PROGRAM TITLE

FINANCIAL REPORTING and accounting

PROCESS TITLE

Chart of Accounts

1. SCOPE

This policies and procedures manual establishes policies, systems, procedures and controls on the ABISC’s chart of accounts. These procedures apply to all ledger accounts used in the accounting department. All duties and responsibilities stated in this manual are not exclusive to the personnel’s designated responsibilities in this process title.

1. OBJECTIVES

* To define the procedure for assigning and maintaining the Company’s chart of accounts.
* To ensure that changes in the chart of accounts are duly approved and properly implemented.
* To ensure that the chart of accounts conforms to Philippine Financial Reporting Standards (PFRS) or any applicable financial reporting framework.
* To clearly define the duties and responsibilities of all personnel involved in this process title.

1. DEPARTMENT/PERSONNEL INVOLVED

The Accounting Department shall be responsible for the set-up and maintenance of the Company’s chart of accounts. The Accounting Department through the IT Department shall update these accounts whenever necessary.

* 1. Accounting Supervisor
     1. Receives/initiates request for revision of the chart of accounts.
     2. Discusses revision with accounting department team and accounting manager.
     3. Prepares two (2) copies of Account(s) Update Form (AUF).
  2. Accounting Manager
     1. Discusses revision of the chart of accounts with the accounting department team and accounting supervisor.
     2. Approves the AUF.
  3. Senior Vice-President – Notes AUF
  4. IT Department – Proceeds to System Development/Updates and notify accounting department of the update.

1. KEY TERMS
   1. *Chart of Accounts –* the chart containing the accounts used by the Company in recording its transactions. This contains information such as account codes, account titles, and the description of the account.
   2. *Assets* – resources controlled by the entity as a result of past transactions or events and from which future economic benefits are expected to flow to the entity.
   3. *Liabilities* – present obligations of an entity arising from past transactions or events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.
   4. *Equity* – the residual interest of owners in the assets of an entity measured by the excess of assets over liabilities.
   5. *Revenue –* increase in economic benefit during the accounting period in the form of inflow or increase in asset or decrease in liability that results in increase in equity, other than contribution from equity participants.
   6. *Cost of Sales –* refers to cost directly attributable in generating the revenue.
   7. *Operating expenses –* this normally includes all operating expenses not related to cost of sales, such as but not limited to doubtful accounts, office salaries and wages, office supplies used, etc.
   8. *Other accounts –* these pertains to accounts not classified as assets, liabilities, equity, revenue, cost of sales and expenses, such as but not limited to provision for income taxes, forex, income and expense summary, etc.
2. POLICIES
   1. **General** 
      1. All ledger accounts will be assigned a descriptive account title and account number.
      2. These accounts must be used accordingly unless revision will be implemented.
      3. Passwords must be integrated into the system to prevent unauthorized access or editing/revision of the chart of accounts.
   2. **Account Code and Definitions**

The chart of accounts is the backbone of the financial reporting system. Transactions are coded with values representing distinct elements, each capturing a different aspect of the financial transactions. Presented below is the general description of the meaning of the numbers in the chart of accounts.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Nature of Accounts** | **DIGITS** | | | | | | | | | | | | |
|  | **1**  **to**  **3** | **4**  **&**  **5** | **6**  **&**  **7** | **8**  **&**  **10** | **11**  **to**  **14** | **15** | **16** | **17 &18** | | | **19 to 22** | | |
|  |
| Assets | 000 | 00 | 00 | 000 | 0000 | 1 | 1 or 2 | 01 | - | 20 | 1000 | - | 1999 |
| Liabilities | 000 | 00 | 00 | 000 | 0000 | 2 | 1 or 2 | 21 | - | 35 | 2000 | - | 2999 |
| Equity | 000 | 00 | 00 | 000 | 0000 | 3 | 2 | 36 | - | 40 | 3000 | - | 3999 |
| Revenue | 000 | 00 | 00 | 000 | 0000 | 4 | 1 | 41 | - | 55 | 4000 | - | 4999 |
| Cost of Sales | 000 | 00 | 00 | 000 | 0000 | 5 | 1 | 56 | - | 65 | 5000 | - | 5999 |
| Operating Expenses | 000 | 00 | 00 | 000 | 0000 | 6 | 1 | 66 | - | 95 | 6000 | - | 6999 |
| Other Accounts | 000 | 00 | 00 | 000 | 0000 | 7 | 1 | 96 | - | 99 | 7000 | - | 7999 |

