



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

INDEPENDENT AUDITOR'S REPORT

The Board of Directors

LBP Resources and Development Corporation
1598 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, 2024 and 2023, 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, 2024 and 2023, 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 2024 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 7, 2025





LBP Resources and 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

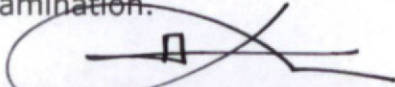
The Management of LBP Resources and Development Corporation (LBRDC) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2024 and 2023 in accordance with the prescribed financial reporting framework 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 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 Resources and Development Corporation or to cease operations or has no realistic alternative to do so.

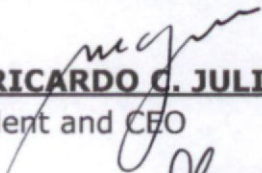
The Board of Directors is responsible for overseeing the LBP Resources and Development Corporation's financial reporting process.

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

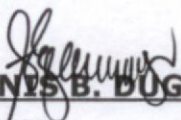
The Commission on Audit has audited/examined the financial statements of LBP Resources and Development Corporation in accordance with International Standards of Supreme Audit Institutions, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit/examination.


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

Chairman of the Board


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

President and CEO


Ms. TERESA DENIS B. DUGAY-GREGORIO, CPA

Corporate Treasurer

Signed this 7th day of May 2025

LBP RESOURCES AND DEVELOPMENT CORPORATION

(A wholly-owned subsidiary of Land Bank of the Philippines)

STATEMENTS OF FINANCIAL POSITION**AS AT DECEMBER 31, 2024 and 2023**

(In Philippine Peso)

	NOTE	2024	2023
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	77,282,277	75,203,257
Receivables, net	5	706,648,052	614,498,394
Inventories	6	28,803,654	21,063,048
Other Current Assets	11	121,954,857	71,628,238
Total Current Assets		934,688,840	782,392,937
Non-Current Assets			
Financial Assets	7	73,648,621	93,702,821
Receivables, net	5	8,928,520	12,170,121
Investment Property, net	8	270,798,498	279,078,086
Property, Plant and Equipment, net	9	646,550,929	658,104,107
Intangible Asset, net	10	4,153,375	2,851,938
Other Non-Current Assets	11	6,686,507	5,051,835
Total Non-Current Assets		1,010,766,450	1,050,958,908
Total Assets		1,945,455,290	1,833,351,845
LIABILITIES			
Current Liabilities			
Financial Liabilities	12	82,887,286	39,189,324
Inter-Agency Payables	13	88,845,265	35,237,051
Trust Liabilities	14	37,216,605	31,645,309
Deferred Credits/Unearned Income	15	104,552,060	87,904,576
Provisions	16	20,313,082	20,079,607
Other Payables	17	106,422,067	117,758,845
Total Current Liabilities		440,236,365	331,814,712
Non-Current Liabilities			
Financial Liabilities	12	817,341,282	827,913,597
Total Non-Current Liabilities		817,341,282	827,913,597
Total Liabilities		1,257,577,647	1,159,728,309
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	21	488,302,803	474,048,696
Total Equity		687,877,643	673,623,536
Total Liabilities and Equity		1,945,455,290	1,833,351,845

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 COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Philippine Peso)

	NOTE	2024	2023
Income			
Service and Business Income	22	1,008,424,872	915,992,032
Other Non-Operating Income	28	3,214,470	7,000,378
Total Income		1,011,639,342	922,992,410
Expenses			
Personnel Services	24	(76,567,163)	(73,754,335)
Maintenance and Other Operating Expenses	25	(52,973,288)	(50,630,492)
Direct Cost	23	(834,812,461)	(770,280,090)
Financial Expenses	26	(1,378,373)	(55,767)
Non-Cash Expenses	27	(7,299,219)	(5,504,062)
Total Expenses		(973,030,504)	(900,224,746)
Net Income Before Tax		38,608,838	22,767,664
Income Tax Expense	29	(8,078,566)	(5,490,637)
Net Income		30,530,272	17,277,027
Total Comprehensive Income		30,530,272	17,277,027

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, 2024 AND 2023
(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, 2023						
CHANGES IN EQUITY FOR 2023	133,212,000	5,162,840	61,200,000	348,772,607	142,648,984	690,996,431
ADJUSTMENTS:						
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
CHANGES IN EQUITY FOR 2024						
Add/(Deduct):						
Net Income for the year					30,530,272	30,530,272
Declarations of Cash Dividend					(16,276,164)	(16,276,164)
Appropriation of Retained Earnings				58,227,393	(58,227,393)	0
BALANCE AT DECEMBER 31, 2024	133,212,000	5,162,840	61,200,000	407,000,000	81,302,804	687,877,644

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, 2024 AND 2023
(In Philippine Peso)

PARTICULARS	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Inflows			
Collection of Income/Revenue		600,427,238	757,669,122
Collection of Receivables		396,386,786	155,870,216
Trust Receipts		71,977,662	23,072,384
Other Receipts		30,929,048	15,829,658
Total Cash Inflows		1,099,720,734	952,441,380
Adjustments		5,135,294	26,264,351
Adjusted Cash Inflows		1,104,856,028	978,705,731
Cash Outflows			
Payment of Expenses		(814,978,163)	(631,640,999)
Purchase of Inventories		(31,283,491)	(17,681,446)
Grant of Cash Advances		(1,414,707)	(9,991,510)
Prepayments		(983,145)	(8,366,493)
Refund of Deposits		(513,912)	0
Payments of Accounts Payable		(37,265,244)	(11,810,987)
Remittance of Personnel Benefit			
Contributions and Mandatory Deductions		(180,150,026)	(154,319,640)
Other Disbursements		(1,385,472)	(122,294,779)
Total Cash Outflows		(1,067,974,160)	(956,105,854)
Adjustments		(26,264,351)	0
Adjusted Cash Inflows		(1,094,238,511)	(956,105,854)
Net Cash Provided by Operating Activities		10,617,517	22,599,877
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Inflows			
Receipt of Interest Earned		3,507,531	3,695,537
Proceeds from Matured Investments/Redemption of Long-term Investments/Return on Investments			
Total Cash Inflows		20,312,732	294,870,385
Total Cash Inflows		23,820,263	298,565,922
Cash Outflows			
Purchase/Construction of Property, Plant and Equipment		(13,727,347)	(33,285,209)
Purchase of Investments		0	(274,003,118)
Purchase of Intangible Assets		(2,355,149)	(1,598,357)
Total Cash Outflows		(16,082,496)	(308,886,684)
Net Cash Provided by / (Used) in Investing Activities		7,737,767	(10,320,762)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash Outflows			
Payment of Cash Dividends	21	(16,276,264)	(34,649,922)
Total Cash Outflows		(16,276,264)	(34,649,922)
Net Cash Used in Financing Activities		(16,276,264)	(34,649,922)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,079,020	(22,370,807)
CASH AND CASH EQUIVALENTS, JANUARY 1		75,203,257	97,574,064
CASH AND CASH EQUIVALENTS, DECEMBER 31	4	77,282,277	75,203,257

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
December 31, 2024 and 2023
(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, 2024 and 2023 were approved and authorized for issue by the Board of Directors through its Resolution No. 25-02-18 dated February 12, 2025.

