

MITSUKOSHI MOTORS PHILIPPINES, INC.		
POLICY AND PROCEDURE		
POLICY TITLE:	BOOK VALUE COMPUTATION	Ref. No.
DEPARTMENT	ACCOUNTING DEPARTMENT	ACT-16-01-011
TO :	MA / CASHIER / BM	

OBJECTIVE



1. To standardize the process of computing the Book Value of a repossessed motorcycle.
2. To guide the branch in determining the Monthly Installment and Promissory Note Value (PNV) of a repossessed motorcycle unit sold on installment basis based on its book value and approved term.

POLICIES

1. Repossessed motorcycle unit with book value of P 10,000 and below shall be sold on **Cash Basis** only and will not be accommodated for installment sales.
2. In the book value computation, account set up of the **Last Customer** will be the basis in determining the Amount to be Financed (ATBF), Terms and No. of Months paid.
3. The refinancing of repossessed motorcycle shall be based on book value pegged @ 1.25% interest rate **EXCEPT** for units with ages six-(6) months and below (according to SI Date) which should be pegged @ 1.48% interest rate or must be disposed through Assumption Scheme.

PROCEDURE

1. Determine the Amount to be Financed (ATBF), Terms and No. of Months Paid from account set up of the last customer.
2. Formula:
 - 2.1 $\text{Net M.I.} = \text{ATBF} \div \text{Terms}$
 - 2.2 $\text{Total Net M.I.} = \text{Net M.I.} \times \text{No. of Months Paid}$
 - 2.3 $\text{Book Value} = \text{ATBF} - \text{Total Net M.I.}$

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3. Book Value sample computation:

3.1 Given:

ATBF	26,000
Terms	30
No. of Mos. Paid	6

3.2 Net M.I. = $26,000 \div 30$
= 866.67

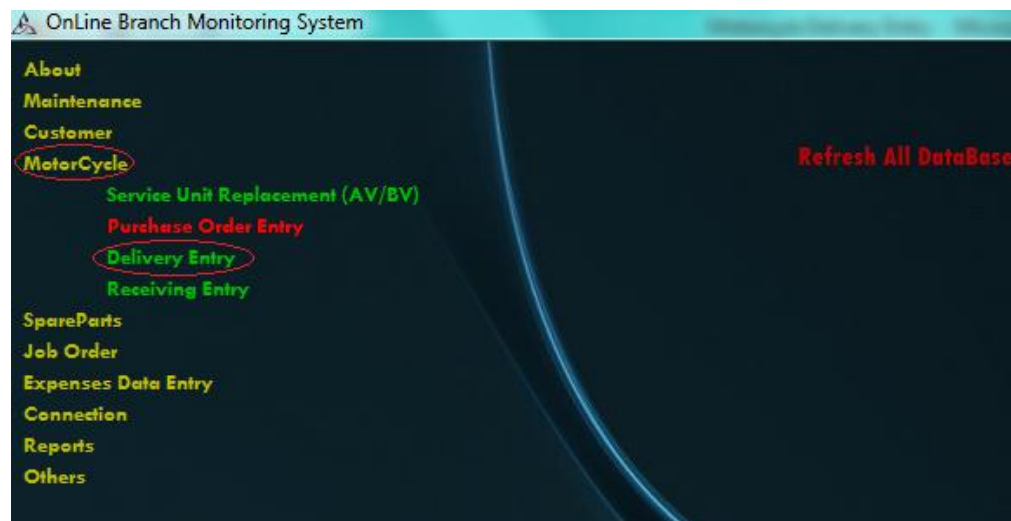
3.3 Total Net M.I. = 866.67×6
= 5,200

3.4 **Book Value** = $26,000 - 5,200$
= **20,800**

4. How to check book value in the Branch Monitoring System (BMS)

4.1 For units already in inventory

4.1.1 Click "Motorcycle" in the main menu in the left portion of the screen and sub-menu will cascade; and click "Delivery Entry" to go to Motorcycle Inventory module.