|  |  |
| --- | --- |
| **Digits** | **Description** |
| 1 to 3 | The first to third digits pertain to the Company Identification (ID). |
| 4 & 5 | The fourth and fifth digits specify the business unit (i.e. Home Office, Branch 1, Branch 2, etc…). |
| 6 & 7 | The sixth and seventh digits represent the department’s section (i.e. Accounting, Finance, Marketing, Purchasing, Operations, etc…). |
| 8 to 10 | The eighth to tenth digits represent the vessel code of the Company. |
| 11 to 14 | The eleventh to fourteenth digits represent the contract code of the Company. |
| 15 | The fifteenth digit pertains to the major classification of the account in the general ledger. The value of the digit indicates whether it is an asset/liability/equity/revenue/cost of sales/operating expenses/other accounts. |
| 16 | The sixteenth digit distinguishes whether the account is current *(1)* or noncurrent *(2).* |
| 17 & 18 | The seventeenth and eighteenth digits represent the accounts as reflected in the financial statements [i.e. cash and cash equivalents *(01)*, trade and other receivables *(02)*, etc…]. |
| 19 to 22 | The nineteenth to twenty-second digits serve as the distinctive input codes in recording transactions in the general ledger. |

* 1. **Updating of Chart of Accounts**

1. An AUF shall be prepared whenever updates are made in the chart of accounts.
2. The authorized IT Department personnel will make the necessary updates (i.e. additions, deletions, or changes to the account descriptions or structures) based on the duly filled-out, approved, and noted AUF.
3. PROCEDURES

| Updating the Chart of Accounts | | | |
| --- | --- | --- | --- |
| Step No. | Activity | Personnel  Involved | Business  Forms |
| 1 | Receives/initiates request for revision of the chart of accounts. | Accounting Supervisor/  Staff |  |
| 2 | Discusses revision with accounting department team and accounting manager. | Accounting Supervisor, Accounting Department Team and Accounting Manager |  |
| 3 | Prepares two (2) copies of AUF. | Accounting Supervisor/  Staff | Duly filled-out AUF |
| 4 | Approves the two (2) copies of AUF. | Accounting Manager | Duly approved AUF |
| 5 | Notes the two (2) copies of AUF. | Senior Vice-President | Duly notified AUF |
| 6 | Forwards two (2) copies of duly approved and notified AUF to IT Department for data update | Accounting Supervisor/  Staff | Duly approved and notified AUF |
| 7 | Proceeds to System Development/Updates and notify Accounting Department of the update | IT Department Personnel |  |
| 8 | Files the AUF numerically | Accounting Supervisor/  Sfaff and IT Department Personnel |  |

1. FLOWCHARTS



1. BUSINESS FORMS
   1. Account(s) Update Form



No. of Copies/color - 2 ( white / yellow )

Explanation - This document is used for updating the chart of accounts (i.e. revision, deletion, addition).

Prepared by - Accounting Supervisor/Staff

Approved by - Accounting Manager

Noted by - Senior Vice-President

Updated by - Authorized IT Personnel

Distribution - White - IT department (file copy)

Yellow - Accounting department (file copy)

