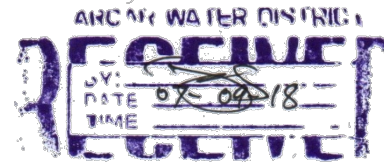




Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. VII
Cebu City

June 29, 2018

ENGR. EDWARD L. REMO
General Manager
Carcar Water District
Carcar City, Cebu



Dear Engr. Remo:

We are pleased to transmit the report on the results of the audit of the accounts and operations of the Carcar Water District for the year ended December 31, 2017, prepared by our Audit Team headed by Jenny D. Dayola as OIC-Supervising Auditor and Bernadette I. Gloria as OIC-Audit Team Leader, in compliance with Section 2, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines.

The audit was made to (a) to ascertain the level of assurance that may be placed on management assertions on the financial statements; (b) recommend agency improvement opportunities; and (c) determine the extent of implementation of prior years' unimplemented audit recommendations.

The audit was conducted in accordance with the Philippine Public Sector Standards on Auditing and we believe that it provided a reasonable basis for the audit results. We expressed a qualified opinion on the fairness of the presentation of the financial statements in view of the following exceptions noted that need immediate action:

1. Semi-expendable properties below the capitalization threshold of ₱15,000.00 are still carried under the Property, Plant and Equipment (PPE) account with cost totaling ₱22.320 million, which is contrary to Section 5.4 of COA Circular No. 2016-006 dated December 29, 2016, thus, overstating the PPE account as at December 31, 2017. Moreover, discrepancy was noted between the Report on the Physical Count of PPE (RCPPE) and the property card as at the end of 2017 involving 33 items with cost aggregating ₱0.876 million.

Further, the following conditions which were noted in previous audit reports have not been resolved as of December 31, 2017:

- The audit recommendation for management to reclassify completed projects amounting to ₱20.125 million from Construction in Progress (CIP) account to its proper asset accounts has not been fully implemented, thereby, resulting in the

misstatement of the affected asset accounts and the related accumulated depreciation and the understatement of the depreciation expense.

- Also, the audit recommendation to book the corresponding money value of the unused portion of the earned leave credits of CWD employees totaling ₱2.805 million has not been done yet, thereby, understating the liability account.
- The balance of the Property, Plant and Equipment (PPE) account aggregating ₱152.984 million still cannot be relied upon due to the unresolved differences between the GL balance, the lapsing schedule and the results of the physical count.
- The audit recommendation for Management to reconcile the variances of the balances between the results of the physical inventory count and the balances appearing in the Stock Cards (SC), Supplies Ledger Cards (SLC) and General Ledger (GL) for the three inventory accounts totaling ₱5.698 million was only acted partially, thus, affecting the reliability of the account balance as at year end.

The above and other audit observations, together with the recommended courses of action which were discussed by the Audit Team with you and your staff in an exit conference on June 26, 2018 are discussed in detail in Parts II and III of the report.

We request that the recommended remedial measures be implemented and we will appreciate being informed of the action(s) taken thereon by submitting the duly accomplished Agency Action Plan and Status of Implementation (form attached) within 60 days from receipt hereof.

We acknowledge the cooperation and support that you and your staff extended to our Audit Team during the audit which facilitated the completion of this report.

Very truly yours,



ATTY. EDEN T. RAEANAN
Regional Director



Copy Furnished:

- a. President of the Republic of the Philippines
- b. Vice-President
- c. President of the Senate
- d. Speaker of the House of Representatives
- e. Chairperson-Senate Finance Committee
- f. Chairperson-Appropriations Committee
- g. Secretary of the Department of Budget and Management
- h. Governance Commission for Government-Owned or Controlled Corporations
- i. Presidential Management Staff, Office of the President
- j. National Library (soft copy)
- k. University of the Philippines (UP) Law Center (soft copy)
- l. COA Commission Central Library (soft copy)

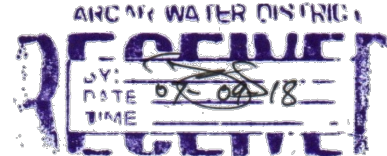


Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. VII
Cebu City

June 29, 2018

THE BOARD OF DIRECTORS

Carcar Water District
Carcar City, Cebu



Gentlemen:

We are pleased to transmit the report on the results of the audit of the accounts and operations of the Carcar Water District for the year ended December 31, 2017, prepared by our Audit Team headed by Jenny D. Dayola as OIC-Supervising Auditor and Bernadette I. Gloria as OIC-Audit Team Leader, in compliance with Section 2, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines,.

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- The audit recommendation for management to reclassify completed projects amounting to ₱20.125 million from Construction in Progress (CIP) account to its proper asset accounts has not been fully implemented, thereby, resulting in the misstatement of the affected asset accounts and the related accumulated depreciation and the understatement of the depreciation expense.
- Also, the audit recommendation to book the corresponding money value of the unused portion of the earned leave credits of CWD employees totaling ₱2.805 million has not been done yet, thereby, understating the liability account.
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- The audit recommendation for Management to reconcile the variances of the balances between the results of the physical inventory count and the balances appearing in the Stock Cards (SC), Supplies Ledger Cards (SLC) and General Ledger (GL) for the three inventory accounts totaling ₱5.698 million was only acted partially, thus, affecting the reliability of the account balance as at year end.

In a separate transmittal letter of even date, we requested the General Manager to take appropriate actions on the current and prior years' audit recommendations as contained in the attached report and to inform us of the actions taken thereon within sixty (60) days from receipt of the COA Annual Audit Report.

We acknowledge the cooperation and support extended by the CWD Management to our auditors during the audit that facilitated the completion of the report.

