



PHILIPPINE CHARITY  
SWEEPSTAKES OFFICE

# ACCOMPLISHMENT REPORT

**2<sup>nd</sup> Quarter CY 2014**  
(April – June)

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PCSO derives its revenues from the retail receipts of its main gaming products, namely: Lotto, Lotto Express (Keno) and Sweepstakes.

The combined retail receipts of the three products for the 2<sup>nd</sup> Quarter of 2014 is Php 7,746,107,370.00 with Lotto contributing 91.70% or Php7,103,067,840 followed by Lotto Express (Keno) with 8.20% or Php 635,539,530.00 and Sweepstakes with 0.10% or Php 7,500,000.00. Clearly, the bulk of the revenue of the Agency still comes from Lotto retail receipts (**Table 1**).

**Table1.** Retail Receipts for the period April to June 2014

PRODUCTS	AMOUNT( In Php)	PERCENTAGE (%)
• LOTTO	7,103,067,840.00	91.70%
• LOTTO EXPRESS (KENO)	635,539,530.00	8.20%
• SWEEPSTAKES	7,500,000.00	0.10%
<b>Total</b>	<b>7,746,107,370.00</b>	<b>100%</b>

Other revenues of the agency are derived from shares in Small Town Lottery (STL) and Bingo Milyonaryo (BingoM) which is on experimental test run for one year. From April to June 2014, other revenues came solely from Bingo Milyonaryo with a total contribution of P1,800,901.84.

## Sales Performance

The Agency's mandate to generate funds and provide charitable services is dependent on the sales generated by the various products which are primarily undertaken by the branches nationwide and supervised by the different departments under the Branch Operations Sector.

### 1.1 LOTTO AND LOTTO EXPRESS (KENO)

**Table 2.** Comparative Sales Performance of each Department (2014 vs 2013 -2<sup>nd</sup> Quarter)

PCSO GAMES	VARIANCE			
	Actual Sales		INC/(DEC)	Growth Rate
	2014	2013		2014 vs. 2013
<b>A. Lotto</b>	<b>7,103,067,840.00</b>	<b>7,885,134,490.00</b>	<b>(782,066,650)</b>	<b>-9.92%</b>
NCR	2,561,927,160.00	2,817,427,990.00	(255,500,830)	-9.07%
NCL	791,533,140.00	942,282,040	(150,748,900)	-16.00%
STBR	1,251,021,630.00	1,438,357,510.00	(187,335,880)	-13.02%
Visayas	1,597,151,360.00	1,727,060,960.00	(129,909,600)	-7.52%
Mindanao	901,434,550.00	960,005,990.00	(58,571,440)	-6.10%
<b>B. Lotto Express (Keno)</b>	<b>635,539,530.00</b>	<b>439,670,320.00</b>	<b>195,869,210</b>	<b>44.55 %</b>
NCR	289,668,050.00	186,433,430.00	103,234,620	55.37%
NCL	119,050,780.00	76,704,390.00	42,346,390	55.21%
STBR	150,724,890.00	102,705,960.00	48,018,930	46.75%
Visayas	52,942,270.00	48,559,870.00	4,382,400	9.02%
Mindanao	23,153,540.00	25,266,670.00	(2,113,130)	-8.36%
<b>TOTAL</b>	<b>7,738,605,420</b>	<b>8,324,804,810</b>	<b>(586,199,390)</b>	<b>-7.56%</b>

The National Capital Region (NCR) Department is consistently the top revenue earner for both Lotto and Lotto Express for the covered period (**Table 2 and Figures 1 & 2**).

