

**NATIONAL HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
(All amounts in Philippine Peso unless otherwise stated)

**1. ORGANIZATION**

The National Housing Authority (NHA) is a government-owned and controlled corporation, duly organized and established by virtue of Presidential Decree No. 757 dated July 31, 1975, as amended by Executive Order No. 90 dated December 17, 1986. It operates under the policy and administrative supervision of the Housing and Urban Development Coordinating Council (HUDCC). It is the primary government agency in charge of providing housing assistance to the lowest 30% of urban population through slum upgrading, squatter relocation, development of sites and services and construction of core housing units.

Republic Act No. 7279, otherwise known as the Urban Development and Housing Act (UDHA) was enacted on March 24, 1992 mandating the NHA to provide technical and other forms of assistance to local government units.

Republic Act No. 7835, otherwise known as the Comprehensive and Integrated Shelter Financing Act (CISFA) was approved on December 16, 1994 mandating the NHA to implement the components of the National Shelter Program: resettlement, medium-rise public and private housing, cost recoverable program and local housing.

Executive Order No. 195 was issued on December 31, 1999 mandating the NHA to focus on socialized housing.

In 2004, Administrative Order No. 111 dated November 8, 2004 was issued by the President directing NHA as lead agency in the implementation of the Rail-related Relocation and Resettlement Program.

Administrative Order No. 9 issued on April 11, 2011, directed the NHA to lead the implementation of the Armed Forces of the Philippines/Philippine National Police (AFP/PNP) Housing Program. In March 2011, NHA Board Resolution No. 5314 was issued for the implementation of the President's Housing Project for the AFP/PNP personnel.

The registered office address of the NHA is Elliptical Road, Diliman, Quezon City with branch offices within Metro Manila and in various regions of the country. The Authority is under the Office of the President and shall exist for fifty (50) years but maybe extended.

As of December 31, 2013, the NHA has a total of 1,272 employees.

The financial statements of NHA for CY 2013 were approved for issuance per Board Resolution No. 5600 dated February 14, 2014.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### Basis for the preparation of the financial statements

The financial statements of the NHA are composed of the accounts of the NHA-owned funds and the Comprehensive and Integrated Shelter Financing Act (CISFA) fund which are consolidated quarterly. CISFA funds were released by the Bureau of Treasury for the Local Housing Program and the Medium-Rise Public and Private Housing.

No set of books are being maintained in the provincial, district and project offices. Cash Receipts Register together with copies of Official Receipts and deposit slips are being prepared for collections and the same are submitted to the NHA Accounting Department for recording. Likewise, Monthly Summary of Expenses is submitted together with copies of disbursements and supporting documents for recording.

### Change in Government Accounting System

In compliance with COA Circular No. 2004-001 dated May 7, 2004 and COA Circular Letter No. 2004-002 dated April 29, 2004, bearing on the guidelines and procedures on the adoption of the Chart of Accounts under the New Government Accounting System (NGAS) by Government-Owned and/or Controlled Corporations (GOCCs), the NHA implemented the new system effective October 1, 2005. The balances of accounts as of September 30, 2005 were converted to the prescribed chart of accounts.

COA Circular No. 2008-001 dated January 29, 2008, the Revised Philippine Government Chart of Accounts (PGCA) is issued to prescribe the use of a more comprehensive Chart of Accounts to respond to the information needs of government agencies in implementing the New Government Accounting System (NGAS). The NHA reclassified all account balances in the Trial Balance as of March 31, 2008 to the revised chart of accounts.

The Financial Statements as of December 31, 2013 were presented in accordance with the generally accepted state accounting principles in the Philippines.

### Cash and cash equivalents

Cash includes cash on hand and in banks. Cash equivalents are temporary investments in Treasury Bills with the Bureau of Treasury with maturities of three months or less. Petty cash funds are maintained under the imprest system.

### Receivables

Receivables are stated at face value, except for rental receivables, which is net of allowance for doubtful accounts.

### Allowance for doubtful accounts

The allowance for doubtful accounts is based on estimated collectability of rental receivable balances. Higher rate of allowance is provided for long-outstanding accounts based on the aging report as follows: 4 to 6 months, 10 per cent; 7 to 12 months, 20 per

cent; over 1 year to 3 years, 30 per cent; over 3 years to 5 years, 40 per cent; and over 5 years, 50 per cent.

Allowance for doubtful accounts were set up for dormant receivables from local government units, loans receivables, due from GOCCs, LGUs, and NGAs.

#### Investments in securities

Treasury bills with more than 91 days maturity period are classified under Investments in Securities. The investments are recorded at acquisition cost and the interest earned therein is recorded upon maturity.

#### Inventories

Inventories in the form of housing projects completed and undergoing development are valued at construction cost plus pre-development costs and expenses for design and supervision. Acquired assets, which represent foreclosed property, are valued at the total amount due from such account at the time of foreclosure plus all incidental expenses such as legal fees and foreclosure expenses.

#### Property and equipment

Property and equipment are carried at cost less accumulated depreciation. Significant improvements are capitalized, while cost of maintenance and repairs are charged to expense. When property is disposed, the cost and the related accumulated depreciation are eliminated. Any gain or loss resulting from their disposal is credited or charged to current operations.

Completed projects for transfer to various government agencies based on Deed of Transfer and Acceptance (DOTA) or Deed of Donation and Acceptance (DODA) are recognized under the Building and Structures account - Completed Development for Transfer - Land and Other Structure, not subject to depreciation.

#### Depreciation

Depreciation is computed using the straight-line method, which recognizes equal periodic charges over the estimated lives of the assets ranging from five to 30 years. Estimated salvage value pegged at 10 per cent of the acquisition cost is deducted before dividing the same by the estimated useful life. This is in accordance with COA Circular No.2003-007 dated December 11, 2003.

#### Recognition of Liability

Liability is recognized at the time goods are accepted, services are rendered and when supplier/creditor bills are received.

#### Taxes and licenses

Under Republic Act No. 7279, the NHA is exempted from national taxes on sale, exchange or other disposition of real property under the socialized housing program.

However, NHA is not exempted from the 20 per cent final withholding tax on interest from currency bank deposits, yield, or any other monetary benefits from deposit substitutes, trust funds, and similar arrangements and royalties; and income taxes from transactions not directly related to socialized housing.

#### Recognition of income and expenses

The NHA adopts the modified accrual basis of accounting. All expenses are recognized when incurred and reported in the financial statements in the period to which they relate. Income is recognized at the time it is earned and is regarded as applicable to the period in which it is realized.

Time-based accrual policy is being used for uncollected interest. Under this policy, an account shall be accrued for a period of one year only and there will be an automatic stoppage of accruals once the subject account becomes more than one year delinquent.

### **3. CASH AND CASH EQUIVALENTS**

The account consists of:

	<b>2013</b>	2012
Cash on hand		
Collecting officers	<b>10,829,120</b>	7,831,030
Disbursing officers	<b>21,695,193</b>	28,963,222
Petty cash fund	<b>409,701</b>	163,254
Cash in bank		
Current	<b>3,328,242,855</b>	1,115,028,273
Savings	<b>69,777,309</b>	55,338,252
Time deposit	<b>361,343,538</b>	2,614,885,434
	<b>3,792,297,716</b>	3,822,209,465

*Cash disbursing officers* account includes cash advances for special purpose.

