



**Republic of the Philippines**  
**OFFICE OF THE PRESIDENT**  
**Department of Finance**  
**COOPERATIVE DEVELOPMENT AUTHORITY**

**MEMORANDUM CIRCULAR NO. 2009-04**  
*Series of 2009*

**TO : ALL CONCERNED**

**SUBJECT : STANDARD CHART OF ACCOUNTS FOR COOPERATIVES**

---

Pursuant to Section 3 of Republic Act No. 6939, an Act creating the Cooperative Development Authority defining its Powers, Functions and Responsibilities, the Authority hereby issues this Memorandum Circular prescribing the usage of Standard Chart of Accounts for Cooperatives.

**I. Scope**

This Circular shall be applied in the accounting and financial reporting of all types of cooperatives, duly registered with the Cooperative Development Authority pursuant to Republic Act No. 9520, otherwise known as the Philippine Cooperative Code of 2008.

**II. Objective and Purposes**

The basic purpose of prescribing the standard chart of accounts is to provide guidelines in the use of account and account titles in the preparation of financial statements for the use of all types of cooperatives. Specifically, these shall:

- a) ensure uniformity and common understanding of accounts;
- b) guide in the installation of accounting and internal control systems;
- c) facilitate the conduct of audit;
- d) enhance transparency;
- e) sets standards and discipline in measuring the financial safety and soundness;
- f) facilitate the analysis and evaluation of financial management performance;
- g) provide basis in monitoring, supervision and business linkages.

**III. Financial Statements**

A complete set of financial statements includes the following components:

- A. Statement of Financial Condition (Balance Sheet)** shows assets, liabilities, and equity accounts of a business entity as of a given date. Assets and liabilities are further classified as current or non-current. Non-current assets include property, plant and equipment, intangible assets, investments and financial assets (excluding investments under the

equity method, trade and other receivables and cash and cash equivalents); while non-current liabilities include long-term debt, long-term provisions and other liabilities that will be settled after the current operating cycle or will not require the use of current assets. Equity accounts for a cooperative include members' share capital, donations and/or grants, and statutory funds.

- B. Statement of Operations (Income Statement)** presents revenues, costs and expenses, gains and losses and net surplus or net loss. The items presented are recognized in the books using modified accrual basis of accounting. Expenses are classified according to their function as part of cost of sales/services rendered, distribution or administrative activities. In a cooperative the difference between revenues and expenses is called net surplus that is allocated in accordance with the Cooperative Code or the cooperative's by-laws.
- C. Statement of Changes in Equity** shows separately the changes in members' equity, donations and grants and statutory funds. Transactions affecting these accounts include members' capital build-up, refund of share capital due to membership withdrawal, acceptance of donations and grants in cash or in kind and subsequent utilization, allocation of net surplus to and utilization of statutory funds.
- D. Cash Flows Statement** is a formal statement summarizing all the cash activities of the cooperatives. These include their operating, investing and financing activities. **Notes to Financial Statements** include narrative descriptions or more detailed analyses of amounts shown on the face of the **financial statements as well** as additional information not presented on the face of the Statement of Financial Condition, Statement of Operation and Statement of Cash Flow to achieve fair presentation. It also describes the accounting policies and the measurement basis /bases used in the preparation of the financial statements.

