

Republic of the Philippines  
**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**

03 November 2016

**MS. EYREN M. YULDE**  
OIC - Supervising Auditor  
Commission on Audit  
MWSS – Corporate Office



**Madam:**

Transmitted herewith are the interim financial statements of MWSS as of September 30, 2016:

1. Statement of Financial Position
  - Consolidated - Corporate and Regulatory Office
  - Comparative Consolidated September 2016 vs September 2015
  - FAP - Fund 63, 75, 77, 78, 82, 84, 89, 90, 91
2. Statement of Profit and Loss
  - Consolidated - Corporate and Regulatory Office
  - Consolidated – September 2016 vs September 2015
3. Statement of Cash Flows
4. Trial Balance
  - Corporate Office
  - Consolidated – CO & RO
  - FAP - Fund 63, 75, 77, 78, 82, 84, 89, 90 & 91

Thank you.

Very truly yours,

  
**JOCELYN M. TOLEDO**  
Acting Manager, Finance Department

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**

Katipunan Road, Balara, Quezon City

**STATEMENT OF FINANCIAL POSITION**

CORPORATE AND REGULATORY OFFICE

**As of September 30, 2016**

(With Comparative Figures as of September 30, 2015)

	2016	2015
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalent	2,944,207,369.25	2,841,004,336.14
Accounts Receivables	154,855,548.56	308,427,987.33
Other Receivables	5,624,077,730.08	5,857,497,498.59
Prepayments	300,094,109.43	299,549,926.28
<b>Total Current Assets</b>	<b>9,023,234,757.32</b>	<b>9,306,479,748.34</b>
<b>Non-Current Assets</b>		
Property, Plant and Equipment, Net	45,400,215,366.24	46,336,675,521.36
Construction in Progress	156,537,120.97	161,177,810.62
Investments	426,291,602.49	403,739,991.06
Other Assets, net	1,439,381,512.58	1,447,384,242.50
<b>Total Non-current Assets</b>	<b>47,422,426,602.28</b>	<b>48,348,977,565.54</b>
<b>TOTAL ASSETS</b>	<b>56,445,660,359.60</b>	<b>57,655,457,313.88</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Payable Accounts	290,790,507.50	334,855,865.99
Inter-Agency Payable	57,134,284.22	101,396,451.43
Intra-Agency Payable	(27,857.05)	141,855,036.96
Other Liability Account	201,007,290.62	703,804,100.62
<b>Total Current Liabilities</b>	<b>548,904,225.29</b>	<b>1,281,911,455.00</b>
<b>Non-Current Liabilities</b>		
Long Term Liabilities, net of current portion	9,155,875,089.83	10,034,422,011.54
Deferred Credits	1,519,940,809.30	1,534,366,711.76
<b>Total Non-current Liabilities</b>	<b>10,675,815,899.13</b>	<b>11,568,788,723.30</b>
<b>TOTAL LIABILITIES</b>	<b>11,224,720,124.42</b>	<b>12,850,700,178.30</b>
<b>EQUITY</b>		
Capital Stock		
Par Value P 100; authorized to issue 80 Million shares; unissued, 19,045,132 shares; issued and outstanding, 60,954,868 shares	6,095,486,783.61	6,095,486,783.61
Appraisal Capital	36,382,889,359.18	35,701,352,422.94
Donated Capital	1,046,970,979.46	1,046,970,979.46
Unreconciled Accounts	295,806,747.07	353,917,033.01
Retained Earnings	1,399,786,365.86	1,607,029,916.56
<b>TOTAL EQUITY</b>	<b>45,220,940,235.18</b>	<b>44,804,757,135.58</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>56,445,660,359.60</b>	<b>57,655,457,313.88</b>

Prepared by:

  
**CALIXTA V. EUGENIO**  
 Financial Planning Specialist B

Certified Correct:

  
**LILIA N. RONDARIO**  
 Manager, Controllership Division

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**  
 Katipunan Road, Balara, Quezon City

