



Baliwag Water District

Tomacruz St., Poblacion, Baliwag, Bulacan 3006
Tel. Nos. : (044) 766-2618 / (044) 798-0370 / (044) 798-0372
Fax No. : (044) 766-3737
www.baliwagwd.com

Government Accountancy Office

Office of the Director

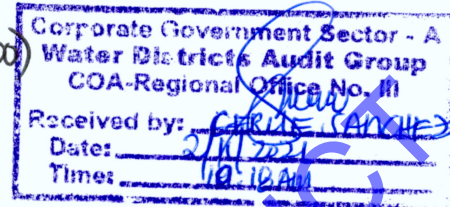
RECEIVED

By: JOSEPH

Date: 11 FEB 2021

February 11, 2021

LUZVI PANGAN-CHATTO (VILLA DJ BERNALDO)
Assistant Commissioner
Government Accountancy Sector
Commission on Audit Central Office
Commonwealth Ave., Quezon City



Dear Madam:

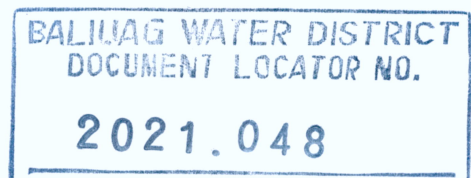
Respectfully submitting herewith copy of our Year-End Financial Statements and other financial reports/schedules for inclusion in the Annual Financial Report (AFR) for GOCCs under COA Circular No. 2015-004 and 2017-004 to wit:

1. Pre-closing Trial Balance
2. Post-closing Trial Balance
3. Comparative Detailed Statement of Financial Position
4. Comparative Detailed Statement of Financial Performance
5. Comparative Statement of Changes in Equity
6. Comparative Statement of Cash Flows
7. Notes to FS comprising a summary of significant accounting policies and other explanatory notes
8. Statement/Aging of Accounts Payable
9. Statement/Aging of Accounts Receivable
10. Breakdown of Domestic/Foreign Loans
11. Schedule of Income Taxes Paid
12. Schedule of Subsidies Received from National Government and other GOCCs
13. Summary of Discretionary, Representation, Extraordinary, Promotional, Confidential and Consultancy Expenses
14. Roster of Membership of Governing Board
15. Statement of Management Responsibility for Financial Statements (Annex M)

Hope you find everything in order.
Thank you very much.

Very truly yours,


ELENA S. GONZALES
Manager – Finance Department



ISO 9001: 2015 Certified
Cert. Reg. No. 01 100 1432628



Baliwag Water District

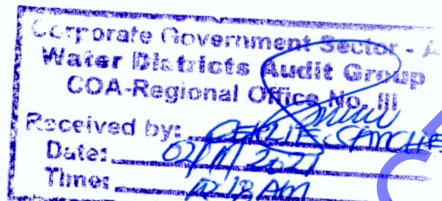
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PRISCILA R. ESGUERRA

OIC - Supervising Auditor
Commission on Audit
Regional Office No. III
City of San Fernando, Pampanga



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ELENA S. GONZALES
Manager – Finance Department



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BALIWAG WATER DISTRICT
Baliwag, Bulacan

PreTrial Balance

For the Month of December 31, 2020

Acct. No.	Account Title	Trial Balance		YEAR TO DATE Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
10101010	Cash-Collecting Officers	831,851.87				831,851.87	
10101020	Petty Cash	95,000.00				95,000.00	
10101020	01 Petty Cash - MOOE	45,000.00					
10101020	02 Petty Cash - Change Fund	50,000.00					
	SUB TOTALS : 10101	926,851.87				926,851.87	
10102020	Cash in Bank-Local Currency, Current Account	21,238,215.48				21,238,215.48	
10102020	01 Cash in Bank-Local Currency, Current Account - LBP1	9,219,091.02					
10102020	02 Cash in Bank-Local Currency, Current Account - LBP2	7,000,000.00					
10102020	03 Cash in Bank-Local Currency, Current Account - LBP1 (Project)	5,019,124.46					
10102030	Cash in Bank-Local Currency, Savings Account	5,786,559.79				5,786,559.79	
10102030	01 Cash in Bank-Local Currency, Savings Account - DBP	363,049.99					
10102030	02 Cash in Bank-Local Currency, Savings Account - LBP JSA	5,423,509.80					
	SUB TOTALS : 10102	27,024,775.27				27,024,775.27	
10211010	Investments in Time Deposits-Local Currency	720,061.02				720,061.02	
	SUB TOTALS : 10211	720,061.02				720,061.02	
10301010	Accounts Receivable	16,504,580.35				16,504,580.35	
10301010	01 Accounts Receivable - Water Bill	15,286,720.80					
10301010	02 Accounts Receivable - Septage Fees	1,217,859.55					
10301011	Allowance for Impairment-Accounts Receivable		1,650,458.04				1,650,458.04
10301020	Notes Receivable	1,992,919.41				1,992,919.41	
10301020	01 Notes Receivable - New Connection	887,803.26					
10301020	02 Notes Receivable - Violation	1,105,116.15					
	SUB TOTALS : 10301	18,497,499.76	1,650,458.04			18,497,499.76	1,650,458.04
10303030	Due from Local Government Units	6,173,309.17				6,173,309.17	
	SUB TOTALS : 10303	6,173,309.17				6,173,309.17	
10305990	Other Receivables	137,559.40				137,559.40	
	SUB TOTALS : 10305	137,559.40				137,559.40	
10404010	Office Supplies Inventory	442,091.28				442,091.28	
10404020	Accountable Forms, Plates and Stickers Inventory	628,550.00				628,550.00	
10404120	Chemical and Filtering Supplies Inventory	480,869.00				480,869.00	
10404130	Construction Materials Inventory	6,318,070.41				6,318,070.41	
	SUB TOTALS : 10404	7,869,580.69				7,869,580.69	

Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
10601010	Land	19,675,659.26				19,675,659.26	
	SUB TOTALS : 10601	19,675,659.26	-	-	-	19,675,659.26	-
10602990	Other Land Improvements	1,654,130.00				1,654,130.00	
	SUB TOTALS : 10602	1,654,130.00	-	-	-	1,654,130.00	-
10603040	Water Supply Systems	419,487,378.89				419,487,378.89	
10603041	Accumulated Depreciation-Water Supply Systems		174,730,418.25				174,730,418.25
	SUB TOTALS : 10603	419,487,378.89	174,730,418.25	-	-	419,487,378.89	174,730,418.25
10604010	Buildings	109,969,832.25				109,969,832.25	
10604011	Accumulated Depreciation-Buildings		34,151,196.20				34,151,196.20
	SUB TOTALS : 10604	109,969,832.25	34,151,196.20	-	-	109,969,832.25	34,151,196.20
10605010	Machinery	20,540,264.00				20,540,264.00	
10605010	01 Machinery - (Water Treatment Equipment)	8,496,913.00					
10605010	02 Machinery - (Power Operated Equipment)	12,043,351.00					
10605011	Accumulated Depreciation-Machinery		6,869,248.29				6,869,248.29
10605020	Office Equipment	8,838,561.63				8,838,561.63	
10605021	Accumulated Depreciation-Office Equipment		5,987,019.72				5,987,019.72
10605030	Information and Communication Technology Equipment	17,032,516.70				17,032,516.70	
10605031	Accumulated Depreciation-Information and Communication Technology Equipment		12,369,498.85				12,369,498.85
10605070	Communication Equipment	2,199,161.66				2,199,161.66	
10605071	Accumulated Depreciation-Communication Equipment		1,928,373.85				1,928,373.85
10605130	Sports Equipment	127,897.00				127,897.00	
10605131	Accumulated Depreciation-Sports Equipment		37,409.97				37,409.97
10605140	Technical and Scientific Equipment	10,583,277.67				10,583,277.67	
10605141	Accumulated Depreciation-Technical and Scientific Equipment		5,349,421.43				5,349,421.43
10605990	Other Equipment	1,939,911.20				1,939,911.20	
10605991	Accumulated Depreciation-Other Equipment		1,731,520.08				1,731,520.08
	SUB TOTALS : 10605	61,261,589.86	34,272,492.19	-	-	61,261,589.86	34,272,492.19
10606010	Motor Vehicles	30,119,611.90				30,119,611.90	
10606011	Accumulated Depreciation-Motor Vehicles		13,753,100.79				13,753,100.79
	SUB TOTALS : 10606	30,119,611.90	13,753,100.79	-	-	30,119,611.90	13,753,100.79
10607010	Furniture and Fixtures	6,187,565.26				6,187,565.26	
10607011	Accumulated Depreciation-Furniture and Fixtures		4,572,454.36				4,572,454.36
	SUB TOTALS : 10607	6,187,565.26	4,572,454.36	-	-	6,187,565.26	4,572,454.36
10698990	Other Property, Plant and Equipment	189,122.00				189,122.00	
10698991	Accumulated Depreciation-Other Property, Plant and Equipment		148,924.80				148,924.80
	SUB TOTALS : 10698	189,122.00	148,924.80	-	-	189,122.00	148,924.80
10699020	Construction in Progress-Infrastructure Assets	2,876,628.92				2,876,628.92	

Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
10699030	Construction in Progress-Buildings and Other Structures	1,724,000.00				1,724,000.00	
	SUB TOTALS : 10699	4,600,628.92	-	-	-	4,600,628.92	-
10801020	Computer Software	9,050,875.28				9,050,875.28	
10801021	Accumulated Amortization - Computer Software		8,095,470.92				8,095,470.92
	SUB TOTALS : 10801	9,050,875.28	8,095,470.92	-	-	9,050,875.28	8,095,470.92
19901030	Advances to Special Disbursing Officer	77,000.00				77,000.00	
	SUB TOTALS : 19901	77,000.00		-	-	77,000.00	-
19903990	Other Deposit	3,170,712.18				3,170,712.18	
	SUB TOTALS : 19903	3,170,712.18		-	-	3,170,712.18	-
19999990	Other Assets	3,804,643.76				3,804,643.76	
	SUB TOTALS : 19999	3,804,643.76		-	-	3,804,643.76	-
20101010	Accounts Payable		389,797.32				389,797.32
20101010	02 Accounts Payable - NGAs	389,797.32					
	SUB TOTALS : 20101	-	389,797.32	-	-	-	389,797.32
20102040	Loans Payable-Domestic		121,419,875.65				121,419,875.65
20102040	01 Loans Payable-Domestic - Local Water Utilities Administration	3,118,482.06					
20102040	02 Loans Payable-Domestic - Land Bank of the Philippines	17,655,644.76					
20102040	03 Loans Payable-Domestic - Philippine Savings Bank	272,057.05					
20102040	04 Loans Payable-Domestic - Non-Current - Local Water Utilities Administration	14,514,087.09					
20102040	05 Loans Payable-Domestic - Non-Current - Land Bank of the Philippines	85,859,604.69					
20102041	Loans Payable-Domestic Non-Current		996,388.85				996,388.85
20102041	03 Loans Payable-Domestic Non-Current - Philippine Savings Bank	996,388.85					
	SUB TOTALS : 20102	-	122,416,264.50	-	-	-	122,416,264.50
20201010	Due to BIR		2,078,742.09				2,078,742.09
20201010	01 Due to BIR - Withholding Tax on Compensation	393,689.29					
20201010	02 Due to BIR - Expanded Withholding Tax	175,307.98					
20201010	03 Due to BIR - Withholding Tax on GMP - Percentage Taxes	1,017,736.77					
20201010	04 Due to BIR - Withholding Tax on GMP - Value Added Taxes	492,008.05					
20201020	Due to GSIS		855,977.53				855,977.53
20201020	01 Due to GSIS - Life and Retirement Premium	835,950.99					
20201020	02 Due to GSIS - ECC	14,900.00					
20201020	03 Due to GSIS - Salary Loan	2,915.26					
20201020	05 Due to GSIS - UOLI PS & LOANS	900.16					
20201020	06 Due to GSIS - Calamity Loans	1,311.12					
20201030	Due to PAG-IBIG		228,590.14				228,590.14
20201030	01 Due to PAG-IBIG - Pag-IBIG Premium	94,514.38					
20201030	02 Due to PAG-IBIG - Multi-Purpose Loan	70,300.91					

Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
20201030	04 Due to PAG-IBIG - Modified Pag-IBIG 2	54,000.00					
20201030	05 Due to PAG-IBIG - Calamity	9,774.85					
20201040	Due to Philhealth		109,100.13				109,100.13
20201070	Due to LGUs		3,420,845.00				3,420,845.00
	SUB TOTALS : 20201	-	6,693,254.89	-	-	-	6,693,254.89
20401010	Trust Liabilities		27,919.76				27,919.76
20401040	Guaranty/Security Deposits Payable		1,191,822.56				1,191,822.56
20401040	01 Guaranty/Security Deposits Payable - New Connection	778,000.00					
20401040	02 Guaranty/Security Deposits Payable - Construction	18,100.00					
20401040	03 Guaranty/Security Deposits Payable - Retention on Contract Payments	395,722.56					
20401050	Customers' Deposits Payable		321,878.96				321,878.96
20401050	01 Customers' Deposits Payable - Water Bill	300,630.76					
20401050	02 Customers' Deposits Payable - Septage fee	21,248.20					
	SUB TOTALS : 20401	-	1,541,621.28	-	-	-	1,541,621.28
20501990	Other Deferred Credits		875,629.29				875,629.29
20501990	01 Other Deferred Credits - Deposit for future sales/subscription (Sale of Materials)	27,490.67					
20501990	03 Other Deferred Credits - Other Deferred Credits	848,138.62					
	SUB TOTALS : 20501	-	875,629.29	-	-	-	875,629.29
20601020	Leave Benefits Payable		24,152,883.62				24,152,883.62
	SUB TOTALS : 20601	-	24,152,883.62	-	-	-	24,152,883.62
29999990	Other Payables		14,974,078.46				14,974,078.46
29999990	01 Other Payables - Provident Fund Personal Shares and Loans	1,819,847.25					
29999990	02 Other Payables - Provident Fund Employer's Shares	6,727,864.76					
29999990	03 Other Payables - Suppliers	5,776,366.45					
29999990	04 Other Payables - Rice Allowance	650,000.00					
	SUB TOTALS : 29999	-	14,974,078.46	-	-	-	14,974,078.46
30201030	Contributed Capital		20,883,551.52				20,883,551.52
	SUB TOTALS : 30201	-	20,883,551.52	-	-	-	20,883,551.52
30701010	Retained Earnings/(Deficit)		229,823,651.87				229,823,651.87
	SUB TOTALS : 30701	-	229,823,651.87	-	-	-	229,823,651.87
40202090	Waterworks System Fees		225,472,613.36	225,472,613.36			
40202090	01 Waterworks System Fees - Metered Sales to General Customers	203,250,733.16					
40202090	99 Waterworks System Fees - Other Waterworks System Fees	22,221,880.20					
40202210	Interest Income		16,502.07		16,502.07		
40202230	Fines and Penalties-Business Income		6,617,613.46		6,617,613.46		
40202230	01 Fines and Penalties-Business Income - Penalty Charges (Water Bill)	4,858,818.36					
40202230	02 Fines and Penalties-Business Income - Illegal Connections	1,200,000.00					

BALIWAG WATER DISTRICT

Acct. No.	Account Title	Trial Balance	YEAR TO DATE				
			Income Statement		Balance Sheet		
			Dr	Cr	Dr	Cr	
40202230	03 Fines and Penalties-Business Income - Penalty Charges (Septage Fees)	558,795.10					
40202990	Other Business Income		8,340,535.96	8,340,535.96			
40202990	01 Other Business Income - Miscellaneous Service Revenue	8,197,677.96					
40202990	02 Other Business Income - Environmental Fee/Desludging	138,118.00					
40202990	04 Other Business Income - Bulk Water	4,740.00					
	SUB TOTALS : 40202		240,447,264.85	240,447,264.85			
40501990	Other Gains		141,858.43	141,858.43			
	SUB TOTALS : 40501		141,858.43	141,858.43			
40601020	Sale of Unserviceable Property		251,246.00	251,246.00			
	SUB TOTALS : 40601		251,246.00	251,246.00			
40603990	Miscellaneous Income		153,158.20	153,158.20			
	SUB TOTALS : 40603		153,158.20	153,158.20			
50101010	Salaries and Wages-Regular		45,395,156.33	45,395,156.33			
50101020	Salaries and Wages-Casual/Contractual		2,030,600.83	2,030,600.83			
50101020	01 Salaries and Wages-Casual/Contractual - Casual	2,030,600.83					
	SUB TOTALS : 50101		47,425,757.16	47,425,757.16			
50102010	Personnel Economic Relief Allowance (PERA)		3,554,454.54	3,554,454.54			
50102010	01 Personnel Economic Relief Allowance (PERA) - Regular	3,224,454.54					
50102010	02 Personnel Economic Relief Allowance (PERA) - Casual	330,000.00					
50102020	Representation Allowance (RA)		1,478,250.00	1,478,250.00			
50102030	Transportation Allowance (TA)		1,478,250.00	1,478,250.00			
50102040	Clothing/Uniform Allowance		882,000.00	882,000.00			
50102040	01 Clothing/Uniform Allowance - Regular	786,000.00					
50102040	02 Clothing/Uniform Allowance - Casual	96,000.00					
50102110	Hazard Pay		922,437.50	922,437.50			
50102130	Overtime and Night Pay		1,995,844.47	1,995,844.47			
50102130	01 Overtime and Night Pay - Regular	1,726,303.80					
50102130	02 Overtime and Night Pay - Casual	269,540.67					
50102990	Other Bonuses and Allowances		13,951,381.60	13,951,381.60			
50102990	01 Other Bonuses and Allowances - Mid-Year/Year End Bonus	7,988,761.40					
50102990	02 Other Bonuses and Allowances - Anniversary Bonus	456,000.00					
50102990	03 Other Bonuses and Allowances - PBB/PBI	2,447,120.20					
50102990	04 Other Bonuses and Allowances - Cash Gift	835,500.00					
50102990	05 Other Bonuses and Allowances - PEI	2,224,000.00					
	SUB TOTALS : 50102		24,262,618.11	24,262,618.11			
50103010	Retirement and Life Insurance Premiums		5,497,552.29	5,497,552.29			
50103010	01 Retirement and Life Insurance Premiums - Regular	5,228,065.19					

Acct. No.	Account Title	Trial Balance	YEAR TO DATE						
			Income Statement		Balance Sheet				
			Dr	Cr	Dr	Cr	Dr	Cr	
50103010	02 Retirement and Life Insurance Premiums - Casual	269,487.10							
50103020	Pag-IBIG Contributions		176,800.00		176,800.00				
50103020	01 Pag-IBIG Contributions - Regular	160,300.00							
50103020	02 Pag-IBIG Contributions - Casual	16,500.00							
50103030	PhilHealth Contributions		635,786.06		635,786.06				
50103030	01 PhilHealth Contributions - Regular	602,062.08							
50103030	02 PhilHealth Contributions - Casual	33,723.98							
50103040	Employees Compensation Insurance Premiums		176,700.00		176,700.00				
50103040	01 Employees Compensation Insurance Premiums - Regular	160,800.00							
50103040	02 Employees Compensation Insurance Premiums - Casual	15,900.00							
	SUB TOTALS : 50103		6,486,838.35	-	6,486,838.35	-	-	-	-
50104030	Terminal Leave Benefits		6,341,326.82		6,341,326.82				
50104990	Other Personnel Benefits		1,545,220.00		1,545,220.00				
	SUB TOTALS : 50104		7,886,546.82	-	7,886,546.82	-	-	-	-
50201010	Traveling Expenses-Local		469,843.14		469,843.14				
	SUB TOTALS : 50201		469,843.14	-	469,843.14	-	-	-	-
50202010	Training Expenses		487,570.67		487,570.67				
	SUB TOTALS : 50202		487,570.67	-	487,570.67	-	-	-	-
50203010	Office Supplies Expenses		551,891.00		551,891.00				
50203020	Accountable Forms Expenses		385,250.00		385,250.00				
50203080	Medical, Dental and Laboratory Supplies Expenses		96,524.75		96,524.75				
50203090	Fuel, Oil and Lubricants Expenses		1,036,472.92		1,036,472.92				
50203210	Semi-Expendable Machinery and Equipment Expenses		175,057.00		175,057.00				
50203220	Semi-Expendable Furniture, Fixtures and Books Expenses		213,401.75		213,401.75				
	SUB TOTALS : 50203		2,458,597.42	-	2,458,597.42	-	-	-	-
50204020	Electricity Expenses		1,830,361.06		1,830,361.06				
	SUB TOTALS : 50204		1,830,361.06	-	1,830,361.06	-	-	-	-
50205010	Postage and Courier Services		2,562.00		2,562.00				
50205020	Telephone Expenses		455,634.53		455,634.53				
50205020	01 Telephone Expenses - Mobile	390,579.25							
50205020	02 Telephone Expenses - Landline	65,055.28							
50205030	Internet Subscription Expenses		247,392.95		247,392.95				
	SUB TOTALS : 50205		705,589.48	-	705,589.48	-	-	-	-
50206010	Awards/Rewards Expenses		290,300.00		290,300.00				
	SUB TOTALS : 50206		290,300.00	-	290,300.00	-	-	-	-
50209010	Generation, Transmission and Distribution Expenses		49,153,619.45		49,153,619.45				
50209010	05 Generation, Transmission and Distribution Expenses - Fuel for Power Production	1,011,993.20							

