

BALIWAG WATER DISTRICT
STATEMENT OF INCOME AND EXPENSES
As of December 31, 2015
(With comparative figures for 2014)

	2015	2014
INCOME		
Income from Waterworks	P 147,485,609.17	P 135,384,226.17
Other Service Income	7,016,773.00	7,492,164.82
Fines and Penalties-Business Income	5,733,174.55	5,345,573.45
Gross Income	160,235,556.72	148,221,964.44
EXPENSES		
Personal Services (Note 13)	49,241,224.68	44,222,120.58
Maintenance and Other Operating Expenses (Note 14)	81,719,367.47	87,566,587.26
Financial Expenses (Note 15)	10,001,284.40	8,215,266.67
Total Expenses	140,961,876.55	140,003,974.51
INCOME (LOSS) FROM OPERATION	19,273,680.17	8,217,989.93
ADD: OTHER INCOME		
Other General Income (Note 16)	626,121.46	278,304.33
Gain/Loss on Sale of Disposed Assets	259,041.00	45,264.35
Total Other Income (Expenses)	885,162.46	323,568.68
NET INCOME (LOSS)	P 20,158,842.63	P 8,541,558.61

(See accompanying Notes to Financial Statements)

Certified Correct:


ANALIZA V. BULAON
 Manager, Acctg. & Bdtg. Division

Recommending Approval:


LORENZA H. FERNANDO
 OIC - Finance Department

Approved by:


ARTEMIO F. BAYLOSIS
 General Manager

**BALIWAG WATER DISTRICT
BALANCE SHEET
As of December 31, 2015
(With comparative figures for 2014)**

	2015	2014
ASSETS		
Current Assets		
Cash and Cash Equivalents (Note 3)	P 7,329,824.04	P 4,449,274.10
Receivables, Net (Note 4)	20,557,122.62	18,837,980.91
Inventories (Note 5)	8,694,915.15	8,051,365.99
Other Deferred Debits (Note 6)	1,034,247.19	728,997.19
Total Current Assets	37,616,109.00	32,067,618.19
Non-Current Assets		
Investments (Note 7)	2,427,227.98	3,644,875.36
Intangible Assets	0.00	3,810,699.25
Property, Plant and Equipment, Net (Note 8)	332,147,281.71	279,069,278.70
Total Non-Current Assets	334,574,509.69	286,524,853.31
TOTAL ASSETS	372,190,618.69	318,592,471.50
LIABILITIES AND EQUITY		
Current Liabilities		
Payable Accounts	2,827,767.14	2,896,271.48
Inter-Agency Payables (Note 9)	2,922,266.63	2,941,497.11
Other Current Liabilities (Note 10)	4,619,671.71	1,524,207.68
Total Current Liabilities	10,369,705.48	7,361,976.27
Non-Current Liabilities		
Loans Payable (Note 11)	164,559,864.72	130,210,481.20
Deferred Credits	7,225,519.21	8,020,015.41
Total Non-Current Liabilities	171,785,383.93	138,230,496.61
TOTAL LIABILITIES	182,155,089.41	145,592,472.88
Equity		
Government Equity (Note 12)	24,304,396.52	24,304,396.52
Retained Earnings	165,731,132.76	148,695,602.10
TOTAL EQUITY	190,035,529.28	172,999,998.62
TOTAL LIABILITIES & EQUITY	P 372,190,618.69	P 318,592,471.50

(See accompanying Notes to Financial Statements.)

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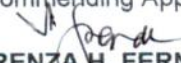
BALIWAG WATER DISTRICT
STATEMENT OF CASH FLOWS
As of December 31, 2015
(With comparative figures for 2014)

