

CIVIL AVIATION AUTHORITY OF THE PHILIPPINES
STATEMENT OF FINANCIAL POSITION

December 31, 2012

With comparative figures as of December 31, 2011

(In Philippine Peso)

| | Notes | 2012 | 2011 |
|-------------------------------------|-------|-----------------------|-----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 3 | 4,140,864,454 | 4,667,690,435 |
| Receivables, net | 4 | 10,602,859,466 | 6,350,041,038 |
| Advances to Officers and Employees | 5 | 45,599,415 | 43,081,060 |
| Other Current Assets | | 3,126,726 | 357,610 |
| Total Current Assets | | 14,792,450,061 | 11,061,170,143 |
| Non-Current Assets | | | |
| Property, Plant and Equipment, net | 6 | 2,639,788,670 | 9,191,914,660 |
| Deferred Assets | 7 | 218,479,909 | 294,507,220 |
| Total Non-Current Assets | | 2,858,268,579 | 9,486,421,880 |
| Other Assets | 8 | 5,542,689,360 | 5,478,968,006 |
| TOTAL ASSETS | | 23,193,408,000 | 26,026,560,029 |
| LIABILITIES AND EQUITY | | | |
| Current Liabilities | | | |
| Accounts Payable | 9 | 130,842,966 | 643,312,613 |
| Due to Officers and Employees | 10 | 310,799,929 | 297,086,969 |
| Due to Other Government Agencies | 11 | 2,166,906,544 | 2,258,174,267 |
| Due to Central Office | 12 | 3,702,321,427 | 169,241,784 |
| Due to Other Funds | | 4,103,038 | 9,469,816 |
| Other Liabilities | | 7,510,013 | 3,993,490 |
| Total Current Liabilities | | 6,322,483,917 | 3,381,278,939 |
| Non-Current Assets | | | |
| Trust Liabilities | 13 | 52,030,062 | 44,801,227 |
| Deferred Credits | 14 | 11,724,759 | 15,556,507 |
| Total Non-Current Liabilities | | 63,754,821 | 60,357,734 |
| Total Liabilities | | 6,386,238,738 | 3,441,636,673 |
| Equity | 15 | 16,807,169,262 | 22,584,923,356 |
| TOTAL LIABILITIES AND EQUITY | | 23,193,408,000 | 26,026,560,029 |

See accompanying Notes to Financial Statements.

CIVIL AVIATION AUTHORITY OF THE PHILIPPINES
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2012
With comparative figures as of December 31, 2011
(In Philippine Peso)

| | Notes | 2012 | 2011 |
|--|-------|----------------------|---------------|
| INCOME | 16 | 4,686,176,822 | 4,060,636,175 |
| EXPENSES | | | |
| Personal Services | | | |
| Salaries and Wages | 17 | 690,270,350 | 658,943,675 |
| Personnel Benefits Contribution | 18 | 85,776,616 | 91,244,331 |
| Other Compensation | 19 | 313,823,747 | 298,392,870 |
| Other Personnel Benefits | 20 | 262,734,782 | 374,626,023 |
| | | 1,352,605,495 | 1,423,206,899 |
| Maintenance and Other Operating Expenses | | | |
| Professional Services | 21 | 420,311,421 | 291,566,333 |
| Utilities | 22 | 240,448,562 | 199,586,274 |
| Depreciation | | 188,956,791 | 365,671,465 |
| Repairs and Maintenance | 23 | 138,709,805 | 149,127,612 |
| Supplies and Materials | 24 | 109,310,089 | 105,424,036 |
| Communication | 25 | 62,407,017 | 59,682,482 |
| Traveling | 26 | 41,584,794 | 34,239,558 |
| Training and Scholarship | | 26,444,730 | 31,745,810 |
| Doubtful Accounts | | 22,450,239 | 21,494,860 |
| Representation | | 7,324,960 | 4,298,632 |
| Intelligence, Extraordinary and Miscellaneous Expenses | 27 | 4,481,518 | 843,648 |
| Printing and Binding | 28 | 4,406,940 | 517,196 |
| Taxes Insurance Premiums and Other Fees | | 2,544,844 | 2,459,395 |
| Transportation and Delivery | | 2,250,179 | 2,009,636 |
| Rent | | 1,239,874 | 890,376 |
| Advertising | | 502,756 | |
| Subscription | | 258,707 | 2,488,920 |
| Other Maintenance and Operating Expenses | | 7,594,666 | 6,719,254 |
| | | 1,281,227,892 | 1,278,765,487 |
| Financial Expenses | | 1,148,061 | 1,034,129 |
| Total Expenses | | 2,634,981,449 | 2,703,006,515 |
| PROFIT FROM OPERATIONS | | 2,051,195,373 | 1,357,629,660 |
| OTHER INCOME (EXPENSES) | | | |
| Gain (Loss) on Foreign Exchange, net | 29 | (125,487,953) | 44,881,116 |
| NET PROFIT | | 1,925,707,420 | 1,402,510,776 |

