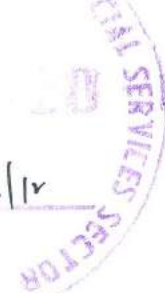




REPUBLIC OF THE PHILIPPINES  
**Department of Budget and Management**  
Malacañang, Manila

*Early 10/25/12*



**CORPORATE OPERATING BUDGET**

Calendar Year 2012

**TO: TRADE AND INVESTMENT DEVELOPMENT CORPORATION OF THE PHILIPPINES (TIDCORP)**

Your Corporate Operating Budget (COB) for Calendar Year 2012 per approved Board Resolution No.2459, series of 2011 submitted pursuant to Section 6 of Executive Order (E.O.) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of E.O. No. 292, series of 1987, is hereby approved for a total amount of **FIFTEEN BILLION FOUR HUNDRED TWENTY NINE MILLION THREE HUNDRED TWELVE THOUSAND PESOS ONLY (P15,429,312,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	P 15,477,260,000	P 15,477,260,000	-
Corporate Funds	15,477,260,000	15,477,260,000	-
<b>TOTAL USES:</b>	P 15,474,858,000	P 15,429,312,000	P (45,546,000)
Personal Services (PS)	161,000,000	129,656,000	(31,344,000) a/
Maintenance and Other Operating Expenses (MOOE)	117,000,000	102,798,000	(14,202,000) b/
Capital Outlays (CO)	32,336,000	32,336,000	-
Others	15,164,522,000	15,164,522,000	-
<b>Excess/Shortfall</b>	P 2,402,000	P 47,948,000	P (45,546,000)

**Footnotes:**

a/ The TIDCORP shall strictly adhere to the following provisions of laws:

Under Section 6 of Presidential Decree No. 1597, s. 1978 Government Owned and Controlled Corporations/Government Financial Institutions (GOCCs/GFIs) exempted from the standardized/unified compensation scheme of the government shall observe such guidelines and policies as may be issued by the President governing position classification, salary rates, levels of allowances, and other forms of compensation and fringe benefits. Such government corporations shall report to the President, through the Department of Budget and Management (DBM), on their position classifications and compensation plans, policies, rates and other related details following such specifications as may be prescribed by the President. Section 5 thereof, also provides that allowances, honoraria and other fringe benefits shall be subject to the approval of the President upon recommendation of the DBM.

Sections 1 to 3 of Memorandum Order No. 20 s. 2001 directed the GOCCs/GFIs that are exempted from the Salary Standardization Law (SSL) as follows:

1. Immediately suspend the grant of any salary increases and new or increased benefits not in accordance with those granted under SSL. This suspension covers senior officers and members of the board of directors/trustees.
2. Prepare a pay rationalization plan for senior officer positions and members of the board to reduce the actual pay package to not exceeding two (2) times the standardized rates for comparable national government positions.
3. Any increase in salary or compensation of GOCCs/GFIs that are not in accordance with the SSL shall be subject to the approval of the President.

Further, Section 9 of Joint Resolution No. 4 s. 2009 provided that exempt entities shall observe the policies, parameters and guidelines governing position classification, salary rates, categories and rates of allowances, benefits and incentives, prescribed by the President. Any increase in the existing salary rates as well as the grant of new allowances, benefits and incentives, or an increase in the rates thereof shall be subject to the approval by the President, upon recommendation of the DBM. Section 10 thereof, required exempt entities to submit their existing compensation and position classification systems and their implementation status to the DBM.

Sections 8 and 9 of Executive Order No. 7 s. 2010 mandated that:

1. GOCCs/GFIs shall submit information on all salaries, allowances, incentives and other benefits.
2. Except salary adjustments pursuant to E.O. Nos. 811 s. 2009 and 900 s. 2010, a moratorium on the increases in the rates of salaries, and the grant of new or increase in the rates of allowances, incentives and other benefits is imposed until specifically authorized by the President.

Executive Order No. 24, s. 2011 provided for the reasonable per diems and reimburseable expenses to members of the Board of Directors/Trustees.