#### IV. Standard Chart of Accounts for Cooperatives

ACCOUNT CODE	ACCOUNT TITLE	DEFINITION
	<b>STATEMENT OF FINANCIAL CONDITION</b>	
10000	<b>ASSET ACCOUNTS - <i>Economic Resources of Cooperatives that are recognized and measured in conformity with Philippine Financial Reporting Standard taking into consideration cooperative laws, principles and practices in the Philippines.</i></b>	
11000-12000	<b>CURRENT ASSETS</b>	<i>Cash and other assets that are reasonably expected to be realized in cash or intended for sale or consummation within twelve months after the balance sheet date, or the normal operating cycle of the business, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date (PAS 1)</i>
11100	<i>Cash and Cash Equivalents</i>	This account refers to cash on hand and demand deposits and other cash equivalents that are: (1) readily convertible to known amounts of cash; and (2) so near their maturity (original maturities of 3 months or less) that they represent negligible risk of changes in value because of changes in interest rate. (PAS 7)
11110	Cash on Hand	This account refers to money (bills and coins) still in the possession of the cooperative's custodian.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
11120	Checks & Other Cash Items (COCI)	This account refers to dated checks, postal money order (PMO) and demand drafts awaiting deposits
11130	Cash in Bank	This account refers to money deposited in the bank under the name of the cooperative, i.e. savings, current, time deposits, and combo-account. A subsidiary ledger shall be maintained for each bank account.
11140	Cash in Cooperative Federation	This account refers to money deposited in the federations to which they are affiliated, i.e. savings and time deposits which are unrestricted and readily available when needed. A subsidiary ledger shall be maintained for each account.
11150	Petty Cash Fund	This account refers to limited amount of money set aside for small expenditures such as stationeries, supplies and fares maintained under an imprest system. It should be replenished periodically when the fund gets low.
11160	Revolving Fund	This account refers to the amount set aside to cover disbursements for recurring transactions maintained under an imprest system. It should be replenished periodically when the fund gets low. . This may include emergency purchases, withdrawal of deposits, release of loan proceeds, etc., the maximum amount of which shall be predetermined by the Board of Directors.
11170	Change Fund	This account refers to the reasonable amount of money set aside by BOD to change bigger amount of bills to smaller denomination or coins or vise versa.
11200	<i>Investment at Fair Value through Profit or Loss</i>	This account refers to financial assets that is classified as held to trading and upon initial recognition are designated by the coop as at fair value through profit or loss. This shall comprise of both debt and equity securities and shall be accounted for in the same manner as Hold to Maturity (HTM) securities.
11300	<i>Held-to-Maturity (HTM) Financial Assets</i>	This account refers to debt securities maturing within the year, quoted in an active market with fixed or determinable payments and fixed maturity that the cooperative has the positive intention and ability to hold to maturity (PAS 39).
11310	Unamortized Discount/ Premium - HTM	This account refers to the unamortized discount/premium on HTM debt securities, which shall be debited/credited monthly based on the effective interest method with the corresponding credit/debit to “Interest Income – HTM Debt Securities”.
11400	<i>Available-for-Sale (AFS) Financial Assets</i>	This account refers to securities that are designated as available-for-sale, and are not classified as: (a) loans and receivables; (b) held to maturity investments; and (c) financial assets at fair value through profit and loss.
11410	Accumulated Gains/ Losses – AFS	This account refers to cumulative gains/ (losses) arising from change in the fair value of AFS securities. The contra cumulative account is “Net Unrealized Gains/ (Losses) on AFS Financial Assets”, which is a separate component of equity.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
11420	Allowance for Probable Losses - AFS FA	This account refers to the amount of impairment loss that has been incurred on AFS Securities. This is a temporary account to offset unrealized gains on investments – AFS.
11500	<i>Unquoted Debt Securities Classified As Loans</i>	This account refers to debt instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, including derivatives that are linked to and must be settled by delivery of such unquoted debt instruments, which shall be measured at cost.
11600	<i>Investment in Non-Marketable Equity Securities (INMES)</i>	This account refers to equity instruments that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured, but which shall be measured at cost.
11610	Allowance for Probable Losses – INMES	This account refers to cumulative amount of impairment loss that has been incurred on INMES.
11700	<i>Loans And Receivables</i>	These refer to financial assets with fixed or determinable payments that are not quoted in an active market other than Available for Sale, Held to Maturity and Investment at Fair Value through Profit and Loss.
11711	Loans Receivable – Current	This account refers to the outstanding balance of loans granted to the members which are not yet due
11712	Loans Receivable - Past Due	This account refers to outstanding balance of loans to member-borrowers not paid on installment due date, considered as Portfolio at Risk (PAR).
11713	Loans Receivable Restructured	This account refers to receivables from the member-borrowers whose loan accounts were restructured upon full payment of interests due.
11714	Loans Receivable – Loans in Litigation	This account refers to receivables from member-borrowers under legal action. The loan shall remain in this account during the pendency of the legal proceedings and until fully paid/restructured/foreclosed and undergone proceedings.
11715	Unearned Interests and Discounts	This account refers to interest already received but not yet earned and presented as a contra asset account.
11716	Allowance for Probable Losses on Loans	This account refers to the cumulative amount set up against the current operation for possible losses arising from non-collection of loans.
11721	Accounts Receivables Trade – Current	This account refers to the amount due from member and/or non-member patrons resulting from services rendered and sales of related goods /merchandise which are expected to be collected within the credit terms set by the Board of Directors.
11722	Accounts Receivables Trade - Past Due	This account refers to total trade receivables due from members and/or non-member patrons which remain unpaid beyond the credit terms set by the BOD.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
11723	Accounts Receivables Trade - Restructured	This account refers to total Trade receivables from the member & non-member patrons whose accounts were restructured upon full payment or settlement of interests due and/or penalties.
11724	Accounts Receivables Trade - in Litigation	This account refers to total trade receivables from member and non-member patrons under legal action. The receivables shall remain in this account during the pendency of the legal proceedings and until fully settled.
11725	Allowance for Probable Losses on Accounts Receivable Trade	This account refers to the cumulative amount set up against the current operation for possible losses arising from non-collection of accounts.
11730	Installment Receivables – Current	This account refers to the amount due from members and non-member patrons for sale of merchandise/goods on a deferred payment or installment plan.
11731	Installment Receivables – Past Due	This account refers to amount due from members and non-member patrons for sale of merchandise / goods on a deferred payment or installment plan which remain unpaid beyond the terms set by the cooperative.
11733	Installment Receivables – Restructured	This account refers to amount due from members and non-member patrons for sale of merchandise / goods on a deferred payment or installment plan that were restructured upon full payment or settlement of interests due and/or penalties.
11734	Installment Receivables - in Litigation	This account refers to amount due from members and non-member patrons for sale of merchandise / goods on a deferred payment or installment plan under legal action. The receivables shall remain in this account during the pendency of the legal proceedings and until fully settled.
11735	Allowance for Probable Losses on Installment Receivables	This account refers to the cumulative amount set up against the current operation for possible losses arising from non-collection of installment receivables
11736	Unrealized Gross Margin	This account refers to the unrealized portion of the gross margin on goods sold on installment basis. This is a contra account to installment receivable. (used by coops involved in real estate operations)
11740	<i>Sales Contract Receivable</i>	This account refers to amortized cost of the receivables arising from installment sale of assets acquired in settlement of loans/obligations.
11741	Allowance for Probable Losses- Sales Contract Receivables	This account refers to the cumulative amount of impairment loss that may arise from non-collection of payment on Sales Contract Receivables.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
11750	Advances to Officers, Employees and Members	This account refers to duly approved cash advances for official business to officers, employees and members, subject to liquidation in accordance with the policy of the cooperative.
11760	Due from Accountable Officers and Employees	This account refers to total collectibles due from accountable officers and employees arising from shortages, losses and unliquidated cash advances beyond the prescribed period, that are subject to immediate settlement.
11770	Finance Lease Receivable	This account refers to current portion of the long term lease receivables arising from sale of goods/property under finance lease agreement.
11780	Other Current Receivables	This account refers to transactions/adjustments not classified under any of the receivable accounts mentioned.
11800	<i>Inventories</i>	These refer to cost or other appropriate value of merchandise and other goods on hand, in-transit, on consignment with other entities and in process which are intended for sale or production
11810	Merchandise Inventory	This account refers to cost of goods on hand, in consignment and in-transit, available for sale at the end of the accounting or reporting period.
11820	Repossessed Inventories	This account refers to fair value of inventories previously sold but regained as a result of the default of the payments due from members/customers.
11830	Spare Parts/Materials & Other Goods Inventory	This account refers to spare parts/materials and other goods on hand and in transit which are held for sale
11840	Raw Materials Inventory	This account refers to cost of raw materials on hand and in transit at the end of the accounting or reporting period.
11850	Work in Process Inventory	This account refers to cost of job or work in process on hand at the end of accounting or reporting period.
11860	Finished Goods Inventory	This account refers to cost of completed job or work orders and goods manufactured/ produced/ processed on hand and ready for sale at the end of accounting or reporting period
11870	Agricultural Produce	This account refers to the harvested product of the biological assets and shall be measured at its fair value less estimated point-of-sale costs at the point of harvest.
11880	Equipment for Lease Inventory	This account refers to cost of equipment on hand intended for lease purchase agreement.
11890	Allowance for the Decline in Value of Inventory	This account refers to allowance set aside to provide for impairment losses on inventory. This is a contra account to Inventories.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
11900	<i>Biological Assets</i>	This account refers to the cost of living animals and plants that are intended for sale. This shall be measured at its fair market value less estimated point-of-sale costs, except when estimates of fair value are determined to be clearly unreliable. Biological assets refer to living animals or plants. (PAS 41).
12000	<i>Other Current Assets</i>	This account refers to any other assets which are expected to be realized, consumed or used within the year. It also includes any other current assets that are not assigned to cash and cash equivalents, and loans and receivables.
12100	Input Tax	This account refers to value-added tax due from or paid by a VAT registered/registrable entity on the importation or local purchases of merchandise/goods or services including lease or use of property
12200	Deposit to Suppliers	This account refers to the amount paid in advance to suppliers.
12300	Unused Supplies	This account refers to cost of supplies on hand.
12400	Prepaid Expenses	This account refers to payments made in advance, to be amortized within one (1) year (e.g. insurance, interest, rentals, etc.)
13000-17000	<b>NON CURRENT ASSETS</b>	<i>All other assets not classified as current to include tangible, intangible, operating and financial assets of a long term nature.</i>
13100	<i>Held-to-Maturity (HTM) Financial Assets</i>	This account refers to debt securities quoted in an active market with fixed or determinable payments and fixed maturity that the cooperative has the positive intention and ability to hold to maturity (or as defined under PAS 39).
13110	Un-amortized Discount/ Premium - HTM	This account refers to the unamortized discount/premium on HTM debt securities, which shall be debited/credited monthly based on the effective interest method with the corresponding credit/debit to “Interest Income – HTM Debt Securities”.
13120	Allowance for Probable Losses – HTM-LT FA	This account refers to the cumulative amount of impairment loss that has been incurred on HTM LT – FA securities.
