

**PHILIPPINE POSTAL CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020 and 2019**

	<u>NOTE</u>	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	4	2,105,512,021	2,711,483,668
Receivables	5	2,628,913,517	2,781,158,348
Inventories	6	162,328,164	157,560,821
Other Investments	8b	1,484,089,149	1,492,853,295
Other Current Assets	7	151,845,067	199,200,008
<b>Total Current Assets</b>		<b><u>6,532,687,918</u></b>	<b><u>7,342,256,140</u></b>
<b>Non-Current Assets</b>			
Investment in Subsidiaries	8a	5,302,123	5,302,123
Financial Assets	8c	50,000,000	0
Property, Plant and Equipment	9	3,568,544,048	4,380,825,341
Deferred Tax Assets	10	152,659,907	143,896,314
Other Non-Current Assets	11	466,370,990	475,472,921
<b>Total Non-Current Assets</b>		<b><u>4,242,877,068</u></b>	<b><u>5,005,496,699</u></b>
<b>Total Assets</b>		<b><u>10,775,564,986</u></b>	<b><u>12,347,752,839</u></b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial Liabilities	12	2,686,676,406	2,714,529,079
Inter-Agency Payables	13	567,196,707	572,231,497
Intra-Agency Payables	14	742,470,687	1,214,671,217
Trust Liabilities	15	730,085,903	774,755,630
Deferred Credits/Unearned Revenue	16	268,379,613	715,629,950
Provisions	17	302,811,356	275,810,552
Other Payables	18	133,574,972	204,987,720
<b>Total Current Liabilities</b>		<b><u>5,431,195,644</u></b>	<b><u>6,472,615,645</u></b>
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities	19	108,530,264	100,069,054
Other Payables	19	149,338,300	201,245,393
<b>Total Non-Current Liabilities</b>		<b><u>257,868,564</u></b>	<b><u>301,314,447</u></b>
<b>Total Liabilities</b>		<b><u>5,689,064,208</u></b>	<b><u>6,773,930,092</u></b>
<b>Net Assets (Total Assets Less Total Liabilities)</b>		<b><u>5,086,500,778</u></b>	<b><u>5,573,822,747</u></b>
<b>NET ASSETS/EQUITY</b>			
Government Equity	20	3,199,742,410	3,273,850,410
Contributed Capital		200,000	200,000
Accumulated Surplus	28	500,554,780	724,374,978
Revaluation Surplus	29	1,386,003,588	1,575,397,359
<b>Total Net Assets/Equity</b>		<b><u>5,086,500,778</u></b>	<b><u>5,573,822,747</u></b>

*The notes on pages 11 to 50 form part of these statements.*

**PHILIPPINE POSTAL CORPORATION**  
**STATEMENTS OF FINANCIAL PERFORMANCE**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019**

	<u>NOTE</u>	<u>2020</u>	<u>2019</u>
<b>Revenue</b>			
Service and Business Income	21	2,158,194,210	4,170,227,568
Shares, Grants and Donations		31,776	28,358
<b>Total Revenue</b>		<b><u>2,158,225,986</u></b>	<b><u>4,170,255,926</u></b>
<b>Current Operating Expense</b>			
Personnel Services	23	(1,776,464,983)	(1,796,710,944)
Maintenance and Other Operating Expenses	24	(1,007,091,598)	(2,301,396,312)
Financial Expenses		(3,163,501)	(1,693,273)
Direct Costs		(2,761,650)	(5,735,020)
Non-Cash Expenses	25	(70,125,571)	(78,290,635)
<b>Total Current Operating Expense</b>		<b><u>(2,859,607,303)</u></b>	<b><u>(4,183,826,184)</u></b>
<b>Deficit from Current Operations</b>		<b><u>(701,381,317)</u></b>	<b><u>(13,570,258)</u></b>
Other Non-Operating Income	22	5,050,948	10,440,602
Gains	26	26,416,848	84,316,795
Losses	27	(70,489,551)	(79,425,276)
<b>Surplus/(Deficit) Before Tax</b>		<b><u>(740,403,072)</u></b>	<b><u>1,761,863</u></b>
Income Tax Expense		0	(520,051)
<b>Surplus/(Deficit) After Tax</b>		<b><u>(740,403,072)</u></b>	<b><u>1,241,812</u></b>
Net Assistance/Subsidy		500,256,000	541,323,000
<b>Surplus/(Deficit) for the Period</b>		<b><u>(240,147,072)</u></b>	<b><u>542,564,812</u></b>

*The notes on pages 11 to 50 form part of these statements.*

**PHILIPPINE POSTAL CORPORATION**  
**STATEMENTS OF CHANGES IN NET ASSETS/EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019**

	<b>Government Equity</b>	<b>Accumulated Surplus/ (Deficit)</b>	<b>Contibuted Capital</b>	<b>Revaluation Surplus</b>	<b>Total</b>
<b>BALANCE AT JANUARY 1, 2019</b>	3,433,260,898	(11,605,342)	200,000	1,996,368,695	5,418,224,251
<b>ADJUSTMENTS:</b>					
Add (Deduct)					
Prior period errors	0	0	0	0	0
<b>RESTATED BALANCE AT JANUARY 1, 2019</b>	<b>3,433,260,898</b>	<b>(11,605,342)</b>	<b>200,000</b>	<b>1,996,368,695</b>	<b>1,984,963,353</b>
<b>Changes in Net Assets/Equity for CY 2019</b>					
Add (Deduct)					
Surplus/(Deficit) for the Period	0	542,564,812	0	0	542,564,812
Other Adjustments	(159,410,488)	193,415,508	0	(420,971,336)	(227,555,828)
<b>BALANCE AT DECEMBER 31, 2019</b>	<b>3,273,850,410</b>	<b>724,374,978</b>	<b>200,000</b>	<b>1,575,397,359</b>	<b>2,299,972,337</b>
<b>Changes in Net Assets/Equity for CY 2020</b>					
Add (Deduct):					
Surplus/(Deficit) for the Period	0	(240,147,072)	0	0	(240,147,072)
Other Adjustments	(74,108,000)	16,326,874	0	(189,393,771)	(173,066,897)
<b>BALANCE AT DECEMBER 31, 2020</b>	<b>3,199,742,410</b>	<b>500,554,780</b>	<b>200,000</b>	<b>1,386,003,588</b>	<b>1,886,758,368</b>