**STATEMENT OF FINANCIAL POSITION**  
 As of September 30, 2016

	Corporate Office	Regulatory Office	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent	2,511,967,265.10	432,240,104.15	2,944,207,369.25
Accounts Receivables	110,495,246.02	44,360,302.54	154,855,548.56
Other Receivables	5,623,794,725.81	283,004.27	5,624,077,730.08
Prepayments	293,370,772.75	6,723,336.68	300,094,109.43
<b>Total Current Assets</b>	<b>8,539,628,009.68</b>	<b>483,606,747.64</b>	<b>9,023,234,757.32</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment, Net	45,375,619,840.10	24,595,526.14	45,400,215,366.24
Construction in Progress	156,537,120.97		156,537,120.97
Investments	426,291,602.49		426,291,602.49
Other Assets, net	1,439,197,014.78	184,497.80	1,439,381,512.58
<b>Total Non-current Assets</b>	<b>47,397,645,578.34</b>	<b>24,780,023.94</b>	<b>47,422,425,602.28</b>
<b>TOTAL ASSETS</b>	<b>55,937,273,588.02</b>	<b>508,386,771.58</b>	<b>56,445,660,359.60</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Payable Accounts	278,639,585.23	12,150,922.27	290,790,507.50
Inter-Agency Payable	56,115,831.63	1,018,452.59	57,134,284.22
Intra-Agency Payable	-	(27,857.05)	(27,857.05)
Other Liability Account	198,830,614.89	2,176,675.73	201,007,290.62
<b>Total Current Liabilities</b>	<b>533,586,031.75</b>	<b>15,318,193.54</b>	<b>548,904,225.29</b>
<b>Non-Current Liabilities</b>			
Long Term Liabilities	9,147,025,825.43	8,849,264.40	9,155,875,089.83
Deferred Credits	1,472,884,559.33	47,056,249.97	1,519,940,809.30
<b>Total Non-current Liabilities</b>	<b>10,619,910,384.76</b>	<b>55,905,514.37</b>	<b>10,675,815,899.13</b>
<b>TOTAL LIABILITIES</b>	<b>11,153,496,416.51</b>	<b>71,223,707.91</b>	<b>11,224,720,124.42</b>
<b>EQUITY</b>			
<b>Capital Stock</b>			
Par Value P 100; authorized to issue 80 Million shares; unissued, 19,045,132 shares; issued and outstanding, 60,954,868 shares	6,095,486,783.61		6,095,486,783.61
Appraisal Capital	36,382,889,359.18		36,382,889,359.18
Donated Capital	1,046,970,979.46		1,046,970,979.46
Unreconciled Accounts	295,806,747.07		295,806,747.07
Retained Earnings	962,623,302.19	437,163,063.67	1,399,786,365.86
<b>TOTAL EQUITY</b>	<b>44,783,777,171.51</b>	<b>437,163,063.67</b>	<b>45,220,940,235.18</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>55,937,273,588.02</b>	<b>508,386,771.58</b>	<b>56,445,660,359.60</b>

**CORPORATE OFFICE:**

Prepared by:

  
**CALIXTA V. EUGENIO**  
 Financial Planning Specialist B

Certified Correct:

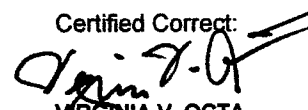
  
**LILIA N. RONDARIO**  
 Manager, Controllership Division

**REGULATORY OFFICE**

Prepared by:

  
**JORIEL M. DAGOSA**  
 Chief Corporate Accountant

Certified Correct:

  
**VIRGINIA V. OCTA**  
 DM for Administration

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**  
**Katipunan Road, Balara Quezon City**  
**Consolidated Profit and Loss Statement**  
**For the period ended September 30, 2016**

