



Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City, Philippines
Corporate Government Audit Sector
Cluster 1 – Banking and Credit

INDEPENDENT AUDITOR'S REPORT

The Board of Directors

LBP Resources and Development Corporation
898 M. H. Del Pilar corner Quintos St.
Malate, Manila

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **LBP Resources and Development Corporation (LBRDC)**, a wholly owned subsidiary of Land Bank of the Philippines, which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LBRDC as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the LBRDC in accordance with the Revised Code of Conduct and Ethical Standards for 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 PFRSs, 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.

In preparing the financial statements, management is responsible for assessing the LBRDC's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the LBRDC or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 judgement 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 LBRDC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimate and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LBRDC to cease to continue as a going concern.


- 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 accordance with PFRSs.

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

Report on Other Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under the Revenue Regulations 15-2010 in Note 35 and the Revised Securities Regulation Code Rule 68 in Note 36 to the 2023 financial statements is presented for purposes of filing with the Bureau of Internal Revenue, and the Securities and Exchange Commission, respectively, and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

COMMISSION ON AUDIT


MARIE FRANCES HAZEL S. ACEBEDO
Supervising Auditor

May 24, 2024





LBP Resources and Development Corporation

Formerly: LB (Land Bank) Realty Development Corporation
A Subsidiary of the Land Bank of the Philippines
VAT Reg. TIN 000-129-546
BS EN ISO 9001:2015



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of LBP (Land Bank of the Phil.) Resources and Development Corporation is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2023 and 2022 in accordance with the prescribed financial reporting framework indicated therein, 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.

In preparing the financial statements, management is responsible for assessing the LBP (Land Bank of the Phil.) Resources and Development Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the LBP (Land Bank of the Phil.) Resources and Development Corporation or to cease operations, or has no realistic alternative to do so.

The Board of Directors is responsible for overseeing the LBP (Land Bank of the Phil.) Resources and Development Corporation's financial reporting process.

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stockholders.

Commission on Audit has audited the financial statements of the LBP (Land Bank of the Phil.) Resources and Development Corporation in accordance with International Standards of Supreme Audit Institutions, and in their report to the stockholders, has expressed their opinion on the fairness of presentation upon completion of such audit.


Lt. Gen. ANTONIO RAMON A. LIM, PAF(Ret.)

Chairman of the Board


Col. RICARDO C. JULIANO, CPA, PA MNSA(Res)

President and CEO


Ms. RUSTICA P. LOCSIN

Acting Corporate Treasurer

Signed this 24th day of May 2024.

LBP RESOURCES AND DEVELOPMENT CORPORATION
(A wholly-owned subsidiary of Land Bank of the Philippines)
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023 and 2022
(In Philippine Peso)

	NOTE	2023	2022
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	75,203,257	97,574,064
Receivables, net	5	614,498,394	558,520,418
Inventories	6	21,063,048	17,527,047
Other Current Assets	11	71,628,238	42,008,993
Total Current Assets		782,392,937	716,630,522
Non-Current Assets			
Financial Assets	7	93,702,821	119,086,884
Receivables, net	5	12,170,121	11,489,576
Investment Property, net	8	279,078,086	286,074,099
Property, Plant and Equipment, net	9	658,104,107	647,701,214
Intangible Asset, net	10	2,851,938	3,248,064
Other Non-Current Assets	11	5,051,835	4,997,604
Total Non-Current Assets		1,050,958,908	1,072,597,441
Total Assets		1,833,351,845	1,788,227,963
LIABILITIES			
Current Liabilities			
Financial Liabilities	12	39,189,324	27,643,427
Inter-Agency Payables	13	35,237,051	55,817,683
Trust Liabilities	14	31,645,309	9,121,771
Deferred Credits/Unearned Income	15	87,904,576	75,178,759
Provisions	16	20,079,607	20,268,468
Other Payables	17	117,758,845	67,064,229
Total Current Liabilities		331,814,712	255,094,337
Non-Current Liabilities			
Financial Liabilities	12	827,913,597	842,137,195
Total Non-Current Liabilities		827,913,597	842,137,195
Total Liabilities		1,159,728,309	1,097,231,532
EQUITY			
Share Capital	18	133,212,000	133,212,000
Share Premium	19	5,162,840	5,162,840
Revaluation Surplus	20	61,200,000	61,200,000
Retained Earnings		474,048,696	491,421,591
Total Equity		673,623,536	690,996,431
Total Liabilities and Equity		1,833,351,845	1,788,227,963

The notes on pages 3 to 40 form part of these statements.

LBP RESOURCES AND DEVELOPMENT CORPORATION
(A wholly-owned subsidiary of Land Bank of the Philippines)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Philippine Peso)

	NOTE	2023	2022
Income			
Service and Business Income	22	915,992,032	956,903,952
Other Non-Operating Income	28	7,000,378	1,052,792
Total Income		922,992,410	957,956,744
Expenses			
Personnel Services	24	(73,754,335)	(60,614,748)
Maintenance and Other Operating Expenses	25	(50,630,492)	(36,662,536)
Direct Cost	23	(770,280,090)	(766,794,562)
Financial Expenses	26	(55,767)	(187,482)
Non-Cash Expenses	27	(5,504,062)	(4,647,939)
Total Expenses		(900,224,746)	(868,907,267)
Net Income Before Tax		22,767,664	89,049,477
Income Tax Expense	29	(5,490,637)	(22,367,984)
Net Income		17,277,027	66,681,493
Total Comprehensive Income		17,277,027	66,681,493

The notes on pages 9 to 40 form part of these statements.



LBP RESOURCES AND DEVELOPMENT CORPORATION
(A wholly-owned subsidiary of Land Bank of the Philippines)
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Philippine Peso)

	Share Capital (Note 18)	Share Premium (Note 19)	Revaluation Surplus (Note 20)	Retained Earnings (Note 21)		Total
				Appropriated	Unappropriated	
BALANCE AT JANUARY 1, 2022						
CHANGES IN EQUITY FOR 2022	133,212,000	5,162,840	61,200,000	348,772,607	101,737,191	650,084,638
ADJUSTMENTS:						
Add/(Deduct):						
Net Income for the year					66,681,493	66,681,493
Declarations of Cash Dividend					(25,769,700)	(25,769,700)
BALANCE AT DECEMBER 31, 2022	133,212,000	5,162,840	61,200,000	348,772,607	142,648,984	690,996,431
CHANGES IN EQUITY FOR 2023						
Add/(Deduct):						
Net Income for the year					17,277,027	17,277,027
Declarations of Cash Dividend					(34,649,922)	(34,649,922)
BALANCE AT DECEMBER 31, 2023	133,212,000	5,162,840	61,200,000	348,772,607	125,276,089	673,623,536

The notes on pages 9 to 40 form part of these statements.

LBP RESOURCES AND DEVELOPMENT CORPORATION
(A wholly-owned subsidiary of Land Bank of the Philippines)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Philippine Peso)

PARTICULARS	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Inflows			
Collection of Income/Revenue		757,669,122	812,541,053
Collection of Receivables		155,870,216	59,564,104
Trust Receipts		23,072,384	42,220,230
Other Receipts		15,829,658	1,412,858
Total Cash Inflows		952,441,380	915,738,245
Adjustments		26,264,351	4,451,575
Adjusted Cash Inflows		978,705,731	920,189,820
Cash Outflows			
Payment of Expenses		(631,640,999)	(586,005,321)
Purchase of Inventories		(17,681,446)	(24,868,444)
Grant of Cash Advances		(9,991,510)	(7,327,579)
Prepayments		(8,366,493)	(7,994,714)
Refund of Deposits		0	(4,111,305)
Payments of Accounts Payable		(11,810,987)	(14,939,083)
Remittance of Personnel Benefit			
Contributions and Mandatory Deductions		(154,319,640)	(148,737,499)
Other Disbursements		(122,294,779)	(114,045,062)
Total Cash Outflows		(956,105,854)	(908,029,007)
Net Cash Provided by Operating Activities		22,599,877	12,160,813
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Inflows			
Receipt of Interest Earned		3,695,537	3,050,044
Proceeds from Matured Investments/Redemption of Long-term Investments/Return on Investments		294,870,385	314,047,454
Total Cash Inflows		298,565,922	317,097,498
Cash Outflows			
Purchase/Construction of Property, Plant and Equipment		(33,285,209)	(3,519,387)
Purchase of Investments		(274,003,118)	(339,603,515)
Purchase of Intangible Assets		(1,598,357)	0
Total Cash Outflows		(308,886,684)	(343,122,902)
Net Cash Used in Investing Activities		(10,320,762)	(26,025,404)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash Inflows			
Availment from approved Short-Term Loan Line		0	6,971,980
Total Cash Inflows		0	6,971,980
Cash Outflows			
Payment of Cash Dividends	21	(34,649,922)	(25,769,700)
Total Cash Outflows		(34,649,922)	(25,769,700)
Net Cash Used in Financing Activities		(34,649,922)	(18,797,720)
DECREASE IN CASH AND CASH EQUIVALENTS		(22,370,807)	(32,662,311)
CASH AND CASH EQUIVALENTS, JANUARY 1		97,574,064	130,236,375
CASH AND CASH EQUIVALENTS, DECEMBER 31	4	75,203,257	97,574,064

The notes on pages 9 to 40 form part of these statements.

LBP RESOURCES AND DEVELOPMENT CORPORATION
(A wholly-owned subsidiary of Land Bank of the Philippines)
NOTES TO THE FINANCIAL STATEMENTS
As of December 31, 2023, and 2022
(All amounts in Philippine Peso, unless otherwise stated)

1. GENERAL / CORPORATE INFORMATION

The LBP Resources and Development Corporation (LBRDC or the Corporation), formerly LB (Land Bank) Realty Development Corporation, a wholly-owned subsidiary of the Land Bank of the Philippines (LBP) was created under Securities and Exchange Commission Registration No. 61385 dated May 8, 1975.

The mandates/functions of LBRDC are to build, reconstruct, repair, remodel and renovate, enlarge, alter and improve private houses and dwellings, commercial buildings and government owned and controlled corporations and establishments (particularly the facilities of LBP, its subsidiaries and affiliates, branches, training centers, field offices, other auxiliary infrastructures, etc.) in support of its role under the Comprehensive Agrarian Reform Program. Also, to engage in, operate and carry on, the business of providing and rendering general manpower services, such as but not limited to management and technical services, janitorial services, maintenance services, clerical messengerial, security services and other allied services.

The LBRDC's registered address is at the 24th Floor LBP Plaza, 1598 M.H. Del Pilar cor. Dr. J. Quintos Sts., Malate, Manila.

2. STATEMENT OF COMPLIANCE WITH PHILIPPINE FINANCIAL REPORTING STANDARDS/PHILIPPINE ACCOUNTING STANDARDS

The financial statements of the Corporation have been prepared in compliance with Philippines Financial Reporting Standards/Philippine Accounting Standards (PFRSs/PASs).

The financial statements of LBRDC, for the years ended December 31, 2023 and 2022 were approved and authorized for issue by the Board of Directors through its Resolution No. 24-020-10 dated February 26, 2024.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 Preparation of Financial Statements

The financial statements have been prepared on the historical cost unless otherwise stated. These financial statements are presented in Philippine Peso, the LBRDC's functional currency and all values are rounded to the nearest peso, unless otherwise stated.

The financial statements are prepared on accruals basis in accordance with PFRSs.

The accounting policies adopted in the preparation of the comparative financial statements are consistent with those of the previous financial year.

3.2 Amended PFRS effective from January 1, 2023

- a. PAS 1 (Amendments), Presentation of Financial Statements – Disclosure of Accounting Policies. The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.
- b. PAS 8 (Amendments), Accounting Estimates – Definition of Accounting Estimates. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".
- c. PAS 12 (Amendments), International Tax Reform – Pillar Two Model Rule – the amendment provides a temporary recognition exception to accounting for deferred taxes arising from the implementation of the international tax reform (Pillar Two Model Rule).

The application of these amendments does not have significant effect/impact on LBRDC's financial statements.

3.3 New and Amended PFRS issued but not Yet Effective

- a. PAS 1 (Amendments), Presentation of Financial Statements, Non-Current Liabilities with Covenants (effective for annual reporting periods beginning on or after January 1, 2024) – The amendments introduce additional disclosure requirements, when an entity classifies a liability arising from a loan arrangement as non-current and that liabilities subject to the covenants which an entity is required to comply with within 12 months of the reporting date, the entity shall disclose:
 - (a) the carrying amount of the liability;
 - (b) information about the covenants; and
 - (c) facts and circumstances, if any, that indicate the entity may have difficulty complying with the covenants. Such facts and circumstances could also include the fact that the entity would not have complied with the covenants based on its circumstances at the end of the reporting period.
- b. PAS 1 (Amendments), Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current (effective for annual reporting periods beginning on or after January 1, 2024). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.
- c. PFRS 16 (Amendments), Lease, Lease Liability in a Sale and Leaseback (effective for annual reporting periods beginning on or after January 1, 2024). The

amendment requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback without recognition of any gain or loss on its right of use retained. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease.

In connection with this, LBRDC will adopt this new amendments/standard if there is an indicative condition that a sale and leaseback transaction involving its Right of Use Asset will occur and have a significant effect on its financial transactions.

Management is currently, assessing the impact of these amendments in its financial statements.

3.4 Financial Instruments

a. Financial assets

Classification and Measurement

At initial recognition, financial assets are classified and measured at amortized cost, Fair Value thru Other Comprehensive Income (FVOCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the LBRDC's business model for managing them.

With the exception of receivables account that do not contain a significant financing component or for which the LBRDC has applied the practical expedient, the LBRDC initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

The LBRDC's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (FVPL)

Financial assets at amortized cost (debt instruments)

This category is the most relevant to LBRDC. LBRDC measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The LBRDC's financial assets at amortized cost includes cash and cash equivalents, trade and other receivables, short-term investments, debt securities at amortized cost, advances to an associate and advance payments to a supplier.

Financial assets at FVOCI (debt instruments)

LBRDC measures debt instruments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objectives of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income and impairment losses or reversals are recognized in the Statement of Comprehensive Income and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in Other Comprehensive Income (OCI). Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, LBRDC can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, Financial Instruments: Presentation, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of comprehensive income when the right of payment has been established, except when LBRDC benefits from such proceeds as a partial recovery of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

Derecognition of financial assets

A financial asset (or where applicable a part of a financial asset or part of a group of financial assets) is derecognized when:

- a. the right to receive cash flows from the asset expires;

- b. the right to receive cash flows from the asset is retained, but has assumed an obligation to pay them in full without material delay to a third party under a "pass through" arrangement or
- c. the right to receive cash flows from the asset is transferred and either:
 - transferred substantially all the risks and rewards of the asset or
 - has neither transferred nor retained the risks and rewards of the asset but has transferred the control of the asset.

Impairment of financial assets

When a financial asset becomes credit-impaired, the standard requires an entity to calculate interest revenue by applying the effective interest rate to the amortized cost of the financial asset. This results in a difference between (a) the interest that would be calculated by applying the effective interest rate to the gross carrying amount of the credit-impaired financial asset and (b) the interest revenue recognized for that asset.

The standard also requires an entity to recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized in accordance with Standard.

b. Financial liabilities

Initial recognition and classification

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, plus directly attributable transaction costs.

Financial liabilities are classified, as subsequently measured at amortized cost, except for financial liabilities at FVPL, loans and borrowings, as appropriate.

The LBRDC does not have financial liabilities at FVPL.

Derecognition

A financial liability is derecognized when the obligation under the liability expires or is discharged or cancelled.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

3.5 Cash and Cash Equivalents

Cash includes cash on hand and in bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from the date of placement and that are subject to insignificant risk of change in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

3.6 Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventories are received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Inventories, except construction materials, are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of LBRDC.

Construction Materials shall be recognized as asset upon purchase. Actual usages or issuance to construction units through Withdrawal Slip shall be charged to cost to be booked as Construction in Progress but the specific project should be identified in each entry.

3.7 Investment Property

Investment property is initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the cost of day to day servicing of an investment property. LBRDC has been adopting the cost model in recognizing its investment property. However, this was inadvertently stated at "fair value" in prior years.

Expenditures incurred after the fixed investment properties have been put into operation, such as repairs and maintenance costs, are normally charged to expense in the period in which the costs are incurred.

After recognition, investment property is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is computed using the straight-line method over the estimated useful lives of the asset. The estimated useful life of investment property for building is 30 years.

Investment properties are derecognized when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on derecognition of an investment property are recognized in the profit and loss in the year of derecognition.

3.8 Property, Plant and Equipment

An item is recognized as property and equipment if it meets the characteristics and recognition criteria as Property, Plant and Equipment (PPE).

These are carried at cost less accumulated depreciation and amortization and any impairment in value.

The initial cost of property and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment has been put into operation, such as repairs and maintenance are normally charged to operations in the period in which the cost are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits from its originally assessed standard of performance, the cost of replacement are capitalized.

Depreciation of an asset begins when it is available for use when it is in location and condition necessary for it to be capable of operating in the manner intended by the management. Depreciation expense is for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation is for the succeeding month. Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of the assets as follows: construction, transportation and other equipment – five years.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the disposal proceeds and the carrying amount of the asset) is included in the Statement of Comprehensive Income in the year the asset was derecognized.

The asset's residual values, useful lives and methods are reviewed periodically to ensure that the period of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

3.9 Intangible Assets

Intangible assets acquired separately are initially measured at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment loss. The useful lives of intangible assets are assessed at the individual asset level as having either finite or indefinite useful lives.

Intangible assets with finite lives are amortized over the useful economic lives of five to 10 years using the straight-line method and assessed for impairment whenever there is an indication that the intangible assets may be impaired. At a minimum, the amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each reporting date.

