



Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. V
Rawis, Legazpi City
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Email: coaregion5@gmail.com

OFFICE OF THE REGIONAL DIRECTOR

April 17, 2021

THE BOARD OF DIRECTORS

Iriga City Water District
Iriga City, Camarines Sur

Gentlemen:



We are pleased to transmit the Annual Audit Report on the audit of the accounts and operations of the Iriga City Water District, Iriga City, Camarines Sur for the year ended December 31, 2020, in compliance with Section 2, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines.

The audit was conducted to: (a) ascertain the level of assurance that may be placed on management's assertions on the financial statements; (b) determine the propriety of transactions as well as the extent of compliance with applicable laws, rules and regulations; (c) recommend agency improvement opportunities; and (d) determine the extent of implementation of prior year's audit recommendations.

The attached Report consists of the Independent Auditor's Report, the Audited Financial Statements, the Observations and Recommendations, and the Status of Implementation of Prior Years' Audit Recommendations which were discussed with concerned officials and staff on April 8, 2021.

The Auditor rendered a qualified opinion on the fairness of presentation of the financial statements of the Water District for the year ended December 31, 2020.

We request that the recommendations be promptly implemented and we would appreciate being informed of the actions taken thereon within sixty (60) days from receipt hereof, using the prescribed format of the attached copy of the Agency Action Plan and Status of Implementation (AAPSI).

We express our appreciation for the support and cooperation extended to our Auditors by the officials and employees of that Water District.

Very truly yours,



JOEL S. ESTOLATAN
Regional Director

Copy furnished:

1. Administrator, LWUA
2. Auditor, LWUA
3. Office of the President
4. Office of the Vice-President
5. President of the Senate
6. Speaker of the House of Representatives
7. Chairperson – Senate Finance Committee
8. Chairperson – Appropriations Committee
9. Secretary, Department of Budget and Management
10. Presidential Management Staff, Office of the President
11. National Library
12. University of the Philippines Law Center
13. Commission Central Library
Commission on Audit, Quezon City
14. File, Regional Director, COA RO5



IRIGA CITY WATER DISTRICT

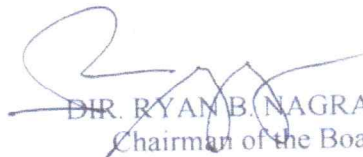
RUFINO LLAGAS SR. ST., SAN ROQUE, IRIGA CITY
Tel. Nos. (054) 299-6504*Telefax (054) 299-5709

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of the IRIGA CITY WATER DISTRICT is responsible for the preparation of the financial statements as at December 31, 2020 including the additional components attached thereto in accordance with the prescribed financial reporting framework indicated therein. The responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material statement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

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

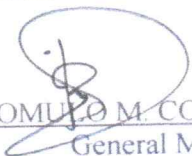
The Commission on Audit has audited the financial statements of the IRIGA CITY WATER DISTRICT in accordance with the Philippine Public Sector Standards on Auditing and has expressed its opinion on the fairness of presentation upon completion of such audit, in its report to the Board of Directors.


DIR. RYAN B. NAGRAMPA
Chairman of the Board

2-10-2021
Date Signed


PRINCESS KORINE D.V. NERI
Chief, Comptroller

2-10-2021
Date Signed


ROMULO M. CORPORAL, JR.
General Manager

02-10-2021
Date Signed

Republic of the Philippines
IRIGA CITY WATER DISTRICT
Rufino Llagas St., San Roque, Iriga City

Statement of Financial Position
As at December 31, 2020
(With Comparative Figures for CY 2019)

			<u>2020</u>		<u>2019</u>
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and Cash Equivalents	3	P	111,737,064.66	P	103,040,990.43
Receivables, net	4		9,526,075.79		10,062,687.83
Inventories	5		3,321,669.34		5,623,132.71
Other Current Assets	6		287,607.12		287,218.31
Total Current Assets		P	<u>124,872,416.91</u>	P	<u>119,014,029.28</u>
NON-CURRENT ASSETS					
Investments	7	P	4,775,146.72	P	4,743,111.73
Property, Plant and Equipment, net	8		63,959,517.31		70,118,333.26
Total Non -Current Assets		P	<u>68,734,664.03</u>	P	<u>74,861,444.99</u>
TOTAL ASSETS		P	<u><u>193,607,080.94</u></u>	P	<u><u>193,875,474.27</u></u>
<u>LIABILITIES AND EQUITY</u>					
CURRENT LIABILITIES					
Current Financial Liabilities	9	P	351,292.36	P	587,375.26
Inter-Agency Payables	10		122,944.84		106,204.79
Trust Liabilities	11		2,845,078.74		2,845,078.74
Provisions	12		21,931,297.07		21,856,262.73
Other Payables	13		109,911.50		110,481.50
Total Current Liabilities		P	<u>25,360,524.51</u>	P	<u>25,505,403.02</u>
NON-CURRENT LIABILITIES					
Non-Current Financial Liabilities	14	P	41,755,751.17	P	48,117,318.38
Deferred Credits/Unearned Income	15		10,652,881.16		10,652,881.16
Total Non-Current Liabilities		P	<u>52,408,632.33</u>	P	<u>58,770,199.54</u>
TOTAL LIABILITIES		P	<u>77,769,156.84</u>	P	<u>84,275,602.56</u>
EQUITY					
Government Equity	16	P	470,390.42	P	470,390.42
Retained Earnings			115,367,533.68		109,129,481.29
Total Equity		P	<u>115,837,924.10</u>	P	<u>109,599,871.71</u>
TOTAL LIABILITIES AND EQUITY		P	<u><u>193,607,080.94</u></u>	P	<u><u>193,875,474.27</u></u>