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 New standards and amendments issued and effective for annual periods beginning on or after January 1, 2024

- a. 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).
- b. Amendments to PAS 1, Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current (effective for annual periods beginning on or after January 1, 2023, deferred to 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. Amendments to PAS 1, Presentation of Financial Statements - Non-current for annual periods beginning on or after January 1, 2024). The amendments modify the requirements introduced by Classification of Liabilities as Current or Non-current on how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances: Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

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

3.3 Standards issued but not yet effective up to the date of the Bank's financial statements are listed below. The Bank intends to adopt these standards when they become effective.

- a. Amendments to PFRS 9 and 7, Classification and measurement of financial instruments (effective for annual periods beginning on or after January 1, 2026). The amendments clarify:
 - the requirements related to the date of recognition and derecognition of financial assets and liabilities, with an exception for derecognition of financial liabilities settled via electronic transfer;
 - the requirements for assessing contractual cash flow characteristics of financial assets; and
 - characteristics for non-recourse loans and contractually linked instruments.

The amendments also introduce certain disclosure requirements for financial instruments.

- b. PFRS 18, Presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss (effective for annual periods beginning on or after January 1, 2027).

The key new concepts introduced in PFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

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

	2024	2023
Cash on Hand	1,000,000	1,000,000
Cash in Bank – Local Currency	76,282,277	74,203,257
Total	77,282,277	75,203,257

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:

	2024	2023
Philippine Peso (Current and Savings Deposit)	0.05%	0.05%

5. RECEIVABLES, NET

This account consists of:

	2024			2023		
	Current	Non-current	Total	Current	Non-current	Total
Receivables	650,739,893	0	650,739,893	566,544,496	0	566,544,496
Sales Contract Receivable	1,067,677	7,955,649	9,023,326	1,247,677	11,170,121	12,417,798
Rent Receivables	25,197,750	0	25,197,750	20,285,826	0	20,285,826
Other Receivables – net	29,642,732	972,871	30,615,603	26,420,395	1,000,000	27,420,395
Total	706,648,052	8,928,520	715,576,572	614,498,394	12,170,121	626,668,515

5.1 Receivables

	2024			2023		
	Current	Non-current	Total	Current	Non-current	Total
Receivables	651,917,297	0	651,917,297	567,994,271	0	567,994,271
Allowance for impairment-Accounts Receivable	(1,177,404)	0	(1,177,404)	(1,449,775)	0	(1,449,775)
Net Value-Accounts Receivable	650,739,893	0	650,739,893	566,544,496	0	566,544,496

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 P99,707,783.
- 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 P552,209,514.

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, 2024, the balance of sales contract receivable amounted to P9,023,326.

5.3 Operating Lease Receivables

	2024	2023
Operating Lease Receivable	25,197,750	20,285,826
Allowance for Impairment	0	0
Net Value - Operating Lease Receivable	25,197,750	20,285,826

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

	Current	2024 Non- current	Total	Current	2023 Non- current	Total
Other Receivables	31,237,315	972,871	32,210,186	28,014,979	1,000,000	29,014,979
Allowance for Impairment-Other Receivables	(1,594,583)	0	(1,594,583)	(1,594,584)	0	(1,594,584)
Net Value-Other Receivables	29,642,732	972,871	30,615,603	26,420,395	1,000,000	27,420,395

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. As at December 31, 2024, fund balance of the Directors and Officers Liability Fund amounted to P991,617.

The following is the Aging/Analysis of Receivables:

	Total	Not past due	Past Due > 60 days
Accounts Receivable	650,739,893	644,786,229	5,953,664
Sales Contract Receivable	9,023,326	9,023,326	
Operating Receivable	25,197,750	25,197,750	
Other Receivables	30,615,603	29,627,071	988,532
Total	715,576,572	708,634,376	6,942,196

6. INVENTORIES

This account consists of inventories held for consumption:

	2024	2023
Construction Materials	27,103,457	19,015,801
Janitorial Supplies	1,074,626	902,021
Stationery and Supplies	548,686	1,145,226
Fuel, Oil and Lubricants	76,885	0
	28,803,654	21,063,048

Reconciliation of the carrying amount follows:

	2024	2023
Carrying Amount, January 1	21,063,048	17,527,047
Additions/Acquisitions during the year	36,903,261	37,143,783
Expensed during the year except write-down	(29,162,655)	(33,607,782)
Carrying Amount, December 31	28,803,654	21,063,048

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.

	2024	2023
Retail Treasury Bonds	73,648,621	73,311,906
Petron Corporation Fixed Rate Bond	0	20,390,915
Total	73,648,621	93,702,821

Reconciliation of the balance of financial assets follows:

As at December 31, 2024

	Held to Maturity
Balance as at January 1, 2024	93,702,821
Maturity/Withdrawal	(20,658,927)
Interest Receivable	604,727
Balance as at December 31, 2024	73,648,621

As at December 31, 2022

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

8. INVESTMENT PROPERTY

This account consists of:

Accounts	Investment Property – Land	2024 Investment Property – Buildings	Total	Investment Property – Land	2023 Investment Property – Buildings	Total
Carrying Amount, January 1	66,000,000	213,078,086	279,078,086	66,000,000	220,074,099	286,074,099
Additions	0	3,721,860	3,721,860	0	7,815,330	7,815,330
Deductions	0	0	0	0	(3,155,372)	(3,155,372)
Total	66,000,000	216,799,946	282,799,946	66,000,000	224,734,057	290,734,057
Depreciation	0	(12,001,448)	(12,001,448)	0	(11,655,971)	(11,655,971)
Carrying Amount, December 31	66,000,000	204,798,498	270,798,498	66,000,000	213,078,086	279,078,086
Gross Cost	66,000,000	285,028,466	351,028,466	66,000,000	281,306,606	347,306,606
Accumulated Depreciation	0	(80,229,968)	(80,229,968)	0	(68,228,520)	(68,228,520)
Carrying Amount, December 31	66,000,000	204,798,498	270,798,498	66,000,000	213,078,086	279,078,086

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. Depreciation of the building/improvements at Special Economic Zone amounting to P10,881,464 is charged under the Direct Costs of the corporation.

The rental revenue amounted to P136,040,251 and P124,550,718 in CY 2024 and CY 2023 respectively.

