

LIGHT RAIL TRANSIT AUTHORITY NOTES TO FINANCIAL STATEMENTS

1. GENERAL INFORMATION/ENTITY PROFILE

The Light Rail Transit Authority (herein referred to as LRTA or the Authority) was created on July 12, 1980, under Executive Order (EO) No. 603, amended by EO Nos. 830 and 210 on September 22, 1982, and July 7, 1987, respectively. It is primarily responsible for the construction, operation, maintenance and/or lease of LRT Systems in Metro Manila and other metropolitan areas of the country.

LRTA is recognized as the premiere rail transit in the country providing reliable, efficient, dependable and environmental-friendly mass rail services to residents of Metro Manila. It is a wholly-owned government corporation with an authorized capital of P3.000 billion. Corporate powers and functions are vested and exercised by its Board of Directors composed of nine members, chaired by the Secretary of Department of Transportation (DOTr), seven ex-officio members from the Department of Finance (DOF), Department of Budget and Management (DBM), Department of Public Works and Highways (DPWH), National Economic Development Authority (NEDA), Land Transportation Franchising and Regulatory Board (LTFRB), Metropolitan Manila Development Authority (MMDA), Administrator of LRTA and a representative from the private sector, appointed by the President of the Philippines. It is headed by an Administrator, assisted by two Deputy Administrators and ten Department Managers.

LRTA is presently managing the Light Rail Transit Line 2 System which runs from Antipolo City to Recto, Manila. On September 12, 2015, LRTA transferred the management, operations and maintenance of LRT Line 1 System which runs from Baclaran Station, Paranaque City to Fernando Poe Jr. Station, Quezon City (formerly, Roosevelt Station) to Light Rail Manila Corporation (LRMC), a private firm, in accordance with the Concession Agreement dated October 2, 2014.

The LRTA's manpower as of December 31, 2023 is composed of 330 permanent, 424 contractual, 593 contracts of service and 55 Project Management Office (PMO) contractual employees.

The LRTA's registered office is located at the Administration Building, Line 2 Depot, Marcos Highway, Santolan, Pasig City.

The financial statements of LRTA was authorized for issue on May 14, 2024 as shown in the Statement of Management's Responsibility for Financial Statements signed by DOTr Secretary Jaime J. Bautista and Administrator Hernando T. Cabrera, as the Authorized Representatives.

2. STATUS OF OPERATIONS

2.1 Railway Operations

The LRTA services have been a critical part of the daily lives of the commuting public. A pioneer of the industry, it has become the country's prime mover in the

rail transport sector serving the needs of millions of Filipinos by exploring avenues where the LRT System could continuously provide efficient transport services while promoting economy and efficiency of operations.

a. *Line 1 System*

- i. Constructed in September 1981 the LRT Line 1 System is the first light rail transit system in Southeast Asia. It has a total route length of 20.7-kilometer elevated track with 20 stations from Baclaran to Fernando Poe Jr. These trains have a maximum capacity of 3,864 passengers. It transports about 475,000 passengers on a weekday basis. It is served by a mixed fleet of four types of rolling stocks in the configuration of three or four cars or Light Rail Vehicles (LRVs).
- ii. In providing quality and seamless mobility, the LRTA upholds its core value of genuine public service through partnership projects and programs with various stakeholders in both government and private entities and development partners. To improve the existing LRT Line 1 System that currently provides access to Central Manila and expands this further at its south end particularly to the Cavite Province, the DOTr, formerly known as the Department of Transportation and Communication (DoTC), and LRTA, as Grantors, entered into a Concession Agreement under the Public-Private Partnership (PPP) with LRMCo to operate and maintain the existing LRT Line 1 System and construct the LRT Line 1 Cavite Extension Project. Under this Concession Agreement, LRMCo will finance 50 percent of the construction costs. Thus, the Operation and Maintenance of existing LRT Line 1 System was handed over to the LRMCo, the private concessionaire, on September 12, 2015. The first and second concession payments amounted to P1.807 billion (tax inclusive). LRTA's share as co-grantor of DOTr in the amount of P935.010 million was directly paid to the Bureau of the Treasury (BTr) by LRMCo and the rest is DOTr's share as grantor. The Authority's share in the bid premium amounting to P834.8 million was applied by the BTr to National Government (NG) Advances in 2016 and was only recorded in LRTA's book on December 31, 2016 after receipt of supporting documents from the BTr. Adjustments were made in CY 2019 to recognize the share in Service Concession Revenue and Receivable in compliance with International Public Sector Accounting Standards (IPSAS) 32 on Service Concession Arrangements (SCA) – Grantor and Paragraph 7 of IPSAS 1 on accrual basis of accounting.

b. *Line 2 System*

- i. The LRT Line 2 System has a total route of 13.8-kilometer track of 11 stations consisting of ten elevated and one underground station from Santolan in Pasig to Recto in Manila. Two additional stations were inaugurated on July 1, 2021 with the completion of the Line 2 East Extension Project - the Marikina Station, which is located at Emerald Drive in front of Robinsons Place Metro East and Sta. Lucia East Grand Mall in Cainta, Rizal and the Antipolo Station, which was located before the Masinag Junction in Antipolo City. LRT Line 2 was also known as the

“Megatren”, the latest among the three rail systems. It is equipped with a Closed-Circuit Television (CCTV) system and Braille installed in the platforms and elevators to guide blind passengers during boarding and alighting the train and stations. On a daily basis, LRT Line 2 is transporting an estimate of 200,000 passengers and can accommodate up to 500,000 due to its wider interior and larger capacity compared to LRT Line 1 and with automatic vending machines, which enable the passengers to buy tickets without queuing at the ticket booths. It has a fleet of 18 four-car trains, each of which has a capacity of 1,628 passengers.

- ii. In compliance with Republic Act (RA) No.10149 the Government-Owned and Controlled Corporation (GOCC) Governance Act of 2011, the Governance Commission for GOCC's (GCG) mandates the LRTA to actively implement the Performance Evaluation System (PES). For CY 2023, the submission of the mandatory requirements for performance accomplishment for the Performance-Based Bonus (PBB) is ongoing. In 2023, LRT Line 2 transported 49.400 million passengers or a 56 percent increase over the 2022 level of 31.6 million with a daily average of 136,291 passengers, 25 percent increase from 2022 average of 108,762.
- iii. As to financial standing, the Authority has sustained improved farebox as the deficit level from rail operations against current operating expense for 2023 amounting to P672.600 million decreased by 36 percent compared to P1.055 billion in 2022.
- iv. Gross rail revenue collection during the year amounted to P1.096 billion or 175 percent higher than the P625.000 million in 2022. The increase in rail revenue was attributed to the increased revenue in rail operations and collections attributed to stall rentals, land leases, advertising spaces and other miscellaneous income derived from non-rail business of the Authority.

c. *Contactless Ticketing System*

The DOTr and the AF Consortium (Ayala Group and First Pacific Group) signed the Concession Agreement for the Automated Fare Collection System (AFCS) Project on March 31, 2014 and officially commenced on October 2015. The introduction of the Automated Ticketing System Project made fare collection systems of LRT Lines 1 and 2 and Metro Rail Transit (MRT) 3 interoperable, that reduced the transfer time, passengers' inconvenience and costs between the three lines.

2.2 Railway Projects

As the seat of the Government and the center of economic activities and commercial development, Metro Manila, as well as nearby cities, has experienced rapid urbanization and dramatic rise in the population through the years. In response to the rising demand for high-speed mobility and motorization, the LRTA has taken initial steps in bringing a medium, sustainable mass transportation that does not only promise a safe, fast, reliable, and efficient service to the riding

public, but also spurs economic growth in generating revenues for the government through its operations and non-rail activities.

To provide better service to valued commuters, LRTA has continued the implementation of Passenger Boarding Limit per Platform and Train Trip which gained positive feedback from commuters. LRTA also created its official Facebook and Twitter accounts, which made filing of Customer Complaints Feedback Report easier.

A summary of the status of LRTA programs and projects:

a. Line 1 North Extension (Closing the Loop) Project (NEP)

In an Agreement dated September 28, 2016, the Government and its major conglomerates agreed to construct a Common Station between SM City North EDSA and Ayala Malls TriNoma that will link the LRT Line 1 North Extension and MRT Line 3. The project was assumed by the DOTr under the North Triangle Common Station Project.

b. Line 1 South (Cavite) Extension Project (SEP)

The project involves the construction of approximately 11.7 km railway line from its tie in point at the terminus of LRT Line 1 at the Baclaran Terminal to Niog Station at Bacoor, Cavite, of which approximately 10.5 km will be elevated and 1.2 km will be at-grade. Eight stations will be constructed with a provision for two additional stations. Intermodal facilities will also be installed at high-demand stations, namely Niog, Zapote, and Dr. Santos Stations. These are the deliverables of the Concessionaire (LRMC).

Meanwhile, Grantors (DOTr and LRTA) will deliver the Right of Way (ROW) acquisition along the project alignment including the Grantors Procured Items (GPI) such as the procurement of thirty-four-car trains or 120 LRVs and construction of new satellite depot and expansion of the existing depot. As of December 31, 2023, the following are the physical accomplishments:

1. The Concessionaire’s overall physical accomplishment posted 97.3 percent complete to wit:

Concessionaire’s Project Component	Percentage of Completion
Existing System Works (ESW)	99.9%
Cavite Extension Works (CEW)	96.4%

2. The Grantor’s overall physical accomplishment posted 89.51 percent complete to wit:

Grantor’s Project Component	Percentage of Completion
Procurement of 120 New Rolling Stock LRVs	87.32%
Expansion of the Existing Depot at Baclaran and Construction of a New Satellite Depot at Zapote	100%

Grantor's Project Component	Percentage of Completion
Supply of Depot Equipment (Mitsubishi)	48.09%
Supply of Depot Equipment (Yashima)	11.71%
Consulting Services for LRT Line 1 South (Cavite Extension Project)	89.63%
Right of Way (ROW) Acquisition and Resettlement	89.07%
Consultancy for Topographical, Geotechnical and Geological Survey and Investigation	100.00%

c. Line 2 East Extension Project (EEP)

It is the extension of the existing LRT Line 2 by 3.793 km eastward from the existing Santolan Station at Marcos Highway, terminating at the intersection of Marcos Highway and Sumulong Highway. With two additional stations proposed, Marikina Station in front of Robinsons Metro East Mall and the Sta. Lucia East Grand mall in Cainta; and Antipolo Station near the junction of Marcos Highway and Sumulong Highway in Masinag, Antipolo City. The two additional Stations namely Marikina and Antipolo Station were inaugurated on July 1, 2021 and its commercial operation started on July 5, 2021.

The project aims to provide rapid and reliable mode of transit to the east of Manila, and various strategic commercial, industrial and educational districts in Metro Manila either through direct access from LRT Line 2 itself or through interconnections with other LRT's or modes of transport. Project status as at December 31, 2023 are as follows:

Contracts	Status
Civil Works Consultancy	On-going project close-out 100% physical accomplishment
Interface Consultancy	On-going implementation 100% physical accomplishment
Civil Works Package 1 – Construction of Viaduct	100% physical accomplishment
Civil Works Package 2 – Design and Build of Stations	100% physical accomplishment On-going Defects Liability Period (DLP) works
Electromechanical Consultancy	On-going implementation 99.99% physical accomplishment
Design and Construction of Electro-mechanical Equipment – Package 3	Ongoing defects liability claims works 99.998% physical accomplishment

The overall project accomplishment of Line 2 EEP as at December 31, 2023 is 99.998 percent. LRTA made partial recognition of the turned over and operational extension projects pertaining to Viaduct, Consulting Services-Civil Works and Office Furniture, Fixture and Equipment scope of the contract.

d. Line 2 West Extension Project (WEP)

The project involves the design and construction of the extension for the existing LRT Line 2, with a total length of approximately 3.02 kms. from the Recto Station extending westward to the Pier 4 area including the turn back track. The three proposed additional stations include: (a) Tutuban Station located next to the Cluster mall; (b) Divisoria Station – located west of the Recto Avenue and Asuncion Street Intersection; and (c) Pier 4 Station – located 50 meters north of Zaragoza Street.

The project will include right-of-way acquisition (ROWA), as well as procurement of additional electromechanical requirements including five four (4)-car rolling stocks.

Its project timeline is from the third quarter of 2019 to the fourth quarter of 2024 (including DLP) with a total project cost of P10.118 billion (NEDA Approved).

As of December 31, 2023, financial disbursement was P122.000 million, its physical completion/accomplishment was at 1.0 percent and the financial is at 1.0 percent level.

e. LRT Rehabilitation Projects

The Rehabilitation Program comprises the systems and facilities improvement, rehabilitation and modernization program for LRT Lines 1 and 2 projects.

The project involves major repair/rehabilitation of existing LRT Lines 1 and 2 rolling stocks, systems, structures and facilities such as Restoration of Rectifier Substation (RSS) 4, 5 and 6 (Goods), Maintenance of Line 2 System under the LRTA Maintenance Transition Team (MTT), Repair of Unbonded Concrete Plinth of LRT Line 2 System, Design and Build for the Improvement of LRT Line 2 Stations and Facilities, Testing and Commissioning of 45 Brand New Escalators and Comprehensive Maintenance of 32 Elevators and 58 Escalators, Rehabilitation of Fire Detection Alarm System and Fire Suppression System, and other rehabilitation projects.