13200	<i>Available-for-Sale (AFS) Financial Assets</i>	This account refers to securities that are designated as available-for-sale, and are not classified as: (a) loans and receivables; (b) held to maturity investments; and (c) financial assets at fair value through profit and loss.
<b>13210</b>	Accumulated Gains/ Losses – AFS	This account refers to cumulative gains/ (losses) arising from change in the fair value of AFS securities. The contra cumulative account is “Net Unrealized Gains/ (Losses) on AFS Financial Assets”, which is a separate component of equity.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
13220	Allowance for Probable Losses - AFS FA	This account refers to the amount of impairment loss that has been incurred on AFS Securities. This is a temporary account to offset unrealized gains on investments – AFS.
13300	<i>Unquoted Debt Securities Classified As Loans</i>	This account refers to debt instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, including derivatives that are linked to and must be settled by delivery of such unquoted debt instruments, which shall be measured at cost.
13400	<i>Investment in Non-Marketable Equity Securities (INMES)</i>	This account refers to equity instruments that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured, but which shall be measured at cost.
13410	Allowance for Probable Losses – INMES	This account refers to cumulative amount of impairment loss that has been incurred on INMES.
13500	<i>Investment in Subsidiaries/ Associates and Joint Ventures</i>	This account refers to the amount of the cooperative’s investment in the equity instruments of unconsolidated subsidiaries/ associates, or joint ventures. Accounted for in accordance with PAS 27 for Investment in Subsidiaries, PAS 28 for Investment in Associates and PAS 31 for Investment in JVs.
13600	<i>Investment Property</i>	Cost of property (land or building or a portion thereof) used to generate income or capital appreciation or both, not used in production of goods, supply or services nor for administrative purposes nor sale in the ordinary course of business measured at cost and subject to depreciation. Fair value of property must be disclosed at the end of accounting/reporting period (PAS 40).
13610	Investment Property - Land	This account refers to cost of land or a portion thereof to generate income or capital appreciation or both, not used in production of goods, supply or services nor for administrative purposes or sale in the ordinary course of business measured at cost. Fair value of the property must be disclosed at the end of the accounting/reporting period.
13620	Investment Property – Building	This account refers to the cost of building or a portion thereof to generate income or capital appreciation or both, not used in production of goods, supply or services nor for administrative purposes or sale in the ordinary course of business measured at cost and subject to depreciation.
13630	Accumulated Depreciation & Impairment – Investment Property-Bldg.	This account refers to the total amount of depreciation and impairment on Investment Property – Building that are set up periodically and charged against the current operations.
13700	<i>Real and Other Properties Acquired (ROPA)</i>	This account refers to real and other properties, acquired by the co-op in settlement of loans and receivables through foreclosure or <i>dacion en pago</i> and/or for other reasons. Should the cooperative use such assets in its main operation, the same assets shall be re-classified accordingly.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
13710	Allowance for Probable Losses – ROPA	This account refers to the cumulative amount of impairment loss incurred on ROPA, which shall be accounted for in accordance with PAS 36
14000	<i>Property, Plant and Equipment</i>	<i>All tangible assets with an estimated useful life beyond one year, are used in the conduct of the business, and not intended for sale in the ordinary course of business. Recorded at cost or fair value if donated.</i>
14110	Land	This account refers to the acquisition cost of the land used for its main operation plus all incidental costs such as title, taxes, surveying fees, legal fees, restoration cost, and other cost, etc. All these are reflected in a single cost (fair market value or appraised value if donated). Taxes paid by the cooperatives as a contribution to the cost of public improvements (special assessment) are treated as part of the cost of the land. At the end of the accounting/ reporting period, fair value of the property must be disclosed.
14111	Accumulated Impairment Loss	This account refers to the total amount of impairment that are set up and charged against the current operation.
14120	Land Improvements	This account refers to the cost of depreciable improvements after land acquisitions such as fencing, roadways, landscaping, etc, that are subject to depreciation over their useful lives.
14121	Accumulated Depreciation – Land Improvements	This account refers to the total amount of depreciation/ impairment cost on land improvement that are set up periodically and charged against the current operations.
14130	Building and Improvements	This account refers to the acquisition/construction cost of the building and its improvement on the land owned and used for its main operation. Major repairs or improvements that will prolong the life of the building are considered capitalizable cost. At the end of the accounting/ reporting period, fair value of the property must be disclosed.
14131	Accumulated Depreciation – Building and Improvements	This account refers to the total amount of depreciation/ impairment cost on building that are set up periodically and charged against the current operations
14140	Building on Leased/Usufruct Land	This account refers to the cost of construction of new building on a leased/usufruct land and shall be depreciated over the estimated life of the building or the lease/usufruct term whichever is shorter.
14141	Accumulated Depreciation – Building on Leased/Usufruct Land	This account refers to total amount of depreciation on Building on Leased/Usufruct Land based on cost that are set-up periodically and charged against the current operations.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
14150	Utility Plant	This account refers to cost of property and equipment used in the generation of power/water and other utilities for operation and/or for distribution to consumers.
14151	Accumulated Depreciation – Utility Plant	This account refers to total amount of depreciation cost on Utility Plant that are set up periodically and charged against the current operations
14160	Property, Plant & Equipment -Under Finance Lease	This account refers to the cost determined by the fair or present value of leased Property, Plant and Equipment..
14161	Accumulated Depreciation – Property, Plant & Equipment - Under Finance Lease	This account refers to total amount of depreciation on PPE - under Finance Lease that are set-up periodically against current operations.
14170	Construction in Progress	This account refers to the cost of materials, labor and other construction related costs incurred on unfinished construction project, prior to occupancy/actual use.
14180	Furniture, Fixtures & Equipment (FFE)	This account refers to the cost of movable (furniture), immovable (fixtures) properties and office / production/ store equipment used in the ordinary course of business such as but not limited to desks, chairs, cabinets, computers, vaults, including incidental expenses incurred in acquiring them, up to the time they are received and ready for use.
14181	Accumulated Depreciation -FFE	This account refers to the total amount of depreciation/ impairment cost on Furniture, Fixture and Office Equipment that are set up periodically and charged against the current operations
14190	Machineries, Tools and Equipment	This account refers to the cost of machineries, tools and equipment owned and used in producing goods, providing services and repairs.
14191	Accumulated Depreciation – Machineries, Tools and Equipment	This account refers to the total amount of depreciation on machineries, tools and equipment that are set-up periodically and charged against the current operations
14200	Kitchen, Canteen & Catering Equipment/ Utensils	This account refers to the cost of equipment, cutleries and other tools used in food preparation and serving including incidental expenses incurred in acquiring them up to the time they are received and ready for use.
14201	Accumulated Depreciation – Kitchen, Canteen & Catering Equipment/ Utensils	This account refers to the total amount of depreciation on Kitchen, Canteen and Catering Equipment/Utensils that are set-up periodically against current operations.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
14210	Transportation Equipment	This account refers to the cost of equipment owned and used in transporting goods, services or personnel such as motorcycles, pick-ups, vans and other vehicles.
14211	Accumulated Depreciation - Transportation Equipment	This account refers to the total amount of depreciation/ impairment cost on Transportation Equipment that are set up periodically and charged against current operations
14220	Linens and Uniforms	This account refers to the cost of linens and the uniforms used by employees and staff including costs of tablecloth, curtains, blankets and similar items.
14221	Accumulated Depreciation – Linens and Uniforms	This account refers to the total amount of depreciation on linens and uniforms that are set-up periodically against current operations.
14230	Nursery/ Greenhouses	This account refers to the cost of nursery and greenhouse facilities and equipment used for seedling production and growing of vegetables
14231	Accumulated Depreciation - Nursery/ Greenhouse	This account refers to total amount of depreciation and impairment on nursery and greenhouse that are set-up periodically and charged against the current operations.
14240	Leasehold Rights & Improvements	This account refers to the cost of improvements on premises under operating lease including cost of rights and concession rights which are subject to amortization over the useful life of the property or the term of the lease, whichever is shorter.
15100	<i>Biological Assets-Animals</i>	This account refers to cost of breeding stock/working animals owned by the cooperative.
15101	Accumulated Depreciation – Biological Assets – Animals	This account refers to total amount of depreciation and impairment on Biological Assets - Animals that are set-up periodically and charged against the current operations.
15200	<i>Biological Assets-Plants</i>	This account refers to living plants that produces seeds, seedlings, flowers or fruits.
15201	Accumulated Depreciation Biological Assets - Plants	This account refers to total amount of depreciation and impairment on BA - plants that are set-up periodically and charged against the current operations.
16000	<i>Intangible Assets</i>	<i>Identifiable non-monetary asset without physical substance for which future economic benefits are expected to flow back and amortized over the estimated useful life or legal life whichever is shorter.</i>
16100	Franchise	For Franchisor -This account refers to the cost of developing and registering the trade mark /brand /logo for a particular product or services for the exclusive use and benefit of the coop. For the Franchisee - the cost of acquiring the right and privilege to sell goods and services using the particular trademark/ brand /logo of the franchisor.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
16200	Franchise Cost	This account refers to the cost of acquiring privilege or right granted by Franchising Agencies to a cooperative to exercise an exclusive service to a particular route or area.
16300	Copyright	This account refers to the right for the exclusive use or distribution of products or services acquired from an author or artists.
16400	Patent	This account refers to the exclusive rights granted by the state to a patentee (the inventor or assignee) for a fixed period in exchange for the regulated, public disclosure of certain details of a device, method, process or composition of matter which is new, inventive, and useful or industrially applicable
17000	<i>Other Non-Current Assets</i>	<i>Assets which do not fit into any of the preceding classifications</i>
17100	Cooperative Development Cost	This account refers to expenses incurred prior to the actual operations of the cooperative, subject to amortization for a period not exceeding three (3) years.
17200	Product/ Business Development Cost	This account refers to cost of enhancement/ improvements of existing products and/or development of new products and prototypes/samples for production after establishing the technical and commercial feasibility.
17300	Computerization Cost	This account refers to the cost of acquisition or development of computer programs and other software excluding upgrading of system. This is amortized over a period not exceeding three (3) years or useful life whichever is shorter.
17400	Other Funds and Deposits	This account refers to restricted funds set aside for funding of Statutory and other reserves such as Retirement, Members' Benefit and Other Funds. This may be in the form of time deposit or other securities which may be convertible to cash when needed.
17500	Finance Lease Receivable	This account refers to the long term portion of the Finance Lease Receivables.
17600	Due from Head Office/Branch/Subsidiary	This account refers to receivables from Head Office/ Branches/ Subsidiary
17700	Assets Held for Sale	This account refers to non current assets and/or assets of a discontinued operation held for sale which is measured at the lower of its carrying amount or fair value less cost to sell.
17800	Deposit on Returnable Containers	This account refers to deposits on containers subject to refund upon its return.
17900	Miscellaneous Assets	This account refers to assets not falling in any of the above categories.

