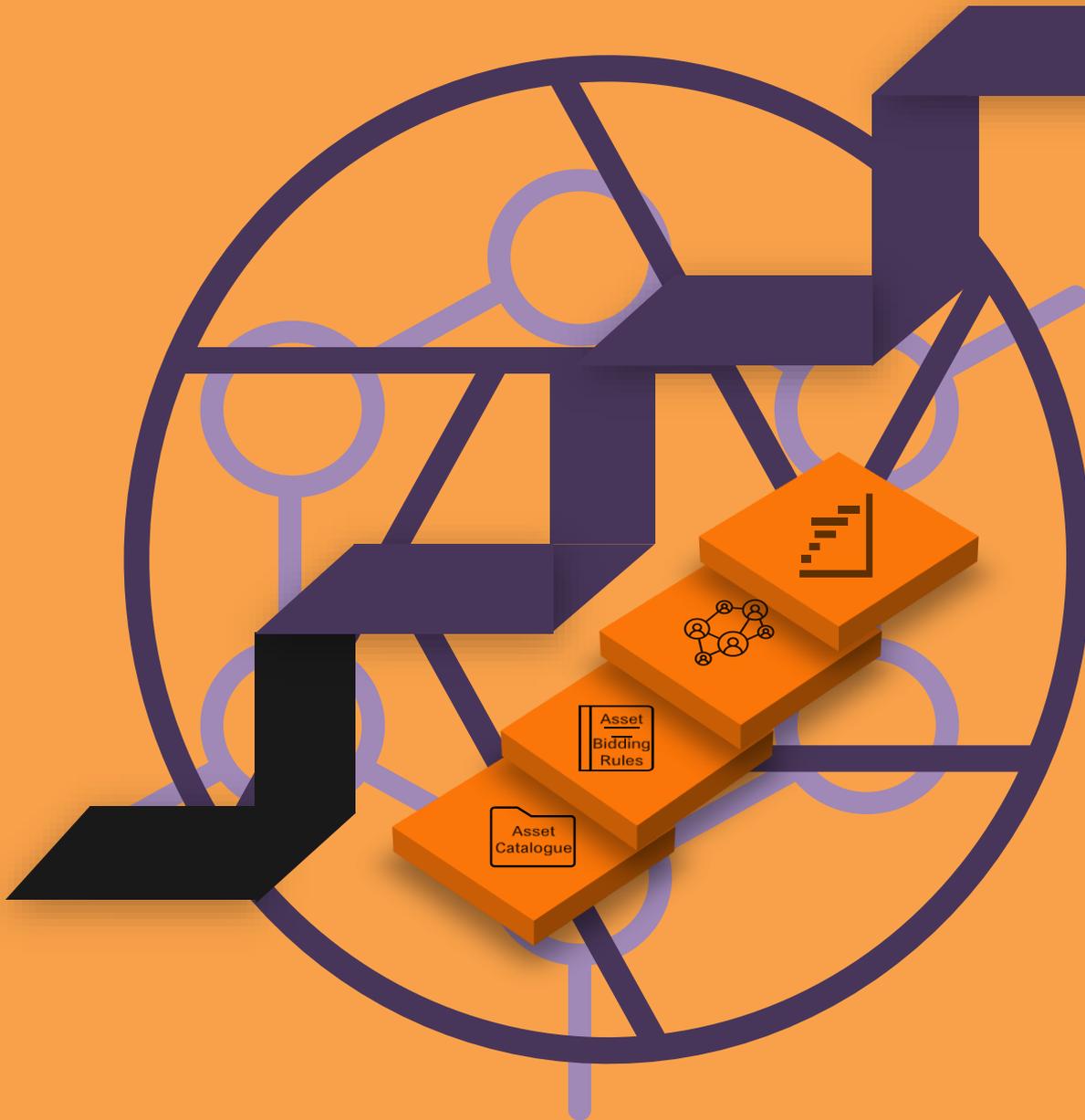


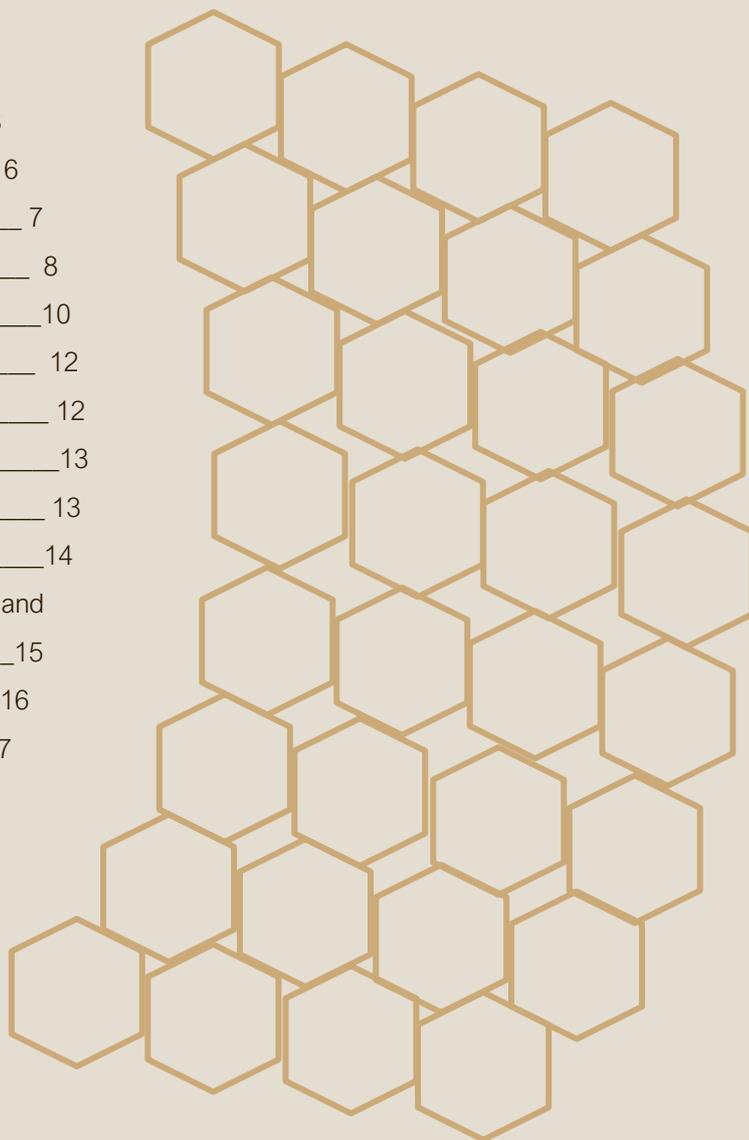
# ANNUAL REPORT 2023



**PRIVATIZATION AND MANAGEMENT OFFICE**

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# OVERVIEW

## Privatization and Management Office

The Privatization and Management Office (PMO) is an agency attached to the Department of Finance (DOF) directed to: (a) market and dispose transferred-assets, government corporations and other properties assigned to it by the Privatization Council pursuant to Executive Order (EO) No. 323 (2000); (b) dispose properties transferred to the Republic under the Philippine Property Act of 1946, Republic Act No. 8 and EO 99 (1947) pursuant to EO 471 (2005); and (c) dispose assets assigned by relevant authority (such as the Office of the President, Governance Commission for Government Owned or Controlled Corporations, or the Bureau of the Treasury).

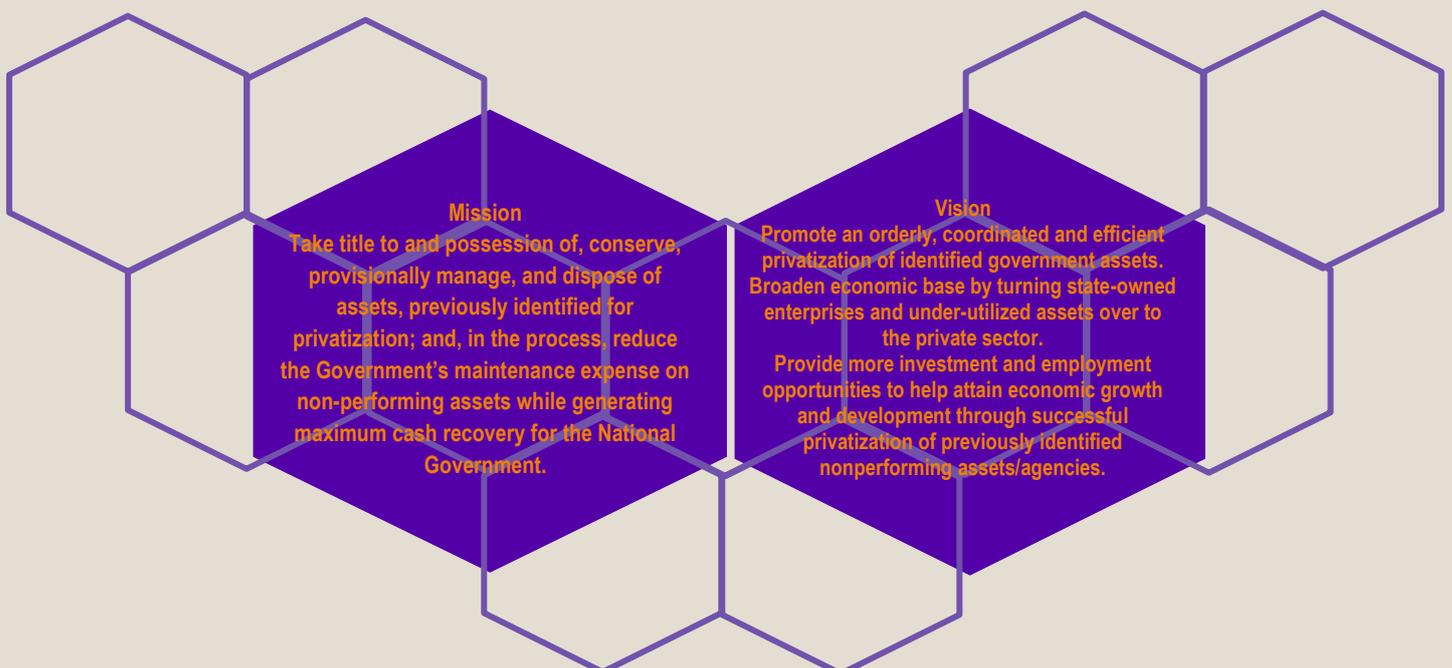
## Privatization Council (PrC)

The Privatization Council (PrC), established pursuant to EO 323 (2000) to oversee the privatization program of the Government, is a cabinet-level body chaired by the Secretary of Finance with the Secretaries of Budget, Economic Planning, Trade and Justice, as Members. The PrC directs, supervises and approves all privatization and disposition efforts undertaken by the PMO.

Also established pursuant to EO 323, the Technical Committee of the PrC assists in the evaluation of privatization proposals submitted to PrC for approval, which is composed of the representatives of the DOF, as Chairperson, Departments of Justice, Budget, Economic Planning, Trade and Justice as well as the Bureau of Treasury and the Philippine Commission on Good Governance, as members.

The PrC and PMO were organized effective January 1, 2001, in accordance with EO 323 (2000). The PMO is the successor agency of the former Asset Privatization Trust (APT) whose corporate term expired on December 31, 2000, pursuant to Republic Act (RA) 8758.

The PMO is headed by its Chief Privatization Officer and assisted by four (4) Deputy Privatization Officers who oversee specific operations and undertakings as directed by the Chief Privatization Officer.



