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# CAGAYAN DE ORO CITY WATER DISTRICT

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## FINANCIAL REPORT

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January 31, 2019

Date

PHILIPPINE CURRENCY

<b>RECEIVED</b>	
Corporate Planning Division	
By: <i>fmlw</i>	
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REPUBLIC OF THE PHILIPPINES  
**CAGAYAN DE ORO CITY WATER DISTRICT**  
Corrales Avenue, Cagayan de Oro City

**FINANCIAL STATEMENTS**  
January 31, 2019

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Prepared by:

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Senior Corporate Accountant A

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Acting Finance Manager A

Approved by:

**BIENVENIDO V. BATAR, JR.**  
Acting General Manager

**CAGAYAN DE ORO CITY WATER DISTRICT**  
**TRIAL BALANCE**  
**January 31, 2019**

ACCOUNT NO.	ACCOUNT TITLE	DEBIT	CREDIT
102	CASH-COLLECTING OFFICERS	1,490,734.72	
103	WORKING CAPITAL	473,000.00	
107	CASH IN BANK- LOCAL CURRENCY,CURRENT ACCOUNT	214,537,226.93	
107	CASH IN BANK- LOCAL CURRENCY,TIME DEPOSIT	824,454,600.71	
111	ACCOUNTS RECEIVABLE-CUSTOMERS	311,258,947.47	
134	CASH ADVANCES TO OFFICERS & EMPLOYEES	39,706.97	
135	DUE FROM OFFICERS AND EMPLOYEES	802.13	
136	RECEIVABLE-DISALLOWANCES/CHARGE	39,971,212.51	
143	A/R INSURANCE/REINSURANCE CLAIMS	13,558.36	
149	OTHER RECEIVABLES	1,023,717.17	
151	OFFICE SUPPLIES INVENTORY	6,804,467.70	
157	FUEL OIL& LUBRICANTS INVENTORY	251,869.60	
158	CHEMICAL & FILTERING SUPPLIES INVENTORY	1,773,053.49	
159	MAINTENANCE SUPPLIES INVENTORY	15,223,648.10	
168	CONSTRUCTION MATERIALS INVENTORY	15,566,287.10	
169	OTHER INVENTORIES	134,456,000.90	
171	PREPAID RENT	-	
172	PREPAID INSURANCE	493,392.85	
177	GUARANTY DEPOSIT	9,281,361.13	
178	OTHER PREPAYMENTS AND DEPOSITS	166,247.67	
181	INPUT TAX	-	
189	OTHER DEFERRED CHARGES	8,653,650.36	
201	LAND	40,831,117.63	
203	PLANT	1,595,884,203.52	
204	BUILDINGS & OTHER STRUCTURES	143,618,944.95	
207	OFFICE EQUIPMENTS	66,743,156.75	
208	LABORATORY EQUIPMENTS	7,209,588.03	
214	LAND TRANSPORT EQUIPMENTS	78,579,292.63	
225	OTHER MACHINERIES & EQUIPMENT	366,283,125.98	
226	OFFICE FURNITURES & FIXTURES	3,328,850.97	
243	CONSTRUCTION-IN-PROGRESS-PLANT	15,275,194.00	
244	CONSTRUCTION-IN-PROGRESS-BUILDINGS & OTHER STRUCTURES	95,903,136.72	
261	INTANGIBLE ASSETS	6,252,616.20	
265	RESTRICTED FUND	84,747,162.19	
279	OTHER ASSETS	2,607,699.50	
300	CONTRA ASSET ACCOUNTS		1,223,668,717.92
301	ALLOWANCE FOR DOUBTFUL ACCOUNTS		37,239,226.83
412	DUE TO NATIONAL AGENCIES (BIR)		4,209,781.46
413	DUE TO GSIS		4,025,517.04
413	DUE TO PAG-IBIG		49,281.23
413	DUE TO PHILHEALTH		327,103.62
413	DUE TO SSS		599.40
423	DUE TO OFFICERS & EMPLOYEES		19,288.60
424	CONTACTORS' SECURITY DEPOSIT		25,109,900.59
426	ACCRUED LIGHT & POWER		15,412,348.48
429	OTHER PAYABLES		137,542,983.34
433	LOANS PAYABLE		597,805,080.42
434	CURRENT PORTION OF LONG-TERM DEBTS		84,016,767.48
451	CUSTOMERS' DEPOSITS		9,056,122.05
459	DEFERRED CREDITS		36,014,446.88
471	CAPITAL CONTRIBUTION-GOVERNMENT EQUITY		866,925.40
477	CAPITAL/EQUITY RESERVE		-
479	DONATED CAPITAL (OPIC)		119,230,157.23
481	RETAINED EARNINGS		1,796,931,825.92
576	GENERATION, TRANSMISSION AND DISTRIBUTION		85,405,089.21
612	INTEREST INCOME		108,600.00
618	OTHER BUSINESS AND SERVICE INCOME		482,814.55
619	FINES AND PENALTIES -OTHER BUSINESS AND SERVICE INCOME		3,330,323.95
631	SUBSIDY INCOME FROM NATIONAL GOVERNMENT AGENCY		-
659	OTHER INCOME		75,314.85
701	SALARIES & WAGES- REGULAR	7,779,734.82	
706	SALARIES & WAGES- OTHERS (CASUAL & JO)	2,946,098.84	
707	PERA	976,003.96	
710	REPRESENTATION ALLOWANCE(RA)	175,500.00	
711	TRANSPORTATION ALLOWANCE(TA)	175,500.00	
712	CLOTHING & UNIFORM ALLOWANCE		
713	HONORARIA (BOD)	184,240.00	
714	YEAR END BONUS		
719	OTHER BONUSES AND ALLOWANCES	124,200.00	
721	LIFE & RETIREMENT INSURANCE CONTRIBUTION	1,203,986.79	
722	PAG-IBIG CONTRIBUTION	49,200.00	
723	PHILHEALTH CONTRIBUTION	125,242.17	
724	ECC CONTRIBUTION	50,798.58	
725	PROVIDENT FUND CONTRIBUTION	1,924,707.20	
734	RETIREMENT BENEFITS	-	
737	VACATION AND SICK LEAVE BENEFITS	-	
749	OTHER PERSONNEL BENEFITS	-	
751	OFFICE SUPPLIES EXPENSES	798,535.17	
757	FUEL, OIL & LUBRICANT EXPENSES	192,434.30	
765	OTHER SUPPLIES	127,458.87	
766	TRAVEL EXPENSES	378,422.58	
767	TRAINING & SCHOLARSHIP EXPENSE	12,000.00	
769	ELECTRICITY	400,588.06	
771	FUEL	-	
772	POSTAGE AND DELIVERIES	-	
773	TELEPHONE EXPENSE-LANDLINE	8,400.85	
774	TELEPHONE EXPENSE-MOBILE	67,246.26	
775	INTERNET EXPENSES	22,910.90	
776	CABLE, SATELLITE, TELEGRAPH, TELEGRAPH & RADIO EXPENSES	3,255.00	
777	PRINTING SERVICES	50,794.18	
778	ADVERTISING, PROMOTIONAL & MARKETING	3,382.50	
779	TAXES, DUTIES & LICENSES	1,920,816.05	
789	WATERSHED & ENVIRONMENTAL PROTECTION	-	
780	PERMITS AND REGISTRATION FEE	19,029.10	
781	INSURANCE PREMIUMS	140,826.62	
783	AWARDS & REWARDS	-	
785	INDEMNITIES AND OTHER CLAIMS	-	
786	RENT/LEASE EXPENSE	75,000.00	
787	SURVEY EXPENSES	-	
792	GENERATION, TRANSMISSION & DISTRIBUTION EXPENSES	53,255,351.49	
795	EXTRA MISCELLANEOUS EXPENSES	-	
796	MEMBERSHIP DUES & CONTRIBUTION TO ORGANIZATIONS	-	
797	CULTURAL & ATHLETIC EXPENSES	-	
803	REPAIRS & MAINTENANCE-PLANT	2,179,509.24	
804	REPAIRS & MAINTENANCE- BUILDINGS AND OTHER STRUCTURES	40,969.75	
807	REPAIRS & MAINTENANCE- OFFICE EQUIPMENT	-	
814	REPAIRS & MAINTENANCE- LAND TRANSPORT EQUIPMENTS	161,249.83	
825	REPAIRS & MAINTENANCE- OTHER MACHINERY AND EQUIPMENT	31,294.99	
826	REPAIRS & MAINTENANCE- FURNITURES & FIXTURES	-	
841	DONATIONS	-	
842	LEGAL SERVICES	-	
843	AUDITING SERVICES	-	
845	JANITORIAL SERVICES	73,411.24	
846	SECURITY SERVICES	772,783.18	
849	OTHER PROFESSIONAL FEES	-	
901	DOUBTFUL ACCOUNTS EXPENSES	-	
903	DEPRECIATION-PLANT	3,926,901.04	
904	DEPRECIATION-BUILDINGS AND OTHER STRUCTURES	545,511.66	
907	DEPRECIATION-OFFICE EQUIPMENT	671,465.53	
908	DEPRECIATION-LABORATORY EQUIPMENT	36,246.07	
914	DEPRECIATION-LAND TRANSPORTATION EQUIPMENT	471,290.56	
925	DEPRECIATION-OTHER MACHINERIES AND EQUIPMENT	2,038,989.64	
926	DEPRECIATION-FURNITURE AND FIXTURES	44,981.84	
931	AMORTIZATION-INTANGIBLE ASSETS	62,515.25	
989	OTHER MAINTENANCE & OPERATING EXPENSES	48,285.83	
991	BANK CHARGES	731.19	
996	INTEREST EXPENSES	3,433,440.38	
	<b>TOTAL</b>	<b>Php 4,180,928,216.45</b>	<b>Php 4,180,928,216.45</b>
	<b>NET INCOME</b>		<b>Php 1,671,501.04</b>

