SRA Memorandum Circular (MC) No. 4-A, Series of 2022;
- b. Absence of data as to whether the 55 scholars with terminated scholarship grant or did not finish their course, have refunded/repaid the amount of P3.263 million or have fulfilled their obligations to engage in work within the sugarcane industry pursuant to Section 7.10 of SRA MC No. 10, Series of 2023; and
- c. The employment of the 15 scholars who had graduated was not related to sugarcane industry, contrary to Section 7.10A of SRA MC No. 10, Series of 2023.

4.1. We recommended that Management require the SIDA-Human Resource Development Program (HRDP) Technical Working Group (TWG) to evaluate/monitor and strictly enforce compliance by the SIDA scholars with the provisions of the SRA MCs and the Scholarship Contracts by:

- a. Requesting the 154 scholars to submit information with regard to their employment status to substantiate that they have engaged in work in the offices enumerated in the guidelines, otherwise impose the sanction as provided in the SRA MCs, if warranted;
- b. Determining whether the 55 scholars with terminated scholarship grant or did not finish their course have refunded/repaid the amount of P3.263 million or have fulfilled their obligations to engage in work in the offices enumerated in the guidelines, otherwise, require the scholars to repay the full cost of the duration of the scholarship enjoyed pursuant to Section 7.10.b of SRA MC No. 10, Series of 2023; and



- c. Requiring the 15 scholars who had graduated to render service obligation or engage in work in the offices enumerated in the guidelines, otherwise, request them to refund the amount received from the SIDA Scholarship Program.

The observations together with the recommended courses of action which were discussed by the Audit Team with concerned Management officials and staff during the exit conference conducted on April 17, 2024 are discussed in detail in Part II of the Report. We also invite your attention to the prior years' unimplemented audit recommendations embodied in Part III of the Report.

We respectfully request that the recommendations contained in Part II and Part III of the Report be implemented and that this Commission be informed of the actions taken thereon by accomplishing the Agency Action Plan and Status of Implementation Form (copy attached) and returning the same to us within 60 days from the date of receipt hereof.

We acknowledge the support and cooperation that Management extended to the Audit Team, thus, facilitating the completion of the Report.

Very truly yours,

**COMMISSION ON AUDIT**

By:

  
**MAY LINDA M. VEGAFRIA**  
Director IV  
Cluster Director

*Copy furnished:*

*The President of the Republic of the Philippines  
The Vice President  
The President of the Senate  
The Speaker of the House of Representatives  
The Chairperson-Senate Finance Committee  
The Chairperson-Appropriations Committee  
The Secretary of the Department of Budget and Management  
The Bureau of the Treasury  
The Governance Commission for Government Owned or Controlled Corporations  
The Presidential Commission on Good Government  
The National Library  
The UP Law Center*





REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
COMMONWEALTH AVENUE, QUEZON CITY

## **INDEPENDENT AUDITOR'S REPORT**

### **THE SUGAR BOARD**

Sugar Regulatory Administration  
Sugar Center Building  
North Avenue, Diliman, Quezon City

### **Report on the Audit of the Financial Statements**

#### ***Qualified Opinion***

We have audited the financial statements of the **Sugar Regulatory Administration (SRA)**, which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of financial performance, statements of changes in net assets/equity, and statements of cash flows for the years then ended, statement of comparison of budget and actual amounts for the year ended December 31, 2023, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the *Bases for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the SRA as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Public Sector Accounting Standards (IPSASs).

#### ***Bases for Qualified Opinion***

The Property, plant and equipment (PPE), Accumulated depreciation, Impairment losses, Accumulated surplus/(deficit) and other accounts affected were misstated as the unserviceable PPE items with a total cost of P32.052 million in the SRA Head Office (HO) were not yet derecognized in the books since these were not yet disposed of as at year end, contrary to Paragraph 82 of IPSAS 17, which provides that the carrying amount of the PPE shall be derecognized on disposal or when no future economic benefits or service potential is expected from its use or disposal.

Likewise, there was no disclosure in the Notes to financial statements on the Investment property-land account as to the fair values of the two (2) lots located in Quezon City with total land area of 68,928 square meters, contrary to Paragraphs 86 and 90 of IPSAS 16.

