



CAGAYAN DE ORO CITY WATER DISTRICT

FINANCIAL REPORT

December 31, 2017

Date

PHILIPPINE CURRENCY






REPUBLIC OF THE PHILIPPINES  
**CAGAYAN DE ORO CITY WATER DISTRICT**  
Corrales Avenue, Cagayan de Oro City

**FINANCIAL STATEMENTS**  
December 31, 2017

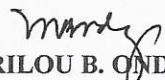
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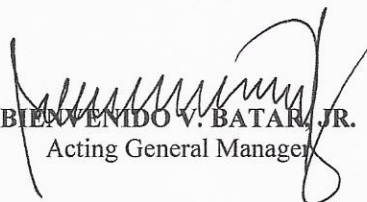
Prepared by:

  
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Division Manager *AW 5-10-18*

Checked by:

  
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Finance Manager

Approved By:

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

**CAGAYAN DE ORO CITY WATER DISTRICT**  
**TRIAL BALANCE**  
**December 31, 2017**

ACCOUNT NO.	ACCOUNT TITLE	DEBIT	CREDIT
102	CASH-COLLECTING OFFICERS	Php 3,695,672.70	
103	WORKING CAPITAL		
107	CASH IN BANK- LOCAL CURRENCY CURRENT ACCOUNT	221,674,483.97	
107	CASH IN BANK- LOCAL CURRENCY TIME DEPOSIT	643,917,643.37	
111	ACCOUNTS RECEIVABLE-CUSTOMERS	141,824,801.22	
134	CASH ADVANCES TO OFFICERS & EMPLOYEES	105,950.64	
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	1,060,755.67	
151	OFFICE SUPPLIES INVENTORY	1,876,860.68	
157	FUEL,OIL& LUBRICANTS INVENTORY	113,636.64	
158	CHEMICAL & FILTERING SUPPLIES INVENTORY	1,138,730.40	
159	MAINTENANCE SUPPLIES INVENTORY	13,679,104.00	
168	CONSTRUCTION MATERIALS INVENTORY	15,572,010.10	
169	OTHER INVENTORIES	81,402,486.02	
171	PREPAID RENT		
172	PREPAID INSURANCE	420,174.16	
177	GUARANTY DEPOSIT	8,931,444.88	
178	OTHER PREPAYMENTS AND DEPOSITS	537,029.73	
181	INPUT TAX		
189	OTHER DEFERRED CHARGES	1,314,437.08	
201	LAND	40,823,894.89	
203	PLANT	1,566,399,507.01	
204	BUILDINGS & OTHER STRUCTURES	138,249,039.64	
207	OFFICE EQUIPMENTS	60,650,834.75	
208	LABORATORY EQUIPMENTS	7,143,588.03	
214	LAND TRANSPORT EQUIPMENTS	54,006,948.98	
225	OTHER MACHINERIES & EQUIPMENT	326,656,773.72	
226	OFFICE FURNITURES & FIXTURES	3,120,858.75	
243	CONSTRUCTION-IN-PROGRESS-PLANT	16,313,799.57	
244	CONSTRUCTION-IN-PROGRESS-BUILDINGS & OTHER STRUCTURES	56,194,272.87	
261	INTANGIBLE ASSETS	5,672,781.20	
265	RESTRICTED FUND	254,366,579.03	
279	OTHER ASSETS	170,065,087.19	
300	CONTRA ASSET ACCOUNTS		1,125,880,982.85
301	ALLOWANCE FOR DOUBTFUL ACCOUNTS		2,338,312.41
412	DUE TO NATIONAL AGENCIES (BIR)		4,681,677.79
413	DUE TO GSIS		890,329.56
413	DUE TO PAG-IBIG		3,986.82
413	DUE TO PHILHEALTH		219,098.70
413	DUE TO SSS		599.40
423	DUE TO OFFICERS & EMPLOYEES		64,422.15
424	CONTACTORS' SECURITY DEPOSIT		29,945,120.28
426	ACCRUED LIGHT & POWER		12,256,818.95
429	OTHER PAYABLES		46,351,453.38
433	LOANS PAYABLE		694,314,167.28
434	CURRENT PORTION OF LONG-TERM DEBTS		84,615,372.61
451	CUSTOMERS' DEPOSITS		9,056,122.05
459	DEFERRED CREDITS		31,103,692.82
471	CAPITAL CONTRIBUTION-GOVERNMENT EQUITY		866,925.40
477	CAPITAL/EQUITY RESERVE		
479	DONATED CAPITAL (OPIC)		119,230,157.23
481	RETAINED EARNINGS		1,424,172,110.11
576	GENERATION, TRANSMISSION AND DISTRIBUTION		958,185,889.54
612	INTEREST INCOME		6,157,798.76
618	OTHER BUSINESS AND SERVICE INCOME		8,030,932.03
619	FINES AND PENALTIES - OTHER BUSINESS AND SERVICE INCOME		40,370,833.06
659	OTHER INCOME		8,235,372.78
701	SALARIES & WAGES- REGULAR	83,097,102.28	
706	SALARIES & WAGES- OTHERS (CASUAL & JO)	37,658,528.66	
707	PERA	11,224,097.64	
710	REPRESENTATION ALLOWANCE(RA)	2,030,500.00	
711	TRANSPORTATION ALLOWANCE(TA)	2,030,500.00	
712	CLOTHING & UNIFORM ALLOWANCE	2,365,643.55	
713	HONORARIA (BOD)	2,290,574.30	
714	YEAR END BONUS	12,079,032.98	
719	OTHER BONUSES AND ALLOWANCES	20,567,771.00	
721	LIFE & RETIREMENT INSURANCE CONTRIBUTION	11,610,709.90	
722	PAG-IBIG CONTRIBUTION	537,281.66	
723	PHILHEALTH CONTRIBUTION	1,080,900.00	
724	ECC CONTRIBUTION	502,335.42	
725	PROVIDENT FUND CONTRIBUTION	16,306,227.31	
734	RETIREMENT BENEFITS	428,931.68	
737	VACATION AND SICK LEAVE BENEFITS	6,388,263.60	
749	OTHER PERSONNEL BENEFITS	3,395,989.27	
751	OFFICE SUPPLIES EXPENSES	5,203,199.95	
757	FUEL, OIL & LUBRICANT EXPENSES	2,985,815.77	
765	OTHER SUPPLIES	1,713,248.85	
766	TRAVEL EXPENSES	2,537,065.77	
767	TRAINING & SCHOLARSHIP EXPENSE	3,653,315.27	
769	ELECTRICITY	4,567,658.83	
771	FUEL	36,747.26	
772	POSTAGE AND DELIVERIES	274,796.28	
773	TELEPHONE EXPENSE-LANDLINE	207,301.71	
774	TELEPHONE EXPENSE-MOBILE	697,347.55	
775	INTERNET EXPENSES	246,546.36	
776	CABLE, SATELLITE, TELEGRAPH,TELEGRAPH & RADIO EXPENSES	627.01	
777	PRINTING SERVICES	842,600.00	
778	ADVERTISING, PROMOTIONAL & MARKETING	960,817.90	
779	TAXES, DUTIES & LICENSES	20,803,809.15	
789	WATERSHED & ENVIRONMENTAL PROTECTION	213,887.86	
780	PERMITS AND REGISTRATION FEE	452,192.53	

**CAGAYAN DE ORO CITY WATER DISTRICT**  
**TRIAL BALANCE**  
**December 31, 2017**

ACCOUNT NO.	ACCOUNT TITLE	DEBIT	CREDIT
781	INSURANCE PREMIUMS	1,147,672.43	
782	REPRESENTATION EXPENSES	99,377.16	
783	AWARDS & REWARDS	-	
785	INDEMNITIES AND OTHER CLAIMS	327,587.78	
786	RENT/LEASE EXPENSE	1,086,500.00	
792	GENERATION, TRANSMISSION & DISTRIBUTION EXPENSES	300,156,413.22	
795	EXTRA MISCELLANEOUS EXPENSES	117,600.00	
796	MEMBERSHIP DUES & CONTRIBUTION TO ORGANIZATIONS	61,500.00	
797	CULTURAL & ATHLETIC EXPENSES	673,126.70	
803	REPAIRS & MAINTENANCE-PLANT	17,448,283.42	
804	REPAIRS & MAINTENANCE- BUILDINGS AND OTHER STRUCTURES	1,093,177.21	
807	REPAIRS & MAINTENANCE- OFFICE EQUIPMENT	17,422.00	
814	REPAIRS & MAINTENANCE- LAND TRANSPORT EQUIPMENTS	2,102,061.82	
825	REPAIRS & MAINTENANCE- OTHER MACHINERY AND EQUIPMENT	333,288.10	
826	REPAIRS & MAINTENANCE- FURNITURE AND FIXTURES	1,020.00	
841	DONATIONS	81,000.00	
842	LEGAL SERVICES	128,704.00	
843	AUDITING SERVICES	344,453.60	
845	JANITORIAL SERVICES	822,236.35	
846	SECURITY SERVICES	10,020,692.08	
849	OTHER PROFESSIONAL FEES	411,933.00	
901	DOUBTFUL ACCOUNTS EXPENSES	458,482.56	
903	DEPRECIATION-PLANT	46,427,197.26	
904	DEPRECIATION-BUILDINGS AND OTHER STRUCTURES	6,373,017.66	
907	DEPRECIATION-OFFICE EQUIPMENT	6,387,114.92	
908	DEPRECIATION-LABORATORY EQUIPMENT	1,100,497.48	
914	DEPRECIATION-LAND TRANSPORTATION EQUIPMENT	3,608,271.69	
925	DEPRECIATION-OTHER MACHINERIES AND EQUIPMENT	19,718,259.37	
926	DEPRECIATION-FURNITURE AND FIXTURES	468,559.99	
931	AMORTIZATION-INTANGIBLE ASSETS	650,616.60	
989	OTHER MAINTENANCE & OPERATING EXPENSES	4,844,333.43	
991	BANK CHARGES	70,945.55	
996	INTEREST EXPENSES	44,484,703.40	
	<b>TOTAL</b>	<b>Php 4,606,972,175.97</b>	<b>Php 4,606,972,175.96</b>
	<b>NET INCOME</b>		<b>Php 290,923,410.09</b>