These projects aim to address the problems of deteriorating rolling stocks, tracks and facilities and to increase the number of running trains/LRV's and it will further enhance the capacity, safety and reliability of the LRT systems.

The total number of LRTA projects is 11 and its project timeline covers 2011-2025. As at December 31, 2023, a total of five rehabilitation projects were completed.

The following are the ongoing rehabilitation projects and its status as at December 31, 2023 based on the Status Update of Rehabilitation Projects of the Engineering Department:

PROJECTS	STATUS
-----------------	---------------

PROJECTS	STATUS
1. Supply, Delivery, Testing and Commissioning of Overhead Catenary System (OCS) Truck (Truck and Rail Vehicle) Goods	Final Inspection Concluded. For issuance of Completion Certificate
2. Rehabilitation of Fire Detection and Alarm System and fire Suppression System (Goods)	For preparation of Verified Report
3. Improvement of Line 2 Depot Offices (Infrastructure)	Validation of the Engineering Department of the specifications of all delivered and installed equipment concluded. For Submission of report to LRTA Management
4. Contract for the Replacement of Precision Air Conditioning System (Goods)	Actual Accomplishment is 98.33%. Ongoing validation by the Engineering Dept. of the Contractor.
5. Design and Build for the Improvement of LRT Line 2 Stations and Facilities (Infrastructure)	Final Inspection Concluded For issuance of Completion Certificate
6. Consulting Services for the Structural Investigation and Related Works of LRT Line 1 and 2 Systems (Services)	100% completed. For issuance of Completion Certificate
7. Consulting Services for Restoration of Various L2 System Equipment damaged by Fire (Goods)	100% completed. For issuance of Completion Certificate
8. Replacement of LRTA 2 Station Roofing System (Infrastructure)	100% physically completed Final Inspection Concluded For issuance of Completion Certificate
9. Restoration of Rectifier Substation (RSS) 4, 5, and 6 (Goods)	Actual Accomplishment is 97.88%
10. Acquisition of Re-railing Equipment (Goods)	Procured by Procurement Service - Department of Budget and Management (PS-DBM) Delivered but Not Accepted by LRTA Informed PS-DBM to revert back the downloaded funds to LRTA
11. Consulting Services for the Line 2 Capacity Expansion	Actual Accomplishment is 55% Completion Date: February 29, 2024

3. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

3.1 Statement of Compliance

The financial statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standards Board (IPSASB) which were adopted and prescribed by the Commission on Audit through COA Resolution Nos. 2014-003, 2017-006, 2020-01 dated January 24, 2014, April 26, 2017 and January 9, 2020, respectively. It adopted appropriate accounting standards, which prescribed new accounting measurement and disclosure practices in conformity with IPSAS and accompanying Philippine Application Guidance (PAG) issued by COA as follows:

IPSAS 1 - Presentation of Financial Statements prescribes the manner in which financial statements should be presented to ensure comparability both with the entity's financial statements of previous periods and with the financial statements of other entities. It provides criteria for classifying assets as current assets and other assets shall be classified as non-current.

IPSAS 2 - Cash Flow Statements pertains to the presentation of information about historical changes in a public sector entity's cash and cash equivalents by means of a cash flow statement that classifies cash flows during the period according to operating, investing, and financing activities.

IPSAS 3 - Accounting Policies, Changes in Accounting Estimates and Errors states that to the extent that a change in an accounting estimate gives rise to changes in assets or liabilities, or relates to an item of equity, it is recognized by adjusting the carrying amount of the related asset, liability or equity item in the period of the change.

IPSAS 4 - The Effects of Changes in Foreign Exchange Rates prescribes the accounting treatment for foreign currency transactions and provides guidance on the translation method and on determining the functional and presentation currencies of a reporting entity. Under this standard, foreign exchange differences are now recognized in Net Income or Loss since capitalization of the same is no longer permitted in any circumstances.

IPSAS 12 - Inventories prescribes the accounting treatment for inventories. It provides guidelines on the determination of cost and its subsequent recognition as an expense, as well as cost formula that are used to assign costs to inventories.

IPSAS 13 - Leases prescribes for lessees and lessors, the appropriate accounting policies and disclosures to apply in relation to finance and operating leases.

IPSAS 14 - Events after the Reporting Date requires disclosure of the date of authorization for issue of the entity's financial statements and who gave such authorization.

IPSAS 16 - Investment Property prescribes the accounting treatment for investment property and related disclosures.

IPSAS 17 - Property, Plant and Equipment (PPE) requires an entity to apply the general asset recognition principle to all property, plant and equipment costs at the time they are incurred, including initial costs and subsequent expenditures.

IPSAS 21 - Impairment of Non-Cash-Generating Assets ensures that noncash-generating assets are carried at no more than their recoverable service amount, and to prescribe how recoverable service amount is calculated.

IPSAS 24 - Presentation of Budget Information in Financial Statement ensures that public sector entities discharge their accountability obligations and enhance the transparency of their financial statements by demonstrating compliance with the approved budget for which they are held publicly accountable and, where the budget and the financial statements are prepared on the same basis, their financial performance in achieving the budgeted results.

IPSAS 26 - Impairment of Cash-Generating Assets ensures that public sector entities discharge their accountability obligations and enhance the transparency of their financial statements by demonstrating compliance with the approved budget for which they are held publicly accountable and, where the budget and the financial statements are prepared on the same basis, their financial performance in achieving the budgeted results.

IPSAS 32 - Service Concession Arrangements: Grantor prescribes the accounting for service concession arrangements by the grantor, a public sector entity.

3.2 Basis of Preparation

The financial statements have been prepared on accrual basis using the historical cost, unless stated otherwise. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The Statement of Cash Flows prepared using the direct method.

The preparation of financial statements in compliance with the adopted IPSASs requires the use of certain accounting estimates. It also requires the agency to exercise judgment in applying its accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effects are disclosed.

3.3 Functional and Presentation Currency

The financial statements are presented in peso (P), which is also the country's functional currency. Amounts are rounded off to the nearest peso, unless otherwise stated.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of Accounting

The accompanying financial statements of the LRTA have been prepared on an accrual basis in accordance with IPSAS.

4.2 Preparation of Financial Statements and Other Financial Reports

The LRTA's accounting system currently uses account codes and titles based on the approved Accounting Manual of the Authority. Also, the line items used in the preparation and presentation of financial statements are based on the Updated Revised Chart of Accounts for Government Corporations (2019) prescribed under COA Circular No. 2020-02 dated January 28, 2020. It also complies with the COA Circular No. 2017-004, which prescribed the guidelines on the preparation of financial statements and other financial reports and implementation of the Philippine Financial Reporting Standards (PFRS) by Government Corporations classified as Government Business Enterprises (GBE) and Philippine Public Sector Accounting Standards (PPSAS) by Non-Government Business Enterprises (Non-GBE), dated December 13, 2017.

4.3 Current versus Non-current Classification

The LRTA presents Assets and Liabilities in the Statements of Financial Position based on Current and Non-current classifications.

a. Current/Non-current Assets. An asset shall be classified as Current when it satisfies any of the following criteria:

1. It is expected to be realized in, or is held for sale or consumption in, the entity's normal operating cycle;
2. It is held primarily for the purpose of being traded;
3. It is expected to be realized within twelve months after the reporting date;
or
4. It is cash or a cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other Assets shall be classified as Non-current.

b. Current/Non-current Liabilities. A liability shall be classified as current when it satisfies any of the following criteria:

1. It is expected to be settled in the entity's normal operating cycle;
2. It is held primarily for the purpose of being traded;
3. It is due to be settled within twelve months after the reporting date; or
4. The entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. xxx

All other liabilities shall be classified as non-current.

4.4 Financial Instruments

a. Financial Assets

i. Initial recognition and measurement

Financial Assets within the scope of IPSAS 41-*Financial Instruments: Recognition and Measurement* are classified as financial assets at fair value through surplus or deficit, held-to-maturity Investments, Loans and Receivables or available-for-sale Financial Assets, as appropriate. LRTA determines the classification of its financial assets at initial recognition.

LRTA's Financial Assets include Cash and Cash Equivalents, Trade, and Other Receivables.

ii. Subsequent Measurement

The subsequent measurement of Financial Assets depends on their classification:

▪ Financial Assets at fair value through Surplus or Deficit

Financial Assets at fair value through Surplus or Deficit include Financial Assets Held for Trading and Financial Assets designated upon initial recognition at fair value through Surplus or Deficit. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

▪ Receivables

Receivables are initially measured at face value and subsequently at amortized cost using Net Realizable Value. Impairment loss is recognized using an allowance account.

These are classified as Current Assets as they are expected to be collected within 12 months after the financial reporting date, except the restructured accounts which are classified as non-current assets.

b. Derecognition

LRTA derecognizes a Financial Asset or where applicable, a part of a Financial Asset or part of LRTA of similar Financial Assets when:

- The contractual rights to the cash flows from the financial asset expired or waived; and
- LRTA has transferred its contractual rights to receive the cash flows of the Financial Assets, or retains the contractual rights to receive the cash flows of the Financial Assets but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement that meets the conditions set forth in IPSAS 41; and either the entity has: (i) transferred substantially all the risks and rewards of ownership of the Financial Asset; or (ii) neither transferred nor retained substantially all the risks and rewards of ownership of the Financial Asset but has transferred the control of the Assets.

c. Impairment of Financial Assets

LRTA assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred “loss event”) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include the following indicators:

- The debtors or a group of debtors are experiencing significant financial difficulty;
- Default or delinquency in interest or principal payments;
- The probability that debtors will enter bankruptcy or other financial reorganization; and
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults).

d. Financial Assets carried at amortized cost

For Financial Assets carried at amortized cost, the LRTA first assesses whether objective evidence of impairment exists individually for Financial Assets that are individually significant, or collectively for Financial Assets that are not individually significant. If LRTA determines that no objective evidence of impairment exists for an individually assessed Financial Asset, whether significant or not, it includes the asset in a group of Financial Assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an Impairment Loss is, or continues to be, recognized are not included in the collective assessment of impairment.

If there is objective evidence that an Impairment Loss has been incurred, the amount of the Loss is measured as the difference between the Asset’s carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the Financial Asset’s original effective interest rate. If a Loan has a variable interest rate, the discount rate for measuring any Impairment Loss is the current effective interest rate. The carrying amount of the asset is reduced using an allowance account and the amount of the loss is recognized in surplus or deficit.

e. Financial Liabilities

i. Initial Recognition and Measurement

Financial Liabilities within the scope of IPSAS 29 are classified as Financial Liabilities at fair value through Surplus or Deficit, or Loans and Borrowings, as appropriate. LRTA determines the classification of its Financial Liabilities at initial recognition.

All Financial Liabilities are recognized initially at fair value and, in the case of Loans and Borrowings, plus directly attributable transaction costs. LRTA's Financial Liabilities include Trade and Other Payables and Loans and Borrowings.

ii. Subsequent Measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well through the amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

iii. Derecognition

A financial liability is derecognized when the obligation under the liability expires or is discharged or cancelled.

When an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing Liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new Liability, and the difference in the respective carrying amounts is recognized in Surplus or Deficit.

4.5 Cash and Cash Equivalents

Cash includes Cash on Hand and in Banks. LRTA considers all highly liquid instruments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from the date of acquisition as Cash Equivalents.

4.6 Receivables

Receivables are stated at face value, net of Allowance for Doubtful Accounts. Allowance for Impairment-Receivables is established as a certain percentage of age of Receivables, as shown below:

Age	Percent
Over 1 year to 2 years	10
Over 2 years to 3 years	15

Over 3 years to 4 years	20
Over 4 years to 5 years	25
Over 5 years to 7 years	50
Over 7 years to 8 years	75
Over 8 years to 9 years	90
Over 10 years	100

This percentage is based on a collective assessment of historical collection, write-down experiences and specific identification of uncollectible accounts. The policy on the determination of Bad Debt Expense and the writing down of long outstanding Receivables was approved by the LRTA Board of Directors in a meeting held on December 16, 2009.

4.7 Inventories

Inventory is measured at cost upon initial recognition.

The cost of Inventories comprised of all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition.

After initial recognition, Inventory is measured using the moving-weighted average method.

Inventories are recognized as an Expense or Asset as applicable, when deployed for utilization or consumption in the ordinary course of operations of LRTA.

IPSAS 12-*Inventories* suggests the write down of Inventories below cost to net realizable value which is consistent with the view that Assets are not to be carried in excess of the future economic benefits or service potential expected to be realized from their sale, exchange, distribution or use.

4.8 Investment Properties

Investment Properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment Property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, Investment Properties are measured using the cost model and are depreciated over its estimated useful life.

Investment Properties are derecognized either when they have been disposed of or when the Investment Property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the Asset is recognized in the surplus or deficit in the period of derecognition.

Transfers are made to or from Investment Property only when there is a change in use. The LRTA uses the cost method for the measurement of Investment Property after initial recognition.

