



# PEÑARANDA WATER DISTRICT

Gomez St. Poblacion II, Peñaranda, Nueva Ecija  
Telefax No. (044) 940-4049/940-0971  
Email Add. pwd1987@yahoo.com.ph  
Website: www.pwd.gov.ph

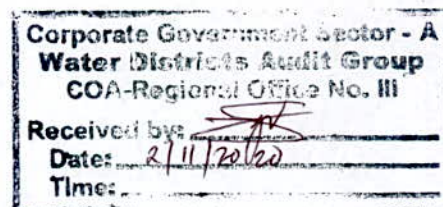


Certificate No. PHP QMS 18930006

February 11, 2020

## OFFICE OF THE SUPERVISING AUDITOR

Water District Group  
COA Regional Office III  
San Fernando Pampanga



Sir/Madam;

We are pleased to submit the following printed and digital copies of year-end financial statements for CY 2019:

- a. Pre-closing Trial Balance
- b. Post-closing Trial Balance
- c. Comparative Detailed Statement of Financial Position
- d. Comparative Detailed Statement of Comprehensive Income
- e. Comparative Statement of Changes in Equity
- f. Comparative Statement of Cash Flows
- g. Notes to Financial Statements
- h. Aging of Accounts Payable
- i. Aging of Accounts Receivable
- j. Breakdown of Domestic/Foreign Loans
- k. Schedule of Income Taxes Remitted and Dividends Paid
- l. Schedule of Subsidies Received from National Government & other GOCCs
- m. Summary of Discretionary, Representation, Extraordinary, Promotional, Confidential and Consultancy Expenses
- n. Roster of Membership of Governing Board
- o. Statement of Management's Responsibility

May you find everything in order.

Thank you.

Very truly yours,

ENGR. MARLON J. ABESAMIS  
General Manager



# PEÑARANDA WATER DISTRICT

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Certificate No. PHP QMS 18930006

February 12, 2020

**GOVERNMENT ACCOUNTANCY SECTOR**  
COMMISSION ON AUDIT  
Commonwealth Avenue, Quezon City

**Government Accountancy Office**  
**Office of the Director**  
**RECEIVED**  
*gmo*  
**Office of the Director**  
**Date: FEB 12 2020**

Sir/Madam;

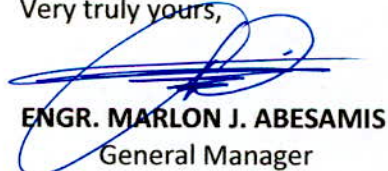
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**ENGR. MARLON J. ABESAMIS**  
General Manager





## PEÑARANDA WATER DISTRICT

Peñaranda, Nueva Ecija

# FINANCIAL STATEMENTS

For the year ended December 31, 2019

Pre-closing Trial Balance
Post-closing Trial Balance
Comparative Detailed Statement of Financial Position
Comparative Detailed Statement of Comprehensive Income
Comparative Statement of Changes in Equity
Comparative Statement of Cash Flows
Notes to Financial Statements
Aging of Accounts Payable
Aging of Accounts Receivable
Breakdown of Domestic/Foreign Loans
Schedule of Income Taxes Remitted and Dividends Paid
Schedule of Subsidies Received from National Government & other GOCCs
Summary of Discretionary, Representation, Extraordinary, Promotional, Confidential and Consultancy Expenses
Roster of Membership of Governing Board
Statement of Management's Responsibility

## Pre-Closing Trial Balance

Annex L

Government Corporation Name: PEÑARANDA WATER DISTRICT		Legend:										
Cluster		1 - Current Assets	5 - Accumulated Surplus/Equity Accounts									
Region III		2 - Non-Current Assets	0 - Revenue/Income and Expense Accounts									
Year 2019		3 - Current Liabilities										
Fund: CORPORATE OPERATING BUDGET		4 - Non-Current Liabilities										
Account Title	Account Code	Current/Non-Current	TOTAL ALL FUNDS		CORPORATE FUND		FUND 2		FUND 3		Trust Fund	
			Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Cash-Collecting Officers	10101010-00	1			118,136.49							
Cash in Bank-Local Currency, Current Account	10102020-00	1			350,125.87							
Time Deposits-Local Currency	10105020-00	1			8,134,096.70							
Sinking Fund	10207010-00	2			824,260.22							
Accounts Receivable	10301010-00	1			1,343,036.27							
Allowance for Impairment-Accounts Receivable	10301011-00	1				174,236.79						
Receivables-Disallowances/Charges	10305010-00	1			1,182,199.50							
Office Supplies Inventory	10404010-00	1			96,463.43							
Accountable Forms, Plates and Stickers Inventory	10404020-00	1			44,516.17							
Fuel, Oil and Lubricants Inventory	10404080-00	1			30,928.04							
Chemical and Filtering Supplies Inventory	10404120-00	1			9,300.00							
Other Supplies and Materials Inventory	10404990-00	1			1,440,444.58							
Semi-Expendable Other Machinery and Equipment	10405190-00	1			59,400.00							
Land	10601010-00	2			2,306,350.00							
Other Land Improvements	10602990-00	2			395,179.20							
Accumulated Depreciation-Other Land Improvements	10602991-00	2				282,767.26						
Plant-Utility Plant in Service (UPIS)	10603110-00	2			43,971,836.35							
Accumulated Depreciation-Plant (UPIS)	10603111-00	2				17,150,328.30						
Buildings	10604010-00	2			8,548,589.82							
Accumulated Depreciation-Buildings	10604011-00	2				1,167,423.86						
Water Plant, Structure and Improvements	10604070-00	2			1,502,653.26							
Accumulated Depreciation-Water Plant, Structure and Improvements	10604071-00	2				581,501.84						
Office Equipment	10605020-00	2			1,829,121.92							
Accumulated Depreciation-Office Equipment	10605021-00	2				943,251.55						
Information and Communication Technology Equipment	10605030-00	2			633,979.38							
Accumulated Depreciation-Information and Communication Technology Equipment	10605031-00	2				341,247.88						
Other Machinery and Equipment	10605990-00	2			10,697,041.16							
Accumulated Depreciation-Other Machinery and Equipment	10605991-00	2				6,812,141.29						
Motor Vehicles	10606010-00	2			3,104,605.00							
Accumulated Depreciation-Motor Vehicles	10606011-00	2				2,180,247.87						
Furniture and Fixtures	10607010-00	2			307,843.40							
Accumulated Depreciation-Furniture and Fixtures	10607011-00	2				134,977.70						
Computer Software	10801020-00	2			212,000.00							
Accumulated Amortization-Computer Software	10801021-00	2				127,800.00						
Prepaid Insurance	19902050-00	1			57,018.16							
Other Prepayments	19902990-00	1			1,900.00							
Other Assets	19999990-00	2			1,004,539.81							
Accounts Payable	20101010-00	3				57,749.79						
Loans Payable-Domestic	20102040-00	3				940,792.00						



## Pre-Closing Trial Balance



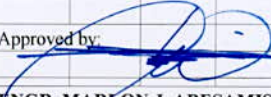
Annex L

Government Corporation Name: PEÑARANDA WATER DISTRICT		Legend:											
Cluster		1 - Current Assets		5 - Accumulated Surplus/Equity Accounts									
Region III		2 - Non-Current Assets		0 - Revenue/Income and Expense Accounts									
Year 2019		3 - Current Liabilities											
Fund: CORPORATE OPERATING BUDGET		4 - Non-Current Liabilities											
				TOTAL ALL FUNDS		CORPORATE FUND		FUND 2		FUND 3		Trust Fund	
Account Title		Account Code	Current/Non-Current	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Loans Payable-Domestic		20102040-00	4				7,870,173.92						
Due to BIR		20201010-00	3				368,574.98						
Due to GSIS		20201020-00	3				295,793.90						
Due to Pag-IBIG		20201030-00	3				15,869.01						
Due to PhilHealth		20201040-00	3				19,449.40						
Customers' Deposits Payable		20401050-00	3				73,280.55						
Leave Benefits Payable		20601020-00	4				8,113,902.09						
Other Payables		29999990-00	4				47,910.65						
Retained Earnings/(Deficit)		30701010-00	5				39,486,270.07						
Waterworks System Fees		40202090-00	0				28,695,454.10						
Sales Discounts		40202161-00	0			25,743.89							
Interest Income		40202210-00	0				102,157.26						
Fines and Penalties-Business Income		40202230-00	0				573,802.43						
Other Business Income		40202990-00	0				950,600.00						
Sale of Unserviceable Property		40601020-00	0				216,954.42						
Reversal of Impairment Loss		40602010-00	0										
Proceeds from Insurance/Indemnities		40603010-00	0										
Miscellaneous Income		40603990-00	0				257,943.33						
Salaries and Wages-Regular		50101010-00	0			9,118,426.55							
Personnel Economic Relief Allowance (PERA)		50102010-00	0			863,636.36							
Representation Allowance (RA)		50102020-00	0			122,000.00							
Transportation Allowance (TA)		50102030-00	0			122,000.00							
Clothing/Uniform Allowance		50102040-00	0			216,000.00							
Honoraria		50102100-00	0			12,000.00							
Year End Bonus		50102140-00	0			751,235.00							
Cash Gift		50102150-00	0			180,000.00							
Other Bonuses and Allowances		50102990-00	0			1,763,628.32							
Retirement and Life Insurance Premiums		50103010-00	0			1,093,637.38							
Pag-IBIG Contributions		50103020-00	0			43,200.00							
PhilHealth Contributions		50103030-00	0			111,532.90							
Employees Compensation Insurance Premiums		50103040-00	0			43,200.00							
Terminal Leave Benefits		50104030-00	0			751,082.99							
Other Personnel Benefits		50104990-00	0			41,237.25							
Traveling Expenses-Local		50201010-00	0			191,787.70							
Training Expenses		50202010-00	0			380,473.00							
Office Supplies Expenses		50203010-00	0			148,584.54							
Accountable Forms Expenses		50203020-00	0			38,699.55							
Fuel, Oil and Lubricants Expenses		50203090-00	0			477,567.66							
Chemical and Filtering Supplies Expenses		50203130-00	0			565,925.00							
Semi-Expendable Machinery and Equipment Expenses		50203210-00	0			705,721.66							



