



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

FINANCIAL AUDIT REPORT

on the

SANTA MARIA WATER DISTRICT Santa Maria, Bulacan

For the Year Ended December 31, 2022

PART I - AUDITED FINANCIAL STATEMENTS



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
REGIONAL OFFICE NO. III
City of San Fernando, Pampanga

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Santa Maria Water District
Santa Maria, Bulacan

Unmodified Opinion

We have audited the financial statements of the Santa Maria Water District, Santa Maria, Bulacan, which comprise the Statement of Financial Position as at December 31, 2022 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of Santa Maria Water District as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Unmodified Opinion

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

COMMISSION ON AUDIT

By:



OSCAR G. JACINTO, JR.
OIC-Supervising Auditor

April 11, 2023

**SANTA MARIA WATER DISTRICT
STATEMENT OF FINANCIAL POSITION**

As at December 31, 2022

(With Comparative Figures for CY 2021 and January 1, 2021 as restated)

(All amounts are rounded off to the nearest peso)

	Note	2022	2021	January 1, 2021 As Restated
ASSETS				
Current Assets				
Cash and Cash Equivalents	5	P123,855,439	P121,602,183	P92,339,740
Receivables, Net	6	8,360,875	8,590,097	21,097,859
Inventories	7	43,329,484	81,358,885	27,215,453
Other Assets	8	20,307,862	15,229,637	17,074,039
Total Current Assets		195,853,660	226,780,802	157,727,091
Non-Current Assets				
Investments	9	148,932	7,961,158	7,957,930
Property, Plant and Equipment, Net	10	644,949,706	517,989,157	453,766,561
Intangible Assets, Net		5,000	9,750	28,750
Other Assets	8	2,022,985	821,172	868,751
Total Non-Current Assets		647,126,623	526,781,237	462,621,992
TOTAL ASSETS		P842,980,283	P753,562,039	P620,349,083
LIABILITIES AND EQUITY				
LIABILITIES				
Current Liabilities				
Financial Liabilities	11	P84,359,206	P47,196,450	P52,126,583
Inter-Agency Payables	12	4,098,942	7,873,660	4,477,307
Trust Liabilities	13	25,269,958	22,080,466	16,572,311
Other Payables		540,130	485,668	464,062
Total Current Liabilities		114,268,236	77,636,244	73,640,263
Non-Current Liabilities				
Financial Liabilities	11	193,562,107	194,778,992	114,554,414
Provisions	14	13,865,290	12,942,439	11,397,462
Deferred Credits/Unearned Income		1,568,808	1,567,992	1,274,163
Total Non-Current Liabilities		208,996,205	209,289,423	127,226,039
TOTAL LIABILITIES		323,264,441	286,925,667	200,866,302
EQUITY				
Government Equity		289,562	289,562	289,562
Retained Earnings		519,426,280	466,346,810	419,193,219
TOTAL EQUITY		519,715,842	466,636,372	419,482,781
TOTAL LIABILITIES AND EQUITY		P842,980,283	P753,562,039	P620,349,083

The notes on pages 8 to 38 form part of these statements.

SANTA MARIA WATER DISTRICT
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2022
(With Comparative Figures for CY 2021)

(All amounts are rounded off to the nearest peso)

	Note	2022	2021
INCOME			
Service and Business Income	15	P321,692,000	P294,879,204
Other Non-Operating Income		1,783,152	3,196,493
Total Income		323,475,152	298,075,697
EXPENSES			
Personnel Services	16	69,991,600	61,539,353
Maintenance and Other Operating Expenses	17	169,365,101	159,993,729
Financial Expenses	18	7,960,180	9,260,054
Non-Cash Expenses	19	19,702,529	19,656,084
Total Expenses		267,019,410	250,449,220
NET INCOME		P56,455,742	P47,626,477

The notes on pages 8 to 38 form part of these statements.

SANTA MARIA WATER DISTRICT
STATEMENT OF CHANGES IN EQUITY
For the Year Ended December 31, 2022
(With Comparative Figures for CY 2021)

(All amounts are rounded off to the nearest peso)

	Government Equity	Retained Earnings	TOTAL
BALANCE AT JANUARY 1, 2021	₱289,562	₱425,052,202	₱425,341,764
Add (Deduct):			
Effect of New Capitalization Threshold	0	(5,858,983)	(5,858,983)
RESTATED BALANCE AT JANUARY 1, 2021	289,562	419,193,219	419,482,781
Add (Deduct):			
Net Income/(Loss) for the year	0	47,626,477	47,626,477
Effect of New Capitalization Threshold	0	(580,905)	(580,905)
Other Adjustments	0	108,019	108,019
BALANCE AT DECEMBER 31, 2021	289,562	466,346,810	466,636,372
Add (Deduct):			
Net Income/(Loss) for the year	0	56,455,742	56,455,742
Other Adjustments	0	(3,376,272)	(3,376,272)
BALANCE AT DECEMBER 31, 2022	₱289,562	₱519,426,280	₱519,715,842

The notes on pages 8 to 38 form part of these statements.

SANTA MARIA WATER DISTRICT
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022
(With Comparative Figures for CY 2021)

(All amounts are rounded off to the nearest peso)

	Note	2022	2021
Cash Flows from Operating Activities			
Cash Inflows			
Collection of Revenue		P338,075,961	P325,446,632
Trust Receipts		1,207,035	1,375,425
Other Receipts		6,302,840	7,571,848
Adjustments		98,027,192	8,800,715
Total Cash Inflows		443,613,028	343,194,620
Cash Outflows			
Payment of Expenses		178,502,607	172,447,579
Purchase of Inventories		52,805,807	34,175,909
Grant of Cash Advances		5,439,992	5,439,992
Prepayments		988,451	988,451
Remittance of Personnel Benefits Contributions and Mandatory Deductions		39,501,377	35,120,141
Other Disbursements		704,235	0
Adjustments		96,575,416	7,634,378
Total Cash Outflows		374,517,885	255,806,450
Net Cash Provided by (Used in) Operating Activities		69,095,143	87,388,170
Cash Flows from Investing Activities			
Cash Inflows			
Proceeds from sinking fund		8,500,000	0
Total Cash Inflows		8,500,000	0
Cash Outflows			
Purchase/Construction of PPE		60,653,422	126,141,112
Investments		686,422	0
Total Cash Outflows		61,339,844	126,141,112
Net Cash Provided by (Used in) Investing Activities		(52,839,844)	(126,141,112)
Cash Flows from Financing Activities			
Cash Inflows			
Proceeds from Domestic and Foreign Loans		12,703,763	93,641,270
Total Cash Inflows		12,703,763	93,641,270
Cash Outflows			
Payment of Long-Term Liabilities		18,571,850	16,094,021
Payment of Interest Expenses		8,133,956	9,531,864
Total Cash Outflows		26,705,806	25,625,885
Net Cash Provided by (Used in) Financing Activities		(14,002,043)	68,015,385
Increase (Decrease) in Cash and Cash Equivalents		2,253,256	29,262,443
Cash and Cash Equivalents, January 1		121,602,183	92,339,740
Cash and Cash Equivalents, December 31	5	123,855,439	P121,602,183

The notes on pages 8 to 38 form part of these statements.