



Republic of the Philippines
COMMISSION ON AUDIT

Regional Office No. 1
City of San Fernando, La Union
Tel Nos. (072) 888-6780 to 81

March 27, 2015

THE BOARD OF DIRECTORS

San Carlos City Water District
San Carlos City, Pangasinan

SAN CARLOS CITY WATER DISTRICT

SAN CARLOS CITY, PANGASINAN

RECEIVED

SIGNATURE: JOSE ANTONIO REVELL JR.

DATE: 3-31-15

Mesdames/Sirs:

We transmit herewith the report on the financial and compliance audit of the accounts and operations of San Carlos City Water District for the year ended December 31, 2014 in compliance with Section 2, Article IX-D of the Philippine Constitution and pertinent sections of Presidential Decree No. 1445.

The audit was conducted to ascertain the propriety of financial transactions and compliance with prescribed rules and regulations. It was also made to ascertain the accuracy of financial records and reports, as well as the fairness of the presentation of the financial statements.

We rendered a qualified opinion on the financial statement for reasons stated in the Independent Auditor's Report and discussed in detail in Part II of the Report.

The report consists of four parts: Part I – Audited Financial Statements, Part II – Detailed Findings and Recommendations, Part III – Status of Implementation of Prior Year's Audit Recommendations and Part IV - Annexes. The findings and recommendations were discussed with concerned management officials and staff in an exit conference held on February 18, 2015. Management's comments are included in the report, where appropriate. The summary of our observations and recommendations are as follows:

- a. Inventories and PPEs amounting to ₱2,576,223.28 and ₱134,617,556.74, respectively, or a total of ₱137,193,780.02, may not be accurate in their valuation and quantity due to the failure of the district to conduct a physical count before these were transferred for use to Prime Water, the district's Joint Venture contracting party.

We have recommended that Management conduct a physical count of all their supplies and materials inventory as well as their PPEs and prepare the

necessary reports for a more accurate and reliable documentation in value and quantity of these transferred properties.

- b. Monthly bank reconciliation statements were not prepared in violation of COA Circular No. 96-011 dated October 2, 1996 which resulted in a discrepancy between the book and the bank balance amounting to ₱1,384,605.22.

We have recommended that Management direct the employees concerned to determine and identify the reconciling items and made the necessary adjustments in the books of accounts. The monthly bank reconciliation statements should be consistently prepared to prevent the incurrence of discrepancy and to have a more accurate presentation of the account in the financial statements.

- c. Paid claims of the BODs of San Carlos City Water District (SCCWD) exceeded by ₱554,312.34 or beyond 25% of their total reimbursable expenses in violation to Section 10 of EO No. 65 in relation to Section 12 of EO No. 24. The BODs also claimed allowances and benefits during the year amounting to ₱534,893.60 without authority and legal basis to support the claim.

We have recommended that the Members of the Board of Directors stop the reimbursement of expenses which are over and above the limits set forth under existing laws, rules and regulations.

We have further recommended to require the members of the board to refund the total amount of ₱1,089,205.94 representing the excess amount of the reimbursable expenses and the allowances/benefits received during the year.

- d. The bidding process under the joint venture scheme was not carried out in a way that it will promote transparency, competitiveness and accountability in government transactions contrary to the process framework of the PPP program of the government and the NEDA Guidelines.

We have recommended that Management, the members of the Board of Directors of San Carlos City Water District, and the created Joint Venture Selection Committee explain and justify why they will not be held liable on the process adopted in the conduct of the Joint Venture Agreement with the Prime Water Infrastructure Corporation.

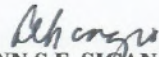
- e. The total amount of ₱4,675,887.90 representing unauthorized benefits were paid to the officers and employees of the District in violation to COA Circular No. 2013-003 dated January 30, 2013 and Executive Order No. 65, series of 2011.

We have recommended that Management stop paying any benefits which are not in accordance with existing laws, rules and regulations to avoid accumulation of disallowances in audit. It is further recommended that Management should require all liable persons indicated in the Notices of Disallowance to refund the total amount of P4,675,887.90 received which are unauthorized allowances/benefits pursuant to COA Circular No. 2013-003 dated January 30, 2013 and Executive Order No. 65, series of 2011.

