



SAGAY WATER DISTRICT

Sagay City, Negros Occidental, Philippines

Tel. No. (034) 488-0219

NOTES TO FINANCIAL STATEMENTS

The Sagay Water District (SWD) was created by virtue of Sanguniang Bayan Resolution No. 49 dated July 11, 1979 of the Municipality of Sagay Negros occidental pursuant to the provision of Title, Presidential Decree 198, otherwise known " Local Water District Law."

In line with the provision of P.D. No. 198, the Sagay Water District's mission and functions include the acquisition, installation, improvement, maintenance and operation of water supply and distribution systems within the district boundaries. The district was formed to provide adequate and potable water supply to all its concessionaires.

Government-Owned and Controlled Corporation (GOCC) with original charter which puts them under the jurisdiction of the Civil Service Commission (CSC), Commission on Audit(COA) and Department of Budget and Management (DBM).

Recognition of Income and Accounting for Expenses

SWD recognized Income from Water Sales on accrual basis while Penalty charges and miscellaneous service revenues are recognized on cash basis. Expenses are charged to corresponding account on accrual basis.

Utility Plant & Equipment (UPIS) of SWD is depreciated on a straight -line method based on the useful lines of the assets.

Note I Cash on hand and in Bank account consist of the following :

	2013	2012	2011
Cash on Hand - Collecting Officer	140,018.39	453,437.14	54,083.17
Cash in Bank-Local Currency C/A	2,562,462.31	3,820,884.04	855,457.09
Cash in Bank-Local Currency-S/A	2,684,319.10	2,669,400.23	2,360,313.74
Cash in Bank-Local Currency-TD	0.00	891,383.74	883,331.00
Cash in Bank-HYSA	7,729,077.99	5,274,705.26	5,188,272.99
TOTAL	13,115,877.79	13,109,810.41	9,341,457.99

Note II Receivables is comprised of the following :

Accounts Receivable -Customer	3,902,410.67	2,201,724.51	1,665,479.32
Installment Sales Receivable	58,011.47	19,796.77	15,316.77
Other Receivable	340,539.50	236,774.00	251,627.50
Allowance for Doubtful Accounts	(680,722.71)	(821,238.15)	(694,026.11)
TOTAL	3,620,238.93	1,637,057.13	1,238,397.48

Note III Inventories is comprised of the following :

Office Supplies Inv.	54,975.89	69,470.21	102,550.14
Chem.& Filt. Supply Inv.	39,200.00	34,200.00	-
Other Inventories - Meter	14,400.00	22,946.00	-
Other Inventories - Serv. Conn.	118,439.21	116,363.29	254,916.09
Other Inventories - Trans.& Dist.Mains	613,350.48	881,010.71	690,278.29
TOTAL	840,365.58	1,123,990.21	1,047,744.52



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Note IV Prepayments is comprised of the following :

Prepaid Insurance	27,904.12	29,749.66	25,399.72
Deferred Charges	116.47	89.60	143.83
TOTAL	28,020.59	29,839.26	25,543.55

Note V Property Plant & Equipment is comprised of the following :

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Office Building & Other Structure	3,976,171.69	3,849,731.69	3,149,238.25
Acc. Dep'n. - Building & Other Structure	(576,924.88)	(471,162.60)	(360,286.50)
Net	3,399,246.81	3,378,569.09	2,788,951.75
Office Equipment	2,266,731.34	1,947,758.84	1,828,761.59
Acc. Dep'n - Office Equipment	(1,592,853.66)	(1,379,307.32)	(1,190,969.33)
Net	673,877.68	568,451.52	637,792.26
Land Transport & Equipmt.	1,792,349.33	1,757,482.63	1,686,042.63
Acc. Dep'n. - Land Transport & Equipmt.	(1,082,184.21)	(891,790.54)	(733,938.82)
Net	710,165.12	865,692.09	952,103.81
Other Machineries & Equipmt	14,612,692.67	12,457,694.67	10,769,697.13
Acc. Depn.-Other Mach. & Equipmt	(3,526,256.62)	(2,486,712.78)	(1,746,099.39)
Net	11,086,436.05	9,970,981.89	9,023,597.74
Plant-(UPIS)	74,139,711.61	65,782,533.20	60,905,320.67
Acc. Depreciation-Plant	(25,341,328.75)	(22,255,101.33)	(18,818,124.39)
Net	48,798,382.86	43,527,431.87	42,087,196.28
CWP-(Building & Other Struc.)	257,863.50	0.00	631,308.44
TOTAL	64,925,972.02	58,311,126.46	56,120,950.28

Note VI Due to GOCC's is comprised of the following :

Ins./Prem Payable(GSIS)	13,398.18	(105.00)	0.00
Due to Pag-ibig	0.00	1,272.30	141.70
TOTAL	13,398.18	1,167.30	141.70

Note VII Guarranty Deposits Payable is comprised of the following :

Customer Deposit	307,022.16	302,022.16	302,022.16
Meter Deposit	632,862.52	632,862.52	632,862.52
TOTAL	939,884.68	934,884.68	934,884.68

