



Bawat Pilipino MIYEMBRO  
Bawat miyembro PROTEKTADO  
Kalusugan natin SEGURADO

# FINANCIAL STATEMENTS

March 31, 2018

**Philippine Health Insurance Corporation**  
CityState Centre Building, 709 Shaw Boulevard, Pasig City  
Call Center (02) 441-7442 Trunkline (02) 441-7444  
[www.philhealth.gov.ph](http://www.philhealth.gov.ph)



**PHILIPPINE HEALTH INSURANCE CORPORATION  
STATEMENTS OF FINANCIAL POSITION**

As at March 31, 2018 and 2017  
(In Philippine Peso)



|  | Notes | 2018                      | 2017                      | Increase / (Decrease)<br>Current vs Prior Year |
|--|-------|---------------------------|---------------------------|--|
| <b>ASSETS</b>                            |       |                           |                           |  |
| <b>Current Assets</b>                    |       |                           |                           |  |
| Cash                                     | 5     | 39,396,156,433.83         | 21,635,973,065.44         | 17,760,183,368.39                              |
| Premium Receivables                      | 6     | 20,467,166,889.06         | 37,960,006,023.20         | (17,492,839,134.14)                            |
| Other Current Assets                     | 7     | 1,067,987,468.16          | 953,316,517.20            | 114,670,950.96                                 |
| <b>Total Current Assets</b>              |       | <b>60,931,310,791.05</b>  | <b>60,549,295,605.84</b>  | <b>382,015,185.21</b>                          |
| <b>Non-current Assets</b>                |       |                           |                           |  |
| Available for Sale Investments           | 8     | -                         | 1,002,408,909.37          | (1,002,408,909.37)                             |
| Held to Maturity Investments             | 9     | 106,712,309,522.27        | 98,512,017,162.29         | 8,200,292,359.98                               |
| Property & Equipment - net               | 10    | 2,254,419,673.87          | 2,057,227,251.95          | 197,192,421.92                                 |
| Intangible Assets - net                  | 11    | 336,799,649.47            | 338,648,546.06            | (1,848,896.59)                                 |
| Other Assets - net                       | 12    | 421,630,604.71            | 433,615,905.33            | (11,985,300.62)                                |
| <b>Total Non-current Assets</b>          |       | <b>109,725,159,450.32</b> | <b>102,343,917,775.00</b> | <b>7,381,241,675.32</b>                        |
| <b>TOTAL ASSETS</b>                      |       | <b>170,656,470,241.37</b> | <b>162,893,213,380.84</b> | <b>7,763,256,860.53</b>                        |
| <b>LIABILITIES AND EQUITY</b>            |       |                           |                           |  |
| <b>Liabilities</b>                       |       |                           |                           |  |
| <b>Current Liabilities</b>               |       |                           |                           |  |
| Benefit Claims Payables                  | 13    | 48,437,079,172.09         | 31,988,116,165.89         | 16,448,963,006.20                              |
| Other Payables                           | 14    | 2,717,727,634.02          | 2,024,795,757.11          | 692,931,876.91                                 |
| <b>Total Current Liabilities</b>         |       | <b>51,154,806,806.11</b>  | <b>34,012,911,923.00</b>  | <b>17,141,894,883.11</b>                       |
| <b>Non-current Liability</b>             |       |                           |                           |  |
| Other Deferred Credits                   | 15    | 11,825,644,288.96         | 651,580,059.31            | 11,174,064,229.65                              |
| Insurance Liability for Lifetime Members | 16    | 24,796,038,543.00         | 22,123,933,673.00         | 2,672,104,870.00                               |
| <b>Total Non-current Liabilities</b>     |       | <b>36,621,682,831.96</b>  | <b>22,775,513,732.31</b>  | <b>13,846,169,099.65</b>                       |
| <b>Total Liabilities</b>                 |       | <b>87,776,489,638.07</b>  | <b>56,788,425,655.31</b>  | <b>30,988,063,982.76</b>                       |
| <b>Equity</b>                            |       |                           |                           |  |
| Members' Equity                          | 17    | 82,879,980,603.30         | 106,104,787,725.53        | (23,224,807,122.23)                            |
| <b>Total Members' Equity</b>             |       | <b>82,879,980,603.30</b>  | <b>106,104,787,725.53</b> | <b>(23,224,807,122.23)</b>                     |
| <b>TOTAL LIABILITIES AND EQUITY</b>      |       | <b>170,656,470,241.37</b> | <b>162,893,213,380.84</b> | <b>7,763,256,860.53</b>                        |

Prepared by:

**JUVY D. BALOLONG**  
Chief, Accounting & Internal Control Division

Certified Correct:

**ATTY. ALEX B. CAÑAVERAL**  
SM, Comptrollership Department

Recommending Approval:

**GREGORIO C. RULLODA**  
OIC-SVP & Chief Finance Executive  
Fund Management Sector

Approved by:

**DR. ROY B. FERRER**  
Acting President & Chief Executive Officer



**PHILIPPINE HEALTH INSURANCE CORPORATION  
STATEMENTS OF INCOME**

For the Period Ended March 31, 2018 and 2017  
( In Philippine Peso )



|                                      | Notes | 2018                     | 2017                      | Increase / (Decrease)<br>Current vs Prior Year |
|--------------------------------------|-------|--------------------------|---------------------------|--|
| <b>TOTAL PREMIUM CONTRIBUTIONS</b>   | 18    | <b>30,414,008,318.42</b> | <b>28,368,852,653.78</b>  | <b>2,045,155,664.64</b>                        |
| <b>Less: Benefit Claims Expenses</b> | 20    | <b>29,539,860,043.51</b> | <b>28,235,831,093.85</b>  | <b>1,304,028,949.66</b>                        |
| <b>GROSS MARGIN FROM OPERATIONS</b>  |       | <b>874,148,274.91</b>    | <b>133,021,559.93</b>     | <b>741,126,714.98</b>                          |
| Less: Operating Expenses             |       |                          |                           |  |
| Personal Services                    | 21    | 758,202,320.90           | 1,190,359,538.78          | (432,157,217.88)                               |
| Other Operating Expenses             | 22    | 363,855,419.22           | 346,925,622.29            | 16,929,796.93                                  |
| <b>Total Operating Expenses</b>      |       | <b>1,122,057,740.12</b>  | <b>1,537,285,161.07</b>   | <b>(415,227,420.95)</b>                        |
| <b>NET OPERATING INCOME (LOSS)</b>   |       | <b>(247,909,465.21)</b>  | <b>(1,404,263,601.14)</b> | <b>1,156,354,135.93</b>                        |
| Add: Interest and Other Income       | 19    | 1,510,756,746.10         | 1,467,748,504.74          | 43,008,241.36                                  |
| <b>NET INCOME (LOSS)</b>             |       | <b>1,262,847,280.89</b>  | <b>63,484,903.60</b>      | <b>1,199,362,377.29</b>                        |

Prepared by:

  
**JUVY D. BALOLONG**  
Chief, Accounting & Internal Control Division

Certified Correct:

  
**ATTY. ALEX B. CAÑAVERAL**  
SM, Comptrollership Department

Recommending Approval:

  
**GREGORIO C. RULLODA**  
OIC-SVP & Chief Finance Executive  
Fund Management Sector

Approved by:

  
**DR. ROY B. FERRER**  
Acting President & Chief Executive Officer



**PHILIPPINE HEALTH INSURANCE CORPORATION  
STATEMENTS OF COMPREHENSIVE INCOME**

For the Period Ended March 31, 2018 and 2017  
(In Philippine Peso)



|  | Note | 2018                    | 2017                 | Increase / (Decrease)<br>Current vs Prior Year |
|--|------|-------------------------|----------------------|--|
| NET INCOME (LOSS)  |      | 1,262,847,280.89        | 63,484,903.60        | 1,199,362,377.29                               |
| OTHER COMPREHENSIVE INCOME THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS |      |                         |                      |  |
| Unrealized Profit (Loss) on Available for Sale Investments             | 17.3 | -                       | (4,804,927.65)       | 4,804,927.65                                   |
| <b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>                               |      | <b>1,262,847,280.89</b> | <b>58,679,975.95</b> | <b>1,204,167,304.94</b>                        |

Prepared by:

*J. Balolong*  
**JUVY D. BALOLONG**  
Chief, Accounting & Internal Control Division  
*JB*

Certified Correct:

*mi*  
**ATTY. ALEX B. CAÑAVERAL**  
SM, Comptrollership Department

Recommending Approval:

*GR*  
**GREGORIO C. RULLODA**  
OIC-SVP & Chief Finance Executive  
Fund Management Sector

Approved by:

*RF*  
**DR. ROY B. FERRER**  
Acting President & Chief Executive Officer



**PHILIPPINE HEALTH INSURANCE CORPORATION  
STATEMENTS OF CHANGES IN EQUITY**

For the Period Ended March 31, 2018 and 2017

(In Philippine Peso)



|   | Notes | 2018                     | 2017                      | Increase / (Decrease)<br>Current vs Prior Year |
|---|-------|--------------------------|---------------------------|--|
| <b>RESERVE FUND</b>   | 17    |                          |                           |  |
| Reserve at beginning of year  |       | 81,818,123,288.66        | 107,226,377,457.18        | (25,408,254,168.52)                            |
| Surplus transferred to Reserve  |       | 1,060,073,967.14         | (1,133,491,474.26)        | 2,193,565,441.40                               |
| <b>Reserve Fund at March 31</b>   |       | <b>82,878,197,255.80</b> | <b>106,092,885,982.92</b> | <b>(23,214,688,727.12)</b>                     |
| <b>SURPLUS</b>  | 17    |                          |                           |  |
| Surplus at beginning of year  |       | 1,456,748.97             | 1,456,748.97              | -  |
| Contingent Capital  |       | 326,598.53               | 8,036,084.27              | (7,709,485.74)                                 |
| Net Income (Loss)   |       | 1,262,847,280.89         | 63,484,903.60             | 1,199,362,377.29                               |
| Prior Year Adjustment   |       | (202,773,313.75)         | (1,196,976,377.86)        | 994,203,064.11                                 |
| <b>Total Surplus</b>  |       | <b>1,061,857,314.64</b>  | <b>(1,123,998,641.02)</b> | <b>2,185,855,955.66</b>                        |
| Surplus transferred to Reserve  |       | (1,060,073,967.14)       | 1,133,491,474.26          | (2,193,565,441.40)                             |
| <b>Surplus at March 31</b>  |       | <b>1,783,347.50</b>      | <b>9,492,833.24</b>       | <b>(7,709,485.74)</b>                          |
| <b>NET UNREALIZED PROFIT (LOSS) ON<br/>AVAILABLE FOR SALE INVESTMENTS</b> | 17    | -                        | 2,408,909.37              | (2,408,909.37)                                 |
| <b>TOTAL MEMBERS' EQUITY</b>  |       | <b>82,879,980,603.30</b> | <b>106,104,787,725.53</b> | <b>(23,224,807,122.23)</b>                     |