Changes in the expected useful life or the expected consumption pattern of future economic benefit embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and treated as change in accounting estimates. The amortization expense of intangible assets with finite lives is recognized in the statement of comprehensive income.

Intangible assets with indefinite useful lives are not amortized, but are assessed for impairment annually either individually or at the cash-generating unit level. The assessment of intangible assets with indefinite useful life is done annually at every reporting date to determine whether such indefinite useful life continues to exist.

Otherwise, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the statement of comprehensive income.

3.10 Provisions, Contingent Liabilities and Contingent Assets

a. Provisions

Provisions are recognized when (1) an entity has a present obligation (legal or constructive) as a result of a past event; (2) it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and (3) a reliable estimate can be made of the amount of the obligation.

b. Contingent Liabilities and Assets

Contingent liabilities are not recognized in the financial statements. These are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized unless the realization of the assets is virtually certain. These are disclosed in the notes to the financial statements when an inflow of economic benefits is probable.

3.11 Changes in Accounting Policies and Estimates

LBRDC recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

LBRDC recognizes the effects of changes in accounting estimates prospectively through profit or loss.

LBRDC corrects material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- a. Restating the comparative amounts for prior period(s) presented in which the error occurred; or
- b. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

3.12 Revenue Recognition

PFRS 15 - Revenue from construction contracts is recognized using percentage of completion method or overtime on the time measured principally on the basis of the estimated physical completion of the contract work, in accordance with the Construction Contracts.

Revenue from construction contracts is recognized over time if one of the following criteria are met:

- a. The customer simultaneously receives and consumes the benefit provided by the entity as the entity performs;
- b. The entity performance creates and enhances an asset that the customer controls as the asset is created or enhanced; or
- c. The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for the performance completed to date.

For a performance obligation satisfied over time, LBRDC selects an appropriate measure of progress to determine how much revenue to recognize as the performance obligation is satisfied, which are embodied in Construction Contracts.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed the total contract revenue. Changes in contract performance, contract penalty provisions and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes were determined.

Income from sales of substantially completed projects where collection of sales price is reasonably assured is accounted using the accrual method while sales from projects where collection of sales price is not reasonably assured is recognized using the installment method. Realized income on installment sales is computed based on collections multiplied by the gross profit rates of individual sales contract.

Income from investment property is recognized in the statement of comprehensive income on straight-line basis over the lease term.

Revenue such as commission income from brokering services and management fees from administrative, property management, manpower services and other fees are recognized at a point in time. Revenue therefrom are recognized when control is passed at a certain time.

The circumstances/events that may indicate the point in time in which control passes include but are not limited to:

- the entity has a present right to payment for the asset;
- the customer has legal title to the asset;
- the entity has transferred physical possession of the asset;
- the customer has the significant risks and rewards related to the ownership of the asset; and
- the customer has accepted the asset.

Interest income is recognized as it accrues.

3.13 Leases

PFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under PAS 17, Leases.

Lessor accounting under PFRS 16 is substantially unchanged from PAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in PAS 17. Therefore, PFRS 16 does not have an impact for leases where the Corporation is the lessor.

The standard includes two recognition exemptions for lessees – leases of "low-value" assets (e.g. personal computers) and short-term leases (i.e. leases with a lease term of 12 months or less). The Corporation applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets wherein associated lease payments are recognized as an expense on a straight-line basis over the lease term.

At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset).

Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

LBRDC Board of Directors approved the adaption of PFRS 16 on July 16, 2019 as per Board Resolution No.19-07-08.

Contract of Lease for 25-year term made and entered into between Privatization Management Office (PMO-lessor) and LBP Resources and Development Corporation (lessee) on effective June 01, 2022.

The lessee shall pay P1,600,000 monthly VAT-exempt. The said monthly rental shall be subject to four per cent or 10 per cent of Gross Revenue yearly escalations clause. The incremental used to compute for the present value of lease liability and Right of Use Assets is 0.135 per cent derived from treasury bill rates for the year June 2023. The Right of Use Asset is depreciated through straight-line basis over the lease term.

The carrying amount of the Right of Use Asset amounts to P607,757,024 and the outstanding balance of Lease Liability amounts P634,020,903.

4. CASH AND CASH EQUIVALENTS

	2023	2022
Cash on Hand	1,000,000	1,000,000
Cash in Bank – Local Currency	74,203,257	66,416,380
Time Deposits – Local Currency	0	30,157,684
Total	75,203,257	97,574,064

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three months depending on the immediate cash requirements and earn interest at the respective short-term rates.

The annual interest rates of the cash equivalents are as follows:

	2023	2022
Philippine Peso (Current and Savings Deposit)	0.05%	0.05%
Interest of short-term investments	4% to 5.95%	4% to 4.85%

Investment in special depository accounts is with maturity periods of 70 to 174 days and rolled over depending on the cash requirements of LBRDC.

The Time Deposits - Local Currency pertains to Investment Management Agreement entered into by LBRDC with Land Bank of the Philippines through its Trust Banking Group as the Investment Manager. The LBRDC avails the services of the latter relative to the management and investment of its investible funds/assets. The funds are invested in High Yield Saving Account

5. RECEIVABLES, NET

This account consists of:

	2023			2022		
	Current	Non-current	Total	Current	Non-current	Total
Receivables	566,544,496	0	566,544,496	529,873,646	0	529,873,646
Sales						
Contract						
Receivable	1,247,677	11,170,121	12,417,798	1,670,112	11,489,576	13,159,688
Rent						
Receivables	20,285,826	0	20,285,826	10,486,332	0	10,486,332
Other						
Receivables	26,420,395	1,000,000	27,420,395	16,490,328	0	16,490,328
– net						
Total	614,498,394	12,170,121	626,668,515	558,520,418	11,489,576	570,009,994

5.1 Receivables

	2023			2022		
	Current	Non-current	Total	Current	Non-current	Total
Receivables	567,994,271	0	567,994,271	532,930,832	0	532,930,832
Allowance for impairment- Accounts Receivable	(1,449,775)	0	(1,449,775)	(3,057,186)	0	(3,057,186)
Net Value- Accounts Receivable	566,544,496	0	566,544,496	529,873,646	0	529,873,646

Receivable consists of the following:

- Contract Receivable are amounts billed/unbilled to LBP and other clients for construction/renovation contracts but not paid as of reporting date amounting to P67,280,525.
- Accounts Receivable – Trade arises from contract entered into by LBRDC with LBP and other clients on deployment of service contract workers, janitors/messengers and other services with billed amounting to P500,713,746.

5.2 Sales Contract Receivable represents the outstanding balance of receivable from sale of 12 housing units at Grand Garden Villas, Dasmariñas, Cavite, with the following terms and conditions:

Contract Price:	Three-bedroom units – P1,700,000, P1,800,000 and P1,900,000
Payment Options:	Cash, thru Pag-ibig Loan or thru In-house Financing
Terms and Conditions:	
Period	Retirement age minus current age of the employees but not more than 30 years
Payment	Deduction from salaries and other benefits
Interest	Four per cent per annum

The total principal amount of the sold units amounted to P21,000,000 and the total interests to be collected from the buyers for the duration of the payment period amounted to P12,152,585.

As at December 31, 2023, the balance of sales contract receivable amounted to P12,417,798.

5.3 Operating Lease Receivables

	2023	2022
Operating Lease Receivable	20,285,826	10,486,332
Allowance for Impairment	0	0
Net Value - Operating Lease Receivable	20,285,826	10,486,332

5.4 Other Receivables includes Retention Receivables and all non-trade receivables (e.g. SSS, maternity/sickness benefits)

	2023			2022		
	Current	Non-current	Total	Current	Non-current	Total
Other Receivables	28,014,979	1,000,000	29,014,979	18,548,711	0	18,548,711
Allowance for Impairment-Other Receivables	(1,594,584)	0	(1,594,584)	(2,058,383)	0	(2,058,383)
Net Value-Other Receivables	26,420,395	1,000,000	27,420,395	16,490,328	0	16,490,328

The non-current amount of the Other Receivables represents the self-insurance fund set up in December 2023 in order to provide an additional insurance for LBRDC Directors and Officers covered with an initial amount of P1.0 million deposited to Landbank – Trust Department.

The following is the Aging/Analysis of Receivables:

	Total	Not past due	Past Due > 60 days
Accounts Receivable	566,544,496	560,590,832	5,953,664
Sales Contract Receivable	12,417,798	12,417,798	
Operating Receivable	20,285,826	20,285,826	
Other Receivables	27,420,395	26,431,863	988,532
Total	626,668,515	619,726,319	6,942,196

6. INVENTORIES

This account consists of inventories held for consumption:

	2023	2022
Construction Materials	19,015,801	14,550,312
Janitorial Supplies	902,021	2,034,645
Stationery and Supplies	1,145,226	342,033
Fuel, Oil and Lubricants	0	600,057
Total	21,063,048	17,527,047

Reconciliation of the carrying amount follows:

	2023	2022
Carrying Amount, January 1	17,527,047	11,497,949
Additions/Acquisitions during the year	37,143,783	34,299,478
Expensed during the year except write-down	(33,607,782)	(28,270,380)
Carrying Amount, December 31	21,063,048	17,527,047

LBRDC measures its inventories at purchase cost and applies a first-in, first-out method. Inventories consist of office supplies, both accountable and non-accountable forms, janitorial supplies used in LBRDC's janitorial services to LBP, and construction materials used in LBRDC's construction and renovation services to LBP.

7. FINANCIAL ASSETS AT AMORTISED COST

This account consists of investment in bonds, which are held to maturity.

	2023	2022
Retail Treasury Bonds	73,311,906	98,836,698
Petron Corporation Fixed Rate Bond	20,390,915	20,250,186
Total	93,702,821	119,086,884

Reconciliation of the balance of financial assets follows:

As at December 31, 2023

	Held to Maturity
Balance as at January 1, 2022	119,086,884
Maturity/Withdrawal	(26,042,990)
Interest Receivable	658,927
Balance as at December 31, 2023	93,702,821

As at December 31, 2022

	Held to Maturity
Balance as at January 1, 2022	92,423,580
Additional Investment	25,917,277
Interest Receivable	746,027
Balance as at December 31, 2022	119,086,884

8. INVESTMENT PROPERTY

This account consists of:

Accounts	2023			2022		
	Investment Property – Land	Investment Property – Buildings	Total	Investment Property – Land	Investment Property – Buildings	Total
Carrying Amount, January 1	66,000,000	220,074,099	286,074,099	66,000,000	31,171,475	97,171,475
Additions	0	7,815,330	7,815,330	0	195,463,340	195,463,340
Deductions	0	(3,155,372)	(3,155,372)	0	0	0
Total	66,000,000	224,734,057	290,734,057	66,000,000	226,634,815	292,634,815
Depreciation	0	(11,655,971)	(11,655,971)	0	(6,560,716)	(6,560,716)
Carrying Amount, December 31	66,000,000	213,078,086	279,078,086	66,000,000	220,074,099	286,074,099
Gross Cost	66,000,000	281,306,606	347,306,606	66,000,000	276,646,848	342,646,848
Accumulated Depreciation	0	(68,228,520)	(68,228,520)	0	(56,572,549)	(56,572,549)
Carrying Amount, December 31	66,000,000	213,078,086	279,078,086	66,000,000	220,074,099	286,074,099

LBRDC uses the following criteria to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of operations (inventory):

- If the property is not used in the normal operations of the company; and
- If the property is held for capital appreciation and/or to earn rental income

The Land and Building at General Luna Street and J. Hernandez Avenue, Barangay Abella, Naga City, Province of Camarines Sur was appraised on December 19, 2019 (date of report) with an appraised value of P152,000,000 and P37,262,000, respectively. The condominium unit at World Centre, No. 330 Sen. Gil Puyat Avenue cor. H.V. dela Costa Street, Salcedo Village, Barangay Bel-air, Makati City, has an appraised value of P124,401,000.

The Building/Improvements at Special Economic Zone, Barangay 186, Tala, North Caloocan City was purchased in the amount of P195,463,340 with a 25-year lease contract over the land owned by PMO effective June 2022. The additions and deductions represent the major repairs to the rented buildings and reclassification of the building/improvements from the leased area to the owner-occupied property, respectively.

The rental revenue amounted to P124,550,718 and P76,507,624 in CY 2023 and CY 2022 respectively.

9. PROPERTY, PLANT AND EQUIPMENT

This account is composed of the following:

As at December 31, 2023

	Building and Other Structures	Machinery and Equipment	Transportation Equipment	Furniture, Fixtures and Books	Right of Use	TOTAL
Carrying Amount January 1	5,982,559	6,329,763	981,087	302,585	634,105,220	647,701,214
Additions	11,531,244	6,915,301	21,866,425	231,381	0	40,544,351
Adjustments	0	(126,321)	0	(264,845)	0	(391,166)
Total	17,513,803	13,118,743	22,847,512	269,121	634,105,220	687,854,399
Depreciation	(673,964)	(1,914,347)	(744,408)	(69,377)	(26,348,196)	(29,750,292)
Carrying Amount December 31	16,839,839	11,204,396	22,103,104	199,744	607,757,024	658,104,107
Gross Cost	20,655,857	28,298,070	29,129,877	810,945	649,254,492	728,149,241
Accumulated Depreciation	(3,816,018)	(17,093,674)	(7,026,773)	(611,201)	(41,497,468)	(70,045,134)
Carrying Amount December 31	16,839,839	11,204,396	22,103,104	199,744	607,757,024	658,104,107

As at December 31, 2022

	Building and Other Structures	Machinery and Equipment	Transportation Equipment	Furniture, Fixtures and Books	Right of Use	TOTAL
Carrying Amount January 1	6,311,047	2,790,819	1,392,354	314,377	0	10,808,597
Additions	0	8,731,490	0	730,696	649,254,492	658,716,678
Deductions	0	(5,192,546)	0	(742,488)	0	(5,935,034)
Total	6,311,047	6,329,763	1,392,354	302,585	649,254,492	663,590,241
Depreciation	(328,488)	0	(411,267)	0	(15,149,272)	(15,889,027)
Carrying Amount December 31	5,982,559	6,329,763	981,087	302,585	634,105,220	647,701,214
Gross Cost	9,124,612	21,509,090	7,263,451	844,409	649,254,492	687,996,054
Accumulated Depreciation	(3,142,053)	(15,179,327)	(6,282,364)	(541,824)	(15,149,272)	(40,294,840)
Carrying Amount December 31	5,982,559	6,329,763	981,087	302,585	634,105,220	647,701,214

The additions under the Building and Other Structures in CY 2023 represent the following:

	Amount
Owner-occupied building/improvements at the Special Economic Zone, Tala, Caloocan City	3,155,372
Newly constructed LBRDC Warehouse at the Special Economic Zone, Tala, Caloocan where construction materials inventory was placed and the fabrication area	2,103,422
Partial construction of perimeter fence at Special Economic Zone, Tala, Caloocan city	6,272,450
	11,531,244

The additions under Machinery and Equipment in CY 2023 represent the following:

	Amount
Construction Equipment e.g. shoring jack, H-Frame, Cross Brace and other	4,061,412
IT and Communication Technology Equipment	713,392
Electrical Equipment, Special Economic Zone	1,012,054

Other Equipment	1,128,443
	6,915,301

The additions under Transportation Equipment in CY 2023 represent the following:

	Amount
2 units of Isuzu Fire Trucks 10000L and 3000L	16,749,997
Mini Dumptruck Isuzu FRR	4,446,428
2015 Toyota Innova (donated)	670,000
	21,866,425

10. INTANGIBLE ASSETS

This account consists of the following net amount:

	2023	2022
Inventory Management System	1,119,866	970,983
Firewall Software Protection, net	764,000	0
Microsoft Office License Key, net	342,946	0
Document Management System	289,732	384,555
Purchasing and Accounting System	167,933	1,621,152
Computer Software	79,765	79,745
Payroll System	51,983	169,890
Engineering Software	35,713	21,739
	2,851,938	3,248,064

10.1 Document Management System represents the purchased of Digital Archiving from Microgenesis Software Inc. amounting to P526,786, net of input tax on July 21, 2021.

10.2 Purchasing and Accounting System represents initial payment for Oracle License.

10.3 Computer System represents salvage value of software acquired from Beacon Frontline Solutions, Inc. in CY 2005 in the amount of P1,254,545. It has been amortized for five years starting in January 2007

10.4 Payroll System represents amortized cost of payroll system acquired from Balmori – Version 7.8 Surepay. This was acquired in 2014 and 2015 for a total cost of P159,112 amortized for five years. Additional work-station license was acquired amounting to P62,500 in October 2021 and Interface Module Pay Master of P17,853 in 2020. Total amortization recognized as of December 31, 2023 amounted to P401,847.

10.5 Engineering Software represents the acquisition of CAD-PRO 2021-Engineering Software with a purchased price of P77,875 in September 2020 and Sketch UP Pro of P65,179 in November 2019.

