

38th Great Years of Passion in Service

**ANNUAL REPORT
2013**



Employees' Compensation Commission

Table of Contents

i	Message of the DOLE Secretary	1
ii	Message of the ECC Executive Director	2
iii	Corporate Profile and Mission, Vision	3
iv	The ECC Commissioners and their Designation	4
The ECC in 2013		
I	As a Policy-Making Body	5
	As an appellate body, the ECC evaluates and adjudicate all EC Claims denied by the Systems.	6
II	Katulong at Gabay sa Mangagawang May Kapansanan (Kagabay)	7
	a. Job Placement Services	8
	b. Quick Response Program	9
II	On Information Dissemination (IPAD)	10
III	Reinforcing the Regional Operations	12
IV	ECC Support Services' Accomplishment in 2013	15
	a. On Quality Management System (QMS)	16
	b. On Integrity Development Program	
	c. On Strategic Performance Management System (SPMS)	
	d. On Statistic Performance Reporting System (SPRS)	17
	e. On Green our DOLE Program	18
	f. On Gender and Development	19
V	Independent Auditors Report	20
VI	Statement of Management's Responsibility for Financial Statements	22
	a. ECC Statement of Financial Position	23
	b. ECC Statement of Comprehensive Income	24
	c. ECC Statement of Changes in Equity	25
	d. ECC Statement of Cash Flows	26
VII	Moving Forward	27

MESSAGE

I cannot overemphasize the important role of the Employees Compensation Commission, or ECC, in the lives of Filipino workers, particularly in acting on appealed Employee Compensation claims already disapproved by the Social Security System and the Government Service Insurance System; in crafting significant policies to meet the needs of workers with work-connected contingencies; and in delivering its programs and services to those who need them most.

As it carries out its mandate, the ECC has always been an able and willing frontline agency of the DOLE sensitive and aware of its duty to contribute toward achieving the objectives of the Enhanced Social Protection Operation Framework and Strategy of the Philippines, one of the four core programs of which is social insurance.

Starting in 2013, the ECC has been implementing meaningful policies that benefit workers in the public and private sectors afflicted with work-related illness and injuries, or who have become casualties of work-related contingencies. More valuable, though, than the material benefits that ECC's clients received because of these new policies was the opportunity the ECC offered them to start afresh in life because the agency had hewed—and continues to hew—closely to our reform agenda for more active and enhanced social protection for the vulnerable.


I specially commend the ECC for its exceptional efforts to organize occupationally-disabled workers (ODWs) into the Occupationally-Disabled Workers Association of the Philippines, Inc. (ODWAPI). Since



its organization, the ECC has supported it with skills training and livelihood support, in the form of assistance to members in the establishment of business undertakings. I can sum up in one word the ECC's work for ODWs in the past year—empowering.

Thus, I congratulate all the officials and staff of the Employees' Compensation Commission for a job well done and for your unyielding brand of public service. My fervent desire is that you will continue to achieve and excel your past achievements. Always keep in mind that the work that you do is the best reward for your zealous aspiration to serve our workers.

Mabuhay ang ECC and God bless.


 ROSALINDA DIMAPILIS-BALDOZ
 Secretary, Department of Labor and Employment
 Chairman, Employees' Compensation Commission

MESSAGE

In 2013, the Employees' Compensation Commission has strengthened the role of the Employees' Compensation Program in protecting the safety and health of workers. Through the ECC's enhanced policies and services, we were able to respond to the call for the advancement of social protection in our country.

In the same year, we were also able to help our occupationally-disabled workers in unleashing and tapping their potentials to make it easier for them to reintegrate themselves into the economic mainstream of our society.

As an institution, it is undeniable that the ECC play an integral role in the lives of the Filipino workers, especially for those who were afflicted with work-related injuries or illness. Through its mandate of formulating policy and guidelines for the improvement of employees' compensation program; reviewing and deciding on appealed cases of EC claims; and initiating policies and programs toward adequate occupational health and safety and accident prevention in the workplaces, the ECC was able to promote social security while judiciously and efficiently administering the State Insurance Fund.