	2015	2014
Cash Flows from Operating Activities		
Cash Inflows		
Collection of Account Receivables	P 150,792,401.67	P 139,457,895.16
Collection of Service Fees & Charges	3,826,039.00	4,335,275.82
Collection of Other Receivables	3,553,194.67	2,715,590.23
Proceeds from Sale of Materials	208,631.00	178,537.00
Refund of Cash Advances	427,879.56	266,360.75
Miscellaneous Receipts	930,227.54	791,924.29
Cash Debit Adjustment	1,267,231.16	722,377.91
Total Cash Inflows	161,005,604.60	148,467,961.16
Cash Outflows		
Payment of Personal Services	24,359,041.49	20,729,259.15
Payment of MOOE	54,011,663.37	55,002,372.99
Payment of Accounts Payable	14,890,111.46	20,206,110.36
Payment of Cash Advances	1,826,350.00	1,583,655.00
Replenishment of Working Fund	206,958.34	544,458.18
Remittances - GSIS, BIR, Philhealth	17,225,652.62	16,601,047.16
Contribution to Provident Fund	7,916,350.95	6,587,057.21
Miscellaneous Disbursements	43,148.00	667,434.75
Cash Credit Adjustment	10,815.04	708,993.17
Total Cash Outflows	120,490,091.27	122,630,387.97
Net Cash Provided (used) in Operating Activities	40,515,513.33	25,837,573.19
Cash Flows from Investing Activities		
Cash Inflows		
Interest on Savings Deposits	8,494.25	7,479.96
Total Cash Inflows	8,494.25	7,479.96
Cash Outflows		
Purchase/Construction of PPE	58,227,617.34	36,482,924.07
Total Cash Outflows	58,227,617.34	36,482,924.07
Net Cash Provided (used) in Investing Activities	(58,219,123.09)	(36,475,444.11)
Cash Flows from Financing Activities		
Cash Inflows		
Proceeds from Borrowings	46,918,164.33	33,061,172.13
Total Cash Inflows	46,918,164.33	33,061,172.13
Cash Outflows		
Finance Charges	380,733.33	386,524.69
Payment of Principal/Interest	25,953,271.30	25,785,486.85
Total Cash Outflows	26,334,004.63	26,172,011.54
Net Cash Provided (used) in Financing Activities	20,584,159.70	6,889,160.59
Net Cash Provided by Operating, Investing and Financing Activities	2,880,549.94	(3,748,710.33)
Cash & Cash Equivalents, Beginning	4,449,274.10	8,197,984.43
CASH & CASH EQUIVALENTS, END	P 7,329,824.04	P 4,449,274.10

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 General Manager

BALIWAG WATER DISTRICT
STATEMENT OF CHANGES IN EQUITY
As of December 31, 2015
(With comparative figures for 2014)

		2015		2014
GOVERNMENT EQUITY				
Balance at the Beginning of the Year	P	24,304,396.52	P	24,304,396.52
Additions/Deductions		-		-
Balance at the end of the Year		24,304,396.52		24,304,396.52
RETAINED EARNINGS				
Balance at the Beginning of the Year		148,695,602.10		149,098,850.07
Prior Period Adjustments		0.00		0.00
Changes during the Year		(3,123,311.97)		(8,944,806.58)
Net Income (Loss) for the Year		20,158,842.63		8,541,558.61
GOVERNMENT EQUITY END	P	190,035,529.28	P	172,999,998.62

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BALIWAG WATER DISTRICT

BALIWAG WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

1. AGENCY BACKGROUND

Pursuant to Presidential Decree No. 198, otherwise known as the "Local Water Utilities Act of 1973" as amended by P.D. Nos. 768 and 1479, and by virtue of the Local Sangguniang Bayan Resolution No.011 series of 1988, the Baliwag Water District was created. On July 1, 1989, the Conditional Certificate of Conformance No. 407 was issued by Local Water Utilities Administration 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 (GOCC) 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, 2015, the District has twenty-one (22) pumping stations which serve twenty seven (27) barangays with 28,561 total active service connections. The District is categorized as "big" water district pursuant to the Local Water District Manual on Re-categorization on August 2005.

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

As of December 31, 2015, the District's Board of Directors was composed of the following:

Zenaida R. Salao (Women)	- Chairman
Conrado E. Evangelista (Education)	- Vice-Chairman
Maria Lourdes C. Sablan (Professional)	- Secretary
Florido S. Santos (Business)	- Member
Maria Manolita C. Cruz (Civic)	- Member

The District has one hundred seven (107) personnel as of December 31, 2015, and headed by its General Manager, Mr. Artemio F. Baylosis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Accounting System

The Corporation adopts the prescribed New Government Accounting System (NGAS) for Government -Owned and/or Controlled Corporations effective January 1, 2009.

b. Materials and Supplies Inventory

The inventories on hand are stated at cost based on the first in - first out method.

c. Property, Plant and Equipment

PPE is carried at cost less accumulated depreciation. Depreciation is computed on a straight-line method over the estimated useful lives of the property, and commences on the month subsequent to acquisition.

Major repairs that prolong the life of the property are capitalized while minor repairs and maintenance costs are expensed as incurred.

d. Income and Expense Recognition

The accrual method of accounting is adopted in the recognition of earnings and expenses.