9. PROPERTY, PLANT AND EQUIPMENT

This account is composed of the following:

<i>As at December 31, 2024</i>						
	Building and Other Structures	Machinery and Equipment	Transportation Equipment	Furniture, Fixtures and Books	Right of Use	TOTAL
Carrying Amount						
January 1	16,839,839	11,204,396	22,103,104	199,744	607,757,024	658,104,107
Additions	7,501,602	7,937,175	6,139,911	0	0	21,578,688
Adjustments	0	5,521	0	0	0	5,521
Total	24,341,441	19,147,092	28,243,015	199,744	607,757,024	679,688,316
Depreciation	(628,244)	(2,831,417)	(2,557,367)	(74,028)	(27,046,331)	(33,137,387)
Carrying Amount December 31	23,713,197	16,315,675	25,685,648	125,716	580,710,693	646,550,929
Gross Cost	28,157,458	36,235,245	35,269,788	810,945	649,254,492	749,727,928
Accumulated Depreciation	(4,444,261)	(19,919,570)	(9,584,140)	(685,229)	(68,543,799)	(103,176,999)
Carrying Amount December 31	23,713,197	16,315,675	25,685,648	125,716	580,710,693	646,550,929

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
Deductions	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

The additions under the Building and Other Structures in CY 2024 represent the following:

	Amount
Partial construction of perimeter fence at Special Economic Zone, Tala, Caloocan City	7,501,602
	7,501,602

The additions under Machinery and Equipment in CY 2024 represent the following:

	Amount
Construction Equipment (e.g. concrete chainsaw, angle grinder, others)	321,071
IT and Communication Technology Equipment	2,952,483
Electrical Equipment, Special Economic Zone	690,982
Other Equipment	3,972,639
	7,937,175

The additions under Transportation Equipment in CY 2024 represent the following:

	Amount
Delivery Truck (20ft Aluminum Van)	2,042,857
Forklift	1,700,893
ISUZU Travis L Utility Van	1,159,821
Innova 2.8 XE	1,236,340
	6,139,911

Depreciation of the machineries and equipment included in the acquisition of the Special Economic Zone amounting to P716,857 is charged under the Direct Costs of the corporation.

10. INTANGIBLE ASSETS

This account consists of the following net amount:

	2024	2023
Firewall Software Protection, net	1,292,411	764,000
Inventory Management System	886,830	1,119,866
Microsoft Office License Key, net	712,946	342,946
Document Management System	600,861	289,732
Cloud Security Software	353,415	0
Purchasing and Accounting System	167,933	167,933
Computer Software	79,765	79,765
Payroll System	37,519	51,983
Engineering Software	21,695	35,713
	4,153,375	2,851,938

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. Additionally, the management further invested for Capture System amounting to P405,951, net of input tax, on December 27, 2024.

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.

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:

	2024	2023
Carrying Amount, January 1	2,851,938	3,248,064
Additions	2,106,472	1,534,375
Deductions	0	(7,857)
	4,958,410	4,774,582
Amortization	(805,035)	(1,922,644)
Carrying Amount, December 31	4,153,375	2,851,938
Gross Cost	8,455,012	6,348,540
Accumulated Amortization	(4,301,637)	(3,496,602)
Carrying Amount, December 31	4,153,375	2,851,938

11. OTHER ASSETS

This account consists of:

	Current	2024 Non-current	Total	Current	2023 Non-current	Total
Prepayments	83,069,108	0	83,069,109	62,214,396	0	62,214,396
Deposits	0	6,673,907	6,673,907	0	5,039,235	5,039,235
Other Investments	0	12,600	12,600	0	12,600	12,600
Advances to Officers and Employees	142,504	0	142,504	148,774	0	148,774
Construction in Progress	38,743,245	0	38,743,245	9,265,068	0	9,265,069
Total	121,954,857	6,686,507	128,641,365	71,628,238	5,051,835	76,680,074

11.1 The prepayment represents the following:

	Amount
Withholding Tax at Source	52,638,365
Creditable Input Tax	15,965,694
Input Tax	10,133,895
Prepaid Insurance	936,967
Advances to Contractors/Sub-Contractors	435,945
Other Prepayment	2,958,242
Balance as at December 31, 2024	83,069,108

11.2 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	2024 Non-current	Total	Current	2023 Non-current	Total
Accounts Payable-Trade	74,961,587	0	74,961,587	33,611,232	0	33,611,232
Retention Payable	7,925,699	0	7,925,699	5,578,092	0	5,578,092
Lease Liability	0	624,688,600	624,688,600	0	634,020,903	634,020,903
Loan Payable - Domestic	0	192,652,682	192,652,682	0	193,892,694	193,892,694
Total	82,887,286	817,341,282	900,228,568	39,189,324	827,913,597	867,102,921

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:

	2024	2023
Due to LBP	59,760,584	18,251,922
Income Tax Payable	12,836,872	6,274,764
Due to Government Corporation	4,686,820	1,566,820
Due to SSS	3,752,614	2,848,528
Due to PhilHealth	2,807,347	2,239,886
Due to BIR	2,474,069	2,225,980
Due to Pag-IBIG	1,753,878	1,117,844
Due to GSIS	773,081	711,307
Total	88,845,265	35,237,051

14. TRUST LIABILITIES

This account consists of:

	2024	2023
Customers' Rental Deposits	36,066,001	30,494,705
Contractors' Deposits	1,007,586	1,007,586
Customers' Deposits	143,018	143,018
	37,216,605	31,645,309

14.1 Customers' rental deposits represent 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' deposits represent deposit for the project's plans and specifications, bidder's bond and performance bond.

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

15. DEFERRED CREDITS/UNEARNED INCOME

This account consists of:

	2024	2023
Unearned Revenue/Income- Investment Property	9,667,914	8,632,756
Output Tax	94,884,146	79,271,820
	104,552,060	87,904,576

16. PROVISIONS

This account consists of:

	2024	2023
Retirement Gratuity	10,641,214	10,641,214
Leave Benefits Payable	9,671,868	9,438,393
	20,313,082	20,079,607

16.1 Retirement Gratuity pertains to the accrual of retirement benefits of qualified employees in accordance with the approved retirement plan of the corporation.

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

17. OTHER PAYABLES

This account consists of:

	2024	2023
Accounts Payable- Others	6,659,663	4,865,268
Accrued Expenses	99,762,404	112,893,577
	106,422,067	117,758,845

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 P407,000,000, that was approved in Board Resolution No. 25-02-08 on January 12, 2025, is composed of the following:

Particulars	Amount	Timeline
Provision for software/equipment	38,000,000	2025-2027
Provision for liability insurance of directors	9,000,000	2025-2028
Retrofitting of LBRDC Naga Building	100,000,000	2025-2026
Provision for Build and Lease projects	260,000,000	2025-2028
	407,000,000	

Dividend Declaration to the National Government

The cash dividend for CY 2023 amounting to P16,276,164 was remitted to the Bureau of Treasury on April 18, 2024.