For the next year, the ECC will continue striving for excellence as it commits to reach out to more ODWs and make a difference in their lives. We will also continuously think of ways on how we can be more of service to our clients. All these and more, we commit to do as the ECC stands to uphold transparency, efficiency, and effectiveness in the prompt, fair, and excellent delivery of our programs and services.

Mabuhay!



STELLA ZIPAGAN-BANAWIS
Executive Director
Employees' Compensation Commission

The Employees' Compensation Commission

Created in 01 November 1974 by virtue of Presidential Decree No. 442, or the Labor Code of the Philippines and became fully operational on 17 March 1975 with the issuance of Presidential Decree No. 626, or the Employees' Compensation and State Insurance Fund, the Employees' Compensation Commission is a quasi-judicial corporate entity created to implement the Employees' Compensation Program, or the ECP.

MISSION

The ECC champions the welfare of the Filipino worker. Its mission is to:

- build and sustain among employees and employers a culture of safety and healthful environment in the workplace;
- ensure at all times that the workers are informed of their rights, benefits, and privileges under the Employees' Compensation Program (ECP);
- develop and implement innovative policies, programs, and projects that meet the needs of workers with work-connected contingencies;
- promptly and fairly resolve all cases brought before it;

- restore dignity and self-esteem among occupationally-disabled workers; and
- safeguard the integrity of the State Insurance Fund.

VISION

A nationally-acclaimed institution in social security promotion that is in full control of the Employees' Compensation Program, managing a sound, strong, and wisely invested State Insurance Fund and delivering promptly, effectively, and efficiently to the Filipino worker a comprehensive package of services and benefits for work-connected contingencies through a pro-active, humane, and dynamic policies, programs, and activities.

Mandated by law to provide meaningful and appropriate compensation to workers, its tasks include formulation of policies and guidelines for the improvement of the ECP; review and decide, on appeal, all EC claims disapproved by the Systems; and initiate policies and programs toward adequate occupational health and safety and accident prevention in the working environment.

THE ECC Commissioners and their Designates

CHAIRMAN

HON. ROSALINDA DIMAPILIS-BALDOZ
Secretary
Department of Labor and Employment

ALTERNATE

HON. CIRIACO A. LAGUNZAD III
Undersecretary
Department of Labor and Employment

COMMISSIONERS

HON. EMILIO S. DE QUIROS, JR.
President and CEO
Social Security System

DESIGNATE:
HON. AGNES E. SAN JOSE
VP, Benefits Administration Division
Social Security System

HON. ROBERT G. VERGARA
President and General Manager
Government Service Insurance System

DESIGNATE:
HON. DIONISIO C. EBDANE, JR.
SVP, VisMin Group
Government Service Insurance System

HON. ENRIQUE T. ONA
Secretary
Department of Health

DESIGNATE:
HON. ALEXANDER A. PADILLA
President and CEO
Philippine Health Insurance Corporation

HON. FRANCISCO T. DUQUE III
Chairman
Civil Service Commission

DESIGNATE:
HON. DAVID E. CABANAG, JR.
Assistant Commissioner
Civil Service Commission

HON. CARLITO P. ROBLE
National Executive Vice-President
Alliance of Filipino Workers

HON. MIGUEL B. VARELA
Chairman
Employers' Confederation of the Philippines

HON. STELLA ZIPAGAN-BANAWIS
Executive Director
Employees' Compensation Commission



THE ECC IN 2013

As a policy-making body, the Employees Compensation Commission (ECC) initiates policies and programs towards an adequate and meaningful Employees' Compensation Program (ECP) in the event of work-connected disability or death.

In 2013, it has successfully approved thirteen (13) policy issuances which intended to provide better benefits and services under the ECP.

Affording enhanced benefits for the Filipino workers, the ECC Board ratified the following resolution:

- increasing EC Funeral Benefit from P10,000 to P20,000 for the private sector;
- increasing EC Funeral Benefit from P10,000 to P20,000 for the public sector;
- granting 10 percent across-the-board increase in EC Pension for the private sector;
- lifting the suspension of payment of medical reimbursement for retired or separated workers from the public sector;
- approving the simultaneous granting of sick leave and EC disability benefits
- revising the policy on the accreditation of hospitals and physicians under the ECP;
- requesting the Congress of the Philippines to amend Republic Act No. 8921 for the purpose of granting double recovery of benefits under the Government Service Insurance System (GSIS) and under the ECP;
- prescribing revised conditions for the compensability of Osteoarthritis; and
- granting an advanced three-month pension for EC pensioners from the private sector whose areas were affected by typhoons, earthquakes, and similar catastrophes.

