



Republic of the Philippines  
Department of Public Works and Highways  
**REGIONAL OFFICE IV-B**  
EDSA, Diliman, Quezon City

July 8, 2022

**Hon. EDUARDO B. GADIANO**

Chairperson, Inter-Agency Committee and  
Provincial Governor, Occidental Mindoro  
Office of the Governor, Provincial Capitol Building  
Mamburao, Occidental Mindoro 5106

**LORMELYN E. CLAUDIO, CESO IV**

Vice-Chairperson, Inter-Agency Committee and  
Regional Executive Director, DENR-MIMAROPA  
1515 L & S Building, Roxas Boulevard, Ermita, Manila

**JOE AMIL M. SALINO**

Member, Inter-Agency Committee and  
Regional Director, Environmental Management Bureau-MIMAROPA  
6/F 1515 L & S Building, Roxas Boulevard, Ermita, Manila

**EDWIN M. MOJARES, Ph.D.**

Member, Inter-Agency Committee and  
OIC-Regional Director, Mines and Geosciences Bureau-MIMAROPA  
7/F 1515 L & S Building, Roxas Boulevard, Ermita, Manila

**ATTENTION : The SECRETARIAT**

Inter-Agency Committee on the  
Restoration of the Occidental Mindoro  
Rivers and its Tributaries

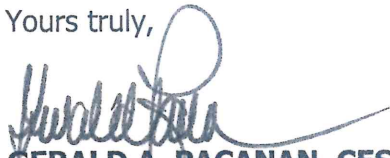
Dear Members of the Inter-Agency Committee:

This is in connection with the submission of R.V. Laborte Builders of financial statement in compliance with IAC Resolution No. 12, Series of 2022, in support with their application to conduct River Restoration Project through Dredging Activities at the Heavily Silted River Channel of Occidental Mindoro.

Please be informed that this Office already conducted the necessary ocular inspection of the applicant's equipment and vessel, thus, in order to finalize the report and for our office to have the legal basis regarding R.V. Laborte's financial and technical capacity to undertake said dredging activities, may we respectfully request from the committee, a Resolution confirming the applicant's compliance with the requirements of IAC Resolution No. 12, Series of 2022.

Trusting the usual prompt action of the committee on this matter.

Yours truly,

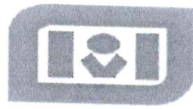
  
A handwritten signature in dark ink, appearing to read 'Gerald A. Pacanan', is written over the printed name and title.

**GERALD A. PACANAN, CESO III**  
Regional Director

Enlc: (1) Letter of R.V. Laborte Builders dated June 7, 2022  
(2) Annual Income Tax Return  
(3) Financial Statements  
(4) Independent Auditor's Report  
(5) IAC Resolution NO. 12, Series of 2022

Cc: **REYNALDO V. LABORTE, Jr.**, No. 34 Habito Street, Ibabang Iyam, Lucena City, Quezon

R4B.8/CSC/FLC



# R.V. LABORTE BUILDERS

Office Address: 34 Habito St. Iyam, Lucena City

Plant Address: Km 125 Diversion Rd. Brgy. Isabang, Tayabas City

TEL NO. (043) 719-1600  
REYNALDO V. LABORTE JR. - OWNER/MANAGER

June 07, 2022

TO: **RD GERALD A. PACANAN**  
DPWH Regional Director 4B

**ARD MELQUIADEZ H. STO. DOMINGO**  
DPWH Asst. Regional Director 4B

**ATTY. CORWIN CUSTODIO**  
DPWH Region 4B Technical Working Group

Greetings!

We, R.V. Laborte Builders would like to submit to your humble office and the technical working group our financial statements for 2021 as compliance to the requirements for our dredging application.

Thank you very much! God Bless!



CASH DENOMINATION BREAKDOWN		
DENOMINATION	PIECES	AMOUNT
100	1	100.00
50	1	50.00
20	1	20.00
10	1	10.00
5	1	5.00
1	1	1.00
TOTAL CASH PAYMENT		186.00

PLEASE LIST EACH CHECK AND ENDORSE PROPERLY		
BANK/BRANCH	CHECK NO.	AMOUNT
WELLS FARGO	1234	100.00
TOTAL CHECK PAYMENT		100.00

THIS IS YOUR RECEIPT WHEN MACHINE VALIDATED	
DATE	AMOUNT
04/11/2007	186.00

CASH DENOMINATION BREAKDOWN		
DENOMINATION	PIECES	AMOUNT
100	1	100.00
50	1	50.00
20	1	20.00
10	1	10.00
5	1	5.00
1	1	1.00
TOTAL CASH PAYMENT		186.00

PLEASE LIST EACH CHECK AND ENDORSE PROPERLY		
BANK/BRANCH	CHECK NO.	AMOUNT
WELLS FARGO	1234	100.00
TOTAL CHECK PAYMENT		100.00

THIS IS YOUR RECEIPT WHEN MACHINE VALIDATED	
DATE	AMOUNT
04/11/2007	186.00



For BIR, BCS/ Use Only - Item

Republic of the Philippines  
Department of Finance  
Bureau of Internal Revenue

BIR Form No. **1701**  
January 2018 (ENCS)  
Page 1

**Annual Income Tax Return**  
Individuals (including MIXED Income Earner), Estates and Trusts  
Enter all required information in CAPITAL LETTERS using BLACK Ink. Mark all applicable boxes with an "X". Two copies MUST be filed with the BIR and one held by the Tax Filer.

1701 01/18ENCS P1

1 Month ☒ For the Year (YYYY) **2021** 2 Amended Return? ☐ Yes ☒ No 3 Short Period Return? ☐ Yes ☒ No

**PART I - BACKGROUND INFORMATION OF TAXPAYER/FILER**

4 Taxpayer Identification Number (TIN) **164 - 841 - 607 - 600** 5 RDO Code **1000**

6 Taxpayer Type ☒ Single Proprietor ☐ Professional ☐ Estate ☐ Trust ☐ Compensation Earner

7 Applicable Tax Code (ATC) ☒ BIR12 Business Income-Graduated IT Rates ☐ BIR14 Income from Profession-Graduated IT Rates ☐ BIR13 Mixed Income-Graduated IT Rates  
☐ BIR11 Compensation Income ☐ BIR15 Business Income-8% IT Rate ☐ BIR17 Income from Profession-8% IT Rate ☐ BIR16 Mixed Income-8% IT Rate

8 Taxpayer's Name (Last Name, First Name, Middle Name)/ESTATE OF (First Name, Middle Name, Last Name)/TRUST FBO: (First Name, Middle Name, Last Name)  
**LABORTE, REYNALDO, JR.**

9 Registered Address (Indicate complete address. If the registered address is different from the current address, get to the RDO to update registered address by using BIR Form No. 1905)  
**34 HABITO BY PAMTUBONGA DRIVE**

10 Date of Birth (MM/DD/YYYY) **12/27/1977** 11 Email Address **reynald142@gmail.com** 9A ZIP Code **1326**

12 Citizenship **Philippines** 13 Claiming Foreign Tax Credits? ☐ Yes ☒ No 14 Foreign Tax Number, if applicable

15 Contact Number (Landline/Cellphone No.) **09656536736** 16 Civil Status (if applicable) ☐ Single ☒ Married ☐ Legally Separated ☐ Widower