1. CHART OF ACCOUNTS

| **Account Code** | **Account Description** | **Account Type** |
| --- | --- | --- |
|
|  |  |  |
| 000-00-00-000-0000-1101-1000 | Petty Cash Fund | Cash and Cash Equivalents |
| 000-00-00-000-0000-1101-1020 | Change Fund | Cash and Cash Equivalents |
| 000-00-00-000-0000-1101-1030 | Revolving Fund | Cash and Cash Equivalents |
| 000-00-00-000-0000-1101-1031 | Vessel Operations Fund | Cash and Cash Equivalents |
| 000-00-00-000-0000-1101-1040 | Cash on hand | Cash and Cash Equivalents |
| 000-00-00-000-0000-1101-1050 | Cash In Bank | Cash and Cash Equivalents |
| 000-00-00-000-0000-1102-1150 | Trade receivables | Receivables |
| 000-00-00-000-0000-1102-1165 | Allowance for Doubtful Accounts-Trade | Receivables |
| 000-00-00-000-0000-1102-1180 | Advances to Officers & Employees | Receivables |
| 000-00-00-000-0000-1102-1181 | Advances to Suppliers | Receivables |
| 000-00-00-000-0000-1102-1182 | SSS Claims Receivables | Receivables |
| 000-00-00-000-0000-1102-1183 | Insurance Claims | Receivables |
| 000-00-00-000-0000-1102-1151 | Receivables Others | Receivables |
| 000-00-00-000-0000-1102-1195 | Allowance for Doubtful Accounts-Others | Receivables |
| 000-00-00-000-0000-1103-1200 | Merchandise Inventory | Inventories |
| 000-00-00-000-0000-1103-1210 | Raw Materials | Inventories |
| 000-00-00-000-0000-1104-1300 | Prepaid Insurance | Prepayments |
| 000-00-00-000-0000-1104-1301 | Prepaid Taxes and Licenses | Prepayments |
| 000-00-00-000-0000-1104-1302 | Prepaid Dues and Subscription | Prepayments |
| 000-00-00-000-0000-1110-1500 | Input Tax | Other Current Assets |
| 000-00-00-000-0000-1110-1501 | Creditable Withholding Tax | Other Current Assets |
| 000-00-00-000-0000-1110-1502 | Materials and Supplies | Other Current Assets |
| 000-00-00-000-0000-1211-1600 | Land | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1601 | Land Improvements | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1604 | Building | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1605 | Building Improvements | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1606 | Office Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1607 | Office Furniture and Fixtures | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1608 | Transportation Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1609 | Vessel Tools and Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1610 | Warehouse Tools & Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1611 | Machine Shop Tools & Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1612 | Vessel | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1613 | Barges | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1614 | Tugboat | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1615 | Crane | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1616 | Trucks and Heavy Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1617 | Drydocking Costs | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1701 | Accumulated Depreciation-Land Improvements | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1704 | Accumulated Depreciation-Building | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1705 | Accumulated Depreciation-Building Improvements | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1706 | Accumulated Depreciation-Office Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1707 | Accumulated Depreciation-Office Furniture and Fixtures | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1708 | Accumulated Depreciation-Transportation Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1709 | Accumulated Depreciation-Vessel Tools and Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1710 | Accumulated Depreciation-Warehouse Tools and Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1711 | Accumulated Depreciation-Machine Shop Tools and Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1712 | Accumulated Depreciation-Vessel | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1713 | Accumulated Depreciation-Barges | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1714 | Accumulated Depreciation-Tugboat | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1715 | Accumulated Depreciation-Crane | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1716 | Accumulated Depreciation-Trucks and Heavy Equipment | Property, Plant and Equipment |
| 000-00-00-000-0000-1211-1717 | Accumulated Depreciation-Drydocking Costs | Property, Plant and Equipment |
| 000-00-00-000-0000-1212-1800 | Intangible Assets | Intangible Assets |
| 000-00-00-000-0000-1212-1801 | Accumulated Amortization-Intangible Assets | Intangible Assets |
| 000-00-00-000-0000-1213-1830 | Deferred Tax Assets | Deferred Tax Assets |
| 000-00-00-000-0000-1214-1835 | Advances to/from Related Parties | Advances to Related Parties |
| 000-00-00-000-0000-1214-1836 | Advances to/from Affiliates | Advances to Related Parties |
| 000-00-00-000-0000-1214-1837 | Advances to/from Stockholders | Advances to Related Parties |
| 000-00-00-000-0000-1214-1838 | Advances to/from Related Parties - USD | Advances to Related Parties |
| 000-00-00-000-0000-1220-1900 | Deposits | Other Noncurrent Assets |
| 000-00-00-000-0000-1220-1901 | Refundable Deposits | Other Noncurrent Assets |
| 000-00-00-000-0000-1220-1902 | Rental Deposits | Other Noncurrent Assets |
| 000-00-00-000-0000-2121-2000 | Trade payables | Accounts Payable |
| 000-00-00-000-0000-2121-2080 | Payable Others | Accounts Payable |
| 000-00-00-000-0000-2121-2001 | Trade payables - USD | Accounts Payable |
| 000-00-00-000-0000-2121-2020 | Accrued Salaries and Wages | Accrued Expenses |
| 000-00-00-000-0000-2121-2021 | Accrued Expenses | Accrued Expenses |
| 000-00-00-000-0000-2121-2035 | Withholding tax - Compensation | Other Current Liabilities |
| 000-00-00-000-0000-2121-2036 | Withholding tax - Expanded | Other Current Liabilities |
| 000-00-00-000-0000-2121-2040 | Output Tax | Other Current Liabilities |
| 000-00-00-000-0000-2121-2041 | Output Tax-Uncollected | Other Current Liabilities |
| 000-00-00-000-0000-2121-2045 | VAT Payable | Other Current Liabilities |
| 000-00-00-000-0000-2121-2050 | SSS Premium Payable | Other Current Liabilities |
| 000-00-00-000-0000-2121-2051 | SSS Loan Payable | Other Current Liabilities |
| 000-00-00-000-0000-2121-2055 | HDMF Premium Payable | Other Current Liabilities |
| 000-00-00-000-0000-2121-2056 | HDMF Loan Payable | Other Current Liabilities |
| 000-00-00-000-0000-2121-2060 | PHIC Premium Payable | Other Current Liabilities |
| 000-00-00-000-0000-2121-2061 | Insurance Claim Payable | Other Current Liabilities |
| 000-00-00-000-0000-2121-2062 | Payable to Officers and Employees | Other Current Liabilities |
| 000-00-00-000-0000-2122-2100 | Income Tax Payable | Income Tax Payable |
| 000-00-00-000-0000-2123-2120 | Dividends Payable | Dividends Payable |
| 000-00-00-000-0000-2124-2130 | Loans payable - current | Loans Payable - Current |
| 000-00-00-000-0000-2125-2200 | Retirement payable - current | Retirement Payable - Current |
| 000-00-00-000-0000-2231-2600 | Loans payable - noncurrent | Loans Payable - Noncurrent |