(See accompanying Notes to Financial Statements)

Republic of the Philippines
IRIGA CITY WATER DISTRICT
 Rufino Llagas St., San Roque, Iriga City

Statement of Comprehensive Income
 For the Year Ended December 31, 2020
 (With Comparative Figures for CY 2019)

	Note	<u>2020</u>		<u>2019</u>
Income				
Service and Business Income	17	₱ 24,253,920.97	₱	24,414,656.67
Total Income		<u>₱ 24,253,920.97</u>	<u>₱</u>	<u>24,414,656.67</u>
Less: Expenses				
Personnel Services	18	₱ 5,614,164.77	₱	5,410,562.47
Maintenance and Other Operating Expenses	19	1,640,518.83		2,554,805.83
Financial Expenses	20	4,181,999.63		4,728,417.82
Non-Cash Expenses	21	5,789,752.88		6,513,431.97
Total Expenses		<u>₱ 17,226,436.11</u>	<u>₱</u>	<u>19,207,218.09</u>
Net Income		<u>₱ 7,027,484.86</u>	<u>₱</u>	<u>5,207,438.58</u>

(See accompanying Notes to Financial Statements)

Republic of the Philippines
IRIGA CITY WATER DISTRICT
 Rufino Llagas St., San Roque, Iriga City

Statement of Changes in Equity
 For the Year Ended December 31, 2020
 (With Comparative Figures for CY 2019)

		<u>2020</u>		<u>2019</u>
Government Equity, Beginning	Note 16	₱ <u>470,390.42</u>	₱	₱ <u>470,390.42</u>
Retained Earnings:				
Balance, Beginning		₱ 109,129,481.29	₱	₱ 94,187,607.10
Net Income for the year		7,027,484.86		5,207,438.58
Prior Years' Adjustments		(789,432.47)		9,734,435.61
Balance, End		₱ <u>115,367,533.68</u>	₱	₱ <u>109,129,481.29</u>
Total Equity		₱ <u><u>115,837,924.10</u></u>	₱	₱ <u><u>109,599,871.71</u></u>

(See accompanying Notes to Financial Statements)

Republic of the Philippines
IRIGA CITY WATER DISTRICT
Rufino Llagas St., San Roque, Iriga City

Statement of Cash Flows
For the Year Ended December 31, 2020
(With Comparative Figures for CY 2019)

	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities		
Cash Inflows:		
Collection of Income/Revenue	P 23,759,351.10	P 26,277,443.48
Collection of Receivables	2,048,646.83	0.00
Other Receipts	36,435.80	21,394.86
Total Cash Inflows	P 25,844,433.73	P 26,298,838.34
Cash Outflows:		
Payment of Expenses	P 5,333,374.41	P 5,692,693.68
Grant of Cash Advances	13,230.00	57,720.00
Prepayments	20,105.20	25,836.18
Payments of Accounts Payable	171,279.57	249,844.85
Remittances of Personnel Benefit Contribution	1,650,555.07	1,619,686.15
Release of Intra-Agency Fund Transfers	0.00	400.00
Other Disbursements	18,891.20	1,200.00
Total Cash Outflows	P 7,207,435.45	P 7,647,380.86
Total Cash Provided (Used) by Operating Activities	P 18,636,998.28	P 18,651,457.48
Cash Flows from Investing Activities:		
Cash Inflows:		
Proceeds from Sale/Disposal of PPE	P 203,616.00	P 0.00
Receipt of Interest Earned	532,615.93	661,081.81
Total Cash Inflows	P 736,231.93	P 661,081.81
Cash Outflows:		
Purchase/Construction of PPE	P 133,589.14	P 128,160.00
Total Cash Outflow	P 133,589.14	P 128,160.00
Total Cash Provided (Used) by Investing Activities	P 602,642.79	P 532,921.81
Cash Flows From Financing Activities		
Cash Outflows:		
Payments of Loan Interest and Principal	P 10,543,566.84	P 10,543,566.84
Total Cash Outflows	P 10,543,566.84	P 10,543,566.84
Total Cash Provided (Used) by Financing Activities	P (10,543,566.84)	P (10,543,566.84)
Net Cash Provided (Used) by Operating, Investing	P 8,696,074.23	P 8,640,812.45
Cash and Cash Equivalents, Beginning	103,040,990.43	94,400,177.98
Cash and Cash Equivalents, Ending	P 111,737,064.66	P 103,040,990.43