



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

FINANCIAL AUDIT REPORT

on the

**PLARIDEL WATER DISTRICT
Plaridel, Bulacan**

For the Year Ended December 31, 2024



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

INDEPENDENT AUDITOR'S REPORT

THE BOARD OF DIRECTORS

Plaridel Water District
Plaridel, Bulacan

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the **Plaridel Water District, Plaridel, Bulacan** which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the **Plaridel Water District** as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Qualified Opinion

The accuracy of the balance of the following assets and equity accounts was doubtful due to the accounting errors and deficiencies that significantly misstate or mispresent the accounts, as follows: (a) non-reconciliation of balances per Financial Statements (FS) or Lapsing Schedule and Report on Physical Count of Property, Plant and Equipment (RPCPPE) of Property, Plant and Equipment (PPE) account resulting to unlocated and undetermined properties with a carrying value of ₱7,456,505; (b) non-reconciliation of the discrepancy between the quantity balances per Inventory Status Report and actual physical count of Construction Materials Inventory (CMI) as of year-end; and (c) inadequate provision of allowance for impairment losses on accounts receivable, contrary to the prescribed standards of measurement using expected credit losses (ECL) model under PFRS 9.

We conducted our audits in accordance with International Standards of Supreme Audit Institutions (ISSAIs). 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 Company in accordance with the *Revised Code of Conduct and Ethical Standards for Commission on Audit Officials and Employees (Code of Ethics)* together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical

responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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.

In preparing the financial statements, management is responsible for assessing the agency's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the agency or to cease operations, or has no alternative but to do so.

Those charged with governance are responsible for overseeing the agency'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 a 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.

As part of an audit in accordance with ISSAIs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Plaridel Water District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plaridel Water District's, ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plaridel Water District's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

COMMISSION ON AUDIT



JANET D. CAPARAS
OIC-Supervising Auditor

March 21, 2025

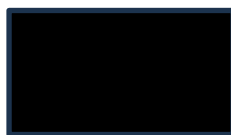


STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Plaridel Water District is responsible for the preparation of the financial statements as at December 31, 2024, 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 misstatement 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 regulators, creditors and other users.

The Commission on Audit has audited the financial statements of the Angat Water District in accordance with the International Standards of Supreme Audit Institutions and has expressed its opinion on the fairness of presentation upon completion of such audit, in its report to the Board of Directors.



NATHANAEL ANDRES S. BERNABE, JR.
Chairperson of the Board

10 FEB 2025

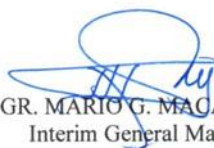
Date Signed



CECILIA L. PASAGUI
Division Manager B - Finance

10 FEB 2025

Date Signed



ENGR. MARIO G. MACATANGAY
Interim General Manager

10 FEB 2025

Date Signed



PLARIDEL WATER DISTRICT
STATEMENT OF FINANCIAL POSITION
As at December 31, 2024
(With Comparative Figures for CY 2023)

(All amounts are rounded off to the nearest peso)

	Note	2024	2023
ASSETS	2,3		
Current Assets			
Cash and Cash Equivalents	4	₱84,334,880	₱113,113,893
Receivables, Net	5	13,577,196	10,749,122
Inventories	6	11,646,712	12,341,731
Other Assets	7	331,600	1,693,079
Total Current Assets		109,890,388	137,897,825
Non-Current Assets			
Property, Plant and Equipment, Net	8	264,868,230	185,384,238
Investments		0	1,031,042
Other Assets	7	12,706,973	1,254,778
Total Non-Current Assets		277,575,203	187,670,058
TOTAL ASSETS		₱387,465,591	₱325,567,883
LIABILITIES AND EQUITY	2,3		
LIABILITIES			
Current Liabilities			
Financial Liabilities	9	₱15,147,908	₱13,233,162
Inter-Agency Payables	10	3,994,585	7,679,807
Intra-Agency Payables		30,659	30,659
Trust Liabilities	11	25,215,492	9,387,949
Provisions	12	7,347,363	6,512,455
Other Payables		361,153	9,075,685
Total Current Liabilities		52,097,160	45,919,717
Non-Current Liabilities			
Financial Liabilities	9	127,937,833	71,533,672
Total Non-Current Liabilities		127,937,833	71,533,672
TOTAL LIABILITIES		180,034,993	117,453,389
EQUITY			
Government Equity	13	4,808,060	4,808,060
Retained Earnings	14	202,622,538	203,306,434
TOTAL EQUITY		207,430,598	208,114,494
TOTAL LIABILITIES AND EQUITY		₱387,465,591	₱325,567,883

The notes on pages 9 to 34 form part of these statements.