4.9 Property, Plant and Equipment

a. Recognition

Property, Plant and Equipment (PPE) that qualifies for recognition as an asset if it meets the characteristics and recognition criteria as follows:

- i. Tangible items
- ii. It is probable that the future economic benefits or service potential associated with the item will flow to the entity;
- iii. The cost or fair value of the item can be measured reliably;
- iv. Beneficial ownership and control clearly rest with the government;
- v. The Asset is used to achieve government objectives; and
- vi. It meets the Capitalization threshold of P50,000.00 based on COA Circular No. 2022-004 dated May 31, 2022.

b. Measurement at Recognition

Property, Plant and Equipment that qualifies for recognition as an asset measured at cost. The initial cost of fixed assets consists of its purchase price including import duties and non-refundable taxes and any costs directly attributable in bringing the asset to its working condition and location for its intended use. It also includes interest on borrowed funds used during the construction period. After the assets have been put into operations subsequent expenditures are charged to operations, except in situations where it can be clearly demonstrated that the expenditures have resulted in an increase in future economic benefits and are capitalized as additional costs of the assets.

c. Measurement after Recognition

After recognition, all PPE are stated at Cost less Accumulated Depreciation and Impairment Losses.

When significant parts of PPE are required to be replaced at intervals, LRTA recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized as expense in Surplus or Deficit as incurred.

d. Depreciation

Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.

i. Initial Recognition of Depreciation

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

For simplicity and to avoid proportionate computation, the depreciation is for one month if the PPE is available for use on or before the 15th of the month.

However, if the PPE is available for use after the 15th of the month, Depreciation is for the succeeding month.

ii. Depreciation Method and Estimated Useful Life

Depreciation is computed on a straight-line basis over the following estimated useful lives of the assets:

Major Asset Category	Estimated Useful Life in Years (COA Circular No. 2017-004)
Land Improvement	10-25 years
Infrastructure Assets	20-50 years
Buildings and Other Structures	30-50 years
Machinery and Equipment	5-15 years
Transportation Equipment:	
Motor Vehicles	5-15 years
Trains	10-20 years
Other Transportation Equipment	5-10 years
Furniture and Fixtures	2-15 years
Service Concession Assets	Over the useful life of the asset or remaining term of SCA, whichever is shorter.

The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates. It is also based on collective assessment of industry practice, internal technical evaluation and experience with similar Assets and issuances or policies on the matter by COA.

iii. Residual Value

LRTA applied prospectively the residual value of at least five percent (5%) of the cost of the PPE starting 2018 onwards.

e. Impairment

An asset's carrying amount is written down to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

f. Derecognition

LRTA derecognizes items of PPE and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the Net Disposal Proceeds and the carrying amount of the Asset) is included in the surplus or deficit when the asset is derecognized.

4.10 Construction-in-Progress

Construction-in-Progress is stated at cost. This includes the cost of construction, plant and equipment and other direct costs and etc. except for Personal Services (PS) and Maintenance and Other Operating Expenses (MOOE) during the construction period shall be capitalized. As soon as the construction is completed, this account shall be reclassified to the proper asset account.

4.11 Foreign Currency Transaction

Transactions denominated in foreign currencies are initially recorded in the functional currency prevailing at the date of the transaction. Monetary assets and Liabilities denominated in foreign currencies are restated using the Daily Reference Exchange Rate Bulletin (RERB) as at December 31, 2023. The resulting gains or losses arising from the exchange differences are recognized in the Statement of Financial Performance, in compliance with IPSAS 4.

4.12 Borrowing Costs

Borrowing costs include interest charges, guarantee fees and other costs incurred in connection with the loans used to finance the projects. It is generally expensed as incurred. However, Borrowing Costs are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset and prior to the commencement of operation.

4.13 Revenue Recognition

Revenues are measured at the fair value of the consideration received and represent receivables for service in the normal course of business.

a. Operations

LRTA uses the accrual basis of accounting for its revenues from rail operations, and non-rail revenues generated from rental of commercial and advertising spaces.

b. *Interest Income*

Interest income on High-Yield Savings, special and time deposits is accrued on a time proportion basis, by reference to the principal amount outstanding and at the interest rates applicable.

c. *Subsidy*

In accordance with existing accounting and auditing laws, rules and regulations, subsidies received from the National Government to fund railway projects, as well as downloaded funds from DOTr are recognized as Subsidy Income.

4.14 Contingencies

At present, the Authority has several pending legal and expropriation cases. The estimates of the probable costs for the settlement of these claims have been developed in consultation with the counsels handling the defense on these matters and based on an analysis of potential results. Contingent liabilities are not recognized in the financial statements but the possible contingent claims are disclosed in Other Matters Note 39. Similarly, a contingent asset is not recognized but disclosed when an inflow of economic benefits is probable.

4.15 Changes in Accounting Policies and Estimates

LRTA recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

LRTA recognizes the effects of changes in accounting estimates prospectively through surplus and deficit.

LRTA corrects material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- a. Restating the comparative amounts for prior period(s) presented in which the error occurred; or
- b. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

4.16 Employees Benefits

The employees of LRTA are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage and the Philippine Insurance Health Corporation (PHIC), which provides a variety of comprehensive health care services. LRTA provides employees benefits that are

stipulated in EO No. 150 such as Standards Allowances and Benefits i.e. Year-End Bonus (YEB), Cash Gift, Uniform/Clothing Allowance (UCA) and Personnel Economic Relief Allowance (PERA).

Recognition and measurement

a. When an employee has rendered service during an accounting period, LRTA recognizes the gross amount of employees' benefits expected to be paid in exchange for that service as:

1. Liability
2. Expense

b. LRTA may pay employees for leave of absences for various reasons, including holidays, sickness, maternity or paternity whether accumulating or non-accumulating.

5. CHANGES IN ACCOUNTING POLICY - Section 23 of the General Provisions of RA No. 11639

Pursuant to COA Circular No. 2022-04 dated May 31, 2022 – Guidelines on the implementation of Section 23 of the General Provisions of RA No. 11639 also known as the General Appropriation Act (GAA) for fiscal year (FY) 2022 relative to the increase in the capitalization threshold from P15,000.00 to P50,000.00, tangible items which meet the definition and recognition criteria of PPE below fifty thousand pesos (P50,000) threshold shall be accounted in the books as semi-expendable property.

6. PRIOR PERIOD ADJUSTMENTS

In compliance with paragraph 47 of IPSAS 3 - Accounting Policies, Changes in Accounting Estimates and Errors, the CY 2022 portion of the Comparative Financial Statements was restated due to prior years' errors and adjustments amounting to P4.995 billion. Details are as follows:

Nature of Error and Adjustments	Accounts Restated	Amount of Adjustments
Reimbursement of Expenses for CY 2022	Maintenance and Operating Expenses (MOOE) and Due to Officers and Employees	(75,163)
Honoraria for the month Oct., Nov., and Dec. 2022	Personnel Services (PS) and Due to Officers and Employees	(331,481)
Reimbursement of Expenses dated December 17, 2022	MOOE and Due to Officers and Employees	(5,000)
Maintenance Services for AFCS of Marikina and Antipolo Stations for the period July 1 to November 30, 2022	Direct Cost – Maintenance and Accounts Payable	(3,374,392)
Honoraria for April 2022–Employee A	PS and Due to Officers and Employees	(2,000)
Last Salary of various employees	PS and Due to Officers and Employees	(161,678)
Salary - Oct. to Dec. 2022 of various employees	PS and Due to Officers and Employees	(35,308)
Per diem of Employee B for the month of December 2022	MOOE and Due to Officers and Employees	(44,000)

Nature of Error and Adjustments	Accounts Restated	Amount of Adjustments
1st Salary and Allowances – Oct. to Dec. 2022 of Employee C	PS and Due to Officers and Employees	(106,131)
Last Salary and Other Benefits for CY 2022 of Employee D	PS and Due to Officers and Employees	(40,684)
Last Salary and Other Benefits for CY 2022 of Employee E	PS and Due to Officers and Employees	(3,681)
Last Salary of Employee F	PS and Due to Officers and Employees	(86,035)
Terminal Leave benefits of Employee G	PS and Terminal Leave Benefits Payable	(7,483)
Expenses for the Improvement of Structure (Bgy. Sto. Nino Paranaque City) Reclassification of Entry	MOOE, Accumulated Depreciation - Land Improvement, Land Improvement	(771,492)
Adjusting Entry on various expenses - Personnel Services and Other Benefits - Previous Years Expenses	PS and Due to Officers and Employees	(142,593)
Appearance fee for previous year of LRTA Attorney	MOOE and Due to Officers and Employees	(25,000)
Overtime Services for previous years - Adjusting Entry	PS and Due to Officers and Employees	(5,289,238)
Cost of Stored Value Ticket - Payment from Jan. to Dec. 2022	Direct Cost – Overhead Accounts Payable	(2,391,160)
Adjustment on Accrual of Common Carriers Tax (2nd Quarter of 2022)	Duties, Taxes and Fees and Due to BIR	(8,044)
Salaries and Allowances (previous year's expenses)	PS and Due to Officers and Employees	(15,500)
Last Salary of Employee H	PS and Due to Officers and Employees	(42,718)
Terminal Pay of Employee I	PS and Terminal Leave Benefits Payable	7,573
Impairment Losses of Trains due to Non-operational in 2012- 2017	Impairment Loss – Railway System and Accumulated Impairment Loss – Railway System	(105,177,411)
Adjustment on Issuance of old Spare parts- Feb 2020- JEV 502-20-02-074	Spare Parts Inventory and Direct Cost - Materials	171,026
Adjustment on recorded expenses for CY 2022	Consultancy Services, Other Professional Services, Other MOOE, Representation Expenses, Training and Seminar Expenses, Miscellaneous Expenses, Direct Operating Cost – Overhead and Other Supplies and Materials Expenses	(527,235)
Adjustment on recorded expenses for CY 2022	PS and Due to Officers and Employees	(6,084)
Salary Differential of various LRTA officials and Employees	PS and Due to Officers and Employees	(5,016,072)
Last Salary-June 2013 of Employee J	PS and Due to Officers and Employees	(16,883)
Maintenance Services for AFCS of Marikina and Antipolo - Dec. 2022	Direct Operating Cost - Maintenance and Accounts Payable	(675,055)
Adjustment on Impairment Loss on Receivables	Allowance for Impairment - Due from GOCC (GSIS) Allowance for Impairment - Due from Officers and Employees and Impairment Loss - Receivables	1,400

Nature of Error and Adjustments	Accounts Restated	Amount of Adjustments
Adjustment on Accrual of GSIS Life and Ret. Premium for Dec. 2022	PS and Other Payables	(74,700)
Salary Differential of Employee K	PS and Due to Officers and Employees	(194,508)
Penalty - Loss Staff Card	PS and Due to Officers and Employees	50
Remittance of GSIS Premium (Prior year)	PS and Due to Officers and Employees	(19,403)
Salary and Year-End Differential of Employee L	PS and Due to Officers and Employees	(72,620)
Salary and Year-End Differential of Employee M	PS and Due to Officers and Employees	(53,892)
Salary and Allowances – Nov. 16, 2022 of Employee N	Other Payables and MOOE	(62,494)
Adjustment on Accrual of Expenses	PS and Other Payables	74,700
Adjustment on Loss on Impairment - Receivables	Allowance for Impairment - Due from Officers and Employees and Impairment Loss - Due from Officers and Employees	1,207
Adjustment on Loss on Impairment – Receivables	Allowance for Impairment - Due from Officers and Employees and Impairment Loss - Due from Officers and Employees	1,475
Last Salary and Allowances and cash Gift of Employee O	PS and Due to Officers and Employees	(31,694)
Overstatement of Depreciation-Line 2 East Ext.- Jul. 2020 to Dec. 2022	Accumulated Depreciation - Railways System-PPE Railways and Depreciation Expense - Railways System-PPE Railways	211,040
Adjustment on Recognition of Asset (Line 2 East Project)	Railways System - PPE Railways and Subsidy Income from NG	(3,554,366)
Depreciation - Line 2 East Ext. Package 2	Depreciation - Railway System Depreciation - Office Equipment and Accumulated Depreciation - Office Equipment and Accumulated Depreciation - Railway System	(111,105,021)
Recognition of Line 2 East Ext Project - Design and Build of Stations	Railways System - PPE Railways Semi Expendable - Furniture and Fixture, Semi Expendable - Office Equipment, Office Equipment and Subsidy Income from NG	1,172,000,000
Recognition of Line 2 East Ext Project - Consulting Services	Railways System - PPE Railways and Subsidy Income from NG	154,564,931
Recognition of Line 2 East Ext Project - Electromechanical (Package 3)	Railways System - PPE Railways and Subsidy Income from NG	3,491,354,450
Depreciation - Line 2 East Ext Package 3	Depreciation - Railway System Accumulated Depreciation - Railway System	(346,365,718)
Liquidation of Petty Cash Fund of Cavite Ext Project	MOOE and Due to Officers and Employees	(50,533)
Issuance of Supplies and Materials – Prior year	Other Supplies and Materials Expenses and Other Supplies and Materials Inventory	(224,878)

