



LBP LEASING AND FINANCE CORPORATION
(A LANDBANK SUBSIDIARY)

LBP LEASING AND FINANCE CORP.
03 May 2023
CERTIFIED TRUE COPY

BOARD RESOLUTION NO. 23-081

In the meeting of the Board of Directors of LLFC held on 26 April 2023 via face-to-face meeting and Zoom video-conferencing, during which a valid quorum was present, the following resolution was adopted by the Board:

Bd. Res. No. 23-081: 2024 CORPORATE OPERATING BUDGET (COB)
- Approved.

RESOLVED, as it is hereby resolved, that the following LBP Leasing and Finance Corporation (LLFC) 2024 Corporate Operating Budget (COB), the details of which were contained and under such representations and considerations stated in the Memorandum for the Board dated 19 April 2023 and, in the attachments, thereto be, as it is hereby, approved, to wit:

REVENUES	P	979,801,847.36
DIRECT EXPENSES		660,614,291.53
GROSS INCOME		319,187,555.83
OPERATING EXPENSES		197,557,733.87
INCOME BEFORE TAX		121,629,821.96
INCOME TAX		41,629,821.96
NET INCOME AFTER TAX	P	80,000,000.00


REO S. ANDARINO

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ANNEX A

LLFC CY 2024 Plantilla Proposed

Group/Unit /Office (Existing)	No. of Positions	2024	
		For Hire	Incumbents
AMG	20	7	13
Head	1	1	
Marketing	18	6	12
Lending Support	1		1
ASG	15	4	11
Head	1		1
Account Admin. Unit	8	2	6
CI and Appraisal Unit	6	2	4
CSG	24	6	18
Head	1		1
Accounting Unit	7	2	5
Admin. Services Unit	10	2	8
HR Unit	3	1	2
IT Unit	3	1	2
Office of the Gen Counsel	9	5	4
General Counsel	1		1
Legal Services Unit	3	2	1
Remedial Accts Mngt. Unit	5	3	2
Cash/Treasury Unit	3	1	2
Mngt Services Unit	3	1	2
Office of the President	3	1	2
Oversight Offices:	6	2	4
Internal Audit Office	3	1	2
Risk Mngt Office	3	1	2
Totals	83	27	56

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ANNEX B

Proposed Capital Expenditure CY2024

PARTICULARS	TOTAL
Office Reconfiguration (AMG/Legal/ASG, etc.)	3,000,000
IT Equipment/ Software license etc.	6,856,000
TOTAL	9,856,000

LBP LEASING AND FINANCE CORPORATION
INCOME STATEMENT
Proposed Corporate Operating Budget for CY2024