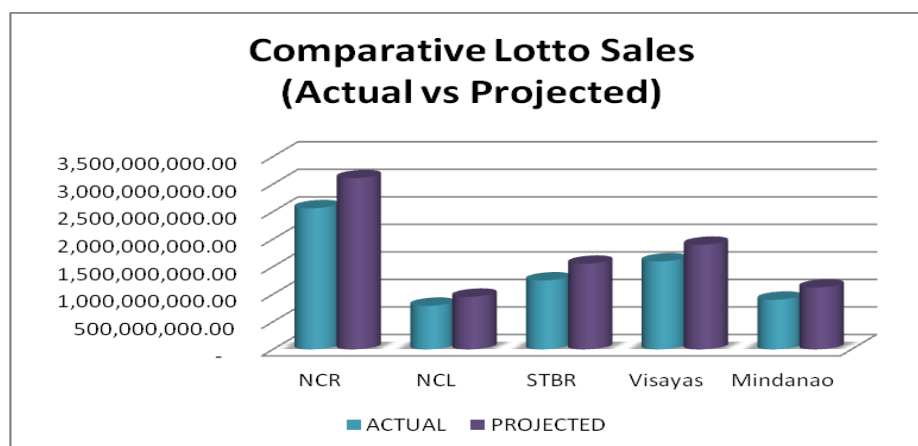
Performance of other departments varies with respect to the two products. Visayas Department placed 2<sup>nd</sup> highest in Lotto but 2<sup>nd</sup> to the last with respect to Lotto Express. The Southern Tagalog and Bicol Region consistently is the second highest earner for Lotto Express while Mindanao Department is consistently the lowest revenue earner for Lotto Express for both periods. It is also the only Department that was not able to surpass its 2013 actual sales. ***This can be attributed to the rotating brownouts in the various areas of the region.***

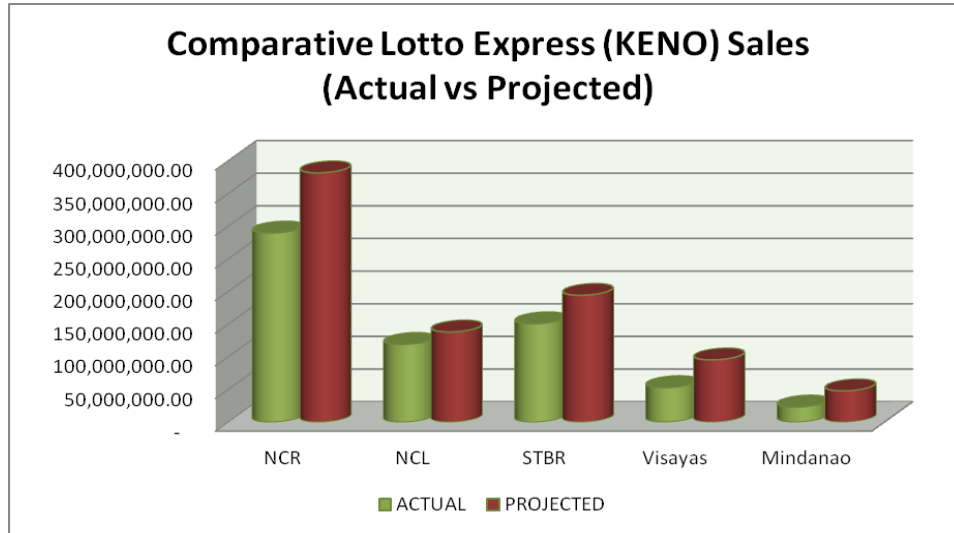
The combined sales of all the departments in Lotto Express for CY 2014 in the amount of P635,539,530 registered an increase of 44.55% or P195,869,210 compared to its 2013 sales of P439,670,320 while sales for Lotto in the amount of P7,103,067,840 is -9.92% or 782,066,650 **lower** compared to its sales in **2013** in the amount of P7,885,134,490.

