

Republic of the Philippines
SIPALAY WATER DISTRICT
 Brgy. Mambaroto, Sipalay City, Negros Occidental

NOTES TO FINANCIAL STATEMENTS
ALL FUNDS
Calendar Year 2023

NOTE 1 – AGENCY PROFILE

The Sipalay Water District was formed by virtue of Resolution No. 46, Series of 1982 of the Sangguniang Bayan of Sipalay, Negros Occidental. On October 7, 1983 LWUA issued a Conditional Certificate of Conformance No. 252 sanctioning the operation of the SWD with five members of the Board of Directors who subsequently appointed a General Manager pursuant

NOTE 4 - CASH AND CASH EQUIVALENTS

This Account is composed of the following:

	<u>2023</u>	<u>2022</u>
Cash Collecting Officers	19,515.34	13,752.74
Petty Cash	10,000.00	10,000.00
Cash In Bank, Local Currency- Current Account		
Land Bank of The Philippines (LBP) Operations	242,507.37	1,329,397.81
Cash In Bank-Local Currency, Saving Account		
LBP Joint Savings Account	-	835,000.00
Total Cash and Cash Equivalents	272,022.71	2,188,150.55

- The Cash Collecting Officer Account represents remaining balance after deducting the total balance
- Operations Account maintained at LBP was for the operational needs of the District -
- Special Project Account maintained at LBP was
- The savings Account at LBP was maintained in compliance with the loan agreement between SWD
- Petty Operating Expenses were charged to the petty cash fund of the District

Note 5- Receivables

	<u>2023</u>	<u>2022</u>
Accounts Receivables	509,575.54	208,414.94
Allowance for Impairment Loss- AR	-	32,887.17
Receivables-Disallowances/Charges	186,299.49	212,760.00
Due from Officers and Employees	3,333.49	4,838.89
Other Receivables	0.00	0.00
Total Receivables	699,208.52	393,126.66

- Billed water sales that were not collected were recorded in Accounts Receivable
- The allowance for doubtful accounts of accounts receivable still needed to be adjusted once the
- Amount refunded for disallowance from BOD's and employees are recorded in Receivables-
- Dues from employees from unliquidated advances but refunded thru payroll deduction is
- Other Receivables account was from the overpayment made to suppliers

Note 6 - Inventories

	<u>2023</u>	<u>2022</u>
Semi Expendable Office Equipment	250,212.00	7,345.00
Semi Expendable Printing Equipment	43,723.00	43,723.00
Semi Expendable Disaster, Response and Rescue Equipment	7,000.00	7,000.00
Semi Expendable Other Machinery and Equipment	407,249.00	156,645.00
Semi Expendable Furniture and Fixtures	9,000.00	9,000.00
Total Inventories	717,184.00	223,713.00

Note 7- Other Current Assets

	<u>2023</u>	<u>2022</u>
Advances for Operating Expenss	0.00	0.00
Advances for Payroll	0.00	0.00
Advances to Officers and Employees	0.00	0.00
Prepaid Interest	0.00	25.40
Total Other Current Assets	<u>0.00</u>	<u>25.40</u>

Note 8- Investments

	<u>2023</u>	<u>2022</u>
Sinking Fund	2,130,983.23	1,820,191.78
Total Investments	<u>2,130,983.23</u>	<u>1,820,191.78</u>

- The Sinking Fund Account with Savings Account no:1321-

Note 9- Property Plant and Equipment

The PPE is composed of the following:

	<u>2023</u>	<u>2022</u>
Plant-Utility Plant in Service		
1. Land and Land Rights	188,474.42	188,474.42
2 Wells	4,038,048.52	3,429,648.52
3. Pumping Plant	0.00	2,320,247.90
4. Treatment Plant	18,507.75	18,507.75
5. Transmission and Distribution-Mains	20,114,338.44	20,163,838.44
6. Meters	890,000.00	890,000.00
7. Reservoir and Tank	1,534,198.00	1,534,198.00
8. Transmission Lines	10,880.00	10,880.00
9. Hydrants, Tools and Transmission Lines	142,112.36	142,112.36
10. Service Connection Materials	2,496,362.75	2,496,362.75
11. Survey Expenses at Canturay	4,521.80	4,521.80
Construction In Progress- Infrastructure Assets	0.00	-47,737.64
Total	29,437,444.04	31,151,054.30
Less: Accumulated Depreciation- Infra Assets	-9,753,458.15	-8,804,959.94
Net value of Plant-UPIS	19,683,985.89	22,346,094.36
Other Structure (Pumping Station 2)	1,257,942.28	1,257,942.28
Other Structures (Building-Pumping Station 1)	2,320,247.90	0.00
Less: Accumulated Depreciation- Other Structure (Pumping	-232,813.87	-79,669.68
Net value of Other Structure (Pumping Station 2)	3,345,376.31	1,178,272.60
Office Equipment	0.00	132,096.00
Other Equipment	1,745,777.92	2,434,177.92
Other PPE	0.00	41,300.00
Motor Vehicles	135,000.00	0.00
Less: Accumulated Depreciation- Machinery and Equipment	-646,357.80	-366,783.67
Net Value of Machinery and Equipment	1,234,420.12	2,240,790.25
Total Property, Plant and Equipment	<u>24,263,782.32</u>	<u>25,765,157.21</u>

Note 10 -Financial Liabilities (Current Assets)

	<u>2023</u>	<u>2022</u>
Accounts Payable	303,496.50	116,476.00
Due to Officers and Employees	0.00	295,133.14
Interest Payable	46,651.37	46,651.37
Total Financial Liabilities	<u>350,147.87</u>	<u>458,260.51</u>

Note 11 - Inter-Agency Payables

	<u>2023</u>	<u>2022</u>
Due to BIR	566,287.30	579,892.76
Due to GSIS	65,963.93	464.84
Due to Pag-Ibig	1,663.70	0.01
Due to Philhealth	0.00	0.01
Total Inter-Agency Payables	<u>633,914.93</u>	<u>580,357.62</u>

- This pertains to unremitted taxes withheld on purchase of goods and services during project construction in 2003 and

Note 12 - Trust Liabilities

	<u>2023</u>	<u>2022</u>
Customers' Deposits Payable	2,355.99	4,183.23
Total Trust Liabilities	<u>2,355.99</u>	<u>4,183.23</u>

- This represents overpayment of water bill and were applied/deducted to the concessionaires succeeding bill

Note 13- Financial Liabilities (Non-Current Asset)

	<u>2023</u>	<u>2022</u>
Loans Payable-Domestic	31,829,744.91	32,484,796.98
Other Financial Liability	3,523,407.08	0.00
Total Financial Liabilities	<u>35,353,151.99</u>	<u>32,484,796.98</u>

Note 14 - Government Equity

	<u>2023</u>	<u>2022</u>
Government Equity	3,640,318.85	3,640,318.85
Total Government Equity	<u>3,640,318.85</u>	<u>3,640,318.85</u>

Note 15- Retained Earnings/(Deficit)

	<u>2023</u>	<u>2022</u>
Retained Earnings/(Deficit)	-10,278,810.35	-6,777,552.59
Total Retained Earning/(Deficit)	<u>-10,278,810.35</u>	<u>-6,777,552.59</u>

Note 16 - Service and Business Income

	<u>2023</u>	<u>2022</u>
Waterworks System Fees	10,152,504.65	9,228,292.12
Interest Income	989.32	1,195.78
Fines and Penalties-Business Income	275,178.78	281,234.74
Other Business Income	1,025,197.48	815,469.37
Income from grants and donations in cash	0.00	50,000.00
Other Miscellaneous Income	0	347.6
Total Service and Business Income	<u>11,453,870.23</u>	<u>10,376,539.61</u>

Note 17 - Personnel Services

	<u>2023</u>	<u>2022</u>
Salaries and Wages-Regular	2,460,840.75	2,215,608.00
Salaries and Wages-Casual/Contractual	659,857.25	484,413.00
Personnel Economic Relief Allowance	284,000.00	264,000.00
Representation Allowance	30,000.00	30,000.00
Transportation Allowance	30,000.00	30,000.00
Clothing/Uniform Allowance	72,000.00	66,000.00
Productivity Incentives Allowances	-	-
Honoraria	-	-
Overtime and Night Pay	236,626.68	233,690.54
Mid-Year and Year-End Bonus	523,358.10	457,331.00
Cash Gift	59,750.00	55,000.00
Other Bonuses and Allowances	275,000.00	275,000.00
Retirement and Life Insurance Premium	342,373.80	361,058.11
Pag-IBIG Contribution	14,200.00	13,200.00
PhilHealth Contribution	62,357.04	52,660.26
Employees Compensation Insurance Premium	13,200.00	15,000.00
Terminal Leave Benefits	257,189.04	274,158.43
Total Personnel services	<u>5,320,752.66</u>	<u>4,827,119.34</u>

