

Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. 10
Carmen, Cagayan de Oro City

ANNUAL AUDIT REPORT

ON THE

TUBOD-BAROY WATER DISTRICT
Tubod, Lanao del Norte

For the Year Ended December 31, 2024



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
Regional Office No. 10
J.V. Serina Street, Carmen, Cagayan de Oro City

OFFICE OF THE REGIONAL DIRECTOR

May 15, 2025

DIR. ROLDAN JONATHAN R. GAYTA
Chairperson, Board of Directors

Mr. GEOVANNI A. HERA
General Manager
Tubod-Baroy Water District
Tubod, Lanao del Norte

Sirs:

We are pleased to transmit the Annual Audit Report on the audit of **Tubod-Baroy Water District**, Tubod, Lanao del Norte as of December 31, 2024, pursuant to Section 2, Article IX-D of the Philippine Constitution and pertinent provisions of Section 43 of the Presidential Decree No. 1445 otherwise known as the Government Auditing Code of the Philippines.

The audit was conducted to (a) ascertain the fairness of presentation of the financial statements; (b) ascertain the propriety of financial transactions and compliance with law, rules, and regulations; (c) recommend agency improvement opportunities; and (d) determine the extent of implementation of prior years' audit recommendations.

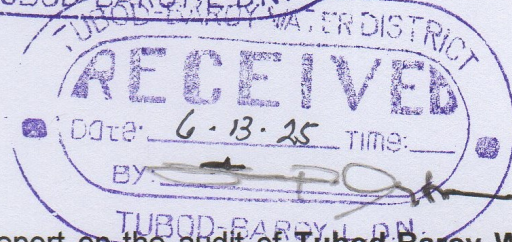
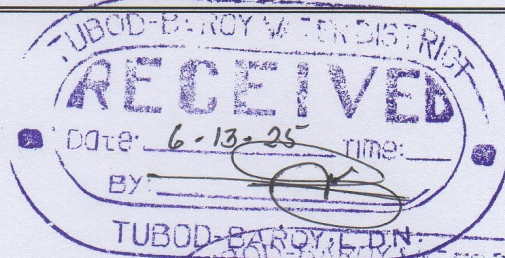
The audit report consists of Part I- Audited Financial Statements, Part II-Observations and Recommendations, Part III- Status of Implementation of Prior Years' Audit Recommendations, and Part IV – Appendices, which were discussed with the officials and staff concerned.

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs) and we believe that these standards provided a reasonable basis for the audit results.

A Qualified Opinion was rendered on the fairness of the presentation of the financial statements of the Tubod-Baroy Water District for the year ended December 31, 2024, as discussed in the Independent Auditor's Report in Part I hereof.

We expressed a Qualified Opinion on the fairness of the presentation of the financial statements of Tubod-Baroy Water District for the year 2024 due to the following exceptions:

1. The dormant accounts receivable that have been outstanding for more than ten (10) years amounting to P281,787.09 were still carried in the books as of December 31, 2024, contrary to COA Circular No. 2016-005 dated December 19, 2016, thereby affecting the accuracy and validity of the reported Accounts Receivable account in the Financial Statements as at year-end;
2. Semi-expendable items totaling P1,457,512.84 for CY 2024, which are below the capitalization threshold of P50,000.00, were recorded as Property, Plant and Equipment (PPE) contrary to Items 4.2 and 4.3 of COA Circular No. 2022-004 dated May 31, 2022; and

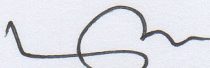


3. The existence, accuracy, and ownership rights of the Land account amounting to P3,245,000.00 as of December 31, 2024, could not be ascertained due to Management's failure to expedite the transfer of the titles of five (5) lots in the name of the District, contrary to Section 39 (2) of PD No. 1445, Sections 51 and 52 of Presidential Decree (PD) No. 1529, Philippine Accounting Standards (PAS) 1 and PFRS Framework.

We request that the remedial measures be immediately implemented, and we will appreciate being informed, through our Auditors, of the actions, plan and status of implementation thereon by submitting the duly accomplished Agency Action Plan and Status of Implementation (AAPSI) form to the Audit Team within 60 days from receipt hereof, pursuant to Section 99 of the General Provisions of the General Appropriations Act FY 2024.

We appreciate the invaluable support and cooperation extended by the officials and staff of the Agency to the Audit Team which facilitated the completion of the report.

Very truly yours,



MATHEW REY M. MAGNO

Director IV
Regional Director

Copy furnished:

*The President of the Philippines
Malacañang Palace, Manila*

*The Vice-President of the
Philippines 11F, Robinson
Cybergate Plaza, EDSA cor.
Pioneer St., Mandaluyong,
1550, Metro Manila*

*The President of the Senate
Room 606 & 512B, 20, 211 (Extension) GSIS Bldg.,
Financial Center, Diokno Boulevard, Pasay City*

*The Speaker of the House of
Representatives HOR Complex,
Constitution Hills, Quezon City*

*The Chairman
Senate Finance Committee Senate of the Philippines
Roxas Boulevard, Pasay City*

*The Chairman- Appropriations Committee
House of Representatives
HOR Complex, Constitution Hills, Quezon City*

*The Secretary of the Budget and Management
Department of Budget and Management
Gen. Solano St., San Miguel, Manila*

*The Administrator
Local Water Utilities Administration
(LWUA) MWSS-LWUA Complex,
Katipunan Avenue Balara, Quezon City*

*Presidential Management
Staff Office of the President*

*The Director
National Library of the Philippines
T.M. Kalaw, Ermita, Manila*

*The Chief of Office
UP Law Center, UP, Diliman, Quezon City*

File

TUBOD-BAROY WATER DISTRICT
Tubod, Lanao del Norte

AGENCY ACTION PLAN AND STATUS OF IMPLEMENTATION (AAPSI)

For Calendar Year 2024

As of _____

Sector: Corporate Sector
Auditee: Tubod-Baroy Water
District Audit Period: Calendar Year
2024

Ref.	Audit Observation	Audit Recommendation(s)	Agency Action Plan				Status of Implementation	Reason for Partial/ Delay/ Non-Implementation	Action to be Taken
			Action Plan	Person / Dept. Responsible	Target Implementation Date				
					From	To			
AAR 2024 No. 1	The dormant accounts receivable that have been outstanding for more than ten (10) years amounting to P281,787.09 were still carried in the books as of December 31, 2024 contrary to COA Circular No. 2016-005 dated December 19, 2016, thereby affecting the accuracy and validity of the reported Accounts Receivable account	We recommended that management: a. Send demand letters to inactive concessionaires that have been outstanding for more than ten (10) years; b. Request authority from the Commission on Audit for the write-off of the District's dormant receivables; and c. Continuously monitor and implement strategies on how to							

	in the Financial Statements as at year-end.	collect the inactive accounts receivables.																						
AAR 2024 No. 2	Semi-expendable items totaling P1,457,512.84 for CY 2024, which are below the capitalization threshold of P50,000.00, were recorded as Property, Plant and Equipment (PPE) contrary to Items 4.2 and 4.3 of COA Circular No. 2022-004 dated May 31, 2022.	We recommended to the Management to instruct the Senior Accounting Processor to draw adjusting journal entry to reclassify the items below the capitalization threshold of P50,000.00 from the PPE account in accordance with Item 4.2 of COA Circular No. 2022-004 dated May 31, 2022. Below is the proposed adjusting entry as of December 31, 2024: <table><tr><td>Account Title</td><td>Debit</td><td>Credit</td></tr><tr><td>Retained Earnings/ Deficit</td><td>326,715.46</td><td></td></tr><tr><td>Accumulated Depreciation</td><td>1,130,797.38</td><td></td></tr><tr><td>Motor Vehicle</td><td></td><td>247,934.72</td></tr><tr><td>Furniture and Fixtures</td><td></td><td>1,209,578.12</td></tr></table>	Account Title	Debit	Credit	Retained Earnings/ Deficit	326,715.46		Accumulated Depreciation	1,130,797.38		Motor Vehicle		247,934.72	Furniture and Fixtures		1,209,578.12							
Account Title	Debit	Credit																						
Retained Earnings/ Deficit	326,715.46																							
Accumulated Depreciation	1,130,797.38																							
Motor Vehicle		247,934.72																						
Furniture and Fixtures		1,209,578.12																						
AAR 2024 No. 3	Disposal of unserviceable/obsolete properties amounting to P2,893,827.27 was not undertaken, thereby exposing said disposable	We recommended the management to prepare the IIRUP and undertake the immediate disposal of the subject properties, in accordance with the Revised Manual on the																						

	properties to the risk of further deterioration and reducing its economic value, and deprived the District of possible substantial income that may be derived from its disposal through sale or negotiation.	Disposal of Government Properties in order to obtain a higher economic value when offered at public auction.							
AAR 2024 No. 4	The existence, completeness, accuracy, and ownership rights of the Land account amounting to P3,245,000.00 as of December 31, 2024, could not be ascertained due to Management's failure to expedite the transfer of the titles of five (5) lots in the name of the District, contrary to Section 39 (2) of PD No. 1445, Sections 51 and 52 of Presidential Decree (PD) No. 1529, Philippine Accounting	We recommended that the General Manager instruct the concerned personnel to accelerate efforts to facilitate the transfer of the titles of the aforementioned parcels of land in the name of the District to ascertain absolute ownership of the District and to protect its interest.							

	Standards (PAS) 1 and PFRS Framework.								
AAR 2024 No. 5	Petty Cash Fund expenses included payments of regular and recurring expenses is contrary to COA Circular No. 97-002 dated February 10, 1997, thereby rendering the validity of the charges doubtful.	<p>We recommended that the management:</p> <p>Instruct the Accounting Office to avoid using the Petty Cash Fund to pay for regular and recurring expenses; and</p> <p>Pay the travelling expenses and transportation allowance of the employees through cash advances or reimbursement by checks under their names.</p>							
AAR 2022 No. 5	The Non-Revenue Water (NRW) of the District is equivalent to 23.01 per cent which exceeded the 20 per cent maximum acceptable NRW prescribed by LWUA resulting to unaccounted water losses, which is not in accord with LWUA Memorandum	Ensure that the NRW level is reduced and shall not exceed the 20 per cent maximum acceptable performance level set by LWUA.							

	Circular No. 014-10 dated December 2, 2010 and LWUA Resolution No. 444 series of 2009, hence, resulting in monetary loss of P400,128.96 to the District.								
--	--	--	--	--	--	--	--	--	--

Note: Status of Implementation may either be (a) Fully Implemented, (b) On-going, (c) Not Implemented, (d) Partially implemented or (e) Delayed

Agency Sign-off:

Mr. GEOVANNI A. HERA
General Manager

Date: _____



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
Regional Office No. 10
J.V. Serifa Street, Carmen, Cagayan de Oro City

OFFICE OF THE SUPERVISING AUDITOR
R10 - CGAS Water Districts and Other Stand-Alone Agencies

May 14, 2025

MATHEW REY M. MAGNO
Regional Director
COA Regional Office No. X
Cagayan de Oro City

Sir:

In compliance with Section 2, Article IX-D of the Philippine Constitution and pertinent provisions of Presidential Decree No. 1445 otherwise known as the Government Auditing Code of the Philippines, we audited the accounts and operations of the **Tubod-Baroy Water District**, Tubod, Lanao del Norte for the year ended December 31, 2024.

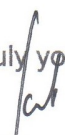
The audit was conducted to: (a) ascertain the fairness of presentation of the Financial Statements; (b) ascertain the propriety of financial transactions and compliance with prescribed rules and regulations; (c) recommend agency improvement opportunities; and (d) determine the extent of implementation of prior years' audit recommendations.

The audit report consists of Part I- Audited Financial Statements; Part II- Observations and Recommendations; Part III- Status of Implementation of Prior Years' Audit Recommendations; and Part IV – Appendices. The observations and recommendations were communicated to Management thru Audit Observation Memorandum and discussed with management officials and staff. Their comments are included in the appropriate portion of this report.

Except for the effects of the matters discussed in Part II of this Report, there is reasonable assurance that the financial statements are free from material misstatement(s) and were prepared in accordance with applicable laws, rules and regulations and in conformity with generally accepted state accounting principles.