Section 8 of Republic Act No. 10149 (GOCC Governance Act of 2011), s. 2011 provided that the Governance Commission for Government-Owned and Controlled Corporations (GCG), after conducting a compensation study, shall develop a Compensation and Position Classification System which shall apply to all officers and employees of the GOCCs whether under the SSL or exempt therefrom and shall consist of classes of positions grouped into such categories as the GCG may determine, subject to approval of the President.

In view of the foregoing, the PS level computed based on the actual FY 2009 PS level and is only to accommodate 122 positions. It should not be construed as allowing the increase in salary rates and the grant of new or an increase in rates of allowances/benefits. The variance of P31,344,000 represents over-provision of PS items as shown in Annex "A".



**CORPORATE OPERATING BUDGET**

Calendar Year 2012

**CORPORATE OPERATING BUDGET**

Calendar Year 2012

**TO: TRADE AND INVESTMENT DEVELOPMENT CORPORATION OF THE PHILIPPINES (TIDCORP)**

This review action shall not be construed as an authorization for specific expenditure items under PS. The grant of such items is subject to approval from the Office of the President. Further, it is understood that:

1. Standard allowances and benefits, which are authorized to officials and employees of the National Government Agencies (NGAs) covered by SSL, may be adopted provided these are not already being granted in other forms;
2. All other allowances/benefits including rates not covered by the SSL, as shown in Annex "B", shall be subject to approval of the President; and
3. Any increase in the existing salary rates and the grant of new allowances, benefits and incentives, or an increase in the rates thereof shall be subject to the approval by the President.

b/ MOOE level computed considering actual/audited expenses for the previous years, and the effects of inflation; thus, a disallowance of P14,202,000, which includes Taxes, Duties and Fees (P1,949,000), Other Services (P2,789,000), among others. The MOOE level is inclusive of Extraordinary and Miscellaneous Expense of P460,000 transferred from PS.

c/ Intended for purchase of information technology (IT) equipment, furniture and fixtures, and transportation equipment.

d/ Covers loan releases for guarantees, insurance credit and related technical assistance services, loan advances to cover default guarantees, investment placements, investment income taxes, receivables from subrogated claims and payment of dividends, interest and financial charges.

The approval of the COB shall be subject to the following conditions:

1. All expenditures, whether for current operating expenditures or COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
2. Disbursement for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations, including E.O. Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively. Such expenditures shall also be conditioned on the relevant General Provisions of Republic Act (R.A.) No. 10155, the FY 2012 General Appropriations Act (ex. Representation and Transportation Allowance under Section 45, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case may be.
3. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 23, General Provisions of R.A. No. 10155.
4. Disbursements from the Confidential and Intelligence Fund shall be covered by an approval from the President of the Philippines.
5. For equipment items per Annual Equipment Procurement Program that require specific clearance/approval from the Agencies concerned (ex. National Computer Center for information technology equipment and Office of the President/Department of Budget and Management/Supervising Department for motor vehicles), the same shall be secured before acquisition thereof in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, National Budget Circular Nos. 446 and 446-A dated November 24, 1995 and January 30, 1998, respectively; Budget Circular No. 2010-2 dated March 1, 2010 and Administrative Order (A.O.) No. 233 dated August 1, 2008, Office of the President Memorandum Circular No. 9 dated December 14, 2010 and A.O. No. 15 dated May 25, 2011, among others.
6. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
7. It is understood that this approval does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
8. The pertinent laws, rules and regulations including those on compensation, procurement, budgeting, accounting and auditing shall be strictly followed. Compliance with all existing laws, rules and regulations shall be the responsibility of the implementing government corporation.