**Table 3.** Comparative Sales ( Actual vs Projected – April to June 2014 )

PCSO GAMES	VARIANCE			
			INC/(DEC)	
	Actual	Projected		Growth Rate
<b>A. Lotto</b>	<b>7,103,067,840.00</b>	<b>8,636,157,433.00</b>	<b>(1,533,089,593)</b>	<b>-17.75%</b>
NCR	2,561,927,160.00	3,107,367,773.00	(545,440,613)	-17.55%
NCL	791,533,140.00	954,588,495.00	(163,055,355)	-17.08%
STBR	1,251,021,630.00	1,553,524,108.00	(302,502,478)	-19.47%
Visayas	1,597,151,360.00	1,898,787,975.00	(301,636,615)	-15.89%
Mindanao	901,434,550.00	1,121,889,083.00	(220,454,533)	-19.65%
<b>B. Lotto Express (Keno)</b>	<b>635,537,580.00</b>	<b>857,592,568.00</b>	<b>(222,054,988)</b>	<b>-25.89%</b>
NCR	289,666,670.00	381,870,113.00	(92,203,443)	-24.15%
NCL	119,258,160.00	138,192,903.00	(18,934,743)	-13.70%
STBR	150,517,750.00	194,275,158.00	(43,757,408)	-22.52%
Visayas	52,942,170.00	95,348,678.00	(42,406,508)	-44.48%
Mindanao	23,152,830.00	47,905,718.00	(24,752,888)	-51.67%
<b>TOTAL</b>	<b>7,738,605,420.00</b>	<b>9,493,750,001.00</b>	<b>(1,755,144,581.00)</b>	<b>-18.49%</b>

**Similar to the 1<sup>st</sup> quarter of this year, none of the departments achieved its projected sales for the period.** The failure of all the departments to achieve their respective targets resulted to 17.75% **shortfall** of projected sales for Lotto and 25.89% **shortfall** for Lotto Express. It is likewise reflected that the combined sales of Lotto and Lotto Express in the amount of P7,738,605,420 is 18.49% **short** of its projected sales of P9,493,750,001 (Table 3, Figs. 1 & 2)).

**Fig. 1:** Lotto Comparative Sales (Actual vs Projected - April to June 2014)



**Fig. 2:** Lotto Express Comparative Sales (Actual vs Projected – *April to June 2014*)

For the period January to June of CY 2014, performance of Lotto Express is very impressive in the amount of P1,287,528,760 showing an increase of 56% or P462,297,750 compared to its previous sales of P825,131,010 for CY 2013. Lotto sales in the amount of P14,789,098,520, however registered 4% **decrease** or (536,931,670) compared to its sales of P15,326,030,190 in 2013 (**Table 4**).

**Table 4.** Comparative Sales (2014 vs 2013: January-June)

PCSO GAMES			VARIANCE	
			INC/(DEC)	Growth Rate
	2014	2013		
<i>Lotto</i>	<i>14,789,098,520.00</i>	<i>15,326,030,190.00</i>	<i>(536,931,670)</i>	<i>-4%</i>
<i>Lotto Express (Keno)</i>	<i>1,287,528,760.00</i>	<i>825,131,010.00</i>	<i>462,397,750</i>	<i>56%</i>
<b>TOTAL</b>	<b>16,076,627,280</b>	<b>16,151,161,200.00</b>	<b>(74,533,920)</b>	<b>-.5%</b>

The sales increase of Lotto Express, however, is not enough to compensate for the decrease of Lotto sales as the combined sales of both products for CY 2014 in the amount of P16,076,627,280 is still **lower by** 5% compared to the actual sales generated in the amount of P16,151,161,200 in CY 2013 (**Table 4**).

**1.2 SMALL TOWN LOTTERY (STL) AND BINGO MILYONARYO(BINGOM)**

**Table 5.** Comparative Performance of each Department

PCSO GAMES	SALES (April-June)		VARIANCE	
	2014	2013		
<b>A. Small Town Lottery</b>	<b>1,218,262,406.00</b>	<b>983,436,961.00</b>	<b>234,825,445</b>	<b>23..88%</b>
NCL	644,417,278.00	510,824,423.00	133,592,855	26.15%
STBR	412,885,463.00	316,177,166.00	96,708,347	30.59%
Visayas	160,959,665.00	156,435,372.00	4,524,293	2.89%
<b>B. Bingo Milyonaryo</b>	<b>9,450,355.00</b>	<b>0</b>	<b>9,450,355</b>	<b>100%</b>
<b>TOTAL</b>	<b>1,227,712,761.00</b>	<b>983,436,961.00</b>	<b>244,475,800.00</b>	<b>19.90%</b>

The combined sales generated by the three (3) Departments in the amount of P1,227,712,761.00 shows an increase of 19.90% or 244,475,800 compared to the sales generated in the same period of last year. Similar to the sales performance in the first quarter of this year, still the highest revenue earner for STL is the NCL Department **remitting a total share** of Php 644,417,278 followed by STBR Department contributing Php 412,885,463, and Visayas Department with Php 160,959,665 (**Table 5**).