Nature of Error and Adjustments	Accounts Restated	Amount of Adjustments
Close the Accrual of Reimbursable Expenses	Other Payables- Agency Fee and Miscellaneous Income	683,750
Last salary and Salary Differential of Employee P	PS and Due to Officers and Employees	(42,194)
Last Salary, CNA and other bonuses of Employee Q	PS and Due to Officers and Employees	(57,675)
Rental Income for the period October 2020 to May 31, 2021	Unearned Revenue Income – Rent and Business Income – Rent/Lease Income	11,224,516
Adjustment on Allowance for Impairment - Receivables	Allowance for Impairment - Operating Lease Receivable, Allowance for Impairment - Other Receivable, Impairment Loss - Receivable	1,308,515
Unrecognized Depreciation Expense for AFCS Equipment (AOM 2023-23 (CY 2023 AAR))	Accumulated Depreciation, Depreciation Expense and Accumulated Surplus/(Deficit)	(108,676,763)
Correcting entries for the overstatement of CIP account and Accumulated Surplus/(Deficit) AOM 2024-07 (CY 2023 AAR) - WEP	CIP, Various expense accounts and Accumulated Surplus/(Deficit)	(24,117,362)
Correcting entries for the overstatement of CIP account and Accumulated Surplus/(Deficit)AOM 2024-07 (CY 2023 AAR) - NEP	CIP, Various expense accounts and Accumulated Surplus/(Deficit)	(188,000)
Unrecognized Depreciation /AOM 2024-07 (Depreciation)	CIP, Depreciation and Accumulated Surplus/(Deficit)	(24,985,858)
Correcting entries for the overstatement of CIP account and Accumulated Surplus/(Deficit) AOM 2024-07 (CY 2023 AAR) - EEP	CIP, Various expense accounts and Accumulated Surplus/(Deficit)	(32,301,578)
Correcting entries for the residual balances of Due from Line 1-SEP and Due to Line 1 NEP to Accumulated Surplus/(Deficit) to correct the accumulated errors recognized under Intra-Agency accounts (AOM 2024-14 CY 2023 AAR)	Reciprocal Accounts and Accumulated Surplus/(Deficit)	(335,630,759)
Correcting entries for the residual balances of Due from Line 1-SEP and Due to Line 1 NEP to Accumulated Surplus/(Deficit) to correct the accumulated errors recognized under Intra-Agency accounts (AOM 2024-14 CY 2023 AAR)	Reciprocal Accounts and Accumulated Surplus/(Deficit)	112,032,622
Correcting entries for the residual balances of Due from Line 1-SEP and Due to Line 1 NEP to Accumulated Surplus/(Deficit) to correct the accumulated errors recognized under Intra-Agency accounts (AOM 2024-14 CY 2023 AAR)	Reciprocal Accounts and Accumulated Surplus/(Deficit)	2,049,626,881

Nature of Error and Adjustments	Accounts Restated	Amount of Adjustments
Correcting entries for the residual balances of Due from Line 1 – SEP and Due to Line 1 NEP to Accumulated Surplus/(Deficit) to correct the accumulated errors recognized under Intra-Agency accounts (AOM 2024-14 CY 2023 AAR)	Reciprocal Accounts and Accumulated Surplus/(Deficit)	(823,755,578)
Correcting entries for the residual balances of Due from Line 1 – SEP and Due to Line 1 NEP to Accumulated Surplus/(Deficit) to correct the accumulated errors recognized under Intra-Agency accounts (AOM 2024-14 CY 2023 AAR)	Reciprocal Accounts and Accumulated Surplus/(Deficit)	(62,171,247)
GRAND TOTAL		4,995,149,774

7. CASH AND CASH EQUIVALENTS

This account consists of the following:

Particulars	2023	2022 (As Restated)
Cash on Hand	7,954,399	6,193,151
Cash in Banks - Local Currency	5,587,132,859	5,676,224,493
Cash in Banks - Foreign Currency	0	3,347,308
Cash Equivalents	0	10,779,162
Total	5,595,087,258	5,696,544,114

Cash and Cash Equivalents include the following:

Cash in Bank represents the balance of deposits to different Authorized Government Depository Banks (AGDBs) such as Land Bank of the Philippines (LBP), and Development Bank of the Philippines (DBP). It also includes the following accounts:

- a. *Line 1 South Rehabilitation Projects and North Extension Projects accounts* represent the balances of the subsidies received from the National Government intended for the aforesaid projects. These also include downloaded funds from DOTr funds which are deposited under separate bank accounts and all interests accruing on these deposits are taken up as current income. These are considered restricted cash since these are funds intended for specific purposes. This was reclassified to Cash and Cash Equivalents in CY 2020.
- b. *Financial Assistance to Passengers* represents cash set up to cover the expenses of passengers in case of accident.
- c. *Collaterals for Legal Cases* are appeal bonds on various labor cases filed by former employees of Metro Transit Organization, Inc. which were paid by LRTA in 2016.

Cash Equivalents includes High-Yield Savings Accounts (HYSA) deposit of LRTA with a placement term of 90-days or less.

8. INVESTMENTS

Particulars	2023	2022 (As Restated)
Investments in Time Deposits - Local Currency	1,096,344	555,344
Investments in Time Deposits - Foreign Currency	7,033,475	0
Total	8,129,819	555,344

Investments in Time Deposits are mainly placement of time deposits for more than ninety-one (91) days.

9. RECEIVABLES

Particulars	2023	2022 (As Restated)
Receivables	1,354,098,935	1,086,845,087
Inter-Agency Receivables	110,222,988	161,576,567
Lease Receivables	17,366,352	21,222,401
Other Receivables	38,070,439	36,871,429
Total	1,519,758,714	1,306,515,484

9.1 Receivables

Particulars	2023	2022 (As Restated)
Service Concession Arrangement Receivables	1,339,207,581	1,078,322,988
Interest Receivables	14,891,354	8,522,099
Dividend Receivables	4,099	4,099
<i>Allowance for Impairment Loss</i>	(4,099)	(4,099)
Total	1,354,098,935	1,086,845,087

Service Concession Arrangement Receivables represents the accrual of the concession payments for the Manila LRT Line 1 Extension, Operation and Maintenance Project. The balance represents the quarterly concession payments that should have been received by the grantor for the remaining periods of the concession agreement.

Interest Receivables are receivable representing the accrual of interest earned on High-Yield Savings Accounts.

Dividend Receivables represents dividends earned from shares of stocks from PLDT.

Allowance for Impairment Loss represents provision for losses from the non-collection of Dividends Receivables.

9.2 Inter-Agency Receivables

Particulars	2023	2022 (As Restated)
Due from National Government Agency	98,037,880	149,387,459
Due from Local Government Unit	12,185,108	12,185,108
Due from Government Corporation	261,077	265,077
<i>Allowance for Impairment Loss</i>	(261,077)	(261,077)
Net Value of Due from Government Corporation	0	4,000
Total	110,222,988	161,576,567

Due from National Government Agency pertains mainly to the funds transferred to PS-DBM for the procurement of supplies, equipment, infrastructure projects and consultancy services pursuant to the Memorandum of Agreement dated September 16, 2015 entered into by the PS-DBM and LRTA.

Due from Local Government Unit pertains to receivable from the Province of Cavite.

Due from Government Corporation pertains to receivable from Philippine National Construction Corporation (PNCC).

Allowance for Impairment Loss represents provision for losses from the non-collection of Due from Government Corporation.

9.3 Lease Receivables

Particulars	2023	2022 (As Restated)
Operating Lease Receivables	23,731,120	25,181,701
<i>Allowance for Impairment Loss</i>	(6,364,768)	(3,959,300)
Total	17,366,352	21,222,401

Operating Lease Receivables represents the amount due from various lessees of LRTA from commercial advertisements, lease of lands and other non-rail business of the Authority.

Allowance for Impairment Loss represents provision for losses from the non-collection of Operating Lease Receivables.

9.4 Other Receivables

Particulars	2023	2022 (As Restated)
Receivables – Disallowances/Charges	37,080,883	37,234,328
Due from Officers and Employees	338,598	264,265
<i>Allowance for Impairment Loss</i>	(150,817)	(153,499)
Net Value of Due from Officers and Employees	187,781	110,766

Other Receivables	30,572,678	30,452,348
<i>Allowance for Impairment Loss</i>	(29,770,903)	(30,926,013)
Net Value of Other Receivables	801,775	(473,665)
Total	38,070,439	36,871,429

Receivables – Disallowances/Charges pertains to the amount of disallowances/charges in audit due from employees of LRTA which have become final and executory.

Due from Officers and Employees pertains to the claims of LRTA from its employees for overpayment, cash shortages and others.

Allowance for Impairment Loss represents provision for losses from the non-collection of Due from Officers and Employees.

Other Receivables includes receivables from lessee for the lease of commercial space and for advertisement.

Allowance for Impairment Loss represents provision for losses from the non-collection of receivables from various lessees for the lease of commercial space and advertisement in LRT Line 2.

9.5 Aging/Analysis of the Receivables

Gross	Total	Current	Past Due	
			30-60days	>60days
Service Concession Arrangement Receivables	1,339,207,581	21,740,383	239,144,210	1,078,322,988
Inter-Agency Receivables	110,222,988			110,222,988
Lease Receivables	17,366,352			17,366,352
Interest Receivables	14,891,354	14,891,354		0
Other Receivables	38,070,439			38,070,439
Total	1,519,758,714	36,631,737	239,144,210	1,243,982,767

10. INVENTORIES

This account consists of inventory held for consumption:

Particulars	2023	2022 (As Restated)
Spare Parts Inventory	776,533,926	703,374,312
<i>Allowance for Impairment Loss</i>	(4,948,630)	(4,948,630)
Net Value of Spare Parts Inventory	771,585,296	698,425,682
Semi-Expendable Property, Plant and Equipment	3,191,230	77,000
Office Supplies Inventory	915,513	1,058,243
Other Supplies and Materials Inventory	2,162,220	827,177
Total	777,854,259	700,388,102

Spare Parts Inventory are spare parts being used/maintained for the repair and maintenance of rolling stocks and other system facilities.

Office Supplies Inventory pertains to the cost of acquired office supplies such as bond papers, pens, inks, envelopes and the like.

Other Supplies and Materials Inventory are supplies and materials used for the maintenance of service vehicles and other supplies such as alcohol and health-related supplies.

10.1 SEMI-EXPENDABLE PROPERTY, PLANT AND EQUIPMENT

Particulars	2023	2022 (As Restated)
Semi-Expendable Furniture, Fixtures and Books	2,519,775	77,000
Semi-Expendable ICT Equipment	397,079	0
Semi-Expendable Office Equipment	274,376	0
Total	3,191,230	77,000

Semi-Expendable Property, Plant and Equipment are tangible items which meet the definition and recognition criteria of PPE, but below the capitalization threshold of Fifty Thousand Pesos (P50,000.00).

11. OTHER CURRENT ASSETS

Particulars	2023	2022 (As Restated)
Advances to Contractors	68,157,722	70,190,324
Guaranty Deposits	38,086,101	38,086,102
Withholding Tax at Source	28,204,487	22,092,204
Input Tax	12,731,591	28,537,200
Prepaid Insurance	214,930	4,649,297
Other Prepayments	372,600	474,840
Total	147,767,431	164,029,967

Advances to Contractors consist of 15 percent mobilization fees on projects.

Guaranty Deposits account pertains to the deposits required by various creditors to guarantee payment of utilities such as electric, water and gas companies.

Withholding Tax at Source pertains to the creditable withholding tax deducted by LRTA from rentals, and other non-rail revenues.

Input Tax refers to value-added taxes imposed on local purchases of goods and services, which are deductibles from output taxes on rental or lease income of property.

Prepaid Insurance pertains to the insurance paid in advance by LRTA for government properties.

Other Prepayments pertains to prepayments made by LRTA for other prepaid expenses not falling under specific prepayment accounts.