22. SERVICE AND BUSINESS INCOME

This account consists of:

	2024	2023
Service Income		
Manpower Services Income	674,358,145	584,417,079
Construction Revenue	167,160,251	168,740,492
Property Management Fee	18,712,123	23,480,210
Fees and Commission Income	3,735,672	3,042,288
Appraisal	3,552,661	2,720,090
	867,518,852	782,400,159

	2024	2023
Rent/Lease Income	136,040,251	124,550,718
Interest Income	4,865,769	9,041,155
	140,906,020	133,591,873
Total	1,008,424,872	915,992,032

23. DIRECT COST

This account consists of:

	2024	2023
Service Costs		
Manpower Services Expense	597,444,877	521,122,640
Construction Costs	150,451,941	156,175,941
Direct Cost (Lease at SEZ)	71,735,341	76,122,245
Property Management Expense	14,471,381	15,836,960
Appraisal Fee	566,254	888,971
Fees and Commission Expense (Retainer's Fee)	142,667	133,333
Total	834,812,461	770,280,090

24. PERSONNEL SERVICES

This account consists of:

	2024	2023
Salaries and Wages		
Salaries and Wages-Regular	39,853,400	41,778,058
Salaries and Wages-Casual/Contractual	6,138,165	3,522,370
	45,991,565	45,300,428
Other Compensation		
Personnel Economic Relief Allowance (PERA)	2,040,151	1,880,000
Representation Allowance	1,029,000	914,098
Transportation Allowance	897,000	777,500
Clothing/Uniform Allowance	529,077	405,261
Productivity Incentive Allowance	450,000	436,500
	4,945,228	4,413,359
Honoraria		
Year End Bonus	4,066,382	3,394,904
Directors and Committees Members' Fees	3,496,000	5,067,200
Mid-Year Bonus	3,472,858	3,122,648
Overtime and Night Pay	2,685,244	1,782,144
Cash Gift	256,182	453,750
Longevity Pay	30,000	45,000
Other Bonuses and Allowances	5,262,537	4,356,355
	19,269,203	18,222,001
Personnel Benefit Contribution		
Employees Compen Insurance Premium (GSIS)	4,292,483	3,247,763
PhilHealth Contribution	982,675	926,229
Employees Compen Insurance Premium(SSS)	812,605	1,442,300
Pag-IBIG Contributions	264,654	134,500

	6,352,417	5,750,792
Other Personnel Benefits		
Retirement Gratuity	0	0
Other Personnel Benefits	8,750	67,755
	8,750	67,755
	76,567,163	73,754,335

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:

	2024	2023
Training and Scholarship Expenses		
Training Expenses	1,638,424	2,507,485
Supplies and Materials Expenses		
Office Supplies Expenses	1,121,810	650,520
Accountable Forms Expenses	260,766	174,642
Other Materials and Supplies Expense	136,024	3,315
Semi-Expendable Exp-Info & Comm Tech Equipment	2,429,639	2,500,461
Semi-Expendable Exp-Machinery & Equipment	1,049,880	630,060
Semi-Expendable Exp-F & F and Books	77,407	454,264
Semi-Expendable Exp-Construction Equipment	778,442	862,853
Semi-Expendable Exp-Office Equipment	163,196	59,607
Semi-Expendable Exp-Electrical Equipment	211,607	0
Semi-Expendable Exp-Others	330,947	309,536
Utility Expenses		
Water and Electricity Expenses	316,012	1,288,244
Fuel, Oil and Lubricants Expenses	1,040,027	936,190
Communication Expenses		
Telephone Expenses	140,993	310,658
Internet Subscription	1,244,803	615,201
Cable, Satellite and Radio Expenses	0	44,100
Confidential, Intelligence and Extraordinary Expenses		
Extraordinary and Miscellaneous Expenses	240,000	240,000
Professional Services		
Auditing Services	968,929	1,311,159
Other Professional Services	933,036	2,388,071
General Services		
Janitorial Services	0	131,165
Security Services	6,303,461	5,649,989
Housekeeping/Cleaning Supplies Expenses	28,895	153,966
Repairs and Maintenance		
Repairs and Maintenance-Transportation Equipment	814,138	447,063
Repairs and Maintenance-Investment Property	1,345,884	4,359,748
Repairs and Maintenance-Others	2,827,133	2,242,687
Taxes, Insurance Premiums and Other Fees		
Taxes, Duties and Licenses	9,700,335	8,970,805
Insurance/Reinsurance Expenses	3,523,830	3,582,033

Other Maintenance and Operating Expenses		
Rent/Lease Expenses	863,576	686,785
Transportation and Delivery Expenses	315,764	287,986
Representation Expenses	1,205,061	782,029
Travelling Expenses – local	286,212	938,380
Advertising, Promotional and Marketing Expenses	0	20,255
Subscription Expense	836,112	77,275
Major Events & Conventions Expense (GAD Related)	3,538,290	2,050,859
Postage and Courier	7,573	14,764
Other Maintenance and Operating Expenses	4,791,205	4,928,337
Donations	25,000	20,000
Documentary Stamps Expenses	3,148,520	0
Environment/Sanitary Services	330,357	0
Total	52,973,288	50,630,492

26. FINANCIAL EXPENSES

	2024	2023
Interest Expense (Short-term Loan)	975,000	0
Bank Charges	354,623	55,767
Other Financial Charges	48,750	0
TOTAL	1,378,373	55,767

The corporation incurred corresponding interest expenses and other financial charges related to the availed of short-term loan from LANDBANK amounting to P30,000,000.00, on February 22, 2024 (Promissory Note No. 4808ST246085003). The said loan was fully settled on August 20, 2024

27. NON-CASH EXPENSES

This account is composed of:

	2024	2023
Depreciation		
Depreciation-Transportation Equipment	2,557,367	744,408
Depreciation-Machinery and Equipment	1,924,338	1,091,611
Depreciation-Investment Property	1,119,984	1,119,984
Depreciation-Buildings and Other Structures	628,244	328,488
Depreciation-Electrical Equipment	137,726	37,064
Depreciation-Furniture, Fixtures and Books	74,028	102,665
Depreciation-Office Equipment	52,497	24,586
	6,494,184	3,448,806
Allowance for Doubtful Accounts		
Bad Debts	0	132,612
	0	132,612

Amortization		
Amortization- Intangible Assets	805,035	1,922,644
	805,035	1,922,644
Impairment Loss		
Impairment Loss- Receivables-Trade	0	0
Impairment Loss- Retention Receivable	0	0
	0	0
	7,299,219	5,504,062

28. OTHER NON-OPERATING INCOME, GAIN OR LOSSES

This income consists of the following:

	2024	2023
Other Gains	3,214,470	6,330,378
Donation in kind	0	670,000
Total	3,214,470	7,000,378

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 2024 and 2023, the provisions for income tax were computed as follows:

	2024	2023
Net income before tax	38,608,838	22,767,664
Income subject to final tax	(4,464,439)	(8,535,366)
Income subject to special tax (5%)	(12,754,330)	(3,404,486)
Net Income subject to tax	21,390,069	10,827,812
Current tax expense		
Regular Income Tax (25%)	5,347,517	2,706,953
Special Income Tax (5%)	1,838,161	1,076,610
Final Income Tax	892,888	1,707,074
	8,078,566	5,490,637

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.