## PMO Overview

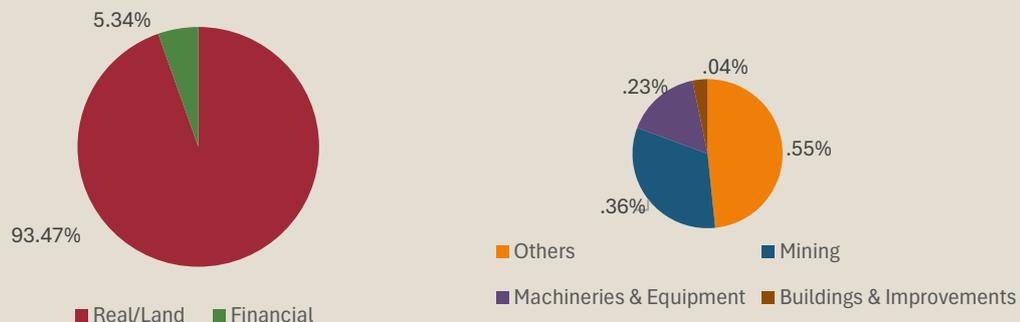
As of December 31, 2023, there are 28,665 items in the PMO's Asset Registry. These assets were transferred or assigned to PMO coming from the following sources:

Source of Assets	Percentage
a) Various Board of Liquidators (BOL) assets for disposition turned over to the PMO	81.87%
b) Transferred Assets from Philippine National Bank (PNB) and Development Bank of the Philippines (DBP); from National Development Company (NDC); and from Philippine Export and Foreign Loan Guarantee Corp. (PhilGuarantee)	9.79%;
c) Other assets which the PMO is the designated disposition entity	5.84%;
d) Assets reconveyed by the Land Bank of the Philippines (LBP)	2.02%;
e) Assets Reconveyed by the Department of Agrarian Reform (DAR)	0.41%;
f) Government-Owned and Controlled Corporations (GOCC)	0.05%



The PMO's Asset Registry was developed into an Asset Register Information System (ARIS) and has been further improved to include the Philippine Standard Geographic Code (PSGC) for each line item. The inclusion of this field enhances the accuracy of the location-related information of the system. The PMO has also started encoding the technical descriptions for each Title in its custody in preparation for its integration in the current Asset Register.

### Asset Classification



Classification	Description	Count	Percentage
Real Estate/Land	Various real estate properties comprising of parcels of land, condominium units, and parking slots located across the country.	26,792	93.47%
Financial	Bonds, shares of stock, and various financial claims held by former GFIs.	1,532	5.34%
Other Assets	Assets from GOCCs assigned to the PMO for disposition.	157	0.55%
Mining Claims	Mining assets transferred to PMO for disposition, includes mining rights and shares of stock.	104	0.36%
Machineries & Equipment	Printing and radio broadcasting machineries and equipment.	67	0.23%
Buildings & Improvements	Buildings/Improvements in various locations. Includes the PMO Office Building.	11	0.04%

## Privatization Flow

Stages	Activities	Workdays Needed	Person/s Responsible	Required Document from Investor	
1	Determination and selection of asset for privatization	7	Market Specialist Deputy Privatization Officer (DPO)- Marketing	Not Applicable	
2	Review and evaluation of legal issues that may affect the disposition of asset	15	Attorney/Legal Counsel DPO-Legal		
3	Procurement of appraisal services for the valuation of asset	45	Market Specialist Property Appraiser		
4	Preparation and submission of privatization plan to the Chief Privatization Officer (CPO)/Head of Agency	10	Market Specialist DPO-Marketing		
5	Consultation with other agencies of the plan to dispose of the particular asset and to clear up other issues (e.g., DOF, DAR, DENR, PMDC, BIR, PDIC, NDC, MMDA, DPWH, GCG, GOCC, OP).	14	Market Specialist DPO-Marketing CPO		
6	Endorsement of privatization plan to the PrC.	5-10 <sup>1</sup>	CPO		
7	Approval of privatization plan and price.	7-14	PrC		
8	Special audit by Commission on Audit (COA) of asset for disposition (if necessary) Notice to COA of the sale/disposition.	(30-60) 20 <sup>2</sup>	Market Specialist DPO-Marketing		
9	Publication of Invitation to Bid/Offer for Sale	3	Market Specialist DPO-Marketing CPO		
10	Issuance/Release of Bid Documents.	15-120 <sup>3</sup>	Or Bids & Awards Committee		Cash/Manager's Check
	Due diligence period	30-120 <sup>4</sup>			Official Receipt for payment of Bid Documents
	Pre-Bid Conference	1			Letter of Clarification
	Request for Clarification/Supplemental Bid Bulletin	7			
11	Public Bidding/Offer for Sale (Eligibility Check, Submission and Opening of Bids)	1	Market Specialist DPO-Marketing/ CPO Or Bids & Awards Committee on asset for sale	Eligibility, Technical & Financial Documents Authorization of Rep. Secretary's Certificate/ Special Power of Attorney Valid I.D.	
	Evaluation of Bids/Post Qualification	3			
12	Endorsement of Winning Bid to PrC Approval/Acceptance of Offer	1 3	CPO PrC	Not Applicable	
13	Issuance of Notice of Award	1	CPO	Letter of Authorization Valid I.D.	
14	Acceptance of payment of Bid Price	1	Market Specialist Concerned Division Chiefs DPO-Marketing Cashier	Cash/Manager's Check	
15	Execution/signing of sale/transaction documents	15-30	Market Specialist DPOs Marketing & Legal CPO	Special Power of Attorney Valid I.D.	
16	Turn-over of asset to buyer/winning bidder	1	Market Specialist Chief Admin. Officer- Custodianship DPO-Asset Mgt.	Sale Transaction Documents (e.g., Deed of Absolute Sale, Purchase Agreement, Memorandum of Agreement, Lease Contract)	

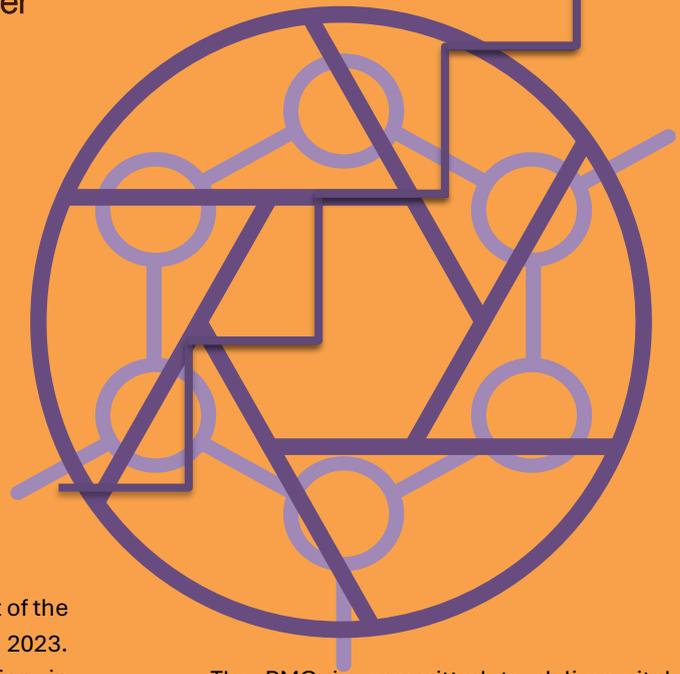
<sup>1</sup> As endorsed by the PrC Technical Committee; or Governance Commission for Government-Owned & Controlled Corporations (if asset for sale represent share in GOCC).

