



TUBOD-BAROY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS

I. Brief Historical Background:

The Tubod-Baroy Water District (TBWD) was created under a Special Law, Presidential Decree 198 as amended by PD Nos. 768 and 1479 better known as the “Provincial Water Utilities Act of 1973.” TBWD was awarded with the Certificate of Conditional Conformance No. 228 by the Local Water Utilities Administration (LWUA) on November 8, 1982.

All Local Water districts were declared as Government-Owned and Controlled Corporations (GOCC) by the Supreme Court on September 13, 1991 in the case docketed as GR Nos. 95237-38.

TBWD operates as a Government Corporation with proprietary functions and is independent from the Local Government of Tubod and Baroy, Lanao del Norte. It is located at Provincial Trade Center, Sagadan, Poblacion, Tubod, Lanao del Norte.

In compliance with the guidelines provided in the DBM approved Revised Local Water District Manual on Categorization, Re-Categorization and Other Related Matters (LWD-MaCRO), Tubod- Baroy Water District was categorized as a Category “D” Water District on April 2013.

TBWD primarily provides adequate, safe, potable and affordable water to its concessionaires within Tubod and Baroy, LDN area with a total of 3,928 households served as of December 31, 2017.

The District has the following Objectives:

- a. To acquire, install, improve, maintain and operate water supply and distribution systems for domestic, industrial and agricultural uses for residents and land within the Municipalities of Tubod and Baroy, all of the Province of Lanao del Norte.
- b. To contribute to the economic growth and public health throughout as orderly and effective system of local utilities.

The powers, privileges and duties of the District are exercised and performed by the through the Board of Directors but the executive, administrative and ministerial power is delegated to the management. It has five (5) members who are appointed by the Provincial Governor. The *policy-making body* composed of the following:

Chairman	-Ms. Aurora a. Zorilla
Vice-Chairman	-Mr. Demothenes G. Secuya
Secretary	-Ms. Victoria O. Gorecho
Treasurer	-Ms. Evangeline M. Codilla
Member	-Mr. Andrial C. Kwan

I. Financial and Operational & Highlights for CY2017

As of December 31, 2017, TBWD has reached Php 25.4 million, total liabilities of Php10.95 million and Equities that amounted to Php14.5 million:

	2017	2016	2017 vs. 2016 Increase (Decrease)	
			Amount	Percentage
Assets	25,496,147.75	22,609,103.73	2,887,044.02	12.77%
Liabilities	10,950,336.64	10,271,233.82	679,102.82	6.61%
Equities	14,545,811.11	12,337,879.91	2,207,931.20	17.90%

Results of Operation

The operation of TBWD for CY2017 yielded to overall net income of Php3.8 million pesos as a net of sales revenue of Php23.1 million and expenses of Php19.3 million pesos. The increase of 12.77% in sales was attributed by the water rate increase approve by LWUA in February 2016 and with the sales of materials on new service connections:

	2017	2016	2017 vs. 2016 Increase (Decrease)	
			Amount	Percentage
Sales	23,134,211.06	21,641,286.82	1,492,924.24	6.90%
Expenses	19,308,663.82	16,743,904.21	2,564,759.61	15.32%
Net Income	3,825,547.24	4,897,382.61	(1,071,835.37)	(21.88)%

Cash Flows

Comparative *net cash outflow* of the District for CY2017 amounted to **Php396,902.01**. With the cash beginning of Php5,942,925.41, the 2017 year-end cash in bank resulted to a net balance of Php5,546,023.40. The overage on cash –collecing officer is the liquidated change fund by the tellers (2,000.00), cashier (513.00) and advances by BAC secretary (1,000.00) that were issued receipt in January of 2018.

Summary of Cash in Bank:

Cash –C.O.	₱ 3,513.00
Cash in Bank - 0802-1037-86	3,957,263.10
Cash in Bank - 0801-0300-41(JSA)	1,116,761.64
Cash in Bank - 0801-1157-21(Trust fund)	468,485.66
TOTAL	₱ 5,546,023.40

II. Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) and the revised Chart of Accounts (RCA) for Government Corporations (GCs) classified as Government Business Entities (GBEs) prescribed under COA Circular No. 2015-010. The District's accounting policy

The accrual method of accounting is adopted for recording of both income and expenses.

Property, Plant and Equipment is carried at cost minus salvage at 10% of the cost of the property. Capital Asset are depreciated using straight line method based on the estimated useful life ranging from five (5) to ten (10) years in accordance with COA Circular No. 2003-007 dated December 11, 2003 and depreciation starts on the second month after purchase of the property, plant and equipment. Donated asset is recorded at fair value on the date donated. The cost of normal maintenance and repairs that do not add to the asset value or materially extend to the useful lives of an asset are not capitalized.

Expenditures incurred after the assets have been put into operation, such as repairs and maintenance, are normally charged to Maintenance and Other Operating Expenses (MOOE) in the period in which the costs are incurred.

Other Non-current assets are Malingao Cooperative (MAWASCO) receivables that remained uncollected for years.

Liabilities are only recognized when goods are delivered and/or services rendered together with the supplier's invoice.

Correction of prior year errors were recorded using Prior Year's Adjustment account while errors affecting current year's operations were affected to the current year accounts.