Furthermore, the ECC was able to promote better services for the disadvantaged workers through the approval of the following resolution;

- requiring the Systems (SSS and GSIS) to submit proof of compliance with the decision of the Commission to grant EC benefits;
- requiring the Systems to direct their branches to elevate denied EC claims to their main offices for review purposes;
- prescribing the guidelines for the grant of EC Funeral Benefits for the public sector; and
- prescribing the guidelines for the grant of Carer's Allowance to EC Permanent Partial Disability (PPD) and Permanent Total Disability (PTD).

As an appellate body, the ECC evaluates and adjudicate all EC claims denied by the Systems.

For 2013, the ECC achieved a 100 percent disposition rate in its appealed cases elevated by its administering agencies, the Social Security System (SSS) and the Government Service Insurance System (GSIS).

The ECC received a total of 171 cases for appeal, 121 of which were from the SSS and 50 cases were from the GSIS. One hundred twenty-one (121), or 86 percent of the total number of the appealed cases, were affirmation of the SSS and the GSIS's decisions while the remaining 24 cases, or 12 percent,

were decided in favor of the claimants.

Eighty percent (80%), or 136 cases, were actually decided within 40-working days process cycle time.

It awarded nineteen (19) benefit grants for persons with work-related disabilities (ODWs) from the private sector—nine (9) temporary total disability benefits, five (5) permanent partial disability benefits, four (4) death benefits, and one (1) medical reimbursement.

For the ODWs from the public sector, the ECC granted three (3) temporary total disability and two (2) medical reimbursements.





Provision of Rehabilitation Services to Persons with Work-Related Disability Beyond granting compensation benefits, the ECC also extends rehabilitation services to ODWs.

Katulong at Gabay sa Manggagawang May Kapansanan (KaGabay)

KaGabay is a special economic assistance program for occupationally-disabled workers (ODWs) who have lost employment by reason of work-related sickness or injury. It also provides ODWs access to physical and occupational therapies, skills training for possible re-employment, and entrepreneurship training for small, or home-based business.

For 2013, one hundred (100) ODWs were provided with vocational/ entrepreneurial skills training wherein 27 were provided with appropriate start-up kits amounting to P82,538 and 47 were granted with Kabuhayan Package through DOLE-NCR Makati Field Office worth P5,000 each, or a total amount of P235,000.

The assistance does not stop at the provision of skills training and livelihood package. The ECC made 43 home visits to ODWs who were provided with vocational/entrepreneurial skills training to monitor the development of their business undertaking.



Furthermore, one hundred (100) ODWs were provided with physical/ occupational therapy services amounting to P338,355.

Under the KaGabay program of the ECC, thirty-one (31) ODWs were provided with prosthesis, giving them an opportunity to find productive careers which will enhance their quality of life and restore them to their highest level of functioning.

We also checked on the development of 47 ODWs who were provided in 2012 with physical/occupational therapy services and prosthesis.



Job Placement Services

ECC's assistance to ODWs go beyond provision of physical and occupational therapy services. Forty-three (43) ODWs were referred for employment through the job placement facilitation services of the ECC.

Meanwhile, twenty-five (25) children of ODWs were given the opportunity to earn while pursuing their education under the Special Program of Employment for Students, or SPES, a job bridging program of the Department of Labor and Employment (DOLE). The said program assist poor but deserving students pursue their education by encouraging employment of those in the secondary level during summer and/ or Christmas vacations and of those in the tertiary, technical or vocational education levels any time of the year.

In 2013, the ECC was able to provide 639 rehabilitation services to ODWs with the aim of facilitating their integration into the economic mainstream of society.

Quick Response Program

The ECC's Quick Response Team Program (Q RTP) extends immediate assistance to workers or their families in the event of major work accidents or outbreak of occupational diseases at the workplace and with interventions that includes psycho-social counseling services, medical help, and assistance in the filing of necessary claims with the Systems.