**Cagayan de Oro City Water District**  
**BALANCE SHEET**  
**As of December 31, 2017**

	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><u>ASSETS AND OTHER DEBITS</u></b>						
<b><u>CURRENT ASSETS</u></b>						
<b>Cash (NFS No. 4)</b>						
Cash- Collecting Officer Working Fund	3,695,672.70	0.13	1,765,244.30	0.08	1,930,428.40	109.36
Cash in Bank- Local Currency, Current Account	221,674,483.97	8.06	289,488,118.92	12.46	(67,813,634.95)	(23.43)
Cash in Bank- Local Currency, Time Deposits	643,917,643.37	23.43	246,273,442.56	10.60	397,644,200.81	161.46
<b>Total</b>	<b>869,287,800.04</b>	<b>31.63</b>	<b>537,526,805.78</b>	<b>23.13</b>	<b>331,760,994.26</b>	<b>61.72</b>
<b>Receivable Accounts (NFS No.5)</b>						
Accounts Receivable	141,824,801.22	5.16	134,420,677.17	5.78	7,404,124.05	5.51
Allowance for Doubtful Accounts	(2,338,312.41)	(0.09)	(2,296,315.27)	(0.10)	(41,997.14)	1.83
<b>Total Accounts Receivable-Net</b>	<b>139,486,488.81</b>	<b>5.07</b>	<b>132,124,361.90</b>	<b>5.68</b>	<b>7,362,126.91</b>	<b>5.57</b>
<b>Other Receivables (NFS No. 6)</b>						
Advances to Officers and Employees	105,950.64	-	2,019.00	-	103,931.64	5,147.68
Due from Officers and Employees	802.13	-	802.13	-	-	-
Receivable- Disallowances/Charges	39,971,212.51	1.45	39,971,212.51	1.72	-	-
Insurance/Reinsurance Claims Receivable	13,558.36	-	13,558.36	-	-	-
Other Receivable	1,060,755.67	0.04	1,071,312.51	0.05	(10,556.84)	(0.99)
<b>Total</b>	<b>41,152,279.31</b>	<b>1.50</b>	<b>41,058,904.51</b>	<b>1.77</b>	<b>93,374.80</b>	<b>0.23</b>
<b>Inventories (NFS No. 7)</b>						
Office Supplies Inventory	1,876,860.68	0.07	2,015,129.37	0.09	(138,268.69)	(6.86)
Fuel, Oil and Lubricants	113,636.64	-	87,664.47	-	25,972.17	29.63
Chemicals and Filtering Supplies Inventory	1,138,730.40	0.04	1,056,628.66	0.05	82,101.74	7.77
Maintenance Supplies Inventory	13,679,104.00	0.50	9,193,593.26	0.40	4,485,510.74	48.79
Construction Materials Inventory	15,572,010.10	0.57	15,628,448.10	0.67	(56,438.00)	(0.36)
Other Inventories	81,402,486.02	2.96	21,283,046.90	0.92	60,119,439.12	282.48
<b>Total</b>	<b>113,782,827.83</b>	<b>4.14</b>	<b>49,264,510.76</b>	<b>2.12</b>	<b>64,518,317.07</b>	<b>130.96</b>
<b>Prepayments, Deposits and Deferred Charges (NFS No. 8)</b>						
Prepaid Rent	-	-	-	-	-	-
Prepaid Insurance	420,174.16	0.02	723,761.67	0.03	(303,587.51)	(41.95)
Guaranty Deposits	8,931,444.88	0.32	8,743,659.53	0.38	187,785.35	2.15
Other Prepayments and Deposits	537,029.73	0.02	159,022.68	0.01	378,007.05	237.71
Input Tax	-	-	-	-	-	-
Other Deferred Charges	1,314,437.08	0.05	1,856,118.71	0.08	(541,681.63)	(29.18)
<b>Total</b>	<b>11,203,085.85</b>	<b>0.41</b>	<b>11,482,562.59</b>	<b>0.49</b>	<b>(279,476.74)</b>	<b>(2.43)</b>
<b>TOTAL CURRENT ASSETS</b>	<b>1,174,912,481.85</b>	<b>42.74</b>	<b>771,457,145.54</b>	<b>33.19</b>	<b>403,455,336.31</b>	<b>52.30</b>
<b><u>PROPERTY, PLANT AND EQUIPMENT (NFS No. 9)</u></b>						
<b>Land and Other Improvements</b>						
Land	40,823,894.89	1.49	40,725,074.89	1.75	98,820.00	0.24
<b>Total</b>	<b>40,823,894.89</b>	<b>1.49</b>	<b>40,725,074.89</b>	<b>1.75</b>	<b>98,820.00</b>	<b>0.24</b>
<b>Plant, Buildings and Structures</b>						
Plant (UPIS)	1,566,399,507.01	56.99	1,550,441,877.39	66.71	15,957,629.62	1.03
Buildings and Other Structures	138,249,039.64	5.03	137,550,136.48	5.92	698,903.16	0.51
<b>Total</b>	<b>1,704,648,546.65</b>	<b>62.02</b>	<b>1,687,992,013.87</b>	<b>72.63</b>	<b>16,656,532.78</b>	<b>0.99</b>
<b>Equipment and Machinery</b>						
Office Equipment	60,650,834.75	2.21	48,571,419.73	2.09	12,079,415.02	24.87
Laboratory Equipment	7,143,588.03	0.26	6,745,213.25	0.29	398,374.78	5.91
Land Transport Equipment	54,006,948.98	1.96	49,564,063.98	2.13	4,442,885.00	8.96
Other Machinery and Equipment	326,656,773.72	11.88	302,585,331.36	13.02	24,071,442.36	7.96
<b>Total</b>	<b>448,458,145.48</b>	<b>16.32</b>	<b>407,466,028.32</b>	<b>17.53</b>	<b>40,992,117.16</b>	<b>10.06</b>
<b>Furniture, Fixtures and Books</b>						
Furniture and Fixtures	3,120,858.75	0.11	2,667,303.80	0.11	453,554.95	17.00
<b>Total</b>	<b>3,120,858.75</b>	<b>0.11</b>	<b>2,667,303.80</b>	<b>0.11</b>	<b>453,554.95</b>	<b>17.00</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>2,197,051,445.77</b>	<b>79.93</b>	<b>2,138,850,420.88</b>	<b>92.02</b>	<b>58,201,024.89</b>	<b>2.72</b>
Accumulated Depreciaton-PPE	(1,124,955,797.49)	(40.93)	(1,039,327,482.25)	(44.72)	(85,628,315.24)	8.24
<b>Total</b>	<b>1,072,095,648.28</b>	<b>39.00</b>	<b>1,099,522,938.63</b>	<b>47.31</b>	<b>(27,427,290.35)</b>	<b>(2.49)</b>
<b>Construction-in-Progress (NFS No. 10)</b>						
Construction-in-Progress- Plant	16,313,799.57	0.59	15,287,701.44	0.66	1,026,098.13	6.71
Construction-in-Progress- Buildings and Other Structures	56,194,272.87	2.04	30,438,912.13	1.31	25,755,360.74	84.61
<b>Total</b>	<b>72,508,072.44</b>	<b>2.64</b>	<b>45,726,613.57</b>	<b>1.97</b>	<b>26,781,458.87</b>	<b>58.57</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>1,144,603,720.72</b>	<b>41.64</b>	<b>1,145,249,552.20</b>	<b>49.27</b>	<b>(645,831.48)</b>	<b>(0.06)</b>
<b><u>OTHER ASSETS (NFS No. 11)</u></b>						
Intangible Assets	5,672,781.20	0.21	5,492,981.20	0.24	179,800.00	3.27
Accumulated Amortization-Intangible Assets	(925,185.36)	(0.03)	(1,721,091.49)	(0.07)	795,906.13	(46.24)
Intangible Assets,net	4,747,595.84	0.17	3,771,889.71	0.16	975,706.13	25.87
Restricted funds	254,366,579.03	9.25	239,622,711.04	10.31	14,743,867.99	6.15
Other Assets	170,065,087.19	6.19	164,111,358.54	7.06	5,953,728.65	3.63
<b>TOTAL OTHER ASSETS</b>	<b>429,179,262.06</b>	<b>15.61</b>	<b>407,505,959.29</b>	<b>17.53</b>	<b>21,673,302.77</b>	<b>5.32</b>
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>2,748,695,464.63</b>	<b>100.00</b>	<b>2,324,212,657.03</b>	<b>100.00</b>	<b>424,482,807.60</b>	<b>18.26</b>