| 000-00-00-000-0000-2232-2700 | Retirement payable - noncurrent | Retirement Payable - Noncurrent |
| 000-00-00-000-0000-2233-2705 | Deferred Tax Liabilities | Deferred Tax Liabilities |
| 000-00-00-000-0000-3236-3000 | Common Stock | Equity |
| 000-00-00-000-0000-3236-3010 | Preferred Stock | Equity |
| 000-00-00-000-0000-3236-3020 | Share Premium | Equity |
| 000-00-00-000-0000-3236-3030 | Treasury Stock | Equity |
| 000-00-00-000-0000-3237-3100 | Appropriated Retained Earnings | Retained Earnings |
| 000-00-00-000-0000-3237-3101 | Unappropriated Retained Earnings | Retained Earnings |
| 000-00-00-000-0000-4141-4000 | Integrated Cargo Handling Services | Revenue |
| 000-00-00-000-0000-4142-4050 | Voyage Charter | Revenue |
| 000-00-00-000-0000-4143-4100 | Time Charter | Revenue |
| 000-00-00-000-0000-4144-4150 | Towing Services | Revenue |
| 000-00-00-000-0000-4145-4200 | In-warehouse Handling | Revenue |
| 000-00-00-000-0000-4146-4250 | Trucking Services | Revenue |
| 000-00-00-000-0000-4147-4300 | Lighterage | Revenue |
| 000-00-00-000-0000-4148-4350 | Merchandise Sales | Revenue |
| 000-00-00-000-0000-4155-4900 | Other Income - Interest | Other Income |
| 000-00-00-000-0000-4155-4901 | Other Income - Rental | Other Income |
| 000-00-00-000-0000-4155-4902 | Other Income - Scrap Items | Other Income |
| 000-00-00-000-0000-4155-4903 | Other Income - Sale of product damages | Other Income |
| 000-00-00-000-0000-4155-4904 | Other Income - Used Oil | Other Income |
| 000-00-00-000-0000-4155-4905 | Other Income - Miscellaneous | Other Income |
| 000-00-00-000-0000-4155-4906 | Other Income - Sale of Assets | Other Income |
| 000-00-00-000-0000-5156-5000 | Direct Cost - Rental | Cost of Sales |
| 000-00-00-000-0000-5156-5001 | Direct Cost - Wharfage Fee | Cost of Sales |
| 000-00-00-000-0000-5156-5002 | Direct Cost - Usage Fee | Cost of Sales |
| 000-00-00-000-0000-5156-5003 | Direct Cost - Custom Brokerage | Cost of Sales |
| 000-00-00-000-0000-5156-5005 | Direct Cost - Representation | Cost of Sales |
| 000-00-00-000-0000-5156-5006 | Direct Cost - Arrastre & Stevedoring | Cost of Sales |
| 000-00-00-000-0000-5156-5007 | Direct Cost - Docking & Undocking Fees | Cost of Sales |
| 000-00-00-000-0000-5156-5008 | Direct Cost - Truck Scale | Cost of Sales |
| 000-00-00-000-0000-5156-5009 | Direct Cost - Mooring & Unmooring Fee | Cost of Sales |
| 000-00-00-000-0000-5156-5010 | Direct Cost - Pilotage Fee | Cost of Sales |
| 000-00-00-000-0000-5156-5012 | Direct Cost - Quarantine Fees | Cost of Sales |
| 000-00-00-000-0000-5156-5013 | Direct Cost - Outside Manpower Services | Cost of Sales |
| 000-00-00-000-0000-5156-5014 | Direct Cost - Surveyor's Fee | Cost of Sales |
| 000-00-00-000-0000-5156-5016 | Direct Cost - Marina Fees | Cost of Sales |
| 000-00-00-000-0000-5156-5017 | Direct Cost - Ship Station Licenses-NTC | Cost of Sales |
| 000-00-00-000-0000-5156-5018 | Direct Cost - Phil. Coast Guard Fees | Cost of Sales |
| 000-00-00-000-0000-5156-5030 | Direct Cost - Other Port Charges | Cost of Sales |
| 000-00-00-000-0000-5157-5050 | Direct Cost - Insurance Vessels | Cost of Sales |
| 000-00-00-000-0000-5157-5051 | Direct Cost - Insurance Cargo | Cost of Sales |
| 000-00-00-000-0000-5157-5052 | Direct Cost - R & M - Hull/Body Repair - Materials | Cost of Sales |
| 000-00-00-000-0000-5157-5053 | Direct Cost - R & M - Hull/Body Repair - Labor | Cost of Sales |
| 000-00-00-000-0000-5157-5054 | Direct Cost - R & M - Engine Repair - Materials | Cost of Sales |
| 000-00-00-000-0000-5157-5055 | Direct Cost - R & M - Engine Repair - Labor | Cost of Sales |