<sup>2</sup> The PMO submits a notice of sale of asset to the COA 20 days prior to the publication of Invitation to Bid (ITB).

<sup>3</sup> Issuance or release of Bid Documents could start from publication of ITB until a day before the bid submission deadline, depending on the asset for disposition.

<sup>4</sup> Due diligence period normally coincides with the period for the issuance of Bid Documents. The period allotted for due diligence largely depends on the nature and complexity of the asset bid out.

## Message of the Chief Privatization Officer



I am pleased to present the Annual Report of the Privatization and Management Office (PMO) for 2023. This report is a testament of PMO's dedication in ensuring the fulfillment of its mandate such as the preservation, enhancement, marketing, and disposition of assets.

It is with great pride that in 2023, PMO's collection exceeded its target by 168% or a total of P1.941 Billion while remittances to the Bureau of Treasury exceeded the target by 187.86% or P1.876 Billion. The earnings came from the sale of properties, income from leases, dividend income, and other sources that are revenue-generating.

The PMO also achieved another milestone when it was awarded with bronze medal by the Philippine Commission of Women for being an Outstanding Gender-Responsive Government Agency. The PMO has consistently integrated GAD in its major final outputs, mandates, and performance indicators to ensure that everyone, regardless of gender or socio-economic status, is treated fairly and with respect.

As part of PMO's digitization initiatives, PMO's Asset Register Information System (ARIS) has also been improved to include the Philippine Standard Geographic Code (PSGC) for each line item which enhances the accuracy of the location-related information of the system.

The PMO is committed to deliver vital services to all its stakeholders, who are all essential to the successful disposition of viable government assets. The PMO ensures to carry out its core values while continuing to adapt and innovate to achieve greater heights in the coming years.

I want to express my deepest gratitude to the Privatization Council headed by the Honorable Secretary Benjamin E. Diokno for the unwavering support and guidance to the disposition activities of the PMO. I would also like to acknowledge all the officers and staff of PMO for their dedication, passion, and hard work for helping PMO surpass its targets. It is through our collective efforts that the PMO has achieved such a feat.

Indeed, it has been a great year for PMO, and we will continue to navigate developments to thrive in an ever-evolving landscape.

(Sgd.)

**ATTY. MAAN VANESSA L. DOCTOR**  
**Chief Privatization Officer**

## PERFORMANCE HIGHLIGHTS

The PMO gained a total disposition revenue of **P1.941 Billion** exceeding its target by **168%**, generated from the following sources:

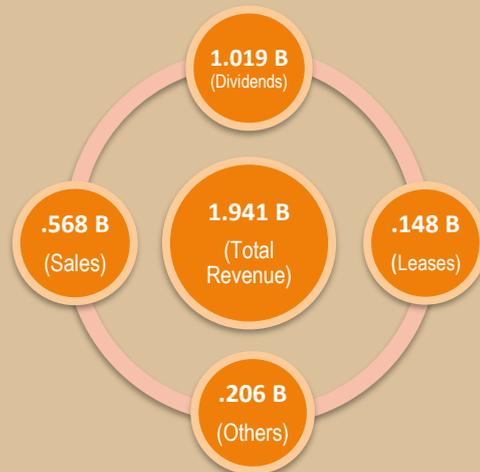
- **Sales** – **.568**
- **Leases** – **.148**
- **Dividend** – **1.019**
- **Others** – **.206**

Collection came from the proceeds of the following assets:

- A. Sale of properties of the following:
- 1) Al-Amanah Islamic Investment Bank
  - 2) Development Bank of Rizal
  - 3) Leyte Park Hotel
  - 4) Nonoc Mining Industrial Corporation
  - 5) Peninsula Development Bank
  - 6) Radio Philippine Network
  - 7) Technology Resources Corporation
- B. Leases from the following properties:
- 1) Mile Long Complex
  - 2) National Housing Authority Property Special Economic Zone Complex Caloocan City
  - 3) Cultural Center of the Philippines
  - 4) Central Bank-Board of Liquidators
  - 5) Leyte Park Hotel
  - 6) Land Settlement and Development Corp.
  - 7) Elorde Sports & Tourism Development Corp.
- C. Dividend income:
- 1) Semirara Mining Corp.
- D. Others - claim settlement from:
- 1) Metro Manila Development Authority
  - 2) Northern Cement Corporation
  - 3) Golden Country Farms, Inc.
  - 4) Development Bank of Rizal

The PMO remitted a total of **P1.876 B** in 2023, exceeding its remittance target by **187.86%** which was generated from the sale/disposition of assets, lease, cash dividend, interest and other income.

**The BTr is mandated to apportion the PMO remittances into Sixty percent (60%) to the special account of the Agrarian Reform Fund, and Forty percent (40%) - to the General Fund (EO 323).**



# OPERATING HIGHLIGHTS

## 1. Budget Utilization

For six (6) consecutive years, the PMO achieved a 100% Disbursement Rate over total allotment.

# 100%

Budget Utilization Rate

The PMO's total allotment for 2023 amounted to P104.390 Million (M) while actual expenses is P102.538 M or 98.23% utilization rate.

## 2. Procurement Activities

The procurement activities of the PMO are implemented in accordance with RA 9184 (The Government Procurement Reform Act). The procurement for CY 2023 includes goods and services, software subscription, consulting services, property, plant and equipment, repairs and maintenance, and supplies and materials. The Annual Procurement Plan had an approved budget of **P .074 million** and **P0.058 million** worth of contract was awarded.