Our audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs), and we believe these standards provided reasonable basis for the results of the audit. We rendered a qualified opinion on the fairness of presentation of the financial statements.

Very truly yours,


FLORITA K. KIONISALA
State Auditor V
Supervising Auditor



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
Regional Office No. 10

J.V. Serina Street, Carmen, Cagayan de Oro City

OFFICE OF THE AUDIT TEAM LEADER

R10 - CGAS Water Districts and Other Stand-Alone Agencies - Team 05

May 14, 2025

Ms. FLORITA K. KIONISALA

Supervising Auditor

CGAS Water Districts and Other Stand-Alone Agencies

COA - Regional Office No. X

Cagayan de Oro City

Ma'am:

In compliance with Section 2, Article IX-D of the Philippine Constitution and pertinent provisions of Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines, we conducted an audit on the accounts and operations of **Tubod- Baroy Water District**, Tubod, Lanao del Norte, for the year ended December 31, 2024.

The audit was conducted to: (a) ascertain the fairness of presentation of the Financial Statements; (b) ascertain the propriety of financial transactions and compliance with prescribed rules and regulations; (c) recommend agency improvement opportunities; and (d) determine the extent of implementation of prior years' audit recommendations.

The audit report consists of Part I- Audited Financial Statements; Part II- Observations and Recommendations; Part III- Status of Implementation of Prior Years' Audit Recommendations; and Part IV – Appendices. The observations and recommendations were communicated to Management thru Audit Observation Memorandum and discussed with management officials and staff. Their comments are included in the appropriate portion of this report.

Except for the effects of the matters discussed in Part II of this Report, there is reasonable assurance that the financial statements are free from material misstatement(s) and were prepared in accordance with applicable laws, rules and regulations and in conformity with generally accepted state accounting principles.

Our audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs), and we believe these standards provided a reasonable basis for the results of the audit. We rendered a Qualified Opinion on the fairness of presentation of the financial statements.

Very truly yours,

WAHIDA M. JAMIL

State Auditor III

OIC – Audit Team Leader



Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. 10
Carmen, Cagayan de Oro City

ANNUAL AUDIT REPORT

ON THE

TUBOD-BAROY WATER DISTRICT
Tubod, Lanao del Norte

For the Year Ended December 31, 2024

EXECUTIVE SUMMARY

A. INTRODUCTION

The Tubod-Baroy Water District (TBWD) was created under a special law, Presidential Decree 198 as amended by PD Nos. 768 and 1479 better known as the "Provincial Water Utilities Act of 1973." TBWD was awarded with the Certificate of Conditional Conformance No. 228 by the Local Water Utilities Administration (LWUA) on November 8, 1982.

All local water districts were declared as government-owned and controlled corporations (GOCC) by the Supreme Court on September 13, 1991, and the case was docketed as GR Nos. 95237-38.

TBWD operates as a Government Corporation with proprietary functions and is independent from the Local Government of Tubod and Baroy, Lanao del Norte. It is located at Provincial Trade Center, Sagadan, Poblacion, Tubod, Lanao del Norte.

In compliance with the guidelines provided in the DBM-approved Revised Local Water District Manual on Categorization, Re-Categorization and Other Related Matters (LWD-MaCRO), Tubod-Baroy Water District was categorized as a Category "D" Water District in March 2012.

TBWD primarily provides adequate, safe, potable and affordable water to its concessionaires within Tubod and Baroy, LDN area with a total of 5,926 active subscriptions served as of December 31, 2024.

The District has the following Objectives:

- a. To acquire, install, improve, maintain and operate water supply and distribution systems for domestic, industrial and agricultural uses for residents and land within the Municipalities of Tubod and Baroy, all of the Province of Lanao del Norte.
- b. To contribute to the economic growth and public health throughout, as orderly and effective system of local utilities.

The powers, privileges and duties of the District are exercised and performed by and through the Board of Directors but the executive, administrative and ministerial power is delegated to the management. It has five (5) members who are appointed by the Provincial Governor. The policy-making body composed of the following:

Chairman	- Mr. Roldan Jonathan R. Gayta
Vice-Chairman	- Engr. Jene Joseph S. Serino
Secretary	- Ms. Gemma A. Harun
Member	- Ms. Evangeline M. Codilla
Member	- Mr. Andrial C. Kwan

B. FINANCIAL HIGHLIGHTS

Financial Condition

As of December 31, 2024, TBWD has reached ₱75.975 million in assets, total liabilities of ₱12.432 million and Equities that amounted to ₱63.542 million:

	2024	2023	2024 vs. 2023 Increase/(Decrease)	
			Amount	Percentage
Assets	₱ 75,975,824.74	₱ 65,911,285.94	₱ 10,064,538.80	15.27%
Liabilities	₱ 12,432,838.23	₱ 15,796,854.65	₱ (3,364,016.42)	(21.30)%
Equities	₱ 63,542,986.51	₱ 50,114,431.29	₱ 13,428,555.22	26.80%

Results of Operation

The operation of TBWD for CY 2024 yielded to overall net income of ₱15.803 million, a net of sales revenue of ₱49.412 million, and expenses of ₱33.608 million.

	2024	2023	2023 vs. 2022 Increase/(Decrease)	
			Amount	Percentage
Sales	₱ 49,412,107.77	₱ 42,762,983.00	₱ 6,649,124.77	15.55%
Expenses	₱ 33,608,204.16	₱ 34,148,988.25	₱ (540,784.09)	(1.58) %
Net Income	₱ 15,803,903.61	₱ 8,613,994.75	₱ 7,189,908.86	83.47%

C. SCOPE OF AUDIT

The audit covered the examination of the accounts and operations of Tubod-Baroy Water District, Tubod, Lanao del Norte for the period January 1 to December 31, 2024. The audit consisted of review of operating procedures, inspection of programs and projects, testing the adequacy of the related systems and controls set by the agency, verification of the accuracy, legality and completeness of its financial transactions, interview with concerned officials and employees, and the application of other audit procedures considered necessary under the circumstances.

D. INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

A Qualified Opinion was rendered on the fairness of presentation of the financial statements due to the following exceptions:

1. The dormant accounts receivable that have been outstanding for more than ten (10) years amounting to P281,787.09 were still carried in the books as of December 31, 2024, contrary to COA Circular No. 2016-005 dated December 19, 2016, thereby affecting the accuracy and validity of the reported Accounts Receivable account in the Financial Statements as at year-end;

2. Semi-expendable items totaling P1,457,512.84 for CY 2024, which are below the capitalization threshold of P50,000.00, were recorded as Property, Plant and Equipment (PPE) contrary to Items 4.2 and 4.3 of COA Circular No. 2022-004 dated May 31, 2022; and
3. The existence, completeness, accuracy, and ownership rights of the Land account amounting to P3,245,000.00 as of December 31, 2024, could not be ascertained due to Management's failure to expedite the transfer of the titles of five (5) lots in the name of the District, contrary to Section 39 (2) of PD No. 1445, Sections 51 and 52 of Presidential Decree (PD) No. 1529, Philippine Accounting Standards (PAS) 1 and PFRS Framework.

E. SUMMARY OF SIGNIFICANT OBSERVATIONS AND RECOMMENDATIONS

In addition to the aforementioned reasons for a Qualified Opinion, the following were noted:

1. Disposal of unserviceable/obsolete properties amounting to P2,893,827.27 was not undertaken, thereby exposing said disposable properties to the risk of further deterioration and reducing its economic value, and deprived the District of possible substantial income that may be derived from its disposal through sale or negotiation.

We recommended that management prepare the IIRUP and undertake the immediate disposal of the subject properties, in accordance with the Revised Manual on the Disposal of Government Properties in order to obtain a higher economic value when offered at public auction.

2. Petty Cash Fund expenses which included payments of regular and recurring expenses are contrary to COA Circular No. 97-002 dated February 10, 1997 thereby rendering the validity of the charges doubtful.

We recommended that management:

- Instruct the Accounting Office to avoid using the Petty Cash Fund to pay for regular and recurring expenses; and
- Pay the travelling expenses and transportation allowance of the employees through cash advances or reimbursement by checks under their names.

F. SUMMARY OF TOTAL SUSPENSION, DISALLOWANCE AND CHARGES AS OF YEAR-END

Particulars	Balance, 01/01/2024	CY 2024 Issuances	CY 2024 Settlements	Balance, 12/31/2024
Suspensions	₱ 30,752.00	0.00	0.00	₱ 30,752.00
Disallowances	₱ 316,478.40	0.00	0.00	₱ 316,478.40
Charges	₱ 0.00	0.00	0.00	₱ 0.00

G. STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS

Out of the eighteen (18) prior years' audit recommendations embodied in the CY 2023, 2022, and 2021 Annual Audit Report (AAR), fourteen (14) or 77.78% were implemented and four (4) or 22.22% were not implemented.

TABLE OF CONTENTS

	<u>PAGE/S</u>
Part I AUDITED FINANCIAL STATEMENTS	
• Independent Auditor's Report	1
• Financial Statements	
o Statement of Management Responsibility	4
o Comparative Statement of Financial Position	5
o Comparative Statement of Comprehensive Income	6
o Statement of Changes in Government Equity	7
o Comparative Statement of Cash Flows	8
o Notes to Financial Statements	10
Part II OBSERVATIONS AND RECOMMENDATIONS	
• Detailed Observations and Recommendations	20
Part III STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS	
	31

**PART I –
AUDITED FINANCIAL STATEMENTS**



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT

Regional Office No. 10
J.V. Serifa Street, Carmen, Cagayan de Oro City

OFFICE OF THE SUPERVISING AUDITOR
R10 - CGAS Water Districts and Other Stand-Alone Agencies

INDEPENDENT AUDITOR'S REPORT

DIR. ROLDAN JONATHAN R. GAYTA

Chairperson, Board of Directors
Tubod-Baroy Water District
Tubod, Lanao del Norte

Mr. GEOVANNI A. HERA

General Manager
Tubod-Baroy Water District
Tubod, Lanao del Norte

Qualified Opinion

We have audited the financial statements of the **Tubod-Baroy Water District**, Tubod Lanao del Norte which comprise the Statement of Financial Position as at December 31, 2024, and the related Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Tubod-Baroy Water District as at December 31, 2024, and of its comprehensive income and its cash flows for the year ended in accordance with Philippine Financial Reporting Standards (PFRS).

Bases for Qualified Opinion

As discussed in Part II- Observations and Recommendations of this report, a Qualified Opinion was rendered due to the following exceptions:

1. The dormant accounts receivable that have been outstanding for more than ten (10) years amounting to P281,787.09 were still carried in the books as of December 31, 2024, contrary to COA Circular No. 2016-005 dated December 19, 2016, thereby affecting the accuracy and validity of the reported Accounts Receivable account in the Financial Statements as at year-end.
2. Semi-expendable items totaling P1,457,512.84 for CY 2024 which are below the capitalization threshold of P50,000.00, were recorded as Property, Plant and Equipment (PPE) contrary to Items 4.2 and 4.3 of COA Circular No. 2022-004 dated May 31, 2022;
3. The existence, completeness, accuracy, and ownership rights of the Land account amounting to P3,245,000.00 as of December 31, 2024, could not be ascertained due to Management's failure to expedite the transfer of the titles of five (5) lots in the

name of the District, contrary to Section 39 (2) of PD No. 1445, Sections 51 and 52 of Presidential Decree (PD) No. 1529, Philippine Accounting Standards (PAS) 1 and PFRS Framework.

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). Our responsibilities under those standards are further described in the *Auditor's Responsibility for the Audit of the Financial Statements* section of our report. We are independent of the agency in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide separate opinion on these matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

Those charged with governance are responsible for overseeing the District's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users on the basis of the financial statements.

As part of an audit in accordance with ISSA/s, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tubod-Baroy Water District's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency/Unit/Corporation/Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Tubod-Baroy Water District's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charge with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them our relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

COMMISSION ON AUDIT

BY:


FLORITA K. KIONISALA
State Auditor V
Supervising Auditor

April 29, 2025




Republic of the Philippines
TUBOD-BAROY WATER DISTRICT
Tubod, Lanao del Norte

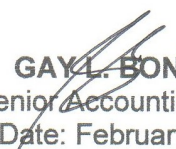
**STATEMENT OF MANAGEMENT RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

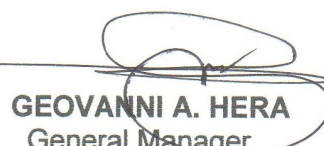
The management of the **Tubod-Baroy Water District, Tubod, Lanao del Norte** is responsible for the preparation of the financial statements as at December 31, 2024, including the additional components attached thereto in accordance with the prescribed financial reporting framework indicated therein. The responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstance.