ACCOUNT CODE	ACCOUNT TITLE	DEFINITION
20000-23000	<b>LIABILITIES - Economic Obligations that are recognized and measured in conformity with generally accepted accounting principles taking into consideration cooperatives' laws, principles and practices in the Philippines.</b>	
21000	<b>CURRENT LIABILITIES</b>	<i>Obligations reasonably expected to be settled within the normal business operating cycle, that: (a) is due within 12 months after balance sheet date; (b) is held primarily for the purpose of being traded; (c) does not have an unconditional right to defer settlement of the liability for at least 12 months after balance sheet date.</i>
21100	Saving Deposits	This account refers to deposits made by members that can be withdrawn anytime at the option of the member-depositors.
21200	Time Deposits	This account refers to deposits made by members for a specified period of time and withdrawable at a predetermined date.
21300	Accounts Payable-Trade	This account refers to obligations/indebtedness to suppliers for purchase of goods and services intended for sale
21400	Accounts Payable-Non Trade	This account refers obligations/ indebtedness to suppliers for purchase of goods and services not intended for sale (e.g. supplies, periodicals and etc.)
21500	Loans Payable - Current	This account refers to the indebtedness to financial institutions, federations, unions, or individuals payable within the accounting/fiscal period and the current portion of the Long Term Loans Payable.
21600	Finance Lease Payable – current	This account refers to the current portion of PPE acquired under Finance Lease Agreement.
21700	Due to Regulatory Agencies	This account refers to amount collected from members in payment for registration, licensing, supervision, etc. with Regulatory Agencies
21800	Cash Bond Payable	This account refers to amount received from members/employees as guarantee for the use of equipment/ accessories / future losses, shortages and damages
21900	SSS/ECC/ Philhealth / Pag-ibig Premium Contributions Payable	This account refers to amounts withheld from the compensation income of employees representing their premium contributions to SSS, Philhealth and Pag-ibig agencies and the corresponding share of the cooperative as employer.
22000	SSS/Pag-Ibig Loans Payable	This account refers to amounts withheld from the compensation income of employees representing their payment of loans to SSS and Pag-ibig agencies.
22100	Withholding Tax Payable	This account refers to all taxes withheld as prescribed by law.
22200	Output Tax	This account refers to value added tax on the sale of taxable merchandise/ goods and services.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
22300	VAT Payable	This account refers to excess of output tax over input tax.
22400	Accrued Expenses	This account refers to expenses that have been incurred but not yet paid as of the end of accounting period.
22500	Interest on Share Capital Payable	This account refers to liability to members for interest on share capital, which can be determined only at the end of fiscal year
22600	Patronage Refund Payable	This account refers to liability e to members for patronage refund, which can be determined only at the end of fiscal year.
22700	Due to Union/Federation (CETF)	This account refers to the accumulated amount set aside to be credited to the Union/Federation where the cooperative is a member. This corresponds to the 50% of the total annual allocation for the Education and Training Fund.
22800	Deposit from Customers	This account refers to deposits from customers for containers, food or other services subject to refund.
22900	Advances from Customers	This account refers to advance payment for delivery of goods or services.
23000	School Program Support Fund Payable	This account refers to an amount allocated as support mechanism to school program, which remains unpaid. (applicable to public school - based cooperatives only)
23100	Other Current Liabilities	This account refers to other liabilities that cannot be classified under any of the preceding current liability accounts.
24000	<b>NON-CURRENT LIABILITIES</b>	<i>Liabilities payable beyond one year</i>
24100	<i>Loans Payable</i>	This account refers to the indebtedness of the cooperative to financial institutions, federations, unions, or individuals payable beyond one year.
24200	<i>Discounts on Loans Payable</i>	This account represents the interest deducted from the loan value/principal to be amortized over the term of the loan using effective interest method. This is a contra account to Loans Payable.
24300	<i>Bonds Payable</i>	This account refers to the amortized cost of obligations arising from the issuance of bonds.
24400	Unamortized Bond Discount/Premium	This account refers to the unamortized discount/premium on bonds payable which shall be amortized during the term of the bond issued using the effective interest method.
24500	<i>Revolving Capital Payable</i>	The account refers to deferred payment of interest on share capital and patronage refund, which should be agreed upon in the General Assembly.
24600	<i>Retirement Fund Payable</i>	This account refers to the accumulated retirement benefit costs charged against the income of the cooperative over the expected remaining working lives of participating qualified employees.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
24700	<i>Finance Lease Payable - Long Term</i>	This account refers to the future lease payments for Property, Plant and Equipment acquired under finance lease, Net of the Current Portion.
24800	<i>Other Non-Current Liabilities</i>	The totality of all other liabilities that cannot be classified after any of the preceding liability accounts.
24810	Project Subsidy Fund	This account refers to the unused portion of the donation/grant for training, salaries and wages, etc.
24820	Members' Benefit and Other Funds Payable	This account refers to funds for special purposes such as member's benefits, including Kilusang Bayan Guarantee Fund (KBGF) / Cooperative Guarantee Fund (CGF) not part of the distribution of net surplus.
24830	Due to Head Office / Branch/ Subsidiary	The account is used to record inter-office transactions in the books of Head Office (HO)/Branch/ Subsidiary and should be closed at the end of the accounting period.
24840	Other Non Current Liabilities	This account refers to other long term liabilities not elsewhere classified.
30000	<b>EQUITY - Excess of a cooperative's assets over its liabilities</b>	
30100	<b>MEMBERS' EQUITY</b>	<i>This account refers to ownership Interest of members in the cooperative.</i>
30110	Authorized Share Capital – Common	This account refers to authorized capitalization in common share as prescribed in the articles of cooperation.
30120	Unissued Share Capital – Common	This account refers to portion of the Authorized Share Capital - Common prescribed in the articles of cooperation which is not yet subscribed and issued.
30130	Subscribed Share Capital- Common	This account refers to the share capital subscribed by regular members payable over a certain period of time
30140	Subscription Receivable - Common	This account refers to the total unpaid subscribed share capital of regular members.
30150	Paid-up Share Capital – Common	This account refers to collected subscribed capital stock-common share (if memo entry recording is used).
30160	Treasury Shares Capital -Common	This account refers to common shares bought back and held in treasury. This account should only be used in the event that there are no members who are willing to buy the shares of outgoing members.
30170	Authorized Share Capital - Preferred	This account refers to the authorized capitalization in preferred shares as prescribed by the articles of cooperation.
30180	Unissued Share Capital - Preferred	This account refers to portion of the Authorized Share Capital - Preferred as prescribed by the articles of cooperation which are not yet subscribed and issued.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
30190	Subscribed Share Capital-Preferred	This account refers to the preferred share capital subscribed by member (regular and associate) payable over a certain period of time.
30200	Subscriptions Receivable-Preferred	This account refers to the total unpaid subscribed preferred share capital of regular and associate members
30210	Paid-up Share Capital-Preferred	This account refers to collected subscribed preferred share capital (if memo entry recording is used).
30220	Treasury Shares Capital -Preferred	This account refers to preferred shares previously issued and reacquired and held in treasury, but not retired or cancelled, and maybe re-issued to existing members.
30230	Deposit for Share Capital Subscription	This account refers to amount paid by the members for capital subscription equivalent to the value of less than one share and additional subscriptions in excess of authorized capital pending approval of the amendments to increase Authorized Share Capital. This may also include the amount of share capital paid but not yet covered by subscription contract. Subsidiary ledgers shall be maintained for this account.
30300	Undivided Net Surplus	This account refers to the accumulated net surplus of the cooperative that is allocated and distributed at the end of each reporting period in accordance with Article 86 of RA 9520. This account is used for Interim Financial Statement Presentation only.
30400	Net Loss	This account refers to temporary account to record losses in operations incurred during the reporting period. Net loss for the year shall be charged against reserve fund, subject to provisions of Article 86 of RA 9520
30500	<i>Donations/ Grants</i>	This account refers to amounts received by the cooperative as awards, subsidies, grants, aids, and others. This shall not be available for distribution as interest on share capital and patronage refund
30600	<i>Statutory Funds</i>	Mandatory funds established/set up in accordance with Article 86 of RA9520
30610	Reserve Fund	This account refers to the amount set aside annually for the stability of the cooperative (equivalent to at least 10% of net surplus). A corresponding fund should be set up either in the form of time deposit with local banks or government securities.
30620	Coop. Education & Training Fund	This account refers to the amount retained by the cooperative for education and training of its members, officers and staff out of the mandatory allocation as stipulated in the cooperative's by-laws.
30630	Community Development Fund	This account refers to the fund set aside from the net surplus which should not be less than 3% for projects and/or activities that will benefit the community where the cooperative operates.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
30640	Optional Fund	This account refers to fund set aside from the net surplus not exceeding 7%. It shall be used for any of the following purposes: land and building, acquisition of equipment, members' benefit, or other purposes.
30700	<i>Unrealized Gains/ Losses</i>	This account refers to the cumulative gains (losses) arising from change in the fair value of AFS securities
<b>STATEMENT OF OPERATIONS</b>		
40000	<b><i>REVENUE ITEMS - Gross inflow of economic benefits during the period arising in the course of the ordinary activities of the coop when those inflows result in increases in equity, other than increases relating to contributions from equity participants.</i></b>	
40100	<b><i>Income from Credit Operations</i></b>	<i>All income derived from Credit Operations</i>
40110	Interest Income from Loans	This account refers to income earned and collected by the cooperative from the interest charged on the loans granted to their members.
40120	Service Fees	This account refers to the fees collected by the cooperative for loan processing/ servicing/collecting.
40130	Filing Fees	This account refers to the fees collected by the cooperative upon filing of loan applications by member-borrowers.
40140	Fines, Penalties, Surcharges	This account refers to the fees imposed and collected by the cooperative on the delayed amortization payments of the member-borrower.
40200	<b><i>Income from Service Operations</i></b>	<i>All income derived from service operations</i>
40210	Service Income	This account refers to the amount collected for various services rendered.
40220	Interest Income from Lease Agreement	This account refers to interest earned arising from lease of assets under Finance Lease Agreement
40300	<b><i>Income from Marketing/ Consumers/ Production Operations</i></b>	<i>All income derived from marketing / consumers / production operations</i>
	Net Sales	<i>Total sales reduced by sales returns, allowances and discounts.</i>
40310	Sales	This account refers to invoice price of all merchandise/ goods sold or services rendered whether paid or on account. (segregate sales from members and non-members)

