

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO

(A Component Unit of the Commonwealth of Puerto Rico)

Statement of Net Assets

March 31, 2008

	Governmental Activities	Business- type Activities	Total
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and due from banks	\$ -	\$ 33,936,601	\$ 33,936,601
Federal funds sold	-	499,500,000	499,500,000
Deposits placed with banks	-	1,467,097,531	1,467,097,531
Investments and investment contracts	-	2,409,260,126	2,409,260,126
Loans receivable, net	-	4,907,851,871	4,907,851,871
Interest and other receivables	1,591,025	219,947,208	221,538,233
Due from federal government	20,808,428		20,808,428
Internal Balances	(75,037,308)	75,037,308	-
Restricted assets			
Cash	4,845,027	18,269	4,863,296
Securities purchased under agreement to resell	-	-	-
Deposits placed with banks	79,149,791	-	79,149,791
Investments and investment contracts	83,074,436	-	83,074,436
Loans receivable, net	2,473,597	-	2,473,597
Real estate available for sale	-	58,187,189	58,187,189
Capital assets	-	25,669,158	25,669,158
Other assets	1,074,006	48,450,313	49,524,319
Total assets	<u>\$ 117,979,002</u>	<u>\$ 9,744,955,574</u>	<u>\$ 9,862,934,576</u>
Liabilities:			
Deposits, principally from the Commonwealth of Puerto Rico and its public entities:			
Demand	-	2,235,027,774	2,235,027,774
Certificates of deposit	-	1,841,652,837	1,841,652,837
Certificates of indebtedness	-	11,800,000	11,800,000
Securities sold under agreement to repurchase	-	480,000,000	480,000,000
Commercial paper	-	500,000	500,000
Accrued interest payable	6,565,870	37,677,133	44,243,003
Due to Commonwealth of Puerto Rico	-	17,634	17,634
Accrued liabilities	14,527,407	48,536,823	63,064,230
Allowance for losses on guarantees and letters of credit	-	3,101,744	3,101,744
Bonds payable due in more than one year	-	1,741,732,511	1,741,732,511
Note payable due in more than one year	3,698,538		3,698,538
Liabilities payable from restricted assets:			
Accrued liabilities	-	2,360,628	2,360,628
Bonds payable	-	1,082,323,387	1,082,323,387
Total liabilities	<u>24,791,815</u>	<u>7,484,730,471</u>	<u>7,509,522,286</u>
Net assets (deficit):			
Invested in capital assets	-	25,669,158	25,669,158
Restricted for:			
Debt service	12,866,665		12,866,665
Affordable housing programs	69,273,002	173,726,669	242,999,671
Mortgage loan insurance	-	53,767,159	53,767,159
Unrestricted (deficit)	11,047,520	2,007,062,117	2,018,109,637
Total net assets	<u>\$ 93,187,187</u>	<u>\$ 2,260,225,103</u>	<u>\$ 2,353,412,290</u>

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
(A Component Unit of the Commonwealth of Puerto Rico)
Statement of Activities
For the YTD Period Ended March 31, 2008

	Program Revenues					Net (Expenses) Revenues and Changes in Net Assets		Total
	Charges for Services - Fees, Commissions, and Others	Charges for Services - Financing and Investment	Operating Grants And Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities		
Expenses								
Functions programs:								
Governmental activities:								
General government	\$ 3,281,553	-	-	-	(3,281,553)	-	(3,281,553)	
Housing subsidy program	99,399,518	-	91,080,989	-	(32,515)	-	(32,515)	
Interest on long-term debt	3,239,016	-	-	-	(3,239,016)	-	(3,239,016)	
Total governmental activities	<u>105,920,087</u>	<u>-</u>	<u>91,080,989</u>	<u>-</u>	<u>(6,553,084)</u>	<u>-</u>	<u>(6,553,084)</u>	
Business-type activities:								
GDBG Operating Fund	302,641,535	22,544,472	371,346,758	-	-	91,249,695	91,249,695	
Housing Finance Authority	66,054,212	6,889,588	82,492,657	-	-	23,328,033	23,328,033	
Tourism Development Fund	12,563,765	2,242,251	17,684,350	-	-	7,362,836	7,362,836	
Public Finance Corporation	6,130,849	-	6,190,098	-	-	59,249	59,249	
Capital Fund	49,407	16,347	(5,755,395)	-	-	(5,788,455)	(5,788,455)	
Development Fund	1,096,007	34,211	1,264,138	-	-	202,342	202,342	
Jose M. Berrocal Institute	66,731	-	2,524	-	-	(64,207)	(64,207)	
Total business-type activities	<u>388,602,506</u>	<u>31,726,869</u>	<u>473,225,130</u>	<u>-</u>	<u>-</u>	<u>116,349,493</u>	<u>116,349,493</u>	
Total	<u>\$ 494,522,593</u>	<u>31,726,869</u>	<u>481,511,144</u>	<u>91,080,989</u>	<u>(6,553,084)</u>	<u>116,349,493</u>	<u>109,796,409</u>	
General revenues:								
Unrestricted income								
Early retirement program								
Special item - net gain (loss) on early extinguishment of bonds								
Transfers								
Total general revenues and transfers								
Change in net assets								
Net assets (deficit), beginning of year								
Net assets, end of year								
					2,543,824	-	2,543,824	
					(34,398,874)	(34,398,874)	(34,398,874)	
					(729,386)	729,386	-	
					1,814,438	(33,669,488)	(31,855,050)	
					(4,738,646)	82,680,005	77,941,359	
					97,925,833	2,177,545,098	2,275,470,931	
					<u>\$ 93,187,187</u>	<u>\$ 2,260,225,103</u>	<u>\$ 2,353,412,290</u>	

