



**Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City**

FINANCIAL AUDIT REPORT

on the

**HAGONOY WATER DISTRICT
Hagonoy, Bulacan**

For the Year Ended December 31, 2018



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HAGONOY WATER DISTRICT



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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The Management of Hagonoy Water District is responsible for the preparation of the financial statements as at December 31, 2018, including the additional components attached thereto in accordance with prescribed financial reporting framework indicated therein. The responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Board of Directors reviews and approves the financial statements before such statements are issued to regulators, creditors and other users.


The Commission on Audit has audited the financial statements of the Hagonoy Water District in accordance with the International Standards of Supreme Audit Institutions and has expressed its opinion on the fairness of presentation upon completion of such audit, in its report to the Board of Directors.


ENGR. DANILO A. FAJARDO
Chairman
Board of Director

03-29-19
Date Signed


REMEDIOS R. OSORIO
Division Manager B-Finance

03-29-19
Date Signed


ENGR. CELESTINO S. VENGCO
General Manager

03-29-19
Date Signed

HAGONOY WATER DISTRICT
Hagonoy, Bulacan
STATEMENT OF FINANCIAL POSITION
As at December 31, 2018
(With Comparative Figures for CY 2017)

	Note	2018	2017
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	P 35,538,378.67	P 21,588,558.64
Receivables, Net	5	9,633,004.02	9,145,337.79
Inventories	6	2,174,395.10	1,230,595.35
Guaranty Deposits	7	1,967,581.48	1,930,271.48
Total Current Assets		49,313,359.27	33,894,763.26
Non-Current Assets			
Investments	8	9,583,270.45	9,417,979.17
Property, Plant and Equipment, Net	9	118,428,938.16	113,069,577.88
Other Assets	10	799,701.89	960,434.91
Total Non-Current Assets		128,811,910.50	123,447,991.96
TOTAL ASSETS		P178,125,269.77	P157,342,755.22
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Payables	11	P 2,298,494.38	P 1,286,540.07
Loans Payable - Domestic	12	453,310.00	420,652.00
Inter-Agency Payables	13	1,442,927.00	1,107,801.46
Total Current Liabilities		4,194,731.38	2,814,993.53
Non-Current Liabilities			
Loans Payable - Domestic	12	488,503.00	941,813.00
Trust Liabilities	14	238,100.00	255,100.00
Other Deferred Credits		0.00	55,200.00
Leave Benefits Payable		22,739,034.38	20,389,741.97
Total Non-Current Liabilities		23,465,637.38	21,641,854.97
TOTAL LIABILITIES		27,660,368.76	24,456,848.50
EQUITY			
Government Equity	15	190,844.59	190,844.59
Retained Earnings		150,274,056.42	132,695,062.13
TOTAL EQUITY		150,464,901.01	132,885,906.72
TOTAL LIABILITIES AND EQUITY		P178,125,269.77	P157,342,755.22

The notes on pages 8 to 30 form part of these statements.

HAGONOY WATER DISTRICT
Hagonoy, Bulacan
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2018
(With Comparative Figures for CY 2017)

	Note	2018	2017
INCOME			
Business Income	16	P119,181,199.28	P112,577,444.21
Sale of Unserviceable Property		34,915.08	0.00
TOTAL INCOME		119,216,114.36	112,577,444.21
EXPENSES			
Personnel Services	17	43,968,519.10	39,176,729.40
Maintenance and Other Operating Expenses	18	42,462,815.35	38,634,144.91
Financial Expenses	19	106,770.00	646,476.29
Non-Cash Expenses	20	10,090,664.35	9,539,934.41
TOTAL EXPENSES		96,628,768.80	87,997,285.01
NET INCOME		P 22,587,345.56	P 24,580,159.20

The notes on pages 8 to 30 form part of these statements.

HAGONOY WATER DISTRICT
Hagonoy, Bulacan
STATEMENT OF CHANGES IN EQUITY
For the Year Ended December 31, 2018

	GOVERNMENT EQUITY	RETAINED EARNINGS	TOTAL
BALANCE AT DECEMBER 31, 2017	₱190,844.59	₱132,695,062.13	₱132,885,906.72
<i>Add(Deduct):</i>			
Net Income for the year	0.00	22,587,345.56	22,587,345.56
Prior Year's Adjustments	0.00	(5,008,351.27)	(5,008,351.27)
BALANCE AT DECEMBER 31, 2018	₱190,844.59	₱150,274,056.42	₱150,464,901.01

The notes on pages 8 to 30 form part of these statements.

HAGONOY WATER DISTRICT
Hagonoy, Bulacan
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2018
(With Comparative Figures for CY 2017)

	Note	2018	2017
Cash Flows from Operating Activities			
Cash Inflows			
Collection of Account Receivables		P115,378,363.59	P109,578,299.15
Collection of Service Connection Loan, Fees and Charges		541,804.60	657,973.10
Collection of Business Income		1,664,729.45	1,834,417.32
Payment of electric consumption from stall owners		157,387.54	142,817.95
Rent Income		637,335.00	629,925.00
PNB-Retirement Fund		6,000,000.00	5,400,000.00
Restoration of Unreleased Checks and Others		920,152.09	1,161,020.65
Total Cash Inflows		125,299,772.27	119,404,453.17
Cash Outflows			
Payment of Personnel Services		22,872,747.06	20,082,213.21
Payment of MOOE		35,217,297.36	34,132,757.23
Payment of Accounts Payable		3,379,155.49	2,626,353.30
Remittances - GSIS, BIR, PhilHealth		20,779,751.33	20,367,427.69
Miscellaneous Disbursements		3,732,148.80	2,371,420.15
Payment of CNA Incentive and other payables for CY 2017		5,105,935.24	4,115,532.18
Monetization of terminal leave benefits and others		299,305.16	205,726.09
Total Cash Outflows		91,386,340.44	83,901,429.85
Net Cash Provided by (Used in) Operating Activities		33,913,431.83	35,503,023.32
Cash Flows from Investing Activities			
Cash Inflows			
Interest on Savings Deposits		358,180.55	75,890.59
Total Cash Inflows		358,180.55	75,890.59
Cash Outflows			
Reserve-HWD/LWUA		300,000.00	300,000.00
Long Term Investment		7,728,042.65	8,000,000.00
Retirement Fund		6,000,000.00	5,400,000.00
Purchase/Construction of PPE		13,770,677.70	13,889,292.55
Total Cash Outflows		27,798,720.35	27,589,292.55
Net Cash Provided by (Used in) Investing Activities		(27,440,539.80)	(27,513,401.96)
Cash Flows from Financing Activities			
Cash Inflows			
Withdrawal of matured investment		8,000,000.00	0.00
Total Cash Inflows		8,000,000.00	0.00
Cash Outflows			
Finance Charges		0.00	5,645.71
Payment of Principal/Interest		523,072.00	14,681,487.77
Total Cash Outflows		523,072.00	14,687,133.48
Net Cash Provided by (Used in) Financing Activities		7,476,928.00	(14,687,133.48)
Increase (Decrease) in Cash and Cash Equivalents		13,949,820.03	(6,697,512.12)
Cash and Cash Equivalents - January 1		21,588,558.64	28,286,070.76
Cash and Cash Equivalents - December 31	4	P 35,538,378.67	P 21,588,558.64

The notes on pages 8 to 30 form part of these statements.