## 3. Freedom of Information

In accordance with EO 02-2016, the PMO has successfully implemented the FOI Manual since January 2017 to enhance government transparency and accountability in government transactions which involve public interest. For 2023, the PMO has also updated its Agency Information Inventory, FOI Summary Report, and FOI Registry.



## 4. Digitization Initiatives

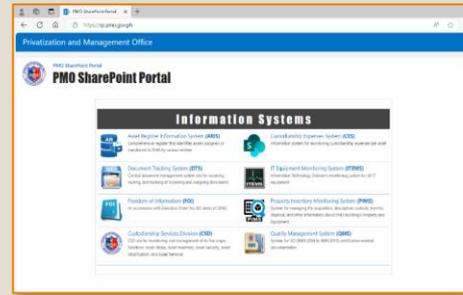
### a. Mobile-Friendly PMO Website

The website of the PMO was redeveloped and optimized to make it mobile-friendly and easy to navigate for site visitors. It has a responsive web design that web pages will render well on all devices with various window or screen display sizes. It is also compliant with the Philippine Uniform Website Content Policy (UWCP) as stated in Administrative Order No. 39 which institutionalizes a corporate identity for all government websites through standardized design, navigation, and content.



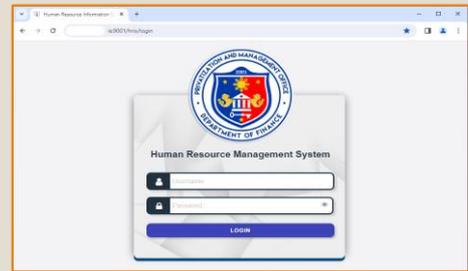
## b. Cloud Migration

The on-premises Custodianship Expenses System (CES), Information Technology Equipment Monitoring System (ITEMS), Property Inventory Monitoring System (PIMS), and Quality Management System (QMS) were migrated to the cloud and made available online for anytime/anywhere access by authorized users. These are now included in PMO's SharePoint Portal along with the other on-premises information systems that were also made accessible online. The migration to the cloud is a significant development, aside from making the data available anytime and anywhere for authorized users of each individual system, as it provided security to the data stored from possible unauthorized access, theft, and corruption.



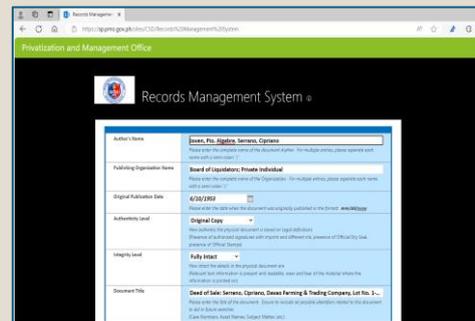
## c. Human Resource Management System (HRMS)

The HRMS was installed and set for pilot testing for use of the Administrative Division - Human Resource (AD-HR) Unit to easily track employees' daily attendance through biometric device logs as well as store and retrieve employment records. The installation of HRMS led to the faster processing of requests for certificate of employment, service records, and other related human resource services.



## d. Records Management System (RMS)

For the immediate processing of requests for documents from the Records Section, the PMO started a Records Management System (RMS) project to convert the physical and analog information stored in the historical records turned over to the agency (and its predecessor) in its over 20+ years of operations into a digital and more data-driven form. The goal of the RMS is to extract and house valuable metadata from historical records stored in PMO's custody, with the end view of providing comprehensive and reliable information in a timely manner for the agency's disposition requirements and various requests from internal clients.



## e. Improved Security of Internal Network

The PMO improved the security of the internal network by acquiring and deploying XDR (Extended Detection and Response) in the next generation firewall appliance along with protections for network, email, and web servers. These were coupled with anti-malware for devices that were synchronized together for better security monitoring. The PMO has also acquired and deployed new backup and recovery software for online and on-premises systems.

## KEY ACHIEVEMENTS

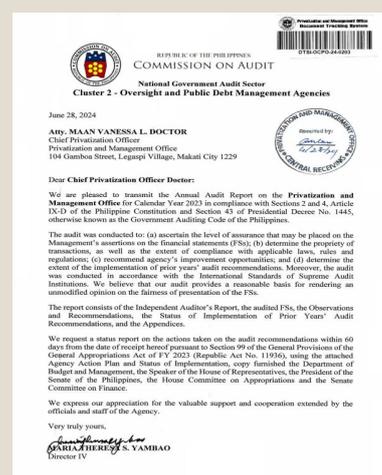
### 1. ISO 9001:2015 Recertification (3rd Cycle)

The PMO successfully passed the ISO 9001:2015 1<sup>st</sup> Surveillance Audit (3<sup>rd</sup> Cycle) on October 4, 2023. The ISO 9001:2015 Recertification was conducted by Bureau Veritas, a world leader in audit and certification services. The PMO has been ISO Certified since 2016 and is one of the firsts among government agencies to obtain such certification.



### 2. Annual Audit Report 2023 Unmodified Opinion

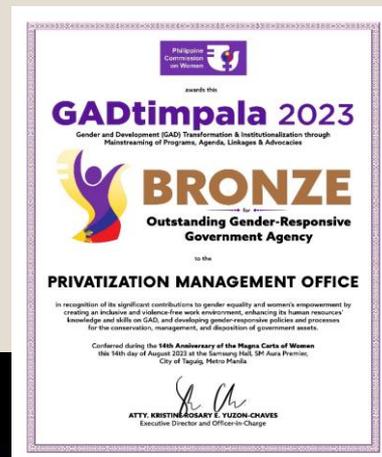
The Commission on Audit, in its Annual Audit Report for CY 2023 on the PMO, rendered an unmodified opinion on the fairness of presentation of the Financial Statements of the PMO. This came two times in a row as the same unmodified opinion was rendered by COA in the PMO's Financial Statements CY 2022.