17 If married, spouse has income? ☐ Yes ☒ No 18 Filing Status ☐ Joint Filing ☒ Separate Filing

19 Income EXEMPT from Income Tax? ☐ Yes ☒ No 20 Income subject to SPECIAL/PREFERENTIAL RATE? ☐ Yes ☒ No  
[If yes, fill out also consolidation of ALL activities per Tax Regime (Part X)] [If yes, fill out also consolidation of ALL activities per Tax Regime (Part X)]

21 Tax Rate (Choose Method of Deduction in Item 24A)  
(choose one) ☐ Graduated Rates ☒ 8% in lieu of Graduated Rates under Sec. 24(A) & Percentage Tax under Sec. 116 of NIRC (available if gross sales/receipts and other non-operating income do not exceed Three million pesos (P3M))  
21A Method of Deduction (choose one) ☐ Itemized Deduction (Sec. 34(A-J), NIRC) ☒ Optional Standard Deduction (OSD) (40% of Gross Sales/Receipts/Revenues/Fees [Sec. 34(L), NIRC])

**PART II - TOTAL TAX PAYABLE** (Do NOT Enter Centavos; 49 Centavos or Less drop down 50 or more round up)

Particular	A. Taxpayer/Filer	B. Spouse
22 Tax Due (From Part VII Item 5)	7,373,473.00	0.00
23 Less: Total Tax Credits/Payments (From Part VII Item 18)	7,241,241.00	0.00
24 Tax Payable (Overpayment) (Item 22 Less Item 23)	132,242.00	0.00
25 Less: Portion of Tax Payable Allowed for 2nd Installment to be paid on or before October 15 (50% or less of Item 22)	0.00	0.00
26 Amount of Tax payable/Overpayment (Item 24 Less Item 25)	132,242.00	0.00
Add: Penalties		
27 Interest	0.00	0.00
28 Surcharge	0.00	0.00
29 Compromise	0.00	0.00
30 Total Penalties (Sum of Items 27 to 29)	0.00	0.00
31 Total Amount Payable/Overpayment (Sum of Items 26 and 30)	132,242.00	0.00
32 Aggregate Amount Payable/Overpayment (Sum of Items 26 and 30)	132,242.00	0.00

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

I declare under the penalties of perjury that this return, and all its attachments, have been made in good faith, verified by me, and to the best of my 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. Further, I give my consent to the processing of my information as contemplated under the "Data Privacy Act of 2012 (R.A. No. 10173) for legitimate and lawful purposes. (If signed by an Authorized Representative, indicate TIN and attach authorization letter)

**REYNALDO V. LABORTE, JR.**  
Printed Name and Signature of Taxpayer/Authorized Representative

33 Number of Attachments **60**

**PART III - DETAILS OF PAYMENT**

Particulars	Drawing Bank/Agency	Number	Date (MM/DD/YYYY)	Amount
34 Cash/Bank Debit Memo				
35 Check				
36 Tax Debit Memo				
37 Others (specify below)				

Machine Validation/Revenue Official Receipt Details (If not filed with an Authorized Agent Bank)  
Stamp of Receiving Office/AAU and Date of Receipt (RO's Signature/Bank Teller's Initial)

NOTE: The BIR Data Privacy Policy is in the BIR website (www.bir.gov.ph)

RECEIVED  
METROPOLITAN BANK & TRUST COMPANY  
LUCENA MAIN BRANCH  
BRANCH CODE: 015-031

BIR Form No. **1701**  
January 2018 (ENCS)  
Page 2

**Annual Income Tax Return**  
Individuals (including MIXED Income Earner), Estates and Trusts

1701 01/18ENCS PZ

Taxpayer/Filer's Last Name  
**LABORTE**

**PART IV - Background Information of Spouse**

1 Spouse's Taxpayer Identification Number (TIN) **100-000-000** 2 RDO Code **1**

3 Filer's Spouse Type ☐ Single Proprietor ☐ Professional ☐ Compensation Earner

4 Alphabetic Tax Code (ATC) ☐ 1012 Business Income-Graduated IT Rates ☐ 1014 Income from Profession-Graduated IT Rates ☐ 1013 Mixed Income-Graduated IT Rates  
☐ 1011 Compensation Income ☐ 1015 Business Income-8% IT Rate ☐ 1017 Income from Profession-8% IT Rate ☐ 1016 Mixed Income-8% IT Rate

5 Spouse's Name (Last Name, First Name, Middle Name) \_\_\_\_\_

6 Contact Number \_\_\_\_\_ 7 Citizenship \_\_\_\_\_

8 Claiming Foreign Tax Credits? ☐ Yes ☐ No 9 Foreign tax number (if applicable) \_\_\_\_\_

10 Income EXEMPT from Income Tax? ☐ Yes ☐ No 11 Income subject to SPECIAL/PREFERENTIAL RATE? ☐ Yes ☐ No  
(If yes, fill out also consolidation of ALL activities per Tax Regime (Part X)) (If yes, fill out also consolidation of ALL activities per Tax Regime (Part X))

12 Tax Rate\* (Choose Method of Deduction in Item 12A)  
(choose one) ☐ Graduated Rates ☐ Itemized Deduction (Sec. 34(A-J), NIRC) ☐ Optional Standard Deduction (OSD) (40% of Gross Sales/Receipts/Revenues/Fees (Sec. 34(L), NIRC))  
☐ 8% in lieu of Graduated Rates under Sec. 24(A) & Percentage Tax under Sec. 116 of NIRC (available if gross sales/receipts and other non-operating income do not exceed Three million pesos (P3M))

**PART V - Computation of Tax**

**Schedule 1 - Gross Compensation Income and tax Withheld (Attach Additional Sheets, if necessary)**  
On Items 1 and 2, enter the required information for each of your employer/s and mark (X) whether the information is for the Taxpayer or the Spouse. On Item 3A, enter the Total Gross Compensation and Total tax Withheld for the Taxpayer and on Item 3B, for the Spouse. (DO NOT enter Centavos; 49 Centavos or less drop down; 50 or more round up)

a. Name of Employer

1 ☐ Taxpayer ☐ Spouse b. Employer's TIN \_\_\_\_\_

2 ☐ Taxpayer ☐ Spouse b. Employer's TIN \_\_\_\_\_

(Continuation of Table Above)

c. Compensation Income d. Tax Withheld

1 0.00 0.00

2 0.00 0.00

3A Gross Compensation Income and Total Tax Withheld for TAXPAYER (To Part V Schedule 1 Item 4A and Part VII Item 5A) 0.00 0.00

3B Gross Compensation Income and Total Tax Withheld for SPOUSE (To Part V Schedule 1 Item 4B and Part VII Item 5B) 0.00 0.00

**Schedule 2 - Taxable Compensation Income** (DO NOT enter Centavos; 49 Centavos or less drop down; 50 or more round up)


Particulars	A. Taxpayer/Filer	B. Spouse
4 Gross Compensation Income (From Part V Schedule 1 Item 3A/3B)	0.00	0.00
5 Less: Non-Taxable / Exempt Compensation	0.00	0.00
6 Taxable Compensation Income (Item 4 Less Item 5)	0.00	0.00
7 Tax Due-Compensation Income (Item 6 x applicable income Tax Rate)	0.00	0.00


**Schedule 3 - Taxable Business Income (If graduated rates, fill in Items 8 to 24; If 8% flat income tax rate, fill in Items 25 to 30)**