12. PROPERTY, PLANT AND EQUIPMENT

This account is composed of the following:

As at December 31, 2023

Particulars	Land & Land Improvement	Buildings & Other Structures	Infrastructure Assets	Machinery & Equipment	Transportation Equipment	Furniture & Fixtures	AFCS Equipment	Service Concession Assets	Construction in Progress	Total
Carrying Value Jan. 01, 2023	7,131,622,101	960,254,605	14,409,078,117	331,740,937	1,001,834,402	561,120	(105,363,509)	17,769,268,962	3,631,689,985	45,130,686,720
Additions	87,624,534	151,509,967	4,964,623,823	3,251,510	408,054	0	188,049,193	6,477,621,998	285,332,559	12,158,421,638
Adjustments	(313,789,633)	0	(152,255,150)	(18,575)	607,888,140	0	0	132,450	(2,732,081,266)	(2,590,124,034)
Total	6,905,457,002	1,111,764,572	19,221,446,790	334,973,872	1,610,130,596	561,120	82,685,684	24,247,023,410	1,184,941,278	54,698,984,324
Depreciation	(4,774,636)	(39,855,815)	(785,768,870)	(48,487,859)	(307,824,067)	(139,460)	(17,864,673)	(1,359,942,734)	0	(2,564,658,114)
Impairment	0	0	(1,222,255)	0	(609,979,374)	0	0	0	0	(611,201,629)
Carrying Value Dec. 31, 2023	6,900,682,366	1,071,908,757	18,434,455,665	286,486,013	692,327,155	421,660	64,821,011	22,887,080,676	1,184,941,278	51,523,124,581
Cost	6,965,399,285	1,674,092,767	29,309,654,839	885,951,130	6,039,392,532	7,860,483	401,963,456	45,418,240,560	1,184,941,278	91,887,496,330
Acc. Depreciation	(64,716,919)	(602,184,010)	(10,528,027,020)	(599,465,117)	(3,686,800,248)	(7,438,823)	(255,777,738)	(22,531,159,884)	0	(38,275,569,759)
Acc. Impair. loss	0	0	(347,172,154)	0	(1,660,265,129)	0	(81,364,707)	0	0	(2,088,801,990)
Carrying Value Dec. 31, 2023	6,900,682,366	1,071,908,757	18,434,455,665	286,486,013	692,327,155	421,660	64,821,011	22,887,080,676	1,184,941,278	51,523,124,581

As at December 31, 2022 (As restated)

Particulars	Land & Land Improvement	Buildings & Other Structures	Infrastructure Assets	Machinery & Equipment	Transportation Equipment	Furniture & Fixtures	AFCS Equipment	Service Concession Assets	Construction in Progress	Total
Carrying Value Jan. 01, 2022	6,896,709,701	985,672,859	12,617,284,351	352,540,977	1,530,639,477	838,278	21,177,927	19,146,563,231	2,176,511,993	43,727,938,794
Additions	381,164,439	14,343,106	2,621,550,234	59,515,966	472,505	0	0	0	3,047,586,327	6,124,632,577
Adjustments	(123,286,755)	(80,640)	(61,343,680)	(29,499,615)	(8,900,418)	(139,808)	(108,676,763)	(10,253,899)	(1,592,408,335)	(1,934,589,913)
Total	7,154,587,385	999,935,325	15,177,490,905	382,557,328	1,522,211,564	698,470	(87,498,836)	19,136,309,332	3,631,689,985	47,917,981,458
Depreciation	(22,965,284)	(39,680,720)	(768,412,788)	(50,816,391)	(520,377,162)	(137,350)	(17,864,673)	(1,367,040,370)	0	(2,787,294,738)
Impairment	0	0	0	0	0	0	0	0	0	0
Carrying Value Dec. 31, 2022	7,131,622,101	960,254,605	14,409,078,117	331,740,937	1,001,834,402	561,120	(105,363,509)	17,769,268,962	3,631,689,985	45,130,686,720
Cost	7,190,796,985	1,522,582,800	24,345,031,016	881,950,232	6,040,951,100	7,860,483	213,914,262	38,937,969,570	3,631,689,985	82,772,746,433
Acc. Depreciation	(59,174,884)	(562,328,195)	(9,588,916,201)	(550,209,295)	(3,988,830,944)	(7,299,363)	(237,913,064)	(21,168,700,608)	0	(36,163,372,554)
Acc. Impair. loss	0	0	(347,036,698)	0	(1,050,285,754)	0	(81,364,707)	0	0	(1,478,687,159)
Carrying Value Dec. 31, 2022	7,131,622,101	960,254,605	14,409,078,117	331,740,937	1,001,834,402	561,120	(105,363,509)	17,769,268,962	3,631,689,985	45,130,686,720

13. INVESTMENT PROPERTY

Particulars	2023	2022 (As Restated)
-------------	------	-----------------------

Investment Property-Land	475,466,370	475,466,370
---------------------------------	--------------------	--------------------

Investment Property-Land represents the cost of land used to earn rentals and other idle lands of the Authority. The land subject for lease has total area of 30,338.50 square meters.

14. OTHER NON-CURRENT ASSETS

Particulars	2023	2022 (As Restated)
Other Investments	14,716,501	14,716,501
<i>Allowance for Impairment Loss</i>	(14,500,000)	(14,500,000)
Total	216,501	216,501

The remaining balance of this account pertains to investments in Philippine Long-Distance Telephone Company which remained dormant as at year-end.

15. FINANCIAL LIABILITIES - CURRENT

This account consists of the following:

Particulars	2023	2022 (As Restated)
Payables	295,503,444	324,315,576
Loans Payables	1,664,505,571	1,772,603,275
Total	1,960,009,015	2,096,918,851

15.1 Payables

Particulars	2023	2022 (As Restated)
Accounts Payable	230,325,703	249,436,768
Interest Payable	63,059,366	73,522,134
Due to Officers and Employees	1,283,137	0
Insurance Payable (HMO)	835,238	1,356,674
Total	295,503,444	324,315,576

Accounts Payable pertains to recognition of payable from the goods and services acquired on account such as security and janitorial services, supplies and inventories and utilities.

Interest Payable pertains to the accrual of interest on loans and other indebtedness, whether short-term or long-term.

Due to Officers and Employees pertains to the incurrence of liability to officers and employees for salaries, benefits and other emoluments.

15.2 Loans Payable

Particulars	2023	2022 (As Restated)
Loans Payable-Foreign	1,664,505,571	1,772,603,275

Loans Payable – Foreign pertains to the portion of the Non-Current Loans Payable – Foreign which is due within the reporting period.

16. INTER-AGENCY PAYABLES

This account consists of the following:

Particulars	2023	2022 (As Restated)
Due to LGUs	676,863,411	676,863,411
Due to NGAs	71,539,465	0
Due to BIR	38,270,869	27,155,594
Due to GSIS	11,666,237	8,347,350
Due to PhilHealth	2,601,375	1,135,971
Due to Pag-IBIG	988,231	877,220
Value Added Tax Payable	1,383,478	76,921
Total	803,313,066	714,456,467

Due to Local Government Units (LGUs) represent accrued real property taxes on real property owned by LRTA located in Manila, Quezon City, Caloocan, Pasay and Marikina City. The Special Civil Action (SCA) Case No. C-21292-5 between LRTA vs. City of Manila was submitted for resolution. In addition, SCA Case No. C-1080-2012 Regional Trial Court (RTC) Branch 126 between LRTA vs. City of Caloocan represented by the City Treasurer and the City Assessor is pending with the Supreme Court. Further, Supreme Court decided in favor of LRTA under Case No. R-RS-12-09347-CV RTC Branch 10 between LRTA vs. City of Pasay. Furthermore, in case of LRTA vs City of Marikina represented by the City Treasurer and the City Assessor with Case No. 12-838 RTC Branch 263, resolution is pending with trial court.

Lastly, in its decision under G.R. No. 155650 (MIAA vs. Court of Appeals, et. al.) dated July 20, 2006, the Supreme Court ruled that the Manila International Airport Authority (MIAA) is exempt from payment of real estate taxes on airport land, buildings, except those leased to private parties. Essentially, LRTA is similarly situated with MIAA in terms of the nature, manner and purpose of creation.

Due to National Government Agencies (NGAs) pertains to amount payable to BTr and other inter-agency transaction such as cost of audit from COA.

Due to Bureau of Internal Revenue (BIR) pertains to the taxes withheld from the salaries and other benefits of officers and employees of LRTA and from goods and services procured.

Due to Government Service Insurance System (GSIS) pertains to the withheld amount of LRTA employees' premium payments and other payables for remittance to the GSIS.

Due to Philippine Health Insurance Corporation (PhilHealth) pertains the withheld amount of LRTA employees' premium payment for remittance to the PHIC.

Due to Pag IBIG pertains to the withheld LRTA employees' premium payments and other payables for remittance to the Home Development Mutual Fund (HDMF).

Value Added Tax Payable pertains to the tax withheld by LRTA from various sources which are to be remitted to the BIR.

17. TRUST LIABILITIES

Particulars	2023	2022 (As Restated)
Trust Liabilities	2,147,949,866	2,198,457,700
Guaranty/Security Deposit Payable	197,861,999	202,321,612
Customers Deposits Payable	28,090,290	26,906,402
Total	2,373,902,155	2,427,685,714

Trust Liabilities represents the outstanding balance of fund transfers received mainly from the DOTr in compliance with various project agreements requiring periodic liquidation.

Guaranty/Security Deposit Payable represents the amount of received/withheld cash from contractors required in the performance of the contract and security to correct all discovered defects and settle third-party liabilities.

Customers Deposits Payable represents the security deposits collected from Non-Rail Lease Agreements to serve as security for payment of unpaid fees and possible damage caused during the installation and dismantling of advertising materials.

18. DEFERRED CREDITS / UNEARNED INCOME

This account consists of the following:

Particulars	2023	2022 (As Restated)
Unearned Revenue/Income	0	11,224,516
Other Deferred Credits	15,179,819	7,239,638
Total	15,179,819	18,464,154

Unearned Revenue/Income represents the advance payment collected from Non-Rail Lease Agreements.

Other Deferred Credits represents unearned collection from other transactions not falling under any specific deferred credits accounts.

19. PROVISIONS

Particulars	2023	2022 (As Restated)
Leave Benefits Payables	143,729,026	143,947,059
Other Provision – Tax Payable	4,273,234	0
Total	148,002,260	143,947,059

Leave Benefits Payables represents the accrual of money value of the earned leave credits of LRTA personnel.

Other Provision – Tax Payable pertains to the estimated tax withheld at year-end from accrued payables recognized.

20. OTHER PAYABLES

Particulars	2023	2022 (As Restated)
Other Payables	5,935,321	27,482,270

Other Payables represents obligations to various parties not falling under any of the specific payable accounts. This includes settlement and issued value with AF Payments, Inc. (AFPI) and cash bond of LRTA employees.

21. FINANCIAL LIABILITIES - NON-CURRENT

Particulars	2023	2022 (As Restated)
Loans Payables – Foreign	8,402,225,522	10,600,222,253
Due to Treasurer of the Philippines	47,839,445,756	43,631,650,632
Total	56,241,671,278	54,231,872,885

21.1 Loans Payables – Foreign

Particulars	2023	2022 (As Restated)
Loans Payables	8,402,225,522	10,600,222,253

The Projects implemented by the Authority are substantially funded through loan financing. Significant sources are foreign loans requiring repayment in currencies other than the Philippine peso, primarily in US dollars. The proceeds of the loans were utilized mainly in the acquisition of LRVs, the construction of the LRT Depot, Stations and Terminals and all other structures needed for the Light Rail System, as well as other related projects. Details are as follows:

Creditor	Terms	Interest Rates	2023	2022 (As Restated)
Foreign Loans				
Belgian State	30 years	5.02%+1%	190,724,759	204,226,900
DOF-Belgian State Loans				
Rehab I	30 years	Interest Free	0	0
Rehab II	20 years	1% relending rate	20,909,640	29,998,793

Natexis Banque	21 years	1.5% + 1%	734,960	6,429,507
Japan Bank for International Corporation Loans				
PH-P137	30 years	3%+ 2% relending rate	0	24,345,702
PH-P148	20 years	3%+1.9%	178,144,002	379,698,134
PH-P167	20 years	Prin I –2.7%,Prin II– 2.3% + 1% SF	983,201,952	1,466,925,405
PH-P171	20 years	Prin I –2.7%,Prin II– 2.3% + 1% SF	1,745,626,450	2,391,845,071
PH-P185	30 years	0.75% + 1% SF	2,595,603,807	2,950,559,578
PH-P211	30 years	0.75% + 1% SF	3,963,578,726	4,480,008,681
PH-P211A		0.75% + 1% SF	388,206,797	438,787,757
Total			10,066,731,093	12,372,825,528
Current Portion			(1,664,505,571)	(1,772,603,275)
Long-Term Loans Payable			8,402,225,522	10,600,222,253

i. *Belgian State Loan*

This represents the peso equivalent of the foreign loans granted by the Government of Belgium. The first loan (Rehabilitation Project Phase I) is interest free, maturing in 30 years with a grace period of 10 years up to year 2013. The second loan (Rehabilitation of Rolling Stocks) is interest bearing calculated at fixed rate of 5.02 percent per annum plus one percent, repayable in 20 annual installments starting December 31, 2006.

ii. *Department of Finance - Belgian State Loan*

A Subsidiary Loan Agreement was entered into with the Department of Finance (DOF) in October 1992 for a Belgian State Loan amounting to Belgian Franc (BFR) 150.000 million. LRTA has put up an equivalent amount as counterpart with a maturity of 30 years. The proceeds were utilized for the Rehabilitation of LRT Line 1. Another Subsidiary Loan Agreement was entered to finance the Rehabilitation of Rolling Stocks (LRT Line 1) on February 10, 1997, amounting to BFR 131.670 million.

iii. *Natexis Banque*

The Government of the French Republic and the Government of the Republic of the Philippines signed a Financial Protocol on December 18, 1995, by virtue of which the French Government has provided credit facilities to the Philippines amounting to French Franc (FF) 162.051 million including a French Treasury grant of FF 2.021 million and a French Treasury Loan of FF 96.018 million. Relative to these mixed credits, LRTA entered into a contract with *Natexis Banque* (formerly Credit Nationale) on August 30, 1996, for a treasury loan of a maximum amount of FF 33.834 million intended to finance the purchase of French goods and services relating to the Automated Fare Collection System Project. The loan is divided in successive portions, each of which corresponds to the drawings made by the *Natexis Banque* during a calendar quarter. Each of the loan, which has a duration of 21 years, is repayable within 19 years in 38 equal and successive half yearly installments and bears interest at the rate of 1 ½ percent per annum, computed on the disbursed and not yet repaid amount.

iv. *Japan Bank International Corporation (JBIC)*

The Philippine Government entered into several Loan Agreements with the JBIC that financed the following LRTA projects:

Name of Project	Ref.	Date of Agreement	Principal Amount In Yen
Engineering services for Line 1 Capacity Expansion Project and LRT 2 construction	PH-P-137	12-16-1993	1,259,000,000
Line 1 Capacity Expansion Project, Phase1	PH-P-148	12-20-1994	9,795,000,000
Line 2 Project – Non-consulting services (Principal 1) and Consulting services (Principal II)	PH-P-167	03-26-1996	24,712,000,000
Line 2 Package 3 Project	PH-P-171	10-14-1997	26,344,000,000
Line 2 Package 4 Project	PH-P-185	09-18-1998	23,668,000,000
Line 1 Capacity Expansion Project Phase II	PH-P-211 PH-P211A	04-07-2000 10-31-2000	22,262,000,000

21.2 Due to Treasurer of the Philippines

Particulars	2023	2022 (As Restated)
Due to Treasurer of the Philippines	47,839,445,756	43,631,650,632

This pertains to advances by the BTr for the amortization of principal and interest on foreign loans incurred for LRT Lines 1 and 2 which could not be financed by corporate funds.