	Corporate	Regulatory	Total
<b>Revenues</b>			
Concession Income	396,766,612.86	141,168,750.03	537,935,362.89
Debt Service	1,383,561,470.56		1,383,561,470.56
Raw Water	54,189,797.86		54,189,797.86
Rent Income	72,302,394.70		72,302,394.70
Interest On Investment & Deposits	42,200,733.68	2,252,119.74	44,452,853.42
Miscellaneous Income	201,933.12		201,933.12
Other Fines and Penalties	3,229.95		3,229.95
Gain//Loss on Foreign Exchange	(387,651,878.49)		(387,651,878.49)
Gain/ Loss on Disposed Assets	22,364.74		22,364.74
<b>Gross Income</b>	<b>1,561,596,658.98</b>	<b>143,420,869.77</b>	<b>1,705,017,528.75</b>
<b>Less: Expenses</b>			
Personnel Expenses (Sch.1)	50,516,304.55	25,942,623.97	76,458,928.52
Maintenance & Other Operating Exp.(Sch.2)	55,214,476.62	11,789,446.00	67,003,922.62
Non -Cash Expenses			
Depreciation	854,476,370.83	1,372,397.21	855,848,768.04
Amortization	6,091,952.04		6,091,952.04
Financial Expenses	322,322,338.22	220,429.35	322,542,767.57
<b>Total Operating Expenses</b>	<b>1,288,621,442.26</b>	<b>39,324,896.53</b>	<b>1,327,946,338.79</b>
<b>Net Income/Loss</b>	<b>272,975,216.72</b>	<b>104,095,973.24</b>	<b>377,071,189.96</b>

**CORPORATE OFFICE**

Prepared by:

*Flo Domagsang*  
**FLORENCIA C. DOMAGSANG**  
 Sr. Financial Planning Specialist

Certified Correct:

*Lilia N. Rondario*  
**LILIA N. RONDARIO**  
 Manager , Controllership Division

**REGULATORY OFFICE**

Prepared by:

*Joriel M. Bagsa*  
**JORIEL M. BAGSA**  
 Chief, Corporate Accountant

Certified Correct:

*Virginia V. Octa*  
**VIRGINIA V. OCTA**  
 Manager, Administration Department

**SCHEDULE 1****METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM  
Schedule of Personnel Expenses  
For the period ended September 30, 2016**

<b>PARTICULARS</b>	<b>Corporate</b>	<b>Regulatory</b>	<b>Total</b>
(701) Salaries and Wages-Regular	31,603,347.30	17,242,902.65	48,846,249.95
(711) Personnel Economic Relief Allowance(PERA)	1,905,921.86	981,439.38	2,887,361.24
(713) Representation Allowance (RA)	1,070,875.00	1,001,970.70	2,072,845.70
(714) Transportation Allowance (TA)	976,875.00	981,624.36	1,958,499.36
(715) Clothing/Uniform Allowance	540,000.00	280,000.00	820,000.00
(716) Subsistence Allowance	41,575.89		41,575.89
(717) Productivity Incentive Allowance	328.00	126,815.00	127,143.00
(719) Other Bonuses And Allowances	3,525,951.00	1,920,242.00	5,446,193.00
(720) Honoraria	1,959,000.00		1,959,000.00
(721) Hazard Pay	214,010.46		214,010.46
(724) Cash Gift/13th Month Pay	2,086,308.00	1,069,402.50	3,155,710.50
(731) Life & Retirement Insurance Contribution	3,431,103.62	2,068,177.38	5,499,281.00
(732) PAG-IBIG Contributions	86,100.00	49,200.00	135,300.00
(733) PHILHEALTH Contributions	292,262.50	171,650.00	463,912.50
(734) ECC Contributions	86,200.00	49,200.00	135,400.00
(742) Terminal Leave Benefits	290,751.32		290,751.32
(743) Loyalty Award Benefits	374,827.43		374,827.43
(749) Other Personnel Benefits	2,030,866.97		2,030,866.97
<b>TOTAL</b>	<b>50,516,304.35</b>	<b>25,942,623.97</b>	<b>76,458,928.32</b>

**SCHEDULE 2**

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**  
**Schedule of Maintenance & Other Operating Expenses**  
**For the period ended September 30, 2016**