Reconciliation of the carrying amount follows:

	2023	2022
Carrying Amount, January 1	3,248,064	3,379,188
Additions	1,534,375	0

Deductions	(7,857)	0
	4,774,582	3,379,188
Amortization	(1,922,644)	(131,124)
Carrying Amount, December 31	2,851,938	3,248,064
Gross Cost	6,348,540	4,822,022
Accumulated Amortization	(3,496,602)	(1,573,958)
Carrying Amount, December 31	2,851,938	3,248,064

11. OTHER ASSETS

This account consists of:

	Current	2023 Non- current	Total	Current	2022 Non- current	Total
Advances to Officers and Employees	148,774	0	148,774	648,169	0	648,169
Prepayments	62,214,396	0	62,214,396	41,172,151	0	41,172,151
Deposits	0	5,039,235	5,039,235	0	4,985,004	4,985,004
Construction in Progress	9,265,068	0	9,265,069	188,673	0	188,673
Other Investments	0	12,600	12,600	0	12,600	12,600
Total	71,628,238	5,051,835	76,680,074	42,008,993	4,997,604	47,006,597

11.1 The prepayment represents the following:

	Amount
Advances to Contractors/Sub-Contractors	2,455,102
Input Tax	8,239,776
Prepaid Insurance	346,538
Creditable Input Tax	12,616,957
Withholding Tax at Source	28,577,796
Other Prepayment	9,978,227
Balance as at December 31, 2023	62,214,396

11.2 Total deposit represents the following transaction:

	Amount
Construction of the current project	2,835,483
MERALCO (Special Economic Zone) deposit	1,555,330
Rental Deposit	143,541
Cash bond for appraisal business	20,300
Other deposit (construction tools)	484,581
Balance as at December 31, 2023	5,039,235

11.3 The Construction in Progress is the control account used to record the accumulated costs related to the construction and renovation projects of LBRDC. The LBRDC uses the percentage of completion method in recognizing income and cost based on the contract amount and it is also the policy of LBRDC to close its project at 95 per cent

completion wherein abnormal balances of CIP, if any, will be closed to the Construction Cost account.

12. FINANCIAL LIABILITIES

This account consists of:

	Current	2023 Non- current	Total	Current	2022 Non- current	Total
Accounts Payable-Trade	33,611,232		33,611,232	19,918,016	3,109,283	23,027,299
Retention Payable	5,578,092		5,578,092	7,725,411	0	7,725,411
Lease Liability		634,020,903	634,020,903		643,295,492	643,295,492
Loan Payable - Domestic		193,892,694	193,892,694		195,732,420	195,732,420
Total	39,189,324	827,913,597	867,102,921	27,643,427	842,137,195	869,780,622

12.1 Accounts Payable -Trade represents all trade payables arising from purchase of merchandise or services.

12.2 Retention Payable represents a certain percentage of the contractor's billing which is temporarily retained by LBRDC to answer for the defects that may later on be discovered on the projects. The release of said portion shall be within one year after the acceptance of the projects.

12.3 Lease Liability measured at the Present Value of Lease payments using rate implicit in the lease or if cannot be determined the implicit rate use incremental borrowing rate.

12.4 Loan Payable - Domestic represents the outstanding Term Loan from Landbank of the Philippines for the purchase of the Buildings/Improvements at Special Economic Zone, Tala, Caloocan.

13. INTER-AGENCY PAYABLES

This account consists of:

	2023	2022
Due to LBP	18,251,922	43,229,695
Due to Government Corporation	1,566,820	1,566,819
Income Tax Payable	6,584,624	2,952,399
Due to BIR	2,225,980	2,459,213
Due to SSS	2,538,668	2,892,527
Due to GSIS	711,307	0
Due to PhilHealth	2,239,886	1,657,140
Due to Pag-IBIG	1,117,844	1,059,890
Total	35,237,051	55,817,683

14. TRUST LIABILITIES

This account consists of:

	2023	2022
Customers' Rental Deposits	30,494,705	7,654,253
Contractors' Deposits	1,007,586	1,324,500
Customers' Deposit	143,018	143,018
	31,645,309	9,121,771

14.1 Customers' rental deposits represents amount deposited by the lessee for the units/properties being rented where the unpaid bills or repair to the property will be charged, the balance of which will be returned to the lessee.

14.2 Contractors' deposit represents deposit for the project's plans and specifications, bidder's bond and performance bond.

14.3 Customers' deposit represents deposit on real estate for sale developed by LBRDC.

15. DEFERRED CREDITS/UNEARNED INCOME

This account consists of:

	2023	2022
Unearned Revenue/Income- Investment Property	8,632,756	9,821
Output Tax	79,271,820	75,168,938
	87,904,576	75,178,759

16. PROVISIONS

This account consists of:

	2023	2022
Retirement Gratuity	10,641,214	10,641,214
Leave Benefits Payable	9,438,393	8,207,254
Health Benefits	0	1,420,000
	20,079,607	20,268,468

16.1 Leave Benefits Payable pertains to accrual of retirement and leave credits of the regular employees.

16.2 Health Benefits - LBRDC Board Resolution No. 21-04-10 dated April 20, 2021, approved the allocation of Health Contingency Fund to provide emergency financial assistance to all employees affected by the COVID-19 threat.

17. OTHER PAYABLES

This account consists of:

	2023	2022
Accounts Payable- Others	4,865,268	2,914,596
Accrued Expenses	112,893,577	57,149,633
Loan Payable – Domestic	0	7,000,000
	117,758,845	67,064,229

17.1 Accrued expenses include cost of audit fees, rental and administrative charges, employee benefits, direct materials and other administrative expenses.

18. SHARE CAPITAL

The Securities and Exchange Commission approved the increase in authorized capitalization of LBRDC on February 6, 2012. The total authorized capital is P500,000,000 at P10 par, issued and subscribed of P200,000,000 and paid up of P133,212,000. The increase in the equity of LBP in the amount of P33,212,000 (3,321,200 shares at P10 par value/share) was recognized and the Certificate of shares of stock was issued to LBP on February 16, 2012. In accordance with the Deed of Exchange executed by and between LBRDC and LBP on January 5, 2010, the consideration for the increase in equity consisting of a condominium unit and five parking slots at World Center, Makati City, with a value of P33,212,000 was recognized as Investment property.

In previous years, LBRDC issued stock dividends to the National Government totaling 7,498,857 shares or P74,988,570.

19. SHARE PREMIUM

The share premium represents the difference of the share issue price and par value of the share issued and outstanding amounting to P5,162,840.

20. REVALUATION SURPLUS

The P61,200,000 revaluation surplus pertains to the increase in fair value of the land owned located in Naga City.

21. RETAINED EARNINGS

Appropriation of Retained Earnings

The appropriation from Retained Earnings amounting to P348,772,607, that was approved in Board Resolution No. 21-05-07, is composed of the following:

Particulars	Amount	Timeline
Provision for software/equipment	18,772,607	2019-2024
Provision for liability insurance of directors	10,000,000	2019-2022
Construction of LBRDC Naga Building	320,000,000	2020-2025
	348,772,607	

Dividend Declaration to the National Government

The cash dividend for CY 2022 amounting to P34,649,922 was remitted to the Bureau of Treasury on May 12, 2023, August 15, 2023 and December 5, 2023

22. SERVICE AND BUSINESS INCOME

This account consists of:

	2023	2022
Service Income		
Manpower Services Income	584,417,079	611,639,220
Construction Revenue	168,740,492	233,083,113
Property Management Fee	23,480,210	23,972,364
Fees and Commission Income	3,042,288	3,131,782
Appraisal	2,720,090	1,640,625
	782,400,159	873,467,104
Rent/Lease Income	124,550,718	76,507,642
Interest Income	9,041,155	6,929,206
	133,591,873	83,436,848
Total	915,992,032	956,903,952

23. DIRECT COST

This account consists of:

	2023	2022
Service Costs		
Manpower Services Expense	521,122,640	531,923,044
Construction Costs	156,175,941	184,004,892
Property Management Expense	15,836,960	14,201,332
Direct Cost (Lease at SEZ)	76,122,245	36,222,577
Appraisal Fee	888,971	309,384
Fees and Commission Expense (Retainer's Fee)	133,333	133,333
Total	770,280,090	766,794,562

24. PERSONNEL SERVICES

This account consists of:

	2023	2022
Salaries and Wages		
Salaries and Wages-Regular	41,778,058	30,831,277
Salaries and Wages-Casual/Contractual	3,522,370	4,813,678
	45,300,428	35,644,955
Other Compensation		
Personnel Economic Relief Allowance (PERA)	1,880,000	1,331,000
Representation Allowance	914,098	793,500
Transportation Allowance	777,500	649,000
Productivity Incentive Allowance	436,500	299,000
Clothing/Uniform Allowance	405,261	296,689
Subsistence Allowance	0	60,000
	4,413,359	3,429,189
Honoraria		
Directors and Committees Members' Fees	5,067,200	1,577,000
Overtime and Night Pay	1,782,144	1,119,315
Year End Bonus	3,394,904	4,196,748
Mid-Year Bonus	3,122,648	2,008,864
Cash Gift	453,750	254,818
Longevity Pay	45,000	10,000
Other Bonuses and Allowances	4,356,355	4,038,159
	18,222,001	13,204,904
Personnel Benefit Contribution		
Employees Compen Insurance Premium(SSS)	1,442,300	2,028,818
Employees Compen Insurance Premium (GSIS)	3,247,763	0
PhilHealth Contribution	926,229	656,735
Pag-IBIG Contributions	134,500	104,700
	5,750,792	2,790,253
Other Personnel Benefits		
Retirement Gratuity	0	5,108,335
Other Personnel Benefits	67,755	437,112
	67,755	5,545,447
	73,754,335	60,614,748

LBRDC and its employees contribute to the Social Security System (SSS) in accordance with the Republic Act No. 8282. The SSS administers the plan including payment of employees' pension benefits.

25. MAINTENANCE AND OTHER OPERATING EXPENSES

This account is composed of:

	2023	2022
Training and Scholarship Expenses		
Training Expenses	2,507,485	911,180
Supplies and Materials Expenses		
Office Supplies Expenses	650,520	1,135,147
Accountable Forms Expenses	174,642	170,297
Other Materials and Supplies Expense	3,315	3,408,831
Semi-Expendable Exp-Info & Comm Tech Equipment	2,500,461	0
Semi-Expendable Exp-Machinery & Equipment	630,060	0
Semi-Expendable Exp-F & F and Books	454,264	0
Semi-Expendable Exp-Construction Equipment	862,853	0
Semi-Expendable Exp-Office Equipment	59,607	0
Semi-Expendable Exp-Others	309,536	0
Utility Expenses		
Water and Electricity Expenses	1,288,244	2,349,531
Fuel, Oil and Lubricants Expenses	936,190	381,747
Communication Expenses		
Telephone Expenses	310,658	253,205
Internet Subscription	615,201	0
Cable, Satellite and Radio Expenses	44,100	0
Confidential, Intelligence and Extraordinary Expenses		
Extraordinary and Miscellaneous Expenses	240,000	182,000
Professional Services		
Auditing Services	1,311,159	295,787
Other Professional Services	2,388,071	250
General Services		
Janitorial Services	131,165	121,840
Security Services	5,649,989	4,531,540
Housekeeping/Cleaning Supplies Expenses	153,966	0
Repairs and Maintenance		
Repairs and Maintenance-Transportation Equipment	447,063	799,638
Repairs and Maintenance-Investment Property	4,359,748	2,150,055
Repairs and Maintenance-Others	2,242,687	1,650,372
Taxes, Insurance Premiums and Other Fees		
Taxes, Duties and Licenses	8,970,805	7,791,681
Insurance/Reinsurance Expenses	3,582,033	936,587
Other Maintenance and Operating Expenses		
Rent/Lease Expenses	686,785	1,880,460
Transportation and Delivery Expenses	287,986	74,974
Representation Expenses	782,029	487,306
Travelling Expenses – local	938,380	0
Advertising, Promotional and Marketing Expenses	20,255	16,060
Membership Dues and Contributions to Organizations	0	7,500
Subscription Expense	77,275	0
Major Events & Conventions Expense (GAD Related)	2,050,859	0
Postage and Courier	14,764	0
Other Maintenance and Operating Expenses	4,928,337	7,126,548
Donations	20,000	0
Total	50,630,492	36,662,536

26. FINANCIAL EXPENSES

	2023	2022
Bank Charges	55,767	187,482
TOTAL	55,767	187,482

27. NON-CASH EXPENSES

This account is composed of:

	2023	2022
Depreciation		
Depreciation-Investment Property	1,119,984	1,119,984
Depreciation-Buildings and Other Structures	328,488	328,488
Depreciation-Transportation Equipment	744,408	411,268
Depreciation-Machinery and Equipment	1,091,611	934,461
Depreciation-Office Equipment	24,586	
Depreciation-Electrical Equipment	37,064	
Depreciation-Furniture, Fixtures and Books	102,665	84,637
	3,448,806	2,878,838
Allowance for Doubtful Accounts		
Bad Debts	132,612	1,637,977
	132,612	1,637,977
Amortization		
Amortization- Intangible Assets	1,922,644	131,124
	1,922,644	131,124
Impairment Loss		
Impairment Loss- Receivables-Trade	0	0
Impairment Loss- Retention Receivable	0	0
	0	0
	5,504,062	4,647,939

28. OTHER NON-OPERATING INCOME, GAIN OR LOSSES

This income consists of the following:

	2023	2022
Other Gains	6,330,378	1,052,792
Donation in kind	670,000	
Total	7,000,378	1,052,792

Other gains are derived from selling of bidding documents, disposal of scrap waste materials from warehouse and other miscellaneous income.

29. INCOME TAX EXPENSE

Tax liabilities for the current period are measured at the amount expected to be paid to tax authority. Income tax expense comprises of current and final tax. The tax rates and tax law used to compute the amount are those that are enacted or substantively enacted at reporting date. For CY 2023 and 2022, the provisions for income tax were computed as follows:

	2023	2022
Net income before tax	22,767,664	89,049,476
Income subject to final tax	(8,535,366)	(6,417,733)
Income subject to special tax (5%)	(3,404,486)	(3,879,682)
Fines, penalties and other charges	0	2,605,761
Net income subject to tax	10,827,812	81,357,822
Current tax expense		
(For CY 2022 – 25%)	2,706,953	20,339,456
(For CY 2022- 5%)	1,076,610	744,981
Income tax final	1,707,074	1,283,547
	5,490,637	22,367,984

New Tax Regulation

Republic Act (RA) No. 11534, An Act Reforming the Corporate Income Tax and Incentives System, was passed into law on March 26, 2020.

Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act provides that an income tax rate of 25 per cent effective July 1, 2020 shall be imposed upon the taxable income derived during each taxable year from all sources within and without the Philippines by every corporation. Provided that corporations with net taxable income not exceeding P5 million and with total assets not exceeding P100 million excluding land on which the particular business entity's office, plant, and equipment are situated during the taxable year for which the tax is imposed shall be taxed at 20 per cent.

The Minimum Corporate Income Tax (MCIT) is one per cent effective June 1, 2020 until June 30, 2023 as provided for in RA No. 11534.

Under pre-CREATE, PEZA rules, registered enterprises can enjoy a special five per cent Gross Income Tax incentive after their income tax holiday. Instead of paying regular corporate taxes, they are taxed five per cent of their gross income, which is determined by taking their gross sales and deducting their direct costs. LBRDC is already registered corporation to PEZA per Certificate of Registration No. 2022-0055-PEZA-DM-168-1.

30. EARNINGS PER SHARE

The basic earnings per share is computed by dividing the net income for the year attributable to common stockholders by the weighted average number of common shares

issued and outstanding during the year adjusted for any subsequent stock dividends declared.

	2023	2022
Net income	17,277,027	66,681,493
Weighted average no. of outstanding common shares	13,321,200	13,321,200
Earnings per share	1.30	5.01

31. CONSTRUCTION CONTRACTS

The construction income for CY 2023 is P168,740,492 with accumulated cost of P156,175,941 and recognize net profit of P12,564,551. Also, the outstanding retention receivable as part of contract receivables and advances from clients as Due to LBP are P21,361,846 (net) and P18,251,922, respectively.

32. RETIREMENT BENEFITS

LBRDC has funded non-contributory defined retirements benefit plan in accordance with the Retirement Pay Law (Republic Act No. 7641) covering all of its qualified regular employees. The benefit is equal to one-half month salary for every year of service, a fraction of at least six months being considered as one whole year. For the purpose of computing the retirement pay, "one –half month salary" shall include 15 days salary based on the latest basic salary rate, cash equivalent of five days service incentive leave, one-twelfth (1/12) of the 13th month pay and other benefit inclusions as may be agreed upon by LBRDC and the employee. The plan provides retirement, separation, disability and death benefits to its members. The fund is being administered and managed by Land Bank of the Philippines – Trust Banking Group. Contributions and costs are determined with the actuarial studies made for the plan. Annual cost is determined using the Accrued Benefit with the Actuarial Cost Method (Projected Unit Credit). The Company's latest actuarial valuation date is January 1, 2012.

LBRDC Board approved the retirement benefit plan on July 30, 2010 under Board Resolution No. 10-068. The retirement benefit plan includes vesting rights for voluntary separation of employees who have at least five years of continuous service. As of December 31, 2023, the vested benefit is P10,599,345.33 per Statement of Financial Position.

33. COMMITMENTS AND CONTINGENCIES

The Corporation has the following operating lease commitments:

LBRDC as Lessee

LBRDC has entered into commercial leases on the office spaces occupied and systems furniture in the following:

a. Office space at LBP Plaza for five years and systems furniture which expired in May 2013 with renewal option included in the contracts. There are no restrictions placed upon the lessee on entering into these leases. Future minimum rental payable under non-cancelable operating lease which is due within one year as of December 31, 2023 is P730,298. These are lodged under the Rental expense account.

b. Copy Link, Inc. for rental of copying with a contract of one year which will end on July 31, 2024 amounting to P15,133.

c. Privatization Management Office for 25 years which commenced on June 2022. There are no restrictions placed upon the lessee on entering into this lease. Future minimum rentals payable under non-cancelable finance leases which due on May 31, 2047.

LBRDC as lessor

LBRDC has entered into commercial property leases on its investment property portfolio consisting of land and building. These non-cancelable leases have remaining terms of one to 15 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

LBRDC also entered into Special Economic Zone property leases under PEZA rules and regulations consisting of improvements/buildings only. These non-cancelable leases are for five years reconned on January 1, 2023 to December 31, 2027.