**Cagayan de Oro City Water District**  
**BALANCE SHEET**  
**As of January 31, 2019**

	YEAR TO DATE				Increase ( Decrease)	
	Actual This Month		This Month Last Year		Over Last Year	
	Amount	% to Total	Amount	% to Total	Amount	% to Total
<b>ASSETS AND OTHER DEBITS</b>						
<b>CURRENT ASSETS</b>						
<b>Cash (NFS No. 4)</b>						
Cash- Collecting Officer	1,490,734.72	0.05	1,940,299.48	0.07	(449,564.76)	(23.17)
Working Fund	473,000.00	0.02	478,000.00	0.02	(5,000.00)	-
Cash in Bank- Local Currency, Current Account	214,537,226.93	7.57	233,766,819.25	8.41	(19,229,592.32)	(8.23)
Cash in Bank- Local Currency, Time Deposits	824,454,600.71	29.11	643,917,643.37	23.16	180,536,957.34	28.04
<b>Total</b>	<b>1,040,955,562.36</b>	<b>36.75</b>	<b>880,102,762.10</b>	<b>31.66</b>	<b>160,852,800.26</b>	<b>18.28</b>
<b>Receivable Accounts (NFS No.5)</b>						
Accounts Receivable	311,258,947.47	10.99	132,910,285.24	4.78	178,348,662.23	134.19
Allowance for Doubtful Accounts	(36,259,606.58)	(1.28)	(2,338,312.41)	(0.08)	(33,921,294.17)	1,450.67
<b>Total Accounts Receivable-Net</b>	<b>274,999,340.89</b>	<b>9.71</b>	<b>130,571,972.83</b>	<b>4.70</b>	<b>144,427,368.06</b>	<b>110.61</b>
<b>Other Receivables (NFS No. 6)</b>						
Advances to Officers and Employees	39,706.97	-	2,019.60	-	37,687.37	1,866.08
Due from Officers and Employees	802.13	-	802.13	-	-	-
Receivable- Disallowances/Charges	39,971,212.51	1.41	39,971,212.51	1.44	-	-
Insurance/Reinsurance Claims Receivable	13,558.36	-	13,558.36	-	-	-
Other Receivable	1,023,717.17	0.04	1,052,171.67	0.04	(28,454.50)	(2.70)
<b>Total</b>	<b>41,048,997.14</b>	<b>1.45</b>	<b>41,039,764.27</b>	<b>1.48</b>	<b>9,232.87</b>	<b>0.02</b>
Allowance for Doubtful Accounts	(979,620.25)	(0.03)	-	-	(979,620.25)	100.00
<b>Total Accounts Receivable-Net</b>	<b>40,069,376.89</b>	<b>1.41</b>	<b>41,039,764.27</b>	<b>1.48</b>	<b>(970,387.38)</b>	<b>(2.36)</b>
<b>Inventories (NFS No. 7)</b>						
Office Supplies Inventory	6,804,467.70	0.24	3,359,180.53	0.12	3,445,287.17	102.56
Fuel, Oil and Lubricants	251,869.60	0.01	91,421.64	-	160,447.96	175.50
Chemicals and Filtering Supplies Inventory	1,773,053.49	0.06	1,544,765.29	0.06	228,288.20	14.78
Maintenance Supplies Inventory	15,223,648.10	0.54	13,500,874.43	0.49	1,722,773.67	12.76
Construction Materials Inventory	15,566,287.10	0.55	15,568,041.10	0.56	(1,754.00)	(0.01)
Other Inventories	134,456,000.90	4.75	87,492,868.75	3.15	46,963,132.15	53.68
<b>Total</b>	<b>174,075,326.88</b>	<b>6.15</b>	<b>121,557,151.74</b>	<b>4.37</b>	<b>52,518,175.14</b>	<b>43.20</b>
<b>Prepayments, Deposits and Deferred Charges (NFS No. 8)</b>						
Prepaid Rent	-	-	-	-	-	-
Prepaid Insurance	493,392.85	0.02	383,799.59	0.01	109,593.26	28.55
Guaranty Deposits	9,281,361.13	0.33	8,911,723.49	0.32	369,637.64	4.15
Other Prepayments and Deposits	166,247.67	0.01	2,238,942.29	0.08	(2,072,694.62)	(92.57)
Input Tax	-	-	-	-	-	-
Other Deferred Charges	8,653,650.36	0.31	1,030,547.17	0.04	7,623,103.19	739.71
<b>Total</b>	<b>18,594,652.01</b>	<b>0.66</b>	<b>12,565,012.54</b>	<b>0.45</b>	<b>6,029,639.47</b>	<b>47.99</b>
<b>TOTAL CURRENT ASSETS</b>	<b>1,548,694,259.03</b>	<b>54.68</b>	<b>1,185,836,663.48</b>	<b>42.65</b>	<b>362,857,595.54</b>	<b>30.60</b>
<b>PROPERTY, PLANT AND EQUIPMENT (NFS No. 9)</b>						
<b>Land and Other Improvements</b>						
Land	40,831,117.63	1.44	40,823,894.89	1.47	7,222.74	0.02
<b>Total</b>	<b>40,831,117.63</b>	<b>1.44</b>	<b>40,823,894.89</b>	<b>1.47</b>	<b>7,222.74</b>	<b>0.02</b>
<b>Plant, Buildings and Structures</b>						
Plant (UPIS)	1,595,884,203.52	56.35	1,574,022,368.12	56.62	21,861,835.40	1.39
Buildings and Other Structures	143,618,944.95	5.07	138,299,039.64	4.97	5,319,905.31	3.85
<b>Total</b>	<b>1,739,503,148.47</b>	<b>61.42</b>	<b>1,712,321,407.76</b>	<b>61.59</b>	<b>27,181,740.71</b>	<b>1.59</b>
<b>Equipment and Machinery</b>						
Office Equipment	66,743,156.75	2.36	61,125,981.75	2.20	5,617,175.00	9.19
Laboratory Equipment	7,209,588.03	0.25	7,143,588.03	0.26	66,000.00	0.92
Land Transport Equipment	78,579,292.63	2.77	67,470,948.98	2.43	11,108,343.65	16.46
Other Machinery and Equipment	366,283,125.98	12.93	329,557,998.26	11.85	36,725,127.72	11.14
<b>Total</b>	<b>518,815,163.39</b>	<b>18.32</b>	<b>465,298,517.02</b>	<b>16.74</b>	<b>53,516,646.37</b>	<b>11.50</b>
<b>Furniture, Fixtures and Books</b>						
Furniture and Fixtures	3,328,850.97	0.12	3,120,858.75	0.11	207,992.22	6.66
<b>Total</b>	<b>3,328,850.97</b>	<b>0.12</b>	<b>3,120,858.75</b>	<b>0.11</b>	<b>207,992.22</b>	<b>6.66</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>2,302,478,280.46</b>	<b>81.29</b>	<b>2,221,564,678.42</b>	<b>79.91</b>	<b>80,913,602.04</b>	<b>3.64</b>
Accumulated Depreciation-PPE	(1,221,968,083.81)	(43.14)	(1,132,084,422.74)	(40.72)	(89,883,661.07)	7.94
<b>Total</b>	<b>1,080,510,196.65</b>	<b>38.15</b>	<b>1,089,480,255.68</b>	<b>39.19</b>	<b>(8,970,059.03)</b>	<b>(0.82)</b>
<b>Construction-in-Progress (NFS No. 10)</b>						
Construction-in-Progress- Plant	15,275,194.00	0.54	16,304,853.25	0.59	(1,029,659.25)	(6.32)
Construction-in-Progress- Buildings and Other Structures	95,903,136.72	3.39	59,341,658.65	2.13	36,561,478.07	61.61
<b>Total</b>	<b>111,178,330.72</b>	<b>3.93</b>	<b>75,646,511.90</b>	<b>2.72</b>	<b>35,531,818.82</b>	<b>46.97</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>1,191,688,527.37</b>	<b>42.08</b>	<b>1,165,126,767.58</b>	<b>41.91</b>	<b>26,561,759.79</b>	<b>2.28</b>
<b>OTHER ASSETS (NFS No. 11)</b>						
Intangible Assets	6,252,616.20	0.22	5,672,781.20	0.20	579,835.00	10.22
Accumulated Amortization-Intangible Assets	(1,700,634.11)	(0.06)	(981,838.16)	(0.04)	(718,795.95)	73.21
Intangible Assets,net	4,551,982.09	0.16	4,690,943.04	0.17	(138,960.95)	(2.96)
Restricted funds	84,747,162.19	2.99	254,366,579.03	9.15	(169,619,416.84)	(66.68)
Other Assets	2,607,699.50	0.09	170,065,087.19	6.12	(167,457,387.69)	(98.47)
<b>TOTAL OTHER ASSETS</b>	<b>91,906,843.78</b>	<b>3.24</b>	<b>429,122,609.26</b>	<b>15.44</b>	<b>(337,215,765.48)</b>	<b>(78.58)</b>
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>2,832,289,630.18</b>	<b>100.00</b>	<b>2,780,086,040.32</b>	<b>100.00</b>	<b>52,203,589.86</b>	<b>1.88</b>

**Cagayan de Oro City Water District**  
**BALANCE SHEET**  
**As of January 31, 2019**

	YEAR TO DATE				Increase (Decrease)	
	Actual This Month		This Month Last Year		Over Last Year	
	Amount	% to Total	Amount	% to Total	Amount	% to Total
<b>LIABILITIES, EQUITY AND OTHER CREDIT ACCOUNTS</b>						
<b>CURRENT LIABILITIES (NFS No. 12)</b>						
<b>Inter-Agency Payables</b>						
Due to National Government Agencies (BIR, etc.)	4,209,781.46	0.15	4,464,275.20	0.16	(254,493.74)	(5.70)
Due to Government Owned and/or Controlled Corporation	4,402,501.29	0.16	919,681.89	0.03	3,482,819.40	378.70
<b>Total</b>	<b>8,612,282.75</b>	<b>0.30</b>	<b>5,383,957.09</b>	<b>0.19</b>	<b>3,228,325.66</b>	<b>6.18</b>
<b>Other Payables</b>						
Due to Officers and Employees	19,288.60	0.00	14,972.23	0.00	4,316.37	28.83
Contractor's Security Deposits	25,109,900.59	0.89	29,646,905.59	1.07	(4,537,005.00)	(15.30)
Accrued Light and Power	15,412,348.48	0.54	13,202,289.44	0.47	2,210,059.04	16.74
Other Payables	137,542,983.34	4.86	63,482,637.94	2.28	74,060,345.40	116.66
<b>Total</b>	<b>178,084,521.01</b>	<b>6.29</b>	<b>106,346,805.20</b>	<b>3.83</b>	<b>71,737,715.81</b>	<b>67.46</b>
<b>Loans/ Lease Payable</b>						
Current Portion of Long-term Debt	84,016,767.48	2.97	75,992,508.45	2.73	8,024,259.03	10.56
<b>Total</b>	<b>84,016,767.48</b>	<b>2.97</b>	<b>75,992,508.45</b>	<b>2.73</b>	<b>8,024,259.03</b>	<b>10.56</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>270,713,571.24</b>	<b>9.56</b>	<b>187,723,270.74</b>	<b>6.75</b>	<b>82,990,300.50</b>	<b>44.21</b>
<b>NON-CURRENT LIABILITIES (NFS 13)</b>						
Loans Payable	597,805,080.42	21.11	694,314,167.28	24.97	(96,509,086.86)	(13.90)
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>597,805,080.42</b>	<b>21.11</b>	<b>694,314,167.28</b>	<b>24.97</b>	<b>(96,509,086.86)</b>	<b>(13.90)</b>
<b>TOTAL LIABILITIES</b>	<b>868,518,651.66</b>	<b>30.66</b>	<b>882,037,438.02</b>	<b>31.73</b>	<b>(13,518,786.36)</b>	<b>(1.53)</b>
<b>DEFERRED CREDITS (NFS No. 14)</b>						
Customers' Deposit	9,056,122.05	0.32	9,056,122.05	0.33	-	-
Other Deferred Credits	36,014,446.88	1.27	31,222,737.53	1.12	4,791,709.35	15.35
<b>TOTAL DEFERRED CREDITS</b>	<b>45,070,568.93</b>	<b>1.59</b>	<b>40,278,859.58</b>	<b>1.45</b>	<b>4,791,709.35</b>	<b>11.90</b>
<b>EQUITY (NFS No. 15)</b>						
Government Equity	866,925.40	0.03	866,925.40	0.03	-	-
Capital/Equity Reserve	-	-	-	-	-	-
Donated Capital (OPIC)	119,230,157.23	4.21	119,230,157.23	4.29	-	-
Retained Earnings	1,798,603,326.96	63.50	1,737,672,660.09	62.50	60,930,666.87	3.51
<b>TOTAL EQUITY</b>	<b>1,918,700,409.59</b>	<b>67.74</b>	<b>1,857,769,742.72</b>	<b>66.82</b>	<b>60,930,666.87</b>	<b>3.28</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDIT ACCOUNTS</b>	<b>2,832,289,630.18</b>	<b>100.00</b>	<b>2,780,086,040.32</b>	<b>100.00</b>	<b>52,203,589.86</b>	<b>1.88</b>

**Cagayan de Oro City Water District**  
**COMPARATIVE STATEMENT OF CHANGES IN EQUITY**  
**As of January 31, 2019**  
(With Comparative Figures for the Date Ended January 31, 2018)

