



Republic of the Philippines
KAPATAGAN WATER DISTRICT
BALANCE SHEET

As of December 31, 2016
 (With Comparative Figures for December 31, 2015)

| | 2016 | 2015 |
|--|------------------------|------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash (note 3) | ₱ 9,234,161.12 | ₱ 7,566,349.01 |
| Receivables (note 4) | 2,823,537.33 | 3,010,642.93 |
| Inventories (note 5) | 2,359,007.44 | 2,310,822.54 |
| Total Current Assets | ₱ 14,416,705.89 | ₱ 12,887,814.48 |
| Property, Plant & Equip't (note 6) | | |
| Land | ₱ 3,529,309.23 | ₱ 3,529,309.23 |
| Land Improvements – Perimeter Fence | 928,463.47 | 896,103.47 |
| Transmission Line | 53,363,129.31 | 52,552,493.52 |
| Accumulated Dep'n | (8,711,141.43) | (6,439,935.75) |
| Buildings | 2,458,631.00 | - |
| Office Equipment, Furniture and Fixtures | 1,160,974.69 | 1,033,335.45 |
| Accumulated Dep'n | (70,016.11) | (408,303.87) |
| Machineries and Equipment | | |
| a. Reservoir & Tanks | 3,826,444.12 | 3,826,444.12 |
| Accumulated Dep'n | (1,457,157.19) | (1,286,047.20) |
| b. Water Treatment Equip't | 706,875.00 | 706,875.00 |
| Accumulated Dep'n | (457,018.06) | (398,213.86) |
| c. Pumping Equipment | 5,573,688.45 | 5,318,688.45 |
| Accumulated Dep'n | (1,831,885.76) | (1,553,130.83) |
| d. Telephone, Telegraph & Radio equip't | 315,105.00 | 259,105.00 |
| Accumulated Dep'n | (101,521.53) | (82,036.96) |
| e. Tools & Garage | 564,395.93 | 564,395.93 |
| Accumulated Dep'n | (368,599.18) | (334,930.73) |
| Other Machineries | 731,000.00 | 150,000.00 |
| Accumulated Dep'n | (27,000.00) | (13,500.00) |
| Motor Vehicles | 933,475.89 | 1,063,475.89 |
| Accumulated Dep'n | (638,206.43) | (601,812.68) |
| Other PPE – Power Prod'n Eqpt | 1,590,661.01 | 1,549,801.01 |
| Accumulated Dep'n | (799,114.13) | (728,083.91) |
| Total Property, Plant and Equipment | ₱ 60,942,189.47 | ₱ 59,604,031.28 |
| Other assets | 3,910.68 | 7,829.88 |
| TOTAL ASSETS | ₱ 75,362,806.04 | ₱ 72,499,675.64 |

LIABILITIES AND EQUITY**LIABILITIES**

| | | |
|--------------------------------|----------------------|----------------------|
| Current Liabilities (note 7) | ₱ 4,503,550.72 | ₱ 4,189,734.50 |
| Long-Term Liabilities (note 8) | <u>30,770,231.52</u> | <u>32,816,070.52</u> |

Total Liabilities ₱ 35,273,782.24 ₱ 37,005,805.02

EQUITY

| | | |
|-------------------|----------------------|----------------------|
| Government Equity | ₱ 4,000,013.34 | ₱ 4,000,013.34 |
| Donated Capital | | |
| Retained Earnings | <u>36,089,010.46</u> | <u>31,493,857.28</u> |

Total Equity ₱ 40,089,023.80 ₱ 35,493,870.62

TOTAL LIABILITIES AND EQUITY ₱ 75,362,806.04 ₱ 72,499,675.64

(See accompanying Notes to Financial Statements)