In 2013, the team was able to provide psycho-social guidance and counseling and information related to the ECP to 354 victims of work-related contingencies. Also, through their assistance, thirty nine (39) victims-beneficiaries were able to claim their EC benefits amounting to P493,285.94.





On Information Dissemination In its endeavor to reach out and increase the Filipino workers' awareness on the services and benefits provided by the ECP, the Commission has strengthened its information dissemination campaign through its Information and Public Assistance Division (IPAD).



PAD was able to reach 1,357 participants through nine (9) advocacy seminars held in Cebu, Cagayan de Oro, Aklan, Lucena, Tuguegarao, Laoag, Dagupan, Palawan, and Davao.

It also conducted 285 ECP lectures, with 14,057 participants, as part of the following activities:

- 123 on-site ECP lectures with 7,402 participants;
- 60 Technical and Advisory Visits (TAV) with 1,938 participants;
- 43 Basic Occupational Safety and Health (BOSH) training with 2,001 participants;
- 54 Construction Safety Training (CST) with 2,489 participants; and
- 5 Labor Laws Compliance Officers' (LLCO) Trainings with 227 participants.



Part of its massive information dissemination campaign is the development of Information, Education, and Communication (IEC) materials. For the year 2013, the ECC-IPAD was able to produce one volume of comics and one new poster; reproduced the Handbook on Employees' Compensation and State Insurance Fund and three (3) volumes of comics.

In terms of media relations, the ECC-IPAD prepared and disseminated 45 press releases informing the public on new policies related to ECP, disposition on appealed cases, and success stories of the beneficiaries of different ECC programs and services.

These press releases were used as basis of 61 articles published in various newspapers during the year.

It also conducted ten (10) press conferences, granted 91 press interviews and published 20 ads.

The ECC has also provided a venue to personally attend to ECP-related queries of the public. For the year 2013, the Public Assistance Center assisted 1,048 walk-in claimants and attended to 197 phone queries.

Reinforcing the Regional Operations

In line with the objective of the Commission to bring the ECP closer to its clients in all corners of the country, in 2013, the ECC strengthened its presence by deploying 13 frontline personnel in seven (7) Regional Extension Units.

The 13 frontliners are composed of Information Officers--whose task is to disseminate information on the ECP in their respective regions through the conduct of in-house and on-site ECP seminars; acting as resource speaker on different fora; publication of press releases; and undertaking other activities to develop the public's awareness on the ECP benefits and services--and Administrative Officers--whose task is to serve as focal persons for the KaGabay Program, Rehabilitation Services, Quick Response Program and attend to queries from claimants.

The first batch of Information and Administrative Officers underwent a two-week intensive orientation and immersion with various facets of ECC's operation, programs, and services to equip them with the knowledge and skills they will need to effectively carry out their duties in their respective REUs. As part of their immersion, they were made to witness the signing of a Memorandum of Agreement (MOA) between the ECC and a training institution and take part in actual quick-response assistance to injured workers.







ECC Support Services' Accomplishments in 2013

On Staff Development

Helping its personnel learn more and acquire skills and competencies necessary to effectively deliver ECC programs and services to its clients, 385 ECC personnel participated in ten (10) in-house trainings such as Fundamentals of Leadership and Effective Oral Communication, among others.

On the other hand, ninety-five (95) staff were given the opportunity to take part in forty-one (41) external trainings such as Symposium on

Shiftwork and Workers' Wellbeing; Four Pillars of Great Governance; Leave Administration Course for Effectiveness; Position Classification and Job Levelling; DOLE Consultation Workshop on HRD Policies; Training Program on Ship Familiarization; Technical Learning Session on Policy Research; Best Practices in Corporate Housekeeping; Training on Newsletter Writing; and Supervisory Training, among others.



Essential to achieving the ECC's objectives is the implementation of various programs, services, and activities designed to support its operations.