The increase in Cash in bank-current account and consequently, the decrease in Cash in bank-time deposit were mainly due to termination of high yield and special deposits to fund the various resettlement projects of NHA.

### **4. RECEIVABLES**

This account is composed of the following:

	<b>2013</b>	2012
Accounts receivable		
Receivables – cash sales	<b>582,942</b>	7,066,894
Rental receivables	<b>2,379,910,432</b>	2,349,090,799
Receivables – mortgage sales	<b>120,736,450</b>	9,725,868
Receivables – installment sales	<b>1,173,720,806</b>	956,258,089
Due from officers & employees	<b>429,644</b>	343,278

	2013	2012
Loans receivable		
LGUs	10,525,831	20,472,423
Others	409,408,848	291,716,862
Interest receivable	48,511,902	39,043,570
Due from		
NGAs	158,368,481	184,418,732
GOCCs	13,295,164	13,284,609
LGUs	917,099,773	127,179,669
NGOs/POs	6,527,040	4,331,955
Receivables – disallowances/charges	1,839,677	1,592,228
Other receivables	37,761,753	41,845,455
	<b>5,278,718,743</b>	4,046,370,431
Allowance for doubtful accounts	<b>( 297,615,231)</b>	( 285,058,865)
	<b>4,981,103,512</b>	3,761,311,566

*Accounts receivable* represents the current portion due from beneficiaries in various housing projects. The amount of P2.026 million pertains to Rental receivables from DOTC for the lease of the North Triangle property covered by a Contract of Lease executed in April 1998. In March 2007, DOTC, NHA and MRT Development Corporation executed a Memorandum of Agreement and Assignment of Agreement, wherein DOTC assigned its Depot Development Rights Payment (DRP) due from MRT Development Corporation, and authorized the latter to remit the same to NHA. The Authority receives monthly remittance from MRT based on Depot DRP schedule starting July 2007.

*Loans receivable – local government units (LGUs)* represent current portion of loans granted to various local government units under the local housing program of the Comprehensive Integrated Shelter Financing Act (CISFA) funds.

*Loans receivable – others* represent loans granted to beneficiaries under the Northrail/Southern Relocation Program and other loans, such as employees housing and car loans and other loans granted to beneficiaries, like commercial and industrial loan, housing material loans, small business loans and community mortgage program loans.

*Interest receivable* of P48.512 million pertains to accrued interest on Installment Sales from accounts with one year arrearages per Aging Report.

*Due from LGUs and Due from National Government Agencies (NGAs)* are advances made by NHA to the different government units, which are subject to liquidation, supported by the Statement of Obligations and Disbursements, duly certified by the City Treasurer, approved by the City Mayor and verified and audited by the Auditor of the City. Thus, the increase in said account was primarily due to advances made to various local government units to cover the Housing Materials Assistance (HOMA) Program for families affected by typhoon and earthquake.

*Due from Non-Government Organizations (NGOs)/Peoples' Organizations (POs)* are advances made to various Electric Cooperatives for the installation of lighting facilities.

*Other receivables* include receivable from various joint venture partners, beneficiaries for water and electric services, MERALCO meters and service deposits and real estate tax.

The allowance of P297.615 million covers the doubtful accounts from beneficiaries' rental accounts. The allowance for doubtful accounts was set up for dormant receivables from LGUs, GOCCs and Loans Receivable, totaling P47.999 million.

## 5. INVENTORIES

The account consists of the following:

	2013	2012
Merchandise inventory		
Completed development for disposition/sale—land	5,364,627,424	4,553,808,117
Completed development for disposition/sale—building	1,910,409,225	472,470,143
Construction in progress		
Housing units	2,273,179,809	594,229,687
Resettlement project	1,349,000,491	723,773,078
Sites and services	53,919,856	49,807,101
Slum upgrading	22,595,987	22,421,214
Special project-NHA Main Compound	-	1,352,199
Acquired assets	70,286,898	70,336,206
	<b>11,044,019,690</b>	<b>6,488,197,745</b>

*Merchandise inventory/items for sale or transfer* account represents the cost of completed projects available for disposition/sale. This also includes property foreclosed by NHA.

*Construction in progress* pertains to the cost of on-going projects of the Authority.

## 6. PREPAYMENTS

The account consists of the following:

	2013	2012
Advances to contractors	344,418,449	88,240,200
Prepaid insurance	6,795,115	693,697
Office supplies inventory	5,901,634	5,427,533
Medical, dental and laboratory supplies	24,700	-
Other supplies inventory	845,236	1,319,577
Drugs and medicine inventory	150,214	152,637
Deposit on letters of credit	-	101,378,666
	<b>358,135,348</b>	<b>197,212,310</b>

*Advances to contractors* are mobilization fee equivalent to 15 per cent of the contract cost.

## 7. LONG-TERM RECEIVABLES

This account is composed of the long-term portion of the following receivables:

	2013	2012
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Installment sales		
NHA – owned fund	5,905,845,157	6,409,018,610
CISFA fund	448,342,505	406,599,638
Loans receivable – others		
NHA – owned fund	28,019,755,168	19,468,635,011
CISFA fund	46,137,967	47,528,292
Loans receivable – LGUs		
NHA – owned fund	65,735,551	50,015,612
CISFA fund	127,537,339	138,777,094
Due from LGUs	42,407,500	31,935,750
Due from NGAs	210,006,845	223,754,680
	34,865,768,032	26,776,264,687
Allowance for doubtful accounts	(19,534,124)	(19,534,124)
	<b>34,846,233,908</b>	<b>26,756,730,563</b>

*Receivable from installment sales* represents the principal amount not yet due as of balance sheet date from customers arising from the sale of real estate investments.

*Loans receivable – others* consists of long term loans granted to beneficiaries under the Northrail/Southrail Relocation Program and other loans, such as employees housing loans, car loans and other loans granted to beneficiaries, like commercial and industrial loan, housing material loans, small business loans and community mortgage program loans. The account also includes *Comprehensive Integrated Shelter Financing Act* (CISFA) funds granted to various water districts, cooperatives and community associations for the implementation of socialized housing projects in urban and urbanizable areas in all congressional districts. The account consists of:

	2013	2012
Subsidized project loan	27,899,650,082	19,341,939,061
Bridge financing	105,565,650	106,092,447
Employees assistance program	3,913,435	9,550,733
Housing material loan	6,535,147	6,604,836
Community mortgage program	1,120,055	1,401,554
Small business loans	461,187	536,767
Sanitary core	13,307	13,307
Others	2,496,305	2,496,306
Total Main Office	28,019,755,168	19,468,635,011
CISFA fund	46,137,967	47,528,291
	<b>28,065,893,135</b>	<b>19,516,163,302</b>

*Loans receivable – LGUs* pertains to long term loans granted to various local government units under the local housing program of the CISFA funds.