Kapatagan Water District
STATEMENT OF INCOME AND EXPENSES
 For the Year Ended December 31, 2016
 (With Comparative Figures for December 31, 2015)

| | | 2016 | | 2015 |
|-----------------------------------|----------|----------------------|----------|----------------------|
| Income: (note 9) | | | | |
| Service Income | | | | |
| Business Income | ₱ | 29,668,090.65 | ₱ | 27,559,191.10 |
| Other Income | | 1,850,549.03 | | 1,843,034.11 |
| | | | | |
| Total Income | ₱ | 31,518,639.68 | ₱ | 29,402,225.21 |
| Less: Expenses (note 10) | | | | |
| Personal Services | | 13,952,084.49 | | 11,765,835.71 |
| Maint. & Other Operating Expenses | | 11,323,741.01 | | 11,071,194.71 |
| Financial Expenses | | 1,647,661.00 | | 1,881,246.47 |
| Total Expenses | ₱ | 26,923,486.50 | ₱ | 24,718,276.89 |
| Net Operating Income | ₱ | 4,595,153.18 | ₱ | 4,683,948.32 |
| Add: Subsidies from Other LGUs | | | | |
| Total | ₱ | 4,595,153.18 | ₱ | 4,683,948.32 |
| Less: | | | | |
| Less: Subsidies to Other LGUs | | | | |
| | | | | |
| NET INCOME | ₱ | 4,595,153.18 | ₱ | 4,683,948.32 |



Kapatagan Water District
STATEMENT OF CASH FLOWS
 For the Year Ended December 31, 2016
 (With Comparative Figures for CY 2015)

| | | 2016 | | 2015 |
|---|----------|----------------------|----------|----------------------|
| Cash Flow from Operating Activities: | | | | |
| Cash Inflows: (note 11) | | | | |
| Collection of Receivables/ Income | ₱ | 32,657,456.05 | ₱ | 30,295,858.29 |
| Receipt of refunds of cash advances and overpayments of expenses | | 189,894.47 | | 126,917.18 |
| Receipt from sale of goods and other inventories | | 322,623.83 | | 224,724.42 |
| Total Cash Inflows | ₱ | 33,169,974.35 | ₱ | 30,647,499.89 |
| Cash Outflows: | | | | |
| Cash payment of operating expenses | ₱ | 9,096,414.48 | ₱ | 10,878,753.72 |
| Cash payment of payables incurred in operations | | 3,879,840.53 | | 5,341,491.57 |
| Cash purchase of inventories | | 2,169,916.16 | | |
| Granting of cash advances/petty cash fund | | 9,355,464.74 | | 7,421,584.51 |
| Remittance of withholding taxes except thru Tax Remittance Advice | | 1,149,641.83 | | 842,370.90 |
| Remittance of GSIS/PAG-IBIG/PHILHEALTH Payable | | 1,673,490.13 | | 1,654,737.11 |
| Total Cash Outflows | ₱ | 27,324,767.87 | ₱ | 26,138,937.81 |
| Cash Provided by Operating Activities | ₱ | 5,845,206.48 | ₱ | 4,508,562.08 |
| Cash Flow from Investing Activities: | | | | |
| Cash Inflows: | | | | |
| Receipt of proceeds from sale of property, plant and equipment | ₱ | | ₱ | 0.00 |
| Proceeds from sale of marketable stocks and bonds | | | | |

| | | | | |
|---|----------|-----------------------|----------|-----------------------|
| Redemption of long term investments or repayment | | | | |
| Total Cash Inflows | ₱ | | ₱ | 0.00 |
| | | | | |
| Cash Outflows: | | | | |
| Cash Purchase of Property, Plant and Equipment | ₱ | 501,430.37 | ₱ | 1,733,831.27 |
| Other Long Term Investments | | | | |
| Total Cash Outflows | ₱ | 501,430.37 | ₱ | 1,733,831.27 |
| | | | | |
| Cash Provided by Investing Activities | ₱ | (501,430.37) | ₱ | (1,733,831.27) |
| | | | | |
| Cash Flow from Financing Activities: | | | | |
| Cash Inflows: | | | | |
| Cash received from domestic and foreign loans | ₱ | | ₱ | 0.00 |
| Total Cash Inflows | ₱ | | ₱ | 0.00 |
| | | | | |
| Cash Outflows: | | | | |
| Payment of Domestic and Foreign Loans | ₱ | 3,695,964.00 | ₱ | 3,659,004.00 |
| Total Cash Outflows | ₱ | 3,695,964.00 | ₱ | 3,659,004.00 |
| | | | | |
| Cash Provided by Financing Activities | ₱ | (3,695,964.00) | ₱ | (3,659,004.00) |
| | | | | |
| Total Cash provided by Operating, Investing and Financing Activities | ₱ | 1,647,812.11 | ₱ | (884,273.19) |
| | | | | |
| Add: Cash Balance, Beginning | ₱ | 7,586,349.01 | ₱ | 8,450,622.20 |
| | | | | |
| Cash Balance, Ending | ₱ | 9,234,161.12 | ₱ | 7,566,349.01 |