Particulars	2023	2022 (As Restated)
Regular Loans		
Line 1		
Belgian State Loan (#12) BFr 150M	54,655,627	54,655,628
Belgian State Loan (#13) BFr 131.67M	60,531,761	50,273,685
OECD/JBIC Loan PH P 148 and 137	1,572,462,174	1,371,623,076
NG Spread for JBIC Loan PH P 137	5,177,723	4,924,305
NG Spread for JBIC Loan PH P 148	117,998,234	111,816,473
OECD/JBIC Loan PH P 211	2,150,140,016	1,864,526,206
OECD/JBIC Loan PH P 211A	155,691,610	141,794,125
NG Spread for JBIC Loan PH P 211 and 211A	353,995,672	309,819,823
French Protocol	74,641,485	60,204,123
Fortis Bank–Modernization Phase II	159,766	159,766
Fortis Bank–Modernization Phase II–NG Spread	(3,685)	(3,685)
Belgian State Loan (#14) Modernization Phase II	140,970,340	119,430,573
PCIR and New Money Bonds	574,185,054	574,185,054
Swiss Transfer Facility	391,517	391,517
Line 2		
OECD Loan PH P167	11,475,175,465	10,002,430,553

Particulars	2023	2022 (As Restated)
OECF Loan PH P171(including NG Spread)	15,312,092,731	14,739,571,927
OECF Loan PH P185 (including NG Spread)	4,613,168,705	4,402,420,605
Guarantee Fee Line1-French Protocol and Line 2 OECF PH P 167	0	1,038,746,111
Interest on Net Lending-Regular Loans Lines 1 and 2	11,123,351,356	8,707,734,502
Interest on Net Lending-PCIR and NMBs	54,660,205	54,660,205
Total Loans	47,839,445,756	43,609,364,572
Other Payables	0	22,286,060
Total	47,839,445,756	43,631,650,632

22. GOVERNMENT EQUITY

The P3.000 Billion approved Capitalization of LRTA, under EO No. 603, amended by EO Nos. 830 and 210 dated September 22, 1982, and July 7, 1987, respectively, is almost fully subscribed amounting to P2.986 Billion.

23. CONTRIBUTED CAPITAL

This account represents mainly the Net Assets from the consolidation of all accounts of Fund 101 and 102 under the Modified Disbursement Scheme (MDS) to LRTA books.

Separate sets of Books of Accounts were maintained for Subsidies received by LRTA from the National Government, released through the DOTr, formerly known as DOTC, under the MDS, pursuant to the Special Provision under the General Appropriations Act.

The Commission on Audit recommended in the Annual Audit Reports for CYs 2010 and 2011 to recognize the indirect subsidies as LRTA's assets with a corresponding credit to the account "Deposits for Future Subscriptions" since ultimately the indirect subsidies received from the National Government will be converted into Equity upon the enactment of a law increasing the capitalization of LRTA. The transactions pertaining to the receipt and utilization of the Subsidies should be accounted and consolidated in the LRTA corporate books to ensure that the Financial Statements of LRTA present the complete picture of the Authority's financial position and results of operations.

This matter has been brought to the attention of the DOTr for definite guidelines. The consolidation of these accounts was implemented in year 2012 without prejudice to the maintenance of separate records and reportorial requirements of the DOTr.

24. ACCUMULATED DEFICIT

The amount represents the cumulative result of normal and continuous operations of LRTA including prior period effects of changes in accounting policy and error corrections.

25. SERVICE AND BUSINESS INCOME

Particulars	2023	2022 (As Restated)
Service Income		
Fines and Penalties–Service Income	13,678,335	1,419,031
Other Service Income–Gross Availability Payment	45,675,241	41,863,318
Total Service Income	59,353,576	43,282,349
Business Income		
Transportation System Fees	1,096,348,506	625,077,529
Service Concession Revenue	260,884,593	260,884,593
Rental Income	136,263,873	103,678,314
Interest Income	51,637,812	29,129,108
Total Business Income	1,545,134,784	1,018,769,544
Total	1,604,488,360	1,062,051,893

Fines and Penalties – Service Income pertains to fee collected for the processing of documents for fines and penalties charged to service income.

Other Service Income – Gross Availability Payment represents cash received from AFPI as specified under Section 16.2 of the Automated Fare Collection System (AFCS) Concession Agreement.

Transportation System Fees represents the amount of ticket sales from the revenue operation of LRT Line 2.

Service Concession Revenue represents the amount of accrual of the Total Concession Fee of P9.350 billion for the Service Concession Agreement (SCA) with Light Rail Manila Corporation (LRMC) for the Extension, Operations and Maintenance of Manila LRT1 System. The concession period is 32 years effective on September 12, 2015.

Rental Income includes income from non-rail business of the Authority such as commercial advertisements, stall rentals, land leases and inter-connection access.

Interest Income represents the amount of interests earned from deposits from the AGDBs of the Authority.

26. PERSONNEL SERVICES

This account consists of the following:

Particulars	2023	2022 (As Restated)
Salaries and Wages	350,384,691	356,545,230
Other Compensation	129,001,773	146,703,481
Personnel Benefit Contributions	50,770,808	50,580,618
Other Personnel Benefits	71,134,630	59,648,094
Total	601,291,902	613,477,423

26.1 Salaries and Wages

Particulars	2023	2022 (As Restated)
Salaries and Wages - Regular	211,080,501	214,095,390
Salaries and Wages – Casual/Contractual	139,304,190	142,449,840
Total	350,384,691	356,545,230

Salaries and Wages – Regular pertains to services rendered by LRTA employees occupying regular positions.

Salaries and Wages – Contractual pertains to services rendered by employees contracted/hired by LRTA to perform regular functions and specific vital activities or services.

26.2 Other Compensation

Other Compensation represents other benefits paid to LRTA employees authorized by law.

Particulars	2023	2022 (As Restated)
Year End Bonus	28,095,333	30,935,577
Mid-Year Bonus	28,248,090	27,285,707
Overtime Pay	21,144,814	24,737,535
Personal Economic Relief Allowance	18,155,860	17,906,409
Clothing Allowance	4,608,000	4,578,000
Cash Gift	3,790,500	3,779,250
Representation Allowance	3,184,625	2,993,125
Transportation Allowance	1,927,376	1,666,875
Longevity Pay	445,000	520,000
Directors and Committee Members Fee	324,000	364,000
Honoraria	23,000	341,981
Hazard Pay	0	6,789,500
Productivity Incentive Allowance	0	27,298
Other Bonus and Allowances	19,055,175	24,778,224
Total	129,001,773	146,703,481

26.3 Personnel Benefit Contributions

Personnel Benefit Contributions pertains to government share for the premium contribution to GSIS, Pag-IBIG, PhilHealth and ECC.

Particulars	2023	2022 (As Restated)
Retirement and Life Insurance Premiums	42,160,004	42,099,343
PhilHealth Contributions	6,665,976	6,646,175
Employees Compensation Insurance Premiums	1,014,428	896,100
Pag-IBIG Contributions	930,400	939,000
Total	50,770,808	50,580,618

26.4 Other Personnel Benefits

Other Personnel Benefits pertains to other benefits received by LRTA employees such as money value of the accumulated leaves.

Particulars	2023	2022 (As Restated)
Terminal Leave Benefits	35,011,208	35,620,571
Other Personnel Benefits	36,123,422	24,027,523
Total	71,134,630	59,648,094

27. MAINTENANCE AND OTHER OPERATING EXPENSES

This account consists of the following:

Particulars	2023	2022 (As Restated)
Professional Services	68,963,542	71,297,608
Taxes, Insurance Premiums and Other Fees	61,919,581	41,280,200
General Services	19,707,478	16,258,983
Supplies and Materials Expenses	14,074,822	20,789,756
Repairs and Maintenance	13,041,752	3,684,286
Training and Scholarship Expenses	3,738,012	1,355,688
Communication Expenses	3,027,063	3,015,641
Utility Expenses	2,710,592	2,482,052
Survey Expenses	1,370,000	45,000
Travelling Expenses	734,615	17,600
Awards/Rewards Expenses	304,000	160,000
Other Maintenance and Operating Expenses	5,360,046	4,390,839
Total	194,951,503	164,777,653

27.1 Professional Services

Particulars	2023	2022 (As Restated)
Legal Services	13,057,512	1,108,072
Auditing Services	7,815,653	9,421,810
Consultancy Services	3,329,428	19,078,917
Other Professional Services	44,760,949	41,688,809
Total	68,963,542	71,297,608

Legal Services represents cost incurred for authorized legal services, rendered by lawyers hired by LRTA. It also includes special counsel allowances granted to government lawyers for representing as LRTA's special counsel in court.

Auditing Services pertains to cost of auditing services rendered by COA.

Consultancy Services pertains to cost of services rendered by consultants contracted to perform particular outputs or services primarily advisory in nature and requiring highly specialized or technical expertise.

Other Professional Services represents cost of other professional services contracted by LRTA.

27.2 Taxes, Insurance Premiums and Other Fees

Particulars	2023	2022 (As Restated)
Taxes, Duties and Licenses	46,299,175	30,377,772
Insurance Expenses	524,025	584,124
Fidelity Bond Premiums	15,096,381	10,318,304
Total	61,919,581	41,280,200

Taxes Duties and Licenses pertains to the amount of taxes, duties, licenses and other fees to regulatory entities. It also includes taxes on interest income on savings deposits and time deposits.

Insurance Expenses pertains to amount of premiums paid by LRTA for the insurable government properties of LRTA.

Fidelity Bond Premiums represents the amount of premiums paid by LRTA for the fidelity bonds of the accountable officers.

27.3 General Services

Particulars	2023	2022 (As Restated)
Security Services	19,707,478	16,258,983

Security Services represents the cost of security services contracted by LRTA.

27.4 Supplies and Materials Expenses

Supplies and Materials Expenses represents cost of supplies used by LRTA for a day-to-day operation, as follows: Office Supplies, Fuel and Oil, drugs and medicine, semi-expendable properties and the likes.

Particulars	2023	2022 (As Restated)
Office Supplies Expenses	3,201,180	4,082,969
Fuel, Oil, and Lubricant Expenses	2,216,645	2,175,662
Drugs and Medicine Expenses	121,150	0
Semi-Expendable-Machinery and Equipment	75,965	382,726
Semi-Expendable-Furniture and Fixtures	0	409,226
Other Supplies and Material Expenses	8,459,882	13,739,173
Total	14,074,822	20,789,756

27.5 Repairs and Maintenance

Particulars	2023	2022 (As Restated)
Repairs and Maintenance - Railways	11,890,138	0
Repairs and Maintenance - Motor Vehicles	658,770	645,597
Repairs and Maintenance - Office Building	470,256	2,699,314
Repairs and Maintenance - Trains	21,188	339,375
Repairs and Maintenance - Office Equipment	1,400	0
Total	13,041,752	3,684,286

Repairs and Maintenance Expenses represents cost of repairs and maintenance of LRTA that do not qualify for recognition as PPE.

27.6 Training and Scholarship Expenses

Particulars	2023	2022 (As Restated)
Training Expenses	3,738,012	1,355,688

Training Expenses pertains to the cost incurred for the participation/attendance in and conduct of seminars, trainings and conventions.

