

NATIONAL TOBACCO ADMINISTRATION
BALANCE SHEET
December 31, 2013
(In Philippine Peso)

| | Note | 2013 | 2012 As restated |
|-------------------------------------|------|----------------------|----------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 3 | 86,878,362 | 70,247,450 |
| Receivables - net | 4 | 538,297,661 | 550,986,299 |
| Inventories | 5 | 7,043,047 | 6,054,284 |
| Prepayments | 6 | 13,058,817 | 13,974,439 |
| Other current assets | 7 | 1,050,259 | 745,770 |
| | | 646,328,146 | 642,008,242 |
| Non-current assets | | | |
| Investments | 8 | 7,016,500 | 7,016,500 |
| Property, plant and equipment - net | 9 | 466,820,840 | 346,775,200 |
| Other assets | 10 | 88,700,075 | 91,501,568 |
| | | 562,537,415 | 445,293,268 |
| | | 1,208,865,561 | 1,087,301,510 |
| LIABILITIES AND NET WORTH | | | |
| Current liabilities | | | |
| Payable accounts | 11 | 95,476,992 | 94,855,504 |
| Inter-agency payables | 12 | 3,172,863 | 5,834,470 |
| Intra-agency payables | | - | 590,156 |
| Other current liabilities | 13 | 22,420,370 | 16,792,976 |
| | | 121,070,225 | 118,073,106 |
| Non-current assets | | | |
| Other deferred credits | 14 | 31,400 | 8,480 |
| Total liabilities | | 121,101,625 | 118,081,586 |
| Net worth | | 1,087,763,936 | 969,219,924 |
| | | 1,208,865,561 | 1,087,301,510 |

The Notes on pages 9 to 24 form part of these financial statements.

NATIONAL TOBACCO ADMINISTRATION
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended December 31, 2013
(In Philippine Peso)

| | Note | 2013 | 2012 As restated |
|--|------|--------------------|---------------------|
| REVENUES | | | |
| Operating revenues | 15 | 105,373,645 | 98,917,122 |
| Other revenues | 16 | 9,058,009 | 9,085,824 |
| | | 114,431,654 | 108,002,946 |
| Sales Revenue | 17 | 6,538,926 | - |
| Cost of Goods Sold | 18 | 5,666,038 | 580,749 |
| | | 872,888 | 580,749 |
| | | 115,304,542 | 107,422,197 |
| EXPENDITURES | | | |
| | 19 | | |
| Personal services | | 175,368,184 | 162,143,602 |
| Maintenance and other operating expenses | | 92,574,476 | 185,736,610 |
| Financial expenses | | 17,870 | 54,696 |
| | | 267,960,530 | 347,934,908 |
| Loss from operations | | (152,655,988) | (240,512,711) |
| Subsidy income from national government | | 271,200,000 | 219,120,056 |
| | | 118,544,012 | (21,392,655) |

The notes on pages 9 to 24 form part of these financial statements.

NATIONAL TOBACCO ADMINISTRATION
STATEMENT OF CHANGES IN NET WORTH
For the Year Ended December 31, 2013
(In Philippine Peso)

| | Note | 2013 | 2012 As restated |
|--------------------------------------|-------------|----------------------|-----------------------------|
| GOVERNMENT EQUITY | | | |
| Government equity, beginning of year | | 410,449,650 | 410,449,650 |
| Settlement of disallowance | | | |
| RETAINED EARNINGS | | | |
| | 15 | | |
| Retained earnings, beginning of year | | 558,770,274 | 580,162,929 |
| Net Income/(Loss) | | 118,544,012 | (21,392,655) |
| | | 677,314,286 | 558,770,274 |
| | | 1,087,763,936 | 969,219,924 |

The notes on pages 9 to 24 form part of these financial statements.

NATIONAL TOBACCO ADMINISTRATION
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013
(In Philippine Peso)

