



CLAVERIA WATER DISTRICT
#69 Provincial Road, Centro 2, Claveria, Cagayan
Claveria Water District, Cagayan Valley
claveriawater_district@yahoo.com

ANNUAL REPORT

FY 2021

VISION

“Envisioned to provide an abundant supply of potable water in every household of the town of Claveria”

MISSION

“To bring an abundant supply of Water to as many Claverianos as possible and ensuring adequacy and safety of the water provided”

GOALS and OBJECTIVES

The Claveria Water Districts aims to be able to establish a water system that is not viable but progressive and responsive to the needs of its present concessionaires and the growing population of Claveria.



CLAVERIA (CAG) WATER DISTRICT
No 69 Provincial Road, Centro 02, Claveria, Cagayan
Tel. No. (078) 395-01-83
claveriawater_district@yahoo.com

1. Introduction

Claveria Water District was created on April 21, 1982, thru a public hearing under the Administration of the late Mayor Placido Leano. The Water District started its operation on September 1, 1982 with 100 concessionaires, where its operation is governed by PD 198, otherwise known as "Provincial Water Utilities Act of 1973", as amended under Presidential Decree Nos. 768 and 1479. The decree authorized the formation of Local Water Districts and provided for their government and administration such powers are necessary to optimize public for their service utility operations and for other purpose. Currently, it is serving twelve (12) Barangays of the Municipality of Claveria, Cagayan with 2,032 active concessionaires.

Since 1992, by virtue of the Supreme Court en banc decision, G.R. No. 95237 (Davao City Water District, et al. vs. CSC et al.), Water Districts were declared Government Owned and/or Controlled Corporations (GOCCs) with original charter and as such under the jurisdiction of the public respondents Civil Service Commission and Commission on Audit.

The District's primary objective is to supply potable water, which will meet the domestic demand through the creation, operation, maintenance and expansion of reliable and economically viable and sound water supply within the Municipality of Claveria.

In 1992, the District is categorized as small water district, and re-categorized as average water district last April 2008. At present, the district is classified as Category D, with eleven (11) permanent employees under the leadership of the General Manager. The Water District is managed trough policies, formulated by its Board of Directors, in accordance with the regulations imposed by the Local Water Utilities Administration, national government and other regulatory bodies.

It is worth mentioning that the District has been a recipient of Most Outstanding Water District under small category for three (3) consecutive years, starting 2002 to 2004, and again for the years 2006 and 2007. In 2010, the District has been a nominee for outstanding water district under average water district category. In year 2018, the District is again a recipient of Most Outstanding Water District Award (Luzon- Category D) and Most Outstanding Water District Award (National Level- Category D). Last year, the District has been nominated by the Commission on Audit as one of the Outstanding Accounting Offices.

2. Organizational Set-up, Names and Designations of Key Officials

- | | | |
|------------------------------|---|---------------------------------------|
| a. Guillerma I. Martin, MBA | - | General Manager D |
| b. Dessa May V. Viloria | - | Accounting Processor A |
| c. Leticia V. Daquigan | - | Customer Service Assistant D |
| d. Dremio A. Cadang | - | Welder A |
| e. Romeo R. Valdez | - | Driver Mechanic B |
| f. Stanley Lyell E. Veracion | - | Administrative Services Aide |
| g. Domingo L. Ramos | - | Utility Worker A |
| h. Harold G. Somera | - | Water Resources Facilities Operator B |
| i. Roberto D. Caliva | - | Water Resources Facilities Tender A |

- j. Jinky A. Miguel - Cashiering Assistant
- k. Mark Allen B. Quime - Engineering Aide B

3. Financial Highlights

The district's assets, liabilities and equity are presented below:

| | 2021 | 2020 | Increase/ Decrease |
|-------------|------------|------------|-----------------------|
| Assets | 20,702,635 | 18,489,825 | 2,212,810 |
| Liabilities | 1,786,792 | 1,758,579 | 28,213 |
| Equity | 18,915,843 | 16,371,246 | 2,544,597 |

The district derives its revenues from water sales. Presented below is a summary of the result of its operations:

| | 2021 | 2020 | Increase/ Decrease |
|------------|-----------|-----------|-----------------------|
| Income | 9,842,781 | 8,837,024 | 1,005,757 |
| Expenses | 7,417,866 | 6,667,843 | 750,023 |
| Net Income | 2,424,915 | 2,169,181 | 255,734 |

4. Operational Highlights

| Indicator | 2021 | 2020 | Increase/ Decrease |
|------------------------------------|---------|---------|-----------------------|
| Total Services Con. | 2,117 | 2,032 | 85 |
| Volume of Water Delivered in cu.m. | 421,936 | 397,906 | 24,030 |

5. SOCIO – ECONOMIC PROFILE

Province: **Cagayan**

Region: **Region 02, Northern Luzon**

Date Founded: **June 05, 1965**

Founder: **Gov. Gen. Narciso Claveria**

Official Flower: **Rose**

Income Classification: **3rd Class Municipality**

STRATEGIC LOCATION

The Municipality of Claveria is situated at approximately 121°05' north and 18°35' east. It lies in the north western part of the Province of Cagayan with an approximate distance of 216 km. from Tuguegarao City, 165 kilometres from Laoag City and 613 kilometres away from Manila via Ilocos Region. It is bounded on the North by the Babuyan Channel, on the east by the municipality of Sanchez Mira, on the West by the Municipality of Sta. Praxedes and on the South by the Province of Apayao (formerly Kalinga Apayao). It is a very accessible place to everybody as attributed to its all the ways concrete surfaced national road and the very good roads connecting 41 barangays.

TOTAL LAND AREA: 19,400 HECTARES

NUMBER OF BARANGAYS: 41 (8-Urban; 33-Rural)

CLIMATE : Relatively dry from March to August and wet for the rest of the year

ACCESSIBILITY

- Accessible by any kind of land transportation even to all its 41 barangays
- Concrete surfaced national road, and even most of the provincial and municipal roads

- Every barangay with concrete roads and all weather barangay roads (graveled/leveled)

RICH AND ABUNDANT NATURAL RESOURCES

- Vast and fertile agricultural lands suitable for growing palay, coconut, vegetables, root crops, fruits, bananas and other cash crops
- Lush green hills and mountains planted with commercial and indigenous forest and fruit trees, palma brava “labig” trees (only in Claveria)
- Vast deposits of sand, gravel and clay and even magnetic sand
- Extensive shoreline, clean beaches, large bodies of water (sea and rivers) rich in aqua-marine fishes, crabs, shells, seaweeds and other aqua marine products, corals, endangered species.