Kapatagan Water District
DETAILED STATEMENT OF CHANGES IN EQUITY
 For the Year Ended December 31, 2016
 (With comparative figures for 2015)

| | 2016 | 2015 |
|----------------------------------|-----------------------|-----------------------|
| Government Equity | | |
| Balance at beginning of period | ₱ 4,000,013.34 | ₱4,000,013.34 |
| Additions (deductions) | | |
| Balance at end of period | ₱ 4,000,013.34 | ₱4,000,013.34 |
| Restricted Capital | | |
| Balance at beginning of period | | |
| Additions (deductions) | | |
| Balance at end of period | - | - |
| Donated Capital | | |
| Balance at beginning of period | | |
| Additions (deductions) | | |
| Balance at end of period | - | - |
| Retained Earnings | | |
| Balance at beginning of period | ₱31,493,857.28 | ₱26,840,476.96 |
| Prior period adjustments | | |
| Changes during the period | | (30,568.00) |
| Net income (loss) for the period | 4,595,153.18 | 4,683,948.32 |
| Balance at end of period | 36,089,010.46 | ₱31,493,857.28 |
| TOTAL EQUITY | 40,089,023.80 | ₱35,493,870.62 |



KAPATAGAN WATER DISTRICT
Kapatagan, Lanaodel Norte

Notes to Financial Statement

1. General/Brief Historical Background

The Kapatagan Water District (KAPWD) is a Government-Owned & Controlled Corporation (GOCC) that was officially created on September 12, 1988 by virtue of SB Res. No. 177-C in accordance with Sec. 6 P.D. 198 of the Provincial Water Utilities Act of 1973.

On October 24, 1989 KAPWD was issued a Certificate of Conditional Conformance (CCC418) by the Local Water Utilities Administration (LWUA).

2. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles and standards and pertinent provisions contained in the Commercial Practices Manual for Local Water Utilities Administration and the New Government Accounting system (NGAS).

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

In recording expenditures, the voucher system is followed in which vouchers is credited prior to payment and debited when paid.

Property, Plant and Equipment is carried at cost less accumulated depreciation. Depreciation is computed on a straight line method based on the estimated useful life ranging from five (5) to ten (10) years in accordance with COA Circular No. 2003-007 dated December 11, 2003.

3. Cash

This account consists of:

| | | 2016 | | 2015 |
|-----------------|---|---------------|---|---------------|
| <i>Accounts</i> | | <i>Amount</i> | | <i>Amount</i> |
| Cash on Hand | ₱ | 139,496.49 | ₱ | 43,954.52 |
| Petty Cash Fund | | 0.00 | | 0.00 |

| | | | | |
|---------------------|----------|---------------------|----------|---------------------|
| Payroll Fund | | 0.00 | | 0.00 |
| Cash in Bank | | 9,094,664.63 | | 7,522,394.49 |
| TOTAL AMOUNT | ₱ | 9,234,161.12 | ₱ | 7,566,349.01 |

Details of the Cash in bank accounts are as follows :

| | | | 2016 | | 2015 |
|--------------------|----------------|----------|---------------------|----------|---------------------|
| Cash in Bank (FVB) | 22-00008-5 | ₱ | 277,699.91 | ₱ | 2,495,961.88 |
| Cash in Bank (LBP) | 0802-1078-11 | | 2,506,779.76 | | 215,081.65 |
| Cash in Bank (LBP) | 0805-0712-14 | | 10,000.00 | | |
| Cash in Bank (LBP) | 0801-0610-87 | | 5,464,317.49 | | 4,478,728.01 |
| Cash in Bank (LBP) | 0802-1148-50 | | - | | 82,250.2 |
| Cash in Bank (FVB) | 102-051-121235 | | 385,867.47 | | 250,372.75 |
| Cash in Bank (LBP) | 0802-1169-18 | | 450,000.00 | | 250,372.75 |
| Total | | ₱ | 9,094,664.63 | ₱ | 7,522,394.49 |

