



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY
PCA Annex Building, Elliptical Road Diliman, Quezon City
Telefax. No. 925-61-41

June 5, 2017

Memorandum

FOR : **THE MANAGER, CPMISD**

FROM : The Manager, Finance Services Department

SUBJECT : PFDA Audited FY2016 Financial Statement

In compliance to the good governance conditions by GCG, we respectfully request your good office to facilitate the posting of the herein attached COA Audited FY2016 Financial Statement of the Philippine Fisheries Development Authority at the PFDA Website.

Thank you.

JOSE A. RUIZ, Jr.

PFDA - CPMISD RECEIVED

BY: *A. Ruiz*

DATE: *6/5/17 / 2:34pm*



Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City

INDEPENDENT AUDITOR'S REPORT

THE BOARD OF DIRECTORS

Philippine Fisheries Development Authority
PCA Annex Building I
Elliptical Road, Diliman, Quezon City

We have audited the accompanying financial statements of the **Philippine Fisheries Development Authority (PFDA)**, which comprise the balance sheet as of December 31, 2016, and the statement of revenues and expenditures, statement of changes in net worth and statement of cash flows for the year then ended, and a summary of significant accounting policies and explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with State accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.


An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **PFDA** as at December 31, 2016, and of its financial performance and its cash flows for the year then ended in accordance with State accounting principles.

COMMISSION ON AUDIT


MERLE M. VALENTIN
State Auditor IV
OIC-Supervising Auditor
Audit Group D – PFDA/NDA/NTA
Cluster 5- Agricultural and Natural Resources
Corporate Government Sector

May 10, 2017

PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY
BALANCE SHEET
December 31, 2016
(In Philippine Peso)

	Note	2016	2015 As restated
ASSETS			
Current assets			
Cash and cash equivalents	3	1,257,222,942	1,453,816,150
Receivables - net	4	189,965,357	203,309,521
Prepayments	5	89,124,305	87,100,794
Guaranty deposits		3,617,178	3,685,393
		1,539,929,782	1,747,911,858
Non-current assets			
Investments	6	355,979	355,979
Property, plant and equipment - net	7	932,438,663	592,075,753
Receivables	8	4,578,372	5,029,213
Other assets	9	12,327,665	6,867,042
		949,700,679	604,327,987
TOTAL ASSETS		2,489,630,461	2,352,239,845
LIABILITIES AND DEFICIT			
Current liabilities			
Payable accounts	10	686,555,433	665,375,311
Inter-agency payables	11	1,568,754,621	1,772,361,372
Other current liabilities	12	132,522,000	95,767,803
		2,387,832,054	2,533,504,486
Non-current liabilities			
Loans payable - foreign	13	-	1,259,567
Deferred credits	14	33,489,764	30,340,827
		33,489,764	31,600,394
		2,421,321,818	2,565,104,880
Net worth (Deficit)		68,308,643	(212,865,035)
TOTAL LIABILITIES, NET OF DEFICIT		2,489,630,461	2,352,239,845

The Notes on pages 9 to 23 form part of these financial statements.

PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended December 31, 2016
(In Philippine Peso)

	Note	2016	2015 As restated
REVENUES			
Operating income	17	718,291,822	649,446,828
Other income	18	9,728,525	7,402,720
		728,020,347	656,849,548
EXPENDITURES			
Personal services	20	280,236,372	274,218,704
Maintenance and other operating expenses		307,432,247	307,244,549
Financial expenses		7,222,532	8,356,829
		594,891,151	589,820,082
INCOME FROM OPERATIONS		133,129,196	67,029,466
Subsidy income from national government	19	160,044,768	29,621,861
NET INCOME		293,173,964	96,651,327

The Notes on pages 9 to 23 form part of these financial statements.

PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY
STATEMENT OF CHANGES IN NET WORTH
For the Year Ended December 31, 2016
(In Philippine Peso)

	Note	2016	2015 As restated
GOVERNMENT EQUITY	15	741,095,603	720,728,074
		741,095,603	720,728,074
DEFICIT	16		
Deficit, beginning of the year		(933,593,109)	(1,030,244,436)
Net income		293,173,964	96,651,327
Dividends		(32,367,815)	-
Deficit, end of the year		(672,786,960)	(933,593,109)
NET WORTH (DEFICIT)		68,308,643	(212,865,035)

The Notes on pages 9 to 23 form part of these financial statements.

PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2016
(In Philippine Peso)

	Note	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Funds received from NGAs for implementation of projects		163,646,617	667,218,234
Trust funds received from NGAs for implementation of projects		16,000,000	-
Cash received from customers		728,874,919	643,528,850
Cash paid to suppliers and employees		(541,728,819)	(533,088,937)
Disbursement for the implementation of projects		(5,224,026)	(64,728,984)
Returned TISP-ARMM/DAP funds		(21,079,197)	(27,892,293)
Funds transferred to LGUs/NGAs for project implementation		(2,355,000)	(9,750,000)
Purchase of inventories		(1,177,036)	(2,794,321)
Auditing services remitted to the national treasury		(5,000,000)	-
Other operating cash payments		(1,275,834)	(281,627)
Others		10,348,359	5,296,868
		341,029,983	677,507,790
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on bank account deposits		9,728,525	7,402,720
Proceeds from sale of assets		-	88,104
Construction/purchase of property and equipment		(514,057,148)	(142,708,373)
		(504,328,623)	(135,217,549)
CASH FLOWS FROM FINANCING ACTIVITIES			
Effect of foreign exchange rate on cash		623,833	501,420
Dividends paid to the national government		(32,367,815)	(56,648,344)
Payment for principal of foreign loans		(1,483,841)	(2,637,613)
Interest paid on loans		(66,745)	(114,710)
		(33,294,568)	(58,899,247)
Net increase in cash and cash equivalents		(196,593,208)	483,390,994
Cash and cash equivalents, beginning of year		1,453,816,150	970,425,156
CASH AND CASH EQUIVALENTS, END OF YEAR	3	1,257,222,942	1,453,816,150

The Notes on pages 9 to 23 form part of these financial statements.