Acct. No.	Account Title	Trial Balance	YEAR TO DATE				
			Income Statement		Balance Sheet		
			Dr	Cr	Dr	Cr	
50209010	07 Generation, Transmission and Distribution Expenses - Power or Fuel Purchased for Pumping	28,008,606.25					
50209010	08 Generation, Transmission and Distribution Expenses - Chemical, Filtering and Laboratory Supplies Expenses	20,133,020.00					
	SUB TOTALS : 50209		49,153,619.45	-	49,153,619.45	-	-
50210030	Extraordinary and Miscellaneous Expenses		4,961,712.14		4,961,712.14		
	SUB TOTALS : 50210		4,961,712.14	-	4,961,712.14	-	-
50211010	Legal Services		106,211.13		106,211.13		
50211020	Auditing Services		407,809.58		407,809.58		
	SUB TOTALS : 50211		514,020.71	-	514,020.71	-	-
50212010	Environment/Sanitation Services		4,041,373.94		4,041,373.94		
50212020	Job Order Services		1,862,102.50		1,862,102.50		
50212030	Security Services		1,453,200.00		1,453,200.00		
50212990	Other General Services		708,979.04		708,979.04		
50212990	01 Other General Services - Read and Bill	708,979.04					
	SUB TOTALS : 50212		8,065,655.48	-	8,065,655.48	-	-
50213030	Repairs and Maintenance-Infrastructure Assets		4,746,391.76		4,746,391.76		
50213030	04 Repairs and Maintenance-Infrastructure Assets - (Water Supply Systems)	4,746,391.76					
50213040	Repairs and Maintenance-Buildings and Other Structures		284,728.62		284,728.62		
50213040	01 Repairs and Maintenance-Buildings and Other Structures - (Buildings)	284,728.62					
50213050	Repairs and Maintenance-Machinery and Equipment		701,587.54		701,587.54		
50213050	01 Repairs and Maintenance-Machinery and Equipment - Machinery	159,471.44					
50213050	02 Repairs and Maintenance-Machinery and Equipment - Office Equipment	316,410.10					
50213050	03 Repairs and Maintenance-Machinery and Equipment - Information and Communication Technology Equipment	129,610.00					
50213050	07 Repairs and Maintenance-Machinery and Equipment - Communication Equipment	11,046.00					
50213050	99 Repairs and Maintenance-Machinery and Equipment - (Other Equipment)	85,050.00					
50213060	Repairs and Maintenance-Transportation Equipment		496,990.16		496,990.16		
50213070	Repairs and Maintenance-Furniture and Fixtures		9,240.00		9,240.00		
50213210	Repairs and Maintenance-Semi-Expendable Machinery and Equipment		20,200.00		20,200.00		
50213220	Repairs and Maintenance-Semi-Expendable Furniture, Fixtures and Books		17,400.00		17,400.00		
	SUB TOTALS : 50213		6,276,538.08	-	6,276,538.08	-	-
50215010	Taxes, Duties and Licenses		4,622,019.52		4,622,019.52		
50215010	01 Taxes, Duties and Licenses - (Franchise Tax)	4,082,899.77					
50215010	02 Taxes, Duties and Licenses - (Regulatory Requirements)	536,579.67					
50215010	03 Taxes, Duties and Licenses - (Bank Charges)	2,540.08					
50215030	Insurance Expenses		879,630.79		879,630.79		
	SUB TOTALS : 50215		5,501,650.31	-	5,501,650.31	-	-
50299010	Advertising, Promotional and Marketing Expenses		248,840.00		248,840.00		


Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
50299020	Printing and Publication Expenses	3,295.00		3,295.00			
50299030	Representation Expenses	149,453.84		149,453.84			
50299030	01 Representation Expenses - GM	92,155.21					
50299030	02 Representation Expenses - BODs	57,298.63					
50299050	Rent/Lease Expenses	29,000.00		29,000.00			
50299060	Membership Dues and Contributions to Organizations	3,700.00		3,700.00			
50299080	Donations	127,000.00		127,000.00			
50299120	Directors and Committee Members' Fees	1,537,536.00		1,537,536.00			
50299990	Other Maintenance and Operating Expenses	302,400.00		302,400.00			
	SUB TOTALS : 50299	2,401,224.84	-	2,401,224.84	-	-	-
50301020	Interest Expenses	6,553,448.35		6,553,448.35			
50301020	01 Interest Expenses - LWUA	317,591.87					
50301020	02 Interest Expenses - LBP	6,126,637.43					
50301020	03 Interest Expenses - PS Bank	109,219.05					
50301990	Other Financial Charges	292,700.00		292,700.00			
	SUB TOTALS : 50301	6,846,148.35	-	6,846,148.35	-	-	-
50402010	Cost of Sales	2,971,966.89		2,971,966.89			
	SUB TOTALS : 50402	2,971,966.89	-	2,971,966.89	-	-	-
50501030	Depreciation-Infrastructure Assets	13,042,857.25		13,042,857.25			
50501030	04 Depreciation-Infrastructure Assets - Water Supply Systems	13,042,857.25					
50501040	Depreciation-Buildings and Other Structures	4,750,968.60		4,750,968.60			
50501040	01 Depreciation-Buildings and Other Structures - Buildings	4,750,968.60					
50501050	Depreciation-Machinery and Equipment	4,300,468.21		4,300,468.21			
50501050	01 Depreciation-Machinery and Equipment - Machinery	894,941.09					
50501050	02 Depreciation-Machinery and Equipment - Office Equipment	986,401.36					
50501050	03 Depreciation-Machinery and Equipment - Information and Communication Technology Equipment	1,401,897.58					
50501050	07 Depreciation-Machinery and Equipment - Communication Equipment	44,479.68					
50501050	13 Depreciation-Machinery and Equipment - Sports Equipment	11,510.76					
50501050	14 Depreciation-Machinery and Equipment - Technical and Scientific Equipment	932,437.74					
50501050	99 Depreciation-Machinery and Equipment - Other Equipment	28,800.00					
50501060	Depreciation-Transportation Equipment	1,391,242.80		1,391,242.80			
50501070	Depreciation-Furniture, Fixtures and Books	477,650.88		477,650.88			
50501990	Depreciation-Other Property, Plant and Equipment	7,240.95		7,240.95			
	SUB TOTALS : 50501	23,970,428.69	-	23,970,428.69	-	-	-
50502010	Amortization-Intangible Assets	19,246.56		19,246.56			
50502010	02 Amortization-Intangible Assets - Computer Software	19,246.56					
	SUB TOTALS : 50502	19,246.56	-	19,246.56	-	-	-
50503020	Impairment Loss-Loans and Receivables	395,495.62		395,495.62			

Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
SUB TOTALS : 50503		395,495.62	-	395,495.62	-	-	-
50505010	Other Discounts	138,659.71		138,659.71			
50505010	01 Other Discounts - Senior Citizen Disc. (Water Bill)	122,587.24					
50505010	02 Other Discounts - Senior Citizen Disc. (Septage Fees)	16,072.47					
SUB TOTALS : 50505		138,659.71	-	138,659.71	-	-	-
TOTALS :		934,118,775.78	934,118,775.78	203,520,389.04	240,993,527.48	730,598,386.74	693,125,248.30
NET INCOME				37,473,138.44		37,473,138.44	
				240,993,527.48		730,598,386.74	