## Pre-Closing Trial Balance

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Government Corporation Name: PEÑARANDA WATER DISTRICT		Legend:										
Cluster		1 - Current Assets	5 - Accumulated Surplus/Equity Accounts									
Region III		2 - Non-Current Assets	0 - Revenue/Income and Expense Accounts									
Year 2019		3 - Current Liabilities										
Fund: CORPORATE OPERATING BUDGET		4 - Non-Current Liabilities										
Account Title	Account Code	Current/Non-Current	TOTAL ALL FUNDS		CORPORATE FUND		FUND 2		FUND 3		Trust Fund	
			Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Semi-Expendable Furniture, Fixtures and Books Expenses	50203220-00	0			25,500.00							
Electricity Expenses	50204020-00	0			5,693,729.15							
Other Utility Expenses	50204990-00	0			3,410.00							
Postage and Courier Services	50205010-00	0			701.00							
Telephone Expenses	50205020-00	0			210,090.08							
Cable, Satellite, Telegraph and Radio Expenses	50205040-00	0			4,032.00							
Extraordinary and Miscellaneous Expenses	50210030-00	0			5,000.00							
Consultancy Services	50211030-00	0			49,280.00							
Other Professional Services	50211990-00	0			134,700.00							
Security Services	50212030-00	0			300,000.00							
Repairs and Maintenance-Infrastructure Assets	50213030-00	0			158,672.43							
Repairs and Maintenance-Buildings and Other Structures	50213040-00	0			26,915.00							
Repairs and Maintenance-Machinery and Equipment	50213050-00	0			320,313.26							
Repairs and Maintenance-Transportation Equipment	50213060-00	0			71,418.00							
Repairs and Maintenance-Furniture and Fixtures	50213070-00	0			480.00							
Taxes, Duties and Licenses	50215010-00	0			598,251.36							
Fidelity Bond Premiums	50215020-00	0			9,165.82							
Insurance Expenses	50215030-00	0			118,197.94							
Advertising, Promotional and Marketing Expenses	50299010-00	0			102,558.15							
Representation Expenses	50299030-00	0			206,501.20							
Membership Dues and Contributions to Organizations	50299060-00	0			21,250.00							
Subscription Expenses	50299070-00	0			28,758.00							
Directors and Committee Members' Fees	50299120-00	0			511,560.00							
Other Maintenance and Operating Expenses	50299990-00	0			215,087.55							
Interest Expenses	50301020-00	0			186,709.00							
Bank Charges	50301040-00	0			4,800.00							
Depreciation-Land Improvements	50501020-00	0			27,965.16							
Depreciation-Infrastructure Assets	50501030-00	0			1,338,318.12							
Depreciation-Buildings and Other Structures	50501040-00	0			308,109.12							
Depreciation-Machinery and Equipment	50501050-00	0			1,062,755.39							
Depreciation-Transportation Equipment	50501060-00	0			215,378.52							
Depreciation-Furniture, Fixtures and Books	50501070-00	0			29,245.10							
Amortization-Intangible Assets	50502010-00	0			17,600.00							
Impairment Loss-Loans and Receivables	50503020-00	0			3,266.41							
<b>Total</b>			<b>0.00</b>	<b>0.00</b>	<b>117,982,602.24</b>	<b>117,982,602.24</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Prepared by:		Checked by:					Approved by:					
												
<b>AILEEN A. SIGUA</b>		<b>MARILYN E. GERONIMO</b>					<b>ENGR. MARLON J. ABESAMIS</b>					
Senior Corporate Account Analyst		Division Manager C					General Manager					



Post-Closing Trial Balance

Annex L

Government Corporation Name: PEÑARANDA WATER DISTRICT		Legend:										
Cluster		1 - Current Assets		5 - Accumulated Surplus/Equity Accounts								
Region III		2 - Non-Current Assets		0 - Revenue/Income and Expense Accounts								
Year 2019		3 - Current Liabilities										
Fund: CORPORATE OPERATING BUDGET		4 - Non-Current Liabilities										
Account Title	Account Code	Current/Non-Current	TOTAL ALL FUNDS		CORPORATE FUND		FUND 2		FUND 3		Trust Fund	
			Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Cash-Collecting Officers	10101010-00	1			118,136.49							
Cash in Bank-Local Currency, Current Account	10102020-00	1			350,125.87							
Time Deposits-Local Currency	10105020-00	1			8,134,096.70							
Sinking Fund	10207010-00	2			824,260.22							
Accounts Receivable	10301010-00	1			1,343,036.27							
Allowance for Impairment-Accounts Receivable	10301011-00	1				174,236.79						
Receivables-Disallowances/Charges	10305010-00	1			1,182,199.50							
Office Supplies Inventory	10404010-00	1			96,463.43							
Accountable Forms, Plates and Stickers Inventory	10404020-00	1			44,516.17							
Fuel, Oil and Lubricants Inventory	10404080-00	1			30,928.04							
Chemical and Filtering Supplies Inventory	10404120-00	1			9,300.00							
Other Supplies and Materials Inventory	10404990-00	1			1,440,444.58							
Semi-Expendable Other Machinery and Equipment	10405190-00	1			59,400.00							
Land	10601010-00	2			2,306,350.00							
Other Land Improvements	10602990-00	2			395,179.20							
Accumulated Depreciation-Other Land Improvements	10602991-00	2				282,767.26						
Plant-Utility Plant in Service (UPIS)	10603110-00	2			43,971,836.35							
Accumulated Depreciation-Plant (UPIS)	10603111-00	2				17,150,328.30						
Buildings	10604010-00	2			8,548,589.82							
Accumulated Depreciation-Buildings	10604011-00	2				1,167,423.86						
Water Plant, Structure and Improvements	10604070-00	2			1,502,653.26							
Accumulated Depreciation-Water Plant, Structure and Improvements	10604071-00	2				581,501.84						
Office Equipment	10605020-00	2			1,829,121.92							
Accumulated Depreciation-Office Equipment	10605021-00	2				943,251.55						
Information and Communication Technology Equipment	10605030-00	2			633,979.38							
Accumulated Depreciation-Information and Communication Technology Equipment	10605031-00	2				341,247.88						
Other Machinery and Equipment	10605990-00	2			10,697,041.16							
Accumulated Depreciation-Other Machinery and Equipment	10605991-00	2				6,812,141.29						
Motor Vehicles	10606010-00	2			3,104,605.00							
Accumulated Depreciation-Motor Vehicles	10606011-00	2				2,180,247.87						
Furniture and Fixtures	10607010-00	2			307,843.40							
Accumulated Depreciation-Furniture and Fixtures	10607011-00	2				134,977.70						
Computer Software	10801020-00	2			212,000.00							
Accumulated Amortization-Computer Software	10801021-00	2				127,800.00						
Prepaid Insurance	19902050-00	1			57,018.16							
Other Prepayments	19902990-00	1			1,900.00							
Other Assets	19999990-00	2			1,004,539.81							
Accounts Payable	20101010-00	3				57,749.79						
Loans Payable-Domestic	20102040-00	3				940,792.00						

## Annex L

2



**PEÑARANDA WATER DISTRICT**  
**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2019**

	<u>NOTE</u>	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	4	8,602,359.06	9,003,474.23
International Reserves		-	-
Financial Assets		-	-
Other Investments		-	-
Receivables	5	2,350,998.98	2,631,534.87
Inventories	6	1,681,052.22	1,164,864.09
Non-Current Assets Held for Sale		-	-
Other Current Assets	7	58,918.16	27,607.28
<b>Total Current Assets</b>		<u>12,693,328.42</u>	<u>12,827,480.47</u>
<b>Non-Current Assets</b>			
Non-International Reserves Foreign Assets		-	-
Financial Assets		-	-
Investments in Joint Ventures		-	-
Investments in Associates/Affiliates		-	-
Investments in Subsidiaries		-	-
Other Investments	9	824,260.22	819,276.11
Receivables		-	-
Investment Property		-	-
Property, Plant and Equipment	8	43,703,311.94	44,243,248.34
Biological Assets		-	-
Intangible Assets	10	84,200.00	5,800.00
Deferred Tax Assets		-	-
Other Non-Current Assets	9	1,004,539.81	553,887.90
<b>Total Non-Current Assets</b>		<u>45,616,311.97</u>	<u>45,622,212.35</u>
<b>Total Assets</b>		<u>58,309,640.39</u>	<u>58,449,692.82</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial Liabilities	11 & 14	998,541.79	719,288.44
Inter-Agency Payables	12	699,687.29	520,848.96
Trust Liabilities	13	73,280.55	70,876.55
Deferred Credits/Unearned Income		-	-
Provisions		-	-
Other Payables	13	47,910.65	227,910.65
<b>Total Current Liabilities</b>		<u>1,819,420.28</u>	<u>1,538,924.60</u>

	<u>NOTE</u>	<u>2019</u>	<u>2018</u>
<b>Non-Current Liabilities</b>			
Financial Liabilities	14	7,870,173.92	9,697,044.92
Currency Issued		-	-
Deposit Liabilities		-	-
Inter-Agency Payables		-	-
Trust Liabilities		-	-
Deferred Credits/Unearned Income		-	-
Provisions	14	8,113,902.09	6,562,000.42
Deferred Tax Liabilities		-	-
Other Payables		-	-
<b>Total Non-Current Liabilities</b>		<u>15,984,076.01</u>	<u>16,259,045.34</u>
<b>Total Liabilities</b>		<u>17,803,496.29</u>	<u>17,797,969.94</u>
<b>EQUITY</b>			
Government Equity		-	-
Revaluation Surplus		-	-
Retained Earnings/(Deficit)		40,506,144.10	40,651,722.88
Stockholders' Equity		-	-
Cumulative Translation Adjustment		-	-
Cumulative Changes in Fair Value		-	-
Members' Equity		-	-
<b>Total Equity</b>		<u>40,506,144.10</u>	<u>40,651,722.88</u>
<b>Total Liabilities and Equity</b>		<u>58,309,640.39</u>	<u>58,449,692.82</u>

Prepared by:

  
**AILEEN A. SIGUA**  
 Senior Corporate Account Analyst

Checked by:

  
**MARILYN E. GERONIMO**  
 Division Manager C

Approved by:

  
**ENGR. MARLON J. ABESAMIS**  
 General Manager



**PEÑARANDA WATER DISTRICT  
DETAILED STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2019**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Cash and Cash Equivalents</b>	<b>8,602,359.06</b>	<b>9,003,474.23</b>
<b>Cash on Hand</b>	118,136.49	94,597.08
Cash-Collecting Officers	118,136.49	94,597.08
Petty Cash	-	-
<b>Cash in Bank-Local Currency</b>	350,125.87	1,255,228.53
Cash in Bank-Local Currency, Current Account	350,125.87	1,255,228.53
<b>Cash Equivalents</b>	8,134,096.70	7,653,648.62
Time Deposits-Local Currency	8,134,096.70	7,653,648.62
<b>Receivables</b>	<b>2,350,998.98</b>	<b>2,631,534.87</b>
<b>Loans and Receivable Accounts</b>	1,168,799.48	1,125,984.87
Accounts Receivable	1,343,036.27	1,296,955.25
Allowance for Impairment-Accounts Receivable	174,236.79	170,970.38
Net Value-Accounts Receivable	1,168,799.48	1,125,984.87
<b>Other Receivables</b>	1,182,199.50	1,505,550.00
Receivables-Disallowances/Charges	1,182,199.50	1,505,550.00
<b>Inventories</b>	<b>1,681,052.22</b>	<b>1,164,864.09</b>
<b>Inventory Held for Consumption</b>	1,621,652.22	1,061,904.09
Office Supplies Inventory	96,463.43	76,987.05
Allowance for Impairment-Office Supplies Inventory	-	-
Net Value-Office Supplies Inventory	96,463.43	76,987.05
Accountable Forms, Plates and Stickers Inventory	44,516.17	43,413.72
Allowance for Impairment-Accountable Forms, Plates and Stickers Inventory	-	-
Net Value-Accountable Forms, Plates and Stickers Inventory	44,516.17	43,413.72
Fuel, Oil and Lubricants Inventory	30,928.04	43,159.05
Allowance for Impairment-Fuel, Oil and Lubricants Inventory	-	-
Net Value-Fuel, Oil and Lubricants Inventory	30,928.04	43,159.05
Chemical and Filtering Supplies Inventory	9,300.00	18,225.00
Allowance for Impairment-Chemical and Filtering Supplies Inventory	-	-
Net Value-Chemical and Filtering Supplies Inventory	9,300.00	18,225.00
Other Supplies and Materials Inventory	1,440,444.58	880,119.27
Allowance for Impairment-Other Supplies and Materials Inventory	-	-
Net Value-Other Supplies and Materials Inventory	1,440,444.58	880,119.27
<b>Semi-Expendable Machinery and Equipment</b>	59,400.00	102,960.00
Semi-Expendable Other Machinery and Equipment	59,400.00	102,960.00
<b>Other Current Assets</b>	<b>58,918.16</b>	<b>27,607.28</b>
<b>Prepayments</b>	58,918.16	27,607.28
Prepaid Insurance	57,018.16	25,707.28
Other Prepayments	1,900.00	1,900.00
<b>Total Current Assets</b>	<b>12,693,328.42</b>	<b>12,827,480.47</b>