We request that the comments and observations and recommendations contained in the said report be fully addressed and we would appreciate being informed of the action taken in this regard within sixty (60) days from receipt hereof, pursuant to Section 88 of the General Provisions of Republic Act No. 10633, otherwise known as General Appropriations Act of 2014, by accomplishing the Agency Action Plan and Status of Implementation attached herewith.

We acknowledge the cooperation extended to the audit team by the officials and staff of that Water District.

Very truly yours,


LYNN S.F. SICANGCO
Regional Director



Republic of the Philippines
COMMISSION ON AUDIT

REGIONAL OFFICE NO. 1
City of San Fernando, La Union
TELEFAX NOs: 888-6781* 888-6780

March 27, 2015

ENGR. BENJAMIN G. DISTOR

General Manager

San Carlos City Water District
San Carlos City, Pangasinan

Dear Engr. Distor:

We transmit herewith the report on the financial and compliance audit of the accounts and operations of San Carlos City Water District for the year ended December 31, 2014 in compliance with Section 2, Article IX-D of the Philippine Constitution and pertinent sections of Presidential Decree No. 1445.

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We have further recommended to require the members of the board to refund the total amount of ₱1,089,205.94 representing the excess amount of the reimbursable expenses and the allowances/benefits received during the year.

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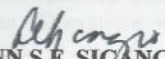
- e. The total amount of ₱4,675,887.90 representing unauthorized benefits were paid to the officers and employees of the District in violation to COA Circular No. 2013-003 dated January 30, 2013 and Executive Order No. 65, series of 2011.

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We request that the comments and observations and recommendations contained in the said report be fully addressed and we would appreciate being informed of the action taken in this regard within sixty (60) days from receipt hereof, pursuant to Section 88 of the General Provisions of Republic Act No. 10633, otherwise known as General Appropriations Act of 2014, by accomplishing the Agency Action Plan and Status of Implementation attached herewith.

We acknowledge the cooperation extended to the audit team by the officials and staff of that Water District.

Very truly yours,


LYNN S.F. SICANGCO
Regional Director



Republic of the Philippines
Commission on Audit
OFFICE OF THE AUDITOR
Team R1-04 – CGS
WATER DISTRICTS - PANGASINAN 1
2nd Floor, Dagupan City Water District, Tambac, District Dagupan City

February 23, 2015

The Supervising Auditor
CGS - Water Districts
COA Regional Office No.1
San Fernando City, La Union

Madam:


In compliance with Section 2, Article IX-D of the Philippine Constitution and pertinent sections of the Presidential Decree No. 1445, we conducted a comprehensive audit on the accounts and operations of the San Carlos City Water District, San Carlos City, Pangasinan, for the year ended December 31, 2014.

The audit was conducted to ascertain the propriety of the financial transactions and compliance of the District to prescribed rules and regulations. Operations were also evaluated to determine their efficiency, economy and effectiveness. It was also made to ascertain the accuracy of financial records and reports, as well as the fairness of the presentation of the financial statements. The audit was conducted in accordance with generally accepted state auditing standards and provided a reasonable basis for the results.

Our attached report consists of four (4) parts. Part I contains the Audited Financial Statements, Part II details of our significant audit findings and recommendations which were discussed with concerned management officials and staff, Part III presents Implementation of Prior Year's Recommendations and Part IV are the Annexes.

We acknowledge the cooperation and support extended to us by the officials and employees of the District.

Very truly yours,


OFELIA T. CELI
Audit Team Leader



Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City

ANNUAL AUDIT REPORT

on the

SAN CARLOS CITY WATER DISTRICT
San Carlos City, Pangasinan

For the Year Ended December 31, 2014

EXECUTIVE SUMMARY

A. Introduction

The water supply system of San Carlos City was originally constructed in 1932 by the Provincial Government. It was managed by the former National Works and Sewerage Authority (NAWASA now MWSS) and later the Municipal Government.

In March 1977, Resolution No. 42 was passed by the Sangguniang Panglungsod of San Carlos City, establishing San Carlos City Water District (SCCWD) as the body to manage, upgrade and develop the water system of the City. The resolution was filed with the Local Water Utilities Administration (LWUA) where it awarded the Conditional Certificate of Conformance (CCC) to SCCWD on July 28, 1977. SCCWD is now under Category C with 7,348 active concessionaires.

On October 15, 2014, San Carlos City Water District entered into a JOINT VENTURE AGREEMENT with the Prime Water Infrastructure Corporation for the financing, development, rehabilitation, improvement, expansion and maintenance of the water supply system of San Carlos City.