## 8. INVESTMENTS

This account consists of the following:

	2013	2012
Investments in stocks	1,403,038,890	1,403,025,000

Investments in bonds	<b>969,500</b>	969,500
Other long term investments and marketable securities	<b>6,210,028,705</b>	6,215,997,968
	<b>7,614,037,095</b>	7,619,992,468

*Investments in stocks* account pertains to the P1.403 billion Smokey Mountain Project Participating Certificates issued to the NHA by the Smokey Mountain Asset Pool for the value of NHA's share in the project. These certificates are non-tradable, non-interest bearing and are redeemed through the turnover of the developed smokey mountain area.

*Investments in bonds* represents the P0.970 million various Land Bank Bonds with maturity date of 25 years. No redemption has been made for the matured bonds (2005 – 2007) in view of garnishment.

On the status of garnishment, the settlement of final arbitral award in compliance with the decision of the Supreme Court dated September 7, 2011 in the case of NHA vs. FUCC (First United Constructors Corporation) was fully satisfied in January 2013.

*Other long-term investments and marketable securities* represent the NHA's equity on various joint venture projects:

	2013	2012
<b>Main</b>		
Urban Triangle Development Project	<b>6,128,409,000</b>	6,128,409,000
AFP Military Housing	<b>13,429,078</b>	13,429,078
Zamboanga Teachers Village Housing	<b>10,251,490</b>	10,251,490
Canduman Resettlement Project	<b>5,049,934</b>	5,049,934
Kadayawan Resettlement Project	<b>4,355,582</b>	4,355,582
Tarlac Housing Phase II-C	<b>327,226</b>	339,869
Pag-IBIG Teachers Housing (GMA, Cavite)	<b>3,256</b>	1,552,926
Seabreeze Housing Phase 2	-	3,946,884
Various Joint Venture Projects	<b>6,813,209</b>	7,818,229
	<b>6,168,638,775</b>	6,175,152,992
<b>CISFA</b>		
Brgy. McKinley	<b>12,197,970</b>	12,197,970
Concepcion Resettlement Site	<b>6,500,000</b>	6,500,000
San Juan Cooperative Housing Project	<b>6,176,579</b>	6,176,579
Sibuan Otong	<b>3,135,244</b>	3,135,244
Dumalinao Employees Housing	<b>3,109,881</b>	3,109,881
Menzi Housing Project	<b>3,078,436</b>	3,078,436
Dagupan MRH	<b>996,459</b>	2,353,649
Dapitan City Employees Housing	<b>550,340</b>	315,425
Bolinao Socialized Housing Project	<b>38,064</b>	(2,191,061)
Candon City Housing Project	<b>(452,926)</b>	108,970
Various	<b>6,059,883</b>	6,059,883
	<b>41,389,930</b>	40,844,976
	<b>6,210,028,705</b>	6,215,997,968



## 9. LAND ASSEMBLY FOR FUTURE PROJECTS

*Land assembly for future projects* represents costs of undeveloped lots in the following areas acquired for future development:

	2013	2012
Northern and Central Luzon	<b>537,791,565</b>	587,401,395
Visayas	<b>170,435,334</b>	180,113,466
Southern Luzon and Bicol	<b>161,468,521</b>	161,214,271
Mindanao	<b>188,406,609</b>	150,055,419
National Capital Region	<b>43,812,753</b>	84,519,932
	<b>1,101,914,782</b>	1,163,304,483

## 10. PROPERTY AND EQUIPMENT

This account is composed of the following (amount in thousand pesos):

	Land & Land Improve- ments	Building and Structures	Office Equipment, Furniture & Fixtures	Machineries Equipment	Transportation Equipment	Other PPE	Total
<b>As of December 31, 2013</b>							
Cost							
Beginning	2,406,352	2,126,724	112,109	15,253	101,601	-	4,762,039
Additions	474	37,107	35,317	1,245	-	1,562	75,705
Adjustments	(1,009,739)	(1,451,380)	( 7,558)	(818)	(1,136)	-	(2,470,631)
	1,397,087	712,451	139,868	15,680	100,465	1,562	2,367,113
Accumulated Depreciation							
Beginning balance	777	184,454	84,545	13,146	68,944	-	351,866
Charge for the Year	-	780	9,589	638	8,719	181	19,907
Disposal/Retirements	-	( 8,111)	( 5,734)	( 353)	(1,136)	-	(15,334)
	777	177,123	88,400	13,431	76,527	181	356,439
<b>Net Book Value</b>	<b>1,396,310</b>	<b>535,328</b>	<b>51,468</b>	<b>2,249</b>	<b>23,938</b>	<b>1,381</b>	<b>2,010,674</b>
<b>As of December 31, 2012</b>							
Cost							
Beginning	751,055	412,695	123,230	26,153	92,695	-	1,405,828
Additions	321,319	1,714,029	7,245	919	13,334	-	2,056,846
Adjustments	1,333,978	-	(18,366)	(11,819)	(4,429)	-	1,299,364
	2,406,352	2,126,724	112,109	15,253	101,600	-	4,762,038
Accumulated Depreciation							
Beginning balance	777	183,024	91,256	24,481	66,319	-	365,857
Charge for the Year	-	1,430	10,729	458	7,053	-	19,670
Disposal/Retirements	-	-	(17,440)	(11,793)	(4,428)	-	(33,661)
	777	184,454	84,545	13,146	68,944	-	351,866
<b>Net Book Value</b>	<b>2,405,575</b>	<b>1,942,270</b>	<b>27,564</b>	<b>2,107</b>	<b>32,656</b>	<b>-</b>	<b>4,410,172</b>

Building and structure account includes the sub-account, Completed development for transfer – other structures, with a balance of P492.288 million, covering completed health centers, multi-purpose halls and schools already due for transfer to the local government units and Department of Education pending submission of the duly approved Deed of Transfer and Acceptance or Deed of Donation and Acceptance. No depreciation is recognized for this item of PPE.

## 11. OTHER NON-CURRENT ASSETS

This account consists of the following:

	2013	2012
Restricted fund/cash		
Deposit held-in-trust	160,039,709	224,102,004
Deposit for expropriation	41,224,812	41,116,698
Deposit held-in-escrow	31,675,535	35,274,398
Time deposit held in trust	101,550,854	1,800,000
	<b>334,490,910</b>	302,293,100
Loans receivable	212,051,101	187,570,047
Accounts receivable	69,567,145	186,194,164
Guaranty deposits	63,205,195	70,830,604
Due from LGUs	42,366,595	42,565,556
Investment in Trustek	35,000,000	35,000,000
Due from GOCCs	17,252,212	17,252,479
Advances to contractors	16,571,321	16,571,321
Other receivables	8,164,806	8,178,465
Due from NGOs/POs	1,792,463	3,871,398
Due from NGAs	2,198,669	2,197,619
Rental deposits	572,865	572,865
Miscellaneous assets	158,465	158,467
Unserviceable Office Equipment/Furniture and Fixtures/IT Equipment, etc.	34,627	59,880
	<b>803,426,374</b>	873,315,965
Allowance for doubtful accounts	<b>(28,465,580)</b>	(28,465,580)
	<b>774,960,794</b>	844,850,385

*Restricted fund/cash account* represents fund for Special Purpose which cannot be used in the operation of the Agency.