	<u>2019</u>	<u>2018</u>
<b>Non-Current Assets</b>		
<b>Other Investments</b>	<u>824,260.22</u>	<u>819,276.11</u>
<b>Sinking Fund</b>	824,260.22	819,276.11
Sinking Fund	824,260.22	819,276.11
<b>Property, Plant and Equipment</b>	<u>43,703,311.94</u>	<u>44,243,248.34</u>
<b>Land</b>	2,306,350.00	2,306,350.00
Land	2,306,350.00	2,306,350.00
Accumulated Impairment Losses-Land	-	-
Net Value-Land	<u>2,306,350.00</u>	<u>2,306,350.00</u>
<b>Land Improvements</b>	112,411.94	140,377.10
Other Land Improvements	395,179.20	395,179.20
Accumulated Depreciation-Other Land Improvements	282,767.26	254,802.10
Accumulated Impairment Losses-Other Land Improvements	-	-
Net Value-Other Land Improvements	<u>112,411.94</u>	<u>140,377.10</u>
<b>Infrastructure Assets</b>	26,821,508.05	27,996,067.42
Plant-Utility Plant in Service (UPIS)	43,971,836.35	43,808,077.60
Accumulated Depreciation-Plant (UPIS)	17,150,328.30	15,812,010.18
Accumulated Impairment Losses-Plant (UPIS)	-	-
Net Value-Plant-Utility Plant in Service (UPIS)	<u>26,821,508.05</u>	<u>27,996,067.42</u>
<b>Buildings and Other Structures</b>	8,302,317.38	8,142,980.00
Buildings	8,548,589.82	8,081,143.32
Accumulated Depreciation-Buildings	1,167,423.86	906,898.70
Accumulated Impairment Losses-Buildings	-	-
Net Value-Buildings	<u>7,381,165.96</u>	<u>7,174,244.62</u>
Water Plant, Structure and Improvements	1,502,653.26	1,502,653.26
Accumulated Depreciation-Water Plant, Structure and Improvements	581,501.84	533,917.88
Accumulated Impairment Losses-Water Plant, Structure and Improvements	-	-
Net Value-Water Plant, Structure and Improvements	<u>921,151.42</u>	<u>968,735.38</u>
<b>Machinery and Equipment</b>	5,063,501.74	4,315,627.37
Office Equipment	1,829,121.92	1,159,780.04
Accumulated Depreciation-Office Equipment	943,251.55	775,511.68
Accumulated Impairment Losses-Office Equipment	-	-
Net Value-Office Equipment	<u>885,870.37</u>	<u>384,268.36</u>
Information and Communication Technology Equipment	633,979.38	516,035.00
Accumulated Depreciation-Information and Communication Technology	341,247.88	292,757.26
Accumulated Impairment Losses-Information and Communication Technology	-	-
Net Value-Information and Communication Technology Equipment	<u>292,731.50</u>	<u>223,277.74</u>
Other Machinery and Equipment	10,697,041.16	9,644,982.95
Accumulated Depreciation-Other Machinery and Equipment	6,812,141.29	5,936,901.68
Accumulated Impairment Losses-Other Machinery and Equipment	-	-
Net Value-Other Machinery and Equipment	<u>3,884,899.87</u>	<u>3,708,081.27</u>
<b>Transportation Equipment</b>	924,357.13	1,139,735.65
Motor Vehicles	3,104,605.00	3,104,605.00
Accumulated Depreciation-Motor Vehicles	2,180,247.87	1,964,869.35
Accumulated Impairment Losses-Motor Vehicles	-	-
Net Value-Motor Vehicles	<u>924,357.13</u>	<u>1,139,735.65</u>
<b>Furniture, Fixtures and Books</b>	172,865.70	202,110.80
Furniture and Fixtures	307,843.40	307,843.40
Accumulated Depreciation-Furniture and Fixtures	134,977.70	105,732.60



	<u>2019</u>	<u>2018</u>
<i>Accumulated Impairment Losses-Furniture and Fixtures</i>	-	-
Net Value-Furniture and Fixtures	172,865.70	202,110.80
<b>Intangible Assets</b>	<b>84,200.00</b>	<b>5,800.00</b>
<b>Intangible Assets</b>	84,200.00	5,800.00
Computer Software	212,000.00	116,000.00
<i>Accumulated Amortization-Computer Software</i>	127,800.00	110,200.00
<i>Accumulated Impairment Losses-Computer Software</i>	-	-
Net Value-Computer Software	84,200.00	5,800.00
<b>Other Non-Current Assets</b>	<b>1,004,539.81</b>	<b>553,887.90</b>
<b>Other Assets</b>	1,004,539.81	553,887.90
Other Assets	1,004,539.81	553,887.90
<i>Accumulated Impairment Losses-Other Assets</i>	-	-
Net Value-Other Assets	1,004,539.81	553,887.90
<b>Total Non-Current Assets</b>	<b>45,616,311.97</b>	<b>45,622,212.35</b>
<b>Total Assets</b>	<b>58,309,640.39</b>	<b>58,449,692.82</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>	<b>998,541.79</b>	<b>719,288.44</b>
<b>Payables</b>	57,749.79	719,288.44
Accounts Payable	57,749.79	719,288.44
<b>Bills/Bonds/Loans Payable</b>	940,792.00	-
Loans Payable-Domestic	940,792.00	-
<b>Inter-Agency Payables</b>	<b>699,687.29</b>	<b>520,848.96</b>
<b>Inter-Agency Payables</b>	699,687.29	520,848.96
Due to BIR	368,574.98	230,914.25
Due to GSIS	295,793.90	257,507.09
Due to Pag-IBIG	15,869.01	14,530.20
Due to PhilHealth	19,449.40	17,897.42
<b>Trust Liabilities</b>	<b>73,280.55</b>	<b>70,876.55</b>
<b>Trust Liabilities</b>	73,280.55	70,876.55
Customers' Deposits Payable	73,280.55	70,876.55
<b>Other Payables</b>	<b>47,910.65</b>	<b>227,910.65</b>
<b>Other Payables</b>	47,910.65	227,910.65
Other Payables	47,910.65	227,910.65
<b>Total Current Liabilities</b>	<b>1,819,420.28</b>	<b>1,538,924.60</b>
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>	<b>7,870,173.92</b>	<b>9,697,044.92</b>
<b>Bills/Bonds/Loans Payable</b>	<b>7,870,173.92</b>	<b>9,697,044.92</b>

	<u>2019</u>	<u>2018</u>
Loans Payable-Domestic	7,870,173.92	9,697,044.92
<b>Provisions</b>	<u><b>8,113,902.09</b></u>	<u><b>6,562,000.42</b></u>
<b>Provisions</b>	<u>8,113,902.09</u>	<u>6,562,000.42</u>
Leave Benefits Payable	<u>8,113,902.09</u>	<u>6,562,000.42</u>
<b>Total Non-Current Liabilities</b>	<u><b>15,984,076.01</b></u>	<u><b>16,259,045.34</b></u>
<b>Total Liabilities</b>	<u><b>17,803,496.29</b></u>	<u><b>17,797,969.94</b></u>

**EQUITY**


<b>Retained Earnings/(Deficit)</b>	<u><b>40,506,144.10</b></u>	<u><b>40,651,722.88</b></u>
<b>Retained Earnings/(Deficit)</b>	<u>40,506,144.10</u>	<u>40,651,722.88</u>
Retained Earnings/(Deficit)	<u>40,506,144.10</u>	<u>40,651,722.88</u>
<b>Total Equity</b>	<u><b>40,506,144.10</b></u>	<u><b>40,651,722.88</b></u>
<b>Total Liabilities and Equity</b>	<u><u><b>58,309,640.39</b></u></u>	<u><u><b>58,449,692.82</b></u></u>

Prepared by:

  
**AILEEN A. SIGUA**

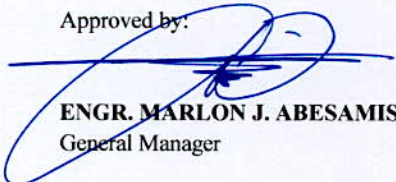
Senior Corporate Account Analyst

Checked by:

  
**MARILYN E. GERONIMO**

Division Manager C

Approved by:

  
**ENGR. MARLON J. ABESAMIS**  
 General Manager




**PEÑARANDA WATER DISTRICT**  
**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>NOTE</u>	<u>2019</u>	<u>2018</u>
<b>Income</b>			
Service and Business Income		30,296,269.90	28,883,653.71
Shares, Grants and Donations		-	-
Gains		-	-
Other Non-Operating Income		474,897.75	335,479.85
<b>Total Income</b>		<b>30,771,167.65</b>	<b>29,219,133.56</b>
<b>Expenses</b>			
Personnel Services	15	15,232,816.75	13,460,392.81
Maintenance and Other Operating Expenses	16	11,324,330.05	11,645,593.99
Financial Expenses	17	191,509.00	239,978.00
Direct Costs		-	-
Non-Cash Expenses	18	3,002,637.82	2,892,115.49
<b>Total Expenses</b>		<b>29,751,293.62</b>	<b>28,238,080.29</b>
<b>Profit/(Loss) Before Tax</b>		<b>1,019,874.03</b>	<b>981,053.27</b>
<b>Income Tax Expense/(Benefit)</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) After Tax</b>		<b>1,019,874.03</b>	<b>981,053.27</b>
<b>Net Assistance/Subsidy/(Financial Assistance/Subsidy/Contribution)</b>		<b>-</b>	<b>-</b>
<b>Net Income/(Loss)</b>		<b>1,019,874.03</b>	<b>981,053.27</b>
<b>Other Comprehensive Income/(Loss) for the Period</b>		<b>-</b>	<b>-</b>
<b>Comprehensive Income/(Loss)</b>		<b>1,019,874.03</b>	<b>981,053.27</b>

Prepared by:

  
**AILEEN A. SIGUA**  
 Senior Corporate Account Analyst

Checked by:

  
**MARILYN E. GERONIMO**  
 Division Manager C

Approved by:

  
**ENGR. MARLON J. ABESAMIS**  
 General Manager

**PEÑARANDA WATER DISTRICT  
DETAILED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>2019</u>	<u>2018</u>
<b>Income</b>		
<b>Service and Business Income</b>		
<b>Business Income</b>		
Waterworks System Fees	28,695,454.10	27,282,605.04
Sales Discounts	25,743.89	26,683.13
Net Sales	28,669,710.21	27,255,921.91
Interest Income	102,157.26	70,017.16
Fines and Penalties-Business Income	573,802.43	528,364.64
Other Business Income	950,600.00	1,029,350.00
<b>Total Business Income</b>	<u>30,296,269.90</u>	<u>28,883,653.71</u>
<b>Total Service and Business Income</b>	<u>30,296,269.90</u>	<u>28,883,653.71</u>
<b>Other Non-Operating Income</b>		
<b>Sale of Assets</b>		
Sale of Unserviceable Property	216,954.42	-
<b>Total Sale of Assets</b>	<u>216,954.42</u>	<u>-</u>
<b>Miscellaneous Income</b>		
Miscellaneous Income	257,943.33	335,479.85
<b>Total Miscellaneous Income</b>	<u>257,943.33</u>	<u>335,479.85</u>
<b>Total Other Non-Operating Income</b>	<u>474,897.75</u>	<u>335,479.85</u>
<b>Total Income</b>	<u>30,771,167.65</u>	<u>29,219,133.56</u>
<b>Expenses</b>		
<b>Personnel Services</b>		
<b>Salaries and Wages</b>		
Salaries and Wages-Regular	9,118,426.55	8,141,142.37
Salaries and Wages-Casual/Contractual		87,400.00
<b>Total Salaries and Wages</b>	<u>9,118,426.55</u>	<u>8,228,542.37</u>
<b>Other Compensation</b>		
Personnel Economic Relief Allowance (PERA)	863,636.36	818,818.19
Representation Allowance (RA)	122,000.00	102,000.00
Transportation Allowance (TA)	122,000.00	102,000.00
Clothing/Uniform Allowance	216,000.00	203,000.00
Honoraria	12,000.00	11,500.00
Longevity Pay		11,110.00
Year End Bonus	751,235.00	679,709.00
Cash Gift	180,000.00	172,000.00
Other Bonuses and Allowances	1,763,628.32	1,202,302.09
<b>Total Other Compensation</b>	<u>4,030,499.68</u>	<u>3,302,439.28</u>
<b>Personnel Benefit Contributions</b>		
Retirement and Life Insurance Premiums	1,093,637.38	977,639.61
Pag-IBIG Contributions	43,200.00	41,000.00