Note VIII Other Long Term Payable is comprised of the following :

A. Regular Loan			
LA#3-493	792,124.51	850,490.84	903,063.48
LA#3-594	1,134,651.02	1,198,956.39	1,256,601.54
LA#3-129	(7.00)	(7.00)	(7.00)
TOTAL	1,926,768.53	2,049,440.23	2,159,658.02



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Tel. No. (034) 488-0219

Note IX Income from Waterworks System is comprised of the following :

	2013	2012	2011
Income from Water Works System	46,296,538.64	42,067,389.94	38,371,405.90
Less: Discounts - Senior Citizens	(77,237.86)	(66,054.43)	(52,242.04)
TOTAL	46,219,300.78	42,001,335.51	38,319,163.86

Note X Operations Expenses is comprised of the following :

Salaries & Wages -Regular	6,495,368.75	6,507,020.76	5,830,718.76
Salaries & Wages-Others	1,500,736.00	1,678,560.00	1,984,593.00
Pera	1,020,000.00	1,078,000.00	1,070,818.14
RA	162,000.00	126,000.00	129,000.00
TA	162,000.00	126,000.00	129,000.00
Clothing/Uniform Allow.	215,000.00	225,000.00	180,000.00
Other Bonuses & Allow.	1,928,682.00	2,035,995.00	2,266,911.25
Honoraria	403,128.46	761,465.84	1,543,000.00
Overtime & Holiday Pay	476,538.77	393,628.36	205,611.26
Year End Bonus	587,348.00	621,528.00	511,355.00
Life & Ret. Ins. Cont.	879,154.20	892,239.60	823,929.78
Pag-ibig Cont.	51,000.00	58,400.00	60,700.00
Philhealth Cont.	92,712.50	82,487.50	77,362.50
ECC Contribution	44,916.16	47,377.12	46,672.76
Ret. & Benefit -Regular	300,000.00	300,000.00	300,000.00
V/L & S/L Benefits	371,617.75	256,970.61	290,232.25
Traveling Expenses	174,301.21	217,161.86	140,227.54
Training Expenses	27,916.00	193,177.05	127,555.50
Office Supplies Expenses	431,357.98	317,136.18	319,161.20
Fuel, Oil & Lubricant	543,316.37	566,958.86	556,278.08
Chemicals & Felt. Mat. Exp.	504,500.00	555,600.00	452,003.00
Other supply expenses	534,340.00	479,000.00	500,231.55
Water	8,108.85	12,573.20	6,887.95
Electricity	316,014.12	267,263.49	242,215.35
Postage & Delivery	4,620.00	6,011.50	6,365.00
Cable service	6,000.00	6,000.00	6,000.00
Telephone Expenses-	91,402.87	80,409.02	62,351.83
Internet Expenses	11,888.09	11,287.84	11,988.00
Advertising Expenses	0.00	0.00	1,000.00
Representation exp.	76,932.03	99,260.60	71,331.70
Other Professional fees	36,600.00	32,000.00	2,950.00
Extraor. Misc. Expenses	98,126.72	164,740.50	503,954.57
Taxes, Duties & Licenses	986,914.61	905,054.83	836,459.32
Insurance expenses	64,042.60	60,901.33	42,893.60
Power/fuel purchase	15,387,279.25	12,531,616.01	9,641,923.33
Membership fee	154,643.00	159,917.53	39,680.00
Donations	500.00	0.00	50,000.00
Auditing Services	0.00	0.00	111,873.30
General/Janitorial Expenses	159,169.99	152,946.18	204,145.33
GTDE-Purchased water	297,233.60	304,442.88	643,044.64
Freight & Handling	4,932.80	10,482.60	26,342.40
Other Maint. & Operating Exp.	706,206.53	452,233.50	0.00
TOTAL	35,316,549.21	32,776,847.75	30,056,767.89



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Note XI Maintenance Expenses is comprised of the following :

	2013	2012	2011
Repair & Maint. - LT& Equipt.	240,823.30	154,732.51	111,884.36
Repair & Maint. - Office Equipt.	44,590.00	23,254.40	15,129.00
Repair & Maint. - Office Bldg.	2,482.00	0.00	1,340.00
Repair & Maint. - Trans. & Dist.	2,227,738.06	1,450,159.07	1,206,509.80
Repair & Maint. - Plant	192,900.80	342,832.00	259,708.65
TOTAL	2,708,534.16	1,970,977.98	1,594,571.81

Note XII Depreciation Expenses is comprised of the following :

Dep'n.Exp. - Office Bldg.	105,762.28	122,113.94	54,864.20
Dep'n Exp. - Office Equipt.	213,546.34	296,034.61	298,232.87
Dep'n Exp. - Trans. Equipt	190,393.67	176,099.76	179,859.27
Dep'n Exp. - Other Mach.	1,039,543.84	801,213.29	629,862.49
Dep'n.Exp. - Plant	3,087,978.68	2,886,712.53	1,618,614.04
TOTAL	4,637,224.81	4,282,174.13	2,781,432.87