PEOPLE, CULTURE AND ARTS

- Total Population of 30,482 (NSO Census 2010), 6165 households (60% farmers, 15%fishermen and fish workers, 20% others-practice of profession, businessmen, competent and skilled laborers.
- Mostly industrious generous but frugal and hospitable, 98 Ilocanos
- Rich in culture, lovers of music, arts and dances and festivities.

SOCIAL SERVICES AND AMENITIES

- Granting of free health insurance
- Granting of cash assistance to poor but deserving college students
- Provision of relief assistance, to barangays/families affected by calamities
- Financial Assistance for repair and maintenance of daycare centers and various schools
- Intensified health services and reproductive health services throughout the 41 barangays
- Empowering women, out of school youths, elderly, disabled and farm/fisherfolk families through capability building and skills training.
- Improvement of sports facilities and provision of sports equipment
- Outreach program such as medical mission, tree planting, clean and green program

The Claveria Water District has continued in the effective and efficient mobilization of its services; its employees and officials, its source of funds. Its workforce has been capacitated through trainings and seminars for better delivery of their representatives and functions. It has always the desire to work with healthier, more productive and secured Claverianos and other clients. On the other hand, the CWD has not stopped looking into improving development projects and better services to its people. It has always aimed to expand its coverage for more barangays and better services to its people and to be able to establish a water system that is not viable but progressive and responsive to the needs of its present concessionaires and the growing population of Claveria.

ANNEXES:

| | | | | | | | | |
|----|---------------------------------------------|---|---|---|---|---|---|----|
| A- | Functional Chart | - | - | - | - | - | - | 6 |
| B- | Organizational Chart | - | - | - | - | - | - | 7 |
| C- | Plantilla of Personnel | - | - | - | - | - | - | 8 |
| D- | Summary of Policy Settings Resolutions | - | - | - | - | - | - | 9 |
| E- | List of Reports Prepared Regularly | - | - | - | - | - | - | 10 |
| F- | Financial Statements | - | - | - | - | - | - | 11 |
| G- | Summary of Loan Payments | - | - | - | - | - | - | 27 |
| H- | Approved Water Rates | - | - | - | - | - | - | 28 |
| I- | Summary of Water Production and Consumption | - | - | - | - | - | - | 29 |
| J- | Water District Water Source | - | - | - | - | - | - | 30 |
| K- | Service Connections Growth | - | - | - | - | - | - | 31 |
| L- | List of Major Equipment | - | - | - | - | - | - | 32 |
| M- | Summary of Bacteriological Tests- | - | - | - | - | - | - | 33 |

**CLAVERIA WATER DISTRICT
FUNCTIONAL CHART
CATEGORY D**

Office of the Board of Directors

Enacts laws to steer, guide and direct the operation of the District toward achieving the utility goals and objectives. It sees to it that policies are properly implemented as intended

MANAGEMENT AND STAFF

General Manager

Exercise general supervision, control & direction of overall operations

Administrative Section

Responsible for accomplishing the primary objectives of the District; Oversees the procurement activities of the District; Implements CSC rules & regulations as well as CWD personnel policies; Administers the General Services of the District.

Finance Section

Responsible of activities in the utility functions involving financial management & control; Cash, property & supply management

Commercial Section

Responsible in customer related services, billing and customer accounts and records

Technical Section

Responsible in customer related services, billing and customer accounts and records

Production

Responsible for the availability, sustainability and potability of water produced; Oversees the maintenance of pumping houses and equipments

Maintenance

Responsible for the plumbing activities; Repair and maintain all utility transmission and support facilities; Meter Readers

**CLAVERIA WATER DISTRICT
ORGANIZATIONAL CHART
CATEGORY D**

BOARD OF DIRECTORS

- Grace Marie R. Mackay** - Chairman
(Women Sector)
- Adrelina N. Pulido, M.D.** - Vice Chairman
(Civic Sector)
- Elaine T. Antiporda** - Secretary
(Professional Sector)
- Mily M. Planta** - Member
(Education Sector)
- Leticia T. Natividad** - Member
(Business Sector)

MANAGEMENT AND STAFF

- Guillerma I. Martin, MBA** - General Manager D

ADMINISTRATIVE/FINANCE SECTION

- Dessa May V. Vilorio** - Accounting Processor A

COMMERCIAL SECTION

- Leticia V. Daquigan** - Customer Service Assistant D
- Stanley Lyell E. Veracion** - Administrative Services Aide
- Jinky A. Miguel** - Cashiering Assistant

TECHNICAL SECTION

MAINTENANCE

- Dremio A. Cadang** - Welder A
- Romeo R. Valdez** - Driver Mechanic B
- Domingo L. Ramos, Jr** - Utility Worker A
- Mark Allen B. Quime** - Engineering Aide

PRODUCTION

- Harold G. Somera** - Water Resources
Facilities Operator B
- Roberto D. Caliva** - Water Resources
Facilities Tender A

**CLAVERIA WATER DISTRICT
PLANTILLA OF PERSONNEL
CATEGORY D**

PLANTILLA OF PERSONNEL

Pursuant to Revised Local Water District Manual on Categorization, Recategorization and other Related Matters

| Item No. FY 2020 (1) | DBM Approved Position Title (2) | ACTUAL SALARY PER MONTH AS OF December 31, 2021 | | | | |
|-------------------------|----------------------------------------|----------------------------------------------------|-------------|---------------------|-----------------------------|--------------|
| | | Salary | | BASIC SALARY (5) | Transition Allowance (6) | TOTAL (7) |
| | | Grade (3) | Step (4) | | | |
| 1 | General Manager D | 24 | 3 | 89,597 | 0 | 89,597 |
| 2 | Engineer A | 14 | 1 | 30,799 | 0 | 30,799 |
| 3 | Utilities/Customer Service Assistant A | 12 | 1 | 26,052 | 0 | 26,052 |
| 4 | Welder A | 8 | 2 | 18,417 | 0 | 18,417 |
| 5 | Driver-Mechanic B | 7 | 2 | 17,311 | 0 | 17,311 |
| 6 | Accounting Processor A | 8 | 2 | 18,417 | 0 | 18,417 |
| 7 | Utilities/Customer Service Assistant D | 6 | 7 | 16,962 | 0 | 16,962 |
| 8 | Water Resources Facilities Operator B | 6 | 1 | 16,325 | 0 | 16,325 |
| 9 | Water Resources Facilities Tender A | 5 | 1 | 15,275 | 0 | 15,275 |
| 10 | Administrative Services Aide | 4 | 2 | 14,511 | 0 | 14,511 |
| 11 | Utility Worker A | 3 | 1 | 13,572 | 0 | 13,572 |
| 12 | Cashiering Assistant | 8 | 1 | 18,251 | 0 | 18,251 |
| 13 | Water Resources Facilities Operator C | 5 | 1 | 14,400 | 0 | 14,400 |
| 14 | Engineering Aide | 4 | 1 | 14,400 | 0 | 14,400 |
| X-X-X-X-X-X-X-X-X-X-X- | | | | | | |

