

MANOLO FORTICH WATER DISTRICT

Notes to Financial Statements
Calendar Year 2014

Note 1. The Utility Plant in Service (UPIS) account is recorded at acquisition cost less accumulated depreciation. Straight line method of accounting over the estimated life of assets is being adopted in the computation of depreciation. The following composed the Utility Plant in Service account as of the balance sheet date:

Utility Plant in Service	Acquisition Cost	Accum. Deprn.	Net Book Value
Land	P 1,329,354.82		1,329,354.82
Lake, River and Other Intakes	1,213,544.23	864,729.38	348,814.85
Wells	1,777,585.58	662,867.91	1,114,717.67
Power Production Equipment	3,645,399.52	2,251,119.69	1,394,279.83
Pumping Equipment	12,119,007.23	5,917,186.06	6,201,821.17
Water Treatment Equipment	1,467,080.50	1,183,158.57	283,921.93
Reservoirs and Tanks	9,957,485.09	2,564,575.50	7,392,909.59
Transmission and Distribution Mains	86,705,639.05	29,886,037.41	56,819,601.64
Hydrants	182,114.15	161,899.38	20,214.77
Pumping Plant Structures and Improvements	4,897,270.58	1,829,601.85	3,067,668.73
Water Treatment Structures and Improvements	164,329.86	43,754.25	120,575.61
Administrative Structures and Improvements	173,200.57	63,696.11	109,504.46
Office Equipment	673,060.00	403,706.98	269,353.02
IT Equipment	1,345,661.65	981,531.71	364,129.94
Land Transportation Equipment	5,187,111.23	2,343,906.54	2,843,204.69
Communications Equipment	80,130.00	72,117.00	8,013.00
Tools, Shops and Garage Equipment	626,978.10	420,861.51	206,116.59
Furnitures and Fixtures	214,770.90	145,626.18	69,144.72
Total Utility Plant Accounts	131,759,723.06	49,796,376.03	81,963,347.03
Leasehold Improvement	2,250,000.00	919,687.50	1,330,312.50
Total Utility Plant in Service	134,009,723.06	50,716,063.53	83,293,659.53
Construction Work in Proress	2,669,732.79		2,669,732.79
Total	P 136,679,455.85	50,716,063.53	85,963,392.32

Note 2. Cash and cash equivalents
This account consists of the following

Cash in Bank deposited without restriction to be used in the operations of the water district, cash on hand and working fund in the possession of the district cashier, composed of the following:

Cash on Hand	199,254.84
Change Fund	2,000.00
Working Fund	10,000.00
Cash in Bank:	
PPSB Account No. 100120-02277-0	228,705.07
PPSB Account No. 100120-03104-4	1,001,895.07
DBP Account No.	2,000,000.00
PPSB Account No. 100120-02020-4	4,474,332.86
PPSB Account No. 100120-02233-9	105,832.32
PPSB Account No. 100120-02501-0	2,468,540.37
Total	10,490,560.53

Joint Savings Account with LWUA - P 2,468,540.37

The account represents the monthly deposits to guarantee payment of loans with LWUA. It cannot be withdrawn by the district without the consent of LWUA. Instead of the required monthly deposits of 3% of gross billing for the amount of water sales, the MFWD only deposits when there is availability of funds.

Note 3. Accounts Receivable - Customers account has the following composition:

Customers	3,428,062.68
Allowance for Bad Debts	(414,506.85)
Advances to Officers and Employees	-
Total	3,013,555.83

Note 4. Accounts Receivable - Others account has the following composition:

Accounts Receivables - Others(former GM)	124,759.91
Accounts Receivables - Others (Materials)	115,910.55
Total	240,670.46

Note 5. Operating Revenues

This consist of the following:

Metered Sales	46,013,755.78
Miscellaneous revenue	758,372.09
Penalty charges	903,847.48
Total	47,675,975.35

Note 6. Operating Expenses

Salaries and Wages Regular/Casual	5,591,360.15
Salaries and Wages Job Order	1,768,322.04
PERA	178,000.00
ADCOM	534,000.00
Representation Allowance	162,000.00
Transportation Allowance	162,000.00
Clothing and Uniform Allowance	155,000.00
Honoraria(Directors' Fees and Renumeration)	443,940.00
Year-End Bonus	604,772.00
Other Bonuses and Allowances	891,000.00
Life and Retirement Insurance Contributions/GSIS	665,961.60
PAG-IBIG Contributions	111,632.60
PHILHEALTH Contributions	88,987.50
ECC Contributions/GSIS	35,900.00
Vacation and Sick Leave Benefits	472,114.07
Overtime and Holiday Pay	27,145.00
Total Personal Services	11,892,134.96
Other operations Expenses	
Office Supplies Expense	279,324.14
Fuel, Oil and Lubricants Expenses	838,814.34
Travel Expenses	544,754.41
Training and Scholarship Expenses	490,544.61
Water	6,459.70
Electricity	166,098.44
Postage and Deliveries	7,451.85
Telephone Expenses- Landline	18,714.22
Telephone Expenses- Mobile	49,262.43
Internet Expenses	10,730.19
Cable, Satellite, Telegraph and Radio Expenses	5,400.00
Advertising, Promotional and Marketing Expenses	8,678.00
Taxes, Duties and Licenses	953,806.05
Franchise and Regulatory Requirements Expenses	105,631.03
Insurance Premiums	58,580.06
Representation Expenses	524,596.24
Rent/ Lease Expenses	
Power/Fuel Purchased for Pumping	13,207,985.63
Chemical, Feltering and Laboratory Supplies Exp.	1,102,570.50
Miscellaneous Customer Accounts Exp.	
Extraordinary and Miscellaneous Expenses	289,018.91
Membership Dues and Cont. to Organizations	26,000.25
Legal Services	158,128.75
Auditing Services	240,000.00
Total Other operations Expenses	19,092,549.75

Note 9. Maintenance Expenses

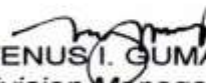
Repairs and Maintenance - Springs and Tunnels	267,600.00
Repairs and Maintenance - Power Production Equipment	18,153.98
Repairs and Maintenance - Pumping Equipment	255,216.33
Repairs and Maintenance - Water Treatment Equip.	242,000.00
Repairs and Maintenance - Bldgs. & Other Struct.	210,977.10
Repairs and Maintenance - Reservoir and Tanks	53,064.00
Repairs and Maintenance - Office Equipment	91,668.18
Repairs and Maintenance - Transmission & Dist. Mains	2,951,336.99
Repairs and Maintenance - Land Transport Equip't	228,056.88
Repairs and Maintenance - Services	159,733.48
Repairs and Maintenance - Meters	142,045.23
Total Maintenance Expenses	4,619,852.17

Prepared by:



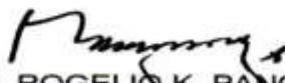
WILLIAM N. PAILAGAO
Corporate Budget Analyst B

Checked by:



VENUS I. GUMALING
Division Manager C

Noted:



ENGR. ROGELIO K. PANGAN
General Manager