34. RELATED PARTY TRANSACTIONS

The financial statements include transactions entered into with related parties for the relevant financial year:

	2023	2022
Investment in HYSA	0	30,157,684
LBP Branches and Plaza HQ	889,971,931	889,971,931
Investment in RTB	26,673,894	71,970,857
LBP Naga Branch Rental	2,491,118	2,418,561
LBRDC Head Office Space	693,783	693,783
TOTAL	919,830,726	995,212,816

The transfer of title for the World Centre Condominium property infused by LBP, as additional equity, has not yet materialized due to LBRDC's request for the certification/confirmation of a tax-free exchange of the property. The Management is still waiting for the reply of the Assistant Commissioner for Legal Services, Bureau of Internal Revenue, for the issuance of the certificate that will be presented to the Registry of Deeds for the registration of the title under the name of LBRDC.

Key Management Personnel

The key management personnel of the LBRDC are the President and CEO, the members of the governing body, and the members of the senior management group. The governing

body consists of members appointed by the President of the Philippines. The senior management group consists of the President and CEO and the Heads of its departments.

Key Management Personnel Compensation

The aggregate remuneration of members of the governing body and the number of members determined on a fulltime equivalent basis receiving remuneration within this category, are:

	Aggregate Remuneration
Salaries and Wages	7,636,668
Other Compensation	3,570,481
	11,207,149

35. SUPPLEMENTARY INFORMATION ON REVENUE REGULATION

A. REVENUE REGULATIONS (RR) No. 15-2010

On November 25, 2010, the Bureau of Internal Revenue (BIR) issued RR No. 15-2010 which prescribes additional procedural and/or documentary requirements in connection with the preparation and submission of financial statements accompanying the tax returns. Under the said RR, companies are required to disclose, in addition to the disclosures mandated under PFRSs and such other standards and/or conventions that may heretofore be adopted, in the Notes to the Financial Statements, information on taxes, duties and license fees paid or accrued during the taxable year. In compliance with the requirements set forth by RR No. 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year.

LBRDC is a VAT registered entity under Philippine tax laws per RR No. 16-2005. LBRDC is subject to Value Added Tax and other taxes (presented as Taxes and Licenses in the statement of comprehensive income) as well as corporate income tax. LBRDC was also designated by BIR as withholding tax agent under RR No. 17-2003 and RR No. 12-94, as amended.

In compliance, LBRDC pays the corresponding Value Added Tax on all items treated as gross receipt/sales and fringe benefit tax (FBT) on the benefits provided to its officers in accordance with the law and revenue regulation prescribing FBT. LBRDC withheld corresponding taxes on purchases of goods and services and compensation of employees.

- a. The LBRDC is VAT-registered with VAT output tax declaration of P93,842,503 for CY 2023
- b. The LBRDC has zero-rated/exempt sales pertaining to the sale of townhouses at Grand Garden Villas.
- c. The amount of VAT input taxes claimed are broken down as follows:

	Amount
Balance, beginning of the year	7,284,633
Current year's purchases	
i. Goods other than resale or manufacture capital goods	3,426,023
ii. Goods other than capital goods	13,414,575
iii. Services lodged under other accounts	9,517,687
Claims for tax credits/refund	(25,403,142)
Balance at end of year	8,239,776

d. Other taxes and licenses

	Amount
Local	
Mayor's permit	7,360,116
Real estate tax	1,144,101
Capital equipment tax	56,908
Professional tax receipt/PRC License (renewal)	10,990
Community Tax Certificate	10,500
Barangay Clearance	3,000
	8,585,615

	Amount
National	
Tax on fringe benefits	129,231
Tax Clearance	130
Documentary Stamp Tax	0
Registration of company vehicle	53,289
Registration of PCAB License (renewal)	32,554
Registration – DOLE (renewal)	41,667
Renewal of VAT Registration	500
Renewal of PhilGEPS membership	5,000
Accreditation as Asset Valuer	2,000
Administrative fee-SEZ, Tala	117,069
	381,440

e. The amount of withholding taxes paid/accrued for the year amounted to:

	Amount
Tax on compensation and benefits	6,991,727
Final withholding taxes (Withheld by clients, claimed as tax credits)	10,767,158
Expanded withholding taxes	3,385,801
Withholding percentage taxes	249,711
	21,394,397
Creditable withholding taxes	0
	21,394,397

B. RR NO. 2-2014

RR No. 2-2014 prescribes the new income tax forms to be used for income tax filing covering and starting the taxable year ended December 31, 2013.

Pursuant to Section 244, in relation to Sections 6(H), 51(A)(1) and 51(A)(2) of the National Internal Revenue Code of 1997 (Tax Code), as amended, these Regulations are issued to prescribe the use of revised income tax forms with bar codes, and to reflect the changes in information required from said forms. This will also enable the said forms to be read by an optical character reader (OCR) for ease in scanning.

In the case of corporation using BIR Form No. 1702, the taxpayer is now required to include as part of its notes to the audited financial statements, which will be attached to the income tax return (ITR), the schedules and information on taxable and deductions to be taken.

1. Sales/Receipts/Fees	
	Taxable Amount under Regular Rate
Sales of Services	906,950,877
	906,950,877
2. Cost of Sales/Services	
	Amount under Regular Rate
Direct Charges – Salaries, Wages and Benefits	770,280,090
	770,280,090
3. Other Taxable Income Not Subjected to Final Tax	
	Amount under Regular Rate
Interest Income	9,041,155
TOTAL	9,041,155
4. Ordinary Allowable Itemized Deduction	
Particulars	Amount
Amortization Expense	1,922,644
Charitable and Other Contributions	20,000
Depreciation	3,448,806
Rental	686,785
Salaries and Allowances	45,073,396
SSS, GSIS, Philhealth, HDMF and Other Contribution	5,750,792
Taxes and Licenses	8,970,805
Transportation and Travel	1,226,366
Janitorial and Messengerial Services	131,165
Professional Fees (Auditing Services)	1,311,159
Security Services	5,649,989
Employees Benefits	22,930,147
Trainings Expense	2,507,485
Office Supplies Expense	828,477
Others	29,486,640
TOTAL	129,944,656

Others	29,486,640
TOTAL	129,944,656

36. OTHER SUPPLEMENTARY INFORMATION

In compliance with the Revised Securities Regulation Rule 68 issued by the Securities and Exchange Commission, the following are the financial soundness indicators of the LBRDC:

	2023	2022
Current ratio	2.36	2.80
Solvency ratio	0.02	0.06
Debt to Equity ratio	1.72	1.59
Equity to Asset	0.37	0.39
Interest rate coverage ratio	2	10
Profitability Ratio:		
Profit Margin	2.50%	20%
Operating Profit Margin	15.07%	20.01%
Net Profit Margin	1.90%	6.96%
Return on Assets	0.94%	3.73%
Return on Equity	2.56%	9.65%

The Current Ratio decreased to 2.36 from 2.80 in CY 2022 mainly due to the bank loan for the purchase of Special Economic Zone located at Tala Caloocan City. Partial settlement of the loan amounted to P1,839,726 for CY 2023, which decreased the Solvency Ratio by 67 per cent.

Profitability Ratio decreased by 59 per cent compared to CY 2022 due to the lowered generated income from construction and manpower caused by the pipeline project for construction which was put on hold, and the reduction of manpower deployment to Landbank.

37. INFORMATION / SIGNIFICANT EVENTS AND TRANSACTIONS THAT OCCURRED AFTER BALANCE SHEET DATE.

On February 22, 2024, Land Bank of the Philippines (LBP) approved and released the P30 million loan availment from Short-Term Loan Line (STLL) for 180 days with an interest rate of 6.50% per annum to mature on August 20, 2024.

LBRDC's requested renewal of STLL availment with an increase from P31 million to P200 million with the following priority list of purpose of availment:

• Construction	-	P100,000,000.00
• Manpower	-	70,000,000.00
• Others	-	30,000,000.00
Total		<u>P200,000,000.00</u>

The loan application is already on-process and for Land Bank Board approval on June 13, 2024.



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT

LANDBANK OF THE PHILIPPINES

21st Floor, Land Bank Plaza
1598 M.H. del Pilar corner Dr. J. Quintos Sts., Malate, Manila



Office of the Supervising Auditor

CERTIFICATION

This is to certify that the audit of accounts and transactions for CY 2023 of the LBP Resources and Development Corporation (LBRDC), the Auditee, is still on-going. The Independent Auditor's Report will be transmitted to the Auditee after completion of the audit and review by the Director, Cluster 1- Banking and Credit, Corporate Government Audit Sector, Commission on Audit.

This certification is issued upon request of the Auditee as a requirement to support the filling of its tentative Annual Income Tax Return for CY 2023.

Issued this 12th day of April 2024 at the City of Manila.


MARIE FRANCES HAZEL S. ACEBEDO
Supervising Auditor 

Tax Return Receipt Confirmation

From: ebirforms-noreply@bir.gov.ph

To: lbrdc_acctg@yahoo.com.ph

Date: Wednesday, June 5, 2024 at 07:26 PM GMT+8

This confirms receipt of your submission with the following details subject to validation by BIR:

File name: 000129546000-1702MXv2018C-1223V2.xml

Date received by BIR: 5 June 2024

Time received by BIR: 07:16 AM

Penalties may be imposed for any violation of the provisions of the NIRC and issuances thereof.

FOR RETURNS WITH TAX PAYABLE:

Please pay through any of the following ePayment Channels:

Land Bank of the Philippines Link.BizPortal

- LBP ATM Cards
- Bancnet ATM/Debit Cards
- PCHC PayGate or PESONeT (RCBC, Robinsons Bank, UnionBank, PSBank, BPI, Asia United Bank)

DBP PayTax Online

- Credit Cards (MasterCard/Visa)
- Bancnet ATM/Debit Cards

Unionbank of the Philippines

- Unionbank Online (for Unionbank Individual and Corporate Account Holders)
- UPAY via InstaPay (For Individual Non-Unionbank Account Holders)

Taxpayer Agent/ Tax Software Provider-TSP

- (Gcash/PayMaya/MyEG)

This is a system-generated email. Please do not reply.

Bureau of Internal Revenue

For BIR BCS/
Use Only Item:



Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

BIR Form No. 1702-MX January 2018 (ENCS) Page 1	Annual Income Tax Return Corporation, Partnership and Other Non-Individual with MIXED Income Subject to Multiple Income Tax Rates or with Income Subject to SPECIAL/PREFERENTIAL RATE <small>Enter all required information in CAPITAL LETTERS using BLACK ink. Mark applicable boxes with an "X".</small> <small>Two copies MUST be filed with the BIR and one held by the taxpayer.</small>	 1702-MX 01/18ENCS P1
1 For <input checked="" type="radio"/> Calendar <input type="radio"/> Fiscal 2 Year Ended (MM/DDYY) 12 /20 23	3 Amended Return? <input checked="" type="radio"/> Yes <input type="radio"/> No 4 Short Period Return? <input type="radio"/> Yes <input checked="" type="radio"/> No	5 Alphanumeric Tax Code (ATC) IC 055 – Minimum Corporate Income Tax (MCIT) <input checked="" type="radio"/> IC 010 - In General <input type="radio"/>

Part I - Background Information

6 Taxpayer Identification Number (TIN) 000 129 566 0000	7 RDO Code 033
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) LBP RESOURCES AND DEVELOPMENT CORPORATION	
9 Registered Address (Indicate complete address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1905) 24TH FLOOR LBP PLAZA 1598 MH DEL PILAR ST COR DR J QUINTOS ST BRGY 699 ZONE 078 MALATE MANILA	
10 Date of Incorporation/Organization (MM/DD/YYYY) 05/08/1975	
11 Contact Number 84057402	9A ZIP Code 1004
12 Email Address lbrdc_acctg@yahoo.com.ph	
13 Method of Deductions <input checked="" type="radio"/> Itemized Deductions [Section 34 (A-J), NIRC] <input type="radio"/> Optional Standard Deduction (OSD)-40% of Gross Income [Section 34(L) NIRC, as amended]	

Part II - Total Tax Payable

14 Total Tax Due/(Overpayment) (From Part IV-Schedule 2 Item 19D)	3,367,918
15 Less: Total Tax Credits/Payments (From Part IV-Schedule 3 Item 32D)	27,707,518
16 Net Tax Payable / (Overpayment) (Item 14 Less Item 15) (From Part IV Item 33D)	(24,349,700)
Add: Penalties	
17 Surcharge	0
18 Interest	0
19 Compromise	0
20 Total Penalties (Sum of Items 17 to 19)	0
21 TOTAL AMOUNT PAYABLE / (Overpayment) (Sum of Items 16 to 20)	(24,349,700)

If overpayment, mark one (1) box only. (Once the choice is made, the same is irrevocable)
☐ To be refunded ☐ To be issued a Tax Credit Certificate (TCC) ☒ To be carried over as a tax credit for next year/quarter

We declare under the penalties of perjury that this return, and all its attachments, have been made in good faith, verified by us, and to the best of our knowledge and belief, are true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If signed by an Authorized Representative, indicate TIN and attach authorization letter)

 Signature over Printed Name of President/Principal Officer/Authorized Representative Ricardo C. Juliano Title of Signatory President & CO. TIN 135-938 910-000	Signature over Printed Name of Treasurer/ Assistant Treasurer Title of Signatory TIN	22 Number of Attachments 00
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------	---------------------------------------

Part III - Details of Payment


Particulars	Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount
23 Cash/Bank Debit Memo				0
24 Check				0
25 Tax Debit Memo				0
26 Others (Specify Below)				0

Machine Validation / Revenue Official Receipt Details (if not filed with an Authorized Agent Bank) Stamp of Receiving Office/AAB and Date of Receipt

BIR Form No.
1702-MX
January 2018 (ENCs)
Page 2

Annual Income Tax Return

Corporation, Partnership and Other Non-Individual
with MIXED Income Subject to Multiple Income Tax Rates or
with Income Subject to SPECIAL/PREFERENTIAL RATE



1702-MX 01/18ENCs P2

Taxpayer Identification Number (TIN)
000 129 546 0000

Registered Name
LBP RESOURCES AND DEVELOPMENT CORPORATION

Part IV - Schedules

- Instructions:
(mark appropriate box)
- ☒ A. Only one activity/project under EXEMPT and/or SPECIAL Tax Regimes, fill-out the applicable columns below.

☐ B. Two or more activities/projects under EXEMPT and/or SPECIAL Tax Regimes, accomplish Part V-Mandatory Attachments per activity and reflect consolidated amounts from Part V on the corresponding columns below.

Schedule 1 - Basis of Tax Relief

Particulars	A. Exempt	B. Special	C. Special Tax Relief (Under Regular/Normal Rate)
1 Investment Promotion Agency (IPA)/ Implementing Government Agency		PEZA	
2 Legal Basis		RA NO. 11534	
3 Registered Activity/Program (Reg. No.)		REAL ESTATE	
4 Special Tax Rate		3.0 %	
5 Effectivity Date of Tax Relief/Exemption From (MM/DD/YYYY)		06/29/2022	
6 Expiration Date of Tax Relief/Exemption To (MM/DD/YYYY)		06/29/2032	

Schedule 2 – Computation of Income Tax per Tax Regime (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Sales/Receipts/Revenues/Fees <i>(From all of Part V-Sched B Item 1, if letter B of instructions above is marked)</i>	0	96,879,095	810,577,569	907,456,664
2 Less: Sales Returns, Allowances and Discounts <i>(From all of Part V-Sched B Item 2, if letter B of instructions above is marked)</i>	0	0	0	0
3 Net Sales/Receipts/Revenues/Fees <i>(Item 1 Less Item 2)</i>	0	96,879,095	810,577,569	907,456,664
4 Less: Cost of Sales/Services <i>(From all of Part V-Sched B Item 4, if letter B of instructions above is marked)</i>	0	76,122,245	694,157,845	770,280,090
5 Gross Income from Operation <i>(Item 3 Less Item 4)</i>	0	20,756,850	116,419,724	137,176,574
6 Add: Other Taxable Income not subjected to Final Tax <i>(From all of Part V-Sched B Item 6, if letter B of instructions above is marked)</i>	0	775,365	6,225,011	7,000,377
7 Total Taxable Income <i>(Sum of Items 5 and 6)</i>	0	21,532,215	122,644,735	144,176,951
Less: Deductions Allowable under Existing Law				
8 Ordinary Allowable Itemized Deductions <i>(From Sched 5 Item 18) &/or (From all of Part V-Sched B Item 8, if letter B of instructions above is marked)</i>	0	18,127,729	111,796,925	129,924,654
9 Special Allowable Itemized Deductions <i>(From Sched 6 Item 5) &/or (From all of Part V-Sched B Item 9, if letter B of instructions above is marked)</i>	0	0	0	0
10 NOLCO <i>[Only for those taxable under Sec. 27 (A to C); Section 28(A)(1)(A)(6)(b) of the Tax Code, as amended] (For Special Rate: If w/ only 1 activity, From Schedule 8.1 Item 8 ; if with 2 or more activities, From all of Part V-Sched B Item 10; For Reg. Rate: From Sched 7.1 Item 8)</i>		0	0	0
11 Total Itemized Deductions <i>(Sum of Items 8 to 10)</i> OR <i>[in case taxable under Sec 27(A) & 28(A)(1)]</i>	0	18,127,729	111,796,925	129,924,654
12 Optional Standard Deduction (OSD) <i>(40% of Item 7)</i>			0	0
13 Net Taxable Income/(Loss) <i>(If Itemized: Item 7 Less Item 11; If OSD: Item 7 Less Item 12)</i>	0	3,404,487	10,847,810	14,252,297
14 Applicable Income Tax Rate <i>(i.e. Special or Regular/Normal Rate)</i>	0%	3.00 %	25.00 %	
15 Income Tax Due other than MCIT <i>[For Special Rate: If with only 1 activity, (Item 3 OR Item 7) X Item 14; if with 2 or more activities, from all of Part V-Sched B Item 14; For Regular Rate Item 13 X Item 14]</i>	0	645,965	2,711,952	3,357,918
16 Less: Share of Other Government Agency, if remitted directly		0	0	0
17 Net Income Tax Due to National Government <i>(Item 15 Less Item 16)</i>		645,965	2,711,952	3,357,918
18 MCIT <i>(2% of Gross Income in Item 7)</i>			0	0
19 Total Income Tax Due / (Overpayment) <i>(Item 19B = Item 17B) (Item 19C = Normal Income Tax in Item 15C OR MCIT in Item 18C, whichever is higher) (Item 18D = Sum of Items 19B and 19C) (Item 19D to Part II Item 14)</i>		645,965	2,711,952	3,357,918