ANALIZA V. EULAON
 Manager, Gen. Accounting Division

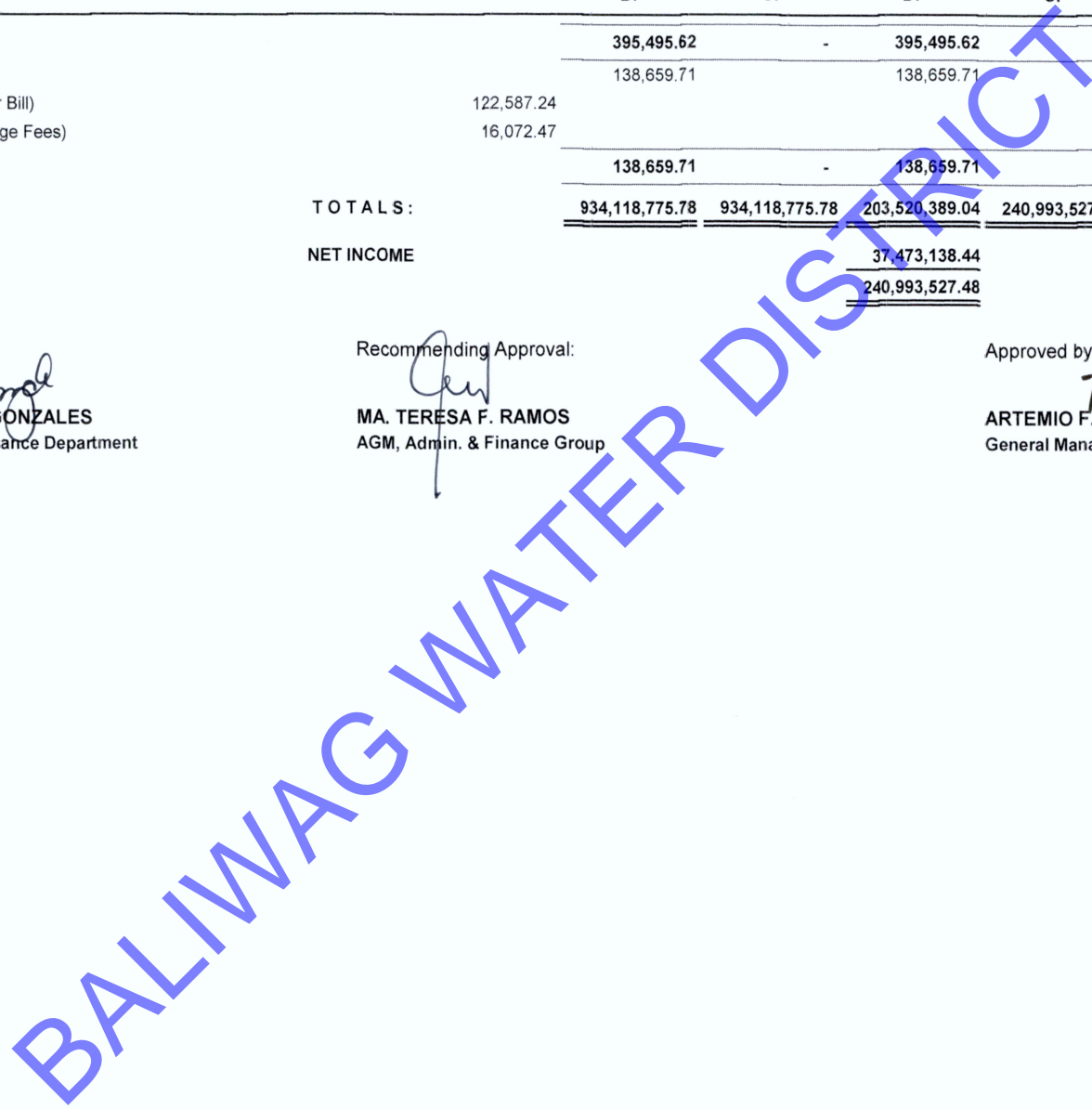
Certified Correct:

ELENA S. GONZALES
 Manager, Finance Department

Recommending Approval:

MA. TERESA F. RAMOS
 AGM, Admin. & Finance Group

Approved by:

ARTEMIO F. BAYLOSIS
 General Manager



BALIWAG WATER DISTRICT
Baliwag, Bulacan

Post Trial Balance

For the Month of December 31, 2020

Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
10101010	Cash-Collecting Officers	831,851.87				831,851.87	
10101020	Petty Cash	95,000.00				95,000.00	
10101020	01 Petty Cash - MOOE	45,000.00					
10101020	02 Petty Cash - Change Fund	50,000.00					
	SUB TOTALS : 10101	926,851.87				926,851.87	
10102020	Cash in Bank-Local Currency, Current Account	21,238,215.48				21,238,215.48	
10102020	01 Cash in Bank-Local Currency, Current Account - LBP1	9,219,091.02					
10102020	02 Cash in Bank-Local Currency, Current Account - LBP2	7,000,000.00					
10102020	03 Cash in Bank-Local Currency, Current Account - LBP1 (Project)	5,019,124.46					
10102030	Cash in Bank-Local Currency, Savings Account	5,786,559.79				5,786,559.79	
10102030	01 Cash in Bank-Local Currency, Savings Account - DBP	363,049.99					
10102030	02 Cash in Bank-Local Currency, Savings Account - LBP JSA	5,423,509.80					
	SUB TOTALS : 10102	27,024,775.27				27,024,775.27	
10211010	Investments in Time Deposits-Local Currency	720,061.02				720,061.02	
	SUB TOTALS : 10211	720,061.02				720,061.02	
10301010	Accounts Receivable	16,504,580.35				16,504,580.35	
10301010	01 Accounts Receivable - Water Bill	15,286,720.80					
10301010	02 Accounts Receivable - Septage Fees	1,217,859.55					
10301011	Allowance for Impairment-Accounts Receivable		1,650,458.04				1,650,458.04
10301020	Notes Receivable	1,992,919.41				1,992,919.41	
10301020	01 Notes Receivable - New Connection	887,803.26					
10301020	02 Notes Receivable - Violation	1,105,116.15					
	SUB TOTALS : 10301	18,497,499.76	1,650,458.04			18,497,499.76	1,650,458.04
10303030	Due from Local Government Units	6,173,309.17				6,173,309.17	
	SUB TOTALS : 10303	6,173,309.17				6,173,309.17	
10305990	Other Receivables	137,559.40				137,559.40	
	SUB TOTALS : 10305	137,559.40				137,559.40	
10404010	Office Supplies Inventory	442,091.28				442,091.28	
10404020	Accountable Forms, Plates and Stickers Inventory	628,550.00				628,550.00	
10404120	Chemical and Filtering Supplies Inventory	480,869.00				480,869.00	
10404130	Construction Materials Inventory	6,318,070.41				6,318,070.41	
	SUB TOTALS : 10404	7,869,580.69				7,869,580.69	

Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
10601010	Land	19,675,659.26				19,675,659.26	
	SUB TOTALS : 10601	19,675,659.26	-	-	-	19,675,659.26	-
10602990	Other Land Improvements	1,654,130.00				1,654,130.00	
	SUB TOTALS : 10602	1,654,130.00	-	-	-	1,654,130.00	-
10603040	Water Supply Systems	419,487,378.89				419,487,378.89	
10603041	Accumulated Depreciation-Water Supply Systems		174,730,418.25				174,730,418.25
	SUB TOTALS : 10603	419,487,378.89	174,730,418.25	-	-	419,487,378.89	174,730,418.25
10604010	Buildings	109,969,832.25				109,969,832.25	
10604011	Accumulated Depreciation-Buildings		34,151,196.20				34,151,196.20
	SUB TOTALS : 10604	109,969,832.25	34,151,196.20	-	-	109,969,832.25	34,151,196.20
10605010	Machinery	20,540,264.00				20,540,264.00	
10605010	01 Machinery - (Water Treatment Equipment)	8,496,913.00					
10605010	02 Machinery - (Power Operated Equipment)	12,043,351.00					
10605011	Accumulated Depreciation-Machinery		6,869,248.29				6,869,248.29
10605020	Office Equipment	8,838,561.63				8,838,561.63	
10605021	Accumulated Depreciation-Office Equipment		5,987,019.72				5,987,019.72
10605030	Information and Communication Technology Equipment	17,032,516.70				17,032,516.70	
10605031	Accumulated Depreciation-Information and Communication Technology Equipment		12,369,498.85				12,369,498.85
10605070	Communication Equipment	2,199,161.66				2,199,161.66	
10605071	Accumulated Depreciation-Communication Equipment		1,928,373.85				1,928,373.85
10605130	Sports Equipment	127,897.00				127,897.00	
10605131	Accumulated Depreciation-Sports Equipment		37,409.97				37,409.97
10605140	Technical and Scientific Equipment	10,583,277.67				10,583,277.67	
10605141	Accumulated Depreciation-Technical and Scientific Equipment		5,349,421.43				5,349,421.43
10605990	Other Equipment	1,939,911.20				1,939,911.20	
10605991	Accumulated Depreciation-Other Equipment		1,731,520.08				1,731,520.08
	SUB TOTALS : 10605	61,261,589.86	34,272,492.19	-	-	61,261,589.86	34,272,492.19
10606010	Motor Vehicles	30,119,611.90				30,119,611.90	
10606011	Accumulated Depreciation-Motor Vehicles		13,753,100.79				13,753,100.79
	SUB TOTALS : 10606	30,119,611.90	13,753,100.79	-	-	30,119,611.90	13,753,100.79
10607010	Furniture and Fixtures	6,187,565.26				6,187,565.26	
10607011	Accumulated Depreciation-Furniture and Fixtures		4,572,454.36				4,572,454.36
	SUB TOTALS : 10607	6,187,565.26	4,572,454.36	-	-	6,187,565.26	4,572,454.36
10698990	Other Property, Plant and Equipment	189,122.00				189,122.00	
10698991	Accumulated Depreciation-Other Property, Plant and Equipment		148,924.80				148,924.80
	SUB TOTALS : 10698	189,122.00	148,924.80	-	-	189,122.00	148,924.80
10699020	Construction in Progress-Infrastructure Assets	2,876,628.92				2,876,628.92	

BALIWAG WATER DISTRICT

Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
10699030	Construction in Progress-Buildings and Other Structures	1,724,000.00				1,724,000.00	
	SUB TOTALS : 10699	4,600,628.92	-	-	-	4,600,628.92	-
10801020	Computer Software	9,050,875.28				9,050,875.28	
10801021	Accumulated Amortization - Computer Software		8,095,470.92				8,095,470.92
	SUB TOTALS : 10801	9,050,875.28	8,095,470.92	-	-	9,050,875.28	8,095,470.92
19901030	Advances to Special Disbursing Officer	77,000.00				77,000.00	
	SUB TOTALS : 19901	77,000.00		-	-	77,000.00	-
19903990	Other Deposit	3,170,712.18				3,170,712.18	
	SUB TOTALS : 19903	3,170,712.18	-	-	-	3,170,712.18	-
19999990	Other Assets	3,804,643.76				3,804,643.76	
	SUB TOTALS : 19999	3,804,643.76	-	-	-	3,804,643.76	-
20101010	Accounts Payable		389,797.32				389,797.32
20101010	02 Accounts Payable - NGAs	389,797.32					
	SUB TOTALS : 20101	-	389,797.32	-	-	-	389,797.32
20102040	Loans Payable-Domestic		121,419,875.65				121,419,875.65
20102040	01 Loans Payable-Domestic - Local Water Utilities Administration	3,118,482.06					
20102040	02 Loans Payable-Domestic - Land Bank of the Philippines	17,655,644.76					
20102040	03 Loans Payable-Domestic - Philippine Savings Bank	272,057.05					
20102040	04 Loans Payable-Domestic - Non-Current - Local Water Utilities Administration	14,514,087.09					
20102040	05 Loans Payable-Domestic - Non-Current - Land Bank of the Philippines	85,859,604.69					
20102041	Loans Payable-Domestic Non-Current		996,388.85				996,388.85
20102041	03 Loans Payable-Domestic Non-Current - Philippine Savings Bank	996,388.85					
	SUB TOTALS : 20102	-	122,416,264.50	-	-	-	122,416,264.50
20201010	Due to BIR		2,078,742.09				2,078,742.09
20201010	01 Due to BIR - Withholding Tax on Compensation	393,689.29					
20201010	02 Due to BIR - Expanded Withholding Tax	175,307.98					
20201010	03 Due to BIR - Withholding Tax on GMP - Percentage Taxes	1,017,736.77					
20201010	04 Due to BIR - Withholding Tax on GMP - Value Added Taxes	492,008.05					
20201020	Due to GSIS		855,977.53				855,977.53
20201020	01 Due to GSIS - Life and Retirement Premium	835,950.99					
20201020	02 Due to GSIS - ECC	14,900.00					
20201020	03 Due to GSIS - Salary Loan	2,915.26					
20201020	05 Due to GSIS - UOLI PS & LOANS	900.16					
20201020	06 Due to GSIS - Calamity Loans	1,311.12					
20201030	Due to PAG-IBIG		228,590.14				228,590.14
20201030	01 Due to PAG-IBIG - Pag-IBIG Premium	94,514.38					
20201030	02 Due to PAG-IBIG - Multi-Purpose Loan	70,300.91					