	<u>2019</u>	<u>2018</u>
PhilHealth Contributions	111,532.90	102,367.39
Employees Compensation Insurance Premiums	43,200.00	41,000.00
<b>Total Personnel Benefit Contributions</b>	<b>1,291,570.28</b>	<b>1,162,007.00</b>
<b>Other Personnel Benefits</b>		
Terminal Leave Benefits	751,082.99	761,204.16
Other Personnel Benefits	41,237.25	6,200.00
<b>Total Other Personnel Benefits</b>	<b>792,320.24</b>	<b>767,404.16</b>
<b>Total Personnel Services</b>	<b>15,232,816.75</b>	<b>13,460,392.81</b>
<b>Maintenance and Other Operating Expenses</b>		
<b>Traveling Expenses</b>		
Traveling Expenses-Local	191,787.70	129,589.60
<b>Total Traveling Expenses</b>	<b>191,787.70</b>	<b>129,589.60</b>
<b>Training and Scholarship Expenses</b>		
Training Expenses	380,473.00	542,931.54
<b>Total Training and Scholarship Expenses</b>	<b>380,473.00</b>	<b>542,931.54</b>
<b>Supplies and Materials Expenses</b>		
Office Supplies Expenses	148,584.54	167,901.66
Accountable Forms Expenses	38,699.55	38,316.28
Fuel, Oil and Lubricants Expenses	477,567.66	491,654.68
Chemical and Filtering Supplies Expenses	565,925.00	454,520.00
Semi-Expendable Machinery and Equipment Expenses	705,721.66	670,734.00
Semi-Expendable Furniture, Fixtures and Books Expenses	25,500.00	46,499.00
<b>Total Supplies and Materials Expenses</b>	<b>1,961,998.41</b>	<b>1,869,625.62</b>
<b>Utility Expenses</b>		
Electricity Expenses	5,693,729.15	6,033,362.04
Other Utility Expenses	3,410.00	1,145.00
<b>Total Utility Expenses</b>	<b>5,697,139.15</b>	<b>6,034,507.04</b>
<b>Communication Expenses</b>		
Postage and Courier Services	701.00	1,850.00
Telephone Expenses	210,090.08	211,087.70
Cable, Satellite, Telegraph and Radio Expenses	4,032.00	4,032.00
<b>Total Communication Expenses</b>	<b>214,823.08</b>	<b>216,969.70</b>
<b>Confidential, Intelligence and Extraordinary Expenses</b>		
Extraordinary and Miscellaneous Expenses	5,000.00	41,399.40
<b>Total Confidential, Intelligence and Extraordinary Expenses</b>	<b>5,000.00</b>	<b>41,399.40</b>
<b>Professional Services</b>		
Auditing Services	-	227,910.65
Consultancy Services	49,280.00	-
Other Professional Services	134,700.00	248,790.00
<b>Total Professional Services</b>	<b>183,980.00</b>	<b>476,700.65</b>
<b>General Services</b>		
Security Services	300,000.00	288,000.00
<b>Total General Services</b>	<b>300,000.00</b>	<b>288,000.00</b>
<b>Repairs and Maintenance</b>		
Repairs and Maintenance-Land Improvements	-	-
Repairs and Maintenance-Infrastructure Assets	158,672.43	182,529.01
Repairs and Maintenance-Buildings and Other Structures	26,915.00	61,357.33

	<u>2019</u>	<u>2018</u>
Repairs and Maintenance-Machinery and Equipment	320,313.26	233,512.80
Repairs and Maintenance-Transportation Equipment	71,418.00	71,357.60
Repairs and Maintenance-Furniture and Fixtures	480.00	3,234.00
<b>Total Repairs and Maintenance</b>	<u>577,798.69</u>	<u>551,990.74</u>
<b>Taxes, Insurance Premiums and Other Fees</b>		
Taxes, Duties and Licenses	598,251.36	566,214.58
Fidelity Bond Premiums	9,165.82	8,025.00
Insurance Expenses	118,197.94	78,525.09
<b>Total Taxes, Insurance Premiums and Other Fees</b>	<u>725,615.12</u>	<u>652,764.67</u>
<b>Other Maintenance and Operating Expenses</b>		
Advertising, Promotional and Marketing Expenses	102,558.15	104,076.00
Representation Expenses	206,501.20	157,165.50
Transportation and Delivery Expenses	-	-
Membership Dues and Contributions to Organizations	21,250.00	18,126.00
Subscription Expenses	28,758.00	28,080.00
Directors and Committee Members' Fees	511,560.00	515,025.00
Other Maintenance and Operating Expenses	215,087.55	18,642.53
<b>Total Other Maintenance and Operating Expenses</b>	<u>1,085,714.90</u>	<u>841,115.03</u>
<b>Total Maintenance and Other Operating Expenses</b>	<u>11,324,330.05</u>	<u>11,645,593.99</u>
<b>Financial Expenses</b>		
<b>Financial Expenses</b>		
Interest Expenses	186,709.00	237,128.00
Bank Charges	4,800.00	2,850.00
<b>Total Financial Expenses</b>	<u>191,509.00</u>	<u>239,978.00</u>
<b>Non-Cash Expenses</b>		
<b>Depreciation</b>		
Depreciation-Land Improvements	27,965.16	27,965.16
Depreciation-Infrastructure Assets	1,338,318.12	1,302,333.93
Depreciation-Buildings and Other Structures	308,109.12	297,708.98
Depreciation-Machinery and Equipment	1,062,755.39	1,001,229.08
Depreciation-Transportation Equipment	215,378.52	217,329.42
Depreciation-Furniture, Fixtures and Books	29,245.10	28,896.85
<b>Total Depreciation</b>	<u>2,981,771.41</u>	<u>2,875,463.42</u>
<b>Amortization</b>		
Amortization-Intangible Assets	17,600.00	-
<b>Total Amortization</b>	<u>17,600.00</u>	<u>-</u>
<b>Impairment Loss</b>		
Impairment Loss-Loans and Receivables	3,266.41	16,652.07
<b>Total Impairment Loss</b>	<u>3,266.41</u>	<u>16,652.07</u>
<b>Total Non-Cash Expenses</b>	<u>3,002,637.82</u>	<u>2,892,115.49</u>
<b>Total Expenses</b>	<u>29,751,293.62</u>	<u>28,238,080.29</u>
<b>Profit/(Loss) Before Tax</b>	<u>1,019,874.03</u>	<u>981,053.27</u>
<b>Income Tax Expense/(Benefit)</b>	<u>-</u>	<u>-</u>
<b>Profit/(Loss) After Tax</b>	<u>1,019,874.03</u>	<u>981,053.27</u>
<b>Net Income/(Loss)</b>	<u>1,019,874.03</u>	<u>981,053.27</u>
<b>Other Comprehensive Income/(Loss) for the Period</b>		



	<u>2019</u>	<u>2018</u>
Changes in Fair Value of Investments	-	-
Translation Adjustment	-	-
<b>Total Other Comprehensive Income/(Loss) for the Period</b>	<u>-</u>	<u>-</u>
<b>Comprehensive Income/(Loss)</b>	<u><b>1,019,874.03</b></u>	<u><b>981,053.27</b></u>

Prepared by:



**AILEEN A. SIGUA**  
Senior Corporate Account Analyst

Checked by:



**MARLYN E. GERONIMO**  
Division Manager C

Approved by:



**ENGR. MARLON J. ABESAMIS**  
General Manager

**PEÑARANDA WATER DISTRICT  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Cumulative Translation Adjustment	Cumulative Changes in Fair Value of Investments	Revaluation Surplus	Retained Earnings/ (Deficit)	Contributed Capital	Share Capital	Share Premium	Members' Equity	TOTAL
<b>BALANCE AT JANUARY 1, 2018</b>	-	-	-	38,546,524.02	-	-	-	-	-
<b>CHANGES IN EQUITY FOR 2018</b>									
Add/(Deduct):									
Issuances of Share Capital				-					
Additional Capital from National Government				-					
Members' Contribution									
Comprehensive Income for the year	-	-	-	981,053.27	-	-	-	-	-
Dividends									
Other Adjustments	-	-	-	1,124,145.59	-	-	-	-	-
<b>BALANCE AT DECEMBER 31, 2018</b>	-	-	-	40,651,722.88	-	-	-	-	-
<b>CHANGES IN EQUITY FOR 2019</b>									
Add/(Deduct):									
Issuances of Share Capital	-	-	-	-	-	-	-	-	-
Additional Capital from National Government	-	-	-	-	-	-	-	-	-
Members' Contribution	-	-	-	-	-	-	-	-	-
Comprehensive Income for the year	-	-	-	1,019,874.03	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	(1,165,452.81)	-	-	-	-	-
<b>BALANCE AT DECEMBER 31, 2019</b>	-	-	-	40,506,144.10	-	-	-	-	-

Prepared by:



**AILEEN A. SIGUA**  
Senior Corporate Accounts Analyst

Checked by:



**MARILYN E. GERONIMO**  
Division Manager C

Noted by:



**ENGR. MARLON J. ABESAMIS**  
General Manager



**PEÑARANDA WATER DISTRICT  
CONDENSED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Proceeds from Sale of Goods and Services	-	-
Collection of Income/Revenue	30,907,480.62	29,544,155.97
Receipt of Assistance/Subsidy	-	-
Collection of Receivables	323,350.50	210,408.00
Receipt of Inter-Agency Fund Transfers	-	-
Receipt of Intra-Agency Fund Transfers	-	-
Trust Receipts	31,017.30	12,347.14
Other Receipts	46,710.41	60,584.41
<b>Total Cash Inflows</b>	<u>31,308,558.83</u>	<u>29,827,495.52</u>
Adjustments	-	-
<b>Adjusted Cash Inflows</b>	<u>31,308,558.83</u>	<u>29,827,495.52</u>
<b>Cash Outflows</b>		
Payment of Expenses	19,278,810.94	17,272,681.47
Purchase of Inventories	2,558,198.73	2,467,230.78
Prepayments	125,528.63	61,697.50
Payments of Accounts Payable	719,288.44	1,359,373.07
Remittance of Personnel Benefit Contributions and Mandatory Deductions	4,995,520.34	4,093,167.88
Other Disbursements	29,485.31	359,331.28
<b>Total Cash Outflows</b>	<u>27,706,832.39</u>	<u>25,613,481.98</u>
Adjustments	-	-
<b>Adjusted Cash Outflows</b>	<u>27,706,832.39</u>	<u>25,613,481.98</u>
<b>Net Cash Provided by/(Used in) Operating Activities</b>	<u>3,601,726.44</u>	<u>4,214,013.54</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Proceeds from Sale/ Disposal of Investment Property	-	-
Proceeds from Sale/Disposal of Property, Plant and Equipment	-	-
Sale of Investments	-	-
Receipt of Interest Earned	35,436.06	-
Receipt of Cash Dividends	-	-
Proceeds from Matured Investments/Redemption of Long-term Investments/Return on Investments	6,000,000.00	-
Collection of Long-Term Loans	-	-
Proceeds from Sale of Other Assets	279,580.00	-
<b>Total Cash Inflows</b>	<u>6,315,016.06</u>	-
Adjustments	-	-
<b>Adjusted Cash Inflows</b>	<u>6,315,016.06</u>	-