Schedule 3 - Tax Credits/Payments (attach proof)

20	Prior Year's Excess Credits Other Than MCIT	0	0	7,084,339	7,084,339
21	Income Tax Payments under MCIT from Previous Quarter/s			0	0
22	Income Tax Payments under Regular Rate from Previous Quarter/s	0	0	0	0
23	Excess MCIT Applied this Current Taxable Year (From Schedule 9 Item 4)			0	0
24	Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307	0	959,789	14,116,449	15,076,238
25	Creditable Tax Withheld per BIR Form No. 2307 for the 4th Qtr	0	299,982	5,247,079	5,547,041
26	Foreign Tax Credits, if applicable	0	0	0	0
27	Tax Paid in Return Previously Filed, if this is an Amended Return	0	0	0	0
28	Income Tax Payments under Special Rate from Previous Qtr/s	0	0	0	0
29	Special Tax Credits (To Part IV-Schedule 4 Item 6)	0	0	0	0
Other Tax Credits/Payments(specify)					
30		0	0	0	0
31	(Add more...)	0	0	0	0
32	Total Tax Credits/Payments (Sum of Items 20 to 31) (Item 32D to Part II Item 15)	0	1,259,751	29,447,867	27,707,518
33	Net Tax Payable / (Overpayment) (Item 19 Less Item 32) (Item 33D to Part II Item 16)	0	(613,785)	(23,735,915)	(24,349,700)

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January 2018 (ENCS)
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Annual Income Tax Return

Corporation, Partnership and Other Non-Individual
with MIXED Income Subject to Multiple Income Tax Rates or
with Income Subject to SPECIAL/PREFERENTIAL RATE



1702-MX 01/18ENCS P3

Taxpayer Identification Number (TIN)
000 129 546 0000

Registered Name
LBP RESOURCES AND DEVELOPMENT CORPORATION

Schedule 4 – Tax Relief Availment

(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Regular Income Tax Otherwise Due (Item 13A/B of Part IV-Schedule 2 X applicable regular income tax rate)	0	851,122		851,122
2 Tax Relief on Special Allowable Itemized Deductions (Item 9A/B/C of Part IV-Sched 2 X applicable regular income tax rate)	0	0	0	0
3 Sub-Total – Tax Relief (Sum of Items 1 and 2)	0	851,122	0	851,122
4 Less: Income Tax Due (From Part IV-Schedule 2 Item 15B)	0	845,966		845,966
5 Tax Relief Availment before Special Tax Credit (Item 3 Less Item 4)	0	205,156	0	205,156
6 Add: Special Tax Credit, if any (From Part IV-Schedule 3 Item 29)	0	0	0	0
7 Total Tax Relief Availment (Sum of Items 5 & 6)	0	205,156	0	205,156

Schedule 5 - Ordinary Allowable Itemized Deductions (attach additional sheet/s, if necessary)

(If with only one activity, fill-out the applicable columns below: if with two or more activities, amount for each expense shall come from all of Part V-Schedule D)

1 Amortizations	0	0	1,922,644	1,922,644
2 Bad Debts	0	0	132,612	132,612
3 Charitable and Other Contributions	0	0	0	0
4 Depletion	0	0	0	0
5 Depreciation	0	412,533	3,036,272	3,448,805
6 Entertainment, Amusement and Recreation	0	0	0	0
7 Fringe Benefits	0	1,276,638	19,644,333	20,920,971
8 Interest	0	0	0	0
9 Losses	0	0	0	0
10 Pension Trusts	0	0	0	0
11 Rental	0	0	686,785	686,785
12 Research and Development	0	0	0	0
13 Salaries, Wages and Allowances	0	2,803,989	44,278,583	47,082,572
14 SSS, GSIS, Philhealth, HDMF and Other Contributions	0	301,960	5,448,832	5,750,792
15 Taxes and Licenses	0	240,819	8,729,986	8,970,805
16 Transportation and Travel	0	0	0	0
17 Others (Deductions Subject to Withholding Tax and Other Expenses) (Specify below; Add additional sheet(s), if necessary)				
a. Janitorial and Messengerial Services	0	0	131,165	131,165
b. Professional Fees	0	567,071	1,821,000	2,388,071
c. Security Services	0	4,547,095	1,102,894	5,649,989
d. TRAINING EXPENSE	0	0	2,507,485	2,507,485
e. OFFICE SUPPLIES EXPENSE	0	45,958	604,562	650,520
f. ACCOUNTABLE FORMS EXPENSE	0	108,400	66,242	174,642
g. NON ACCOUNTABLE FORMS EXPENSE	0	0	3,315	3,315
h. SEMI EXPENDABLE INFO AND COMM TECHNOLOGY	0	183,732	2,316,729	2,500,461
i. OTHERS (Add more...)	0	7,636,534	19,363,486	27,000,020
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17) (To Part IV-Schedule 2 Item 8)	0	18,127,729	111,796,925	129,924,654

Schedule 6 – Special Allowable Itemized Deductions (attach additional sheet/s, if necessary)

(If with only one activity, fill-out the applicable columns below: if with two or more activities, amount for each expense shall come from all of Part V-Schedule E)


Description	Legal Basis	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1		0	0	0	0
2		0	0	0	0
3		0	0	0	0
4		0	0	0	0
(Add more...)					

5 Total Special Allowable Itemized Deductions				
(Sum of Items 1 to 4) (To Part IV-Schedule 2 Item 9)				
Schedule 7 - Computation of Net Operating Loss Carry Over (NOLCO) for Regular Rate (Attach Additional Sheet/s, if necessary)				
1 Gross Income (From Part IV-Schedule 2 Item 7C)				
2 Less: Total Deductions Exclusive of NOLCO & Deduction Under Special Law (From Part IV-Schedule 2 Item 8C)				
3 Net Operating Loss (Item 1 Less Item 2) (To Part IV-Schedule 7.1, Item 7A)				

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Annual Income Tax Return

Corporation, Partnership and Other Non-Individual
with MIXED Income Subject to Multiple Income Tax Rates or
with Income Subject to SPECIAL/PREFERENTIAL RATE



1702-MX 01/18ENCS P4

Taxpayer Identification Number (TIN)
000 129 546 00000

Registered Name
LBP RESOURCES AND DEVELOPMENT CORPORATION

Schedule 7.1 - Computation of Available Net Operating Loss Carry Over (NOLCO) for Regular Rate

(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Net Operating Loss Year Incurred	A. Amount	B. NOLCO Applied Previous Year/s	C. NOLCO Expired	D. NOLCO Applied Current Year	E. Net Operating Loss (Unapplied) [(E)=A-(B+C+D)]
4					
5					
6					
7					
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV-Schedule 2 Item 10C)					

Schedule 8 - Computation of Net Operating Loss Carry Over (NOLCO) for Special Rate (except those availing fiscal incentives)

(Attach Additional Sheet/s, if necessary)

1 Gross Income (From Part IV-Schedule 2 Item 7B)	
2 Less: Ordinary Allowable Itemized Deductions (From Part IV-Schedule 2 Item 8B)	
3 Net Operating Loss (Item 1 Less Item 2) (To Part IV-Schedule 8.1 Item 7A)	

Schedule 8.1 - Computation of Available Net Operating Loss Carry Over (NOLCO) for Special Rate

(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Net Operating Loss Year Incurred	A. Amount	B. NOLCO Applied Previous Year/s	C. NOLCO Expired	D. NOLCO Applied Current Year	E. Net Operating Loss (Unapplied) [(E)=A-(B+C+D)]
4					
5					
6					
7					
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV-Schedule 2 Item 10B)					

Schedule 9 - Computation of Minimum Corporate Income Tax (MCIT)

Year	A) Normal Income Tax as Adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1			
2			
3			

Continuation of Schedule 9 (Item numbers continue from table above)

D) Excess MCIT Applied/Used for Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
1			
2			
3			
4 Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV-Schedule 3 Item 23)			

Schedule 10 - Reconciliation of Net Income per Books Against Taxable Income (attach additional sheet/s, if necessary)

Particulars	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Net Income/(Loss) per Books				
Add: Non-Deductible Expenses/Taxable Other Income) (specify below)				
2 DONATIONS				
3				
(Add more...)				
4 Total (Sum of Items 1 to 3)				
Less: A) Non-Taxable Income and Income Subjected to Final Tax (specify below)				
5 INTEREST INCOME				
6				
(Add more...)				
B) Special Deductions (specify below)				
7				
8				

	(Add more...)				
9	Total (Sum of Items 5 to 8)	0	231,617	8,303,750	8,535,367
10	Net Taxable Income/(Loss) (Item 4 Less Item 9)	0	3,404,487	10,847,810	14,252,297

LBP RESOURCES AND DEVELOPMENT CORPORATION

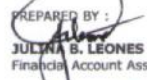
INCOME STATEMENT

(AMENDED)

	FOR THE THREE MONTHS PERIOD ENDING MARCH 31, 2023		FOR THE SIX MONTHS PERIOD ENDING JUNE 30, 2023		FOR THE NINE MONTHS PERIOD ENDING SEPTEMBER 30, 2023		FOR THE TWELVE MONTHS PERIOD ENDING DECEMBER 31, 2023	
	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)
SERVICE AND BUSINESS INCOME:								
SERVICE INCOME								
Construction Revenue	-	37,056,725.17	-	75,077,694.78	-	121,444,219.71	-	168,740,491.88
Manpower Services Income	-	113,281,663.35	-	80,857,660.97	-	393,970,580.39	-	584,417,079.31
Property Management Income	-	5,847,709.12	-	11,567,102.92	-	17,262,826.02	-	23,480,210.29
Appraisal Services	-	27,232.14	-	684,910.71	-	1,534,821.43	-	2,720,089.29
Fees & Commission Income	-	752,518.00	-	1,571,370.50	-	2,000,173.00	-	3,042,288.00
	-	156,965,847.78	-	329,758,739.88	-	536,212,620.55	-	782,400,158.77
BUSINESS INCOME								
Rent/Lease Income	25,253,278.57	6,618,680.71	48,909,465.80	12,822,630.19	72,800,124.81	19,314,463.65	96,879,095.36	27,671,622.94
Interest Income	-	2,072,233.52	-	4,377,051.51	-	6,975,138.04	-	8,809,537.48
	25,253,278.57	8,690,914.23	48,909,465.80	17,199,681.70	72,934,093.92	26,289,601.69	97,110,712.86	36,481,160.42
TOTAL SERVICE AND BUSINESS INCOME	25,253,278.57	165,656,762.01	48,909,465.80	346,958,421.58	72,934,093.92	562,502,222.24	97,110,712.86	818,881,319.20
OTHER NON-OPERATING INCOME								
Miscellaneous Income	46,213.96	-	107,378.98	1,878.16	315,040.96	187,661.72	775,366.08	5,555,011.08
Donations in Kind	-	-	-	-	-	-	-	670,000.00
TOTAL INCOME	25,299,492.53	165,656,762.01	49,016,844.78	346,960,299.74	73,249,134.88	562,689,883.96	97,886,078.94	825,106,330.28
EXPENSES								
DIRECT COST								
Construction Cost	-	25,366,059.60	-	62,119,603.45	-	100,876,773.75	-	156,001,238.86
Loss from Contract Implementation (LD)	-	-	-	7,500.34	-	56,109.73	-	174,702.22
Manpower Services Expense	-	103,811,866.52	-	223,421,374.44	-	356,986,540.94	-	521,122,639.89
Property Management Expense	-	3,415,282.10	-	6,659,430.49	-	11,169,129.70	-	15,836,959.77
Fees and Commission Expense (Retainer's fee)	-	33,333.33	-	66,666.66	-	99,999.99	-	133,333.32
Appraisal	-	-	-	112,887.20	-	554,567.79	-	888,971.17
Interest Expense (ROUA)	2,607,208.38	-	5,205,507.46	-	7,784,503.67	-	10,373,410.97	-
Depreciation Expense - Investment Property (Building)	2,720,366.07	-	5,440,732.14	-	8,161,098.21	-	10,881,464.28	-
Depreciation Expense - ROU	6,492,544.92	-	12,985,089.84	-	19,704,740.04	-	26,284,196.39	-
Depreciation Expense - Machinery and Equipment	179,214.30	-	358,428.60	-	548,584.86	-	727,799.16	-
Interest Expense (STL)	33,580.56	-	33,580.56	-	45,830.56	-	45,830.56	-
Interest Expense (Term Loan)	3,378,395.21	-	6,780,554.16	-	10,213,740.88	-	13,640,493.73	-
Other Financial Charges	38,146.26	-	72,547.31	-	106,884.71	-	140,785.92	-
Salaries, Wages and Gov't Premiums	1,902,498.50	-	4,288,263.71	-	-	-	-	-
Electricity Expense	-	-	-	-	1,314,666.01	-	3,921,199.49	-
Lease Expense	-	-	-	-	1,314,192.05	-	1,492,103.81	-
Salaries and Wages - Regular	-	-	-	-	957,039.77	-	1,262,973.30	-
Salaries and Wages - Casual/Contractual	-	-	-	-	4,775,949.22	-	6,393,386.95	-
Employees Compensation Insurance Premium (GSIS)	-	-	-	-	86,805.04	-	124,007.20	-
Employees Compensation Insurance Premium (SSS)	-	-	-	-	468,385.00	-	639,595.00	-
PhilHealth Contributions	-	-	-	-	107,891.55	-	146,898.36	-
Pag-IBIG Contributions	-	-	-	-	35,500.00	-	48,100.00	-
TOTAL DIRECT COST	17,351,954.20	132,626,541.55	35,164,703.78	292,387,462.58	55,625,811.57	469,743,121.90	76,122,245.12	694,157,845.23
GROSS PROFIT	7,947,538.33	33,030,220.46	13,852,141.00	54,572,837.16	17,623,323.31	92,946,762.06	21,763,833.82	130,948,485.05
PERSONNEL SERVICES								
Salaries & Wages	-	-	-	-	-	-	-	-
Salaries and Wages - Regular	797,798.82	6,842,785.08	1,426,454.86	14,764,687.95	1,102,819.29	28,775,639.13	1,332,444.63	40,445,612.92
Salaries and Wages - Casual/Contractual	231,352.92	2,468,640.76	231,352.92	4,298,449.07	1,059,902.48	847,401.25	1,294,868.20	2,227,501.72
Overtime & Night Pay	3,426.56	330,243.74	3,426.56	734,946.06	7,562.92	1,151,751.00	176,675.80	1,605,468.69
	1,032,578.30	9,641,669.58	1,661,234.34	19,798,083.08	2,170,284.69	30,774,791.38	2,803,988.63	44,278,583.33
Other Compensation	-	-	-	-	-	-	-	-
Employee Benefits	54,000.00	4,182,406.67	482,196.35	8,337,700.06	540,654.54	11,728,069.76	1,276,638.27	19,644,333.07
Personnel Benefit Contributions	-	-	-	-	-	-	-	-
Employees Compensation Insurance Premium (SSS)	75,872.98	492,332.52	69,555.00	673,673.00	96,225.00	982,802.38	114,737.50	1,327,562.84
Employees Compensation Insurance Premium (GSIS)	15,995.48	312,199.08	63,981.92	1,315,422.92	100,223.85	2,229,020.49	128,170.29	3,119,592.41
PhilHealth Contributions	14,837.64	274,399.59	26,073.52	469,573.00	39,473.91	674,031.82	47,652.54	878,576.25
Pag-IBIG Contributions	3,300.00	28,300.00	6,300.00	58,800.00	9,000.00	90,700.00	11,000.00	123,100.00
	110,006.10	1,107,231.19	165,910.44	2,517,469.40	244,922.76	3,976,554.69	301,960.33	5,448,831.50
TOTAL PERSONNEL SERVICES EXPENSES	1,196,584.40	14,931,307.44	2,309,341.13	30,653,252.54	2,955,861.99	46,479,415.83	4,382,587.23	69,371,747.90
MAINT. & OTHER OPERATING EXPENSES								
Training Expense	-	694,129.81	-	1,834,826.60	-	2,193,204.23	-	2,507,484.73
Office Supplies Expense	4,328.57	149,906.87	4,328.57	330,597.69	45,958.03	466,508.24	45,958.03	604,561.89
Accountable Forms Expense	-	22,316.97	-	39,285.72	106,000.00	58,624.12	108,400.00	66,241.98
Non-Accountable Forms Expense - Head Office	-	-	-	-	-	3,314.73	-	3,314.73
Semi-Expendable Info & Comm. Technology	-	-	156,250.00	1,317,252.47	156,250.00	2,121,006.04	183,732.14	2,316,729.25
Semi-Expendable Machinery & Equipment	-	-	19,026.78	268,750.44	340,773.47	289,286.15	340,773.47	289,286.15
Expenses	-	-	33,303.57	148,086.22	89,172.12	254,696.22	122,635.69	331,628.11
Semi-Expendable Furniture, Fixture and Book	-	-	-	-	-	-	-	-
Expense	-	-	-	-	-	-	-	-
Semi-Expendable Construction Equipment	-	-	32,089.29	341,723.22	43,160.72	649,851.79	111,179.47	751,673.79
Expense	-	-	-	-	-	-	-	-
Semi-Expendable Office Equipment Expense	-	-	-	44,205.36	-	59,607.15	-	59,607.15
Semi-Expendable Others	-	-	5,955.36	27,607.32	248,808.93	27,607.32	274,844.64	34,691.25
Housekeeping/Cleaning Supplies	16,580.36	-	4,355.35	-	144,758.02	-	153,966.05	-
Water	-	49,463.20	-	15,781.58	-	47,268.82	-	93,092.77
Electricity Expense	222,942.30	402,756.54	461,732.37	855,858.86	-	948,242.11	-	1,131,094.28
Fuel, Oil & Lubricants	27,521.32	35,197.54	79,480.30	79,480.30	139,682.62	269,153.82	202,010.26	734,179.88
Telephone Expense	25,872.72	54,132.19	51,281.18	70,243.17	106,629.46	147,549.60	112,929.46	197,728.29
Internet Subscription Expense	-	104,947.28	-	290,809.67	-	429,255.41	-	615,201.09
Postage & Courier Services	-	2,132.57	-	6,779.46	-	11,985.38	-	14,764.02
Cable, Satellite and Radio Expenses	-	-	-	-	44,100.00	-	44,100.00	-
Auditorial Services	-	184,142.86	-	323,642.86	-	463,142.86	-	1,311,158.72
Janitorial Services	-	-	-	45,763.92	-	84,511.64	-	131,165.38
Security Services	2,114,640.05	61,076.94	2,560,834.55	130,968.91	2,976,067.49	1,102,893.70	4,547,095.34	1,102,893.70
Repairs & Maintenance - Transportation	-	30,188.93	12,053.58	80,441.97	39,084.83	246,847.27	39,084.83	407,977.67
Equipment	-	-	-	-	-	-	-	-
Repairs & Maintenance - Investment Property	3,102,715.75	-	4,861,769.72	-	2,454,291.45	-	4,359,747.82	-
Repairs & Maintenance - Others	47,957.59	225,897.08	7,008.93	812,390.69	565,728.09	1,326,680.10	651,233.05	1,591,454.22
Taxes, Duties, & Licenses	225,000.00	2,114,102.27	233,318.93	4,476,354.00	304,568.93	6,583,728.45	240,818.93	8,729,986.25
Insurance	-	314,292.87	953,092.95	557,450.58	953,092.95	1,915,845.45	956,467.95	2,625,565.35
Rental/Lease Expense	421,334.10	182,574.57	616,972.76	194,977.27	-	561,295.14	-	686,785.10
Representation Expense	45,303.00	124,059.10	68,238.00	271,703.06	80,953.00	483,547.12	99,989.00	682,039.56
Transportation & Delivery Expense	1,106.50	24,756.14	1,238.50	76,028.89	3,421.75	174,942.53	4,179.75	283,806.31
Travelling Expense - Local	-	413,876.96	-	507,960.39	-	608,143.91	-	938,380.18
Advertising, Promotion and Marketing Expense	-	16,160.00	-	16,160.00	-	20,255.00	-	20,255.00
Subscription	-	-	-	15,583.74	-	47,200.24	-	77,274.88
Extraordinary & Misc. Expenses-BDE	-	60,000.00	-	120,000.00	-	180,000.00	-	240,000.00
Extraordinary & Misc. Expenses-Reimbursement	-	330,279.73	-	871,984.06	-	1,475,665.41	-	2,229,516.13
Donations	-	-	-	-	-	-	-	-
Other General Services	250.00	143,214.02	9,294.44	173,293.71	31,767.79	273,014.41	82,918.60	2,432,998.60
Other Professional Services	-	-	-	-	567,071.10	-	567,071.10	1,821,000.00
Major Events and Conventions Expenses (GAD Exp)	-	-	-	-	-	147,762.70	-	2,050,859.10
Other Maintenance and Operating Expense	12,196.17	73,228.70	19,401.66	212,968.96	19,401.66	216,757.08	19,401.66	163,501.80
	6,267,748.43	5,812,833.14	10,165,764.54	14,558,961.09	7,999,741.41	23,889,394.14	13,330,594.44	37,299,897.31
FINANCIAL EXPENSES								
Bank Charges	-	3,917.16	600.00	14,351.26	680.00	36,430.34	2,015.00	53,752.34
	-	3,917.16	600.00	14,351.26	680.00	36,430.34	2,015.00	53,752.34
NON-CASH EXPENSES								
Depreciation Expense - Investment Property	-	279,996.00	-	559,992.00	-	839,988.00	-	1,119,984.00
Buildings	-	-	-	-	-	-	-	-
Depreciation Expense - Building & Other Structures	-	82,122.00	-	164,244.00	-	246,366.00	-	328,488.00