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 had audited the financial statements of the Tubod-Baroy 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. ROLDAN JONATHAN R. GAYTA
Chairman of the Board
Date: February 10, 2025


GAY L. BONTUYAN
Senior Accounting Processor B
Date: February 10, 2025


GEOVANNI A. HERA
General Manager
Date: February 10, 2025



**TUBOD-BAROY WATER DISTRICT
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024**

ASSETS	NOTE	2024	2023
Current Assets			
Cash and Cash Equivalents	1	P 17,504,239.86	P 10,242,404.86
Receivables	2	2,502,201.68	3,998,637.90
Inventories	3	7,770,406.58	4,674,355.93
Total Current Assets		P 27,776,848.12	P 18,915,398.69
Non-Current Assets			
Property, Plant and Equipment	4	46,768,835.36	45,846,657.55
Other Non-Current Assets	5	1,094,938.59	1,094,938.59
Intangible Assets		335,202.67	54,291.11
Total Non-Current Assets		P 48,198,976.62	P 46,995,887.25
TOTAL ASSETS		P 75,975,824.74	P 65,911,285.94
LIABILITIES			
Current Liabilities			
Financial Liabilities	6	P 4,634,015.65	P 8,075,495.25
Inter-Agency Payables	7	717,743.88	733,858.78
Total Current Liabilities		P 5,351,759.53	P 8,809,354.03
Non-Current Liabilities			
Financial Liabilities	8	P 3,098,109.81	P 3,601,745.42
Provisions	9	3,982,968.89	3,385,755.20
Total Non-Current Liabilities		P 7,081,078.70	P 6,987,500.62
TOTAL LIABILITIES		P 12,432,838.23	P 15,796,854.65
EQUITY			
Government Equity			
Retained Earnings/(Deficit)		P 63,542,986.51	P 50,114,431.29
TOTAL EQUITY		P 63,542,986.51	P 50,114,431.29
TOTAL LIABILITIES AND EQUITY		P 75,975,824.74	P 65,911,285.94

(See Accompanying Notes to Financial Statements)



TUBOD-BAROY WATER DISTRICT
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>NOTE</u>	<u>2024</u>	<u>2023</u>
Income			
Service and Business Income	10	₱ 49,412,107.77	₱ 42,762,983.00
Shares, Donations and Grants			0.00
Total Income		₱ 49,412,107.77	₱ 42,762,983.00
Expenses			
Personnel Services	11	₱ 15,254,460.93	₱ 13,899,731.06
Maintenance and Other Operating Expenses	12	14,165,749.13	16,333,088.30
Financial Expenses	13	120,806.00	212,040.00
Direct Costs		1,091,437.00	1,302,214.74
Non-Cash Expenses	14	2,975,751.10	2,401,914.15
Total Expenses		₱ 33,608,204.16	₱ 34,148,988.25
Profit/(Loss) Before Tax		₱ 15,803,903.61	₱ 8,613,994.75
Income Tax Expense/(Benefit)		0.00	0.00
Profit/(Loss) After Tax		₱ 15,803,903.61	₱ 8,613,994.75
Net Assistance/Subsidy/ (Financial Assistance/Subsidy /Contribution)		₱ 0.00	₱ 0.00
Net Income/(Loss)		₱ 15,803,903.61	₱ 8,613,994.75
Other Comprehensive Income/(Loss) for the Period		₱ 0.00	₱ 0.00
Comprehensive Income/(Loss)		₱ 15,803,903.61	₱ 8,613,994.75

(See Accompanying Notes to Financial Statements)



**TUBOD-BAROY WATER DISTRICT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>NOTE</u>		
	Retained Earnings/ (Deficit)	Contributed Capital	TOTAL
Balance at January 1, 2023	₱ 42,761,216.11	₱ 236,659.00	42,997,875.11
ADJUSTMENTS:			
Add/(Deduct):			
Prior Period Errors	₱ 0.00	₱ 0.00	₱ 0.00
Other Adjustments	0.00	0.00	0.00
RESTATED BAL. AT JANUARY 31, 2023	₱ 42,761,216.11	₱ 236,659.00	₱ 42,997,875.11
CHANGES IN EQUITY FOR 2023			
Add/(Deduct):			
Comprehensive Income for the year	₱ 8,613,994.75	₱ 0.00	₱ 8,613,994.75
Other Adjustments	(1,497,438.57)	0.00	(1,497,438.57)
BALANCE AT DECEMBER 31, 2023	₱ 49,877,772.29	₱ 236,659.00	₱ 50,114,431.29
CHANGES IN EQUITY FOR 2024			
Add/(Deduct):			
Donated Income	₱ 0.00	₱ 0.00	₱ 0.00
Comprehensive Income for the year	15,803,903.61		15,803,903.61
Other Adjustments 15	(2,375,348.39)		(2,375,348.39)
BALANCE AT DECEMBER 31, 2024	₱ 63,306,327.51	236,659.00	63,542,986.51



**TUBOD-BAROY WATER DISTRICT
CONDENSED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Inflows		
Proceeds from Sale of Goods and Services	P 47,349,836.65	P 41,121,640.13
Collection of Income/Revenue	1,263,291.65	1,798,923.99
Collection of Receivables		0.00
Other Receipts	576,667.86	88,898.37
Total Cash Inflows	P 49,189,796.16	P 43,009,462.49
Adjustments	0.00	0.00
Adjusted Cash Inflows	P 49,189,796.16	P 43,009,462.49
Cash Outflows		
Payment of Expenses	P 29,420,210.06	P 30,232,819.36
Purchase of Inventories	8,136,039.36	4,592,408.68
Payments of Accounts Payable	3,747,440.13	1,775,169.48
Other Disbursements	0.00	0.00
Total Cash Outflows	P (41,303,689.55)	P (36,600,397.52)
Adjustments		0.00
Adjusted Cash Outflows	P (41,303,689.55)	P (36,600,397.52)
NET CASH PROVIDED BY/ (USED IN) OPERATING ACTIVITIES	P 7,886,106.61	P 6,409,064.97
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Inflows		
Receipt of Interest Earned	P 0.00	P 0.00
Total Cash Inflows	P 0.00	P 0.00
Adjustments	0.00	0.00
Adjusted Cash Inflows	P 0.00	P 0.00
Cash Outflows		
Purchase/Construction of Property, Plant and Equipment	P 0.00	P 0.00
Total Cash Outflows	P 0.00	P 0.00
Adjustments	P 0.00	P 0.00
Adjusted Cash Outflows	P 0.00	P 0.00
NET CASH PROVIDED BY/ (USED IN) INVESTING ACTIVITIES	P 0.00	P 0.00

CASH FLOWS FROM FINANCING ACTIVITIES

Cash Inflows

Financing Activities	P 0.00	P 0.00
Total Cash Inflows	P 0.00	P 0.00
Adjustments	P 0.00	P 0.00
Adjusted Cash Inflows	P 0.00	P 0.00

Cash Outflows

Payment of Long-Term Liabilities	503,635.61	1,695,434.95
Payment of Interest on Loans and Other Financial Charges	120,636.00	211,490.00
Total Cash Outflows	P 624,271.61	P 1,906,924.95
Adjustments	P 0.00	P 0.00
Adjusted Cash Outflows	P 624,271.61	P 1,906,924.95
NET CASH PROVIDED BY/ (USED IN) FINANCING ACTIVITIES	P (624,271.61)	P (1,906,924.95)

INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS

	P 7,261,835.00	P 4,502,140.02
Effects of Exchange Rate Changes on Cash and Cash Equivalents	P 0.00	P 0.00
CASH AND CASH EQUIVALENTS, JANUARY 1	P 10,242,404.86	P 5,740,264.84
CASH AND CASH EQUIVALENTS, DECEMBER 31	P 17,504,239.86	P 10,242,404.86



TUBOD-BAROY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS

I. Brief Historical Background:

The Tubod-Baroy Water District (TBWD) was created under a Special Law, Presidential Decree 198 as amended by PD Nos. 768 and 1479 better known as the "Provincial Water Utilities Act of 1973." TBWD was awarded with the Certificate of Conditional Conformance No. 228 by the Local Water Utilities Administration (LWUA) on November 8, 1982.

All local water districts were declared as government-owned and controlled corporations (GOCC) by the Supreme Court on September 13, 1991, and the case was docketed as GR Nos. 95237-38.

TBWD operates as a Government Corporation with proprietary functions and is independent from the Local Government of Tubod and Baroy, Lanao del Norte. It is located at Provincial Trade Center, Sagadan, Poblacion, Tubod, Lanao del Norte.

In compliance with the guidelines provided in the DBM-approved Revised Local Water District Manual on Categorization, Re-Categorization and Other Related Matters (LWD-MaCRO), Tubod-Baroy Water District was categorized as a Category "D" Water District in April 2013.

TBWD primarily provides adequate, safe, potable, and affordable water to its concessionaires within Tubod and Baroy, LDN area, with a total of 5,926 households served as of December 31, 2024.

The District has the following Objectives:

- a. To acquire, install, improve, maintain and operate water supply and distribution systems for domestic, industrial and agricultural uses for residents and land within the Municipalities of Tubod and Baroy, all of the Province of Lanao del Norte.
- b. To contribute to the economic growth and public health through an orderly and effective system of local utilities.

The powers, privileges and duties of the District are exercised and performed by the Board of Directors, but the executive, administrative and ministerial power is delegated to the management. It has five (5) members who are appointed by the Provincial Governor.

The **policy-making body** is composed of the following:

Chairman	- Mr. Roldan Jonathan R. Gayta
Vice-Chairman	- Engr. Jene Joseph S. Serino
Secretary	- Ms. Gemma A. Harun
Member	- Ms. Evangeline M. Codilla
Member	- Mr. Andrial C. Kwan

Financial and Operational & Highlights for CY 2024

As of December 31, 2024, TBWD has reached ₱65.91 million in assets, total liabilities of ₱15.79 million and Equities that amounted to ₱50.11 million:

	2024	2023	2024 vs. 2023 Increase/(Decrease)	
			Amount	Percentage
Assets	₱ 75,975,824.74	₱ 65,911,285.94	₱ 10,064,538.80	15.27%
Liabilities	₱ 12,432,838.23	₱ 15,796,854.65	₱ (3,364,016.42)	(21.30)%
Equities	₱ 63,542,986.51	₱ 50,114,431.29	₱ 13,428,555.22	26.80%

Results of Operation

The operation of TBWD for CY 2024 yielded to overall net income of ₱15.803 million pesos as a net of sales revenue of ₱49.412 million and expenses of ₱33.608 million pesos.

	2024	2023	2024 vs. 2023 Increase/(Decrease)	
			Amount	Percentage
Sales	₱ 49,412,107.77	₱ 42,762,983.00	₱ 6,649,124.77	15.55%
Expenses	₱ 33,608,204.16	₱ 34,148,988.25	₱ (540,784.09)	(1.58) %
Net Income	₱ 15,803,903.61	₱ 8,613,994.75	₱ 7,189,908.86	83.47%

Cash Flows

Comparative **net cash outflow** of the District for CY 2024 amounted to Php 7,261,835.00. With the cash beginning of Php 10,242,404.86 the 2024 year-end cash in bank resulted to a net balance of Php17,504,239.86.

Summary of Cash in Bank:

Cash –C.O.	₱ 150,569.03
Cash in Bank - 0802-1037-86(General Fund)	14,603,369.58
Cash in Bank - 0801-0300-41(JSA)	1,598,108.67
Cash in Bank - 0801-1157-21(Trust fund)	1,152,192.58
TOTAL	₱ 17,504,239.86

II. Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) and the revised Chart of Accounts (RCA) for Government Corporations (GCs) classified as Government Business Entities (GBEs) prescribed under COA Circular No. 2015-010. The District's accounting policy

The accrual method of accounting is adopted for recording of both income and expenses.