BALIWAG WATER DISTRICT

Acct. No.	Account Title	YEAR TO DATE					
		Trial Balance		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr	Dr	Cr
20201030	04 Due to PAG-IBIG - Modified Pag-IBIG 2	54,000.00					
20201030	05 Due to PAG-IBIG - Calamity	9,774.85					
20201040	Due to Philhealth		109,100.13				109,100.13
20201070	Due to LGUs		3,420,845.00				3,420,845.00
	SUB TOTALS : 20201	-	6,693,254.89	-	-	-	6,693,254.89
20401010	Trust Liabilities		27,919.76				27,919.76
20401040	Guaranty/Security Deposits Payable		1,191,822.56				1,191,822.56
20401040	01 Guaranty/Security Deposits Payable - New Connection	778,000.00					
20401040	02 Guaranty/Security Deposits Payable - Construction	18,100.00					
20401040	03 Guaranty/Security Deposits Payable - Retention on Contract Payments	395,722.56					
20401050	Customers' Deposits Payable		321,878.96				321,878.96
20401050	01 Customers' Deposits Payable - Water Bill	300,630.76					
20401050	02 Customers' Deposits Payable - Septage fee	21,248.20					
	SUB TOTALS : 20401	-	1,541,621.28	-	-	-	1,541,621.28
20501990	Other Deferred Credits		875,629.29				875,629.29
20501990	01 Other Deferred Credits - Deposit for future sales/subscription (Sale of Materials)	27,490.67					
20501990	03 Other Deferred Credits - Other Deferred Credits	848,138.62					
	SUB TOTALS : 20501	-	875,629.29	-	-	-	875,629.29
20601020	Leave Benefits Payable		24,152,883.62				24,152,883.62
	SUB TOTALS : 20601	-	24,152,883.62	-	-	-	24,152,883.62
29999990	Other Payables		14,974,078.46				14,974,078.46
29999990	01 Other Payables - Provident Fund Personal Shares and Loans	1,819,847.25					
29999990	02 Other Payables - Provident Fund Employer's Shares	6,727,864.76					
29999990	03 Other Payables - Suppliers	5,776,366.45					
29999990	04 Other Payables - Rice Allowance	650,000.00					
	SUB TOTALS : 29999	-	14,974,078.46	-	-	-	14,974,078.46
30201030	Contributed Capital		20,883,551.52				20,883,551.52
	SUB TOTALS : 30201	-	20,883,551.52	-	-	-	20,883,551.52
30701010	Retained Earnings/(Deficit)		267,296,790.31				267,296,790.31
	SUB TOTALS : 30701	-	267,296,790.31	-	-	-	267,296,790.31

BALIWAG WATER DISTRICT

Acct.
No.

Account Title

Trial Balance

YEAR TO DATE

Income Statement

Balance Sheet

Dr

Cr

Dr

Cr

Dr

Cr

TOTALS:

730,598,386.74

730,598,386.74

0.00

0.00

730,598,386.74

730,598,386.74

NET INCOME

0.00

0.00

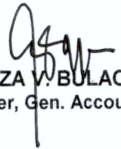
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730,598,386.74

Certified Correct:

Recommending Approval:

Approved by:


ANALIZA BULAON
Manager, Gen. Accounting Division

ELENA S. GONZALES
Manager, Finance Department

MA. TERESA F. RAMOS
AGM, Admin. & Finance Group

ARTEMIO F. BAYLOSIS
General Manager

BALIWAG WATER DISTRICT

BALIWAG WATER DISTRICT
Baliwag, Bulacan
STATEMENT OF FINANCIAL POSITION
As at December 31, 2020
(With Comparative Figures for CY 2019)

	Note	2020	2019
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	P 27,951,627.14	P 17,462,322.20
Receivables, Net	5	23,157,910.29	19,049,955.09
Inventories	6	7,869,580.69	8,931,893.85
Other Assets	7	7,052,355.94	6,711,983.46
Total Current Assets		66,031,474.06	52,156,154.60
Non-Current Assets			
Investment in Time Deposits - Local	8	720,061.02	716,259.29
Property, Plant and Equipment, Net	9	392,472,336.11	381,980,635.20
Total Non-Current Assets		393,192,397.13	382,696,894.49
TOTAL ASSETS		P459,223,871.19	P434,853,049.09
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Financial Liabilities	10	P 21,435,981.19	P 22,330,642.09
Inter-Agency Payables	11	3,272,409.89	3,133,565.22
Total Current Liabilities		24,708,391.08	25,464,207.31
Non-Current Liabilities			
Financial Liabilities	10	101,370,080.63	105,008,098.10
Inter-Agency Payables	11	3,420,845.00	3,420,845.00
Trust Liabilities	12	1,541,621.28	4,911,213.07
Other Deferred Credits	13	875,629.29	3,912,671.33
Leave Benefits Payable	14	24,152,883.62	19,625,306.75
Other Payables	15	14,974,078.46	17,510,715.22
Total Non-Current Liabilities		146,335,138.28	154,388,849.47
TOTAL LIABILITIES		171,043,529.36	179,853,056.78
EQUITY			
Contributed Capital		20,883,551.52	20,883,551.52
Retained Earnings		267,296,790.31	234,116,440.79
TOTAL EQUITY		288,180,341.83	254,999,992.31
TOTAL LIABILITIES AND EQUITY		P459,223,871.19	P434,853,049.09

The notes on pages 8 to 29 form part of these statements.





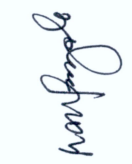




BALIWAG WATER DISTRICT
Baliwag, Bulacan
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2020
(With Comparative Figures for CY 2019)

	Note	2020	2019
INCOME			
Business Income	16	P240,447,264.85	P227,599,973.37
Other Gains	17	141,858.43	119,115.24
Other Non - Operating Income	18	404,404.20	3,908,234.01
TOTAL INCOME		240,993,527.48	231,627,322.62
EXPENSES			
Personnel Services	19	86,061,760.44	82,325,703.13
Maintenance and Other Operating Expenses	20	83,116,682.78	96,588,627.60
Financial Expenses	21	6,846,148.35	7,453,510.40
Direct Costs	22	2,971,966.89	-
Non-Cash Expenses	23	24,523,830.58	23,977,125.81
TOTAL EXPENSES		203,520,389.04	210,344,966.94
NET INCOME		P 37,473,138.44	P 21,282,355.68

The notes on pages 8 to 29 form part of these statements.

BALIWAG WATER DISTRICT

BALIWAG WATER DISTRICT
Baliwag, Bulacan
STATEMENT OF CHANGES IN EQUITY
For the Year Ended December 31, 2020

	CONTRIBUTED CAPITAL	RETAINED EARNINGS	TOTAL
BALANCE AT DECEMBER 31, 2019	₱20,883,551.52	₱234,116,440.79	₱254,999,992.31
Add(Deduct):			
Net Income for the year	0.00	37,473,138.44	37,473,138.44
Prior Year's Adjustments	0.00	(4,292,788.92)	(4,292,788.92)
BALANCE AT DECEMBER 31, 2018	₱20,883,551.52	₱267,296,790.31	₱288,180,341.83

BALIWAG WATER DISTRICT






The notes on pages 8 to 29 form part of these statements.

BALIWAG WATER DISTRICT
Baliwag, Bulacan
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2020
(With Comparative Figures for CY 2019)

	Note	2020	2019
Cash Flows from Operating Activities			
Cash Inflows			
Additional Petty Cash Fund		P 45,000.00	P 31,000.00
Cash Debit Adjustments		183,104.28	51,742.47
Collection of Accounts Receivable		226,651,214.55	211,185,957.13
Collection of Service Fees and Charges		7,166,778.96	12,033,115.60
Collection of Other Receivables		2,344,322.00	3,215,504.86
Proceeds from Sale of Materials		475,335.10	409,073.00
Refund of Cash Advances		299,927.81	654,640.96
Miscellaneous Receipts		12,473,066.40	5,061,851.82
Cancellation of Stale Check		0.00	0.00
Restoration of Unreleased Check		1,455,564.86	316,235.91
Total Cash Inflows		251,094,313.96	232,959,121.75
Cash Outflows			
Cash Credit Adjustment		154,878.20	68,556.42
Payment of Personnel Services		37,806,010.31	36,257,310.22
Payment of MOOE		61,788,759.28	92,011,851.30
Payment of Accounts Payable		32,684,463.24	15,956,328.79
Payment of Cash Advances		8,080,982.19	6,720,789.91
Replenishment of Working Fund		232,057.89	310,189.26
Remittances - GSIS, BIR, PhilHealth, Pag-IBIG		30,293,992.71	15,817,386.31
Contribution to Provident Fund		12,000,921.22	14,908,638.07
Miscellaneous Disbursements		5,256,222.38	6,142,160.71
Returned Checks issued by concessionaires		0.00	0.00
Reversal of Unreleased Check		316,235.91	371,157.95
Total Cash Outflows		188,614,523.33	188,564,368.94
Net Cash Provided by (Used in) Operating Activities		62,479,790.63	44,394,752.81
Cash Flows from Investing Activities			
Cash Inflows			
Interest on Savings Deposits		10,160.26	9,916.89
Total Cash Inflows		10,160.26	9,916.89
Cash Others			
Cash Inflows			
Proceed from Loan Availments		-	2,975,085.00
Total Cash Inflows		-	2,975,085.00
Cash Outflows			
Purchase/Construction of PPE		25,679,877.99	10,089,103.76
Total Cash Outflows		25,679,877.99	10,089,103.76
Net Cash Provided by (Used in) Investing Activities		(25,669,717.73)	(7,104,101.87)
Cash Flows from Financing Activities			
Cash Outflows			
Finance Charges		(564,665.87)	(104,087.28)
Payment of Principal/Interest		(25,756,102.09)	(28,191,418.99)
Total Cash Outflows		(26,320,767.96)	(28,295,506.27)
Cash Used in Financing Activities		(26,320,767.96)	(28,295,506.27)





Increase (Decrease) in Cash and Cash Equivalents		10,489,304.94	8,995,144.67
Cash and Cash Equivalents - January 1		17,462,322.20	8,467,177.53
Cash and Cash Equivalents - December 31	4	₱ 27,951,627.14	₱ 17,462,322.20

The notes on pages 8 to 29 form part of these statements.