27.7 Communication Expenses

Communication Expenses represents expenses such as postages, telephones and internet subscriptions

Particulars	2023	2022 (As Restated)
Internet Subscription Expenses	1,413,213	1,165,753
Telephone Expense-Mobile	1,265,300	1,259,400
Telephone Expense-Landline	331,837	560,118
Postage and Courier Services	16,713	30,370
Total	3,027,063	3,015,641

27.8 Utility Expenses

Particulars	2023	2022 (As Restated)
Electricity Expenses	2,710,593	2,474,982
Water Expenses	0	7,070
Total	2,710,593	2,482,052

Electricity Expenses pertains to electricity consumption in LRTA Line 2 Depot in Santolan, Pasig City.

27.9 Survey Expenses

Particulars	2023	2022 (As Restated)
Survey Expenses	1,370,000	45,000

Survey Expenses pertains to the cost incurred in the conduct of structural, statistical survey of LRTA.

27.10 Travelling Expenses

Particulars	2023	2022 (As Restated)
Travelling Expenses	734,615	17,600

Travelling Expenses represents cost incurred by LRTA employees for travel which includes transportation fee, per diems and other related allowances.

27.11 Awards/Rewards Expenses

Particulars	2023	2022 (As Restated)
Awards/Rewards Expenses	304,000	160,000

Awards/Rewards Expenses pertains to the amount given to LRTA employees in recognition of their achievement and excellent performance.

27.12 Other Maintenance and Operating Expenses

Other Maintenance and Other Operating Expenses represents other expenses such as those incurred in official meetings, advertisement in any form of media, printing of forms, rental of properties and others.

Particulars	2023	2022 (As Restated)
Advertising, Promotional and Marketing Expenses	557,971	33,054
Representation Expenses	434,499	436,490
Miscellaneous and Extraordinary Expenses	179,167	220,997
Printing and Binding Expenses	106,925	34,750
Rent/Lease Expenses	68,560	3,600
Transportation and Delivery Expenses	1,078	3,514
Documentary Stamp Expenses	9,497	38,450
Other MOOE-Other Expenses	4,002,349	3,619,984
Total	5,360,046	4,390,839

28. FINANCIAL EXPENSES

Particulars	2023	2022 (As Restated)
Interest Expenses	2,689,297,673	1,532,233,711
Bank Charges	473,600	656,595

Other Financial Charges	5,221,201	0
Total	2,694,992,474	1,532,890,306

Interest Expenses pertains to the amount of interest charges incurred for the various loans of LRTA.

Bank Charges represents charges imposed by depository banks of LRTS for several services rendered such as cost of check books, penalties, cost of telegraphic transfers and the like.

Other Financial Charges represents cost incurred for the conversion of foreign loans using the selling rate of USD advanced by BTr at the time of transaction.

29. DIRECT COSTS

This account is comprised of the following which represents the amount incurred from the labor, spare parts issued, power, and other overhead expenditures for operations in maintaining LRT Line 2 system:

Particulars	2023	2022 (As Restated)
Direct Operating Cost-Overhead	326,540,267	273,061,200
Direct Operating Cost-Materials	280,246,020	63,109,063
Direct Operating Cost-Power	262,226,417	229,753,713
Direct Operating Cost-Maintenance of LRT System	157,480,812	372,671,931
Total	1,026,493,516	938,595,907

30. NON-CASH EXPENSES

This account consists of the following:

Particulars	2023	2022 (As Restated)
Depreciation	2,566,552,685	2,787,294,738
Impairment Loss	3,927,586	10,093,749
Total	2,570,480,271	2,797,388,487

30.1 Depreciation

Particulars	2023	2022 (As Restated)
Depreciation - Service Concession Assets	1,359,942,734	1,367,040,369
Depreciation - Railway System	782,165,243	764,809,162
Depreciation - Trains	307,159,067	517,522,804
Depreciation - Buildings	26,359,429	26,359,429
Depreciation - AFCS Equipment	17,864,673	17,864,673
Depreciation - Office Equipment	9,430,482	11,251,895

Particulars	2023	2022 (As Restated)
Depreciation - ICT Equipment	6,893,516	3,306,363
Depreciation - Land Improvement	4,774,636	22,965,284
Depreciation - Water Supply Systems	3,603,626	3,603,626
Depreciation - Motor Vehicle	1,894,571	2,189,358
Depreciation - Furniture, Fixtures and Books	139,460	137,350
Depreciation - Other Equipment	32,163,861	36,258,133
Depreciation - Other Structures	13,496,387	13,321,292
Depreciation - Other Transportation Equipt.	665,000	665,000
Total	2,566,552,685	2,787,294,738

Depreciation is the systematic allocation of the depreciation amount of the PPE over its useful life. LRTA uses straight-line method in depreciating its PPE with a five percent residual value.

30.2 Impairment Loss

Impairment Loss represents the portion of the cost of the asset to be written down due to unlikelihood of collectability and if deterioration or obsolescence is evident in the asset. This account is composed of the following:

Particulars	2023	2022 (As Restated)
Impairment Loss-Other Receivables	2,705,331	5,145,119
Impairment Loss-PPE	1,222,255	0
Impairment Loss-Spare Parts Inventory	0	4,948,630
Total	3,927,586	10,093,749

31. OTHER NON-OPERATING INCOME

Particulars	2023	2022 (As Restated)
Miscellaneous Income	1,263,182	1,554,180
Sale of Unserviceable Property	13,410	0
Total	1,276,592	1,554,180

Miscellaneous Income pertains to the income earned which are not classified under specific income accounts.

Sale of Unserviceable Property represents income from the disposal of unserviceable properties of LRTA.

32. GAINS

Particulars	2023	2022 (As Restated)
-------------	------	-----------------------

Gain on Foreign Exchange (FOREX)	696,093,429	791,505,386
---	--------------------	--------------------

Gain on Foreign Exchange pertains to the unrealized gain from the revaluation of foreign-denominated loans

33. LOSSES

Particulars	2023	2022 (As Restated)
Loss on Foreign Exchange	8,539,436	20,513,578

Loss on Foreign Exchange is a result of repayment and revaluation of various foreign-denominated loans, especially JBIC loans. The 2023 foreign exchange rate was US\$1 to P55.370 compared to US\$1 to P56.120 in December 2022.

34. SUBSIDY FROM NATIONAL GOVERNMENT

Particulars	2023	2022 (As Restated)
Total	7,746,724,719	3,638,062,855

Subsidy from National Government represents the received budgetary support from the Department of Budget and Management for the procurement of LRT Line maintenance contract, rehabilitation projects of LRT Lines 1 and 2 and operating subsidy. It also includes the liquidation of capitalizable expenditures incurred from fund transfers from the DOTr for LRT extension projects. This amount includes the cost of 4th Generation LRVs hand-over from DOTr to LRTA to LRMC.

35. RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES

Particulars	2023	2022 (As Restated)
Cash Inflows		
Collections of Revenue	1,287,353,602	725,158,620
Receipts of Assistance/Subsidy	1,054,479,923	1,018,152,000
Trust Receipts	12,752,260	831,605,087
Other Receipts	49,926,303	48,306,010
Total Cash Inflows	2,404,512,088	2,623,221,717
Cash Outflows		
Payment of Expenses	1,518,569,923	1,311,857,186
Purchase of Inventories	332,201,273	208,178,250
Remittance of Personnel Benefit Contribution	32,698,485	45,366,110
Other Disbursement	16,419,999	4,389,386
Total Cash Outflows	1,899,889,680	1,569,790,932
Net Cash Provided by Operation	504,622,408	1,053,430,785

36. RECONCILIATION OF BUDGET AND ACTUAL INFORMATION

The annual budget of the LRTA is prepared on a cash basis in compliance with EO No. 91 dated September 19, 2019 and Section 36, Chapter 5, Book VI of EO No. 292 or the “Administrative Code of 1987” and is published in the government website.

Cash-based budgeting is a budget system that proposes cash-based appropriations, which guarantees and authorizes payments for the items (goods and services) that are included in the budget over a limited period of time, generally corresponding to the fiscal year in consideration.

An explanation of variance in the final budget and actual amounts of receipts is as follows:

Particulars	Final Budget (a)	Actual Budget (b)	Difference (a – b)
Receipts			
National Government Subsidy	1,053,363,000	1,053,363,000	0
Subsidy/Downloaded Thru DOTr	1,189,506,796	1,179,875,486	9,631,310
Prior Years’ Subsidy	2,308,346,872	979,714,173	1,328,632,699
Subsidy for NG Advances	2,967,992,759	1,861,477,408	1,106,515,351
Corporate Funds			
Rail Revenues	1,090,213,020	1,134,743,004	(44,529,984)
Non-Rail Revenues	253,909,575	296,859,118	(42,949,543)
Beginning Balance	538,628,828	527,905,633	10,723,195
Total Receipts	9,401,960,850	7,033,937,822	2,368,023,028
Payments			
Personal Services	754,654,620	587,148,661	167,505,959
Maintenance and Other Operating Expenses	1,475,982,439	988,146,222	487,836,217
Capital Outlay	4,203,331,032	955,667,455	3,247,663,577
Debt Service/Financial Expenses			
Principal Repayment	2,406,887,097	1,615,886,373	791,000,723
Interest Payment	414,246,015	198,025,483	216,220,534
Guarantee Fees	144,359,647	103,020,690	41,338,957
Other Interest Charges	2,500,000	4,504	2,495,495
Total Payments	9,401,960,850	4,447,899,388	4,954,061,462
Net Receipts/Payments	0	2,586,038,434	(2,586,038,434)

37. INCOME TAXES

LRTA is subject to Regular Corporate Income Tax (RCIT). However, a Minimum Corporate Income Tax (MCIT) computed at the rate of two percent (2%) of Gross Rail

Revenue shall be imposed whenever the amount of MCIT is greater than the RCIT due. In CY 2023, no income tax expense has been recognized due to the incurred Loss.

38. INFORMATION REQUIRED UNDER REVENUE REGULATIONS No. 15-2010 OF THE BUREAU OF INTERNAL REVENUE

The BIR issued on November 25, 2010, Revenue Regulations (RR) No. 15-2010, amending certain provisions of RR No. 21-2002, companies requiring to provide information on taxes, duties and license fees paid or accrued during the taxable year. In compliance with said requirements, shown below are the comparative taxes, duties and licenses paid and/or accrued during the year.

Tax Type	2023	2022	Remarks
Common Carriers	24,354,103	15,049,467	LRTA is a non-VAT registered entity on its railway operations. However, pursuant to RR No. 2-98, it is subject to Common Carriers' Tax at the rate of three percent (3%) of Gross Revenue on Railway operations.
Value-Added Tax	7,386,247	5,345,890	VAT output tax declaration on Rental Income with respect to the LRTA's non-rail operations as a VAT-registered entity.
Withholding Tax on:			
a. Compensation and Benefits	35,470,024	43,493,286	
b. Creditable Withholding on:			
b.1 VAT	57,977,608	49,243,000	
b.2 EWT	21,924,890	19,779,273	
All Other Taxes			
a. Licenses and permits	474,840	1,392,190	
b. Car Registration	93,074	120,254	
Total	147,680,786	134,423,360	

a. Deficiency Tax Assessment

This pertains to the deficiency tax assessment of P9.300 million on VAT, Withholding Tax on Compensation Income, Expanded Withholding Tax and Withholding VAT for CY 2003. LRTA filed on February 02, 2012, a protest on the BIR's Final Assessment Notice dated November 23, 2011. As of December 31, 2023, no reply has been received from the BIR.

b. Real Property Tax Assessments

The cases for assessment of Real Property Taxes filed in five cities in Metro Manila are as follows:

Name of City	Amount
Caloocan City	1,163,138,057
Manila	1,022,255,405
Pasay City	659,665,917
Quezon City	515,204,769
Marikina City	62,614,065
Total	3,422,878,213

39. OTHER MATTERS

There are several pending claims and lawsuits instituted by or against the Authority, which include, among others the following:

- 39.1** An Arbitration Case No. 88-001 was instituted by the PNCC against LRTA for the recovery of various claims in connection with the contract for the design, supply, construction, installation and financing of the Metro Manila Light Rail Transit System No. 1 in the original amount of P1.400 billion.

Management and its legal counsel believe that the outcome of other claims and lawsuits would not have a material effect on the current year's financial statements.

39.2 Civil Cases

Case Title	Status/Remarks
LRTA VS. Sights and Sites Outdoor Advertising Inc. R-RH-14-15654 RTC Branch 115, Pasay City	Scheduled for presentation of evidence.
LRTA VS. Raymond Transport and all other persons claiming rights over it. MTC Manila, Branch 18 Rey C. Mordeno (LRT Passenger) vs. LRTA et. Al.	RTC remanded the case to MeTC for submission of Position Paper.
R-RH-14-15648-N RTC Branch 118, Pasay City	Petition for Review on Certiorari was filed before the Supreme Court last May 2, 2023.
Automation Specialists and Power Exponents Inc. vs. LRTA	Submitted for arbitration.
Civil Case No. MC16-10688 Isetann Department Store, Inc vs. LRTA	Pending with Court Appeals

Case Title	Status/Remarks
Civil Case No. 10-122974 RTC Branch 54, Manila	
Phoenix Omega and Development Corporation vs. LRTA	Submitted for resolution by the Tribunal.
Special Proceeding No. RMNL-18-06682-SP	
LRTA vs. Alimatar Datumanong Malic (Jewelmal)	Case decided in favor of LRTA.
Case No. M-PSY-20-00083-CV	
LRTA vs. Guidote Mercantile Corp.	Pending case in Regional Trial Court. There is an ongoing settlement of claims between the previous lawyer of Guidote and Guidote.
SCA No. 01101326 RTC Branch 52, Manila	
Jose Luis Quimson et. al vs. LRTA	Pending in court for continuation of presentation of evidence.
SP No. 16135196 RTC Branch 36, Manila	
ICC Case No. 27011/HTG in the Matter of an Arbitration under the 2021 Arbitration Rules of the International Chamber of Commerce between LRMC, and DOTr and LRTA	Submitted for resolution on jurisdictional matter.

