



**LBP LEASING AND FINANCE CORPORATION**  
(A LANDBANK SUBSIDIARY)

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**BOARD RESOLUTION NO. 22-239**

In the meeting of the Board of Directors of LLFC held on 01 December 2022 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. 22-239: 2023 CORPORATE OPERATING BUDGET AND CAPITAL EXPENDITURES  
- Approved.

RESOLVED, as it is hereby resolved, that the Proposed 2023 Corporate Operating Budget and Capital Expenditures, the details of which are contained in the Memorandum for the Board dated 25 November 2022 be, as it is hereby, APPROVED.

  
REO S. ANDARINO

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

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**LBP LEASING AND FINANCE CORPORATION**  
**INCOME STATEMENT**  
**Proposed Corporate Operating Budget for CY2023**

	<b>Approved COB CY2022 (Revised)</b>	<b>Proposed COB CY2023</b>
<b>REVENUES</b>		
<b>Interest Income</b>		
Interest Income on Other Loans/Receivable - FL	133,885,034.25	184,618,070.43
Interest Income on Other Loans/Receivable - FL LBP	61,275,175.74	114,682,358.50
Interest Income on Other Loans/Receivable - FL BIR	85,626,950.13	80,209,188.63
	<u>280,787,160.12</u>	<u>379,509,617.57</u>
 Interest Income on Other Loans/Receivable	 <u>246,484,536.48</u>	 <u>374,912,492.29</u>
 Income from Deposits in Banks	 120,000.00	 120,000.00
Interest Income - Investments	0.00	0.00
Interest Income - Others		0.00
	<u>120,000.00</u>	<u>120,000.00</u>
<b>Total Interest Income</b>	<u>527,391,696.59</u>	<u>754,542,109.85</u>
<b>Other Income</b>		
Operating Lease Income	<u>52,533,600.00</u>	<u>0.00</u>
 Rental- Investment Property	 0.00	 0.00
Profit/(Loss) from Assets Sold/Exchanged	0.00	480,000.00
Fleet Management Service Fee	11,561,520.00	10,078,800.00
Fleet Management Service Chauffering Fee	139,553,160.00	77,321,700.00
Recovery on Charged-off Assets	0.00	0.00
Miscellaneous Income/(Loss)	7,800,000.00	8,400,000.00
	<u>211,448,280.00</u>	<u>96,280,500.00</u>
<b>Total Other Income</b>	<u>211,448,280.00</u>	<u>96,280,500.00</u>
<b>Total Revenue</b>	<u><b>738,839,976.59</b></u>	<u><b>850,822,609.85</b></u>
<b>Less: Direct Expenses</b>		
Interest Expenses	160,088,510.46	223,553,365.83
Documentary and Science Stamp Used	11,090,613.87	12,000,000.00
Provision for Probable Losses	50,348,114.16	62,348,114.16
Depreciation-Eqpt. & Other Prop. for Lease	752,142.96	752,142.96
Compensation and Fringe Benefits - Marketing Operations	48,632,488.53	43,208,016.18
Transfer Mortgage and Registrations Fees - LBP (FL)	960,000.00	10,560,000.00
Transfer Mortgage and Registrations Fees - LBP (FMS)	1,800,000.00	2,464,000.00
Transfer Mortgage and Registrations Fees - OL	240,000.00	0.00
Transfer Mortgage and Registrations Fees	20,120,000.00	120,000.00
Insurance - LBP (FL)	2,400,000.00	3,859,500.00
Insurance - LBP (FMS)	3,000,000.00	1,902,000.00
Insurance - Operating Lease	1,200,000.00	120,000.00
Insurance - BIR	2,400,000.00	2,400,000.00
Repairs and Maintenance - LBP (FL)	3,600,000.00	3,600,000.00
Repairs and Maintenance - LBP (FMS)	5,400,000.00	5,400,000.00
Repairs and Maintenance - Operating Lease	4,200,000.00	600,000.00
Security, Msgrl, Janitorial & Contractual Services - LBP (FL)	75,000,000.00	136,140,000.00
Security, Msgrl, Janitorial & Contractual Services - LBP (FMS)	107,100,000.00	75,000,000.00
Security, Msgrl, Janitorial & Contractual Services - OL	29,040,000.00	0.00
<b>Total Direct Expenses</b>	<u>527,371,869.98</u>	<u>584,027,139.13</u>
 <b>Gross Income</b>	 <u><b>211,468,106.61</b></u>	 <u><b>266,795,470.73</b></u>

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**LBP LEASING AND FINANCE CORPORATION**  
**INCOME STATEMENT**  
**Proposed Corporate Operating Budget for CY2023**