LBP LEASING AND FINANCE CORP.
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	Unaudited CY2022	Proposed COB CY2023	Proposed COB CY2023
REVENUES			
Interest Income			
Interest Income on Other Loans/Receivable - FL	63,987,332.58	184,618,070.43	357,139,058.42
Interest Income on Other Loans/Receivable - FL LBP	136,684,792.62	114,682,358.50	169,320,056.29
Interest Income on Other Loans/Receivable - FL BIR	85,549,281.52	80,209,188.63	54,406,362.53
	<u>286,221,406.72</u>	<u>379,509,617.56</u>	<u>580,865,477.24</u>
Interest Income on Other Loans/Receivable	<u>169,332,594.53</u>	<u>374,912,492.29</u>	<u>302,658,090.12</u>
Income from Deposits in Banks	44,290.67	120,000.00	120,000.00
Interest Income - Investments	0.00	0.00	0.00
Interest Income - Others		0.00	
	<u>44,290.67</u>	<u>120,000.00</u>	<u>120,000.00</u>
Total Interest Income	<u>455,598,291.92</u>	<u>754,542,109.85</u>	<u>883,643,567.36</u>
Other Income			
Operating Lease Income	<u>44,509,816.13</u>	<u>0.00</u>	<u>0.00</u>
Rental- Investment Property	0.00	0.00	0.00
Profit/(Loss) from Assets Sold/Exchanged	15,349,037.61	480,000.00	0.00
Fleet Management Service Fee	13,184,055.00	10,078,800.00	7,875,600.00
Fleet Management Service Chauffering Fee	110,546,757.21	77,321,700.00	79,882,680.00
Recovery on Charged-off Assets	1,004,321.23	0.00	0.00
Miscellaneous Income/(Loss)	8,313,796.26	8,400,000.00	8,400,000.00
Total Other Income	<u>192,907,783.44</u>	<u>96,280,500.00</u>	<u>96,158,280.00</u>
Total Revenue	<u>648,506,075.36</u>	<u>850,822,609.85</u>	<u>979,801,847.36</u>
Less: Direct Expenses			
Interest Expenses	102,717,454.58	223,553,365.83	313,100,932.41
Documentary and Science Stamp Used	16,202,204.06	12,000,000.00	12,000,000.00
Provision for Probable Losses	94,512,363.04	62,348,114.16	62,348,114.16
Depreciation-Eqpt. & Other Prop. for Lease	752,142.96	752,142.96	752,142.96
Compensation and Fringe Benefits - Marketing Operations	21,162,145.51	43,208,016.18	47,353,102.00
Transfer Mortgage and Registrations Fees - LBP (FL)	273,849.61	10,560,000.00	12,000,000.00
Transfer Mortgage and Registrations Fees - LBP (FMS)	642,667.56	2,464,000.00	2,700,000.00
Transfer Mortgage and Registrations Fees - OL	171,198.86	0.00	0.00
Transfer Mortgage and Registrations Fees	13,953,442.75	120,000.00	120,000.00
Insurance - LBP (FL)	3,609,928.72	3,859,500.00	4,200,000.00
Insurance - LBP (FMS)	2,538,922.36	1,902,000.00	3,000,000.00
Insurance - Operating Lease	727,484.01	120,000.00	0.00
Insurance - BIR	1,953,201.96	2,400,000.00	3,600,000.00
Repairs and Maintenance - LBP (FL)	884,161.79	3,600,000.00	6,000,000.00
Repairs and Maintenance - LBP (FMS)	4,610,726.84	5,400,000.00	6,000,000.00
Repairs and Maintenance - Operating Lease	3,094,392.72	600,000.00	0.00
Security, Msgrl, Janitorial & Contractual Services - LBP (FL)	74,585,108.30	136,140,000.00	112,440,000.00
Security, Msgrl, Janitorial & Contractual Services - LBP (FMS)	100,747,387.04	75,000,000.00	75,000,000.00
Security, Msgrl, Janitorial & Contractual Services - OL	20,931,023.20	0.00	0.00
Total Direct Expenses	<u>464,069,805.87</u>	<u>584,027,139.13</u>	<u>660,614,291.53</u>
Gross Income	<u>184,436,269.49</u>	<u>266,795,470.73</u>	<u>319,187,555.83</u>

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LBP LEASING AND FINANCE CORPORATION
INCOME STATEMENT
Proposed Corporate Operating Budget for CY2024

