

GOVERNMENT SERVICE INSURANCE SYSTEM
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2011
(In Philippine Peso)

	Note	2011	2010 (as restated)
ASSETS			
Cash and cash equivalents	5	40,120,268,361	53,912,271,253
Premiums and loans receivable - net	6	208,327,539,516	201,113,470,453
Investments	7	338,001,017,730	265,777,271,782
Property and equipment - net	8	4,658,234,361	4,737,521,607
Investment property	9	29,193,033,492	27,935,660,541
Other assets - net	10	14,810,412,203	13,135,705,539
TOTAL ASSETS		635,110,505,663	566,611,901,175
LIABILITIES AND NETWORTH			
Liabilities	11	17,721,738,239	22,135,417,430
Deferred credits	12	1,060,819,697	769,499,447
Minority interest in the net assets of consolidated subsidiaries	13	1,842,935	1,584,475,924
TOTAL LIABILITIES		18,784,400,871	24,489,392,801
Property replacement fund - sinking fund	14	27,487,087	27,487,087
Reserves	16	596,285,317,645	529,375,076,899
Surplus		20,013,300,060	12,719,944,388
TOTAL NETWORTH		616,326,104,792	542,122,508,374
TOTAL LIABILITIES AND NETWORTH		635,110,505,663	566,611,901,175

The notes on pages 7 to 56 form part of these financial statements.

GOVERNMENT SERVICE INSURANCE SYSTEM
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2011
(In Philippine Peso)

	Note	2011	2010 (as restated)
REVENUE			
Revenue from insurance	16	70,218,838,699	63,565,936,093
Revenue from loans and receivable	17	17,687,139,381	14,359,978,859
Revenue from investments	18	32,689,638,350	18,007,195,807
Revenue/(loss) from investment property	19	1,673,875,709	(20,574,263)
Other revenue	20	1,927,053,507	254,235,850
		124,196,545,646	96,166,772,346
EXPENSES			
Claims and benefits	21	53,338,465,716	46,041,493,941
Investment expenses	22	169,728,108	495,455,150
Insurance expenses	23	2,465,188,030	2,891,999,396
Personal services	24	3,924,760,999	3,296,349,882
Operating expenses	25	1,933,950,624	2,052,762,326
		61,832,093,477	54,778,060,695
Minority share in the net income(loss) of consolidated subsidiaries	26	(987,126)	527,863,694
NET REVENUE		62,365,439,295	40,860,847,957
OTHER COMPREHENSIVE INCOME			
Unrealized gain on investments		11,731,622,458	22,894,072,047
Appraisal surplus		-	159,000,000
		11,731,622,458	23,053,072,047
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		74,097,061,753	63,913,920,004

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GOVERNMENT SERVICE INSURANCE SYSTEM
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended December 31, 2011
(In Philippine Peso)

	Note	2011	2010 (as restated)
RESERVES			
Reserves, beginning		529,375,076,899	477,542,162,143
Current revenue appropriated to reserves		66,910,240,746	51,832,914,756
Actuarial reserves requirements	15	596,285,317,645	529,375,076,899
SURPLUS			
Unassigned surplus, beginning		12,262,188,100	(906,214,132)
<u>Changes during the year</u>			
Unrealized gain - investments		11,731,622,458	22,894,072,047
Reserves surplus - subsidiary		106,751,588	632,875
Non-admitted assets		-	2,301,625,687
Minority interest in the equity of consolidated subsidiaries		(483,230)	(1,055,861,578)
Net revenue		62,365,439,295	40,860,847,957
Appropriated to reserves		(66,910,240,746)	(51,832,914,756)
Unassigned surplus, end		19,555,277,465	12,262,188,100
Appraisal surplus, beginning		409,706,263	250,706,263
Changes during the year		-	159,000,000
Appraisal surplus, end		409,706,263	409,706,263
Contingent surplus, beginning		36,372,753	33,934,598
Changes during the year		266,290	2,438,155
Contingent surplus, end		36,639,043	36,372,753
Donation surplus, beginning		11,677,272	11,677,262
Changes during the year		17	10
Donation surplus, end		11,677,289	11,677,272
Surplus appropriated to additional reserves for contingencies		20,013,300,060	12,719,944,388
Property replacement fund - sinking fund	14	27,487,087	27,487,087
NETWORTH/ RESERVES		616,326,104,792	542,122,508,374

The notes on pages 7 to 56 form part of these financial statements.

GOVERNMENT SERVICE INSURANCE SYSTEM
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2011
(In Philippine Peso)

	Note	2011	2010 (as restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt of premiums		68,865,569,385	62,055,317,792
Payment of claims and benefits		(58,846,752,583)	(48,862,822,433)
Payment of reinsurance premiums		(2,010,716,499)	(1,828,398,886)
Payments for operating expenses		(4,679,217,530)	(4,504,798,324)
Contributions to ECC and OSHC		(44,833,290)	(17,439,069)
Other miscellaneous revenue		3,106,521,406	2,955,538,103
Payment of miscellaneous expenses		(243,441,266)	(822,325,828)
Net cash provided by operating activities		6,147,129,623	8,975,071,355
CASH FLOWS FROM INVESTING ACTIVITIES			
Net loan releases		(13,417,198,972)	(13,794,913,361)
Revenue from loans		67,266,156	633,050,063
Net investment placements		(34,599,956,769)	(2,633,579,909)
Revenue from investment		25,838,005,178	21,122,957,304
Receipts from other financial assets		2,121,375,509	1,041,454,723
Purchase of information technology resources		(152,359,557)	(261,994,574)
Capital expenditures		(419,620,957)	(1,596,101,171)
Revenue from investment property		173,314,317	151,153,314
Net cash flow from subsidiaries		450,042,580	(764,657,769)
Net cash (used in)/generated by investing activities		(19,939,132,515)	3,897,368,620
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash (used in)/provided by financing activities		-	-
Net change in cash and cash equivalents		(13,792,002,892)	12,872,439,975
CASH AND CASH EQUIVALENTS, BEGINNING		53,912,271,253	41,039,831,278
CASH AND CASH EQUIVALENTS, END		40,120,268,361	53,912,271,253

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