	2024	2023
Net income	32,180,746	17,277,027
Weighted average no. of outstanding common shares	13,321,200	13,321,200
Earnings per share	2.42	1.30

31. CONSTRUCTION CONTRACTS

The construction income for CY 2024 is P167,160,251 with accumulated cost of P150,451,941 and recognize net profit of P16,708,310. Also, the outstanding retention receivable as part of contract receivables and advances from clients as Due to LBP are P22,944,760 (net) and P59,760,584, 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 Corporation'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, 2024, the vested benefit is P8,284,927 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, 2024 is P730,298. These are lodged under the Rental expense account.
- b. Copy Link, Inc. for rental of copying machine with a contract of one year which will end in February 2026.
- c. Privatization Management Office for 25 years, commenced in June 2022 until May 2047. There are no restrictions placed upon the lessee on entering into this lease. Future minimum rentals payable under non-cancelable finance leases due within one year as of December 31, 2024 is P20,433,920.

LBRDC as lessor

LBRDC has entered into commercial property leases on its investment property portfolio consisting of land and building. These non-cancellable 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:

	2024	2023
LBP Branches and Plaza HQ	824,169,970	889,971,931
Investment in RTB	26,673,894	26,673,894
LBP Naga Branch Rental	2,570,091	2,491,118
LBRDC Head Office Space	730,298	693,783
TOTAL	854,144,253	919,830,726

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	3,336,980
Other Compensation	5,327,507
	8,664,487

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 P103,120,640 for CY 2024.
- 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	8,239,776
Current year's purchases	
i. Goods other than resale or manufacture capital goods	1,731,419
ii. Goods other than capital goods	17,092,378
iii. Services lodged under other accounts	12,041,826
Claims for tax credits/refund	(28,971,504)
Balance at end of year	10,133,895

- d. Other taxes and licenses

	Amount
Local	
Business permit	8,062,623
Real estate tax	1,226,697
Capital equipment tax	56,908
Professional tax receipt/PRC License (renewal)/IBP	
Registration	9,097
Community Tax Certificate	10,500
Barangay Clearance	500
	9,366,325

	Amount
National	
Tax on fringe benefits	129,231
Documentary Stamp Tax	3,268,540
Registration of company vehicle	27,729
Registration – DOLE (renewal)	50,000
Renewal of PhilGEPS membership	5,030
Accreditation as Asset Valuer	2,000
	3,482,530

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

	Amount
Tax on compensation and benefits	5,621,020
Expanded withholding taxes	4,789,006
Withholding percentage taxes/Value-added taxes	14,336,360
	24,746,386
Creditable withholding taxes (withheld by clients)	24,058,571
Final withholding taxes (withheld by clients)	40,208,908
	89,013,365

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

	Amount under Special Rate	Amount under Regular Rate
Sales of Services	106,156,663	897,402,440
	106,156,663	897,402,440

2. Cost of Sales/Services

	Amount under Special Rate	Amount under Regular Rate
Direct Charges	71,735,342	763,077,119
	71,735,342	763,077,119

3. Other Taxable Income Not Subjected to Final Tax

	Amount under Special Rate	Amount under Regular Rate
Interest Income	2,341,899	1,273,902
TOTAL	2,341,899	1,273,908

4. Ordinary Allowable Itemized Deduction

Particulars	Amount
Amortization	805,035
Charitable and Other Contributions	25,000
Depreciation	6,494,183
Rental	863,576
Salaries and Allowances	52,172,809
SSS, GSIS, Philhealth, HDMF and Other Contribution	6,352,417
Taxes and Licenses	9,700,335
Transportation and Travel	601,976
Janitorial and Messengerial Services	0
Professional Fees (Auditing Services)	1,901,965
Security Services	6,303,461
Employees Benefits	18,041,938
Trainings Expense	1,638,424
Office Supplies Expense	1,547,495
Others	31,769,429
TOTAL	138,218,043

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:

	2024	2023
Current ratio	2.12	2.36
Solvency ratio	0.06	0.02
Debt to Asset ratio	0.65	0.63
Debt to Equity ratio	1.83	1.72
Equity to Asset ratio	0.35	0.37
Interest rate coverage ratio	2.56	2.00
Profitability Ratio:		
Profit Margin	17.74%	2.50%
Operating Profit Margin	10.81%	15.07%
Net Profit Margin	3.02%	1.90%
Return on Assets	1.57%	0.94%
Return on Equity	4.44%	2.56%

The Current Ratio decreased from 2.36 to 2.12 in CY 2024 mainly due to the increase in its payables brought about by the growth in the operations. The challenges in the collection of the receivables also contributed to the decrease in the Current Ratio and increase in its Solvency Ratios.

Profitability Ratio increased by more than 1 per cent compared to CY 2023 due to higher generated income from manpower and special economic zone operations.

37. EVENTS AFTER THE REPORTING PERIOD

1. On January 31, 2025, LBRDC received a Final Assessment Notice (FAN), issued by the Bureau of the Internal Revenue relative to the tax audit of CY 2024, indicating a supposed deficiency in the remittance of Value-Added Tax (VAT) as follows:

Adjusted VAT due per investigation	P 122,015,632.90
Less: VAT Payments	78,438,949.95
Allowable Input Tax per BIR Assessment	11,791,465.17
Basic Tax Due	31,785,217.78
Add: 12% Interest (01/26/2023 to 02/26/2025)	7,973,300.11
Total Amount Due	39,758,517.89

On March 3, 2025, LBRDC filed a corresponding protest detailing the explanations and schedules to support our stance, pursuant to Section 228 of the National Internal Revenue Code (NIRC) of 1997, as amended.

2. On February 12, 2025, the Board of Directors, through Board Resolution No. 25-02-08, approved the appropriation of LBRDC's Retained Earnings, to provide provision for the following:

Particulars	Amount	Timeline
Provision for software/equipment	38,000,000	2025-2027
Provision for liability insurance of directors	9,000,000	2025-2028
Retrofitting of LBRDC Naga Building	100,000,000	2025-2026
Provision for Build and Lease projects	260,000,000	2025-2028
Total Appropriation	407,000,000	

Tax Return Receipt Confirmation

From: ebirforms-noreply@bir.gov.ph (ebirforms-noreply@bir.gov.ph)

To: lbrdc_acctg@yahoo.com.ph

Date: Friday, June 13, 2025 at 05:54 PM GMT+8

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

File name: 000129546000-1702MXv2018C-1224V2.xml

Date received by BIR: 13 June 2025

Time received by BIR: 05:41 PM

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)

12/20

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)

0001295460000

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 1508 MH DEL PILAR ST COR DR J QUINTOS ST BRGY 699 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

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

14 Total Tax Due/(Overpayment) (From Part IV-Schedule 2 Item 19D)
8,456,664

15 Less: Total Tax Credits/Payments (From Part IV-Schedule 3 Item 32D)
48,410,911

16 Net Tax Payable / (Overpayment) (Item 14 Less Item 15) (From Part IV Item 33D)
41,954,247

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)
41,954,247

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

Signature over Printed Name of Treasurer/ Assistant Treasurer

Title of Signatory
RESIDENT CO

TIN
05-128-990-000

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)

file:///C:/Users/ACC%201/AppData/Local/Temp/%7B3B1D7364-9D06-4894-812C-CEA... 6/16/2025