	<u>2019</u>	<u>2018</u>
<b>Cash Outflows</b>		
Purchase/Construction of Investment Property	-	-
Purchase/Construction of Property, Plant and Equipment	3,144,269.67	2,630,388.48
Purchase of Investments	6,000,000.00	-
Purchase of Bearer Biological Assets	-	-
Purchase of Consumable Biological Assets	-	-
Purchase of Intangible Assets	96,000.00	-
Grant of Loans	-	-
<b>Total Cash Outflows</b>	<u>9,240,269.67</u>	<u>2,630,388.48</u>
Adjustments	-	-
<b>Adjusted Cash Outflows</b>	<u>9,240,269.67</u>	<u>2,630,388.48</u>
<b>Net Cash Provided By/(Used In) Investing Activities</b>	<u>(2,925,253.61)</u>	<u>(2,630,388.48)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Proceeds from Incurrence of Financial Liabilities	-	-
Proceeds from Issuance of Bonds and Acceptances Payable	-	-
Proceeds from Domestic and Foreign Loans	-	-
Contribution from National Government	-	-
Proceeds from Issuance of Capital Stock and other Equity Securities	-	-
<b>Total Cash Inflows</b>	<u>-</u>	<u>-</u>
Adjustments	-	-
<b>Adjusted Cash Inflows</b>	<u>-</u>	<u>-</u>
<b>Cash Outflows</b>		
Payment of Long-Term Liabilities	886,079.00	835,660.00
Redemption of Bonds Issued and Unsecured Subordinated Debt	-	-
Payment for Reacquisition of Capital Stock and other Equity Securities	-	-
Payment of Interest on Loans and Other Financial Charges	191,509.00	239,978.00
Payment of Cash Dividends	-	-
<b>Total Cash Outflows</b>	<u>1,077,588.00</u>	<u>1,075,638.00</u>
Adjustments	-	-
<b>Adjusted Cash Outflows</b>	<u>1,077,588.00</u>	<u>1,075,638.00</u>
<b>Net Cash Provided By/(Used In) Financing Activities</b>	<u>(1,077,588.00)</u>	<u>(1,075,638.00)</u>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(401,115.17)</u>	<u>507,987.06</u>
<b>Effects of Exchange Rate Changes on Cash and Cash Equivalents</b>	-	-
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	<u>9,003,474.23</u>	<u>8,495,487.17</u>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u>8,602,359.06</u>	<u>9,003,474.23</u>

Prepared by:

AILEEN A. SIGUA

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Checked by:

MARILYN E. GERONIMO

Division Manager C

Approved by:

ENGR. MARLON J. ABESAMIS  
General Manager



**PEÑARANDA WATER DISTRICT  
DETAILED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Proceeds from Sale of Goods and Services	-	-
Collection of Income/Revenue	<u>30,907,480.62</u>	<u>29,544,155.97</u>
Collection of service and business income	30,649,537.29	29,206,876.12
Collection of other non-operating income	257,943.33	337,279.85
Collection of Receivables	<u>323,350.50</u>	<u>210,408.00</u>
Collection of receivable from audit disallowances and/or charges	323,350.50	210,408.00
Trust Receipts	<u>31,017.30</u>	<u>12,347.14</u>
Receipt of customers' deposits	31,017.30	12,347.14
Other Receipts	<u>46,710.41</u>	<u>60,584.41</u>
Receipt of unused petty cash fund	12,659.75	30,155.06
Receipt of refund of cash advances	-	3,000.00
Other miscellaneous receipts	34,050.66	27,429.35
<b>Total Cash Inflows</b>	<u>31,308,558.83</u>	<u>29,827,495.52</u>
Adjustments	-	-
Restoration of cash for cancelled/lost/stale checks/ADA	-	-
Restoration of cash for unreleased checks	-	-
Other adjustments-Inflow (Please specify)	-	-
<b>Adjusted Cash Inflows</b>	<u>31,308,558.83</u>	<u>29,827,495.52</u>
<b>Cash Outflows</b>		
Payment of Expenses	<u>19,278,810.94</u>	<u>17,272,681.47</u>
Payment of personnel services	10,640,166.06	7,809,732.71
Payment of maintenance and other operating expenses	8,638,644.88	9,462,948.76
Purchase of Inventories	<u>2,558,198.73</u>	<u>2,467,230.78</u>
Purchase of inventories for sale	528,422.16	338,566.60
Purchase of inventory held for consumption	1,399,776.57	1,512,664.18
Purchase of semi-expandable machinery and equipment	630,000.00	616,000.00
Prepayments	<u>125,528.63</u>	<u>61,697.50</u>
Prepaid Insurance	125,528.63	61,697.50
Payments of Accounts Payable	<u>719,288.44</u>	<u>1,359,373.07</u>
Remittance of Personnel Benefit Contributions and Mandatory Deductions	<u>4,995,520.34</u>	<u>4,093,167.88</u>
Remittance of taxes withheld	1,367,266.83	828,702.42
Remittance to GSIS/Pag-IBIG/PhilHealth/SSS	3,628,253.51	3,264,465.46

	<u>2019</u>	<u>2018</u>
Other Disbursements	<u>29,485.31</u>	<u>359,331.28</u>
Other disbursements	29,485.31	359,331.28
<b>Total Cash Outflows</b>	<u>27,706,832.39</u>	<u>25,613,481.98</u>
Adjustments	-	-
Adjustment for dishonored checks	-	-
Adjustment for cash shortage	-	-
Reversing entry for unreleased checks in previous year	-	-
Other adjustments - Outflow (Please specify)	-	-
<b>Adjusted Cash Outflows</b>	<u>27,706,832.39</u>	<u>25,613,481.98</u>
<b>Net Cash Provided by/(Used in) Operating Activities</b>	<u>3,601,726.44</u>	<u>4,214,013.54</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Receipt of Interest Earned	<u>35,436.06</u>	-
Proceeds from Matured Investments/Redemption of Long-term Investments/Return on Investments	<u>6,000,000.00</u>	-
Redemption of long term-investments	-	-
Proceeds from matured investments	-	-
Proceeds from the return on investments in joint venture	-	-
Proceeds from the return on investment in subsidiaries	-	-
Proceeds from the return on investment in other foreign exchange denominated securities	-	-
Proceeds from the return on investment in associates/affiliates.	-	-
Proceeds from terminated treasury bills	6,000,000.00	-
Proceeds from Sale of Other Assets	<u>279,580.00</u>	-
<b>Total Cash Inflows</b>	<u>6,315,016.06</u>	-
Adjustments (Please specify)	-	-
<b>Adjusted Cash Inflows</b>	<u>6,315,016.06</u>	-
<b>Cash Outflows</b>		
Purchase/Construction of Property, Plant and Equipment	<u>3,144,269.67</u>	<u>2,630,388.48</u>
Construction of infrastructure assets	379,553.00	1,645,365.62
Construction of buildings and other structures	467,446.50	-
Purchase of machinery and equipment	2,297,270.17	948,634.75
Payment of guaranty deposit	-	36,388.11
Purchase/Acquisition of Investments	<u>6,000,000.00</u>	-
Investment in stocks/bonds/marketable securities	6,000,000.00	-
Investments in joint venture	-	-
Investments in associates/affiliates	-	-
Investments in subsidiaries	-	-
Investments in other foreign exchange denominated securities	-	-
Other long-term investments	-	-



	<u>2019</u>	<u>2018</u>
Purchase of Intangible Assets	<u>96,000.00</u>	<u>-</u>
Purchase of computer software	<u>96,000.00</u>	<u>-</u>
<b>Total Cash Outflows</b>	<b><u>9,240,269.67</u></b>	<b><u>2,630,388.48</u></b>
Adjustments (Please specify)	<u>-</u>	<u>-</u>
<b>Adjusted Cash Outflows</b>	<b><u>9,240,269.67</u></b>	<b><u>2,630,388.48</u></b>
<b>Net Cash Provided By/(Used In) Investing Activities</b>	<b><u>(2,925,253.61)</u></b>	<b><u>(2,630,388.48)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Cash Inflows</b>		
Proceeds from Incurrence of Financial Liabilities	<u>-</u>	<u>-</u>
Proceeds from Financial Liabilities Designated at Fair Value through Surplus/Profit or Deficit/Loss	<u>-</u>	<u>-</u>
Proceeds from Financial Liabilities Associated with Transferred Assets	<u>-</u>	<u>-</u>
Proceeds from issuance of Domestic Securities Sold Under Repurchase Agreements	<u>-</u>	<u>-</u>
Proceeds from issuance of currency	<u>-</u>	<u>-</u>
Proceeds from issuance of deposit liabilities	<u>-</u>	<u>-</u>
<b>Total Cash Inflows</b>	<u>-</u>	<u>-</u>
Adjustments (Please specify)	<u>-</u>	<u>-</u>
<b>Adjusted Cash Inflows</b>	<u>-</u>	<u>-</u>
<b>Cash Outflows</b>		
Payment of Long-Term Liabilities	<u>886,079.00</u>	<u>835,660.00</u>
Payment of domestic loans	<u>886,079.00</u>	<u>835,660.00</u>
Payment of other long-term liabilities	<u>-</u>	<u>-</u>
Redemption of Bonds Issued and Unsecured Subordinated Debt/Payment of Acceptances Payable	<u>-</u>	<u>-</u>
Payment for redemption of bonds	<u>-</u>	<u>-</u>
Payment for redemption of unsecured subordinated debt	<u>-</u>	<u>-</u>
Payment of Outstanding Acceptances Executed by or for Account of the Bank	<u>-</u>	<u>-</u>
Payment for Reacquisition of Capital Stock and Other Equity Securities	<u>-</u>	<u>-</u>
Payment for reacquisition of capital stock	<u>-</u>	<u>-</u>
Payment for reacquisition of other equity securities	<u>-</u>	<u>-</u>
Payment of Interest on Loans and Other Financial Charges	<u>191,509.00</u>	<u>239,978.00</u>
Payment of Cash Dividends	<u>-</u>	<u>-</u>
<b>Total Cash Outflows</b>	<b><u>1,077,588.00</u></b>	<b><u>1,075,638.00</u></b>
Adjustments (Please specify)	<u>-</u>	<u>-</u>
<b>Adjusted Cash Outflows</b>	<b><u>1,077,588.00</u></b>	<b><u>1,075,638.00</u></b>
<b>Net Cash Provided By/(Used In) Financing Activities</b>	<b><u>(1,077,588.00)</u></b>	<b><u>(1,075,638.00)</u></b>

	<u>2019</u>	<u>2018</u>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(401,115.17)</b>	<b>507,987.06</b>
<b>Effects of Exchange Rate Changes on Cash and Cash Equivalents</b>	-	-
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	<u><b>9,003,474.23</b></u>	<u><b>8,495,487.17</b></u>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u><u><b>8,602,359.06</b></u></u>	<u><u><b>9,003,474.23</b></u></u>

Prepared by:

  
**AILEEN A. SIGUA**

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Checked by:

  
**MARILYN E. GERONIMO**

Division Manager C

  
 Approved by:
**ENGR. MARLON J. ABESAMIS**

General Manager



# PEÑARANDA WATER DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

#### Agency Background

The Peñaranda Water District is a local water district created by virtue of Resolution No. 033 dated August 1987 of the Municipal Council of Peñaranda, Nueva Ecija. On September 9, 1987, the Certificate of Conditional Conformance No. 306 was issued by Local Water Utilities Administration to formalize the establishment of Peñaranda Water District.