*Deposit held-in-trust* is collection from housing projects turned-over by other government agencies for administration of NHA, wherein such collection to the funding agency are to be remitted to the Bureau of Treasury as the case maybe.

*Deposits for expropriation* are deposits for land expropriation cases filed in court.

*Deposit held-in-escrow* pertains to deposits intended for joint venture projects.

*Loans receivable* includes bridge financing to Joint Venture partners which are non-moving for five years or more.

*Accounts receivable* pertains to receivable from mortgage sales which are dormant from 1994 to 2003.

*Guaranty deposits* include deposits made to National Home Mortgage Finance Corporation for mortgage take-out loans of various NHA beneficiaries without individual lot titles. These also include deposits to *MERALCO*, *MWSS*, *various water districts*, etc. made for various NHA housing projects and offices for electric and water service connections.

*Due from NGAs/LGUs/GOCCs* represent receivables and advances made to different government units wherein Audited Statement of Disbursements is not yet submitted to record the liquidation.

*Investment in Trustek* represents investment in the joint venture with Trustek Conclud Aus-Phil., Inc. The joint venture was terminated and the machineries and equipment which are idle are in the custody of the NHA. The equipment had been offered for bids but there were no takers. They are now looking for other means to dispose the assets that were appraised.

*Advances to contractors* represent the 15 per cent advance payment for mobilization not yet recouped due to termination/suspension or rescission of contract. The P16.571 million are dormant accounts reclassified from Prepayments in CY 2011.

*Other receivables* represent receivables from various joint venture partners, beneficiaries for water and electric services, Meralco meters and service deposits. It also includes receivables from employees no longer with NHA and/or collecting officers who were separated from NHA with outstanding balances.

*Due from NGOs and POs* of P1.792 million pertains to advances for installation of power supplies for three electric cooperatives which remain outstanding to date.

*Rental deposits* are advances made for the use of spaces for Project Offices.

*Allowance for doubtful accounts* pertains to the set-up of allowance for doubtful accounts from beneficiaries' rental accounts that had been outstanding for more than five years as follows:

Rental receivables	15,830,794
Loans receivables-others	8,910,914
Due from GOCCs	3,307,887
Due from LGUs	415,985
	<b>28,465,580</b>

## 12. PAYABLES

This account includes the following:

	2013	2012
Dividends payable	195,573,357	55,792,058
Accounts payable	52,121,999	33,479,346
Due to officers and employees	48,503,183	51,614,944
Interest payable	91,258	443,600,008
	<b>296,289,797</b>	<b>584,486,356</b>

The increase of P139.781 million in *Dividends payable* refers to the unremitted dividends. The amount shall be remitted to the National Government upon issuance of the Annual Audit Report of the Commission on Audit for the same year.

The Authority set-up the accrual for the grant of Performance Based Bonus (PBB) to officers and employees pursuant to the Governance Commission for Government-Owned and Controlled Corporations (GCG) Memorandum Circular No. 2012-11 dated December 06, 2012, hence, a huge amount for the year 2012.

The decrease in interest payable is due to approval of NHA's request to HDMF Board of Trustee to reduce its accrued penalty interest on its loan from June 25, 2007 to February 5, 2013. The amount of P179.463 million equivalent to 50 per cent of the total amount due was condoned. The other half was paid in July 2013.

### 13. INTER-AGENCY PAYABLES

This account consists of the following:

	2013	2012
Due to BTr (CISFA Funds)	<b>2,415,995,992</b>	2,371,884,541
Due to other GOCCs		
NLRC Northrail Project	<b>130,000,000</b>	130,000,000
Philippine Ports Authority	<b>121,392,986</b>	-
Air Transportation Office (ATO)	<b>116,423,112</b>	100,487,183
Public Estate Authority (PEA)	<b>114,974,774</b>	140,708,414
BCDA-Villamor Airbase	<b>5,683,004</b>	-
Philippine Centennial	<b>33,442,005</b>	50,054,087
Others	<b>91,107,657</b>	89,991,591
Due to LGUs	<b>97,313,671</b>	97,199,910
Due to BIR	<b>29,884,411</b>	21,331,241
Due to GSIS	<b>4,114,389</b>	6,612,647
Due to Pag-IBIG	<b>1,869,133</b>	1,962,742
Due to Philhealth	<b>306,614</b>	683,814
Due to other NGAs	<b>706,182,735</b>	478,449,181
	<b>3,868,690,483</b>	3,489,365,351

*Due to BTr* are trust funds released by DBM through the Bureau of Treasury (BTr) for Medium-Rise Public and Private Housing and Local Housing Program as mandated in the Comprehensive Integrated Shelter Financing Act (CISFA) of 1994. It also includes P9.096 million land cost of Dumagok Resettlement Project, which the NHA shall reimburse to the National Government the value of land after the final payment of the areas reserved for socialized housing purposes by the qualified beneficiaries.

*Due to other GOCCs* mainly represent collections from various housing projects covered by Trust Agreements such as PEA-Pabahay, ATO-Civil Aeronautics Administration, Pasig River Rehabilitation Commission (Kasiglahan 1 to 5 Project), and BCDA (Philippine Centennial Village).

*Due to LGUs* pertains to collections from various Zonal Improvement Project (ZIP) projects for remittance to LGUs based on Metro Manila Commission Memorandum which was for adjustment in the books to be treated as payment of the beneficiaries.

*Due to BIR, GSIS, Pag-IBIG and Philhealth* represent personal/corporate contribution/loan repayment, and withholding taxes for remittance to said agencies.

*Due to other NGAs and GOCCs* are mostly funds entrusted to NHA for special purposes.

The P130 million advances from North Luzon Railways Corporation (NLRC) to NHA were for the relocation of informal settler families to pave the way for the implementation of Northrail Project.

The increase of P227.733 million in *Due to other NGAs* account is mainly due to the claims of DPWH in its relocation of informal settlers to implement the widening project in Navotas and Manila.

#### 14. LOANS PAYABLE

This account consists of loans from the National Government as follows:

Creditor/Project	Date of Loan	Maturity Date	Terms of Payment	Interest Rate	2013	2012
IBRD-Urban III-LA#1821 \$29,435,099 P335,493,245	6/21/1980	12/15/1999	Semi-Annual	8.25%	97,001,686	97,001,686
IBRD-Urban III-LA#2067 \$25,452 P241,002	2/24/1982	-	No Loan Agreement	11.60%	241,002	241,002
KFW-DBB-LA#1937952 DM 9,701,614 P38,376,338	10/15/1982	6/30/2012	Semi-Annual	2%	4,758,708	4,758,708
GOP Portion- Urban III	1980 1982	-	-	-	240,748,000	240,748,000
					<b>342,749,396</b>	342,749,396
NHMFC – Social Housing Finance Corp.	2/14/2004	-	Quarterly	6%	-	200,000,000
HDMF – Home Development Mutual Fund	6/25/2011	8/8/2010	7 yrs.	10%	-	412,500,000
					-	612,500,000
					<b>342,749,396</b>	955,249,396
<b>Current Portion</b>						
<i>National Government:</i>						
KFW –DBB-						
LA 1937952	10/15/1982	6/30/2012	Semi-Annual	2%	<b>( 4,758,708)</b>	(4,758,708)
GOCC						
HDMF	6/25/2011	8/8/2010	7 yrs.	10%		(412,500,000)
NHMFC	2/14/2004		Quarterly	6%		(200,000,000)
					<b>( 4,758,708)</b>	(617,258,708)

Creditor/Project	Date of Loan	Maturity Date	Terms of Payment	Interest Rate	2013	2012
					337,990,688	337,990,688
<b>Long-Term Portion</b>					<b>337,990,688</b>	<b>337,990,688</b>

IBRD-Urban III - LA#1821 pertains to the loan to be assumed by MWSS for water systems funded by the World Bank under the Zonal Improvement Projects that is subject to issuance of a negative Advice of Allotment by the Bureau of the Treasury.