	2019	2018	
<b>Government Equity</b>			
Balance at beginning of the period	866,925.40	866,925.40	
Additions (deductions)			
Balance at the end of the period	<u>866,925.40</u>	<u>866,925.40</u>	-
<b>Donated Capital</b>			
Balance at beginning of the period	119,230,157.23	119,230,157.23	
Additions (deductions)	-	-	
Balance at the end of the period	<u>119,230,157.23</u>	<u>119,230,157.23</u>	-
<b>Retained Earnings</b>			
Balance at beginning of the period	1,811,016,939.05	1,715,095,520.20	
Prior period adjustments	(14,085,113.13)	6,796,901.40	
Net income (loss) for the period	1,671,501.04	15,780,238.49	
Balance at the end of the period	<u>1,798,603,326.96</u>	<u>1,737,672,660.09</u>	
<b>TOTAL EQUITY</b>	<u><u>1,918,700,409.59</u></u>	<u><u>1,857,769,742.72</u></u>	

**Cagayan de Oro City Water District**  
**INCOME STATEMENT**  
For the period ended January 31, 2019

	CURRENT MONTH						YEAR TO DATE						
	Actual	% to	Budget	% to	Variance	% to	Actual	% to	Budget	% to	Variance	% to	
	Amount	Total	Amount	Total	Amount	Budget	Amount	Total	Amount	% Total	Amount	Budget	
<b>Business and Service Income:</b>													
Generation, Transmission and Distribution Income	85,405,089.21	95.61	97,911,537.00	93.97	(12,506,447.79)	(12.77)	85,405,089.21	95.61	97,911,537.00	93.9672	(12,506,447.79)	(12.77)	
Interest Income	108,600.00	0.12	582,056.00	0.56	(473,456.00)	(81.34)	108,600.00	0.12	582,056.00	0.558608	(473,456.00)	(81.34)	
Other Business and Service Income	482,814.55	0.54	877,745.00	0.84	(394,930.45)	(44.99)	482,814.55	0.54	877,745.00	0.842385	(394,930.45)	(44.99)	
Fines and Penalties- Service Income	3,330,323.95	3.73	4,826,225.00	4.63	(1,495,901.05)	(31.00)	3,330,323.95	3.73	4,826,225.00	4.631802	(1,495,901.05)	(31.00)	
<b>Total Business and Service</b>	<b>89,326,827.71</b>	<b>100.00</b>	<b>104,197,563.00</b>	<b>100.00</b>	<b>(14,870,735.29)</b>	<b>(14.27)</b>	<b>89,326,827.71</b>	<b>100.00</b>	<b>104,197,563.00</b>	<b>100.00</b>	<b>(14,870,735.29)</b>	<b>(14.27)</b>	
<b>Less: Operating Expenses:</b>													
<b>Operation Expenses:</b>													
<b>Personal Services</b>													
Salaries and Wages	10,725,833.66	12.01	11,968,512.00	11.49	1,242,678.34	10.38	10,725,833.66	12.01	11,968,512.00	11.49	1,242,678.34	10.38	
Personnel Economic Relief Allowance (PERA)	976,003.96	1.09	1,140,000.00	1.09	163,996.04	14.39	976,003.96	1.09	1,140,000.00	1.09	163,996.04	14.39	
Representation Allowance	175,500.00	0.20	224,000.00	0.21	48,500.00	21.65	175,500.00	0.20	224,000.00	0.21	48,500.00	21.65	
Transportation Allowance	175,500.00	0.20	224,000.00	0.21	48,500.00	21.65	175,500.00	0.20	224,000.00	0.21	48,500.00	21.65	
Clothing and Uniform Allowance	-	-	285,000.00	0.27	285,000.00	100.00	-	-	285,000.00	0.27	285,000.00	100.00	
Honoraria (BAC)	-	-	158,334.00	0.15	158,334.00	100.00	-	-	158,334.00	0.15	158,334.00	100.00	
Honoraria (Directors' Fees & Remunerations, etc)	184,240.00	0.21	254,800.00	0.24	70,560.00	27.69	184,240.00	0.21	254,800.00	0.24	70,560.00	27.69	
Overtime and Night Pay	-	-	391,988.00	0.38	391,988.00	100.00	-	-	391,988.00	0.38	391,988.00	100.00	
Year-end Bonus	-	-	1,070,514.00	1.03	1,070,514.00	100.00	-	-	1,070,514.00	1.03	1,070,514.00	100.00	
Cash Gift	-	-	237,503.00	0.23	237,503.00	100.00	-	-	237,503.00	0.23	237,503.00	100.00	
Other Bonuses and Allowances	124,200.00	0.14	1,434,017.00	1.38	1,309,817.00	91.34	124,200.00	0.14	1,434,017.00	1.38	1,309,817.00	91.34	
Life and Retirement	1,203,386.79	1.35	1,432,971.00	1.38	229,584.21	16.02	1,203,386.79	1.35	1,432,971.00	1.38	229,584.21	16.02	
PAG-IBIG Contributions	49,200.00	0.06	57,000.00	0.05	7,800.00	13.68	49,200.00	0.06	57,000.00	0.05	7,800.00	13.68	
PHILHEALTH Contributions	125,242.17	0.14	144,255.00	0.14	19,012.83	13.18	125,242.17	0.14	144,255.00	0.14	19,012.83	13.18	
ECC Contribution	50,798.58	0.06	57,000.00	0.05	6,201.42	10.88	50,798.58	0.06	57,000.00	0.05	6,201.42	10.88	
Provident Fund Contributions	1,924,707.20	2.15	2,130,615.00	2.04	205,907.80	9.66	1,924,707.20	2.15	2,130,615.00	2.04	205,907.80	9.66	
Retirement Benefits - Regular	-	-	-	-	-	-	-	-	-	-	-	-	
Vacation and Sick Leave Benefits	-	-	-	-	-	-	-	-	-	-	-	-	
Other Personal Benefits	-	-	291,668.00	0.28	291,668.00	100.00	-	-	291,668.00	0.28	291,668.00	100.00	
<b>Total Personal Services</b>	<b>15,714,612.36</b>	<b>17.59</b>	<b>21,502,177.00</b>	<b>20.64</b>	<b>5,787,564.64</b>	<b>26.92</b>	<b>15,714,612.36</b>	<b>17.59</b>	<b>21,502,177.00</b>	<b>20.64</b>	<b>5,787,564.64</b>	<b>26.92</b>	
<b>Other operations Expenses</b>													
Office Supplies Expense	798,535.17	0.89	861,893.00	0.83	63,357.83	7.35	798,535.17	0.89	861,893.00	0.83	63,357.83	7.35	
Fuel, Oil and Lubricants Expenses	192,434.30	0.22	343,144.00	0.33	150,709.70	43.92	192,434.30	0.22	343,144.00	0.33	150,709.70	43.92	
Travel Expenses	378,422.58	0.42	222,441.00	0.21	(155,981.58)	(70.12)	378,422.58	0.42	222,441.00	0.21	(155,981.58)	(70.12)	
Training and Scholarship Expenses	12,000.00	0.01	293,292.00	0.28	281,292.00	95.91	12,000.00	0.01	293,292.00	0.28	281,292.00	95.91	
Electricity	400,588.06	0.45	483,610.00	0.46	83,021.94	17.17	400,588.06	0.45	483,610.00	0.46	83,021.94	17.17	
Postage and Deliveries	-	-	15,149.00	0.01	15,149.00	100.00	-	-	15,149.00	0.01	15,149.00	100.00	
Telephone Expenses- Landline	8,400.85	0.01	26,677.00	0.03	18,276.15	68.51	8,400.85	0.01	26,677.00	0.03	18,276.15	68.51	
Telephone Expenses- Mobile	67,246.26	0.08	128,687.00	0.12	61,440.74	47.74	67,246.26	0.08	128,687.00	0.12	61,440.74	47.74	
Internet Expenses	22,910.90	0.03	29,914.00	0.03	7,003.10	23.41	22,910.90	0.03	29,914.00	0.03	7,003.10	23.41	
Cable, Satellite, Telegraph and Radio Expenses	3,255.00	0.00	4,167.00	0.00	912.00	21.89	3,255.00	0.00	4,167.00	0.00	912.00	21.89	
Printing Expenses	50,794.18	0.06	98,751.00	0.09	47,956.82	48.56	50,794.18	0.06	98,751.00	0.09	47,956.82	48.56	
Advertising, Promotional and Marketing Expenses	3,382.50	0.00	108,334.00	0.10	104,951.50	96.88	3,382.50	0.00	108,334.00	0.10	104,951.50	96.88	
Taxes, Duties and Licenses	1,920,816.05	2.15	1,706,517.00	1.64	(214,299.05)	(12.56)	1,920,816.05	2.15	1,706,517.00	1.64	(214,299.05)	(12.56)	
Permits and Registration Fees	19,029.10	0.02	95,834.00	0.09	76,804.90	80.14	19,029.10	0.02	95,834.00	0.09	76,804.90	80.14	
Insurance Premiums	140,826.62	0.16	233,575.00	0.22	92,748.38	39.71	140,826.62	0.16	233,575.00	0.22	92,748.38	39.71	
Representation Expense	-	-	119,289.00	0.11	119,289.00	100.00	-	-	119,289.00	0.11	119,289.00	100.00	
Awards and Rewards	-	-	1,000.00	0.00	1,000.00	100.00	-	-	1,000.00	0.00	1,000.00	100.00	
Indemnities and Other Claims	-	-	25,000.00	0.02	25,000.00	100.00	-	-	25,000.00	0.02	25,000.00	100.00	
Rent/ Lease Expenses	75,000.00	0.08	109,794.00	0.11	34,794.00	31.69	75,000.00	0.08	109,794.00	0.11	34,794.00	31.69	
Survey Expenses	-	-	29,167.00	0.03	29,167.00	100.00	-	-	29,167.00	0.03	29,167.00	100.00	
Research, Exploration and Development Expenses	-	-	-	-	-	-	-	-	-	-	-	-	
Watershed & Environmental Development Expenses	-	-	29,166.00	0.03	29,166.00	100.00	-	-	29,166.00	0.03	29,166.00	100.00	
Generation, Transmission and Distribution Exp.	53,255,351.49	59.62	56,028,071.00	53.77	2,772,719.51	4.95	53,255,351.49	59.62	56,028,071.00	53.77	2,772,719.51	4.95	
Extraordinary and Miscellaneous Expenses	-	-	9,800.00	0.01	9,800.00	100.00	-	-	9,800.00	0.01	9,800.00	100.00	
Membership Dues and Cont. to Organizations	-	-	20,201.00	0.02	20,201.00	100.00	-	-	20,201.00	0.02	20,201.00	100.00	
Cultural and Athletic Expenses	-	-	109,375.00	0.10	109,375.00	100.00	-	-	109,375.00	0.10	109,375.00	100.00	
Donations	-	-	16,667.00	0.02	16,667.00	100.00	-	-	16,667.00	0.02	16,667.00	100.00	
Legal Services	-	-	30,000.00	0.03	30,000.00	100.00	-	-	30,000.00	0.03	30,000.00	100.00	
Auditing Services	-	-	47,500.00	0.05	47,500.00	100.00	-	-	47,500.00	0.05	47,500.00	100.00	
Consultancy Services	-	-	19,000.00	0.02	19,000.00	100.00	-	-	19,000.00	0.02	19,000.00	100.00	
General/Janitorial Services	73,411.24	0.08	80,362.00	0.08	6,950.76	8.65	73,411.24	0.08	80,362.00	0.08	6,950.76	8.65	
Security Services	772,783.18	0.87	1,136,377.00	1.09	363,593.82	32.00	772,783.18	0.87	1,136,377.00	1.09	363,593.82	32.00	
Other Professional Services	-	-	243,640.00	0.23	243,640.00	100.00	-	-	243,640.00	0.23	243,640.00	100.00	
Other General Services	-	-	119,750.00	0.11	119,750.00	100.00	-	-	119,750.00	0.11	119,750.00	100.00	
Doubtful Accounts Expenses	-	-	209,894.00	0.20	209,894.00	100.00	-	-	209,894.00	0.20	209,894.00	100.00	
Depreciation and Amortization	7,797,901.59	8.73	8,014,343.00	7.69	216,441.41	2.70	7,797,901.59	8.73	8,014,343.00	7.69	216,441.41	2.70	
Other Maintenance and Operating Expenses	49,017.02	0.05	486,726.00	0.47	437,708.98	89.93	49,017.02	0.05	486,726.00	0.47	437,708.98	89.93	
<b>Total Other Operations Expenses</b>	<b>66,169,564.96</b>	<b>74.08</b>	<b>72,147,125.00</b>	<b>69.24</b>	<b>5,977,560.04</b>	<b>8.29</b>	<b>66,169,564.96</b>	<b>74.08</b>	<b>72,147,125.00</b>	<b>69.24</b>	<b>5,977,560.04</b>	<b>8.29</b>	
<b>Total Operation Expenses</b>	<b>81,884,177.32</b>	<b>91.67</b>	<b>93,649,302.00</b>	<b>89.88</b>	<b>11,765,124.68</b>	<b>12.56</b>	<b>81,884,177.32</b>	<b>91.67</b>	<b>93,649,302.00</b>	<b>89.88</b>	<b>11,765,124.68</b>	<b>12.56</b>	
<b>Maintenance Expenses:</b>													
Repair & Maintenance-Property, Plant & Equipment	2,179,509.24	2.44	2,054,633.00	1.97	(124,876.24)	(6.08)	2,179,509.24	2.44	2,054,633.00	1.97	(124,876.24)	(6.08)	
Repairs and Maintenance - Buildings & Other Structures	40,969.76	0.05	126,533.00	0.12	85,563.24	67.62	40,969.76	0.05	126,533.00	0.12	85,563.24	67.62	
Repairs and Maintenance - Office Equipment	-	-	10,683.00	0.01	10,683.00	100.00	-	-	10,683.00	0.01	10,683.00	100.00	
Repairs and Maintenance - Land Transportation Equipment	161,249.83	0.18	419,534.00	0.40	258,284.17	61.56	161,249.83	0.18	419,534.00	0.40	258,284.17	61.56	
Repairs and Maintenance - Other Machineries	31,294.99	0.04	277,143.00	0.27	245,848.01	88.71	31,294.99	0.04	277,143.00	0.27	245,848.01	88.71	
Repairs and Maintenance -Furniture and Fixtures	-	-	33										