We conducted our audits in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements*



section of our report. We are independent of the SRA in accordance with the Revised Code of Conduct and Ethical Standards for the Commission on Audit Officials and Employees (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IPSASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the SRA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the SRA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the SRA's financial reporting process.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SRA's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SRA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the SRA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

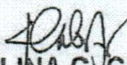
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2023 required by the Bureau of Internal Revenue as disclosed in Note 34 to financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with IPSASs. Such supplementary information is the responsibility of Management of the SRA.

#### **COMMISSION ON AUDIT**

  
**FIDELINA C. CABERTO**  
 Supervising Auditor  
 Audit Group C - PCA/SRA/PHILSUCOR  
 Cluster 5 - Agriculture and Natural Resources  
 Corporate Government Audit Sector

May 30, 2024





Republic of the Philippines  
Department of Agriculture

## SUGAR REGULATORY ADMINISTRATION

Sugar Center Bldg., North Avenue, Diliman, Quezon City, Philippines 1101  
TIN 000-784-336

Website: <http://www.sra.gov.ph>

Email Address: [srahead@sra.gov.ph](mailto:srahead@sra.gov.ph)

Tel No. (632) 8929-3633, (632) 3455-2135, (632) 3455-3376

### STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS


The Management of the Sugar Regulatory Administration (SRA) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2023 and 2022 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

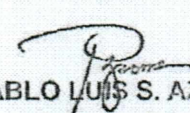
In preparing the financial statements, Management is responsible for assessing the SRA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the SRA or to cease operations, or has no realistic alternative to do so.


The Sugar Board is responsible for overseeing the SRA's financial reporting process.

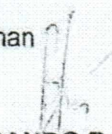
The Sugar Board reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stakeholders.

The Commission on Audit, through its authorized representative, has examined the financial statements of the SRA pursuant to Section 2, Article IX-D of the Philippine Constitution and Section 28 of the Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines. The audit was conducted in accordance with the International Standards of Supreme Audit Institutions and the auditor, in its report to the Sugar Board, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
**FRANCISCO TIW LAUREL JR.**  
Secretary, Department of Agriculture/  
Ex-Officio Chairman of the Board

  
**PABLO LUIS S. AZCONA**  
SRA Administrator/Vice Chairman

  
**PORTIA I. ASENTISTA**  
OIC – Accounting Division

  
**ATTY. BRANDO D. NOROÑA**  
Deputy Administrator II, Administration & Finance

Signed this 27th day of May 2024.



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**SUGAR REGULATORY ADMINISTRATION  
STATEMENTS OF FINANCIAL POSITION**

As at December 31, 2023 and 2022

(In Philippine Peso)

	Note	2023	2022 As restated	January 1, 2022 As restated
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	6	2,109,216,300	2,560,143,660	717,497,136
Investments	7	38,011,588	36,507,905	36,063,008
Receivables - net	8	68,025,997	109,407,041	823,775,470
Inventories	9	514,963,291	539,149,409	102,536,195
Other current assets	13	36,741,903	6,051,795	16,913,398
<b>Total current assets</b>		<b>2,766,959,079</b>	<b>3,251,259,810</b>	<b>1,696,785,207</b>
<b>Non-current assets</b>				
Receivables - net	8	713,083	833,833	1,050,265
Investment property - net	10	47,962,771	48,091,696	48,220,621
Property, plant and equipment - net	11	1,075,518,655	785,086,500	1,319,664,930
Intangible assets - net	12	-	-	236,000
Other non-current assets	13	143,258	284,483	307,906
<b>Total non-current assets</b>		<b>1,124,337,767</b>	<b>834,296,512</b>	<b>1,369,479,722</b>
<b>TOTAL ASSETS</b>		<b>3,891,296,846</b>	<b>4,085,556,322</b>	<b>3,066,264,929</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Financial liabilities	14	156,528,550	34,813,372	105,038,994
Inter-agency payables	15	16,246,360	37,036,030	45,378,868
Trust liabilities	16	829,547,375	1,552,034,163	14,718,010
Other payables	18	196,489,741	154,609,317	53,922,580
<b>Total current liabilities</b>		<b>1,198,812,026</b>	<b>1,778,492,882</b>	<b>219,058,452</b>
<b>Non-current liabilities</b>				
Financial liabilities	14	-	726,900	1,198,601
Inter-agency payables	15	-	68,327	8,560,231
Trust liabilities	16	2,425,818	9,712,873	12,349,979
Provisions	17	133,464,511	121,721,357	89,039,639
Deferred credits		128,316	122,358	122,358
Other payables	18	21,076,810	21,076,810	21,395,856
<b>Total non-current liabilities</b>		<b>157,095,455</b>	<b>153,428,625</b>	<b>132,666,664</b>
<b>TOTAL LIABILITIES</b>		<b>1,355,907,481</b>	<b>1,931,921,507</b>	<b>351,725,116</b>
<b>NET ASSETS (TOTAL ASSETS LESS TOTAL LIABILITIES)</b>		<b>2,535,389,365</b>	<b>2,153,634,815</b>	<b>2,714,539,813</b>
<b>NET ASSETS/EQUITY</b>				
Government equity	31	606,957,801	606,957,801	606,957,801
Accumulated surplus/(deficit)	32	1,928,431,564	1,546,677,014	2,107,582,012
<b>TOTAL NET ASSETS/EQUITY</b>		<b>2,535,389,365</b>	<b>2,153,634,815</b>	<b>2,714,539,813</b>