The operation of the local water district started on September 18, 1995 pursuant to the provisions of Presidential Decree No. 198 as amended by PD Nos. 768 and 1479, otherwise known as the "Provincial Water Utilities Act of 1973". Its primary objective is to acquire, install, improve, provide, maintain and operate the water supply and distribution system for domestic, commercial, and industrial consumption of residents within the boundaries of the District. As of December 31, 2019, the District is servicing 9 out of 10 barangays with total service connection of 5,684.

The District's vision is to operate and maintain a water supply and distribution systems for domestic, industrial, municipal, and agricultural uses for residents and land within the boundaries of Peñaranda.

Its mission are the following:

- a. Sustain a viable and self-supporting water utility that will provide safe and adequate water needs of the residents of the District.
- b. Expand its areas of operations in phases to keep up with growth in demand as the community progresses;
- c. Provide periodic trainings of staff and personnel in all aspects of operation to attain efficiency and morality in the service;
- d. Adopt government prescribed operating and accounting procedures to keep its service revenue generations to its optimum: and
- e. Maintain at all times good public relation by dealing with the public fairly and sincerely to win their support and goodwill especially the water consumers whose patronage is indispensable

Peñaranda Water District was composed of the following Board of Directors from different sectors

<u>Name</u>	<u>Position</u>	<u>Sector</u>
Leonida A. Abello	Chairperson	Business
Jovita N. Calungcaguin	Vice-Chairperson	Professional
Romeo L. Geronimo Jr.	Secretary	Civic
Lily L. Abiog	Treasurer	Education
Ofelia D. Bernandino	Member	Women

#### Authorization for Issue of the 2019 Financial Statements

The financial statements of Peñaranda Water District for the year ended December 31, 2019 were authorized for issue by the Board of Directors on January 23, 2020 in Board Resolution No. 003-2020 dated January 23, 2020.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

#### Basis of Preparation

The financial statements of the District have been prepared using historical cost basis. The financial statements are presented in Philippine Peso (₱), which is the District's functional and presentation currency. All values are rounded off to two (2) decimal places, except when otherwise indicated.

#### Statement of Compliance

The financial statements were prepared in compliance with Philippine Financial Reporting Standards (PFRS), which includes statements named PFRS, Philippine Accounting Standards (PAS), Philippine Interpretations of International Financial Reporting Interpretations Committee (IFRIC) issued by the Financial Reporting Standards Council and Revised Chart of Accounts (RCA) for Government Corporations prescribed in COA Circular Nos. 2015-010 and 2016-006.

#### Summary of Significant Accounting Policies

The significant accounting policies that have been used in the preparation of the District's financial statements are summarized below.

#### Current versus Noncurrent Classification

The District presents assets and liabilities in the statement of financial position based on current or noncurrent classification. An asset is current when it is

- Expected to be realized or intended to sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading



- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when it is:

- Expected to be settled in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The District classifies all other liabilities as noncurrent.

#### Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the District. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the District determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the District has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

#### Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash in bank earns interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and that are subject to an insignificant risk of change in value.

#### Financial Instruments

##### *Date of recognition*

The District recognizes a financial asset or a financial liability in the statement of financial position when it becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

##### *Initial recognition of financial instruments*

Financial instruments are initially recognized at fair value, which is the fair value of the consideration given (in case of a financial asset) or received (in case of a financial liability). Except for securities at FVPL, the initial measurement of financial instruments includes transaction costs.

The District classifies its financial instruments in the following categories: financial assets and financial liabilities at FVPL, loans and receivables, held-to-maturity (HTM) investments, AFS financial assets and other financial liabilities. The classification depends on the purpose for which the investments were acquired and whether these are quoted in an active market. Management determines the classification at initial recognition and, where allowed and appropriate, reevaluates this classification at every reporting date.

As at December 31, 2019 and 2018, the District does not have financial assets and financial liabilities at FVPL, HTM investments, and AFS financial assets.

##### *Loans and Receivables*

Loans and receivables are financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market. These are not entered with



the intention of immediate or short-term resale and are not designated as AFS financial assets or financial assets at FVPL. These are included in current assets if maturity is within twelve months from the reporting date. Otherwise, these are classified as noncurrent assets.

After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included in "Interest income" in profit or loss. The losses arising from impairment of such loans and receivables are recognized as "Provision for probable losses and doubtful accounts" in profit or loss.

#### *Other financial liabilities*

Issued financial instruments or their components, which are not designated as at FVPL are classified as other financial liabilities where the substance of the contractual arrangement results in the District having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate.

This accounting policy applies to the District's long-term debt, accounts and other payables except statutory liabilities.

#### Derecognition of Financial Assets and Financial Liabilities

##### *Financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of financial assets) is derecognized when:

- the right to receive cash flows from the asset has expired;
- the District retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the District has transferred its right to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained the risks and rewards of the asset but has transferred the control of the asset.

Where the District has transferred its right to receive cash flows from an asset or has entered into a "pass-through" arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the District's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee



over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the District could be required to repay.

#### *Financial liabilities*

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or has expired.

Where an existing financial liability is replaced by another financial liability from the same lender on 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 profit or loss.

#### Impairment of Financial Assets

The District assesses at each reporting date whether there is objective evidence that a financial asset or 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 (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Objective evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic condition that correlate with default. For the District's receivables from customers, evidence of impairment may also include non-collection of the District's trade receivables, which remain unpaid after due date.

#### *Loans and receivables*

For loans and receivables carried at amortized cost, the District 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 the District 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 assessed for impairment. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognized, are not included in a collective assessment for 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 assets carrying amount and the



present value of the estimated future cash flows (excluding future credit losses that have not been incurred). The carrying amount of the asset is reduced through use of an allowance account and the amount of loss is charged to profit or loss. Interest income continues to be recognized based on the original effective interest rate of the asset. Receivables, together with the associated allowance accounts, are written off when there is no realistic prospect of future recovery.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in profit or loss, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

The District's Allowance for impairment of its Accounts Receivable amounted to ₱ 174,236.79 and ₱ 170,970.38 as of December 31, 2019 and 2018, respectively.

#### Offsetting Financial Instruments

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### Classification of Financial Instruments between Debt and Equity

A financial instrument is classified as debt if it provides for a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the District; or
- satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Water District does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability

#### Inventories

Inventories are valued at the lower of cost or net realizable value (NRV). Cost is determined using the moving average method.

Inventories are recognized as an expense when deployed for the utilization or consumption in the ordinary course of operations of the District.

#### Prepaid expenses

Prepaid expenses are carried at cost less the amortized portion. These typically include prepayments for business taxes, insurance and employee health care expenses and other benefits.



## Property, Plant and Equipment

### *Recognition*

An item is recognized as property, plant, and equipment (PPE) if it meets the characteristics and recognition criteria as a PPE. The characteristics of PPE are as follows:

- tangible items;
- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- are expected to be used during more than one reporting period.

An item of PPE is recognized as an asset if:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity;
- the cost or fair value of the item can be measured reliably; and
- the cost is at least P15,000.00.

Property, plant and equipment, except land, are stated at cost less accumulated depreciation and amortization and any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property, plant and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the property, plant and equipment to its working condition and location for its intended use, including capitalized borrowing costs incurred during the construction period.

Expenditures incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to operations in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of the related property, plant and equipment.

Depreciation and amortization of property, plant and equipment commences once the property, plant and equipment are available for use and are calculated on a straight-line basis over the estimated useful lives (EUL) of the property, plant and equipment as follows:

Category	Number of years
Information & Communication Technology Equipment	5 years
Office Equipment	5 years
Transportation equipment	7 years
Furniture and fixtures	10 years
Other Land Improvements	10 years
Machinery and equipment	10 years
Water Plant, Structure and Improvements	30 years



Plant-Utility Plant in Service	30 years
Building & Other structures	30 years

The EUL and depreciation and amortization method are reviewed periodically to ensure that the period and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Fully depreciated property, plant and equipment are retained in the accounts until they are no longer in use and no further depreciation are charged to current operations.

When property, plant and equipment is retired or otherwise disposed of, the cost and the related accumulated depreciation and amortization and accumulated impairment, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Construction in progress is stated at cost and transferred to the related Property, Plant and Equipment account when the construction or installation have been completed and ready for use. Depreciation expense is not yet recognized, while the construction is in progress. Any related expenses incurred during the construction of the project such as license fees, permit fee, etc. shall be capitalized. Liquidated damages charged and paid for by the contractor shall be deducted from the total cost of the assets.

Five (5) land owned by the District in the area of Peñaranda where the administration building and pumping stations are situated were acquired through purchase and donation by a private individual, wherein one (1) of which, the land purchased in Brgy. Sto. Tomas is still in the process of titling to possess the absolute ownership of the land.

### Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is recognized in the statement of profit or loss when it is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as



changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

#### Impairment of Non-financial Assets

The District assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the District estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other fair value indicators. Impairment losses of continuing operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as revaluation increase. After such a reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.



### Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the District and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

#### Income from Waterworks System

Water revenue are recognized when the related water services are rendered. Water is billed every month according to the bill cycles of the customers.

As a result of the District's bill cycle cut-off, monthly service revenue earned but not yet billed at end of the month are recognized the following month.

#### Fines and Penalties not related to taxes

The District recognizes revenue from fees and fines, except those related to taxes, when earned and the asset recognition criteria are met. Deferred income is recognized instead of revenue if there is a related condition attached that would give rise to a liability to repay the amount.

The District charges fines and penalties to customers when there is a delay in the payment of water bill. A penalty of 5% of the water bill is automatically charged by the Billing and Collection System three (3) days following the due date.

#### Other Business Income

Other customer related fees such as service connection, reconnection and disconnection fees are recognized when these services have been rendered.

#### Interest Income

Interest income is recognized as it accrues, taking into account the effective yield of the assets.

#### Cost of Services and Operating Expenses

Cost of services and operating expenses are recognized as they are incurred. Cost and expenses are recognized in the profit and loss when a decrease in future economic benefit related to a decrease of an asset or an increase of a liability has arisen other than distributions to equity participants that can be measured reliably. Cost and expenses are recognized in the profit and loss on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, cease to qualify, for recognition in the statement of financial position as an asset



## Tax

### *Current tax*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as of the reporting date.

### *Deferred tax*

Deferred tax is provided, using the liability method, for all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

A deferred tax shall be recognized for all deductible temporary differences and operating loss carryforward when it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. (PAS12.24)

Pursuant to Presidential Decree 198, under section 14 - Department of Justice ruling under case no. OSJ-2005-03 states that the Water Districts are exempted from Income tax and only liable to two percent (2%) Franchise Tax on its gross receipts. Recognition of deferred tax is not applicable as stated above.

## Provisions and Contingencies

### *Provisions*

A provision is recognized when the District has: (a) a present obligation (legal or constructive) as a result of a past event; (b) it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense. Where the District expects a provision to be reimbursed, the reimbursement is not recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

### *Contingencies*

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.



### Employee Benefits

The employees of the District are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage. Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees.

### **3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES and ASSUMPTIONS**

The preparation of the District's financial statements in compliance with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported and disclosure in the financial statements and the related notes. Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Actual results could differ from those estimates, and such, will be adjusted accordingly.