- The 1st Valley Bank (22-00008-5) is the depository bank of the district pertaining to daily deposit of collections and withdrawal of funds for operations;
- LBP Account No. 0802-1078-11 is also a depository bank of the district where the amount of total deposits at 1st Valley Bank that exceeds to P500,000 will be transferred to this account;
- LBP Account no. 0805-0712-14 is a bank account intended for the electronic payment/remittances for PAG-IBIG/HDMF contributions which they call EFPS.
- LBP Account No. 0801-0610-87 served as the joint savings account between LWUA and KAPWD.
- LBP Account No. 0802-1148-50 served as account for LWUA Project Fund for 3Brgys particularly Lapinig, Suso&Bansarvil. Said account was closed last April 27, 2016 since the project was already completed.
- FVB Account No. 102-051-121-235 served as trust fund for the amount collected from concessionaires for Water Meter Maintenance fee.
- LBP Account no. 0802-1169-18 is a savings account for Terinal Leave.

4. Receivables

- a) Account Receivables as of December 31, 2016 consist of the following :

| | 2016 | 2015 |
|------------------------------------|----------------------|-----------------------|
| A/R- Customers | ₱649,254.66 | ₱ 632,690.16 |
| Allow. for doubtful Accounts | 0.00 | (9,654.86) |
| A/R – Others (New SVC Loan) | 179,482.67 | 100,367.63 |
| Due from Officers & Employees | 0.00 | 131,240.00 |
| Accounts Receivable – Disallowance | 1,994,800.00 | 2,156,000.00 |
| | | |
| TOTAL | ₱2,823,537.33 | ₱ 3,010,642.93 |

5. Inventories

This account consists of unissued materials and supplies which are kept in stock for future use in the operations of the district.

| | 2016 | 2015 |
|----------------------------------|----------------------|-----------------------|
| Raw Materials Inventory | 2,101,131.72 | ₱ 2,234,956.86 |
| Office Supplies Inventory | 200,336.00 | 59,930.00 |
| Other Inventory Items - Chlorine | 57,539.72 | 15,935.68 |
| | | |
| TOTAL | ₱2,359,007.44 | ₱ 2,310,822.54 |

6. Property, Plant and Equipment

| | 2016 | | 2015 | |
|---|-------------|----------------|-------------|----------------|
| Land | ₱ | 3,529,309.23 | ₱ | 3,529,309.23 |
| Land Improvements – Perimeter Fence | | 928,463.47 | | 896,103.47 |
| Transmission Line | | 53,363,129.31 | | 52,552,493.52 |
| Accumulated Dep'n | | (8,711,141.43) | | (6,439,935.75) |
| Building | | 2,458,631.00 | | |
| Office Equip't, Furniture & Fixtures | | 1,160,974.69 | | 1,033,335.45 |
| Accumulated Dep'n | | (70,016.11) | | (408,303.87) |
| Machineries and Equipment | | | | |
| a. Reservoir & Tanks | | 3,826,444.12 | | 3,826,444.12 |
| Accumulated Dep'n | | (1,457,157.19) | | (1,286,047.20) |
| b. Water Treatment Equip't | | 706,875.00 | | 706,875.00 |
| Accumulated Dep'n | | (457,018.06) | | (398,213.86) |
| c. Pumping Equipment | | 5,573,688.45 | | 5,318,688.45 |
| Accumulated Dep'n | | (1,831,885.76) | | (1,553,130.83) |
| d. Telephone, Telegraph & Radio equip't | | 315,105.00 | | 259,105.00 |
| Accumulated Dep'n | | (101,521.53) | | (82,036.96) |
| e. Tools & Garage | | 564,395.93 | | 564,395.93 |

| | | | | |
|--|----------|----------------------|----------|----------------------|
| Accumulated Dep'n | | (368,599.18) | | (334,930.73) |
| Other Machineries | | 731,000.00 | | 150,000.00 |
| Accumulated Dep'n | | (27,000.00) | | (13,500.00) |
| Motor Vehicles | | 933,475.89 | | 1,063,475.89 |
| Accumulated Dep'n | | (638,206.43) | | (601,812.68) |
| Other Property, Plant and Equipment | | 1,590,661.01 | | 1,549,801.01 |
| Accumulated Dep'n | | (799,114.13) | | (728,083.91) |
| Total Property, Plant and Equip't | ₱ | 60,942,189.47 | ₱ | 59,604,031.28 |

The equivalent of this account in the CPS is Utility Plant in Service (UPIS).