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
40320	Installment Sales	This account refers to sales to members and non-members of merchandise/goods on a deferred payment plan or installment plan
40330	Sales Returns & Allowances	This account refers to deductions from the invoice price due to returns resulting from damage, defects or errors in the kind or quality of goods delivered/sold to customers/members.
40340	Sales Discounts	This account refers to deductions allowed to customers for settlement/prompt payment of their accounts
40400	<b><i>Other Income</i></b>	<i>Income received by the cooperatives other than its main operation.</i>
40410	Income/ Interest from Investment/ Deposits	This account refers to the income earned by the cooperatives from deposits in banks/other institutions and investments made in financial institutions/government/ business organizations. This shall include interest income derived from the deposit of statutory funds in the bank until utilized. (refer to the accounting manual)
40420	Membership Fee	This account refers to the amount collected from the cooperative's members-applicants upon approval of their membership in the cooperative.
40430	Commission Income	This account refers to an amount received by the cooperative from supplier as incentives.
40440	Realized Gross Margin	This account refers to income earned by the cooperative from the installment sales of real estate.
40450	Miscellaneous Income	This account refers to all other income earned by the cooperative for which no specific account has been set up.
50000	<b><i>Cost of Goods Sold</i></b>	The cost/value of commodity sold as determined using physical or perpetual inventory system.
51000	<i>Cost of Goods Sold</i>	<i>This account refers to account used to record cost of finished goods sold under perpetual inventory system.</i>
51110	Purchases	This account refers to cost of merchandise/goods bought whether paid or on account under periodic inventory system.
51120	Raw Material Purchases	This account refers to gross cost of materials purchased for the production of food for sale, for catering and canteen operations (using periodic inventory system)
51130	Purchase Returns & Allowances	This account refers to deductions from invoice cost due to damage, defects, or errors in the kind or quality of goods bought.
51140	Purchase Discounts	This account refers to reductions in the cost of product bought due to the early payment.
51160	Freight In	This account refers to the cost of transporting merchandise/goods from the place of purchase to storage area. Should form part of the Cost of Good Available for Sale.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
51170	Direct Labor	This account refers to cost of labor directly attributed to the production of goods.
51180	Factory/Processing Overhead	This account refers to all cost other than raw materials and direct labor used in the production/manufacturing/ process of goods including royalties and production garments
51200	<i>Inventory Loss</i>	This account refers to reduction in inventory due to spoilage, breakage and variance between inventory per books and per count
60000	<b><i>Cost of Services</i></b>	All costs incurred that are directly related to the generation of power, water and other services (A separate subsidiary shall be maintained)
61000	<i>Project Management Cost</i>	This account refers to all costs incurred that are directly related to the projects and contract entered into by clients like manpower servicing, construction and other professional works, including consulting fee.
61110	Labor and Technical Supervision	This account refers to amount incurred for technical and other services ancillary to the generation of service income.
61210	Salaries & Wages	This account refers to amount incurred for services rendered by employees directly involved in providing services including overtime pay
61230	Employees' Benefits	This account refers to benefits given to employees directly involved in providing services other than salaries and wages such as but not limited to 13th month pay, bonus, allowances, and subsistence allowances including human resource development.
61240	SSS, Philhealth, Pag-Ibig Contribution	This account refers to the cooperative's share in the employees' contribution to SSS, Philhealth and Pag-ibig.
61250	Retirement Benefit Expenses	The cost of providing retirement benefits to employees directly involved in providing services. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered.
61280	Professional and Consultancy Fees	This account refers to amount incurred for professional and consultancy services in relation to the generation of service income
61370	Supplies	This account refers to expenses incurred for various supplies used for service activities.
61410	Power, Light and Water	This account refers to the cost of electricity and water incurred in the generation of service income.
61430	Insurance	This account refers to expenses incurred to insure the equipment used in providing services.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
61440	Repairs and Maintenance	This account refers to expenses incurred in the repair and maintenance of machineries and equipment used in the delivery of service except major repairs that prolong the life of the asset
61450	Rentals	This account refers to expenses incurred for the building/office spaces or facilities leased by the cooperative for the generation of service income
61490	Gas, Oil & Lubricants	This account refers to This account refers to amounts incurred for gasoline, fuel and lubricants for cooperative's machineries and equipment used in the delivery of service
61520	Miscellaneous	This account refers to all other expenses incurred by the cooperative not classified under any of the specified expenses account.
61530	Depreciation	This account refers to amount provided for wear and tear of building, machineries and equipment used in the delivery of service
61540	Amortization	This account refers to amount provided for amortization of intangible assets.
62000	<i>Generation Cost</i>	Cost incurred in the generation of power, water and other utilities
62120	Power Cost	This account refers to cost of power whether purchased or generated for distribution
62130	Labor and Technical Supervision	This account refers to amount incurred for technical and other services ancillary to the generation of service income.
62210	Salaries & Wages	This account refers to amount incurred for services rendered by employees directly involved in providing services including overtime pay
62230	Employees' Benefits	This account refers to benefits given to employees directly involved in providing services other than salaries and wages such as but not limited to 13th month pay, bonus, allowances, and subsistence allowances including human resource development.
62240	SSS, Philhealth/ECC/ Pag-Ibig Contribution	This account refers to the cooperative's share in the employees' contribution to SSS, Philhealth and Pag-ibig.
62250	Retirement Benefit Expenses	This account refers to the cost of providing retirement benefits to employees directly involved in providing services. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered.
62250	Miscellaneous	This account refers to all other expenses incurred by the cooperative not classified under any of the specified expenses account.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
62280	Professional and Consultancy Fees	This account refers to amount incurred for professional and consultancy services in relation to the generation of service income
62370	Supplies	This account refers to expenses incurred for various supplies used for service activities.
62410	Power, Light and Water	This account refers to cost of electricity and water incurred in the generation of service income.
62430	Insurance	This account refers to expenses incurred to insure the equipment used in providing services.
62440	Repairs and Maintenance	This account refers to expenses incurred in the repair and maintenance of machineries and equipment used in the delivery of service except major repairs that prolong the life of the asset
62450	Rentals	This account refers to expenses incurred for the building/office spaces or facilities leased by the cooperative for the generation of service income
62490	Gas, Oil & Lubricants	This account refers to amounts incurred for gasoline, fuel and lubricants for cooperative's machineries and equipment used in the delivery of service
62530	Depreciation	This account refers to amount provided for wear and tear of building, machineries and equipment used in the delivery of service
62540	Amortization	This account refers to amount provided for amortization of intangible assets.
62590	Impairment Loss	This account refers to difference between the carrying value and the recoverable value of the assets directly used in the delivery of services
63000	<i>Distribution Cost</i>	Cost incurred in the distribution of power, water and other services.
63120	Power Cost	This account refers to cost of power whether purchased or generated for distribution
63130	Labor and Technical Supervision	This account refers to amount incurred for technical and other services ancillary to the generation of service income.
63210	Salaries & Wages	This account refers to amount incurred for services rendered by employees directly involved in providing services including overtime pay
63230	Employees' Benefits	This account refers to benefits given to employees directly involved in providing services other than salaries and wages such as but not limited to 13th month pay, bonus, allowances, and subsistence allowances including human resource development.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
63240	SSS, Phil health, ECC, Pag-Ibig Contribution	This account refers to the cooperative's share in the employees' contribution to SSS, ECC, Philhealth and Pag-ibig.
63250	Retirement Benefit Expenses	This account refers to the cost of providing retirement benefits to employees directly involved in providing services. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered.
63280	Professional and Consultancy Fees	This account refers to amount incurred for professional and consultancy services in relation to the generation of service income
63370	Supplies	This account refers to expenses incurred for various supplies used for service activities.
63390	Training/ Seminars	This account refers to an amount incurred for officers and staff directly involved in providing services for attending trainings and seminars/conducting seminars including expenses related thereto after exhausting the CETF
63410	Power, Light and Water	This account refers to cost of electricity and water incurred in the generation of service income.
63420	Travel and Transportation	This account refers to amount incurred for fares, toll fees, board and lodging, per diem, and meal allowance of officers, employees directly involved in providing services while on official travel.
63430	Insurance	This account refers to expenses incurred to insure the equipment used in providing services including that of the employees who are directly involved in generating service income
63440	Repairs and Maintenance	This account refers to expenses incurred in the repair and maintenance of machineries and equipment used in the delivery of service except major repairs that prolong the life of the asset
63450	Rentals	This account refers to expenses incurred for the building/office spaces or facilities leased by the cooperative for the generation of service income
63470	Communication	This account refers to amount incurred for transmission of messages such as courier, telephone, e-mail, fax, internet, messengerial, and all other means of communication used in the delivery of service
63490	Gas, Oil & Lubricants	This account refers to amount incurred for gasoline, fuel and lubricants for cooperative's machineries and equipment used in the delivery of service
63520	Miscellaneous	This account refers to all other expenses incurred by the cooperative not classified under any of the specified expenses account.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
63530	Depreciation	This account refers to amount provided for wear and tear of building, machineries and equipment used in the delivery of service
63540	Amortization	This account refers to amount provided for amortization of intangible assets.
63590	Impairment Loss	This account refers to difference between the carrying value and the recoverable value of the assets directly used in the delivery of services
64000	<i>Transport Service Cost</i>	All costs incurred that are directly related to Service Income and Passenger's Fee. (A separate subsidiary shall be maintained)
64140	Driver's /Conductor's Fees	This account refers to cost incurred for payment to drivers (control mechanism will be developed to recognized actual gross receipts) - subject to 10% withholding tax
64150	Vehicle Registration and Licensing Expenses	This account refers to expenses incurred for licensing, registration, dropping, filing, supervision, accreditation fees, penalties and other fees. (this account is used for cooperatively owned units only)
64160	Toll Fees	This account refers to amount paid for toll fees (SA)
64170	Incidental Expenses	This account refers to expenses incurred to cover the cost of expenditures which are not anticipated / expected <i>such as accidents not covered by insurance</i>
64430	Insurance	This account refers to expenses incurred to insure the equipment used in providing transport services.
64440	Repairs and Maintenance	This account refers to expenses incurred in the repair and maintenance of transport facility and equipment except major repairs that prolong the life of the asset.
64490	Gas, Oil & Lubricants	This account refers to amounts incurred for gasoline, fuel and lubricants for cooperative's vehicles and for day to day operation
64530	Depreciation	This account refers to amount provided for wear and tear of property and equipment.
64580	Provision for Fortuitous Events and Accidents	This account refers to amount set aside for expenses related to unforeseen events/accidents based on historical experience which should not exceed 10% of Management Fees.
70000	<b><i>EXPENSES - Gross outflows of economic resources and incurrence of obligations in the course of the ordinary activities of the cooperative when those outflows result in decreases in surplus.</i></b>	
71000	<b><i>Financing Cost</i></b>	Expenses related to borrowings of funds used for operations.
71100	Interest Expense on Borrowings	This account refers to interest incurred on borrowings.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
71200	Interest Expense on Deposits	This account refers to the interest incurred on savings and time deposits of both regular & associate members
71300	Other Financing Charges	This account refers to service charges, filing fees and other fees for borrowings incurred by the cooperative.
72000	<b><i>Selling/ Marketing Cost</i></b>	Costs incurred in the promotion/distribution and selling of products and services of the cooperatives.
72180	Product/ Service Marketing and Promotion Expenses	This account refers to expenses incurred in the marketing and promoting the coop. products and services (expenses related to pricing, promotion, place packaging)
72190	Product/ Service Development	This account refers to expenses incurred in the development of coop. products and services (expenses related to research and development)
72200	Product Research	This account refers to expenses incurred in the enhancement of existing products
72210	Salaries & Wages	This account refers to amount incurred for services rendered by employees including overtime pay
72220	Incentives and Allowances	This account refers to amount incurred for services rendered by sales, part-time and on-call employees.
72230	Employees Benefits	This account refers to benefits given to employees other than salaries and wages such as 13th month pay, bonus, allowances, termination or separation pay and others, termination or separation pay and others.
72240	SSS, Philhealth, ECC, Pag-Ibig Premium Contribution	This account refers to the cooperative's share in the employees' premium contribution to SSS, ECC, Philhealth and Pag-ibig.
72250	Retirement Benefit Expenses	This account refers to This account refers to the cost of providing retirement benefits to employees for their services rendered. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered.
72260	Commission Expenses	This account refers to amount paid to sales personnel and others as incentives.
72270	Advertising & Promotion	This account refers to expenses incurred for advertising and promotion of cooperatives' products.
72280	Professional Fees	This account refers to fees and related expenses incurred for professional services rendered.
72290	Royalties	This account refers to the amount provided to authors for the right to the reproduction of books and related items that is made available for sale