The Notes on pages 10 to 88 form part of these financial statements.



**SUGAR REGULATORY ADMINISTRATION**  
**STATEMENTS OF FINANCIAL PERFORMANCE**  
For the Years Ended December 31, 2023 and 2022  
*(In Philippine Peso)*

			2022
	Note	2023	As restated
<b>REVENUE</b>			
Service and business income	19	1,107,532,651	875,757,454
Shares, grants and donations	20	242,877,600	-
<b>TOTAL REVENUE</b>		<b>1,350,410,251</b>	<b>875,757,454</b>
<b>CURRENT OPERATING EXPENSES</b>			
Personnel services	23	262,928,392	219,888,686
Maintenance and other operating expenses	24	463,334,091	304,587,868
Financial expenses	25	92,697	97,666
Non-cash expenses	26	41,437,403	42,682,814
<b>TOTAL CURRENT OPERATING EXPENSES</b>		<b>767,792,583</b>	<b>567,257,034</b>
<b>SURPLUS FROM CURRENT OPERATIONS</b>		<b>582,617,668</b>	<b>308,500,420</b>
Gains	21	73,204	211,472
Non-operating income	22	1,155,686	1,369,612
<b>SURPLUS BEFORE TAX</b>		<b>583,846,558</b>	<b>310,081,504</b>
Less: Income tax expense	27	126,254,120	98,673,135
<b>SURPLUS AFTER TAX</b>		<b>457,592,438</b>	<b>211,408,369</b>
Net financial assistance/subsidy/contribution	28	115,133,793	(623,454,949)
<b>NET SURPLUS (DEFICIT) FOR THE PERIOD</b>		<b>572,726,231</b>	<b>(412,046,580)</b>

*The Notes on pages 10 to 88 form part of these financial statements.*



**SUGAR REGULATORY ADMINISTRATION**  
**STATEMENTS OF CHANGES IN NET ASSETS/EQUITY**  
For the Years Ended December 31, 2023 and 2022  
*(In Philippine Peso)*

	Government equity Note 31	Accumulated surplus/(deficit) Note 32	Total
<b>BALANCE AT JANUARY 1, 2022</b>	<b>606,957,801</b>	<b>2,105,154,131</b>	<b>2,712,111,932</b>
<b>ADJUSTMENTS:</b>			
Add/(Deduct):			
Prior period adjustments (Note 4.2)	-	2,427,881	2,427,881
<b>BALANCE AT JANUARY 1, 2022, AS RESTATED</b>	<b>606,957,801</b>	<b>2,107,582,012</b>	<b>2,714,539,813</b>
<b>Changes in Net Assets/Equity for CY 2022</b>			
Add/(Deduct):			
Net deficit for the period, as restated	-	(412,046,580)	(412,046,580)
Dividends for CY 2022	-	(148,858,418)	(148,858,418)
<b>BALANCE AT DECEMBER 31, 2022, AS RESTATED</b>	<b>606,957,801</b>	<b>1,546,677,014</b>	<b>2,153,634,815</b>
<b>Changes in Net Assets/Equity for CY 2023</b>			
Add/(Deduct):			
Net surplus for the period	-	572,726,231	572,726,231
Dividends for CY 2023	-	(190,971,681)	(190,971,681)
<b>BALANCE AT DECEMBER 31, 2023</b>	<b>606,957,801</b>	<b>1,928,431,564</b>	<b>2,535,389,365</b>

*The Notes on pages 10 to 88 form part of these financial statements.*



**SUGAR REGULATORY ADMINISTRATION**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2023 and 2022  
*(In Philippine Peso)*