B. Financial Highlights

1. Comparative Financial Statements

	2014	2013
Assets	107,246,245.69	89,871,591.57
Liabilities	41,000,269.85	35,821,017.43
Government Equity	66,245,975.84	54,050,574.14
Income	48,641,840.36	50,521,597.53
Expenses	35,442,474.82	39,159,863.48

2. Comparative Budget and Actual Expenses

	2014	2013
Budget	57,692,328.00	44,778,955.92
Actual Expenses	37,803,367.41	42,579,631.34
Funds Received/Transferred	-0-	-0-

C. Scope of Audit and Methodology

A comprehensive audit was conducted on the accounts and operations of the San Carlos City Water District, San Carlos City, Pangasinan, for the year ended December 31, 2014. The audit consisted of review of operating procedures, inspection of programs and projects, interview with concerned officials and employees, verification, reconciliation and analysis of accounts and such other procedures deemed necessary.

D. Auditor's Opinion on the Financial Statement

The Auditor rendered a qualified opinion on the presentation of the financial statements because the accuracy and reliability of the inventory and the property accounts was not established due to the absence of physical count and reports of inventory and PPE amounting to ₱137,193,780.02. Also, the cash accounts amounting to ₱6,741,662.80 did not reconcile with the banks' balance or a discrepancy amounting to ₱1,384,605.22, thus, affecting the fairness in the presentation of the financial statements of the district as of December 31, 2014

E. Significant Audit Findings and Recommendations

Presented below is the summary of the significant audit observations and recommendations which were discussed with the agency officials concerned during the exit conference and their corresponding comments when necessary, were incorporated in Part II of the report:

- f. Inventories and PPEs amounting to ₱2,576,223.28 and ₱134,617,556.74, respectively, or a total of ₱137,193,780.02, may not be accurate in their valuation and quantity due to the failure of the district to conduct a physical count before these were transferred for use to Prime Water, the district's Joint Venture contracting party.

We have recommended that Management conduct a physical count of all their supplies and materials inventory as well as their PPEs and prepare the necessary reports for a more accurate and reliable documentation in value and quantity of these transferred properties.

- g. Monthly bank reconciliation statements were not prepared in violation of COA Circular No. 96-011 dated October 2, 1996 which resulted in a discrepancy between the book and the bank balance amounting to ₱1,384,605.22.

We have recommended that Management direct the employees concerned to determine and identify the reconciling items and made the necessary adjustments in the books of accounts. The monthly bank reconciliation statements should be consistently prepared to prevent the incurrence of

discrepancy and to have a more accurate presentation of the account in the financial statements.

- h. Paid claims of the BODs of San Carlos City Water District (SCCWD) exceeded by P554,312.34 or beyond 25% of their total reimbursable expenses in violation to Section 10 of EO No. 65 in relation to Section 12 of EO No. 24. The BODs also claimed allowances and benefits during the year amounting to P534,893.60 without authority and legal basis to support the claim.

We have recommended that the Members of the Board of Directors stop the reimbursement of expenses which are over and above the limits set forth under existing laws, rules and regulations.

We have further recommended to require the members of the board to refund the total amount of P1,089,205.94 representing the excess amount of the reimbursable expenses and the allowances/benefits received during the year.

- i. The bidding process under the joint venture scheme was not carried out in a way that it will promote transparency, competitiveness and accountability in government transactions contrary to the process framework of the PPP program of the government and the NEDA Guidelines.

We have recommended that Management, the members of the Board of Directors of San Carlos City Water District, and the created Joint Venture Selection Committee explain and justify why they will not be held liable on the process adopted in the conduct of the Joint Venture Agreement with the Prime Water Infrastructure Corporation.

- j. The total amount of P4,675,887.90 representing unauthorized benefits were paid to the officers and employees of the District in violation to COA Circular No. 2013-003 dated January 30, 2013 and Executive Order No. 65, series of 2011.

We have recommended that Management stop in paying any benefits which are not in accordance with existing laws, rules and regulations to avoid accumulation of disallowances in audit. It is further recommended that Management should require all liable persons indicated in the Notices of Disallowance to refund the total amount of P4,675,887.90 received which are unauthorized allowances/benefits pursuant to COA Circular No. 2013-003 dated January 30, 2013 and Executive Order No. 65, series of 2011.