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
72310	Store/ Canteen/ Kitchen and Catering Supplies Expenses	This account refers to expenses incurred for stationery and various supplies used in store/canteen/kitchen and catering for selling/trading operations.
72320	Breakage & Losses on Kitchen Utensils	This account refers to expenses incurred for lost or breakage of kitchen/utensils after deducting accumulated depreciation.
72330	Freight Out/Delivery Expenses	This account refers to amount incurred for the delivery of goods/services including traveling expenses of sales personnel from the place of production/store to buyer including lubricants.
72340	Spoilage, Breakage And Losses	This account refers to expenses incurred for unavoidable decay, breakage, expiration or losses of goods beyond the normal condition.
72350	Storage/ Warehousing Expenses	This account refers to expenses incurred for temporary housing of merchandise/goods.
72410	Power, Light and Water	This account refers to cost of electricity, water and/or gasoline/diesel, oil and lubricants used for generators which are incurred in business operations.
72420	Travel and Transportation	This account refers to amount incurred for fares, gasoline and fuel for service vehicles borrowed or rented by the cooperative, toll fees, board and lodging, per diem and meal allowance of employees while on official travel.
72430	Insurance	This account refers to expenses incurred to insure the assets/properties/employees of the cooperative and the bonds of accountable officers and employees.
72440	Repairs and Maintenance	This account refers to expenses incurred in the repair and maintenance of each facility and equipment except major repairs that do not prolong the life of the asset but increase capacity and safety measures.
72450	Rentals	This account refers to amount incurred for the lease or rental of the building/office space, the utilized portion of the rent paid in advance.
72460	Taxes, Fees and Charges	This account refers to amount incurred for the lease or rental of the building/office space, the utilized portion of the rent paid in advance.
72470	Communication	This account refers to the amount incurred for courier (letters), telephone, cell phone, e-mail, fax, internet, messengerial, and all other means of communication.
72480	Representation	This account refers to expenses incurred related to accommodating visitors and guests on official business.
72490	Gas, Oil & Lubricants	This account refers to amount incurred for gasoline, fuel and lubricants for service vehicles, delivery vans and others.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
72520	Miscellaneous Expenses	This account refers to all other expenses incurred by the cooperative not classified under any of the specified expenses account.
72530	Depreciation	This account refers to amount provided for wear and tear of property and equipment and amortization of intangible assets.
72540	Amortization	This account refers to amount provided for amortization of intangible assets.
72550	Amortization of Leasehold Rights and Improvement	This account refers to amount provided for amortization of leasehold rights and improvements.
72660	Periodicals, Magazines & Subscription	This account refers to amount incurred for subscription or purchase of periodicals, magazines and others.
73000	<b>Administrative Cost</b>	Expenses incurred related to general administration and management of the cooperative/enterprise
73210	Salaries & Wages	This account refers to amount incurred for services rendered by employees including overtime pay.
73230	Employees Benefits	This account refers to benefits given to employees other than salaries and wages such as but not limited to 13th month pay, bonus, allowances, and subsistence allowances including human resource development.
73240	SSS, Philhealth, ECC, Pag-ibig Premium Contributions	This account refers to the cooperative's share in the employees' premium contributions to SSS, ECC, Philhealth and Pag-ibig.
73250	Retirement Benefit Expenses	This account refers to the cost of providing retirement benefits to employees for their services rendered. The cost of retirement benefits is recognized as an expense in the periods during which the services are rendered.
73270	Officers' Honorarium and Allowances	This account refers to amount incurred for services rendered by directors, committee members and officers.
73300	Litigation Expenses	This account refers to expenses incurred in judicial and quasi-judicial cases including incidental costs where the coop is the complainant or respondent as authorized by the BODs.
73360	School Program Support	This account refers to an amount allocated by the cooperatives as support mechanism to school program such as school food supplementation of identified under-nourished cases and administration contingency fund, outreach program and school development, etc. (applicable to school-based cooperatives for canteen activity only)
73370	Office Supplies	This account refers to expenses incurred for office and various supplies used in the administration and conduct of business operation.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
73380	Meetings and Conferences	This account refers to amount incurred for the conduct of/ attendance to meetings and conferences.
73390	Trainings/ Seminars	This account refers to amount incurred for officers, directors, employees and members, for attending trainings and seminars including all expenses related thereto after exhausting the CETF (local). For purposes of analysis, amount incurred may be classified as to the recipient.
73410	Power, Light & Water	This account refers to cost of electricity and water incurred in business operations.
73420	Travel & Transportation	This account refers to amount incurred for fares, toll fees, board and lodging, per diem and meal allowance of officers and employees and members while on official travel.
73430	Insurance	This account refers to expenses incurred to insure the assets/properties of the cooperative, premium of insurance for officers and employees and bonds of accountable officers and employees.
73440	Repairs & Maintenance	This account refers to expenses incurred in the repair and maintenance of each facility and equipment except major repairs that prolong the life of the asset.
73450	Rentals	This account refers to expenses incurred for building/office spaces or facilities leased by the cooperative.
73460	Taxes, Fees and Charges	This account refers to expenses incurred for taxes, fees and charges due to government entities, both national and local.
73470	Communication	This account refers to amount incurred for courier (letters), telephone, cell phone, e-mail, fax, internet, messengerial, and all other means of communication.
73480	Representation	This account refers to expenses incurred related to accommodating visitors and guests on official business.
73490	Gas, Oil & Lubricants	This account refers to amount incurred for gasoline, fuel and lubricants for cooperative's vehicles and for day to day operation
73500	Collection Expense	This account refers to amount, including commissions, incurred as incentives in effecting the collection of loans of the cooperative.
73510	General Support Services	This account refers to expenses incurred for employing the services of security, janitors, messengers and other support services.
73520	Miscellaneous Expense	This account refers to all other expenses incurred by the cooperative not classified under any of the specified expenses account.
73530	Depreciation	This account refers to allocation of cost over the estimated life of Property, Plant and Equipment.
73540	Amortization	This account refers to amount provided for amortization of intangible assets