**Cagayan de Oro City Water District**  
**CASH FLOW STATEMENT**  
As of January 31, 2019

	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>
<b>Cash Flows from Operating Activities</b>		
Cash Inflows:		
Collection of Water Bills	95,213,686.61	95,213,686.61
Collection of Other Water Revenues	1,129,124.09	1,129,124.09
Refund of overpayment of expenses and Cash Advances	8,384.08	8,384.08
Receipt of Performance/Bidders/Bail Bonds	-	-
Interest Income	108,600.00	108,600.00
Subsidy from Nat'l Gov.t Agency	-	-
Fund Transfer from Restricted Funds	-	-
Other Receipts	532,484.83	532,484.83
<b>Total Cash Inflows</b>	<b><u>96,992,279.61</u></b>	<b><u>96,992,279.61</u></b>
Cash Outflows:		
Payment of Operating Expenses:		
Payroll	11,192,296.54	11,192,296.54
Fuel/Power for Pumping	14,529,727.06	14,529,727.06
Chemicals	-	0.00
Other Operation and Maint. Expenses	4,469,826.76	4,469,826.76
Payment of Payables	3,497,151.58	3,497,151.58
Purchase of office supplies Inventory	50,685.75	50,685.75
Payment of prepaid expenses	179,412.75	179,412.75
Remittance of GSIS/PAG-IBIG/Withholding Taxes	9,558,879.43	9,558,879.43
<b>Total Cash Outflows</b>	<b><u>43,477,979.87</u></b>	<b><u>43,477,979.87</u></b>
<b>Total Cash Provided (used) by Operating Activities</b>	<b><u>53,514,299.74</u></b>	<b><u>53,514,299.74</u></b>
<b>Cash Flows from Investing Activities:</b>		
Cash Inflows:		
Proceeds from Short-Term Investments		
Proceeds from sale of:		
Office Equipment, Furniture and Fixtures		
Transportation Equipment		
Other Property, Plant and Equipment		
<b>Total Cash Inflows</b>	<b><u>-</u></b>	<b><u>-</u></b>
Cash Outflows:		
Investments in Securities		
Purchase/construction of		
Buildings and Other Structures	4,561,967.91	4,561,967.91
Office Equipment, Furnitures and Fixtures	213,310.00	213,310.00
Transportation Equipment	4,790,000.00	4,790,000.00
Other Property, Plant and Equipment	3,568,702.65	3,568,702.65
<b>Total Cash Outflows</b>	<b><u>13,133,980.56</u></b>	<b><u>13,133,980.56</u></b>
<b>Total Cash Provided (Used) by Investing Activities</b>	<b><u>(13,133,980.56)</u></b>	<b><u>(13,133,980.56)</u></b>
<b>Cash Flows from Financing Activities</b>		
Cash Inflows:		
Proceeds from Borrowings (Loans Payable)		
<b>Total Cash Inflows</b>	<b><u>-</u></b>	<b><u>-</u></b>
Cash Outflows:		
Cash payment of int.on loans payable and other fin. charges	3,433,440.38	3,433,440.38
Payments of domestic and foreign loans	7,598,983.81	7,598,983.81
<b>Total Cash Outflows</b>	<b><u>11,032,424.19</u></b>	<b><u>11,032,424.19</u></b>
<b>Total Cash Provided (used) by Financing Activities</b>	<b><u>(11,032,424.19)</u></b>	<b><u>(11,032,424.19)</u></b>
<b>Cash Provided by Operating, Investing and Financing Activities</b>	<b>29,347,894.99</b>	<b>29,347,894.99</b>
<b>Add: Cash and Cash Equivalents - Beginning</b>	<b>1,011,607,667.37</b>	<b>1,011,607,667.37</b>
<b>Cash and Cash Equivalents, Ending</b>	<b><u>1,040,955,562.36</u></b>	<b><u>1,040,955,562.36</u></b>



**Cagayan de Oro City Water District**  
**NOTES TO FINANCIAL STATEMENTS**  
**January 31, 2019**

**I. GENERAL**

**Note 1 Basis of Reporting**

Cagayan de Oro City Water District (COWD) is a government-owned and controlled corporation that collects, purifies and distributes potable water to its concessionaires in Cagayan de Oro City and Municipality of Opol.

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles applied on a consistent basis. It was in November of 2014 that COWD converted its chart of accounts from Local Water Utility Administration's Commercial Practices Manual for Water Districts to Modified New Government Accounting System that is applicable to Water Utilities as prescribed by the Commission on Audit. As to date the Modified NGAS chart of accounts is used in the recording of the District's financial transactions and presentation of the Financial Statements.

**Note 2 Significant Accounting Policies**

**Change in Accounting Policies**

Allowance for Doubtful Accounts. The District uses the aging of accounts receivable for provision for doubtful account as per Modified NGAS accounting policies Chp.4 Sec. 66 as follows:

<u>Age of Accounts</u>	<u>Percentage</u>
1-60 days	1%
61-180 days	2%
181-1 year	3%
More than 1 year	5%

Supplies Inventory. The District uses the asset method in recording materials and supplies. Expense is recognized upon issuance of the items stored in stocks.

Prepayments. The District adopts the asset method in recording payment for insurance, and vehicle registration which are amortized monthly throughout the period of coverage.

Property, Plant and Equipment (PPE).

- Direct cost of land acquired and other incidental expenses are capitalized as part of the cost of land.

- PPE are carried at cost less accumulated depreciation. The Depreciation is computed using the straight-line method over the estimated useful lives of the properties ranging from 5 to 50 years after deducting the residual value equivalent to 10% of the original cost of the asset from the total cost of the asset.

-The cost of maintenance and minor repairs is charged to expense as incurred, while major repairs, which prolong the life of the assets, are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is charged to current operation.

Payable Accounts. The District recognized and records payables in the books of accounts only upon delivery of the goods/inventory/other assets and rendition of services to the District.

Income Recognition. Revenues are recorded using the accrual basis of accounting.

**Correction of Fundamental errors.**

All prior period Income/Expense Account Adjustments/Errors are corrected using Retained Earnings Unappropriated Account while Adjustments/ Errors affecting current years operation are charged to current year's accounts.

**II. BALANCE SHEET**

**Note 4 Cash and Other Cash Accounts**

The District's cash account consists of undeposited collections and deposits in banks available for general expenditures incurred in operations. The Cash Collecting Officers consists of undeposited cash on hand while Cash in bank - Local Currency is primarily composed of Current Interest Bearing Accounts where its disbursements are thru checks issuances and at the same time earns interest income from its account balances. This account consists of the following:

<u>Account Name</u>	<u>Amount</u>
<b>Cash-Collecting Officers</b>	
-Corrales-Main Office	1,066,045.98
-Kauswagan-Sub Office	241,679.86
-Tinao-Sub Office	183,008.88
	1,490,734.72
<b>Working Fund</b>	
-Petty Cash Fund	400,000.00
-Tellers' Change Fund	73,000.00
	473,000.00
<b>Cash in Bank in Local Currency, Current Account</b>	
-Amanah Bank	638,878.67
-Development Bank in the Philippine	199,794,352.14
-Land Bank of the Philippines	12,309,488.08
-Philippine Veterans Bank	122,844.47
-Postal Bank	325,334.25
-United Coconut Planters Bank	1,346,329.32
	214,537,226.93
<b>Total Cash in Bank-Local Currency, Time Deposits</b>	
Development Bank in the Philippine	
-Capital Improvement	417,827,992.92
-Contingency Fund	14,337,529.19
-COWD RTC Fund	2,017,420.30
-COWD WSS Project (Sendong 2)	40,000,000.00
-Expansion & Operating Reserve	51,651,816.14
-General Fund- Corrales	187,186,136.01
-General Fund- Capistrano	60,903,811.59
-NRW Reduction Project	50,529,894.56
	824,454,600.71
<b>Total Cash</b>	1,040,955,562.36

The District's cash account consists of undeposited cash and deposits in banks available for general expenditures incurred in operations.

- Cash Collecting Officers consists of month end undeposited collections to be deposited in the bank in February 2019.

- Working Fund includes Petty Cash Fund and Change Fund given to designated disbursing officers and tellers. The Petty Cash Fund is operated on an imprest system.

- Cash in bank, Local Currency is primarily composed of Current Interest Bearing Accounts where its disbursements are thru checks issuances and at the same time earns interest income from its account balances.

#### Note 5 Account Receivables

The Accounts Receivable-Customers Account consists of all amounts due on accounts arising from the services rendered to customers for water sales and incidental services.