<b>LIABILITIES, EQUITY AND OTHER CREDIT ACCOUNTS</b>	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>CURRENT LIABILITIES (NFS No. 12)</b>						
<b>Inter-Agency Payables</b>						
Due to National Government Agencies (BIR, etc.)	4,681,677.79	0.17	4,032,758.26	0.17	648,919.53	16.09
Due to Government Owned and/or Controlled Corporation	1,114,014.48	0.04	3,734,115.46	0.16	(2,620,100.98)	(70.17)
<b>Total</b>	<b>5,795,692.27</b>	<b>0.21</b>	<b>7,766,873.72</b>	<b>0.33</b>	<b>(1,971,181.45)</b>	<b>(0.46)</b>
<b>Other Payables</b>						
Due to Officers and Employees	64,422.15	0.00	15,251.63	0.00	49,170.52	322.40
Contractor's Security Deposits	29,945,120.28	1.09	21,715,735.71	0.93	8,229,384.57	37.90
Accrued Light and Power	12,256,818.95	0.45	19,430,951.99	0.84	(7,174,133.04)	(36.92)
Other Payables	46,351,453.38	1.69	52,426,343.42	2.26	(6,074,890.04)	(11.59)
<b>Total</b>	<b>88,617,814.76</b>	<b>3.22</b>	<b>93,588,282.75</b>	<b>4.03</b>	<b>(4,970,467.99)</b>	<b>(5.31)</b>
<b>Loans/ Lease Payable</b>						
Current Portion of Long-term Debt	84,615,372.61	3.08	66,817,966.19	2.87	17,797,406.42	26.64
<b>Total</b>	<b>84,615,372.61</b>	<b>3.08</b>	<b>66,817,966.19</b>	<b>2.87</b>	<b>17,797,406.42</b>	<b>26.64</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>179,028,879.64</b>	<b>6.51</b>	<b>168,173,122.66</b>	<b>7.24</b>	<b>10,855,756.98</b>	<b>6.46</b>
<b>NON-CURRENT LIABILITIES (NFS 13)</b>						
Loans Payable	694,314,167.28	25.26	583,590,440.88	25.11	110,723,726.40	18.97
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>694,314,167.28</b>	<b>25.26</b>	<b>583,590,440.88</b>	<b>25.11</b>	<b>110,723,726.40</b>	<b>18.97</b>
<b>TOTAL LIABILITIES</b>	<b>873,343,046.92</b>	<b>31.77</b>	<b>751,763,563.54</b>	<b>32.34</b>	<b>121,579,483.38</b>	<b>16.17</b>
<b>DEFERRED CREDITS (NFS No. 14)</b>						
Customers' Deposit	9,056,122.05	0.33	9,056,122.05	0.39	-	-
Other Deferred Credits	31,103,692.82	1.13	33,320,931.63	1.43	(2,217,238.81)	(6.65)
<b>TOTAL DEFERRED CREDITS</b>	<b>40,159,814.87</b>	<b>1.46</b>	<b>42,377,053.68</b>	<b>1.82</b>	<b>(2,217,238.81)</b>	<b>(5.23)</b>
<b>EQUITY (NFS No. 15)</b>						
Government Equity	866,925.40	0.03	866,925.40	0.04	-	-
Capital/Equity Reserve	-	-	-	-	-	-
Donated Capital (OPIC)	119,230,157.23	4.34	119,230,157.23	5.13	-	-
Retained Earnings	1,715,095,520.20	62.40	1,409,974,957.18	60.66	305,120,563.02	21.64
<b>TOTAL EQUITY</b>	<b>1,835,192,602.83</b>	<b>66.77</b>	<b>1,530,072,039.81</b>	<b>65.83</b>	<b>305,120,563.02</b>	<b>19.94</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDIT ACCOUNTS</b>	<b>2,748,695,464.62</b>	<b>100.00</b>	<b>2,324,212,657.03</b>	<b>100.00</b>	<b>424,482,807.59</b>	<b>18.26</b>

**Cagayan de Oro City Water District**  
**COMPARATIVE STATEMENT OF CHANGES IN EQUITY**  
**As of December 31, 2017**

	2017	2016	
<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>Restricted Capital</b>			
Balance at beginning of the period	-	3,170,522.91	
Additions (deductions)		(3,170,522.91)	
Balance at the end of the period	<u>-</u>	<u>-</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	1,409,974,955.18	1,060,959,581.53	
Prior period adjustments	14,197,154.93	49,234,138.72	
Net income (loss) for the period	290,923,410.09	299,781,236.93	
Balance at the end of the period	<u>1,715,095,520.20</u>	<u>1,409,974,957.18</u>	
<b>TOTAL EQUITY</b>	<u><u>1,835,192,602.83</u></u>	<u><u>1,530,072,039.81</u></u>	





	CURRENT MONTH						YEAR TO DATE						
	Actual	% to	Budget	% to	Variance	% to	Actual	% to	Budget	Variance	% to		
	Amount	Total	Amount	Total	Amount	Budget	Amount	Total	Amount	% to Total	Amount	Budget	
<b>Maintenance Expenses:</b>													
Repair & Maintenance-Property, Plant & Equipment	789,171.37	0.90	3,609,869.00	3.57	2,820,697.63	78.14	17,450,554.82	1.72	13,041,852.00	1.14	(4,408,702.82)	(33.80)	
Repairs and Maintenance - Buildings & Other Structures	32,321.02	0.04	58,334.00	0.06	26,012.98	44.59	1,093,177.21	0.11	700,008.00	0.06	(393,169.21)	(56.17)	
Repairs and Maintenance - Office Equipment	2,500.00	0.00	16,600.00	0.02	14,100.00	84.94	17,422.00	0.00	199,200.00	0.02	181,778.00	91.25	
Repairs and Maintenance - Land Transportation Equipment	366,344.68	0.42	313,667.00	0.31	(52,677.68)	(16.79)	2,102,061.82	0.21	3,764,004.00	0.33	1,661,942.18	44.15	
Repairs and Maintenance - Other Machineries	37,701.80	0.04	116,668.00	0.12	78,966.20	67.68	333,288.10	0.03	1,400,016.00	0.12	1,066,727.90	76.19	
Repairs and Maintenance -Furniture and Fixtures	-	-	26,258.00	0.03	26,258.00	100.00	1,020.00	0.00	315,096.00	0.03	314,076.00	99.68	
<b>Total Maintenance Expenses</b>	<b>1,228,038.87</b>	<b>1.40</b>	<b>4,141,396.00</b>	<b>4.09</b>	<b>2,913,357.13</b>	<b>70.35</b>	<b>20,997,523.95</b>	<b>2.07</b>	<b>19,420,176.00</b>	<b>1.70</b>	<b>(1,577,347.95)</b>	<b>(8.12)</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>68,770,646.18</b>	<b>78.30</b>	<b>70,545,206.20</b>	<b>69.75</b>	<b>1,774,560.02</b>	<b>2.52</b>	<b>685,572,712.68</b>	<b>67.69</b>	<b>765,582,325.20</b>	<b>67.03</b>	<b>80,009,612.52</b>	<b>10.45</b>	
<b>Utility Operating Income</b>	<b>19,062,875.34</b>	<b>21.70</b>	<b>30,592,420.80</b>	<b>30.25</b>	<b>(11,529,545.46)</b>	<b>(37.69)</b>	<b>327,172,740.71</b>	<b>32.31</b>	<b>376,624,440.80</b>	<b>32.97</b>	<b>(49,451,700.09)</b>	<b>(13.13)</b>	
<b>Other Income</b>													
Subsidy Income from National Government	-	-	-	-	-	-	-	-	-	-	-	-	
Other Income	84,465.39	0.10	509,668.00	0.50	(425,202.61)	(83.43)	8,235,372.78	0.81	6,116,038.00	0.54	2,119,334.78	34.65	
<b>Total Income</b>	<b>84,465.39</b>	<b>0.10</b>	<b>509,668.00</b>	<b>0.50</b>	<b>(425,202.61)</b>	<b>(83.43)</b>	<b>8,235,372.78</b>	<b>0.81</b>	<b>6,116,038.00</b>	<b>0.54</b>	<b>2,119,334.78</b>	<b>34.65</b>	
<b>Miscellaneous Income Deductions</b>													
Loss of Assets	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Net Income Before Interest &amp; Financial Interest Expenses</b>	<b>19,147,340.73</b>	<b>21.80</b>	<b>31,102,088.80</b>	<b>30.75</b>	<b>(11,954,748.07)</b>	<b>(38.44)</b>	<b>335,408,113.49</b>	<b>33.12</b>	<b>382,740,478.80</b>	<b>33.51</b>	<b>(47,332,365.31)</b>	<b>(12.37)</b>	
Interest Expenses	3,850,714.45	4.38	5,580,136.00	5.52	1,729,421.55	30.99	44,484,703.40	4.39	77,972,729.00	6.83	33,488,025.60	42.95	
<b>Net Income for the Period</b>	<b>15,296,626.28</b>	<b>17.42</b>	<b>25,521,952.80</b>	<b>25.23</b>	<b>(10,225,326.52)</b>	<b>(40.06)</b>	<b>290,923,410.09</b>	<b>28.73</b>	<b>304,767,749.80</b>	<b>26.68</b>	<b>(13,844,339.71)</b>	<b>(4.54)</b>	