Property, Plant and Equipment is carried at cost minus salvage at 10% of the cost of the property. Capital assets are depreciated using the straight line method based on the estimated useful life ranging from five (5) to ten (10) years in accordance with COA Circular No. 2003- 007 dated December 11, 2003, and depreciation starts on the second month after purchase of the property, plant and equipment. Donated asset is recorded at fair value on the date donated. The cost of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives of an asset are not capitalized.

Expenditures incurred after the assets have been put into operation, such as repairs and maintenance, are normally charged to Maintenance and Other Operating Expenses (MOOE) in the period in which the costs are incurred.

Other Non-current assets are Malingao Cooperative (MAWASCO) receivables that remained uncollected for years.

Liabilities are only recognized when goods are delivered and/or services rendered, together with the supplier's invoice.

Correction of prior year errors was recorded using the Prior Year's Adjustment account, while errors affecting current year's operations were recorded to the current year accounts.

Note 1. Cash and Cash Equivalents

Cash and cash equivalents include cash in bank deposits to be used in the operation of the water district, Trust Fund created for the employees' Retirement Benefits, Reserve fund of TBWD & LWUA as per MOU for loans availed and cash on hand in the possession of the district Collecting Officer was due to closed Petty cash revolving fund and liquidation of Cashier that were issued official receipts in December 2024.

Bank balance as of December 31, 2024, was verified per bank statements and the cash accounts consist of the following:

Particulars	2024	2023
Cash- Collecting Officer	₱ 150,569.03	₱ 47,871.35
Cash in Bank- (Project Fund)	0.00	0.00
Cash in Bank - LCCA	14,603,369.58	7,605,760.87
Cash in Bank –LCSA (Trust Fund)	1,152,192.58	1,051,300.37
Cash in Bank - LCSA (JSA)	1,598,108.67	1,537,472.27
TOTAL	₱ 17,504,239.86	₱ 10,242,404.86

Note 2. Receivables

Account Receivable – this account includes all amounts due on open accounts arising from the services rendered to customers for water sales and other incidental services.

As of December 31, 2024, this account is composed of receivables from customers as listed below.

Particulars	2024	2023
Accounts Receivable- Customer	₱ 2,990,369.80	₱ 4,552,791.63
Accounts Receivable- WMF	376,471.15	407,975.80
Receivables- Disallowances	241,496.95	241,496.95
Accounts Receivable –Others	487,706.12	152,586.61
Due from Officers and Employees	(5,060.00)	-
Less: Allow. for impairment- A/R	(1,588,782.34)	(1,356,213.09)
Total Net Accounts Receivable	₱ 2,502,201.68	₱ 3,998,637.90

Note 3. Inventories

This account consists of unissued materials and supplies, which are kept in stock for future use in the operations of the district. Inventory accounts are carried in the books at cost net of spoilage, obsolescence and damaged items. Inventories consist of expendable supplies or materials held for consumption stated on a first-in, first-out basis. They are reported at cost, which is recorded as expenditure at the time individual inventory items are used. These are grouped into Office Supplies Inventory, Accountable Forms and Materials Inventory.

Particulars	2024	2023
Merchandise Inventory	₱ 5,386,229.30	₱ 2,507,169.28
Accountable Forms Inventory	39,825.00	42,825.00
Office Supplies Inventory	149,618.63	116,166.00
Fuel, Oil & Lubricant Inventory	10,708.20	10,708.20
Chemical & Filtering Supply Inv.	220,832.04	117,832.04
Plant Inventory	1,963,193.41	1,879,655.41
TOTAL	₱ 7,770,406.58	₱ 4,674,355.93

Note 4 - Property, Plant and Equipment

Properties relatively permanent in character are included under this account. It includes intangible plants, landed capital, source of supply plant, pumping plant, water treatment plant, transmission and distribution plant, general plant and other tangible assets.

Property, Plant and Equipment are carried at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the properties pursuant to Commission on Audit Circular No. 2003-007 dated December 11, 2003.

The district's office space is currently on a usufruct basis from the Provincial Government of Lanao del Norte signed under the administration of Hon. Governor Imelda Quibranza-Dimaporo since the district does not have its own building for the purpose.

Particulars		Cost	Accumulated Depreciation	Balance
Property, Plant and Equipment		72,679,199.73	25,575,161.70	47,104,038.03
1 06 01	Land	3,281,659.00	-	3,281,659.00
1 06 02	Land Improvement			-
1 06 03	Infrastructure Assets	61,758,293.11	23,232,185.47	38,526,107.64
1 06 04	Building and Other Structures			-
1 06 05	Machinery and Equipment			-
1 06 06	Transportation Equipment	1,302,007.73	760,239.83	541,767.90
1 06 07	Furniture, Fixtures and Books	2,393,083.81	1,479,439.07	913,644.74
1 06 08	Leased Assets			-
1 06 09	Leased Assets Improvements			-
1 06 10	Heritage Assets			-
1 06 11	Service Concession-Tangible Assets			-
1 06 12	Exploration and Evaluation Assets			-
1 06 13	Bearer Trees, Plants and Crops			-
1 06 98	Other Property, Plant and Equipment			-
1 06 99	Construction in Progress	3,505,656.08	-	3,505,656.08
Intangible Assets				
1 08 01	Computer Software	400,000.00	90,567.22	309,432.78
1 08 01	Websites	38,500.00	12,730.11	25,769.89

Property, Plant and Equipment are carried at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the properties pursuant to Commission on Audit Circular No. 2003-007 dated December 11, 2003.

The district's office space is currently on a rental basis since they do not have their own building for the purpose.

Note 5. Other Non-Current Assets

The Other Non-Current Assets consists of Other Assets totaling ₱ 1,094,938.59. These are the ₱ 898,084.40 receivables from Malingao Cooperative (MAWASCO) and other receivables amounting to ₱ 196,854.19 that remained uncollected for years which have had a legal battle with the district. This are considered as long-term receivables which was applied for write off from the prior years but was disapproved due to lack of proper documents. The district is currently working for the proper attachments and documents for the said dormant accounts to be submitted for write off.

Note 6. Current Financial Liabilities

The Accounts Payable consists of TBWD's liabilities to suppliers in the amount of ₱4,643,015.65.

Name	Date Granted	Amount	Amount Due (In Pesos)				Remarks
			Less than 30 days	31-60 days	61-365 days	Over 1	

						year	
Arvin Rodrigo	12/29/2020	30,225.00				30,225.00	
Camlan Corporation	12/27/2024	32,712.74	32,712.74				
COA	05/17/2021	24,596.59				24,596.59	
COA	12/28/2022	86,683.50				86,683.50	
COA	5/31/2024	120,085.05			120,085.05		
Constech Asia Corporation	12/27/2024	522,813.00	522,813.00				
Constech Asia Corporation	12/27/2024	379,988.00	379,988.00				
Mie Oro Plast Corp	12/3/2023	247,070.70	247,070.70				
Mindanao Lab Services	10/5/2023	37,500.00	37,500.00	-			
FMV DRILLING IND. & SALES	12/23/2024	18,370.00	18,370.00		-		
MLS JC Construction Serv.	1/9/2023	2,795,722.32			-	2,795,722.32	
FLOW HARMONIC	12/27/2024	108,000.00	108,000.00		-		
JHAYCOR INDUSTRIES INC	12/12/2024	155,419.20	155,419.20				
TBWD	3/30/2021	5,849.55	1,097.16			4,752.39	
XD WONDERTECH	12/27/2024	68,980.00	68,980.00				
TOTALS		4,634,015.65	1,571,950.80	-	120,085.05	2,941,979.80	

Note 7. Current Inter-Agency Payables

The Statutory deductions withheld from government employees and government shares are the current obligation of the District, which will be remitted to the BIR, GSIS, Pag-ibig, and Philhealth on or before the 10th day of the ensuing month.

Particulars	2024	2023
Due to BIR	₱ 251,000.98	₱ 287,829.95
Due to GSIS	355,404.97	352,592.44
Due to Pag-ibig	73,789.76	76,810.47
Due to Philhealth	6,921.77	5,080.92
Due to SSS	30,626.40	11,545.00
Total	₱ 717,743.88	₱ 733,858.78

The following amount was remitted to the respective agencies before January 10, 2025. These amounts remitted include the Employers shares and accruals.

Particulars	Amount
Due to BIR	₱ 180,058.11
Due to GSIS	322,952.02

Due to Pag-ibig	43,550.42
Due to Philhealth	30,834.40
Due to SSS	26,670.00
Total	₱ 604,064.95

Note 8. Non-current Financial Liabilities

The District availed a long-term loan with LWUA. The principal and interest of the regular loan portion have a monthly amortization of ₱38,154.00. Loan Account No. LA#3-732 RL will be amortized until September 2025 and LA#4-2723 RL will end on November 2039. As of December 31, 2024, the outstanding LWUA loan balance is ₱3,337,165.49 with a difference of ₱239,055.68 compared to LWUA amortization schedules due to Engineering studies which was automatically deducted by LWUA from the net proceeds upon the release of loan account # LA 4-273RL. The loan was paid in accordance with the amortization schedule, thus, no penalties were imposed for delayed or non-payment.

Loan ID	Interest Rates		New Monthly Amortization	Outstanding Balance per LWUA	
	Old	New		2024	2023
3-732 RL	10.50%	8.20%	₱ 15,970.00	₱ 138,984.99	₱ 311,470.89
4-2374 RL	12.50%	8.20%	0.00	0.00	163,619.61
4-2723 RL	3%		22,184.00	3,198,180.50	3,365,710.50
Non-current financial liabilities			₱ 38,154.00	₱ 3,337,165.49	₱ 3,840,801.10

Note 9. Provisions

Accumulated leave credits of Employees are recorded to the Leave Benefits Payable account gradually.

Particulars	2024	2023
Leave Benefits Payable	₱ 3,982,968.89	₱ 3,385,755.20

Note 10. Service and Business Income

Particulars	2024	2023
Registration Fees	₱ 1,531,479.11	₱ 988,116.27
Water works system fees	45,246,024.45	39,009,553.35
Income from Printing & Pub	60,000.00	0.00
Sales Revenue	1,580,329.20	1,736,209.00
Fines and Penalties	982,729.84	1,033,010.35
Interest Income	7,784.25	5,377.38
Other Business Income	35,501.10	15,160.00
Miscellaneous Income	-	203.87
Income from Donations in Kind		0.00
Less: Sales Discounts	(31,740.18)	(24,648.12)
TOTAL INCOME	₱ 49,412,107.77	₱ 42,762,983.00

Note 11. Personnel Services

Particulars	2024	2023
Salaries & Wages- Regular	₱ 6,109,288.04	₱ 5,706,441.92
Sal & Wages-Casual	2,426,622.21	2,139,699.15
Personnel Econ. Relief Allow.	716,000.00	720,000.00
Representation Allowance	114,940.00	90,000.00
Transportation Allowance TA	113,000.00	90,000.00
Clothing Allowance	224,000.00	180,000.00
Overtime & Night Pay	339,993.97	276,824.22
Year End Bonus	644,786.00	1,225,798.00
Cash Gift	0.00	0.00
Retirement and Life Insurance	905,377.32	892,351.20
Pag-ibig Contributions	50,700.00	36,000.00
Philhealth Contributions	178,954.76	139,983.88
Emp. Compensation Insurance Cont.	44,300.00	36,000.00
Terminal Leave Benefits	841,070.63	443,526.55
Other Bonuses and Allowances	2,545,428.00	1,923,106.14
Total Personnel Services	₱ 15,254,460.93	₱ 13,899,731.06