**INCREASED NUMBER OF OUTLETS****Table 6.** Comparative Number of Lotto and Lotto Express Outlets (April-June 2014)

Agents	2014	2013	Variance	Growth Rate
Lotto	7,718	6,855	863	12.59%
Lotto Express	1,188	785	403	51.34%
<b>TOTAL</b>	<b>8,906</b>	<b>7,640</b>	<b>1,266</b>	<b>16.57</b>

Lotto Express outlets increased by 403 or **51.34%**. From 785 in CY 2013, the number of lotto express outlets went up to 1,188 in the 2<sup>nd</sup> quarter of CY 2014. Lotto outlets also increased by **12.59%** or a total of 863 outlets. The increase of combined outlets from 7,640 to 8,906 *translates to an* increase of 16.57%. The opening of the additional **1,266** new outlets for Lotto and Lotto Express (Keno) is expected to generate more revenues for the coming months (**Table 6**).

**ADDITIONAL PCSO BRANCH OFFICES**

In line with the objective of PCSO to improve and make services more accessible to remote and underserved areas of the country, PCSO opened another branch in Calapan, Oriental Mindoro. To date, thirty-nine (**39**) branch offices are now operational and are located in key strategic locations taking into account the population, marketability of PCSO games and poverty incidence in the areas.

**COST – SAVING MEASURES****Table 7:** Savings from the rental fees for the period April to June 2014

BRANCH OFFICE	RENTAL RATES PER MONTH (Php)		SAVINGS (Php)
	OLD	NEW	
• Pampanga (May 23)	P61,385.00	Free	P 61,385.00
• Quezon (April 1)	55,000.00	Free	165,000.00
<b>TOTAL.....</b>			<b>226,385.00</b>

The management is continuously looking for means to bring down its operational cost and one of these is to locate rent-free office space and government-to-government transactions. As a result of these actions, a total of **Php226,385** was realized as savings from rental fees(**Table 7**). An estimated monthly savings of **Php116,385** will be generated from the transfer of the Pampanga and Quezon Branch Offices to its new locations. (*Quezon Branch started occupying a rent free office on April 1, with a P55,000 monthly rental fee, savings for 3 months (April to June) would be P165,000*)

In line with the continuing efforts of the management to raise more revenues to support the numerous charitable undertakings of the Agency, new products were launched during the second quarter of this year.

### **MINI SWEEPSTAKES TICKETS**

The Mini Sweepstakes was launched on April 27, 2014. In order to captivate the market and to kick off the marketing of the product, sales orientation and training sessions were conducted among individual agents and prospective partner organizations. Invitation letter were also sent to PCSO beneficiaries, hospitals, NGOs and LGUs to patronize the Agency's new product. To further strengthen the introduction of the new product to the market, media ads were placed in various radio programs and radio stations nationwide.

### **PERYAHAN GAMES**

The Peryahan Games was launched on June 28, 2014 in Calapan, Oriental Mindoro. The first commercial draw date of the new gaming product was also held that day. In order to monitor the sales of the product, the Peryahan Games Central Lottery System Remote Access Management Terminal (RAMT) was established.