Very truly yours,

ATTY. EDEN T. RAFANAN
Regional Director

Copy Furnished:

- a. President of the Republic of the Philippines
- b. Vice-President
- c. President of the Senate
- d. Speaker of the House of Representatives
- e. Chairperson-Senate Finance Committee
- f. Chairperson-Appropriations Committee
- g. Secretary of the Department of Budget and Management
- h. Governance Commission for Government-Owned or Controlled Corporations
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- k. University of the Philippines (UP) Law Center (soft copy)
- l. COA Commission Central Library (soft copy)

**ANNUAL AUDIT REPORT
ON THE
CARCAR WATER DISTRICT
Carcar City, Cebu**

For Calendar Year 2017

EXECUTIVE SUMMARY

A. INTRODUCTION

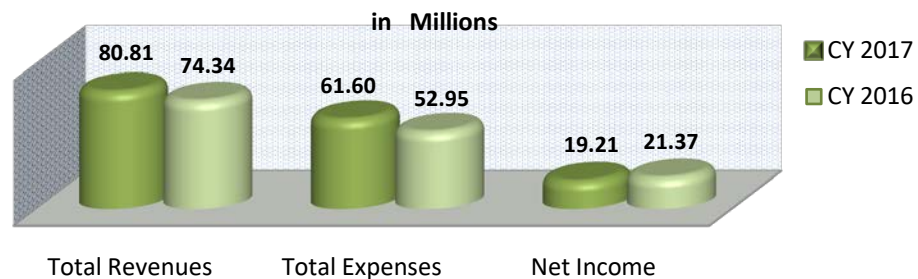
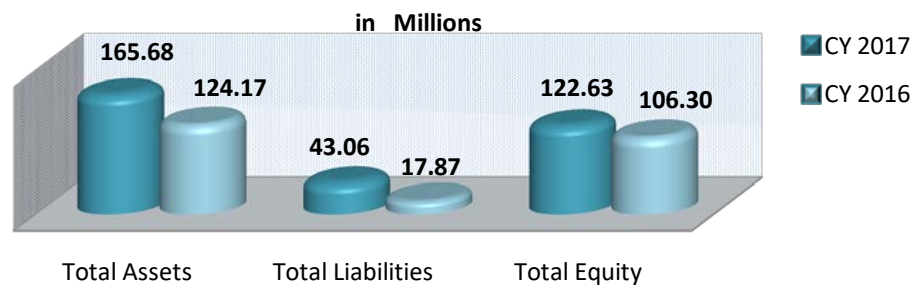
Carcar Water District (CWD) is a government-owned and controlled corporation created and existing by virtue of P.D. 198 as amended. A Certificate of Conformance, Certificate No. 117 was issued by the Local Water Utilities Administration (LWUA) to CWD on May 30, 1980 validating its operations as one of the water districts of the country. Effective November 2014, upon the approval of the LWUA, CWD was re-categorized from Category C to Category B Water District.

The primary objective of CWD is to provide sufficient potable water to the residents of Carcar City utilizing available sources of water and applying appropriate water treatment measures to ensure the water is safe for the consumption of its concessionaires.

As of December 31, 2017, CWD had a total workforce of 103 employees composed of 49 regular personnel, 23 casuals and 31 job order employees. CWD is headed by General Manager Edward L. Remo.

B. FINANCIAL HIGHLIGHTS

The financial position and results of operations for Calendar Years 2016 and 2017 are summarized in the following graphs:



The Corporate Operating Budget for CY 2017 in the amount of ₱118.80million was passed on December 7, 2016 thru Board Resolution No. 48Series of 2016. The proposed amount shall cover disbursements for operations & maintenance, payroll, debt service, capital expenditure and other necessary expenses.

C. OPERATIONAL HIGHLIGHTS

The following were among the reported accomplishments of the Water District for the year 2017 as compared with that of previous year:

Category	2017	2016	Increase (Decrease)
Service Connections			
Total Services	19,004	17,372	1,632
Total Active	16,410	14,638	1,772
Total Metered	16,410	14,638	1,772
Total Billed Concessionaires	16,256	14,378	1,878
Water Production			
Pumped	1,866,285 m ³	1,609,787 m ³	256,498 m ³
Gravity	2,683,113 m ³	2,618,320 m ³	64,793 m ³

D. SCOPE OF AUDIT

The audit covered the financial transactions of CWD for Calendar Year 2017. The objectives of the audit were primarily to; (a) ascertain the level of assurance that may be placed on management assertions on the financial statements; (b) recommend agency improvement opportunities; and (c) determine the extent of implementation of prior years’ audit recommendations. On a test basis, it also included a review on the propriety of disbursements and other financial transactions to determine whether or not the transactions were made in accordance with existing laws, rules and regulations.

The general audit instructions for the conduct of the CY 2017 Audit of the Water Districts were likewise considered, when applicable.

E. AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS

The auditor expressed a qualified opinion on the fairness of the financial statements of the CWD for the year ended December 31, 2017 due to the audit exceptions as stated in the Independent Auditor’s report and as discussed in Part II and in brief, in Part III of this Annual Audit Report.

F. OBSERVATIONS AND RECOMMENDATIONS

The following are among the significant findings, with the corresponding audit recommendations, which are discussed in detail in Part II of the herein report:

1. Semi-expendable properties below the capitalization threshold of ₱15,000.00 are still carried under the Property, Plant and Equipment (PPE) account with cost totalling ₱22.320 million, which is contrary to Section 5.4 of COA Circular No. 2016-006 dated December 29, 2016, thus, overstating the PPE account as at December 31, 2017. Moreover, discrepancy was noted between the Report on the Physical Count of PPE (RCPPE) and the property card as at the end of 2017 involving 33 items with cost aggregating ₱0.876 million.

We recommended that Management direct the Division OIC Manager- Finance to immediately draw a Journal Entry Voucher (JEV) to reclassify the semi-expendable items and the related Accumulated Depreciation to the appropriate accounts and thereafter to observe the ₱15,000.00 capitalization threshold when classifying/ recording a tangible item as PPE. Also, issue the corresponding ICS to establish accountability over these tangible items which were already issued to the end-users.

