

**SOCIAL SECURITY SYSTEM**  
**STATEMENTS OF FINANCIAL POSITION**  
(In Philippine Peso)  
As at December 31, 2017 and 2016

	Note	2017	2016 As restated
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	26,821,426,070	17,830,920,092
Financial assets	4.1	16,847,812,051	14,724,581,739
Receivables	5.1	4,566,519,389	7,243,590,466
Inventories	6	191,278,628	259,682,586
Non-current assets held for sale	7	5,966,330,784	4,336,866,810
Other current assets	8	12,272,251	17,429,982
<b>Total Current Assets</b>		<b>54,405,639,173</b>	<b>44,413,071,675</b>
<b>Non-Current Assets</b>			
Financial assets	4.2	326,900,661,415	318,857,542,993
Receivables	5.2	87,665,909,114	85,028,154,051
Investment property	9	30,892,248,159	22,994,258,201
Property and equipment - net	10	4,450,181,149	4,530,621,832
Intangible assets - net	11	203,095,350	237,252,642
Other non-current assets	12	347,748,743	335,583,885
<b>Total Non-Current Assets</b>		<b>450,459,843,930</b>	<b>431,983,413,604</b>
<b>Total Assets</b>		<b>504,865,483,103</b>	<b>476,396,485,279</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial liabilities	13	8,115,832,971	7,354,906,703
Inter-agency payables	14	178,002,873	172,209,608
Trust liabilities	15	654,719,321	605,437,289
Deferred credits/unearned income	16	122,309,497	28,113,117
Other payables	18	1,743,958,037	1,692,514,603
<b>Total Current Liabilities</b>		<b>10,814,822,699</b>	<b>9,853,181,320</b>
<b>Non-current liabilities</b>			
Financial liabilities	13	37,179,482	29,687,606
Deferred credits/unearned income	16	409,613,518	436,464,187
Provisions	17	1,466,426,806	1,607,005,231
Other payables	18	50,000,000	50,000,000
<b>Total Non-Current Liabilities</b>		<b>1,963,219,806</b>	<b>2,123,157,024</b>
<b>Total Liabilities</b>		<b>12,778,042,505</b>	<b>11,976,338,344</b>
<b>EQUITY</b>			
Revaluation surplus		2,879,088,355	2,879,088,355
Reserve fund		496,595,968,020	476,562,642,952
Cumulative changes in fair value		(8,161,549,950)	(15,650,037,897)
Member's equity		773,934,173	628,453,525
<b>Total Equity</b>	19	<b>492,087,440,598</b>	<b>464,420,146,935</b>
<b>Total Liabilities and Equity</b>		<b>504,865,483,103</b>	<b>476,396,485,279</b>

The Notes on pages 9 to 57 form part of these financial statements.

**SOCIAL SECURITY SYSTEM**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
(In Philippine Peso)  
For the Years Ended December 31, 2017 and 2016

	Note	2017	2016 As restated
<b>Income</b>			
Service and business income	20	185,928,657,072	169,453,408,660
Gains	21	15,627,623,695	9,262,363,950
Other non-operating income	22	833,984,167	459,230,939
<b>Total Income</b>		<b>202,390,264,934</b>	179,175,003,549
<b>Expenses</b>			
Benefit payments	23	170,683,577,389	132,978,774,251
Personnel services	24	6,307,554,940	6,252,840,686
Maintenance and other operating expenses	25	3,001,041,031	2,955,768,330
Financial expenses	26	178,168,301	141,093,400
Non-cash expenses	27	2,486,101,229	4,959,964,551
<b>Total Expenses</b>		<b>182,656,442,890</b>	147,288,441,218
<b>Profit</b>		<b>19,733,822,044</b>	31,886,562,331
Assistance and subsidy	28	541,076,050	118,411,080
<b>Net income</b>		<b>20,274,898,094</b>	32,004,973,411
Other comprehensive income (loss) for the period		7,488,487,947	(3,001,759,577)
<b>Comprehensive Income</b>		<b>27,763,386,041</b>	29,003,213,834

The Notes on pages 9 to 57 form part of these financial statements.