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
73550	Amortization of Leasehold Rights and Improvement	This account refers to amount provided for amortization of leasehold rights and improvements.
73560	Provision for Probable Losses on Accounts/ Installment Receivables	This account refers to allocation or provision for estimated losses arising from probable uncollectible loans/accounts/ installment receivables.
73570	Provision for Losses – Others	This account refers to this refers to the allocation or provision for estimated losses on investments
73590	Impairment Losses	This account refers to the difference between the carrying value and the recoverable value of an asset.
73600	Bank Charges	This account refers to bank fees and other charges excluding cost of checkbooks.
73610	General Assembly Expenses	This account refers to expenses incurred in the conduct of regular/special general assembly.
73620	Members Benefit Expenses	This account refers to expenses incurred in providing for additional members' benefits and social services
73630	Affiliation Fee	This account refers to amount incurred to cover membership or registration fees and annual dues to a federation or union.
73640	Social & Community Service Expense	This account refers to expenses incurred by the cooperatives in its social community involvement including solicitations and donations to charitable institutions.
73650	Provision for CGF (KBGF)	This account refers to amount set up at the option of the cooperative for the provision of CGF (KBGF).This is not part of the Statutory Fund.
80000	<b><i>Other Items – Subsidy/ Gain (Losses)</i></b>	Special transactions arising from the operations of the cooperatives.
81000	Project Subsidy	This account refers to an amount deducted from Project Subsidy fund to subsidize project expenses. This shall appear in the statement of operation as a contra account to subsidized project expenses
82000	Donation and Grant Subsidy	This account refers to an amount deducted from Donation and Grant to subsidize depreciation charges on property and equipment funded by donation and grant.
83000	Optional Fund Subsidy	This account refers to an amount deducted from Optional Fund to subsidize depreciation charge of property and equipment funded by Optional Fund
84000	Subsidized Project Expenses	This account refers to portion of the Project Subsidy Fund expended for training, salaries and wages and other activities subsidized by donations and grants and optional fund.