<div>BIR Form No. 1702-MX January 2018 (ENCS) Page 2</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 P2</div>
Taxpayer Identification Number (TIN) 000 129 548 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	106,156,663	897,803,771	1,003,960,434
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	106,156,663	897,803,771	1,003,960,434
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	71,735,342	763,077,119	834,812,461
5 Gross Income from Operation <i>(Item 3 Less Item 4)</i>	0	34,421,321	134,726,652	169,147,973
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	2,341,899	872,571	3,214,470
7 Total Taxable Income <i>(Sum of Items 5 and 6)</i>	0	36,763,220	135,599,223	172,362,443
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	24,008,891	114,184,153	138,193,044
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 [Only for those taxable under Sec. 27 (A to C)]; Section 28(A)(1)(A)(6)(b) of the Tax Code, as amended] <i>(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	24,008,891	114,184,153	138,193,044
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	12,754,329	21,415,070	34,169,399
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	1,102,897	5,353,767	6,456,664
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>		1,102,897	5,353,767	6,456,664
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>		1,102,897	5,353,767	6,456,664

Schedule 3 - Tax Credits/Payments (attach proof)


20 Prior Year's Excess Credits Other Than MCIT	0	613,785	23,735,915	24,349,700
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 <i>(From Schedule 9 Item 4)</i>			0	0
24 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307	0	2,858,584	13,277,374	16,135,958
25 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Qtr	0	1,187,345	6,737,906	7,925,253
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 <i>(To Part IV-Schedule 4 Item 6)</i>	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	4,659,714	43,751,197	48,410,911
33	Net Tax Payable / (Overpayment) (Item 19 Less Item 32) (Item 33D to Part II Item 16)	0	(3,556,817)	(38,397,430)	(41,954,247)	

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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)
000 129 548 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	3,188,582		3,188,582
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	3,188,582	0	3,188,582
4 Less: Income Tax Due (From Part IV-Schedule 2 Item 15B)	0	1,102,897		1,102,897
5 Tax Relief Availment before Special Tax Credit (Item 3 Less Item 4)	0	2,085,685	0	2,085,685
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	2,085,685	0	2,085,685

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	805,035	805,035
2 Bad Debts	0	0	0	0
3 Charitable and Other Contributions	0	0	0	0
4 Depletion	0	0	0	0
5 Depreciation	0	3,236,231	3,257,952	6,494,183
6 Entertainment, Amusement and Recreation	0	0	0	0
7 Fringe Benefits	0	0	0	0
8 Interest	0	0	975,000	975,000
9 Losses	0	0	0	0
10 Pension Trusts	0	0	0	0
11 Rental	0	0	0	0
12 Research and Development	0	0	0	0
13 Salaries, Wages and Allowances	0	3,096,379	45,580,430	48,676,809
14 SSS, GSIS, Philhealth, HDMF and Other Contributions	0	270,892	6,081,725	6,352,617
15 Taxes and Licenses	0	0	9,700,335	9,700,335
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	0	0
b. Professional Fees	0	0	0	0
c. Security Services	0	0	0	0
d. EMPLOYEE BENEFITS	0	1,481,084	20,056,853	21,537,937
e. TRAINING EXPENSE	0	0	1,838,424	1,838,424
f. OFFICE SUPPLIES EXPENSE	0	52,827	1,068,984	1,121,811
g. ACCOUNTABLE FORMS EXPENSE	0	600	260,166	260,766
h. NON ACCOUNTABLE FORMS EXPENSE	0	0	58,416	58,416
i. OTHERS (Add more...)	0	15,871,076	24,890,833	40,761,911
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17i) (To Part IV-Schedule 2 Item 8)	0	24,008,891	114,184,153	138,193,044

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)		0	0	0	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

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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)	Registered Name
000 129 546 0000	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	0.00	0	0
5	0	0	0.00	0	0
6	0	0	0.00	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	12,764,078	25,844,759	38,608,837
Add: Non-Deductible Expenses/Taxable Other Income) (specify below)				
2 DONATION	0	0	25,000	25,000
3	0	0	0	0
(Add more...)				
4 Total (Sum of Items 1 to 3)	0	12,764,078	25,969,759	38,633,837
Less: A) Non-Taxable Income and Income Subjected to Final Tax (specify below)				
5 INTEREST INCOME	0	9,749	4,454,889	4,464,638
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	9,749	4,454,889	4,464,638
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)	0	12,754,329	21,514,870	34,169,399



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
LBP Resources and Development Corporation
1598 M.H. del Pilar cor. 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 2024 of the LBP Resources and Development Corporation, the Auditee, is still on-going.

This certification is issued upon the request of the Auditee as a requirement to support the filing of its tentative Annual Income Tax Return for Taxable Year 2024.

Issued this 11th day of April 2025 at the City of Manila.


MARIE FRANCES HAZEL S. ACEBEDO
Supervising Auditor

LBP RESOURCES AND DEVELOPMENT CORPORATION
INCOME STATEMENT

(AUDITED)