LBP RESOURCES AND DEVELOPMENT CORPORATION
INCOME STATEMENT
(AMENDED)

	FOR THE THREE MONTHS PERIOD ENDING MARCH 31, 2023		FOR THE SIX MONTHS PERIOD ENDING JUNE 30, 2023		FOR THE NINE MONTHS PERIOD ENDING SEPTEMBER 30, 2023		FOR THE TWELVE MONTHS PERIOD ENDING DECEMBER 31, 2023	
	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)
Depreciation Expense - Other Transportation Equipment	-	102,816.96	-	205,633.92	-	298,418.01	317,946.38	426,461.83
Depreciation Expense - Furnitures and Fixtures	-	18,724.71	-	58,273.66	-	83,939.81	-	102,664.52
Depreciation Expense - Office Equipment	-	-	-	-	-	7,086.80	-	24,585.76
Amortization - Intangible (Computer Software)	-	43,147.02	-	150,713.67	-	258,280.32	-	1,922,644.33
Impairment Loss - Other Receivables	-	-	-	-	-	-	-	132,611.81
	7,915.20	754,076.26	16,526.82	1,554,651.84	73,935.33	2,434,846.19	412,533.49	5,091,528.40
TOTAL OPERATING EXPENSES	7,472,248.03	21,502,134.00	12,492,232.49	46,781,216.73	12,491,218.73	72,840,086.50	18,127,730.16	111,816,925.95
TOTAL EXPENSES	24,824,202.23	154,128,675.55	47,656,936.27	339,168,679.31	68,117,030.30	542,583,208.40	94,249,975.28	805,974,771.18
NET INCOME BEFORE TAX	475,290.30	11,528,086.46	1,359,908.51	7,791,620.43	5,132,104.58	20,106,675.56	3,636,103.66	19,131,559.10
LESS: INTEREST SUBJ. TO FINAL TAX	-	1,953,197.81	-	4,100,679.64	133,969.11	6,582,428.77	231,617.50	8,303,750.32
ADD: DONATIONS	-	-	-	-	-	-	-	20,000.00
ADD: Deficiency Tax on Final Decision on Disputed Assessment	-	-	-	-	-	-	-	-
ADD: Fines and Penalties	-	-	-	-	-	-	-	-
TAXABLE INCOME	7,947,538.33	9,574,888.65	13,852,141.00	3,690,940.79	17,489,354.20	13,524,246.79	21,532,216.32	10,847,808.78
TAX RATE	5%	25%	5%	25%	5%	25%	5%	25%
CURRENT TAX EXPENSE	397,376.92	2,393,722.16	692,607.05	922,735.20	874,467.71	3,381,061.70	1,076,610.82	2,711,952.20
INCOME TAX -FINAL	-	390,639.56	-	771,255.23	26,793.82	1,316,485.73	46,323.50	1,660,750.08
NIAT/TOTAL COMPREHENSIVE INCOME	77,913.38	8,743,724.74	667,301.46	6,097,630.00	4,230,843.05	15,409,128.13	2,513,169.35	14,758,856.81


PREPARED BY :

JULIANA B. LEONES
 Financial Account Assistant

PASSED IN AUDIT:

MR. LOUIS ANTHONY MABEZA
 Internal Audit Specialist

REVIEWED BY:

ELSA G. GRACIASIN
 COD - Budget & Accounting Unit

NOTED BY:

RICARDO C. JULIARNO
 President & CEO

Tax Return Receipt Confirmation

From: ebirforms-noreply@bir.gov.ph

To: lbrdc_acctg@yahoo.com.ph

Date: Thursday, April 11, 2024 at 09:56 PM GMT+8

This confirms receipt of your submission with the following details subject to validation by BIR:

File name: 000129546000-1702MXv2018C-1223.xml

Date received by BIR: 11 April 2024

Time received by BIR: 09:46 AM

Penalties may be imposed for any violation of the provisions of the NIRC and issuances thereof.

FOR RETURNS WITH TAX PAYABLE:

Please pay through any of the following ePayment Channels:

Land Bank of the Philippines Link.BizPortal

- LBP ATM Cards
- Bancnet ATM/Debit Cards
- PCHC PayGate or PESONeT (RCBC, Robinsons Bank, UnionBank, PSBank, BPI, Asia United Bank)

DBP PayTax Online

- Credit Cards (MasterCard/Visa)
- Bancnet ATM/Debit Cards

Unionbank of the Philippines

- Unionbank Online (for Unionbank Individual and Corporate Account Holders)
- UPAY via InstaPay (For Individual Non-Unionbank Account Holders)

Taxpayer Agent/ Tax Software Provider-TSP


- (Gcash/PayMaya/MyEG)

This is a system-generated email. Please do not reply.

Bureau of Internal Revenue

For BIR Use Only


BCS/Item:



Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

BIR Form No.
1702-MX
January 2018 (ENCS)
Page 1

Annual Income Tax Return
Corporation, Partnership and Other Non-Individual
with MIXED Income Subject to Multiple Income Tax Rates or
with Income Subject to SPECIAL/PREFERENTIAL RATE
Enter all required information in CAPITAL LETTERS using BLACK Ink. Mark applicable boxes with an "X".
Two copies MUST be filed with the BIR and one held by the taxpayer.


1702-MX 01/18ENCS P1

1 For ☒ Calendar ☐ Fiscal

2 Year Ended (MM/20YY)
12/2023

3 Amended Return?
☐ Yes ☒ No

4 Short Period Return?
☐ Yes ☒ No

5 Alphanumeric Tax Code (ATC)
IC 055 – Minimum Corporate Income Tax (MCIT) ☒
IC 010 – In General ☐

Part I - Background Information

6 Taxpayer Identification Number (TIN)
000-129-546-0000

7 RDO Code
033

8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS)
LBP RESOURCES AND DEVELOPMENT CORPORATION

9 Registered Address (Indicate complete address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1905)
24TH FLOOR LBP PLAZA 1598 MH DEL PILAR ST COR DR J QUINTOS ST BRGY 596 ZONE 076 MALATE MANILA

9A ZIP Code
1004

10 Date of Incorporation/Organization (MM/DD/YYYY)
05/08/1975

11 Contact Number
84057402

12 Email Address
lrdc_acctg@yahoo.com.ph

13 Method of Deductions
☒ Itemized Deductions [Section 34 (A-J), NIRC] ☐ Optional Standard Deduction (OSD)-40% of Gross Income [Section 34(L) NIRC, as amended]

Part II - Total Tax Payable

14 Total Tax Due/(Overpayment) (From Part IV-Schedule 2 Item 19D)
4,942,494

15 Less: Total Tax Credits/Payments (From Part IV-Schedule 3 Item 32D)
27,707,618

16 Net Tax Payable / (Overpayment) (Item 14 Less Item 15) (From Part IV Item 33D)
22,765,124

Add: Penalties

17 Surcharge
0

18 Interest
0

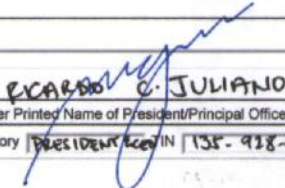
19 Compromise
0


20 Total Penalties (Sum of Items 17 to 19)
0

21 TOTAL AMOUNT PAYABLE / (Overpayment) (Sum of Items 16 to 20)
22,765,124

If overpayment, mark one (1) box only. (Once the choice is made, the same is irrevocable)
☐ To be refunded ☐ To be issued a Tax Credit Certificate (TCC) ☒ To be carried over as a tax credit for next year/quarter

We declare under the penalties of perjury that this return, and all its attachments, have been made in good faith, verified by us, and to the best of our knowledge and belief, are true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If signed by an Authorized Representative, indicate TIN and attach authorization letter)


Signature over Printed Name of President/Principal Officer/Authorized Representative
Ricardo C. Juliano
Title of Signatory President TIN 135-918-010-000


Signature over Printed Name of Treasurer/ Assistant Treasurer
Title of Signatory TIN

22 Number of Attachments
00

Part III - Details of Payment

Particulars	Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount
23 Cash/Bank Debit Memo				0
24 Check				0
25 Tax Debit Memo				0
26 Others (Specify Below)				0


Machine Validation / Revenue Official Receipt Details (if not filed with an Authorized Agent Bank)

Stamp of Receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)

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1702-MX
January 2018 (ENCS)
Page 2

Annual Income Tax Return
Corporation, Partnership and Other Non-Individual
with MIXED Income Subject to Multiple Income Tax Rates or
with Income Subject to SPECIAL/PREFERENTIAL RATE


1702-MX 01/18ENCS P2

Taxpayer Identification Number (TIN)
000 129 546 0000

Registered Name
LBP RESOURCES AND DEVELOPMENT CORPORATION

Part IV - Schedules

Instructions:
(mark appropriate box)

☒ A. Only one activity/project under EXEMPT and/or SPECIAL Tax Regimes, fill-out the applicable columns below.

☐ B. Two or more activities/projects under EXEMPT and/or SPECIAL Tax Regimes, accomplish Part V-Mandatory Attachments per activity and reflect consolidated amounts from Part V on the corresponding columns below.

Schedule 1 - Basis of Tax Relief

Particulars	A. Exempt	B. Special	C. Special Tax Relief (Under Regular/Normal Rate)
1 Investment Promotion Agency (IPA)/ Implementing Government Agency		PEZA	
2 Legal Basis		RA NO. 11534	
3 Registered Activity/Program (Reg. No.)		REAL ESTATE	
4 Special Tax Rate		3.0 %	
5 Effectivity Date of Tax Relief/Exemption From (MM/DD/YYYY)		06/29/2022	
6 Expiration Date of Tax Relief/Exemption To (MM/DD/YYYY)		06/29/2032	


Schedule 2 – Computation of Income Tax per Tax Regime

(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Sales/Receipts/Revenues/Fees (From all of Part V-Sched B Item 1, if letter B of instructions above is marked)	0	96,578,081	816,694,490	913,272,571
2 Less: Sales Returns, Allowances and Discounts (From all of Part V-Sched B Item 2, if letter B of instructions above is marked)	0	0	0	0
3 Net Sales/Receipts/Revenues/Fees (Item 1 Less Item 2)	0	96,578,081	816,694,490	913,272,571
4 Less: Cost of Sales/Services (From all of Part V-Sched B Item 4, if letter B of instructions above is marked)	0	76,122,245	694,846,933	770,969,178
5 Gross Income from Operation (Item 3 Less Item 4)	0	20,455,836	121,847,557	142,303,393
6 Add: Other Taxable Income not subjected to Final Tax (From all of Part V-Sched B Item 6, if letter B of instructions above is marked)	0	627,944	5,555,011	6,182,955
7 Total Taxable Income (Sum of Items 5 and 6)	0	21,083,780	127,402,568	148,486,348
Less: Deductions Allowable under Existing Law				
8 Ordinary Allowable Itemized Deductions (From Sched 5 Item 18) &/or (From all of Part V- Sched B Item 8, if letter B of instructions above is marked)	0	18,086,274	110,162,646	128,248,920
9 Special Allowable Itemized Deductions (From Sched 6 Item 9) &/or (From all of Part V-Sched B Item 9, if letter B of instructions above is marked)	0	0	0	0
10 NOLCO [Only for those taxable under Sec. 27 (A to C)]; Section 28(A)(1)(A)(6)(b) of the Tax Code, as amended] (For Special Rate: If w/ only 1 activity, From Schedule 8.1 Item 8 ; if with 2 or more activities, From all of Part V-Sched B Item 10; For Reg. Rate: From Sched 7.1 Item 8)		0	0	0
11 Total Itemized Deductions (Sum of Items 8 to 10)	0	18,086,274	110,162,646	128,248,920
OR [in case taxable under Sec 27(A) & 28(A)(1)]				
12 Optional Standard Deduction (OSD) (40% of Item 7)			0	0
13 Net Taxable Income/(Loss) (If Itemized: Item 7 Less Item 11; If OSD: Item 7 Less Item 12)	0	2,997,506	17,239,922	20,237,428
14 Applicable Income Tax Rate (i.e. Special or Regular/Normal Rate)	0%	3.00 %	25.00 %	
15 Income Tax Due other than MCIT [For Special Rate: If with only 1 activity, (Item 3 OR Item 7) X Item 14; if with 2 or more activities, from all of Part V-Sched B Item 14; For Regular Rate Item 13 X Item 14]	0	632,513	4,309,981	4,942,494
16 Less: Share of Other Government Agency, if remitted directly		0	0	0
17 Net Income Tax Due to National Government (Item 15 Less Item 16)		632,513	4,309,981	4,942,494
18 MCIT (2% of Gross Income in Item 7)			0	0
19 Total Income Tax Due / (Overpayment) (Item 19B = Item 17B) (Item 19C = Normal Income Tax in Item 15C OR MCIT in Item 18C, whichever is higher) (Item 18D = Sum of Items 19B and 19C) (Item 19D to Part II Item 14)		632,513	4,309,981	4,942,494
20 Prior Year's Excess Credits Other Than MCIT	0	0	7,084,339	7,084,339
21 Income Tax Payments under MCIT from Previous Quarter/s			0	0
22 Income Tax Payments under Regular Rate from Previous Quarter/s	0	0	0	0
23 Excess MCIT Applied this Current Taxable Year (From Schedule 9 Item 4)			0	0
24 Creditable Tax Withheld from BIR Form No. 2307	0	959,789	14,116,449	15,076,238
25 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Qtr	0	299,962	5,247,079	5,547,041
26 Foreign Tax Credits, if applicable	0	0	0	0
27 Tax Paid in Return Previously Filed, if this is an Amended Return	0	0	0	0
28 Income Tax Payments under Special Rate from Previous Qtr/s	0	0	0	0
29 Special Tax Credits (To Part IV-Schedule 4 Item 6)	0	0	0	0
Other Tax Credits/Payments(specify)				