On Quality Management System (QMS)

In its continuous effort to identify, measure, control and improve the different processes involved in the effective delivery of its programs and services, the ECC completed six (6) Quality Management System (QMS) seminar-workshops in preparation for the Commission's compliance to the requirements of ISO 9001:2008 Standard:

- Management Orientation and Setting of Quality Objectives (10 September 2013)
- Process Orientation Course (11 September 2013)
- Documentation Seminar Workshop on Quality Management System (17-19 September 2013)
- Consultation Meeting on System Documentation Development (8 October 2013)
- Seminar-Workshop on QMS Internal Auditing using ISO 9001:2008 (22-23 October 2013)
- Seminar-Workshop on Corrective Action/Preventive Action (24 October 2013)

A meeting between ECC Internal Auditors and Rosehall Management Consultants, Inc was held on 8 November 2013.

Nineteen (19) out of twenty-one (21) QMS Internal Audit were completed.



On Integrity Development Program

The Administrative Division (AD) has submitted 100 percent of its quarterly reports on the status of cases filed against officials and employees of the ECC to the DOLE-Human Resource Development Service not later than the 5th day of the reference quarter.

On Strategic Performance Management System (SPMS)

The SPMS is one of the administrative reforms being pursued by the Department of Labor and Employment (DOLE) in support of the 22-Point Labor and Employment Agenda of the Aquino Administration. It gives a sense of whether the Office is doing the right things right based on its mandates and expectations/requirements of the clients/stakeholders; provides a sense of whether we are doing the things right; and measures whether the deliverables were done on time based on the requirements of the law and/or clients/stakeholders.

The Policy, Programs, and Systems Management Division (PPSMD) assisted the Commission in the assessment of performance levels of each of the divisions; facilitated the annual performance review of the ECC; summarized and analyzed the performance of all the divisions every six months

or at the end of each performance period; and monitored the preparation and implementation of Individual Performance Commitment and Review (IPCR) and the evaluation of the employees' performance based on the prescribed guidelines.

On Statistical Performance Reporting System (SPRS)

The online SPRS is the monitoring and reporting system of the DOLE. It was developed to provide real time performance data; to ensure accuracy and quality of data; for accessibility of information for planning, policy-making and improvement; for immediate access to performance data of concerned offices and agencies; to allow addition or removal of indicators brought about by changes in the development thrusts of the government; and to maintain accountability of information by the respective program managers, such that the Office shall ensure that the submission has been noted and approved by the Head of Office.

The ECC through the PPSMD enrolled nineteen (19) indicators and submitted twelve (12) monthly reports on accomplishments on physical targets through the DOLE online SPRS.



On Green Our DOLE Program



To proactively uphold green and eco-friendly practices in the workplace and among its own workforce and for better delivery of programs and services to its clients, the ECC participated in the Green Our DOLE Program (GODP) by undertaking the following activities;

- Daily monitoring and maintenance of lights, air conditioning units, exit signs, emergency lights, submersible motor pumps, and main panel boards installed from the basement to the 5th floor of the building.
- Declaring Friday of each month as Green Tag Day
- 5S Award for the Cleanest Division.
- In November, the GODP Committee conducted the audit for the 5S Award for the Cleanest Division. The Appeals Division, WCPRD, and the PPSMD emerged as winners of the said contest and were acknowledged and awarded during the HR Culminating Activities on 17 December 2013.
- Rehabilitation of ECC Comfort Rooms
- Pursuant with the National Greening Program (NGP), the ECC planted coffee seedlings at Kapatalan, Siniloan, Laguna on 12 July 2013 for its Tree Planting Activity.
- Two batches of ECC personnel participated in the Basic Disaster Seminar held on 7-8 and 9-10 March 2013 conducted by the Philippine Red Cross and in the Earthquake Drill on 21 November 2013.
- Ornamental plants were planted in the ECC premises in January 2013 and all plastic ones were replaced with natural ones in June of the same year.
- Water conservation tips were implemented and its application was monitored.
- All lighting fixtures were replaced with Compact Fluorescent Light (CFL) bulbs and LED lights. These were installed at the 5th floor of the building in April.
- Common herbs and vegetables which were provided by the occupationally-disabled workers (ODW) were planted in the garden area inside the ECC premises.

On Gender and Development

For the year 2013, the ECC identified four (4) gender issues and/or GAD-related mandates which needed to be addressed in order to mainstream gender dimension in its policies, programs, and services. These are the integration of GAD-related programs and activities to ECC regular programs; gender sensitivity training; equal training opportunities for male and female staff; and to increase understanding on various gender issues and women empowerment.

