

**BANGKO SENTRAL NG PILIPINAS**  
**STATEMENTS OF CHANGES IN EQUITY**  
**For the Years Ended December 31, 2017 and 2016**  
(In Philippine Peso)

	Capital	Capital Reserves	Surplus/(deficit) (as restated)	Unrealized gains/ (losses) on investments in government securities	Total
<b>Balance at 1 January 2016, before adjustment</b>	<b>50,000,000,000</b>	<b>77,796,017,271</b>	<b>(84,446,183,041)</b>	<b>(2,975,701,228)</b>	<b>40,374,133,002</b>
<b>Add/(deduct):</b>					
Net adjustments related to sale of acquired assets and leased properties			39,146,274		39,146,274
Capitalization of foreclosure expenses			2,177,186		2,177,186
Overpayment of personnel services			700,371		700,371
Change in accounting policy in compliance with COA Circular no. 2016-006 dtd 12/29/16 involving PPE and its related accumulated depreciation			(57,433,822)		(57,433,822)
Over accrual of interest on NG assumed loans of PNB and DBP and various reapplication/ adjustment of payments			(17,743,092)		(17,743,092)
Unrecorded expenses (DV's submitted beyond the cut-off period)			(1,713,005)		(1,713,005)
Various adjustments due to disallowances, utilization, liquidation and over/under recorded expenses/income			(128,293)		(128,293)
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>(34,994,381)</b>	<b>0</b>	<b>(34,994,381)</b>
<b>Balance at 1 January 2016, as restated</b>	<b>50,000,000,000</b>	<b>77,796,017,271</b>	<b>(84,481,177,422)</b>	<b>(2,975,701,228)</b>	<b>40,339,138,621</b>
<b>Add/(deduct):</b>					
<b>Transactions for CY 2016 -</b>					
Unrealized gains on investments in government securities				480,632,841	480,632,841
Revaluation of gold and silver recoveries			14,416,412		14,416,412
PICC capital expenditure adjustments, equity and retained earnings			10,250,280		10,250,280
Adjustments of long outstanding accounts payable			5,232,678		5,232,678
Net decrement on reserve for SPC rehabilitation and cultural properties acquisition fund		(73,319,692)	73,319,692		0
Adjustment of donated surplus			(317,000,000)		(317,000,000)
Decrement on reserve for retirement benefit fund		(23,062,636)			(23,062,636)
Closure of RIR-FX rate fluctuation - loans and advances			(2,210,608)		(2,210,608)
Decrement on reserve for contingencies		(2,000,000)			(2,000,000)
<b>Sub-total</b>	<b>0</b>	<b>(98,382,328)</b>	<b>(215,991,546)</b>	<b>480,632,841</b>	<b>166,258,967</b>
<b>Balance at 31 December 2016, before net income</b>	<b>50,000,000,000</b>	<b>77,697,634,943</b>	<b>(84,697,168,968)</b>	<b>(2,495,068,387)</b>	<b>40,505,397,588</b>

	Capital	Capital Reserves	Surplus/(deficit) (as restated)	Unrealized gains/ (losses) on investments in government securities	Total
<b>Net Income for the period, before adjustments</b>			<b>17,814,958,864</b>		<b>17,814,958,864</b>
<b>Add/(deduct):</b>					
Net adjustments related to sale of acquired assets and leased properties			42,794,324		42,794,324
Capitalization of foreclosure expenses			7,101,829		7,101,829
Receipt of additional interest earned in December 2016 but received in 2017 with no prior period provision for accrual			1,787,754		1,787,754
Unrecorded expenses (DV's submitted beyond the cut-off period)			(304,819,815)		(304,819,815)
Change in accounting policy in compliance with COA Circular no. 2016-006 dtd 12/29/16 involving PPE and its related accumulated depreciation			(19,299,821)		(19,299,821)
Liquidation of prior year's cash advances of BSP personnel			(17,766,025)		(17,766,025)
PICCI's compliance with outstanding COA AOM re: impairment loss on investment			(9,500,000)		(9,500,000)
Payment of BTR for the account of other agency			(6,899,999)		(6,899,999)
Adjustment on accounts receivable including related allowances			(2,175,056)		(2,175,056)
Various adjustments due to disallowances, utilization, liquidation and over/under recorded expenses/income			(28,707)		(28,707)
			<b>(308,805,516)</b>		<b>(308,805,516)</b>
<b>Net Income for the period, as restated</b>	<b>0</b>	<b>0</b>	<b>17,506,153,348</b>	<b>0</b>	<b>17,506,153,348</b>
<b>Balance at 31 December 2016, as restated</b>	<b>50,000,000,000</b>	<b>77,697,634,943</b>	<b>(67,191,015,620)</b>	<b>(2,495,068,387)</b>	<b>58,011,550,936</b>
<b>Add/(deduct):</b>					
<b>Transactions for CY 2017 -</b>					
Net Income for the period			23,505,835,485		23,505,835,485
Unrealized gains on investments in government securities				1,170,970,534	1,170,970,534
Reversal of revaluation increment			82,761,708		82,761,708
Write-off of AP-Gov't. Bureaus and Offices-IOD account			10,301,661		10,301,661
Revaluation of gold and silver recoveries			7,001,882		7,001,882
Adjustments of long outstanding accounts payable			2,647,817		2,647,817
PICC capital expenditure adjustments, equity and retained earnings			799,994		799,994
Net decrement on reserve for SPC rehabilitation and cultural properties acquisition fund		(55,791,804)	55,791,804		0
Dividends declared for CY 2016 net income			(1,842,496,000)		(1,842,496,000)
Adjustment for the recorded passport inventory consumption of SPC			(229,572,206)		(229,572,206)
Decrement on reserve for retirement benefit fund		(21,180,177)			(21,180,177)
Adjustment for the cancelled passport sales			(9,926,877)		(9,926,877)
Reclassification of surplus on redemption of demonetized currency			(180,812)		(180,812)
	<b>0</b>	<b>(76,971,981)</b>	<b>21,582,964,456</b>	<b>1,170,970,534</b>	<b>22,676,963,009</b>
<b>Balance at 31 December 2017</b>	<b>50,000,000,000</b>	<b>77,620,662,962</b>	<b>(45,608,051,164)</b>	<b>(1,324,097,853)</b>	<b>80,688,513,945</b>

The Notes on pages 12 to 77 form part of these Financial Statements.