**CLAVERIA WATER DISTRICT
SUMMARY OF POLICY SETTINGS RESOLUTIONS**

| B.R. No. | Title | Date Approved |
|-----------------|----------------------------------------------------------------------------|--------------------------|
| No.6. s, 2020 | Leave Administration for Permanent Employees | 02-26-2020 |
| No.5, s. 2020 | Wearing of Office Uniforms and Identification Cards of Permanent Employees | 02-26-2020 |
| No.7, s.2017 | Policies regarding Collection Fees | 07-12-2017 |
| No.1, s, 2013 | Grant of 5% discount to Senior Citizen consuming not more than 15 cu.m | 04-08-2013 |

**CLAVERIA WATER DISTRICT
LIST OF REPORTS PREPARED REGULARLY**

| No. | Title | Frequency |
|-----|-----------------------------------------------------------------------------------------------------------------------------|-----------|
| 1. | Financial Statements A. Statement of Cash Flows B. Statement of Comprehensive Income C. Statement of Cash Position | Monthly |
| 2. | Monthly Data Sheet | Monthly |
| 3. | Report on Bacteriological Tests | Monthly |
| 4. | Report on Physical and Chemical Tests | Annually |
| 5. | Report on Salaries and Allowances | Quarterly |
| 6. | Monitoring of Cash Advances | Quarterly |
| 7. | Report on Government Projects, Programs and Activities | Quarterly |

**CLAVERIA WATER DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

**CLAVERIA WATER DISTRICT
CONDENSED STATEMENT OF FINANCIAL POSITION**

As at December 31, 2021
(With Comparative Figures for CY 2020)
(Rounded to the Nearest Peso)

| | <u>2021</u> | <u>2020</u> |
|-----------------------------------------|--------------------------|--------------------------|
| <u>ASSETS</u> | | |
| <u>CURRENT ASSETS</u> | | |
| Cash and Cash Equivalents | 4,036,953 | 2,940,344 |
| Receivables | 88,048 | 97,505 |
| Inventories | 987,124 | 802,912 |
| Other Assets | 52,729 | 52,729 |
| TOTAL CURRENT ASSETS | <u>5,164,854</u> | <u>3,893,489</u> |
| <u>NON-CURRENT ASSETS</u> | | |
| Property, Plant and Equipment | 15,498,803 | 14,557,869 |
| Other Non-Current Assets | 38,976 | 38,466 |
| TOTAL NON-CURRENT ASSETS | <u>15,537,779</u> | <u>14,596,335</u> |
| TOTAL ASSETS | <u>20,702,633</u> | <u>18,489,825</u> |
| <u>LIABILITIES</u> | | |
| <u>CURRENT LIABILITIES</u> | | |
| Financial Liabilities | 318,153 | 372,928 |
| Inter-Agency Payables | 290,623 | 202,507 |
| Trust Liabilities | 49,788 | 640,166 |
| Deffered Tax Liabilities | 692,286 | 43,295 |
| TOTAL CURRENT LIABILITIES | <u>1,350,850</u> | <u>1,258,895</u> |
| <u>NON - CURRENT LIABILITIES</u> | | |
| Financial Liabilities | 435,940 | 499,683 |
| TOTAL NON - CURRENT LIABILITIES | <u>435,940</u> | <u>499,683</u> |
| TOTAL LIABILITIES | <u>1,786,790</u> | <u>1,758,579</u> |
| <u>EQUITY</u> | | |
| Government Equity | 2,698,876 | 2,698,876 |
| Retained earnings/(Deficit) | 16,216,967 | 14,032,370 |
| TOTAL EQUITY | <u>18,915,843</u> | <u>16,731,246</u> |
| TOTAL LIABILITIES AND EQUITY | <u>20,702,633</u> | <u>18,489,825</u> |

CLAVERIA WATER DISTRICT
CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended December 31, 2021
(With Comparative Figures for CY 2020)
(Rounded to the Nearest Peso)

| | <u>2021</u> | <u>2020</u> |
|-----------------------------------------------------|--------------------|--------------------|
| INCOME | | |
| Service and Business Income | 9,842,780 | 8,836,836 |
| Other Non-Operating Income | - | 188 |
| | 9,842,780 | 8,837,024 |
| EXPENSES | | |
| Personnel Services | (4,755,043) | (4,299,238) |
| Maintenance and Other Operating Expenses | (1,849,576) | (1,697,322) |
| Financial Expenses | (5,340) | (15,966) |
| Non - Cash Expenses | (807,906) | (655,316) |
| | (7,417,865) | (6,667,843) |
| Profit/(Loss) Before Tax | 2,424,915 | 2,169,181 |
| Income Tax Expense/(Benefit) | - | - |
| Profit/(Loss) After Tax | 2,424,915 | 2,169,181 |
| Net Assistance/Subsidy | - | - |
| Net Income/(Loss) | 2,424,915 | 2,169,181 |
| Other Comprehensive Income/(Loss) for the Period | - | - |
| Comprehensive Income/(Loss) | 2,424,915 | 2,169,181 |

CLAVERIA WATER DISTRICT
CONDENSED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2021
(With Comparative Figures for CY 2021)
(Rounded to the Nearest Peso)

| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | <u>2021</u> | <u>2020</u> |
|------------------------------------------------------------|--------------------------|---------------------------|
| Cash Inflows: | | |
| Proceeds from Sale of Goods and Services | 9,224,304 | 7,950,496 |
| Collection of Income/Revenue | 688,074 | 948,332 |
| Trust Receipts | 64,731 | 108,700 |
| Other Receipts | 178,111 | 92,019 |
| Total Cash Inflows | <u>10,155,220</u> | <u>9,099,547</u> |
| Cash Outflows: | | |
| Payment of Expenses | 5,602,336 | 5,134,373 |
| Purchase of Inventories | 1,203,916 | 873,399 |
| Remittance of Personnel Benefit Contri. & Mandatory Ded. | 1,332,094 | 1,174,243 |
| Other Disbursements | 254 | 187 |
| Total Cash Outflows | <u>8,138,600</u> | <u>7,182,202</u> |
| Net Cash Provided by/(Used in) Operating Activities | <u>2,016,620</u> | <u>1,917,345</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | |
| Cash Outflows: | | |
| Purchase/Construction of Property, Plant and Equipment | 851,562 | 1,347,117 |
| Total Cash Outflows | 851,562 | 1,347,117 |
| Net Cash Provided by/(Used in) Investing Activities | <u>(851,562)</u> | <u>(1,347,117)</u> |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES</u> | | |
| Cash Inflows: | | |
| Proceeds from Domestic and Foreign Loans | - | - |
| Cash Outflows: | | |
| Payment of Long-Term Liabilities | 63,108 | 62,482 |
| Payment of Interest on Loans and Other Financial Charges | 5,340 | 15,966 |
| Total Cash Outflows | <u>68,448</u> | <u>78,448</u> |
| Net Cash Provided by Financing Activities | <u>(68,448)</u> | <u>(78,448)</u> |
| Increase(Decrease) in Cash and Cash Equivalents | <u>1,096,610</u> | <u>491,780</u> |
| Add: Cash and Cash Equivalents, January 1 | <u>2,940,343</u> | <u>2,448,564</u> |
| Cash and Cash Equivalents, December 31 | <u>4,036,953</u> | <u>2,940,344</u> |

