

TALAVERA WATER DISTRICT NOTES TO FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1 Agency Background

The financial statement of Talavera Water District was authorized for issue as shown in the Statement of Management Responsibility for Financial Statements signed by Jaime Carlo C San Pedro, Chairman, Engr Leandro Jun C Lacsamana, General Manager, and Ms Rowena N Dela Cruz, designated Head of Finance Department.

On 23 June 1987, the Local Water Utilities Administration (LWUA) with Conditional Certificate of Conformance No 293 organized Talavera Water District (TWD). With its newly acquired legal personality, TWD succeeded in acquiring the management of the existing water system and the technical and financial assistance from LWUA for upgrading of the said system. Rehabilitation of the existing water supply system was started in August 1987, and it was commissioned in early 1988.

Talavera Water District was formed for the purpose of (a) acquiring, installing, improving, maintaining and operating water supply and distribution systems for domestic, industrial, municipal, and agricultural uses for residents and lands within the boundaries of Talavera, (b) providing, maintaining and operating water waste collection, treatment and disposal facilities, and (c) conducting such other functions and operations incidental to water resource development, utilization and disposal as are necessary or incidental to said purpose. The Entity's registered office is located in 042 Diaz St Pag-asa Dist Talavera Nueva Ecija.

1.2 Mission and Vision

PANANAW

Sariling Atin,

Para sa Atin

na makatutugon sa pangangailangang

Pantubig,

Pangkalusugan,

at

Kalinisan

MISYON

Makapaghatid ng

Malinis,

Maasahan

at Sapat

na Serbisyo ng Tubig

1.3 Board of Directors

as of 31 December 2020

Position	Name	Sector Represented
Chairman	Daniel M Ferrer	Business
Vice Chairman	Jamie Carlo C San Pedro	Professional
Secretary	Kevin Roy P Corpuz	Education
Member	Divinia S Lacanilao	Women
Member	Carlito M Dela Cruz Jr	Civic

1.4 Pumping Stations

Location	Implementation Year
Pag-asa	1989
Dinarayat	1996
San Pascual	1998
Bacal I	2005
Bacal III	2010
Sto Niño	2012
Bugtong na Buli	2013
Mamandil	2014
Basang Hamog	2015
Cabubulaonan	2016
Valle	2017
San Miguel na Munti	2018
Esguerra	2019
San Ricardo	2020
La Torre	2020

1.5 Personnel Services

The District comprises of thirty-one (31) regular employees and sixty (60) contract of service as of December 31, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The accompanying financial statements of Talavera Water district have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), where practicable, as well as government accounting standards and other pertinent rules and regulations. The financial statements are presented in Philippine Peso, which is the Corporation's functional currency.

The Talavera Water District presentation and classification of accounts in the Statements of Comprehensive Income, Statements of financial Position, Statements of Changes in Equity, Statements of Cash Flows and the notes are prepared as at the beginning of the earliest comparative period when Talavera Water District applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements.

2.2 Statement of Compliance

The financial statements were prepared in compliance with Philippine Financial Reporting Standards (PFRS), which includes statements named PFRS, Philippine Accounting Standards (PAS), Philippine Interpretations of International Financial Reporting Interpretations Committee (IFRIC) issued by the Financial Reporting Standards Council and Revised Chart of Accounts (RCA) for Government Corporations prescribed in COA Circular No. 2020-002. The format of the Comparative FS and Annexes as required under COA Circular No. 2017-004 dated December 13, 2017. Other related financial reports and schedule in accordance with COA Circular No. 2005-004 dated July 16, 2005.

2.3 Summary of Significant Accounting Policy

The accounting policies have been consistently applied throughout the year presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

The accrual method of accounting is adopted in recognizing the earnings and expenses. Under this method, all expenses shall be recognized when incurred and reported in the financial statements in the period to which they relate.

2.3.1 Current versus Noncurrent Classification

The District presents assets and liabilities in the statement of financial position based on current or noncurrent classification. An asset is current when it is

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when it is:

- Expected to be settled in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The District classifies all other liabilities as noncurrent.

2.3.2 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the District. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The District uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the District determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the District has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

2.3.3 Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash in bank earns interest at the prevailing bank deposit rates. 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 change in value.

2.3.4 Financial Instruments

Date of recognition

The District recognizes a financial asset or a financial liability in the statement of financial position when it becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

Initial recognition of financial instruments

Financial instruments are initially recognized at fair value, which is the fair value of the consideration given (in case of a financial asset) or received (in case of a financial liability). Except for securities at fair value through profit or loss (FVPL), the initial measurement of financial instruments includes transaction costs.

The District classifies its financial instruments in the following categories: financial assets and financial liabilities at FVPL, loans and receivables, held-to-maturity (HTM) investments, Available for sale (AFS) financial assets and other financial liabilities. The classification depends on the purpose for which the investments were acquired and whether these are quoted in an active market. Management determines the classification at initial recognition and, where allowed and appropriate, re-evaluates this classification at every reporting date.

As at December 31, 2020, the District does not have financial assets and financial liabilities at FVPL, HTM investments, and AFS financial assets.

2.3.5 Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market. These are not entered into with the intention of immediate or short-term resale and are not designated as AFS financial assets or financial assets at FVPL. These are included in current assets if maturity is within twelve months from the reporting date. Otherwise, these are classified as noncurrent assets.

After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included in "Interest income" in profit or loss. The losses arising from impairment of such loans and receivables are recognized as "Provision for probable losses and doubtful accounts" in profit or loss.

As at December 31, 2020, this category includes cash and cash equivalents and receivables.

2.3.6 Other Financial Liabilities

Issued financial instruments or their components, which are not designated as at FVPL are classified as other financial liabilities where the substance of the contractual arrangement results in the District having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate.

This accounting policy applies to the District's long-term debt, accounts and other payables except statutory liabilities.

2.3.7 Derecognition of Financial Assets and Financial Liabilities

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of financial assets) is derecognized when:

- the right to receive cash flows from the asset has expired;
- the District retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the District has transferred its right to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained the risks and rewards of the asset but has transferred the control of the asset.

Where the District has transferred its right to receive cash flows from an asset or has entered into a "pass-through" arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the District's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is

measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the District could be required to repay.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or has expired.

Where an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

2.3.8 Impairment of Financial Assets

The District assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Objective evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic condition that correlate with default.

Loans and Receivables

For loans and receivables carried at amortized cost, the District first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the District determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assessed for impairment. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognized, are not included in a collective assessment for impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred). The carrying amount of the asset is reduced through use of an allowance account and the amount of loss is charged to profit or loss. Interest income continues to be recognized based on the original effective interest rate of the asset. Receivables, together with the associated allowance accounts, are written off when there is no realistic prospect of future recovery.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in profit or loss, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

Receivables are stated at face value, less allowance for uncollectible accounts. Ageing of receivables from water sales is conducted periodically to identify those requiring sufficient level of allowance and determine proper level thereof. Other receivables are service connection fees, charges and materials not paid resulting from emergency repair and connection and other than those receivables from water sales.

2.3.9 Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Classification of Financial Instruments between Debt and Equity

A financial instrument is classified as debt if it provides for a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the District; or
- satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Water District does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

2.3.10 Inventories

This account pertains to unissued materials and supplies which are kept in stock and held for future use. Inventory is measured at cost upon initial recognition. The inventories on hand are stated at cost based on a moving average method. A physical count is undertaken twice a year. These are group into inventory held for sale, inventory held for consumption and semi-expendable inventory. Inventories are recognized as an expense when deployed for the utilization or consumption in the ordinary course of operations of the Water District.

2.3.11 Prepaid Expenses

Prepayments are prepaid insurances and other expenses applicable to future period. 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.

The District prepaid expenses obtained from insurances and subscriptions wherein amortized monthly.

2.3.12 Property, Plant and Equipment

Recognition

An item is recognized as property, plant, and equipment (PPE) if it meets the characteristics and recognition criteria as a PPE. Items recognized as Property, Plant and Equipment were record at cost. The characteristics of PPE are 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 future economic benefits or service potential associated with the item will flow to the entity;
- the cost or fair value of the item can be measured reliably; and
- the cost is at least P15,000.00.

The initial cost of property, plant and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the property, plant and equipment to its working condition and location for its intended use, including capitalized borrowing costs incurred during the construction period.

Expenditures incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to operations in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of the related property, plant and equipment.

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.

Property, Plant and Equipment	Estimated Useful Life (in years)
Other Land Improvements	10
Infrastructure Assets	20-50
Buildings and Other Structures	20-50
Machinery and Equipment	5-15
Transportation Equipment	5-15
Furniture and Fixtures	2-15

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 management.

A straight-line method is being adopted in determining the periodic depreciation which commence on the month subsequent to acquisition. A residual value equivalent to ten percent (10%) of the purchase cost is being set up. For newly acquired PPE, computation of depreciation starts on the following month after the purchase, regardless of the date of purchase. Land is stated at cost less any impairment in value. Property under construction was stated at cost and depreciation was taken-up when the relevant assets were completed and put into operational use.

The estimated life of each public infrastructure asset is 20-50 years. Tangible items below the capitalization threshold of P15,000 accounted as semi-expendable property. Tangible items recognized as expenses upon issue to the end-user. Inventory Custodian Slip (ICS) issued to end-user to establish accountability over the semi-expendable property.

When assets are sold and retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of income and expenses.

Fully depreciated assets are retained in the account until they are no longer in use and no further charge for depreciation is made in respect of those assets.

Construction in progress is stated at cost. While the construction is in progress, project costs are accrued based on the contractors' accomplishment reports and billings. These represent costs incurred for technical services and capital works program contracted by the system to facilitate the implementation of the project. While the construction of the project is in progress, no provision for depreciation is recognized.

Construction in progress is transferred to the related Property, Plant and Equipment account when the construction or installation and related activities necessary to prepare the property, plant and equipment for their intended use have been completed, and the property, plant and equipment are ready for service.

Any related expenses incurred during the construction of the project, such as license fees, permit fees, etc. shall be capitalized.

2.3.13 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is recognized in the statement of profit or loss when it is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least 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 accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition 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 statement of profit or loss when the asset is derecognized.

2.3.14 Impairment of Non-financial Assets

The District assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the District estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other fair value indicators. Impairment losses of continuing

operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at re-valued amount, in which case the reversal is treated as revaluation increase. After such a reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.3.15 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the District and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Income from Waterworks System

Water revenue is recognized when the related water services are rendered. Water is billed every month according to the bill cycles of the customers. As a result of bill cycle cut-off, monthly service revenue earned but not yet billed at end of the month are estimated and accrued. These estimates are based on historical consumption of the customers.

Fines and Penalties not related to taxes

Fines and penalties are recognizing as income of the year as these were collected. The District recognizes revenue from fees and fines, except those related to taxes, when earned and the asset recognition criteria are met. Deferred income is recognized instead of revenue if there is a related condition attached that would give rise to a liability to repay the amount.

The District charges fines and penalties to customers when there is a delay in the payment of water bill. On the other hand, fines and penalties are payment from tampering or illegal connections and one percent (1%) penalty charge upon non-payment of due amount after due date.