Recommending Approval:

*Lorenzo C. Drapete*  
**LORENZO C. DRAPETE**  
Director, BMB-F

Approved:  
By Authority of the Secretary:

*Mario L. Relampagos*  
**MARIO L. RELAMPAGOS**  
Undersecretary

Date: October 11, 2012

Date: October 11, 2012 COB-F4-12-0049

cc: The Chairman  
Board of Directors, TIDCORPAssistant Commissioner Lourdes M. Castillo  
Commission on Audit (COA) - Central Office  
COA Building, Quezon Citycc: The Chairman  
Board of Directors, TIDCORP  
The Resident Auditor  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City



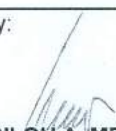
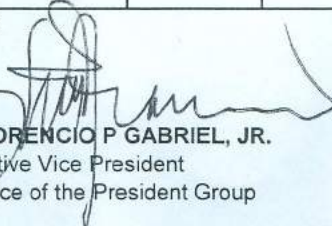
**TRADE AND INVESTMENT DEVELOPMENT CORPORATION OF THE PHILIPPINES  
(TIDCORP)**

<b>Allowances/Benefits</b>	<b>Amount</b>	<b>Remarks</b>
Salaries, Permanent	P12,358,000	Pegged at 2009 rates
Personnel Economic Relief Allowance	30,000	Limited to P12,000 per employee
Uniform/Clothing Allowance	25,000	Limited to P5,000 per employee
Year-end Bonus	1,227,000	Equivalent to 1 mo. basic salary
Cash Gift	25,000	Limited to P5,000 per employee
Representation and Transportation Allowances	2,222,000	Based on 2009 rates for 54 positions Chargeable against savings
Overtime Pay	210,000	
Anniversary Bonus	1,280,000	
Productivity Incentive Benefits	2,753,000	Based on 2009 rates per employee
Rice Subsidy	36,000	Limited to P1,200/mo. per employee
Meal Subsidy	21,000	Limited to P700/mo. per employee
Children's Allowance	8,000	Based on 2009 actual figures
Medicine Allowance	150,000	Based on 2009 rate per employee
Grocery Subsidy	875,000	Limited to P50,000 per employee
Amelioration Allowance	1,538,000	Equivalent to 1 mo. basic salary
Medical/Dental/Optical Allowance	1,327,000	Based on 2009 rate per employee
Gratuity Pay	184,000	Proposed amount based on 2009 actual number of personnel
Birthday Bonus	60,000	Based on 2009 rates per employee
Provident Fund	3,167,000	Pegged at 25% of basic annual salary
Extraordinary and Miscellaneous Expense	460,000	Transferred to MOOE
Performance Based Incentive	900,000	Based on P5,000/employees as PEI and P5,000 allocated for PBB
Developmental Contribution Bonus	420,000	Limited to P30,000 per employee
Loyalty Incentive	214,000	Chargeable against savings
Employee Suggestions and Incentive Awards System	300,000	Chargeable against savings; subject to CSC approved PRAISE Rules
Life & Retirement Insurance Premium	1,483,000	12% of basic salary
Employees Compensation Insurance Premium	4,000	Pegged at P1,200/annum per employee
Pag-IBIG Contributions	4,000	Pegged at P1,200/annum per employee
PhilHealth Contribution	63,000	PhilHealth adjusted rates based on 2009 actual number of personnel
<b>TOTAL</b>	<b>P31,344,000</b> =====	

## COMPARATIVE BALANCE SHEET

(In Thousand Pesos)

