



## 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, 2022 and 2021, 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.

**MELQUIADES AYTA ROBLES**

General Manager

Date: MAR 29 2023

**MA. CRISTINA J. GREGORIO**

Manager

Accounting and Budget Department

Date: MAR 27 2023

**ATTY. LAURO A. PATIAG**

AGM for Management Services Sector

Date: MAR 27 2023

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

As at December 31, 2022 and 2021  
(In Philippine Peso)

	Notes	2022	2021 (As Restated)
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5 P	20,342,765,415 P	16,130,051,514
Other investments	6	2,642,249,884	2,483,332,848
Receivables	7	5,946,206,817	7,359,415,407
Inventories	8	143,687,913	33,031,843
Other current assets	9	71,304,473	75,492,124
<b>Total Current Assets</b>		<b>29,146,214,502</b>	<b>26,081,323,736</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	10	2,928,093,119	2,894,195,320
Other investments	10	-	-
Investment property	11	278,363,825	279,788,913
Property, plant and equipment - net	12	1,007,119,974	1,080,255,630
Intangible assets	13	162,913,321	6,715,688
Deferred tax assets	15.1	562,526,717	64,246,726
Other non-current assets	14	7,499,781,124	6,512,167,386
<b>Total Non-Current Assets</b>		<b>12,438,798,080</b>	<b>10,837,369,663</b>
<b>TOTAL ASSETS</b>		<b>41,585,012,582</b>	<b>36,918,693,399</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Financial liabilities	16	9,169,524,151	9,192,651,008
Inter-agency payables	17	1,811,756,552	945,640,117
Intra-agency payables		51,784	51,784
Provision	18	15,890,400	27,911,449
Other current liabilities	19	4,082,558,023	2,637,628,510
<b>Total Current Liabilities</b>		<b>15,079,780,910</b>	<b>12,803,882,868</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred credits	20	151,865,968	244,592,500
Trust liabilities	21	7,422,801,481	6,369,301,414
Provision	18	241,230,813	286,631,733
Deferred tax liabilities		-	-
<b>Total Non-Current Liabilities</b>		<b>7,815,898,262</b>	<b>6,900,525,647</b>
<b>TOTAL LIABILITIES</b>		<b>22,895,679,172</b>	<b>19,704,408,515</b>
Retained earnings		18,698,091,844	17,209,236,086
Other comprehensive income/(Loss)		(8,758,434)	5,048,798
<b>EQUITY</b>	22	<b>18,689,333,410</b>	<b>17,214,284,884</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P</b>	<b>41,585,012,582 P</b>	<b>36,918,693,399</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, 2022 and 2021  
(In Philippine Peso)

	Notes	2022	2021 (As Restated)
<b>Income</b>			
Service and Business income		57,734,531,289	43,608,159,110
Gains		52,571,133	20,351,627
Other non-operating income		9,315,558	20,517,494
<b>Total Income</b>	23	<b>57,796,417,980</b>	<b>43,649,028,231</b>
<b>Operating Expenses</b>			
Personal services expenses		1,083,025,679	778,036,107
Maintenance and Other operating expenses		42,626,048,883	33,296,443,098
Financial expenses		13,031,346	15,089,924
Non-cash expenses		2,151,151,830	249,606,413
<b>Total Operating Expenses</b>	24	<b>45,873,257,738</b>	<b>34,339,175,542</b>
Profit / (Loss) Before Tax		11,923,160,242	9,309,852,689
Income tax expense / Benefit	15.1	1,840,816,383	1,014,577,043
Income tax expense / Benefit - Deferred	15.1	(498,279,991)	(64,246,726)
<b>Profit / (Loss) After Tax</b>		<b>10,580,623,850</b>	<b>8,359,522,372</b>
Financial Assistance/Subsidy/Contribution	24	6,280,453,262	4,714,283,076
<b>NET INCOME / (LOSS)</b>		<b>4,300,170,588</b>	<b>3,645,239,296</b>
Other comprehensive income/(Loss)		(13,807,232)	1,200,764
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>4,286,363,356</b>	<b>3,646,440,060</b>

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

For the Years Ended December 31, 2022 and 2021  
(In Philippine Peso)

		Cumulative Changes in Fair Value of Investments (Note 22)		Retained Earnings/(Deficit) (Note 22)		TOTAL
<b>BALANCE AT JANUARY 1, 2021</b>	<b>P</b>	<b>3,848,034</b>	<b>P</b>	<b>16,132,099,681</b>	<b>P</b>	<b>16,135,947,715</b>
<b>CHANGES IN EQUITY FOR 2021</b>						
Add/(Deduct):						
Payment of dividends						-
Forfeitures				-		-
Transfer to charity fund				-		-
Dividends payable				(2,568,102,891)		(2,568,102,891)
Comprehensive income		1,200,764		3,645,239,296		3,646,440,060
						-
<b>RESTATED BALANCE AT DECEMBER 31, 2021</b>	<b>P</b>	<u><u>5,048,798</u></u>	<b>P</b>	<u><u>17,209,236,086</u></u>	<b>P</b>	<u><u>17,214,284,884</u></u>
<b>CHANGES IN EQUITY FOR 2022</b>						
Add/(Deduct):						
Dividends payable				(2,811,314,830)		(2,811,314,830)
Comprehensive income		(13,807,232)		4,300,170,588		4,286,363,356
<b>BALANCE AT DECEMBER 31, 2022</b>	<b>P</b>	<u><u>(8,758,434)</u></u>	<b>P</b>	<u><u>18,698,091,844</u></u>	<b>P</b>	<u><u>18,689,333,410</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, 2022 and 2021  
(In Philippine Peso)

