

**GOVERNMENT SERVICE INSURANCE SYSTEM
STATEMENTS OF FINANCIAL POSITION**

December 31, 2016 and 2015

(In Philippine Peso)

	Note	2016	2015 Restated
ASSETS			
Cash and cash equivalents	6	15,678,182,636	38,973,065,605
Premiums and loans receivable - net	7	274,061,017,873	272,770,291,144
Financial assets	8	641,184,867,179	567,662,191,222
Other receivables - net	9	5,603,764,326	7,185,126,236
Investment property	10	62,667,012,498	58,471,219,713
Property and equipment - net	11	11,276,819,923	12,061,901,123
Other assets	12	1,356,919,501	1,056,036,791
TOTAL ASSETS		1,011,828,583,936	958,179,831,834
LIABILITIES AND NET WORTH			
LIABILITIES			
Insurance liabilities	13	10,534,537,087	11,711,703,644
Other liabilities	14	10,812,688,692	9,675,857,485
Deferred credits	15	1,814,894,821	3,100,375,359
TOTAL LIABILITIES		23,162,120,600	24,487,936,488
NET WORTH			
Surplus			
Appropriated Surplus	16	943,473,487,087	878,147,487,087
Unappropriated Surplus		37,016,113,412	47,597,524,500
		980,489,600,499	925,745,011,587
Revaluation surplus		8,176,862,837	7,946,883,759
TOTAL NET WORTH		988,666,463,336	933,691,895,346
TOTAL LIABILITIES AND NET WORTH		1,011,828,583,936	958,179,831,834

The notes on pages 8 to 60 form part of these financial statements.

GOVERNMENT SERVICE INSURANCE SYSTEM
STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2016 and 2015
(In Philippine Peso)

	Note	2016	2015 Restated
INCOME			
Income from insurance	17	97,689,116,148	89,976,888,874
Income from loans	18	22,538,387,001	22,307,068,085
Income/(loss) from financial assets	19	30,198,200,096	(2,446,599,706)
Income from investment property	20	4,178,530,500	26,462,626,968
Other income	21	301,456,533	3,345,284,514
		154,905,690,278	139,645,268,735
EXPENSES			
Claims and benefits	22	87,078,954,258	85,939,994,751
Investment expenses	23	232,838,164	236,326,173
Insurance expenses	24	1,630,125,943	1,192,495,572
Personnel services	25	4,033,298,364	3,775,574,302
Operating expenses	26	7,152,884,637	2,059,860,189
		100,128,101,366	93,204,250,987
NET INCOME		54,777,588,912	46,441,017,748
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Revaluation surplus		229,979,078	1,449,338,900
		229,979,078	1,449,338,900
TOTAL COMPREHENSIVE INCOME		55,007,567,990	47,890,356,648

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GOVERNMENT SERVICE INSURANCE SYSTEM
STATEMENTS OF CHANGES IN NET WORTH
For the Years Ended December 31, 2016 and 2015
(In Philippine Peso)

	Surplus		Total surplus	Revaluation surplus	Net worth
	Appropriated	Unappropriated			
Balance, January 1, 2016	878,147,487,087	47,597,524,500	925,745,011,587	7,946,883,759	933,691,895,346
Additions/Provisions:					
Net income	-	54,777,588,912	54,777,588,912	-	54,777,588,912
Increase in appropriation	65,326,000,000	(65,326,000,000)	-	-	-
Dividends declared	-	(33,000,000)	(33,000,000)	-	(33,000,000)
Other comprehensive income	-	-	-	229,979,078	229,979,078
Balance, December 31, 2016	943,473,487,087	37,016,113,412	980,489,600,499	8,176,862,837	988,666,463,336
Balance, January 1, 2015	809,020,957,087	70,315,562,876	879,336,519,963	6,497,544,859	885,834,064,822
Additions/Provisions:					
Net income	-	46,441,017,748	46,441,017,748	-	46,441,017,748
Increase in appropriation	69,126,530,000	(69,126,530,000)	-	-	-
Dividends declared	-	(32,526,124)	(32,526,124)	-	(32,526,124)
Other comprehensive income	-	-	-	1,449,338,900	1,449,338,900
Balance, December 31, 2015	878,147,487,087	47,597,524,500	925,745,011,587	7,946,883,759	933,691,895,346

GOVERNMENT SERVICE INSURANCE SYSTEM
STATEMENTS OF CASH FLOW
For the Years Ended December 31, 2016 and 2015
(In Philippine Peso)

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipt of premiums	95,389,485,215	86,727,107,397
Receipt from other receivable	364,402,487	243,900,151
Contributions to ECC and OSHC	(92,062,167)	(76,788,967)
Other miscellaneous receipts	377,807,806	8,245,723,092
Payment of claims and benefits	(86,686,537,114)	(86,128,187,952)
Payment of reinsurance premiums	(1,400,643,094)	(2,888,646,514)
Payments for operating expenses	(5,723,110,790)	(5,101,605,186)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,229,342,343	1,021,502,021
CASH FLOWS FROM INVESTING ACTIVITIES		
Net loan releases	(3,540,658,260)	(16,845,532,882)
Receipt of earnings from loans	19,179,099,159	17,533,120,009
Net investment placements	(72,183,834,108)	(36,456,022,118)
Receipt of earnings from investments	31,043,834,798	29,026,211,365
Receipt of earnings from investment property	462,131,185	242,022,556
Purchase of information technology resources	(310,882,256)	(340,132,280)
Purchase/payments for capital expenditures	(173,915,830)	(157,196,616)
NET CASH USED IN INVESTING ACTIVITIES	(25,524,225,312)	(6,997,529,966)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(23,294,882,969)	(5,976,027,945)
CASH AND CASH EQUIVALENTS BEGINNING	38,973,065,605	44,949,093,550
CASH AND CASH EQUIVALENTS, END	15,678,182,636	38,973,065,605

The notes on pages 8 to 60 form part of these financial statements.