| 000-00-00-000-0000-5157-5056 | Direct Cost - R & M - Crane Repair - Materials | Cost of Sales |
| 000-00-00-000-0000-5157-5057 | Direct Cost - R & M - Crane Repair - Labor | Cost of Sales |
| 000-00-00-000-0000-5157-5058 | Direct Cost - R & M - Generator - Materials | Cost of Sales |
| 000-00-00-000-0000-5157-5059 | Direct Cost - R & M - Generator - Labor | Cost of Sales |
| 000-00-00-000-0000-5157-5060 | Direct Cost - Postage and Stamps | Cost of Sales |
| 000-00-00-000-0000-5157-5061 | Direct Cost - Representation | Cost of Sales |
| 000-00-00-000-0000-5157-5062 | Direct Cost - Survey Fee | Cost of Sales |
| 000-00-00-000-0000-5157-5063 | Direct Cost - Fuel - Vessel | Cost of Sales |
| 000-00-00-000-0000-5157-5064 | Direct Cost - Communication | Cost of Sales |
| 000-00-00-000-0000-5157-5066 | Direct Cost - Utilities | Cost of Sales |
| 000-00-00-000-0000-5157-5067 | Direct Cost - Salaries & Wages | Cost of Sales |
| 000-00-00-000-0000-5157-5068 | Direct Cost - Employee Benefits - Bonus | Cost of Sales |
| 000-00-00-000-0000-5157-5069 | Direct Cost - Employee Benefits - 13th month pay | Cost of Sales |
| 000-00-00-000-0000-5157-5070 | Direct Cost - Employee Benefits - SSS Premium | Cost of Sales |
| 000-00-00-000-0000-5157-5071 | Direct Cost - Employee Benefits - HDMF Premium | Cost of Sales |
| 000-00-00-000-0000-5157-5072 | Direct Cost - Employee Benefits - PHILHEALTH Premium | Cost of Sales |
| 000-00-00-000-0000-5157-5073 | Direct Cost - Employee Benefits - VL/SL Pay | Cost of Sales |
| 000-00-00-000-0000-5157-5074 | Direct Cost - Employee Benefits - Uniform | Cost of Sales |
| 000-00-00-000-0000-5157-5075 | Direct Cost - Employee Benefits - Meal/Food Allowance | Cost of Sales |
| 000-00-00-000-0000-5157-5076 | Direct Cost - Employee Benefits - Financial Assistance | Cost of Sales |
| 000-00-00-000-0000-5157-5077 | Direct Cost - Employee Benefits - Medical & Hospitalization | Cost of Sales |
| 000-00-00-000-0000-5157-5078 | Direct Cost - Employee Benefits - Separation | Cost of Sales |
| 000-00-00-000-0000-5157-5079 | Direct Cost - Employee Benefits - Seminars and Trainings | Cost of Sales |
| 000-00-00-000-0000-5157-5080 | Direct Cost - Employee Benefits - Insurance | Cost of Sales |
| 000-00-00-000-0000-5157-5081 | Direct Cost - Employee Benefits - Others | Cost of Sales |
| 000-00-00-000-0000-5157-5082 | Direct Cost - Vessel Supplies | Cost of Sales |
| 000-00-00-000-0000-5157-5083 | Direct Cost - Transportation & Travel | Cost of Sales |
| 000-00-00-000-0000-5157-5084 | Direct Cost - Depreciation - Barges | Cost of Sales |
| 000-00-00-000-0000-5157-5085 | Direct Cost - Depreciation - Tugboat | Cost of Sales |
| 000-00-00-000-0000-5157-5086 | Direct Cost - Depreciation - Crane | Cost of Sales |
| 000-00-00-000-0000-5157-5087 | Direct Cost - Depreciation - Vessel Tools and Equipment | Cost of Sales |
| 000-00-00-000-0000-5157-5088 | Direct Cost - Depreciation - Drydocking Costs | Cost of Sales |
| 000-00-00-000-0000-5157-5089 | Direct Cost - Delivery Cost | Cost of Sales |
| 000-00-00-000-0000-5157-5090 | Direct Cost - Handling Cost | Cost of Sales |
| 000-00-00-000-0000-5157-5091 | Bidding Fee | Cost of Sales |
| 000-00-00-000-0000-5157-5092 | Direct Cost - Depreciation - Vessel | Cost of Sales |
| 000-00-00-000-0000-5158-5100 | Direct Cost - Fuel - Trucking | Cost of Sales |
| 000-00-00-000-0000-5158-5101 | Direct Cost - Lubricants | Cost of Sales |
| 000-00-00-000-0000-5158-5102 | Direct Cost - Allowances | Cost of Sales |
| 000-00-00-000-0000-5158-5103 | Direct Cost - Car Registration | Cost of Sales |