CLAVERIA WATER DISTRICT
STATEMENT OF CHANGES IN EQUITY
For the Year Ended December 31, 2021
(Rounded to the Nearest Peso)

| | Retained Earnings/ (Deficit) | Government Equity | Total |
|--------------------------------------------------------|------------------------------------|----------------------|-------------------|
| BALANCE AT JANUARY 1, 2020 | <u>12,236,070</u> | <u>2,698,876</u> | <u>14,934,946</u> |
| ADJUSTMENTS: | | | |
| Add/(Deduct): | | | |
| Changes in accounting policy | - | - | - |
| Prior period errors | - | - | - |
| Other adjustments | - | - | - |
| RESTATED BALANCE AT JANUARY 1, 2020 | <u>12,236,070</u> | <u>2,698,876</u> | <u>14,934,946</u> |
| Changes in Net Assets/Equity for CY 2020 | | | |
| Add/(Deduct): | | | |
| Surplus/(Deficit) for the period | 2,169,178 | - | 2,169,178 |
| Issuances of share capital | - | - | - |
| Additional capital from National Government | - | - | - |
| Changes in fair value of available-for-sale securities | - | - | - |
| Other adjustments | (372,881) | - | (372,881) |
| BALANCE AT DECEMBER 31, 2020 | <u>14,032,367</u> | <u>2,698,876</u> | <u>16,731,243</u> |
| Changes in Net Assets/Equity for CY 2021 | | | |
| Add/(Deduct): | | | |
| Surplus/(Deficit) for the period | 2,424,848 | - | 2,424,848 |
| Issuances of share capital | - | - | - |
| Additional capital from National Government | - | - | - |
| Changes in fair value of available-for-sale securities | - | - | - |
| Other adjustments | (240,315) | - | (240,315) |
| BALANCE AT DECEMBER 31, 2021 | <u>16,216,900</u> | <u>2,698,876</u> | <u>18,915,776</u> |

CLAVERIA WATER DISTRICT
Notes to Financial Statements
For the Year Ended December 31, 2021

1. General Information/Agency Profile

The financial statements of the Claveria Water District were authorized for issue on January 17, 2021 as shown in the Statement of Management Responsibility for Financial Statements signed by Guillerma I. Martin, MBA, Head of the District.

Claveria Water District was created on April 21, 1982, thru a public hearing under the Administration of the late Mayor Placido Leño. The Water District started its operation on September 1, 1982 with 100 concessionaires, where its operation is governed by PD 198, otherwise known as “Provincial Water Utilities Act of 1973”, as amended under Presidential Decree Nos. 768 and 1479. The decree authorized the formation of Local Water Districts and provided for their government and administration such powers as are necessary to optimize public for their service utility operations and for other purposes. Currently, it is serving twelve barangays of the Municipality of Claveria, Cagayan with 2,117 active service connections.

Since 1992, by virtue of the Supreme Court en banc decision, G.R. No. 95237 (Davao City Water District, et al. vs. CSC et al.), Water Districts were declared Government Owned and/or Controlled Corporations (GOCCs) with original charter and as such under the jurisdiction of the public respondents Civil Service Commission and Commission on Audit.

The District’s primary objective is to supply potable water, which will meet the domestic demand through the creation, operation, maintenance and expansion of reliable and economically viable and sound water supply within the Municipality of Claveria.

In 1992, the District is categorized as small water district, and re-categorized as average water district last April 2008. At present the District is classified as Category D, with eleven (11) permanent employees under the leadership of the General Manager. The Water District is managed through policies, formulated by its Board of Directors, in accordance with the regulations imposed by the Local Water Utilities Administration, national government and other regulatory bodies.

It is worth mentioning that the District has been a recipient of Most Outstanding Water District under small category for three (3) consecutive years, starting 2002 to 2004, and again for the years 2006 and 2007. In 2010, the District has been a nominee for Outstanding Water District under average water district category. In 2018, the District is again a recipient of Most Outstanding Water District Award (Luzon- Category D) and Most Outstanding Water District Award (National Level- Category D). Last year, the District has been nominated by the Commission on Audit as one of the Outstanding Accounting Offices.

2. Statement of Compliance and Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) in compliance with Commission on Audit Resolution No. 2015-040 dated December 1, 2015.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

3. Summary of Significant Accounting Policies

3.1 Basis of Accounting

The financial statements are prepared on an accrual basis in accordance with the Philippine Financial Reporting Standards (PFRS).

3.2 Financial instruments

a. Financial assets

Initial recognition and measurement

The amortized cost of a financial asset is the amount at which financial asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Claveria Water District commits to purchase or sell the asset.

The District's financial assets include: cash and cash equivalent; trade and other receivables.

Subsequent measurement

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The amount of the reversal shall be recognized in profit or loss.

b. Financial liabilities

Initial recognition and measurement

The amortized cost of a financial liability is the amount at which financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

The District's financial liabilities include dues, inter-agency payables and trust liabilities.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially

modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

c. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

3.4 Inventories

Inventories are measured at the lower of cost and net realizable value.

The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects are assigned by using specific identification of their individual costs.

The costs of inventories that are interchangeable are assigned by using the weighted average cost formula. An entity uses the same cost formula for all inventories having a similar nature and use to the entity.

Inventories are recognized as an expense when deployed for sale, utilization or consumption in the ordinary course of operations of the District.

3.5 Property, Plant and Equipment

Recognition

An item is recognized as property, plant, and equipment (PPE) if it meets the characteristics and recognition criteria as a PPE.

The characteristics of PPE are as follows:

- tangible items;
- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- Are expected to be used during more than one reporting period.

An item of PPE is recognized as an asset if:

- It is probable that future economic benefits associated with the item will flow to the entity; and
- The cost or fair value of the item can be measured reliably.

Measurement at Recognition

An item recognized as property, plant, and equipment is measured at cost.