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**PHILIPPINE POSTAL CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Collection of Revenue	1,570,268,316	2,957,982,207
Receipt of Assistance/Subsidy	500,256,000	541,323,000
Collection of Receivables	543,793,787	1,208,724,842
Receipts of Intra-Agency Fund Transfers	8,192,058,814	11,738,232,342
Trust Receipts	225,370,777	531,202,535
Other Receipts	17,071,725	9,972,082
<b>Total Cash Inflows</b>	<b>11,048,819,419</b>	<b>16,987,437,008</b>
Adjustments	36,671,549	377,425,381
<b>Adjusted Cash Inflows</b>	<b>11,085,490,968</b>	<b>17,364,862,389</b>
<b>Cash Outflows</b>		
Payment of Expenses	1,868,060,746	1,731,526,801
Purchase of Inventories	115,732,319	105,227,456
Grant of Cash Advances	98,012,275	272,944,118
Prepayments	11,215,850	17,080,850
Refund of Deposits	1,955,625	2,698,593
Payment of Accounts Payable	24,740,752	45,907,704
Remittance of Personnel Benefit Contributions and Mandatory Deductions	720,974,888	967,841,018
Release of Inter-Agency Fund Transfers	912,664	0
Release of Intra-Agency Fund Transfers	7,971,821,967	11,276,781,537
Other Disbursements	453,768,801	1,010,453,088
<b>Total Cash Outflows</b>	<b>11,267,195,887</b>	<b>15,430,461,165</b>
Adjustments	402,137,519	714,228,061
<b>Adjusted Cash Outflows</b>	<b>11,669,333,406</b>	<b>16,144,689,226</b>
<b>Net Cash Provided by (Used In) Operating Activities</b>	<b>(583,842,438)</b>	<b>1,220,173,163</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Proceeds from Sale/Disposal of Property, Plant and Equipment	30,000	0
Receipts of Interest Earned	4,135,378	6,235,174
Proceeds from Matured Investments/Redemption of Long-Term Investments/Return of Investments	192,316,988	101,116,787
<b>Total Cash Inflows</b>	<b>196,482,366</b>	<b>107,351,961</b>
<b>Cash Outflows</b>		
Purchase/Construction of Property, Plant and Equipment	10,718,602	8,482,444
<b>Total Cash Outflows</b>	<b>10,718,602</b>	<b>8,482,444</b>
Adjustments	50,000,000	1,584,397,848
<b>Adjusted Cash Outflows</b>	<b>60,718,602</b>	<b>1,592,880,292</b>
<b>Net Cash Provided by (Used In) Investing Activities</b>	<b>135,763,764</b>	<b>(1,485,528,331)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Cash Outflows</b>		
Payment of Long-Term Liabilities	39,740,426	22,456,738
Payment of Cash Dividends	85,686,313	86,843,396
Payment of Interest on Loans and other Financial Charges	5,000,000	0
<b>Total Cash Outflows</b>	<b>130,426,739</b>	<b>109,300,134</b>
<b>Net Cash Provided by (Used In) Financing Activities</b>	<b>(130,426,739)</b>	<b>(109,300,134)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(578,505,413)</b>	<b>(374,655,302)</b>
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>(27,466,234)</b>	<b>(15,181,243)</b>
<b>Cash and Cash Equivalents, January 1</b>	<b>2,711,483,668</b>	<b>3,101,320,213</b>
<b>Cash and Cash Equivalents, December 31</b>	<b>2,105,512,021</b>	<b>2,711,483,668</b>

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**PHILIPPINE POSTAL CORPORATION**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Particulars	Budgeted Amounts		Actual Amounts on Comparable Basis	Difference of Final Budget and Actual	
	Original	Final			
<b>NOTE</b>					
<b>RECEIPTS</b>					
<b>Revenue</b>					
Corporate Fund	21	3,159,890,000	3,159,890,000	2,158,225,986	1,001,664,014
Subsidy from the National Government		500,256,000	500,256,000	500,256,000	0
Other Non-Operating Income	22	0	0	5,050,948	(5,050,948)
Gains	26	0	0	26,416,848	(26,416,848)
Losses	27	0	0	(70,489,551)	70,489,551
<b>Total Receipts</b>		<b>3,660,146,000</b>	<b>3,660,146,000</b>	<b>2,619,460,231</b>	<b>1,040,685,769</b>
<b>PAYMENTS</b>					
Personnel Services	23	1,732,519,000	1,777,518,675	1,776,464,983	1,053,692
Maintenance and Other Operating Expenses	24	1,446,167,000	1,446,167,906	1,013,016,749	433,151,157
Capital Outlays (CO)	9	481,460,000	290,560,419	74,050,447	216,509,972
<b>Total Payments</b>		<b>3,660,146,000</b>	<b>3,514,247,000</b>	<b>2,863,532,179</b>	<b>650,714,821</b>
<b>NET RECEIPTS/PAYMENTS</b>		<b>0</b>	<b>145,899,000</b>	<b>(244,071,948)</b>	<b>389,970,948</b>

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