We likewise recommended that Management reconcile the variance as indicated in the RCPPE with the accounting and property records and conduct further investigation on the circumstances surrounding the loss of some items which were not found during the actual count. If still unlocated, determine the concerned personnel liable for the loss and require them to pay for the cost of the property since the required request for accountability had not been filed within the prescribed period.

2. Payments for monetization of 50% or more of Vacation/Sick Leave credits totaling ₱0.206 million were allowed even without the supporting document indicating the valid and justifiable reasons to explain the payment thereof, which is required under Section 23 of the Omnibus Rules on Leave and COA Circular 2012-001 dated June 14, 2012.

We recommended that Management require the CWD personnel who availed of the monetization of 50% or more of their accumulated leave credits to submit proof that the proceeds thereof were used for reasons as cited in the Memorandum Circular. Henceforth, we recommended that Management ensure that monetization of 50% or more of the accumulated leave credits are supported with valid documents in compliance with Section 23 of the Omnibus Rules on Leave and COA Circular 2012-001 dated June 14, 2012 before processing the payment.

3. Disbursements which were charged against the funds allocated for advertisements were not in conformity with the conditions set forth in Section 408(c) of the Government Accounting and Auditing Manual (GAAM) Volume 1 and COA

Circular No. 2012-003, thus, the Water District incurred an irregular expenditure aggregating ₱0.359 million.

We therefore recommended that Management strictly comply with the existing government rules and regulations provided in Section 408 (c) of the GAAM, Volume I and reiterated in COA Circular No. 2012-003 relative to the expenses to be charged against the funds allocated for the advertisements of the Water District.

We further recommend that Management refund the amount disbursed pertaining to advertisements which were not in accordance with the conditions set forth in Section 408 (c) of the GAAM, Volume 1 and COA Circular No. 2012-003.

4. Certain procurement transactions were consummated without complying with the requirements under Procurement Planning of Section 7 of the 2016 Revised Implementing Rules and Regulations (IRR) of RA 9184, as discussed below:
 - a. Some procurement transactions were not included in the Annual Procurement Plan (APP), a violation of Section 7.2 of the revised IRR of RA 9184 and indicative of lapses in the Procurement Planning.
 - b. The Project Procurement Management Plans (PPMPs) were not properly accomplished.

We recommended that Management require all concerned units of the Water District (WD) to comply with the instructions on the preparation of PPMPs and APP so that only goods and services that are crucial to the efficient discharge of the WD shall be included in the aforementioned documents.

G. IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS

Of the twelve (12) audit recommendations that were still for implementation as of December 31, 2016, five (5) were partially implemented and the remaining seven (7) were considered not implemented as of December 31, 2017.

H. ON GENDER AND DEVELOPMENT

CWD had prepared a Gender and Development Plan and Budget for CY 2017 which allotted ₱8.744 million for GAD activities or 7.36% of the total budget of ₱118.80 million.

I. ON COMPLIANCE WITH TAX LAWS

The regulations of the Bureau of Internal Revenue (BIR) on the withholding of required taxes were substantially complied with by CWD. The withheld taxes were remitted regularly to the BIR along with the franchise tax due from CWD as seller of water. The details of the taxes remitted to the BIR during the year as shown on the next page:

Code	Tax Description	Amount
1601-E	Expanded W/holding Tax	₱ 479,256.49
1601-C	W/holding Tax - Compensation	1,649,674.91
1600	VAT	2,075,845.77
2551-M	Franchise Tax	1,408,602.20
TOTAL		₱ 5,613,379.37

J. ON GSIS DEDUCTIONS AND REMITTANCES

CWD has consistently deducted from the salaries of their employees the mandatory GSIS Life and Retirement insurance premiums (personal share) and loan repayments. These deductions and the government share for the employees' insurance premiums were remitted to the GSIS on time. The following were remitted in CY 2017:

Transactions Covered by the Remittance	Amount
GSIS Life and Retirement Premiums (Government Share)	₱ 1,836,413.75
Employees Compensation Contributions	89,120.52
GSIS Life and Retirement Premiums (Personal Share)	1,377,310.31
Consolidated Loan Repayments	1,563,658.95
E-card Cash Advance	1,016.04
Educational Assistance Loan	65,251.62
Emergency Loan	544,114.80
Policy Loan	6,700.00
Policy Loan-Optional	2,844.00
HELP (Home Emergency Loan Program)	-
Home Emergency	-
Housing Loan	-
Unlimited Life Insurance	-
TOTAL	₱ 5,486,429.99

K. ON UNSETTLED SUSPENSIONS, DISALLOWANCES AND CHARGES

In CY 2017, CWD has an unsettled disallowance on the payment of annual townfiesta souvenir program and anniversary bonus to regular and contractual personnel.

	Beginning Balance December 31, 2016	Issued and Settled during the year	Balance December 31, 2017
Notice of Suspension	-	-	-
Notice of Disallowance	₱ 144,000.00	-	₱ 144,000.00
Notice of Charge	-	-	-
Total	₱ 144,000.00	-	₱ 144,000.00



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

INDEPENDENT AUDITOR'S REPORT

The Board of Directors

Carcar Water District
Cebu City

Report on the Financial Statements

We have audited the accompanying financial statements of the Carcar Water District (CWD), which comprise the statement of financial position as at December 31, 2017 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The management of CWD is responsible for the preparation and fair presentation of these financial statements in accordance with the Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether, due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Public Sector Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In forming our audit opinion, we considered the following audit observations which are discussed in detail in Part II and Part III (in brief) of the herein report:

1. Semi-expendable properties below the capitalization threshold of ₱15,000.00 are still carried under the Property, Plant and Equipment (PPE) account with cost totaling ₱22.320 million, which is contrary to Section 5.4 of COA Circular No. 2016-006 dated December 29, 2016, thus, overstating the PPE account as at December 31, 2017. Moreover, discrepancy was noted between the Report on the Physical Count of PPE (RCPPE) and the property card as at the end of 2017 involving 33 items with cost aggregating ₱0.876 million.