| | Note | 2013 | 2012 As restated |
|--|------|-------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Subsidy from national government | | 271,200,000 | 219,120,056 |
| Collection of income | | 109,912,572 | 98,012,666 |
| Collection of receivables | | 98,691,092 | 93,508,127 |
| Collection of receivables for other government financial institutions | | 62,180,877 | 53,231,261 |
| Miscellaneous trust receipts | | 37,873,754 | 35,194,675 |
| Recoupment of mobilization fee from contractors | | 12,396,072 | 10,488,452 |
| Sale of inventories | | 2,218,281 | 210,700 |
| Refund of cash advances/mobilization fee | | 720,726 | 930,221 |
| Payment of operating expenses | | (230,731,529) | (217,108,623) |
| Remittance to GSIS/BIR/Pag-IBIG/PhilHealth | | (59,008,014) | (50,852,497) |
| Payment of other payables | | (34,579,941) | (23,613,979) |
| Advances for mobilization Fee | | (9,023,779) | (14,356,662) |
| Payment of payables | | (6,370,160) | (3,656,823) |
| Payment of cash advances | | (2,950,690) | (3,134,256) |
| Purchase of inventories | | (2,520,434) | (656,611) |
| Payment of prepaid expenses | | (38,856) | (11,212) |
| | | 249,969,971 | 197,305,495 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Facility/Production loan assistance | | (165,296,812) | (176,653,511) |
| Acquisition of property, plant and equipment | | (68,042,247) | (107,633,196) |
| Proceeds from termination of bonds | | - | 315,406 |
| | | (233,339,059) | (283,971,301) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 16,630,912 | (86,665,806) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR | | 70,247,450 | 156,913,256 |
| | | 86,878,362 | 70,247,450 |

The notes on pages 9 to 24 form part of these financial statements.

NATIONAL TOBACCO ADMINISTRATION
STATEMENT OF COMPARISON OF BUDGET AND AMOUNTS EXPENDED
For the Year Ended December 31, 2013
(In Philippine Peso)

| | Approved Budget | Amounts Expended | Variance |
|---|----------------------------|-----------------------------|--------------------|
| Personal services | | | |
| Salaries and wages | 114,562,428 | 103,758,046 | 10,804,382 |
| Other compensation | 29,131,969 | 28,795,169 | 336,800 |
| Personnel benefit contribution | 15,676,647 | 14,352,615 | 1,324,032 |
| Other personnel benefits | 11,350,956 | 28,462,354 | (17,111,398) |
| | 170,722,000 | 175,368,184 | (4,646,184) |
| Maintenance and other operating expenses | | | |
| Supplies and materials expenses | 14,493,000 | 9,413,262 | 5,079,738 |
| Professional services | 18,321,000 | 19,205,732 | (884,732) |
| Utility expenses | 6,608,000 | 6,558,674 | 49,326 |
| Traveling expenses-local | 5,790,000 | 6,183,088 | (393,088) |
| Traveling expenses-foreign | 1,105,000 | - | 1,105,000 |
| Gasoline, oil and lubricants expenses | 3,115,000 | 3,011,009 | 103,991 |
| Representation expenses | 2,946,000 | 3,113,827 | (167,827) |
| Communication expenses | 2,289,000 | 2,219,703 | 69,297 |
| Training and scholarship expenses | 1,576,000 | 1,648,990 | (72,990) |
| Repairs and maintenance | 1,175,000 | 1,276,075 | (101,075) |
| Printing and binding expenses | 1,158,000 | 997,639 | 160,361 |
| Taxes, insurance premiums and other fees | 1,060,000 | 1,038,695 | 21,305 |
| Extraordinary and miscellaneous expenses | 406,000 | 348,119 | 57,881 |
| Advertising expenses | 344,000 | 223,655 | 120,345 |
| Rent expenses | 333,000 | 299,496 | 33,504 |
| Subscription | 170,000 | 139,947 | 30,053 |
| Membership contribution | 30,000 | 35,000 | (5,000) |
| Donations | 158,000 | 1,000 | 157,000 |
| Bank charges | 61,000 | 17,870 | 43,130 |
| Transportation and delivery expenses | 27,000 | 51,285 | (24,285) |
| Other maintenance and operating expenses | 3,682,000 | 4,296,690 | (614,690) |
| | 64,847,000 | 60,079,756 | 4,767,244 |
| | 235,569,000 | 235,447,940 | 121,060 |
| Capital outlay | | | |
| Land, land development, building & fixtures | 51,910,000 | 51,510,247 | 399,753 |
| Other machinery and equipment | 28,630,000 | 16,532,000 | 12,098,000 |
| Plant operation | 22,460,000 | - | 22,460,000 |
| | 103,000,000 | 68,042,247 | 34,957,753 |
| Investment outlay | | | |
| Production assistance | 191,000,000 | 142,043,778 | 48,956,222 |
| Irrigation assistance | 25,000,000 | 23,253,034 | 1,746,966 |
| Cost of production | 23,039,000 | 5,666,038 | 17,372,962 |
| | 239,039,000 | 170,962,850 | 68,076,150 |
| | 577,608,000 | 474,453,037 | 103,154,963 |

The notes on pages 9 to 24 form part of these financial statements.