| 000-00-00-000-0000-5158-5104 | Direct Cost - Repairs and Maintenance - Materials | Cost of Sales |
| 000-00-00-000-0000-5158-5105 | Direct Cost - Repairs and Maintenance - Labor | Cost of Sales |
| 000-00-00-000-0000-5158-5106 | Direct Cost - Insurance - Truck Drivers | Cost of Sales |
| 000-00-00-000-0000-5158-5107 | Direct Cost - Insurance - Vehicle | Cost of Sales |
| 000-00-00-000-0000-5158-5108 | Direct Cost - Depreciation - Trucks and Heavy Equipment | Cost of Sales |
| 000-00-00-000-0000-5158-5109 | Direct Cost - Parking & Toll Fees | Cost of Sales |
| 000-00-00-000-0000-5159-5150 | Direct Cost - Manpower | Cost of Sales |
| 000-00-00-000-0000-5159-5151 | Direct Cost - Meal Allowance | Cost of Sales |
| 000-00-00-000-0000-5159-5152 | Direct Cost - Transportation and Communication Allowance | Cost of Sales |
| 000-00-00-000-0000-5159-5153 | Direct Cost - Shortlanded/ Damages | Cost of Sales |
| 000-00-00-000-0000-5159-5154 | Direct Cost - Extra Handling | Cost of Sales |
| 000-00-00-000-0000-5160-5200 | Cost of Goods Sold | Cost of Sales |
| 000-00-00-000-0000-6166-6000 | Salaries and Wages | Operating Expenses |
| 000-00-00-000-0000-6166-6001 | Employee Benefits - 13th month pay | Operating Expenses |
| 000-00-00-000-0000-6166-6002 | Employee Benefits - Bonus | Operating Expenses |
| 000-00-00-000-0000-6166-6003 | Employee Benefits - SSS Premium | Operating Expenses |
| 000-00-00-000-0000-6166-6004 | Employee Benefits - HDMF Premium | Operating Expenses |
| 000-00-00-000-0000-6166-6005 | Employee Benefits - Philhealth Premium | Operating Expenses |
| 000-00-00-000-0000-6166-6006 | Employee Benefits - VL&SL Pay | Operating Expenses |
| 000-00-00-000-0000-6166-6007 | Employee Benefits - Transportation Allowance | Operating Expenses |
| 000-00-00-000-0000-6166-6008 | Employee Benefits - Uniform | Operating Expenses |
| 000-00-00-000-0000-6166-6009 | Employee Benefits - Financial Assistance | Operating Expenses |
| 000-00-00-000-0000-6166-6010 | Employee Benefits - Medical & Hospitalization | Operating Expenses |
| 000-00-00-000-0000-6166-6011 | Employee Benefits - Separation Pay | Operating Expenses |
| 000-00-00-000-0000-6166-6012 | Employee Benefits - Seminars & Trainings | Operating Expenses |
| 000-00-00-000-0000-6166-6013 | Employee Benefits - Insurance | Operating Expenses |
| 000-00-00-000-0000-6166-6014 | Employee Benefits - Others | Operating Expenses |
| 000-00-00-000-0000-6166-6015 | Retirement Expense | Operating Expenses |
| 000-00-00-000-0000-6167-6050 | Power, Light and Water | Operating Expenses |
| 000-00-00-000-0000-6168-6060 | Rental Expense | Operating Expenses |
| 000-00-00-000-0000-6169-6070 | Insurance Expense - Vehicle | Operating Expenses |
| 000-00-00-000-0000-6169-6071 | Insurance Expense - Building | Operating Expenses |
| 000-00-00-000-0000-6170-6080 | Office Supplies Expense | Operating Expenses |
| 000-00-00-000-0000-6170-6081 | Business Documents and Printings | Operating Expenses |
| 000-00-00-000-0000-6171-6090 | Transportation and Travel | Operating Expenses |
| 000-00-00-000-0000-6171-6091 | Parking and Toll Fees | Operating Expenses |
| 000-00-00-000-0000-6172-6100 | Fuel Expense | Operating Expenses |
| 000-00-00-000-0000-6172-6101 | Oil and Lubricants | Operating Expenses |
| 000-00-00-000-0000-6173-6110 | Representation | Operating Expenses |
| 000-00-00-000-0000-6174-6120 | Repairs and Maintenance-Materials | Operating Expenses |
| 000-00-00-000-0000-6174-6121 | Repairs and Maintenance-Labor | Operating Expenses |