Property, Plant & Equipment Accounts net amount of P **57,412,880.24** excluding Land comprises the properties of relatively permanent in character that are used in normal utility operations of water district that were carried at historical cost less accumulated depreciation using the straight line method over the estimated useful lives of the properties pursuant to COA Circular No. 2003-007 dated December 11, 2003. An inventory report as of December 31, 2016 of these PPE accounts were submitted by the district in compliance with the COA rules and regulations.

The account of Motor Vehicles has decreased its amount from P1, 063,475.89 (2015) to P933, 475.89 (2016) with a difference of P130, 000 because of the disposal of 1 unit Multicab since it was being declared as unserviceable.

7. Current Liabilities

| <i>Accounts</i> | <i>2016</i> | | <i>2015</i> | |
|---|---------------|--------------|---------------|------------|
| | <i>Amount</i> | | <i>Amount</i> | |
| 1 - A. Accounts Payable: | | | | |
| Suppliers (Materials & Equipments) | | | | |
| Flosystem | ₱ | 255,000.00 | ₱ | 0.00 |
| Jhaycor | | 0.00 | | 102,508.36 |
| JSA Utilized | | 0.00 | | 665,366.00 |
| MRM Empire Trading | | 0.00 | | 531,140.50 |
| Jessel & Jojo Trading | | 85,165.00 | | |
| Mabuhay Vinyl | | 45,996.96 | | 24,516.56 |
| Real Computer | | 0.00 | | 167,200.00 |
| Bryan Auto Supply | | 0.00 | | |
| Jackson Air Kooler | | 0.00 | | 5,655.00 |
| Building | | 2,458,631.00 | | |
| Kapatagan Municipal Womens Organization | | 0.00 | | 21,900.00 |
| Unifield | | 0.00 | | 137,855.54 |

| | | | | |
|---|----------|---------------------|----------|---------------------|
| Innovate Communication | | 1,098.00 | | 1,000.00 |
| JPT | | 30,600.00 | | 201,100.00 |
| | | | | |
| Subtotal | ₱ | 2,876,490.96 | ₱ | 1,858,241.96 |
| 1 - B. Accounts Payable: | | | | |
| COA – Audit fees | ₱ | 158,984.00 | ₱ | 60,000.00 |
| NORMIN NRMC | | | | |
| Kapatagan Petron Station | | 5,023.83 | | 7,181.65 |
| Franchise tax | | 49,799.11 | | |
| Susan L. Uy | | 0.00 | | 954,000.00 |
| E. Encarnacion, et.al | | 0.00 | | 13,455.00 |
| Overtime pay | | 147,763.48 | | 270,050.00 |
| | | | | |
| Subtotal | ₱ | 361,570.42 | ₱ | 1,304,686.65 |
| | | | | |
| Due to BIR | | 140,228.77 | | 110,409.24 |
| Due to GSIS | | 204,186.29 | | 166,213.03 |
| Due to Pag-ibig | | 55,393.47 | | 41,860.26 |
| Due to Philhealth | | 10,450.00 | | 12,850.00 |
| Due to Brgy. Tiacongan | | 107,501.20 | | 60,312.35 |
| Due to Concessionaires – WMMF | | 702,729.61 | | 542,910.98 |
| Due to 3 brgys (BAnsarvil, Lapinig, SUsa) | | 0.00 | | 82,250.20 |
| Deferred Credits to Income | | 45,000.00 | | 10,000.00 |
| | | | | |
| Subtotal | ₱ | 1,265,489.34 | ₱ | 1,026,806.06 |
| | | | | |
| TOTAL AMOUNT | ₱ | 4,503,550.72 | ₱ | 4,189,734.50 |

A

Accounts Payable (1-A) amounting to **₱ 2,876,490.96** comprises the liability accounts of the district for materials used for installation, repairs & maintenance of service connections & supplies incurred but not yet paid **except** for the building wherein the materials were not yet received it was just recorded as payables since it was incorporated in the CY 2016 budget and the bidding process is ongoing.

While, the accounts payable (1-B) amounting **₱ 361,570.42** consists of accountability for audit fees, gasoline, oil & lubricants, consumed & received but not yet paid as well as services rendered but not yet paid

Due to BIR, Due to GSIS, Due to Pag-ibig and Due to Philhealth accounts represent remittances of employees and employer government shares deducted for

the month of December 2016 to be remitted on or before the 10th day of the month of January, 2017. Due to Brgy.Tiacongan, Due to Concessionaires & Due to 3brgys are trust funds. And Deferred Credits to income is the account for new service connections already paid by the concessionaire but not yet installed.