Note 12. Maintenance and Other Operating Expenses

Particulars	2024	2023
Travelling Expenses-Local	₱ 751,422.68	₱ 712,089.70
Training Expenses	189,405.65	136,300.00
Office Supplies Expense	283,406.67	219,017.38
Accountable Forms Expense	139,850.00	133,800.00
Fuel, Oil, and Lubricants	454,719.65	532,631.87
Chemicals & Filtering	496,787.75	439,182.00
Electricity Expenses	247,504.44	280,013.67
Other Utility Expense	3,818.41	4,904.34
Postage and courier Services	21,533.88	17,064.92
Telephone Expense	45,775.18	37,658.09
Internet Expense	18,203.52	18,201.52
Cable, Satellite, Telephone & Radio Expense	6,972.48	6,972.48
Survey Expense	-	0.00
Gen Trans & Distribution Expenses	9,470,205.26	11,808,283.70
Extraordinary & Misc. Expenses	184,232.65	130,837.60
Legal Expense	4,400.00	1,770.00
Other Professional Services	6,500.00	7,300.00
Repairs & Maintenance - Infra Asset	-	3,772.44
Repairs & Maintenance - Bldg. & Other Structure	14,117.00	39,053.98
Repairs & Maintenance- Transportation Equipment	160,349.00	97,333.00
Repairs & Maintenance- Furniture & Fixtures	42,268.00	38,928.16
Repairs & Maintenance - Other PPE	319,271.76	67,085.25

Taxes, Duties & Licenses Expense	367,511.47	875,318.24
Fidelity Bond Premiums	19,065.00	19,065.00
Insurance Expense	22,445.69	24,508.38
Labor & Wages	143,169.74	46,000.00
Advertising, Promo & Marketing Expense	-	50,000.00
Printing & Pub. Expense	2,519.00	5,000.00
Representation Expense	506,338.45	339,686.28
Rent/Lease Expense	27,000.00	2,000.00
Membership Dues & Contribution to Org.	18,796.80	22,302.30
Directors & Comm. Member's Fee	198,159.00	207,000.00
Donations	-	10,000.00
TOTAL MOOE	₱ 14,165,749.13	₱ 16,333,088.30

Note 13. Financial Expenses

Particulars	2024	2023
Interest Expenses	₱ 120,636.00	₱ 211,490.00
Bank charges	170.00	550.00
TOTAL FINANCIAL EXP	₱ 120,806.00	₱ 212,040.00

Note 14. Non-cash Expenses

Particulars	2024	2023
Depreciation –Infra Asset	₱ 2,299,136.29	₱ 1,840,237.87
Depreciation –Transp. Equipment	103,017.88	106,032.00
Depreciation - F/F, books	249,446.20	243,720.25
Depreciation - Other PPE	82,493.04	75,208.60
Amortization-Intangible Asset	9,088.44	9,088.44
Impairment Loss- Loans & Rec.	232,569.25	100,785.49
Total NON-CASH EXPENSES	₱ 2,975,751.10	₱ 2,375,072.65

Note 15. Other Adjustments (in Statement of Changes in Equity)

Total adjustments on retained earnings amounting to ₱ 2,375,348.39 was done to correct entries from the prior year's such as the reversal of entry/adjustment for Accounts Receivables (December Water Sales recorded January the following year) due to the cut off of reading from December 1 to 15 and the remaining days usage after the reading which was billed and collected on the following month and other accounts receivable adjustments.

Events after Balance Sheet Date

Any post-year-end events that provide additional information about the District's position at Balance Sheet date (adjusting events) are reflected in the financial statements. Any post-year-end event that is not an adjusting event is disclosed in the notes to financial statements when material.

**PART II –
AUDIT OBSERVATIONS AND
RECOMMENDATIONS**

Part II- AUDIT OBSERVATIONS AND RECOMMENDATIONS

A. AUDIT QUALIFICATIONS / FINANCIAL AUDIT OBSERVATION

Accounts Receivable

1. The dormant accounts receivable that have been outstanding for more than ten (10) years amounting to P281,787.09 were still carried in the books as of December 31, 2024 contrary to COA Circular No. 2016-005 dated December 19, 2016, thereby affecting the accuracy and validity of the reported Accounts Receivable account in the Financial Statements as at year-end.

- 1.1 COA Circular No. 2016-005 dated December 19, 2016, provides the guidelines and procedures on the write-off of dormant receivable accounts, among others. Item 5.4 thereof provides that receivables are said to be dormant if the balances of which have remained inactive or non-moving in the books of accounts for ten years or more and where settlement/collectability could no longer be ascertained. The procedures on how to request for write-off are as follows:

8.2 *The Head of the government entity shall file the request for authority to write off dormant receivable accounts, xxx No filing fee is required;*

8.3 *The request shall be supported by the following documents:*

- a. *Schedule of dormant accounts by accountable officer/debtor/government entity and by account, certified by the accountant and approved by the Head of the government entity;*
- b. *Certified relevant documents validating the existence of the conditions, as applicable, such as:*
 - b.1 *Death Certificate issued by the Philippine Statistics Authority*
 - b.2 *Proof of Insolvency*
 - b.3 *Certification from the Department of Trade and Industry that the debtor has no registered business*
 - b.4 *Certification from the Securities and Exchange Commission that the Corporation is no longer active*
 - b.5 *Certificate of no residence in the barangay of the municipality/city of last known address*
 - b.6 *Proof of exhaustion of all remedies to collect the receivables and demand to liquidate the cash advances and fund transfers, such as but not limited to copies of served or returned demand letters*
 - b.7 *Certification by Legal Officer of the entity of no pending case relative to the account*
 - b.8 *Certification by the responsible officials of the entity to the effect that there are no records/documents available to validate claim*

xxx

- 1.2 As of December 31, 2024, the balance of the net Accounts Receivable (AR) per Statement of Financial Position amounted to ₱2,502,201.68, of this amount ₱2,990,369.90 pertains to Accounts Receivable - Customer and per AR Aging Schedule. From this amount, P 1,631,412.73 or 54.56% were classified as inactive accounts and **P281,787.09** are aged above 10 years.

Aging of Accounts Receivable as of December 31, 2024				
	Less than 10 years	Above 10 years	TOTAL	%
ACTIVE	1,358,957.04		1,358,957.04	45.44%
INACTIVE	1,349,625.67	281,787.09	1,631,412.76	54.56%
TOTAL	2,708,582.71	281,787.09	2,990,369.80	100%

- 1.3 Inquiry with the management revealed that they have yet to send demand letters to the inactive account concessionaires. They made a survey first who among the inactive accounts is already dead so that they can request a death certificate from the PSA. After these, they can already start to send demand letters to them.
- 1.4 Inclusion of these dormant accounts in the books casts doubt on the accuracy and validity of the reported accounts receivable balance amounting to P 281,787.09 as of December 31, 2024.
- 1.5 **We recommended that management:**
- 1.5.1 **Send demand letters to inactive concessionaires that have been outstanding for more than ten (10) years;**
 - 1.5.2 **Request authority from the Commission on Audit for the write-off of the District's dormant receivables; and**
 - 1.5.3 **Continuously monitor and implement strategies on how to collect the inactive accounts receivable.**

Management comment/s:

- 1.6 The Management agreed with the audit findings and assured compliance with the audit recommendations of the Audit Team.

Semi-Expandable

2. **Semi-expendable items totaling P1,457,512.84 for CY 2024, which are below the capitalization threshold of P50,000.00, were recorded as Property, Plant and Equipment (PPE) contrary to Items 4.2 and 4.3 of COA Circular No. 2022-004 dated May 31, 2022.**
- 2.1 COA Circular No. 2022-004 dated May 31, 2022, provides the guidelines relative to the increase in the capitalization threshold from P15,000.000 to P50,000.00. This change in accounting policy requires its application not only to all tangible items purchased in 2022 but also retroactively to prior years.

- 2.2 For issued tangible items acquired prior to CY 2022 with amounts from P15,000.000 to below P50,000.00 previously classified as PPE, the carrying amount shall be expensed/charged to the Retained Earnings/(Deficit) for GCs classified as Commercial Public Sector Entities. The corresponding accumulated depreciation and accumulated impairment loss shall be closed in the books of accounts.
- 2.3 Our verification of the PPE lapsing schedule disclosed that several items with costs below the new capitalization threshold of P50,000.00 are still recorded under the PPE account, aggregating P1,457,512.84 for CY 2024, respectively, as summarized in Table 1 below (see Appendix A for the detailed list):
- 2.4 *Table 1. Semi-expendable Items still carried in the PPE Account as of December 31, 2024*

Account Description	Cost	Depreciation Expense	Accumulated Depreciation	Carrying Amount
Motor Vehicle	P 247,934.72	34,607.48	226,710.08	21,224.64
Furniture and Fixtures	1,209,578.12	112,641.37	904,087.30	305,490.82
GRAND TOTAL	1,457,512.84	147,248.85	1,130,797.38	326,715.46

- 2.5 We wish to emphasize that under Section 4.2 of the said COA Circular the new capitalization threshold of P50,000.00 shall be applied for all tangible items purchased in the calendar year 2022 onwards and in the prior years. This means that the reclassification of items with costs below the new capitalization threshold of P50,000.00 shall take effect commencing the reporting period ending December 31, 2022 and for future periods.
- 2.6 Moreover, since these items are already issued in CY 2022 and prior years, these should have been charged to the Retained Earnings/ (Deficit) account and shall not be carried anymore in the PPE/semi-expendable account.
- 2.7 Per inquiry with the Senior Accounting Processor disclosed that although she is aware if the implementation of the said COA Circular. However, she said that they are still to conduct a complete physical count and reconciliation of PPE before reclassifying these items to semi-expandable.
- 2.8 The non-reclassification of these semi-expandable items resulted to the overstatement of the following accounts for CY 2024:

Affected account	Amount
PPE	P 1,457,512.84
Accumulated Depreciation	1,130,797.38
Depreciation Expense	147,248.85
Retained Earnings (RE)	473,964.31

- 2.9 We recommended that Management instruct the Senior Accounting Processor to draw an adjusting journal entry to reclassify the items below the capitalization threshold of P50,000.00 from the PPE account in accordance with Item 4.2 of COA Circular No. 2022-004 dated May 31, 2022. Below is the proposed adjusting entry as of December 31, 2024:

Account Title	Debit	Credit
Retained Earnings/Deficit	326,715.46	
Accumulated Depreciation	1,130,797.38	
Motor Vehicle		247,934.72
Furniture and Fixtures		1,209,578.12

Management comment/s:

- 2.10 The Management agreed with the audit findings and assured compliance with the audit recommendations of the Audit Team.

Unserviceable Property

3. Disposal of unserviceable/obsolete properties amounting to P2,893,827.27 was not undertaken, thereby exposing said disposable properties to the risk of further deterioration and reducing its economic value, and deprived the District of possible substantial income that may be derived from its disposal through sale or negotiation.
- 3.1 Section 79 of PD No. 1445 states that when government property has become unserviceable for any cause, or is no longer needed, it shall, upon application of the officer accountable therefore, be inspected by the head of the agency or his duly authorized representative and, if found to be valueless or unsalable, it may be destroyed in their presence. If found to be valuable, it may be sold at public auction to the highest bidder under the supervision of the proper committee on award or similar body, after advertising by printed notice in the Official Gazette, or for not less than three consecutive days in any newspaper of general circulation, or where the value of the property does not warrant the expense of publication, by notices posted for a like period in at least three public places in the locality where the property is to be sold. In the event that the public auction fails, the property may be sold at a private sale at such price as may be fixed by the same committee or body concerned and approved by the Commission.
- 3.2 Further, COA and Department of Budget and Management (DBM) Joint Circular (JC) No. 2024-1 dated January 30, 2024, on the Revised Manual on the Disposal of Government Properties provides the necessary requirements that government agencies must adhere to prior to the commencement of disposal activities. It also identifies the duties and responsibilities of accountable personnel, as well as the procedures and methods in the conduct of disposal.
- 3.3 Section 2.2 also states that systematic and timely disposal proceedings are essential to avoid further deterioration of the properties and consequent depreciation in their value. It would ensure the elimination of the continuing

storage costs of the government, relieve accountable employees from unnecessary or excess accountability, and effectively decongest government offices.

