



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

**INDEPENDENT AUDITOR'S REPORT**

**The Board of Directors**

Bustos Water District  
Bustos, Bulacan

*Unmodified Opinion*

We have audited the financial statements of the Bustos Water District, Bustos, Bulacan, which comprise the Statement of Financial Position as at December 31, 2021, 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 Bustos Water District as at December 31, 2021, 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 for 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 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 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 ISSAIs 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:**

A handwritten signature in blue ink, appearing to read "OSCAR G. JACINTO, JR.", written over a horizontal line.

**OSCAR G. JACINTO, JR.**

OIC - Supervising Auditor

June 20, 2022



# BUSTOS WATER DISTRICT

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## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Bustos Water District is responsible for the preparation of the financial statements as at December 31, 2021, including the additional components attached thereto in accordance with prescribed financial reporting framework indicated therein. The responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material statement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Board of Directors reviews and approves the financial statements before such statements are issued to the regulators, creditors and other users.

The Commission on Audit has audited the financial statements of BUSTOS WATER DISTRICT in accordance with the Philippine Standards on Auditing and has expressed its opinion on the fairness of presentation upon completion of such audit, in its report to the Board of Directors.



**VICENTE D.L. RAMOS JR.**

**Chairman of the Board**

February 9, 2022



**JOSE ADLAI G. TANCANGCO**

**General Manager**

February 9, 2022



**EMERITA AGNES DG. MATEO**

**Division Manager – B**

**Finance Division**

February 9, 2022



**NESTOR C. CRUZ**

**Designated Division Manager B**  
**Accounting and Budget Division**

February 9, 2022



**BUSTOS WATER DISTRICT**  
 Bustos, Bulacan  
**STATEMENT OF FINANCIAL POSITION**  
 As at December 31, 2021  
 (With Comparative Figures for CY 2020)

	Note	2021	2020
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	4	P10,735,087	P7,879,950
Receivables, Net	5	4,988,309	8,755,092
Inventories	6	3,570,807	3,262,118
Other Assets		8,440,040	7,522,283
<b>TOTAL CURRENT ASSETS</b>		<b>27,734,243</b>	<b>27,419,443</b>
<b>NON-CURRENT ASSETS</b>			
Investments	7	1,273,219	1,272,703
Property, Plant, and Equipment, Net	8	68,424,005	67,486,957
Other Assets	9	7,484,918	6,257,718
<b>TOTAL NON-CURRENT ASSETS</b>		<b>77,182,142</b>	<b>75,017,378</b>
<b>TOTAL ASSETS</b>		<b>104,916,385</b>	<b>102,436,821</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Financial Liabilities	10	6,491,918	9,602,316
Inter-Agency Payables	11	1,218,062	714,047
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,709,980</b>	<b>10,316,363</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		5,994,349	4,560,530
Deferred Credits/Unearned Revenue/Income		17,846	16,343
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,012,195</b>	<b>4,576,873</b>
<b>TOTAL LIABILITIES</b>		<b>13,722,175</b>	<b>14,893,236</b>
<b>EQUITY</b>			
Government Equity		651,510	651,510
Retained Earnings	12	90,542,700	86,892,075
<b>TOTAL EQUITY</b>		<b>91,194,210</b>	<b>87,543,585</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P104,916,385</b>	<b>P102,436,821</b>

The notes on pages 8 to 29 form part of these statements.



***BUSTOS WATER DISTRICT***  
Bustos, Bulacan  
**STATEMENT OF COMPREHENSIVE INCOME**  
For the Year Ended December 31, 2021  
*(With Comparative Figures for CY 2020)*

	Note	2021	2020
<b>INCOME</b>			
Service and Business Income		₱56,518,527	₱50,481,109
Miscellaneous Income		208,547	300,349
<b>TOTAL INCOME</b>		<b>56,727,074</b>	<b>50,781,458</b>
<b>EXPENSES</b>			
Personnel Services	13	24,502,634	21,232,850
Maintenance and Other Operating Expenses	14	23,812,861	20,723,103
Non-Cash Expenses	15	3,781,166	3,054,462
<b>TOTAL EXPENSES</b>		<b>52,096,661</b>	<b>45,010,415</b>
<b>NET INCOME</b>		<b>₱4,630,413</b>	<b>₱5,771,043</b>



***BUSTOS WATER DISTRICT***  
Bustos, Bulacan  
**STATEMENT OF CHANGES IN EQUITY**  
For the Year Ended December 31, 2021

	Note	GOVERNMENT EQUITY	RETAINED EARNINGS	TOTAL
<b>BALANCE AT DECEMBER 31, 2020</b>		₱651,510	₱86,892,075	₱87,543,585
Add(Deduct):				
Net Income for the year		0	4,630,413	4,630,413
Other Adjustment		0	(979,788)	(979,788)
<b>BALANCE AT DECEMBER 31, 2021</b>		<b>₱651,510</b>	<b>₱90,542,700</b>	<b>₱91,194,210</b>

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*The notes on pages 8 to 29 form part of these statements.*



## ***BUSTOS WATER DISTRICT***

Bustos, Bulacan

### **STATEMENT OF CASH FLOWS**

For the Year Ended December 31, 2021

*(With Comparative Figures for CY 2020)*

	Note	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash Inflows</b>			
Collection of Income/Revenue		₱61,668,025	₱47,245,880
		38,238	0
<b>Total Cash Inflows</b>		<b>61,706,263</b>	<b>47,245,880</b>
<b>Cash Outflows</b>			
Payment of Expense		39,383,932	32,307,150
Purchase of Inventories		3,561,481	4,989,623
Remittance of Personnel Benefits Contributions and Mandatory Deductions		5,937,750	8,490,412
Release of Intra-Agency Fund Transfer		116,057	228,478
<b>Total Cash Outflows</b>		<b>48,999,220</b>	<b>46,015,663</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		<b>12,707,043</b>	<b>1,230,217</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash Outflows</b>			
Purchase/Construction of Investment Property		(2,699,968)	0
Purchase Property, Plant, and Equipment		(7,151,938)	(12,664,738)
<b>Total Cash Outflows</b>		<b>(9,851,906)</b>	<b>(12,664,738)</b>
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		<b>(9,851,906)</b>	<b>(12,664,738)</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>2,855,137</b>	<b>(11,434,521)</b>
<b>CASH AND CASH EQUIVALENTS - JANUARY 1</b>		<b>7,879,950</b>	<b>19,314,471</b>
<b>CASH AND CASH EQUIVALENTS - DECEMBER 31</b>	4	<b>₱10,735,087</b>	<b>₱7,879,950</b>

*The notes on pages 8 to 29 form part of these statements.*