Prepared by:

*J. Balolong*  
**JUVY D. BALOLONG**

Chief, Accounting & Internal Control Division

*J. Balolong*

Certified Correct:

*Alex B. Cañaver*  
**ATTY. ALEX B. CAÑAVERAL**

SM, Comptrollership Department

Recommending Approval:

*Gregorio C. Rulloda*  
**GREGORIO C. RULLODA**  
OIC-SVP & Chief Finance Executive  
Fund Management Sector

Approved by:

*Dr. Roy B. Ferrer*  
**DR. ROY B. FERRER**  
Acting President & Chief Executive Officer



**PHILIPPINE HEALTH INSURANCE CORPORATION**  
**STATEMENTS OF CASH FLOWS**

For the Period Ended March 31, 2018 and 2017  
( In Philippine Peso )



|  | 2018                      | 2017                       | Increase / (Decrease)<br>Current vs Prior Year |
|--|---------------------------|----------------------------|--|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                |                           |                            |  |
| Premium Contributions                                      | 32,907,150,976.94         | 15,168,806,904.23          | 17,738,344,072.71                              |
| Other income   | 87,182,188.61             | 79,065,525.65              | 8,116,662.96                                   |
| Interest received from Investments                         | 1,895,491,317.03          | 1,935,347,564.90           | (39,856,247.87)                                |
| Rent   | 122,650.14                | 503,446.57                 | (380,796.43)                                   |
| Bank Charges   | -                         | (350.00)                   | 350.00   |
| Benefit Claims   | (22,489,165,010.90)       | (25,416,773,339.41)        | 2,927,608,328.51                               |
| Operating Expenses   | (1,434,437,553.94)        | (1,809,088,673.09)         | 374,651,119.15                                 |
| <b>Net Cash Provided by (Used in) Operating Activities</b> | <b>10,966,344,567.88</b>  | <b>(10,042,138,921.15)</b> | <b>21,008,483,489.03</b>                       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                |                           |                            |  |
| Placement on Bonds   | (6,109,116,192.64)        | (1,184,076,006.14)         | (4,925,040,186.50)                             |
| Matured Bonds  | 1,182,939,407.77          | 3,099,752,584.42           | (1,916,813,176.65)                             |
| Proceeds from disposal of assets                           | -                         | 314,730.50                 | (314,730.50)                                   |
| Equipment purchased  | (185,393,899.12)          | (153,422,841.18)           | (31,971,057.94)                                |
| <b>Net Cash Provided by (Used in) Investing Activities</b> | <b>(5,111,570,683.99)</b> | <b>1,762,568,467.60</b>    | <b>(6,874,139,151.59)</b>                      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                |                           |                            |  |
| Trust Receipts   | (15,368,141.97)           | (20,009,993.07)            | 4,641,851.10                                   |
| <b>Net Cash Provided by (Used in) Financing Activities</b> | <b>(15,368,141.97)</b>    | <b>(20,009,993.07)</b>     | <b>4,641,851.10</b>                            |
| <b>Net Increase (Decrease) in CASH</b>                     | <b>5,839,405,741.92</b>   | <b>(8,299,530,446.62)</b>  | <b>14,138,986,188.54</b>                       |
| <b>CASH at January 01</b>                                  | <b>33,556,699,092.33</b>  | <b>29,935,544,922.99</b>   | <b>3,621,154,169.34</b>                        |
| Gain on Foreign Exchange                                   | 51,599.58                 | 8,589.07                   | 43,010.51                                      |
| <b>CASH at March 31</b>                                    | <b>39,396,156,433.83</b>  | <b>21,635,973,065.44</b>   | <b>17,760,183,368.39</b>                       |

Prepared by:

**JUJY D. BALOLONG**

Chief, Accounting & Internal Control Division

Certified Correct:

**ATTY. ALEX B. CAÑAVERAL**

SM, Comptrollership Department

Recommending Approval:

**GREGORIO C. RULLODA**  
OIC-SVP & Chief Finance Executive  
Fund Management Sector

Approved by:

**DR. ROY B. FERRER**  
Acting President & Chief Executive Officer