- 3.4 Verification revealed that the District did not prepare an Inventory and Inspection Report of Unserviceable Properties (IRUP). The IIRUP is a report prepared by the Supply and/or Property Unit to account for all government properties of an entity that are subject to disposal and serves as the basis for derecognizing the government properties carried in the PPE accounts. Instead, a List of Unserviceable Properties was prepared to determine the assets that were already obsolete or unserviceable.
- 3.5 Review of the List of Unserviceable Properties revealed that the District still has in its custody unserviceable properties amounting to **P2,893,827.27**, as shown in Appendix B, as follows:

PARTICULARS	ACQUISITION COST
Furniture and Fixtures	P350,270.27
Motor Vehicles	124,569.00
Tools	11,149.00
Pumping Stations	2,407,839.00
TOTAL	P <u>2,893,827.27</u>

- 3.6 Interview revealed that the District was unable to carry out any disposals because of time limitations. Further, the Property Officer disclosed that asset disposals will commence once the one-time cleaning of PPEs is completed.
- 3.7 Management must be aware that the longer the unserviceable properties remained undisposed, it is likely to deteriorate faster, thus, reducing its economic value. The prolonged storage of these properties entails additional costs and deprives the District of valuable space, which could be used for its daily operations.
- 3.8 Had the District promptly acted on the disposal of the above stated unserviceable assets, it could have realized substantial additional income from the sale of these properties, which could help fund its operational expenses.
- 3.9 **We recommended that management prepare the IIRUP and undertake the immediate disposal of the subject properties, in accordance with the Revised Manual on the Disposal of Government Properties, in order to obtain a higher economic value when offered at public auction.**

Management comment/s:

- 3.10 The Management stated during the Exit Conference that they have already created the Inventory and Disposal Committee and in fact has started the preliminary procedures but was not able to continue due to personal circumstances. The audit findings and recommendations were well noted.

Land

4. The existence, completeness, accuracy, and ownership rights of the Land account amounting to P3,245,000.00 as of December 31, 2024, could not be ascertained due to Management's failure to expedite the transfer of the titles of five (5) lots in the name of the District, contrary to Section 39 (2) of PD No. 1445, Sections 51 and 52 of Presidential Decree (PD) No. 1529, Philippine Accounting Standards (PAS) 1 and PFRS Framework.

4.1 Section 39 (2) of PD No.1445 provides that *"In the case of deeds to property purchased by any government agency, the Commission shall require a certificate of title entered in favor of the government or other evidence satisfactory to it that the title is in the government."*

4.2 Furthermore, Sections 51 and 52 of PD No. 1529 provide, among others, that:

Section 51. Conveyance and other dealings by registered owner. An owner of registered land may convey, mortgage, lease, charge or otherwise deal with the same in accordance with existing laws. He may use such forms of deeds, mortgages, leases or other voluntary instruments as are sufficient in law. But no deed, mortgage, lease, or other voluntary instrument, except a will purporting to convey or affect registered land, shall take effect as a conveyance or bind the land, but shall operate only as a contract between the parties and as evidence of authority to the Register of Deeds to make registration.

The act of registration shall be the operative act to convey or affect the land insofar as third persons are concerned, and in all cases under this Decree, the registration shall be made in the office of the Register of Deeds for the province or city where the land lies.

Section 52. Constructive notice upon registration. Every conveyance, mortgage, lease, lien, attachment, order, judgment, instrument or entry affecting registered land shall, if registered, filed or entered in the office of the Register of Deeds for the province or city where the land to which it relates lies, be constructive notice to all persons from the time of such registering, filing or entering.

- 4.3 Verification of the Schedule of Land as of December 31, 2024, disclosed that the District's thirteen (13) parcels of land with a total cost of P3,245,000.00 were not yet titled under the name of the Water District. The District only holds the Deeds of Sale and Deeds of Donation on said parcels of land as proof of ownership. The details are presented below:

Item	Description	Remarks	Unit Value
TUBOD AREA:			
Lot (Mar. 06, 2020)	Lot - Kalipay, Tubod, Lanao del Norte (A. Rodrigo) 600 sq.m.	Deed of Sale	P2,700,000.00
Pumping Station Lot (Dec. 27, 2018)	Pumping Station - Kalipay Village, Tubod, LDN (Jabagat) 134 sq.m.	Deed of Sale	335,000.00

Lot (Dec. 2019)	Lot - San Antonio, Tubod, Lanao del Norte (R. Lucot) 100 sq.m.	Deed of Sales	150,000.00
Pumping Station Lot (Jun. 12, 1994)	Pumping Station - Limot Vill., Tubod, LDN (D. Quirong) 100 sq.m.	Deed of Donation	
Pumping Station Lot (Jun 30, 2014)	Pumping Station - Pigcaragan., Tubod, LDN (V. Kilat) 16 sq.m.	Deed of Donation	
Pumping Station Lot (Jan. 17, 2015)	Pumping Station - Suan Village, Tubod, LDN (S. Monding) 100 sq.m.	Deed of Donation	
BAROY AREA:			
Pumping Station Lot (Jan. 2020)	Pumping Station -Pange, Baroy, LDN (Pange PS2-Soriano) 30 sq.m.	Deed of Sale	45,000.00
Reservoir Lot (Jun. 2, 2004)	Reservoir-Princesa, Baroy, LDN 200 sq.	Deed of Sale	15,000.00
Pumping Station Lot (Dec. 12, 2017)	Pumping Station - Sto. Nino Village, Baroy, LDN (Cabatic PS) 60 sq.m.	Deed of Donation	
Lot (Sept. 13, 2020)	Lot (Lower Sagadan, Baroy, Lanao del Norte) (Gorecho) 100sq.m.	Deed of Donation	
Pumping Station Lot (Dec. 15, 2017)	Pumping Station -Pange, Baroy, LDN (Pange PS1-Parba) 20 sq.m.	Deed of Donation	
Pumping Station Lot (Sept. 2, 2019)	Pumping Station -Bag-ong Dawis, Baroy, LDN (Lambojon PS) 33 sq.m.	Deed of Donation	
Pumping Station Lot (Sept. 13, 2020)	Pumping Station -Poblacion, Baroy, LDN (Maslog PS) 50 sq.m.	Deed of Donation	
	TOTAL		P3,245,000.00

- 4.4 Inquiry with the management disclosed that they are already taking the necessary steps for the titling of the lots owned by the District.
- 4.5 Furthermore, Land that was donated was recorded without unit value. Sec. 10 of the Government Accounting Manual (GAM) for NGAS, Volume I, states that PPE acquired through donation without condition shall be taken up at its fair value at the date it is acquired. All expenses incurred in connection with the donated asset, such as delivery and installation costs, shall be included in the amount recognized as an asset. The fair value of the PPE shall be recognized as Income from Grants and Donations.
- 4.6 The absolute ownership of the land and its land rights are established only on the basis of genuine TCTs, duly registered with the Register of Deeds, free from any lien and encumbrance. The absence of covering TCTS on these lots may pose problems due to lack of absolute ownership, such as, but not limited to, untoward action that the seller/his heirs may initiate in the future.

- 4.7 We recommended that the General Manager instruct the concerned personnel to accelerate efforts to facilitate the transfer of the titles of the aforementioned parcels of land in the name of the District to ascertain absolute ownership of the District and to protect its interest.

Management comment/s:

- 4.8 Management acknowledged the deficiencies noted and assured compliance with the audit recommendations within the year.

B. OTHER AUDIT OBSERVATION

Petty Cash Fund

5. Petty Cash Fund expenses which included payments of regular and recurring expenses are contrary to COA Circular No. 97-002 dated February 10, 1997, thereby rendering the validity of the charges doubtful.

- 5.1 COA Circular No. 97-002 dated February 10, 1997, restated the rules and regulations on the granting, utilization, and liquidation of cash advances, which include advances for petty operating expenses consisting of small payments for maintenance and operating expenses.

- 5.2 Section 4.3.1 and Section 4.3.2 of COA Circular 97-002 state that:

4.3.1 The cash advance **shall be sufficient for the recurring expenses** of the agency for one month. The AO may request replenishment of the cash advance when the disbursements reach at least 75%, or as the need requires, by submitting a replenishment voucher with all supporting documents duly summarized in a report of disbursements.

4.3.2 The cash advance **shall not be used for payment of regular expenses**, such as rentals, subscriptions, light and water and the like. ...xxx”

- 5.3 During the Cash Examination for CY 2024 and post audit of the replenishment of the petty cash fund from January 2024 to November 2024 disclosed that regular and recurring expenses were charged directly to the petty cash fund, such as:

Travelling Expenses	-	P 16,830.00
Transportation Allowance	-	8,517.70
		<u>P 25,347.70</u>

- 5.4 It can be gleaned from the above that the travelling expenses and transportation allowance of the employees were charged to the petty cash fund, which is contrary to COA Circular No. 97-002.
- 5.5 Payment of regular and recurring expenses, like travelling expenses, out of petty cash, defeats the purpose for which the fund was created and does not adhere to the provisions of COA Circular No. 97-002.

- 5.6 Petty Cash Fund should only be used for cash payment of operating expenses in small amounts, which cannot conveniently be paid in checks or which require immediate payment.
- 5.7 The charging of the per diems of the employees in the travelling expenses out of the petty cash fund rendered the validity of the charges doubtful and thereby indicative of a weak internal control, which may lead to possible abuse of the government fund.
- 5.8 **We recommended that management:**
- 5.8.1 **Instruct the Accounting Office to avoid using the Petty Cash Fund to pay for regular and recurring expenses; and**
- 5.8.2 **Pay the travelling expenses and transportation allowance of the employees through cash advances or reimbursement by checks under their names.**

Management comment/s:

- 5.9 The Management agreed with the audit findings and assured compliance with the audit recommendations of the Audit Team.

C. REMITTANCE OF GSIS, PHILHEALTH, AND PAG-IBIG PREMIUMS

6. The Water District complied with the obligation to deduct from officer's and employee's compensation the mandatory employee's contribution and the corresponding employer's share for CY 2024 and remitted the same (1) to the GSIS pursuant to Sections 5 and 6 of RA No. 8291 or the Revised Government Service Insurance Act of 1997 and (2) to the PHIC pursuant to RA No. 10606, an act amending RA No. 7875, otherwise known as the National Health Insurance Act of 1995, as amended, and for other purposes. Furthermore, the District substantially complied with the provisions of Rule VII of IRR 9670 dated July 21, 2009, and HDMF Circular No. 275 dated January 22, 2010.

D. COMPLIANCE WITH TAX LAWS, RULES AND REGULATIONS INCLUDING REMITTANCES TO BIR

7. Taxes withheld from the salaries and benefits of employees, payments for the purchase of materials and services, franchise tax and other related taxes were regularly withheld and remitted to the BIR in compliance with Revenue Regulations No. 2-98 dated April 17, 1998.

E. STATUS OF SUSPENSIONS, DISALLOWANCES AND CHARGES

8. The total audit suspension, disallowances and charges found in the audit of various transactions of the agency as of December 31, 2024 is P347,230.40, based on the Notice of Suspension (NS), Notice of Disallowance (ND), and Notice of Charge (NC) issued by the Commission, as summarized below:

Particulars	Balance, 01/01/2024	CY 2024 Issuances	CY 2024 Settlement	Balance, 12/31/2024
Suspensions	₱ 30,752.00	0.00	0.00	₱ 30,752.00
Disallowances	₱ 316,478.40	0.00	0.00	₱ 316,478.40
Charges	₱ 0.00	0.00	0.00	₱ 0.00

**PART III –
STATUS OF IMPLEMENTATION OF
PRIOR YEARS' AUDIT RECOMMENDATIONS**

Part III- STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATIONS

We made a follow-up on the action taken by the District to implement the recommendations of CY 2023, 2022, and 2021 AARs and noted the following:

Status of Implementation	No. of Recommendations	Percentage
Fully Implemented	14	77.78%
Not Implemented (For Implementation)	4	22.22%

Ref.	Audit Observation	Audit Recommendation(s)	Status of Implementation
AAR 2023 No. 1	The accuracy and valuation of the Accounts Receivable (AR) balance as appearing in the Financial Statements (FS) amounting to P4,960,767.43 as of December 31, 2023 were doubtful due to (a) improper provision of Allowance for Impairment-Accounts Receivable by P1,356,213.09, resulting to overstatement of asset and income accounts, contrary to Philippine Accounting Standards (PAS) 39 and COA Circular No. 2016-005 dated December 19, 2016 and (b) unresolved difference of P92,548.38 between the balances per FS and schedule of aging of AR contrary to Philippine Accounting Standards (PAS) 1 and PFRS Framework. Moreover, collectability of the account could not be ascertained due to non-institution of new and more effective collection strategies in violation of Section 64 of the Government Accounting and Auditing Manual (GAAM), Volume I.	We recommended that Management:	Fully Implemented
		Reconcile the difference of AR balance between the FS and the Schedule of Aging and properly record the difference thereof;	
		Review, send confirmation letters and examine all long overdue accounts receivable and prepare adjusting journal entry reflecting the appropriate Allowance for Impairment-Accounts Receivables;	Fully Implemented
		Through the Accountant, conduct regular and periodic verification, analysis, and validation of the existence of receivables;	Fully Implemented
		Set up Allowance for Impairment-Accounts Receivables based on collectability and evaluation of factors such as aging of accounts, collection experiences of the agency, expected loss experiences and identified doubtful accounts; and	Fully Implemented

