



REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENTIAL ASSISTANT  
FOR FOOD SECURITY AND AGRICULTURAL MODERNIZATION  
**PHILIPPINE COCONUT AUTHORITY**

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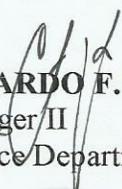


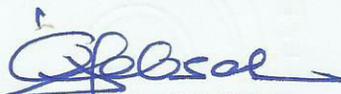
## Statement of Management's Responsibility for Financial Statements

In accordance with your examination of the Financial Statements of the Philippine Coconut Authority as of December 31, 2015, for the purpose of expressing an opinion as to whether the Financial Statements present fairly the financial position, results of operation, and changes in financial position in conformity with generally accepted accounting principles, we confirm to the best of our knowledge and belief, the following representations made during your examination:

1. We are responsible for the fair presentation in the financial statements of financial position, results of operations and changes in financial position in conformity with generally accepted accounting principles.
2. We have made available to you all financial records and related data.
3. There have been no:
  - Irregularities involving management or employees who have significant roles on system of internal control;
  - Irregularities involving other employees that could have material effect on the financial statements;
  - Communications from regulatory agencies concerning non-compliance with or deficiencies in financial practices that could have a material effect on the financial statements.
4. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
5. There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as basis for recording a loss contingency.

6. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
7. Provision, when material, has been made to reduce excess or obsolete inventories to their estimated realizable value.
8. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance.
9. No events have occurred subsequent to the balance sheet date that would require adjustments or disclosure in the financial statements.

  
**EDUARDO F. SUAREZ**  
Manager/II  
Finance Department

  
**GLENN B. SANTOS**  
OIC - Administrator

**PHILIPPINE COCONUT AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**

As at December 31, 2015

(In Philippine Peso)

	Note	2015	2014 As restated
<b>A S S E T S</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	1,816,266,124	4,635,055,836
Receivables - net	4	5,520,816,960	1,492,521,563
Inventories	5	142,423,819	129,050,874
Prepayments	6	65,753,626	22,263,927
Other current assets	7	3,939,006	4,865,641
		7,549,199,535	6,283,757,841
<b>Non-current assets</b>			
Investments	8	88,515	88,515
Property, plant and equipment - net	9	605,786,849	575,511,966
Other assets	10	719,681,467	719,799,138
		1,325,556,831	1,295,399,619
<b>TOTAL ASSETS</b>		<b>8,874,756,366</b>	<b>7,579,157,460</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Payable accounts	11	785,102,868	713,593,345
Inter-agency payables	12	80,952,781	82,317,324
Intra-agency payables	13	612,019,371	8,461,205
Other payables	14	63,815,828	68,285,602
		1,541,890,848	872,657,476
<b>Non-current liabilities</b>			
Mortgage payable	15	-	838,080
Deferred credits	16	102,552,602	98,155,442
		102,552,602	98,993,522
<b>TOTAL LIABILITIES</b>		<b>1,644,443,450</b>	<b>971,650,998</b>
<b>EQUITY</b>	17, 18, 19	<b>7,230,312,916</b>	<b>6,607,506,462</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>8,874,756,366</b>	<b>7,579,157,460</b>

*The Notes on pages 12 to 28 form part of these Financial Statements.*

**STATEMENT OF FINANCIAL PERFORMANCE**

For the Year Ended December 31, 2015

(In Philippine Peso)

			<b>2014</b>
	<b>Note</b>	<b>2015</b>	<b>As restated</b>
<b>INCOME</b>	20		
Fees, permits and licenses		365,035,255	319,006,835
Service income		36,304,412	29,208,191
Business income		31,385,762	28,154,499
Other income		11,083,299	53,952,077
		<u>443,808,728</u>	<u>430,321,602</u>
<b>EXPENSES</b>	21		
Personal services		337,426,347	607,668,879
Maintenance and other operating expenses		2,398,261,834	1,911,566,695
Financial expenses		255,853	387,878
		<u>2,735,944,034</u>	<u>2,519,623,452</u>
<b>LOSS FROM OPERATIONS</b>		2,292,135,306	2,089,301,850
Subsidy income from national government	22	2,911,117,000	2,602,592,197
<b>INCOME AFTER SUBSIDY FROM NATIONAL GOVERNMENT</b>		<b><u>618,981,694</u></b>	<b><u>513,290,347</u></b>

