

**FUNDACIÓN SANTIAGO, INC.**  
**(A Nonstock, Nonprofit Organization)**  
**STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCE**  
**DECEMBER 31, 2012 AND 2011**  
**(Amounts in Philippine Pesos)**

	Notes	2012	2011 (As Restated - see Note 9)
<b><u>ASSETS</u></b>			
<b>CURRENT ASSETS</b>			
Cash	4	<b>P 4,837,526</b>	P 9,180,410
Receivables	5	42,532	49,798
Other current assets - net	6	255,416	1,601,954
Total Current Assets		<b>5,135,474</b>	10,832,162
<b>NON-CURRENT ASSETS</b>			
Investments in debt and equity securities - net	8	43,863,849	47,661,587
Property and equipment - net	7	1,301,822	2,155,480
Other non-current assets - net		24,088	54,390
Total Non-current Assets		<b>45,189,759</b>	49,871,457
<b>TOTAL ASSETS</b>		<b>P 50,325,233</b>	P 60,703,619
<b><u>LIABILITIES AND FUND BALANCE</u></b>			
<b>CURRENT LIABILITIES</b>			
Accrued expenses and other payables	10	<b>P 454,598</b>	P 561,635
<b>NON-CURRENT LIABILITY</b>			
Retirement benefit obligation	9	1,100,951	913,084
Total Liabilities		<b>1,555,549</b>	1,474,719
<b>FUND BALANCE</b>	9	<b>48,769,684</b>	59,228,900
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<b>P 50,325,233</b>	P 60,703,619

*See Notes to Financial Statements.*

**FUNDACIÓN SANTIAGO, INC.**  
**(A Nonstock, Nonprofit Organization)**  
**STATEMENTS OF SUPPORT, REVENUES AND EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(Amounts in Philippine Pesos)**

	Notes	2012	2011 (As Restated - see Note 9)
<b>SUPPORT AND REVENUES</b>			
Rental income	2	<b>P 1,029,014</b>	P 962,015
Contributions and pledges	2	<b>891,626</b>	210,200
Interest income	4, 8	<b>454,283</b>	284,084
Investment gains	8	-	3,569,638
Foreign currency gain		-	250,419
		<b>2,374,923</b>	5,276,356
<b>EXPENSES</b>			
Project expenses	11	<b>5,609,212</b>	4,773,039
General and administrative expenses	12	<b>3,133,847</b>	2,953,208
Investment losses	8	<b>4,036,823</b>	6,000,843
		<b>12,779,882</b>	13,727,090
<b>DEFICIENCY OF SUPPORT AND REVENUES OVER EXPENSES BEFORE TAX</b>			
		<b>( 10,404,959 )</b>	( 8,450,734 )
<b>TAX EXPENSE</b>			
	13	<b>54,257</b>	32,973
<b>DEFICIENCY OF SUPPORT AND REVENUES OVER EXPENSES</b>			
		<b>( P 10,459,216 )</b>	( P 8,483,707 )

*See Notes to Financial Statements.*

**FUNDACIÓN SANTIAGO, INC.**  
*(A Nonstock, Nonprofit Organization)*  
**STATEMENTS OF CHANGES IN FUND BALANCE**  
**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**  
*(Amounts in Philippine Pesos)*

	Note	2012	2011 (As Restated - see Note 9)
Balance at beginning of year			
As previously reported		<b>P 58,399,765</b>	P 66,747,313
Prior period adjustments	9	<b>829,135</b>	965,294
As restated		<b>59,228,900</b>	67,712,607
 Deficiency of support and revenues over expenses for the year		<b>( 10,459,216 )</b>	<b>( 8,483,707 )</b>
 Balance at end of year		<b>P 48,769,684</b>	P 59,228,900

*See Notes to Financial Statements.*

**FUNDACIÓN SANTIAGO, INC.**  
**(A Nonstock, Nonprofit Organization)**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(Amounts in Philippine Pesos)**

	<u>Notes</u>	<u>2012</u>	<u>2011</u> (As Restated - see Note 9)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Deficiency of support and revenues over expenses before tax		<b>( P 10,404,959 )</b>	( P 8,450,734 )
Adjustments for:			
Investment loss - net	8	4,036,823	2,431,205
Depreciation	7	913,212	837,509
Unrealized foreign currency loss (gain)		86,311	( 250,420 )
Interest income		( 454,283 )	( 284,084 )
Deficiency of support and revenues over expenses before working capital changes		( 5,822,896 )	( 5,716,524 )
Decrease in receivables		7,266	97,294
Decrease (increase) in other current assets		1,333,113	( 208,508 )
Increase in retirement benefit obligation		187,867	232,551
Decrease in other payables		( 107,037 )	( 427,361 )
Cash used in operations		( 4,401,687 )	( 6,022,548 )
Taxes paid		( 10,530 )	( 9,277 )
 Net Cash Used in Operating Activities		 ( 4,412,217 )	 ( 6,031,825 )
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Decrease (increase) in investments in debt and equity securities	8	( 239,085 )	7,567,716
Interest received		454,283	284,084
Proceeds from sale of investment property	7	-	713,729
Acquisitions of property and equipment	7	( 59,554 )	( 591,607 )
 Net Cash From Investing Activities		 155,644	 7,973,922
 Effects of exchange rate changes on cash		 ( 86,311 )	 250,420
 NET INCREASE (DECREASE) IN CASH		 ( 4,342,884 )	 2,192,517
 CASH AT BEGINNING OF YEAR		 9,180,410	 6,987,893
 CASH AT END OF YEAR		 <u>P 4,837,526</u>	 <u>P 9,180,410</u>

*See Notes to Financial Statements.*