Particulars	Amount
Billing, net of billing adjustments	84,991,837.12
Penalty, net of penalty adjustment	3,313,823.95
Collections, net of adjustments	(95,433,575.25)
Net Increase/ (Decrease)	(7,127,914.18)
Beginning Balance- 1/1/2019	318,386,861.65
Total	311,258,947.47
Allowance for Doubtful Accounts	(36,259,606.58)
<b>Net Amount of A/R Customers</b>	<b>274,999,340.89</b>

Part of the beginning balance:

Reclassified from Other Assets A/R- Inactive Account per COA AOM NO. COWD2017-18	176,231,078.44
Write-off 1316 dormat accounts from 5/1987-12/2008	(9,350,761.29)
	<b>166,880,317.15</b>

#### Note 6 Other Receivables

The District's Other Receivables consists of the following:

Account Name	Amount
Advances to Officers and Employees	39,706.97
Due from Officers and Employees	802.13
Receivable- Disallowances/Charges	39,971,212.51
Insurance/Reinsurance Claims Receivable	13,558.36
Other Receivable	
Customers	112,053.15
Electric Companies	63,844.00
Employees of Other Water Districts	1,150.00
Ex-employees and Officers	2,393.71
Gawad Kalinga Beneficiaries	6,200.00
Gov't Agencies	242,242.42
Hospitals	2,129.56
Hotels	9,089.66
Calaanan Home Owners Association	(24,283.00)
NGOs	1,727.05
Past Board of Directors	132,185.35
Schools	33,236.28
Subdivisions	300,757.04
Suppliers	5,155.73
Water Districts	86,761.53
Others	49,074.69
<b>Total</b>	<b>1,023,717.17</b>
Allowance for Doubtful Accounts	(41,048,997.14)
<b>Net Amount of A/R Customers</b>	<b>40,069,376.89</b>

#### COA Notice of Disallowance for the period covered CY 1994 to CY1999

Reference CSB No.	Date	Transaction Period	Amount Disallowed	Need Not be Refunded/Lifted	Adjusted Disallowance
95-001-101(94)	8/24/1995	Jan.-Dec.'94	2,060,962.95		
97.001(95)	4/8/1997	Jan.-Dec.'95	4,860,096.26		
98-001(96)	6/9/1998	Jan.-Dec.'96	1,603,601.66		
99-001-101(97)	3/22/1999	Jan.-Dec.'97	2,236,099.30		
Total			10,760,760.17		
Less: Miscalculation			32,317.17		
Adjusted Amount			10,728,443.00	6,773,047.36	3,955,395.64

Less: COWD Retirement Plan Fund Returned to General Fund per JV#12-016-10

1,866,177.89

Net Amount Disallowed 1994-1997 recorded in the books per JV#02-025A-16 dtd. 2/29/16 and JV#12-029-

2,089,217.75

Less: Amount deducted from Orlando Romero (P 4,450.00)/Elva Ubay-Ubay (P 4,450.00)/Rommel Gaylo (P 1,600.00) per DV#15-07-05-021

10,500.00

Net Amount Disallowed 1994-1997

2,078,717.75

2000-001-(98/99) 9/25/2000

Jan. 1, 1998-May 31, 1999

37,363,278.47

-

37,363,278.47

Add:

COA AOM 2016-11 (Travel to Cambodia) recorded in the books per JV#12-25A-16

529,216.29

**TOTAL COA NDs RECORDED IN THE BOOKS**

**39,971,212.51**

**Note 7 Inventories**

— This account includes items stored in COWD warehouse, such as office supplies, janitorial supplies, fuel, oil & lubricants, plant materials, operating supplies, chemicals, construction materials, finished goods, tools, meters and other supplies.

<u>Account Name</u>		<u>Amount</u>
Office Supplies Inventory		6,804,467.70
Fuel, Oil and Lubricants		251,869.60
Chemicals and Filtering Supplies Inventory		1,773,053.49
Maintenance Supplies Inventory		15,223,648.10
Construction Materials Inventory		15,566,287.10
Other Inventories		
Meters	39,825,050.03	
Service Connection	46,744,615.61	
Transmission Distribution Pipe	58,147,282.35	
Tools and Other Suppliers	1,479,294.81	
Work in Progress Inventory (for reconciliation)	(322,944.64)	
Finished Goods Inventory	1,720,983.83	
Hydrants	901,551.76	
Personal Protective Equipment	113,320.48	
Clearing	(14,153,153.33)	
<b>Total</b>		<u><u>174,075,326.89</u></u>

**Note 8 Prepayments, Deposits and Deferred Charges**

<u>Account Name</u>		<u>Amount</u>
<b>Prepaid Insurance</b>		493,392.85
Officers & Employees	-	
LTO	59,357.67	
Bureau of Treasury	106,890.00	
		<u>166,247.67</u>
<b>Total Prepayments</b>		<u><u>659,640.52</u></u>

— **Guaranty Deposit.** This account consists of cash deposits to various offices for specific purposes such as guaranty for fulfillment of obligations.

<u>Office</u>	<u>Purpose</u>	<u>Amount</u>
CEPALCO	Electric bill deposit	5,904,692.60
MORESCO	Electric bill deposit	83,775.72
MISORTEL	Telephone deposit	51,417.00
COACO	oxygen/acetylene tank deposit	2,500.00
Mabuhay Vinyl Corporation	gas chlorine tank deposit	489,000.00
City Treasurer's Office	bond of projects	2,243,462.83
Metropolitan Circuit Trial Court	bond of projects	10,000.00
DPWH Region 10	bond of projects	274,746.66
Pryce Corporation Incorporated	tank deposit	7,000.00
Cagayan de Oro Corporation	Deposit	150,000.00
MisOr 2nd Dist. Eng'g Office	Cash bond of projects	14,766.32
Primestar Realty & Developer Inc.	Rental deposit	50,000.00
<b>Total</b>		<u><u>9,281,361.13</u></u>

— **Deferred Charges.** This account consists of the following:

<u>Particulars</u>	<u>Amount</u>
Visayan Surety-Injunction Bond	400,407.96
Land Transfer Cost -Deferred Costing	193,658.56
Non-moving Items for disposal	168,813.61
Advance Payment to Contractors	7,890,770.23
<b>Total</b>	<u><u>8,653,650.36</u></u>

**Note 9 Property, Plant and Equipment**

This account consists of the following:

Land and Land Rights		<b>40,831,117.63</b>
Springs & Tunnels	5,000.00	
Wells	108,183,056.13	
Reservoirs & Tanks	34,058,627.07	
Transmission & Distribution Mains	946,936,416.41	
Fire Mains	3,423.70	
Services Connections	244,815,226.86	
Meters	215,494,797.46	
Meters Installation	23,025,287.18	
Hydrants	7,595,530.15	
PPE Held For Future Use	2,986,731.00	
Unclassified PPE	-	
Clearing	<b>12,780,107.56</b>	
Plant (UPIS)		<b>1,595,884,203.52</b>
Source of Supply Structures & Improvements	22,291,513.84	
Pumping Structures & Improvements	68,120,394.92	
Trans. & Dist. Structures & Improvements	17,463,201.01	
Gen Plant Structures & Improvements	34,310,412.43	
Buildings and Other Structures-Clearing	<b>1,433,422.75</b>	<b>143,618,944.95</b>
Office Equipment	64,938,492.71	
Office Equipment-Clearing	<b>1,804,664.04</b>	<b>66,743,156.75</b>
Laboratory Equipment	7,228,588.03	
Office Equipment-Clearing	<b>(19,000.00)</b>	<b>7,209,588.03</b>
Land Transport Equipment	65,205,868.63	
Land Transport Equipment-Clearing	<b>13,373,424.00</b>	<b>78,579,292.63</b>
Other Machinery and Equipment		
Power Production Equipment	46,781,484.43	
Pumping Equipment	187,052,598.75	
Water Treatment Equipment	21,663,990.35	
Store Equipment	38,900.00	
Communications Equipment	10,836,066.10	
Power Operated Equipment	41,522,062.15	
Tools, Shop & Garage Equipment	51,301,277.69	
Surveying Instrument/ Accessories	41,207.82	
Disaster Response & Rescue Equipment	300,000.00	
Other Machinery and Equipment-Clearing	<b>6,745,538.69</b>	<b>366,283,125.98</b>
Furniture and Fixtures	3,286,376.78	
Furniture and Fixtures-Clearing	<b>42,474.19</b>	<b>3,328,850.97</b>
Total Property, Plant and Equipment		<b>2,302,478,280.46</b>
Accumulated Depreciation		<b>(1,221,968,083.81)</b>
<b>Total Property, Plant and Equipment, net</b>		<b>1,080,510,196.65</b>

**PPE Held For Future Use**

Category	Date Acquired	Amount	Amount
A. Future Site of Production Wells			
1. Balulang, Lot Area:250sq.m TCT# T133577 (Wenceslao Galope)	8/26/1999	212,500.00	
2. Balulang, Lot Area:324sq.m TCT# T128589 (Leonel Caballero)	10/29/1998	275,400.00	
3. Puntakon Igpit Opol, MisOr., Lot Area 718sq.m. No TCT (Jose Tanco)	7/23/1996	<b>251,300.00</b>	739,200.00
B. Submersible Motors & Others			268,911.00
C. Pressure Sustaining Valves			<b>1,978,620.00</b>
<b>TOTAL PPE HELD FOR FUTURE USE</b>			<b>2,986,731.00</b>

**Note 10 Construction in Progress**

This includes all on going construction for property plant which are not ready for use at balance sheet date. This account consists of the following:

Particulars	Amount	Amount
Construction Work in Progress of Major Works - Youngsville Project (P5000000 loan)	6,100.00	
Construction Work in Progress of Major Works - Administration Projects	<b>15,269,094.00</b>	
Total for Construction Work in Progress of Major Works		15,275,194.00
Major maintenance works by administration	95,340,877.72	
Major maintenance works - REHAB (SENDONG)	<b>562,259.00</b>	<b>95,903,136.72</b>
<b>Total</b>		<b>111,178,330.72</b>

**Note 11 Other Assets**

Restricted Funds consists of deposits for special or specific purposes such as guaranty for the fulfillment of obligations, holdout deposits and garnished bank accounts. This also includes special & time deposit in bank to set aside the deposits received from the customers and the balance of this bank account will offset the balance of Customers Deposits.

Account Name						LBP	Grand Total
	Special Deposit	Hold-out Deposits	Time Deposit	Garnished Accounts	Total	Garnished Accounts	
COWD/ LWUA JSA	30,747.01		7,655,723.63		7,686,470.64	1,234,367.85	8,920,838.49
Customers Guaranty Deposit	72,143.94		11,727,632.69		11,799,776.63	17,451.94	11,817,228.57
COWD Special Projects				3,790.96	3,790.96		3,790.96
COWD Contingency Fund				5,509.87	5,509.87		5,509.87
COWD Capital Improvement					-	15,262.67	15,262.67
COWD LBP Savings Account					-	10,302.26	10,302.26
Loan Hold Out Deposits-Prev. Yr.		28,524,895.82			28,524,895.82		28,524,895.82
Loan Hold Out Deposits-NRW		5,569,333.55			5,569,333.55		5,569,333.55
Loan Hold Out Deposits-DLSC		29,880,000.00			29,880,000.00		29,880,000.00
<b>Grand Total</b>	<b>102,890.95</b>	<b>63,974,229.37</b>	<b>19,383,356.32</b>	<b>9,300.83</b>	<b>83,469,777.47</b>	<b>1,277,384.72</b>	<b>84,747,162.19</b>

**DBP-Hold Out Deposit**

*Per Continuing Deed of Assignment with Hold-out with the DBP dated September 30, 2008, under no. 3 Terms and Conditions:*

At any time while the Term Loan is outstanding, the Assignor shall cause to be maintained in the Deposit Account an amount equivalent to at least two(2) monthly amortizations (principal & interest) due on the Term Loan, mentioned in the Term Loan Agreement (collectively, the "Amount Held-Out"). For this purpose, the Assignor agrees not to make any withdrawal from the deposit account that will diminish the balance thereof to an amount less than the Amount Held-Out. The Assignor agrees that the Assignee shall have full control over the Amount Held-Out while the Term Loan and other amounts due thereon or by reason thereof remain outstanding and the Assignor cannot withdraw the same or any portion thereof without the prior written consent of the Assignee. Further, the Assignor hereby authorizes the Assignee to debit from the Deposit Account all amounts due and payable by the Assignor to the Assignee under the Term Loan Agreement and other documents executed in connection with the Term Loan.