**Republic of the Philippines**  
**Cagayan de Oro City Water District**

**CASH FLOW STATEMENT**  
**As of December 31, 2017**

	THIS MONTH	Y-T-D
Cash Flows from Operating Activities		
Cash Inflows:		
Collection of Water Bills	78,868,041.59	977,315,591.84
Collection of Other Water Revenues	1,047,074.93	14,547,130.47
Refund of overpayment of expenses and Cash Advances	93,090.63	555,694.44
Receipt of Performance/Bidders/Bail Bonds	34,187.35	1,529,037.21
Interest Income	2,952,269.16	5,530,893.05
Other Receipts	967,216.47	12,688,077.58
<b>Total Cash Inflows</b>	<b>83,961,880.13</b>	<b>1,012,166,424.59</b>
Cash Outflows:		
Payment of Operating Expenses:		
Payroll	9,056,677.56	109,134,906.39
Fuel/Power for Pumping	11,971,964.19	128,336,951.02
Chemicals	-	574,872.96
Other Operation and Maint. Expenses	6,340,651.89	67,640,925.26
Payment of Payables	17,623,541.93	262,868,683.73
Purchase of office supplies Inventory	166,482.00	773,903.67
Payment of prepaid expenses	81,608.32	29,938,146.75
Remittance of GSIS/PAG-IBIG/Withholding Taxes	10,293,944.73	104,048,870.58
Fund Transfer	-	5,500,000.00
<b>Total Cash Outflows</b>	<b>55,534,870.62</b>	<b>708,817,260.36</b>
<b>Total Cash Provided (used) by Operating Activities</b>	<b>28,427,009.51</b>	<b>303,349,164.23</b>
Cash Flows from Investing Activities:		
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>		
Cash Outflows:		
Investments in Securities		
Purchase/construction of		
Buildings and Other Structures	1,024,231.69	18,340,175.95
Office Equipment, Furnitures and Fixtures	104,815.00	12,687,392.95
Transportation Equipment	-	4,420,123.48
Other Property, Plant and Equipment	20,161.88	27,547,806.45
<b>Total Cash Outflows</b>	<b>1,149,208.57</b>	<b>62,995,498.83</b>
<b>Total Cash Provided (Used) by Investing Activities</b>	<b>(1,149,208.57)</b>	<b>(62,995,498.83)</b>
Cash Flows from Financing Activities		
Cash Inflows:		
Proceeds from Borrowings (Loans Payable)	-	403,545,145.00
<b>Total Cash Inflows</b>	<b>-</b>	<b>403,545,145.00</b>
Cash Outflows:		
Cash payment of int.on loans payable and other fin. charges	3,850,714.45	42,390,220.88
Payments of domestic and foreign loans	7,322,538.43	269,747,595.26
<b>Total Cash Outflows</b>	<b>11,173,252.88</b>	<b>312,137,816.14</b>
<b>Total Cash Provided (used) by Financing Activities</b>	<b>(11,173,252.88)</b>	<b>91,407,328.86</b>
Cash Provided by Operating, Investing and Financing Activities	16,104,548.06	331,760,994.26
Add: Cash and Cash Equivalents - Beginning	853,183,251.98	537,526,805.78
Cash and Cash Equivalents, Ending	<b>869,287,800.04</b>	<b>869,287,800.04</b>

**Cagayan de Oro City Water District**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2017

**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.

**Change in Accounting Treatment**

Allowance for Doubtful Accounts. The District uses the Percent of Sales Method in estimating Doubtful Accounts up to CY 2014. However, Provision for Doubtful Accounts is change to Aging of Accounts Receivable effective on January 2015 as prescribed by the Modified New Government Accounting System accounting policies Chp.4 Sec. 66. This results to substantive difference in the accumulated balance of the Allowance for Doubtful Accounts and the Required Allowance per Aging of Accounts Receivable. As a result, Php 78,188,096.53 was reclassified to Retained Earnings-Unappropriated in January 2015. Details is shown below:

Particulars	No. of Days Outstanding	Active Accounts		%	No. of Days Outstanding	Inactive Accounts		%	Required Allow. For the Period (C=A+B)	
		(A)				(B)				
<b>Unadjusted Balance-12/31/14</b>										<b>87,985,900.85</b>
Uncollectible A/R based on Aging	00-90	953,493.46	1%	00-90	8,474.05	1%	961,967.50			
	over 90	803,487.96	3%	over 90	8,032,348.86	5%	8,835,836.82			
Adjustment per JV#01-02A-15										(78,188,096.53)
<b>Adjusted Balance-12/31/14</b>	<b>TOTAL</b>	<b>1,756,981.42</b>	<b>4%</b>	<b>TOTAL</b>	<b>8,040,822.91</b>	<b>6%</b>	<b>9,797,804.32</b>			<b>9,797,804.32</b>
Uncollectible A/R based on Aging	00-90	964,567.89	1%	00-90	7,746.37	1%	972,314.26			
	over 90	1,105,830.78	3%	over 90	7,765,429.70	5%	8,871,260.48			
Adjustment per JV#01-02A-15										45,770.42
<b>Adjusted Balance-01/31/15</b>	<b>TOTAL</b>	<b>2,070,398.67</b>	<b>4%</b>	<b>TOTAL</b>	<b>7,773,176.07</b>	<b>6%</b>	<b>9,843,574.74</b>			<b>9,843,574.74</b>

**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.

**Note 3 Subsequent Events**

Due to the implementation of the full computerization of COWD's Accounting System, financial data migrated from ACCPAC Accounting Software to Remantic Accounting Software resulted to substantial changes in June 2016 account balances. In particular, the Inventory, Property Plant & Equipment and its related accounts where previously recorded manually. These accounts are temporarily placed on clearing account and still subject to reconciliation. Adjustments that affects the reported income for CY 2016 will be adjusted in CY 2017 and will be charged to retained earning-unappropriated.

**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	1,853,263.71
-Kauswagan-Sub Office	1,607,919.26
-Macasandig-Sub Office	-
-Tinao-Sub Office	234,489.73
	<b>3,695,672.70</b>
<b>Cash in Bank in Local Currency, Current Account</b>	
-Amanah Bank	592,032.78
-Development Bank in the Philippine	206,632,500.69
-Land Bank of the Philippines	12,465,326.91
-Maybank	13,189.94
-Philippine National Bank (for reconciliation)	(16,511.14)
-Philippine Veterans Bank	281,785.89
-Postal Bank	406,248.93
-Queenbank Savings (for reconciliation)	(28,457.35)
-United Coconut Planters Bank	1,328,367.32
	<b>221,674,483.97</b>

**Total Cash in Bank-Local Currency, Time Deposits**

Development Bank in the Philippine		
-Capital Improvement	339,049,441.11	
-Contingency Fund	24,260,314.08	
-COWD RTC Fund	1,006,015.43	
-Expansion & Operating Reserve	48,475,240.10	
-General Fund- Corrales	91,083,252.61	
-General Fund- Capistrano	30,325,705.14	
-NRW Reduction Project	109,717,674.90	
<b>Total Cash</b>		<u><u>643,917,643.37</u></u> <u><u>869,287,800.04</u></u>

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 January 2018.

- 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**

	<u>Amount</u>
Billing , net of billing adjustments	954,107,943.14
Penalty, net of penalty adjustment	40,073,333.06
Reclassified to A/R- Inactive Account	(6,271,341.92)
Collections, net of adjustments	(980,505,810.23)
Net Increase/ (Decrease)	7,404,124.05
Beginning Balance- 1/1/2017	134,420,677.17
Total	141,824,801.22
Allowance for Doubtful Accounts	(2,338,312.41)
<b>Net Amount of A/R Customers</b>	<u><u>139,486,488.81</u></u>

**Note 6 Other Receivables**

The District's Other Receivables consists of the following:

**Account Name**

	<u>Amount</u>
Advances to Officers and Employees	105,950.64
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	244,362.92
Hospitals	2,129.56
Hotels	9,089.66
Calaanan Home Owners Association	10,635.00
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>	<u><u>41,152,279.31</u></u>

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

Reference	Date	Transaction Period	Amount Disallowed	Need Not be Refunded/Lifted	Adjusted Disallowance
CSB No.					
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		1,876,860.68
Fuel, Oil and Lubricants (For reconciliation)		113,636.64
Chemicals and Filtering Supplies Inventory		1,138,730.40
Maintenance Supplies Inventory		13,679,104.00
Construction Materials Inventory		15,572,010.10
Other Inventories		
Meters	2,776,240.84	
Service Connection	33,957,584.61	
Transmission Distribution Pipe	59,445,454.85	
Tools and Other Suppliers	1,412,652.42	
Work in Progress Inventory	(190,630.61)	
Finished Goods Inventory	1,692,710.18	
Hydrants	820,441.84	
Personal Protective Equipment	84,500.00	
Clearing	(18,596,468.12)	
<b>Total</b>		<b>81,402,486.01</b>
		<b>113,782,827.83</b>

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

**Prepayments.** This account consists of the following:

<u>Account Name</u>	<u>Amount</u>
Insurance Co.	420,174.16
LTO	43,247.84
Bureau of Treasury	215,354.89
LWUA	278,427.00
<b>Total</b>	<b>957,203.89</b>

**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	5,591,993.91
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	2,206,245.27
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>		<b>8,931,444.88</b>

**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	380,933.21
Advance Payment to Contractors	339,437.35
<b>Total</b>	<b>1,314,437.08</b>

**Note 9 Property, Plant and Equipment**

This account consists of the following:

Land and Land Rights		<b>40,823,894.89</b>
Springs & Tunnels	5,000.00	
Wells	105,477,156.89	
Reservoirs & Tanks	34,058,627.07	
Transmission & Distribution Mains	939,675,695.48	
Fire Mains	3,423.70	
Services Connections	239,222,581.72	
Meters	207,530,481.85	
Meters Installation	21,024,250.70	
Hydrants	7,595,530.15	
PPE Held For Future Use	2,986,731.00	
Unclassified PPE	8,564,478.72	
Clearing	255,549.73	
Plant (UPIS)		<b>1,566,399,507.01</b>
Source of Supply Structures & Improvements	20,993,614.93	
Pumping Structures & Improvements	68,120,394.92	
Trans. & Dist. Structures & Improvements	17,463,201.01	
Gen Plant Structures & Improvements	31,753,523.34	
Buildings and Other Structures-Clearing	(81,694.56)	<b>138,249,039.64</b>
Office Equipment	60,918,222.71	
Office Equipment-Clearing	(267,387.96)	<b>60,650,834.75</b>
Laboratory Equipment	7,162,588.03	
Office Equipment-Clearing	(19,000.00)	<b>7,143,588.03</b>
Land Transport Equipment	54,332,524.98	
Land Transport Equipment-Clearing	(325,576.00)	<b>54,006,948.98</b>
Other Machinery and Equipment		
Power Production Equipment	41,680,252.43	
Pumping Equipment	182,686,760.70	
Water Treatment Equipment	14,155,990.35	
Store Equipment	38,900.00	
Communications Equipment	8,689,546.10	
Power Operated Equipment	35,408,902.01	
Tools, Shop & Garage Equipment	40,847,980.21	
Surveying Instrument/ Accessories	41,207.82	
Other Machinery and Equipment-Clearing	3,107,234.10	<b>326,656,773.72</b>
Furniture and Fixtures	3,076,058.74	
Furniture and Fixtures-Clearing	44,800.01	<b>3,120,858.75</b>
Total Property, Plant and Equipment		2,197,051,445.77
Accumulated Depreciation		(1,124,955,797.49)
<b>Total Property, Plant and Equipment, net</b>		<b><u>1,072,095,648.28</u></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	
Construction Work in Progress of Major Works - Youngsville Project (P5000000 loan)	6,100.00	
Construction Work in Progress of Major Works - Administration Projects	16,307,699.57	
Total for Construction Work in Progress of Major Works		16,313,799.57
Major maintenance works by administration	55,632,013.87	
Major maintenance works - REHAB (SENDONG)	562,259.00	56,194,272.87
<b>Total</b>		<b><u>72,508,072.44</u></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	Special Deposit	Hold-out Deposits	Time Deposit	Garnished Accounts	Total	LBP Garnished Accounts	Grand Total
	COWD/ LWUA JSA	30,634.66		7,563,422.10		7,594,056.76	
Customers Guaranty Deposit	72,460.20		11,587,215.21		11,659,675.41	17,451.94	11,677,127.35
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.		28,181,918.00			28,181,918.00		28,181,918.00
Loan Hold Out Deposits-NRW		205,655,027.27			205,655,027.27		205,655,027.27
<b>Grand Total</b>	<b>103,094.86</b>	<b>233,836,945.27</b>	<b>19,150,637.31</b>	<b>9,300.83</b>	<b>253,099,978.27</b>	<b>1,266,600.76</b>	<b>254,366,579.03</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.

