

**AFP RETIREMENT AND SEPARATION BENEFITS SYSTEM**  
**STATEMENTS OF FINANCIAL POSITION**  
**December 31, 2020 and 2019**  
(Amounts in Philippine Peso)

	Note	2020	2019
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	46,126,714	898,380,540
Short-term investments	5	2,095,000,000	3,373,365,014
Receivables-net	6	745,919,339	574,716,749
Investment in bonds	11	2,099,717,469	0
Loans receivable	7	145,368,663	147,255,615
Real estate inventories-net	8	3,677,325,680	3,858,706,222
Other current assets	9	19,903,088	28,533,129
		<b>8,829,360,953</b>	<b>8,880,957,269</b>
<b>Non-current assets</b>			
Loans receivable-net of current portion	7	434,374,783	434,548,007
Installment contracts receivable-net	10	237,196,526	659,122,081
Investment in bonds-net of current portion	11	2,374,753,651	5,075,285,230
Non-current investments	12	27,546,087	32,246,271
Advances to subsidiaries and associates-net	13	5,525,407	18,038,000
Investments in subsidiaries-net	14	1,734,605,169	1,577,811,066
Investments in real estate-net	15	1,730,053,485	1,730,053,485
Investment property-net	16	19,630,979	19,886,979
Property and equipment-net	17	32,940,384	32,291,141
Other non-current assets-net	18	441,068,941	454,717,717
		<b>7,037,695,412</b>	<b>10,033,999,977</b>
<b>TOTAL ASSETS</b>		<b>15,867,056,365</b>	<b>18,914,957,246</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	19	694,699,197	736,076,874
Members' contributions payable	20	2,376,693,809	3,929,006,302
Estimated liability on earnings of members' contributions	21	951,971,791	1,573,815,083
		<b>4,023,364,797</b>	<b>6,238,898,259</b>
<b>Non-Current Liabilities</b>			
Members' contributions payable	20	1,982,986,520	3,339,216,962
Estimated liability on earnings of members' contributions	21	441,456,269	719,769,031
Deposits and other liabilities	22	370,832,310	173,020,212
		<b>2,795,275,099</b>	<b>4,232,006,205</b>
<b>TOTAL LIABILITIES</b>		<b>6,818,639,896</b>	<b>10,470,904,464</b>
<b>Fund Equity</b>	23	<b>9,048,416,469</b>	<b>8,444,052,782</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>		<b>15,867,056,365</b>	<b>18,914,957,246</b>

The Notes on pages 10 to 43 form part of these financial statements.

**AFP RETIREMENT AND SEPARATION BENEFITS SYSTEM**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**For the Years Ended December 31, 2020 and 2019**  
(Amounts in Philippine Peso)

	Note	2020	2019
<b>REVENUES</b>			
	24		
Fund management operations		279,369,205	427,004,935
Real estate rentals		131,664,187	135,800,553
Lending operations		51,332,255	86,079,383
Real estate operations		(16,818,067)	73,509,942
Equity holdings in subsidiaries and associates		147,249,115	8,112,085
		<b>592,796,695</b>	<b>730,506,898</b>
<b>INVESTMENT AND OPERATING EXPENSES</b>			
Taxes and licenses		171,861	5,686,241
Consultant and retainer fees		4,919,137	4,582,091
Meetings and conferences		1,335,863	2,123,163
Evaluation, legal and collection		421,907	988,029
		<b>6,848,768</b>	<b>13,379,524</b>
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>			
Salaries and employee benefits		61,211,281	62,638,307
Utilities		3,522,214	4,657,941
Depreciation and amortization	25	1,404,801	3,101,863
Repairs and maintenance		3,172,711	2,597,419
Janitorial		2,017,742	2,491,806
Supplies and materials		1,512,359	2,435,107
SSS, Medicare and Pag-IBIG contributions		2,468,160	2,364,407
Communication		1,335,925	1,327,813
Transportation and travel		826,874	1,198,305
Advertising and publications		51,710	239,673
Insurance		197,272	181,227
Miscellaneous		1,671,098	2,297,909
		<b>79,392,147</b>	<b>85,531,777</b>
<b>TOTAL EXPENSES</b>		<b>86,240,915</b>	<b>98,911,301</b>
<b>PROFIT FOR THE YEAR</b>		<b>506,555,780</b>	<b>631,595,597</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Unrealized income (loss) from financial assets at FVOCI		(4,746,868)	19,899,039
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>501,808,912</b>	<b>651,494,636</b>