Note 18- Other Maintenance and Operating Expenses

	<u>2023</u>	<u>2022</u>
Traveling Expense Local	301,904.00	235,584.00
Training Expense	159,000.00	80,000.00
Office supplies Expense	37,553.00	111,412.72
Accountable Forms Expense	62,000.00	87,100.00
Fuel, Oil And lubricants Expense	115,892.27	245,265.60
Chemical And Filtering Supplies Expense	701,446.50	428,106.00
Linens and Bedding Expenses	7,000.00	0.00
Semi-Expendable Machinery And Equipment Expenses	9,000.00	14,112.80
Semi-Expendable Furniture, Fixtures and Books Expenses	0.00	1,872.00
Other Supplies and Materials Expense	30,822.80	48,397.40
Water Expenses	10,625.50	10,915.82
Electricity Expenses	1,104,070.64	1,070,252.44
Gas/ Heating Expenses	0.00	0.00
Other Utility Expenses	0.00	0.00
Postage and Courier Services	3,855.00	3,815.00
Telephone Expense	11,232.00	16,667.00
Internet Subscription Expense	25,380.61	22,467.00
Cable, Satellite , Telegraph And Radio Expenses	13,000.00	13,000.00
Generation, Transmission and Distribution Expenses	463,971.19	227,144.21
Extraordinary and Miscellaneous Expenses	33,844.00	22,293.00
Legal Services	1,300.00	200.00
Auditing Services	31,920.00	0.00
Janitorial Services	0.00	0.00
Other General Services	398.00	0.00
Repairs and Maintenance-Infrastructure Assets	4,140.00	114,471.00
Repairs and Maintenance-Building and Other Structure	0.00	178,645.00
Repairs and Maintenance-Machinery and Equipment	3,121.00	5,394.00
Repairs and Maintenance-Transportation Equipment	44,803.00	4,338.00
Repairs and Maintenance-Furniture and Equipment	0.00	0.00
Repairs and Maintenance-Service Concession Assets	0.00	0.00
Repairs and Maintenance-Semi-Expendable-Machinery and	4,294.00	1,150.00
Repairs and Maintenance-Semi-Expendable-Furniture,	0.00	5,200.00
Taxes, Duties and Licenses	697.87	76,435.66
Fidelity Bond Premiums	9,750.00	9,750.00
Insurance Expense	0.00	0.00
Labor and Wages	672,612.30	783,612.29
Advertising, Promotional and Marketing expense	400.00	0.00
Printing and Publication Expense	51,330.00	44,228.23
Representation Expense	107,728.00	85,717.00
Transportation and Delivery Expenses	4,750.00	2,000.00
Litigation/ Acquired Assets Expenses	0.00	0.00
Directors and Committee Members' Fees	90,720.00	90,720.00
Rent/Lease Expenses	8,100.00	0.00
Other Maintenance and Operating Expenses	8,850.50	56,659.00
Total Maintenance and Other Operating Expenses	<u>4,135,512.18</u>	<u>4,096,925.17</u>

Note 19 - Financial Expenses

	<u>2023</u>	<u>2022</u>
Interest Expense	1,770,531.14	2,060,604.87
Commitment Fees	0.00	0.00
Bank charges	6,220.00	280.00
Other Financial Charges	61,431.94	88,265.39
Total Financial Charges	<u>1,838,183.08</u>	<u>2,149,150.26</u>

Note 20- Non-Cash Expenses

	<u>2023</u>	<u>2022</u>
Depreciation- Infrastructure Assets	948,498.21	693,549.16
Depreciation- Building and Other Structures	153,144.19	79,669.68
Depreciation- Machinery and Equipment	279,574.13	231,085.70
Depreciation- Transportation Equipment	0.00	0.00
Depreciation- Furniture and Fixtures	0.00	0.00
Other Discounts	36,163.76	56,240.29
ImpairmentLoss-Loans and Receivables	359,940.52	10,420.75
Total Non-Cash Expenses	<u>1,777,320.81</u>	<u>1,070,965.58</u>