### 3. Gender and Development (GAD)

#### GAD Recognition

The PMO is a recipient of the 2023 GADtimpala Bronze Award for Outstanding Gender-Responsive Agency for its exemplary performance in gender mainstreaming and the effective implementation of gender-responsive programs as recognized by the Philippine Commission on Women (PCW). The PMO received the 2023 GADtimpala Bronze Award on 14 August 2023 during the awarding ceremony held at the Samsung Hall, SM Aura Premier, City of Taguig as part of the 14th anniversary celebration of the signing of the Magna Carta of Women (MCW).



PMO representatives received the Bronze Award from the Philippine Commission on Women at Samsung Hall, SM Aura on August 14, 2023.

## GAD Events



- a. **National Women's Month** - In line with the Observance of National Women's Month pursuant to Proclamation Nos. 24 and 227, s. 1988, a streamer with the theme "WE for Gender Equality & Inclusive Society" was displayed at the PMO lobby area from March 1-31, 2023.
- b. **18-day Campaign to End Violence Against Women (VAW)** - A streamer with the theme "UNITED for a VAW-Free Philippines" was displayed at the PMO lobby area from November 25 to December 12, 2023 for the Observance of the 18-day Campaign to End Violence Against Women (VAW) in accordance with Proclamation No. 1172, s. 2006 and for the celebration of "National Consciousness Day for the Elimination of Violence Against Women and Children" every November 25 of the year in accordance with RA 10398.

### c. Film Screening

Forty-one (41) PMO personnel participated in the film-screening activity entitled "Bliss" on November 29, 2023. The movie discusses about various sexual abuses experienced by the female lead character.

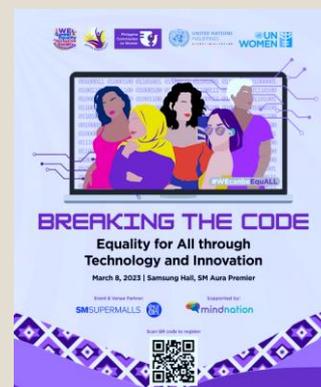


### d. International Women's Day Celebration

Three (3) representatives of PMO attended the PCW-sponsored International Women's Day Celebration on March 8, 2023 at Samsung Hall, SM Aura Premier.

### e. Gender Sensitivity Seminar

Thirty-five (35) PMO personnel participated in the Orientation/Re-orientation on Basic Gender Sensitivity conducted by Ms. Josephine Banaag. Several topics were discussed such as Women in History, Women Situationer, Basic Concepts of GAD, and Overview of Laws on Women on May 10, 2023.



# FINANCIAL STATEMENTS



REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**

National Government Audit Sector  
Cluster 2 - Oversight and Public Debt Management Agencies

Privatization and Management Office  
Document Tracking System



DTSI-OCPO-24-0203

June 28, 2024

**Atty. MAAN VANESSA L. DOCTOR**  
Chief Privatization Officer  
Privatization and Management Office  
104 Gamboa Street, Legaspi Village, Makati City 1229



Received by:  
*[Signature]*  
6/28/24

Dear Chief Privatization Officer Doctor:

We are pleased to transmit the Annual Audit Report on the **Privatization and Management Office** for Calendar Year 2023 in compliance with Sections 2 and 4, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines.

The audit was conducted to: (a) ascertain the level of assurance that may be placed on the Management's assertions on the financial statements (FSs); (b) determine the propriety of transactions, as well as the extent of compliance with applicable laws, rules and regulations; (c) recommend agency's improvement opportunities; and (d) determine the extent of the implementation of prior years' audit recommendations. Moreover, the audit was conducted in accordance with the International Standards of Supreme Audit Institutions. We believe that our audit provides a reasonable basis for rendering an unmodified opinion on the fairness of presentation of the FSs.

The report consists of the Independent Auditor's Report, the audited FSs, the Observations and Recommendations, the Status of Implementation of Prior Years' Audit Recommendations, and the Appendices.

We request a status report on the actions taken on the audit recommendations within 60 days from the date of receipt hereof pursuant to Section 99 of the General Provisions of the General Appropriations Act of FY 2023 (Republic Act No. 11936), using the attached Agency Action Plan and Status of Implementation, copy furnished the Department of Budget and Management, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance.

We express our appreciation for the valuable support and cooperation extended by the officials and staff of the Agency.

Very truly yours,

*[Signature]*  
**MARIA TERESA S. YAMBAO**  
Director IV

## Statement of Financial Position

(All Funds)

### ASSETS

#### Current assets

Cash and Cash Equivalents	680,335,309.68
Investments	1,102,732.88
Receivables	483,712,604.38
Inventories	1,402,095.29
Other current assets	4,295,637.87
<b>Total current assets</b>	<b>1,170,848,380.10</b>

#### Non-current assets

Investments	399,407,394.60
Receivables	16,207,212,969.26
Property, plant and equipment	61,351,414.03
Intangible Assets	2,455,476.49
Other non-current assets	764,406.16
<b>Total non-current assets</b>	<b>16,671,191,660.54</b>
<b>TOTAL ASSETS</b>	<b>17,842,040,040.64</b>

### LIABILITIES

#### Current liabilities

Financial liabilities	14,712,212.87
Inter-agency payables	1,131,656.36
Trust liabilities	27,887,899.67
<b>Total current liabilities</b>	<b>43,731,768.90</b>

#### Non-current liabilities

Inter-agency payables	17,578,932,625.06
Trust liabilities	3,727,928.60
Deferred credits	2,764,712.23
<b>Total non-current liabilities</b>	<b>17,585,425,265.89</b>
<b>TOTAL LIABILITIES</b>	<b>17,629,157,034.79</b>

**TOTAL ASSETS LESS TOTAL LIABILITIES** **212,883,005.85**

### NET ASSETS/EQUITY

Accumulated surplus/(deficit)	212,883,005.85
<b>TOTAL NET ASSETS/EQUITY</b>	<b>212,883,005.85</b>

## FINANCIAL STATEMENTS

### Statement of Financial Performance

(All Funds)