**SOCIAL SECURITY SYSTEM**  
**STATEMENTS OF CHANGES IN EQUITY**  
(In Philippine Peso)  
For the Years Ended December 31, 2017 and 2016

		Cumulative Changes in Fair Value of Investment	Revaluation Surplus	Reserve Fund	Member's Equity	Total
<b>BALANCE AT JANUARY 1, 2016</b>		(12,648,278,320)	2,879,088,355	444,755,464,150	538,103,227	435,524,377,412
<b>CHANGES IN EQUITY FOR 2016</b>						
Add/(Deduct):						
Members' contribution		-	-	-	118,710,050	118,710,050
Comprehensive income for the year		(3,001,759,577)	-	32,004,973,411	-	29,003,213,834
Other Adjustments						
SSS' share in ECC & OSHC corporate operating budget		-	-	(176,144,500)	-	(176,144,500)
Withdrawal/Management cost		-	-	-	(52,754,429)	(52,754,429)
Guaranteed income/Annual incentive benefit		-	-	(14,609,462)	24,394,677	9,785,215
Reclassification from contingent surplus to reserve fund		-	-	(7,040,647)	-	(7,040,647)
		(3,001,759,577)	-	31,807,178,802	90,350,298	28,895,769,523
<b>BALANCE, DECEMBER 31, 2016</b>	(Note 19)	<b>(15,650,037,897)</b>	<b>2,879,088,355</b>	<b>476,562,642,952</b>	<b>628,453,525</b>	<b>464,420,146,935</b>
<b>CHANGES IN EQUITY FOR 2017</b>						
Assistance and subsidy						
Members' contribution		-	-		169,730,585	169,730,585
Comprehensive income for the year		7,488,487,947	-	20,274,898,097	-	27,763,386,044
Other Adjustments						
SSS' share in ECC & OSHC corporate operating budget		-	-	(160,664,875)	-	(160,664,875)
Withdrawal/Management cost		-	-		(52,530,545)	(52,530,545)
Guaranteed income/Annual incentive benefit		-	-	(17,255,982)	28,280,608	11,024,626
Reclassification of property and equipment below P15K capitalization threshold to semi-expendable property		-	-	(63,652,172)	-	(63,652,172)
		7,488,487,947	-	20,033,325,068	145,480,648	27,667,293,663
<b>BALANCE, DECEMBER 31, 2017</b>	(Note 19)	<b>(8,161,549,950)</b>	<b>2,879,088,355</b>	<b>496,595,968,020</b>	<b>773,934,173</b>	<b>492,087,440,598</b>

The Notes on pages 9 to 57 form part of these financial statements.

**SOCIAL SECURITY SYSTEM**  
**STATEMENTS OF CASH FLOWS**  
(In Philippine Peso)  
For the Years Ended December 31, 2017 and 2016

	Note	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Members' contribution		159,724,023,283	144,364,882,509
Investment and other income		16,364,942,953	20,707,435,157
Payments to members and beneficiaries		(170,684,504,454)	(132,977,719,470)
Payments for operations		(9,161,586,423)	(8,968,781,671)
Net cash generated from operating activities		<b>(3,757,124,641)</b>	23,125,816,525
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Loan releases and other investment purchases, net		12,957,656,853	(23,910,755,138)
Acquisition of property and equipment, net		(163,203,579)	(260,378,529)
Acquisition of intangible assets, net		(14,382,445)	(135,727,320)
Net cash used in investing activities		<b>12,780,070,829</b>	(24,306,860,987)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Assistance and subsidy			
Employees' Compensation Commission		(77,396,200)	(83,124,300)
Occupational Safety and Health Center		(83,268,675)	(93,020,200)
Flexi-fund members' equity			
Contribution		149,315,183	103,555,450
Withdrawal		(46,441,841)	(47,479,019)
Guaranteed income		12,750,225	11,246,161
Management cost of investment		(6,014,460)	(5,175,409)
Annual incentive benefit		(1,725,598)	(1,460,946)
PESO fund equity contribution			
Contribution		20,415,400	15,154,600
Withdrawal		(74,270)	(100,000)
Management cost of investment		26	-
Net cash used in financing activities		<b>(32,440,210)</b>	(100,403,663)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>8,990,505,978</b>	<b>(1,281,448,125)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	3	<b>17,830,920,092</b>	<b>19,112,368,217</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	3	<b>26,821,426,070</b>	<b>17,830,920,092</b>

The Notes on pages 9 to 57 form part of these financial statements.



