

NATIONAL AVIATION ACADEMY OF THE PHILIPPINES
Summary of Misstatements
Period Covered January 1 to December 31, 2025

Audit Observation/ Description of Misstatement (A)	Misstatements			Classification (Factual/ Judgmental/ Projected)	Material by Nature/ Circumstance of Occurrence?	Corrected/ Uncorrected?
	Amount (B)	Accounts Affected (C)	Effect (Overstatement)/ Understatement (D)	(E)	(F)	(G)
a) Misstatements in Inventory Accounts:						
a.1. Understatement of Inventory due to erroneous recording	214,500.00	Accountable Forms, Plates, and Sticker Inventory	214,500.00	Factual	Does not exceed Materiality level/ not persistent nor pervasive	Corrected per JEV No. GJ Local 2025-12-226
		Accumulated Surplus/(Deficit) – Accountable Forms, Plates, and Stickers Expense	214,500.00			
	5,356.00	Accumulated Surplus/(Deficit) – Accountable Forms, Plates, and Stickers Expense	5,356.00			
		Accountable Forms, Plates, and Sticker Inventory	5,356.00			
b) Misstatements in Property, Plant, and Equipment:						
b.1. Understated depreciation expenses for Motor Vehicles Account	28,160.71	Accumulated Surplus/(Deficit)- Depreciation Expenses - Motor Vehicle	28,160.71	Factual	Does not exceed Materiality level/ not	Corrected per JEV No. GJ Local 2025-12-228

Audit Observation/ Description of Misstatement (A)	Misstatements			Classification (Factual/ Judgmental/ Projected)	Material by Nature/ Circumstance of Occurrence?	Corrected/ Uncorrected?
	Amount (B)	Accounts Affected (C)	Effect (Overstatement)/ Understatement (D)	(E)	(F)	(G)
		Accumulated Depreciation - Motor Vehicle	28,160.74		persistent nor pervasive	
b.2 incorrect derecognition of donated land	1,050,000.00	Land	1,050,000.00	Factual	Does not exceed Materiality level/ not persistent nor pervasive	Corrected per JEV No. GJ Local 2025-12-229
		Other Deferred Credits	1,050,000.00			
b.3. duplicate asset entry	4,983,400.00	Technical and Scientific Equipment (TSE)	(4,983,400.00)	Factual	Exceeds Materiality level/ not persistent nor pervasive	Corrected per JEV No. GJ Local 2025-12-231
		Accumulated Depreciation – TSE	(2,367,115.00)			
		Accumulated Surplus/(Deficit)	(2,616,285.00)			
c) Misstatement in Guaranty/Security Deposit Payable:				Factual	Does not exceed Materiality level/ not persistent nor pervasive	Corrected per JEV No. GJ Local 2025-12-230
c.1. Incorrect computation of the retention money	763,027.89	Guaranty/Security Deposit Payable	763,027.89			
		Accounts Payable	763,027.89			
d) Misstatement in Leave Benefits Payable:				Factual	Exceeds Materiality level/ not persistent nor pervasive	Corrected per JEV No. GJ GF 2025-12-081
d.1. Understatement of Leave Benefits Payable (Liability) and Terminal Leave Benefits (Expense), and the	53,208,276.17	Accumulated Surplus/(Deficit) - Terminal Leave Benefits	53,208,276.17			

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	Amount (B)	Accounts Affected (C)	Effect (Overstatement)/ Understatement (D)	(E)	(F)	(G)
overstatement of Accumulated Surplus/(Deficit)		Leave Benefits Payable	53,208,276.17			
Total Identified Misstatements	60,252,720.77					
Total Corrected Misstatements	60,252,720.77					
Total Uncorrected Misstatements	0.00					
Audit Opinion		UNMODIFIED OPINION				