

LIBMANAN WATER DISTRICT

Libmanan, Camarines Sur

BALANCE SHEET

December 31, 2007

(With Comparative Figures for 2006)

ASSETS		2007	2006
Current Assets			
Cash and Cash Equivalents	(Note 2) P	2,632,577.14	P 4,211,052.10
Trade and Other Receivables-net	(Note 3)	2,786,677.73	2,626,310.22
Inventories	(Note 4)	1,226,089.85	(571,586.61)
Prepayments and Deferred Charges		283,333.28	
Total Current Assets		<u>6,928,678.00</u>	<u>6,265,775.71</u>
Non-Current Assets			
Sinking Fund		295,835.77	
Property, Plant & Equipment, net	(Note 5)	810,569.02	1,180,986.89
Construction in Progress		19,360,665.75	11,962,420.32
Total Non-Current Assets		<u>20,467,070.54</u>	<u>13,143,407.21</u>
TOTAL ASSETS		P <u>27,395,748.54</u>	P <u>19,409,182.92</u>
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts Payable	(Note 6) P	1,672,730.31	P 60,006.13
Inter-Agency Payable	(Note 7)	62,330.97	1,086,304.01
Guaranty Deposits Payable		146,125.81	67,169.60
Total Current Liabilities		<u>1,881,187.09</u>	<u>1,213,479.74</u>
Non-Current Liabilities			
Loans Payable-Domestic	(Note 8)	16,505,708.81	13,911,017.18
Other Long-Term Liability	(Note 9)	1,249,497.83	0.00
Deferred Credit			(5,000.00)
Total Non-Current Liabilities		<u>17,755,206.64</u>	<u>13,906,017.18</u>
Total Liabilities		<u>19,636,393.73</u>	<u>15,119,496.92</u>
Equity			
Retained Earnings	(Note 10)	7,759,354.81	4,289,686.00
Total Equity		<u>7,759,354.81</u>	<u>4,289,686.00</u>
TOTAL LIABILITIES AND EQUITY		P <u>27,395,748.54</u>	P <u>19,409,182.92</u>

(See Accompanying Notes to Financial Statements)

LIBMANAN WATER DISTRICT
Libmanan, Camarines Sur

STATEMENT OF INCOME AND EXPENSES

For the Year Ended December 31, 2007

(With Comparative Figures for 2006)

		2007		2006
Income	(Note 11)	P 6,365,458.52	P	5,098,749.09
Less: Expenses				
Personal Services:				
Salaries and Wages	(Note 12)	856,803.82		452,556.67
Other Compensation	(Note 13)	438,934.68		297,116.54
Personnel Benefit Contribution	(Note 14)	72,638.27		
Total		P 1,368,376.77	P	749,673.21
Maintenance and Other Operating Expenses:				
Traveling Expenses-Local		56,110.35		17,148.10
Training Expenses		21,500.00		9,350.00
Supplies & Materials Expenses	(Note 15)	178,335.22		162,434.49
Utility Expenses	(Note 16)	39,361.79		1,730.00
Communication Expenses	(Note 17)	47,193.08		15,724.16
Membership Dues & Contribution to Organization		1,600.00		
Advertising Expenses		3,300.00		4,224.00
Printing, Binding & Reproduction		12,477.05		
Rent Expenses		13,445.00		
Representation Expenses		57,466.00		26,753.90
Transportation & Delivery Expense		800.00		192.50
Rewards & Other Claims		6,581.00		
Professional Expenses	(Note 18)	89,516.25		31,850.00
Repairs and Maintenance	(Note 19)	254,722.03		44,249.00
Donation		10,000.00		
Miscellaneous Expenses		29,118.10		3,675.00
Taxes, Duties & Licenses	(Note 20)	139,534.18		10,157.99
Depreciation Expense	(Note 21)	197,849.70		387,946.29
Other Maintenance & Operating Expenses		25,170.00		
Total		P 1,184,079.75	P	715,435.43
Financial Expenses:				
Bank Charges		2,100.00		
Interest Expenses		1,011.30		
Other Financial Charges				1,875.00
Total		3,111.30		1,875.00
Total Expenses		P 2,555,567.82	P	1,466,983.64
Net Income (Loss) from Operation		P 3,809,890.70	P	3,631,765.45
Add (Deduct): Other Income / Expenses				
Interest Income		16,897.55		11,072.99
Net Income (Loss) before Income Tax		P 3,826,788.25	P	3,642,838.44