See accompanying Notes to Financial Statements.

CIVIL AVIATION AUTHORITY OF THE PHILIPPINES
STATEMENT OF CHANGES IN GOVERNMENT EQUITY

For the Year Ended December 31, 2012

With comparative figures as of December 31, 2011

(In Philippine Peso)

| | Notes | 2012 | 2011 |
|-------------------------------------|-------|------------------------|-----------------|
| GOVERNMENT EQUITY | | | |
| Balance, January 1 | | 20,081,596,124 | 13,064,125,552 |
| Adjustments on Government Equity | 30 | (6,331,504,743) | 7,017,349,163 |
| Reclassifications | | - | 121,409 |
| Balance, December 31 | | 13,750,091,381 | 20,081,596,124 |
| RETAINED EARNINGS | | | |
| Balance, January 1 | | 2,503,327,232 | 2,975,280,019 |
| Prior period adjustments | | (1,371,956,770) | (1,874,463,564) |
| Net Profit/(Loss) during the period | | 1,925,707,420 | 1,402,510,776 |
| Balance, December 31 | | 3,057,077,882 | 2,503,327,232 |
| EQUITY | | 16,807,169,262 | 22,584,923,356 |

See accompanying Notes to Financial Statements.

CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**STATEMENT OF CASH FLOWS**

For the Year Ended December 31, 2012

With comparative figures as of December 31, 2011

(In Philippine Peso)

| | 2012 | 2011 |
|--|----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Collections of Receivables | 5,034,837,405 | 4,404,223,730 |
| Transfers to Area Centers of funds for PS and MOOE | 701,598,246 | 413,384,996 |
| Interest Income from Current, Savings, Time Deposit and Dollar Account | 69,451,276 | 79,622,783 |
| Payment for Operating and Various Expenses/Payables | (4,252,778,468) | (2,783,357,385) |
| Remittance of Dues, Taxes, and Collections | (1,508,928,839) | (959,609,854) |
| Cash Advances, Advances to Contractors and Liquidations | (23,493,108) | (32,291,597) |
| Reimbursements for Travels and Release of Trust Receipts and Refund of Performance / Bidders / Bail Bonds Payables | (985,364) | (1,207,917) |
| Adjustments made affecting cash account balance | 42,142,130 | (639,216,586) |
| Net Cash Provided by Operating Activities | 61,843,278 | 481,548,170 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital Expenditures | (405,784,598) | (236,284,031) |
| Transfers to Area Centers - Infra Projects | (57,383,198) | - |
| Net Cash Used in Investing Activities | (463,167,796) | (236,284,031) |
| EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | | |
| | (125,501,463) | 44,881,116 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | (526,825,981) | 290,145,255 |
| CASH AND CASH EQUIVALENTS, beginning of year | 4,667,690,435 | 4,377,545,180 |
| CASH AND CASH EQUIVALENTS, end of year | 4,140,864,454 | 4,667,690,435 |

See accompanying Notes to Financial Statements.