	<b>Approved COB CY2022 (Revised)</b>	<b>Proposed COB CY2023</b>
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>		
Taxes and Licenses - FL	9,758,010.50	14,965,021.45
Taxes and Licenses - FMS	7,555,734.00	4,370,025.00
Taxes and Licenses - Operating Lease	2,626,680.00	0.00
Taxes and Licenses - Loan	12,324,226.82	18,745,624.61
Taxes and Licenses - BIR	1,276,305.74	1,222,128.13
Taxes and Licenses	11,797,500.00	7,881,779.58
Compensation and Fringe Benefits	51,027,097.83	59,058,282.89
Management and Other Professional Fees	2,185,000.00	8,485,000.00
Membership Fees and Dues	998,206.20	1,023,206.20
Insurance	750,000.00	3,447,474.00
Depreciation-Furn., Fixtures and Eqpt.	4,902,461.53	4,826,327.76
Depreciation - Building	1,292,663.82	1,256,776.32
Depreciation - PPE (Ropoa)	351,541.18	600,000.00
Depreciation - Investment Property ROPA	0.00	0.00
Amortization of Intangibles	2,162,813.76	4,513,096.20
Litigation/Assets Acquired Expenses	3,600,000.00	3,600,000.00
Rent	708,000.00	1,633,500.00
Power, Light and Water	1,380,000.00	2,658,400.00
Fuel and Lubricants	720,000.00	2,407,293.50
Transportation and Travelling	5,150,000.00	5,550,000.00
Representation and Entertainment	5,000,000.00	5,400,000.00
Repairs and Maintenance	2,530,951.64	2,869,000.00
Security, Messengerial, Janitorial & Contractual Services	6,734,322.73	7,700,000.00
Data Processing Charges	205,133.21	150,000.00
Bank Charges	24,000.00	24,000.00
Postage, Cables, Telephone and Telegram	1,730,000.00	1,241,380.00
Stationeries and Supplies Issued	1,777,073.08	3,169,133.60
Information Technology Expense	2,821,000.00	3,100,000.00
Advertising and Publicity	2,810,000.00	1,500,000.00
Fines Penalties & Other Charges	52,480.00	0.00
Periodicals and Magazines	5,000.00	60,000.00
Miscellaneous Expenses	540,000.00	1,200,000.00
<b>Total Expenses</b>	<b>144,796,202.04</b>	<b>172,657,449.24</b>
<b>Net Income Before Income Tax</b>	<b>66,671,904.58</b>	<b>94,138,021.49</b>
Less: Provision for Income Tax	39,258,933.12	49,358,037.73
Income Tax Benefit	(12,587,028.54)	(15,587,028.54)
<b>Total Income Tax Expenses</b>	<b>26,671,904.58</b>	<b>33,771,009.19</b>
<b>Net Income After Income Tax</b>	<b>40,000,000.00</b>	<b>60,367,012.30</b>