LBP LEASING AND FINANCE CORP.
04 May 2023
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	Unaudited CY2022	Proposed COB CY2023	Proposed COB CY2023
GENERAL AND ADMINISTRATIVE EXPENSES			
Taxes and Licenses - FL	9,760,660.54	14,965,021.45	26,322,955.74
Taxes and Licenses - FMS	6,202,961.34	4,370,025.00	4,387,914.00
Taxes and Licenses - Operating Lease	2,214,182.92	0.00	0.00
Taxes and Licenses - Loan	8,718,960.20	18,745,624.61	15,132,904.51
Taxes and Licenses - BIR	855,492.81	1,222,128.13	964,099.87
Taxes and Licenses	3,444,509.67	7,881,779.58	7,857,779.58
Compensation and Fringe Benefits	47,970,486.97	59,058,282.89	63,583,617.64
Management and Other Professional Fees	1,769,258.28	8,485,000.00	8,705,000.00
Membership Fees and Dues	964,576.20	1,023,206.20	2,200,296.27
Insurance	2,576,617.71	3,447,474.00	3,447,474.00
Depreciation-Furn., Fixtures and Eqpt.	2,665,824.25	4,826,327.76	4,178,327.76
Depreciation - Building	1,256,776.32	1,256,776.32	1,256,776.32
Depreciation - PPE (Ropoa)	1,658,070.82	600,000.00	900,000.00
Amortization of Intangibles	205,721.08	4,513,096.20	3,193,876.20
Litigation/Assets Acquired Expenses	2,330,114.78	3,600,000.00	3,600,000.00
Rent	1,220,625.00	1,633,500.00	5,023,681.20
Power, Light and Water	1,450,000.00	2,658,400.00	3,198,000.00
Fuel and Lubricants	1,264,223.53	2,407,293.50	2,735,560.80
Transportation and Travelling	3,136,843.98	5,550,000.00	5,587,500.00
Representation and Entertainment	4,785,101.27	5,400,000.00	6,000,000.00
Repairs and Maintenance	1,739,821.55	2,869,000.00	5,319,000.00
Security, Messengerial, Janitorial & Contractual Services	4,983,797.98	7,700,000.00	7,700,000.00
Data Processing Charges	123,239.54	150,000.00	180,000.00
Bank Charges	29,070.72	24,000.00	36,000.00
Postage, Cables, Telephone and Telegram	1,163,456.89	1,241,380.00	2,498,500.00
Stationeries and Supplies Issued	1,447,835.39	3,169,133.60	3,765,470.00
Information Technology Expense	3,351,338.68	3,100,000.00	6,411,000.00
Advertising and Publicity	685,963.20	1,500,000.00	1,800,000.00
Fines Penalties & Other Charges	126,700.00	0.00	0.00
Periodicals and Magazines	5,000.00	60,000.00	72,000.00
Donation and Other Charitable Contribution	0.00	0.00	0.00
Miscellaneous Expenses	1,410,592.01	1,200,000.00	1,500,000.00
Total Expenses	119,517,823.63	172,657,449.24	197,557,733.87
Net Income Before Income Tax	64,918,445.86	94,138,021.49	121,629,821.96
Less: Provision for Income Tax	36,299,677.53	49,358,037.73	57,216,850.50
Income Tax Benefit	(14,398,700.34)	(15,587,028.54)	(15,587,028.54)
Total Income Tax Expenses	21,900,977.19	33,771,009.19	41,629,821.96
Net Income After Income Tax	43,017,468.67	60,367,012.30	80,000,000.00

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LBP LEASING AND FINANCE CORPORATION
PROJECTED BALANCE SHEET
CY2022, 2023 and 2024