**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	167,457,387.69
<b>Total</b>	<b>170,065,087.19</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	C	Allow	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
Au	172,855,103.72	8,533,209.96	164,321,893.76
Sej	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.

**Note 12 Current Liabilities**

<b>Inter-Agency Payables</b>			
Due to National Government Agencies (BIR, etc.)			
Employees Tax Withheld	1,329,967.20		
Franchise Tax 2%	1,322,984.89		
Professional Tax Withheld	65,984.50		
Rental Tax Withheld (for reconciliation)	(490.38)		
Suppliers' Tax Withheld	1,963,231.58	4,681,677.79	
Due to Government Owned and/or Controlled Corporation			
GSIS	890,329.56		
PAG-IBIG Fund (for reconciliation)	3,986.82		
PHILHEALTH	219,098.70		
SSS	599.40	1,114,014.48	5,795,692.27
<b>Other Current Payables</b>			
Due to Officers and Employees		64,422.15	
Contractor's Security Deposits			
Retention on contract payments	23,650,324.20		
Performance and Bids Securities	6,294,796.08	29,945,120.28	
Accrued Light and Power			
CEPALCO	11,803,468.10		
MORESCO	453,350.85	12,256,818.95	
<b>Other Payables</b>			
Legal Counsel (Notarial Fee)	929,010.00		
COWD Coop	589,417.64		
COWD Provident Fund	220,905.28		
Suppliers	52,259,970.01		
Associations	21,374.00		
Hospitals	8,999.76		
Various Payables	(7,845,455.37)		
Clearing	160,616.36		
Refunds	6,615.70	46,351,453.38	88,617,814.76
<b>Current Portion of Long-term Debt</b>			
LWUA (for reconciliation)		8,091,239.70	
DBP		76,524,132.91	84,615,372.61
<b>Total Current Liabilities</b>			<b>179,028,879.64</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 it 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
<b>Total</b>		<b>36,090,527.28</b>
Remaining Balance as of 12/31/2011		-
2004		
Total Payable - JV#06-033-11		5,053,522.84
Payments:		
Year 2012 (Accumulated)		5,053,522.84
Remaining Balance		-
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)		6,562,738.30
Remaining Balance		-
2006		
		9,794,937.43



2007

Mar	3,063,270.60
Apr.	1,045,543.40
Ma.	970,013.91
Jun.	935,756.64
Jul.	934,726.43
Aug.	988,234.79
Sept.	943,413.40
Oct.	967,169.43
Nov.	967,835.18
Dec.	953,718.90
Total	<u>11,769,682.68</u>
Less Withheld Taxes	<u>61,166.01</u>
Net Tax Paid	<u><u>11,708,516.67</u></u>

2008

Jan - Mar	2,835,518.96
Apr.	953,408.87
Ma.	940,211.57
Jun.	984,563.83
Jul.	950,465.26
Aug.	981,252.18
Sept.	974,306.51
Oct.	960,698.27
Nov.	992,234.66
Dec.	983,441.43
Total	<u>11,556,101.54</u>
Less Withheld Taxes	<u>88,297.24</u>
Net Tax Paid	<u><u>11,467,804.30</u></u>

2009

Jan.	981,355.84
Feb.	961,422.15
Mar	966,991.06
Apr	1,036,887.42
Ma.	1,010,809.94
Jun	1,004,488.87
Jul	987,837.71
Aug	1,038,028.80
Sep	1,033,455.70
Oct	1,000,908.05
Nov	1,006,582.13
Dec	1,005,987.60
Total	<u>12,034,755.27</u>
Less Withheld Taxes	<u>32,515.13</u>
Net Tax Paid	<u><u>12,002,240.14</u></u>

2010

Jan.	1,017,870.86
Feb.	990,648.25
Mar	993,568.22
Apr	1,083,732.96
Ma.	986,118.35
Jun	1,032,311.43
Jul	1,041,104.73
Aug	1,060,164.68
Sep	1,042,640.32
Oct	1,035,156.92
Nov	995,903.77
Dec	1,047,699.48
Total	<u>12,326,919.97</u>
Less Withheld	<u>39,947.47</u>
Net Tax Paid	<u><u>12,286,972.50</u></u>

2011

Jan.	1,076,089.41
Feb.	961,556.32
Mar	1,014,005.93
Apr	1,011,284.99
Ma.	1,033,584.76
Jun	1,069,739.96
Jul	1,055,174.97
Aug	1,081,839.83
Sep	1,060,272.80
Oct	1,300,033.18
Nov	1,299,404.29
Dec	835,825.78
Total	<u>12,798,812.22</u>
Less Withheld Taxes	<u>100,202.65</u>
Net Tax Paid	<u><u>12,698,609.57</u></u>

2012

Jan.	602,585.94
Feb.	938,409.08
Mar	1,750,550.05
Apr	964,516.31
Ma.	964,516.31
Jun	1,023,689.60
Jul	804,413.76
Aug	660,059.65
Sep	889,855.47
Oct	933,573.66
Nov	857,929.25
Dec	761,167.42
Total	<u><u>11,151,266.50</u></u>

2013

Jan.	911,758.35
Feb.	904,736.83
Mar	849,446.65
Apr	864,433.06
Ma.	1,035,896.77
Jun	977,193.73
Jul	1,015,110.74
Aug	1,050,631.27
Sep	1,047,107.46
Oct	997,278.11
Nov	1,030,288.29
Dec	1,067,932.47
Total	<u><u>11,751,813.73</u></u>

2014

Jan.	1,102,142.76
Feb.	1,231,961.66
Mar	1,022,045.66
Apr	1,192,834.86
Ma.	1,148,134.48
Jun	1,368,744.90
Jul	1,340,485.64
Aug	1,417,220.27
Sep	1,393,879.34
Oct	1,322,180.81
Nov	1,376,812.78
Dec	1,352,503.94
Total	<u><u>15,268,947.10</u></u>

2015

Jan.	1,309,519.21
Feb.	1,608,113.02
Mar	1,122,095.67
Apr	1,272,533.11
Ma.	1,440,221.48
Jun	1,397,498.59
Jul	1,430,113.74
Aug	1,385,368.46
Sep	1,551,951.59
Oct	1,230,733.96
Nov	1,371,380.39
Dec	1,353,738.67
Total	<u><u>16,473,267.89</u></u>

2016

1,402,581.46
1,453,106.72
1,307,233.76
1,388,264.64
1,284,475.36
1,518,689.12
1,420,579.99
1,322,142.37
1,465,890.32
1,354,243.15
1,348,512.09
1,369,443.91
<u><u>16,635,162.89</u></u>

2017

Jan	1,369,213.50
Feb	1,479,398.32
Ma	1,304,556.64
Apr	1,532,202.24
Ma	1,269,802.05
Jun	1,548,364.29
Jul	1,335,792.91
Aug	1,437,942.83
Sep	1,419,284.75
Oct	1,367,207.98
Nov	1,372,314.54
Dec	1,347,936.67
Tot	<u><u>16,784,016.72</u></u>

**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	12/31/17 (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	95,079,394.29	61,446,587.50	33,632,806.79
3-747	Phase III - 520.128M Less Payment as of 08/2008 Balance	5/30/1996	LWUA	13%	9/30/2031	10/31/2005	26.00	520,128,000.00 (9,334,840.00) 510,793,160.00		
	Less Amount refinanced by DBP Loan Amount - Phase 3 214.6M Less: Payments as of April 2013 Balance			13%	9/30/2031	9/30/2008	23.08	(296,118,104.00) 214,675,056.00 (10,144,575.00) 204,530,481.00		
	Less: Amount-refinanced by DBP Balance for amortization							(183,623,730.10) 20,906,750.90	2,634,524.00	18,272,226.90
3-840	Phase 3 - 191.121M Less Payment as of 08/2008 Balance	7/5/2006	LWUA	13%				191,121,000.00 (2,320,113.00) 188,800,887.00		
	Less: Amount refinance by DBP Loan Amount - Phase 3 191.121M Balance							(188,800,887.00) -		
4-2317	Phase III - 200M	8/31/2006	LWUA	12.5% 13.5%	12/31/2026	1/31/2007	20.00	100,000,000.00 100,000,000.00 200,000,000.00		
	Less: Payments as of April 2013 Balance							(20,678,853.00) 179,321,147.00		
	Less: Amount refinance by DBP Balance							(179,321,147.00) 0.00	0.00	0.00
4-2547	Youngsville WSS-4.108M Total - LWUA LOANS	2/3/2009	LWUA	7.5%	11/30/2016	12/31/2011	5.00	4,108,071.24	4,108,071.24	0.00
511-357-455-9	502.011 M Refinanced Loan	9/30/2008	DBP	9.00	9/30/2023	10/30/2008	15.00	418,862,521.53 502,011,668.62	73,192,532.95 231,775,729.66	51,901,683.48 270,235,938.96
	370.203M Refinance Loan	5/30/2013	DBP	7.6%	5/30/2028	5/30/2013	15.00	370,203,774.64	113,117,820.20	257,085,954.44
	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	3,001,501.53	177,088,590.47
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	837,680.46	22,617,372.54
	<b>Total - LWUA &amp; DBP</b>							<b>1,694,623,109.79</b>	<b>621,925,264.80</b>	<b>778,929,539.89</b>
										84,615,372.61
										<b>694,314,167.28</b>