**LBP LEASING AND FINANCE CORPORATION**  
**PROJECTED BALANCE SHEET**  
**CY2022 and 2023**

	Projected 2022	Projected 2023
<b>ASSETS</b>		
Deposits in Bank	73,419,399.26	36,709,699.63
	<u>73,419,399.26</u>	<u>36,709,699.63</u>
<b>Receivables/Loans</b>		
Lease Contracts Receivable	2,056,080,160.19	2,127,479,245.00
Deferred Leasing Income	(395,347,785.11)	(434,882,563.62)
Net Lease Contracts Receivable	<u>1,660,732,375.08</u>	<u>1,692,596,681.38</u>
Lease Contracts Receivable - LBP	239,170,046.52	233,403,341.07
Deferred Leasing Income - LBP	(183,230,880.02)	(73,292,352.01)
Net Lease Contracts Receivable - LBP	<u>55,939,166.50</u>	<u>160,110,989.06</u>
Other Loans/Receivable	<u>2,683,146,152.96</u>	<u>2,861,981,872.03</u>
Receivable Financed	1.00	1.00
Net Receivable Financed	<u>1.00</u>	<u>1.00</u>
Past Due Receivables	60,410,940.82	30,205,470.41
Past Due Unearned Credits	(47,101,597.79)	(51,811,757.57)
Net Past Due Receivables	<u>13,309,343.03</u>	<u>(21,606,287.16)</u>
Restructured Accounts	993,732,770.12	894,359,493.11
Restructured Unearned Credits	(61,136,273.28)	(67,249,900.61)
Net Restructured Accounts	<u>932,596,496.84</u>	<u>827,109,592.50</u>
Past Due Restructured Accounts	88,854,337.84	44,427,168.92
Past Due Restructured Unearned Credits	(28,072,391.19)	(30,879,630.31)
Net Past Due Restructured Accounts	<u>60,781,946.65</u>	<u>13,547,538.61</u>
Items in Litigation	44,873,299.86	148,746,284.21
Items in Litigation Unearned Credits	-	(18,679,698.92)
Net Items in Litigation	<u>44,873,299.86</u>	<u>130,066,585.29</u>
<b>Receivable/Loan before Provision</b>	<b><u>5,451,378,781.93</u></b>	<b><u>5,663,806,972.71</u></b>
General Loan Loss Provision	(192,802,011.10)	(193,318,045.48)
Allowance for Probable Loss - Loans/Leases	(238,811,768.50)	(272,387,624.53)
Allowance for Probable Loss - Restructured Accounts	(204,645,678.78)	(233,417,936.91)
<b>Net Receivables/Loan</b>	<b><u>4,815,119,323.55</u></b>	<b><u>4,964,683,365.80</u></b>
<b>Other Receivables</b>		
Accounts Receivable - Clients	12,109,282.94	13,320,211.23
Less: Allowance for Probable Losses	(2,580,171.88)	(2,064,137.50)
Accounts Receivable - Operating Leases (LBP)	17,517,838.45	19,269,622.30
Accounts Receivable - LBP	79,720,084.08	78,922,883.24
Accrued Interest Receivable	24,879,300.98	14,927,580.59
Allowance for Probable Loss - Accrued Interest Receivable	-	(3,957,869.66)
<b>Total Other Receivables</b>	<b><u>131,646,334.57</u></b>	<b><u>120,418,290.20</u></b>
	<b><u>4,946,765,658.12</u></b>	<b><u>5,085,101,656.00</u></b>
<b>Equipment &amp; Other Properties for Lease</b>		
Equipment & Other Properties for Lease	105,423,684.00	263,559,210.00
Accumulated Depreciation	(61,607,232.15)	(6,160,723.22)
Net Equipment & Other Properties for Lease	<u>43,816,451.85</u>	<u>257,398,486.79</u>
<b>Real Property, Furniture, Fixtures &amp; Equipment</b>		
Real Property - Building	47,663,207.14	47,663,207.14
Accumulated Depreciation - Building	(24,642,613.05)	(25,899,389.37)
Furniture, Fixtures & Equipment	59,600,447.47	66,200,447.47
Accumulated Depreciation - FFE	(21,916,873.87)	(26,743,201.63)
Net Real Property, Furniture, Fixtures & Equipment	<u>60,704,167.69</u>	<u>61,221,063.61</u>
<b>Real &amp; Other Properties Owned or Acquired</b>		
Real & Other Properties Owned or Acquired		
Investment Property	17,236,617.41	2,099,154.76
Accumulated Depreciation - Investment Property	-	-
Property, Plant and Equipment	1,322,929.96	1,822,929.96
Accumulated Depreciation - PPE	(1,012,482.28)	(1,612,482.28)
Non-Current Assets Held for Sale	<u>17,547,065.09</u>	<u>2,309,602.44</u>
Less: Allowance for Probable Losses	(2,240,480.14)	(1,244,488.86)
	<b><u>15,306,584.95</u></b>	<b><u>1,065,113.58</u></b>
<b>Other Assets</b>		
Accounts Receivable - Employees/Others	532,953.15	586,248.49
Petty Cash	29,450.00	45,000.00
Stationeries & Supplies Unissued	85,011.43	127,517.15
Prepaid Expenses	12,048,763.06	13,253,639.37
Advances to Suppliers	212,846.70	106,423.35
Deferred Tax Assets	215,332,606.96	230,919,635.50
Intangibles	8,350,786.15	14,372,689.95
Miscellaneous Asset	499,385.37	549,323.91
Miscellaneous Asset - Creditable Tax Certificates	24,437,963.45	7,331,389.04
Other Investment	16,000.00	16,000.00
Other Assets - Nominal Value	306.00	306.00
<b>Total Other Assets</b>	<b><u>261,571,072.29</u></b>	<b><u>267,308,172.76</u></b>
<b>TOTAL ASSETS</b>	<b><u>5,401,583,334.16</u></b>	<b><u>5,708,804,192.36</u></b>

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**LBP LEASING AND FINANCE CORPORATION**  
**PROJECTED BALANCE SHEET**  
**CY2022 and 2023**