F. Summary of Total Suspensions, Disallowances and Charges as of Year-End

	Amount
a. Suspensions	P 10,438,693.43
b. Disallowance	P 15,668,544.61
c. Charges	P -0-

G. Status of Implementation of Prior Year's Audit Recommendations

Out of the eight prior year's audit recommendations, one was fully implemented; five were partially implemented, and two were not implemented.



Republic of the Philippines
COMMISSION ON AUDIT
Quezon City

INDEPENDENT AUDITOR'S REPORT

THE BOARD OF DIRECTORS

San Carlos City Water District
San Carlos City, Pangasinan

Report on the Financial Statements

We have audited the accompanying financial statements of San Carlos City Water District, which comprise the statement of financial position as at December 31, 2014, and the statement of comprehensive income statement, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with State Accounting Principles, and for which Internal Control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating to overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

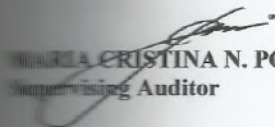
As discussed in detail in Part II of this Report, the accuracy and reliability of the inventory and the property accounts were not established due to the absence of a physical count and reports of inventory of PPE amounting to ₱137,193,780.02. Also, cash accounts amounting to ₱6,741,662.80 did not reconcile with the banks' balance or a discrepancy amounting to ₱1,384,605.22, thus the fairness in the presentation of the financial statements of the District as of December 31, 2014 has been affected.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of **San Carlos City Water District** as at December 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

COMMISSION ON AUDIT

By:


MARIA CRISTINA N. POSERIO
Supervising Auditor

February 25, 2015

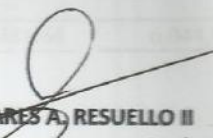
SAN CARLOS CITY WATER DISTRICT

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e-mail address: scowd@hotmail.com

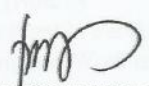
STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of San Carlos City Water District is responsible for all information and representations contained in the accompanying Balance Sheet as of December 31, 2014 and the related Statements of Income and Expenses; Cash Flows and Changes in Government Equity for the year then ended. The financial statements have been prepared in conformity with the generally accepted state accounting principles and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.


JOSE JOVARES A. RESUELLO II
Senior Corporate Accounts Analyst

Noted by:


ENGR. BENJAMIN G. DISTOR
General Manager

SAN CARLOS CITY WATER DISTRICT
San Carlos City, Pangasinan

DETAILED BALANCE SHEET

(With Comparative Figures for 2013)

	2014	2013
ASSETS		
Current Assets:		
Cash on Hand	P -	-
Cash in Bank - Savings	1,626,197.71	346,313.60
Cash in Bank - Current	0.00	-
Cash in Bank - DBP	4,350,259.69	30,000.00
Special Deposits	765,205.40	763,674.24
Working Funds	20,000.00	-
Payroll Funds	-	-
Accounts Receivable - Customer	9,542,391.19	4,037,956.34
Advances to Officers and Employees		
Accounts Receivable - Others		
Allowance for Bad Debts	(403,795.63)	(403,795.63)
Materials and Supplies (Note 5)	2,576,223.28	1,269,889.89
Prepayments	35,000.00	-
Other Current Assets and Other Debits		
	<u>18,511,481.64</u>	<u>6,044,038.44</u>
Current Liabilities:		
Accumulated Debt Discount and Expenses		
Other Work in Progress		
Other Deferred Debits	0.00	391,101.67
	<u>0.00</u>	<u>391,101.67</u>
Fixed Assets:		
Utility Plant (Note 2)		
Utility Plant In Service	125,050,028.78	118,834,336.28
Construction Work in Progress	9,567,527.96	6,347,944.72
Accumulated Depreciation - Utility Plant	134,617,556.74	125,182,281.00
Less: Accum. Provision for Dep. & Amort.(Note 3)	(46,829,961.61)	(42,491,051.71)
Net Utility Plant	<u>87,787,595.13</u>	<u>82,691,229.29</u>
Investment and Funds Accounts		
Other Physical Property		
Less: Accum. Provision for Dep. & Amort.		
Net Other Physical Property		
Investments		

Existing Funds	947,168.92	745,222.17
Miscellaneous Special Funds		
Total	<u>947,168.92</u>	<u>745,222.17</u>
NET ASSETS	P 107,246,245.69	89,871,591.57