**3.A - For Graduated Income Tax Rates**

	A. Taxpayer/Filer	B. Spouse
8 Sales/Receipts/Revenues/Fees	376,394,486.00	0.00
9 Less: Sales Returns, Allowances and Discounts	0.00	0.00
10 Net Sales/Revenues/Receipts/Fees (Item 8 Less Item 9)	376,394,486.00	0.00
11 Less: Cost of Sales/Services (applicable only if availing Itemized Deductions)	316,805,450.00	0.00
12 Gross Income/(Loss) from Operation (Item 10 Less Item 11)	59,589,036.00	0.00
13 Ordinary Allowable Itemized Deductions (From Part V Schedule 1 Item 3B)	20,397,677.00	0.00
14 Special Allowable Itemized Deductions (From Part V Schedule 1 Item 3 and 4 or Item 5)	0.00	0.00
15 Allowable for Net Operating Loss Carry Over (NOLCO) (From Part V Schedule 1 Item 6 and/or Item 13)	0.00	0.00
16 Total Allowable Itemized Deductions (Sum of Items 13 to 15)	20,397,677.00	0.00
OR		
17 Optional Standard Deduction (OSD) (40% of Item 10)	0.00	0.00
18 Net Income/(Loss) (If Itemized: Item 12 Less Item 16; If OSD: Item 10 Less Item 17)	22,181,352.00	0.00
19 Add: Other Non-Operating Income (specify below)	0.00	0.00
20	0.00	0.00
21 Amount Received/Share in Income by a Partner from General Professional Partnership (GPP)	0.00	0.00
22 Total Other Non-Operating Income (Sum of Items 19 to 21)	22,181,352.00	0.00
23 Taxable Income-Business (Sum of Items 18 and 22)	22,181,352.00	0.00
24 Total Taxable Income - Compensation & Business (Sum of Items 6 and 23)	22,181,352.00	0.00
25 Total Tax Due-Compensation and Business Income (under graduated rates) (Item 24 x applicable income tax rate) (To Part VII Item 11)	1,373,475.00	0.00



BIR Form No. <b>1701</b> January 2018 (ENCS) Page 3	<b>Annual Income Tax Return</b> Individuals (Including MIXED Income Earner), Estates and Trusts	 1701.01/ENCS P3.		
Taxpayer/Filer's Last Name <b>LABORTE</b>				
<b>3.0 - For 0% Flat Income Tax Rate</b> (Do NOT enter Centavos; 49 Centavos or less drop down; 50 or more round up)				
Particulars	A. Taxpayer/Filer	B. Spouse		
26 Sales/Revenues/Receipts/Fees (net of sales returns, allowances and discounts)	0.00	0.00		
Add: Other Non-Operating Income (specify below)				
27	0.00	0.00		
28 Total Income (Sum of Items 26 and 27)	0.00	0.00		
Less: Allowable reduction from gross sales/receipts and other non-operating income of purely self-employed individuals and/or professionals in the amount of P250,000 (not applicable if with compensation income)	0.00	0.00		
30 Taxable Income/(Loss) (Item 28 Less Item 29)	0.00	0.00		
31 Tax Dual-Business Income (Item 30 x 0% Flat Income Tax Rate)	0.00	0.00		
32 Total Tax Dual-Compensation & Business Income (under flat rate) (Sum of Items 7 and 31) (i.e. Final/Ultimate)	0.00	0.00		
<b>Schedule A - Ordinary Allowable Itemized Deductions (attach additional sheet/s, if necessary)</b>				
1 Amortizations	0.00	0.00		
2 Bad Debts	0.00	0.00		
3 Charitable and Other Contributions	0.00	0.00		
4 Depreciation	0.00	0.00		
5 Depreciation	785,058.00	0.00		
6 Entertainment, Amusement and Recreation	0.00	0.00		
7 Fringe Benefits	0.00	0.00		
8 Interest	0.00	0.00		
9 Losses	0.00	0.00		
10 Pension Trusts	0.00	0.00		
11 Rental	0.00	0.00		
12 Research and Development	0.00	0.00		
13 Salaries, Wages and Allowances	13,474,063.00	0.00		
14 SSS, GSIS, PhilHealth, HDMF and Other Contributions	259,020.00	0.00		
15 Taxes and Licenses	1,903,785.00	0.00		
16 Transportation and Travel	0.00	0.00		
17 Others (Deductions Subject to Withholding Tax and Other Expenses) (specify below. Attach additional sheet/s, if necessary)				
a. Janitorial and Messenger Services	0.00	0.00		
b. Professional Fees	0.00	0.00		
c. Security Services	93,760.00	0.00		
d. OTHERS EXPENSES (SEE NOTES TO FS)	12,696,413.00	0.00		
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17) (i.e. Final/Ultimate)	20,397,677.00	0.00		
<b>Schedule B - Special Allowable Itemized Deductions (attach additional sheet/s, if necessary)</b>				
A. Taxpayer/Filer	Description	Amount		
1		0.00		
2		0.00		
3 Total Special Allowable Itemized Deductions-Taxpayer/Filer (Sum of Items 1 and 2) (i.e. Final/Ultimate)		0.00		
B. Spouse	Description	Amount		
4		0.00		
5		0.00		
6 Total Special Allowable Itemized Deductions-Spouse (Sum of Items 4 and 5) (i.e. Final/Ultimate)		0.00		
<b>Schedule C - Computation of Net Operating Loss carry Over (NOLCO)</b>				
A. Taxpayer/Filer	Description	A. Taxpayer/Filer	B. Spouse	
1 Gross Income		0.00	0.00	
2 Less: Ordinary Allowable Itemized Deductions		0.00	0.00	
3 Net Operating Loss (Item 1 Less Item 2) (i.e. Schedule A.1, Item 7A, or Schedule A.2, Item 12A)		0.00	0.00	
<b>6.A.1 - Taxpayer/Filer's Detailed Computation of Available NOLCO</b>				
Net Operating Loss	B. NOLCO Applied Previous Year/s	C. NOLCO Expired	D. NOLCO Applied Current Year	E. Net Operating Loss (Unapplied) [(E)=A-(B+C+D)]
Year Incurred	A. Amount			
4	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00
8 Total NOLCO - Taxpayer/Filer (Sum of Items 4D to 7D) (i.e. Final/Ultimate)			0.00	