		Upon identification of actual unrealizable receivables, to request for write-off of accounts abiding COA Circular 2016-005 dated December 19, 2016 specifically on items 8.2. to 8.3 in order to achieve fair presentation of financial statements.	Not Implemented The Management is in the process of compiling the necessary documents for the request of write-off
AAR 2023 No. 2	The existence, accuracy and completeness of the recorded balance of Property, Plant and Equipment (PPE) account with carrying amount of P45,846,657.55 as at December 31, 2023 could not be ascertained due to the (a) absence of Report on Physical Count of Property, Plant and Equipment (RPCPPE) for CY 2023 contrary to COA Circular No. 2020-006 dated January 31, 2020 and Section 66 of the Manual on NGAS, Volume II, (b) due to non-reclassification of tangible properties with cost below the P50,000.00 capitalization threshold contrary to COA Circular 2022-004 dated May 31, 2022, and (c) unserviceable assets amounting to P2,123,486.59 remained undisposed and are still carried out in the books, inconsistent with Section 79 of PD No. 1445, thereby misleading the users of Financial Statements on the valuation and economic benefits of the recorded properties of the District at year end.	We recommended that Management:	Fully Implemented
		Require the Inventory Committee to conduct physical count of all properties and reconcile the results of the inventory-taking with the accounting records following the guidelines and procedures provided under COA Circular No. 2020-006 dated January 31, 2020;	
		Draw the necessary adjusting entries to charge to expenses or Retained Earnings the carrying values of the tangible properties with cost below the P50,000 capitalization threshold to accurately reflect the correct balances of the PPE, Accumulated Depreciation and Retained Earnings in the FS;	Fully Implemented
		Observe the P50,000 capitalization threshold when classifying and recording tangible items as PPE in compliance with COA Circular 2022-004 dated May 31, 2022; and	Not Implemented This is reiterated in findings no. 2, Page 20, Part II of this report.
		Establish a Disposal and Appraisal Committee that will oversee and manage the disposal of unserviceable properties in compliance with existing regulations. This will prevent further deterioration and depreciation in the value of these assets.	Fully Implemented

AAR 2023 No. 3	The existence, completeness, accuracy, and ownership rights of the Land account amounting to P3,281,659.00 as of December 31, 2023, could not be ascertained due to Management's failure to expedite the transfer of the titles of five (5) lots in the name of the District, contrary to Section 39 (2) of PD No. 1445, Sections 51 and 52 of Presidential Decree (PD) No. 1529, Philippine Accounting Standards (PAS) 1 and PFRS Framework.	We recommended that the General Manager instruct the concerned personnel to accelerate efforts to facilitate the transfer of the titles of the aforementioned parcels of land in the name of the District to ascertain absolute ownership of the District and to protect its interest.	Not Implemented This is reiterated in findings no. 4, Page 24, Part II of this report.
AAR 2023 No. 4	Annual GAD Plan and Budget (GPB) and Accomplishment Report were not submitted contrary to Joint Circular No. 2012-001 of Department of Budget and Management (DBM), National Economic and Development Authority (NEDA) and Philippine Commission on Women (PCW) thereby bringing difficulty to determine whether the gender issues identified were approved by DILG/PCW and whether the gender issues had been fully addressed.	We recommended that the Management submit the GAD Plan and Budget and the Accomplishment Report within the deadline prescribed by PCW-DILG-DBM-NEDA Joint Memorandum Circular No. 2013-01 and COA Circular 2014-001 without demand.	Fully Implemented
AAR 2023 No. 5	The District was unable to prepare a comprehensive plan, provide adequate budgetary allocations and implement various projects, activities and programs concerning Disaster Risk Reduction and Management (DRRM) inconsistent with the provisions of Republic Act (RA) No. 10121 and Section 40, Volume I of General	We recommended that Management: Allocate adequate budget for DRRM programs and activities;	Fully Implemented
		Develop a DRRM Program and have a framework for disaster preparedness, response, prevention and mitigation, and rehabilitation and recovery, pursuant to RA 10121; and	Fully Implemented

	Appropriations Act of 2023 (RA 11936) thus, leaving the District incapable of being ready prior to, during and after every disaster.	Prepare and submit to the Audit Team a Disaster Risk Reduction and Management (DRRM) Plan and Budget for CY 2024.	Fully Implemented
AAR 2022 No. 5	The Non-Revenue Water (NRW) of the District is equivalent to 23.01 per cent which exceeded the 20 per cent maximum acceptable NRW prescribed by LWUA resulting to unaccounted water losses, which is not in accord with LWUA Memorandum Circular No. 014-10 dated December 2, 2010 and LWUA Resolution No. 444 series of 2009, hence, resulting in monetary loss of P400,128.96 to the District.	Conduct regular performance audit on all its water meters (i.e. flow meters and service meters) and pipes to be able to detect and replace all those that are defective and prepare a report for easier monitoring; and	Fully Implemented
		Ensure that the NRW level is reduced and shall not exceed the 20 per cent maximum acceptable performance level set by LWUA.	Not Implemented
AAR 2021 No. 3	The Water District was not able to complete procedures enumerated in COA Circular No. 2020-006 for the one-time cleansing of its Property, Plant and Equipment account balance in the amount of P36,603,101.36 that adversely affected the assets' verifiability as to existence, condition, and accountability.	We recommended that management: Immediately act and comply with the guidelines and procedures set forth by COA Circular No. 2020-006 on inventory taking, recognition of those found at the station, and disposition for non-existing/missing PPE items for the one-time cleansing of PPE accounts to establish its balances.	Fully Implemented
		If possible, hire an employee to assist in the performance of the inventory-taking, bookkeeping, and accounting for the immediate implementation of the physical count.	Fully Implemented

PART IV – APPENDICES

Appendix "A"

Tubod-Baroy Water District
Tubod, Lanao del Norte
List of Semi-Expendable Items still carried in the PPE Account
As of December 31, 2024

Asset Description	Date Acquired	Description	Acquisition Cost	Depreciation Expense for CY 2024	Accumulated Depreciation	Carrying Amount
MOTOR VEHICLE						
Mitsubishi engine	Jun. 12, 2007	VR6/ 2007	12,316.00	-	12,316.00	-
L300	December 1, 2018	Gen Repair (L300)	41,808.79	5,674.05	36,134.92	5,673.87
L300	June 1, 2020	Tires L300	15,279.60	2,073.66	9,058.86	6,220.74
Honda-TMX -side car	September 1, 2016	P.O.#16-09-100	33,000.00	4,242.86	32,999.88	0.12
Honda-TMX-side car	February 1, 2018	JV18.02.049	36,458.33	4,947.92	31,923.01	4,535.32
Honda-TMX -side car	October 1, 2018	JV18.10.313	36,842.00	4,999.99	32,259.01	4,582.99
Suzuki Thunder	November 1, 2021	plate SH9422	30,000.00	-	30,000.00	-
gen repair (L300 SHE253)	November 1, 2021		42,230.00	12,669.00	42,018.40	211.60
Subtotal			247,934.72	34,607.48	226,710.08	21,224.64
FURNITURE AND FIXTURES						
P.C. ADC crt	Mar.2003		29,705.00	-	29,705.00	-
CONDORA aircon & refrigetator(20,736.00 + 11,112)	June 1, 2003	Quality App	31,848.00	-	31,848.00	-
2.0 HP Aircon	Nov.2005		31,638.00	-	31,638.00	-
new pc-billing/teller 1	October 1, 2010		24,240.00	-	24,240.00	-
fusing ruler	February 1, 2011		7,636.16	-	7,636.16	-
billing printer	May 1, 2011		29,990.00	-	29,990.00	-
paper cutter	May 1, 2011		1,450.00	-	1,450.00	-
printer/UPS	October 1, 2011		13,185.00	-	13,185.00	-
Printer (Epson ME340)	June 1, 2012		3,395.00	-	3,395.00	-

white arm chairs(6pc)	July 1, 2012		3,588.00	-	3,588.00	-
1set PC-billing	January 1, 2013	VR1/2013	23,900.00	-	23,900.00	-
printer billing LX100	May 1, 2014		9,830.00	-	9,830.00	-
RADIO	November 1, 2014		24,830.48	-	24,830.48	-
pc set (admin/chokoy)	February 1, 2015		18,062.00	-	18,062.00	-
BIOMETRIC	February 1, 2015		15,000.00	-	15,000.00	-
'-fuse&imging	August 6, 2019	copylandia	32,728.00	2,945.52	16,527.64	16,200.36
CCTV	June 1, 2015		26,367.00	2,373.00	25,180.20	1,186.80
Epson L120(Actng)	July 1, 2015		5,198.00	-	5,198.00	-
Table Tennis Board/Racket	August 1, 2015		4,481.50	-	4,481.50	-
UPS heavy duty	November 1, 2015		7,440.00	-	7,440.00	-
Stockroom Cabinet	February 1, 2016		7,775.00	699.75	6,783.69	991.31
Aircon Carrier	March 1, 2016		25,250.00	-	25,250.00	-
Customer Bench (3)	March 1, 2016		7,895.00	710.55	6,888.39	1,006.61
GM table&BOD Chairs	March 1, 2016		37,381.76	-	37,381.76	-
HP Laptop-BAC	July 1, 2016		23,990.00	-	23,990.00	-
Radio (Kenwood) 2pc	July 1, 2016		13,800.00	-	13,800.00	-
Loud Speaker "trumpa"	August 1, 2016		8,080.00	-	8,080.00	-
2 PRINTER/1 UPS	August 1, 2016		12,555.70	-	12,555.70	-
Swivel Chairs 8pcs	March 1, 2017	9PC	7,200.00	-	7,200.00	-
5 units Cellphones (Samsung SMb350E)	June 1, 2017		9,085.00	-	9,085.00	-
Bar Chair for Teller (2pc)	Oct.-17		7,506.00	-	7,506.00	-
4 units UPS	VR11/2018	Intex	15,920.00	-	15,920.00	-
Storage Garage Fence	jv18.12.400	Steel/Office Agora	22,640.00	1,433.88	9,854.77	12,785.23
4 pcHeavy DutyUPS	jv18.12.401	XD wondertech	35,200.00	-	35,200.00	-
Office Tables (4);Chairs(3)	JV18.12.425	Happy Time	13,736.00	-	13,736.00	-
Office Tables (2)	JV18.12.426	Happy Time	6,118.20	-	6,118.20	-
L3110 printer	February 1, 2019	XD wondertech	7,995.00	1,519.08	7,235.61	759.39