	FOR THE THREE MONTHS PERIOD ENDING MARCH 31, 2024		FOR THE THREE MONTHS PERIOD ENDING JUNE 30, 2024		FOR THE NINE MONTHS PERIOD ENDING SEPTEMBER 30, 2024		FOR THE TWELVE MONTHS PERIOD ENDING DECEMBER 31, 2024	
	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 INCOME AND BUSINESS INCOME:								
Construction Revenue	-	47,174,205.40	-	-	83,776,269.76	-	116,178,304.22	-
Marine Services Income	-	126,043,447.67	-	288,465,941.10	-	463,892,034.83	-	167,160,250.65
Property Management Income	-	6,081,145.05	-	11,937,596.84	-	17,432,892.81	-	674,358,145.52
Appraisal Services	-	534,119.89	-	1,774,183.67	-	2,641,326.52	-	18,712,122.52
Fee & Commission Income	-	1,258,812.50	-	1,953,694.29	-	3,641,184.29	-	3,552,661.34
	-	181,091,730.51	-	387,867,595.66	-	603,788,742.67	-	867,518,851.82
BUSINESS INCOME	29,162,908.59	7,436,229.48	54,817,951.41	14,867,548.27	80,400,723.15	22,313,240.54	106,156,662.90	29,483,588.51
Rent/Lease Income	3,426.79	1,461,498.66	6,397.30	17,527,802.78	7,657.10	3,698,325.33	9,749.47	4,856,019.32
Interest Income	29,166,335.38	8,897,728.14	54,824,348.71	17,527,802.78	80,400,380.25	26,011,505.87	106,166,412.37	34,739,607.83
TOTAL SERVICE AND BUSINESS INCOME	29,166,335.38	189,999,458.65	54,824,348.71	405,395,402.71	80,400,380.25	629,800,508.94	106,166,412.37	902,258,459.65
OTHER NON-OPERATING INCOME								
Miscellaneous Income	262,071.30	1,266,390.27	1,553,632.49	1,301,191.57	1,833,562.01	1,000,918.85	2,341,898.66	872,571.36
TOTAL INCOME	29,428,406.68	191,257,848.92	56,377,981.20	406,696,594.28	82,241,942.26	630,801,227.39	108,508,311.03	903,131,031.01
EXPENSES								
DIRECT COST								
Construction Cost	-	20,581,356.37	-	58,967,779.53	-	98,317,488.59	-	150,450,722.19
Loss from Contract Implementation (LID)	-	1,218.54	-	1,218.54	-	1,218.54	-	1,218.54
Marine Services Expense	-	112,366,128.53	-	259,204,074.69	-	410,169,792.66	-	597,444,876.78
Property Management Expense	-	4,812,020.51	-	9,501,572.22	-	13,903,901.03	-	14,471,381.57
Fee and Commission Expense (Retailer's fee)	-	35,666.67	-	71,333.34	-	107,000.01	-	142,666.68
Appraisal	-	19,714.00	-	192,430.07	-	311,460.88	-	566,253.68
Interest Expense (ROUA)	2,569,266.02	-	5,980,733.12	-	7,678,227.43	-	10,215,947.92	-
Depreciation Expense - Investment Property (Building)	2,720,366.07	-	5,440,732.14	-	8,161,098.21	-	10,881,464.28	-
Depreciation Expense - ROU	6,654,552.09	-	13,309,104.18	-	19,963,656.27	-	27,110,330.38	-
Depreciation Expense - Machinery and Equipment	179,214.30	-	238,952.40	-	238,952.40	-	716,857.20	-
Interest Expense (STL)	205,833.33	-	-	698,750.00	-	-	-	-
Interest Expense (Term Loan)	3,383,203.29	-	6,760,452.68	-	10,169,534.07	-	13,573,387.94	-
Other Financial Charges	33,838.28	-	69,096.19	24,375.00	102,451.75	-	136,124.75	-
Electricity Expense	763,580.46	-	893,044.44	-	2,223,121.36	-	829,673.37	-
Lease Expense	2,785.72	-	38,785.72	-	38,785.72	-	175,871.43	-
Salaries and Wages - Regular	300,018.00	-	795,367.99	-	1,345,331.35	-	1,912,355.35	-
Salaries and Wages - Casual/Contractual (SSSI)	1,403,717.70	-	2,677,249.57	-	3,856,640.78	-	5,052,912.30	-
Employees Compensation Insurance Premium	60,107.16	-	121,422.20	-	189,395.80	-	259,838.68	-
Employees Compensation Insurance Premium (SSS)	129,640.00	-	273,660.00	-	412,037.50	-	531,122.50	-
Philhealth Contributions	116,427.73	-	161,105.78	-	207,247.70	-	253,555.64	-
Pay-IBIG Contributions	19,100.00	-	41,300.00	-	63,700.00	-	85,900.00	-
TOTAL DIRECT COST	18,541,650.13	137,813,104.62	36,801,008.41	328,681,483.39	54,650,180.34	572,810,861.71	71,735,341.74	763,077,119.44
GROSS PROFIT	10,886,756.55	53,444,744.30	19,576,972.79	78,015,110.89	27,591,761.92	107,990,365.68	36,772,969.29	140,053,911.57
PERSONNEL SERVICES								
Salaries & Wages - Regular	225,387.00	9,154,146.91	534,881.97	18,551,563.43	908,796.97	27,310,723.59	1,308,699.97	38,544,700.09
Salaries and Wages - Casual/Contractual	228,521.85	1,272,826.14	404,551.94	2,286,170.06	492,530.60	3,173,095.47	668,798.04	3,469,566.90
Overtime & Night Pay	203,691.77	376,340.44	503,953.92	692,635.78	807,496.94	1,039,094.42	1,118,881.13	1,566,463.08
	657,400.62	10,803,313.49	1,445,387.83	21,530,369.27	2,208,764.51	31,822,922.28	3,096,379.14	45,580,430.07
Other Compensation	238,117.81	5,365,025.44	449,311.62	10,323,824.06	632,348.43	14,460,602.33	1,481,084.18	20,056,852.88
Employee Benefits	-	-	-	-	-	-	-	-
Personal Benefit Contributions	15,887.50	168,747.50	30,217.50	367,552.04	38,792.50	599,842.04	43,707.50	768,897.04
Employees Compensation Insurance Premium (SSSI)	30,923.94	1,067,080.88	68,890.38	2,112,590.12	114,738.10	3,150,779.32	164,526.46	4,127,956.32
Philhealth Contributions	10,223.31	185,942.45	21,247.35	440,790.76	32,920.59	685,390.21	44,458.18	938,217.04
Pay-IBIG Contributions	4,400.00	54,454.20	9,200.00	117,454.20	13,800.00	179,654.20	18,000.00	246,654.20
	61,434.75	1,476,225.03	129,555.23	3,038,387.12	200,261.19	4,615,665.77	270,692.14	6,081,724.60
TOTAL PERSONNEL SERVICES EXPENSES	956,953.18	17,644,563.96	2,024,254.68	34,892,580.45	3,041,374.13	50,899,190.38	4,848,155.46	71,719,007.55
MAINT. & OTHER OPERATING EXPENSES								
Training Expense	-	286,292.86	-	909,493.02	-	1,298,747.79	-	1,638,424.40
Office Supplies Expense	-	122,261.65	-	12,537.86	-	22,824.29	-	52,826.50
Accountable Forms Expense	-	16,015.17	-	48,104.45	-	72,383.03	-	1,068,983.69
Non-Accountable Forms Expense	-	29,832.59	-	30,495.54	-	55,482.32	-	280,165.51
Semi-Expendable Info & Comm. Technology Expenses	30,803.57	135,533.04	203,946.42	305,278.75	364,653.56	705,178.75	687,273.34	68,416.08
Semi-Expendable Machinery & Equipment Expenses	-	179,107.14	66,767.86	371,071.43	135,192.86	814,330.36	135,192.86	909,166.06
Semi-Expendable Furniture, Fixture and Book	-	-	8,500.00	11,428.57	43,625.00	39,303.57	43,625.00	43,625.00
Semi-Expendable Construction Equipment	-	75,000.00	21,875.00	114,330.36	756,566.57	21,875.00	756,566.57	756,566.57
Semi-Expendable Expense - Office Equipment	-	-	16,517.86	-	139,981.26	-	163,195.55	-
Semi-Expendable Expense - Electrical Equipment	-	-	-	-	-	-	211,607.14	-
Semi-Expendable Expense - Others	117,033.42	61,929.91	121,332.42	61,929.91	125,775.44	205,171.70	205,171.70	125,775.44
Housekeeping/Cleaning Supplies	-	2,050.70	-	5,126.75	-	47,393.13	-	51,548.63
Water	-	19,116.32	-	29,480.25	-	225,656.48	-	264,493.56
Electricity Expense	102,090.91	141,611.12	177,883.21	143,195.31	554,069.35	240,424.11	642,702.78	397,322.43
Fuel, Oil & Lubricants	12,600.00	16,500.00	13,000.00	33,000.00	61,492.69	61,492.69	63,000.00	797,130.68
Telephone Expense	-	145,892.47	291,764.52	254,850.15	303,677.05	551,326.73	447,677.05	717,525.84
Internet Subscription Expense	-	910.71	-	3,762.49	-	515,300.00	-	968,928.57
Postage & Courier Services	-	139,500.00	-	279,000.00	-	515,300.00	-	968,928.57
Auditing Services	976,312.28	-	3,165,101.32	-	4,605,907.96	-	6,303,461.09	-
Security Services	350.00	310,693.43	350.00	422,505.13	350.00	594,610.37	30,332.14	783,805.92
Repairs & Maintenance - Transportation Equipment	195,072.76	128,965.90	648,483.74	213,603.02	927,642.40	420,295.09	1,345,884.17	1,141,521.72
Repairs & Maintenance - Investment Property	321,110.79	2,493,227.02	894,874.25	4,902,638.01	1,102,197.62	7,327,146.17	1,685,611.74	1,141,521.72
Repairs & Maintenance - Others	-	804,224.07	-	4,902,638.01	-	1,296,681.01	-	9,700,334.89
Taxes, Duties, & Licenses	170,518.85	327,575.28	666,921.48	496,578.42	1,330,797.96	679,152.99	1,986,110.80	1,537,716.39
Lease Expense	49,535.93	119,748.45	168,275.68	295,621.81	257,406.16	600,622.41	293,729.99	863,576.13
Representation & Delivery Expense	1,866.57	16,233.71	14,269.57	49,093.35	20,261.57	90,887.39	32,946.71	911,330.72
Traveling Expense - Local	-	129,443.11	-	132,932.71	-	175,165.96	-	282,817.35
Subsistence Expense	-	21,899.59	-	317,207.86	-	410,243.67	-	836,111.91
Other Supplies and Materials Expenses	-	-	-	-	-	-	-	45,306.84
Chemical and Filtering Supplies Expenses	-	-	-	-	-	-	-	22,301.25
Extraordinary & Misc. Expenses-BDE	-	60,000.00	-	100,000.00	-	180,000.00	-	1,261,571.43
Extraordinary & Misc. Expenses-Reimbursement	-	350,490.31	-	888,817.97	-	1,462,654.80	-	2,460,504.46
Other Professional Services	-	-	486,607.14	-	486,607.14	258,214.29	709,821.43	223,214.29
Donations	-	-	-	25,000.00	-	25,000.00	-	25,000.00
Other General Services	44,879.07	1,160.00	177,762.18	101,680.25	287,730.60	195,698.17	435,674.81	873,453.79
Environment/Sanitary Services	-	-	-	-	-	-	-	873,453.79
Documentary Status Expenses	-	-	-	-	-	-	-	330,357.14
Major Events and Conventions Expenses (GAD Expense)	-	71,319.10	-	511,007.73	-	895,225.23	-	3,538,280.34
FINANCIAL EXPENSES	2,022,174.15	6,106,333.64	7,195,399.19	12,385,893.20	11,253,299.58	23,707,380.36	15,920,858.28	37,052,430.42
Bank Charges	390.00	2,155.00	1,080.00	4,955.00	6,755.00	975,000.00	3,645.00	350,977.68
Interest Expense (STL)	-	-	-	-	-	48,750.00	-	975,000.00
Other Financial Charges	390.00	2,155.00	1,080.00	4,955.00	2,070.00	1,030,505.00	3,645.00	1,374,27.68
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	-	100,778.70	243,328.63	189,119.60	259,104.28	271,241.60	274,879.93	353,563.60
Equipment	-	166,316.24	169,111.02	358,807.22	430,828.68	525,936.00	214,641.54	702,080.27
Depreciation Expense - Machinery and Equipment	22,771.20	-	81,089.31	-	99,407.82	-	137,720.15	-
Depreciation Expense - Electrical Equipment	6,535.72	198,803.44	13,071.44	399,735.00	33,696.46	607,199.04	51,616.12	955,999.38
Equipment	645,388.35	-	1,251,857.03	-	1,904,612.09	-	2,557,367.15	-

