

Libmanan Water District
Libmanan, Camarines Sur

CONDENSED BALANCE SHEET
December 31, 2005
(With Comparative Data from 2004)

ASSETS		2005	2004
CURRENT ASSETS			
Cash and Cash Equivalents	Note 2	1,599,114.25	617,578.28
Trade and Other Receivables-Net	Note 3	604,445.95	180,648.85
Inventories	Note 4	10,173.90	43,094.10
Prepayments	Note 5	500.00	
Total Current Assets		<u>2,214,234.10</u>	<u>841,321.23</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment-net	Note 6	5,309,530.74	789,740.43
Total Non-Current Asset		<u>5,309,530.74</u>	<u>789,740.43</u>
TOTAL ASSETS		<u><u>7,523,764.84</u></u>	<u><u>1,631,061.66</u></u>
LIABILITIES AND EQUITY			
Current Liabilities			
Payable Accounts		2,986.95	112,551.95
Inter-Agency Payables		22,086.72	12,196.28
Other Liability Accounts		26,639.60	5,460.00
Total Current Liabilities	Note 7	<u>51,713.27</u>	<u>130,208.23</u>
Non-Current Liabilities			
Loans Payable-Domestic-Long Term Debt	Note 8	5,575,706.18	
Other Long Term Liabilities	Note 9	1,249,497.83	1,099,497.83
Total Non-current Liabilities		<u>6,825,204.01</u>	<u>1,099,497.83</u>
TOTAL LIABILITIES		<u><u>6,876,917.28</u></u>	<u><u>1,229,706.06</u></u>
EQUITY			
Retained Earnings, Beginning		312,236.99	
Net Income		334,610.57	401,355.60
Retained Earnings, End	Note 14	<u>646,847.56</u>	<u>401,355.60</u>
Total Equity		<u><u>646,847.56</u></u>	<u><u>401,355.60</u></u>
TOTAL LIABILITIES & EQUITY		<u><u>7,523,764.84</u></u>	<u><u>1,631,061.66</u></u>

(See accompanying Notes to Financial Statements)

LIBMANAN WATER DISTRICT
Libmanan, Camarines Sur

CONDENSED STATEMENT OF INCOME AND EXPENSES
For the Year Ended December 31, 2005

		2005
INCOME		
Business Income		
Income from Waterworks System		1,051,056.33
Rent Income		65,000.00
Other Business Income		78,166.50
Fines and Penalties		50,657.47
Total Business Income	Note 11	<u>1,244,880.30</u>
Less: Expenses		
Personal Services	Note 12	455,095.00
Maintenance and Other Operating Expenses	Note 13	204,557.75
Non-Cash Expenses	Note 14	274,880.64
Financial Expenses	Note 15	955.50
TOTAL EXPENSES		<u>935,488.89</u>
Income(Loss) from Operation		<u>309,391.41</u>
Add(Deduct) Other General Income		
Other General Income		14,179.16
Miscellaneous Income		11,040.00
Total Other General Income	Note 16	<u>25,219.16</u>
Net Income		<u><u>334,610.57</u></u>

(See Accompanying Notes to Financial Statements)

Libmanan Water District
Libmanan Water District

STATEMENT OF CHANGES IN EQUITY
For the Year Ended December 31, 2005

	Gov't Equity	Retained Earnings	Total
Balances per Book 1/1/05		<u>(3,496.95)</u>	<u>(3,496.95)</u>
Prior years Adjustment:			
Adjustment to Other Receivables		43,600.00	43,600.00
Adjustment to Accounts Receivables		7,676.50	7,676.50
Adjustment to Other Paid In Capital		453,870.00	453,870.00
Total Additions		<u>505,146.50</u>	<u>505,146.50</u>
Adjustment to Accumulated Depreciation		(189,412.56)	(189,412.56)
Total Deductions		<u>(189,412.56)</u>	<u>(189,412.56)</u>
Sub total		<u>312,236.99</u>	<u>312,236.99</u>
Add: Net Income		334,610.57	334,610.57
Audited Balances 12/31/05		<u>646,847.56</u>	<u>646,847.56</u>