BALIWAG WATER DISTRICT





NOTES TO FINANCIAL STATEMENTS

1. Agency Information and Authorization for Issue of the Financial Statements

The District was created pursuant to Presidential Decree No. 198, otherwise known as the “Local Water Utilities Act of 1973”, as amended by PD Nos. 768 and 1479, and by virtue of the Local Sangguniang Bayan Resolution No. 011 series of 1988. On July 6, 1989, the Conditional Certificate of Conformance (CCC) No. 407 was issued by Local Water Utilities Administration (LWUA) to formalize its establishment. This CCC is the accreditation of LWUA to a newly-formed water district to operate under the standard specification.

Since 1992, by virtue of the Supreme Court En Banc decision, GR No. 95237-38 (Davao City Water District, et al. vs. CSC et al.), water districts were declared government owned and/or controlled corporation with original charter, and as such they are placed under the jurisdiction of the Civil Service Commission and Commission on Audit.

As of December 31, 2020, the District has 27 pumping stations which serve 27 barangays with 33,489 total active service connections. The District is categorized as Category “A” water district pursuant to the Local Water District Manual on Re-categorization in March 2017.

The District was formed for the purpose of acquiring, installing, improving, maintaining and operating water supply and distribution system for the residents of Baliwag, Bulacan.

The District’s Board of Directors is composed of the following:

Name	Position/Designation	Sector
Mr. Conrado E. Evangelista	Chairman	Education
Ms. Hazel M. Galang	Vice-Chairman	Women
Ms. Victoria G. Canoja	Secretary	Professional
Mr. Florido S. Santos	Treasurer	Business
Ms. Maria Manolita C. Cruz	Member	Civic

The District has 167 personnel and headed by General Manager Artemio F. Baylosis.

1.1 Authorization for Issue of the 2020 Financial Statements

The financial statements of the District for the year ended December 31, 2020 were authorized for issue by the Board of Directors on February 11, 2021 as reflected in the Statement of Management’s Responsibility for Financial Statements signed by the BOD Chairman.

2. Summary of Significant Accounting Systems and Policies

2.1 Basis of Financial Statements Presentation

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 decimal places, except when otherwise indicated.

For the year ended December 31, 2020, the District prepared its financial statements (FS) in accordance with generally accepted accounting principle in the Philippines and Philippine Financial Reporting Standards (PFRS).

2.2 Statement of Compliance

The financial statements were prepared in compliance with 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 dated December 1, 2015 and December 29, 2016, respectively.

2.3 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.

2.3.1 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 be 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.

2.3.2 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.

The District uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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.

2.3.3 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.

2.3.4 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 Fair Value through Profit or Loss (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, available for sale (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, 2020 and 2019, the District does not have financial assets and financial liabilities at FVPL, HTM investments, and AFS.

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 into 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.

As at December 31, 2020 and 2019, this category includes the District’s Receivables account.

Financial Liabilities Measured at Amortized Cost

These are the financial liabilities which are not designated at FVPL. Financial liabilities not designated as FVPL are measured at amortized cost after initial measurement 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.

Included in this category are the District’s accounts payable, accrued expenses, inter-agency payables, loans payable, other payables and guarantee deposits payable to customers.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. The amortization is included in the interest expense in the District’s Statement of Comprehensive Income.

2.3.5 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.

When 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.

When 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.

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.

2.3.6 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 include non-collection of water bills despite of sending series of demand letters to delinquent concessionaires.

As at December 31, 2020 and 2019, the District has no impaired financial assets.

2.3.7 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.

2.3.8 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 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.

2.3.9 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.

2.3.10 Property, Plant and Equipment (PPE)

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

Expenditures incurred after the PPE 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 PPE beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of the related PPE.

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

<u>Category</u>	<u>Number of years</u>
Office furniture and equipment	5
Transportation equipment	7
Machinery and equipment	10
Building and other structures	30

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 PPE.

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

When PPE 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.

Recognition

An item is recognized as 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 ₱15,000.00.

Measurement at recognition

An item recognized as PPE is measured at cost. Cost includes the following:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- Expenditure that is directly attributable to the acquisition of the items; and

- Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Measurement after recognition

After recognition, all PPE are stated at cost less accumulated depreciation and impairment losses.

When significant parts of PPE are required to be replaced at intervals, the District recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized as expense in surplus or deficit as incurred.

Depreciation

Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.

Initial recognition of depreciation

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. For simplicity and to avoid proportionate computation, the depreciation is for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation is for the succeeding month.

Depreciation method

The straight line method of depreciation is adopted unless another method is more appropriate for Entity operation.

Estimated useful life

The District uses the life span of PPE prescribed by COA in determining the specific estimated useful life for each asset based on its experience.

Residual value

The District uses a residual value equivalent to at least ten percent (10%) of the cost of the PPE.

Impairment

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

Derecognition

The District derecognizes items of PPE and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized.

2.3.11 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 (CGU) 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.

2.3.12 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 group 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 are 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.

As at December 31, 2020 and 2019, the District has no reported impaired non-financial assets.

2.3.13 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.

2.3.14 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 bill cycle cut-off, monthly service revenue earned but not yet billed at end of the month are estimated and accrued. These estimates are based on historical consumption of the customers.

For the period ending December 31, 2020 and 2019, Income from Waterworks System was classified under Business Income in the Statement of Comprehensive Income.

2.3.15 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 10% of the water bill is automatically charged by the Billing and Collection System the day following the due date.

For the period ending December 31, 2020 and 2019, Fines and Penalties was classified under Business Income in the Statement of Comprehensive Income.

2.3.16 Other Business Income

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

2.3.17 Interest Income

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

2.3.18 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 or 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 or 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.

For the period ending December 31, 2020 and 2019, cost of services and operating expenses includes personnel services, maintenance and other operating expenses, financial expenses and non-cash expenses.

2.3.19 Income 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 asset shall be recognized for all deductible temporary differences and operating loss carry forward 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.

2.3.20 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. When 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.

2.3.21 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.

The District recognizes the undiscounted amount of short term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

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.

3.1 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 (PPE, 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 2020 and 2019, the District has not identified any impairment indicator, thus, no impairment was recognized.

3.2 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 District computes the Allowance for Impairment-Accounts Receivable based on the aging of receivables.

Determination of estimated useful lives of PPE

The useful life of each of the District's item of PPE 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 PPE would increase the recorded depreciation expense and decrease the carrying value of PPE.

4. Cash and Cash Equivalent

This account pertains to cash collecting officers, petty cash and cash in bank readily available in the payment of current obligations of the District and not subject to any restriction, contractual or otherwise. This consists of the following balance.

	2019	2020
Cash – Collecting Officers	2,544,117.72	831,851.87
Petty Cash	50,000.00	95,000.00
Cash in Bank – Local Currency		
Current Account	9,086,438.93	21,238,215.48

Savings Account	5,781,765.55	5,786,559.79
Total Cash and Cash Equivalents	17,462,322.20	27,951,627.14

The balance of Cash in Bank – Local Currency, Current Account includes the cost of two unreleased checks totalling ₱37,806.56 which were not reverted as of year-end. These check were received by the concerned payees on January 02, 2020.

5. Receivables, Net

This includes all amounts due on open accounts arising from services rendered to the customers for water sales and incidental services.

		2019		2020
Accounts Receivable (AR)	P	12,549,624.17	P	16,504,580.35
Allowance for Impairment – AR		(1,254,962.42)		(1,650,458.04)
Notes Receivable		1,514,885.55		1,992,919.41
Due from LGUs		6,176,019.32		6,173,309.17
Receivables	-			
Disallowances/Charges		264.74		-
Other Receivables		-		-
Receivables, Net	P	64,123.73	P	137,559.40

Below is the aging of AR:

	2019	2020
1-60 Days	7,197,944.22	11,083,045.33
61-120 Days	570,726.96	321,276.97
121 Days - 1 Year	675,182.40	1,043,276.15
over 1 year	4,105,770.59	4,056,981.90
Total Age of Receivables	12,549,624.17	16,504,580.35

6. Inventories

This account pertains to unissued materials and supplies, which are kept in stock and held for future use.

		2019		2020
Office Supplies Inventory	P	258,242.74	P	442,091.28
Accountable Forms, Plates and Stickers Inventory		1,013,800.00		628,500.00
Chemical and Filtering Supplies Inventory		474,447.00		480,869.00
Construction Materials Inventory		7,185,404.11		6,318,070.41
Total Inventories	P	8,931,893.85	P	7,869,530.69

7. Other Assets

This represents the unliquidated cash advances granted to officials and employees of the District, meter and bill deposits to Manila Electric Company (MERALCO) and bond deposits to Department of Public Works and Highways (DPWH).

