

PHILIPPINE CHARITY SWEEPSTAKES OFFICE

BALANCE SHEET

December 31, 2010

(With corresponding figures for 2009)

(In Philippine Peso)

	Notes	2010	2009
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4.1/5	6,422,485,665	4,494,288,652
Short-term investments	6	471,360,205	615,318,470
Receivables - net	4.3/7	206,978,091	364,196,414
Inventories	4.5/8	142,128,729	134,344,910
Prepayments	9	10,329,750	13,415,729
Other current assets	10	16,973,027	12,073,204
Total Current Assets		7,270,255,467	5,633,637,379
NON-CURRENT ASSETS			
Held-to-maturity investments	11	200,405,468	200,405,468
Property, plant and equipment - net	4.4/12	1,158,424,277	1,319,786,050
Other assets	13	117,586,631	234,825,260
Total Non-Current Assets		1,476,416,376	1,755,016,778
TOTAL ASSETS		8,746,671,843	7,388,654,157
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accounts Payable	14	4,460,939,078	2,232,520,652
Inter-agency payables	15	1,134,639,438	1,261,247,246
Other current liability	16	356,374,938	342,283,666
Total Current Liabilities		5,951,953,454	3,836,051,564
DEFERRED CREDITS	17	18,731,293	16,154,950
TOTAL LIABILITIES		5,970,684,747	3,852,206,514
EQUITY		2,775,987,096	3,536,447,643
TOTAL LIABILITIES AND EQUITY		8,746,671,843	7,388,654,157

The notes on pages 8 to 27 form part of the financial statements.

PHILIPPINE CHARITY SWEEPSTAKES OFFICE
STATEMENT OF INCOME AND EXPENSES
For the year ended December 31, 2010
(With corresponding figures for 2009
(In Philippine Peso)

	Notes	2010				2009			
		OPERATING	CHARITY	PRIZE	TOTAL	OPERATING	CHARITY	PRIZE	TOTAL
Retail Receipts	21	4,103,936,492	8,207,872,983	15,047,767,136	27,359,576,611	3,537,931,950	7,075,863,901	12,972,417,151	23,586,213,002
Cos of Sales									
Commission expenses		205,129,550	410,259,099	752,141,682	1,367,530,331	176,464,047	352,928,094	647,034,840	1,176,426,981
Rental expense		461,777,638	923,555,277	1,693,184,674	3,078,517,589	396,007,153	792,014,306	1,452,026,227	2,640,047,686
Reserved margin		31,964,751	63,929,502	117,204,086	213,098,339	26,912,638	53,825,276	98,679,672	179,417,586
Total cost of sales		698,871,939	1,397,743,878	2,562,530,442	4,659,146,259	599,383,838	1,198,767,676	2,197,740,739	3,995,892,253
Gross Receipts		3,405,064,553	6,810,129,105	12,485,236,694	22,700,430,352	2,938,548,112	5,877,096,225	10,774,676,412	19,590,320,749
Printng costg 92% of GR)		68,101,291	136,202,582	249,704,734	454,008,607	58,770,962	117,541,925	215,493,528	391,806,415
Net receipts		3,336,963,262	6,673,926,523	12,235,531,960	22,246,421,745	2,879,777,150	5,759,554,300	10,559,182,884	19,198,514,334
Other income	23	511,228,478	166,411,530	-	677,640,008	452,753,313	142,268,084	-	595,021,397
Total Income		3,848,191,740	6,840,338,053	12,235,531,960	22,924,061,753	3,332,530,463	5,901,822,384	10,559,182,884	19,793,535,731
Expenses									
Operating expenses	24	3,786,496,632			3,786,496,632	3,376,163,405			3,376,163,405
Charity fund expenses	25		8,884,655,971		8,884,655,971		6,195,752,262		6,195,752,262
Prize fund expenses	26			11,381,341,291	11,381,341,291			10,315,604,333	10,315,604,333
Total expenses		3,786,496,632	8,884,655,971	11,381,341,291	24,052,493,894	3,376,163,405	6,195,752,262	10,315,604,333	19,887,520,000
Income / (loss) from operation		61,695,108	(2,044,317,918)	854,190,669	(1,128,432,141)	(43,632,942)	(293,929,878)	243,578,551	(93,984,269)
Oher financial income/(charges)	27	17,724,300	905,837,224	(498,946,449)	424,615,075		165,264,113	11,924,646	177,188,759
Net income / (loss)		79,419,408	(1,138,480,694)	355,244,220	(703,817,066)	(43,632,942)	(128,665,765)	255,503,197	83,204,490

The notes on pages 8 to 27 form part of the financial statements.

