

# Old and new government accounting distinguished

[Business](#), [Accounting](#)



## OLD AND NEW GOVERNMENT ACCOUNTING SYSTEM DISTINGUISHED | OLD| NEW|

Accounting Entries| \* Manual \* Maintains numerous special journals with several wide columns| \* Computerized \* Simplified and updated accounting system| Commission on Audit| Journalizes the appropriation and allotment released by the Department of Budget & Management | No longer journalizes the appropriation and allotment released by the Department of Budget & Management | Bureau of Treasury| Accounting rules & regulations pertaining to cash operations, collections, remittances and disbursements are issued by the COA, jointly or with the concurrence of Department of Finance and the Department of Budget & Management. | Bureau of Treasury maintains the Registry of NCA & Replenishments (RENREP) for control & monitoring of NCA bank transfers released by the Department of Budget & Management. Government Agency| \* Does not journalize the Notice of Cash Allocation (NCA) it receives which in effect, identifies the share of agency in the income of the national government. \* Journalizes its appropriations and allotments. | \* Now journalizes the Notice of Cash Allocation (NCA) it receives which in effect, identifies the share of agency in the income of the national government. \* No longer journalize its appropriations and allotments; instead it shall maintain the ff. : Registry of Allotments and Obligations- Personal Services (RAOPS), Registry of Allotments and Obligations- Maintenance and other Operating Expenses (RAOMO), Registry of Allotments and Obligations- Capital Outlay (RAOCO), Registry of Allotments and Obligations- Financial Expenses (RAOFE). Basis of Accounting \* Expenses \* Income and Revenue| Accrual & Cash Basis shall be taken up in the accounts of that year

recognized when earned except in case of taxes, where revenues that remain unrealized at the close of the fiscal year shall not be recognized| Modified Accrual Basis recognized when incurred & reported in the F/S shall be recognized on accrual basis except for transactions where accrual basis is impractical or when other methods are required by law| Fund| All income accruing to the agencies shall accrue to the General Fund of the government and all money collected on any tax levied for a special purpose shall be treated as Special Fund. | Adopts one fund concept and that is the General Fund| Chart of Accounts & Coding Structure| \* Six-digit account numbering system \* There are contingent accounts. \* Expenditures charged to capital outlay are classified as expenses. | \* Three-digit account numbering system \* There are no longer contingent accounts. \* Expenditures charged to capital outlay are classified as expenses. Books of Original Entries| Journal of Collections & Deposits, Journal of Disbursements, Journal of Checks, Issued, Journal & Analysis of Obligations & Journal of Bills are being used| - no longer used, only the General Journal shall be used namely (1) Cash Receipt Journal, (2) Cash Journal, (3) Check Disbursements Journal and (4) Cash Disbursements Journal| Trial Balance| Four-money column listings of all general ledger accounts used in the operations of the agency, whether, the accounts are with or without balance| Two-money column| Financial Expenses| Recognized as components of Maintenance & Other Operating Expenses (MOOE)| Shall be separately classified from Maintenance & Other Operating Expenses (MOOE)| Contingent Accounts| Used to record claims for accounts in dispute| No longer be used, all financial transactions shall be recorded using the appropriate accounts| Corollary Entry & Negative Journal

Entries| Being used| Discontinued | Journals used| Cash Journal and General Journal are used together with the ledgers by both books. | With the implementation of the computerized agency accounting system, only the General Journal shall be used together with the ledgers by both books. |