PLARIDEL WATER DISTRICT
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2024
(With Comparative Figures for CY 2023)

(All amounts are rounded off to the nearest peso)

	Note	2024	2023
INCOME			
Service and Business Income		₱125,543,022	₱118,654,945
Other Non-Operating Income		6,734,092	6,857,577
Total Income	15	132,277,114	125,512,522
EXPENSES			
Personnel Services	16	48,470,552	45,323,478
Maintenance and Other Operating Expenses	17	72,825,593	64,793,636
Financial Expenses		9,900	7,750
Non-Cash Expenses	18	7,459,422	7,661,801
Total Expenses		128,765,467	117,786,665
NET INCOME		₱3,511,647	₱7,725,857

The notes on pages 9 to 34 form part of these statements.



PLARIDEL WATER DISTRICT
STATEMENT OF CHANGES IN EQUITY
For the Year Ended December 31, 2024

(All amounts are rounded off to the nearest peso)

	GOVERNMENT EQUITY	RETAINED EARNINGS	TOTAL
BALANCE AT JANUARY 1, 2023	₱4,808,060	₱195,697,968	₱200,506,028
ADJUSTMENTS:			
Add (Deduct):			
Net Income	0	7,725,857	7,725,857
Other Adjustments	0	(117,391)	(117,391)
BALANCE AT DECEMBER 31, 2023	4,808,060	203,306,434	208,114,494
Net Income	0	3,511,647	3,511,647
Other Adjustments	0	(4,195,543)	(4,195,543)
BALANCE AT DECEMBER 31, 2024	₱4,808,060	₱202,622,538	₱207,430,598

The notes on pages 9 to 34 form part of these statements.



PLARIDEL WATER DISTRICT
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024
(With Comparative Figures for CY 2023)

(All amounts are rounded off to the nearest peso)

	Note	2024	2023
Cash Flows from Operating Activities			
Cash Inflows			
Proceeds from Sale of Goods and Services	15	₱122,874,737	₱113,835,252
Collection of Income/Revenues	15	6,919,868	7,211,755
Collection of Receivables	5	6,591,386	6,270,792
Other Receipts	11	1,803,972	1,591,279
Total Cash Inflows		138,189,963	128,909,078
Cash Outflows			
Payment of Expenses	16,17	91,649,747	83,886,305
Purchase of Inventories	6	7,359,406	9,342,797
Grant of Cash Advances	5	2,607,234	1,950,937
Refund of Deposits		318	318
Payment of Payables	11	575,377	813,800
and Mandatory Deductions	10	32,257,756	22,815,846
Others	9	51,895,432	14,732,596
Total Cash Outflows		186,345,270	133,542,599
Net Cash Used in Operating Activities		(48,155,307)	(4,633,521)
Cash Flows from Investing Activities			
Cash Inflows			
Receipt of Interest Earned		73,777	49,031
Total Cash Inflows		73,777	49,031
Cash Outflows			
Purchase/Construction of PPE	8	18,810,895	2,260,428
Others	7	10,000,000	0
Total Cash Outflows		28,810,895	2,260,428
Net Cash Used in Investing Activities		(28,737,118)	(2,211,397)
Cash Flows from Financing Activities			
Cash Inflows			
Receipt of Loan Proceeds	9	48,123,312	71,533,672
Total Cash Inflows		48,123,312	71,533,672
Cash Outflows			
Bank Charges		9,900	7,750
Total Cash Outflows		9,900	7,750
Net Cash Provided by Investing Activities		48,113,412	71,525,922
Cash and Cash Equivalents, January 1		113,113,893	48,432,889
Increase (Decrease) in Cash and Cash Equivalents		(28,779,013)	64,681,004
Cash and Cash Equivalents, December 31	4	₱84,334,880	₱113,113,893

The notes on pages 9 to 34 form part of these statements.