KFW Loan, GOP portion Urban III and Urban III LA#2067 are for offsetting against Receivables from Philippine Drug Enforcement Agency (PDEA) as provided in the 2007 GAA.

GOP Portion - Urban III represents Government of the Philippines (GOP) 5% share of the total cost for Zonal Improvement Project (ZIP) and Sites and Services Project (SSP).

Urban III, LA#2067 represents Urban Engineering Loan of NEDA for technical assistance to Kinhill Pty. Ltd. No payment has been made for this loan because no billings were received since its grant in 1982.

The loan from Social Housing Finance Corporation of P200 million and Home Development Mutual Fund of P412.500 million were paid in March 2013.

## 15. OTHER CURRENT LIABILITIES

This is composed of the following:

	2013	2012
Guaranty deposits payable	1,605,213,317	805,158,170
Performance/bidders bonds payable	14,117,882	13,128,273
Tax refunds payable	621,549	432,807
Other payables	1,183,425,184	1,357,638,145
	<b>2,803,377,932</b>	<b>2,176,357,395</b>

*Guaranty deposits payable* refers to the amount deducted from the progress billing of contractors/developers, to guarantee performance which is refundable upon completion of the project.

*Other payables* includes: a) NHA and developer's share from sales under mortgage take-out scheme in joint venture projects; b) Contingent liability for Additional Cost of Pre-sold/Completed Projects represent additional cost to be incurred to complete various projects; c) Miscellaneous liabilities/Due to contractors consist of amounts received from prospective buyers, tenants, awardees and contractors to guarantee performance of awarded contracts.

## 16. MORTGAGE PAYABLES

This account represents proceeds of the loan from the Philippine Veterans Bank of P500 million which was used to bridge finance acquisition of various lots for the Northrail Relocation Program and was paid in July 2013.

## 17. OTHER PAYABLES

This account represents contingent liabilities for additional cost to be incurred to complete various projects which are sold, although the projects are not yet completed.

## 18. DEFERRED CREDITS

This account consists of the following:

	2013	2012
Deferred income from installment sales	<b>3,096,959,458</b>	3,160,697,753
Depository liabilities-beneficiaries	<b>645,419,746</b>	866,840,201
Restricted funds (Smokey Mountain)	<b>53,918,818</b>	46,904,256
Deferred profit - uncollected claims	<b>14,788,141</b>	14,788,141
	<b>3,811,086,163</b>	4,089,230,351

*Deferred income from Installment sales* is the difference between the selling price and cost of sales of lots, houses and lots or units sold.

*Depository liabilities-beneficiaries* includes beneficiaries/buyers' deposit on lots and titles, unapplied collection and rental deposit from beneficiaries of various NHA projects.

*Restricted funds (Smokey Mountain)* amounting to P53.919 million pertains to collection from the sale of housing units in the Smokey Mountain Development and Reclamation Project (Now Paradise Heights Housing Project) pending the conveyance to the Authority by HGC of the title of the lots.

*Deferred profit – uncollected claims* represents amount due from G & M Realty Construction & Development Corporation, a joint venture partner, out of over expenditure in the project development of the Consuelo Heights Housing Projects in Tuguegarao, Cagayan per Court Decision for Civil Case No. Q 95-24669 dated February 2, 1998 and writ of execution dated March 1, 1999.

## 19. CAPITAL STOCK

The authorized capitalization of the Authority is P5 billion per PD No. 1924 dated May 06, 1984, to provide NHA the long term capability to undertake the comprehensive national housing program for marginal and low income families. The amount of P2.893 billion has been issued by the National Government leaving an unissued capitalization of P2.107 billion.

## 20. MISCELLANEOUS CAPITAL

This account substantially consists of value of property received from the national government and private corporations thru various presidential proclamations, executive

orders, administrative rules and regulations for various government uses as well as for housing and urban development. Details are as follows:

	2013	2012	Status
Land from DPWH	<b>3,263,360</b>	-	On-going sale
Bagong Silang Proj. Phase XI, Package 9	<b>14,533,506</b>	-	On-going sale
Vitas Reclamation Project	<b>1,520,185,412</b>	1,520,185,412	On-going sale
Smokey Mountain	<b>1,403,000,000</b>	1,403,000,000	Asset Pool/HGC
Philippine Centennial Village Project, Taguig	<b>242,724,323</b>	242,724,323	On-going sale
Land cost of NHA Sambag Ville 2 Housing Project, Cebu City	<b>59,521,773</b>	59,521,773	On-going sale
Three (3) lots from the Municipalities of Pasig, Cainta and Taytay	<b>57,843,697</b>	57,843,697	On-going sale
Liang Housing Project, Surigao del Sur	<b>37,820,160</b>	37,820,160	On-going construction
Land Cost of Tala I, MRH	<b>26,209,000</b>	26,209,000	On-going sale
Caingin Housing Project, Iloilo City	<b>26,034,720</b>	26,034,720	On-going sale
DAR BPI Compound (Cresencia Village, Baguio City)	<b>21,600,000</b>	21,600,000	On-going sale
Bagong Silang Project, Phase XI	<b>21,461,165</b>	21,461,165	On-going sale
Lot from Department of Public Works and Highways DPWH, Sta. Ana, Manila	<b>17,753,150</b>	17,753,150	On-going sale
Tala Estate, Caloocan City	<b>15,460,016</b>	15,460,016	On-going sale
Lot located in Brgy. Katipunan, Quezon City	<b>14,513,760</b>	14,513,760	On-going sale
Lot in Sta. Ana, Manila from DSWD	<b>10,826,000</b>	10,826,000	On-going sale
Land cost – Maria Orosa and Jorge Bocobo Housing Project	<b>108,200</b>	108,200	On-going sale
Land cost of Smokey Mountain Development & Reclamation Project	<b>65,862,720</b>	-	On-going sale
Land cost of Tala III MRH	<b>52,171,600</b>	-	On-going construction
Land cost of Tala 2, MRH, Caloocan City	<b>52,000,000</b>	-	On-going construction
	<b>3,662,892,562</b>	3,475,061,376	

The amount of P1.520 billion represents the NHA's share in the Vitas Reclamation Project. The lot with a total area of 253.645 square meters has zonal value of P6,000 per square meter. Included in the amount is development cost of P1,190,310,000.