Cost includes the following:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- expenditure that is directly attributable to the acquisition of the items; and
- Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Measurement After Recognition

After recognition, all property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

When significant parts of property, plant and equipment are required to be replaced at intervals, the District recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as expense in profit or loss as incurred.

Depreciation

Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.

Initial Recognition of Depreciation

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation Method

The straight line method of depreciation is adopted for District operation.

Estimated Useful Life

The District uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA.

The District uses a residual value equivalent to ten percent (10%) of the cost of the PPE.

Impairment

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition

The District derecognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits are expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognized

3.6 Changes in accounting policies and estimates

The District recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

The District recognizes the effects of changes in accounting estimates prospectively by including in profit or loss.

The District corrects material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- Restating the comparative amounts for prior period(s) presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

3.7 Revenue

Measurement of Revenue

Revenue shall be measured at the fair value of the consideration received or receivable.

Rendering of Services

The District recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Claveria Water District.

3.8 Budget Information

The annual budget is prepared on a cash basis and is submitted to the Department of Budget and Management.

3.9 Impairment

Claveria Water District assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the District estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the District shall test an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. However, if such an intangible asset was initially recognized during the current annual period, that intangible asset shall be tested for impairment before the end of the current annual period.

3.10 Employee benefits

The employees of the District are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage.

The District recognizes the undiscounted amount of short term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

The District recognizes expenses for accumulating compensated absences when these are paid (commuted or paid as terminal leave benefits). An unused entitlement that has accumulated at the reporting date is not recognized as expense. Non-accumulating compensated absences, like special leave privileges, are not recognized.

3.11 Borrowing costs

The District capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The District recognizes other borrowing costs as an expense in the period in which it incurs them.

3.12 Measurement uncertainty

The preparation of financial statements in conformity with PFRS, requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

4. Cash and Cash Equivalents

| Accounts | 2021 | 2020 |
|------------------------------------------|--------------------|--------------------|
| Cash-Collecting Officer | P - | P 26,580 |
| Petty Cash | 5,000 | 5,000 |
| Cash in Bank-Local Currency, CA, LBP | 1,771,938 | 1,221,839 |
| Cash in Bank-Local Currency, SA, LBP-JSA | 709,546 | 413,647 |
| Cash in Bank-Local Currency, SA, LBP-CD | 865,069 | 507,095 |
| Cash in Bank-Local Currency, SA, LBP-SF | 685,400 | 766,182 |
| Total Cash and Cash Equivalents | P 4,036,953 | P 2,940,343 |

4.1 Cash-Collecting Officer account includes the undeposited collections of water sales.

4.2 Petty Cash account represents revolving fund maintained under the imprest system for petty operating expenditures of the District.

4.3 Cash in Bank-Local Currency, Current Account- LBP pertains to the accumulated collections of the District's to finance its normal operation.

4.4 Cash in Bank- Local Currency, Savings Account- LBP - Joint Savings Account refers to the reserve fund of the District for replacement of equipment and spare parts, which are fully depreciated.

4.5 Cash in Bank- Local Currency, Savings Account- LBP - Customer Deposit represents deposits made by customers as security for the payment of their subsequent bills.

4.6 Cash in Bank- Local Currency, Savings Account - LBP- Sinking Fund represent one percent of the gross sales allocated for the retirement of the employees of the District.

5. Receivables

5.1. Receivables

| Accounts | 2021 | 2020 |
|-------------------------------------------------------|---------------|-----------------|
| Accounts Receivable | 59,348 | P 78,858 |
| <i>Allowance for Impairment - Accounts Receivable</i> | (2,781) | (3,162) |
| <i>Net Value - Accounts Receivable</i> | 56,567 | 75,696 |
| Other Receivables | 32,598 | 22,538 |
| <i>Allowance for Impairment - Other Receivable</i> | (1,117) | (729) |
| <i>Net Value - Other Receivable</i> | 31,481 | 21,809 |
| TOTALS | 88,048 | P 97,505 |

5.2. Aging/Analysis of Receivables

| <i>As at December 31, 2021</i> | | | | | |
|--------------------------------|--------------|------------------|-----------------|--------------------|--------------|
| Accounts | Total | <u>1-60 days</u> | <u>Past due</u> | | |
| | | | 61-180 days | 181 days to 1 year | Over 1 year |
| Accounts Receivables | 2,781 | 75 | (96) | 47 | 2,755 |
| Other Receivables | 1,117 | 20 | 186 | 232 | 679 |
| Total | 3,898 | 95 | 90 | 279 | 3,434 |

6. Inventories

| Accounts | 2021 | 2020 |
|---------------------------------------------------------------------------------|----------------|------------------|
| Merchandise Inventory- Meters | 155,544 | P 96,300 |
| Merchandise Inventory- Service Connection Materials | 304,581 | 162,284 |
| Other Supplies and Materials for Distribution - Trans./Dist. Pipes and Fittings | 489,761 | 497,060 |
| Accountable Forms, Plates and Stickers Inventory | 17,400 | 11,018 |
| Chemical and Filtering Supplies Inventory | 19,838 | 36,250 |
| Total | 987,124 | P 802,912 |

| Accounts | 2021 | 2020 |
|-------------------------------------|----------------|----------------|
| Inventory Held for Sale | | |
| Carrying Amount, January 1 | 258,584 | P 241,287 |
| Purchases during the year | 593,407 | 676,018 |
| Sold During the Year | (391,866) | (658,721) |
| Carrying Amount, December 31 | 460,125 | 258,584 |

| | | |
|----------------------------------------|------------------|------------------|
| Inventory Held for Distribution | | |
| Carrying Amount, January 1 | 497,060 | 370,473 |
| Purchases during the year | 562,458 | 258,567 |
| Distributed During the Year | (569,757) | (131,980) |
| Carrying Amount, December 31 | 489,761 | 497,060 |
| Inventory Held for Consumption | | |
| Carrying Amount, January 1 | 47,268 | - |
| Purchases during the year | 119,600 | 163,551 |
| Distributed During the Year | (129,630) | (116,283) |
| Carrying Amount, December 31 | 37,238 | 47,268 |
| Total Carrying Amount | P 987,124 | P 802,912 |

6.1 Merchandise Inventory account represents materials necessary for installation, disconnection, re-connection and replacement of mainlines, relocation of water meters, replacement of defective water meters, for repair of pumping stations and leak repairs.

6.2 Accountable Forms, Plates and Stickers Inventory account represents the value of purchased Official Receipts from the National Printing Office.

6.3 Chemical and Filtering Supplies Inventory consists of chemicals and reagents used for water disinfection and treatment and water quality testing for Water Chlorine Residual Tests.