	Unaudited 2022	Projected 2023	Projected 2024
ASSETS			
Deposits in Bank	49,379,155.57	36,709,699.63	44,051,639.56
	49,379,155.57	36,709,699.63	44,051,639.56
Receivables/Loans			
Lease Contracts Receivable	2,325,864,632.53	2,127,479,245.00	2,021,498,136.41
Deferred Leasing Income	(502,826,101.86)	(434,882,563.62)	(478,370,819.98)
Net Lease Contracts Receivable	1,823,038,530.67	1,692,596,681.38	1,543,127,316.43
Lease Contracts Receivable - LBP	699,044,143.64	233,403,341.07	334,416,898.04
Deferred Leasing Income - LBP	(243,024,052.95)	(73,292,352.01)	(80,621,587.21)
Net Lease Contracts Receivable - LBP	456,020,090.69	160,110,989.06	253,795,310.83
Other Loans/Receivable	803,568,400.45	2,861,981,872.03	3,020,020,878.05
Receivable Financed	1.00	1.00	1.00
Net Receivable Financed	1.00	1.00	1.00
Past Due Receivables	186,623,792.93	30,205,470.41	27,184,923.37
Past Due Unearned Credits	(1,639,372.06)	(51,811,757.57)	(56,992,933.33)
Net Past Due Receivables	186,584,420.87	(21,606,287.16)	(29,808,009.96)
Restructured Accounts	1,679,730,381.74	894,359,493.11	804,923,543.80
Restructured Unearned Credits	(102,258,039.74)	(67,249,900.61)	(60,524,910.55)
Net Restructured Accounts	1,577,472,342.00	827,109,592.50	744,398,633.25
Past Due Restructured Accounts	417,387,098.93	44,427,168.92	39,984,452.03
Past Due Restructured Unearned Credits	(114,071,533.28)	(30,879,630.31)	(33,967,593.34)
Net Past Due Restructured Accounts	303,315,565.65	13,547,538.61	6,016,858.69
Items in Litigation	146,330,245.51	148,746,284.21	169,974,894.79
Items in Litigation Unearned Credits	(18,679,698.92)	(18,679,698.92)	-
Net Items in Litigation	127,650,546.59	130,066,585.29	169,974,894.79
Receivable/Loan before Provision	5,278,049,897.92	5,663,806,972.71	5,707,525,883.08
General Loan Loss Provision	(48,717,836.73)	(193,318,045.48)	(186,305,684.92)
Allowance for Probable Loss - Loans/Leases	(138,190,302.82)	(272,387,624.53)	(284,387,624.53)
Allowance for Probable Loss - Restructured Accounts	(465,409,345.07)	(233,417,936.91)	(283,766,051.07)
Net Receivables/Loan	4,625,732,413.30	4,964,683,365.80	4,953,066,522.56
Other Receivables			
Accounts Receivable - Clients	12,295,220.55	13,320,211.23	14,652,232.35
Less: Allowance for Probable Losses	(5,590,066.75)	(2,064,137.50)	(6,149,073.43)
Accounts Receivable - Operating Leases (LBP)	64,083,279.49	19,269,622.30	48,062,459.62
Accounts Receivable - LBP	217,860,786.86	78,922,883.24	163,395,590.14
Less: Allowance for Probable Losses	(2,819,441.00)	-	(2,114,580.50)
Accrued Interest Receivable	10,490,720.46	14,927,580.59	16,420,338.65
Allowance for Probable Loss - Accrued Interest Receivable	(318,807.58)	(3,957,869.66)	(4,353,656.63)
Total Other Receivables	296,001,692.03	120,418,290.20	229,913,310.20
	4,921,734,105.33	5,085,101,656.00	5,182,979,832.76
Equipment & Other Properties for Lease			
Equipment & Other Properties for Lease	268,628,691.79	263,559,210.00	328,559,210.00
Accumulated Depreciation	(36,606,418.99)	(6,160,723.22)	(6,912,866.17)
Net Equipment & Other Properties for Lease	232,022,272.80	257,398,486.79	321,646,343.83
Real Property, Furniture, Fixtures & Equipment			
Real Property - Building	42,566,207.14	47,663,207.14	47,663,207.14
Accumulated Depreciation - Building	(24,485,225.55)	(25,899,389.37)	(27,156,165.69)
Furniture, Fixtures & Equipment	24,092,031.31	66,200,447.47	72,850,447.47
Accumulated Depreciation - FFE	(10,477,075.28)	(26,743,201.63)	(30,921,529.39)
Net Real Property, Furniture, Fixtures & Equipment	31,695,937.62	61,221,063.61	62,435,959.53
Real & Other Properties Owned or Acquired			
Real & Other Properties Owned or Acquired			
Investment Property	4,830,500.00	2,099,154.76	4,830,500.00
Property, Plant and Equipment	3,099,875.00	1,822,929.96	4,649,812.50
Accumulated Depreciation - PPE	(641,587.46)	(1,612,482.28)	(2,512,482.28)
Non-Current Assets Held for Sale			
	7,288,787.54	2,309,602.44	6,967,830.22
Less: Allowance for Probable Losses	(1,221,910.00)	(1,244,488.86)	(1,244,488.86)
	6,066,877.54	1,065,113.58	5,723,341.36
Other Assets			
Accounts Receivable - Employees/Others	425,711.89	586,248.49	415,557.16
Less: Allowance for Probable Losses	(415,557.16)	-	(415,557.16)
Petty Cash Fund	45,000.00	45,000.00	45,000.00
Stationeries & Supplies Unissued	188,227.74	127,517.15	102,863.83
Prepaid Expenses	58,666,903.65	13,253,639.37	14,579,003.31
Advances to Suppliers	498,787.35	106,423.35	58,000.00
Less: Allowance for Probable Losses	(498,787.35)	(106,423.35)	(58,000.00)
Deferred Tax Assets	165,672,063.41	230,919,635.50	246,506,664.04
Intangibles	219,743.25	14,372,689.95	14,384,813.75
Miscellaneous Asset	284,536.18	549,323.91	604,256.30
Miscellaneous Asset - Creditable Tax Certificates	5,791,568.72	7,331,389.04	8,064,527.94
Other Investment	16,000.00	16,000.00	16,000.00
Other Assets - Nominal Value	306.00	306.00	306.00
Total Other Assets	231,387,806.03	267,808,172.76	284,451,935.17
TOTAL ASSETS	5,472,286,154.89	5,708,804,192.36	5,901,289,052.22