Fiscal Year 2012

Department : FINANCE					
Corporation : TRADE AND INVESTMENT DEVELOPMENT CORPORATION OF THE PHILIPPINES					
PARTICULARS	FY 2009 (Audited)	FY 2010 (Actual)	FY 2011 (Actual)	COB 2012 (Proposal)	(REMARKS)
<b>ASSETS</b>					
Current Assets	885,153	893,078	974,794	1,936,891	
Cash	2,850	38,209	3,132	5,534	
Short-term Investment (DBM Form No. 702-A)	37,200	497,390	64,100	34,473	
Accounts Receivable (DBM Form No. 702-B)	826,100	331,369	880,710	1,872,973	
Inventories	-	-	-	-	
Cash Advances to Various Parties	1,306	1,237	932	640	
Other Current Assets	17,697	24,873	25,920	23,271	
Investments (DBM Form No. 702-A)	1,537,956	1,697,144	1,785,733	1,202,983	
Fixed Assets	182,616	179,697	173,834	110,731	
Land & Land Improvements	-	-	-	-	
Buildings and Structures	152,110	143,647	137,399	62,535	
Furnitures, Fixtures, Equipt. & Books	11,883	13,026	6,411	8,371	Includes Transpo.Eqpt.
Information Technology Equipment	18,623	23,024	30,024	39,825	
Deferred Assets	5,372	1,388	1,049	1,291	
Other Assets	251,656	547,456	1,002,626	696,234	
<b>TOTAL ASSETS</b>	<b>2,862,753</b>	<b>3,318,763</b>	<b>3,938,036</b>	<b>3,948,130</b>	
<b>LIABILITIES</b>					
Current Liabilities	2,187,878	2,304,427	2,284,893	2,095,333	
Accounts Payable to suppliers or trade creditors (DBM Form No. 702-C)	387,878	104,427	84,893	95,333	
Current portion of borrowings (DBM Form No. 702-D)	1,800,000	2,200,000	2,200,000	2,000,000	
Long Term Liabilities	-	-	-	-	
Borrowings (DBM Form No. 702-D)	-	-	-	-	
Others	-	-	-	-	
Trust Liabilities	1,217	1,217	1,217	1,217	
Deferred Liabilities	74,960	40,076	158,394	169,927	
Other Liabilities	-	-	-	-	
<b>TOTAL LIABILITIES</b>	<b>2,264,055</b>	<b>2,345,720</b>	<b>2,444,504</b>	<b>2,266,477</b>	
<b>STOCKHOLDERS' EQUITY</b>					
Paid-in Capital	4,891,899	4,891,899	5,461,899	5,461,899	
Retained Earnings	(4,415,772)	(4,251,108)	(4,067,371)	(4,011,461)	
Net Unrealized Gain/Loss AFS	(24,574)	(223)	31,703	(785)	
Profit & Loss	145,601	332,475	67,301	232,000	
Other Capital	1,544	-	-	-	
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>598,698</b>	<b>973,043</b>	<b>1,493,532</b>	<b>1,681,653</b>	
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>2,862,753</b>	<b>3,318,763</b>	<b>3,938,036</b>	<b>3,948,130</b>	
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Prepared by:</p> <p style="text-align: center;"></p> <p><b>MARILOU A. MEDINA</b> Senior Vice President Financial Services Sector</p> <p style="text-align: center;">4/11/12 Date</p> </div> <div style="width: 45%;"> <p>Approved by:</p> <p style="text-align: center;"></p> <p><b>ATTY. FLORENCIO P. GABRIEL, JR.</b> Executive Vice President Head, Office of the President Group</p> <p style="text-align: center;">4/11/12 Date</p> </div> </div>					



## COMPARATIVE PROFIT AND LOSS STATEMENT

(In Thousand Pesos)

Fiscal Year 2012

☐ Cash Basis☒ Accrual Basis

Department : FINANCE

Corporation : TRADE AND INVESTMENT DEVELOPMENT CORPORATION OF THE PHILIPPINES

PARTICULARS	FY 2009 (Audited)	FY 2010 (Audited)	FY 2011 (Actual)	COB 2012 (Proposal)	(REMARKS)
I. REVENUES (DBM Form 703-A)	535,974	799,539	509,843	891,000	
Operating Revenues	488,349	710,468	459,274	781,000	
Other Revenues (Specify major items)	47,625	89,071	50,569	110,000	
Gain on Sale of Equipment	76	64	9	-	
Gain on Sale of Office Space		-	-	80,000	
Foreign Exchange Gains	20,054	434	(216)		
Lease Income/Other Income	5,511	36,511	34,227	-	
Trading Gains	21,984	52,062	16,549	30,000	
II. COST OF SALES (DBM Form 703-B)	-	-	-	-	
III. GROSS PROFIT	535,974	799,539	509,843	891,000	
IV. OPERATING EXPENSES	367,799	444,923	420,819	594,000	
Personal Services	117,950	122,273	121,646	161,000	
Maintenance & Other Operating Expenses (include int. exp.-operating, business taxes, duties and licenses other than income tax)	67,425	71,831	69,429	117,000	
Interest Expense	70,574	137,937	112,393	97,000	
Non Cash Expense	111,850	112,882	117,351	219,000	
Depreciation of fixed assets	11,063	11,999	13,740	16,012	
Depreciation of acquired assets	169	5	2,986	2,988	
Amortization of deferred assets	-	-	-	-	
Other non cash expenses	100,618	100,878	100,625	200,000	
Provision for probable losses-ROPOA	-	-	-	-	
Provision for doubtful accounts	100,000	90,308	100,000	200,000	
Impairment loss	-	10,570	-	-	
Miscellaneous loss	618	-	625	-	
Others (Forex gains/losses)	-	-	-	-	
V. NET PROFIT (LOSS) BEFORE INCOME TAX	168,175	354,616	89,024	297,000	
VI. INCOME TAX	22,574	22,141	21,723	65,000	
VII. NET PROFIT (LOSS) AFTER INCOME TAX	145,601	332,475	67,301	232,000	
Add: SUBSIDIES	-	-	-	-	
Subsidies from National Government	-	-	-	-	
Rest of Subsidies	-	-	-	-	
VIII. NET PROFIT (LOSS) AND SUBSIDIES	145,601	332,475	67,301	232,000	

