



Cultural Center of the Philippines
SENTRONG PANGKULTURA NG PILIPINAS

March 24, 2023

MR. ALVIN ANTHONY T. ALMORADIE

State Auditor III
OIC- Audit Team Leader
Commission on Audit

Dear Auditor Almoradie:

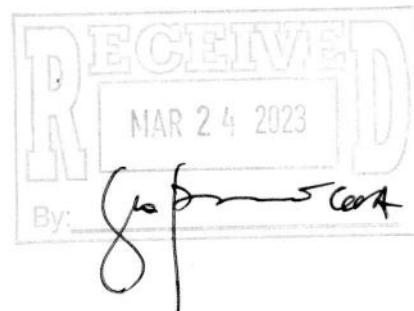
We are respectfully submitting herewith the following documents in compliance to your letter dated January 17, 2023:

1. Comparative Financial Statements CYs 2022 and 2021
 - a. Statement of Financial Position
 - b. Statement of Financial Performance
 - c. Statement of Cash Flow
 - d. Statement of Changes in Net Assets/Equity
 - e. Statement of Comparison of Budget and Actual Amounts
 - f. Notes to Financial Statements
2. Agency Books
General Ledgers (MOOE)
3. List of Outstanding Legal Cases

Thank you.

Very truly yours,

DENNIS P. LOPEZ
Department Manager III
Financial Services Department



CULTURAL CENTER OF THE PHILIPPINES
STATEMENTS OF FINANCIAL PERFORMANCE
For the Years Ended December 31, 2022 and 2021
(in Philippine Peso)

| | Note | 2022 | 2021 (As Restated) |
|---------------------------------------------|------|----------------------|-----------------------|
| REVENUE | | | |
| Service and business income | 20 | 215,766,272 | 91,577,550 |
| Shares, grants and donations | 21 | 84,773 | 190,000 |
| Total Revenue | | 215,851,045 | 91,767,550 |
| CURRENT OPERATING EXPENSES | | | |
| Personnel services | 22 | 199,896,276 | 199,469,163 |
| Maintenance and other operating expenses | 23 | 365,431,074 | 259,301,850 |
| Direct cost | 24 | 76,630,545 | 1,125,278 |
| Financial expenses | 25 | 833,184 | 383,984 |
| Non-cash expenses | 26 | 44,073,585 | 38,552,239 |
| Total Current Operating Expenses | | 686,864,664 | 498,832,514 |
| SURPLUS/(DEFICIT) FROM OPERATIONS | | (471,013,619) | (407,064,964) |
| Other non-operating income | 27.1 | 1,971,646 | 960,238 |
| Gains | 27.2 | 3,907,191 | 1,628,342 |
| Losses | 27.3 | -3,367,652 | (188,985) |
| | | 2,511,185 | 2,399,595 |
| DEFICIT BEFORE TAX | | (468,502,434) | (404,665,369) |
| Income tax expense | 28 | - | (535,462) |
| DEFICIT AFTER TAX | | (468,502,434) | (405,200,831) |
| Net assistance/subsidy | 29 | 450,661,761 | 396,608,000 |
| NET SURPLUS/(DEFICIT) FOR THE PERIOD | | (17,840,673) | (8,592,831) |

The notes on pages 10 to 51 form part of these financial statements.

CULTURAL CENTER OF THE PHILIPPINES
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021
(in Philippine Peso)

| | Note | 2022 | 2021 |
|-----------------------------------------------------------------------|------|----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash Inflows | | | |
| Subsidy received from the national government | | 459,191,761 | 404,798,000 |
| Collection of rent | | 112,026,401 | 74,042,780 |
| Collection of prior years' receivables | | 4,258,832 | 12,260,500 |
| Collection of operating and service income | | 80,866,080 | 7,361,200 |
| Collection of miscellaneous income | | 2,668,113 | 1,032,762 |
| Collection of contributions withheld | | 6,006,993 | - |
| Collections of Trust Fund | | 3,655,011 | 1,100,050 |
| Total Cash Inflows | | 668,673,192 | 500,595,292 |
| Prior year's adjustments | | 11,054,865 | 159,477,102 |
| Adjusted cash inflows | | 679,728,057 | 660,072,394 |
| Cash Outflows | | | |
| Unremitted ticket sales and refundable violation deposits | | (1,987,565) | (11,323,296) |
| Miscellaneous liabilities & deferred credits | | (6,717,740) | (2,974,303) |
| Guaranty deposit | | (5,361,586) | - |
| Collection of contributions withheld | | (9,723,218) | (5,981,025) |
| Purchase of inventories | | (1,484,353) | (1,599,813) |
| Prepayments | | (8,561,031) | (4,243,863) |
| Advances | | (21,109,246) | (72,224,523) |
| Payment of prior year's expenses/payables | | (61,715,986) | (86,436,472) |
| Payment of maintenance and other operating expenses | | (213,349,987) | (161,464,862) |
| Payment of personnel services | | (183,093,497) | (188,259,244) |
| Fund Transfer to Trust Fund | | | |
| Total Cash Outflows | | (513,104,209) | (534,507,401) |
| Net Cash Provided by (Used in) Operating Activities | | 166,623,848 | 125,564,993 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Cash inflows | | | |
| Termination of short term investment | | 37,440,000 | 46,708,911 |
| Income from investments | | 7,841,739 | 5,310,331 |
| Total Cash Inflows | | 45,281,739 | 52,019,242 |
| Purchase of short term investment | | (172,606,928) | (92,822,573) |
| Purchase of long term investment | | (99,802,170) | |
| Purchase/rehabilitation/construction of plant, property and equipment | | (21,513,087) | (90,263,585) |
| Total Cash Outflows | | (293,922,185) | (183,086,158) |
| Net Cash Provided (Used in) Investing Activities | | (248,640,446) | (131,066,916) |
| Net Increase (Decrease) in Cash and Cash Equivalent | | (82,016,598) | (5,501,923) |
| CASH AND CASH EQUIVALENTS, Beginning of Year | | 287,486,407 | 292,988,330 |
| CASH AND CASH EQUIVALENTS, end of year | 6 | 205,469,809 | 287,486,407 |