The District believes the following represent a summary of these significant judgments, estimates and assumptions, and the related impact and associated risks in the financial statements

#### Judgments

In the process of applying the District's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the financial statements.

#### *Determination of impairment of non-financial asset*

The District assesses the impairment of non-financial assets (property, plant and equipment, other current assets, and other noncurrent assets) whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the District considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of usage of the acquired assets or the strategy for the District's overall business; and,
- significant negative industry or economic trends.

In 2019 and 2018, the District has not identified any impairment indicator, thus, no impairment was recognized.

#### Estimates and Assumptions

Key assumptions concerning the future and other sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:



#### *Determination of impairment of receivables*

The District reviews its receivables at each reporting date to assess whether provision for doubtful accounts should be recorded in profit or loss. The District maintains an allowance for impairment - accounts receivable based on the results of the individual and collective impairment assessments under PAS 39. Allowance for impairment - accounts receivable is maintained at a level considered adequate to provide for potentially uncollectible receivables. The level of allowance is based on past collection experience and other factors that may affect collectability. These factors include, but not limited to, age and status of receivables, the concessionaire's payment behavior and known market factors. An evaluation of receivables designed to identify potential charges to the allowance is performed on a continuous basis throughout the year.

The following is the basis of the District in computing the Allowance for Impairment-Accounts Receivable, to wit:

<b>Age of Accounts</b>	<b>Percentage</b>
1 - 60 days active	1%
1 - 60 days inactive	9%
61 - 180 days inactive	36%
181 days - 1 year	50%
More than 1 year	95%

The carrying value of receivables amounted to ₱ 1,168,799.48 and ₱ 1,125,984.87, net of allowance for impairment-accounts receivable of ₱174,236.79 and ₱170,970.38 as at December 31, 2019 and 2018, respectively (see Note 5).

#### *Determination of estimated useful lives of property, plant and equipment*

The useful life of each of the District's item of property, plant and equipment is estimated based on the period over which the asset is expected to provide economic benefits. Such estimation is based on a collective assessment of similar business, internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. It is possible, however, that future financial performance could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any item of property and equipment would increase the recorded depreciation expense and decrease the carrying value of property, plant and equipment.

There were no changes in the estimated useful lives of property, plant and equipment in 2019 and 2018. The carrying values of property, plant and equipment amounted to ₱43,703,311.94 and ₱44,243,248.34 as at December 31, 2019 and 2018, respectively (see Note 8).



#### **4. CASH AND CASH EQUIVALENTS**

Cash consist of:

	<b>2019</b>	<b>2018</b>
Cash on Hand	₱ 118,136.49	₱ 94,597.08
Cash in Bank-Local Currency	350,125.87	1,255,228.53
Time Deposits-Local Currency	8,134,096.70	7,653,648.62
<b>Total</b>	<b>₱8,602,359.06</b>	<b>₱9,003,474.23</b>

Cash on hand pertains to collections of cash collecting officer not yet deposited in the District's current account as of the end of the reporting period.

Cash in Bank - Local Currency and Time Deposits - Local Currency are accounts of the District in Landbank of the Philippines, Gapan City Branch.

#### **5. RECEIVABLES**

The District's receivables include accounts receivable and receivables-disallowances/charges.

Details of the District's receivables are as follows:

	<b>2019</b>	<b>2018</b>
Accounts Receivable	₱1,343,036.27	₱1,296,955.25
Allowance for Impairment- Accounts Receivable	174,236.79	170,970.38
	<b>₱1,168,799.48</b>	<b>₱1,125,984.87</b>
Other Receivables	1,182,199.50	1,505,550.00
<b>Net Value-Receivables</b>	<b>₱2,350,998.98</b>	<b>₱2,631,534.87</b>

Accounts receivables pertain to all amounts due arising from services rendered to customers/concessionaires, water sales and incidental services, net of allowance for impairment.

As of December 31, 2019 and 2018, allowance for impairment amounted to ₱174,236.79 and ₱170,970.38, respectively. The assessed impairment of the District is for accounts receivable based on management prescribed policy on allowance for impairment-accounts receivable released on BOD Resolution No. 05, series of 2007 dated January 25, 2007.

Other receivables include receivables-disallowances/charges.

## 6. INVENTORIES

This account consists of un-issued materials and supplies, which are kept in the stock room and available for future use by the District in its operations.

<b>2019</b>				
	<b>Inventory Held for Consumption</b>	<b>Semi- Expendable Machinery and Equipment</b>	<b>Semi- Expendable Furniture, Fixtures and Books</b>	<b>Total</b>
<i>Cost</i>				
Balance, Jan. 1, 2019	₱1,061,904.09	₱102,960.00	₱0.00	₱1,164,864.09
Additions/Acquisitions during the year	2,336,333.73	630,000.00	0.00	2,966,333.73
Expensed during the year except write-down	-1,776,585.60	-673,560.00	0.00	-2,450,145.60
Write-down during the year	0.00	0.00	0.00	0.00
Reversal of Write-down during the year	0.00	0.00	0.00	0.00
<b>Balance, Dec. 31, 2019</b>	<b>₱1,621,652.22</b>	<b>₱59,400.00</b>	<b>₱0.00</b>	<b>₱1,681,052.22</b>

<b>2018</b>				
	<b>Inventory Held for Consumption</b>	<b>Semi- Expendable Machinery and Equipment</b>	<b>Semi- Expendable Furniture, Fixtures and Books</b>	<b>Total</b>
<i>Cost</i>				
Balance, Jan. 1, 2018	₱838,168.56	₱0.00	₱0.00	₱838,168.56
Additions/Acquisitions during the year	2,864,276.08	710,160.00	0.00	3,882,472.66
Expensed during the year except write-down	(2,640,540.55)	(607,200.00)	0.00	(3,555,777.13)
Write-down during the year	0.00	0.00	0.00	0.00
Reversal of Write-down during the year	0.00	0.00	0.00	0.00
<b>Balance, Dec. 31, 2018</b>	<b>₱1,061,904.09</b>	<b>₱102,960.00</b>	<b>₱0.00</b>	<b>₱1,164,864.09</b>

## 7. OTHER CURRENT ASSET

This account consists of prepayments of the water district:

	<b>2019</b>	<b>2018</b>
Prepaid Insurance	₱57,018.16	₱25,707.28
Other Prepayments	1,900.00	1,900.00
<b>Total</b>	<b>₱58,918.16</b>	<b>₱27,607.28</b>



## 8. PROPERTY, PLANT AND EQUIPMENT

This account includes all properties of relatively permanent character that are used in normal utility operations.

The breakdown of this account is as follows:

### 2019

	Land	Buildings and Other Structures	Transportation Equipment	Furniture, Fixtures and Books	Machinery and Equipment	Other Land Improvements	Plant--Utility, Plant in Service	Total
<b>Cost</b>								
Balance at beginning of year	P2,306,350.00	P9,583,796.58	P3,104,605.00	P307,843.40	P11,320,797.99	P395,179.20	P43,808,077.60	P70,826,649.77
Additions	0.00	467,446.50	0.00	0.00	2,313,238.51	0.00	163,758.75	2,944,443.76
Disposals/Other Adjustments	0.00	0.00	0.00	0.00	-473,894.04	0.00	0.00	-473,894.04
Balance, Dec. 31, 2019	2,306,350.00	10,051,243.08	3,104,605.00	307,843.40	13,160,142.46	395,179.20	43,971,836.35	73,297,199.49
<b>Accumulated depreciation and amortization</b>								
Balance at beginning of year	0.00	1,440,816.58	1,964,869.35	105,732.60	7,005,170.62	254,802.10	15,812,010.18	26,583,401.43
Depreciation and amortization	0.00	308,109.12	215,378.52	29,245.10	1,062,755.39	27,965.16	1,338,318.12	2,981,771.41
Impairment Loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Adjustments	0.00	0.00	0.00	0.00	28,714.71	0.00	0.00	28,714.71
Balance, Dec. 31, 2019	0.00	1,748,925.70	2,180,247.87	134,977.70	8,096,640.72	282,767.26	17,150,328.30	29,593,887.55
<b>Net book value</b>	<b>P2,306,350.00</b>	<b>P8,302,317.38</b>	<b>P924,357.13</b>	<b>P172,865.70</b>	<b>P5,063,501.74</b>	<b>P112,411.94</b>	<b>P26,821,508.05</b>	<b>P43,703,311.94</b>

### 2018

	Land	Buildings and Other Structures	Transportation Equipment	Furniture, Fixtures and Books	Machinery and Equipment	Other Land Improvements	Plant--Utility, Plant in Service	Total
<b>Cost</b>								
Balance at beginning of year	P2,306,350.00	P8,416,060.58	P3,104,605.00	P307,843.40	P11,299,565.24	P395,179.20	P42,247,821.92	P68,077,425.34
Additions	0.00	1,167,736.00	0.00	0.00	343,502.75	0.00	1,560,255.68	3,071,494.43
Disposals/Other adjustment	0.00	0.00	0.00	0.00	(322,270.00)	0.00	0.00	(322,270.00)
Balance, Dec. 31, 2017	2,306,350.00	9,583,796.58	3,104,605.00	307,843.40	11,320,797.99	395,179.20	43,808,077.60	70,826,649.77
<b>Accumulated depreciation and amortization</b>								
Balance at beginning of year	0.00	1,143,107.60	1,747,539.93	76,835.75	6,324,514.42	226,836.94	14,509,676.25	24,028,510.89
Depreciation and amortization		297,708.98	217,329.42	28,896.85	996,759.82	27,965.16	1,302,333.93	2,870,994.16
Impairment Loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Adjustments	0.00	0.00	0.00	0.00	316,103.62	0.00	0.00	0.00
Balance, Dec. 31, 2017	0.00	1,440,816.58	1,964,869.35	105,732.60	7,005,170.62	254,802.10	15,812,010.18	26,583,401.43
<b>Net book value</b>	<b>P2,306,350.00</b>	<b>P8,142,980.00</b>	<b>P1,139,735.65</b>	<b>P202,110.80</b>	<b>P4,315,627.37</b>	<b>P140,377.10</b>	<b>P27,996,067.42</b>	<b>P44,243,248.34</b>

Fully depreciated property, plant and equipment as of December 31, 2019 and 2018 that are still in use by the District amounted to P 368,300.56 and P 261,838.66, respectively.

## 9. OTHER ASSETS

This account consists of unserviceable assets and sinking fund of the water district, which are both classified as non-current assets.

	2019	2018
Sinking Fund	P 824,260.22	P 819,276.11
Other Assets	1,004,539.81	553,887.90
<b>Total</b>	<b>P1,828,800.03</b>	<b>P1,373,164.01</b>

## 10. INTANGIBLE ASSETS

This account pertains to the billing and collection program of the water district:

	2019	2018
Computer Software	P212,000.00	P116,000.00
Accumulated Amortization	127,800.00	110,200.00
<b>Net book value</b>	<b>P 84,200.00</b>	<b>P 5,800.00</b>

## 11. PAYABLE ACCOUNTS

This account pertains to the accrued expenses payable to suppliers and other service providers.