**SOCIAL SECURITY SYSTEM  
CONSOLIDATED TRIAL BALANCE  
(AUDITED)  
As of December 31, 2017**

Account Name	Debit	Credit
Cash on Hand	725,166,750	
Cash in Bank - Local Currency	1,810,217,997	
Cash in Bank - Foreign Currency	601,611	
Cash equivalents	24,285,439,711	
Financial Assets at FVTPL	16,320,728,189	
Financial Assets Held to Maturity	223,982,825,528	
Loans and Receivables	114,937,370,670	
Allowance for Impairment - Loans and Receivables		25,415,428,982
Lease Receivables	88,620,685	
Allowance for Impairment - Lease Receivables		13,880,439
Other Receivables	3,119,328,623	
Allowance for Impairment - Other Receivables		483,582,054
Inventory Held for Consumption	191,278,628	
Non-current Assets Held for Sale	6,017,447,670	
Accumulated Impairment Losses-Non-current Assets Held for Sale		51,116,886
Advances to Officials and Employees	1,539,394	
Prepayments	10,732,857	
Financial Assets - Available for Sale Securities	104,736,784,277	
Allowance for Impairment - Available for sale Securities		1,291,864,528
Investment Property	30,892,248,159	
Land	3,317,260,000	
Land Improvements	10,752,881	
Accumulated Depreciation - Land Improvements		8,724,180
Accumulated Impairment Losses - Land Improvements		948,351
Buildings and Other Structures	1,237,332,892	
Accumulated Depreciation - Buildings and Other Structures		732,643,529
Accumulated Impairment Losses-Buildings and Other Structures		138,573,067
Machinery and Equipment	2,652,939,846	
Accumulated Depreciation - Machinery and Equipment		1,981,431,254
Transportation Equipment	169,206,928	
Accumulated Depreciation - Transportation Equipment		152,718,719
Fixtures and Books	8,119,969	
Accumulated Depreciation - Books		437,531
Leased Assets Improvements	134,805,894	
Accumulated Depreciation - Leased Assets Improvements		129,170,885
Construction in Progress	64,410,255	
Intangible Assets	733,191,548	
Accumulated Amortization - Intangible Assets		454,267,971
Accumulated Impairment Losses-Intangible Assets		75,828,227
Deposits	78,713,545	
Other Assets	269,035,198	
Financial Liabilities		8,153,012,453
Inter-Agency Payables		178,002,873
Trust Liabilities		654,719,321
Deferred Credits/Unearned Income		531,923,015
Other Payables		1,793,958,037
Provisions		1,466,426,806
Revaluation Surplus		2,879,088,355
Reserve Fund		476,321,069,925



**SOCIAL SECURITY SYSTEM**  
**CONSOLIDATED TRIAL BALANCE**  
**(AUDITED)**  
**As of December 31, 2017**

Account Name	Debit	Credit
Cumulative Changes in Fair Value	8,161,549,950	
Members' Equity		773,934,173
Members' Contribution		158,359,431,047
Rent/Lease Income		458,964,849
Dividend Income		3,287,619,488
Interest Income		20,585,521,009
Fines and Penalties-Business Income		2,682,336,974
Income from Acquired/Foreclosed Assets		89,070,944
Management Fees		6,014,775
Subsidy from National Government		541,076,050
Other Business Income		459,697,986
Gain on Foreign Exchange (FOREX)		2,988,723
Gain on Sale/Redemption/Transfer of Investments		5,341,245,650
Gain on Sale of Investment Property		10,492,053
Gain on Sale of Property, Plant and Equipment		369,122
Gain from Changes in Fair Value of Financial Instruments		643,997,387
Gain from Changes in Fair Value of Investment Property		9,628,530,760
Reversal of Impairment Loss		464,306,953
Miscellaneous Income		369,677,214
Members' Benefits	170,683,577,389	
Salaries and Wages	2,875,007,885	
Other Compensation	1,548,263,548	
Personnel Benefit Contributions	1,536,614,733	
Other Personnel Benefits	347,668,774	
Traveling Expenses	72,010,612	
Training Expenses	62,653,428	
Supplies and Materials Expenses	229,507,600	
Utility Expenses	236,116,889	
Communication Expenses	263,169,988	
Extraordinary and Miscellaneous Expenses	1,830,125	
Professional Services	68,197,712	
General Services	321,510,234	
Repairs and Maintenance	278,069,092	
Taxes, Insurance Premiums and Other Fees	18,120,264	
Labor and Wages	467,626,716	
Other Maintenance and Operating Expenses	982,228,371	
Financial Expenses	178,168,301	
Depreciation	181,401,601	
Amortization	48,539,737	
Impairment Loss	2,243,414,249	
Loss on Sale/Redemption/Transfer of Investments	6,349,553	
Loss on Sale of Property, Plant and Equipment	366,490	
Loss from Changes in Fair Value of Financial Instruments	6,029,599	
	<b>726,614,092,545</b>	<b>726,614,092,545</b>