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Qualified Opinion

In our opinion, except for the effects of the matters discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Carcar Water District as at December 31, 2017 and its financial performance and its cash flows for the year ended December 31, 2017 in accordance with Philippine Financial Reporting Standards.

COMMISSION ON AUDIT

By:


JENNA D. DAYOLA
OIC, Supervising Auditor

June 29, 2018



CARCAR WATER DISTRICT

San Vicente St., Pob. I, Carcar City, Cebu, Philippines

Tel. No. 487-8525 / 487-9141 / 487-8500

www.carcarwaterdistrict.gov.ph



Management
System
ISO 9001:2015

www.tuv.com
ID 9108633697



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Carcar Water District is responsible for the preparation of the financial statements as at December 31, 2017 including the additional components attached thereto in accordance with the 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 statement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are responsible in the circumstances.

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

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

ENGR. EDWARD L. REMO
General Manager

ATTY. DEMOCRITO C. BARCENAS
Chairman, Board of Directors

JOSEFA SALVACION N. MANUGAS
Department Manager B

CARCAR WATER DISTRICT
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017
(With comparative figures for the year ended December 31, 2016)

	Note	2017	2016
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	P 21,113,508.21	P 11,509,162.56
Receivables	5	7,158,407.68	6,033,183.80
Inventories	6	5,698,395.74	3,775,485.57
Other Current Assets	9	175,828.66	285,653.94
Total Current Assets		34,146,140.29	21,603,485.87
Non-Current Assets			
Property, Plant and Equipment	7	127,729,411.38	98,730,805.97
Intangible Assets	8	429,032.48	479,032.53
Other Non-Current Assets	9	3,376,950.82	3,354,040.98
Total Non - Current Assets		131,535,394.68	102,563,879.48
Total Assets		P 165,681,534.97	P 124,167,365.35
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Financial Liabilities	10	P 6,762,343.64	P 4,643,187.02
Inter-Agency Payables	11	739,305.79	868,640.82
Trust Liabilities	12	2,366,550.37	971,536.89
Other Payables	13	162,663.64	135,786.54
Total Current Liabilities		10,030,863.44	6,619,151.27
Non-Current Liabilities			
Financial Liabilities	10	32,774,720.28	12,231,432.04
Deferred Credits/Unearned Income	14	250,857.96	(979,527.04)
Total Non-Current Liabilities		33,025,578.24	11,251,905.00
Total Liabilities		P 43,056,441.68	P 17,871,056.27
EQUITY			
Government Equity		P 3,549,905.53	P 3,549,905.53
Retained Earnings/(Deficit)		119,075,187.76	102,746,403.55
Total Equity		P 122,625,093.29	P 106,296,309.08
Total Liabilities and Equity		P 165,681,534.97	P 124,167,365.35

See accompanying Notes to Financial Statements.

CARCAR WATER DISTRICT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2017
(With comparative figures for the year ended December 31, 2016)

	Note	2017	2016
Income			
Service and Business Income	15	P 80,811,687.78	P 74,066,364.23
Gains		-	269,346.43
Total Income		P 80,811,687.78	P 74,335,710.66
Expenses			
Personnel Services	16	P 28,828,806.31	P 25,947,750.28
Maintenance and Other Operating Expenses	17	23,913,469.92	19,262,210.04
Financial Expenses	18	1,156,651.08	1,117,154.82
Non-Cash Expenses	19	7,704,275.00	6,627,060.92
Total Expenses		P 61,603,202.31	P 52,954,176.06
Net Income/(Loss)		P 19,208,485.47	P 21,381,534.60
Other Comprehensive Loss			
Loss on Sale of Assets		-	9,269.79
Comprehensive Income		P 19,208,485.47	P 21,372,264.81

See accompanying Notes to Financial Statements.

CARCAR WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With comparative figures for the year ended December 31, 2016)

	Note	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Inflows			
Collection of Income/Revenue	P	80,037,534.99	P 71,780,130.15
Collection of Receivables		-	-
Trust Receipts		302,964.00	178,603.50
Other Receipts		674,941.15	484,836.22
Total Cash Inflows		81,015,440.14	72,443,569.87
Adjustments		439,625.79	116,778.35
Adjusted Cash Inflows		81,455,065.93	72,560,348.22
Cash Outflows			
Payment of Expenses		41,294,630.31	35,286,146.98
Purchase of Inventories		12,529,777.23	8,861,491.83
Grant of Cash Advances		208,152.04	44,737.15
Prepayments		-	-
Payments of Accounts Payable		215,968.50	7,233.00
Remittance of Personnel Benefit Contributions and Mandatory Deductions		13,155,808.14	11,192,174.78
Other Disbursements		406,321.88	251,368.80
Total Cash Outflows		67,810,658.10	55,643,152.54
Net Cash Provided by (Used in) Operating Activities		13,644,407.83	16,917,195.68
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Outflows			
Purchase/Construction of Property, Plant and Equipment		24,743,285.47	15,268,185.39
Total Cash Outflows		24,743,285.47	15,268,185.39
Net Cash Provided by (Used in) Investing Activities		(24,743,285.47)	(15,268,185.39)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash Inflows			
Proceeds from Domestic and Foreign Loans		26,000,000.00	-
Total Cash Inflows		26,000,000.00	-
Cash Outflows			
Payment of Long-Term Liabilities		4,140,125.63	3,893,257.79
Payment of Interest on Loans and Other Financial Charges		1,156,651.08	1,117,154.82
Total Cash Outflows		5,296,776.71	5,010,412.61
Net Cash Provided By/(Used In) Financing Activities		20,703,223.29	(5,010,412.61)
Cash Provided by Operating, Investing and Financing Activities		9,604,345.65	(3,361,402.32)
Add: Cash and Cash Equivalents, January 1		11,509,162.56	14,870,564.88
CASH AND CASH EQUIVALENTS, DECEMBER 31	4	P 21,113,508.21	P 11,509,162.56

See accompanying Notes to Financial Statements.