<b>PARTICULARS</b>	<b>CORPORATE</b>	<b>REGULATORY</b>	<b>TOTAL</b>
(751) Travelling Expenses-Local	214,730.00	176,368.53	391,098.53
(752) Travelling Expenses-Foreign	3,000.00		3,000.00
(753) Training Expenses	234,100.00	2,051,628.18	2,285,728.18
(755) Office Supplies Expenses	619,742.20	398,317.89	1,018,060.09
(759) Drugs and Medicines Expenses		194,931.85	194,931.85
(760) Medical , Dental and Laboratory Supplies Exp.	67,197.32		67,197.32
(761) Gasoline, Oil & Lubricants	530,415.03	488,448.32	1,018,863.35
(765) Other Supplies Expense	305,114.80	198,770.76	503,885.56
(766) Water Expenses	14,958.14		14,958.14
(767) Electricity Expenses	1,350,656.10	1,141,480.25	2,492,136.35
(771)Postage and Deliveries		28,151.00	28,151.00
(772) Telephone Expenses-Landline	364,937.07	213,406.57	578,343.64
773) Telephone Expenses-Mobile	179,757.20	317,336.56	497,093.76
(774) Internet	341,591.19	71,680.00	413,271.19
(775) Cable,Saatellite, Telegraph , and Radio Expenses	11,710.50		11,710.50
(778) Membership Dues and Contributions to Org.	30,000.00	2,400.00	32,400.00
(780) Advertising Expense	118,000.00	183,089.77	301,089.77
(781) Printing and Binding Expenses	111,416.79	207,090.00	318,506.79
(782) Rent Expense	104,467.43	273,899.73	378,367.16
(783) Representation Expenses	155,796.14	424,147.79	579,943.93
(786) Subscription Expenses	4,512.00	733,252.13	737,764.13
(792) Auditing Services	6,040,535.20	19,333.11	6,059,868.31
(793) Consultancy Services	250,000.00	277,500.00	527,500.00
(796) Janitorial Services	1,634,907.16	330,289.21	1,965,196.37
(797) Security Services	13,219,586.81	448,795.65	13,668,382.46
(799) Other Professional Services	391,520.60	2,577,606.06	2,969,126.66
(811) Repairs & Maintenance-Office Buildings	118,898.21	26,888.22	145,786.43
(815) Repairs & Maintenance-Other Structures	26,825.00		26,825.00
(821) Repairs & Maintenance-Office Equipment	171,671.43	1,250.00	172,921.43
(822) Repairs & Maintenace-Furniture & Fixtures	115,328.86	210.00	115,538.86
(823) Repairs & Maintenance-IT Equipment & Software		1,250.00	1,250.00
(829) Repairs & Maintenance-Communication Equipment	3,850.00	15,975.00	19,825.00
(835) Repairs & Maintenance-Sports Equipment		16,985.00	16,985.00
(841) Repairs & Maintenance-Motor Vehicles	153,044.67	70,199.64	223,244.31
(883) Extraordinary Expenses	218,851.73	354,053.03	572,904.76
(884) Miscellaneous Expenses	62,410.50	8,570.00	70,980.50
(891) Taxes, Duties & Licenses	23,759,027.87	5,428.12	23,764,455.99
(892) Fidelity Bond Premium	24,152.50	27,000.00	51,152.50
(893) Insurance Expenses	2,472,044.65	47,148.03	2,519,192.68
(969) Other Maintenance and Operating Expenses	1,789,719.52	456,565.60	2,246,285.12
<b>TOTAL</b>	<b>55,214,476.62</b>	<b>11,789,446.00</b>	<b>67,003,922.62</b>

**SCHEDULE 3****METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM  
Schedule of Financial Expenses  
For the period ended September 30, 2016**

<b>PARTICULARS</b>	<b>CORPORATE</b>	<b>REGULATORY</b>	<b>TOTAL</b>
(971) Bank Charges	9,332,496.38		9,332,496.38
(974) Documentary Stamps Expenses	1.50		1.50
(975) Interest Expenses	273,171,150.97	220,429.35	273,391,580.32
(979) Other Financial Expenses	39,818,689.37		39,818,689.37
<b>TOTAL</b>	<b>322,322,338.22</b>	<b>220,429.35</b>	<b>322,542,767.57</b>