LIABILITIES & EQUITY

Current and Accrued Liabilities		
DBP Livelihood Loan Payable		
Vouchers Payable	473,516.07	2,063,723.68
Pending Funds Contribution		
Pending Loans Payable		
Pending Housing Loan		
Accrued Light and Power		
Current Portion of Long Term Debts	0.00	133,404.17
GIS Accounts Payable	6,635.54	2,214.17
Customers Deposit		
Medicare Payable		
Interest Payable		
Loan Penalties Payable		
Withholding Taxes Payable - Compensation		(10,841.61)
Withholding Taxes Payable - BOD / Retainer's fee		7,657.50
Withholding Taxes Payable - Suppliers	25,195.85	21,940.33
Withholding Taxes Payable - Deficiency Tax		3,891.28
Other Current and Accrued Liabilities	3,849,623.08	2,690,119.50
Refund Share Payable		5,424.93
Refund Regular Loan Payable		
Refund Loan Payable - Due from SCCWD		250,000.00
Refund Educational Loan Payable		3,354.19
Refund Emergency Loan Payable		
Total	<u>4,354,970.54</u>	<u>5,170,888.14</u>
Deferred Credits		
Other Deferred Credits	1,192,519.33	468,000.00
Total	<u>1,192,519.33</u>	<u>468,000.00</u>
Long Term Debts		
Loans Payable - LWUA (Note 6)	1,831,006.39	9,150,439.45
Loans Payable - LBP	17,159,585.60	18,919,543.16
Loans Payable - DBP (Note 7)	14,830,039.20	-
Other Long-Term Liabilities	1,632,148.79	2,112,146.68
Total	<u>35,452,779.98</u>	<u>30,182,129.29</u>
Total Liabilities	<u>41,000,269.85</u>	<u>35,821,017.43</u>

Equity			
Capital			
Capital Contribution	0.00	0.00	
Other Paid-in Capital	18,959,784.17	14,732,678.49	
Retained Earnings	47,286,191.67	39,317,895.65	
Total Equity	66,245,975.84	54,050,574.14	
TOTAL LIABILITIES & EQUITY	P 107,246,245.69	89,871,591.57	

(See Accompanying Notes to Financial Statements)

SAN CARLOS CITY WATER DISTRICT
San Carlos City, Pangasinan

STATEMENT OF INCOME AND EXPENSES
(With Comparative Figures for 2013)

ACCOUNT TITLE	2014	2013
OPERATING REVENUES	P 48,641,840.36	50,521,597.53
Water - Meter Citizen	(62,388.32)	67,874.73
OPERATING REVENUES	48,579,452.04	50,453,722.80
Operating Expenses		
Depreciation	28,501,862.52	31,630,642.84
Maintenance	2,601,702.40	3,447,800.74
Insurance	4,338,909.90	4,081,419.90
Amortization of Limited Term Utility Investment		
Amortization Utility Plant Leased to Others (C)		
Amortization Lease of Utility Plant		
Total Operating Expenses	35,442,474.82	39,159,863.48
OPERATING INCOME	13,136,977.22	11,293,859.32
OTHER INCOME		
Income from Non-Utility Operation	386,189.98	189,292.41
Income from Lease of Other Physical Property		
Interest Revenues		
Dividend Revenues	17,526.20	6,860.77
Income from Sinking & Other Funds		
Miscellaneous Non-Operating Revenues	0.00	-
Extraordinary Gains and Losses	60,000.00	
Total Other Income	463,716.18	196,153.18
OTHER INCOME	13,600,693.40	11,490,012.50
INCOME BEFORE INTEREST CHARGE	13,600,693.40	11,490,012.50
INTEREST CHARGES		
Interest Long Term Debts	1,856,369.85	3,399,735.86
Amortization Charges		
Amortization of Premium on Debt (C)		
Loss Assumed on Interest		
Other Interest Charges	504,522.74	20,032.00
Amortization Amortization		
Interest Charged to Construction (C)		
Total Interest Charges	2,360,892.59	3,419,767.86
INCOME FOR THE PERIOD	P 11,239,800.81	8,070,244.64

San Carlos City, Pangasinan

For the Year Ended December 31, 2014

(With Comparative Figures for 2013)

8

San Carlos City, Pangasinan

For the Year Ended December 31, 2014

(With Comparative Figures for 2013)

8

SAN CARLOS CITY WATER DISTRICT

San Carlos City, Pangasinan

Statement of Changes in Equity

(With Comparative Figures for 2013)