*The Notes on pages 12 to 28 form part of these Financial Statements.*

**PHILIPPINE COCONUT AUTHORITY**  
**STATEMENT OF CHANGES IN EQUITY**  
For the Year Ended December 31, 2015  
(In Philippine Peso)

	<b>Note</b>	<b>2015</b>	<b>2014 As restated</b>
Government equity	17	1,174,742,704	1,170,917,944
Appraisal capital	18	19,855,000	19,855,000
<b>Retained earnings</b>	19		
Balance, beginning of year		5,416,733,518	4,903,443,171
Net income		618,981,694	513,290,347
Balance, end of year		6,035,715,212	5,416,733,518
<b>EQUITY</b>		<b>7,230,312,916</b>	<b>6,607,506,462</b>

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**PHILIPPINE COCONUT AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended December 31, 2015  
(In Philippine Peso)

	Note	2015	2014 As restated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Collection of income		299,238,738	367,239,086
Refunds of receivables and allowances		98,648,611	160,223,279
Proceeds from trust funds/special projects		77,115,088	31,635,160
Receipt of subsidy from the national government		70,750,000	5,335,207,332
Bidders' bond/guaranty deposits		3,945,369	952,436
Collection of regulatory fees		2,322,488	1,987,301
Grants and donations		1,540,454	38,578,823
Remittances from regional offices/centers		-	19,550,684
Payment of expenses			
Maintenance and other operating expenses		-2,842,582,195	-1,728,413,000
Personal services		-268,051,862	-496,363,325
Disbursement of trust funds/special projects		-184,169,642	-144,988,935
Prior years' payable		-48,229,719	-147,285,671
Remittance of local government units (LGUs)		-20,348,124	-8,924,629
Transfer of allotments		8,151,743	-121,018,140
Net cash (used in) provided by operating activities		-2,801,669,051	3,308,380,401
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from bank interests		7,824,836	29,347,087
Purchase/construction of property, plant and equipment		-24,368,125	-216,536,518
Net cash used in investing activities		-16,543,289	-187,189,431
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of domestic loans		-577,372	-1,220,076
Net cash used in financing activities		-577,372	-1,220,076
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		-2,818,789,712	3,119,970,894
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		4,635,055,836	1,515,084,942
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>3</b>	<b>1,816,266,124</b>	<b>4,635,055,836</b>

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**PHILIPPINE COCONUT AUTHORITY**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL EXPENSES**

For the Period January 1 to December 31, 2015  
(In Philippine Peso)

	Budget	Actual	Savings/ (overdraft)
<b>PERSONAL SERVICES</b>			
Salaries and wages	279,236,000	169,084,865	110,151,135
Other compensation			
Personnel economic relief allowance (PERA)	19,824,000	12,226,958	7,597,042
Representation allowance (RA)	6,864,000	6,366,900	497,100
Transportation allowance (TA)	6,864,000	3,414,976	3,449,024
Clothing/uniform allowance	4,130,000	2,325,000	1,805,000
Productivity incentive allowance	-	24,380,398	-24,380,398
Anniversary bonus	-	400,000	-400,000
Performance bonus	-	21,848,503	-21,848,503
Performance based bonus	-	50,000	-50,000
Honorarium	-	5,697	-5,697
Longevity pay	224,000	193,038	30,962
Overtime and night pay	-	2,391,813	-2,391,813
Cash gift	4,130,000	2,521,125	1,608,875
Year-end bonus	23,270,000	13,571,158	9,698,842
	65,306,000	89,695,566	-24,389,566
Personnel benefit contributions			
Life and retirement insurance contributions	33,508,000	20,297,500	13,210,500
PhilHealth contributions	2,832,000	1,669,518	1,162,482
ECC contributions	991,000	613,347	377,653
Pag-IBIG contributions	991,000	607,200	383,800
	38,322,000	23,187,565	15,134,435
Other personnel benefits			
CNA incentives	-	28,819,200	-28,819,200
Vacation and sick leave benefits	7,444,000	25,260,602	-17,816,602
Per diem of directors	-	534,900	-534,900
Loyalty allowance	-	470,265	-470,265
Incentives EO 366	806,000	344,032	461,968
Incentives EO 366 opted to remain	11,960,000	-	11,960,000
Counsel allowance	-	15,000	-15,000
Others	-	14,352	-14,352
	20,210,000	55,458,351	-35,248,351
	<b>403,074,000</b>	<b>337,426,347</b>	<b>65,647,653</b>
<b>MAINTENANCE AND OTHER OPERATING EXPENSES (MOOE)</b>			
Local travel	212,569,150	52,902,211	159,666,939
Foreign travel	445,000	268,160	176,840
Training and scholarship expenses	153,750,260	21,882,567	131,867,693
Office supplies	43,307,980	12,965,541	30,342,439
Accountable forms	549,920	270,048	279,872
Medical, dental and laboratory expenses	20,706,200	3,353,886	17,352,314
Gasoline, oil and lubricants	110,337,600	55,441,893	54,895,707
Agricultural and marine supplies expenses	3,388,132,350	1,405,637,332	1,982,495,018