Note 1. Cash and Cash Equivalents

Cash and cash equivalents include cash in bank deposits to be used in the operation of the water district, Trust Fund created for the employees' Retirement Benefits, Reserve fund of TBWD & LWUA as per MOU for loans availed and cash on hand in the possession of the district Collecting Officer was due to closed Petty cash revolving fund and liquidation of Cashier that were issued official receipts on January 2018.

Bank balance as of December 31, 2016 was verified per bank statements and the cash accounts consist of the following:

	2017	2016
Cash- Collecting Officer	₱ 3,513.00	₱ (734.35)
Cash in Bank - LCCA	3,957,263.10	4,739,585.77

Cash in Bank – LCSA (Trust Fund)	1,116,761.64	327,909.86
Cash in Bank - LCSA (JSA)	468,485.66	876,164.13
TOTAL	<u>₱5,546,023.40</u>	<u>₱5,942,925.41</u>

Note 2. Receivables

Account Receivable – this account includes all amounts due on open accounts arising from the services rendered to customers for water sales and other incidental services.

As of December 31, 2017, this account is composed of receivable from customers as listed below.

	2017	2016
Accounts Receivable- Customer	₱ 1,233,126.25	₱ 1,398,542.96
Accounts Receivable- WMF	129,351.06	49,252.23
Receivables- Disallowances	280,989.70	-
Accounts Receivable –Others	126,632.85	149,922.67
Total Current Receivable	<u>₱ 1,770,099.86</u>	<u>₱ 1,597,717.86</u>
Less: Allow. for impairment- A/R	(882,963.98)	(822,942.76)
Net Accounts Receivable	<u>₱ 887,135.88</u>	<u>₱ 774,775.10</u>

Note 3. Inventories

This account consists of unissued materials and supplies which are kept in stock for future use in the operations of the district. Inventory accounts are carried in the books at cost net of spoilage, obsolescence and damaged items. Inventories consist of expendable supplies or materials held for consumption stated on a first-in, first out basis. They are reported at cost which is recorded as expenditure at the time individual inventory items are used. These are grouped into Office Supplies Inventory, Accountable Forms and Materials Inventory.

	2017	2016
Merchandise Inventory	₱ 388,290.09	₱ 558,073.45
Accountable Forms Inventory	8,187.00	17,250.00
Office Supplies Inventory	40,517.55	32,035.39
Fuel, Oil & Lub. Inventory	51,897.80	14,785.00
Chemical & Filtering Supp Inv	35,811.50	-
Plant Inventory	171,975.00	-
TOTAL	<u>₱ 696,678.94</u>	<u>₱ 622,143.84</u>

Note 4. Property, Plant and Equipment

Properties relatively permanent in character are included under this account. It includes intangible plants, landed capital, source of supply plant, pumping plant, water treatment plant, transmission and distribution plant, general plant and other tangible assets.

Property, Plant and Equipment are carried at cost less accumulated depreciation. Depreciation is computed using the straight line method over the estimated useful lives of the properties pursuant to Commission on Audit Circular No. 2003-007 dated December 11, 2003.

The district's office space is currently on a rental basis since they do not have their own building for the purpose.

TUBOD-BAROY WATER DISTRICT
Summary of Property, Plant and Equipment
As of December 31, 2017

	Cost	Accumulated	Balance
1 06 Property, Plant and Equipment	30,748,477.31	13,334,047.68	17,414,429.63
1 06 01 Land	47,000.00		47,000.00
1 06 02 Land Improvements	-		-
1 06 03 Infrastructure Assets	28,204,336.53	12,754,079.29	15,450,257.24
1 06 04 Buildings and Other Structures			-
1 06 05 Machinery and Equipment			-
1 06 06 Transportation Equipment	483,629.00	144,868.37	338,760.63
1 06 07 Furniture, Fixtures and Books	876,291.28	435,100.02	441,191.26
1 06 08 Leased Assets			-
1 06 09 Leased Assets Improvements			-
1 06 10 Heritage Assets			-
1 06 11 Service Concession-Tangible Assets			-
1 06 12 Exploration and Evaluation Assets			-
1 06 13 Bearer Trees, Plants and Crops			-
1 06 98 Other Property, Plant and Equipment			-
1 06 99 Construction in Progress	1,137,220.50		1,137,220.50

Note 5. Current Financial Liabilities

The Accounts Payable consists of TBWD's liabilities to suppliers in the amount of Php1,150,968.83. These are transmission and distribution pipelines purchased for the clustering of water meters, TMSI for telephone bill of December 2017, Denoyo Shop for the accrued Notocycle side car and Crown Paper Office supplies purchases.

Name	Date Granted	Particulars	Reference No.	Amount
GC Hardware	2/28/2016			6,420.00
Denoyo Shop	10/4/2017			18,050.00
COA	8/31/2016			292,859.28
Crown Paper & Station	12/29/2017			23,433.00
Vantage Point	12/29/2017			42,000.00
Jump Engineering	12/29/2017			72,620.00
MIE Oro Plast	12/29/2017			344,519.45
TMSI	12/29/2017			1,542.34
CSC-garganta	12/29/2017			3,000.00
				-
				-
TOTALS:	344,213.00	-	-	804,444.07

Note 6. Current Inter-Agency Payables

The Statutory deductions withheld from government employees and government shares are current obligation of the District which will be remitted to the BIR, GSIS, Pag-ibig, and Philhealth on or before 10th day of the ensuing month.