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**AFP RETIREMENT AND SEPARATION BENEFITS SYSTEM**  
**STATEMENTS OF CHANGES IN EQUITY**  
**For the Years Ended December 31, 2020 and 2019**  
(Amounts in Philippine Peso)

	Cumulative changes in fair value of investments Note 12	Government contribution Note 23	Retained earnings Note 29	Total Fund equity
<b>Balance at January 1, 2020</b>	<b>13,826,096</b>	<b>200,000,000</b>	<b>8,230,226,686</b>	<b>8,444,052,782</b>
<b>Changes in equity</b>				
Comprehensive income for the year	(4,746,868)		506,555,780	501,808,912
Correction of Prior period errors			102,554,775	102,554,775
<b>Balance at December 31, 2020</b>	<b>9,079,228</b>	<b>200,000,000</b>	<b>8,839,337,241</b>	<b>9,048,416,469</b>
Balance at January 1, 2019	(6,072,943)	200,000,000	7,598,631,089	7,792,558,146
Changes in equity				
Add/(Deduct):				
Comprehensive income for the year	19,899,039		631,595,597	651,494,636
<b>Balance at December 31, 2019</b>	<b>13,826,096</b>	<b>200,000,000</b>	<b>8,230,226,686</b>	<b>8,444,052,782</b>

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**AFP RETIREMENT AND SEPARATION BENEFITS SYSTEM**  
**STATEMENTS OF CASH FLOWS**  
**For the Years Ended December 31, 2020 and 2019**  
(Amounts in Philippine Pesos)

	Note	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from maturities of short-term investments - net		1,295,367,624	2,892,950,437
Collection of Installment Contracts Receivables		447,870,622	442,479,734
Collection of Rentals		105,368,988	118,197,341
Collection of Interest on ICRs/STIs/LTIs/Advances		321,596,828	317,643,174
Collection of deposits from real estate buyers and contractors		55,095,862	209,886,370
Collection of Loans Receivables		5,218,630	6,250,154
Collection of refunds from MERALCO		0	1,160,172
Other Collections		6,127,949	5,946,114
Payment of Salaries, Allowances and Other Benefits		(60,720,255)	(68,216,817)
Advances for Operating Expenses/Employee Loans		(4,668,941)	(7,254,786)
Release of loans to RGCI		0	(66,987,041)
Payment of maintenance and other operating expenses		(69,562,714)	(138,050,073)
Refunds/Others		(17,027,701)	(23,680,358)
<b>Net cash generated from operating activities</b>		<b>2,084,666,892</b>	<b>3,690,324,421</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from maturities of long-term investments		2,099,953,060	630,000,000
Collection from disposal of equity shares		156,780,000	0
Collection of dividend from SUMSI		29,500,000	3,000,000
Collection of Advances from RLI		0	570,000
Investment in long-term Treasury Bonds		(1,499,139,936)	(500,000,000)
Acquisition of property and equipment		(667,738)	(97,500)
Advances to Subsidiaries		(447,887)	(270,000)
<b>Net cash provided by investing activities</b>		<b>785,977,499</b>	<b>133,202,500</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Collection of Members' Contributions		(2,080)	5,015
Refund of Members' Contributions		(2,840,874,984)	(2,213,554,504)
Payment of interests on Members' Contributions		(882,021,152)	(873,647,464)
<b>Net cash used in financing activities</b>	30	<b>(3,722,898,216)</b>	<b>(3,087,196,953)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(852,253,826)</b>	<b>736,329,968</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>898,380,540</b>	<b>162,050,572</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	4	<b>46,126,714</b>	<b>898,380,540</b>

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