Other Business Income

Other business income comprises of fees and cost of materials that are charges to concessionaires upon new application, reconnection and emergency repairs. This was computed, based on Board Resolution No. 015-2017 dated 27 March 2017, regarding Modification of board Resolution No. 13-2000.

Interest Income

Interest income is recognized as it accrues, taking into account the effective yield of the assets.

2.3.16 Cost of Services and Operating Expenses

Cost of services and operating expenses are recognized as they are incurred. Cost and expenses are recognized in the profit and loss when a decrease in future economic benefit related to a decrease of an asset or an increase of a liability has risen other than distributions to equity participants that can be measured reliably. Cost and expenses are recognized in the profit and loss on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, cease to qualify, for recognition in the statement of financial position as an asset.

2.3.17 Tax

Current Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as of the reporting date.

Deferred Tax

Deferred tax is provided, using the liability method, for all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

A deferred tax shall be recognized for all deductible temporary differences and operating loss carry forward when it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. (PAS12.24)

Pursuant to Presidential Decree No. 198, under section 14 - Department of Justice ruling under case no. OSJ-2005-03 states that the Water Districts are exempted from Income tax and only liable to two percent (2%) Franchise Tax on its gross receipts. Recognition of deferred tax is not applicable as stated above.

2.3.18 Provisions and Contingencies

Provisions

A provision is recognized when the District has: (a) a present obligation (legal or constructive) as a result of a past event; (b) it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense. Where the District expects a provision to be reimbursed, the reimbursement is not recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

Employee Benefits

The employees of the District are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage. Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees.

The District recognizes the undiscounted amount of short term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

Other compensation includes allowances, overtime pay and other bonuses granted to regular employees during a particular period. All kinds of allowances in cash were authorized by law.

The PERA were paid when basic pay is also paid under DBM Budget Circular No. 2009-003 dated August 18, 2009.

The officials/employees who in the actual performance of their respective functions are entitled to receive RATA. Transportation allowances are not granted to officials who are assigned or who are presently using government motor transportation.

The appropriations for each agency for uniform or clothing allowance of employees at not more than P 6,000 each per annum, subject to the rules and regulations issued by the DBM.

Longevity pay or length of service incentive shall be given to an employee who has rendered at least ten and five years of continuous satisfactory service to a particular position and which shall consist of step increments in accordance with the provision of Joint CSC DBM Circular No. 1, s.1990 dated March 29, 1990.

Overtime works are not resorted to in the performance of regular/routine work and activities except in cases when unforeseen events and emergency situations happened.

Year End Bonus and Cash Gift are provided under the guidelines set by the DBM for the year. The accumulated earned leaves of regular employees with corresponding equal amount of deposit to personnel bank account.

3. CHANGES IN ACCOUNTING POLICY

Adoption of Philippine Financial Reporting Standards (PFRS)

These financial statements, for the year ended December 31, 2020, the District has prepared in accordance with PFRS. For periods up to and including the year ended December 31, 2020, the District prepared its financial statements in accordance with generally accepted accounting principle in the Philippines and New Government Accounting System (NGAS).

Accordingly, the District has prepared financial statements that comply with PFRS applicable as at December 31, 2020, together with the comparative period data for the year ended December 31, 2019. The financial statements are prepared as at the beginning of the earliest comparative period when Talavera Water District applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements.

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 reclassified as Semi Expendable Inventory.

PAS 7, Statement of Cash Flows, prescribes the provision of information about historical changes in cash equivalents of an entity by means of a cash flow statement which classifies cash flow during the period from operating, investing and financing.

PAS 10, Events after the Reporting Period, prescribes the accounting policies and disclosures related to adjusting and non-adjusting subsequent events. Additional disclosures required by the standard were included in the financial statements, principally the date of authorization for release of the financial statements.

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 significant in relation to the total cost of the item shall be depreciated separately.

PAS 18, Revenue, prescribes the accounting treatment for revenue arising from certain types of transaction and events and the criteria to recognize revenue.

PAS 19, Employees 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 for service rendered by employees). This standard requires an entity to recognize a liability when an employee has provided service 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 impairment 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.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES and ASSUMPTIONS

The preparation of the District's financial statements in compliance with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported and disclosure in the financial statements and the related notes. Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Actual results could differ from those estimates, and such, will be adjusted accordingly.

The District believes the following represent a summary of these significant judgments, estimates and assumptions, and the related impact and associated risks in the financial statements

Judgments

In the process of applying the District's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the financial statements.

Determination of impairment of non-financial asset

The District assesses the impairment of non-financial assets (property, plant and equipment, other current assets, and other noncurrent assets) whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the District considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of usage of the acquired assets or the strategy for the District's overall business; and
- significant negative industry or economic trends.

In 2019, the District has not identified any impairment indicator, thus, no impairment was recognized.

The carrying values of the District's property, plant and equipment amounted to ₱153,255,709.62 at December 31, 2020, respectively (see Note 10).

Estimates and Assumptions

Key assumptions concerning the future and other sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

Determination of impairment of receivables

The District reviews its receivables at each reporting date to assess whether provision for doubtful accounts should be recorded in profit or loss. The District maintains an allowance for impairment - accounts receivable based on the results of the individual and collective impairment assessments under PAS 39. Allowance for impairment - accounts receivable is maintained at a level considered adequate to provide for potentially uncollectible receivables. The level of allowance is based on past collection experience and other factors that may affect collectability. These factors include, but not limited to, age and status of receivables, the concessionaire's payment behaviour and known market factors. An evaluation of receivables, designed to identify potential charges to the allowance is performed on a continuous basis throughout the year.

The aging of the account shall start on the date the receivables falls due. The determination of bad debts based on board resolution shall be derived from computation on percentages and aging of accounts receivable as follows:

<u>AGE OF ACCOUNTS</u>	<u>PERCENTAGE</u>
1-90 days	2%
91-180 days	6%
181 days-1 year	12%
1-2 years	24%
2-3 years	36%
3-4 years	48%
More than 4 years	60%

The District's Allowance for impairment of its Accounts Receivable amounted to ₱1,272,943.91 as of December 31, 2020, respectively (see Note 6). This was determined as the likely amount that will not be collected from delinquent customers.

Determination of estimated useful lives of property, plant and equipment

The useful life of each of the District's item of property, plant and equipment is estimated based on the period over which the asset is expected to provide economic benefits. Such estimation is based on a collective assessment of similar business, internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. It is possible; however, that future financial performance could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any item of property and equipment would increase the recorded depreciation expense and decrease the carrying value of property, plant and equipment.

5. CASH AND CASH EQUIVALENTS

<u>Particulars</u>	<u>2020</u>	<u>2019</u>
Cash on Hand	(83,646.56)	42,389.69
Cash in Bank –Local Currency, Current Account	9,516,855.13	8,935,164.92
Cash in Bank –Local Currency, Savings Account	5,521,814.51	3,311,247.15
TOTAL	14,955,023.08	12,288,801.76

All collection of the water district is 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.

Petty Cash Fund worth P 20,000 was disbursed to the accountable petty cash custodian at the beginning of the year. The PCF are sufficient for the recurring petty operating expenses of the agency and not use for payment of regular expenses, such as rentals, subscriptions, electricity bills and the like. Payments out of PCF, which shall be made through a Petty Cash Voucher, are only allowed only for amounts not exceeding P 1,000 for each transaction. As soon as the disbursement reaches 75 percent (75%) or as needed, the PCF replenished and equal to the total amount of expenditures made there from. Splitting of transactions to avoid exceeding the ceiling are not allowed. At the end of the transaction year, the unused PCF was collected by the Cashier and made a receipt as proof of refund.

6. RECEIVABLES

Particulars	2020	2019
Current Assets		
Accounts Receivable	13,098,133.20	9,179,371.14
<i>Allowance for Impairment – Accounts Receivable</i>	<i>(1,272,943.91)</i>	<i>(78,952.38)</i>
Net Value –Accounts Receivable	11,825,189.29	9,100,418.76
Other Receivables	769,782.37	873,428.94
Receivables – Disallowances/Charges	15,934.56	15,934.56
TOTAL	12,610,906.22	9,989,782.26

Accounts receivable includes all amounts arising from services rendered to the customers for water sales. Paragraph 57 of the PAS 1 states that an asset shall be classified as current when it is expected to be realized within twelve months after balance sheet date.

Other receivables pertain to the amount collectible from concessionaires other than water sales. This is the balance collected on service connection fees, charges and materials not paid resulting from emergency repair or requested instalment payment of said repair and connection.

Included in the receivable account are all the disallowances or charges collectible to the responsible employees.

7. INVENTORIES

This account pertains to unissued materials and supplies which are kept in stock and held for future use.

2020

	Inventory Held for Consumption	Inventory Held for Sale	Semi- Expendable Machinery and Equipment Inventory	Total
<i>Cost</i>				
Balance, Jan. 1, 2020	₱4,521,859.66	₱1,044,972.83	₱0.00	₱5,566,832.49
Additions/Acquisitions during the year	11,473,404.99	6,325,990.48	0.00	17,799,395.47
Expensed during the year except write-down	(11,237,054.79)	(5,886,574.16)	(0.00)	(17,123,628.95)
Write-down during the year	0.00	0.00	0.00	0.00
Reversal of Write-down during the year	0.00	0.00	0.00	0.00
Balance, Dec. 31, 2020	₱4,758,209.86	₱1,484,389.15	₱0.00	₱6,242,599.01

2019

	Inventory Held for Consumption	Inventory Held for Sale	Semi- Expendable Machinery and Equipment Inventory	Total
<i>Cost</i>				
Balance, Jan. 1, 2019	₱4,019,192.47	₱783,684.04	₱22,706.00	₱4,825,582.51
Additions/Acquisitions during the year	12,834,219.25	5,455,556.00	0.00	18,289,775.25
Expensed during the year except write-down	(12,331,552.06)	(5,194,267.21)	(22,706.00)	(17,548,525.27)
Write-down during the year	0.00	0.00	0.00	0.00
Reversal of Write-down during the year	0.00	0.00	0.00	0.00
Balance, Dec. 31, 2019	₱4,521,859.66	₱1,044,972.83	₱0.00	₱5,566,832.49

8. PREPAYMENTS

Particulars	2020	2019
Prepaid Insurance	360,030.12	323,034.46
Other Prepayments	55,841.49	33,567.45
TOTAL	415,871.62	356,601.91

This account comprises all insurance premiums of service vehicles and buildings and its content that are paid in advance to GSIS.

Other prepaid expenses include yearly subscription of newspaper, domain hosting and prepaid toll fees. The monthly prepaid amount was debited to expenses and posted through JEV.

9. PROPERTY, PLANT AND EQUIPMENT

This account includes properties that are relatively permanent in character, and used in the normal utility operations with an expected useful life of more than one year and with a capitalization threshold of P15,000.00 and above.