## 1. Individual Medical Assistance Program

*The Individual Medical Assistance Program (IMAP) aims to provide support to charity patients by providing financial assistance for hospitalization expenses, laboratory procedures and purchase of medicines, chemotherapy drugs, dialysis solutions, antibiotics, implants, devices and other medical needs.*

For the second quarter of 2014, a total of 45,350 various cases were attended to by PCSO through its Individual Medical Assistance Program (IMAP) registering an increase of 2,239 or 5.19% compared to the same period of last year. A comparative summary of served patients for the second quarters of CYs 2014 and 2013 based on the nature of request consistently shows that hospitalization, dialysis and chemotherapy respectively are the top three (3) requests presented to PCSO (**Table 8 & Fig.3**) .

**Table 8:** Comparative data on nature of request under IMAP for the 2<sup>nd</sup> Quarter of 2013 and 2014

PER NATURE OF REQUEST	APRIL TO JUNE 2014 # OF CASES	APRIL TO JUNE 2013 # OF CASES
Hospitalization	18,240	16,030
Dialysis (Hemo and Peritoneal)	12,988	11,562
Chemotherapy	5,537	5,903
Medicines	3,609	4,255
Operations	602	1,177
Implant/Prosthesis/Stent/Pacemaker/Shunt	1,131	1,111
Cobalt/brachytherapy/raditation/linear accelerator	486	574
Laboratory/ Diagnostic procedures	2,358	1,923
Hearing Aid	164	242
Other Treatment*	98	110
Medical Supplies and Appliance	62	73
Transplant	6	5
Others**	59	146
	<b>45,350</b>	<b>43,111</b>

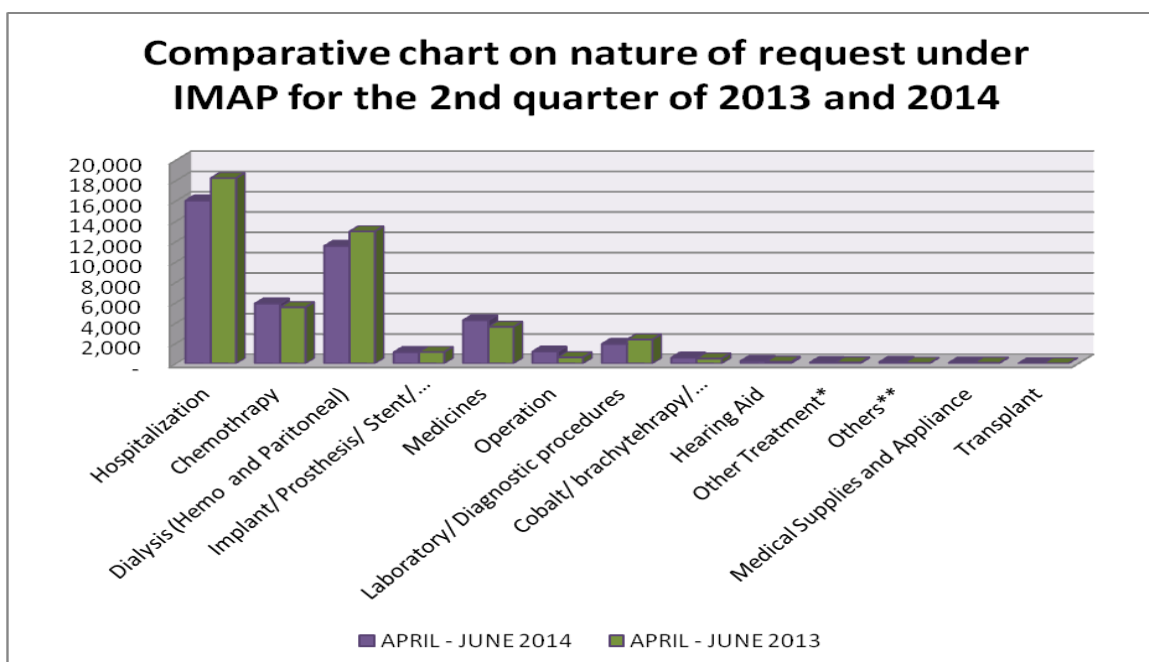


Fig. 3: Comparative chart on nature of request under IMAP for the 2<sup>nd</sup> Quarter of 2013 and 2014

Looking into the amount of assistance disbursed for each case, hospitalization got the highest assistance in the amount of P516,214,990.40, followed by dialysis with a total assistance of P92,971,440.83 and chemotherapy in the amount of P72,210,905.82. The combined amount of assistance for the three mentioned cases already comprise 80% of the total amount of assistance for all cases with the bulk of the assistance going to hospitalization cases (**Table 9**).