	2019	2020
Advances for Operating Expenses	-	-
Advances to Special Disbursing Officer	-	77,000.00
Advances to Officers and Employees	-	-
Other Deposits	2,907,339.70	3,170,712.18
Deferred Charges/Losses	556,197.29	-
Other Assets	3,804,643.76	3,804,643.76
Total Other Assets	P7,268,180.75	P7,052,355.94

8. Investments in Time Deposits – Local Currency

This account is used to recognize authorized placements of cash in local currency with Authorized Government Depository Banks for a period of 91 days or more

	2019	2020
Investment in Time Deposits	716,259.29	720,061.02
Other Investment	-	-
Total Investment	716,259.29	720,061.02

9. Property, Plant and Equipment (PPE), Net

This includes all properties of relatively permanent character that are used in normal operations of the District. The breakdown of this account is as follows:

PPE Account	CY 2020				
	Balance at January 1	Additions/ Acquisitions	Disposals/ Reclassification	Accumulated Depreciation	PPE, Net
Land	17,487,546.76	2,188,112.50	-	-	19,675,659.26
Other Land Improvements	1,654,130.00	0.00	-	0.00	1,654,130.00
Water Supply Systems	405,766,415.93	13,720,962.96	-	174,730,418.25	244,756,960.64
Buildings	110,071,780.43	(101,948.18)	-	34,151,196.20	75,818,636.05
Machinery and Equipment	57,897,454.70	12,415,010.44	-	42,367,963.11	27,944,502.03
Motor Vehicles	26,090,697.90	4,028,914.00	-	13,753,100.79	16,366,511.11
Furniture and Fixtures	5,715,125.26	472,440.00	-	4,572,454.36	1,615,110.90
Other PPE	189,122.00	-	-	148,924.80	40,197.20
Construction in Progress	2,877,278.47	1,723,350.45	-	0.00	4,600,628.92

Total 627,749,551.45 34,446,842.17 - 269,724,057.51 392,472,336.11

CY 2019					
PPE Account	Balance at January 1	Additions/ Acquisitions	Disposals/ Reclassification	Accumulated Depreciation	PPE, Net
Land	17,487,546.76	-	-	-	17,487,546.76
Other Land Improvements	1,654,130.00	0.00	-	0.00	1,654,130.00
Water Supply Systems	431,886,560.80	17,385,235.17	(43,505,380.04)	161,687,561.00	244,078,854.93
Buildings	74,574,003.04	35,497,777.39	-	29,400,227.60	80,671,552.83
Machinery and Equipment	54,992,716.70	2,923,838.00	(19,100.00)	38,078,352.74	19,819,101.96
Motor Vehicles	26,612,691.90	379,006.00	(901,000.00)	12,361,857.99	13,728,839.91
Furniture and Fixtures	5,461,525.76	273,099.50	(19,500.00)	4,099,233.07	1,615,892.19
Other PPE	156,122.00	33,000.00	-	141,683.85	47,438.15
Construction in Progress	5,179,572.31	7,694,675.27	(9,996,969.11)	0.00	2,877,278.47
Total	618,004,869.27	64,186,631.33	(54,441,949.15)	245,768,916.25	381,980,635.20

The Land account as of CY 2020 under the possession of the District pertained to the following:

Land	Qty.	Lot Area	Acquisition Cost		Total
			Through Purchase	Through Donation	
With Transfer Certificate of Title (TCT)	15	7,212	₱14,823,562.50	₱2,245,748.76	₱17,069,311.26
Without TCT	2	835.82	2,606,348.00	0.00	2,606,348.00
Total Land	16	7,237.82	₱15,241,798.00	₱2,245,748.76	₱19,675,659.26

The following information pertain to the two parcels of land which have no TCT yet:

1. Barangay San Jose

- a) The lot located in Barangay San Jose, Baliuag, Bulacan was purchased thru installment basis from Mr. Wilfredo L. Santiago;
- b) A Deed of Conditional Sale was executed by and between the District and Mr. Santiago on October 11, 2012; and
- c) Among the terms and conditions stated in the Deed of Conditional Sale was that a Deed of Absolute Sale in favor of the District will be executed only when the total amount of ₱2,262,000.00 had already been fully paid.

2. Barangay Tibag

The Deed of Sale for Barangay Tibag was misplaced and only a subdivision plan was found. The District have already sought the help of the Register of Deeds.

The Management exerts effort to secure the covering TCTs on the above parcels of land to protect the District's interest and in order to document the absolute ownership thereon.

10. Financial Liabilities

This account includes long-term obligations of the District and amounts payable to the suppliers, as shown below.

	2019	2020
Current		
Accounts Payable	3,082,362.47	389,797.32
Loans Payable – Domestic		
LWUA	1,225,076.00	3,118,482.06
LBP	17,655,644.76	17,655,644.76
Vehicle Loan	367,558.86	272,057.05
Total Financial Liabilities – Current	22,330,642.09	21,435,981.19
Non-Current		
Loans Payable – Domestic		
LWUA	1,492,848.65	14,514,087.09
LBP	103,515,249.45	85,859,604.69
Vehicle Loan	-	996,388.85
Total Financial Liabilities – Non Current	105,008,098.10	101,370,080.63
Total Financial Liabilities	127,338,740.19	122,806,061.82

Loans Payable represents the long-term obligations of the District, the proceeds of which were used to finance various infrastructures and permanent improvements in order to meet the demands of the growing clientele. Repayments are made monthly based on the agreed terms and schedule provided in the loan agreement.

11. Inter-Agency Payables

This represents contributions due, collections received, amounts withheld for remittance to the following government agencies.

	2019	2020
Current		
Due to BIR	1,742,693.09	2,078,742.09
Due to GSIS	1,135,654.07	855,977.53
Due to Pag-IBIG	169,032.43	228,590.14
Due to Philhealth	86,185.63	109,100.13
Due to Others	-	-
Total Inter – Agency Payables – Current	3,133,565.22	3,272,409.89
Non – Current		
Due to LGUs	3,420,845.00	3,420,845.00
Total Inter – Agency Payables – Non – Current	3,420,845.00	3,420,845.00
Total Inter – Agency Payables	6,554,410.22	6,693,254.89

Due to LGUs pertains to the waterworks facilities transferred by the Municipality of Baliwag which were managed, operated by and under the control of the District. These properties will be offset in lieu of the water consumed by the LGU as agreed upon by both parties.

12. Trust Liabilities

These are guarantee deposits from supplier and advance payment of water bill from concessionaires.

	2019	2020
Trust Liabilities	30,435.63	27,919.76
Guaranty/Security Deposits Payable	4,520,277.38	1,191,822.56
Customers' Deposits Payable	360,500.06	321,878.96
Total Trust Liabilities	4,880,777.44	1,541,621.28

13. Other Deferred Credits

This account is used to recognize other transactions not falling under any of the specific deferred credits accounts. It include proceeds from loan availments, payment of resigned employees' loan amortization to LBP and sale of materials.

	2019	2020
Deposit for future Sales/Subscription (Sale of Materials)		-
Deferred Credits		-
Other Deferred Credits	3,912,671.33	875,629.29
Total Other Deferred Credits	3,912,671.33	875,629.29

14. Leave Benefits Payable

This account is used to recognize accrual of money value of the earned leave credits of government personnel.

	2019	2020
Leave Benefits Payable	19,625,306.75	24,152,883.62
		-
Total Provision	19,625,306.75	24,152,883.62

15. Other Payables

This account is used to recognize other liabilities not falling under any of the specific payable accounts such as Provident Fund Employers' Shares, Provident Fund Personal Shares and Loans, Rice Allowance and Other Suppliers.

	2019	2020
Other Payables	17,510,715.22	14,974,078.46
Total Other Payables	17,510,715.22	14,974,078.46

16. Business Income

These are the water sales, interest income, penalty charges for late payments and violation, new connection fees and septage fees generated by the District from its concessionaires.

	2019	2020
Waterworks System Fees	205,697,528.22	225,472,613.36
Interest Income	16,558.65	16,502.07
Fines and Penalties – Business Income	8,126,880.75	6,617,613.46
Other Business Income	13,759,005.75	8,340,535.96
Total Business Income	227,599,973.37	240,447,264.85

17. Total Other Gains

These are proceeds from materials purchased by concessionaires to the District.

	2019	2020
Gain on Sale of Materials	119,115.24	141,858.43
Total Other Gains	119,115.24	141,858.43

18. Other Non – Operating Income

These are proceeds from sale of unserviceable property, reversal of impairment loss and miscellaneous income of the District.

	2019	2020
Sale of Unserviceable Property	509,846.00	251,246.00
Reversal of Impairment Loss	-	-

Miscellaneous Income	3,398,388.01	153,158.20
Total Other Non – Operating Income	3,908,234.01	404,404.20

19. Personnel Services

	2019	2020
Salaries and Wages	44,259,018.75	47,425,757.16
Other Compensation	19,616,059.51	24,262,618.11
Personnel Benefit Contributions	9,823,927.66	6,486,838.35
Other Personnel Benefits	8,626,697.21	7,886,546.82
Total Personnel Services	82,325,703.13	86,061,760.44

20. Maintenance and Other Operating Expenses (MOOE)

	2019	2020
Travelling Expenses	2,307,979.95	469,843.14
Training Expenses	1,094,548.32	487,570.67
Supplies and Materials Expenses	1,975,404.47	2,458,597.42
Electricity Expenses	2,155,083.19	1,830,361.06
Communication Expenses	582,031.49	705,589.48
Awards/Rewards Expenses	569,046.00	290,300.00
Survey Expenses	-	-
Generation, Transmission and Distribution Expenses Extraordinary and Miscellaneous Expenses	54,367,807.95	49,153,619.45
Professional Services	5,388,174.65	4,961,712.14
General Services	309,064.80	514,020.71
Repairs and Maintenance	11,858,090.97	8,065,655.48
Taxes, Insurance Premiums and Other Fees	7,135,031.63	6,276,538.08
Other Maintenance and Operating Expenses	5,324,962.47	5,501,650.31
	3,521,401.71	2,401,224.84
Total MOOE	96,588,627.60	83,116,682.78

21. Financial Expenses

	2019	2020
Interest Expenses	7,435,410.55	6,553,448.35

Bank Charges	-	-
Other Financial Charges	18,099.85	292,700.00
Total Financial Expenses	7,453,510.40	6,846,148.35