2020

Cost	Land	Other Land Improvements	Buildings and Other Structures	Transportation Equipment	Furniture, Fixtures and Books	Machinery and Equipment	Plant-UPIS	Total
Balance at beginning of year	9,827,054.40	3,817,347.47	10,140,704.03	4,463,376.50	248,636.09	38,954,134.67	127,010,247.17	194,461,500.33
Additions	877,900.00	317,368.00	1,077,366.00	0.00	0.00	6,895,163.80	14,481,168.32	23,648,966.12
Disposals	0.00	0.00	0.00	0.00	0.00	(2,105,700.00)	(260,000.00)	(2,365,700.00)
Balance,								
Dec. 31,2020	10,704,954.40	4,134,715.47	11,218,070.03	4,463,376.50	248,636.09	43,743,598.47	141,231,415.49	215,744,766.45
<i>Accumulated depreciation and amortization</i>								
Balance at beginning of year	0.00	1,939,242.92	3,770,673.42	2,751,714.66	223,772.48	18,242,252.00	27,771,417.12	54,699,072.60
Depreciation and amortization	0.00	251,117.76	408,676.31	419,795.04	0.00	1,234,987.33	4,125,376.79	6,439,953.23
Impairment Loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00	(1,307,781.00)	(42,250.00)	(1,350,031.00)
Other Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance,								
Dec. 31,2020	0.00	2,190,360.68	4,179,349.73	3,171,509.70	223,772.48	20,785,020.33	31,939,043.91	62,489,056.83

	Land	Other Land Improvements	Buildings and Other Structures	Transportation Equipment	Furniture, Fixtures and Books	Machinery and Equipment	Plant-UPIS	Total
Net book value	₱10,704,954.40	₱1,944,354.79	₱7,036,720.30	₱1,291,866.80	₱24,863.61	₱22,958,578.14	₱109,292,371.58	₱153,255,709.62

2019

Cost	Land	Other Land Improvements	Buildings and Other Structures	Transportation Equipment	Furniture, Fixtures and Books	Machinery and Equipment	Plant-UPIS	Total
Balance at beginning of year	6,989,861.97	3,817,347.47	9,880,971.60	4,572,176.50	248,636.09	36,641,441.67	114,587,194.25	176,737,629.55
Additions	2,837,192.43	0.00	259,732.43	32,000.00	0.00	3,931,566.00	12,423,052.92	19,483,543.78
Disposals	0.00	0.00	0.00	(140,800.00)	0.00	(1,618,873.00)	0.00	(1,759,673.00)
Balance, Dec. 31, 2019	9,827,054.40	3,817,347.47	10,140,704.03	4,463,376.50	248,636.09	38,954,134.67	127,010,247.17	194,461,500.33

Accumulated depreciation and amortization

Balance at beginning of year	0.00	1,688,125.16	3,386,288.25	2,441,710.90	221,699.24	15,759,509.98	23,973,820.13	47,471,153.66
Depreciation and amortization	0.00	251,117.76	384,385.17	428,881.10	2,073.24	3,490,723.27	3,797,596.99	8,354,777.53
Impairment Loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	(118,877.34)	0.00	(1,007,981.25)	0.00	(1,126,858.59)
Other Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance, Dec. 31, 2019	0.00	1,939,242.92	3,770,673.42	2,751,714.66	223,772.48	18,242,252.00	27,771,417.12	54,699,072.60

Net book value	₱9,827,054.40	1,878,104.55	₱6,370,030.61	₱1,711,661.84	₱24,863.61	₱20,711,882.67	₱99,238,830.05	₱139,762,427.73
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10. OTHER ASSETS

	2020	2019
Particulars		
Other Assets	1,179,673.36	773,274.54
TOTAL	1,179,673.36	773,274.54

This is composed of all the unserviceable properties of the District that subject for disposal and not accumulates depreciation.

11. PAYABLE ACCOUNTS

Particulars	2020	2019
Accounts Payable	1,459,915.82	4,733,799.50
TOTAL	1,459,915.82	4,733,799.50

This account represents obligation of the agency to pay off a short-term debt to its creditors.

12. INTER-AGENCY PAYABLES

Particulars	2020	2019
Due to BIR	692,640.23	728,264.61
Due to GSIS	247,392.37	243,927.72
Due to PhilHealth	19,183.29	17,737.97
Due to PAG-IBIG	36,331.36	35,542.36
Due to Other GOCCs (Landbank)	0.00	4.84
TOTAL	995,547.25	1,025,477.50

This account includes those current trust liabilities held by the district in behalf of other government agencies. Such dues would be remitted in accordance with the prescribed period set by those agencies.

13. TRUST LIABILITIES

Particulars	2020	2019
Customer Guarantee Deposit Payable	274,816.44	274,816.44
Trust Liabilities	56,644.00	0.00
TOTAL	331,460.44	274,816.44

The remaining balances on customer guarantee deposit are those inactive concessionaires with no receivables on their accounts. These liabilities were account as current because anytime it is due once claim by the concessionaires.

14. DEFERRED CREDITS/ UNEARNED INCOME

Particulars	2020	2019
Unearned Revenue/Income Investment Property (Meter Rental)	1,274,413.72	1,044,943.90
Other Unearned Revenue/ Income (Meter Maintenance)	189,233.22	147,623.31
TOTAL	1,463,646.94	1,192,567.21

In accordance to Philippine Accounting Standards (PAS) 1 which states that an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting. The payment for the meter maintenance and meter rental recognized in the statement of comprehensive income only when earned or when the services are rendered.

15. PROVISIONS

Particulars	2020	2019
Leave Benefits Payable	9,210,774.20	9,009,090.14
Other Provisions (Warranty Bond)	164,982.20	21,687.00
TOTAL	9,375,756.40	9,030,777.14

Leave benefits payables incorporate all accumulated earn leaves of all regular employees of the district. Regular employees who have accumulated 15 days of vacation leave credits are allowed to monetize a minimum of ten (10) days; Provided that an at least five (5) days is retained after monetization and provided further that a maximum of 30 days may be monetized in a given year for a justifiable reasons.

The Management required warranty securities in the procurement of goods and construction projects from suppliers pursuant to Section 62.1, Rule XIX of the IRR of RA 9184 so that manufacturing defects, if any, shall be corrected by the supplier concerned.

16. SERVICE AND BUSINESS INCOME

Particulars	2020	2019
Waterworks Systems Fees	75,911,915.81	68,168,958.70
Other Business Income	11,135,859.12	10,557,885.81
Fines and Penalties –Business Income	258,960.80	253,104.77
TOTAL	87,306,735.73	78,979,949.28

Water consumption for the month of December 2020 was recognized on the statement of comprehensive income in the amount of P 3,163,910.54 as these were already considered earned and the services were already rendered.

17. OTHER NON-OPERATING INCOME

Particulars	2020	2019
Interest Income	13,012.66	14,741.67
TOTAL	13,012.66	14,741.67

These are the interest income from all current, checking and special savings accounts registered under the name of Talavera Water District.

18. PERSONNEL SERVICES

This account consists of the following:

Particulars	2020	2019
Salaries and Wages	16,857,243.94	15,740,523.80
Other Compensation	5,825,542.81	3,788,072.13
Personnel Benefit Contributions	1,246,501.24	1,188,039.86
Other Personnel Benefits	878,959.90	783,970.21
TOTAL	24,808,247.89	21,500,606.00

Salaries of regular employees were based on 1st Tranche Schedule of Salary Standardization Law V of National Budget Circular No. 579 dated 24 January 2020. To Republic Act No. 11466. Personnel Services includes honoraria, other benefits, bonuses and employer shares.

19. MAINTENANCE AND OTHER OPERATING EXPENSES

This account consists of the following:

Particulars	2020	2019
Travelling Expenses	65,235.00	151,791.55
Training and Scholarship Expenses	11,200.00	295,746.00
Supplies and Materials Expenses	9,033,815.23	9,399,833.34
Utility Expenses	665,267.11	741,830.94
Communication Expenses	241,364.39	245,027.18
Survey, Research, Exploration and Development	0.00	0.00
Professional Services	606,793.94	507,300.00
Generation, Transmission and Dist Expenses	12,052,773.16	13,555,458.07
Repairs and Maintenance	2,166,858.38	2,316,526.20
Taxes, Insurance Premiums and Other Fees	1,857,862.93	1,684,639.50
Other Maintenance and Operating Expenses	268,674.71	349,364.84
TOTAL	26,969,844.85	29,247,517.62

20. NON-CASH EXPENSES

This account consists of the following:

Particulars	2020	2019
Depreciation Expense	9,140,015.23	8,609,050.53
Senior Citizen Discount	29,902.95	43,498.14
TOTAL	9,169,918.18	8,652,548.67

Annual depreciation of Property, Plant and Equipment (PPE) is computed using the straight-line method.

Government Corporation Name	TALAVERA WATER DISTRICT
Cluster	
Region III	
Year 2020	
Fund	

Legend:

- 1 - Assets
- 2 - Liabilities
- 3 - Equity
- 4 - Revenue/Income

5 - Expenses

Account Title	Account Code	Current/ Non- Current	PRE-CLOSING TRIAL BALANCE	
			Debit	Credit
Cash-Collecting Officer	10101010	1	(83,646.56)	
Petty Cash	10101020	1	(0.00)	
Cash in Bank -Local Currency, Current Account (General Fund)	10102020-01	1	1,200,422.42	
Cash in Bank -Local Currency, Current Account (Personnel Account)	10102020-02	1	8,316,432.71	
Cash in Bank -Local Currency, Saving Account (Reserves Account)	10102030-02	1	5,521,814.51	
Accounts Receivable	10301010	1	13,098,133.20	
Allowance for Impairment-Accounts Receivable	10301012	1		1,272,943.91
Receivables -Disallowances/Charges	10399010	1	15,934.56	
Other Receivables	10399990	1	769,782.37	
Merchandise Inventory	10401010	1	1,484,389.15	
Accountable Forms, Plates and Stickers Inventory	10404020	1	250,656.71	
Chemical and Filtering Supplies Inventory	10404120	1	1,007,800.00	
Construction Materials Inventory	10404130	1	3,499,753.15	
Land	10601010	1	10,704,954.40	
Other Land Improvements	10602990	1	4,134,715.47	
Accumulated Depreciation -Other Land Improvements	10602991	1		2,190,360.68
Plant -UPIS -Wells	10603110-04	1	20,636,558.45	
Accumulated Depreciation -Plant -UPIS -Wells	10603111-04	1		3,190,612.12
Plant -UPIS -Reservoirs and Tanks	10603110-08	1	10,831,660.84	
Accumulated Depreciation -Plant -UPIS -Reservoirs and Tanks	10603111-08	1		2,934,553.49
Plant -UPIS -Transmission and Distribution Mains	10603110-09	1	106,318,825.89	
Accumulated Depreciation -Plant -UPIS -Transmission and Distribution Mains	10603111-09	1		23,957,754.33
Plant -UPIS -Service Connection	10603110-11	1	406,205.87	
Accumulated Depreciation -Plant -UPIS -Service Connection	10603111-11	1		365,585.27
Plant -UPIS -Meters	10603110-12	1	2,977,424.00	
Accumulated Depreciation -Plant -UPIS -Meters	10603111-12	1		1,457,088.30
Plant -UPIS -Hydrants	10603110-14	1	60,740.44	
Accumulated Depreciation -Plant -UPIS -Hydrants	10603111-14	1		33,450.40
Buildings	10604010	1	5,118,133.93	
Accumulated Depreciation -Buildings	10604011	1		2,411,386.39
Water Plant, Structure and Improvements	10604070	1	6,099,936.10	
Accumulated Depreciation -Water Plant, Structure and Improvements	10604071	1		1,767,963.34
Office Equipment	10605020	1	4,982,934.33	
Accumulated Depreciation -Office Equipment	10605021	1		3,614,487.88
Information and Communication Technology Equipment	10605030	1	9,842,489.60	
Accumulated Depreciation -Information and Communication Technology Equipment	10605031	1		4,238,826.53
Construction and Heavy Equipment	10605080	1	1,886,480.00	
Accumulated Depreciation -Construction and Heavy Equipment	10605081	1		788,279.31
Technical and Scientific Equipment	10605140	1	313,920.00	
Accumulated Depreciation -Technical and Scientific Equipment	10605141	1		26,516.40
Other Machinery and Equipment -Power Production for Pumping	10605990-01	1	17,436,915.52	
Accumulated Depreciation -Other Machinery and Equipment -Power Production for Pumping	10605991-01	1		8,423,889.92
Other Machinery and Equipment -Pumping Equipment	10605990-02	1	5,718,105.00	
Accumulated Depreciation -Other Machinery and Equipment -Pumping Equipment	10605991-02	1		1,621,096.00
Other Machinery and Equipment -Water Treatment Equipment	10605990-03	1	1,135,600.00	
Accumulated Depreciation -Other Machinery and Equipment -Water Treatment Equipment	10605991-03	1		351,419.25
Other Machinery and Equipment -Tools, Shop and Garage Equipment	10605990-04	1	2,427,154.02	
Accumulated Depreciation -Other Machinery and Equipment -Tools, Shop and Garage Equipment	10605991-04	1		1,720,505.04
Motor Vehicles	10606010	1	3,643,476.50	
Accumulated Depreciation -Motor Vehicles	10606011	1		2,687,495.22
Other Transportation Equipment	10606990	1	819,900.00	
Accumulated Depreciation -Other Transportation Equipment	10606991	1		484,014.48
Furniture and Fixtures	10607010	1	248,636.09	
Accumulated Depreciation -Furniture and Fixtures	10607011	1		223,772.48
Construction in Progress -Infrastructure Assets	10610020	1	2,433,480.00	
Construction in Progress -Land Improvements	10699010	1		
Construction in Progress -Buildings and Other Structures	10699030	1	(0.00)	

Account Title	Account Code	Current/ Non- Current	PRE-CLOSING TRIAL BALANCE	
			Debit	Credit
Intangible Assets -Computer Software	10801020	1	6,571,505.00	
Advances for Operating Expenses	19901010	1		
Advances for Payroll	19901020	1	0.00	
Advances to Special Disbursing Officer (Change Fund)	19901030	1	0.00	
Prepaid Insurance	19902050	1	360,030.13	
Other Prepayments	19902990	1	55,841.49	
Other Deposits	19903990	1	135,648.58	
Other Assets	19999990	1	1,179,673.36	
Accounts Payable	20101010	2		1,459,915.82
Due to BIR -Withholding Tax on Compensation	20201010-01	2		40,382.43
Due to BIR -Expanded Withholding Tax	20201010-02	2		73,745.41
Due to BIR -Percentage Taxes	20201010-03	2		390,819.34
Due to BIR -Withholding Tax on GMP-GVAT	20201010-04	2		187,693.05
Due to GSIS -Life and Retirement Premium	20201020-01	2		149,395.68
Due to GSIS -ECC	20201020-02	2		3,100.00
Due to GSIS -Salary Loan	20201020-03	2		86,396.69
Due to GSIS -Policy Loan	20201020-04	2		8,500.00
Due to Pag-IBIG -Premiums	20201030-01	2		17,331.36
Due to Pag-IBIG -Multi-Purpose Loans	20201030-02	2		19,000.00
Due to PhilHealth	20201040	2		19,183.29
Due to Government Corporations -Landbank	20201060	2		(0.00)
Trust Liabilities	20401010	2		331,460.44
Unearned Revenue/ Income Investment Property	20502010	2		1,274,413.72
Other Unearned Revenue/ Income	20502990	2		189,233.22
Leave Benefits Payable	20601020	2		9,210,774.20
Other Provisions	20601990	2		164,982.20
Government Equity	30101020	3		3,016,538.54
Revenue/ Income and Expense Summary	30301020	3		23,475,772.48
Retained Earnings/ Deficit	30701010	3		134,206,006.14
Waterworks System Fees	40202090	4		75,911,915.81
Fines and Penalties -Business Income (Overdue Waterbill)	40202230-01	4		244,571.90
Fines and Penalties -Business Income (Illegal Connection)	40202230-02	4		14,388.90
Other Business Income -Reconnection Fee	40202990-01	4		165,960.00
Other Business Income -Other Fees and Charges	40202990-02	4		6,378,784.09
Other Business Income -Service Connection Materials	40202990-03	4		4,089,050.10
Other Business Income -Meter Rental	40202990-04	4		502,064.93
Interest Income	40202210	4		13,012.66
Salaries and Wages -Regular	50101010	5	8,775,674.41	
Personnel Economic Relief Allowance (PERA)	50102010	5	751,545.45	
Representation Allowance (RA)	50102020	5	102,000.00	
Transportation Allowance (TA)	50102030	5	102,000.00	
Clothing/Uniform Allowance	50102040	5	192,000.00	
Honoraria	50102100	5	254,240.00	
Hazard Pay	50102110	5	1,831,000.00	
Longevity Pay	50102120	5	25,000.00	
Overtime and Night Pay	50102130	5	208,292.06	
Year End Bonus	50102140	5	1,465,965.30	
Cash Gift	50102150	5	155,000.00	
Other Bonuses and Allowances	50102990	5	738,500.00	
Retirement and Life Insurance Premiums	50103010	5	1,052,414.52	
Pag-IBIG Contributions	50103020	5	37,625.81	
PhilHealth Contributions	50103030	5	118,860.91	
Employees Compensation Insurance Premiums	50103040	5	37,600.00	
Terminal Leave Benefits	50104030	5	878,959.90	
Travelling Expenses -Local	50201010	5	65,235.00	
Training Expenses	50202010	5	11,200.00	
Office Supplies Expenses	50203010	5	323,334.44	
Accountable Forms Expenses	50203020	5	68,000.00	
Non-Accountable Forms Expenses	50203030	5	7,235.27	
Fuel, Oil and Lubricants Expenses -Office	50203090	5	390,475.30	
Chemical and Filtering Supplies Expenses	50203130	5	1,903,151.00	
Semi-Expendable Machinery and Equipment Expenses	50203210	5	3,135,736.57	
Semi-Expendable Furniture, Fixtures and Books Expenses	50203220	5	53,100.00	
Other Supplies and Materials Expenses	50203990	5	3,543,257.95	

Account Title		Account Code	Current/ Non- Current	PRE-CLOSING TRIAL BALANCE	
				Debit	Credit
Electricity expenses -Office		50204020	5	274,791.81	
Postage and Courier Services		50205010	5	1,042.00	
Telephone expenses -Mobile		50205020-01	5	129,916.90	
Telephone expenses -Landline		50205020-02	5	58,645.49	
Internet Subscription Expenses		50205030	5	51,760.00	
Generation, Transmission and Distribution Expenses -Electricity		50209010-01	5	11,454,008.42	
Generation, Transmission and Distribution Expenses -Fuel		50209010-02	5	598,764.74	
Legal Services		50211010	5	21,400.00	
Auditing Services		50211020	5	185,763.94	
Other Professional Services		50211990	5	399,630.00	
Repairs and Maintenance -Infrastructure Assets-Transmission and Distribution Mai		50213030-11-09	5	1,222,400.68	
Repairs and Maintenance -Infrastructure Assets-UPIS -Service Connection		50213030-11-11	5	37,984.30	
Repairs and Maintenance -Infrastructure Assets-UPIS -Meters		50213030-11-12	5	16,815.40	
Repairs and Maintenance -Buildings and Other Structures -Office Buildings		50213040-01	5	22,520.84	
Repairs and Maintenance -Buildings and Other Structures -Water Plant Structures		50213040-07	5	63,785.76	
Repairs and Maintenance -Machinery and Equipment -Office Equipment		50213050-02	5	87,800.00	
Repairs and Maintenance -Machinery and Equipment -Information and Communic		50213050-03	5	44,947.00	
Repairs and Maintenance -Machinery and Equipment -OME-Power Production for		50213050-99-01	5	231,544.49	
Repairs and Maintenance -Machinery and Equipment -OME-Pumping Equipment		50213050-99-02	5	170,170.00	
Repairs and Maintenance -Machinery and Equipment -OME-Water Treatment Equ		50213050-99-03	5	2,448.10	
Repairs and Maintenance -Machinery and Equipment -OME-Tools, Shop and Garag		50213050-99-04	5	62,161.30	
Repairs and Maintenance -Transportation Equipment		50213060-01	5	204,280.51	
Taxes, Duties and Licenses		50215010	5	1,473,347.07	
Insurance Expenses		50215030	5	384,515.86	
Labor and Wages		50216010	5	8,081,569.53	
Representation Expenses		50299030	5	144,109.85	
Subscription Expenses		50299070	5	34,095.26	
Other Maintenance and Operating Expenses		50299990	5	90,469.60	
Depreciation Expenses -Other Land Improvements		50501020	5	251,117.76	
Depreciation Expenses -Plant -UPIS -Wells		50501030-11-04	5	545,858.30	
Depreciation Expenses -Plant -UPIS -Reservoirs and Tanks		50501030-11-08	5	324,949.92	
Depreciation Expenses -Plant -UPIS -Transmission and Distribution Mains		50501030-11-09	5	2,930,773.85	
Depreciation Expenses -Plant -UPIS -Meters		50501030-11-12	5	400,806.72	
Depreciation Expenses -Plant -UPIS -Hydrants		50501030-11-14	5	7,488.00	
Depreciation Expenses -Buildings		50501040-01	5	200,559.00	
Depreciation Expenses -Water Plant, Structure and Improvements		50501040-07	5	208,117.31	
Depreciation Expenses -Office Equipment		50501050-02	5	524,293.59	
Depreciation Expenses -Information and Communication Technology Equipment		50501050-03	5	987,138.51	
Depreciation Expenses -Construction and Heavy Equipment		50501050-08	5	242,547.48	
Depreciation Expenses -Other Machinery and Equipment -Technical and Scientific		50501050-14	5	14,148.90	
Depreciation Expenses -Other Machinery and Equipment -Power Production for Pl		50501050-99-01	5	1,192,938.81	
Depreciation Expenses -Other Machinery and Equipment -Pumping Equipment		50501050-99-02	5	523,998.48	
Depreciation Expenses -Other Machinery and Equipment -Water Treatment Equipr		50501050-99-03	5	87,099.00	
Depreciation Expenses -Other Machinery and Equipment -Tools, Shop and Garage		50501050-99-04	5	278,384.56	
Depreciation Expenses -Transportation Equipment		50501060-01	5	314,379.36	
Depreciation Expenses -Other Transportation Equipment		50501060-99	5	105,415.68	
Loss on Sale of Property, Plant and Equipment		50504040	5	2,353,438.34	
Other Losses		50504990	5	542,526.65	
Senior Citizen Discount		50505010	5	29,902.95	
TOTAL				325,406,393.14	325,406,393.14