BIR Form No. <b>1701</b> January 2018 (ENCS) Page 4	<b>Annual Income Tax Return</b> Individuals (including MIXED Income Earner), Estates, and Trusts	 1701 01/18ENCS P4				
TIN: 104 041 007 700 (Continuation of Schedule 6)		Taxpayer/Filer's Last Name LABORTE				
<b>6.A.2 - Spouse's Detailed Computation of Available NOLCO</b>						
Year Incurred	A. Amount	B. NOLCO Applied Previous Years	C. NOLCO Expired	D. NOLCO Applied Current Year	E. Net Operating Loss (Unapplied) [(E)=A-(B+C+D)]	
09	0.00	0.00	0.00	0.00	0.00	
10	0.00	0.00	0.00	0.00	0.00	
11	0.00	0.00	0.00	0.00	0.00	
12	0.00	0.00	0.00	0.00	0.00	
13 Total NOLCO - Spouse (Sum of Items 9D to 12D) (To Part V Schedule 3, Item 15B)					0.00	
<b>PART VI - Summary of Income Tax Due</b>						
1	Regular Rate-Income Tax Due (From Part V, Lines Item 25 or Item 3)				7,373,473.00	0.00
2	Special Rate-Income Tax Due (From Part V, Item 17D/17E)				0.00	0.00
3	Less: Share of Other Governmental Agency, if remitted directly to the Agency				0.00	0.00
4	Net Special Rate-Income Tax Due/Share of National Govt. (Item 2 Less Item 3)				0.00	0.00
5	Total Income Tax Due (Sum of Items 1 & 4) (To Part V, Item 22)				7,373,473.00	0.00
<b>PART VII - Tax Credits/Payments (attach proof)</b>						
1	Prior Year's Excess Credits				0.00	0.00
2	Tax Payments for the First Three (3) Quarters				0.00	0.00
3	Creditable Tax Withheld for the First Three (3) Quarters				3,209,065.00	0.00
4	Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter				4,035,136.00	0.00
5	Creditable Tax Withheld per BIR Form No. 2316 (From Part V, Schedule 1, Item 14/15B)				0.00	0.00
6	Tax Paid in Return Previously Filed, if this is an Amended Return				0.00	0.00
7	Foreign Tax Credits, if applicable				0.00	0.00
8	Special Tax Credits, if applicable (To Part VII, Item 6)				0.00	0.00
9	Other Tax Credits/Payments (specify)				0.00	0.00
10	Total Tax Credits/Payments (Sum of Items 1 to 9) (To Part V, Item 22)				7,244,201.00	0.00
<b>PART VIII - Tax Relief Availment</b>						
<b>VIII.A - Special Rate</b>						
1	Regular Income Tax Otherwise Due (From Part V, Item 14B, and/or Item 15B, if applicable regular income tax rate)				0.00	0.00
2	Tax Relief on Special Allowable Itemized Deductions (From Part V, Item 15B, and/or Item 17E, if applicable regular income tax rate)				0.00	0.00
3	Sub-Total - Tax Relief (Sum of Items 1 and 2)				0.00	0.00
4	Less: Income Tax Due (From Part V, Item 17D, and/or Item 17E)				0.00	0.00
5	Tax Relief Availment Before Special Tax Credit (Item 3 Less Item 4)				0.00	0.00
6	Add: Special Tax Credit, if any (From Part VII, Item 8)				0.00	0.00
7	Total Tax Relief Availment-SPECIAL (Sum of Items 5 and 6)				0.00	0.00
<b>VIII.B - Exempt</b>						
8	Regular Income Tax Otherwise Due (From Part V, Item 14B, and/or Item 15B, if applicable regular income tax rate)				0.00	0.00
9	Tax Relief on Special Allowable Itemized Deductions (From Part V, Item 15B, and/or Item 17E, if applicable regular income tax rate)				0.00	0.00
10	Total Tax Relief Availment-EXEMPT (Sum of Items 8 and 9)				0.00	0.00
<b>PART IX - Reconciliation of Net Income per Books Against Taxable Income (Attach additional sheets, if necessary)</b>						
Particulars		A. Taxpayer/Filer	B. Spouse			
1	Net Income/(Loss) per Books	22,181,352.00	0.00			
Add: Non-Deductible Expenses/Taxable Other Income						
2		0.00	0.00			
3		0.00	0.00			
4		0.00	0.00			
5	Total (Sum of Items 1 to 4)	22,181,352.00	0.00			
Less: A) Non-Taxable Income and Income Subjected to Final Tax						
6		0.00	0.00			
7		0.00	0.00			
B) Special/Other Allowable Deductions						
8		0.00	0.00			
9		0.00	0.00			
10	Total (Sum of Items 6 to 9)	0.00	0.00			
11	Net Taxable Income/(Loss) (Item 5 Less Item 10)	22,181,352.00	0.00			

R.V. LABORTE BUILDERS

*FINANCIAL STATEMENTS*  
*DECEMBER 31, 2021 and 2020*

*AND*

*INDEPENDENT AUDITOR'S REPORT*

<b>RECEIVED</b>	
METROPOLITAN BANK & TRUST COMPANY	
- LUCENA MAIN BRANCH	
BANK CODE:	015 - 031
RDO CODE:	060
TELLER'S CODE:	
TELLER'S CODE	
DATE	



**JAYDEE P. CAPARAS, CPA**  
525 R. Palma St., San Antonio, Cavite City  
Cellphone No.: 0917-5025882 / Email: caparasjaydee@yahoo.com

---

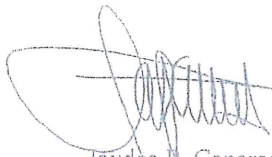
**REPORT OF INDEPENDENT PUBLIC ACCOUNTANT  
TO ACCOMPANY INCOME TAX RETURN**

The Owner  
R.V. Laborte Builders  
34 Habito St., Ibabang Iyam  
Lucena City

I have audited the financial statements of R.V. Laborte Builders for the year ended December 31 2021, on which I have rendered the attached report dated March 18, 2022.

In compliance with Revenue Regulations V-20, I am stating the following:

1. The taxes paid or accrued by the above Company for the year ended December 31, 2021 are shown in the Schedule of Taxes and licenses attached to the income tax return.
2. I am not related by consanguinity or affinity to the owner of the company.



Jaydee P. Caparas  
CPA Certificate No. 0091338  
Valid until June 5, 2022  
PRC-BOA Registration No. 0678  
November 11, 2019 valid until June 5, 2022  
BIR Accreditation No. 09-005542-001-2019  
May 28, 2019, valid until May 28, 2022  
Tax Identification No. 166-693-776  
PTR No. 8103376, January 3, 2022, Cavite City

Cavite City, Philippines  
March 18, 2022



**JAYDEE P. CAPARAS, CPA**

525 R. Palma St., San Antonio, Cavite City  
 Cellphone No.: 0917-5025882 / Email: caparasjaydee@yahoo.com

**INDEPENDENT AUDITOR'S REPORT**

The Owner  
 R.V. Laborte Builders  
 34 Habito St., Ibabang Iyam  
 Lucena City

**Report on the Audit of Financial Statements**

I have audited the financial statements of R.V. Laborte Builders which comprise the statements of financial position as at December 31, 2021 and 2020, and the statements of income, statements changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of R.V. Laborte Builders at December 31, 2021 and 2020, and its financial performance for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) for Small and Medium-sized Entities.

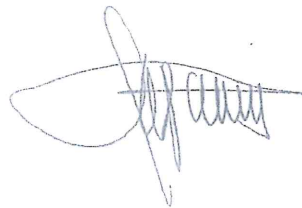
**Basis for Opinion**

I conducted my audits in accordance with Philippine Standards on Auditing (PSA). My responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of my report. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in the Philippines, the Code of Ethics for Professional Accountants in the Philippine (Philippine Code of Ethics), and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit 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 PFRS for SMEs 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.



<b>RECEIVED</b>	
METROPOLITAN BANK & TRUST CO	
LUCENA MAIN BRANCH	
BANK CODE:	015 - 02
RPO CODE:	689
TELLER'S CODE:	
TELLER'S CODE:	
DATE	

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

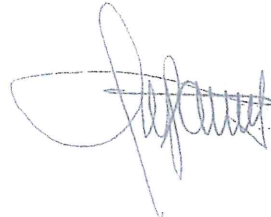
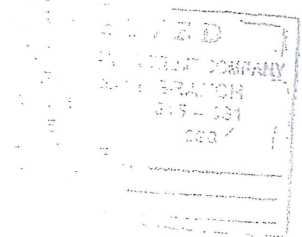
#### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 PSA 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 consolidated financial statements.