	Note	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash inflows</b>			
Receipt of guaranty and customer deposits		2,253,791,745	6,042,383,331
Collection of revenue		1,118,761,724	871,763,081
Receipt of assistance/subsidy	28	517,916,243	246,365,500
Collection of receivables		2,808,799	2,678,384
Other receipts		22,594,649	56,843,188
<b>Total cash inflows</b>		<b>3,915,873,160</b>	<b>7,220,033,484</b>
Restoration of cash for cancelled/lost/stale checks/ADA		556,222	993,212
Restoration of cash for unreleased checks		314,284,226	13,800
Other adjustments-inflow		225,928	779,784
<b>Adjusted cash inflows</b>		<b>4,230,939,536</b>	<b>7,221,820,280</b>
<b>Cash outflows</b>			
Refund of deposits		3,274,252,003	4,503,246,271
Payment of expenses		693,178,661	429,037,187
Release of inter-agency fund transfers		204,350,257	109,836,254
Purchase of inventories		111,770,299	290,170
Remittance of personnel benefit contributions		99,507,169	84,308,600
Grant of cash advances		25,109,820	19,908,628
Payment of accounts payable		17,920,710	28,193,697
Prepayments		16,776,209	4,005,415
Reversion/return of unutilized/unused Notice of Cash Allocation		-	37,850,811
Other disbursements		29,845,742	13,754,132
<b>Total cash outflows</b>		<b>4,472,710,870</b>	<b>5,230,431,165</b>
Adjustments		287,069	70,300
<b>Adjusted cash outflows</b>		<b>4,472,997,939</b>	<b>5,230,501,465</b>
<b>Net cash provided by (used in) operating activities</b>		<b>(242,058,403)</b>	<b>1,991,318,815</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash inflows</b>			
Receipts of interest earned		1,131,820	895,039
Proceeds from sale/disposal of Investment property		385,679	35,417
Proceeds from sale/disposal of Property, plant and equipment (PPE)		-	407,265
<b>Total cash inflows</b>		<b>1,517,499</b>	<b>1,337,721</b>
<b>Cash outflows</b>			
Purchase/construction of PPE		60,996,445	93,414,206
<b>Total cash outflows</b>		<b>60,996,445</b>	<b>93,414,206</b>
<b>Net cash used in investing activities</b>		<b>(59,478,946)</b>	<b>(92,076,485)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash outflows</b>			
Payment of cash dividends		149,390,011	48,049,902
Payment of long-term liabilities		-	8,545,904
<b>Total cash outflows</b>		<b>149,390,011</b>	<b>56,595,806</b>
<b>Net cash used in financing activities</b>		<b>(149,390,011)</b>	<b>(56,595,806)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(450,927,360)</b>	<b>1,842,646,524</b>
<b>Cash and cash equivalents, January 1</b>		<b>2,560,143,660</b>	<b>717,497,136</b>
<b>Cash and cash equivalents, December 31</b>	6	<b>2,109,216,300</b>	<b>2,560,143,660</b>

*The Notes on pages 10 to 88 form part of these financial statements.*



**SUGAR REGULATORY ADMINISTRATION**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**  
**CORPORATE AND SUGARCANE INDUSTRY DEVELOPMENT ACT (SIDA) FUNDS**  
For the Year Ended December 31, 2023  
*(In Philippine Peso)*

	Budgeted Amount Note 33		Actual Amounts on Comparable Basis	Difference Final Budget and Actual
	Original	Final		
RECEIPTS				
Service and business income	935,338,000	935,338,000	1,107,532,651	(172,194,651)
Assistance and subsidy	1,454,593,000	1,454,593,000	869,562,000	585,031,000
Gains	481,000	481,000	73,204	407,796
Others	1,215,000	1,215,000	1,155,686	59,314
Total receipts	2,391,627,000	2,391,627,000	1,978,323,541	413,303,459
PAYMENTS				
Personnel services	420,000,000	420,000,000	262,928,392	157,071,608
Maintenance and other operating expenses	1,528,981,000	1,447,995,000	681,978,721	766,016,279
Capital outlay	442,646,000	442,646,000	229,385,000	213,261,000
Total payments	2,391,627,000	2,310,641,000	1,174,292,113	1,136,348,887
NET RECEIPTS/(PAYMENTS)	-	80,986,000	804,031,428	(723,045,428)

*The Notes on pages 10 to 88 form part of these financial statements.*