Prepared and Certified Correct by:

ROWENA N DELA CRUZ
Financial Planning Specialist

Noted by:

ENGR LEANDRO JUN C LACSAMANA
General Manager

Government Corporation Name **TALAVERA WATER DISTRICT**

Legend:

- Cluster
- Region III
- Year **2020**
- Fund

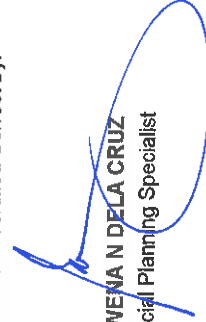
5 - Expenses

Account Title	Account Code	Current/ Non- Current	POST-CLOSING TRIAL BALANCE	
			Debit	Credit

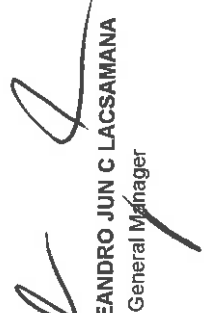
Cash-Collecting Officer	10101010	1	(83,646.56)	
Petty Cash	10101020	1	(0.00)	
Cash in Bank -Local Currency, Current Account (General Fund)	10102020-01	1	1,200,422.42	
Cash in Bank -Local Currency, Current Account (Personnel Account)	10102020-02	1	8,316,432.71	
Cash in Bank -Local Currency, Saving Account (Reserves Account)	10102030-02	1	5,521,814.51	
Accounts Receivable	10301010	1	13,098,133.20	
Allowance for Impairment-Accounts Receivable	10301012	1		1,272,943.91
Receivables -Disallowances/Charges	10399010	1	15,934.56	
Other Receivables	10399990	1	769,782.37	
Merchandise Inventory	10401010	1	1,484,389.15	
Accountable Forms, Plates and Stickers Inventory	10404020	1	250,656.71	
Chemical and Filtering Supplies Inventory	10404120	1	1,007,800.00	
Construction Materials Inventory	10404130	1	3,499,753.15	
Land	10601010	1	10,704,954.40	
Other Land Improvements	10602990	1	4,134,715.47	
Accumulated Depreciation -Other Land Improvements	10602991	1		2,190,360.68
Plant -UPIS -Wells	10603110-04	1	20,636,558.45	
Accumulated Depreciation -Plant -UPIS -Wells	10603111-04	1		3,190,612.12
Plant -UPIS -Reservoirs and Tanks	10603110-08	1	10,881,660.84	
Accumulated Depreciation -Plant -UPIS -Reservoirs and Tanks	10603111-08	1		2,934,553.49
Plant -UPIS -Transmission and Distribution Mains	10603110-09	1	106,318,825.89	
Accumulated Depreciation -Plant -UPIS -Transmission and Distribution Mains	10603111-09	1		23,957,754.33
Plant -UPIS -Service Connection	10603110-11	1	406,205.87	
Accumulated Depreciation -Plant -UPIS -Service Connection	10603111-11	1		365,585.27
Plant -UPIS -Meters	10603110-12	1	2,977,424.00	
Accumulated Depreciation -Plant -UPIS -Meters	10603111-12	1		1,457,088.30
Plant -UPIS -Hydrants	10603110-14	1	60,740.44	
Accumulated Depreciation -Plant -UPIS -Hydrants	10603111-14	1		33,450.40
Buildings	10604010	1	5,118,133.93	
Accumulated Depreciation -Buildings	10604011	1		2,411,386.39
Water Plant, Structure and Improvements	10604070	1	6,099,936.10	
Accumulated Depreciation -Water Plant, Structure and Improvements	10604071	1		1,767,963.34
Office Equipment	10605020	1	4,982,934.33	
Accumulated Depreciation -Office Equipment	10605021	1		3,614,487.88
Information and Communication Technology Equipment	10605030	1	9,842,489.60	
Accumulated Depreciation -Information and Communication Technology Equipm	10605031	1		4,238,826.53
Construction and Heavy Equipment	10605080	1	1,886,480.00	
Accumulated Depreciation -Construction and Heavy Equipment	10605081	1		788,279.31
Technical and Scientific Equipment	10605140	1	313,920.00	
Accumulated Depreciation -Technical and Scientific Equipment	10605141	1		26,516.40
Other Machinery and Equipment -Power Production for Pumping	10605990-01	1	17,436,915.52	
Accumulated Depreciation -Other Machinery and Equipment -Power Production	10605991-01	1		8,423,889.92
Other Machinery and Equipment -Pumping Equipment	10605990-02	1	5,718,105.00	
Accumulated Depreciation -Other Machinery and Equipment -Pumping Equipmei	10605991-02	1		1,621,096.00
Other Machinery and Equipment -Water Treatment Equipment	10605990-03	1	1,135,600.00	
Accumulated Depreciation -Other Machinery and Equipment -Water Treatment t	10605991-03	1		351,419.25
Other Machinery and Equipment -Tools, Shop and Garage Equipment	10605990-04	1	2,427,154.02	
Accumulated Depreciation -Other Machinery and Equipment -Tools, Shop and Gz	10605991-04	1		1,720,505.04
Motor Vehicles	10606010	1	3,643,476.50	
Accumulated Depreciation -Motor Vehicles	10606011	1		2,687,495.22
Other Transportation Equipment	10606990	1	819,900.00	
Accumulated Depreciation -Other Transportation Equipment	10606991	1		484,014.48
Furniture and Fixtures	10607010	1	248,636.09	
Accumulated Depreciation -Furniture and Fixtures	10607011	1		223,772.48

Account Title	Account Code	Current/ Non- Current	POST-CLOSING TRIAL BALANCE	
			Debit	Credit
Construction in Progress -Infrastructure Assets	10610020	1	2,433,480.00	
Construction in Progress -Land Improvements	10699010	1		
Construction in Progress -Buildings and Other Structures	10699030	1	(0.00)	
Intangible Assets -Computer Software	10801020	1	6,571,505.00	
Advances for Operating Expenses	19901010	1		
Advances for Payroll	19901020	1	0.00	
Advances to Special Disbursing Officer (Change Fund)	19901030	1	0.00	
Prepaid Insurance	19902050	1	360,030.13	
Other Prepayments	19902990	1	55,841.49	
Other Deposits	19903990	1	135,648.58	
Other Assets	19999990	1	1,179,673.36	
Accounts Payable	20101010	2		1,459,915.82
Due to BIR -Withholding Tax on Compensation	20201010-01	2		40,382.43
Due to BIR -Expanded Withholding Tax	20201010-02	2		73,745.41
Due to BIR -Percentage Taxes	20201010-03	2		390,819.34
Due to BIR -Withholding Tax on GMP-GVAT	20201010-04	2		187,693.05
Due to GSIS -Life and Retirement Premium	20201020-01	2		149,395.68
Due to GSIS -ECC	20201020-02	2		3,100.00
Due to GSIS -Salary Loan	20201020-03	2		86,396.69
Due to GSIS -Policy Loan	20201020-04	2		8,500.00
Due to Pag-BIG -Premiums	20201030-01	2		17,331.36
Due to Pag-BIG -Multi-Purpose Loans	20201030-02	2		19,000.00
Due to PhilHealth	20201040	2		19,183.29
Due to Government Corporations -Landbank	20201060	2		(0.00)
Customers' Deposit Payable	20401050	2		331,460.44
Unearned Revenue/ Income Investment Property	20502010	2		1,274,413.72
Other Unearned Revenue/ Income	20502990	2		189,233.22
Leave Benefits Payable	20601020	2		9,210,774.20
Other Provisions	20601990	2		164,982.20
Government Equity	30101020	3		3,016,538.54
Retained Earnings/ Deficit	30701010	3		181,157,551.10
TOTAL			261,562,417.23	261,562,417.23

Prepared and Certified Correct by:


ROWENA N DELA CRUZ
 Financial Planning Specialist

Noted by:


ENGR. LEANDRO JUN C LACSAMANA
 General Manager



DETAILED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents		
<i>Cash on Hand</i>	14,955,023.08	12,288,801.76
Cash Collecting Officers	(83,646.56)	42,389.69
Petty Cash	(83,646.56)	42,389.69
	(0.00)	-
Cash in Bank-Local Currency, Current Account		
General Fund	9,516,855.13	8,935,164.92
Personnel Account	1,200,422.42	1,996,550.53
Cash in Bank -Local Currency, Savings Account		
Reserves Account	8,316,432.71	6,938,614.39
	5,521,814.51	3,311,247.15
	5,521,814.51	3,311,247.15
Receivables		
Accounts Receivable	12,610,906.22	9,989,782.26
Allowance for Impairment-Accounts Receivable		
	13,098,133.20	9,179,371.14
	(1,272,943.91)	(78,952.38)
Other Receivables		
	785,716.93	889,363.50
Other Receivables	769,782.37	873,428.94
Receivables -Disallowances/Charges	15,934.56	15,934.56
Inventories		
<i>Inventory Held for Sale</i>	6,242,599.01	5,566,832.49
Merchandise Inventory	1,484,389.15	1,044,972.83
	1,484,389.15	1,044,972.83
<i>Inventory Held for Consumption</i>	4,758,209.86	4,521,859.66
Office Supplies Inventory	-	-
Accountable Forms, Plates and Stickers Inventory	250,656.71	312,656.71
Non-Accountable Forms Inventory	0.00	1,835.27
Medical, Dental and Laboratory Supplies Inventory	-	18,700.00
Chemical and Filtering Supplies Inventory	1,007,800.00	1,167,600.00
Construction Materials Inventory	3,499,753.15	3,021,067.68
Semi-Expendable Inventory		
Semi-Expendable Other Machinery and Equipment Inventory	-	-
OTHER CURRENT ASSETS		
Advances	0.00	0.00
Advances for Payroll	0.00	0.00
Advances to Special Disbursing Officer (Change Fund)	0.00	0.00
Prepayments		
Prepaid Insurance	415,871.62	356,601.91
Other Prepayments	360,030.13	323,034.46
Other Deposits		
	55,841.49	33,567.45
	135,648.58	67,000.00
TOTAL CURRENT ASSETS	34,360,048.51	28,269,018.42
NON-CURRENT ASSETS		
Property Plant and Equipment		
Land	153,255,709.62	139,762,427.73
Land	10,704,954.40	9,827,054.40
Land Improvements		
Land	10,704,954.40	9,827,054.40
Other Land Improvement	4,134,715.47	3,817,347.47
Accumulated Depreciation -Other Land Improvement		
Net Value -Other Land Improvements	2,190,360.68	1,939,242.92
	1,944,354.79	1,878,104.55