3. CASH AND CASH EQUIVALENTS

This account is composed of cash on hand and in banks available for general expenditures and for fixed deposits, viz:

	2015	2014	Increase / (Decrease)
Cash - Undeposited Collections	P 731,911.70 P	1,429,464.47	(697,552.77)
Cash - Petty Cash Fund	19,000.00	19,000.00	-
Cash in Bank - PNB	1,881,283.92	1,043,791.64	817,492.28
Cash in Bank - LBP	1,382,517.77	91,394.38	1,291,123.39
Cash in Bank - LBP2	1,310,331.40	1,230,269.00	80,062.40
Cash in Bank - DBP	2,024,779.22	635,354.61	1,389,424.61
Total	P 7,329,824.01 P	4,449,274.10 P	1,411,062.90

4. ACCOUNTS RECEIVABLE

This includes all amounts due on open accounts arising from services rendered to the customers for water sales and incidental services. Other Receivables pertain to the balance of loan of Bill Deposit to Meralco of various Pump Stations of BWD.

	2015	2014	Increase / (Decrease)
Accounts Receivable - Customer	P 14,791,835.39 P	12,835,648.21	1,956,187.18
Notes Receivable	2,177,737.46	2,248,680.98	(70,943.52)
Other Receivable	4,871,011.59	5,037,113.54	(166,101.95)
Allowance for Bad Debts	(1,283,461.82)	(1,283,461.82)	-
Total	P 20,557,122.62 P	18,837,980.91 P	1,719,141.71

5. INVENTORIES

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

		2015		2014	Increase / (Decrease)
Office Supplies	P	1,244,862.02	P	1,573,595.12	(328,733.10)
Materials Inventory		7,259,153.13		6,136,692.87	1,122,460.26
Chemical Supplies Inventory		190,900.00		341,078.00	(150,178.00)
Total	P	8,694,915.15	P	8,051,365.99	P 643,549.16

6. OTHER DEFERRED DEBITS

This represents amount of other expenses which were paid for but remained unconsumed at the end of the accounting period.

		2015		2014	Increase / (Decrease)
Bal. as of 1998	P	1,398.00	P	1,398.00	-
Bond Deposit to DPWH		216,838.00		216,838.00	-
Meter Deposit to Meralco		185,800.00		185,800.00	-
Advances to Contractors		490,050.00		184,800.00	305,250.00
For Adjustment		140,161.19		140,161.19	-
Total	P	1,034,247.19	P	728,997.19	P 305,250.00

7. INVESTMENTS

This includes excess cash deposited with authorized government depository banks and Financing Institutes as time deposits and acquisition of securities held as permanent or long-term investment.

		2015		2014	Increase / (Decrease)
Investments in Time Deposit	P	1,736,150.85	P	1,728,798.23	P 7,352.62
Other Investment		691,077.13		691,077.13	-
Reserve Funds (PNB)		-		1,225,000.00	(1,225,000.00)
Total	P	2,427,227.98	P	3,644,875.36	(1,217,647.38)

8. PROPERTY, PLANT & EQUIPMENT

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

		2015		2014	Increase / (Decrease)
Land	P	19,141,676.76	P	19,101,676.76	P 40,000.00
Waterworks Structures and Facilities		325,562,939.64		289,973,583.15	35,589,356.49
Office Buildings		32,715,934.64		32,659,974.64	55,960.00
IT Equipment and Software		25,914,385.65		17,744,365.04	8,170,020.61
Communication Equipment		2,047,112.27		1,945,388.27	101,724.00
Construction and Heavy Equipment		1,846,286.71		1,846,286.71	-
Other Machineries and Equipment		6,563,633.00		6,276,073.00	287,560.00
Land Transportation Eqt.		25,344,039.90		24,978,403.50	365,636.40
Other Property, Plants and Equipment		156,122.00		420,056.16	(263,934.16)
Office Equipment/Furniture and Fixtures		8,779,168.19		8,506,163.19	273,005.00
Accumulated Depreciation		(162,374,572.88)		(139,347,617.73)	(23,026,955.15)
Construction in Progress		46,450,555.83		14,964,926.01	31,485,629.82
Total	P	332,147,281.71	P	279,069,278.70	P 53,078,003.01

9. INTER-AGENCY PAYABLES

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

		2015		2014	Increase / (Decrease)
Due to BIR	P	658,712.37	P	716,144.88	(57,432.51)
Due to GSIS		660,766.60		5,169.60	655,597.00
Due to Pag-ibig		89,490.72		857.44	88,633.28
Due to Philhealth		49,075.00		525.00	48,550.00
Due to Provident Fund		1,464,221.94		2,218,800.19	(754,578.25)
Total	P	2,922,266.63	P	2,941,497.11	(19,230.48)

10. OTHER CURRENT LIABILITY

Consist of the indebtedness of the District arising from trade or business.