		2014		2013
Commitment Equity	P	18,959,784.17	P	14,732,678.49
Retained Earnings, Beg.		39,317,895.65		31,775,779.36
Adjustments:				
Continuous Adjustments		(3,271,504.79)		(528,128.35)
Income for the year		11,239,800.81		8,070,244.64
Retained Earnings, End		<u>47,286,191.67</u>		<u>39,317,895.65</u>
Total Equity	P	<u><u>66,245,975.84</u></u>	P	<u><u>54,050,574.14</u></u>

NOTES TO FINANCIAL STATEMENTS

San Carlos City Water District

For the Year Ended December 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

- a. San Carlos City Water District adopts the Commercial System of Accounting prescribed by the Local Water Utilities Administration (LWUA).
- b. Revenue and Expense – The Accrual Method of Accounting is adopted for both income and expense. Under this method, expenses are recognized and recorded regardless when paid and revenues or income are recognized and recorded when earned regardless of when collected.
- c. Disbursement Procedures – In recording expenditures, the Voucher System is followed in which vouchers payable is credited prior to payment and debited upon payment.
- d. Depreciation – Provision for depreciation is computed based on the straight line method of accounting.

2. UTILITY PLANT IN SERVICE

P125,050,028.78

Land and Land Rights	4,506,690.91
Well and Sources	17,821,931.32
Structure and Improvement (pumphouse)	2,699,918.95
Power Production Equipment	8,376,868.36
Pumping Equipment	12,625,814.45
Water Treatment Equipment	510,781.00
Structure and Improvement (transmission)	252,962.11
Reservoir and Tank	2,426,367.50
Transmission and Distribution Mains	50,472,230.15
Services	597,040.10
Meters	10,105,388.92
Structure and Improvements	6,833,931.72
Office Furniture and Equipment	1,328,203.68
Transportation Equipment	3,352,517.41
Communications Equipment	289,636.79
Power Operated Equipment	11,650.00
Tools, Shop and Garage Equipment	745,105.40
Other General Plant	2,092,990.01
Total	<u>P125,050,028.78</u>

3. ACCUMULATED PROVISION FOR DEP

P 46,829,961.61

Well and Sources	4,993,404.50
Structure and Improvement (Pumphouse)	987,852.43
Power Production Equipment	4,292,000.34
Pumping Equipment	7,877,962.37

Water Treatment Equipment	454,035.15
Structure and Improvement (Transmission)	252,962.11
Reservoir and Tank	910,088.41
Transmission and Distribution Mains	12,170,343.24
Services	519,650.29
Meters	7,869,384.76
Structure and Improvements	1,186,604.41
Office Furniture and Equipment	1,040,989.52
Transportation Equipment	3,378,369.38
Communications Equipment	87,193.40
Power Operated Equipment	11,343.97
Tools, Shop and Garage Equipment	341,798.89
Other General Plant	455,978.44
Total	<u>P46,829,961.61</u>

4. CASH AND CASH EQUIVALENTS P 6,761,662.80

a. Cash in Bank	
a.2 Cash in Bank - LBP	1,626,197.71
a.2 Cash in Bank - DBP	4,350,259.69
	<u>5,976,457.40</u>
b. Special Deposit	765,205.40
c. Working Fund	20,000.00
Total	<u>P6,761,662.80</u>

5. MATERIALS AND SUPPLIES INVENTORY P 2,576,223.28

a. Office and Medical Supplies	P 234,787.87
b. Plant Materials and Operating Supplies	1,330,121.58
c. Chemicals	41,343.75
d. Construction Material & Supplies	959,898.72
e. Miscellaneous	10,071.36
Total	<u>P2,576,223.28</u>

6. LOANS PAYABLE - LWUA P 1,831,006.39

a. LA# 3-526 Regular Loan	P 710,234.27
b. LA# 3-526 Soft Loan	1,120,772.12
Total	<u>P1,831,006.39</u>

LOANS PAYABLE - DBP

P 14,830,039.20

a. 211C-1 Restructured Loan

P 5,830,039.20

b. 211C-2 9M

9,000,000.00

Total

P14,830,039.20

** A Joint Venture Agreement (JVA) was entered into between San Carlos City Water District (SCCWD) and Primewater Infrastructure Corporation, a Private Company, effective November 1, 2014.*