Infrastructure Assets

Plant -Utility Plant in Service (UPIS) -Wells	20,636,558.45	17,263,632.45
<i>Accumulated Depreciation</i> - Plant-Utility Plant in Service (UPIS) -Well	3,190,612.12	2,687,003.82
Net Value- Plant -Utility Plant in Service (UPIS) -Wells	17,445,946.33	14,576,628.63
Plant -Utility Plant in Service (UPIS) -Reservoirs and Tanks	10,831,660.84	10,831,660.84
<i>Accumulated Depreciation</i> - Plant-Utility Plant in Service (UPIS) -Res	2,934,553.49	2,609,603.57
Net Value -Plant -Utility Plant in Service (UPIS) -Reservoirs and Tank	7,897,107.35	8,222,057.27
Plant -Utility Plant in Service (UPIS) -Transmission and Distribution M	106,318,825.89	96,102,183.57
<i>Accumulated Depreciation</i> - Plant-Utility Plant in Service (UPIS) -Trar	23,957,754.33	21,026,980.48
Net Value -Plant -Utility Plant in Service (UPIS) -Transmission and Di	82,361,071.56	75,075,203.09
Plant -Utility Plant in Service (UPIS) -Service Connection	406,205.87	406,205.87
<i>Accumulated Depreciation</i> - Plant-Utility Plant in Service (UPIS) -Ser	365,585.27	365,585.27
Net Value -Plant -Utility Plant in Service (UPIS) -Service Connection	40,620.60	40,620.60
Plant -Utility Plant in Service (UPIS) -Meters	2,977,424.00	2,345,824.00
<i>Accumulated Depreciation</i> - Plant-Utility Plant in Service (UPIS) -Metr	1,457,088.30	1,056,281.58
Net Value -Plant -Utility Plant in Service (UPIS) -Meters	1,520,335.70	1,289,542.42
Plant -Utility Plant in Service (UPIS) -Hydrants	60,740.44	60,740.44
<i>Accumulated Depreciation</i> - Plant-Utility Plant in Service (UPIS) -Hyd	33,450.40	25,962.40
Net Value -Plant -Utility Plant in Service (UPIS) -Hydrants	27,290.04	34,778.04
Buildings and Other Structures		
Buildings	5,118,133.93	4,952,233.93
<i>Accumulated Depreciation</i> -Buildings	2,411,386.39	2,210,827.39
Net Value -Buildings	2,706,747.54	2,741,406.54
Water Plant, Structure and Improvements	6,099,936.10	5,188,470.10
<i>Accumulated Depreciation</i> -Water Plant, Structure and Improvement:	1,767,963.34	1,559,846.03
Net Value -Water Plant, Structure and Improvements	4,331,972.76	3,628,624.07
Machinery and Equipment		
Office Equipment	4,982,934.33	4,436,734.33
<i>Accumulated Depreciation</i> -Office Equipment	3,614,487.88	3,090,194.29
Net Value -Office Equipment	1,368,446.45	1,346,540.04
Information and Communication Technology Equipment	9,842,489.60	6,836,845.60
<i>Accumulated Depreciation</i> -Information and Communication Technol	4,238,826.53	3,251,688.02
Net Value -Information and Communication Technology Equipment	5,603,663.07	3,585,157.58
Construction and Heavy Equipment	1,886,480.00	1,886,480.00
<i>Accumulated Depreciation</i> -Construction and Heavy Equipment	788,279.31	545,731.83
Net Value -Construction and Heavy Equipment	1,098,200.69	1,340,748.17
Other Machinery and Equipment (Power Production)	17,436,915.52	16,866,615.52
<i>Accumulated Depreciation</i> -Other Machinery and Equipment (Power	8,423,889.92	7,780,176.11
Net Value -Other Machinery and Equipment (Power Production)	9,013,025.60	9,086,439.41
Other Machinery and Equipment (Pumping)	5,718,105.00	5,670,205.00
<i>Accumulated Depreciation</i> -Other Machinery and Equipment (Pumpii	1,621,096.00	1,855,653.52
Net Value -Other Machinery and Equipment (Pumping)	4,097,009.00	3,814,551.48
Other Machinery and Equipment (Water Treatment)	1,135,600.00	815,600.00
<i>Accumulated Depreciation</i> -Other Machinery and Equipment (Water	351,419.25	264,320.25
Net Value -Other Machinery and Equipment (Water Treatment)	784,180.75	551,279.75
Other Machinery and Equipment (Tools)	2,427,154.02	2,393,154.22
<i>Accumulated Depreciation</i> -Other Machinery and Equipment (Tools)	1,720,505.04	1,442,120.48
Net Value -Other Machinery and Equipment (Tools)	706,648.98	951,033.74

Technical and Scientific Equipment	313,920.00	48,500.00
<i>Accumulated Depreciation - Technical and Scientific Equipment</i>	26,516.40	12,367.50
Net Value - Technical and Scientific Equipment	287,403.60	36,132.50
Transportation Equipment		
Motor Vehicles	3,643,476.50	3,643,476.50
<i>Accumulated Depreciation -Motor Vehicles</i>	2,687,495.22	2,373,115.86
Net Value -Motor Vehicles	955,981.28	1,270,360.64
Other Transportation Equipment	819,900.00	819,900.00
<i>Accumulated Depreciation -Other Transportation Equipment</i>	484,014.48	378,598.80
Net Value -Other Transportation Equipment	335,885.52	441,301.20
Furniture, Fixtures and Books		
Furniture and Fixtures	248,636.09	248,636.09
<i>Accumulated Depreciation -Furniture and Fixtures</i>	223,772.48	223,772.48
Net Value -Furniture and Fixtures	24,863.61	24,863.61
Construction in Progress	2,433,480.00	3,440,212.00
Construction in Progress -Land Improvements	-	-
Construction in Progress -Buildings and Other Structures	(0.00)	(0.00)
Construction in Progress -Infrastructure Assets	2,433,480.00	3,440,212.00
Intangible Assets		
Computer Software	6,571,505.00	6,577,551.30
<i>Accumulated Amortization -Computer Software</i>	(0.00)	(0.00)
Net Value -Computer Software	6,571,505.00	6,577,551.30
Other Assets		
Other Assets	1,179,673.36	773,274.54
Total Non-Current Assets	1,179,673.36	773,274.54
	163,440,367.98	150,553,465.57
TOTAL ASSETS	197,800,416.49	178,822,483.99

LIABILITIES

CURRENT LIABILITIES		
Financial Liabilities	1,459,915.82	4,733,799.50
Accounts Payable		
Inter-Agency Payables	995,547.25	1,025,477.50
Due to BIR	692,640.23	728,264.61
Due to GSIS	247,392.37	243,927.72
Due to PhilHealth	19,183.29	17,737.97
Due to Pag-Ibig	36,331.36	35,542.36
Due to Government Corporations (Landbank)	(0.00)	4.84
Deferred Credits/ Unearned Income	871,872.32	743,696.24
Unearned Revenue/Income Investment Property	747,985.80	657,662.92
Other Unearned Revenue/ Income	123,886.52	86,033.32
Trust Liabilities	331,460.44	274,816.44
Customer Guarantee Deposit Payable	331,460.44	274,816.44
Total Current Liabilities	3,658,795.83	6,777,789.68
Non-Current Liabilities		
Loans Payable Domestic	-	-
Deferred Credits/ Unearned Income	591,774.62	448,870.97
Unearned Revenue/Income Investment Property (Meter Rental)	526,427.92	387,280.98
Other Unearned Revenue/ Income (Meter Maintenance)	65,346.70	61,589.99
Provisions	9,375,756.40	9,030,777.14
Leave Benefits Payable	9,210,774.20	9,009,090.14

Other Provisions (Warranty Bond)
Total Non-Current Liabilities

164,982.20 21,687.00
9,967,531.02 9,479,648.11

TOTAL LIABILITIES

13,626,326.85 16,257,437.79

EQUITY

Government Equity
Government Equity

3,016,538.54 3,016,538.54
3,016,538.54 3,016,538.54

Retained Earnings/(Deficit)
Retained Earnings/(Deficit)

181,157,551.10 159,548,507.66
181,157,551.10 159,548,507.66

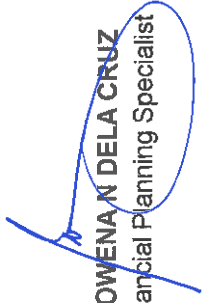
TOTAL EQUITY

184,174,089.64 162,565,046.20

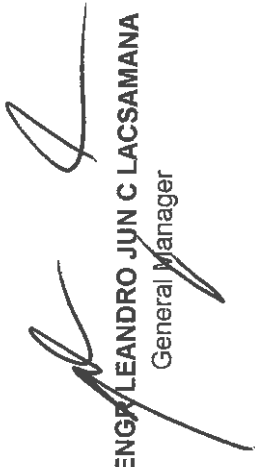
TOTAL LIABILITIES AND EQUITY

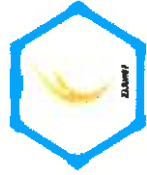
197,800,416.49 178,822,483.99

Prepared and Certified Correct by:


ROWENA N. DELA CRUZ
Financial Planning Specialist

Noted by:


ENG. LEANDRO JUN C. LACSAMANA
General Manager



Republic of the Philippines

TALAVERA WATER DISTRICT

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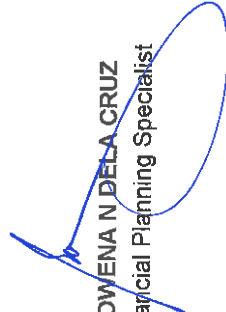
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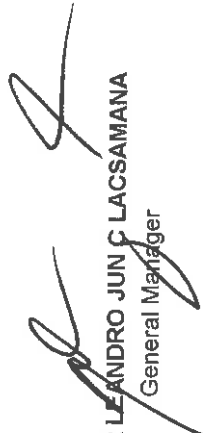
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

	<u>NOTE</u>	<u>2020</u>	<u>2019</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	14,955,023.08	12,288,801.76
Receivables	6	12,610,906.22	9,989,782.26
Inventories	7	6,242,599.01	5,566,832.49
Other Current Assets	8	551,520.20	423,601.91
Total Current Assets		34,360,048.51	28,269,018.42
Non-Current Assets			
Property Plant and Equipment	9	153,255,709.62	139,762,427.73
Construction in Progress		2,433,480.00	3,440,212.00
Other Assets	10	7,751,178.36	7,350,825.84
Total Non-Current Assets		163,440,367.98	150,553,465.57
TOTAL ASSETS		197,800,416.49	178,822,483.99
LIABILITIES			
Current Liabilities			
Financial Liabilities	11	1,459,915.82	4,733,799.50
Inter-Agency Payables	12	995,547.25	1,025,477.50
Trust Liabilities	13	331,460.44	274,816.44
Deferred Credits/ Unearned Income	14	871,872.32	743,696.24
Total Current Liabilities		3,658,795.83	6,777,789.68
Non-Current Liabilities			
Financial Liabilities	11	-	-
Deferred Credits/ Unearned Income	14	591,774.62	448,870.97
Provisions	15	9,375,756.40	9,030,777.14
Total Non-Current Liabilities		9,967,531.02	9,479,648.11
TOTAL LIABILITIES		13,626,326.85	16,257,437.79
EQUITY			
Government Equity		3,016,538.54	3,016,538.54
Retained Earnings/(Deficit)		181,157,551.10	159,548,507.66
Total Equity		184,174,089.64	162,565,046.20
TOTAL LIABILITIES AND EQUITY		197,800,416.49	178,822,483.99