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- 4.1.2 When the Motorcycle Inventory module appear, type in the Search Key last five-(5) digit of engine or chassis no. then press Enter

Refresh All DataBase

Engine of Life

MotorCycle Inventory: Branch Name: Daan Hari (President Roxas)

Search Key: 10701

Total Records: 1

Model	Class	Model Class	Engine	Chassis	Book Value	Appraised
BONUS 110	---	Repossession	VMVX3P2H010701	RLGSC11AHCH011033	28,817.00	0.00

4.2 For still Open Accounts:

- 4.2.1 Click "Customer" in the main menu in the left portion of the screen and sub-menu will cascade; and click "Enter Ledger" to go to Customer ledger module.

OnLine Branch Monitoring System

Refresh All DataBase

- About
- Maintenance
- Customer**
 - List of Customers
 - CAF Data Entry
 - Enter Sales
 - Enter Ledger**
 - Advance SetUP
- MotorCycle
- SpareParts
- Job Order
- Expenses Data Entry
- Connection
- Reports
- Others

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- 4.2.2 When the Customer Ledger module appear, uncheck the box of List of Scheduled for Collection,

Engine

Refresh All DataBase

Customer Ledger:

Search Key:

Select Status: ☒ List of Scheduled for Collection

Customer Name	Account No.	Area Code	Due Date	OD	M. A

- 4.2.3. Type in the Search Key name of customer then click "Select Status" to show sub-menu and click "View All"

Engin

Refresh All DataBase

Customer Ledger:

Search Key:

Select Status: ☐ List of Scheduled for Collection

Customer	Account No.	Area Code	Due Date
ACOT, REN	3071311038	AREA 1	02/01/2014

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- 4.2.4 Select the right Customer Name; then click “Enter Ledger” dialogue box to proceed with the next step.

Refresh All DataBase

Engine of Life

Customer Ledger:

Search Key:

Select Status: ☐ List of Scheduled for Collection

	Customer Name	Account No.	Area Code	Due Date	OD	M. A.	O. B.	Status
▶	ACOT, RENALYN ORTIZ	3071311038	AREA 1	02/01/2014	10	1,942.00	56,318.00	Open Account

Total Records: 1

- 4.2.5 When “Ledger Transaction Module” appears, Click “Select Transaction” to show sub-menu and click “Pull Out”

Ledger Transaction Module

Select Transaction to Process:

	Minth	Due		OR/CM Date	OR/CM	Amount	PPC	Paymer
▶	1	1,942.00		01/09/2014	000883	2,039.00		

97.00 2,039.00

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4.2.6 Click "Compute Book Value" dialog box.

Ledger Transaction Module

Select Transaction to Process: **Pull Out** Record: 1

Current				Payment Distribution										
Mnth	Due	Penalty	Due Date	OR/CM Date	OR/CM	Amount	PPD	Paid Pen.	Credit	M.A.	Balance	UnPd Pen.	Adjust	Remarks
1	1,942.00	97.00	01/01/2014	01/09/2014	000883	2,039.00	0.00	97.00	1,942.00	1,942.00	56,318.00	0.00	0.00	JAN-MA

Original Receipts:

OR Date: November 11, 2014
OR No.: 00000
Amount: 0.00

Customer : ACOT, RENALYN ORTIZ
Account No.: 3071311038
CAF No.: CAF3071311038
SI No.: 000000
SI Date: ---
DR No.: 001189
DR Date: November 26, 2013

POO Details:
POO Date: November 11, 2014
POO No.: 266405

RR Details:
RR Date: November 11, 2014
RR No.: 178763

Repossession Reason:

MC Check List **Compute Book Value**

5.2.7 Scroll down to see the unit Book value.

Change Unit Return Unit

POO Details:
POO Date: December 5, 2014
POO No.: 231595

RR Details:
RR Date: December 5, 2014
RR No.: 218856

A.T.B.F. P 47,090.00
Orig. Terms / 36 Month[s]
Net M.A. P 1,308.06
Net M.A. P 1,308.06
Months Pd. x 3 Month[s]
Total Net M.A. P 3,924.17
A.T.B.F. P 47,090.00
Total Net M.A. - P 3,924.17
Book Value : P 43,166.00

Repossession Reason:

MC Check List **Compute Book Value**

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