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30		0	0	0	0
31	(Add more...)	0	0	0	0
32	Total Tax Credits/Payments (Sum of Items 20 to 31) (Item 32D to Part II Item 15)	0	1,259,751	26,447,887	27,707,638
33	Net Tax Payable / (Overpayment) (Item 19 Less Item 32) (Item 33D to Part II Item 16)	0	(627,238)	(22,137,886)	(22,765,124)

<div>BIR Form No. 1702-MX January 2018 (ENCS) Page 3</div>	<div>Annual Income Tax Return Corporation, Partnership and Other Non-Individual with MIXED Income Subject to Multiple Income Tax Rates or with Income Subject to SPECIAL/PREFERENTIAL RATE</div>	<div> 1702-MX 01/18ENCS P3</div>
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Taxpayer Identification Number (TIN) 000 129 546 0000	Registered Name LBP RESOURCES AND DEVELOPMENT CORPORATION
-----------------------------------------------------------------	---------------------------------------------------------------------

Schedule 4 – Tax Relief Availment (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)				
Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Regular Income Tax Otherwise Due (Item 13A/B of Part IV-Schedule 2 X applicable regular income tax rate)	0	749,377		749,377
2 Tax Relief on Special Allowable Itemized Deductions (Item 9A/B/C of Part IV-Sched 2 X applicable regular income tax rate)	0	0	0	0
3 Sub-Total – Tax Relief (Sum of Items 1 and 2)	0	749,377	0	749,377
4 Less: Income Tax Due (From Part IV-Schedule 2 Item 15B)	0	632,513		632,513
5 Tax Relief Availment before Special Tax Credit (Item 3 Less Item 4)	0	116,864	0	116,864
6 Add: Special Tax Credit, if any (From Part IV-Schedule 3 Item 29)	0	0	0	0
7 Total Tax Relief Availment (Sum of Items 5 & 6)	0	116,864	0	116,864

Schedule 5 - Ordinary Allowable Itemized Deductions (attach additional sheet/s, if necessary) (If with only one activity, fill-out the applicable columns below: if with two or more activities, amount for each expense shall come from all of Part V-Schedule D)				
1 Amortizations	0	0	0	0
2 Bad Debts	0	0	132,612	132,612
3 Charitable and Other Contributions	0	0	0	0
4 Depletion	0	0	0	0
5 Depreciation	0	412,533	3,312,464	3,725,027
6 Entertainment, Amusement and Recreation	0	0	0	0
7 Fringe Benefits	0	1,276,638	19,644,333	20,920,971
8 Interest	0	0	0	0
9 Losses	0	0	0	0
10 Pension Trusts	0	0	0	0
11 Rental	0	0	686,785	686,785
12 Research and Development	0	0	0	0
13 Salaries, Wages and Allowances	0	2,803,989	44,278,583	47,082,572
14 SSS, GSIS, Philhealth, HDMF and Other Contributions	0	301,960	5,448,832	5,750,792
15 Taxes and Licenses	0	237,069	8,729,986	8,967,055
16 Transportation and Travel	0	0	0	0
17 Others (Deductions Subject to Withholding Tax and Other Expenses) [Specify below; Add additional sheet(s), if necessary]				
a. Janitorial and Messengerial Services	0	0	131,165	131,165
b. Professional Fees	0	567,071	1,821,000	2,388,071
c. Security Services	0	4,509,390	1,102,894	5,612,284
d. TRAINING EXPENSE	0	0	2,507,485	2,507,485
e. OFFICE SUPPLIES EXPENSE	0	45,958	604,582	650,520
f. ACCOUNTABLE FORMS EXPENSE	0	108,400	66,242	174,642
g. NON ACCOUNTABLE FORMS EXPENSE	0	0	3,315	3,315
h. SEMI EXPENDABLE INFO AND COMM TECNOLOGY	0	183,732	2,308,672	2,492,604
i. OTHERS (Add more...)	0	7,639,534	19,383,486	27,023,020
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17i) (To Part IV-Schedule 2 Item 8)	0	18,086,274	110,162,646	128,248,920

Schedule 6 – Special Allowable Itemized Deductions (attach additional sheet/s, if necessary)					
(If with only one activity, fill-out the applicable columns below: if with two or more activities, amount for each expense shall come from all of Part V-Schedule E)					
Description	Legal Basis	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 <input type="text"/>	<input type="text"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
2 <input type="text"/>	<input type="text"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
3 <input type="text"/>	<input type="text"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
4 <input type="text"/>	<input type="text"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
<input type="text" value="(Add more...)"/>					
5 Total Special Allowable Itemized Deductions (Sum of Items 1 to 4) (To Part IV-Schedule 2 Item 9)		<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

Schedule 7 - Computation of Net Operating Loss Carry Over (NOLCO) for Regular Rate (Attach Additional Sheet/s, if necessary)		
1 Gross Income (From Part IV-Schedule 2 Item 7C)		0
2 Less: Total Deductions Exclusive of NOLCO & Deduction Under Special Law (From Part IV-Schedule 2 Item 8C)		0
3 Net Operating Loss (Item 1 Less Item 2) (To Part IV-Schedule 7.1, Item 7A)		0

BIR Form No. 1702-MX January 2018 (ENCS) Page 4		Annual Income Tax Return Corporation, Partnership and Other Non-Individual with MIXED Income Subject to Multiple Income Tax Rates or with Income Subject to SPECIAL/PREFERENTIAL RATE		 1702-MX 01/18ENCS P4		
Taxpayer Identification Number (TIN) 000 129 546 00000		Registered Name LBP RESOURCES AND DEVELOPMENT CORPORATION				
Schedule 7.1 - Computation of Available Net Operating Loss Carry Over (NOLCO) for Regular Rate (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)						
Net Operating Loss Year Incurred		A. Amount	B. NOLCO Applied Previous Year/s	C. NOLCO Expired	D. NOLCO Applied Current Year	E. Net Operating Loss (Unapplied) [(E)=A-(B+C+D)]
4		0	0	0	0	0
5		0	0	0	0	0
6		0	0	0	0	0
7		0	0	0	0	0
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV-Schedule 2 Item 10C)		0				
Schedule 8 - Computation of Net Operating Loss Carry Over (NOLCO) for Special Rate (except those availing fiscal incentives) (Attach Additional Sheet/s, if necessary)						
1 Gross Income (From Part IV-Schedule 2 Item 7B)		0				
2 Less: Ordinary Allowable Itemized Deductions (From Part IV-Schedule 2 Item 8B)		0				
3 Net Operating Loss (Item 1 Less Item 2) (To Part IV-Schedule 8.1 Item 7A)		0				
Schedule 8.1 - Computation of Available Net Operating Loss Carry Over (NOLCO) for Special Rate (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)						
Net Operating Loss Year Incurred		A. Amount	B. NOLCO Applied Previous Year/s	C. NOLCO Expired	D. NOLCO Applied Current Year	E. Net Operating Loss (Unapplied) [(E)=A-(B+C+D)]
4		0	0	0	0	0
5		0	0	0	0	0
6		0	0	0	0	0
7		0	0	0	0	0
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV-Schedule 2 Item 10B)		0				
Schedule 9 - Computation of Minimum Corporate Income Tax (MCIT)						
Year	A) Normal Income Tax as Adjusted		B) MCIT		C) Excess MCIT over Normal Income Tax	
1		0		0		0
2		0		0		0
3		0		0		0
Continuation of Schedule 9 (Item numbers continue from table above)						
D) Excess MCIT Applied/Used for Previous Years		E) Expired Portion of Excess MCIT		F) Excess MCIT Applied this Current Taxable Year		G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
1		0		0		0
2		0		0		0
3		0		0		0
4 Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV-Schedule 3 Item 23)		0				
Schedule 10 - Reconciliation of Net Income per Books Against Taxable Income (attach additional sheet/s, if necessary)						
Particulars		A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns	
1 Net Income/(Loss) per Books		0	3,229,124	25,543,672	28,772,796	
Add: Non-Deductible Expenses/Taxable Other Income) (specify below)						
2		0	0	0	0	
3		0	0	0	0	
(Add more...)						
4 Total (Sum of Items 1 to 3)		0	3,229,124	25,543,672	28,772,796	
Less: A) Non-Taxable Income and Income Subjected to Final Tax (specify below)						
5 INTEREST INCOME		0	231,618	8,303,750	8,535,368	
6		0	0	0	0	
(Add more...)						
B) Special Deductions (specify below)						
7		0	0	0	0	
8		0	0	0	0	
(Add more...)						
9 Total (Sum of Items 5 to 8)		0	231,618	8,303,750	8,535,368	
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)		0	2,997,506	17,239,922	20,237,428	

LBP RESOURCES AND DEVELOPMENT CORPORATION
INCOME STATEMENT

	FOR THE THREE MONTHS PERIOD ENDING MARCH 31, 2023		FOR THE SIX MONTHS PERIOD ENDING JUNE 30, 2023		FOR THE NINE MONTHS PERIOD ENDING SEPTEMBER 30, 2023		FOR THE TWELVE MONTHS PERIOD ENDING DECEMBER 31, 2023	
	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)
SERVICE AND BUSINESS INCOME:								
SERVICE INCOME	-	37,056,725.17	-	75,077,694.78	-	121,444,219.71	-	175,780,476.66
Manpower Services Income	-	113,281,663.35	-	240,857,660.97	-	393,970,580.39	-	583,494,015.79
Property Management Income	-	5,847,709.12	-	11,567,102.92	-	17,262,826.02	-	23,480,210.29
Appraisal Services	-	27,232.14	-	684,910.71	-	1,534,821.43	-	2,720,089.29
Fees & Commission Income	-	752,518.00	-	1,571,370.50	-	2,000,173.00	-	3,042,288.00
	-	156,965,847.78	-	329,758,739.88	-	536,212,620.55	-	788,517,080.03
BUSINESS INCOME	25,253,278.57	6,618,680.71	48,909,465.80	12,822,630.19	72,800,142.81	19,314,463.65	96,578,080.94	27,671,622.94
Rent/Lease Income	-	2,072,233.52	-	4,377,051.51	-	6,975,138.04	-	8,809,537.48
Interest Income	25,253,278.57	8,690,914.23	48,909,465.80	17,199,681.70	72,934,093.92	26,289,601.69	96,809,698.44	36,481,160.42
	25,253,278.57	165,656,762.01	48,909,465.80	346,958,421.58	72,934,093.92	562,502,222.24	96,809,698.44	824,998,240.45
TOTAL SERVICE AND BUSINESS INCOME								
OTHER NON-OPERATING INCOME								
Miscellaneous Income	46,213.96	-	107,378.98	1,878.16	315,040.96	187,661.72	627,943.73	5,555,011.08
TOTAL INCOME	25,299,492.53	165,656,762.01	49,016,844.78	346,960,299.74	73,249,134.88	562,689,883.96	97,437,642.17	830,553,251.53
EXPENSES								
DIRECT COST								
Construction Cost	-	25,366,059.60	-	62,119,603.45	-	100,876,773.75	-	156,690,326.26
Loss from Contract Implementation (LD)	-	-	-	7,500.34	-	56,109.73	-	174,702.22
Manpower Services Expense	-	103,811,866.52	-	223,421,374.44	-	356,986,540.94	-	521,122,639.89
Property Management Expense	-	3,415,282.10	-	6,659,430.49	-	11,169,129.70	-	15,836,959.77
Fees and Commission Expense (Retainer's fee)	-	33,333.33	-	66,666.66	-	99,999.99	-	133,333.32
Appraisal	-	-	-	112,887.20	-	554,567.79	-	888,971.17
Interest Expense (ROUA)	2,607,208.38	-	5,205,507.46	-	7,784,503.67	-	10,373,410.97	-
Depreciation Expense - Investment Property (Buildings)	2,720,366.07	-	5,440,732.14	-	8,161,098.21	-	10,881,464.28	-
Depreciation Expense - ROU	6,492,544.92	-	12,985,089.84	-	19,704,740.04	-	26,284,196.39	-
Depreciation Expense - Machinery and Equipment	179,214.30	-	358,428.60	-	548,584.86	-	727,799.16	-
Interest Expense (STL)	33,580.56	-	33,580.56	-	45,830.56	-	45,830.56	-
Interest Expense (Term Loan)	3,378,395.21	-	6,780,554.16	-	10,213,740.88	-	13,640,493.73	-
Other Financial Charges	38,146.26	-	72,547.31	-	106,884.71	-	140,785.92	-
Salaries, Wages and Gov't Premiums	1,902,498.50	-	4,288,263.71	-	-	-	-	-
Electricity Expense	-	-	-	-	1,314,666.01	-	3,921,199.49	-
Rent Expense	-	-	-	-	1,314,192.05	-	1,492,103.81	-
Salaries and Wages - Regular	-	-	-	-	957,039.77	-	1,262,973.30	-
Salaries and Wages - Casual/Contractual	-	-	-	-	4,775,949.22	-	6,393,386.95	-
Employees Compensation Insurance Premium (GSIS)	-	-	-	-	86,805.04	-	124,007.20	-
Employees Compensation Insurance Premium (SSS)	-	-	-	-	468,385.00	-	639,595.00	-
PhilHealth Contributions	-	-	-	-	107,891.55	-	146,898.36	-
Pag-IBIG Contributions	-	-	-	-	35,500.00	-	48,100.00	-
TOTAL DIRECT COST	17,351,954.20	132,626,541.55	35,164,703.78	292,387,462.58	55,625,811.57	469,743,121.90	76,122,245.12	694,846,932.63
GROSS PROFIT	7,947,538.33	33,030,220.46	13,852,141.00	54,572,837.16	17,623,323.31	92,946,762.06	21,315,397.05	135,706,318.90
PERSONNEL SERVICES								
Salaries & Wages	-	-	-	-	-	-	-	-
Salaries, Wages & Allowances-Regular	797,798.82	6,842,785.08	1,426,454.86	14,764,687.95	1,102,819.29	28,775,639.13	1,332,444.63	40,445,612.92
Salaries, Wages & Allow. - Project-Based	231,352.92	2,468,640.76	231,352.92	4,298,449.07	1,059,902.48	847,401.25	1,294,868.20	2,227,501.72
Overtime & Night Pay	3,426.56	330,243.74	3,426.56	734,946.06	7,562.92	1,151,751.00	176,675.80	1,605,468.69
	1,032,578.30	9,641,669.58	1,661,234.34	19,798,083.08	2,170,284.69	30,774,791.38	2,803,988.63	44,278,583.33
Other Compensation	-	-	-	-	-	-	-	-
Employee Benefits	54,000.00	4,182,406.67	482,196.35	8,337,700.06	540,654.54	11,728,069.76	1,276,638.27	19,644,333.07
Personnel Contributions	-	-	-	-	-	-	-	-
Employees Compensation Insurance Premium (SSS)	75,872.98	492,332.52	69,555.00	673,673.00	96,225.00	982,802.38	114,737.50	1,327,562.84
Employees Compensation Insurance Premium (GSIS)	15,995.48	312,199.08	63,981.92	1,315,422.92	100,223.85	2,229,020.49	128,170.29	3,119,592.41
PhilHealth Contributions	14,837.64	274,399.59	26,073.52	469,573.48	39,473.91	674,031.82	47,652.54	878,576.25
Pag-IBig Contributions	3,300.00	28,300.00	3,300.00	58,800.00	9,000.00	90,700.00	11,400.00	123,100.00
	110,006.10	1,107,231.19	165,910.44	2,517,469.40	244,922.76	3,976,554.69	301,960.33	5,448,831.50
TOTAL PERSONNEL SERVICES EXPENSES	1,196,584.40	14,931,307.44	2,309,341.13	30,653,252.54	2,955,861.99	46,479,415.83	4,382,587.23	69,371,747.90
MAINT. & OTHER OPERATING EXPENSES								
Training Expense	-	694,129.81	-	1,834,826.60	-	2,193,204.23	-	2,507,484.73
Office Supplies Expense	4,328.57	149,906.87	4,328.57	330,597.69	45,958.03	466,508.24	45,958.03	604,561.89
Accountable Forms Expense	-	22,316.97	-	39,285.72	-	58,624.12	-	108,400.00
Non-Accountable Forms Expense - Head Office	-	-	-	-	-	3,314.73	-	3,314.73
Semi-Expendable Info & Comm. Technology	-	-	156,250.00	1,317,252.47	156,250.00	2,121,006.04	183,732.14	2,308,872.11
Semi-Expendable Machinery & Equipment	-	-	19,026.78	268,750.44	340,773.47	289,286.15	340,773.47	289,286.15
Semi-Expendable Furniture, Fixture and Book	-	-	33,303.57	148,086.22	89,172.12	254,696.22	122,635.69	331,628.11
Semi-Expendable Construction Equipment	-	-	32,089.29	341,723.22	43,160.72	649,851.79	111,179.47	751,673.79
Semi-Expendable Office Equipment Expense	-	-	-	44,205.36	-	59,607.15	-	59,607.15
Semi-Expendable Others	-	-	5,955.36	27,607.32	248,808.93	27,607.32	274,844.64	34,691.25
Housekeeping/Cleaning Supplies	16,580.36	-	4,355.35	-	144,758.02	-	153,966.05	-
Water	-	49,463.20	-	15,781.58	-	47,268.82	-	62,057.20
Electricity Expense	222,942.30	402,756.54	461,732.37	855,858.86	-	948,242.11	-	1,131,094.28
Fuel, Oil & Lubricants	27,521.32	35,197.54	54,028.05	79,480.30	139,681.62	269,153.82	202,010.26	734,179.88
Telephone Expense	25,872.72	54,132.19	51,281.18	70,243.17	106,629.46	147,549.60	112,929.46	197,728.29
Internet Subscription Expense	-	104,947.28	-	290,809.67	-	429,255.41	-	615,201.09
Postage & Courier Services	-	2,132.57	-	6,779.46	-	11,985.38	-	14,764.02
Cable, Satellite and Radio Expenses	-	-	-	-	44,100.00	-	44,100.00	-
Auditing Services	-	184,142.86	-	323,642.86	-	463,142.86	-	1,311,158.72
Janitorial Services	-	-	-	45,763.92	-	84,511.64	-	131,165.38
Security Services	2,114,640.05	61,076.93	2,560,834.55	130,968.91	2,976,067.49	1,102,893.70	4,509,389.93	1,102,893.70
Repairs & Maintenance - Transportation	-	30,188.93	12,053.58	80,441.97	39,084.83	246,847.27	39,084.83	407,977.67
Repairs & Maintenance - Investment Property	3,102,715.75	-	4,861,769.72	-	2,454,291.45	-	4,359,747.82	-
Repairs & Maintenance - Others	47,957.59	225,897.08	7,008.93	8,350,390.69	565,728.09	1,326,680.10	651,233.05	1,591,454.22
Taxes, Duties, & Licenses	225,000.00	2,114,102.27	23,318.93	4,476,350.00	304,528.93	6,583,728.45	237,068.93	8,729,986.25
Insurance	-	314,282.87	953,092.95	557,450.58	953,092.95	1,915,845.45	956,467.95	2,625,565.35
Rental/Lease Expense	421,334.10	182,574.57	616,972.76	194,977.27	-	561,295.14	-	686,785.10
Representation Expense	45,303.00	124,059.10	68,238.00	271,703.06	80,953.00	483,547.12	99,989.00	682,039.56
Transportation & Delivery Expense	1,106.50	24,756.14	1,428.50	76,028.89	3,421.75	174,942.53	4,179.75	283,806.31
Travelling Expense - Local	-	413,876.96	-	507,960.39	-	608,143.91	-	938,380.18
Advertising, Promotional and Marketing Expense	-	16,160.00	-	-	-	20,255.00	-	20,255.00
Subscription	-	-	-	15,583.74	-	47,200.24	-	77,274.88
Extraordinary & Misc. Expenses-BDE	-	60,000.00	-	120,000.00	-	180,000.00	-	240,000.00
Extraordinary & Misc. Expenses-Reimbursement	-	330,279.73	-	871,984.06	-	1,475,665.41	-	2,229,516.13
Donations	-	-	-	-	-	-	-	20,000.00
Other General Services	250.00	143,214.02	9,294.44	173,293.71	31,767.79	273,014.41	82,918.60	2,432,998.60
Other Professional Services	-	-	-	-	567,071.10	-	567,071.10	1,821,000.00
Major Events and Conventions Expenses (GAD Exp)	-	-	-	-	-	147,762.70	-	2,050,859.10
Other Maintenance and Operating Expense	12,196.17	73,228.70	19,401.66	212,968.96	19,401.66	216,757.08	19,401.66	163,501.80
	6,267,748.43	5,812,833.14	10,165,764.54	14,558,961.09	9,460,741.41	23,889,394.14	13,289,139.05	37,292,040.17
FINANCIAL EXPENSES								
Bank Charges	-	3,917.16	600.00	14,351.26	680.00	36,430.34	2,018.00	53,752.34
	-	3,917.16	600.00	14,351.26	680.00	36,430.34	2,018.00	53,752.34
NON-CASH EXPENSES								
Depreciation Expense - Investment Property	-	279,996.00	-	559,992.00	-	839,988.00	-	1,119,984.00
Buildings	-	-	-	-	-	-	-	-
Depreciation Expense - Building & Other Structures	-	82,122.00	-	164,244.00	-	246,366.00	-	328,488.00
Depreciation Expense - Machinery and Equipment	5,142.87	184,854.11	11,906.27	195,332.62	43,674.15	285,106.52	43,674.15	412,500.97
Depreciation Expense - Electrical Equipment	-	-	-	-	16,412.94	-	37,064.72	-
Depreciation Expense - Other Machinery and Equipment	2,772.33	42,415.46	4,620.55	220,461.97	18,848.24	415,660.73	13,848.24	621,587.18