8. Long-Term Liabilities

| <i>Accounts</i> | <i>2016</i> | <i>2015</i> |
|-------------------------------------|-----------------------|-----------------------|
| | <i>Amount</i> | <i>Amount</i> |
| 1. Loans Payable-Regular LA# 3-703 | ₱3,699,687.19 | ₱ 4,081,028.19 |
| 2. Loans Payable-Soft LA# 3-703 | 676,059.09 | 745,854.09 |
| 3. Loans Payable-KFW LA# 4-2262A-RL | 11,678,207.00 | 12,388,350.00 |
| 4. LA# 4-2262B-RL | 1,892,659.00 | 2,008,312.00 |
| 6. Loans Payable- LA# 4-2435 | 1,429,241.24 | 1,930,180.24 |
| 7. Loans Payable - NLIF - LA#9-0288 | 11,394,378.00 | 11,662,346.00 |
| TOTAL AMOUNT | ₱30,770,231.52 | ₱32,816,070.52 |

For the purpose of providing a safe, reliable, sound and economically viable water supply and wastewater disposal system, the district entered into various loans and financial assistance contracts as follows:

The loan account No. 3-703 regular loan is a Level III Loan entered by the district on March 15, 1995 with monthly amortization of P62, 591 using the 8.5% old interest rate. LWUA issued a MEMO CIRCULAR NO. 003-15 stating ***“THE INTEREST RATE EFFECTIVE JANUARY 1, 2015 IS 8.2% PER ANNUM, THE EXISTING INTEREST RATES BELOW 8.2% P.A. SHALL REMAIN IN EFFECT”***. As a result, the new monthly amortization lowers to P58, 441.

On December 1997 another loan entered by the district a Soft Loan account no. 3-703 with previous monthly amortization of P10, 822.00 and now with the new interest rate of LWUA from 8.5% down to 8.2% has a monthly amortization of P 10,696.

The KFW loan (LA#4-2262A) and (LA#4-2262B) had an estimated monthly amortization of P173, 443.00 and P28, 244.00, respectively based on old rate of 12.5%. But LWUA decreases their interest rate to 8.2%. Therefore, the new monthly amortization of these said accounts is P140, 973 and 22,958 respectively.

The Loan account No. 4-2435 is a Regular Loan entered on November 21, 2008 by the district with LWUA with estimated amortization of P52, 393 per month.

The Loan account 9-0288 is an NLIF –DOH Loan of P7, 500,000.00 and Grant of P7, 500,000.00 a total released of P15M entered on August 24, 2012 by the district with LWUA with interest rate of 0% and the repayment period shall be

290 months after project completion with estimated amortization of P22, 536 per month. There is a pending verification from LWUA as regards to the balance of this particular loan as a result of AOM of COA auditor for CY 2014.

9. Income

| | 2016 | | 2015 | |
|------------------------------------|------|----------------------|------|----------------------|
| INCOME | | | | |
| Business and Service Income | | | | |
| Business income | | | | |
| Income from waterworks systems | ₱ | 29,668,090.65 | ₱ | 27,559,191.10 |
| Total Business Income | ₱ | 29,668,090.65 | ₱ | 27,559,191.10 |
| Other Income | | | | |
| Interest | ₱ | 25,216.89 | ₱ | 34,936.42 |
| Gain on sale of assets | | 1,147,397.99 | | 1,098,938.34 |
| Misc. Operating & Service Income | | 84,757.45 | | 77,063.00 |
| Fines and penalties | | | | 632,096.35 |
| Other income – overflow charges | | 4,945.38 | | |
| Total Other Income | ₱ | 1,850,549.03 | ₱ | 1,843,034.11 |
| TOTAL INCOME | ₱ | 31,518,639.68 | ₱ | 29,402,225.21 |