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	26,138,923.88	7,493,882.91	33,632,806.79
3-747	Phase III - 520.128M	17,671,519.90	600,707.00	18,272,226.90
4-2317	Phase III - 200M	0.00	0.00	0.00
4-2547	Youngsville WSS-4.108M	0.00	0.00	0.00
	<b>TOTAL LWUA</b>	<b>43,810,443.78</b>	<b>8,091,239.70</b>	<b>51,901,683.48</b>
II. DBP				
2008-181	502.011M Refinanced Loan	229,969,663.70	40,266,275.26	270,235,938.96
2013-007	370.203M Refinanced Loan	232,405,702.76	24,680,251.68	257,085,954.44
	200M Back to Back Loan	0.00	0.00	0.00
2017-008	180.090 NRW Reduction Program	168,024,025.88	9,064,564.59	177,088,590.47
2017-009	23.45M NRW Reduction Program	20,104,331.16	2,513,041.38	22,617,372.54
	<b>GRAND TOTAL</b>	<b>650,503,723.50</b>	<b>76,524,132.91</b>	<b>727,027,856.41</b>
		<b>694,314,167.28</b>	<b>84,615,372.61</b>	<b>778,929,539.89</b>

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	
<b>TOTAL</b>	<b>984,626,577.60</b>	<b>492,313,288.80</b>	<b>9,698,379.82</b>	<b>502,011,668.62</b>	

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			
<b>TOTAL</b>	<b>451,468,017.85</b>	<b>362,944,877.10</b>	<b>7,258,897.54</b>	<b>370,203,774.64</b>

The pretermination fees charged by LWUA and the front-end fees/documentary stamps charged by DBP are being amortized for 15 years as follows:

Refinance Loan	2% Preterm Fee LWUA	Front-end fee/ Doc stamp DBP	Start of Amort.	No. of years	Total Amount	Per Annum	Per Month
502.011M	9,698,379.82	6,651,664.61	Oct. 2008	15.00	16,350,044.43	1,090,002.96	90,833.58
370.203M R	7,258,897.54	2,905,039.00	Jun. 2013	15.00	10,163,936.54	677,595.77	56,466.31

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

**Note 14 Deferred Credits**

Customers' Deposit. This account amounting to Php 9,056,122.05 pertains to the deposits made by customers normally before the extension of any service connections as security for the payment of subsequent bills, or as a meter deposit.	
Other Deferred Credits.	
LWUA Grant from	
Office of the Pres. per COWD OR#3542064 dtd. 1/4/12	52,791,000.00
Speaker Belmonte per COWD OR# 3534291 dtd. 1/24/12	1,000,000.00
Total LWUA Grant	53,791,000.00
Less: Disbursements	50,810,823.91
LWUA Grant Balance	2,980,176.09
Add: Other Deffered Credits (Account 45900)	
COWD Bugo Village	313,726.38
Service Connection Materials paid by customers subject for reconciliation	7,158,841.41
Barangay Lapasan Rehab	1,036,823.15
COWD NHA CDO Bayanihan Village Project	10,691,220.60
WSS Calaanan Project	6,020,000.00
Others (Acct. 45900)	2,902,905.19
Total Other Deffered Credits	<u>31,103,692.82</u>

The LWUA Grant is reserved for the rehabilitation of COWD's properties damaged by typhoon Sendong.

**Note 15 Equity**

Capital Contribution - Government Equity consist of:	
A. City Government	
1. Fixed Assets turned over by the City Gov't to WD on Dec. 31, 1973 , net of P1,035,562.30	544,711.22
Less: Land reverted to donors (JV 12-60-05)	(18,900.00)
2. A/R -Customers turned over on Dec. 31, 1973	167,199.08
3. Cost of Cogon Market Pipeline	28,419.94
Sub-total	721,430.24
B. USAID Grant	
Regional Water Supply Training & Library.	145,495.16
<b>Total</b>	<u><b>866,925.40</b></u>

**Capital/Equity Reserve**

This account is set up for the Expansion of Operating Reserves in the amount of P3,170,523.91, which was taken from the COWD-DBP General Fund and transferred to a new account at Postal Bank. This reserve was approved by the Board of Directors per Board Resolution No. 159, s-03 dated Sep. 24, 2003. On Sep. 30, 2008, the amount of P3,170,522.91 plus the accumulated interest of P755,010.49 was transferred to DBP-Corrales as holdout deposit for the DBP-P502.011 Million Refinanced Loan. This amount was returned to Retained Earnings-Unappropriated per JV#07-011-16.

**A. Other Paid in Capital**

Laboratory Equipments	102,504.19
Transmission and Distribution Mains	42,631,006.51
Office Furnitures & Fixtures	66,950.00
Distribution Lines	843,073.25
Fire Hyrants	2,622,454.25
Meter Stub-out	-
M.STB-Iponan, Westfield Home	941,247.09
PPE-TranspoEquip-Geo-Transprt	763,000.00
PPE-JICA Donation	40,994,730.00
PPE-Swiss Humanitarian Aid Donation	1,999,957.90
<b>Total</b>	<u><b>90,964,923.19</b></u>

**B. Appraisal Capital**

The total amount of P28,442,834.00 was taken up representing under valuation of land and land rights and booked up per JV 11-36-96 and JV12-51-96. The amount of P177,600.00 representing appraisal cost of land reverted to donors per JV 12-20-05. Breakdown of parcels of land and its corresponding appraisal cost are as follows:

Location	Area sq.m.	Appraisal Cost
Aluba Reservoir	1441	386,057.50
Balulang PW No. 14	300	42,325.00
Balulang PW No. 4	200	20,000.00
Balungis PW No. 17	300	90,000.00
Bantiles, Bugo PW No. 11	400	103,127.25
Bontola PW No. 2	600	220,000.00
Bontola Reservoir	2784	395,232.00
Bugo, Reyes PW No.5	482	96,400.00
Bugo Reservoir	420	37,800.00
Bugo PW No. 6	150	21,000.00
Calaanan PW No. 10	1409	650,008.18
Calaanan PW No. 12	400	165,010.00
Calaanan PW No. 15	400	167,780.00
Calaanan	396	172,000.00
Camaman-an Reservoir	2698	187,844.37
Carmen	120	93,600.00
Carmen Reservoir	3600	879,650.00
Corrales Ave., Main Bldg.	991	9,806,307.00
Gaston Park	281	269,760.00
Greehills Reservoir	420	252,000.00
Gusa	490	161,700.00
Kauswagan Shop Bldg.	4789	6,055,985.00
Macasandig Booster Pump	750	810,000.00
Macasandig PW No. 1 Operation Bldg.	1620	2,218,600.00
Macasandig PW No. 4	116	115,416.00
Macasandig PW No. 7	1200	540,000.00
Macasandig PW No. 8	432	140,560.00
Macasandig	252	70.18
Macasandig PW No. 3 & 3A	254	189,616.56
Macasandig	348	156,600.00

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-1/1/2017			
Retained Earnings - Unappropriated	1,409,830,861.18		
Retained Earnings - Appropriated	144,094.00	1,409,974,955.18	
Total Net Income		290,923,410.09	1,700,898,365.27
Miscellaneous Charges to Retained Earnings due to prior period adjustments			14,197,154.93
<b>Ending Balance- 12/31/2017</b>			<b>1,715,095,520.20</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		1,715,095,520.20
<b>Total Equity</b>		<b>1,835,192,602.83</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.

2017	Pesos	cu.m.	cu.m.	cu.m.
	Paid	per P.O.	Delivered	Paid(per 40,000 req)
Jan.	15,207,049.00	1,463,200.00	1,482,030.00	1,455,220.00
Feb.	12,155,440.00	1,163,200.00	1,168,850.00	1,163,200.00
Mar	13,679,363.50	1,324,000.00	1,322,030.00	1,309,030.00
Apr	13,138,053.50	1,260,000.00	1,261,030.00	1,249,470.00
Overpayment- CY 2016	(81,092.00)			
May	12,853,813.50	1,240,000.00	1,240,800.00	1,230,030.00
Jun	13,815,736.00	1,325,250.00	1,326,040.00	1,322,080.00
Jul	15,504,769.50	1,483,710.00	1,483,710.00	1,483,710.00
Aug	15,370,800.50	1,776,000.00	1,498,200.00	1,470,890.00
Sep	15,370,800.50	1,776,000.00	1,498,200.00	1,470,890.00
Oct	12,041,326.00	1,240,000.00	1,523,830.00	1,152,280.00
Underpayment- Aug. 2017 DV#17-10-05-083	302,736.50			
Nov	11,874,126.00	1,200,000.00	1,140,370.00	1,136,280.00
Overpayment- Jun to Aug. 2017 DV#17-11-05-237	(25,916.00)			
Dec	12,610,224.00	1,240,000.00	1,248,080.00	1,206,720.00
<b>Total</b>	<b>163,817,230.50</b>	<b>16,491,360.00</b>	<b>16,193,170.00</b>	<b>15,649,800.00</b>

## 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 &amp; 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
E. Generator Set		
219 KVA for PWs 4,7,9 & 19	6,000,000.00	
75 KVA for PW 24	<u>1,094,730.00</u>	7,094,730.00
II. Other Facilities		
A. Laboratory Apparatus and Equipment		
Biosafety Cabinet		1,000,000.00
III. Service Connection Rehab		
A. Materials		
5/8" 1/2" water meter		<u>8,500,000.00</u>
<b>Total</b>		<u><u>40,994,730.00</u></u>

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	<u>2,396,494.00</u>
<b>TOTAL</b>	<u><u>11,879,134.00</u></u>

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 CDORSHP-1 Phase III at Calaan, 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	<u>3,400,146.00</u>
<b>TOTAL</b>	<u><u>10,400,146.00</u></u>

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	(86,973.00)
Net Payable to Johndorf Ventures	7,412,914.82
Divide: Payment Period	12
Quarterly Payment to Johndorf	<u>617,742.90</u>
Principal Amount	7,412,914.82
Less: Payments (Jan. 2012-Jan. 2015)	(7,412,914.82)
<b>Balance as of January 31, 2015</b>	<u>-</u>

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 Guideliness 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.