CARCAR WATER DISTRICT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2017
(With comparative figures for the year ended December 31, 2016)

	Retained Earnings/ Deficit	Government Equity	TOTAL
RESTATED BALANCE AT JANUARY 1, 2016	₱ 83,020,928.44	₱ 3,549,905.53	₱ 86,570,833.97
CHANGES IN EQUITY FOR 2016			
Add/(Deduct):			
Comprehensive Income for the year	21,372,264.81		
Other Adjustments	(1,646,789.70)		
BALANCE AT DECEMBER 31, 2016	102,746,403.55	3,549,905.53	106,296,309.08
CHANGES IN EQUITY FOR 2017			
Comprehensive Income for the year	19,208,485.47		
Other Adjustments	(2,879,701.26)		
BALANCE AT DECEMBER 31, 2017	₱ 119,075,187.76	₱ 3,549,905.53	₱ 122,625,093.29

**CARCAR WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2017**

1. GENERAL INFORMATION

Carcar Water District (CWD) is a government owned and controlled corporation created and existing by virtue of P.D. 198, as amended. A Certificate of Conformance, Certificate No. 117, was issued by the Local Water Utilities Administration (LWUA) to CWD on May 30, 1980 validating its operations as one of the water districts of the country. Under the Revised Local Water District Manual on Categorization Re-Categorization and Other Matters (LWD-MaCRO), Carcar Water District was re-categorized to Category “B” effective November 2014.

The primary objective of the Water District is to provide sufficient potable water to the residents of the town of Carcar (now a City) utilizing available sources of water and applying appropriate water treatment measures to ensure that water is safe for the consumption of the concessionaires.

In compliance with Philippine Accounting Standard (PAS) No. 10, the accompanying CY 2017 financial statements of the Carcar Water District were authorized for release thru Board Resolution No. 4, series of 2017 dated January 25, 2018.

In compliance with MC 2016-1 issued by the Department of Budget and Management, Carcar Water District implemented its Quality Management System for ISO 9001:2015 last August 2016 and was duly certified by the end of the year.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 *Statement of Compliance*

The Water District’s financial statements were previously prepared in accordance with the uniform and standard accounting system prescribed by the Local Water Utilities Administration (LWUA). With the issuance of Commission on Audit (COA) Circular No. 2016-006 dated December 29, 2016, which is the implementing guidelines of COA Circular No. 2015-010 dated December 1, 2015, the District’s financial statements for the year ended December 31, 2016 have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS).

PAS 1, Presentation of Financial Statements, provides framework of financial statements presentation. It requires more specific statement of financial position line items as applicable to the entity. The standard requires presentation of comparative financial statements and information.

PAS 2, Inventories, Inventories are valued at the lower of cost or net realizable value (NRV). Cost is determined using the moving average method. Per COA Circular No. 2015-010 dated December 1, 2015 (adoption of the Revised Chart of Accounts for GCs), property, plant and equipment with cost below ₱15,000.00 are classified as Semi Expendable Inventory.

PAS 16, Property, Plant and Equipment, provides additional guidelines and clarification on recognition and measurement of items of property, plant and equipment. It also provides that each part of an item, property, plant and equipment with a cost that is in significant relation to the total cost of the item shall be depreciated separately. Property, Plant and Equipment with cost of below ₱15,000.00 per COA Circular No. 2015-010 dated December 1, 2015 (adoption of the Revised Chart of Accounts for GCs) are reclassified as Semi-Expendable Equipment.

PAS 19, Employee Benefits, the objective of this standard is to prescribe the accounting and disclosure of employee benefits (that is all forms of consideration given by an entity in exchange of service rendered by employees). The standard requires an entity to recognize a liability when an employee has provided services in exchange for employee benefits to be paid in the future; and an expense when the entity consumes the economic benefit arising from service provided by an employee in exchange for employee benefits.

PAS 36, Impairment of Assets, provides that an asset is impaired when its carrying amount exceeds its recoverable amount. Indications of impairments are the following: obsolescence or physical damage; asset is held for disposal and there is evidence that the economic performance of an asset is, or will be, worse than expected.

2.2 *Basis of Preparation of Financial Statements*

The financial statements of CWD have been prepared using the historical cost basis, unless stated otherwise, and are presented in Philippines Peso (₱), which is the District's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Basis of Accounting*

The Water District's financial statements are prepared on an accrual basis in accordance with the PFRS.

3.2 *Cash and Cash Equivalents*

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and that are subject to an insignificant risk of changes in values. Due to the short term maturity of the transaction, the fair value of cash and cash equivalents approximates the amount at the time of initial recognition. These deposits earn interest at the prevailing market rate.

3.3 *Receivable*

Receivables are recognized and carried at original billed amount. Allowance for Impairment-Accounts Receivable is set-up in order to serve as back-up for potential losses on receivables. But as of this time the provision set-up for Allowance for Impairment-Receivable is considered not adequate to cover the possible losses on receivable.

3.4 *Inventories*

Inventories are assets that are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventory is measured at cost upon initial recognition. The Water District includes in the cost of inventories all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Inventories are stated at a weighted average cost method. Under the weighted average cost formula, the cost of each item is determined from the weighted average of the cost of similar items at the beginning of a period and the cost of similar items purchased or produced during the period.

Inventories are recognized as an expense when deployed for the utilization or consumption in the ordinary course of operations of the Water District.

3.5 *Prepaid Expenses*

Prepaid expenses are individually measured at transaction costs and are subsequently amortized as they are used in operations or as they expire with the passage of time. These typically include prepayments on insurance, subscriptions and other prepaid expenses.

3.6 *Property, Plant and Equipment*

Recognition

An item is recognized as property, plant and equipment (PPE) if it meets the characteristics and recognition criteria as PPE, as follows:

- tangible items;
- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- are expected to be used during more than one reporting period.