10. Expenses

| | | | | |
|---|---|--------------|---|--------------|
| Expenses | | | | |
| Personnel Services | | | | |
| Salaries and wages | ₱ | 7,665,675.86 | ₱ | 6,139,323.63 |
| Overtime pay | | 615,455.97 | | 913,290.83 |
| Director's fees & remunerations | | 1,073,772.01 | | 1,090,993.26 |
| Personnel benefits contributions | | | | |
| - Life and Retirement Insurance Contributions | | 917,522.44 | | 741,673.24 |
| - PAG-IBIG Contributions | | 44,000.00 | | 39,500.00 |
| - Philhealth Contributions | | 82,437.50 | | 68,937.50 |

| | | | | |
|--|----------|----------------------|----------|----------------------|
| - ECC Contributions | | 43,872.94 | | 39,390.80 |
| Other personnel benefits, bonuses and allowances | | 3,509,347.77 | | 2,732,726.45 |
| Total Personnel Services | ₱ | 13,952,084.49 | ₱ | 11,765,835.71 |
| Maintenance and other expenses | | | | |
| Traveling | ₱ | 350,004.26 | ₱ | 391,470.77 |
| Training and scholarship | | 143,865.96 | | 162,631.28 |
| Utility | | 36,792.05 | | 33,834.25 |
| Communication | | 85,936.15 | | 71,117.85 |
| Advertising | | 250,571.00 | | 193,778.50 |
| Rent | | 120,000.00 | | 120,000.00 |
| Insurance Expenses | | 121,393.84 | | 119,027.25 |
| Supplies and materials | | 265,286.00 | | 203,198.00 |
| Medical, dental & Laboratory fees | | 0.00 | | 36,430.00 |
| Gasoline,Oil and Lubricant Expense | | 154,762.17 | | 192,924.76 |
| Professional services | | 175,984.00 | | 218,771.98 |
| Other outside services employed | | 664,915.87 | | 672,027.24 |
| Taxes& licenses | | 738,839.77 | | 543,418.44 |
| Grants and donations | | 17,000.00 | | 9,035.00 |
| Bad debts | | 0.00 | | 9,654.86 |
| Representation | | 112,368.14 | | 122,102.32 |
| Repairs and maintenance | | 632,590.03 | | 1,316,955.81 |
| Depreciation | | 3,023,967.84 | | 3,061,724.88 |
| Other Maint and Operating Expense | | 4,429,463.93 | | 3,593,091.52 |
| Total Maint& Other Operating Expenses | ₱ | 11,323,741.01 | ₱ | 11,071,194.71 |
| Financial expenses | | | | |
| Interest - LWUA | ₱ | 1,647,661.00 | ₱ | 1,881,246.47 |
| Total Financial Expenses | ₱ | 1,647,661.00 | ₱ | 1,881,246.47 |
| TOTAL EXPENSES | ₱ | 26,923,486.50 | ₱ | 24,718,276.89 |
| NET INCOME (NET LOSS) | ₱ | 4,595,153.18 | ₱ | 4,683,948.32 |

11. Cash Flow

The details of Cash in flow from operating activities are shown below:

| | 2016 | | 2015 | |
|---|----------|----------------------|----------|----------------------|
| Cash flow from operating activities | | | | |
| Cash inflows: | | | | |
| Collection of Income/Receivables | | | | |
| Receipts of Water Sales | ₱ | 29,510,878.49 | ₱ | 28,082,700.72 |
| Misc. Operating & Service Income | | 84,207.45 | | 76,422.00 |
| Receipt of Receivables | | 131,319.57 | | |
| Receipt of Fines & Penalties | | 588,169.27 | | |
| Receipts of New Service Connections | | 1,770,500.00 | | 1,598,597.71 |
| Interest earned from the bank less w/tax | | 20,383.39 | | 26,490.39 |
| Receipts of Water meter Maintenance Fee | | 547,757.05 | | 511,647.47 |
| Total Collection of Income/Revenues | ₱ | 32,653,215.22 | ₱ | 30,295,858.29 |
| Receipt of refunds of cash advances and overpayments of expenses | | 189,894.47 | | 126,917.18 |
| Other receipts – overflow charges | | 4,240.83 | | |
| Total Receipt of refunds of cash advances and overpayments of exp. | ₱ | 194,135.30 | ₱ | 126,917.18 |
| Receipt from sale of goods and other inventories | | 322,623.83 | | 224,724.42 |
| Total Receipts from Sale of goods & other inventories | ₱ | 322,623.83 | ₱ | 224,724.42 |
| Total Cash Inflows | ₱ | 33,169,974.35 | ₱ | 30,647,499.89 |