39.3 Tax Cases

Cases	Status/Remarks
LRTA vs. Commissioner of Internal Revenue	LRTA filed a petition for Review before the Supreme Court on January 14, 2020. The Supreme Court rendered its decision on July 22, 2022, in favor of LRTA and remanded the case to the Court of Tax Appeals for decision.
Case No. 8746 3rd Division CTA Quezon City	
LRTA vs. Commissioner of Internal Revenue	Motion to Quash Writ of Execution was denied by the CTA. However, CTA reminded BIR to follow the COA rules on the money claims against government agencies.
Case No. 8893 1st Division	
LRTA vs. Commissioner of Internal Revenue	LRTA complied with the documentary requirements by the SC 3rd Division dated January 10, 2018. Awaiting resolution.
Case No. 8891 3rd Division	
LRTA vs. Bureau of Internal Revenue	Continuation of the Preliminary

Cases	Status/Remarks
represented by Caesar Dulay and/or Manuel Mapoy	Conference set on May 19, 2022.
OSJ Case No. 04-2020	
REAL PROPERTY	
LRTA vs. City of Pasay represented by the City Treasurer and the City Assessor	Supreme Court decided in favor of LRTA.
Case No. R-RS-12-09347-CV RTC Branch 109, Pasay City	
LRTA vs. City of Caloocan represented by the City Treasurer and the City Assessor	Pending with the Supreme Court.
SCA Case No. C-1080-2012 RTC Branch 126, Caloocan City	
LRTA vs. City of Manila represented by the City Treasurer and the City Assessor	Case submitted for resolution.
SCA Case No. 21292-5	
LRTA vs. City of Marikina represented by the City Treasurer and the City Assessor	Case pending with trial court. The City Assessor recognized earlier the Supreme Court decision on Real property tax.
SCA Case No. 12-838 RTC Branch 263, Marikina City	

39.4 Line 1 Expropriation Cases

Cases	Status/Remarks
PACKAGE 1	
LRTA vs. Heirs of Eleuteria Bernardo	Case is now terminated pending payment of just compensation.
Civil Case No. 11-0053/ Branch 195 Paranaque	
LRTA vs. Heirs of Faustino Bernardo	Case is now terminated, Board approved the proposed sale.
Civil Case No. 11-0052 Branch 274 Paranaque	
LRTA vs. Antonio F. Bernardo	Court granted the Writ of Possession and appointed the Board of Commissioners.
Civil Case No. 08-0265 Branch 195 Paranaque	
LRTA vs. Camille Clarisse P. Co	Ongoing trial.
Civil Case No. 2020-062 Branch 196 Paranaque	

Cases	Status/Remarks
LRTA vs. Stella Rodriguez et. al Civil Case No. 2020-078 Branch 274 Paranaque	Awaiting decision of Board of Commissioners.
LRTA vs. Heirs of Faustino Bernardo et. al. Civil Case No. 2020-107 Branch 257 Paranaque	LRTA Board approved the proposed sale.
LRTA vs. Adelfa Properties, Inc. Civil Case No. 2020-114 Branch 257 Paranaque	Awaiting decision of Board of Commissioners.
LRTA vs. Rosario de Leon and Fine Properties Inc. Civil Case No. 2020-115 Branch 257 Paranaque	Awaiting decision of Board of Commissioners.
PACKAGE 2	
LRTA vs. Carmen Miranda and Heirs of Catalina Aguilar SCA Case No. 08-0029 Branch 255 Las Pinas	The court already issued its decision for the payment of just compensation.
LRTA vs. Sarao Motors, Inc. SCA Case No. 08-001 Branch 198, Las Pinas	Motion for withdrawal of the complaint already granted. Affected by the new alignment.
LRTA vs. Carmen Miranda Villanueva Civil Case No. 21-0001 RTC Branch 254, Las Pinas	Awaiting for the grant of the motion for withdrawal of the complaint. Affected by the new alignment.
LRTA vs. Sps. Nestor and Norma Lim Civil Case No. 20-0006 Branch 201, Las Pinas	Motion for withdrawal of the complaint already granted. Affected by the new alignment.
LRTA vs. Sps. Noel and Irish Lim Civil Case No. 20-0004 Branch 198, Las Pinas	Motion for withdrawal of the complaint already granted. Affected by the new alignment.
LRTA vs. Eduardo de Leon Civil Case No. 20-0005 RTC Branch 253, Las Pinas	Writ of possession already served. Ongoing trial.
LRTA vs. Eartheaven Eco Community Inc.	Pending with Court of Appeals.

Cases	Status/Remarks
Civil Case No. 20-0003 RTC Branch 275, Las Pinas	
LRTA vs. Unknown Owner	Ongoing trial.
Civil Case SCA2 21-002	
LRTA vs. Rosario V. Delfin married to Mariano G. Bondoc	Ex-Parte Motion for Issuance of WOP was granted.
SCA Case No. 21-0003 RTC Branch 201, Las Pinas	
LRTA vs. Rosario V. Delfin De Bondoc, substituted by Antonio Delfin Bondoc, Ramon Delfin Bondoc, Eduardo Delfin Bondoc and Mariano Delfin Bondoc Jr.	Awaiting decision of Board of Commissioners.
SCA Case No. 21-0004 RTC Branch 201, Las Pinas	
PACKAGE 3	
LRTA vs. Julian Gregorio et. al	Court granted the motion for writ of possession. Awaiting decision of Board of Commissioners.
BCV No. 2014-223 Branch 19, Cavite	
LRTA vs. Cesar Eusebio	Ongoing expropriation proceeding. Defendant manifested that LRTA should purchase the orphaned lot. Board of Commissioners convened on May 19, 2022.
BCV No. 2011-45 Branch 89, Bacoor Cavite	
LRTA vs. Estate of Marcela Cuenca et. al.	Awaiting for the issuance of the Writ of Possession.
BCV No. 2009-104 Branch 89, Bacoor Cavite	
LRTA vs. Lucia Kalinisan et. al. (co- owner, Adelfa Properties Inc.)	Ongoing expropriation proceeding. Pre-trial re-scheduled to May 24, 2022.
BCV No. 2011-45 Branch 89, Bacoor Cavite	

39.5 Labor Cases

Cases	Status/Remarks
Ancheta, Joane et. al vs. Variance Security Agency and NLRC	With pending verified comment/ opposition.
NLRC NCR No. 11-13663-15	
LRTA vs. Joanne Ancheta et. al.	LRTA submitted a Compliance to the

Cases	Status/Remarks
CA-GR SP No. 148759	CA in relation to the April 10, 2018 CA decision.
Variance Security Agency Corp vs. NLRC, Joanne Ancheta et. al.	Awaiting resolution.
CA-GR SP No. 149440	
Miguel B. Robles vs. MTOI and LRTA	Pending with NLRC.
CA GR SP No. 104848	
LRTA vs. Hon. Labor Arbiter Madjayran H. Ajan and Hon. Sheriff Ireneo dela Cruz of NLRC	On appeal.
NLRC Lic No. 07-12-12	
LRTA vs. NLRC, Hon. Michelle P. Pagtalunan, et. al.	The NLRC 4th division issued an Entry of Judgement dated June 3, 2013 denying private respondents Motion to Vacate the Decision for lack of merit.
NLRC NCR Case No. 30-02-01191-02	
LRTA vs. Bienvenido Alvarez et. al.	Awaiting the NLRC decision on the appeal of LRTA.
NLRC Case No. 046112-05	
MTOI vs. Emilio et. al GR No. 203542	On appeal.
Emmanuel S. Hugo et. al vs. MTOI et. al.	NLRC 2nd Division held METRO solely liable for the monetary claims such decision became final and executory.
NLRC Case No.30-1191-02	
Emmanuel S. Hugo et. al. vs. NLRC	Awaiting resolution of the Motion for Reconsideration filed by LRTA.
CA GR SP. No. 130659	
Leopoldo Mendoza vs. MTOI and LRTA	Awaiting the NLRC decision on the appeal of complaint.
NLRC NCR Case No. 00-07-08504-03	
Marcelino Manahan vs. MTOI and LRTA	Enforcement of the writ of execution remains suspended because the complainants were ordered to file their claims with the COA.
NLRC NCR Case No. 00-07-08857-03	
LRTA vs. NLRC, Alabarca, et. al.	Awaiting resolution of the Petition for Certiorari filed with the CA.
CA GR SP No. 93092	
LRTA vs. Romulo Mendoza et. al.	Certain amount approved by DBM. No payment is made yet to the complainants.
GR No. 202322	
Esperanza A. Flores, Nelmer B. Espinosa, Roberto A. Soler, Prospero E. Parde, Jr. and George D. Deguia, for themselves and behalf of 224 other	The Court of Appeals Third Division dismissed the appeal of the petitioners. Decision in favor of LRTA.

Cases	Status/Remarks
former LRTA employees vs. LRTA	
SCA Case No. 18-00073-SC RTC Branch 71, Pasig City	
Edgar C. Malit, et. al. vs. MTOI, LRTA; Rodolfo Tan vs. MTOI, LRTA; Rolando A. Avendano vs. MTOI, LRTA	The Court of Appeals Seventh Division dismissed the appeal of the petitioners. Decision in favor of LRTA.
Lolita B. Atis et. al. vs. MTOI/LRTA	Motion for pre-execution conference. Execution is limited to MTOI and LRTA. Decision in favor of LRTA.
Ramon Catalan vs. MTOI/LRTA	Awaiting resolution.
NLRC NCR Case No. 00-07-08543-2003	
Edwin R. Moronia et. al. vs. MTOI/LRTA	Pending with the Commission on Audit Proper.
RCMB-NCR-RTA-08-0207-2019	
Raymond Vasquez et. al. vs. LRTA/MTOI	Pending with the Commission on Audit Proper.
RCMB-NCR-OSG-SENA-04-0024-2019	
Joselito Espineli et. al. vs. MTOI	LRTA filed its position paper.
NLRC 07-00111-21	
Nancy Franco et. al. vs. MTOI/LRTA	For conciliation.
SEAD No. NLRC-RAB-00448-21	
Ronie F. Billones et. al. vs. Metro Transit Organization Inc. and Light Rail Transit Authority et. al.	Ongoing litigation.
NLRC-CA No. 046842-05	

40. KEY MANAGEMENT PERSONNEL

a. Members of the Board

Position	Name	Office
Chairman of the Board	Sec. Jaime J. Bautista	DOTr
LRTA Administrator	Atty. Hernando T. Cabrera	LRTA
Ex-Officio-Member	Sec. Amenah F. Pangandaman	DBM
Ex-Officio-Member	Sec. Manuel M. Bonoan	DPWH
Ex-Officio-Member	Sec. Benjamin E. Diokno	DOF
Ex-Officio-Member	Atty. Romando S. Artes	MMDA
Ex-Officio-Member	Atty. Teofilo E. Guadiz III	LTFRB
Ex-Officio-Member	Sec. Arsenio M. Balisacan	NEDA

Position	Name	Office
Appointive Member	Atty. Dimapuno R. Datu	Private Sector

Note:

DOTr – Department of Transportation

LRTA – Light Rail Transit Authority

DBM – Department of Budget Management

DPWH – Department of Public Works and Highways

DOF – Department of Finance

MMDA – Metro Manila Development Authority

LTFRB - Land Transportation Franchising and Regulatory Board

NEDA – National Economic and Development Authority

b. LRTA Key Officials

Position/Designation	Name
LRTA Administrator	Atty. Hernando T. Cabrera
Officer-in-Charge (OIC) - Deputy Administrator for Administrative, Finance and Automated Fare Collection System and Concurrent Legal Department Manager	Atty. Jose Jobel V. Belarmino
OIC - Administrative Department Manager, Finance Department	Ms. Divina J. Guison
Manager, Automated Fare Collection System Services Department	Ms. Marilou B. Liscano
Deputy Administrator for Operations and Engineering	Mr. Nicolas G. Ombao
Manager, Line 1 Operations Department (Concession Agreement Management Team (CAMT) Head)	Mr. Paul Y. Chua PhD CESO III
Manager, Line 2 Operations Department	Mr. Felix Gerard R. Leyson
Manager, Lines 1 and 2 Engineering Department	Mr. Raymond C. Vazquez
Manager, Line 1 South Extension Project	Engr. Santos G. Abrazado
Manager, Line 2 West and East Extension Projects	Ms. Eleonor C. Palaypayon
	Engr. Joseph Dexter S. Buenconsejo