| 000-00-00-000-0000-6175-6130 | Depreciation Expense - Building | Operating Expenses |
| 000-00-00-000-0000-6175-6131 | Depreciation Expense - Office Equipment | Operating Expenses |
| 000-00-00-000-0000-6175-6132 | Depreciation Expense - Office Furniture and Fixture | Operating Expenses |
| 000-00-00-000-0000-6175-6133 | Depreciation Expense - Transportation Equip | Operating Expenses |
| 000-00-00-000-0000-6175-6134 | Depreciation Expense - Land Improvements | Operating Expenses |
| 000-00-00-000-0000-6175-6135 | Depreciation Expense - Building Improvements | Operating Expenses |
| 000-00-00-000-0000-6175-6136 | Depreciation Expense - Warehouse Tools and Equipment | Operating Expenses |
| 000-00-00-000-0000-6175-6137 | Depreciation Expense - Machine Shop Tools and Equipment | Operating Expenses |
| 000-00-00-000-0000-6176-6140 | Amortization-Intangible Assets | Operating Expenses |
| 000-00-00-000-0000-6177-6150 | Taxes & Licenses - Municipal Licenses | Operating Expenses |
| 000-00-00-000-0000-6177-6151 | Taxes & Licenses - Real Estate Tax | Operating Expenses |
| 000-00-00-000-0000-6177-6152 | Taxes & Licenses - Vehicle Registration | Operating Expenses |
| 000-00-00-000-0000-6177-6153 | Taxes & Licenses - Customs & Other Duties | Operating Expenses |
| 000-00-00-000-0000-6177-6154 | Taxes & Licenses - Others | Operating Expenses |
| 000-00-00-000-0000-6178-6160 | Professional Fees | Operating Expenses |
| 000-00-00-000-0000-6179-6170 | Advertising Expense | Operating Expenses |
| 000-00-00-000-0000-6180-6180 | Security Services | Operating Expenses |
| 000-00-00-000-0000-6181-6190 | Donation Expense | Operating Expenses |
| 000-00-00-000-0000-6181-6191 | Contribution Expense | Operating Expenses |
| 000-00-00-000-0000-6182-6200 | Communication expense | Operating Expenses |
| 000-00-00-000-0000-6182-6201 | Postage | Operating Expenses |
| 000-00-00-000-0000-6182-6202 | Freight and Handling - Local | Operating Expenses |
| 000-00-00-000-0000-6182-6203 | Freight and Handling - International | Operating Expenses |
| 000-00-00-000-0000-6183-6210 | Interest Expense | Operating Expenses |
| 000-00-00-000-0000-6184-6220 | Provision for Doubtful Accounts | Operating Expenses |
| 000-00-00-000-0000-6185-6230 | Dues and Subscriptions | Operating Expenses |
| 000-00-00-000-0000-6186-6240 | Conference and Meetings | Operating Expenses |
| 000-00-00-000-0000-6195-6900 | Miscellaneous Expense | Operating Expenses |
| 000-00-00-000-0000-6195-6901 | Pantry Supplies | Operating Expenses |
| 000-00-00-000-0000-6195-6902 | Outside Manpower Services | Operating Expenses |
| 000-00-00-000-0000-6195-6903 | Bank Charges | Operating Expenses |
| 000-00-00-000-0000-6195-6904 | Stockholder's expense | Operating Expenses |
| 000-00-00-000-0000-6195-6905 | Fines, penalties and surcharges | Operating Expenses |
| 000-00-00-000-0000-7196-7000 | Income Tax Expense-Current | Provision for Income Taxes |
| 000-00-00-000-0000-7196-7001 | Income Tax Expense-Deferred | Provision for Income Taxes |
| 000-00-00-000-0000-7199-7900 | Forex | Other Accounts |
| 000-00-00-000-0000-7199-7901 | Income and expense summary | Other Accounts |
| 000-00-00-000-0000-7199-7902 | AP Clearing | Other Accounts |
| 000-00-00-000-0000-7199-7903 | Opening Account Balance | Other Accounts |

1. EFFECTIVITY

This Policies and Procedures Manual shall take effect upon approval and shall supersede any memorandum/SOP inconsistent with this Policies and Procedures Manual. Any changes to the manual shall comply with the policies and procedures indicated in the process title *“Amendment of Manual”.*