Gender and development objectives were integrated into ECC regular programs such as in its policy issuances; provision of rehabilitation services; and in the ECP information dissemination.

The ECC also addressed the need for understanding and insights about gender differences through the attendance and participation of 70 ECC employees in the seminar on GAD Empowerment entitled "Prevention and Control of Diseases in the Workplace".

Providing equal training opportunities for its male and female personnel, twenty-two (22) in-house seminars and trainings were conducted and facilitated with the participation of 1,019

ECC personnel while 152 personnel participated in 57 external trainings and seminars.

To increase understanding on various gender issues and women empowerment, ten (10) ECC personnel attended and participated in the celebration of National Women's Day and sixty (60) personnel were present during the film showing of two (2) gender-related movies. Five (5) personnel attended and participated in the kick-off activity of the National Consciousness Day for the Elimination of Violence Against Women and Children entitled "Walk to End Violence Against Women".





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

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners

Employees' Compensation Commission
 Makati City

We have audited the accompanying financial statements of the Employees' Compensation Commission (ECC), which comprise the statement of financial position as at December 31, 2013, and the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other 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 Philippine Financial Reporting Standards, 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 ECC as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards.

Report on the Supplementary Information Required Under Revenue Regulation No. 15-2010

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties and license fees in Note 13 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion the information is fairly stated, in all material respects, in the basic financial statements taken as a whole.

COMMISSION ON AUDIT


ROCHIE J. FELICES
Officer-in-Charge
Supervising Auditor

March 31, 2013



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
EMPLOYEES' COMPENSATION COMMISSION
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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of the Employees' Compensation Commission (ECC) is responsible for all information and representations contained in the Financial Statements for Calendar Year 2013. The financial statements have been prepared in conformity with generally accepted state accounting principles and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate considerations to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities recognized.


MARIA TERESA M. URBANO
Chief, Finance Division


STELLA ZIPAGAN-BANAWIS
Executive Director

EMPLOYEES' COMPENSATION COMMISSION
STATEMENT OF FINANCIAL POSITION

December 31, 2013

(In Philippine Peso)

	Note	2013	2012
ASSETS			
Current Assets			
Cash and cash equivalents	3	330,730,547	304,933,481
Receivables	2.5, 4	11,380,935	3,231,952
Other current assets	5	714,538	631,534
		342,826,020	308,796,967
Non-current Assets			
Receivables, net	2.5, 4	5,329,254	5,005,023
Investment property	6	167,483	167,483
Property and equipment, net	2.7, 7	31,991,059	41,567,584
Other assets	8	3,088,564	2,965,789
		40,576,360	49,705,879
TOTAL ASSETS		383,402,380	358,502,846
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable - trade	2.8, 9	1,505,072	1,666,403
Due to officers and employees		146,402	1,408,088
Inter-agency payables		48,832	212,522
Other liabilities		5,297,758	5,052,798
		6,998,064	8,339,811
Non-current Liabilities			
Leave benefits payable	2.8, 9	11,468,938	10,728,237
Accounts payable - trade		949,175	674,625
Due to officers and employees		114,289	113,669
Other liabilities		19,961,224	14,933,608
		32,493,626	26,450,139
TOTAL LIABILITIES		39,491,690	34,789,950
EQUITY		343,910,690	323,712,896
TOTAL LIABILITIES AND EQUITY		383,402,380	358,502,846

The Notes on pages 7 to 18 form part of these financial statements.

EMPLOYEES' COMPENSATION COMMISSION
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2013
(In Philippine Peso)