	2017	2016
Due to BIR	102,113.17	53,819.61
Due to GSIS	189,875.80	128,632.95
Due to Pag-ibig	45,610.79	32,447.18
Due to Philhealth	8,925.00	7,087.50
Total	₱ 346,524.76	₱ 221,987.24

Note 7. Non-current Financial Liabilities

The District availed a long term loan with LWUA. The principal and interest of the regular loan portion have monthly amortization of ₱136,661.00. Loan Account No. 3-305 RL will end amortization on December 2023, LA#3-305 SL will be amortized until December 2023, LA#3-732 RL will be amortized until September 2025, and LA#4-2374 RL will end amortization on April 2024. As of December 31, 2017, the outstanding LWUA loan balance is ₱8,042,164.89. The loan was paid in accordance with the amortization schedule, thus, no penalties were imposed for delayed or non-payment.

	Interest Rates		New Mo. Amortization	Outstanding Balance	
	<i>Old</i>	<i>New</i>		2017	2016
3-732 RL	10.5%	8.2%	₱15,970.00	₱ 1,096,544.99	₱ 1,193,886.99
3-305 SL	10.5%	8.2%	38,149.00	2,163,785.92	2,432,078.92
3-305 RL	10.5%	8.2%	40,921.00	2,320,963.37	2,608,753.37
4-2374 RL	12.5%	8.2%	41,621.00	2,460,870.61	2,745,720.61
Adjustment					3.00
Non-current financial liabilities			₱ 136,661.00	₱ 8,054,164.89	₱ 8,980,442.89

Note 8. Provisions

Accumulated leave credits of Employees are recorded to Leave Benefits Payable account gradually.

	2017	2016
Leave Benefits Payable	1,757,202.92	430,774.47
Other Provisions	-	-
Total Provisions	₱ 1,757,202.92	₱ 430,774.47

Note 9. Service and Business Income

BUSINESS INCOME	2017	2016
Registration Fees	₱ 495,250.00	-
Water works system fees	21,306,720.70	₱ 19,678,310.47
Income from Printing & Pub	10,000.00	
Sales Revenue	881,572.68	1,539,352.65
Fines and Penalties	445,437.87	409,029.10
Interest Income	12,035.56	14,594.60
Other Business Income	1.14	-
Miscellaneous Income	36,690.00	
Less: <i>Sales Discounts</i>	(53,496.89)	(43,352.08)
TOTAL INCOME	₱ 23,134,211.06	₱ 21,597,934.74

Note 10. Personnel Services

Salaries & Wages- Regular	₱ 4,225,264.52	3,297,064.74
Sal & Wages-Casual	878,040.30	1,284,573.82
Personnel Econ. Relief Allow.	532,000.00	484,000.00

Representation Allowance	60,000.00	60,000.00
Transportation Allowance TA	60,000.00	60,000.00
Clothing Allowance	128,556.58	125,000.00
Honoraria		200,357.01
Overtime & Night Pay	320,001.37	257,731.49
Year End Bonus	743,126.15	348,839.00
Cash Gift	115,000.00	98,400.00
Retirement and Life Insurance	562,110.08	468,487.92
Pag-ibig Contributions	27,100.00	24,600.00
Philhealth Contributions	51,362.50	44,175.00
Emp. Compensation Insurance Cont.	27,600.00	24,000.00
Other Bonuses and Allowances	311,904.46	750,717.78
Terminal Leave Benefits	94,785.92	
Total Personnel Services	₱ 8,136,851.88	7,527,946.76

**Note 11. Maintenance and Other
Operating Expense**

Travelling Expenses-Local	351,499.06	190,260.15
Training Expenses	163,790.00	169,894.06
Office Supplies Expense	81,276.11	187,526.09
Accountable Forms Inv	94,788.00	-
Fuel, Oil, and Lubricants	11,596.84	86,225.88
Chemicals & Filtering	51,379.01	32,609.85
Electricity Expenses	6,259,229.51	5,498,293.08
Other Utility Expense	9,068.21	-
Postage and courier Services	15,958.00	15,468.90
Telephone Expense	24,937.19	30,864.00
Internet Expense	12,379.09	-
Cable, Satt.,Tele & Radio Expense	1,763.26	-
Survey Expense	11,500.00	-
Gen Trans & Dist Expenses	563,161.63	393,817.68
Extraordinary & Misc. Expenses	24,327.00	39,906.00
Legal Expense	3,300.00	57,280.00
Auditing Services	20,389.00	-
Other Professional Services	7,800.00	-
Other General Services	20,800.00	18,860.00
Rep & Maint- Infra Asset	126,821.19	-
Rep & Maint- Bldg & Other Struc	13,319.99	14,983.00
Rep & Maint- Transpo Eqpt.	21,363.47	19,322.00
Rep & Maint- Furniture & Fix	2,100.00	1,430.00

Rep & Maint- Other PPE	7,464.60	7,233.80
Maint of Pumping Eqpt	-	61,764.17
Maint of Reservoir & Tanks	-	2,474.00
Taxes, Duties & Licenses Exp	409,430.02	422,055.74
Fidelity Bond Premiums	19,005.00	16,980.00
Insurance Expense	8,438.95	3,501.45
Labor & Wages	40,177.50	-
Advertising, Promo& Mktg Expense	4,500.00	2,400.00
Printing & Pub. Expense	4,868.00	-
Representation Expense	144,321.45	236,098.75
Rent/Lease Expense	51,400.00	32,800.00
Membership Dues & Cont to Org	20,899.60	-
Subscriptions Expense	720.00	660.00
Directors & Comm. Member's Fee	282,160.82	-
Bad Debts Expense	-	62,504.04
TOTAL MOOE	₱ 8,885,932.50	7,604,762.64