An item of PPE is recognized as an asset if:

- it is probable that the future economic benefits or service potential associated with the item will flow to the entity; and
- the cost or fair value of the item can be measured reliably.

Measurement at Recognition

An item recognized as PPE is measured at cost. A PPE acquired through non-exchange transaction is measured at its fair value as at the date of acquisition.

The cost of the PPE is the cash price equivalent at the recognition date or, for PPE acquired through non cash-exchange transaction its cost is its fair value as at recognition date.

Cost includes the following:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- expenditure that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and;

- initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period.

Measurement after Recognition

After recognition, all PPE are stated at cost less accumulated depreciation and impairment losses.

When significant parts of PPE are required to be replaced at intervals, the Water District recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as expense in the statement of comprehensive income as incurred.

Depreciation

Depreciation is a method of allocating the cost of a tangible asset over its estimated useful life. Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.

Initial Recognition of Depreciation

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

For simplicity and to avoid proportionate computation, the depreciation is for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation is for the succeeding month.

Depreciation Method

The straight-line method of depreciation is adopted unless another method is more appropriate for agency operation. The residual value of the PPE is deducted in computing for its depreciation.

Estimated Useful Life

CWD uses the life span of PPE prescribed by COA in determining the specific estimated useful life for each asset based on its experienced.

As of the moment CWD uses a residual value equivalent to at least ten percent (10%) of the cost of the PPE.

Impairment

An asset is impaired when its carrying amount exceeds its recoverable amount. Regular review of the Water District's PPE shall determine if there are items that may be impaired.

Derecognition

The Water District derecognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognized.

3.7 *Intangible Assets*

Recognition and Measurement

Intangible assets are recognized when the items are identifiable non-monetary assets without physical substance; it is probable that the expected future economic benefits or service potential that are attributable to the assets will flow to the entity; and the cost or fair value of the assets can be measured reliably.

Intangible assets acquired separately are initially recognized at cost comprising of a) its purchase price including import duties and non-refundable taxes after deducting trade discounts and rebates; b) any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure on an in-process research or development project acquired separately and recognized as an intangible asset is:

- recognized as an expense when incurred if it is research expenditure;
- recognized as an expense when incurred if it is development expenditure that does not satisfy the criteria for recognition as an intangible asset; and

- added to the carrying amount of the acquired in-process research or development project if it is development expenditure that satisfies the recognition criteria for intangible assets.

The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date these were acquired.

Internally Generated Intangible Assets

In the recognition of internally generated intangible asset, the entity shall classify the generation of an asset into a) research phase and b) development phase.

Recognition of an Expense and Cost of the Asset

Expenditures on research phase shall be recognized as expenses when they are incurred. In the development phase, an entity in some instances identifies an intangible asset and demonstrates that the asset will generate probable future economic benefits. Cost of an internally generated intangible asset comprises of all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in a manner intended by management.

Expenditure on an intangible item shall be recognized as an expense when it is incurred unless it forms part of the cost of an intangible asset that meets the recognition criteria of an intangible asset.

Subsequent Measurement

The useful life of intangible assets is assessed as either finite or indefinite. An intangible asset with a finite life is amortized over its useful life while the intangible asset with infinite useful life will not be amortized.

The straight line method is adopted in the amortization of the expected pattern of consumption of the expected future economic benefits or service potential.

An intangible asset with indefinite useful life or an intangible asset not yet available for use is assessed for impairment whenever there is an indication that the asset may be impaired.

The amortization period and the amortization method, for an intangible asset with a finite useful life, are reviewed at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in the profit and loss as expense category that is consistent with the nature of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the profit and loss when the asset is derecognized.

3.8 Revenue and Expense Recognition

Revenue is the gross inflow of economic benefits (cash, receivables, other assets) arising from the ordinary operating activities of an entity (such as sales of goods, sales of services, interest, royalties, and dividends). Revenue is recognized when it is probable that the economic benefit associated with the transaction will flow to the Water District and the amount of revenue can be measured reliably.

The Water District recognizes the revenue when the related water services are rendered to the customers. Water services are billed every month according to the bill cycles of the customers.

4. CASH AND CASH EQUIVALENTS

This account comprises of the following:

	2017	2016
Cash in Bank	₱ 16,692,437.40	₱ 11,384,238.53
Time Deposits - Local Currency	4,160,533.05	-
Cash on Hand		
Cash-Collecting Officer	258,201.55	124,924.03
Petty Cash	2,336.21	-
Subtotal	260,537.76	124,924.03
Total	₱ 21,113,508.21	₱ 11,509,162.56

All collections of the water district are promptly deposited in the depository banks. The cash on hand at the end of the year are those collections that remain as deposit in transit, crediting to the bank accounts at the beginning of the succeeding year.

5. RECEIVABLES

5.1 Accounts Receivables and Other Receivables

This account consists of:

	2017	2016
Accounts Receivable	₱ 6,908,662.97	₱ 5,831,046.38
Allowance for Impairment–Accounts Receivable	(160,938.56)	(158,894.00)
Net Value – Accounts Receivable	6,747,724.41	5,672,152.38
Due from Local Government Units	150,000.00	150,000.00
Other Receivables	107,457.71	160,183.62
Receivables – Disallowance/Charges	91,150.16	-
Due from Officers and Employees	62,075.40	50,847.80
Receivables, net	₱ 7,158,407.68	₱ 6,033,183.80

5.2 Aging/Analysis of Receivables

	Total		Not Past Due	<30 days	Past Due 30-60 days	>60 days
Accounts Receivable	₱ 6,908,662.97	₱	1,180,545.29	₱1,222,602.06	₱224,777.84	₱4,280,737.78

6. INVENTORIES

The details of this account are:

	2017	2016
Inventory Held for Consumption		
Beginning Balance	₱ 3,775,485.57	₱ 4,198,664.91
Additions/Acquisitions during the year	23,900,478.47	16,688,084.63
Expensed during the year except write-down	(21,977,568.30)	(17,111,263.97)
Total Inventory Held for Consumption	₱ 5,698,395.74	₱ 3,775,485.57

Inventories held for consumption are mainly for the consumption in the ordinary course of the operation. Office Supplies, Chemicals and Filtering Supplies Inventory, Construction Materials Inventory and Other Supplies and Materials Inventory are the type of inventory maintained by the CWD and inventoried using the weighted average method.