**Per Deed of Assignment with Hold-out Agreement dated Feb. 07, 2017**

The Assignee has granted the Assignor a total Loan of P 433,039,067.00 to be secured by an assignment with hold-out of Assignor's Peso Deposit with the Assignee. The Assignor has a deposit with the Assignee the amount of P 125,099,740.74, P 75,055,289.53 and P 5,500,000.00 covered by the Savings Account Nos. 0810-020011-531, 0810-027324-530 and 0810-020011-160. Therefore, by these presents, hereby assigns, transfers and conveys unto the Assignee all its rights, title to and interests in the deposit, together with all the interest due thereon and/or any renewal, roll-over or substitution thereof issued to and its name to the extent of the amount due and payable. The Assignor agrees that the Assignee shall have full control over the Amount Held-Out while the Term Loan and other amounts due thereon or by reason thereof remain outstanding and the Assignor cannot withdraw the same or any portion thereof without the prior written consent of the Assignee. Furthermore, the Assignor hereby authorizes the Assignee to debit from the Deposit Account all amounts due and payable by the Assignor to the Assignee under the Term Loan Agreement and other documents executed in connection with the Term Loan.

**DBP-Hold Out for Irrevocable Domestic Standby Letter of Credit**

DBP Corrales issued on April 18, 2018 an Irrevocable Domestic Standby Letter of Credit No. DSLC18006 of Cagayan de Oro City Water District to be opened against COWD deposit hold-out per Account No. 0810-020011-531. This will serve as a Guarantee in compliance with the Bulk Water Supply Agreement dated October 30, 2017, under no. 4.07 of the Terms and Conditions.

**Garnished Accounts**

On April 03, 2007 the Bureau of Internal Revenue ordered the garnishment of the COWD funds from depository banks. Therefore, these current accounts are frozen until BIR will lift its garnishment order.

Other Assets consists of the following:

Account Name	Amount
Idle Land	2,362,699.50
Land Occupied by Squatters	245,000.00
Inactive A/R Account	-
<b>Total</b>	<b>2,607,699.50</b>

Idle Land & Land Occupied by Squatters. These are owned by COWD but are not currently being used.

Accounts Receivable Customers-Inactive Accounts. The following are the amounts in Pesos of inactive accounts which are part of the total Accounts Receivable from Customers for the last quarter of CY 2015. (Data taken from CSD). Part of this amount involves 4,610 concessionaires covering the period from 1986 to 1991 with a total amount of Ph3,554,406.77. Approved by COWD's Board of Directors per Board Resolution No. 141 dated Dec. 20, 2000 the said amount was written off per JV No. 07-23-03. In adherence with COA, that no Accounts Receivable will be written off without the approval of the Chairman of the Commission on Audit, JV No. 07-23-03 was reversed per JV No. 10-038-08.

Month	Gross	Allow. for DA	Net Amount
January	170,634,261.35	8,487,099.43	162,147,161.92
February	171,120,174.80	8,515,839.37	162,604,335.43
March	170,907,423.64	8,515,839.37	162,391,584.27
April	171,124,338.11	8,515,839.37	162,608,498.74
May	171,439,620.95	8,515,839.37	162,923,781.58
June	171,351,944.31	8,533,209.96	162,818,734.35
July	172,326,640.77	8,533,209.96	163,793,430.81
August	172,855,103.72	8,533,209.96	164,321,893.76
September	174,547,723.41	8,533,209.96	166,014,513.45
October	175,486,557.44	8,533,209.96	166,953,347.48
November	175,821,795.17	8,748,506.26	167,073,288.91
December	176,231,078.44	8,773,690.75	167,457,387.69

The Balance of Inactive Accounts Receivable as of December 31, 2014 amounting to Php 155,659,586.42 was reclassified to Other Assets per JV#12-28A-14 in adherence to AOM No. 2015-033(2014) dated February 17, 2015. Furthermore, any subsequent increase in Inactive A/R will also be reclassified to Other Assets.

In adherence to COA AOM No. COWD2017-18, Inactive Accounts Receivable classified as Other Assets amounting to P 171,351,944.31 as of June 2017 was reclassified back to Accounts Receivable Customers- Arrears/Penalty Account per JV#02-28-18.

Additional Other Assets Accounts Receivable-Inactive Accounts from July to December 2017 was reclassified back to Accounts Receivable customers-Arrears/Penalty per JV#03-28I-18.

**Note 12 Current Liabilities**

<b>Inter-Agency Payables</b>			
Due to National Government Agencies (BIR, etc.)			
Employees Tax Withheld	605,464.90		
Franchise Tax 2%	1,659,802.44		
Professional Tax Withheld	40,742.50		
Rental Tax Withheld (for reconciliation)	2,857.83		
Suppliers' Tax Withheld	1,900,913.79	4,209,781.46	
<hr/>			
Due to Government Owned and/or Controlled Corporation			
GSIS	4,025,517.04		
PAG-IBIG Fund	49,281.23		
PHILHEALTH	327,103.62		
SSS	599.40	4,402,501.29	8,612,282.75
<hr/>			
<b>Other Current Payables</b>			
Due to Officers and Employees			
Contractor's Security Deposits		19,288.60	
Retention on contract payments	19,031,478.09		
Performance and Bids Securities	6,078,422.50	25,109,900.59	
<hr/>			
Accrued Light and Power			
CEPALCO	14,969,107.38		
MORESCO	443,241.10	15,412,348.48	
<hr/>			
<b>Other Payables</b>			
Legal Counsel (Notarial Fee)	1,179,164.00		
COWD Coop	433,046.71		
COWD Provident Fund	224,061.93		
Suppliers	93,786,212.77		
Associations	21,374.00		
Hospitals	8,999.76		
Various Payables	41,710,781.07		
Clearing	172,727.40		
Refunds	6,615.70	137,542,983.34	178,084,521.01
<hr/>			
<b>Current Portion of Long-term Debt</b>			
LWUA		8,073,493.70	
DBP		75,943,273.78	84,016,767.48
<hr/>			
<b>Total Current Liabilities</b>			<b>270,713,571.24</b>

**Taxes Claimed by the Bureau of Internal Revenues per Revenue Regulation, No. 16**

Per BIR Assessment Notice No. RR-16-098-112-05 dated 09/14/05, the following taxes are being claimed by BIR covering the period from 1997 to 2003.

	<u>Basic</u>	<u>Penalty</u>	<u>Total</u>
Income	96,816,603.38	150,587,525.05	247,404,128.43
Franchise	36,090,527.28	53,756,303.12	89,846,830.40
VAT	1,430,967.06	2,266,987.68	3,697,954.74
<b>Total</b>	<b>134,338,097.72</b>	<b>206,610,815.85</b>	<b>340,948,913.57</b>

BIR RR-10 sent a notice dated 02/28/07 informing the District to settle the said tax liability within 10 days from receipt and to avail the One Time Administrative Abatement until 03/30/07. A meeting with the BIR resulted to a compromise agreement that the District will only pay the 2007 franchise tax while the assessment is still under appeal with the On 04/03/07, the BIR ordered the garnishment of the District Funds from its depository banks. The garnishment was lifted on 04/25/07. The District paid the basic franchise tax for:

1997-2003	
EPCIB garnished deposit - ROR# 26606 dtd. 05-02-07	87,586.20
Postal Bank garnished deposit dtd. 05-03-07	17,235.80
CV#05-55 dtd 05-10-07	12,000,000.00
CV#06-254 dtd 06-28-07	5,000,000.00
1997-2003	
CV#07-156 dtd 07-19-07	2,000,000.00
CV#07-256 dtd 07-31-07	3,000,000.00
CV#07-259 dtd 07-31-07	2,000,000.00
CV#09-61 dtd 09-07-07	2,500,000.00
CV#11-229 dtd 11-29-07	500,000.00
Year 2011 (Accumulated)	8,985,705.28
Total	<u>36,090,527.28</u>
Remaining Balance as of 12/31/2011	<u>-</u>
2004	
Total Payable - JV#06-033-11	5,053,522.84
Payments:	
Year 2012 (Accumulated)	<u>5,053,522.84</u>
Remaining Balance	<u>-</u>
2004	
Total Payable - JV#06-033-11	5,053,522.84
2005	
Total Payable - JV#06-033-11	6,562,738.30
Payments:	
Year 2012 (Accumulated)	<u>6,562,738.30</u>
Remaining Balance	<u>-</u>
2006	
	<u>9,794,937.43</u>

2007		2008			
Mar	3,063,270.60	Jan - Mar	2,835,518.96		
Apr.	1,045,543.40	Apr.	953,408.87		
Ma.	970,013.91	Ma.	940,211.57		
Jun.	935,756.64	Jun.	984,563.83		
Jul.	934,726.43	Jul.	950,465.26		
Aug.	988,234.79	Aug.	981,252.18		
Sept.	943,413.40	Sept.	974,306.51		
Oct.	967,169.43	Oct.	960,698.27		
Nov.	967,835.18	Nov.	992,234.66		
Dec.	953,718.90	Dec.	983,441.43		
Total	11,769,682.68	Total	11,556,101.54		
Less Withheld Taxes	61,166.01	Less Withheld Taxes	88,297.24		
Net Tax Paid	11,708,516.67	Net Tax Paid	11,467,804.30		
2009		2010			
Jan.	981,355.84	Jan.	1,017,870.86		
Feb.	961,422.15	Feb.	990,648.25		
Mar	966,991.06	Mar	993,568.22		
Apr	1,036,887.42	Apr	1,083,732.96		
Ma.	1,010,809.94	Ma.	986,118.35		
Jun	1,004,488.87	Jun	1,032,311.43		
Jul	987,837.71	Jul	1,041,104.73		
Aug	1,038,028.80	Aug	1,060,164.68		
Sep	1,033,455.70	Sep	1,042,640.32		
Oct	1,000,908.05	Oct	1,035,156.92		
Nov	1,006,582.13	Nov	995,903.77		
Dec	1,005,987.60	Dec	1,047,699.48		
Total	12,034,755.27	Total	12,326,919.97		
Less Withheld Taxes	32,515.13	Less Withheld	39,947.47		
Net Tax Paid	12,002,240.14	Net Tax Paid	12,286,972.50		
2011		2012			
Jan.	1,076,089.41	Jan.	602,585.94		
Feb.	961,556.32	Feb.	938,409.08		
Mar	1,014,005.93	Mar	1,750,550.05		
Apr	1,011,284.99	Apr	964,516.31		
Ma.	1,033,584.76	Ma.	964,516.31		
Jun	1,069,739.96	Jun	1,023,689.60		
Jul	1,055,174.97	Jul	804,413.76		
Aug	1,081,839.83	Aug	660,059.65		
Sep	1,060,272.80	Sep	889,855.47		
Oct	1,300,033.18	Oct	933,573.66		
Nov	1,299,404.29	Nov	857,929.25		
Dec	835,825.78	Dec	761,167.42		
Total	12,798,812.22	Total	11,151,266.50		
Less Withheld Taxes	100,202.65				
Net Tax Paid	12,698,609.57				
2013		2014		2015	
Jan.	911,758.35	Jan.	1,102,142.76	Jan.	1,309,519.21
Feb.	904,736.83	Feb.	1,231,961.66	Feb.	1,608,113.02
Mar	849,446.65	Mar	1,022,045.66	Mar	1,122,095.67
Apr	864,433.06	Apr	1,192,834.86	Apr	1,272,533.11
Ma.	1,035,896.77	Ma.	1,148,134.48	Ma.	1,440,221.48
Jun	977,193.73	Jun	1,368,744.90	Jun	1,397,498.59
Jul	1,015,110.74	Jul	1,340,485.64	Jul	1,430,113.74
Aug	1,050,631.27	Aug	1,417,220.27	Aug	1,385,368.46
Sep	1,047,107.46	Sep	1,393,879.34	Sep	1,551,951.59
Oct	997,278.11	Oct	1,322,180.81	Oct	1,230,733.96
Nov	1,030,288.29	Nov	1,376,812.78	Nov	1,371,380.39
Dec	1,067,932.47	Dec	1,352,503.94	Dec	1,353,738.67
Total	11,751,813.73	Total	15,268,947.10	Total	16,473,267.89
2016		2017		2018	
Jan	1,402,581.46	Jan	1,369,213.50	Jan	1,322,984.89
Feb	1,453,106.72	Feb	1,479,398.32	Feb	1,491,126.44
Mar	1,307,233.76	Mar	1,304,556.64	Mar	0.00
Apr	1,388,264.64	Apr	1,532,202.24	Apr	2,688,304.91
May	1,284,475.36	May	1,269,802.05	May	0.00
Jun	1,518,689.12	Jun	1,548,364.29	Jun	0.00
Jul	1,420,579.99	Jul	1,335,792.91	Jul	4,344,460.04
Aug	1,322,142.37	Aug	1,437,942.83	Aug	0.00
Sep	1,465,890.32	Sep	1,419,284.75	Sep	0.00
Oct	1,354,243.15	Oct	1,367,207.98	Oct	4,255,136.74
Nov	1,348,512.09	Nov	1,372,314.54	Nov	0.00
Dec	1,369,443.91	Dec	1,347,936.67	Dec	2,954,773.72
Total	16,635,162.89	Total	16,784,016.72	Total	17,056,786.74