Prepared and Certified Correct by:


ROWENA N. DELA CRUZ
 Financial Planning Specialist

Noted by:


ENGR. LEANDRO JUN C. LACSAMANA
 General Manager



DETAILED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
INCOME		
Service and Business Income		
40202090 Waterworks System Fees	75,911,915.81	68,168,958.70
40202990 Other Business Income	11,135,859.12	10,557,885.81
40202230 Fines and Penalties -Business Income	258,960.80	253,104.77
40202210 Interest Income	13,012.66	14,741.67
Total Service and Business Income	87,319,748.39	78,994,690.95
Other Non-Operating Income		
40601020 Sale of Unserviceable Property		
Total Other Non-Operating Income		
TOTAL INCOME	87,319,748.39	78,994,690.95
EXPENSES		
Personnel Services		
Salaries and Wages		
50101010 Salaries and Wages -Regular	8,775,674.41	8,486,037.01
50216010 Labor and Wages	8,081,569.53	7,254,486.79
Total Salaries and Wages	16,857,243.94	15,740,523.80
Other Compensation		
50102010 Personnel Economic Relief Allowance (PERA)	751,545.45	741,048.13
50102020 Representation Allowance (RA)	102,000.00	102,000.00
50102030 Transportation Allowance (TA)	102,000.00	102,000.00
50102040 Clothing/Uniform Allowance	192,000.00	168,000.00
50102990 Other Bonuses and Allowances	738,500.00	564,000.00
50102100 Honoraria	254,240.00	314,640.00
50102120 Longevity Pay	25,000.00	35,000.00
50102130 Overtime and Night Pay	208,292.06	207,790.00
50102150 Cash Gift	155,000.00	160,000.00
50102140 Year End Bonus	1,465,965.30	1,393,594.00
50102110 Hazard Pay	1,831,000.00	
Total Other Compensation	5,825,542.81	3,788,072.13
Personnel Benefit Contributions		
50103010 Retirement and Life Insurance Premiums	1,052,414.52	1,012,694.05
50103020 Pag-IBIG Contributions	37,625.81	37,200.00
50103030 PhilHealth Contributions	118,860.91	101,445.81
50103040 Employees Compensation Insurance Premiums	37,600.00	36,700.00
Total Personnel Benefit Contributions	1,246,501.24	1,188,039.86
Other Personnel Benefits		
50104030 Terminal Leave Benefits	878,959.90	783,970.21
Total Other Personnel Benefits	878,959.90	783,970.21
TOTAL PERSONNEL SERVICES	24,808,247.89	21,500,606.00
Maintenance and Other Operating Expenses		
Traveling Expenses		
50201010 Travelling Expenses -Local	65,235.00	151,791.55
Total Traveling Expenses	65,235.00	151,791.55
Training and Scholarship Expenses		
50202010 Training Expenses	11,200.00	295,746.00
Total Training Expenses	11,200.00	295,746.00
Supplies and Materials Expenses		
50203010 Office Supplies Expenses	323,334.44	261,773.00
50203020 Accountable Forms Expenses	68,000.00	93,400.00
50203030 Non-Accountable Forms Expenses	7,235.27	68,640.07

50203990	Other Supplies and Materials Expenses	3,543,257.95	3,946,808.47
50203130	Chemical and Filtering Supplies Expenses	1,903,151.00	2,548,813.30
50203210	Semi-Expendable Machinery and Equipment Expenses	3,135,736.57	2,442,498.50
50203220	Semi-Expendable Furniture, Fixtures and Books Expenses	53,100.00	37,900.00
	Total Supplies and Materials Expenses	9,033,815.23	9,399,833.34
	Utility Expenses		
50203090	Fuel, Oil and Lubricants Expenses -Office	390,475.30	487,600.42
50204020	Electricity expenses -Office	274,791.81	254,230.52
	Total Utility Expenses	665,267.11	741,830.94
	Communication Expenses		
50205010	Postage and Courier Services	1,042.00	1,574.00
50205020-01	Telephone expenses -Mobile	129,916.90	123,187.71
50205020-02	Telephone expenses -Landline	58,645.49	62,025.47
50205030	Internet Subscription Expenses	51,760.00	58,240.00
	Total Communication Expenses	241,364.39	245,027.18
	Awards/Rewards, Prizes and Indemnities		
50206010	Awards/ Rewards Expenses	-	-
	Total Awards/Rewards, Prizes and Indemnities		
	Survey, Research, Exploration and Development Expenses		
50207010	Survey Expenses	-	-
	Total Survey, Research, Exploration and Development Expenses		
	Generation, Transmission and Distribution Expenses		
50209010-01	Generation, Transmission and Distribution Expenses -Electri	11,454,008.42	12,977,992.51
50209010-02	Generation, Transmission and Distribution Expenses -Fuel	598,764.74	577,465.56
	Total Generation, Transmission and Distribution Expenses	12,052,773.16	13,555,458.07
	Confidential, Intelligence and Extraordinary Expenses		
50210010	Confidential Expenses	-	-
50210020	Intelligence Expenses	-	-
50210030-01	Extraordinary Expenses	-	-
50210030-02	Miscellaneous Expenses	-	-
	Total Confidential, Intelligence and Extraordinary Expenses		
	Professional Services		
50211010	Legal Services	21,400.00	1,800.00
50211020	Auditing Services	185,763.94	-
50211990	Other Professional Services	399,630.00	505,500.00
	Total Professional Services	606,793.94	507,300.00
	Repairs and Maintenance		
50213020	Repairs and Maintenance -Land Improvements	-	5,725.75
50213060-01	Repairs and Maintenance -Transportation Equipment	204,280.51	178,359.94
	<i>Buildings and Other Structures</i>		
50213040-01	Repairs and Maintenance -Office Buildings	22,520.84	138,986.65
50213040-02	Repairs and Maintenance -Water Plant Structures and Improv	63,785.76	132,631.34
	<i>Infrastructure Assets -UPIS</i>		
50213030-11-09	Repairs and Maintenance -Transmission and Distribution Mair	1,222,400.68	1,400,936.64
50213030-11-11	Repairs and Maintenance -Service Connection	37,984.30	18,296.69
50213030-11-12	Repairs and Maintenance -Meters	16,815.40	18,159.64
	<i>Machinery and Equipment</i>		
50213050-02	Repairs and Maintenance -Office Equipment	87,800.00	77,210.30
50213050-03	Repairs and Maintenance -Information and Communication Ti	44,947.00	31,685.50
50213050-99-01	Repairs and Maintenance -OME-Power Production	231,544.49	141,249.69
50213050-99-02	Repairs and Maintenance -OME-Pumping	170,170.00	98,320.00
50213050-99-03	Repairs and Maintenance -OME-Water Treatment	2,448.10	12,147.56
50213050-99-04	Repairs and Maintenance -OME-Tools	62,161.30	60,947.50
	<i>Semi-Expendable Equipment</i>		
50213210-02	Repairs and Maintenance -Office Equipment	-	1,350.00
50213210-03	Repairs and Maintenance -Information and Communication Ti	-	519.00
	Total Repairs and Maintenance	2,166,868.38	2,316,526.20
	Taxes, Insurance Premiums and Other Fees		
50215010	Taxes, Duties and Licenses	1,473,347.07	1,445,440.97
50215030	Insurance Expenses	384,515.86	239,198.53
	Total Taxes, Insurance Premiums and Other Fees	1,857,862.93	1,684,639.50

Other Maintenance and Operating Expenses	
50299010 Advertising, Promotional and Marketing Expenses	144,109.85
50299030 Representation Expenses	231,648.21
50299060 Membership Dues and Contributions to Organizations	9,490.00
50299070 Subscription Expenses	21,404.13
50299990 Other Maintenance and Operating Expenses	86,822.50
Total Other Maintenance and Operating Expenses	349,364.84

TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES

26,969,844.85 29,247,517.62

Financial Expenses

50301020 Interest Expenses

Total Financial Expenses

Non-Cash Expenses

Depreciation

50501020 Other Land Improvements	251,117.76	251,117.76
50501030-11-04 Plant -UPIS-Wells	545,858.30	496,439.08
50501030-11-08 Plant -UPIS-Reservoirs and Tanks	324,949.92	324,949.92
50501030-11-09 Plant -UPIS-Transmission and Distribution Mains	2,930,773.85	2,640,775.41
50501030-11-12 Plant -UPIS-Hydrants	7,488.00	7,488.00
50501030-11-14 Plant -UPIS-Meters	400,806.72	327,944.58
50501040-01 Office Buildings	200,559.00	199,040.25
50501040-07 Water Plant Structures and Improvements	208,117.31	185,344.92
50501050-02 Office Equipment	524,293.59	571,130.88
50501050-03 Information and Communication Technology Equip	987,138.51	962,333.29
50501050-08 Construction and Heavy Equipment	242,547.48	242,547.48
50501050-14 OME-Technical and Scientific Equipment	14,148.90	8,730.00
50501050-99-01 OME-Power Production	1,192,938.81	1,083,158.66
50501050-99-02 OME-Pumping Equipment	523,998.48	485,824.98
50501050-99-03 OME-Water Treatment Equipment	87,099.00	73,029.00
50501050-99-04 OME-Tools	278,384.56	318,241.98
50501060-01 Motor Vehicles	314,379.36	312,322.20
50501060-99 Other Transportation Equipment	105,415.68	116,558.90
5050170 Furniture and Fixtures		2,073.24
Total Depreciation	9,140,015.23	8,609,050.53

Losses

50504040 Loss on Sale of Property Plant and Equipment

50504990 Other Losses

Total Losses

Discount and Rebates

50505010 Senior Citizen Discount

Total Discounts and Rebates


TOTAL NON-CASH EXPENSES

TOTAL EXPENSES

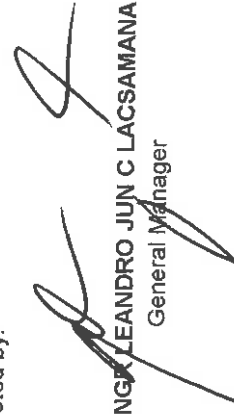
COMPREHENSIVE INCOME/(LOSS)

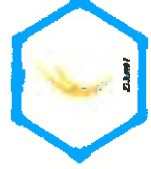
2,353,438.34	43,498.14
542,526.65	43,498.14
2,895,964.99	
29,902.95	29,902.95
29,902.95	43,498.14
12,065,883.17	8,652,548.67
63,843,975.91	59,400,672.29
23,475,772.48	19,594,018.66

Prepared and Certified Correct by:


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Noted by:


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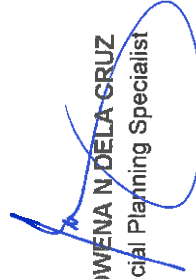


CONDENSED STATEMENT OF COMPREHENSIVE INCOME

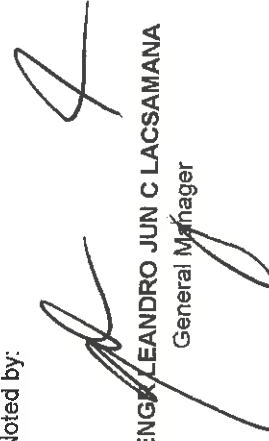
For the Year Ended December 31, 2020

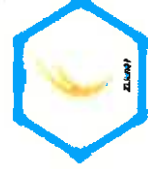
	<u>NOTE</u>	<u>2020</u>	<u>2019</u>
Income			
Service and Business Income	16	87,306,735.73	78,979,949.28
Other Non-Operating Income	17	13,012.66	14,741.67
Total Income		87,319,748.39	78,994,690.95
Expenses			
Personnel Services	18	24,808,247.89	21,500,606.00
Maintenance and Other Operating Expenses	19	26,969,844.85	29,247,517.62
Financial Expenses		-	-
Non-Cash Expenses	20	12,035,980.22	8,609,050.53
Discount and Rebates	20	29,902.95	43,498.14
Total Expenses		63,843,975.91	59,400,672.29
Comprehensive Income/(Loss)		23,475,772.48	19,594,018.66

Prepared and Certified Correct by:


ROWENA N. DELA CRUZ
Financial Planning Specialist

Noted by:


ENK. LEANDRO JUN C. LACSAMANA
General Manager



DETAILED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH INFLOWS		
Collection of Income/Revenue	79,602,500.66	74,060,743.89
Collection of service and business income		
Water Works System Fees	68,983,250.35	64,888,039.28
Other Business Income	10,606,237.65	9,146,362.94
Collection of other non-operating income	13,012.66	26,341.67
Collection of Receivables	120,428.99	549,796.48
Collection of other receivables	120,428.99	549,796.48
Collection of receivable from audit disallowances and/or charges	-	-
Trust Receipts	153,795.20	21,687.00
Receipt of customers' deposits	-	21,687.00
Receipt of warranty bond	153,795.20	-
Collection of Deferred Credits/Unearned Income	1,051,820.00	878,867.00
Other Receipts	4,380,059.45	3,935,981.29
Receipt of unused petty cash fund	20,000.00	11,512.00
Receipt of refund of overpayment of personnel services	46,114.00	3,420.00
Receipt of refund of overpayment of maintenance and other operating expenses	-	125.77
Receipt of refund of cash advances (Change Fund)	3,000.00	10,410.86
Refund of guaranty deposits as payment for water bill	-	-
Receipt for payment of maintenance and other operating expenses	16,893.50	146,084.70
Transfer of funds from TWD Current Account to TWD Reserves Account	2,207,873.79	2,038,021.40
Transfer of funds from TWD Current Account to TWD Personnel Account	2,086,178.16	1,728,406.56
TOTAL CASH INFLOWS	85,308,604.30	79,447,075.66
CASH OUTFLOWS		
Payment of Expenses		
Payment of personnel services	9,438,889.72	12,404,872.88
Payment of maintenance and other operating expenses	13,780,509.87	15,235,738.54
Purchase of inventories	5,883,675.92	5,627,949.50
Advances for payroll	9,407,122.52	8,597,120.61
Advances for special purpose/time-bound undertakings (Change Fund)	3,000.00	3,000.00
Prepayments	503,820.45	260,602.66
Refund of Guaranty Deposits	34,324.29	-
Payments of Accounts Payable	10,687,614.41	2,653,413.77
Remittance of taxes withheld	4,737,536.73	3,445,052.53
Remittance to GSIS/PAG-IBIG/PhilHealth	3,788,499.68	3,782,497.92
Remittance of other payables	142,821.46	208,524.55
Transfer of funds from TWD Current Account to TWD Reserves Account	2,207,873.79	2,038,021.40
Transfer of funds from TWD Current Account to TWD Personnel Account	2,086,178.16	1,728,406.56
TOTAL CASH OUTFLOWS	62,701,867.00	55,983,200.92
Net Cash Provided by/(Used in) Operating Activities	22,606,737.30	23,463,874.74
CASH FLOWS FROM INVESTING ACTIVITIES		
CASH INFLOWS		
Proceeds from Sale/Disposal of Property, Plant and Equipment	16,970.00	23,000.00
TOTAL CASH INFLOWS	16,970.00	23,000.00
CASH OUTFLOWS		
Purchase/Construction of Property, Plant and Equipment	789,000.00	2,387,476.59
Purchase of land	-	-

Purchase of machinery and equipment	7,538,235.45	8,431,886.41
Purchase of transportation equipment	-	-
Purchase of furniture, fixtures and books	-	-
Construction of infrastructure assets and other structures	11,630,250.53	11,414,907.56
TOTAL CASH OUTFLOWS	19,957,485.98	22,234,270.56
Net Cash Provided By/(Used In) Investing Activities	2,666,221.32	1,252,604.18

CASH FLOWS FROM FINANCING ACTIVITIES

CASH INFLOWS

Proceeds from Domestic and Foreign Loans

TOTAL CASH INFLOWS

CASH OUTFLOWS

Payment of Long-Term Liabilities

TOTAL CASH OUTFLOWS

Net Cash Provided By/(Used In) Financing Activities

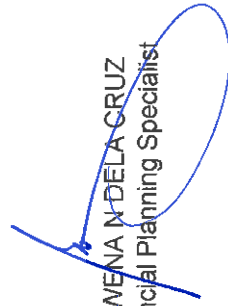
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS, JANUARY 1

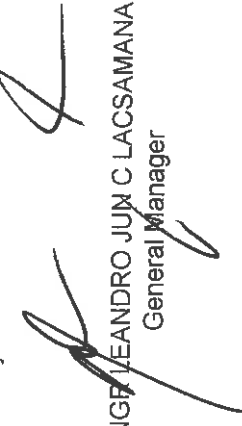
CASH AND CASH EQUIVALENTS, DECEMBER 31

	2,666,221.32	1,252,604.18
	2,666,221.32	1,252,604.18
	12,288,801.76	11,036,197.58
	14,955,023.08	12,288,801.76

Prepared and Certified Correct by:


ROWENA N. DELA CRUZ
 Financial Planning Specialist

Noted by:


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CONDENSED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH INFLOWS		
Collection of Income/Revenue	79,602,500.66	74,060,743.89
Collection of Receivables	120,428.99	549,796.48
Trust Receipts	153,795.20	21,687.00
Collection of Deferred Credits/Unearned Income	1,051,820.00	878,867.00
Other Receipts	86,007.50	171,553.33
Transfer of funds	4,294,051.95	3,764,427.96
TOTAL CASH INFLOWS	85,308,604.30	79,447,075.66
CASH OUTFLOWS		
Payment of Expenses	27,991,260.61	27,640,611.42
Purchase of Inventories	5,883,675.92	5,627,949.50
Grant of Cash Advances	9,410,122.52	8,600,120.61
Prepayments	503,820.45	260,602.66
Payments of Accounts Payable	10,687,614.41	2,653,413.77
Remittance of Personnel Benefit Contributions and Mandatory Deductions	3,788,499.68	7,227,550.45
Remittance of other payables	142,821.46	208,524.55
Transfer of funds	4,294,051.95	3,764,427.96
TOTAL CASH OUTFLOWS	62,701,867.00	55,983,200.92
Net Cash Provided By/(Used in) Operating Activities	22,606,737.30	23,463,874.74
CASH FLOWS FROM INVESTING ACTIVITIES		
CASH INFLOWS		
Proceeds from Sale/Disposal of Property, Plant and Equipment	16,970.00	-
TOTAL CASH INFLOWS	16,970.00	-
CASH OUTFLOWS		
Purchase/Construction of Property, Plant and Equipment	19,957,485.98	22,234,270.56
TOTAL CASH OUTFLOWS	19,957,485.98	22,234,270.56
Net Cash Provided By/(Used in) Investing Activities	2,666,221.32	1,229,604.18
CASH FLOWS FROM FINANCING ACTIVITIES		
CASH INFLOWS		
Proceeds from Domestic and Foreign Loans	-	-
TOTAL CASH INFLOWS	-	-
CASH OUTFLOWS		
Payment of Long-Term Liabilities	-	-
TOTAL CASH OUTFLOWS	-	-
Net Cash Provided By/(Used In) Financing Activities	2,666,221.32	1,229,604.18
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,666,221.32	1,229,604.18
CASH AND CASH EQUIVALENTS, JANUARY 1	12,288,801.76	11,059,197.58
CASH AND CASH EQUIVALENTS, DECEMBER 31	14,955,023.08	12,288,801.76

Prepared and Certified Correct by:

ROWENA N DELA CRUZ
Financial Planning Specialist

Noted by:

ENGR. LEANDRO JUN C LACSAMANA
General Manager



STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2020

Cumulative Translation Adjustment	Cumulative Changes in Fair Value of Investments	Revaluation Surplus	Retained Earnings/(Deficit)	Contributed Capital	Share Capital	Share Premium	Members' Equity	TOTAL
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			146,719,949.58					126,967,968.79
ADJUSTMENTS:								
ADD/(DEDUCT):								
Changes in Accounting Policy (TWD-AOM No. 2019-05)			(51,530.00)					
Changes in Accounting Policy (TWD-AOM No. 2019-04)			(35,100.00)					
Comprehensive Income for the year			19,594,018.66					
Other Adjustments			(3,662,292.04)					
BALANCE AT JANUARY 1, 2019			162,565,046.20					162,565,046.20
ADJUSTMENTS:								
ADD/(DEDUCT):								
Changes in Accounting Policy (TWD-AOM No. 2020-05)			2,290,064.81					
Comprehensive Income for the year			23,475,772.48					
Other Adjustments			(4,156,793.85)					
BALANCE AT DECEMBER 31, 2020			184,174,089.64					184,174,089.64

Prepared and Certified Correct by:

ROWENA N DELA CRUZ
 Financial Planning Specialist

ADD/(DEDUCT):
 Changes in Accounting Policy (TWD-AOM No. 2019-05)
 Changes in Accounting Policy (TWD-AOM No. 2019-04)
 Comprehensive Income for the year
 Other Adjustments

BALANCE AT JANUARY 1, 2019

ADJUSTMENTS:
 ADD/(DEDUCT):
 Changes in Accounting Policy (TWD-AOM No. 2019-05)
 Changes in Accounting Policy (TWD-AOM No. 2019-04)
 Comprehensive Income for the year
 Other Adjustments

BALANCE AT DECEMBER 31, 2019

CHANGES IN EQUITY FOR 2020

ADD/(DEDUCT):
 Adjustment (TWD-AOM No. 2020-05)
 Comprehensive Income for the year
 Other Adjustments

BALANCE AT DECEMBER 31, 2020

Noted by:

ENGR LEANDRO JUN C LACSAMANA
 General Manager