Aluminum rack & lavatory	March 1, 2019		7,790.00	1,480.08	6,309.82	1,480.18
BOD chair	June 1, 2019	Savemore	5,994.00	1,138.86	5,424.84	569.16
1.5 HP A/C	July 1, 2019	Emcor	33,000.00	4,478.57	21,803.34	11,196.66
ID Laminator	September 12, 2019	xandrtch	4,950.00	671.79	3,270.42	1,679.58
ID Cutter	September 12, 2019	xandrtch	3,150.00	598.50	1,440.18	1,709.82
1 set PC billing (SERVER)	September 19, 2019	XD wondertech	36,880.00	8,759.00	24,367.40	12,512.60
office Table (BOD)	October 15, 2019	ACE Hrdwre	1,999.80	271.40	1,321.47	678.33
Projector	October 25, 2019	XD wondertech	20,990.00	2,848.64	13,868.56	7,121.44
cpu-Acctng	October 28, 2019	Intrpace	20,017.85	2,716.71	13,225.95	6,791.90
UPS/PC Casing	November 17, 2019	UPS 4	3,980.00	540.14	2,629.54	1,350.46
1 pc laptop adj	December 1, 2019		38,880.00	5,276.57	23,050.29	15,829.71
1 unit 22" LED Monitor & Comp. Acc.	January 1, 2020	View Sonic	10,282.87	1,395.53	6,096.27	4,186.60
1 unit epson printer (11,462.01)	January 1, 2020		12,110.80	1,643.61	7,444.12	4,666.68
stockroom cabinet	February 1, 2020		9,500.00	1,289.29	5,632.14	3,867.86
cashier's cubicle	February 1, 2020		22,042.00	2,991.41	13,067.76	8,974.24
Canopy	March 1, 2020		9,500.00	1,289.29	5,632.14	3,867.86
plastic storage box	June 1, 2020		4,000.00	542.86	2,371.43	1,628.57
Swivel Chair	July 1, 2020		6,890.00	935.07	4,084.79	2,805.21
Money Bill Counter	July 1, 2020		7,517.00	1,020.16	4,456.51	3,060.49
Printer	August 1, 2020	Epson FX 2175	27,387.60	3,716.89	16,236.93	11,150.67
Binding machine	February 1, 2021		2,679.00	509.01	1,661.07	1,017.93
adding machine(casio)	April 1, 2021	casio	10,732.00	2,039.08	6,653.72	4,078.28
Brother Printer (acctg)	April 1, 2021	DCP- T720DW	11,950.00	2,270.50	7,409.06	4,540.94
Epson Printer (teller 2)	September 1, 2021	LQ-310	12,744.40	2,421.44	7,901.66	4,842.74
Computer CPU(teller 2)	October 1, 2021		23,900.00	4,541.00	14,818.12	9,081.88
20" ACER Monitor (cashier)	October 21, 2021	Acer	4,995.00	249.75	3,096.99	1,898.01
HP Laptop (eng'g)	March 1, 2022	RYZEN	39,950.00	7,590.50	17,178.50	22,771.50
APC UPS SN 9B2136A27295	March 1, 2022		9,890.00	1,879.10	4,252.70	5,637.30
APC UPS SN 9B2136A27299	March 22, 2022		9,890.00	1,879.10	4,252.70	5,637.30

2 units adding machine w/ power adaptor	March 1, 2022	DR 21-OR	10,732.00	2,039.08	4,614.76	6,117.24
1 unit desktop monitor & CPU w/ accessories	July 1, 2022	intel core i5	29,400.00	5,586.00	12,642.00	16,758.00
1 unit CPU Boston intel i5 intel core	July 22, 2022	intel core i5	24,900.00	4,731.00	10,707.00	14,193.00
1 unit intercom for GM	October 1, 2022		9,200.00	1,748.00	3,956.00	5,244.00
5 pcs Korean Office blinds	October 1, 2022		44,240.00	8,405.60	19,023.20	25,216.80
3 units printer acctg/cashier/supply	November 22, 2022	Epson L3210	34,074.00	6,474.06	14,651.82	19,422.18
4 units kenwood handheld radio	November 22, 2022	TK 2000	36,800.00	6,992.00	15,824.00	20,976.00
TOTAL			1,209,578.12	112,641.37	904,087.30	305,490.82
GRAND TOTAL			1,457,512.84	147,248.85	1,130,797.38	326,715.46

Appendix "B"

**LIST OF UNSERVICEABLE PROPERTIES
CY 2024**

FURNITURES AND FIXTURES

date acquired	Particulars	qty	unit cost	total cost
Mar. 2003	AOC Computer Desktop Set	1 set	29,705.00	29,705.00
Jun. 2003	1 unit Condura Ref. 3cubic and Condura Window Type Aircon	1 unit	31,848.00	31,848.00
Nov. 2005	Condura Aircon	1 unit	31,638.00	31,638.00
Jan. 29 2007	UPS (Apollo/White)	1 unit	2,689.93	2,689.93
Jan. 29 2008	HP Computer Monitor Compaq	1 unit	5,985.00	5,985.00
Jun. 05, 2007	CPU Power Supply	1 pc	1,155.00	1,155.00
Aug. 2007	Calcu casio	1 pc	650.00	650.00
Oct. 2010	CPU unit	1 unit	24,240.00	24,240.00
Feb. 2011	Photocopier Fusing ruler assembly	1 assem.	7,636.16	7,636.16
May. 2011	Paper Cutter (Brown)	1 pc	1,450.00	1,450.00
May. 2011	Epson FX 2175 Ribbon Printer	1 unit	29,990.00	29,990.00
Oct. 2011	Ribbon Printer (Epson LX300+II/SN: G8NY205325) & APC UPS	1 set	13,185.00	13,185.00
Jun. 2012	Printer Epson ME340	1 unit	3,395.00	3,395.00
May. 2014	Epson Ribbon Printer LX-310 (Billing section) (SN:Q7CY032119)	1 unit	9,830.00	9,830.00
Nov. 2014	Cignus Handheld Radios UV-85 Dual Band 1.)SN:201208625160/20128625168/201286225170/ 201286225178/ 201286249989/20128625191/ 20128625194	7 units	3,547.21	24,830.48
Jun. 2015	CCTV set (cube)	1 set	26,367.00	26,367.00
Nov. 2015	UPS Heavy Duty Accu Power line	1 unit	7,440.00	7,440.00
Jul. 2016	Kenwood Handheld Radio (SN:B6503414/SN:B6503415)	1 unit	6,900.00	13,800.00
Aug. 2016	2 Printers (2 units Epson L120/SNs:TP3K283926 & TP3K743281) & 1 unit APC 500 UPS	1 set	12,555.70	12,555.70
Nov. 2018	APC UPS	4 pc	8,800.00	35,200.00
Nov. 2018	Intex UPS (SN:01783060161900772/(SN:21017830601753000001/SN:21017830601753000003/SN:21017830601753000002)	4 pc	3,980.00	15,920.00
Nov. 2019	UPS and CPU Casing	1 set	3,980.00	3,980.00
Jul. 2020	Executive Chair (Black-C576)	1 pc	6,890.00	6,890.00
Mar. 2022	APC UPS (SN:9B2136A27299)	1 pc	9,890.00	9,890.00
TOTAL				350,270.27

MOTOR VEHICLES				
Mitsubishi Multicab Vehicle (Jun. 2007)	Mitsubishi Multicab with Plate No. SFP-472	1 unit	124,569.00	124,569.00
TOTAL				124,569.00
TOOLS				
Jun. 2019	4" Makita Angle Grinder (SN:728027Z)	1 pc	3,925.00	3,925.00
Jun. 2019	Bosh Aquatak Pressure car washer	1pc	7,224.00	7,224.00
TOTAL				11,149.00
PUMPING STATIONS				
PANGE 1 PUMPING STATION				
Jun. 2016	2" Flow meter (evjet)	1 pc	17,999.00	17,999.00
Jan. 2018	LMI-Milton Roy Chlorinator (Model: P+055-728NI/SN:110850251)	1 unit	29,000.00	29,000.00
Jun. 2018	LMI-Milton Roy Chlorinator (Model: P+055-728NI/SN:110850249)	1 unit	29,000.00	29,000.00
Jan. 2020	5HP Franklin Sub. Motor	1 unit	28,549.00	28,549.00
Jan. 2020	5HP Franklin control box (SN:14L19-06-00208B)	1 pc	10,696.00	10,696.00
PANGE 2 PUMPING STATION				
Jan. 2020	Prominent BEta4 Chlorinator unit (SN:2019173049) & Injector Kit	1 set	44,650.00	44,650.00
BAG-ONG DAWIS PUMPING STATION				
Jan. 2020	5HP Franklin Sub. Motor (SN:18M14-20-00373C)	1 unit	74,777.00	74,777.00
May. 2020	5HP Dynaflo sub. Pump (SN:T2200015099-0700)	1 unit	30,000.00	30,000.00
Jul. 2020	Blackstone Chlorinator unit (SN:04470023101)	1 pc	37,000.00	37,000.00
STO. NIÑO VILLAGE PUMPING STATION				
Aug. 2012	Sub. Pump and motor ser	1 set	197,417.00	197,417.00
Dec. 2015	LMI-Milton Roy Chlorinator (Model: P+055-728NI/SN:161181665)	1 unit	29,000.00	29,000.00
Jul. 2016	4" Flow meter (ARAD:16-100089635)	1 pc	17,999.00	17,999.00
Jun. 2017	LMI-Milton Roy Chlorinator (Model: P+055-728NI/SN:08052582348-5)	1 unit	26,152.00	26,152.00
Jul. 2017	30HP Sub. Pump and Motor	1 set	161,510.00	161,510.00
Jan. 2022	Blackstone chlorinator (SN:007040030101)	1 pc	37,000.00	37,000.00
LOWER SAGADAN PUMPING SATION				
May. 2018	LMI-Milton Roy Chlorinator (Model: P+055-728NI/SN:08052582348-9)	1 unit	29,000.00	29,000.00
MASLOG PS 1				
May. 2020	5HP Pump and Motor	1 set	177,737.00	177,737.00
MASLOG PS 2				
Feb. 2021	4" Arad Flowmeter	1 pc	65,610.00	65,610.00

	LIMOT VILLAGE PUMPING STATION			
Jun. 2004	30HP Franklin Sub. Motor SN:18E19-09-00194A 3Phase & 30HP Dynaflo Sub.Pump Model:A14B60007/Type: SP60-07)	1 set	218,133.00	218,133.00
Aug. 2012	LMI-Milton Roy Chlorinator (Model: P+055-728NI/SN:N110850250)	1 unit	76,624.00	76,624.00
Jun. 2016	LMI-Milton Roy Chlorinator (Model: P+055-728NI/SN:161181660)	1 unit	29,000.00	29,000.00
Mar. 2017	4" Flowmeter Arad:1600089637)	1pc	65,610.00	65,610.00
Jul. 2020	Blackstone Chlorinator (SN:04470047101) w/ B/W Liquid Control	1 set	40,333.50	40,333.50
Jul. 2023	Blackstone Chlorinator (SN:07100001111)	1pc	37,000.00	37,000.00
	SUAN VILLAGE PUMPING STATION			
Mar. 2017	4" Flowmeter Arad:20-100005201)	1pc	65,610.00	65,610.00
Mar. 2018	LMI-Milton Roy Chlorinator (Model: P+055-728NI/SN:161181687)	1 unit	29,000.00	29,000.00
Apr. 2018	20HPFranklin Sub. Motor (SN:15G19-16-06157A/Model:2366049020) and 20HP Dynaflo Sub. Pump (Model: DP46-6)	1 set	179,547.00	179,547.00
Jun. 2020	Chlorinator Blackstone (SN:042600065101) w/ B/W Liquid Level Control (Ametek)	1 set	40,333.50	40,333.50
Jun. 2021	Blackstone Chlorinator (SN#05270053101)	1 unit	37,000.00	37,000.00
	PIGCARANGAN 1 PUMPING STATION			
Dec. 2015	3HP Dynaflo Sub. Pump and Franklin Sub. Motor (SN:11M14-13-01910c)	1 set	92,515.00	92,515.00
Aug. 2017	5HP Franklin Motor (SN:15A14-05-00140C)	1 unit	72,999.00	72,999.00
Jan. 2020	Blackstone Chlorinator	1pc	37,000.00	37,000.00
Apr. 2020	5HP Goulds Pump (RD93933GS19-07/Model:65GS50)	1 unit	42,299.00	42,299.00
Jun. 2020	5HP Franklin Sub. Motor (SN:19B14-15-00966C)	1 unit	60,438.00	60,438.00
Dec. 2020	2HP Goulds Sub. Pump (Model:25GS20)	1 unit	28,260.00	28,260.00
Dec. 2020	2HP Franklin Motor (SN:12A14-20-0133AC)	1 unit	30,131.00	30,131.00
Dec. 2023	5HP Sub. Motor (SN:22D14-26-01102C)	1 unit	76,833.00	76,833.00
Dec. 2023	2HP Control Box	1 pc	8,639.00	8,639.00
	KALIPAY VILLAGE PUMPING STATION			
Jun. 2020	5HP Franklin Sub. Motor (SN:19B14-15-00966C)	1pc	60,438.00	60,438.00
Apr. 2021	Blackstone Chlorinator	1 pc	37,000.00	37,000.00
TOTAL				2,407,839.00
GRAND TOTAL				2,893,827.27