**Note 13 Non Current Liabilities**

Loans Payable consists of the following loans granted by Local Water Utilities Administration (LWUA) and Development Bank of the Philippines. Details is shown below:

LAN	Particulars	Year	Loan Terms		Maturity	Start of	Repayment Period	Principal	Repayments	Balance as of
			Lender	Interest						
1-057	Phase II -A Prod. Wells	10/1/1983	LWUA	11%	12/31/2015	1/31/1990	26.00	5,000,000.00	5,003,350.21	(3,350.21)
1-051	Phase II-B Project - Schedules A, B & C	2/11/1988	LWUA	13%	7/31/2021	8/31/1995	26.00	95,879,394.29	70,631,142.50	24,448,251.79
3-747	Phase III - 520.128M	5/30/1996	LWUA	13%	9/30/2031	10/31/2005	26.00	520,128,000.00		
	Less Payment as of 08/2008							(9,334,840.00)		
	Balance							510,793,160.00		
	Less Amount refinanced by DBP							(296,118,104.00)		
	Loan Amount - Phase 3 214.6M			13%	9/30/2031	9/30/2008	23.08	214,675,056.00	3,457,402.00	17,449,348.90
	Less: Payments as of April 2013							(10,144,575.00)		
	Balance							204,530,481.00		
	Less: Amount-refinanced by DBP							(183,623,730.10)		
	Balance for amortization							20,906,750.90		
3-840	Phase 3 - 191.121M	7/5/2006	LWUA	13%				191,121,000.00		
	Less Payment as of 08/2008							(2,320,113.00)		
	Balance							188,800,887.00		
	Less: Amount refinance by DBP							(188,800,887.00)		
	Loan Amount - Phase 3 191.121M							-		
	Balance							-		
4-2317	Phase III - 200M	8/31/2006	LWUA	12.5%	12/31/2026	1/31/2007	20.00	100,000,000.00		
				13.5%				100,000,000.00		
	Total							200,000,000.00		
	Less: Payments as of April 2013							(20,678,853.00)		
	Balance							179,321,147.00		
	Less: Amount refinance by DBP							(179,321,147.00)		
	Balance							0.00	0.00	0.00
4-2547	Youngsville WSS-4.108M	2/3/2009	LWUA	7.5%	11/30/2016	12/31/2011	5.00	4,108,071.24	4,108,071.24	0.00
	Total - LWUA LOANS							418,862,521.53	83,199,965.95	41,894,250.48
511-357-455-9	502.011 M Refinanced Loan	9/30/2008	DBP	9.00%	9/30/2023	10/30/2008	15.00	502,811,668.62	275,502,594.04	226,509,074.58
	370.203M Refinance Loan	5/30/2013	DBP	7.6%	5/30/2028	5/30/2013	15.00	370,203,774.64	139,854,759.52	230,349,015.12
	200 M Back to Back Loan	3/13/2017	DBP	4.65%	9/8/2017		0.50	200,000,000.00	200,000,000.00	0.00
2017-008	180.090 NRW Reduction Program	9/8/2017	DBP	5.70%	9/8/2032	10/8/2017	15.00	180,090,092.00	16,008,008.16	164,082,083.84
2017-009	23.45M NRW Reduction Program	9/8/2017	DBP	4.65%	9/8/2024	10/8/2017	7.00	23,455,053.00	4,467,629.12	18,987,423.88
	Total - LWUA & DBP							1,694,623,109.79	719,032,956.79	681,821,847.90
										84,016,767.48
										597,805,080.42

Less: Current Portion Long-term Debt  
Total Long-term Liabilities

**SUMMARY:**

		Acct.433	Acct.434	Total Loans
		Long-term Loans	Current Portion	
I. LWUA				
1-057	Phase II -A Prod. Wells		(3,350.21)	(3,350.21)
1-051	Phase II-B Project - Schedules A, B & C	16,970,655.88	7,477,595.91	24,448,251.79
3-747	Phase III - 520.128M	16,850,100.90	599,248.00	17,449,348.90
4-2317	Phase III - 200M	0.00	0.00	0.00
4-2547	Youngsville WSS-4.108M	0.00	0.00	0.00
	TOTAL LWUA	33,820,756.78	8,073,493.70	41,894,250.48
II. DBP				
2008-181	502.011M Refinanced Loan	187,326,425.47	39,182,649.11	226,509,074.58
2013-007	370.203M Refinanced Loan	207,725,451.08	22,623,564.04	230,349,015.12
	200M Back to Back Loan			0.00
2017-008	180.090 NRW Reduction Program	161,671,802.51	2,410,281.33	164,082,083.84
2017-009	23.45M NRW Reduction Program	7,260,644.58	11,726,779.30	18,987,423.88
	TOTAL DBP	563,984,323.64	75,943,273.78	639,927,597.42
	GRAND TOTAL	597,805,080.42	84,016,767.48	681,821,847.90

The amount of Php502,011,668.662 was credited to LWUA's LBP-Commonwealth branch saving account no. 511357455-9 on September 30, 2008 and was applied as follows:

LAN	Loan Outstanding as of Aug. 2008	Application of the 50% loan	2% Preterm. Fee	Total Refinanced Amount	Outstanding Balance
1-051	79,122,331.80				
1-057	2,440,640.00				
3-747	510,793,160.00	296,118,104.00	5,922,362.08	302,040,466.08	214,675,056.00
3-840	188,800,887.00	188,800,887.00	3,776,017.74	192,576,904.74	
4-2317	196,075,261.00				
OAB	7,394,297.80	7,394,297.80		7,394,297.80	
TOTAL	984,626,577.60	492,313,288.80	9,698,379.82	502,011,668.62	

The amount of Php370,203,774.64 was credited to LWUA's LBP Commonwealth Branch Savings Account No. 511357455-9 on May 30, 2013 and was applied as follows:

LAN	Loan Outstanding as of Apr. 2013	Application of the 80% loan	2% Preterm. Fee	Total Refinanced Amount
1-051	63,500,316.61			
1-057	1,020,592.00			
3-747	204,530,481.00	183,623,730.10	3,672,474.60	187,296,204.70
4-2317	179,321,147.00	179,321,147.00	3,586,422.94	182,907,569.94
4-2547	3,095,481.24			
TOTAL	451,468,017.85	362,944,877.10	7,258,897.54	370,203,774.64

The pretermination fees charged by DBP and the front-end fees/documentary stamps.

Refinance Loan	2% Preterm Fee	Front-end fee/ Doc stamp DBP	Start of Amort.	No. of years	Total Amount
502.011M	9,698,379.82	6,651,664.61	Oct. 2008	15.00	16,350,044.43
370.203M Refinance Loan	7,258,897.54	2,905,039.00	Jun. 2013	15.00	10,163,936.54
200 M Back to Back Loan		490,411.00	Sep. 2017	0.50	490,411.00
180.090 NRW Reduction Program		900,451.00	Oct. 2017	15.00	900,451.00
23.45M NRW Reduction Program		117,276.00	Oct. 2017	7.00	117,276.00





Location	Area sq.m.	Appraisal Cost
Macasandig PW No. 9	7743	3,677,925.00
Macasandig Old Pump	218	320,460.00
Total		28,442,834.04
Land reverted to donor	150	(21,000.00)
Land reverted to donor	348	(156,600.00)
<b>Balance as of 12/31/2012</b>		<b>28,265,234.04</b>

**Retained Earnings**

Beginning Balance-1/1/2019			
Retained Earnings - Unappropriated	1,810,872,845.05		
Retained Earnings - Appropriated	144,094.00	1,811,016,939.05	
Total Net Income		1,671,501.04	1,812,688,440.09
Miscellaneous Charges to Retained Earnings due to prior period adjustments			(14,085,113.13)
<b>Ending Balance- 01/31/19</b>			<b>1,798,603,326.96</b>

In adherence with AOM No. COWD2015-23 dated 11/5/2015, the Donated Capital from LWUA Sendong Grant amounting to P 36,476,905.41 was reclassified to Retained Earnings Appropriated per JV No.11-28D-15.

## Summary:

Government Equity			866,925.40
Donated Capital			
Other Paid in Capital	90,964,923.19		
Appraisal Capital	28,265,234.04		119,230,157.23
Retained Earnings			1,798,603,326.96
<b>Total Equity</b>			<b>1,918,700,409.59</b>

**Note 16 Significant Disclosures**

Bulk Water Supply Agreement (BWSA) between COWD and Rio Verde Consortium, Inc.

- A. The Bulk Water Supply Agreement (BWSA) was entered between Cagayan de Oro City Water District (COWD) and Rio Verde Water Consortium, Inc. and conforme by LWUA on Dec. 23, 2004.
- B. A supplemental agreement on Jan. 21, 2005 stipulated that Rio Verde will supply treated bulk water to COWD, and the latter, in turn guaranteed to purchase at least Forty Thousand (40,000) cubic meters per day through out the Contract Period of 25 years that started on CY 2007.
- C. COWD's actual payments made to Rio Verde was based on the purchase order in accordance with the contract and not based on the actual delivered bulk water supply.

On June 5, 2014, COWD filed a complaint for the Nullification of Contract against RVWCI before the Regional Trial Court of Cagayan de Oro City, Branch 38, which was docketed therein as Civil Case No. 2014-141.

Per Judgment by Compromise dtd. 12/21/17 relative to Civil Case No. 2014-141-R for the Nullification of Contract between the Cagayan de Oro City Water District and Rio Verde Water Consortium, Inc. agreed that both parties are no longer interested in pursuing the Disputes against each other and they hereby agree to mutually terminate the proceedings involving the same, as well as to mutually preterminate the BSWA, dtd. 12/23/2014 and the Disputes arose, which shall be deemed cancelled, revoked and legally terminated upon the signing of this agreement by the parties, without prejudice to their operative effects prior to the effective date of their mutual termination.

Joint Venture Agreement dtd. 8/14/17 between COWD and Metropac Water Investment Corporation (MWIC)

On June 8, 2015, COWD accepted the unsolicited MWIC's proposal to enter into a joint venture under Revised Joint Venture Guidlines issued by the National Economic Development Authority. The parties agreed to divide the JV activities into two phases: (1) the design and construction of transmission facilities and rehabilitation of the existing reservoir located at Camaman-an, Cag. de Oro to enable the distribution of the least 40MLD of potable bulk water within the eastern sector of Cag. de Oro to be completed within 12 months from the effectiveness of this agreement, and (2) the supply of at least 60MLD of bulk water treated to the service requirement of western sector, to be implemented within 2 months from the effectiveness of this agreement.

The JV Agreement was signed on August 14, 2017 under the JV Corporation corporate name Cagayan de Oro Bulk Water Inc.