Note 12. Financial Expenses

Interest Expenses	701,654.00	775,285.00
Bank charges	780.00	1,110.00
TOTAL FINANCIAL EXP	₱ 702,434.00	776,395.00

Note 13. Non-cash Expenses

Depreciation – Infra Asset	732,727.31	546,397.17
Depreciation – Transpo eqpt	48,468.64	40,054.08
Depreciation - Other Eqpt	-	149,076.39
Depreciation - F/F, books	71,362.79	50,677.47
Depreciation - Other PPE	815.02	5,242.62
Impairment Loss- Loans & Rec.	60,021.22	-
Total NON-CASH EXPENSES	₱ 913,394.98	791,447.73

Events after Balance Sheet Date

Any post year-end events that provide additional information about the District's position at Balance Sheet date (adjusting events) are reflected in the financial statements. Any post year end event that is not adjusting event is disclosed in the notes to financial statements, when material.

**TUBOD-BAROY WATER DISTRICT
DETAILED STATEMENT OF FINANCIAL POSITION
(GENERAL FUND)
AS AT DECEMBER 31, 2017**

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	<u>5,546,023.40</u>	<u>5,942,925.41</u>
Cash on Hand	<u>3,513.00</u>	<u>(734.35)</u>
Cash-Collecting Officers	3,513.00	(734.35)
Petty Cash	-	-
Local Currency on Hand	-	-
Foreign Currency on Hand	-	-
Checks and Other Cash Items	-	-
Treasury Fund Capital	-	-
Cash in Bank-Local Currency	<u>5,542,510.40</u>	<u>5,943,659.76</u>
Cash in Bank-Local Currency, Bangko Sentral ng Pilipinas	-	-
Cash in Bank-Local Currency, Current Account	3,957,263.10	4,739,585.77
Cash in Bank-Local Currency, Savings Account	1,585,247.30	1,204,073.99
Due from Bangko Sentral ng Pilipinas-Local Currency	-	-
Due from Other Banks-Local Currency	-	-

2017

2016

	2017	2016
Receivables	887,135.88	774,775.10
Loans and Receivable Accounts	479,513.33	774,775.10
Accounts Receivable	1,362,477.31	1,597,717.86
<i>Allowance for Impairment-Accounts Receivable</i>	(882,963.98)	(822,942.76)
Net Value-Accounts Receivable	479,513.33	774,775.10
Other Receivables	407,622.55	-
Receivables-Disallowances/Charges	280,989.70	-
Due from Officers and Employees	-	-
Due from Non-Government Organizations/People's Organizations	-	-
Insurance Claims Receivable	-	-
<i>Allowance for Impairment-Insurance Claims Receivable</i>	-	-
Net Value-Insurance Claims Receivable	280,989.70	-
Other Receivables	126,632.85	-
<i>Allowance for Impairment-Other Receivables</i>	-	-
Net Value-Other Receivables	126,632.85	-
Inventories	696,678.94	622,143.84
Inventory Held for Consumption	696,678.94	622,143.84
Office Supplies Inventory	40,517.55	32,035.39
<i>Allowance for Impairment-Office Supplies Inventory</i>	-	-
Net Value-Office Supplies Inventory	40,517.55	32,035.39
Accountable Forms, Plates and Stickers Inventory	8,187.00	17,250.00
<i>Allowance for Impairment-Accountable Forms, Plates and Stickers Inventory</i>	-	-
Net Value-Accountable Forms, Plates and Stickers Inventory	8,187.00	17,250.00
Fuel, Oil and Lubricants Inventory	51,897.80	14,785.00
<i>Allowance for Impairment-Fuel, Oil and Lubricants Inventory</i>	-	-
Net Value-Fuel, Oil and Lubricants Inventory	51,897.80	14,785.00
Chemical and Filtering Supplies Inventory	35,811.50	-
<i>Allowance for Impairment-Chemical and Filtering Supplies Inventory</i>	-	-
Net Value-Chemical and Filtering Supplies Inventory	35,811.50	-
Construction Materials Inventory	171,975.00	-
<i>Allowance for Impairment-Construction Materials Inventory</i>	-	-
Net Value-Construction Materials Inventory	171,975.00	-
Other Supplies and Materials Inventory	388,290.09	558,073.45
<i>Allowance for Impairment-Other Supplies and Materials Inventory</i>	-	-
Net Value-Other Supplies and Materials Inventory	388,290.09	558,073.45
Total Current Assets	7,129,838.22	7,339,844.35