<b>Revenue</b>	
Business income	97,537,028.44
<b>Total Revenue</b>	<b>97,537,028.44</b>
<b>Less Current Operating Expenses</b>	
Personnel services	78,437,910.41
Maintenance and other operating expenses	68,105,499.14
Non-cash expenses	1,455,997.52
<b>Current Operating Expenses</b>	<b>147,999,407.07</b>
<b>Surplus/(Deficit) from Current Operations</b>	<b>(50,462,378.63)</b>
<b>Net financial assistance/subsidy</b>	<b>102,791,542.29</b>
Non-Operating Income	61,026.55
Losses	(10,403.87)
<b>Surplus/(deficit) for the period</b>	<b>52,379,786.34</b>

### Statement of Changes in Net Assets/Equity

(All Funds)

<b>Balance at January 1</b>	<b>161,831,320.59</b>
<b>Add/(Deduct):</b>	
<b>Changes in Net Assets/Equity for the Calendar Year</b>	
Surplus/(Deficit) for the period	52,379,786.34
Adjustment of net revenue recognized directly in net assets/equity	(91,058.83)
Others	(1,237,042.25)
<b>Balance at December 31</b>	<b>212,883,005.85</b>

## FINANCIAL STATEMENTS

### Statement of Cash Flows

(All Funds)

#### Cash Flows from Operating Activities

##### Cash Inflows

Receipt of Notice of Cash Allocation	114,885,653.87
Collection of income/revenues	5,146,647.45
Collection of receivables	601,941,017.79
Trust receipts	1,332,659,632.68
Other receipts	67,436,194.44
Adjustments	335,226.71
<b>Total Cash Inflows</b>	<b>2,122,404,372.94</b>

##### Cash Outflows

Remittance to national treasury	1,426,551,530.64
Payment of expenses	97,854,894.83
Purchase of inventories	1,438,714.91
Purchase of semi-expendable machinery, equipment, furniture, fixtures, and books	1,264,722.92
Grant of cash advances	1,248,301.82
Prepayments	8,706,447.52
Payment of prior years' payable for operating expenses	16,061,136.45
Remittance of personnel benefit contributions and mandatory deductions	29,641,467.00
Release of inter-agency fund transfer	42,869,500.00
Other disbursements	29,858,344.70
Reversal of unutilized NCA/NTA	12,094,161.58
Adjustments	-
<b>Total Cash Outflows</b>	<b>1,667,589,222.37</b>

**Net Cash Provided by (Used in) Operating Activities** **454,815,150.57**

#### Cash Flows from Investing Activities

##### Cash Inflows

Proceeds from matured/return of investments	278,594.22
<b>Total Cash Inflows</b>	<b>278,594.22</b>

##### Cash Outflows

Purchase/construction of property, plant and equipment	1,300,042.68
Purchase of intangible assets	995,210.18
<b>Total Cash Outflows</b>	<b>2,295,252.86</b>

**Net Cash Provided by (Used in) Investing Activities** **(2,016,658.64)**

**Increase (Decrease) in Cash and Cash Equivalents** **452,798,491.93**

Cash and Cash Equivalents, January 1 227,536,817.75

**Cash and Cash Equivalents, December 31** **680,335,309.68**

## FINANCIAL STATEMENTS

### Statement of Comparison of Budget and Actual Amounts

(All Funds)

Particulars	Budgeted Amount		Actual Amounts on Comparable Basis	Difference Final Budget and Actual
	Original	Final		
<b>Receipts</b>				
Services and business income	72,420,297.64	72,420,297.64	92,324,339.73	(19,904,042.09)
<b>Total Receipts</b>	<b>72,420,297.64</b>	<b>72,420,297.64</b>	<b>92,324,339.73</b>	<b>(19,904,042.09)</b>
<b>Payments</b>				
Personnel services	78,322,000.00	80,156,796.00	78,437,910.41	1,718,885.59
Maintenance and other operating expenses	89,998,000.00	89,998,000.00	78,305,530.09	11,692,469.91
Capital outlay	4,235,000.00	4,235,000.00	4,102,559.44	132,440.56
<b>Total Payments</b>	<b>172,555,000.00</b>	<b>174,389,796.00</b>	<b>160,845,999.94</b>	<b>13,543,796.06</b>
<b>Net Receipts/Payments</b>	<b>(100,134,702.36)</b>	<b>(101,969,498.36)</b>	<b>(68,521,660.21)</b>	<b>(33,447,838.15)</b>



REPUBLIC OF THE PHILIPPINES  
COMMISSION ON AUDIT  
Commonwealth Avenue, Quezon City

#### INDEPENDENT AUDITOR'S REPORT

The Chief Privatization Officer  
Privatization and Management Office  
104 Gumbau Street, Legaspi Village  
Makati City, 1229

#### Report on the Audit of Financial Statements

##### Opinion

We have audited the accompanying financial statements of the **Privatization and Management Office (PMO)**, which comprise the statement of financial position as at December 31, 2023, and the statement of financial performance, statement of changes in net assets/equity, statement of cash flows, statement of comparison of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **PMO** as at December 31, 2023, and its financial performance, changes in net assets/equity, cash flows, comparison of budget and actual amounts for the year then ended, and notes to financial statements, in accordance with the International Public Sector Accounting Standards (IPSASs).

##### Basis for Opinion

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the agency in accordance with the Revised Code of Conduct and Ethical Standards for the Commission on Audit Officials and Employees (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

Those charged with governance are responsible for overseeing the PMO's financial reporting process.

#### Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit observations, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

COMMISSION ON AUDIT  
By:

*Angelita C. Bumentigar*  
ANGELITA C. BUMENTIGAR  
State Auditor IV  
Officer-in-Charge-Supervising Auditor

April 30, 2024

## LEARNING AND DEVELOPMENT

The officials and employees of the PMO attended various training and seminars conducted by different government agencies and reputable training institutions. Variety of training and seminars were provided in relation to leadership, technical skills, fund management, government procurement, gender and development (GAD), ISO (International Standards), mental health, information technology, and administrative. Each year, a training plan is developed through a process of training needs analysis.