	2019	2018
Accounts Payable		
<i>Current</i>	P57,749.79	P719,288.44
<i>Non-current</i>	0.00	0.00
Sub-total	57,749.79	719,288.44
Due to Officers and Employees		
<i>Non-current</i>	0.00	0.00
<b>Total</b>	<b>P57,749.79</b>	<b>P719,288.44</b>

Aging of the District's payable is as follows:

Accounts Payable	2019	2018
Not past due	P57,749.79	P572,326.44
Past due		
< 30 days	0.00	146,962.00
30 - 60 days	0.00	0.00
> 60 Days	0.00	0.00
<b>Total</b>	<b>P57,749.79</b>	<b>P719,288.44</b>



## **12. INTER-AGENCY PAYABLES**

This account consists of the following:

	<b>2019</b>	<b>2018</b>
Due to BIR	₱368,574.98	₱ 230,914.25
Due to GSIS	295,793.90	257,507.09
Due to Pag-IBIG	15,869.01	14,530.20
Due to PhilHealth	19,449.40	17,897.42
<b>Total</b>	<b>₱699,687.29</b>	<b>₱520,848.96</b>

Due to BIR refers to the withheld taxes on compensation of employees, withheld expanded taxes on suppliers and franchise tax, which are due for remittance.

Due to GSIS, Pag-IBIG and Philhealth are the premiums and loans for remittances.

## **13. OTHER CURRENT LIABILITIES**

This account pertains to the customer's deposit payable and payable to COA.

	<b>2019</b>	<b>2018</b>
Trust Liabilities	₱ 73,280.55	₱ 70,876.55
Other Payables	47,910.65	227,910.65
<b>Total</b>	<b>₱121,191.20</b>	<b>₱298,787.20</b>

## **14. OTHER LIABILITIES**

The loans payable represents the current and non-current portion of the obligations of the District to LWUA, repayments are made monthly based on the agreed terms and schedule provided in the contract agreement.

The provisions is the money value of the earned leave credits of the water district's personnel.

	<b>2019</b>	<b>2018</b>
Loans Payable-Domestic		
<i>Current</i>	₱ 940,792.00	₱ 0.00
<i>Non-current</i>	7,870,173.92	9,697,044.92
Sub-total	8,810,965.92	9,697,044.92
Provisions		
<i>Non-current</i>	8,113,902.09	6,562,000.42
<b>Total</b>	<b>₱16,924,868.01</b>	<b>₱16,259,045.34</b>

## **15. PERSONNEL SERVICES**

This account consists of the following:

	<b>2019</b>	<b>2018</b>
Salaries and Wages	₱ 9,118,426.55	₱ 8,228,542.37
Other Compensation	4,030,499.68	3,302,439.28
Personnel Benefit Contributions	1,291,570.28	1,162,007.00
Other Personnel Benefits	792,320.24	767,404.16
<b>Total</b>	<b>₱15,232,816.75</b>	<b>₱13,460,392.81</b>

## **16. MAINTENANCE AND OTHER OPERATING SERVICES**

This account consists of the following:

	<b>2019</b>	<b>2018</b>
Traveling Expenses	₱ 191,787.70	₱ 129,589.60
Training and Scholarship Expenses	380,473.00	542,931.54
Supplies and Materials Expenses	1,961,998.41	1,869,625.62
Utility Expenses	5,697,139.15	6,034,507.04
Communication Expenses	214,823.08	216,969.70
Confidential, Intelligence & Extraordinary Expenses	5,000.00	41,399.40
Professional Services	183,980.00	476,700.65
General Services	300,000.00	288,000.00
Repairs and Maintenance	577,798.69	551,990.74
Taxes, Insurance Premiums and Other Fees	725,615.12	652,764.67
Other Maintenance and Operating	1,085,714.90	841,115.03
<b>Total</b>	<b>₱11,324,330.05</b>	<b>₱11,645,593.99</b>

## **17. FINANCIAL EXPENSES**

This account represents the interests paid on long-term obligations of the District under loan agreement with LWUA and bank charges.

	<b>2019</b>	<b>2018</b>
Interest Expense	₱186,709.00	₱237,128.00
Other Financial Charges	4,800.00	2,850.00
<b>Total Financial Expenses</b>	<b>₱191,509.00</b>	<b>₱239,978.00</b>



## **18. NON-CASH EXPENSE**

This account consists of the following:

	<b>2019</b>	<b>2018</b>
Depreciation Expense	₱2,981,771.41	₱2,875,463.42
Amortization of Intangible Asset	17,600.00	0.00
Impairment Loss-Loans and Receivables	3,266.41	16,652.07
<b>Total</b>	<b>₱3,002,637.82</b>	<b>₱2,892,115.49</b>

**PEÑARANDA WATER DISTRICT**  
**Aging of Accounts Payable**  
**December 31, 2019**  
**(in thousand pesos)**

Supplier's Name	Total Accounts Payable	Current	1-30 Days Past Due	31-60 Days Past Due	Over 60 Days Past Due
PLDT	5,035.32	5,035.32			
Smart Communications, Inc.	11,914.47	11,914.47			
V. Eusebio Refrigeration & Airconditining Service Center	10,800.00	10,800.00			
JDL Aircondition & Ref. Specialist Corp,	30,000.00	30,000.00			
***NOTHING FOLLOWS***					
Total	57,749.79	57,749.79	-	-	-

Prepared by:

  
**AILEEN A. SIGUA**

Senior Corporate Accounts Analyst

Checked by:

  
**MARILYN E. GERONIMO**  
 Division Manager C

Noted by:

  
**ENGR. MARLON J. ABESAMIS**  
 General Manager



**PEÑARANDA WATER DISTRICT**  
**Ageing of Accounts Receivable**  
**December 31, 2019**  
**(in thousand pesos)**

Zone		Total Accounts Receivable	Current	1-60 days active	1-60 days disconnected	61-180 days disconnected	181 days to 1 year disconnected	more than 1 year disconnected
1	Callos/Municipal	76,157		49,993	3,710	2,464	3,964	16,025
2	SanJosef (Book 1 & 2)	9,514		2,054		200	600	6,660
3	San Josef (Book 1 & 2)	43,408		21,628		580	7,755	13,444
4	San Josef	23,698		18,962	453	1,070	1,287	1,926
5	Poblacion 1	37,290	388	33,137	300	500		2,966
6	Poblacion 1/San Josef	48,271		42,701	663	400	400	4,108
7	Poblacion 2 (Book 1 & 2)	36,692		27,820	1,000	2,331	1,200	4,341
8	Poblacion 3 (Book 1 & 2)	51,770	263	31,942	200	400	1,063	17,903
9	Poblacion 4 (Book 1 & 2)	41,899		37,422	525	897	892	2,163
10	Sto. Tomas	41,600		33,922	1,600		1,200	4,878
11	Sto. Tomas/Poblacion 4 (Book 1 & 2)	69,754	346	61,304	600	200	925	6,379
12	Sto. Tomas (Book 1 & 2)	61,943	55,474	1,368	283		1,303	3,515
13	Sto. Tomas (Book 1 & 2)	116,269	88,066			1,188	200	26,815
14	Sto. Tomas (Book 1 & 2)	83,903	70,307		200	4,135	805	8,456
15	Sto. Tomas (Book 1 & 2)	103,129	86,366		800	600	400	14,963
16	Sinasajan	90,936	76,716		1,666	421	400	11,733
17	Sinasajan	124,138	120,241					3,898
18	Sinasajan	93,198	90,007			764	-	2,427
19	Las Piñas (Book 1 & 2)	189,467	174,725	4,605	1,325	600	1,400	6,812
Total		1,343,036	762,897	366,858	13,325	16,749	23,793	159,413

Prepared by:

  
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Division Manager C

Noted by:

  
**ENGR. MARLON J. ABESAMIS**

General Manager

**PEÑARANDA WATER DISTRICT**  
**Breakdown of Domestic Loans**  
**December 31, 2019**  
**(in thousand pesos)**

Agency	Source	Amount
PEÑARANDA WATER DISTRICT	LWUA	1,924,574
PEÑARANDA WATER DISTRICT	NLIF - DOH	1,461,392
PEÑARANDA WATER DISTRICT	LWUA	5,425,000
<b>Total</b>		<b>8,810,966</b>

Prepared by:

  
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Division Manager C

Noted by:

  
**ENGR. MARLON J. ABESAMIS**

General Manager



**PEÑARANDA WATER DISTRICT**  
**Breakdown of Foreign Loans**  
**December 31, 2019**  
**(in thousand pesos)**

Agency	Source	Amount
None		
<b>Total</b>		-

Prepared by:

*gas*

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Checked by:

*Mar*

**MARILYN E. GERONIMO**

Division Manager C

Noted by:

*[Signature]*

**ENGR. MARLON J. ABESAMIS**

General Manager

**PEÑARANDA WATER DISTRICT**  
**Schedule of Taxes Remitted and Dividends Paid to National Government**  
**Period Ended December 31, 2019**  
**(in thousand pesos)**

Agency	Taxes				Dividends	Total
	Income/Franchise	Withholding	Others	Total		
PEÑARANDA WATER DISTRICT	573,909	949,745	-	1,523,654	N/A	-
<b>Total</b>	<b>573,909</b>	<b>949,745</b>	<b>-</b>	<b>1,523,654</b>		

Prepared by:

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**AILEEN A. SIGUA**

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*gmn*  
**MARILYN E. GERONIMO**  
 Division Manager C

Noted by:


*[Signature]*  
**ENGR. MARLON J. ABESAMIS**  
 General Manager



Agency	Source	Amount
PEÑARANDA WATER DISTRICT		None
Total		-

*gus*  
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**MARILYN E. GERONIMO**  
Division Manager C

Noted by:   
**ENGR. MARLON J. ABESAMIS**  
General Manager

## PEÑARANDA WATER DISTRICT

### Summary of Discretionary, Representation, Extraordinary, Promotional


### Confidential and Consultancy Expenses

Agency	Account	Amount
PEÑARANDA WATER DISTRICT	Discretionary Expenses	None
	Representation Expenses	206,501.20
	Extraordinary Expenses	5,000.00
	Promotional Expenses	102,558.15
	Confidential Expenses	None
	Consultancy Expenses	49,280.00
Total		363,339.35

*gus*  
**AILEEN A. SIGUA**  
Senior Corporate Accounts Analyst

**MARILYN E. GERONIMO**  
Division Manager C

Noted by:



**ENGR. MARLON J. ABESAMIS**

General Manager



**PEÑARANDA WATER DISTRICT**  
**Roaster of Membership of Governing Boards**  
**of Government-Owned and/or Controlled Corporations**  
**December 31, 2019**

Name		No. of Membership(s)
Abello, Leonida A.	BOD - Chairperson	1
Calungcaguin, Jovita N.	BOD - Member	1
Geronimo, Romeo Jr. L.	BOD - Member	1
Abiog, Lily L.	BOD - Member	1
Ofelia D. Bernardino	BOD - Member	1

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*Mar*  
**MARILYN E. GERONIMO**

Division Manager C

Noted by:

*[Signature]*  
**ENGR. MARLON J. ABESAMIS**

General Manager



# PEÑARANDA WATER DISTRICT

Gomez St. Poblacion II, Peñaranda, Nueva Ecija

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Website: [pwd.gov.ph](http://pwd.gov.ph)

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of the **PEÑARANDA WATER DISTRICT** is responsible for the preparation of the financial statement as at December 31, 2019, including the additional components attached thereto in accordance with the prescribed financial reporting framework indicated therein. The responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Board of Directors reviews and approves the financial statements before such statements are issued to the regulators, creditors and other users.

The Commission on Audit has audited the financial statements of the **PEÑARANDA WATER DISTRICT** in accordance with the Philippine Standards on Auditing and has expressed its opinion on the fairness of presentation upon completion of such audit, in its report to the Board of Directors.

**Ms. LEONIDA A. ABELLO**

Chairperson of the Board of Directors

0-2-10-20-20

Date Signed

**AILEEN A. SIGUA**

Senior Corporate Accounts Analyst

02/10/2020

Date Signed

**MARILYN E. GERONIMO**

Division Manager C

02/10/2020

Date Signed

**Engr. MARLON J. ABESAMIS**

General Manager

02/10/2020

Date Signed