2017

2016

Non-Current Assets

	<u>2017</u>	<u>2016</u>
Receivables	898,084.40	898,084.40
Loans and Receivable Accounts	898,084.40	898,084.40
Accounts Receivable	898,084.40	898,084.40
Allowance for Impairment-Accounts Receivable	-	-
Net Value-Accounts Receivable	898,084.40	898,084.40
Property, Plant and Equipment	17,468,224.63	14,371,174.98
Land	47,000.00	54,000.00
Land	47,000.00	54,000.00
Accumulated Impairment Losses-Land	-	-
Net Value-Land	47,000.00	54,000.00
Infrastructure Assets	12,180,903.51	11,285,949.24
Water Supply Systems	9,284,405.62	8,908,660.52
Accumulated Depreciation-Water Supply Systems	(3,645,835.60)	(3,358,791.74)
Accumulated Impairment Losses-Water Supply Systems	-	-
Net Value-Water Supply Systems	5,638,570.02	5,549,868.78
Plant-Utility Plant in Service (UPIS)	8,814,916.60	7,677,696.10
Accumulated Depreciation-Plant (UPIS)	(2,272,637.11)	(1,941,669.64)
Accumulated Impairment Losses-Plant (UPIS)	-	-
Net Value-Plant-Utility Plant in Service (UPIS)	6,542,279.49	5,736,026.46
Other Infrastructure Assets	2,420,060.78	2,420,060.78
Accumulated Depreciation-Other Infrastructure Assets	(2,420,006.78)	(2,420,006.78)
Accumulated Impairment Losses-Other Infrastructure Assets	-	-
Net Value-Other Infrastructure Assets	54.00	54.00
Buildings and Other Structures	1,210,314.56	1,258,664.37

	<u>2017</u>	<u>2016</u>
Water Plant, Structure and Improvements	95,000.00	95,000.00
<i>Accumulated Depreciation-Water Plant, Structure and Improvements</i>	(82,887.50)	(64,125.00)
<i>Accumulated Impairment Losses-Water Plant, Structure and Improvements</i>	-	-
Net Value-Water Plant, Structure and Improvements	<u>12,112.50</u>	<u>30,875.00</u>
Other Structures	2,221,327.18	2,221,327.18
<i>Accumulated Depreciation-Other Structures</i>	(1,023,125.12)	(993,537.81)
<i>Accumulated Impairment Losses-Other Structures</i>	-	-
Net Value-Other Structures	<u>1,198,202.06</u>	<u>1,227,789.37</u>
Machinery and Equipment	<u>2,050,104.95</u>	<u>1,038,568.22</u>

	<u>2017</u>	<u>2016</u>
Other Machinery and Equipment	5,699,562.55	4,137,562.55
<i>Accumulated Depreciation-Other Machinery and Equipment</i>	(3,649,457.60)	(3,098,994.33)
<i>Accumulated Impairment Losses-Other Machinery and Equipment</i>	-	-
Net Value-Other Machinery and Equipment	<u>2,050,104.95</u>	<u>1,038,568.22</u>
Transportation Equipment	<u>338,760.63</u>	<u>341,706.47</u>
Motor Vehicles	483,629.00	450,629.00
<i>Accumulated Depreciation-Motor Vehicles</i>	(144,868.37)	(108,922.53)
<i>Accumulated Impairment Losses-Motor Vehicles</i>	-	-
Net Value-Motor Vehicles	<u>338,760.63</u>	<u>341,706.47</u>

	<u>2017</u>	<u>2016</u>
Furniture, Fixtures and Books	441,191.26	373,527.33
Furniture and Fixtures	876,291.28	738,680.28
<i>Accumulated Depreciation-Furniture and Fixtures</i>	(435,100.02)	(365,152.95)
<i>Accumulated Impairment Losses-Furniture and Fixtures</i>	-	-
Net Value-Furniture and Fixtures	<u>441,191.26</u>	<u>373,527.33</u>

	<u>2017</u>	<u>2016</u>
Other Property, Plant and Equipment	8,934.22	18,759.35
Other Property, Plant and Equipment	162,531.46	162,531.46
<i>Accumulated Depreciation-Other Property, Plant and Equipment</i>	(153,597.24)	(143,772.11)
<i>Accumulated Impairment Losses-Other Property, Plant and Equipment</i>	-	-
Net Value-Other Property, Plant and Equipment	<u>8,934.22</u>	<u>18,759.35</u>
Construction in Progress	<u>1,137,220.50</u>	-
Construction in Progress-Land Improvements	-	-
Construction in Progress-Infrastructure Assets	1,137,220.50	-

2017

2016

	<u>2017</u>	<u>2016</u>
Other Assets		
Other Assets	53,795.00	-
Accumulated Impairment Losses-Other Assets	53,795.00	-
Net Value-Other Assets	-	-
	<u>53,795.00</u>	<u>-</u>
Total Non-Current Assets	18,366,309.03	15,269,259.38
Total Assets	25,496,147.25	22,609,103.73
	<u><u>25,496,147.25</u></u>	<u><u>22,609,103.73</u></u>
LIABILITIES		
Current Liabilities		
Financial Liabilities	804,444.07	638,019.22
Payables	<u>804,444.07</u>	<u>638,019.22</u>
Accounts Payable	804,444.07	638,019.22
Inter-Agency Payables	<u>346,524.76</u>	<u>221,987.24</u>
Inter-Agency Payables	346,524.76	221,987.24
Due to BIR	102,113.17	53,819.61
Due to GSIS	189,875.80	128,632.95
Due to Pag-IBIG	45,610.79	32,447.18
Due to PhilHealth	8,925.00	7,087.50
Total Current Liabilities	1,150,968.83	860,006.46
	<u>1,150,968.83</u>	<u>860,006.46</u>
Non-Current Liabilities		
Financial Liabilities	8,042,164.89	8,980,442.89
Bills/Bonds/Loans Payable	<u>8,042,164.89</u>	<u>8,980,442.89</u>