<b>ACCOUNT CODE</b>	<b>ACCOUNT TITLE</b>	<b>DEFINITION</b>
85000	Gains or Losses on Sale of Property & Equipment	This account refers to gains or losses derived from the sale of acquired assets/properties and equipment
86000	Gains or Losses in Investment	This account refers to income earned or losses incurred from the disposal of investments.
87000	Gains or Losses on Sale of Repossessed Item	This account refers to income earned or losses incurred from the sale of repossessed items.
88000	Gains or Losses from Foreign Exchange Valuation	This account refers to gains or Losses arising from retirement or conversion of foreign currency exchange rate fluctuation per actual transaction
89000	Prior Years' Adjustment	This account refers to adjustments on transactions affecting income and expenses incurred in the previous year(s) which are taken up on the current year.

## **V. Financial Reports with supporting schedules**

For purposes of monitoring, supervising and regulating all types of cooperatives, the following basic financial reports and schedules (formats are shown in Annexes A - E) shall be prepared:

- a) Statement of Financial Condition (Annex A)
- b) Statement of Operations (Annex B)
- c) Statement of Changes in Equity (Annex C)
- d) Statement of Cash Flows (Annex D)
- e) Notes to Financial Statement (Annex E)
- f. Related Schedules such as
  - Bank reconciliation Statement
  - Aging of Receivables using PAR
  - Property and equipment lapsing schedule
  - Members loans receivables, savings/time deposits, subscribed and paid-up share capital
  - Investments
  - Accounts payable
  - Loans payable
  - Allocation and Utilization of Statutory Funds
  - Distribution of Interest on Share Capital and Patronage Refund

For cooperatives with multi-business activities, separate financial reports shall be prepared for each type of activity.

## **VI. Sanctions**

Cooperatives which fail to comply with this Circular shall be subject to the following sanctions:

- First non-compliance, the Authority shall issue warning to concerned cooperatives;
- Second non-compliance, certificate of good standing shall not be issued by the Authority;
- Third non-compliance, the certificate of registration of cooperative shall be cancelled after compliance with due process of law.

#### **VII. Transitory Provision**

All Cooperatives shall within one (1) year from the effectivity of this Circular make the necessary adjustments on their existing systems in order to comply with the Standard Chart of Accounts. Provided however, that the aforementioned sanctions under item VI shall not be imposed during the transition period.

#### **VIII. Repeals**

All circulars, regulations, issuances or parts thereof, inconsistent with any of the provisions of this Circular are hereby repealed or modified accordingly.

#### **IX. Separability Clause**

Should any part of this Circular be declared invalid or unconstitutional, the rest of the provisions not affected thereby shall continue in full force and effect.

#### **X. Effectivity**

This Circular shall be published in the Office of the National Administration Registry (ONAR) and shall take effect fifteen (15) days after its publication.

*Signed this 14<sup>th</sup> day of September, 2009 at Quezon City, Philippines.*

(signed) **LECIRA V. JUAREZ**  
Chairperson

*CDA Board of Resolution No. 202, S-2009  
August 14, 2009*