22. Direct Costs

	2019	2020
Cost of Sales	-	2,971,966.89
Total Financial Expenses	-	2,971,966.89

23. Non-Cash Expenses

	2019	2020
Depreciation		
Infrastructure Assets	13,297,951.64	13,042,857.25
Buildings and Other Structures	4,267,272.56	4,750,968.60
Machinery and Equipment	4,134,418.68	4,300,468.21
Transportation Equipment	1,587,171.25	1,391,242.80
Furniture, Fixtures and Books	453,448.65	477,650.88
Other Property, Plant and Equipment	4,705.20	7,240.95
Amortization-Intangible Assets	-	19,246.56
Impairment Loss – Loans and Receivables	104,798.25	395,495.62
Other Discounts	127,359.58	138,659.71
Total Non-Cash Expenses	23,977,125.81	24,523,830.58

Approved by:


ARTEMIO F. BAYLOSIS
General Manager

Checked by:


ELENA S. GONZALES
Manager – Finance Department

Recommending Approval:


MA. TERESA F. RAMOS
AGM – Admin. & Finance Group

AGING OF ACCOUNTS PAYABLE
As at December 31, 2020

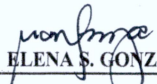
Entity Name: **BALIWAG WATER DISTRICT**

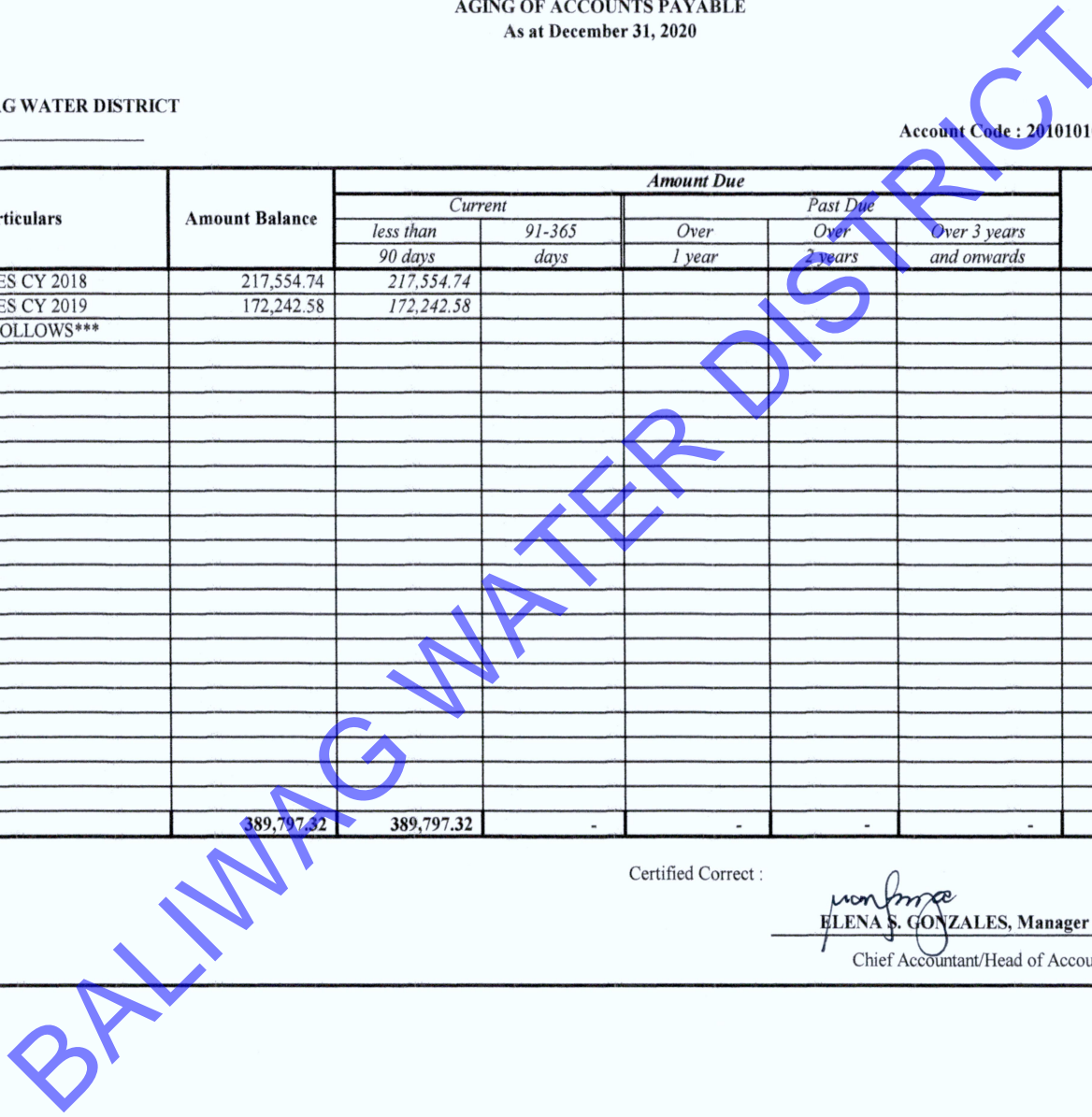
Fund : _____

Account Code : 20101010

No.	Particulars	Amount Balance	Amount Due					Remarks
			Current		Past Due			
			less than 90 days	91-365 days	Over 1 year	Over 2 years	Over 3 years and onwards	
01	COA AUDIT FEES CY 2018	217,554.74	217,554.74					Documents in Progress
02	COA AUDIT FEES CY 2019	172,242.58	172,242.58					On Process
03	*** NOTHING FOLLOWS***							On Process
04								
05								
06								
07								
08								
09								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
Total		389,797.32	389,797.32	-	-	-	-	

Certified Correct :


ELENA S. GONZALES, Manager - Finance Department
 Chief Accountant/Head of Accounting Division/Unit



AGING OF ACCOUNTS RECEIVABLE
As at December 31, 2020

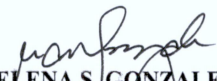
Entity Name: BALIWAG WATER DISTRICT

Fund: _____

Account Code : 10301010

No.	Particulars	Amount Balance	Amount Due					Remarks
			Current		Past Due			
			less than 90 days	91-365 days	Over 1 year	Over 2 years	Over 3 years and onwards	
1.	BALIWAG WATER DISTRICT	16,504,580.35	11,221,225.13	1,226,373.32	4,056,981.90			
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
	Total	16,504,580.35	11,221,225.13	1,226,373.32	4,056,981.90	-	-	

Certified Correct :


ELENA S. GONZALES
 Chief Accountant/Head of Accounting Division/Unit

AUDIT GROUP FOR WATER DISTRICTS
Breakdown of Domestic Loans and Foreign Borrowings
Period Ended December 31, 2020

Agency	Domestic Loans		Foreign Borrowings	
	Source	Amount	Source	Amount
Province of Bulacan				
Baliwag Water District	Local Water Utilities Administration	17,632,569.15		
	Landbank of the Philippines	103,515,249.45		
	Philippine Savings Bank	1,268,445.90		
Grand Total		122,416,264.50		-

Certified correct:


ELENA S. GONZALES
Manager, Finance Department

BALIWAG WATER DISTRICT

AUDIT GROUP FOR WATER DISTRICTS
 Schedule of Taxes Remitted and Dividends Paid to National Government
 Period Ended December 31, 2020

Agency	Taxes			Dividends	Total
	Income	Withholding	Others/Franchise		
Province of Bulacan					
Baliwag Water District	3,614,286.56	6,789,402.94	3,921,873.64	-	14,325,563.14
Grand Total	3,614,286.56	6,789,402.94	3,921,873.64	-	14,325,563.14

Certified correct:


ELENA S. GONZALES
 Manager, Finance Department

BALIWAG WATER DISTRICT

AUDIT GROUP FOR WATER DISTRICTS
Annual Growth of Subsidy Income from National Government
Period Ended December 31, 2020

Agency	Source	Amount
Province of Bulacan		
Baliwag Water District	N/A	-

Certified correct:



ELENA S. GONZALES
Manager, Finance Department

BALIWAG WATER DISTRICT

AUDIT GROUP FOR WATER DISTRICTS
Subsidy Received from Other Government Agencies
Period Ended December 31, 2020

Agency	Source	Amount
Province of Bulacan		
Baliwag Water District	N/A	

Certified correct:



ELENA S. GONZALES
Manager, Finance Department

BALIWAG WATER DISTRICT

AUDIT GROUP FOR WATER DISTRICTS
Summary of Discretionary, Representation, Extraordinary, Promotional
Confidential and Consultancy Expenses
Period Ended December 31, 2020

Agency	Account						Total
	Discretionary Expenses	Representation Expenses	Extraordinary Expenses	Promotional Expenses	Confidential Expenses	Consultancy Expenses	
Province of Bulacan							
Baliwag Water District	-	149,453.84	4,961,712.14	248,840.00	-	-	5,360,005.98
Total	₱0.00	₱149,453.84	₱4,961,712.14	₱248,840.00	₱0.00	₱0.00	₱5,360,005.98

Certified correct:


ELENA S. GONZALES
Manager, Finance Department

BALIWAG WATER DISTRICT

WATER DISTRICTS AUDIT GROUP
Roaster of Membership of Governing Boards
of Government-Owned and/or Controlled Corporations
December 31, 2020

Water District	Last Name, First Name, Middle Initial	No. of Membership(s)
Province of Bulacan		
Baliwag Water District	Cruz, Maria Manolita C.	
	Evangelista, Conrado E.	
	Galang, Hazel M.	
	Canoza, Victoria G.	
	Santos, Florido S.	

Certified correct:


ELENA S. GONZALES
Manager, Finance Department

BALIWAG WATER DISTRICT



Baliwag Water District


Tomacruz St., Poblacion, Baliwag, Bulacan 3006
Tel. Nos. : (044) 766-2618 / (044) 798-0370 / (044) 798-0372
Fax No. : (044) 766-3737
www.baliwagwd.com

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The Management of Baliwag Water District is responsible for the preparation of the financial statements as at December 31, 2020, including the additional components attached thereto in accordance with 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 regulators, creditors and other users.

The Commission on Audit has audited the financial statements of the Baliwag Water District in accordance with the International Standards of Supreme Audit Institutions and has expressed its opinion on the fairness of presentation upon completion of such audit, in its report to the Board of Directors.


CONRADO E. EVANGELISTA
Chairman of the Board
February 11, 2021

ARTEMIO F. BAYLOSIS
General Manager
February 11, 2021


MA. TERESA F. RAMOS
AGM – Administration and Finance Group
February 11, 2021


ELENA S. GONZALES
Manager, Finance Department
February 11, 2021



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