LIABILITIES AND STOCKHOLDERS' EQUITY	Projected 2022	Projected 2023
<b>LIABILITIES</b>		
Bills Payable	3,000,381,372.11	3,213,706,178.14
Accounts Payable - Supplier	772,090.62	849,299.68
Accounts Payable - Others	14,687,133.11	16,155,846.42
Withholding Tax Payable	3,989,909.12	4,388,900.03
Accrued Interest Payable	7,412,735.87	8,154,009.46
Accrued Other Expenses Payable	36,036,141.60	39,639,755.76
Accrued Other Taxes & Licenses Payable	11,407,261.46	12,547,987.61
Accrued Income Tax Payable	12,896,468.21	10,579,722.78
SSS Payable	58,480.70	64,328.77
Pag-Ibig Fund Payable	133,936.63	147,330.29
Phil. Health Payable	48,097.06	52,906.77
Miscellaneous Liabilities	46,192,145.67	50,811,360.24
Deposits on Lease Contracts	523,861,420.12	576,247,562.13
Deposits on Lease Contracts - LBP	43,022,200.98	47,324,421.08
<b>TOTAL LIABILITIES</b>	<b>3,700,899,393.26</b>	<b>3,980,669,609.16</b>
Capital Stock - Common	485,552,550.00	485,552,550.00
Additional Paid Capital	113,970,900.12	113,970,900.12
Treasury Stock		
Total Capital Stock	<b>599,523,450.12</b>	<b>599,523,450.12</b>
Retained Earnings - Free	461,160,490.78	481,160,490.78
Retained Earnings - Appropriated	600,000,000.00	600,000,000.00
Net Income	40,000,000.00	60,367,012.30
	<u>1,101,160,490.78</u>	<u>1,141,527,503.08</u>
Net Unrealized Gain/(Loss)		(12,916,370.00)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>1,700,683,940.90</b>	<b>1,728,134,583.20</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>5,401,583,334.16</b>	<b>5,708,804,192.36</b>

**ANNEX A**

**LLFC CY 2023 Plantilla Proposed**

Group/Unit /Office (Existing)	2023		
	No. of Positions	For Hire	Incumbents
<b>AMG</b>	<b>18</b>	<b>5</b>	<b>13</b>
	<u>1</u>		<u>1</u>
<b>Marketing</b>	<b>16</b>	<b>5</b>	<b>11</b>
<b>Lending Support</b>	<b>1</b>		<b>1</b>
<b>ASG</b>	<b>16</b>	<b>5</b>	<b>11</b>
	<u>1</u>		<u>1</u>
<b>Account Admin. Unit</b>	<b>9</b>	<b>3</b>	<b>6</b>
<b>CI and Appraisal Unit</b>	<b>6</b>	<b>2</b>	<b>4</b>
<b>CSG</b>	<b>24</b>	<b>6</b>	<b>18</b>
	<u>1</u>		<u>1</u>
<b>Accounting Unit</b>	<b>7</b>	<b>2</b>	<b>5</b>
<b>Admin. Services Unit</b>	<b>10</b>	<b>2</b>	<b>8</b>
<b>HR Unit</b>	<b>3</b>	<b>1</b>	<b>2</b>
<b>IT Unit</b>	<b>3</b>	<b>1</b>	<b>2</b>
	<u>9</u>	<u>3</u>	<u>6</u>
<b>Office of the Gen Counsel</b>	<b>9</b>	<b>3</b>	<b>6</b>
<b>General Counsel</b>	<b>1</b>		<b>1</b>
<b>Legal Services Unit</b>	<b>3</b>	<b>1</b>	<b>2</b>
<b>Remedial Accts Mngt. Unit</b>	<b>5</b>	<b>2</b>	<b>3</b>
<b>Cash/Treasury Unit</b>	<b>3</b>	<b>1</b>	<b>2</b>
<b>Mngt Services Unit</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Office of the President</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Oversight Offices:</b>	<b>4</b>	<b>1</b>	<b>3</b>
<b>Internal Audit Office</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Risk Mngt Office</b>	<b>2</b>	<b>1</b>	<b>1</b>
<b>Totals</b>	<b>78</b>	<b>21</b>	<b>57</b>

**ANNEX B**

**Proposed Capital Expenditure CY2023**

<b>PARTICULARS</b>	<b>TOTAL</b>
Retailing of Floor Areas used for Old Cabling	3,000,000
Office Reconfiguration (AMG/Legal/ASG, etc.)	2,500,000
Reconfiguration of Room A (Take out the cabinets)	300,000
Furniture for the Receiving Area (CY 2023)	100,000
Furniture for the Conference Room	500,000
GAD Room	200,000
IT Equipment/ Software license etc.	10,535,000
<b>TOTAL</b>	<b>17,135,000</b>