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
(A Component Unit of the Commonwealth of Puerto Rico)
Statement of Revenues, Expenses, and Changes in Net Assets - Enterprise Funds
For the YTD Period Ended March 31, 2008

	GDB Operating Fund	Housing Finance Authority	Tourism Development Fund	Capital Fund	Development Fund	Public Finance Corporation	J. Bercowl Institute	Total
Operating revenues:								
Investment income:								
Interest income on federal funds sold and securities purchased under agreements to resell	\$ 43,013,119	\$ -	\$ 1,662,537	\$ -	\$ -	\$ -	\$ -	\$ 43,013,119
Interest income on deposits placed with banks	66,620,898	22,191,529	1,662,537	-	1,264,138	34,056	2,524	91,775,682
Interest and dividend income on investment and investment contracts and tax lien receivables	51,965,654	44,941,588	2,341,205	407,230	-	-	-	99,655,677
Total investment interest	161,599,671	67,133,117	4,003,742	407,230	1,264,138	34,056	2,524	234,444,478
Loans receivable:								
Public sector	202,979,456	-	-	-	-	6,156,042	-	209,135,498
Private sector	-	8,711,699	12,420,630	-	-	6,156,042	-	21,132,329
Total loans interest	202,979,456	8,711,699	12,420,630	-	-	12,312,084	-	220,267,827
Total interest income	364,579,127	75,844,816	16,424,372	407,230	1,264,138	6,190,098	2,524	464,712,305
Change in fair value of:								
Investments	1,604,236	7,810,952	1,259,978	(6,162,625)	-	-	-	4,512,541
SWAPs	5,163,395	(1,163,111)	-	(6,162,625)	-	-	-	4,000,284
Total change in fair value	6,767,631	6,647,841	1,259,978	(6,162,625)	-	-	-	8,512,825
Noninterest income:								
Fiscal agency fees	14,097,327	169,367	-	-	-	-	-	14,266,694
Commitment, guarantee, service, and administrative fees	1,361,539	462,785	1,895,812	-	34,211	-	-	3,754,347
Mortgage insurance premiums	1,330,480	3,735,476	-	-	-	-	-	2,204,304
Servicing and contract administration fees, net	4,296,557	171,432	-	-	-	-	-	5,065,956
Net gain from sale of foreclosed real estate available for sale	1,458,569	146,224	346,439	16,347	-	-	-	4,467,989
Other income	22,544,472	6,889,588	2,242,251	16,347	34,211	-	-	31,726,869
Total noninterest income (loss) excluded fair value	393,891,230	89,382,245	19,926,601	(5,739,048)	1,298,349	6,190,098	2,524	504,951,999
Total operating revenues	-	-	323,924	-	1,047,674	-	-	1,371,598
Operating expenses:								
Provision for loan losses	-	-	-	-	-	-	-	-
Interest expense:								
Deposits	184,575,159	-	-	-	-	-	-	184,575,159
Certificate of indebtedness	415,023	-	-	-	-	-	-	415,023
Securities sold under agreements to repurchase	17,885,384	-	-	-	-	-	-	17,885,384
Commercial paper	10,672,404	-	-	-	-	-	-	10,672,404
Bonds payable	59,969,524	52,924,998	10,751,314	-	-	6,127,494	-	129,773,330
Total interest expense	273,517,494	52,924,998	10,751,314	-	-	6,127,494	-	343,321,300
Noninterest expenses:								
Salaries	10,754,468	4,204,770	-	-	-	-	41,631	15,000,869
Fringe benefits	8,448,693	4,180,197	-	-	-	-	3,277	12,632,167
Salaries and fringe benefits	19,203,161	8,384,967	-	-	-	-	44,908	27,633,036
Occupancy and equipment costs	4,107,342	1,139,365	60	-	-	-	-	5,246,767
Legal and professional fees	2,113,187	1,629,522	343,899	25,914	48,333	2,063	19,433	4,182,351
Office and administrative	509,365	150,836	-	23,493	-	-	-	683,694
Subsidy and trustee fees	52,190	259,850	-	-	-	-	-	312,040
Other	1,466,805	1,564,674	315,748	-	-	1,292	2,390	3,350,809
Total noninterest expenses	27,452,050	13,129,214	473,527	49,407	48,333	3,355	66,731	41,222,617
Total operating expenses	300,969,544	66,054,212	11,224,841	49,407	48,333	6,130,849	66,731	384,543,917
Operating income (loss)	92,921,686	23,328,033	8,377,836	(5,788,455)	202,342	59,249	(64,207)	119,036,484
Contributions to others	(1,671,991)	-	(1,015,000)	-	-	-	-	(2,686,991)
Early retirement program	(26,798,327)	(7,600,547)	-	-	-	-	-	(34,398,874)
Transfer in	-	23,465,814	-	-	-	-	-	23,465,814
Transfer out	-	(22,736,428)	-	-	-	-	-	(22,736,428)
Change in net assets	64,451,368	16,456,872	7,362,836	(5,788,455)	202,342	59,249	(64,207)	82,680,005
Net assets, beginning of year, as restated	1,381,912,285	533,802,235	141,309,669	87,599,321	32,586,449	915,847	146,942	2,177,545,098
Net assets, end of year	\$ 1,445,642,603	\$ 550,259,107	\$ 148,671,905	\$ 81,804,866	\$ 32,788,791	\$ 975,096	\$ 82,735	\$ 2,260,225,103