As part of an audit in accordance with PSA, I exercise professional's judgment and maintain professional skepticism throughout the audit. I also:

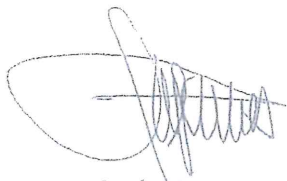
- Identify and assesses the risks of material misstatement of the financial statements, whether due to the fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My 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 Company 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 a manner that achieves fair presentation.

I 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 I identify during my audit.

Report on Bureau of Internal Revenue Requirement

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes and licenses in Note 18 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Jaydee P. Caparas

CPA Certificate No. 0091338

Valid until June 5, 2022

PRC-BOA Registration No. 0678

November 11, 2019 valid until June 5, 2022

BIR Accreditation No. 09-005542-001-2019

May 28, 2019, valid until May 28, 2022

Tax Identification No. 166-693-776

PTR No. 8103376, January 3, 2022, Cavite City

Cavite City, Philippines

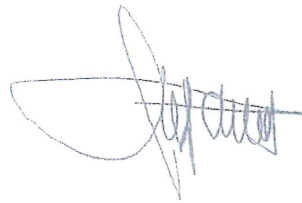
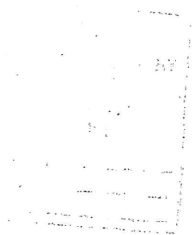
March 18, 2022



**R.V. LABORTE BUILDERS**  
**BALANCE SHEETS**

	Notes	December 31	
		2021	2020
<b>ASSETS</b>			
Current Assets			
Cash	5	P415,927	P64,783,840
Trade and other receivables	6	237,064,790	161,259,908
Inventories	7	-	-
Prepayments	8	14,880,625	9,027,473
Total Current Assets		252,361,342	235,071,221
Non-Current Assets			
Property, plant and equipment - net	9	21,241,070	22,024,106
Other assets	10	-	219,250
Total Non-Current assets		21,241,070	22,243,356
		<b>P273,602,412</b>	<b>P257,314,577</b>
<b>LIABILITIES AND EQUITY</b>			
Current Liabilities			
Trade and other payables	11	P8,514,418	P7,017,130
Income tax payable	12	132,240	149,572
Total Current Liabilities		8,646,657	7,166,702
Owner's capital	13	264,955,754	250,147,875
		<b>P273,602,412</b>	<b>P257,314,577</b>

*See accompanying Notes to Financial Statements*

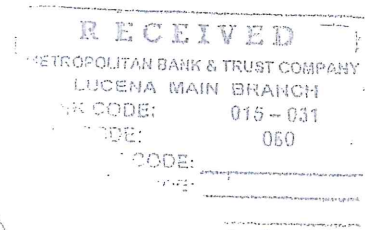





**R.V. LABORTE BUILDERS**  
**INCOME STATEMENTS**

	Notes	For the Years Ended December 31	
		2021	2020
REVENUE	14	₱370,384,488	₱386,126,652
COST OF SERVICE	15	318,805,459	327,997,397
GROSS INCOME		51,579,029	58,129,255
OPERATING EXPENSES	16	29,397,677	34,192,027
INCOME FROM OPERATIONS		22,181,352	23,937,228
INCOME TAX EXPENSE	12	7,373,473	7,988,030
NET INCOME AFTER TAX		₱14,807,879	₱15,949,198

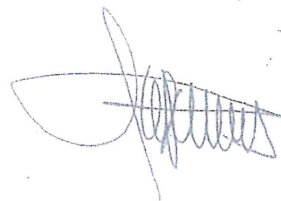
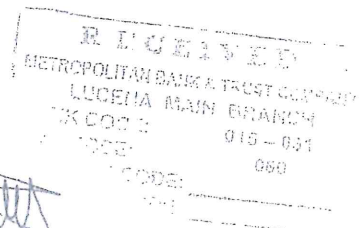
*See accompanying Notes to Financial Statements*



**R.V. LABORTE BUILDERS**  
**STATEMENTS OF CHANGES IN CAPITAL**

	Notes	For the Years Ended December 31	
		2021	2020
Owner's capital, beginning	13	P250,147,875	P237,966,347
Net income		14,807,879	15,949,198
Total		264,955,754	253,915,545
Additional investments (drawings)		-	(3,767,670)
		P264,955,754	P250,147,875

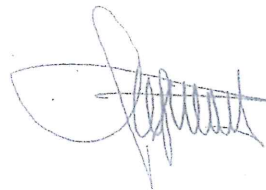
*See accompanying Notes to Financial Statements*

**R.V. LABORTE BUILDERS**  
**STATEMENTS OF CASH FLOWS**

	Notes	For the Years Ended December 31	
		2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income after tax		P14,807,879	P15,949,198
Adjustments for:			
Depreciation	9	783,036	783,036
Operating income before working capital			
Changes		15,590,915	16,732,234
Decrease (increase) in:			
Trade and other receivable	6	(75,804,882)	(41,711,828)
Inventory	7	-	-
Prepayments	8	(5,853,152)	13,263,878
Increase (decrease) in:			
Trade and other payables	11	1,497,288	(42,778)
Income tax payable	12	(17,332)	(13,587)
Net cash used in operating activities		(64,587,163)	(11,772,081)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
PPE additions and disposals - net	9	-	-
Other assets	10	219,250	187,929
Net cash provided by investing activities		219,250	187,929
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Additional investments/Drawings	13	-	(3,767,670)
Net cash used in financing activities		-	(3,767,670)
<b>NET INCREASE (DECREASE) IN CASH</b>			
		(64,367,913)	(15,351,822)
CASH AT BEGINNING OF YEAR	5	64,783,840	80,135,662
CASH AT END OF YEAR	5	P415,927	P64,783,840

*See accompanying Notes to Financial Statements*



## R.V. LABORTE BUILDERS

### NOTES TO FINANCIAL STATEMENTS

#### 1. General Information and Status of Operations

##### Company Information

R.V. Laborte Builders (the Company) is owned by Mr. Reynaldo V. Laborte, Jr. The Company was registered with the Department of Trade and Industry under Certificate No. 03525548 on March 31, 2015 and valid until March 31, 2020. The Company's primary purpose is to engage in general construction and other allied services.

The Company is registered at 34 Habito St., Iyam, Lucena City. It's principal office is located at 59 Cattleya St., Stephen Compound, Ibabang Iyam, Lucena City, Quezon.

##### Status of Operations

The financial statements have been prepared assuming the Company will continue as a going concern.

#### 2. Basis of Preparation and Accounting Policies

##### Statement of Compliance

The financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) for Small and Medium-sized Entities issued by Philippine Financial Reporting Standards Council.

##### Basis of Measurement

The financial statements have been prepared on historical cost basis.

##### Functional and Presentation Currency

The financial statements are presented in Philippine peso, which is the Company's functional currency.