The Smokey Mountain certificate represents the value of non-interest bearing participation certificates issued by the Asset Pool due to the conveyance of the Smokey Mountain site and the 79 hectares Manila Bay Foreshore property.

The Philippine Centennial Village Project in Taguig City totaling P242.724 million was transferred by HUDCC to NHA pursuant to Executive Order No. 70-465 as amended.

The land located at Barangay Sambag 2 in Cebu City was conveyed by DOH to the NHA per Memorandum of Agreement dated February 4, 1992 and intended for socialized housing in the area.



The three (3) lots in Pasig, Cainta and Taytay with an area of 171.03 hectares more or less, were transferred to NHA during the last quarter of 1999. These lots are intended for socialized housing under Presidential Proclamation No. 458 dated August 29, 1994.

The amount of P37.820 million represents Lianga Housing Project located at Brgy. Diatagon, Lianga, Surigao del Sur under Presidential Proclamation No. 403 with an area of 27.3958 hectares for disposition in accordance with the provisions of Republic Act No. 7279.

The amount of P26.209 million represents partial land cost of Tala I Medium- Rise Housing (MRH) at P1,000 per square meter, under Presidential Proclamation No. 843 as amended by R.A. 7999 and Proclamation No. 366.

The Caingin Housing Project which has an area of 54,239 square meters situated in the City of Iloilo, Island of Panay under Presidential Proclamation No. 419 is for utilization in relation to socialized housing, urban development, resettlement and slum improvement.

A 9,000 square meter lot located in BPI Compound, Cresencia Village in Baguio City amounting to P21.600 million is intended for socialized housing under Presidential Proclamation No. 360 and MOA dated August 05, 1999, OCT No. P-3045 and Special Patent No. 3659.

The amount of P21.461 million represents project in Bagong Silang, Phase XI under Presidential Proclamation No. 843.

The 20,315 square meter lot located in Sta. Ana, Manila, was transferred by the DPWH to NHA under Proclamation No. 848 dated January 14, 1992 as relocation site of the squatters, flood victims and other indigents of Greater Manila area.

The 808 hectare Tala Estate in Caloocan City was transferred to NHA thru Presidential Proclamation No. 843 for various government uses as well as for housing and urban development.

The land located at Barangay Katipunan Quezon City was conveyed by the Local Government of Quezon City per Deed of Reconveyance under Board Resolution No. 4477 dated January 2002, authorizing the conversion of its land use from slaughter house site to residential lot for proper distribution and award to its occupants.

The 10,826 square meter identified as Lots 6 and 11, Block 22 located at Sta. Ana, Manila from DSWD covered by TCT No. 234394 and 234399 valued at P1,000 per square meter for Barrio Puso Homeowners Association.

The 809 hectare Tala Estate in Caloocan City was transferred to NHA thru Presidential Proclamation No. 843 for various government uses as well as for housing and urban development.

## **21. APPRAISAL CAPITAL**

The amount of P6.177 billion represents the appraised value of the lot of P6.127 billion located at the Government Center North Triangle, a joint venture project with Ayala

Land, Inc. and the Smokey Mountain Project in Tondo, Manila amounting to P50.297 million.

## 22. SUBSIDY INCOME FROM THE NATIONAL GOVERNMENT

As of December 31, 2013, the total allotment for the various projects - relocation/resettlement and AFP/PNP housing amounted to P56.529 billion, including the amount of P11.050 billion or 19.55 per cent sourced from the Unprogrammed Fund, FY 2011 General Appropriations Act, RA 10147 Disbursement Acceleration Program (DAP) as approved by the President of the Philippines:

Projects	Source of Fund	Amount Advice of Allotment	Cash Received		Total Utilization		Balance of Cash	Balance of Allotment	
			2013	2012	2013	2012			
<b>Disbursement Acceleration Program</b>									
1	Housing Project for Families Living along Danger Areas in MM	Unprogrammed Fund, FY 2011 GAA, RA 10147	10,000,000,000	3,377,069,000	2,166,835,000	4,294,619,607	586,274,790	663,009,603	4,456,096,000
2	Housing for BF/BJMP	Unprogrammed Fund, FY 2011 GAA, RA 10147	500,000,000	-	500,000,000	141,165,000	158,877,000	199,958,000	-
3	North Triangle Relocation Project	Unprogrammed Fund, FY 2011 GAA, RA 10147	450,000,000	-	-	30,440,070	-	(30,440,070)	450,000,000
4	Iloilo Resettlement Project	Unprogrammed Fund, FY 2011 GAA, RA 10147	100,000,000	100,000,000	-	83,000,000	-	17,000,000	-
	<b>Sub-Total</b>		<b>11,050,000,000</b>	<b>3,477,069,000</b>	<b>2,666,835,000</b>	<b>4,549,224,677</b>	<b>745,151,790</b>	<b>849,527,533</b>	<b>4,906,096,000</b>
<b>Regular Appropriation</b>									
1	Resettlement Program	FY 2013 GAA, RA 10352	4,882,200,000	-	-	1,032,569,181	-	(1,032,569,181)	4,882,200,000
		FY 2012 GAA, RA 10155	5,503,180,000	2,295,371,000	-	2,352,518,960	77,857,270	(135,005,230)	3,207,809,000
		FY 2011 GAA, RA 10147	3,943,318,000	2,233,714,000	1,098,662,000	1,171,520,334	2,024,339,721	136,515,945	610,942,000
2	Resettlement and Slum Upgrading for Lands Proclaimed as Socialized Housing Sites	FY 2010 GAA, RA 9970	100,341,955	-	100,341,955	12,396,097	1,629,601	86,316,257	-
3	Resettlement Upgrading Program	FY 2013 GAA, RA 10352	127,845,000	--	-	-	-	-	127,845,000
4	Emergency Housing Assistance for Calamity Victims	FY 2013 GAA, RA 10352	620,980,000	320,018,000	-	188,054,102	-	131,963,898	300,962,000
5	Housing Program for Informal Families living along danger areas in Metro Manila	FY 2013 GAA, RA 10352	10,108,725,000	-	-	444,450,000	-	(444,450,000)	10,108,725,000
6	AFP & PNP Housing Project, Phase I	FY 2011 GAA, RA 10147	1,200,745,000	-	1,200,745,000	301,046,540	407,267,772	492,430,688	-
7	AFP & PNP Housing Project, Phase II	FY 2013 GAA, RA 10352	5,621,740,000	-	--	1,368,336,502	-	(1,368,336,502)	5,621,740,000
	<b>Sub-Total</b>		<b>32,109,074,955</b>	<b>4,849,103,000</b>	<b>2,399,748,955</b>	<b>6,870,891,716</b>	<b>2,511,094,364</b>	<b>(2,133,134,125)</b>	<b>24,860,223,000</b>
<b>Others</b>									
1	AFP & PNP Housing Project, Phase II	Unprogrammed Fund, FY 2012 GAA, RA 10155	4,514,480,000	3,720,686,000	-	2,884,133,209	724,980,516	111,572,275	793,794,000
2	Brgy Pob. Cateel, Davao	FY 2012 Budget Continuing Appropriations RA 10155	5,000,000	5,000,000	-	-	-	5,000,000	-
3	Housing Project Typhoon "Pablo"	Unprogrammed Fund, FY 2013 GAA, RA 10352	4,084,600,000	-	-	49,005,000	-	(49,005,000)	4,084,600,000
4	Housing Project Zamboanga Conflict	FY 2013 GAA, RA 10352	2,566,000,000	-	-	-	-	-	2,566,000,000
5	Permanent housing Typhoon "Yolanda"	FY 2013 GAA, RA 10352	2,200,000,000	-	-	-	-	-	2,200,000,000
	<b>Sub-Total</b>		<b>13,370,080,000</b>	<b>3,725,686,000</b>	<b>-</b>	<b>2,933,138,209</b>	<b>724,980,516</b>	<b>67,567,275</b>	<b>9,644,394,000</b>
	<b>Total</b>		<b>56,529,154,955</b>	<b>12,051,858,000</b>	<b>5,066,583,955</b>	<b>14,353,254,602</b>	<b>3,981,226,670</b>	<b>(1,216,039,317)</b>	<b>39,410,713,000</b>