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**  
 Katipunan Road, Balara, Quezon City  
**Consolidated Statement of Profit and Loss**  
 For the period ended September 30, 2016  
 (With Comparative Figures for 2015)

	2016	2015	INCREASE/ DECREASE
<b>Revenues</b>			
Concession Income	537,935,362.89	746,502,048.06	(208,566,685.17)
Concession Fees			
Debt Service	1,383,561,470.56	3,681,544.05	1,379,879,926.51
Progress Billing		886,914,571.67	(886,914,571.67)
Business Income			
Raw Water	54,189,797.86	40,469,490.69	13,720,307.17
Rental of Leased Properties	72,302,394.70	231,965,535.32	(159,663,140.62)
Interest on Investments & Deposits	44,452,853.42	27,508,785.04	16,944,068.38
Miscellaneous Income	201,933.12	2,875,839.15	(2,673,906.03)
Other Fines and Penalties	3,229.95	7,973.93	(4,743.98)
Gain/Loss on Foreign Exchange	(387,651,878.49)	(463,199,699.90)	75,547,821.41
Gain/Loss on Disposed Assets	22,364.74	247,784.12	(225,419.38)
<b>Gross Income</b>	<b>1,705,017,528.75</b>	<b>1,476,973,872.13</b>	<b>228,043,656.62</b>
<b>Less: Expenses</b>			
Personnel Expenses (Schedule 1)	76,458,928.52	92,047,207.27	(15,588,278.75)
Maintenance & Other Operating Exp.(Sched.2)	67,003,922.62	223,814,640.78	(156,810,718.16)
Non-Cash Expenses			
Depreciation	855,848,768.04	920,394,699.45	(64,545,931.41)
Amortization	6,091,952.04	6,091,952.04	-
Financial Expenses (Schedule 3)	322,542,767.57	265,595,591.25	56,947,176.32
<b>Total Operating Expenses</b>	<b>1,327,946,338.79</b>	<b>1,507,944,090.79</b>	<b>(179,997,752.00)</b>
<b>Net Income</b>	<b>377,071,189.96</b>	<b>(30,970,218.66)</b>	<b>408,041,408.62</b>

Prepared by:

*Florencia C. Domagsang*  
**FLORENCIA C. DOMAGSANG**  
 Sr. Financial Planning Specialist

Certified Correct:

*Lilia N. Rondario*  
**LILIA N. RONDARIO**  
 Manager, Controllership Division



**SCHEDULE 1****METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**

## Schedule of Personnel Expenses

For the period ended September 30, 2016

(With Comparative Figure for 2015)

	<u>2016</u>	<u>2015</u>	<u>INCREASE/ DECREASE</u>
Salaries and Wages-Regular	48,846,249.95	51,721,738.24	(2,875,488.29)
Personnel Economic Relief Allowance(PERA)	2,887,361.24	3,031,918.71	(144,557.47)
Representation Allowance (RA)	2,072,845.70	2,085,747.00	(12,901.30)
Transportation Allowance (TA)	1,958,499.36	1,992,973.32	(34,473.96)
Clothing /Uniform Allowance	820,000.00	860,000.00	(40,000.00)
Subsistence Allowance	41,575.89	59,707.04	(18,131.15)
Productivity Incentive Allowance	127,143.00	11,291,743.30	(11,164,600.30)
Other Bonuses and Allowances	5,446,193.00	1,871,270.26	3,574,922.74
Honoraria	1,959,000.00	3,138,012.48	(1,179,012.48)
Hazard Pay	214,010.46	218,792.55	(4,782.09)
Cash Gift/13th Month Pay	3,155,710.50	3,329,878.58	(174,168.08)
Life and Retirement Insurance Contributions	5,499,281.00	5,837,653.14	(338,372.14)
PAG-IBIG Contributions	135,300.00	141,400.00	(6,100.00)
PHILHEALTH Contributions	463,912.50	488,712.50	(24,800.00)
ECC Contributions	135,400.00	141,750.00	(6,350.00)
Terminal Leave Benefits	290,751.32	376,814.29	(86,062.97)
Loyalty Award Benefits	374,827.43	109,500.00	265,327.43
Other Personnel Benefits	2,030,866.97	5,349,595.86	(3,318,728.89)
<b>Total</b>	<b><u>76,458,928.32</u></b>	<b><u>92,047,207.27</u></b>	<b><u>(15,588,278.95)</u></b>