	Note	2013	2012
INCOME	2.9		
Service income		90,388,000	80,954,000
Rent income		6,317,027	5,554,046
Interest income		3,759,107	6,680,035
Miscellaneous income		34,313	36,413
		100,498,447	93,224,494
EXPENSES	2.10		
Personal Services			
Salaries and wages		20,372,931	19,281,342
Other compensation		14,265,887	10,178,779
Personnel benefits contribution		2,883,465	2,717,850
Other personnel benefits		3,320,111	5,484,342
		40,842,394	37,662,313
Maintenance and Other Operating Expenses			
Depreciation expense		11,368,721	10,228,742
Professional/other services		10,689,409	9,128,562
Training expenses		5,795,130	3,391,519
Utilities expenses		2,620,769	2,487,176
Travelling expenses		2,130,033	2,179,772
Communications expenses		1,534,963	1,442,624
Supplies and materials expenses		1,231,142	1,208,179
Repairs and maintenance		1,132,337	1,236,483
Representation expenses		681,759	498,014
Advertising expenses		646,054	2,714,967
Printing and binding expenses		607,320	258,274
Extraordinary and miscellaneous expenses		512,080	514,921
Taxes, insurance premiums and other fees		106,042	271,981
Subsidies and donations		131,000	171,000
Transportation and delivery expenses		109,933	64,177
Membership dues and contribution to organizations		100,000	200,000
Subscription expenses		44,736	53,788
Rent expense		21,600	-
Other maintenance and other operating expenses		573,661	907,983
		40,036,689	36,958,162
		80,879,083	74,620,475
NET PROFIT		19,619,364	18,604,019

The Notes on pages 7 to 18 form part of these financial statements.

**EMPLOYEES' COMPENSATION COMMISSION
STATEMENT OF CHANGES IN EQUITY**

For the Year Ended December 31, 2013

(In Philippine Peso)

	Current Surplus	Invested Surplus	Total
Balance, January 1	322,441,702	1,271,194	323,712,896
Prior period adjustments	578,430	-	578,430
Adjusted Balance, January 1	323,020,132	1,271,194	324,291,326
Net profit	19,619,364	-	19,619,364
Balance, December 31, 2013	342,639,496	1,271,194	343,910,690
Balance at January 1, 2012	303,837,683	1,271,194	305,108,877
Net profit	18,604,019	-	18,604,019
Balance at December 31, 2012	322,441,702	1,271,194	323,712,896

The Notes on pages 7 to 18 form part of these financial statements.

EMPLOYEES' COMPENSATION COMMISSION
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013
(In Philippine Peso)

	Note	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt of loading fund from the SSS and GSIS		81,486,250	100,644,036
Collection of receivables from tenants		12,161,585	8,853,255
Return of cash advance		549,295	578,739
Cash receipts from bidders		186,200	89,039
Cash receipts from overpayments/disallowance		43,922	260,918
Collection from sale of bid forms		34,000	36,100
Interest earned on savings deposits		23,088	41,015
Miscellaneous cash receipts		7,338	6,263
Payments to suppliers		(34,431,835)	(31,515,246)
Payments to employees		(36,128,425)	(30,226,967)
Net cash provided by operating activities		23,931,418	48,767,152
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earned on time deposits		3,736,019	6,639,019
Collection of receivables - LOI 1318		44,600	33,450
Purchase of motor vehicle		(1,298,500)	-
Purchase of furniture, fixture and equipment		(616,471)	(2,121,660)
Building renovation		-	(5,399,999)
Net cash provided by (used in) investing activities		1,865,648	(849,190)
NET INCREASE IN CASH		25,797,066	47,917,962
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		304,933,481	257,015,519
CASH AND CASH EQUIVALENTS AT END OF YEAR	3	330,730,547	304,933,481

The Notes on pages 7 to 18 form part of these financial statements.

MOVING FORWARD

1.

Continuous linkage with SSS and GSIS for the inclusion of the ECP training module in the System's seminars for front liners and evaluators.

2.

Conduct of annual consultation meetings with the clusters/groups of the Systems nationwide

3.

Conduct of comprehensive study of EC benefits, services, and procedures to remove the disparity in the benefits and availment procedures for such of private and public sectors

4.

Establishment and maintainance of a shared database with SSS and GSIS

5.

Review of the proposed Philippine Workers' Compensation Authority

6.

Continuous pursuit of equalization of EC benefits for the private and government sector

7.

Review of the adequacy of Employee Compensation benefits as income support to persons with work-related disability

8.

Implement provisions of the Presidential Decree No. 626 penalizing employers for failure to comply with occupational safety and health standards

9.

Improve the process cycle time on disposition of EC appealed cases

10.

Expand the awareness and coverage of the EC program

11.

Streamline the evaluation and processing of EC claims by SSS and GSIS



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