



## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of the Philippine Charity Sweepstakes Office (PCSO) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2021 and 2020, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the PCSO's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the PCSO or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the PCSO's financial reporting process.

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stake holders and other uses.

The Commission on Audit has examined the financial statements of the PCSO in accordance with the international Standards of Supreme Audit Institutions, and in its report to the Board of Directors, has expressed its opinion on the fairness of presentation upon completion of such audit.



**ANSELMO SIMON P. PINIL**  
Chairperson

Date: APR 07 2022

**MA. CRISTINA J. GREGORIO**  
Manager  
Accounting and Budget Department  
Date: 4/6/22

**ARNEL N. CASAS**  
AGM for Management Services Sector  
Date: 4/6/22

**PHILIPPINE CHARITY SWEEPSTAKES OFFICE**  
**STATEMENT OF FINANCIAL POSITION**  
**(ALL FUNDS)**

As at December 31, 2021 and 2020  
(In Philippine Peso)

	Notes	2021	2020 (As Restated)
<b>A S S E T S</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5 P	16,130,051,514 P	14,206,297,472
Other investments	6	2,483,267,240	2,220,035,313
Receivables	7	7,246,508,820	7,117,949,000
Inventories	8	33,846,146	95,709,842
Other current assets	9	78,327,931	245,917,638
<b>Total Current Assets</b>		<b>25,972,001,651</b>	<b>23,885,909,265</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	10	2,894,195,320	1,643,933,939
Other investments	10	-	-
Investment property	11	279,788,913	280,039,502
Property, plant and equipment - net	12	1,105,214,218	807,150,757
Intangible assets	13	11,771,283	111,615,717
Deferred tax assets	15.1	64,246,726	-
Other non-current assets	14	6,513,036,339	5,397,574,380
<b>Total Non-Current Assets</b>		<b>10,868,252,799</b>	<b>8,240,314,295</b>
<b>TOTAL ASSETS</b>		<b>36,840,254,450</b>	<b>32,126,223,560</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Financial liabilities	16	10,123,419,403	8,339,637,528
Inter-agency payables	17	483,869,768	1,212,186,500
Intra-agency payables		51,784	51,784
Provision	18	27,957,428	9,074,959
Other current liabilities	19	2,638,094,153	1,219,885,179
<b>Total Current Liabilities</b>		<b>13,273,392,536</b>	<b>10,780,835,950</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred credits	20	244,592,500	79,474,734
Trust liabilities	21	6,369,301,414	4,898,306,564
Provision	18	286,565,083	231,658,596
Deferred tax liabilities		-	-
<b>Total Non-Current Liabilities</b>		<b>6,900,458,997</b>	<b>5,209,439,894</b>
<b>TOTAL LIABILITIES</b>		<b>20,173,851,533</b>	<b>15,990,275,844</b>
Retained earnings		16,661,354,119	16,132,099,682
Other comprehensive income/(loss)		5,048,798	3,848,034
<b>EQUITY</b>	22	<b>16,666,402,917</b>	<b>16,135,947,716</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	P	<b>36,840,254,450 P</b>	<b>32,126,223,560</b>

The notes on pages 10 to 91 form part of these Financial Statements.

**PHILIPPINE CHARITY SWEEPSTAKES OFFICE**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**(ALL FUNDS)**

For the Years Ended December 31, 2021 and 2020  
(In Philippine Peso)

	Notes	2021	2020 (As Restated)
<b>Income</b>			
Service and business income		43,660,888,155	19,480,857,568
Gains		19,793,808	(17,808,920)
Other non-operating income		20,429,597	5,051,351
<b>Total Income</b>	23	<b>43,701,111,560</b>	<b>19,468,099,999</b>
<b>Operating Expenses</b>			
Personal services expenses		937,381,864	781,588,610
Maintenance and other operating expenses		33,084,896,596	13,702,920,727
Financial expenses		15,966,869	9,280,891
Non-cash expenses		266,696,992	232,027,076
<b>Total Operating Expenses</b>	24	<b>34,304,942,321</b>	<b>14,725,817,304</b>
Profit / (Loss) before tax		9,396,169,239	4,742,282,695
Income tax expense / benefit	15.1	1,014,577,043	134,417,618
Income tax expense / benefit - deferred	15.1	(64,246,726)	112,744,245
<b>Profit / (Loss) After Tax</b>		<b>8,445,838,922</b>	<b>4,495,120,832</b>
Financial assistance/subsidy/contribution	24	5,348,481,594	4,536,467,278
<b>NET INCOME / (LOSS)</b>		<b>3,097,357,328</b>	<b>(41,346,446)</b>
Other comprehensive income/(loss)		1,200,764	(1,120,115)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>3,098,558,092</b>	<b>(42,466,561)</b>

The notes on pages 10 to 91 form part of these Financial Statements.