7. Other Assets – Current

| Accounts | 2021 | 2020 |
|-------------------|----------|----------|
| Other Prepayments | P 52,729 | P 52,729 |

7.1 The account Other Prepayments pertains to the security deposit to Cagayan Electric Cooperative-II and Bureau of Telecommunications.

8. Property, Plant and Equipment

| Property, Plant and Equipment | Carrying Amount, January 1, 2021 | Additions/ (Deductions) | Total | Depreciation (As per Statement of Financial Performance) | Carrying amount, December 31, 2021 (As per Statement of Financial Position) |
|--------------------------------|----------------------------------|-------------------------|-------------------|----------------------------------------------------------|-----------------------------------------------------------------------------|
| Land | P 17,500 | P - | P 17,500 | P - | P 17,500 |
| Infrastructure Assets | 8,819,409 | 896,356 | 9,715,765 | (368,000) | 9,347,765 |
| Buildings and Other Structures | 1,288,913 | 23,000 | 1,311,913 | (45,140) | 1,266,773 |
| Machinery and Equipment | 4,367,630 | 829,098 | 5,196,728 | (383,570) | 4,813,158 |
| Transportation Equipment | 7,550 | - | 7,550 | - | 7,550 |
| Other Leased Assets | 56,865 | - | 56,865 | (10,808) | 46,057 |
| TOTAL PPE | 14,557,867 | 1,748,454 | 16,306,321 | (807,519) | 15,498,803 |

| Property, Plant and Equipment | Gross Cost (Asset Account Balance per Statement of Financial Position) | Less: Accumulated Depreciation | Carrying Amount, December 31, 2021 (As per Statement of Financial Position) |
|--------------------------------|------------------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------|
| Land | P 17,500 | P - | P 17,500 |
| Infrastructure Assets | 15,133,964 | (5,786,199) | 9,347,765 |
| Buildings and Other Structures | 1,841,267 | (574,494) | 1,266,773 |
| Machinery and Equipment | 7,641,940 | (2,828,782) | 4,813,158 |
| Transportation Equipment | 75,503 | (67,953) | 7,550 |
| Other Leased Assets | 60,048 | (13,991) | 46,057 |
| Total PPE | 24,770,222 | (9,271,419) | 15,498,803 |

9. Other Assets – Non Current

| Accounts | 2021 | 2020 |
|---------------------------------------------|---------------|-----------------|
| Other Assets | 38,976 | P 38,466 |
| <i>Acc. Impairment Losses- Other Assets</i> | - | - |
| Total Other Assets | 38,976 | P 38,466 |

9.1 This account pertains to various unserviceable machinery and equipment, and water meters (stock up and broken) retrieved from customers.

10. Financial Liabilities

| Accounts | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| Accounts Payable | P - | P 55,410 |
| Due to Officers and Employees | 254,410 | 254,410 |
| Loans Payable-Domestic | 63,743 | 63,108 |
| Total Financial Liabilities | P 318,153 | P 372,928 |

10.1 Accounts Payable account pertains to unpaid cost of power and fuel used for pumping.

10.2 Due to Officers and Employees account pertains to refund from SSS Employee Contribution amounting to P4,410 and Terminal Leave Benefit set aside by the District amounting to P250,000.

10.2 Loans Payable - Domestic pertains to the current portion of the long term liabilities of the District from LWUA.

11. Inter-Agency Payables

| Accounts | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| Due to BIR | P 57,288 | P 58,595 |
| Due to GSIS | 47,258 | 12,592 |
| Due to Pag-ibig | 2,612 | - |
| Due to PhilHealth | 1,527 | - |
| Due to NGAs | 181,938 | 131,320 |
| Total Inter-Agency Payables | P 290,623 | P 202,507 |

11.1 Inter-Agency Payables account includes withholding taxes withheld from payroll, taxes withheld from purchase of goods and services, premiums to GSIS to be paid or remitted in January 2022 and auditing fee of the Commission on Audit.

12. Deferred Tax Liabilities

| Accounts | 2021 | 2020 |
|--------------------------|----------|----------|
| Deferred Tax Liabilities | P 49,788 | P 43,295 |

12.1 Deferred Tax Liabilities represents the computed franchise tax for the last quarter of 2021 which will be remitted on January 2022.

13. Trust Liabilities

| Accounts | 2021 | 2020 |
|-------------------------------------|------------------|------------------|
| Customers' Deposits Payable | P 685,486 | P 640,166 |
| Guaranty/ Security Deposits Payable | 6,800 | - |
| Total Trust Liabilities | P 692,286 | P 640,166 |

13.1 Customers Deposits Payable represents guaranty deposits equivalent to two months minimum bill of concessionaires. These deposits were made by the concessionaires as security for subsequent water bills.

14. Non-Current Liabilities

| Accounts | 2021 | 2020 |
|------------------------|-----------|-----------|
| Loans Payable-Domestic | P 435,940 | P 499,683 |

13.1 Loans Payable-Domestic represents the Emergency Loan (Loan Account No. 4-2845) availed from LWUA on June 2019 amounting to P651,123.48. The amortization is payable over 120 months at one (1%) percent interest rate per annum.

15. Service and Business Income

| Accounts | 2021 | 2020 |
|------------------------------------------|--------------------|--------------------|
| Other Service Income | P 609,712 | P 880,078 |
| Waterworks System Fees | 8,971,307 | 7,664,979 |
| Interest Income | 1,267 | 1,771 |
| Fines and Penalties-Business Income | 260,494 | 290,008 |
| Total Service and Business Income | 9,842,696 | 8,838,836 |
| Miscellaneous Income | - | 188 |
| Total Income | P 9,842,780 | P 8,837,024 |

16. Personnel Services

16.1. Salaries and Wages

| Accounts | 2021 | 2020 |
|---------------------------------------|--------------------|--------------------|
| Salaries and Wages – Regular | P 2,709,946 | P 2,553,606 |
| Salaries and Wages-Casual/Contractual | 190,296 | 25,345 |
| Total Salaries and Wages | P 2,900,242 | P 2,578,951 |

16.2. Other Compensation

| Accounts | 2021 | 2020 |
|-------------------------------------------|--------------------|--------------------|
| Personal Economic Relief Allowance (PERA) | P 224,000 | P 216,000 |
| Representation Allowance (RA) | 60,000 | 60,000 |
| Transportation Allowance (TA) | 60,000 | 60,000 |
| Clothing/Uniform Allowance | 54,000 | 54,000 |
| Hazard Pay | 194,750 | 75,000 |
| Overtime and Night Pay | 49,317 | 51,355 |
| Year End Bonus | 440,774 | 425,566 |
| Cash Gift | 45,000 | 45,000 |
| Directors and Committee Members Fee | 159,129 | 119,905 |
| Other Bonuses and Allowances | 142,000 | 136,500 |
| Total Other Compensation | P 1,428,970 | P 1,243,326 |