1. 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.

2. 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.

Supplemental Budget for CY 2017

Particulars/Purpose	BOD Resolution No.	Amount
Disaster Risk Reduction Program		
Typhoon Venta Expenses for Financial Assistance, Token of Appreciation and Overtime Pay	006,S-18 dtd. 1/24/	P 1,200,000.00
Retrofitting of COWD Admin Building	146,S-2017 dtd. 11/12/17	3,000,000.00
Materials and Supplies for NRW Reduction Oustide Project	125,S-2017 dtd. 10/23/17	
CAPEX		15,273,056.00
Expenses		2,752,416.00
Real Property Tax under Protest for COWD Admin Bldg. payments	107,S-2017 dtd. 9/13/17	1,367,192.20
On-going ISO Certification Expenses	054,S-2017 dtd. 8/05/17	
CAPEX		750,000.00
Expenses		750,000.00
Documentation Expenses of 200 Million Interim Loan with DBP	033,S-2017 dtd. 3/30/17	490,411.00
MAWD Sportfest 2017 Expenses	030,S-2017 dtd. 6/03/17	800,000.00

**Cagayan de Oro City Water District**  
**INCOME STATEMENT**  
For the period ended December 31, 2017

	2017	2016
<b>Business and Service Income:</b>		
Generation, Transmission and Distribution Income	958,185,889.54	940,171,986.38
Interest Income	6,157,798.76	4,177,533.55
Other Business and Service Income	8,030,932.03	8,359,487.95
Fines and Penalties- Service Income	40,370,833.06	39,364,878.03
<i>Total Business and Service Income</i>	<u>1,012,745,453.39</u>	<u>992,073,885.91</u>
<b>Less: Operating Expenses:</b>		
<b>Operation Expenses:</b>		
<b>Personal Services</b>		
Salaries and Wages	120,755,630.94	110,746,266.71
Personnel Economic Relief Allowance (PERA)	11,224,097.64	10,817,880.46
Representation Allowance	2,030,500.00	2,047,750.00
Transportation Allowance	2,030,500.00	2,047,750.00
Clothing and Uniform Allowance	2,365,643.55	2,309,846.21
Honoraria (Directors' Fees & Remunerations, etc)	2,290,574.30	3,277,083.28
Year-end Bonus	12,079,032.98	10,749,701.60
Other Bonuses and Allowances	20,567,771.00	21,810,055.58
Life and Retirement	11,610,709.90	11,553,405.73
PAG-IBIG Contributions	537,281.66	551,227.02
PHILHEALTH Contributions	1,080,900.00	1,099,525.00
ECC Contribution	502,335.42	580,488.28
Provident Fund Contributions	16,306,227.31	11,881,578.29
Other Personnel Benefit Contribution	-	-
Retirement Benefits - Regular	428,931.68	819,810.46
Vacation and Sick Leave Benefits	6,388,263.60	6,339,316.66
Other Personnel Benefits	3,395,989.27	6,401,745.05
<b>Total Personal Services</b>	<u>213,594,389.25</u>	<u>203,033,430.33</u>
<b>Other operations Expenses</b>	-	-
Office Supplies Expense	5,201,288.55	3,569,844.08
Fuel, Oil and Lubricants Expenses	2,985,815.77	2,967,274.61
Other Supplies Expenses	1,713,248.85	2,485,300.82
Travel Expenses	2,537,065.77	1,598,585.75
Training and Scholarship Expenses	3,653,315.27	3,285,882.79
Electricity	4,567,658.83	4,574,960.15
Fuel	36,747.26	15,200.00
Postage and Deliveries	274,796.28	127,840.00
Telephone Expenses- Landline	207,301.71	246,763.86
Telephone Expenses- Mobile	697,347.55	737,857.67
Internet Expenses	246,546.36	270,873.75
Cable, Satellite, Telegraph and Radio Expenses	627.01	117,919.61
Printing Expenses	842,600.00	769,200.00
Advertising, Promotional and Marketing Expenses	960,817.90	839,522.31
Taxes, Duties and Licenses	20,803,809.15	19,634,919.85
Permits and Registration Fees	452,192.53	-
Insurance Premiums	1,147,672.43	1,033,284.33
Representation Expenses	99,377.16	-
Awards and Rewards	-	6,000.00
Indemnities and Other Claims	327,587.78	181,092.69
Rent/ Lease Expenses	1,086,500.00	388,250.00
Survey Expenses	-	10,273.35
Research, Exploration and Development Expenses	-	10,000.00
Watershed & Environmental Development Expenses	213,887.86	-
Generation, Transmission and Distribution Exp.	300,156,413.22	277,458,240.37
Extraordinary and Miscellaneous Expenses	117,600.00	151,589.51
Membership Dues and Cont. to Organizations	61,500.00	275,400.00
Cultural and Athletic Expenses	673,126.70	332,209.00
Donations	81,000.00	71,500.00
Legal Services	128,704.00	131,341.00
Auditing Services	344,453.60	500,004.00
General/Janitorial Services	822,236.35	509,350.05
Security Services	10,020,692.08	8,876,933.46
Computer Data Processing Services	-	-
Other Professional Services	411,933.00	517,675.83
Doubtful Accounts Expenses	458,482.56	164,558.17
Depreciation and Amortization Expenses	84,733,174.97	87,745,114.59
Other Maintenance and Operating Expenses	4,915,278.98	3,991,899.14
<b>Total Other Operations Expenses</b>	<u>450,980,799.48</u>	<u>423,596,660.74</u>
<b>Total Operation Expenses</b>	<u>664,575,188.73</u>	<u>626,630,091.07</u>
<b>Maintenance Expenses:</b>		
Repair & Maintenance Expenses	20,997,523.95	13,127,316.42
<b>Total Maintenance Expenses</b>	<u>20,997,523.95</u>	<u>13,127,316.42</u>
<b>Total Operation and Maintenance Expenses</b>	<u>685,572,712.68</u>	<u>639,757,407.49</u>
<b>Utility Operating Income</b>	<u>327,172,740.71</u>	<u>352,316,478.42</u>
<b>Other Income</b>		
Subsidy Income from National Government	-	147,060.19
Other Income	8,235,372.78	4,851,125.51
<b>Total Income</b>	<u>8,235,372.78</u>	<u>4,998,185.70</u>
<b>Miscellaneous Income Deductions</b>	-	-
Loss of Assets	-	-
<b>Net Income Before Interest &amp; Financial Charges</b>	<u>335,408,113.49</u>	<u>357,314,664.12</u>
Interest Expenses	44,484,703.40	57,533,427.19
<b>Net Income for the Period</b>	<u>290,923,410.09</u>	<u>299,781,236.93</u>