	<u>2017</u>	<u>2016</u>
Loans Payable-Domestic	8,042,164.89	8,980,442.89
Other Bills/Bonds/Loans Payable	-	-

	<u>2017</u>	<u>2016</u>
Provisions	<u>1,757,202.92</u>	<u>430,774.47</u>
Provisions	<u>1,757,202.92</u>	<u>430,774.47</u>
Pension Benefits Payable	-	-
Leave Benefits Payable	1,757,202.92	430,774.47
Other Provisions	-	-
Total Non-Current Liabilities	<u>9,799,367.81</u>	<u>9,411,217.36</u>
Total Liabilities	<u>10,950,336.64</u>	<u>10,271,223.82</u>
EQUITY		
Government Equity	<u>-</u>	<u>232,000.00</u>
Government Equity	<u>-</u>	<u>232,000.00</u>
Government Equity	-	232,000.00
Contributed Capital	-	-
Retained Earnings/(Deficit)	<u>14,545,811.11</u>	<u>12,105,879.91</u>
Retained Earnings/(Deficit)	<u>14,545,811.11</u>	<u>12,105,879.91</u>
Retained Earnings/(Deficit)	14,545,811.11	12,105,879.91

	<u>2017</u>	<u>2016</u>
Total Equity	<u>14,545,811.11</u>	<u>12,337,879.91</u>
Total Liabilities and Equity	<u><u>25,496,147.75</u></u>	<u><u>22,609,103.73</u></u>

**TUBOD-BAROY WATER DISTRICT
 DETAILED STATEMENT OF COMPREHENSIVE INCOME
 (GENERAL FUND)
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>2017</u>	<u>2016</u>
Income		
Service and Business Income		
Service Income		
Registration Fees	495,250.00	-
Total Service Income	<u>495,250.00</u>	<u>-</u>
Business Income		
Waterworks System Fees	21,306,720.70	19,678,310.47
Income from Printing and Publication	10,000.00	-
Sales Revenue	881,572.68	1,539,352.65
<i>Sales Discounts</i>	(53,496.89)	-
Net Sales	<u>22,144,796.49</u>	<u>21,217,663.12</u>
Interest Income	12,035.56	14,594.60
Share in the Profit/Revenue of Joint Venture	-	-
Fines and Penalties-Business Income	445,437.87	409,029.10
Other Business Income	1.14	-
Total Business Income	<u>22,602,271.06</u>	<u>21,641,286.82</u>
Total Service and Business Income	<u>23,097,521.06</u>	<u>21,641,286.82</u>
Miscellaneous Income		
Proceeds from Insurance/Indemnities	-	-
Miscellaneous Income	36,690.00	-
Total Miscellaneous Income	<u>36,690.00</u>	<u>-</u>
Total Other Non-Operating Income	<u>36,690.00</u>	<u>-</u>
Total Income	<u>23,134,211.06</u>	<u>21,641,286.82</u>
Expenses		
Personnel Services		
Salaries and Wages		
Salaries and Wages-Regular	(4,225,264.52)	(3,297,064.74)
Salaries and Wages-Casual/Contractual	(878,040.30)	(1,284,573.82)
Total Salaries and Wages	<u>(5,103,304.82)</u>	<u>(4,581,638.56)</u>
Other Compensation		
Personnel Economic Relief Allowance (PERA)	(532,000.00)	(484,000.00)
Representation Allowance (RA)	(60,000.00)	(60,000.00)
Transportation Allowance (TA)	(60,000.00)	(60,000.00)
Clothing/Uniform Allowance	(128,556.58)	(125,000.00)
Overtime and Night Pay	(320,001.37)	(257,731.49)
Year End Bonus	(743,126.15)	(348,839.00)
Cash Gift	(115,000.00)	(98,400.00)
Other Bonuses and Allowances	(311,904.46)	-
Total Other Compensation	<u>(2,270,588.56)</u>	<u>(1,433,970.49)</u>
Personnel Benefit Contributions		
Retirement and Life Insurance Premiums	(562,110.08)	(468,487.92)
Pag-IBIG Contributions	(27,100.00)	(24,600.00)
PhilHealth Contributions	(51,362.50)	(44,175.00)
Employees Compensation Insurance Premiums	(27,600.00)	(24,000.00)
Provident/Welfare Fund Contributions	-	-
Total Personnel Benefit Contributions	<u>(668,172.58)</u>	<u>(561,262.92)</u>
Other Personnel Benefits		
Pension Benefits	-	-
Retirement Gratuity	-	-
Terminal Leave Benefits	(94,785.92)	(469,568.22)
Other Personnel Benefits	-	(281,149.56)