		2015		2014	Increase / (Decrease)
Contractors Security Deposit		4,009,696.37		1,524,207.68	2,485,488.69
Guarantee Deposit from Concessionaire		59,000.00		-	59,000.00
Bid Docs		5,000.00		-	5,000.00
Meralco Bill for December 2015		545,975.34		-	545,975.34
Total	P	4,619,671.71	P	1,524,207.68	P 3,095,464.03

11. LOANS PAYABLE

These are long term indebtedness of the District from domestic creditors covered by a contract or agreement to finance its various projects.

		2015		2014	Increase / (Decrease)
Loans Payable - LWUA	P	6,729,432.65	P	7,543,489.65	(814,057.00)
Loans Payable - LBP		156,247,207.85		67,371,008.92	88,876,198.93
Loans Payable - PNB		-		55,237,726.81	(55,237,726.81)
Other Long Term Debt		1,583,224.22		58,255.82	1,524,968.40
Total	P	164,559,864.72	P	130,210,481.20	34,349,383.52

12. GOVERNMENT EQUITY

These are contributions by government agencies and private corporation which becomes part of BWD equity.

		2015		2014	Increase / (Decrease)
Equity from Municipal Government	P	3,420,845.00	P	3,420,845.00	-
From NPC		1,495,000.00		1,495,000.00	-
Other Paid-In Capital		19,388,551.52		19,388,551.52	-
Total	P	24,304,396.52	P	24,304,396.52	-

13. PERSONAL SERVICES

		2015		2014	Increase / (Decrease)
Salaries and Wages	P	25,347,516.57	P	23,621,765.82	P 1,725,750.75
Employee Benefits		16,485,189.82		14,606,586.45	1,878,603.37
Honoria		715,158.00		619,884.00	95,274.00
Overtime and Night Pay		889,604.95		572,182.40	317,422.55
Life and Retirement Insurance		2,961,976.90		2,883,365.69	78,611.21
Pag-Ibig Contribution		335,342.36		458,938.47	(123,596.11)
PhiHealth Contributions		276,800.00		268,000.00	8,800.00
Provident Fund		2,229,636.08		1,191,397.75	1,038,238.33
Total	P	49,241,224.68	P	44,222,120.58	P 5,019,104.10

14. MAINTENANCE AND OTHER OPERATING EXPENSES

	2015	2014	Increase / (Decrease)
Travelling Expenses	1,472,137.48	796,613.74 P	675,523.74
Training Expenses	1,475,329.52	1,976,305.44	(500,975.92)
Office Supplies Expenses	1,422,285.71	1,467,551.64	(45,265.93)
Gasoline, Oil and Lubricants	1,334,609.08	2,954,479.40	(1,619,870.32)
Laboratory/Chemicals	2,538,963.80	2,636,201.00	(97,237.20)
Electricity Expenses	22,325,991.46	23,084,193.47	(758,202.01)
Communication Expenses	557,727.49	569,540.15	(11,812.66)
Advertising Expenses	232,543.95	602,682.85	(370,138.90)
Rent Expenses	41,740.72	142,115.17	(100,374.45)
Representation Expenses	187,214.35	145,827.94	41,386.41
Professional Services	336,598.96	335,200.00	1,398.96
Other Operation & Maint. Exps.	14,768,804.61	15,731,050.43	(962,245.82)
Donations	52,873.70	161,000.00	(108,126.30)
Taxes, Duties and Licenses	3,453,884.82	3,463,021.69	(9,136.87)
Insurance Expenses	838,771.71	571,299.76 P	267,471.95
Bad Debts Expenses	-	89,355.37	(89,355.37)
Repairs and Maintenance Expenses	5,087,990.16	9,247,316.56	(4,159,326.40)
Depreciation Expenses	25,591,899.95	23,592,832.65	1,999,067.30
Total	P 81,719,367.47	P 87,566,587.26	(5,118,307.89)

15. FINANCIAL EXPENSES

	2015	2014	Increase / (Decrease)
Bank Charges	P 564,258.56	P 186,299.53	P 377,959.03
Interest Expenses	9,437,025.84	8,028,967.14	1,408,058.70
Total	P 10,001,284.40	P 8,215,266.67	P 1,786,017.73

16. OTHER GENERAL INCOME

	2015	2014	Increase / (Decrease)
Interest Income	19,807.96	48,970.70	(29,162.74)
Miscellaneous Non- Operating Income	606,313.50	229,333.63	376,979.87
Total	P 626,121.46	P 278,304.33	P 347,817.13