(See Accompanying Notes to Financial Statements)

LIBMANAN WATER DISTRICT
Libmanan, Camarines Sur

CASH FLOW STATEMENT
For the Year Ended December 31, 2007
(With Comparative Figures for 2006)

	2007	2006
Cash Flows from Operating Activities		
Cash Inflows:		
Collection of Receivables (Water Bills)	P 5,078,598.32	P 1,755,022.37
Collection of Other Business Income		
Other Receipts and Collection	999,397.86	1,347,097.80
Interest Earned on Bank Deposits		
Reversion to Cash in Bank of Stale Check		
Total Cash Inflows	6,077,996.18	3,102,120.17
Cash Outflows:		
Payment of Salaries & Other Personnel Benefit	1,255,938.50	711,901.31
Payment of Operating Expenses	589,856.92	214,432.46
Payment of Cash Advance of Employees		
Payment of Maintenance Expenses	81,405.24	43,689.00
Payment of Inter-Agency Payables	181,718.13	229,066.53
Payment of Payables to Suppliers	1,226,142.10	445,319.80
Bank Charges		
Total Cash Outflows	3,335,060.89	1,644,409.10
Total Cash Provided (Used) by Operating Activities	2,742,935.29	1,457,711.07
Cash Flows from Investing Activities		
Cash Inflows:		
Cash Outflows:		
Payment of Prepaid Land	239,444.40	
Purchase Property, Plant and Equipment	295,352.70	8,986.00
Construction In Progress	3,786,613.15	7,172,098.22
Total Cash Outflows	4,321,410.25	7,181,084.22
Total Cash Provided (Used) by Investing Activities	(4,321,410.25)	(7,181,084.22)
Cash Flows from Financing Activities		
Cash Inflows:		
Release of Loan From LWUA		8,335,311.00
Cash Outflows:		
Payment of Debt Service - Principal & Interest		
Payment of interest on loans		
Total Cash Outflows	0.00	0.00
Total Cash Provided (Used) by Financing Activities	0.00	8,335,311.00
Cash Provided by Operating, Investing and Financing Activities	(1,578,474.96)	2,611,937.85
Add: Cash and Cash Equivalents Beginning, January 1	4,211,052.10	1,599,114.25
Cash and Cash Equivalents Ending, December 31	P 2,632,577.14	P 4,211,052.10

(See Accompanying Notes to Financial statements)

LIBMANAN WATER DISTRICT
Libmanan, Camarines Sur

STATEMENT OF CHANGES IN EQUITY
For the Year Ended December 31, 2007

	<u>Equity</u>	<u>Retained Earnings</u>	<u>Total</u>
Balances Beginning , January 1	P 0.00	P 4,157,848.26	P 4,157,848.26
Add/Deduct:			
Prior Year Audit Adjustment		(225,281.70)	(225,281.70)
Net Income (Loss) during the Year		3,826,788.25	3,826,788.25
Balances Ending , December 31	P <u>0.00</u>	P <u>7,759,354.81</u>	P <u>7,759,354.81</u>

(See Accompanying Notes to Financial statements)



Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. V
Rawis, Legazpi City

AUDIT CERTIFICATE

THE BOARD OF DIRECTORS

Libmanan Water District
Libmanan, Camarines Sur

We have audited the accompanying Balance Sheet of Libmanan Water District, Libmanan, Camarines Sur as of December 31, 2007 and the related Statements of Income and Expenses and Cash Flows for the year then ended. These financial statements are the responsibility of the Libmanan Water District's management. Our responsibility is to express an opinion on these financials statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with laws and generally accepted auditing standards in the Philippines. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As presented in our Comments and Observations, the account Loans Payable – Domestic balance of P16,505,708.81 was unreliable due to non-reconciliation with the LWUA records of P21,359,055.33, or a difference of P4,853,346.52.

In our opinion, except for the effects of any adjustment of the foregoing, the financial statements referred to above present fairly, in all material respects, the financial position of Libmanan Water District as of December 31, 2007 and the results of its operation and its cash flows for the year then ended in conformity with applicable generally accepted accounting principles.

COMMISSION ON AUDIT

By:

A handwritten signature in black ink, appearing to read "C. Barrameda", written over a horizontal line.

CARMEN B. BARRAMEDA

State Auditor V
Supervising Auditor

November 27, 2008