LBP RESOURCES AND DEVELOPMENT CORPORATION
INCOME STATEMENT

	FOR THE THREE MONTHS PERIOD ENDING MARCH 31, 2023		FOR THE SIX MONTHS PERIOD ENDING JUNE 30, 2023		FOR THE NINE MONTHS PERIOD ENDING SEPTEMBER 30, 2023		FOR THE TWELVE MONTHS PERIOD ENDING DECEMBER 31, 2023	
	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)	SEZ TALA (Special Rate)	HEAD OFFICE (Regular Rate)
Depreciation Expense - Other Transportation Equipment	-	102,816.96	-	205,633.92	-	298,418.01	317,946.38	300,836.83
Depreciation Expense - Furnitures and Fixtures	-	18,724.71	-	58,273.66	-	83,939.81	-	102,664.52
Depreciation Expense - Office Equipment	-	-	-	-	-	7,086.80	-	24,585.76
Amortization - Intangible (Computer Software)	-	43,147.02	-	150,713.67	-	258,280.32	-	401,846.97
Impairment Loss - Other Receivables	-	-	-	-	-	-	-	132,611.81
	7,915.20	754,076.26	16,526.82	1,554,651.84	73,935.33	2,434,846.19	412,533.49	3,445,106.04
TOTAL OPERATING EXPENSES	7,472,248.03	21,502,134.00	12,492,232.49	46,781,216.73	12,491,218.73	72,840,086.50	18,086,274.77	110,162,646.45
TOTAL EXPENSES	24,824,202.23	154,128,675.55	47,656,936.27	339,168,679.31	68,117,030.30	542,583,208.40	94,208,519.89	805,009,579.08
NET INCOME BEFORE TAX	475,290.30	11,528,086.46	1,359,908.51	7,791,620.43	5,132,104.58	20,106,675.56	3,229,122.28	25,543,672.45
LESS: INTEREST SUBJ. TO FINAL TAX	-	1,953,197.81	-	4,100,679.64	133,969.11	6,582,428.77	231,617.50	8,303,750.32
ADD: Deficiency Tax on Final Decision on Disputed Assessment	-	-	-	-	-	-	-	-
ADD: Fines and Penalties	-	-	-	-	-	-	-	-
TAXABLE INCOME	7,947,538.33	9,574,888.65	13,852,141.00	3,690,940.79	17,489,354.20	13,524,246.79	21,083,779.55	17,239,922.13
TAX RATE	5%	25%	5%	25%	5%	25%	5%	25%
CURRENT TAX EXPENSE	397,376.92	2,393,722.16	692,607.05	922,735.20	874,467.71	3,381,061.70	1,054,188.98	4,309,980.53
INCOME TAX -FINAL	-	390,639.56	-	771,255.23	26,793.82	1,316,485.73	46,323.50	1,660,750.06
NIAT/TOTAL COMPREHENSIVE INCOME	77,913.38	8,743,724.74	667,301.46	6,097,630.00	4,230,843.05	15,409,128.13	2,128,609.80	19,572,941.86

PREPARED BY :
JULITA B. LEONES
Financial Account Assistant

PASSED IN AUDIT:
MR. LOUIS ANTHONY MABEZA
Internal Audit Specialist

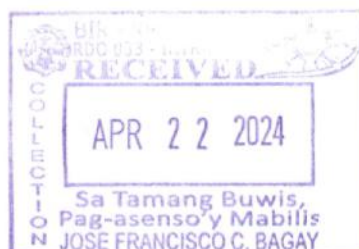
REVIEWED BY:
ELSA G. GRAGASIN
COD - Budget & Accounting Unit

NOTED BY:
RICARDO C. JULIANO
President & CEO



LBP RESOURCES AND DEVELOPMENT CORPORATION
STATEMENT OF INCOME AND EXPENSE
FOR THE TWELFTH-MONTH PERIOD ENDING DECEMBER 31, 2023
(UNAUDITED)

SERVICE AND BUSINESS INCOME:	Head Office	SEZ, TALA	Total
SERVICE INCOME			
Construction Revenue	175,780,476.66		175,780,476.66
Other Services Income-Manpower Services Income	583,494,015.79		583,494,015.79
Other Services Income-Property Management Income	23,480,210.29		23,480,210.29
Other Services Income-Appraisal Services	2,720,089.29		2,720,089.29
Fees & Commissions Income	3,042,288.00		3,042,288.00
	788,517,080.03	-	788,517,080.03
BUSINESS INCOME			
Lease Income	27,671,622.94	96,578,080.94	124,249,703.88
Interest Income	8,809,537.48	231,617.50	9,041,154.98
	36,481,160.42	96,809,698.44	133,290,858.86
TOTAL SERVICE AND BUSINESS INCOME	824,998,240.45	96,809,698.44	921,807,938.89
OTHER NON-OPERATING INCOME			
Miscellaneous Income	5,555,011.08	627,943.73	6,182,954.81
TOTAL INCOME	830,553,251.53	97,437,642.17	927,990,893.70
DIRECT COST			
Cost of Services-Construction Cost	156,690,326.26		156,690,326.26
Loss From Contract Implementation	174,702.22		174,702.22
Cost of Services-Manpower Services	521,122,639.89		521,122,639.89
Cost of Services-Property Management	15,836,959.77		15,836,959.77
Cost of Services-Appraisal	888,971.17		888,971.17
Fees & Commission Expense (Retainer's Fee)	133,333.32		133,333.32
Interest Expense (ROUA)		10,373,410.97	10,373,410.97
Interest Expense (STL)		45,830.56	45,830.56
Interest Expense (Term Loan)		13,640,493.73	13,640,493.73
Depreciation Expense - Investment Property		10,881,464.28	10,881,464.28
Depreciation Expense - ROU		26,284,196.39	26,284,196.39
Depreciation-Machinery & Equipment		727,799.16	727,799.16
Electricity Expense		3,921,199.49	3,921,199.49
Lease Expenses		1,492,103.81	1,492,103.81
Other Financial Charges		140,785.92	140,785.92
Salaries and, Wages - Regular		1,262,973.30	1,262,973.30
Salaries and Wages - Casual/Contractual		6,393,386.95	6,393,386.95
Employees Compensation Insurance Premium (GSIS)		124,007.20	124,007.20
Employees Compensation Insurance Premium (SSS)		639,595.00	639,595.00
PhilHealth Contributions		146,898.36	146,898.36
Pag-IBIG Contributions		48,100.00	48,100.00
TOTAL DIRECT COST	694,846,932.63	76,122,245.12	770,969,177.75
GROSS PROFIT	135,706,318.90	21,315,397.05	157,021,715.95
PERSONNEL SERVICES			
Salaries & Wages			
Salaries and, Wages - Regular	40,445,612.92	1,332,444.63	41,778,057.55
Salaries and Wages - Casual/Contractual	2,227,501.72	1,294,868.20	3,522,369.92
Overtime & Night Pay	1,605,468.69	176,675.80	1,782,144.49
	44,278,583.33	2,803,988.63	47,082,571.96
Other Compensation			
Personnel Economic Relief Allowance (PERA)	1,711,636.36	168,363.64	1,880,000.00
Mid Year Bonus	2,893,513.00	229,135.00	3,122,648.00
Year End Bonus	2,701,738.53	693,165.52	3,394,904.05
Cash Gift	410,250.00	43,500.00	453,750.00
Productivity Incentive Allowance (PEI)	407,863.64	28,636.36	436,500.00
Representation Allowance	914,098.00		914,098.00
Transportation Allowance	777,500.00		777,500.00
Clothing/Uniform Allowance	405,260.51		405,260.51
Directors & Committee Members' Fees	5,067,200.00		5,067,200.00
Other Bonuses and Allowances (SRI/Communication Allow./PBB/PBI)	4,242,517.67	113,837.75	4,356,355.42
Longevity Pay	45,000.00		45,000.00
Other Personnel Benefits	67,755.36		67,755.36
	19,644,333.07	1,276,638.27	20,920,971.34
Personnel Benefit Contributions			
Employees Compensation Insurance Premium (GSIS)	3,119,592.41	128,170.29	3,247,762.70
Employees Compensation Insurance Premium (SSS)	1,327,562.84	114,737.50	1,442,300.34
PhilHealth Contributions	878,576.25	47,652.54	926,228.79
Pag-IBIG Contributions	123,100.00	11,400.00	134,500.00
	5,448,831.50	301,960.33	5,750,791.83
TOTAL PERSONNEL SERVICES EXPENSES	69,371,747.90	4,382,587.23	73,754,335.13



LBP RESOURCES AND DEVELOPMENT CORPORATION
STATEMENT OF INCOME AND EXPENSE
FOR THE TWELFTH-MONTH PERIOD ENDING DECEMBER 31, 2023
(UNAUDITED)

MAINT. & OTHER OPERATING EXPENSES

Training Expense	2,507,484.73		2,507,484.73
Office Supplies Expense	604,561.89	45,958.03	650,519.92
Accountable Forms Expense	66,241.98	108,400.00	174,641.98
Non-Accountable Forms Expense - Head Office	3,314.73		3,314.73
Semi Expendable Expense - Info & Comm. Technology Equipment	2,308,872.11	183,732.14	2,492,604.25
Semi Expendable Expense - Machinery and Equipment	289,286.15	340,773.47	630,059.62
Semi Expendable Expense - Furniture, Fixture and Book	331,628.11	122,635.69	454,263.80
Semi Expendable Expense - Construction Equipment	751,673.79	111,179.47	862,853.26
Semi Expendable Expense - Office Equipment	59,607.15		59,607.15
Semi Expendable Expense - Others	34,691.25	274,844.64	309,535.89
Water Expense	95,092.77	62,057.20	157,149.97
Electricity Expense	1,131,094.28		1,131,094.28
Housekeeping/Cleaning Supplies Expense	-	153,966.05	153,966.05
Fuel, Oil & Lubricants Expenses	734,179.88	202,010.26	936,190.14
Telephone Expenses	197,728.29	112,929.46	310,657.75
Internet Subscription Expenses	615,201.09		615,201.09
Postage and Courier Services	14,764.02		14,764.02
Cable, Satellite and Radio Expenses	-	44,100.00	44,100.00
Auditing Services	1,311,158.72		1,311,158.72
Janitorial Services	131,165.38		131,165.38
Security Services	1,102,893.70	4,509,389.95	5,612,283.65
Repairs & Maintenance-Investment Property	-	4,359,747.82	4,359,747.82
Repairs & Maintenance-Transportation Equipment	407,977.67	39,084.83	447,062.50
Repairs & Maintenance-Others	1,591,454.22	651,233.05	2,242,687.27
Taxes, Duties and Licenses	8,729,986.25	237,068.93	8,967,055.18
Insurance Expenses	2,625,565.35	956,467.95	3,582,033.30
Lease Expenses	686,785.10		686,785.10
Representation Expenses	682,039.56	99,989.00	782,028.56
Transportation Expenses	283,806.31	4,179.75	287,986.06
Traveling Expense-Local	938,380.18		938,380.18
Advertising, Promotional & Marketing Expenses	20,255.00		20,255.00
Subscription Expenses	77,274.88		77,274.88
Extraordinary and Miscellaneous Expense-BDE	240,000.00		240,000.00
Extraordinary and Miscellaneous Expense-Reimbursement	2,229,516.13		2,229,516.13
Other General Services	2,432,998.60	82,918.60	2,515,917.20
Other Maintenance and Operating Expenses	163,501.80	19,401.66	182,903.46
Other Professional Services	1,821,000.00	567,071.10	2,388,071.10
Major Events and Conventions Expenses (GAD Expenses)	2,050,859.10		2,050,859.10
Donations	20,000.00		20,000.00
TOTAL MAINT. & OTHER OPERATING EXPENSES	37,292,040.17	13,289,139.05	50,581,179.22

FINANCIAL EXPENSES

Bank Charges	53,752.34	2,015.00	55,767.34
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NON-CASH EXPENSES

Depreciation Expense-Investment Property (Building)	1,119,984.00		1,119,984.00
Depreciation-Building and Other Structures	328,488.00		328,488.00
Depreciation-Machinery & Equipment	412,500.97	43,674.15	456,175.12
Depreciation-Electrical Equipment	-	37,064.72	37,064.72
Depreciation Expense-Other Machinery and Equipment	621,587.18	13,848.24	635,435.42
Depreciation Expense-Other Transportation Equipment	300,836.83	317,946.38	618,783.21
Depreciation Expense-Furnitures and Fixtures	102,664.52		102,664.52
Depreciation - Office Equipment	24,585.76		24,585.76
Amortization-Intangible (Computer Software)	401,846.97		401,846.97
Impairment Loss - Other Receivables	132,611.81		132,611.81
	3,445,106.04	412,533.49	3,857,639.53

TOTAL OPERATING EXPENSES

110,162,646.45	18,086,274.77	128,248,921.22
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NET INCOME BEFORE TAX

25,543,672.46	3,229,122.28	28,772,794.73
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LESS: INTEREST SUBJ. TO FINAL TAX

8,303,750.32	231,617.50	8,535,367.82
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TAXABLE INCOME

17,239,922.13	21,083,779.55	38,323,701.68
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TAX RATE

25%	5%	
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CURRENT TAX EXPENSE

4,309,980.53	1,054,188.98	5,364,169.51
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INCOME TAX -FINAL

1,660,750.06	46,323.50	1,707,073.56
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5,970,730.59	1,100,512.48	7,071,243.07
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NIAT/TOTAL COMPREHENSIVE INCOME

19,572,941.86	2,128,609.80	21,701,551.66
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