16.3. Personnel Benefit Contributions

| Accounts | 2021 | 2020 |
|----------------------------------------------|------------------|------------------|
| Retirement and Life Insurance Premiums | P 325,193 | P 306,777 |
| Pag-IBIG Contributions | 54,199 | 51,129 |
| PhilHealth Contributions | 35,239 | 33,255 |
| Employees Compensation Insurance Premiums | 11,200 | 10,800 |
| Total Personnel Benefit Contributions | P 425,831 | P 401,961 |

16.4 Other Personnel Benefits

| Accounts | 2021 | 2020 |
|----------------------------------------------|------------|-----------------|
| Terminal Leave Benefits | P - | P 75,000 |
| Total Personnel Benefit Contributions | P - | P 75,000 |

17. Maintenance and Other Operating Expenses

17.1. Traveling Expenses

| Accounts | 2021 | 2020 |
|----------------------------|---------|----------|
| Traveling Expenses - Local | P 6,200 | P 48,600 |

17.2. Training and Scholarship Expenses

| Accounts | 2021 | 2020 |
|-------------------|-------------|-------------|
| Training Expenses | P 12,000 | P - |

17.3. Supplies and Materials Expenses

| Accounts | 2021 | 2020 |
|----------------------------------------------|------------------|------------------|
| Office Supplies Expenses | P 47,857 | P 36,102 |
| Accountable Forms Expenses | 41,180 | 46,732 |
| Fuel, Oil and Lubricants Expenses | 46,230 | 43,321 |
| Chemical and Filtering Supplies Expenses | - | 69,550 |
| Semi Expendable Machinery and Equipment | 2,740 | 15,995 |
| Total Supplies and Materials Expenses | P 138,007 | P 211,700 |

17.4. Utility Expenses

| Accounts | 2021 | 2020 |
|----------------------|-------------|-------------|
| Electricity Expenses | P 27,898 | P 20,355 |

17.5. Communication Expenses

| Accounts | 2021 | 2020 |
|-------------------------------------|-----------------|-----------------|
| Postage and Courier Services | P 3,060 | P 2,620 |
| Telephone Expenses | 63,221 | 59,201 |
| Internet Subscription Expenses | 25,648 | 30,130 |
| Total Communication Expenses | P 91,929 | P 91,951 |

17.6. Generation, Transmission and Distribution Expenses

| Accounts | 2021 | 2020 |
|---------------------------------------------------|-------------|-------------|
| Generation, Transmission and Distribution Expense | P 1,394,881 | P 1,077,459 |

17.7. Confidential, Intelligence and Extraordinary Expenses

| Accounts | 2021 | 2020 |
|------------------------------------------|-------------|-------------|
| Extraordinary and Miscellaneous Expenses | P 18,689 | P 9,877 |

17.8. Repairs and Maintenance

| Accounts | 2021 | 2020 |
|----------------------------------------------------------|-----------------|-----------------|
| Repairs and Maintenance - Infrastructure Assets | P 4,224 | P 14,649 |
| Repairs and Maintenance - Buildings and Other Structures | 28,450 | 29,006 |
| Repairs and Maintenance - Machinery and Equipment | 5,339 | 14,922 |
| Repairs and Maintenance - Transportation Equipment | 860 | 1,380 |
| Total Repairs and Maintenance Expenses | P 38,873 | P 59,957 |

17.9. Taxes, Insurance Premiums and Other Fees

| Accounts | 2021 | 2020 |
|----------------------------|-------------|-------------|
| Taxes, Duties and Licenses | P 56,709 | P 160,646 |
| Fidelity Bond Premiums | 6,226 | 6,226 |
| Insurance Expenses | 1,545 | 1,556 |

| Accounts | 2021 | 2020 |
|-------------------------------------------------------|-----------------|------------------|
| Total Taxes, Insurance Premiums and Other Fees | P 64,480 | P 168,428 |

17.10. Other Maintenance and Operating Expenses

| Accounts | 2021 | 2020 |
|-------------------------------------------------------|-----------------|-----------------|
| Advertising, Promotional and Marketing Expenses | P 7,796 | P 5,396 |
| Representation Expenses | 26,035 | 36,820 |
| Transportation and Delivery Expenses | 4,060 | - |
| Membership Dues and Contributions to Organizations | 2,032 | 2,097 |
| Donations | 3,000 | 3,000 |
| Other Maintenance and Operating Expenses | 13,696 | 31,684 |
| Total Other Maintenance and Operating Expenses | P 56,619 | P 78,997 |

18. Financial Expenses

| Accounts | 2021 | 2020 |
|---------------------------------|----------------|-----------------|
| Interest Services | P 5,340 | P 5,966 |
| Other Financial Charges | - | 10,000 |
| Total Financial Expenses | P 5,340 | P 15,966 |

19. Non-Cash Expenses

18.1 Depreciation

| Accounts | 2021 | 2020 |
|-----------------------------------------------|------------------|------------------|
| Depreciation - Infrastructure Assets | P 368,000 | P 298,938 |
| Depreciation - Buildings and Other Structures | 45,140 | 36,444 |
| Depreciation - Machinery and Equipment | 383,570 | 316,705 |
| Depreciation - Leased Assets | 10,808 | 3,183 |
| Total Depreciation | P 807,518 | P 655,270 |

18.2 Impairment Loss

| Accounts | 2021 | 2020 |
|----------------------------------------|--------------|-------------|
| Impairment Loss- Loans and Receivables | P 388 | P 48 |
| Impairment Loss- Other Receivables | | |
| Total Impairment Loss | P 388 | P 48 |

**CLAVERIA WATER DISTRICT
SUMMARY OF LOAN PAYMENTS**

Lender: **Local Water Utilities Administration (LWUA)**

Loan Account No.: **4-2845 (Emergency Loan)**

Loan Availments: **651,123.48**

Balance as of December 31, 2021: **499,683.48**

| Month | Total | Principal | Interest | Balance |
|--------------|--------------|------------------|-----------------|----------------|
| January | 5,704 | 5,235 | 469 | 557,556.48 |
| February | 5,704 | 5,239 | 465 | 552,317.48 |
| March | 5,704 | 5,244 | 460 | 547,073.48 |
| April | 5,704 | 5,248 | 456 | 541,825.48 |
| May | 5,704 | 5,252 | 452 | 536,573.48 |
| June | 5,704 | 5,257 | 447 | 531,316.48 |
| July | 5,704 | 5,261 | 443 | 526,055.48 |
| August | 5,704 | 5,266 | 438 | 520,789.48 |
| September | 5,704 | 5,270 | 434 | 515,519.48 |
| October | 5,704 | 5,274 | 430 | 510,245.48 |
| November | 5,704 | 5,279 | 425 | 504,966.48 |
| December | 5,704 | 5,283 | 421 | 499,683.48 |