Cagayan de Oro City Water District  
**BALANCE SHEET**  
As of December 31, 2017

	2017	2016
<b>ASSETS AND OTHER DEBITS</b>		
<b>CURRENT ASSETS</b>		
Cash (NFS No. 4)		
Cash- Collecting Officer	3,695,672.70	1,765,244.30
Working Fund	-	-
Cash in Bank- Local Currency, Current Account	221,674,483.97	289,488,118.92
Cash in Bank- Local Currency, Time Deposits	643,917,643.37	246,273,442.56
<b>Total</b>	<b>869,287,800.04</b>	<b>537,526,805.78</b>
Receivable Accounts (NFS No.5)		
Accounts Receivable	141,824,801.22	134,420,677.17
Allowance for Doubtful Accounts	(2,338,312.41)	(2,296,315.27)
<b>Total Accounts Receivable-Net</b>	<b>139,486,488.81</b>	<b>132,124,361.90</b>
Other Receivables (NFS No. 6)		
Advances to Officers and Employees	105,950.64	2,019.00
Due from Officers and Employees	802.13	802.13
Receivable- Disallowances/Charges	39,971,212.51	39,971,212.51
Insurance/Reinsurance Claims Receivable	13,558.36	13,558.36
Other Receivable	1,060,755.67	1,071,312.51
<b>Total</b>	<b>41,152,279.31</b>	<b>41,058,904.51</b>
Inventories (NFS No. 7)		
Office Supplies Inventory	1,876,860.68	2,015,129.37
Fuel, Oil and Lubricants	113,636.64	87,664.47
Chemicals and Filtering Supplies Inventory	1,138,730.40	1,056,628.66
Maintenance Supplies Inventory	13,679,104.00	9,193,593.26
Construction Materials Inventory	15,572,010.10	15,628,448.10
Other Inventories	81,402,486.02	21,283,046.90
<b>Total</b>	<b>113,782,827.83</b>	<b>49,264,510.76</b>
Prepayments, Deposits and Deferred Charges (NFS No. 8)		
Prepaid Rent	-	-
Prepaid Insurance	420,174.16	723,761.67
Guaranty Deposits	8,931,444.88	8,743,659.53
Other Prepayments and Deposits	537,029.73	159,022.68
Input Tax	-	-
Other Deferred Charges	1,314,437.08	1,856,118.71
<b>Total</b>	<b>11,203,085.85</b>	<b>11,482,562.59</b>
<b>TOTAL CURRENT ASSETS</b>	<b>1,174,912,481.85</b>	<b>771,457,145.54</b>
<b>PROPERTY, PLANT AND EQUIPMENT (NFS No. 9)</b>		
Land and Other Improvements		
Land	40,823,894.89	40,725,074.89
<b>Total</b>	<b>40,823,894.89</b>	<b>40,725,074.89</b>
Plant, Buildings and Structures		
Plant (UPIS)	1,566,399,507.01	1,550,441,877.39
Buildings and Other Structures	138,249,039.64	137,550,136.48
<b>Total</b>	<b>1,704,648,546.65</b>	<b>1,687,992,013.87</b>
Equipment and Machinery		
Office Equipment	60,650,834.75	48,571,419.73
Laboratory Equipment	7,143,588.03	6,745,213.25
Land Transport Equipment	54,006,948.98	49,564,063.98
Other Machinery and Equipment	326,656,773.72	302,585,331.36
<b>Total</b>	<b>448,458,145.48</b>	<b>407,466,028.32</b>
Furniture, Fixtures and Books		
Furniture and Fixtures	3,120,858.75	2,667,303.80
<b>Total</b>	<b>3,120,858.75</b>	<b>2,667,303.80</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>2,197,051,445.77</b>	<b>2,138,850,420.88</b>
Accumulated Depreciation-PPE	(1,124,955,797.49)	(1,039,327,482.25)
<b>Total</b>	<b>1,072,095,648.28</b>	<b>1,099,522,938.63</b>
Construction-in-Progress (NFS No. 10)		
Construction-in-Progress- Plant	16,313,799.57	15,287,701.44
Construction-in-Progress- Buildings and Other Structures	56,194,272.87	30,438,912.13
<b>Total</b>	<b>72,508,072.44</b>	<b>45,726,613.57</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>1,144,603,720.72</b>	<b>1,145,249,552.20</b>
<b>OTHER ASSETS (NFS No. 11)</b>		
Intangible Assets	5,672,781.20	5,492,981.20
Accumulated Amortization-Intangible Assets	(925,185.36)	(1,721,091.49)
Intangible Assets,net	4,747,595.84	3,771,889.71
Restricted funds	254,366,579.03	239,622,711.04
Other Assets	170,065,087.19	164,111,358.54
<b>TOTAL OTHER ASSETS</b>	<b>429,179,262.06</b>	<b>407,505,959.29</b>
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>2,748,695,464.63</b>	<b>2,324,212,657.03</b>
<b>LIABILITIES, EQUITY AND OTHER CREDIT ACCOUNTS</b>		
<b>CURRENT LIABILITIES (NFS No. 12)</b>		
Inter-Agency Payables		
Due to National Government Agencies (BIR, etc.)	4,681,677.79	4,032,758.26
Due to Government Owned and/or Controlled Corporation	1,114,014.48	3,734,115.46
<b>Total</b>	<b>5,795,692.27</b>	<b>7,766,873.72</b>
Other Payables		
Due to Officers and Employees	64,422.15	15,251.63
Contractor's Security Deposits	29,945,120.28	21,715,735.71
Accrued Light and Power	12,256,818.95	19,430,951.99
Other Payables	46,351,453.38	52,426,343.42
<b>Total</b>	<b>88,617,814.76</b>	<b>93,588,282.75</b>
Loans/ Lease Payable		
Current Portion of Long-term Debt	84,615,372.61	66,817,966.19
<b>Total</b>	<b>84,615,372.61</b>	<b>66,817,966.19</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>179,028,879.64</b>	<b>168,173,122.66</b>
<b>NON-CURRENT LIABILITIES (NFS 13)</b>		
Loans Payable	694,314,167.28	583,590,440.88
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>694,314,167.28</b>	<b>583,590,440.88</b>
<b>TOTAL LIABILITIES</b>	<b>873,343,046.92</b>	<b>751,763,563.54</b>
<b>DEFERRED CREDITS (NFS No. 14)</b>		
Customers' Deposit	9,056,122.05	9,056,122.05
Other Deferred Credits	31,103,692.82	33,320,931.63
<b>TOTAL DEFERRED CREDITS</b>	<b>40,159,814.87</b>	<b>42,377,053.68</b>
<b>EQUITY (NFS No. 15)</b>		
Government Equity	866,925.40	866,925.40
Capital/Equity Reserve	-	-
Donated Capital (OPIC)	119,230,157.23	119,230,157.23
Retained Earnings	1,715,095,520.20	1,409,974,957.18
<b>TOTAL EQUITY</b>	<b>1,835,192,602.83</b>	<b>1,530,072,039.81</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDIT ACCOUNTS</b>	<b>2,748,695,464.62</b>	<b>2,324,212,657.03</b>



**Cagayan de Oro City Water District**  
**CASH FLOW STATEMENT**  
As of December 31, 2017

	<u>2017</u>	<u>2016</u>	<u>Increase/ (Decrease)</u>
Cash Flows from Operating Activities			
Cash Inflows:			
Collection of Water Bills	977,315,591.84	971,840,187.09	5,475,404.75
Collection of Other Water Revenues	14,547,130.47	11,725,451.30	2,821,679.17
Refund of overpayment of expenses and Cash Advances	555,694.44	387,282.87	168,411.57
Receipt of Performance/Bidders/Bail Bonds	1,529,037.21	6,571,681.77	(5,042,644.56)
Interest Income	5,530,893.05	3,752,820.96	1,778,072.09
Other Receipts	12,688,077.58	10,848,503.97	1,839,573.61
Fund Transfer	-	8,500,000.00	(8,500,000.00)
<b>Total Cash Inflows</b>	<u>1,012,166,424.59</u>	<u>1,013,625,927.96</u>	<u>(1,459,503.37)</u>
Cash Outflows:			
Payment of Operating Expenses:			
Payroll	109,134,906.39	112,446,727.67	(3,311,821.28)
Fuel/Power for Pumping	128,336,951.02	105,217,421.01	23,119,530.01
Chemicals	574,872.96	1,059,358.99	(484,486.03)
Other Operation and Maint. Expenses	67,640,925.26	84,994,099.25	(17,353,173.99)
Payment of Payables	262,868,683.73	143,070,270.82	119,798,412.91
Purchase of office supplies Inventory	773,903.67	2,094,358.28	(1,320,454.61)
Payment of prepaid expenses	29,938,146.75	15,200,629.52	14,737,517.23
Remittance of GSIS/PAG-IBIG/Withholding Taxes	104,048,870.58	95,536,233.50	8,512,637.08
Fund Transfer	5,500,000.00	208,539,200.00	(203,039,200.00)
<b>Total Cash Outflows</b>	<u>708,817,260.36</u>	<u>768,158,299.04</u>	<u>(59,341,038.68)</u>
<b>Total Cash Provided (used) by Operating Activities</b>	<u>303,349,164.23</u>	<u>245,467,628.92</u>	<u>57,881,535.31</u>
Cash Flows from Investing Activities:			
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>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Outflows:			
Investments in Securities			
Purchase/construction of			
Buildings and Other Structures	18,340,175.95	10,546,141.61	7,794,034.34
Office Equipment, Furnitures and Fixtures	12,687,392.95	18,915,158.72	(6,227,765.77)
Transportation Equipment	4,420,123.48	549,791.00	3,870,332.48
Other Property, Plant and Equipment	27,547,806.45	54,031,040.65	(26,483,234.20)
<b>Total Cash Outflows</b>	<u>62,995,498.83</u>	<u>84,042,131.98</u>	<u>(21,046,633.15)</u>
<b>Total Cash Provided (Used) by Investing Activities</b>	<u>(62,995,498.83)</u>	<u>(84,042,131.98)</u>	<u>21,046,633.15</u>
Cash Flows from Financing Activities			
Cash Inflows:			
Proceeds from Borrowings (Loans Payable)	403,545,145.00	-	-
<b>Total Cash Inflows</b>	<u>403,545,145.00</u>	<u>-</u>	<u>-</u>
Cash Outflows:			
Cash payment of int.on loans payable and other fin. charges	42,390,220.88	4,549,884.32	37,840,336.56
Payments of domestic and foreign loans	269,747,595.26	5,491,563.64	264,256,031.62
<b>Total Cash Outflows</b>	<u>312,137,816.14</u>	<u>10,041,447.96</u>	<u>302,096,368.18</u>
<b>Total Cash Provided (used) by Financing Activities</b>	<u>91,407,328.86</u>	<u>(10,041,447.96)</u>	<u>(302,096,368.18)</u>
Cash Provided by Operating, Investing and Financing Activities	331,760,994.26	22,913,566.67	308,847,427.59
Add: Cash and Cash Equivalents - Beginning	537,526,805.78	514,613,239.11	22,913,566.67
Cash and Cash Equivalents, Ending	<u>869,287,800.04</u>	<u>537,526,805.78</u>	<u>331,760,994.26</u>

**Cagayan de Oro City Water District**  
**COMPARATIVE STATEMENT OF CHANGES IN EQUITY**  
**As of December 31, 2017**

	2017	2016
<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>Restricted Capital</b>		
Balance at beginning of the period	-	3,170,522.91
Additions (deductions)		(3,170,522.91)
Balance at the end of the period	<u>-</u>	<u>-</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	1,409,974,955.18	1,060,959,581.53
Prior period adjustments	14,197,154.93	49,234,138.72
Net income (loss) for the period	290,923,410.09	299,781,236.93
Balance at the end of the period	<u>1,715,095,520.20</u>	<u>1,409,974,957.18</u>
<b>TOTAL EQUITY</b>	<u><u>1,835,192,602.83</u></u>	<u><u>1,530,072,039.81</u></u>