Table 9: Distribution of amount of assistance (April to June 2014)

NATURE OF REQUEST	TOTAL (Apr. - June 2014)	PERCENTAGE (%)
Hospitalization	516,214,990.40	43.00%
Chemotherapy	72,210,905.82	17.77%
Dialysis	92,971,440.83	20.78%
Implant/Prosthesis/Stent/pacemaker/Shunt	24,764,790.00	6.20%
Medicines	21,735,778.58	5.59%
Operation	5,066,940.72	1.76%
Laboratory and Diagnostic procedures	23,874,250.87	1.99%
Cobalt/brachytherapy/radiation/ linear accelerator	22,259,818.00	1.85%
Hearing Aid/ Cochlear Implant	5,078,088.00	.42%
*Other treatment	4,222,100.00	.35%
*Others	1,794,320.05	.15%
Medical appliance and supplies	1,448,460.00	.12%
Transplant	48,298.00	.00%
<b>TOTAL</b>	<b>1,200,395,959.09</b>	<b>100%</b>

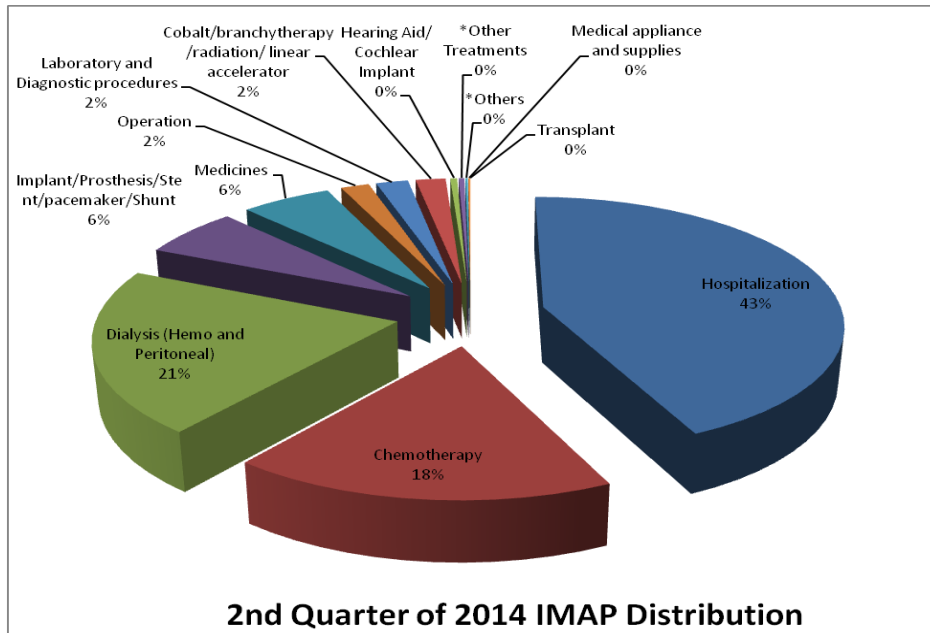


Fig. 4: Chart on the distribution of IMAP (2<sup>nd</sup> Quarter of 2014)

As to the nationwide distribution of assistance, clearly the bulk of assistance **released** went to the National Capital Region (NCR) receiving the amount of P504,063,144.43 representing 42.01% of the total amount of assistance disbursed for all cases. Next to NCR is Region 4A with a total assistance of P203,411,816.00, followed by Region 3 in the amount of P200,235,108.30 (Figure 5).