**PHILIPPINE CHARITY SWEEPSTAKES OFFICE**  
**STATEMENT OF CHANGES IN EQUITY**  
**(ALL FUNDS)**

For the Years Ended December 31, 2021 and 2020  
(In Philippine Peso)

		Cumulative Changes in Fair Value of Investments (Note 22)		Retained Earnings/(Deficit ) (Note 22)		TOTAL
		<u>                    </u>		<u>                    </u>		<u>                    </u>
<b>BALANCE AT JANUARY 1, 2020</b>	<b>P</b>	<b>4,968,149</b>	<b>P</b>	<b>16,466,770,085</b>	<b>P</b>	<b>16,471,738,234</b>
<b>CHANGES IN EQUITY FOR 2020</b>						
Add/(Deduct):						
Payment of dividends				-		-
Forfeitures				-		-
Transfer to charity fund				-		-
Dividends payable				(293,323,957)		(293,323,957)
Comprehensive income		(1,120,115)		(41,346,446)		(42,466,561)
						-
<b>RESTATED BALANCE AT DECEMBER 31, 2020</b>	<b>P</b>	<u><u>3,848,034</u></u>	<b>P</b>	<u><u>16,132,099,682</u></u>	<b>P</b>	<u><u>16,135,947,716</u></u>
<b>CHANGES IN EQUITY FOR 2021</b>						
Add/(Deduct):						
Dividends payable				(2,568,102,891)		(2,568,102,891)
Comprehensive income		1,200,764		3,097,357,328		3,098,558,092
<b>BALANCE AT DECEMBER 31, 2021</b>	<b>P</b>	<u><u>5,048,798</u></u>	<b>P</b>	<u><u>16,661,354,119</u></u>	<b>P</b>	<u><u>16,666,402,917</u></u>

The notes on pages 10 to 91 form part of these Financial Statements.

**PHILIPPINE CHARITY SWEEPSTAKES OFFICE**  
**STATEMENT OF CASH FLOWS**  
**(ALL FUNDS)**

As at December 31, 2021 and 2020  
(In Philippine Peso)

	Notes	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash Inflows</b>			
Sales	P	15,989,259,922 P	10,965,504,917
Share from small town lottery / Bingo milyonaryo / Peryahan		-	-
STL agent - remittances		11,760,623,875	3,442,589,500
Share from scratch tickets		262,403,274	168,800,000
Interest income		15,394,452	21,282,143
Miscellaneous income		18,946,204	42,791,859
Other service income		101,375,680	2,716,468
Application / Filing / Processing fees		25,610,860	2,241,392
Inspection / Installation fee		14,925,580	3,805,000
Fines and penalties		51,984,869	15,747,973
Collection of accounts receivable		51,181,143	-
Miscellaneous receivables / Cash collections		47,446,821	3,101,180
Cash bond / Performance bond / Bidder's bond		406,452,496	542,580,820
Prepayments		173,572,059	-
Cash collection (For payment of employee's loans/GSIS, Pag-Ibig, Philhealth, etc.)		43,291,950	-
Fund transfer to / from other branches / Office of the Department Manager (Region)		7,900,000	-
Fund transfer to home office		815,149,676	338,401,584
<b>Total Cash Inflows</b>		<b>29,785,518,861</b>	<b>15,549,562,836</b>
<b>Cash Outflows</b>			
Prize fund expenses		3,851,099,577	1,776,169,555
Maintenance and other operating expenses		1,207,942,060	649,234,981
Payments made to Bureau of Internal Revenue		10,162,391,910	4,740,497,329
Charity fund expenses		3,949,366,558	5,436,873,775
Personal services expenses		742,279,448	844,355,179
Inventories-office supplies, thermal rolls and betslips, etc.		194,834,593	217,376,333
Payment of liabilities		3,929,291,503	541,313,894
Cash advance / Due from officers and employees		147,741,972	35,230,361
Payments made to GSIS, Pag-Ibig, Philhealth and etc.		42,875,675	7,318,295
Prepayments		-	4,839,038
Guaranty deposits		4,989,754	-
Payment of other liabilities		39,698,382	10,656,258
Fund transfer to / from other branches / Office of the Department Manager (Region)		24,986,000	33,681,581
Fund transfer to home office		855,800,150	354,209,815
<b>Total Cash Outflows</b>		<b>25,153,297,582</b>	<b>14,651,756,394</b>
<b>Net Cash Provided by/(Used in) Operating Activities</b>		<b>4,632,221,279</b>	<b>897,806,442</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash Inflows</b>			
Termination of investments		59,792,032	1,437,906,364
Disposal of assets		2,954	8,491
<b>Total Cash Inflows</b>		<b>59,794,986</b>	<b>1,437,914,855</b>
<b>Cash Outflows</b>			
Investment and other marketable securities		1,489,551,486	538,872,823
Other assets		37,911	47,873
Purchase of equipment		6,895,840	5,053,251
Purchase of IT equipment		16,143,558	24,767,747
Purchase of motor vehicle		8,338,000	20,785,559
Purchase of furniture and fixtures		844,515	1,102,198
Purchase of medical dental / hospital equipment		70,000	-
Purchase of other machinery and equipment		181,714	-
Purchase of communication equipment		278,470	-
Construction of office building		222,188	-
Leasehold improvement / renovation		1,485,166	3,369,073
<b>Total Cash Outflows</b>		<b>1,524,048,848</b>	<b>593,998,524</b>
<b>Net Cash Provided by/(Used in) Investing Activities</b>		<b>(1,464,253,862)</b>	<b>843,916,331</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash Outflows</b>			
Principal payment of finance lease		-	106,274,846
Payment of dividend		1,244,213,375	2,268,927,231
<b>Total Cash Outflows</b>		<b>1,244,213,375</b>	<b>2,375,202,077</b>
<b>Net Cash Provided by/(Used in) Financing Activities</b>		<b>(1,244,213,375)</b>	<b>(2,375,202,077)</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>1,923,754,042</b>	<b>(633,479,304)</b>
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>		<b>14,206,297,472</b>	<b>14,839,776,776</b>
<b>CASH AND CASH EQUIVALENT, DECEMBER 31</b>	<b>5 P</b>	<b>16,130,051,514 P</b>	<b>14,206,297,472</b>

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