	Notes	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash Inflows</b>			
Sales	P	21,053,465,899	P 15,989,259,922
Share from small town lottery / Bingo milyonaryo / Peryahan		2,018,340	-
STL agent - remittances		14,614,358,524	11,760,623,875
Share from scratch tickets		139,134,666	262,403,274
Interest income		18,426,447	15,394,452
Miscellaneous income		10,367,131	18,946,204
Other service income		112,664,058	101,375,680
Application / Filing / Processing fees		7,679,500	25,610,860
Inspection / Installation fee		14,863,723	14,925,580
Fines and penalties		7,496,214	51,984,869
Collection of accounts receivable		10,949,334	51,181,143
Miscellaneous receivables / Cash collections		23,439,751	47,446,821
Cash bond / Performance bond / Bidder'S bond		1,132,992,195	406,452,496
Guaranty deposits		4,600,506	-
Prepayments		-	173,572,059
Cash collection (For payment of employee's loans/GSIS, Pag-Ibig, Philhealth, Etc.)		621,047	43,291,950
Cash Collection (For Provident fund, SEU dues, etc)		95,107,035	-
Fund transfer to / from other branches / Office of the Department Manager (Region)		64,416,123	7,900,000
Fund transfer to home office		4,596,443,784	815,149,676
<b>Total Cash Inflows</b>		<b>41,909,044,277</b>	<b>29,785,518,861</b>
<b>Cash Outflows</b>			
Prize fund expenses		4,476,227,154	3,851,099,577
Maintenance and other operating expenses		1,395,691,842	1,207,942,060
Payments made to Bureau of Internal Revenue		13,969,404,947	10,162,391,910
Charity fund expenses		6,146,842,791	3,949,366,558
Personal services expenses		1,114,486,481	742,279,448
Inventories-office supplies,thermal rolls and betslips,Etc.		175,941,510	194,834,593
Payment of liabilities		1,875,609,663	3,929,291,503
Cash advance / Due from officers and employees		188,348,588	147,741,972
Payments made to GSIS, Pag-Ibig, Philhealth and etc.		35,522,755	42,875,675
Prepayments		5,579,303	-
Guaranty deposits		-	4,989,754
Refund of Cash bond/Performance bond/Bidder's bond		963,181,411	-
Payment of other liabilities		560,284,549	39,698,382
Fund transfer to / from other branches / Office of the Department Manager (Region)		61,824,434	24,986,000
Fund transfer from home office		4,661,400,010	855,800,150
<b>Total Cash Outflows</b>		<b>35,630,345,438</b>	<b>25,153,297,582</b>
<b>Net Cash Provided by/(Used in) Operating Activities</b>		<b>6,278,698,839</b>	<b>4,632,221,279</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash Inflows</b>			
Termination of investments		314,365,324	59,792,032
Reversal of acquired intangible asset		149,995,000	-
Disposal of assets		23,184	2,954
<b>Total Cash Inflows</b>		<b>464,383,508</b>	<b>59,794,986</b>
<b>Cash Outflows</b>			
Investment and other marketable securities		420,113,982	1,489,551,486
Other assets		2,662	37,911
Purchase of equipment		4,402,633	6,895,840
Purchase of IT equipment		251,925,526	16,143,558
Purchase of motor vehicle		19,500,000	8,338,000
Purchase of furniture and fixtures		1,036,716	844,515
Purchase of medical dental / hospital equipment		99,478,500	70,000
Purchase of other machinery and equipment		921,876	181,714
Purchase of communication equipment		27,800	278,470
Purchase of intangible asset		149,995,000	-
Construction of office building		11,082,202	222,188
Purchase of other property, plant and equipment		943,600	-
Leasehold improvement / renovation		2,835,058	1,485,166
<b>Total Cash Outflows</b>		<b>962,265,555</b>	<b>1,524,048,848</b>
<b>Net Cash Provided by/(Used in) Investing Activities</b>		<b>(497,882,047)</b>	<b>(1,464,253,862)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash Outflows</b>			
Payment of dividend		1,568,102,891	1,244,213,375
<b>Total Cash Outflows</b>		<b>1,568,102,891</b>	<b>1,244,213,375</b>
<b>Net Cash Provided by/(Used in) Financing Activities</b>		<b>(1,568,102,891)</b>	<b>(1,244,213,375)</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>4,212,713,901</b>	<b>1,923,754,042</b>
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>		<b>16,130,051,514</b>	<b>14,206,297,472</b>
<b>CASH AND CASH EQUIVALENT, DECEMBER 31</b>	<b>5 P</b>	<b>20,342,765,415 P</b>	<b>16,130,051,514</b>

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