PHILIPPINE CHARITY SWEEPSTAKES OFFICE
STATEMENT OF CHANGES IN EQUITY
For the year ended December 31, 2010
(With corresponding figures for 2009)
(In Philippine Peso)

	Notes	2010	2009
GOVERNMENT EQUITY			
Balance, beginning/end		-	243,717,198
APPRAISAL CAPITAL			
Balance, beginning/end	19	889,584,727	889,584,727
RESTRICTED CAPITAL			
Reserve Fund			
Balance, beginning	18.1	1,015,502,014	879,643,383
Allocated prize margin for 3-digit game		214,150,419	179,417,586
Transfer to Charity Fund		-	(43,558,955)
Balance, end		1,229,652,433	1,015,502,014
Charity Fund			
Balance, beginning	18.2	1,690,956,066	1,776,062,876
Forfeitures		-	43,558,955
Adjustment			
Revenue Allocation adjustment		(4,432,390)	
Net income		(1,138,480,694)	(128,665,765)
Balance, end		548,042,982	1,690,956,066
Prize Fund			
Balance, beginning	18.3	1,360,437,327	1,104,934,130
Adjustment			
Revenue Allocation adjustment		(8,200,200)	
Net income		355,244,220	255,503,197
Balance, end		1,707,481,347	1,360,437,327
		3,485,176,762	4,066,895,407
RETAINED EARNINGS (DEFICIT)			
Balance, beginning	20	(1,663,749,689)	(1,620,116,747)
Adjustments			
Reversal of accum. depreciation - leasehold improvements		61,542,146	-
Accrual of advertising		(75,986,258)	-
Net income / (loss)		79,419,408	(43,632,942)
Balance, end		(1,598,774,393)	(1,663,749,689)
EQUITY		2,775,987,096	3,536,447,643

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PHILIPPINE CHARITY SWEEPSTAKES OFFICE
CASH FLOW STATEMENT
For the year ended December 31, 2010
(With corresponding figures for 2009)
(In Philippine Peso)

	Notes	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES			
Sales of lotto, keno and sweepstakes tickets		21,441,807,520	18,360,569,732
Remittance of STL agents		205,552,940	166,532,252
Remittance of share on sweepstakes instant tickets		219,122,857	122,500,000
Interest income		100,246,197	104,494,140
Miscellaneous income		13,542,899	26,278,153
Bidders' bond/cash bond		13,450,524	66,260,117
Other receivables		8,485,456	-
Other service income		7,569,733	10,785,483
Refund of cash advances		1,436,233	2,626,667
Fines and penalties		802,419	1,323,224
Inspection/installation/application/processing fees		796,536	1,013,361
Payment of defaulted tickets sellers		575,800	-
Rent income		565,176	598,580
Remittance from PDO (10% rental and maintenance of lotto equipment)		-	53,601,916
Payment to winners, beneficiaries, employees, suppliers, non-gov't organizations and National Gov't. Agencies	22	(20,198,851,157)	(17,230,631,815)
NET CASH PROVIDED BY OPERATING ACTIVITIES		1,815,103,133	1,685,951,810
CASH FLOWS FROM INVESTING ACTIVITIES			
Termination of short-term investments placements		615,318,470	-
Dividend income		200	-
Termination of long-term investments/bonds		-	100,000,000
Short-term investments placements		(471,360,205)	(615,318,470)
Purchase/payment of property and equipment		(26,912,085)	(76,820,332)
Other assets		(3,952,500)	-
Long-term investments placements		-	(200,000,000)
NET CASH USED IN INVESTING ACTIVITIES		113,093,880	(792,138,802)
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,928,197,013	893,813,008
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4.1/5	4,494,288,652	3,600,475,644
CASH AND CASH EQUIVALENTS, END OF YEAR	4.1/5	6,422,485,665	4,494,288,652

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