The subsidy fund intended for BFP/BJMP Project was temporarily utilized for the North Triangle Relocation Project for the acquisition of property to be used as relocation site for ISFs in the North Triangle Area, Quezon City amounting to P30,440,070 pending the release of cash for the

said project. While the subsidy fund intended for Housing Program of AFP/PNP and ISFs living along danger areas were likewise temporarily used for Resettlement Projects amounting to P1,032,569,181. Further, the Housing Program for AFP/PNP Phase II temporarily utilized the subsidy fund intended for ISFs living along danger areas, corporate receipts and comprehensive integrated shelter financing act (CISFA) fund amounting to P1,368,336,502.

### 23. CORRECTION OF PRIOR YEARS' ERRORS

This account is broken down as follows:

	2013	2012
Subsidy -		
Liquidation of various resettlement projects	(43,386,483)	(197,096,343)
Northrail/Southern relocation projects	(382,250)	(30,471,981)
Smokey Mountain development and relocation project	-	(1,752,489,700)
Prior Years' Charges		
Maintenance and other operating expenses	(34,569,819)	(347,252,557)
Personal services	(16,624,903)	(8,856,530)
Various adjustments	168,026,980	-
Prior Years' Credits		
Income from Joint Venture	683,512	-
Accrued rental and amortization Receivable	(16,376,498)	-
Various adjustments to income	16,860,784	887,235
Prior years' amortization interest, delinquency interest, notarial fees, service fees, miscellaneous income	196,609,363	66,097,361
	<b>270,840,686</b>	<b>(2,269,182,515)</b>

### 24. Financial Risk Management

The Authority has significant exposure to the following risk:

**a. Credit Risk** – refers that one will default by failing to make the required payments. The risk of financial loss due to inability or unwillingness to settle one's obligation in accordance with the agreed terms. Since the Authority is providing housing assistance to informal settler families and low salaried government employees, the exposure to credit risk is of great magnitude.

The Authority, in managing its credit risk, makes regular review of policies regarding loan restructuring and lowering of interest. Past due accounts are being monitored and evaluated closely. The Authority also engages in livelihood programs to help the beneficiaries meet their daily needs.

**b. Liquidity Risk** – refers to the possibility that the Authority will encounter difficulty in meeting the obligations associated with its financial liabilities that are

settled by delivering cash or another financial asset. The Authority manages liquidity risk by maintaining adequate reserves to meet its currently maturing obligations.

**c. Interest Rate Risk (IRR)** – is the exposure to adverse movements in interest rates.

Investments – in managing the IRR, the Authority invests in financial institutions with a fixed interest rate agreement either for 30 days or 90 days. Any variation in the interest rate will not have a material impact on the net profit of the Authority.

Receivables – interest rate exists in the trade receivables/interest bearing assets due to the change in the assets value resulting from the variability of interest rates. The financial expenses being charged in the cost of assets vary depending on the payment of principal and interest on the borrowings by the Authority.

## 25. PENDING CASES IN COURT

As of December 31, 2013, no provision for liability was recognized or taken up in the books for cases in court because the amount cannot be measured reliably, pending court decision.

The following are the list of the NHA pending cases:

DOCKET NO.	PROPERTY	DESCRIPTION
NHA vs. A.C. Yulo, et al. Case No. 1355	Bacolod City	Expropriation case
Mandurriao Sites & Services Civil Case No. 4255	Mandurriao Sites & Services	Expropriation case
NHA vs. Bernabe Noble, et al. Case No. 7847	Lapasan, Cagayan de Oro City	Expropriation case
NHA vs. City of Cagayan de Oro, et al. Civil Case No. 7465	Macabalan, Cagayan de Oro City	Expropriation case
NHA vs. Casimiro Tamparong, et al. Civil Case No. 7464	Puntod, Cagayan de Oro City	Expropriation case
NHA vs. Celso delos Angeles, et al. Civil Case No. 39068	Karangalan, Pasig City	Expropriation case
NHA vs. Aurea Abrera, et al. Case No. 58413 RTC, Br. 71, Pasig City C.A. G.R. CV No. 66162	West Crame, San Juan, M.M.	Expropriation case
NHA vs. Elisa Cabrera Luna, et al. Case No. C-10688	Bagong Barrio, Caloocan City	Expropriation case
NHA vs. Ruperto Marero, et al. Case No. 27933	Antipolo City	Expropriation case

<b>DOCKET NO.</b>	<b>PROPERTY</b>	<b>DESCRIPTION</b>
NHA vs. Virginia Pabelico, et al. CA GR-CV-70216/Case No. 88-45629	Sta. Ana, Manila	Expropriation case
NHA vs. Jaime Pajara, et al.	Kadunganan, Sagkahan, Leyte	Expropriation case
NHA vs. Patricia L. Tiongson, et al. CC No. 87-42018 and CC No. 87-42019, RTC Br. 41, Manila (CA GR CV No. 37367)	Tambunting, Tondo, Manila	Expropriation case
NHA vs. Patricia L. Tiongson, et al. CC No. C-87-42017 and CC No. 87-42016, RTC Br. 40, Manila (CA GR CV 37367)	Sunog Apog, Tondo, Manila	Expropriation case
NHA vs. Humberto Villareal, et al. SCA-007-01, RTC Br. 17, Roxas City	Brgy. Poblacion Sur, Ivisan, Capiz	Expropriation case
First United Contractors Corporation vs. NHA CIAC Case No. 14-20031	Antipolo, Rizal	With Notice of Garnishment
R-II Builders, Inc. (Petitioner) vs. Home Guaranty Corporation, et al. (Respondents) Civil Case No. 08-120402	Tondo, Manila	Expropriation case
<b>DASMARINAS BAGONG BAYAN</b>		
NHA vs. Sotero Alvaran, Case No. TG-358 (Encabo Property)		Expropriation case
NHA vs. Asislo Toledo (formerly owned by Luciano Austria), Case No. TG-385 & TG-386		Expropriation case
NHA vs. Felipe Ilano, Case No. TG-421		Expropriation case

**GRACE PARK SUBDIVISION/BARRIO RODRIGUEZ, CALOOCAN CITY**  
**Handled by the Office of the Government Corporate Counsel**