	<b>Budget</b>	<b>Actual</b>	<b>Savings/ (overdraft)</b>
Other supplies	72,380,820	12,802,096	59,578,724
Water	7,051,400	3,304,206	3,747,194
Electricity	27,737,660	21,304,623	6,433,037
Fuel	16,000	670	15,330
Postage and deliveries	10,028,370	1,596,016	8,432,354
Telephone expenses-landline/mobile	20,975,410	8,605,032	12,370,378
Internet expenses	4,631,910	1,111,531	3,520,379
Cable satellite, telegraph and radio expenses	126,000	5,540	120,460
Awards and indemnities	954,830	797,800	157,030
Advertising, promotional and marketing expenses	3,944,040	715,394	3,228,646
Printing and binding expenses	7,426,130	517,883	6,908,247
Rent/lease expenses	59,655,560	13,826,512	45,829,048
Representation expenses	1,000,000	293,885	706,115
Transportation and delivery expenses	124,203,450	21,463,352	102,740,098
Subscription expenses	719,500	281,431	438,069
Legal services	50,000	800	49,200
Auditing services	9,419,720	21,852,428	-12,432,708
Consultancy services	10,318,370	527,400	9,790,970
General/janitorial	648,470,120	382,144,089	266,326,031
Security services	39,458,480	35,663,098	3,795,382
Other professional expenses	485,255,390	171,093,762	314,161,628
Repairs and maintenance			
Buildings and other structures	29,903,500	9,903,966	19,999,534
Other structures	7,410,810	421,068	6,989,742
Office equipment	2,539,150	932,206	1,606,944
Furniture and fixtures	492,970	-	492,970
IT equipment	2,881,350	295,226	2,586,124
Machinery	1,500,000	120	1,499,880
Agricultural equipment	3,150,310	236,205	2,914,105
Medical, dental and laboratory equipment	8,362,570	531,430	7,831,140
Technical and scientific equipment	5,593,850	-	5,593,850
Other machinery and equipment	1,268,780	174,051	1,094,729
Land transportation equipment	13,746,130	6,634,997	7,111,133
Other property, plant and equipment	379,720	7,408	372,312
Extraordinary and miscellaneous expenses	1,713,600	624,039	1,089,561
Donations	93,944,150	49,565,886	44,378,264
Taxes, duties, licences and premiums	6,959,140	7,728,687	-769,547
Other MOOE	60,002,360	12,538,194	47,464,166
	<b>5,703,470,010</b>	<b>2,340,222,669</b>	<b>3,363,247,341</b>
Financial expenses	<b>600,000</b>	<b>255,853</b>	<b>344,147</b>
<b>CAPITAL OUTLAY</b>	<b>2,549,586,340</b>	<b>61,324,792</b>	<b>2,488,261,548</b>
	<b>8,656,730,350</b>	<b>2,739,229,661</b>	<b>5,917,500,689</b>