**SCHEDULE 2****METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**

Schedule of Maintenance &amp; Other Operating Expenses

For the period ended September 30, 2016

(With Comparative Schedule for 2015)

	2016	2015	Total
Travelling Expenses-Local	391,098.53	103,100.04	287,998.49
Travelling Expenses-Foreign	3,000.00		3,000.00
Training Expenses	2,285,728.18	1,796,707.05	489,021.13
Office Supplies Expenses	1,018,060.09	1,128,914.47	(110,854.38)
Drugs and Medicines Expenses	194,931.85	141,029.16	53,902.69
Medical, Dental and Laboratory Supplies	67,197.32		67,197.32
Gasoline, Oil & Lubricants	1,018,863.35	1,089,049.41	(70,186.06)
Other Supplies Expenses	503,885.56	369,832.01	134,053.55
Water Expenses	14,958.14	99,272.48	(84,314.34)
Electricity Expenses	2,492,136.35	1,984,848.72	507,287.63
Postage and Deliveries	28,151.00	35,970.00	(7,819.00)
Telephone Expenses-Landline	578,343.64	569,118.60	9,225.04
Telephone Expenses-Mobile	497,093.76	482,242.34	14,851.42
Internet Expenses	413,271.19	424,048.66	(10,777.47)
Cable, Satellite, Telegraph & Radio Expenses	11,710.50	11,412.00	298.50
Membership Dues and Membership to Other Organizatic	32,400.00	46,006.05	(13,606.05)
Advertising Expenses	301,089.77	1,682,807.19	(1,381,717.42)
Printing and Binding Expenses	318,506.79	144,484.50	174,022.29
Rent Expenses	378,367.16	327,971.86	50,395.30
Representation Expenses	579,943.93	711,893.71	(131,949.78)
Subscription Expenses	737,764.13	109,681.00	628,083.13
Legal Services		1,369,835.90	(1,369,835.90)
Auditing Services	6,059,868.31	6,644,094.39	(584,226.08)
Consultancy Services	527,500.00	195,840.00	331,660.00
Environment/Sanitary Services		6,000.00	(6,000.00)
Janitorial Services	1,965,196.37	2,449,159.07	(483,962.70)
Security Services	13,668,382.46	14,450,280.59	(781,898.13)
Other Professional Services	2,969,126.66	2,710,906.64	258,220.02
Repairs & Maintenance-Office Building	145,786.43	85,411.57	60,374.86
Repairs & Maintenance-Other Structures	26,825.00	30,426.75	(3,601.75)
Repairs & Maintenance-Office Equipment	172,921.43	38,688.57	134,232.86
Repairs and Maintenance-Furniture & Fixtures	115,538.86	14,007.04	101,531.82
Repairs & Maintenance-IT Equipment & Software	1,250.00	3,225.00	(1,975.00)
Repairs & Maintenance- Communication Equipment	19,825.00	6,598.50	13,226.50
Repairs & Maintenance- Sports Equipment	16,985.00		16,985.00
Repairs & Maintenance-Other Equipment		2,400.00	(2,400.00)
Repairs & Maintenance-Motor Vehicles	223,244.31	236,980.17	(13,735.86)
Extraordinary Expenses	572,904.76	400,191.33	172,713.43
Miscellaneous Expenses	70,980.50	61,327.00	9,653.50
Taxes, Duties & Licenses	23,764,455.99	127,190,477.94	(103,426,021.95)
Fidelity Bond Premium	51,152.50	51,091.25	61.25
Insurance Expenses	2,519,192.68	2,519,569.65	(376.97)
Other Maintenance and Operating Expenses	2,246,285.12	54,089,740.17	(51,843,455.05)
<b>Total</b>	<b>67,003,922.62</b>	<b>223,814,640.78</b>	<b>(156,810,718.16)</b>