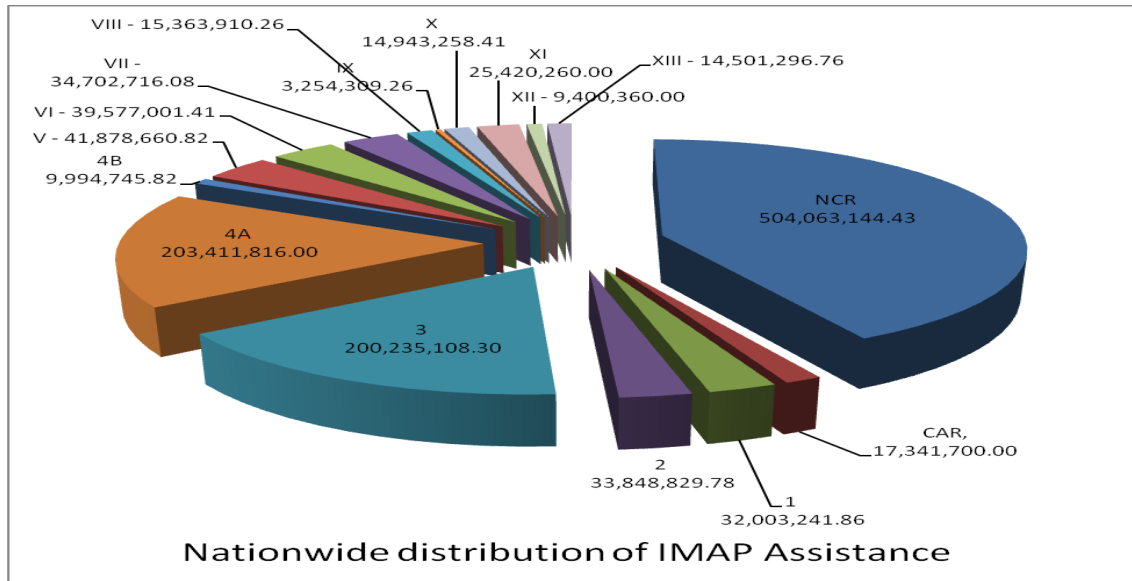


Fig. 5: Chart on the nationwide distribution of IMAP assistance (2<sup>nd</sup> Quarter of 2014)

## 2. Endowment Program

*The Endowment Fund Program enables charity patients to access medical care, medicines, drugs, medical and surgical supplies, and diagnostic procedures for the management and treatment of various illnesses through the funding assistance allocated directly to government and private hospitals. The program offers a more responsive way of addressing the needs of charity patients since the fund is readily accessible in the partner agency and may be availed of on the basis of established guidelines.*

A total of sixty-three (**63**) hospitals composed of ten (10) DOH Hospitals, fifty-three (53) LGU-run Hospitals to be included in the Endowment Fund Program for CY 2014 has been approved by the Board with a total allocation of **P66,200,000.00**. The Board has remained consistent with the policy on provision of Endowment Fund grant only to government hospitals as per BR-A 0156 s of 2010.

## 3. Other Charity Programs

### 3.1 Out-patient Consultation Program

The PCSO renders medical services to indigent patients, both referral and walk-ins, and PCSO officials and employees, through its Out-patient Consultation Program. The services include free consultation, treatment of minor surgeries, ambulance conduction, emergency care and provision of free basic medicines.

A total of **15,289 indigent patients** and PCSO officials and employees in need of medical and dental attentions were served through the Out-patient Consultation Program. The amount of **Php1,018,824.08** was disbursed in the implementation of this program showing a per capita of P66.64 per patient (**Table 10**).

**Table 10.** Out-patient Consultation Services for the period April to June 2014

<b>Out-patients Services Program</b>	<b>April-June 2014</b>
• Number of patients served	15,289
• Total Amount disbursed	Php1,018,824.082

### 3.2 Medical and Dental Mission Program

*PCSO resident doctors and nurses attend to the medical and dental needs, diagnose and treat patients, and communicate primary healthcare education to local communities through the conduct of free medical and dental missions. This program provides direct consultation and access **to medicines along with hands-on medical services.***

As part of PCSO’s outreach program and contribution to the government’s health promotion campaign, a total of 7,968 indigent patients covering medical, dental and laboratory cases were served by PCSO in eight (8) medical and dental missions conducted in various parts of the country. The expenses incurred for these programs amounted to P351,735.85 reflecting a per capita of P44.14/patient (**Table 11**).