Total Other Personnel Benefits	<u>(94,785.92)</u>	<u>(750,717.78)</u>
Total Personnel Services	<u>(8,136,851.88)</u>	<u>(7,327,589.75)</u>
Maintenance and Other Operating Expenses		
Traveling Expenses		
Traveling Expenses-Local	(351,499.06)	(190,260.15)
Traveling Expenses-Foreign	-	-
Total Traveling Expenses	<u>(351,499.06)</u>	<u>(190,260.15)</u>
Training and Scholarship Expenses		
Training Expenses	(163,790.00)	(169,894.06)
Scholarship Grants/Expenses	-	-
Total Training and Scholarship Expenses	<u>(163,790.00)</u>	<u>(169,894.06)</u>
Supplies and Materials Expenses		
Office Supplies Expenses	(81,276.11)	(187,526.09)
Accountable Forms Expenses	(94,788.00)	-
Non-Accountable Forms Expenses	-	-
Animal/Zoological Supplies Expenses	-	-
Food Supplies Expenses	-	-
Welfare Goods Expenses	-	-
Drugs and Medicines Expenses	-	-
Medical, Dental and Laboratory Supplies Expenses	-	-
Fuel, Oil and Lubricants Expenses	(11,596.84)	(86,225.88)
Agricultural and Marine Supplies Expenses	-	-
Textbooks and Instructional Materials Expenses	-	-
Military, Police and Traffic Supplies Expenses	-	-
Chemical and Filtering Supplies Expenses	(51,379.01)	-
Linens and Beddings Expenses	-	-
Semi-Expendable Machinery and Equipment Expenses	-	-
Semi-Expendable Furniture, Fixtures and Books Expenses	-	-
Other Supplies and Materials Expenses	-	-
Total Supplies and Materials Expenses	<u>(239,039.96)</u>	<u>(273,751.97)</u>
Utility Expenses		
Water Expenses	-	-
Electricity Expenses	(6,259,229.51)	(5,498,293.08)
Gas/Heating Expenses	-	-
Other Utility Expenses	(9,068.21)	-
Total Utility Expenses	<u>(6,268,297.72)</u>	<u>(5,498,293.08)</u>
Communication Expenses		
Postage and Courier Services	(15,958.00)	(15,468.90)
Telephone Expenses	(24,937.19)	(30,864.00)
Internet Subscription Expenses	(12,379.09)	(660.00)
Cable, Satellite, Telegraph and Radio Expenses	(1,763.26)	-
Total Communication Expenses	<u>(55,037.54)</u>	<u>(46,992.90)</u>
Survey, Research, Exploration and Development Expenses		
Survey Expenses	(11,500.00)	-
Research, Exploration and Development Expenses	-	-
Total Survey, Research, Exploration and Development Expenses	<u>(11,500.00)</u>	<u>-</u>
Generation, Transmission and Distribution Expenses		
Generation, Transmission and Distribution Expenses	<u>(563,161.63)</u>	<u>-</u>
Confidential, Intelligence and Extraordinary Expenses		
Extraordinary and Miscellaneous Expenses	<u>(24,327.00)</u>	<u>(39,906.00)</u>
Total Confidential, Intelligence and Extraordinary Expenses	<u>(24,327.00)</u>	<u>(39,906.00)</u>
Professional Services		
Legal Services	(3,300.00)	(57,280.00)
Auditing Services	(20,389.00)	-
Consultancy Services	-	-
Other Professional Services	(7,800.00)	-
Total Professional Services	<u>(31,489.00)</u>	<u>(57,280.00)</u>
General Services		
Environment/Sanitary Services	-	-
Janitorial Services	-	-

Security Services	-	-
Other General Services	(20,800.00)	(18,860.00)
Total General Services	(20,800.00)	(18,860.00)
Repairs and Maintenance		
Repairs and Maintenance-Infrastructure Assets	(126,821.19)	(408,800.68)
Repairs and Maintenance-Buildings and Other Structures	(13,319.99)	(9,707.80)
Repairs and Maintenance-Machinery and Equipment	-	(94,374.02)
Repairs and Maintenance-Transportation Equipment	(21,363.47)	(19,322.00)
Repairs and Maintenance-Furniture and Fixtures	(2,100.00)	(1,430.00)
Repairs and Maintenance-Other Property, Plant and Equipment	(7,464.60)	-
Total Repairs and Maintenance	(171,069.25)	(533,634.50)
Taxes, Insurance Premiums and Other Fees		
Taxes, Duties and Licenses	(409,430.02)	(422,055.74)
Fidelity Bond Premiums	(19,005.00)	(16,980.00)
Insurance Expenses	(8,438.95)	(3,501.45)
Total Taxes, Insurance Premiums and Other Fees	(436,873.97)	(442,537.19)
Labor and Wages		
Labor and Wages	(40,177.50)	-
Other Maintenance and Operating Expenses		
Advertising, Promotional and Marketing Expenses	(4,500.00)	(2,400.00)
Printing and Publication Expenses	(4,868.00)	-
Representation Expenses	(144,321.45)	(236,098.75)
Transportation and Delivery Expenses	-	-
Rent/Lease Expenses	(51,400.00)	(32,800.00)
Membership Dues and Contributions to Organizations	(20,899.60)	-
Subscription Expenses	(720.00)	-
Directors and Committee Members' Fees	(282,160.82)	(200,357.01)
Total Other Maintenance and Operating Expenses	(508,869.87)	(471,655.76)
Total Maintenance and Other Operating Expenses	(8,885,932.50)	(7,743,065.61)
Financial Expenses		
Financial Expenses		
Management Supervision/Trusteeship Fees	-	-
Interest Expenses	(701,654.00)	(775,285.00)
Guarantee Fees	-	-
Bank Charges	(780.00)	(1,110.00)
Commitment Fees	-	-
Other Financial Charges	-	-
Total Financial Expenses	(702,434.00)	(776,395.00)
Direct Costs		
Cost of Sales	(670,050.46)	-
Non-Cash Expenses		
Depreciation		
Depreciation-Infrastructure Assets	(732,727.31)	(546,397.17)
Depreciation-Buildings and Other Structures	-	-
Depreciation-Machinery and Equipment	-	(149,076.39)
Depreciation-Transportation Equipment	(48,468.64)	(40,054.08)
Depreciation-Furniture, Fixtures and Books	(71,362.79)	(50,677.47)
Depreciation-Other Property, Plant and Equipment	(815.02)	(5,242.62)
Total Depreciation	(853,373.76)	(791,447.73)
Impairment Loss		
Impairment Loss-Loans and Receivables	(60,021.22)	(62,054.04)
Total Impairment Loss	(60,021.22)	(62,054.04)
Discount and Rebates		
Other Discounts	-	(43,352.08)
Rebates	-	-
Total Discounts and Rebates	-	(43,352.08)
Total Non-Cash Expenses	(913,394.98)	(896,853.85)
Total Expenses	(19,308,663.82)	(16,743,904.21)
Profit/(Loss) Before Tax	3,825,547.24	4,897,382.61