The initial authorized capital stock in the amount of Php 140,000,000.00 divided into 140,000,000 shares with par value of Php1.00 per share. The allocation of share of stocks is as follows:

	COWD	MWIC	TOTAL
Initial No. of Shares Subscribed	1,750,000.00	33,250,000.00	35,000,000.00
Additional No. of Shares Subscribed	5,250,000.00	99,750,000.00	105,000,000.00
Total No. of Share Subscribed	7,000,000.00	133,000,000.00	140,000,000.00
Amount Subscribed	P 7,000,000.00	P 133,000,000.00	P 140,000,000.00
% of Outstanding Capital	5.00%	95.00%	100.00%

The subscription price for the Parties' additional subscriptions for an aggregate of P105,000,000 Shares shall be paid at such times and on such terms as may be determined by the Board: provided, that the Parties hereby acknowledge that the payment for the COWD's subscriptions for Shares shall be sourced from the rentals to be paid on COWD under the Lease Agreement

Bulk Water Supply Agreement dtd. 10/30/17 between COWD and Cag. De Oro Bulk Water Inc. (COBI) to supply treated water

Billing Month	Bulk Water Rates
1-24	P 16.00
25-36	P 16.60
37-600	Base Rate Fee + Fee Adjustment based on BWSA Agreement

Lease Agreement of COWD Existing Facilities dtd. 10/30/17 between COWD and Cag. De Oro Bulk Water Inc. (COBI)

In pursuant to the Joint Venture Agreement, COWD agreed to lease the following facilities to Cag. De Oro Bulk Water Inc. This shall commence from the execution date dtd. 10/30/17 and shall remain effective and binding upon the Parties for as long as the JVA remains in effect, unless otherwise terminated in accordance with Section 5 of this agreement. For the exclusive use of this facilities the lessee shall pay the rental payment in the amount of P 7,000,000.00 covering the entire term of the Rent on the Commencement Date.

- Deep Well#18 is located at Barangay Canito-an, Cagayan de Oro City. It has an approximate capacity of P 1,476 cubic meters/per day and has an effective elevation of 26 meters above mean sea level. It is in standby mode and only serves as alternative Deep Well source of COWD. It has an appraised market value of Php 1,770,000.00.
- Deep Well#12 is located at Barangay Canito-an, Cagayan de Oro City. It has an approximate capacity of P 633 cubic meters/per day and has an effective elevation of 17.40 meters above mean sea level. It is in standby mode and only serves as alternative Deep Well source of COWD. It has an appraised market value of Php 2,364,000.00.

Humanitarian Donation of the Government of Switzerland to COWD

As part of the relief operation for the Victims of the Typhoon Sendong, the Government of Switzerland thru its Swiss Humanitarian Aid (SHA) donated the following Equipments to Cagayan de Oro City Water District with a total amount of Php 2,092,736.60 ( CHF 44,647 X Php 46.87295 per CHF to Php exchange rate dtd. 1/30/2012) per Memorandum of Agreement & Letter of Donation between the COWD and the Swiss Humanitarian Aid of the Swiss Confederation dtd. June 1, 2012 and GM Memorandum 15, s-2012.

2 Bladders 5,000 litres with drinking water distribution stand  
 1 Bladders 10,000 litres with drinking water distribution stand  
 1 water laboratory  
 1 well cleaning set  
 2 tool kit  
 1 repair kit for drinking water distribution stand  
 18 WATASOL

Equipments Turn-over by Japan International Cooperation Agency (JICA) to COWD

As part of the Rehabilitation Project for COWD Facilities Damaged by Typhoon Sendong , Japan International Cooperation Agency(JICA) turn-over the following Equipments to Cagayan de Oro City Water District with a total amount of Php 40,994,730.00.

I. Production Facilities

A. New Booster Pump (3-Phase 440 V)

150 Hp submersible pump & motor	7,500,000.00	
150 Hp VFD complete w/ panel board & accessories	3,500,000.00	
software	1,000,000.00	12,000,000.00

B. Production Well Motors (3-Phase 440V Submersible Pump-Motor Assembly complete w/ controllers & accessories

PW No. 1-125 Hp	2,000,000.00	
PW No. 4- 60 Hp (240V)	1,500,000.00	
PW No. 7- 60 Hp	1,500,000.00	
PW No. 9-125 Hp	2,000,000.00	
PW No. 19-100 Hp	2,000,000.00	
PW No. 24-30 Hp	800,000.00	9,800,000.00

C. Transformer

Power Cable for BPS old	800,000.00	
Secondary Cable for BPS New-Yen Loan	800,000.00	1,600,000.00

D. Chlorinating System

100 ppd		1,000,000.00
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E. Generator Set

219 KVA for PWs 4,7,9 & 19	6,000,000.00	
75 KVA for PW 24	1,094,730.00	7,094,730.00

II. Other Facilities

A. Laboratory Apparatus and Equipment

Biosafety Cabinet		1,000,000.00
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III. Service Connection Rehab

A. Materials

5/8" 1/2" water meter		8,500,000.00
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**Total**

**40,994,730.00**

Establishment of Other-Deferred Debits-Non-moving Items for Disposal

As of May 2012 COWD has established a total of P239,510.20 corresponding to non-moving items for disposal. This account is shown under deferred charges account.

Disposal of Unserviceable Items

The unserviceable items of COWD was sold to 88 Cooney Recycling Metal Junk Shop for a total amount of Php 3,555,992.00 per OR# 3717847 & 3717857 dated January 08, 2014.

GSIS Payable- Premium Deficiency (ER) under MOA signed on October 31, 2013

Approved per Board Resolution Nos. 101, S-12 and 061, S-13,(Annex "A") dated September 25, 2012 and July 15, 2013 respectively the Memorandum of Agreement (MOA) between COWD and GSIS for the settlement of unpaid premiums and interest for the period covered June 1978 to March 1992 with the net total obligation of P 6,410,706.93 and such is payable within a period of sixty (60) months, with interest rate of twelve percent (12%) per annum on a diminishing balance.

Approved per Board Resolution No. 010, S-2015 the 5-year term mode of payment of Government Share (GS) back Premium, Arrearages & Interest including 50% interest for retired and separated employees covering the period from June 1978 to March 1992 with a maximum total estimated amount of Php 3,155,157.21 and authorize the General Manager to enter into and sign a Supplemental Memorandum of Agreement (MOA) with GSIS for and in behalf of COWD. However, this was amended per Board Resolution No. 024,S-15.

Approved per Board Resolution No. 024,S-15 the resolution to pay the Government Share of Back Premium, Arrearages & Interest with 50% condonation covering the period from June 1978 to March 1992 for retired and or separated employees in the total amount of Php 1,380,681.56 on one time basis rather than the 5-year term mode of payment to save on interest charges that would amount to Php62,068.36.

Adaption and Implementation of 30% Water Rate Adjustment in 3 Tranches.

BOD Resolution No. 086, s-13 dated October 2, 2013 approved the Adaption and Implementation of the New Water Rates of COWD in 3 tranches. In pursuant to it, GM Memorandum-255, s-2013 dated October 10, 2013 hereby directed the implementation of the said water rate adjustment.

Effectivity:

November 01, 2013	1st 10% increase
February 01, 2014	2nd 10% increase
May 01, 2014	3rd 10% increase

Effectivity shall apply to the consumption month, therefore billing shall commence December 01, 2013, March 01, 2014 and June 01, 2014, respectively.

Memorandum of Agreement (MOA) dated March 19, 2014 between National Housing Authority (NHA) and Cagayan de Oro City Water District (COWD). The COWD Board of Directors Resolution No. 100, S-13 approve the Memorandum of Agreement (MOA) by and between NHA and COWD for the Installation, Operation and Maintenance of the Development of Water Source with Overhead Steel Tank at the NHA-CDO Bayanihan Village Phase I located at Macapaya, Camaman-an, Cagayan de Oro City. The Project will be undertaken at an Estimated Total Project Cost of Eleven Million Eight Hundred Seventy Nine Thousand One Hundred Thirty Four Pesos (Php 11,879,134.00) to be completed within a period of 120 calendar days, breakdown as follows;

Lot Acquisition	280,000.00
Production Well Drilling	2,836,690.00
Support Facilities	6,365,950.00
Overhead Steel Tank	2,396,494.00
<b>TOTAL</b>	<b><u>11,879,134.00</u></b>

Funds for Installation of the said project shall be provided by NHA Forty Percent (40%) of the total project cost shall be released upon perfection of the Agreement while the rest of the project shall be released on progress payment basis. The said partial payment of 40% of the total project cost was received by COWD per OR No. 3789040 dated September 3, 2014 amounting to Php 4,751,653.60.

Memorandum of Agreement (MOA) dated June 29, 2015 between DILG, LGU of Cagayan de Oro City and COWD. The COWD Board of Directors' Resolution No. 070, S-15 dtd. 6/2/2015 approved the Memorandum of Agreement (MOA) by and between DILG, LGU-CDOC and COWD for the Proposed Expansion of Level II Water Supply System for CDORSH-1 Phase III at Calaanan, Calanitoan, this city, as one of the 2014 Bottom-up Budgeting (BUB) Program of the present administration which will be funded by the DILG (as source agency), LGU (as implementing partner) and COWD (as implementing agency). The said project will serve 1,274 families that have been displaced by typhoon Sendong.

The total cost for this project is as follows;

<u>Agency</u>	<u>Amount</u>
DILG	4,900,000.00
LGU of Cagayan de Oro City	2,100,000.00
COWD	3,400,146.00
<b>TOTAL</b>	<b><u>10,400,146.00</u></b>

Memorandum of Agreement (MOA) between Johndorf Ventures Corporation and Cagayan de Oro City Water District (COWD). Per Board Resolution No. 153 S-10 dated November 10, 2010 which approved the Memorandum of Agreement (MOA) between COWD and Johndorf Ventures Corporation, that Johndorf will be reimbursed of the actual expenses incurred to interconnect Pag-ibig Citi Homes to the COWD's Main Water Supply Pipe and such is payable w/in three (3) years on a quarterly basis. The computation is as follows:

Actual amount for the contract	8,328,262.10
Less: Deductions	
Water Payments Collected	(828,374.28)
Cost of Seepage per MOA	<u>(86,973.00)</u>
Net Payable to Johndorf Ventures	7,412,914.82
Divide: Payment Period	<u>12</u>
Quarterly Payment to Johndorf	<b><u>617,742.90</u></b>
Principal Amount	7,412,914.82
Less: Payments (Jan. 2012-Jan. 2015)	<u>(7,412,914.82)</u>
<b>Balance as of January 31, 2015</b>	<b><u>-</u></b>

Memorandum of Agreement (MOA) dated 8/16/16 between Local Water Utilities Administration and Cagayan de Oro City Water District Per Board Resolution No. 014,s-2018 dated January 17, 2018 which approved the amendment of Resolution No. 067,s-2017 dated June 1, 2017 for the release of P 60,278,254.00 to support the water supply system projects in Cagayan de Oro City for displaced families affected by Typhoon Sendong in 2011. The approved financial assistance from DBM through National Risk Reduction and Management Council (NDRRMC) was released through LWUA per LWUA Equity Account Check No. 0000024792 dtd. 4/23/2018. Details are as follows:

<b>Relocation Sites</b>	
Calaanan, Barangay Canitoan (Mahogany, Talongan, Phase III & Expansion Area)	30,111,900.00
Barangay Canitoan (Gawad Kalinga)	8,973,996.85
Xavier Eco-Ville Relocation Sites, Barangay Lumbia	23,126,746.05
NHA-Bayanihan Relocation Village Phase 1, Sitio Macapaya, Barangay Camaman-an	<u>1,410,502.11</u>
<b>Total Project Cost per LWUA validated Program of Works</b>	<b><u>63,623,145.01</u></b>
Less: LWUA's Engineering, Administrative & Overhead Cost	<u>(3,344,891.01)</u>
<b>Net Amount released to COWD per COWD OR No. 4201101 dtd. 5/10/18</b>	<b><u>60,278,254.00</u></b>