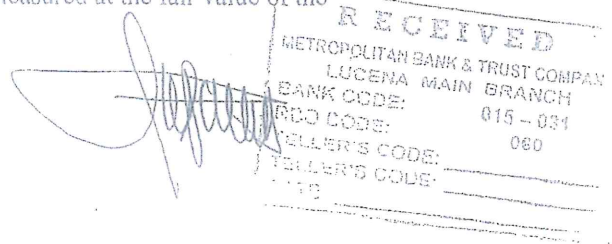
##### Use of Judgments and Estimates

The preparation of the financial statements in Philippine Financial Reporting Standards for SMEs requires the management of the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Future events may occur which will cause the assumption used in arriving at the estimates to change. The effects of changes in estimates will be reflected in the financial statements as they become reasonably determinable.

#### 3. Summary of Significant Accounting Policies

##### Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of the



consideration received or receivable, taking into account contractually defined terms and payment excluding taxes and duty, excluding discounts, rebates, and other sales taxes or duty. The following specific recognition criteria must also be met before revenue is recognized:

*Sale of goods*

Revenue is recognized when all the following conditions are satisfied:

- (a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods.
- (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor defective control over the goods sold.
- (c) the amount of revenue can be measured reliably.
- (d) it is probable that the economic benefits associated with transaction will flow to the entity
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

*Rendering of services*

When the outcome of a transaction involving the rendering services can be estimated reliably, an entity shall recognize revenue associated with the transaction by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably.
- (b) it is probable that the economic benefits associated with the transaction will flow to the entity.
- (c) the stage of completion of the transaction at the end of the reporting period can be measured reliably.
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

*Interest income*

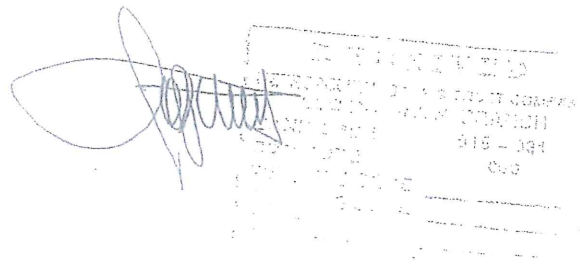
Interest income is recognized as the interest accrues.

*Income from sale of property and equipment*

Income from sale of properties is recognized upon completion of the earning process and the collectibility of the sales price is reasonably assured.

Expense Recognition

Expenses are recognized when it is probable that a decrease in future economic benefit related to a decrease in an asset or an increase in liability has occurred and the decrease in economic benefits can be measured reliably. Revenues and expenses that relate to the same transaction or other event are recognized simultaneously.



DEPARTMENT OF EDUCATION  
OFFICE OF THE SECRETARY  
EDUCATION SECRETARIAT  
515 - 094  
000



Financial Assets and liabilities

It is recognized when the Company becomes a party to the contractual provisions of the instrument.

*Initial recognition*

It is recognized initially at its fair value, which is normally the transaction price.

*Subsequent measurement*

At the end of each reporting period, the Company measures all financial instruments at the undiscounted amount of the cash or other consideration expected to be paid or received.

*Derecognition*

The Company derecognizes financial assets when:

- (a) the contractual rights to the cash flows from the financial asset expire or are settled.
- (b) transfers to another party substantially all of the risks and rewards of ownership of the financial asset.
- (c) despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to see the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

The Company derecognizes financial liabilities when:

- (a) it is extinguished, ie, when the obligation specified in the contract is discharged, is cancelled or expires.
- (b) profit and loss in recognized between the carrying amount of the financial liability extinguished or transferred to another party and the considerations paid, including any non-cash assets transferred or liabilities assumed.

Cash and Cash Equivalents

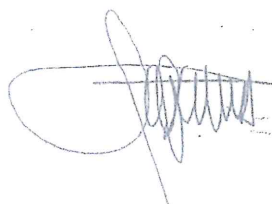
Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and are subject to insignificant risk of changes in value.

Trade and other receivables

Most revenues are made on the basis of normal service terms, and the receivables do not bear interest. Where credit is extended beyond normal service terms, receivables are measured at amortized cost using the effective interest method. At the end of each reporting period, the carrying amounts of receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in profit or loss.

Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell. It includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Measuring cost technique and cost formula used is standard cost



method and weighted average cost formula, respectively. Impairment is recognized when the carrying amount is not fully recoverable because of damage, obsolescence or declining selling prices. Inventories are recognized as expense when sold.

#### Property, plant and equipment

Land, if any, is stated at cost less any impairment in value and depreciable properties, including building, furniture fixtures and equipment, and leasehold improvements, are stated at cost less accumulated depreciation and any accumulated impairment losses. The initial cost of property and equipment consists of its 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 assets have been put into operation, such as repairs and maintenance, are normally charged against profit and loss in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of property and equipment. The cost is measured based on cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the cost is the present value of all future payments.

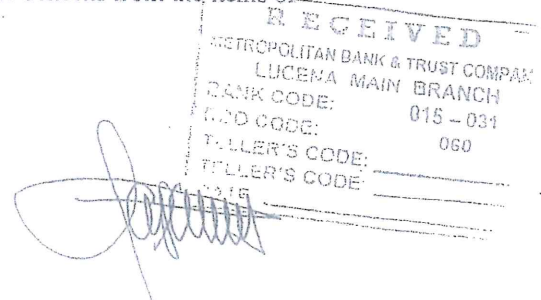
Depreciation is calculated using the straight-line method to write down the cost of the property and equipment to their residual values over their estimated useful lives. Land, if any, is not depreciated. The estimated useful lives are as follows:

	<u>Useful Life</u>
Transportation equipment	5 years
Office and factory equipment	5 - 10 years
Furniture and fixture	5 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 net disposal or proceeds and carrying amount of the asset) is included in the statement of income in the year the asset is derecognized.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at each financial year-end to ensure that these are consistent with the expected pattern of economic benefits from the items of property and equipment.



If there is an indication that there has been a significant change in useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations

#### Impairment of assets

Property, plant and equipment, and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount is reduced to its estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss in the year in which it arises.

#### Investment in associates

Investments in associates are accounted for at cost less any accumulated impairment losses. Dividend income from investment in associates is recognized when the right to receive payment has been established. It is included in other income.

#### Intangible assets

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses. It is amortized over its estimated life of five years using the straight-line method. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

#### Trade payables

Trade payables are obligations on the basis on normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translates into CU using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income and other expenses.

#### Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases. Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

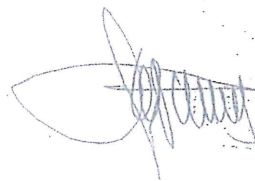
#### Borrowing cost

All borrowing costs are recognized in profit or loss in the period in which they are incurred.

#### Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year.



RECEIVED  
13 JUL 2015  
TRUST COMPANY  
CHANCERY  
215 - 031  
060



Deferred tax is recognized for all temporary differences that are expected to affect taxable profit in the future, and any unused tax losses or unused tax credits. The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognized in profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax assets to be realized or then deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Restriction on payment of dividend

Under the terms of the bank loan, bank overdraft and Company's policy, dividends cannot be paid to the extent that they would reduce the balance of retained earnings below the sum of the all outstanding balance of the bank loan, bank overdraft and third party liabilities.

#### Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefits is probable.

#### Events after the Balance Sheet date

Post year-end events that provide additional information about the Company's financial position at balance sheet date (adjusting events), if any, are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes in the financial statements when material.