Income Tax Expense/(Benefit)	-	-
Profit/(Loss) After Tax	<u>3,825,547.24</u>	<u>4,897,382.61</u>
Net Income/(Loss)	<u>3,825,547.24</u>	<u>4,897,382.61</u>
Other Comprehensive Income/(Loss) for the Period		
Changes in Fair Value of Investments	-	-
Translation Adjustment	-	-
Total Other Comprehensive Income/(Loss) for the Period	<u>-</u>	<u>-</u>
Comprehensive Income/(Loss)	<u><u>3,825,547.24</u></u>	<u><u>4,897,382.61</u></u>

**TUBOD-BAROY WATER DISTRICT
DETAILED STATEMENT OF CASH FLOWS
(GENERAL FUND)
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Inflows		
Proceeds from Sale of Goods and Services	-	-
Collection of Income/Revenue	<u>22,803,191.25</u>	<u>21,980,967.73</u>
Collection of service and business income	21,409,857.11	20,097,233.46
Receipt of shares, grants and donations	-	-
Collection of other non-operating income	1,393,334.14	1,883,734.27
Receipt of prior years' income	-	-
Collection of Receivables	<u>430,669.73</u>	<u>439,274.45</u>
Collection of loans and receivables	430,669.73	439,274.45
Collection of other receivables	-	-
Other Receipts	<u>27,868.68</u>	-
Receipt of refund of cash advances	-	-
Other miscellaneous receipts	27,868.68	-
Total Cash Inflows	<u>23,261,729.66</u>	<u>22,420,242.18</u>
Adjustments	-	-
Adjusted Cash Inflows	<u>23,261,729.66</u>	<u>22,420,242.18</u>
Cash Outflows		
Payment of Expenses	<u>17,022,784.38</u>	<u>10,699,983.34</u>
Payment of personnel services	8,136,851.88	7,527,946.76
Payment of maintenance and other operating expenses	8,885,932.50	3,172,036.58
Purchase of Inventories	<u>524,967.52</u>	<u>222,596.96</u>
Purchase of inventories for sale	524,967.52	222,596.96
Payments of Accounts Payable	<u>483,745.94</u>	<u>20,567.22</u>
Remittance of Personnel Benefit Contributions and Mandatory Deductions	<u>1,528,326.57</u>	<u>4,865,583.38</u>
Remittance of other payables	-	-
Other disbursements	1,528,326.57	4,865,583.38
Total Cash Outflows	<u>3,701,905.25</u>	<u>6,611,511.28</u>
Adjusted Cash Outflows	-	-
Net Cash Provided by/(Used in) Operating Activities	<u>3,701,905.25</u>	<u>6,611,511.28</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Inflows		
Receipt of Interest Earned	<u>12,035.56</u>	<u>17,304.94</u>
Total Cash Inflows	<u>12,035.56</u>	<u>17,304.94</u>
Cash Outflows		
Purchase/Construction of Property, Plant and Equipment	<u>2,470,910.82</u>	<u>2,463,221.94</u>
Purchase of other property, plant and equipment	2,470,910.82	2,463,221.94
Total Cash Outflows	<u>(2,458,875.26)</u>	<u>(2,445,917.00)</u>
Net Cash Provided By/(Used In) Investing Activities	<u>(2,458,875.26)</u>	<u>(2,445,917.00)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash Inflows		
Proceeds from Incurrence of Financial Liabilities	-	-
Total Cash Inflows	-	-

Cash Outflows		
Payment of Long-Term Liabilities	<u>938,278.00</u>	<u>864,647.00</u>
Payment of notes payable	-	-
Payment of domestic loans	938,278.00	864,647.00
Payment of Interest on Loans and Other Financial Charges	<u>701,654.00</u>	<u>776,395.00</u>
Total Cash Outflows	<u>1,639,932.00</u>	<u>1,641,042.00</u>
Net Cash Provided By/(Used In) Financing Activities	<u>(1,639,932.00)</u>	<u>(1,641,042.00)</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(396,902.01)	2,524,552.28
Effects of Exchange Rate Changes on Cash and Cash Equivalents	-	-
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>5,942,925.41</u>	<u>3,418,373.13</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>5,546,023.40</u>	<u>5,942,925.41</u>