**SCHEDULE 3****METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**

Schedule of Financial Expenses

For the Period Ended September 30, 2016

( With Comparative Figures for 2015)


	<b>2016</b>	<b>2015</b>	<b>INCREASE/ DECREASE</b>
Bank Charges	9,332,496.38	94,028.38	9,238,468.00
Documentary .	1.50		1.50
Interest Expenses	273,391,580.32	224,893,079.51	48,498,500.81
Other Financial Expenses	39,818,689.37	40,608,483.36	(789,793.99)
<b>Total</b>	<b>322,542,767.57</b>	<b>265,595,591.25</b>	<b>56,947,176.32</b>

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**  
**STATEMENT OF CASHFLOWS**  
As of September 30, 2016

	Corporate Office	Regulatory Office	Total
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Collection of concession fee	1,876,573,593.08	188,225,000.00	2,064,798,593.08
Collection from rentals of leased properties	75,626,296.87		75,626,296.87
Collection water of accounts (prior years and raw water)	58,551,657.58		58,551,657.58
Other collections	120,106,799.08	2,969,284.39	123,076,083.47
Payment of operating expenses	(128,263,774.67)	(67,166,279.77)	(195,430,054.44)
Other expenditures	(9,392,513.26)	-	(9,392,513.26)
<b>Net cash generated from operating activities</b>	<b>1,993,202,058.68</b>	<b>124,028,004.62</b>	<b>2,117,230,063.30</b>
			0.00
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment to Province of Bulacan for ADDSP	(504,610,000.00)	-	(504,610,000.00)
Investments in special reserve fund	(12,254,618.59)		(12,254,618.59)
Capital expenditures	(3,622,957.60)	(510,270.00)	(4,133,227.60)
<b>Net cash provided by (used in ) investing activities</b>	<b>(520,487,576.19)</b>	<b>(510,270.00)</b>	<b>(520,997,846.19)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Debt servicing			
Principal	(1,094,810,279.77)	(8,378,460.00)	(1,103,188,739.77)
Interest and other charges	(401,396,168.32)	(309,324.53)	(401,705,492.85)
Payment of prior year's dividend to National Government	(150,000,000.00)		(150,000,000.00)
<b>Net Cash used in financing activities</b>	<b>(1,646,206,448.09)</b>	<b>(8,687,784.53)</b>	<b>(1,654,894,232.62)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(173,491,965.60)</b>	<b>114,829,950.09</b>	<b>(58,662,015.51)</b>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR</b>	<b>2,685,459,230.70</b>	<b>317,410,154.06</b>	<b>3,002,869,384.76</b>
<b>CASH AND CASH EQUIVALENT AS OF SEPTEMBER 2016</b>	<b>2,511,967,265.10</b>	<b>432,240,104.15</b>	<b>2,944,207,369.25</b>

**CORPORATE OFFICE**

Prepared by:

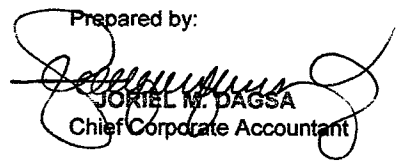
  
**SALOME T. CUEVAS**  
Corporate Finance Service Chief A

Certified Correct:

  
**LILIA N. RONDARIO**  
Manager, Controllershship Division

**REGULATORY OFFICE**

Prepared by:

  
**JORIEL M. DAGOSA**  
Chief Corporate Accountant

Certified Correct:

  
**VIRGINIA V. OCTA**  
Manager, Administration Dept.