### 4. Significant Accounting Judgments and Estimates

#### Judgments

The preparation of the Company's financial statements in conformity with Financial Reporting Framework (in reference to the Generally Accepted Accounting Principles of the Philippines) requires management to make estimates and assumptions that affect the amounts reported in the Company's financial statements and accompanying notes. The estimates and assumptions used in the Company's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Company's financial statements. Actual results could differ from such estimates, judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Estimates

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other

factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following represents a summary of the significant estimates and judgments and related impact and associated risks in the Company's financial statements.

Estimating useful lives of property, plant and equipment (and/or) investment property

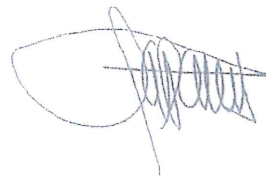
The useful lives of property, plant and equipment are estimated based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the Company's assets. In addition, the estimation of the useful lives of property, plant and equipment is based on Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property, plant and equipment would increase the recognized operating expenses and decrease non-current assets.

Asset impairment

The Company is required to perform an impairment review when certain impairment indicators are present. Purchase accounting requires extensive use of accounting estimates and judgment to allocate the purchase price to the fair market values of the assets and liabilities purchased. Determining the fair value of property, plant and equipment, investments and intangible assets, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Company to make estimates and assumptions that can materially affect the financial statements. Future events could cause the Company to conclude that property, plant and equipment, investments and intangible assets associated with an acquired business is impaired. Any resulting impairment loss could have a material adverse impact on the financial condition and results of operations.

The preparation of the estimated future cash flows involves significant judgment and estimations. While the Company believes that its assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future additional impairment charges under generally accepted accounting principles in the Philippine.

The Company has adopted the fair value approach in determining the carrying value of its investment properties. While the Company has opted to rely on independent appraisers to determine the fair value of its investment properties, such fair value was determined based on recent prices of similar properties, with adjustments to reflect any changes in economic conditions since



RECEIVED	
METROPOLITAN BANK & TRUST COMPANY	
LUCENA MAIN BRANCH	
BANK CODE:	015 - 031
RDO CODE:	060
TELLER'S CODE:	
OTHER'S CODE:	
DATE	



the date of the transactions that occurred at those prices. The amounts and timing of recorded changes in fair value for any period would differ if the Company made different judgments and estimates or utilized different basis for determining fair value.

#### Financial assets and liabilities

The Company carries some of its financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgment. In addition, certain liabilities acquired through debt exchange and restructuring are required to be carried at fair value at the time of the debt exchange and restructuring. While significant components of fair value measurement were determined using verifiable objective evidence, i.e., foreign exchange rates, interest rates, volatility rates, the amount of changes in fair value would differ if the Company utilized different valuation methodology. Any changes in fair value of these financial assets and liabilities would affect directly the profit or loss and equity.

#### Revenue recognition

The Company's revenue recognition policies require the use of estimates and assumptions that may affect the reported amounts of revenues and receivables. Differences between the amounts initially recognized and actual settlements are taken up in the accounts upon reconciliation. However, there is no assurance that such use of estimates may not result to material adjustments in future periods.

#### 5. Cash

Cash include the following components as of December 31:

	2021	2020
Cash in bank	P415,927	P-
Cash on hand	-	62,783,840
	<u>P415,927</u>	<u>P62,783,840</u>

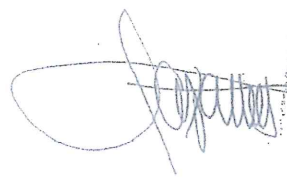
Cash in banks generally earn interest at rates based on daily bank deposits rates which are being accrued monthly and interest credited quarterly. Checking/Savings account placements earn effective interest ranging .15% to .25% per annum. The cash balances represent unrestricted cash and are available for the general use of the Company.

#### 6. Trade and Other Receivables

This account consists of:

	2021	2020
Trade receivables	P237,064,790	P161,259,908
	<u>P237,064,790</u>	<u>P161,259,908</u>

Trade receivables are usually due within 30 - 45 days and do not bear interest. All trade receivables are subject to credit risk exposures. However, the Company does not identify specific concentrations of credit risk with regard to trade and

 RECEIVED  
TELECOM & TRUST COMPANY  
LLC - MAIN BRANCH  
BANK CODE: 015-031  
080

other receivable as the amounts recognized resemble a large number of receivables from various customers.

All of the Company's trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables are found not to be impaired, thus, no provisions have been recorded accordingly. Management believes that the carrying amount of trade and other receivables approximates fair value.

No receivable items are held as lien to serve any loan purpose.

#### 7. Inventories

This account consists of stock inventory of direct materials valued at cost which approximates its net realizable value. All inventory items are not under lien to serve any liability. No inventory as of December 31, 2021 and 2020.

#### 8. Prepayments

This account consists of:

	2021	2020
Creditable withholding tax	P5,896,576	P8,961,389
Prepaid expenses	-	50,423
Input VAT deferred	8,984,049	15,661
	<b>P14,880,625</b>	<b>P9,027,473</b>

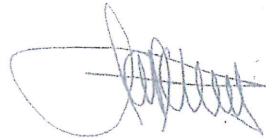
#### 9. Property, Plant and Equipment

This account consists of:

	Land	Machinery, Equipment & Tools	Total
Cost, 12.31.2021	P17,130,134	P7,830,357	P24,960,491
Accumulated depreciation	-	(3,719,421)	(3,719,421)
	<b>P17,130,134</b>	<b>P4,110,936</b>	<b>P21,241,070</b>

	Land	Machinery, Equipment & Tools	Total
Cost, 12.31.2020	P17,130,134	P7,830,357	P24,960,491
Accumulated depreciation	-	(2,936,385)	(2,936,385)
	<b>P17,130,134</b>	<b>P4,893,972</b>	<b>P22,024,106</b>



A reconciliation of the carrying amounts of plant, property and equipment is shown below:

	Land	Machinery Equipment & Tools	Total
NBV, 01.01.2021	P17,130,134	P4,893,972	P22,024,106
Additions	-	-	-
Depreciation	-	(783,036)	(783,036)
	P17,130,134	P4,110,936	P21,241,070

Depreciation charged to operations in 2021 and 2020 is P783,036. No PPE items are held as collateral to serve any loan purpose.

Management believes that recoverable amount of the property and equipments exceed the carrying amount of the assets and there is no indication that an impairment loss has occurred on its property and equipment.

#### 10. Other Assets

This account consists of

	2021	2020
Creditable withholding tax	P-	P-
Input VAT – deferred	-	219,250
	P-	P219,250

#### 11. Trade and Other Payables

This account consists of:

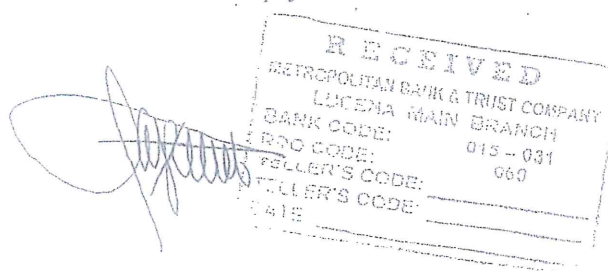
	2021	2020
Trade payables	P5,834,389	P4,861,990
Withholding tax payable	2,680,029	2,155,140
	P8,514,418	P7,017,130

Trade payables are purchases from various suppliers. Normal credit terms ranges from 30 to 60 days.