NHA vs. Domingo Lim, et al. CC No. C-6226 GR No. 116176 RTC, Caloocan City	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Julia Diez, et al. CA GR CV No. 10200-10212, GR 110770	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Fermin Manapat CC No. C-6229, RTC, Caloocan City, GR L-118625, GR 110478, 110482-93	Grace Park Subd., Caloocan City	Expropriation case
Rosemarie A. Guanzon, GR No.110462-74	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Maximo Laberanes, et al. CC No. 6231 RTC-Caloocan City, CA GR No. 10200-10212	Grace Park Subd., Caloocan City	Expropriation case

<b>DOCKET NO.</b>	<b>PROPERTY</b>	<b>DESCRIPTION</b>
NHA vs. Cesario Vega, et al. CC No. C-6435, RTC – Caloocan City, CA GR CV 10200-10212 (consolidated)	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Conrado Ng Cinco, CC No. C-6234, RTC-Caloocan City	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Alfredo de Guzman et al. CC No. C-6255, RTC-Caloocan City, CA GR CV 10200-10212 (consolidated)	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Lucas Salonga CC No. C-6235, RTC-Caloocan City, CA GR CV No. 10200-10212 (consolidated)	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Dominador Ramos CC No. C-6228, RTC-Caloocan, CA GR CV 10200-10212 (consolidated)	Grace Park Subd. Caloocan City	Expropriation case
NHA vs. Aurora Dy-Dela Costa, et al. CC No. C-6230, RTC – Caloocan City, CA GR CV 10200-10212 (consolidated)	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Roman Catholic Archbishop of Manila, CC No. C-6625, RTC-Caloocan City, CA GR CV 10200-10212 (consolidated)	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Carco Motor Sales, Inc. CC No. C-6237, RTC Caloocan City, (consolidated)	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Carco Motors/ Philtrust Bank, CC No. C-6236	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Virginia Castro, et al., CC No. C-6226, RTC-Caloocan City, CA GR CV 27159 CC No. C-6226	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. John C. Lee, CC No. C-6233, RTC-Caloocan City, CA GR CV No. 10200-10212	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Angelita Puno, CC No. C-6232, RTC-Caloocan City, CA GR CV 10200-10212	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Juan Puno and Carmencita Cayanan, CC No. C-6238, RTC-Caloocan, CA GR CV 10200-10212	Grace Park Subd., Caloocan City	Expropriation case
NHA vs. Sps. Elias and Inocencia Cuyugan, Juan Puno and Carmencita, CC No. C-6226, RTC-Caloocan City, GR No. 110530-421	Grace Park Subd., Caloocan City	Expropriation case

## **26. SUPPLEMENTARY INFORMATION REQUIRED UNDER BUREAU OF INTERNAL REVENUE REGULATION 15-2010**

In compliance to the above regulation, the following taxes and withholding taxes were paid and accrued in CY 2013:

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Taxes paid in 2013	
On compensation	85,715,043
Expanded	28,025,977
VAT and other percentage tax	18,920,903
<hr/>	
	132,661,923
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Add: Taxes withheld (to be paid in 2014)	
On compensation	2,221,213
Expanded	8,145,104
VAT and other percentage tax	5,547,884
<hr/>	
	15,914,201
<hr/>	
	<b>148,576,124</b>
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## **27. GSIS**

National Housing Authority has complied with the GSIS regulations on the proper deductions of GSIS premiums from the salaries of employees and the timely remittances thereof to the GSIS in accordance with RA No. 8291.

## **28. PHILHEALTH**

Management remitted the Philhealth personal and corporate share contributions on a monthly basis as required under Sec. 20 Title III, of the Revised Implementing Rules and Regulations of RA 9241.

## **29. TRUST FUNDS**

### **NATIONAL GOVERNMENT CENTER (NGC)**

On March 29, 2005, the Home Guaranty Corporation (HGC) transferred to the NHA the operation and management of the National Government Center (NGC) Housing Project, by virtue of Republic Act No. 9207, otherwise known as the National Government Center (NGC) Housing and Land Utilization Act of 2003. Under this Act, the NHA was made the trustee of the NGC Housing Project (East and West) excluding those where the Home Guaranty Corporation (HGC) has acquired proprietary interest.

Prior to its transfer to NHA, the NGC Housing Project came into existence by virtue of Proclamation No. 137 dated August 11, 1987, thereby segregating lands covering more or less 150 hectares from the National Government Center situated at West of Commonwealth Avenue, Quezon City to be utilized as socialized housing for the beneficiaries living thereat. In April 1998, Proclamation No. 1169 was issued excluding additional portion of land in the east side (approximately 238 hectares) and declaring the

same for development and disposition into a mixed use for government complexes, buildings and offices, socialized housing and other purposes.

#### FINANCIAL HIGHLIGHTS

Particulars	2013	2012	Increase/ (Decrease)
<b>A. Financial Position</b>			
Assets	725,483,129	665,341,940	60,141,189
Liabilities	877,428,129	808,819,638	68,608,491
Equity	(151,945,000)	(143,477,698)	( 8,467,302)
<b>B. Results of Operations</b>			
Revenue from general income	9,143,468	7,293,241	1,850,227
Operating expenses	20,832,255	19,489,489	1,342,766
Loss from operations	( 11,688,787)	( 12,196,248)	507,461
Other income	1,461,466	2,414,931	953,465
<b>Net loss</b>	<b>( 10,227,321)</b>	<b>( 9,781,317)</b>	<b>( 446,004)</b>

#### PINATUBO PROJECT MANAGEMENT OFFICE (PPMO)

Executive Order No. 552 dated August 1, 2006, mandates the Housing and Urban Development Coordinating Council (HUDCC) to transfer the administration and management of the Mt. Pinatubo Lowland Communities and all other functions performed by the Pinatubo Project Management Office (PPMO) to the National Housing Authority (NHA).

The NHA shall establish a Trust Fund for the Mt. Pinatubo and maintain a separate set of books independent from the books and records of the NHA.

The HUDCC turned-over 14 lowland resettlement sites, various assets, liabilities and capital as of July 31, 2006. Recording of assets and liabilities were taken up in the books. Collection and disbursements were reclassified from NHA books to Mt. Pinatubo books.

As of December 31, 2013, PPMO fund resources amounted to P2,616,620,197, and from its operations, it incurred a net loss of P2,334,587.

#### FINANCIAL HIGHLIGHTS

Particulars	2013	2012	Increase / (Decrease)
<b>A. Financial Position</b>			
Assets	2,616,620,197	2,602,588,332	14,031,865
Liabilities	39,921,675	23,542,939	16,378,736
Equity	2,576,698,522	2,579,045,393	( 2,346,871)

#### B. Results of Operations



Revenue from general income	<b>694,906</b>	216,238	478,668
Operating expenses	<b>3,038,037</b>	2,943,394	94,643
Loss from operations	( <b>2,343,131</b> )	( 2,727,156 )	384,025
Interest income	<b>8,544</b>	8,675	( 131 )
<b>Net loss</b>	( <b>2,334,587</b> )	( 2,718,481 )	383,894