<p style="text-align: center;"><b>Leadership</b></p> <ul style="list-style-type: none"> <li>• Manager's Role in Capacity Building</li> <li>• Developmental Conversations for Leaders</li> <li>• Emotional Intelligence and Leadership</li> <li>• Coaching and Mentoring Skills for Better Performance</li> <li>• 2023 CES Leadership Conclave series with a theme "Transcendence: CE50 Leadership Beyond Limits"</li> </ul>	<p style="text-align: center;"><b>Technical</b></p> <ul style="list-style-type: none"> <li>• COA Guidelines &amp; Procedures: One-Time Cleansing of PPE Balances for All Government Institutions</li> <li>• Online Training on Continuing Professional Development</li> <li>• Intermediate Technical Writing, Feature Article, Data Commentary and Copywriting In-depth Training Workshop</li> <li>• Advanced IP Valuation Training Course</li> </ul>	<p style="text-align: center;"><b>Fund Management</b></p> <ul style="list-style-type: none"> <li>• Standard Setter Form and Accounting Teachers Development</li> <li>• Fundamentals of Taxation: Part 1 and 2</li> </ul>
<p style="text-align: center;"><b>Procurement</b></p> <ul style="list-style-type: none"> <li>• Public Procurement Specialist Certification Course Level 1 (Basic)</li> <li>• Online Training on R.A. 9184 and Its Revised Implementing Rules</li> <li>• Public Procurement Specialist Certification Course Level 2</li> </ul>	<p style="text-align: center;"><b>GAD</b></p> <ul style="list-style-type: none"> <li>• Gender Sensitivity Training</li> </ul>	<p style="text-align: center;"><b>ISO</b></p> <ul style="list-style-type: none"> <li>• Managing and Conducting Internal Audit based on ISO 9001:2015 Requirements and ISO 19011:2018 Guidelines</li> </ul>
<p style="text-align: center;"><b>Mental Health</b></p> <ul style="list-style-type: none"> <li>• Webinar on Stress Management</li> <li>• Webinar on Anger Management</li> <li>• Webinar on Communication and Relationship</li> <li>• Webinar on Mental Health in the Workplace</li> <li>• Generation Gap: Real or Not</li> </ul>	<p style="text-align: center;"><b>Information Technology</b></p> <ul style="list-style-type: none"> <li>• Microsoft 365 Intermediate Training</li> </ul>	<p style="text-align: center;"><b>Administrative</b></p> <ul style="list-style-type: none"> <li>• Competency - Based HR Conversation</li> <li>• Strategic HROD Series 2: HR Analytics</li> </ul>

## *The PMO Management Team*

### **OFFICE OF THE CHIEF PRIVATIZATION OFFICER**

**ATTY. MAAN VANESSA L. DOCTOR**  
Chief Privatization Officer

### **AARON C. SANCHEZ**

Division Chief – Information Technology Division

### **OFFICE OF THE DEPUTY PRIVATIZATION OFFICER FOR MARKETING**

**ATTY. CARLO C. TABALOC**  
Deputy Privatization Officer

### **MELINDA B. CORTEZ**

Division Chief – Marketing Division I

### **CONCHITA Q. SAGUN**

Division Chief – Marketing Division II

### **CESAR LUIS M. PARGAS**

Division Chief – Marketing Division III

### **OFFICE OF THE DEPUTY PRIVATIZATION OFFICER FOR ASSET MANAGEMENT**

**ATTY. TONI ANGELI V. COO**  
Deputy Privatization Officer

### **ALTHELREID DEINEOL AYLWYNN T. LOPEZ**

Chief Administrative Officer – Custodianship Services Division

### **MARIA LIRIO A. ZABALA**

Division Chief – Disposition Support Services Division

### **OFFICE OF THE DEPUTY PRIVATIZATION OFFICER FOR LEGAL SERVICES**

**ATTY. JUAN CARLO O. PIELAGO**  
Deputy Privatization Officer

### **ATTY. JIMUEL DAVE L. MATIAS**

Attorney V

### **ATTY. SHERINA V. TEJANO**

Attorney V

### **OFFICE OF THE DEPUTY PRIVATIZATION OFFICER FOR ADMINISTRATION, FINANCIAL AND MANAGEMENT SERVICES**

**ELLEN H. RONDAEL**  
Deputy Privatization Officer

### **CARLA S. DEL PRADO**

Chief Administrative Officer – Administrative Division

### **RHODORA B. TORRALBA**

Chief Accountant – Financial Management Division

## DIRECTORY OF OFFICES

Office/Division	Contact Person	Landline No.
<p style="text-align: center;"><b>OFFICE OF THE CHIEF PRIVATIZATION OFFICER</b></p> <p style="text-align: center;">Information Technology Division</p>	<p>Rosalinda C. Almaden Executive Assistant IV</p>	<p>8893-2383 8806-2608</p>
<p style="text-align: center;"><b>OFFICE OF THE DEPUTY PRIVATIZATION OFFICER FOR MARKETING</b></p> <p style="text-align: center;">Marketing Division I Marketing Division II Marketing Division III</p>	<p>Kimberly Mae G. Castro Executive Assistant II</p>	<p>8893-7096 8818-8305 8817-6331 8810-7578</p>
<p style="text-align: center;"><b>OFFICE OF THE DEPUTY PRIVATIZATION OFFICER FOR ASSET MANAGEMENT</b></p> <p style="text-align: center;">Custodianship Services Division Disposition Support Services Division</p>	<p>Angeli Vinze G. Tamaño Executive Assistant II</p>	<p>8818-4625 8817-6661 8818-4625</p>
<p style="text-align: center;"><b>OFFICE OF THE DEPUTY PRIVATIZATION OFFICER FOR LEGAL SERVICES</b></p>	<p>Bernadette C. Arias Executive Assistant II</p>	<p>8817-1103</p>
<p style="text-align: center;"><b>OFFICE OF THE DEPUTY PRIVATIZATION OFFICER FOR ADMINISTRATION, FINANCIAL AND MANAGEMENT SERVICES</b></p> <p style="text-align: center;">Administrative Division Financial Management Division</p>	<p>Dayanica G. Mojica Executive Assistant II</p>	<p>8893-1886 8818-8304 8818-4591</p>



Privatization and Management Office  
104 Gamboa St., Legaspi Village  
Bgy. San Lorenzo, Makati City