Prepared by:

Approved by:

MARILOU A. MEDINA  
Senior Vice President  
Financial Services Sector

ATTY. FLORENCIO P. GABRIEL, JR.  
Executive Vice President  
Head, Office of the President Group

Date

Date

**STATEMENT OF CASH FLOWS**  
(In Thousand Pesos)  
Fiscal Year 2012

Department : **FINANCE**Corporation : **TRADE AND INVESTMENT DEVELOPMENT CORPORATION OF THE PHILIPPINES**

PARTICULARS	FY 2010 (Actual)	FY 2011 (Actual)	COBFY 2012 (Proposal)	Remarks
<b>Cash flows from operating activities</b>				
Cash generated from operations	1,636,565	942,891	1,133,164	
Collection of receivables	93,475	13,916	4,203	
Sale of foreclosed property		13,346	557,797	
Receipt of government subsidy	-	-	-	
Payment of salaries	(122,273)	(121,646)	(161,000)	
Payment to suppliers	(71,624)	(69,469)	(117,000)	
Payment of taxes	(83,694)	(66,122)	(14,400)	
Other inflows	244,350	193,079	72,000	
Other outflows	(1,338,839)	(1,630,666)	(2,254,000)	
<b>Net cash flow from operating activities</b>	<b>357,960</b>	<b>(724,671)</b>	<b>(779,236)</b>	
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(8,655)	(6,114)	(32,336)	
Proceeds from sale of unserviceable equipment	-	-	-	
Cash receipts from sale of assets	52,512	16,535	183,563	
Other inflows	7,533,516	12,371,558	13,526,533	
Other Outflows	(8,165,146)	(12,008,017)	(12,599,122)	
<b>Net cash flow from investing activities</b>	<b>(587,773)</b>	<b>373,962</b>	<b>1,078,638</b>	
<b>Cash flows from financing activities</b>				
Receipt of government equity		570,000	-	
Borrowings	471,180	300,000	-	
Proceeds from loans, bonds, notes	400,000	-	-	
Repayment of loan	(606,007)	(554,369)	(297,000)	
Dividend payment	-	-	-	
Other inflows/outflows	-	-	-	
<b>Net cash flow from financing activities</b>	<b>265,173</b>	<b>315,631</b>	<b>(297,000)</b>	
<b>Net Increase/(decrease) in cash and cash equivalent</b>	<b>35,360</b>	<b>(35,078)</b>	<b>2,402</b>	
<b>Cash and cash equivalents, beginning of the year</b>	<b>2,850</b>	<b>38,210</b>	<b>3,132</b>	
<b>Cash and cash equivalents, end of year</b>	<b>38,210</b>	<b>3,132</b>	<b>5,534</b>	

Prepared by:

**MARILOU A. MEDINA**  
Senior Vice President  
Financial Services Sector

04/11/12  
Date

Approved by:

**ATTY. FLORENCIO P. GABRIEL, JR.**  
Executive Vice President  
Head, Office of the President Group

Date