**Table 11.** Data on Medical and Dental Mission

Medical and Dental Mission Program	April-June 2014
• Number of patients served	7,968
• Total Amount disbursed	Php351,735.85

### 3.3 Medicine Donation Program

Out of 98 requests for medicine donation, a total of 77 were granted with a total **amount of** P806,698.24 showing a per capita of P10,477/grant (**Table 12**).

**Table 12.** Data on Medicine Donation

Medicine Donation	April-June 2014
• Number of requests granted	77
• Total Amount disbursed	Php806,698.24

## 4. Other Programs

### 4.1 Donation of Vehicles

A total of nine (9) vehicles consisting of Kia Besta Van, Kia Ceres and Tamaraw FX vehicles were donated to Municipalities of Talugtug, Nueva Ecija; Infanta, Quezon; San Miguel, Surigao del Sur; Burgos, Pangasinan and Sto. Tomas, Batangas.

### 4.2 Donation of other Equipment

PCSO also donated various equipments consisting of tables, chairs and air-condition units to the Municipalities of Talugtug, Nueva Ecija; Infanta, Quezon and Kawit, Cavite. Likewise, the Philippine National Police (PNP) was also a recipient of PCSO’s generosity when it donated 81 various ammunitions/firearms.

The APLA/WLA 2014 Business Seminar was held in the Philippines last April 28 to May 1. The event was hosted by the Philippine Charity Sweepstakes Office (PCSO). It was the first time in the 80 years of existence of PCSO that it hosted an international event. The event was a big success and a milestone achievement for PCSO. Around 145 delegates from different countries in the Asia Pacific converged in Manila for the said seminar

PCSO prepared a number of leisure activities for the delegates. Golf enthusiasts were treated to Wack Wack Golf and Country Club, one of the best golf courses in the world where major tournaments such as the Philippine Open and the World Cup of 1977 were held. On the same day, a half-day city tour to Manila's top landmark was held. Delegates visited the Jose Rizal Monument at Luneta Park, where the remains of Philippines' national hero lies. They also visited Fort Santiago, San Agustin Church Museum, Casa Manila and Bahay Tsinoy, all within the walled city of Intramuros. After the half day guided city tour, the delegates enjoyed a delightful lunch at Solaire Resort. In the evening, the delegates were led to the opening dinner. Attendees dined in at the Sunset Bar of Sofitel. PCSO General Manager Atty. Jose Ferdinand M. Rojas II and APLA Chairman and Chief Executive Officer of Singapore Pools (Private) Limited Tan Soo Nan, gave the opening remarks where the latter took the opportunity to greet PCSO as it celebrates its 80<sup>th</sup> Founding Anniversary this year.

The seminar proper came to a close on Thursday, April 30, 2014. The event culminated with a traditional barrio fiesta celebration at the historic Baluarte de San Diego, an al fresco and tranquil garden with the oldest fortified walls of Intramuros in the backdrop. Atty. Mabel Mamba, PCSO board member, welcomed the delegates to the culminating activity. APLA Chairman Tan Soo Nan commended the PCSO for hosting a well-organized event.

A day of networking took place at Villa Escudero. A relaxing day was spent catching up with colleagues from the different lottery communities. Delegates took pleasure in seeing the AERA Memorial Museum housing one of the largest collections *of colonial religious art* in the country, as well as Oriental ceramics, natural history and ethnographic dioramas, costumes, household furniture and weaponry collected from around the world.

The line of activities aims to further promote the country as a major seminar destination in the Asia-Pacific. The hardwork, dedication and gracious hosting of the event by PCSO officials and staff manifested readiness to expand reach and strengthen impact on the lottery industry.