Management believes that recoverable amount of trade and other payables exceed the carrying amount.

#### 12. Income Tax Payable

Income tax liability amounted to P132,240 and P149,572 in 2021 and 2020, respectively, using the graduated income tax rate for individual taxpayers.



## 13. Owner's Capital

Outstanding balance for this account amounts to P264,955,754 and P250,147,875 as of December 31, 2021 and 2020, respectively.

## 14. Revenue

The account consists of:

	2021	2020
Government sales	P370,384,488	P386,126,652
Private sales	-	-
	<b>P370,384,488</b>	<b>P386,126,652</b>

## 15. Cost of Service

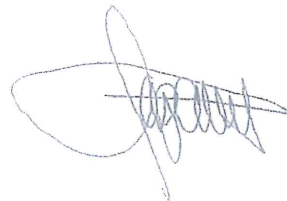
The account consists of:

	2021	2020
Inventory, beginning	P-	P-
Materials purchased	278,739,062	286,783,012
Less: Inventory, end	-	-
Materials used	278,739,062	286,783,012
Labor and subcontracting and other costs	40,066,397	41,214,385
	<b>P318,805,459</b>	<b>P327,997,397</b>

## 16. Operating Expenses

This account consists of:

	2021	2020
Salaries and other benefits	P13,474,663	P17,378,221
Transportation, freight and fuel	9,964,032	3,016,015
Taxes, licenses, permits and registration	1,900,785	1,331,935
Insurance	1,333,098	1,005,805
Depreciation (Note 9)	783,036	783,036
Other Services	672,017	375,022
Supplies and Materials	471,027	48,475
Salaries - Security Guard	333,240	288,500
SSS, Philhealth and Pag-ibig	259,020	224,930
Office Supplies	132,947	30,886
Representation	65,935	8,491
Input VAT closed to expense	-	9,645,175
Miscellaneous expenses	7,877	55,536
	<b>P29,397,677</b>	<b>P34,192,027</b>



2021  
 12-31  
 913-001  
 OSD



### 17. Operating Lease Agreement

The Company is situated on a land owned by the family members and no rentals are being charged.

### 18. Disclosures Required Under Revenue Regulation No. 15-2010

On November 25, 2010, the Bureau of Internal Revenue issued Revenue Regulation (RR) 15-2010 to amend certain provisions of RR 21-2002. The Regulation provides that starting 2010 the notes to financial statements shall include information on taxes, duties and license fees paid or accrued during the taxable year.

The Company paid the following types of taxes for the year:

#### Value-Added Tax

	2021
Output	P44,446,139
Input	35,054,038

#### Taxes and licenses

Taxes and licenses account of the Company consists of:

	2021
Business permit and other licenses and fees	P1,900,285
Annual registration fee	500
	P1,900,785

#### Withholding taxes

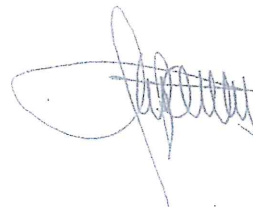
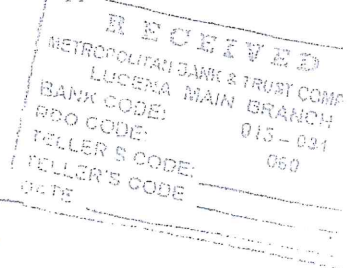
Details of total remittances of withholding taxes are as follows:

	2021
Withholding taxes on compensation and benefits	P3,516,268
Expanded withholding taxes	3,016,386
	P6,532,654

As of December 31, 2021, the Company has no pending tax court cases nor has received tax assessment notice from the BIR.

### 19. Approval for the Release of the Financial Statements

The accompanying comparative financial statements were reviewed and approved for release by the owner on its meeting on March 14, 2022.





Republic of the Philippines  
MIMAROPA Region  
Province of Occidental Mindoro  
**OFFICE OF THE GOVERNOR**

**RESOLUTION NO. 12**  
**Series of 2022**

**WHEREAS**, the Department of Environment and Natural Resources (DENR) issued DENR Administrative Order No. 2020-12 with the subject of Rationalizing Dredging Activities in Heavily-Silted River Channels within the Province of Occidental Mindoro pursuant to the DENR-DPWH-DILG-DOTC Joint Memorandum Circular No. 1 Series of 2019;

**WHEREAS**, Section 2 (c) Title VII of the above-mentioned Administrative Order states that *"The inter-agency committee shall have the following powers and functions: b. Shall propose policies and programs to rationalize the dredging operations."*

**WHEREAS**, to provide immediate and adequate assistance to our countrymen affected by floods due to the heavily-silted river systems in the Province of Occidental Mindoro, it becomes imperative for this Body to issue resolutions that will create an operating structure for dredging operations in said province;

**WHEREAS**, in the IAC meeting held on January 11, 2022, one of the agenda was the submitted affidavit of undertaking of R.V. Laborte Builders to comply with the Php250,000,000.00 capitalization requirement within thirty (30) days upon approval of its application considering that it only lacks Php2,000,000.00 as per the requisites of the IAC;

**WHEREAS**, in the same meeting, the IAC decided and resolved to give R.V. Laborte Builders thirty (30) days from receipt of notice within which to comply with the capitalization requirement set forth under IAC Resolution No. 1 Series of 2020 to qualify to undertake dredging operations in the province of Occidental Mindoro in addition to the submission of its technical capability requirements and ocular inspection which it has to undergo;

**NOW THEREFORE**, on motion of MGB Regional Director Glenn Marcelo C. Noble, duly seconded by other members present, **BE IT RESOLVED**, as this Body hereby resolves, *"To give R.V. Laborte Builders thirty (30) days from receipt of notice to comply with the capitalization requirement set forth under IAC Resolution No. 1 Series of 2020 to qualify to undertake dredging operations in the province of Occidental Mindoro in accordance with DENR Administrative Order No. 2020-12."*



*"Ganado sa Serbisyo, Ganado sa Pagbabagol"*

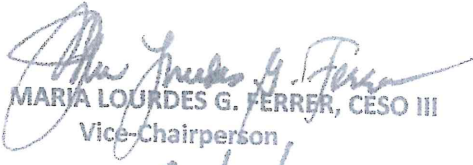
Address: Provincial Capitol Compound, Barangay. Payompon, Mamburao, Occidental Mindoro



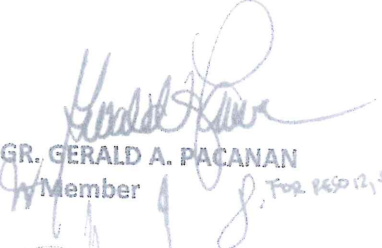
Republic of the Philippines  
MIMAROPA Region  
Province of Occidental Mindoro  
**OFFICE OF THE GOVERNOR**

APPROVED AND SIGNED this 11<sup>th</sup> day of January 2022 in Mamburao, Occidental Mindoro.

  
EDUARDO B. GADIANO  
Chairperson

  
MARIA LOURDES G. FERRER, CESO III  
Vice-Chairperson

  
ENGR. GLENN MARCELO C. NOBLE  
Member

  
ENGR. GERALD A. PACANAN  
Member

  
JOE AMIL M. SALINO  
Member



*"Ganado sa Serbisyo, Ganado sa Pagbabago!"*

Address: Provincial Capitol Compound, Barangay, Payompon, Mamburao, Occidental Mindoro