7. PROPERTY PLANT AND EQUIPMENT

	Land	Infrastructure Assets	Buildings and Other Structures	Machinery and Equipment	Transportation Equipment	Furniture & Fixtures	Construction in Progress	Total
<i>As at December 31, 2017</i>								
Carrying Amount, January 1, 2017	₱ 3,240,243.02	₱ 54,391,825.68	₱ 5,611,461.16	₱ 4,088,899.92	₱ 3,682,969.99	₱ 692,006.38	₱ 27,023,399.82	₱ 98,730,805.97
Additions/Acquisitions	5,862.82	14,766,303.72	385,053.02	822,400.40	190,256.20	125,950.00	32,577,665.40	48,873,491.56
Total	3,246,105.84	69,158,129.40	5,996,514.18	4,911,300.32	3,873,226.19	817,956.38	59,601,065.22	₱ 147,604,297.53
Disposals/Reclassification	0.00	(3,971,800.06)	(131,548.13)	1,234,413.11	(25,433.99)	170,821.99	(11,413,007.84)	(14,136,554.92)
Depreciation	0.00	(3,774,721.87)	(367,747.19)	(970,768.61)	(464,834.64)	(160,258.92)	0.00	(5,738,331.23)
Carrying Amount, December 31, 2017	₱ 3,246,105.84	₱ 61,411,607.47	₱ 5,497,218.86	₱ 5,174,944.82	₱ 3,382,957.56	₱ 828,519.45	₱ 48,188,057.38	₱ 127,729,411.38
Gross Cost	3,246,105.84	122,455,468.22	9,369,091.16	11,203,148.93	5,257,921.44	1,451,922.43	48,188,057.38	201,171,715.40
Accumulated Depreciation	0.00	61,043,860.75	3,871,872.30	6,028,204.11	1,874,963.88	623,402.98	0.00	(73,442,304.02)
Net Book Value	₱ 3,246,105.84	₱ 61,411,607.47	₱ 5,497,218.86	₱ 5,174,944.82	₱ 3,382,957.56	₱ 828,519.45	₱ 48,188,057.38	₱ 127,729,411.38

8. INTANGIBLE ASSETS

The details of this account are:

	2017	2016
Computer Software		
<i>Cost</i>		
Beginning Balance	₱ 825,524.00	₱ 943,254.00
Additions	0.00	0.00
Disposals/Reclassification	0.00	(117,730.00)
Balance, end of the year	825,524.00	825,524.00
<i>Accumulated Amortization</i>		
Beginning Balance	346,491.47	373,174.85
Reclassification		(80,029.08)
Amortization	50,000.05	53,345.70
Balance, end of the year	396,491.52	346,491.47
Net Value – Computer Software	₱ 429,032.48	₱ 479,032.53

9. OTHER ASSETS

This is composed of the following:

Current and Non-Current Other Assets	2017	2016
Current Other Assets		
Other Deposits	₱ 145,973.60	₱ 144,669.76
Prepayments	29,855.06	140,984.18
Total Current Other Assets	175,828.66	285,653.94
Non-Current Other Assets		
Restricted Fund	3,376,950.82	3,354,040.95
Other Assets	-	.03
Total Other Assets	₱ 3,552,779.48	₱ 3,639,694.92

10. FINANCIAL LIABILITIES

These are the composition of this account:

	2017	2016
Payables		
Accounts Payable	₱ 2,364,833.64	₱ 1,562,263.15
Bills/Bonds/Loans Payable		
Loans Payable - Domestic	4,397,510.00	3,080,923.87
Financial Liabilities - Current	6,762,343.64	4,643,187.02
Bills/Bonds/Loans Payable		
Loans Payable - Domestic	32,774,720.28	12,231,432.04
Financial Liabilities –Non Current	32,774,720.28	12,231,432.04
Total Financial Liabilities	₱ 39,537,063.92	₱ 16,874,619.06

11. INTER-AGENCY PAYABLES

This account is composed of the following:

		2017	2016
Due to GSIS	₱	447,547.62	₱ 432,584.76
Due to BIR		168,769.91	296,415.15
Due to Government Corporations		75,497.15	75,497.15
Due to Pag IBIG		47,491.11	64,143.76
Total Inter-Agency Payables	₱	739,305.79	₱ 868,640.82

12. TRUST LIABILITIES

This account is composed of the following:

		2017	2016
Customers' Deposits Payable	₱	2,356,157.69	₱ 887,128.21
Guaranty/Security Deposits Payable		10,392.68	84,408.68
Total Trust Liabilities	₱	2,366,550.37	₱ 971,536.89

13. OTHER PAYABLES

This account is composed of the following:

		2017	2016
Other Payables	₱	162,663.64	₱ 135,786.54
Total	₱	162,663.64	₱ 135,786.54

14. DEFERRED CREDITS/UNERANED INCOME

This account is composed of the following:

		2017	2016
Other Unearned Revenue/Income	₱	250,857.96	₱ (979,527.04)
Total	₱	250,857.96	₱ 979,527.04

15. SERVICE AND BUSINESS INCOME

This account consists of the following:

		2017	2016
Service and Business Income			
Waterworks System Fees	₱	72,008,037.67	₱ 66,445,236.44
Interest Income		44,938.19	60,735.32
Other Business Income		6,087,287.56	2,430,634.76
Fines and Penalties – Business		2,671,424.36	5,129,757.71
Total Service and Business Income	₱	80,811,687.78	₱ 74,066,364.23

16. PERSONNEL SERVICES

Comprising this account are the following:

	2017	2016
Salaries and Wages	₱ 18,214,902.88	₱ 16,185,454.13
Other Compensation		
Personnel Economic Relief Allowance (PERA)	1,785,090.91	1,688,593.93
Representation Allowance (RA)	495,750.00	449,500.00
Transportation Allowance (TA)	495,750.00	449,500.00
Clothing/Uniform Allowance	370,000.00	350,000.00
Year End Bonus	373,500.00	350,000.00
Other Bonuses and Allowances	2,702,281.35	2,919,799.27
Total Other Compensation	6,222,372.26	6,207,393.20
Personnel Benefits Contributions		
Retirement and Life Insurance Premium	1,837,472.75	1,637,341.18
Pag-IBIG Contributions	82,100.00	84,600.00
Philhealth Contributions	165,450.00	151,812.50
Employees Compensation Insurance Premiums	89,289.16	83,367.20
Provident/Welfare Fund Contributions	1,062,693.05	954,871.92
Total Personnel Benefits Contributions	3,237,004.96	2,911,992.80
Other Personnel Benefits	1,154,526.21	642,910.15
Total Personnel Services	₱ 28,828,806.31	₱ 25,947,750.28

17. MAINTENANCE AND OTHER OPERATING EXPENSES

This account consists of the following:

	2017	2016
Total Traveling Expenses	₱ 473,362.48	₱ 300,937.33
Total Training and Scholarship Expenses	801,480.90	516,507.35
Supplies and Materials Expenses		
Office Supplies Expenses	358,582.64	340,869.76
Fuel, Oil and Lubricants Expenses	1,012,066.46	756,299.17
Total Supplies and Materials Expenses	1,370,649.10	1,097,168.93
Electricity Expense	732,992.99	563,824.10
Communication Expenses		
Postage and Courier Services	18,275.00	20,398.00
Telephone Expenses	263,437.62	267,579.95
Total Communication Expenses	281,712.62	287,977.95
Awards/Rewards, Prizes and Indemnities		
Awards/Rewards Expenses	141,205.00	117,820.00
Indemnities	2,206.50	5,085.00

	2017	2016
Total Awards/Rewards, Prizes and Indemnities	143,411.50	122,905.00
Total Generation, Transmission and Distribution Expenses	10,620,542.28	7,633,060.48
Professional Services		
Legal Services	-	3,600.00
Auditing Services	11,370.00	-
Other Professional Services	8,689.00	360,000.00
Total Professional Services	20,059.00	363,600.00
General Services		
Security Services	764,388.74	728,949.31
Total General Services	764,388.74	
Repairs and Maintenance		
Repairs and Maintenance-Infrastructure Assets	3,918,658.68	3,462,066.16
Repairs and Maintenance-Building and Other Structures	405,002.65	128,926.92
Repairs and Maintenance-Machinery and Equipment	271,326.71	167,999.93
Repairs and Maintenance-Transportation Equipment	387,379.68	449,145.61
Repairs and Maintenance-Furniture and Fixtures	26,549.44	34,609.70
Total Repairs and Maintenance	5,008,917.16	4,242,748.32
Taxes, Insurance Premiums and Other Fees		
Taxes, Duties and Licenses	1,530,614.48	1,422,609.93
Insurance Expense	135,863.88	139,212.22
Total Taxes, Insurance Premiums and Other Fees	1,666,478.36	1,561,822.15
Other Maintenance and Operating Expenses		
Advertising Expenses	415,955.26	334,236.49
Representation Expenses	492,866.57	369,867.11
Membership Dues and Other Contributions to Organizations	800.00	-
Donations	35,099.50	30,111.38
Directors and Committee Members' Fees	591,948.00	566,676.00
Other Maintenance and Operating Expenses	395,199.31	443,418.14
Extraordinary and Miscellaneous Expenses	97,606.15	98,400.00
Total Other Maintenance and Operating Expenses	2,029,474.79	1,842,709.12
Total Maintenance and Other Operating Expenses	₱ 23,913,469.92	₱ 19,262,210.04

18. FINANCIAL EXPENSES

This account is composed of the following:

	2017	2016
Interest Expenses	₱ 1,112,839.13	₱ 1,063,956.97
Bank Charges	43,811.95	53,197.85
Total Financial Expenses	₱ 1,156,651.08	₱ 1,117,154.82

19. NON-CASH EXPENSES

This account consists of the following:

	2017	2016
Depreciation		
Depreciation – Infrastructure Assets	₱ 3,774,721.87	₱ 3,085,731.25
Depreciation – Buildings and Other Structures	371,775.73	312,251.40
Depreciation – Machinery and Equipment	970,763.61	1,007,273.03
Depreciation – Transportation Equipment	464,834.64	320,204.70
Depreciation – Furniture, Fixtures and Books	160,258.92	91,185.55
Total Depreciation Expense	5,742,354.77	4,816,645.93
Amortization – Intangible Assets	50,005.05	53,345.70
Impairment Loss – Loans and Receivables	2,044.56	9,242.09
Discounts and Rebates		
Other Discounts	91,749.76	85,909.53
Rebates	1,818,120.86	1,661,917.67
Subtotal	1,909,870.62	1,747,827.20
Total Non-Cash Expenses	₱ 7,704,275.00	₱ 6,627,060.92

20. Key Management Personnel

The key management personnel of the Carcar Water District are the Board of Directors (BOD), the members of the governing body, and the members of the senior management group. The governing body consists of members appointed by the Local Chief Executive of the LGU. The senior management group consists of the General Manager, Department Managers and Division Managers.

The aggregate remuneration of members of the governing body and the number of members determined on a fulltime equivalent basis receiving remuneration within this category, are:

Particulars	Aggregate Remuneration
Salaries and Wages	₱ 4,030,470.00
Honorarium	591,948.00
Allowances	1,250,721.34
Personnel Benefit Contributions	278,168.94
Other Personnel Benefits	1,400,624.02
Total Other Personnel Benefits	₱ 7,551,932.30