**CLAVERIA WATER DISTRICT
SCHEDULE OF APPROVED WATER RATES
PER LWUA BOARD RESOLUTION NO. 06, S. 2021 dated February 10, 2021**

Effective April 2021 after the lapse of seven (7) calendar days posting period.
April 2021 Consumption; May 2021 Billing

| Classification | Size | Minimum Charge | Commodity Charge | | | |
|----------------------------|------|----------------|------------------|-------|-------|-------|
| | | | 11-20 | 21-30 | 31-40 | 41-up |
| Residential/ Government | 1/2" | 190.00 | 21.25 | 23.60 | 26.25 | 29.00 |
| | 3/4" | 304.00 | 21.25 | 23.60 | 26.25 | 29.00 |
| | 1" | 608.00 | 21.25 | 23.60 | 26.25 | 29.00 |
| Commercial (2) | 1/2" | 380.00 | 42.50 | 47.20 | 52.50 | 58.00 |
| | 3/4" | 608.00 | 42.50 | 47.20 | 52.50 | 58.00 |
| | 1" | 1,216.00 | 42.50 | 47.20 | 52.50 | 58.00 |
| Commercial (1.75) | 1/2" | 332.50 | 37.15 | 41.30 | 45.90 | 50.75 |
| | 3/4" | 532.00 | 37.15 | 41.30 | 45.90 | 50.75 |
| | 1" | 1,064.00 | 37.15 | 41.30 | 45.90 | 50.75 |
| Commercial (1.5) | 1/2" | 285.00 | 31.85 | 35.40 | 39.35 | 43.50 |
| | 3/4" | 456.00 | 31.85 | 35.40 | 39.35 | 43.50 |
| | 1" | 912.00 | 31.85 | 35.40 | 39.35 | 43.50 |
| Bulk/ Wholesale | 1/2" | 570.00 | 63.75 | 70.80 | 78.75 | 87.00 |
| | 3/4" | 912.00 | 63.75 | 70.80 | 78.75 | 87.00 |
| | 1" | 1,824.00 | 63.75 | 70.80 | 78.75 | 87.00 |

**CLAVERIA WATER DISTRICT
SUMMARY OF WATER PRODUCTION AND CONSUMPTION**

| <i>MONTH</i> | <i>PRODUCTION</i> | <i>CONSUMPTION</i> |
|---------------------|--------------------------|---------------------------|
| January | 33,280 | 30,152 |
| February | 30,254 | 27,543 |
| March | 29,756 | 27,449 |
| April | 38,764 | 35,557 |
| May | 32,677 | 30,002 |
| June | 39,643 | 36,385 |
| July | 36,809 | 33,771 |
| August | 37,637 | 34,238 |
| September | 40,094 | 37,581 |
| October | 34,595 | 31,884 |
| November | 34,187 | 31,168 |
| December | 34,240 | 31,016 |
| TOTAL | 421,936 | 386,746 |

**CLAVERIA WATER DISTRICT
WATER DISTRICT WATER SOURCES**

| No. | Location | Type | Well Depth | Elevation | Rated Capacity |
|------------|----------------------------|-------------|-------------------|------------------|-----------------------|
| 1 | C-7, Claveria, Cagayan | Deepwell | 47.5m | 5m | 17 lps |
| 2 | C-8, Claveria, Cagayan | Deepwell | 70m | 21m | 8 lps |
| 3 | Dibalio, Claveria, Cagayan | Deepwell | 48m | 6m | 16 lps |

**CLAVERIA WATER DISTRICT
SERVICE CONNECTION GROWTH**

| MONTH | New | Reconnected | Disconnected | Growth | Balance |
|--------------|------------|--------------------|---------------------|---------------|----------------|
| January | 1 | 3 | 6 | -2 | 2,030 |
| February | 7 | 5 | 6 | 6 | 2,036 |
| March | 14 | 8 | 7 | 15 | 2,051 |
| April | 6 | 5 | 6 | 5 | 2,056 |
| May | 10 | 5 | 3 | 12 | 2,068 |
| June | 9 | 1 | 5 | 5 | 2,073 |
| July | 7 | 3 | 3 | 7 | 2,080 |
| August | 7 | 1 | 5 | 3 | 2,083 |
| September | 13 | 2 | 6 | 9 | 2,092 |
| October | 9 | 2 | 3 | 8 | 2,100 |
| November | 9 | 5 | 4 | 10 | 2,110 |
| December | 8 | 5 | 6 | 7 | 2,117 |

**CLAVERIA WATER DISTRICT
LIST OF MAJOR EQUIPMENTS**

| No. | Property Number | Description | Date of Acquisition |
|------------|------------------------|--------------------------------|----------------------------|
| 1. | 2021-225-04-019 | 50KVA Isuzu Genset | April 2021 |
| 2. | 2020-225-04-018 | Direct on Line (DOLE) | April 2020 |
| 3. | 2020-225-04-017 | Variable Frequency Drive (VFD) | April 2020 |
| 4. | 2019-225-04-016 | Submersible Pumpset (Dibalio) | December 2019 |
| 5. | 2018-225-09-015 | Submersible Pumpset (C-7) | December 2018 |
| 6. | 2018-225-09-014 | 40KVA Isuzu Genset (4JB1T) | September 2018 |
| 7. | 2018-225-06-013 | 40KVA Isuzu Genset (4JB1) | June 2018 |
| 8. | 2016-225-11-012 | 25KVA Denyo Genset | November 2016 |
| 9. | 2016-225-12-010 | Franklin Submersible Pump | December 2016 |
| 10. | 2016-225-04-006 | Emec Chlorinator | April 2016 |
| 11. | 2015-225-07-005 | Pulse Feder Chlorinator | July 2015 |

**CLAVERIA WATER DISTRICT
SUMMARY OF BACTERIOLOGICAL ANALYSIS**

| MONTH | No. of Test | Result |
|--------------|--------------------|-----------------------------------------------------------|
| January | | No Travel due to threats of COVID-19 |
| February | | No Travel due to threats of COVID-19 |
| March | | No Travel due to threats of COVID-19 |
| April | | No Travel due to threats of COVID-19 |
| May | | No Travel due to threats of COVID-19 |
| June | | No Travel due to threats of COVID-19 |
| July | | No Travel due to threats of COVID-19 |
| August | | No Travel due to threats of COVID-19 |
| September | | No Travel due to threats of COVID-19 |
| October | | No Travel due to threats of COVID-19 |
| November | 4 | Samples meet Bacteriological Standards for Drinking Water |
| December | 4 | Samples meet Bacteriological Standards for Drinking Water |