

### I. Definition

Cash includes **money** and any other **negotiable instruments** that is payable in money and *accepted by the bank* for deposit and immediate credit.

Presentation: Current Asset

Measurement: Face Value

Estimated Recovery Value - the projected value of an asset that can be recovered in the event of *liquidation* or *winding down*.

### Cash Equivalents

short-term and highly liquid investments that are readily convertible into cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Measurement: Face Value

Presentation: Current Asset

### Examples of Cash Equivalents

Three-Month BSP Treasury Bills

Three-Month Time Deposits

Three-Month Money Market Instrument or Commercial Paper

Xxx-Year BSP Treasury Bills/-Commercial Paper/Redeemable Preference Share Purchased Three-Months before Maturity Date.

### Note

Three Months is based on the Date of Purchase.

### II. Cash Items

#### Cash on Hand

#### Cash in Bank

#### Cash Set Aside for Current Operations

#### Unrestricted Compensating Balances

#### Foreign Currency

#### Cash on Hand

Undeposited Collections

Customer's Check

Manager's Check

Traveler's Check

Cashier's Check

Bank Draft

Money Order

#### Cash in Bank

Checking Account/Demand Deposit

Savings Account

#### Cash set aside for Current Operations

Dividend Fund

Interest Fund

Tax Fund

Payroll Fund

Cash Set aside for the Acquisition of Short-Term/Current Assets

#### Unrestricted Compensating Balances

Unrestricted - Cash

Restricted - Short/Long-Term Investment

### Foreign Currency

translated to Philippine Peso using the exchange rate at the balance sheet date (**Closing Rate**)

### III. Checks Issued and Recorded

#### Postdated Checks

#### Undelivered/Unreleased Checks

#### Stale Checks

#### Postdated Check (PDC)

A check written by the drawer for a date in the future

#### Undelivered Check

A check merely drawn and recorded, but not given or delivered to the payee before the end of the reporting period

#### Stale Check

Check that have passed their life as a valid form of payment. These are the checks which are at least 180 days old (6 months).

### Non-Cash Items

Items	Classifications
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Travel Expenses and Postage Stamps	Prepaid Expense
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Cash in Closed Banks/NRV	Receivables
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NSF/DAUD/DAIF	Receivables
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Bank Overdraft (Same Bank + Positive Balance)	Current Liability
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### Non-Cash Items (cont)

Customer's Post-Dated and Undelivered Checks	Receivables
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IOU (I owe you)	Receivables
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### If restriction is silent

Items	Classifications
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Time Deposit/Certificate of Deposit	Cash Equivalents
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Money Market/Commercial Paper	Cash Equivalents
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Treasury Bills	Cash Equivalents
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Treasury Note	Short-Term Investment (1yr)
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Treasury Bonds	Long-Term Investment (10yr)
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Redeemable Preference Share	Long-Term Investment
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Compensating Balance	Cash
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Deposit in Foreign Bank	Cash
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Sinking Fund for Current Liabilities	Cash
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Pension Fund for Current Liabilities	Cash
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### NOTES

Foreign Bank (Restricted)	Long Term Investment
Company's Post- Dated and Undeli- vered Checks	Revert to Cash



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