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LBP LEASING AND FINANCE CORP.

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LBP LEASING AND FINANCE CORPORATION
PROJECTED BALANCE SHEET
CY2022, 2023 and 2024

LIABILITIES AND STOCKHOLDERS' EQUITY	Unaudited 2022	Projected 2023	Projected 2024
LIABILITIES			
Bills Payable	2,935,844,231.07	3,213,706,178.14	3,257,003,607.36
Accounts Payable - Supplier	15,782,605.84	849,299.68	934,229.65
Accounts Payable - Others	15,840,748.33	16,155,846.42	17,771,431.06
Withholding Tax Payable	4,291,191.64	4,388,900.03	4,827,790.03
Accrued Interest Payable	11,879,287.10	8,154,009.46	8,969,410.41
Accrued Other Expenses Payable	79,313,236.87	39,639,755.76	43,603,731.34
Accrued Other Taxes & Licenses Payable	8,696,027.89	12,547,987.61	13,802,786.37
Accrued Income Tax Payable	0.07	10,579,722.78	13,676,187.73
SSS Payable	218,103.19	64,328.77	70,761.65
Pag-Ibig Fund Payable	94,121.76	147,330.29	162,063.32
Phil. Health Payable	157,015.03	52,906.77	58,197.45
Miscellaneous Liabilities	126,057,582.54	50,811,360.24	55,892,496.26
Deposits on Lease Contracts	599,875,372.89	576,247,562.13	633,872,318.34
Deposits on Lease Contracts - LBP	72,852,930.00	47,324,421.08	72,852,930.00
TOTAL LIABILITIES	3,870,902,454.22	3,980,669,609.16	4,123,497,940.97
Capital Stock - Common	485,552,550.00	485,552,550.00	485,552,550.00
Additional Paid Capital	113,970,900.12	113,970,900.12	113,970,900.12
Treasury Stock	(10.00)	-	-
Total Capital Stock	599,523,440.12	599,523,450.12	599,523,450.12
Retained Earnings - Free	411,418,014.56	481,160,490.78	511,275,410.35
Retained Earnings - Appropriated	600,000,000.00	600,000,000.00	600,000,000.00
Net Income		60,367,012.30	80,000,000.00
	1,011,418,014.56	1,141,527,503.08	1,191,275,410.35
Net Unrealized Gain/(Loss)	(9,557,754.00)	(12,916,370.00)	(12,916,370.00)
TOTAL STOCKHOLDERS' EQUITY	1,601,383,700.68	1,728,134,583.20	1,777,882,490.47
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	5,472,286,154.90	5,708,804,192.36	5,901,380,431.44

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