The notes on pages 10 to 51 form part of these financial statements.

CULTURAL CENTER OF THE PHILIPPINES
STATEMENTS OF CHANGES IN NET ASSETS/EQUITY
For the Years Ended December 31, 2022 and 2021
(in Philippine Peso)

| | Accumulated Surplus/ (Deficit) Note 19 | Government Equity Note18 | Total |
|-------------------------------------------------|----------------------------------------------|--------------------------------|----------------------|
| BALANCE AS AT JANUARY 1, 2021 | 442,233,147 | 1,584,502,488 | 2,026,735,635 |
| ADJUSTMENTS: | | | |
| Add/(Deduct): | | | |
| Prior year adjustments | 69,950,291 | | 69,950,291 |
| RESTATED BALANCE AS AT JANUARY 1, 2021 | 512,183,438 | 1,584,502,488 | 2,096,685,926 |
| Changes in Net Assets/Equity for CY 2021 | | | |
| Add/(Deduct): | | | |
| Surplus/(Deficit) for the period, as restated | (8,592,831) | | (8,592,831) |
| Dividends | (3,277,380) | | (3,277,380) |
| Other adjustments | | | |
| RESTATED BALANCE AS AT DECEMBER 31, 2021 | 500,313,227 | 1,584,502,488 | 2,084,815,715 |
| Changes in Net Assets/Equity for CY 2022 | | | |
| Add/(Deduct): | | | |
| Surplus/(Deficit) for the period | (17,840,673) | | (17,840,673) |
| Other adjustments | - | | - |
| BALANCE AS AT DECEMBER 31, 2022 | 482,472,554 | 1,584,502,488 | 2,066,975,042 |

The notes on pages 10 to 51 form part of these financial statements.

CULTURAL CENTER OF THE PHILIPPINES
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
For the Year Ended December 31, 2022
(in Philippine Peso)

| Particulars | Budgeted Amounts | | Actual Amounts on Comparable Basis | Difference (Final Budget and Actual) |
|------------------------------------------|----------------------|----------------------|------------------------------------|--------------------------------------|
| | Original | Final | | |
| Receipts | | | | |
| Rental income | 121,553,000 | 121,553,000 | 94,998,032 | 26,554,968 |
| Operating and service income | 109,575,000 | 109,575,000 | 87,654,400 | 21,920,600 |
| Parking fees | 7,416,000 | 7,416,000 | 21,326,385 | -13,910,385 |
| Interest income | 6,700,000 | 6,700,000 | 11,780,472 | -5,080,472 |
| Miscellaneous income | 152,000 | 152,000 | 5,970,594 | -5,818,594 |
| Subsidy income from government | 1,552,371,000 | 1,552,371,000 | 487,457,948 | 1,064,913,052 |
| Corporate Fund | 135,731,000 | 135,731,000 | | |
| Total Receipts | 1,933,498,000 | 1,933,498,000 | 709,187,831 | 1,088,579,169 |
| Payments | | | | |
| Personnel services | 239,980,000 | 239,980,000 | 199,896,276 | 40,083,724 |
| Maintenance and other operating expenses | 619,316,000 | 491,788,000 | 362,987,818 | 128,800,182 |
| Capital outlay | 1,074,202,000 | 1,074,202,000 | 416,116,545 | 658,085,455 |
| Prior years' obligations | | | | |
| Total Payments | 1,933,498,000 | 1,805,970,000 | 979,000,639 | 826,969,361 |
| Net Receipts/Payments | - | 127,528,000 | -269,812,808 | 261,609,808 |

The notes on pages 10 to 51 form part of these financial statements.