LBP RESOURCES AND DEVELOPMENT CORPORATION
INCOME STATEMENT
(AUDITED)

	FOR THE THREE MONTHS PERIOD ENDING MARCH 31, 2024		FOR THE SIX MONTHS PERIOD ENDING JUNE 30, 2024		FOR THE NINE MONTHS PERIOD ENDING SEPTEMBER 30, 2024		FOR THE TWELVE MONTHS PERIOD ENDING DECEMBER 31, 2024	
	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 - Furnitures and Fixtures	-	18,724.71	-	31,927.97	-	50,652.68	-	74,028.16
Depreciation Expense - Office Equipment	-	13,124.22	-	26,248.44	-	39,372.66	-	52,496.88
Amortization - Intangible (Computer Software)	-	161,298.79	-	370,110.04	-	584,945.38	-	805,035.46
	674,695.27	939,042.10	1,738,457.63	1,935,940.27	2,727,649.33	2,919,335.36	3,236,230.87	4,062,987.75
TOTAL OPERATING EXPENSES	3,654,212.60	24,692,094.70	10,959,182.50	49,219,368.92	17,024,393.04	78,556,411.10	24,008,889.61	114,209,153.40
TOTAL EXPENSES	22,195,862.73	162,505,199.32	47,760,190.91	377,900,852.31	71,674,573.38	601,367,272.81	95,744,231.35	877,286,272.84
NET INCOME BEFORE TAX	7,232,543.95	28,752,649.60	8,617,790.29	28,795,741.97	10,567,368.88	29,433,954.58	12,764,079.68	25,844,758.17
LESS: INTEREST SUBJ. TO FINAL TAX	3,426.79	1,392,394.47	6,397.30	2,445,768.53	7,657.10	3,381,424.14	9,749.47	4,454,689.13
ADD: Donation	-	-	-	-	-	-	-	25,000.00
TAXABLE INCOME	10,883,329.76	27,360,255.13	19,570,575.49	26,349,973.44	27,584,104.82	26,052,530.44	36,763,219.82	21,415,069.04
TAX RATE	5%	25%	5%	25%	5%	25%	5%	25%
CURRENT TAX EXPENSE	544,166.49	6,840,063.78	978,528.77	6,587,493.36	1,379,205.24	6,513,132.61	1,838,160.99	5,353,767.26
INCOME TAX -FINAL	685.36	271,450.51	1,279.46	489,153.74	1,531.42	676,284.86	1,949.89	890,937.87
NIAT/TOTAL COMPREHENSIVE INCOME	6,687,692.10	21,641,135.31	7,637,982.06	21,719,094.87	9,186,632.22	22,244,537.11	10,923,968.80	19,600,053.04

PREPARED BY:
JULIANA S. LEONES
Financial Account Analyst

PASSED IN AUDIT:
MR. LOUIS ANTHONY E. MABEZA
Acting Head, Audit Unit

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

NOTED BY:
RICARDO C. JULIANO
President & CEO