(See Accompanying Notes to Financial Statements)

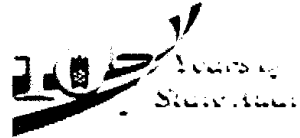
LIBMANAN WATER DISTRICT
Libmanan, Camarines Sur
CASH FLOW STATEMENT
For the Period Ended December 31, 2005

	Amount
Cash Provided from Operating Activities	
Cash Inflows:	
Collection of Receivables	728,715.70
Receipt of Water meter Renta	11,050.00
Collection of Customers' Deposits	5,950.00
Collection of Other Receivable	116,769.00
Interest on Bank Deposits	14,179.16
Other sources	11,040.00
Total Cash Inflows	<u>887,703.86</u>
Cash Outflow	
Payment of Personal Services	455,095.00
Payment of Operating and Maintenance Expenses	127,379.39
Payment of Payables	112,551.95
Payment of Materials & supplies Inventory	91,562.00
Payment to BIR	5,655.22
Total Cash Outflow	<u>792,243.56</u>
Total Cash provided(Used)by Operating Activities	<u>95,460.30</u>
Cash Provided from Investing Activities	
Cash Outflow	
Purchase of Property Plant & Equipment	135,139.05
Payment for Construction In Progress-Agency Asset	1,487,905.28
Total Cash Outflow	<u>1,623,044.33</u>
Total Cash Provided(Used) By Investing Activities	<u>(1,623,044.33)</u>
Cash provided from Financing Activities	
Cash Inflow	
Release of Loan	2,359,120.00
In lieu share from LGU	150,000.00
Total Cash Inflow	<u>2,509,120.00</u>
Total Cash Provided (Used) By Financing Activities	<u>2,509,120.00</u>
Cash Provided by Operating, Investing and Financing Activities	<u>981,535.97</u>
Add: Cash and Cash Equivalent, Beginning	<u>617,578.28</u>
Cash & Cash Equivalent, Ending	<u><u>1,599,114.25</u></u>
Breakdown:	
Cash-Collecting Officer	1,798.22
Cash In Bank-Local Currency, Current Account	1,590,679.53
Petty Cash Fund	6,636.50
Total Cash & Cash Equivalent	<u><u>1,599,114.25</u></u>

(See Accompanying Notes to Financial Statement)



Republic of the Philippines
COMMISSION ON AUDIT
Corporate Government Sector
Cluster III – Public Utilities
Regional Office No. V
Rawis, Legazpi City



AUDIT CERTIFICATE

THE BOARD OF DIRECTORS

Libmanan Water District
Libmanan, Camarines Sur

We have audited the accompanying Balance Sheet of Libmanan Water District, Libmanan, Camarines Sur as of December 31, 2005 and the related Statements of Income and Expenses and Cash Flows for the year then ended. These financial statements are the responsibility of the Libmanan Water District's management. Our responsibility is to express an opinion on these financial statements based on our audit.


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

As presented in our Comments and Observations, there was an understatement of Accounts Receivable by P101,216.03. Other Receivable was understated by P76,986.50. Property Plant & Equipment Account was understated by P89,188.70. Accumulated Depreciation and Depreciation Expenses were understated in the amount of P323,714.20 and P134,301.64, respectively. Government Equity account balance of P1,249,497.93 had to be reclassified to Due to LGU-Libmanan. Other Paid-In Capital with a balance of P550,710.00 was not among the accounts under NGAS.

In our opinion, except for the effects of any adjustment of the foregoing, the financial statements referred to above presents fairly, in all material respects, the financial position of Libmanan Water District as of December 31, 2005 and the results of its operation and its cash flows for the year then ended in conformity with applicable generally accepted accounting principles.

COMMISSION ON AUDIT

By:



LOURDES G. CRIBE
Regional Cluster Director

December 14, 2006