 <p>Republic of the Philippines City of Koronadal Water District Block I, Casa Subd., Zone III, City of Koronadal, South Cotabato</p>	DOC ID No.: CKWD-QP-ABCMD-002	Date of Issuance: 02-03-2017
	Division/Section: ACCTG., BGT & CSH MGT. DIV.	Revision No.: 0
TITLE:	FINANCIAL STATEMENT PREPARATION PROCEDURE	Date of Revision: -

I. OBJECTIVE

This procedure describes the process of preparation and timely submission of Financial Statements and Monthly Data Sheet.


II. SCOPE

This procedure covers the posting of Journal Entries to the Check Disbursement Journal, Cash Receipt Register and Journal Voucher Register; Posting to the General Ledger; and making of Trial Balance, preparation of Financial Statements and Monthly Data Sheets.

III DEFINITION OF TERMS

- a. Balance Sheet-a formal statement which shows the financial position of the agency as of a certain date. It includes information on the three elements of financial position - assets, liabilities and government equity.
- b. Billing Register - a book that contains the list of monthly billing summary, penalties and discounts.
- c. Cash Receipt and Deposit Journal - a book that contains the record of cash deposits.
- d. General Ledger – a book of final entry containing accounts arranged in the same sequence as in the chart of accounts.
- e. Journal Voucher Register – a book that contains the record of Adjusting Entries, Bank Reconciliations.
- f. Notes to Financial Statements - are integral parts of financial statements, which pertain to additional information necessary for fair presentation in conformity with generally accepted accounting principles. These may explain the headings captions or amounts in the statement of present information that cannot be expressed in money terms, and descriptions of accounting policies.
- g. Statement of Income and Expenses – this shows the result of operation/performance of the agency at the end of a particular period.
- h. Statements of Government Equity – This show the financial transactions, which resulted to the change in the Government Equity Account at the end of the year.
- i. Statement of Cash Flows – a statement summarizing all the cash activities of an agency. This includes the investing and financing activities of the entity and provides information on the cash receipts and cash payments during the period.
- j. Voucher Register – a book that contains all the disbursement and its corresponding journal entries.


This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy.	Registration Date:	-
	Distribution Date:	-
	Page Number:	Page 1 of 26

 <p>Republic of the Philippines City of Koronadal Water District Block I, Casa Subd., Zone III, City of Koronadal, South Cotabato</p>	DOC ID No.: CKWD-QP-ABCMD-002	Date of Issuance: 02-03-2017
	Division/Section: ACCTG., BGT & CSH MGT. DIV.	Revision No.: 0
TITLE:	FINANCIAL STATEMENT PREPARATION PROCEDURE	Date of Revision: -

IV. REFERENCEDOCUMENTS

- a. National Government Accounting Standards (NGAS)
- b. Generally Accepted Accounting Principles (GAAP)
- c. COA Circulars

This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy.	Registration Date:	-
	Distribution Date:	-
	Page Number:	Page 2 of 26

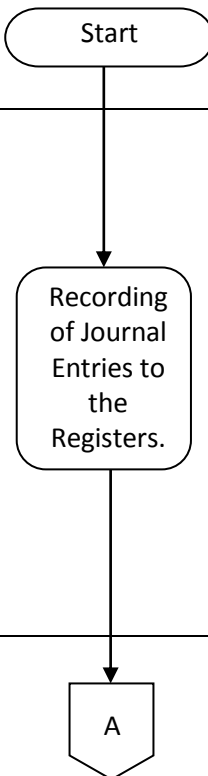
 <p>Republic of the Philippines City of Koronadal Water District Block I, Casa Subd., Zone III, City of Koronadal, South Cotabato</p>	DOC ID No.: CKWD-QP-ABCMD-002	Date of Issuance: 02-03-2017
	Division/Section: ACCTG., BGT & CSH MGT. DIV.	Revision No.: 0
TITLE:	FINANCIAL STATEMENT PREPARATION PROCEDURE	Date of Revision: -

V. RESPONSIBILITY AND AUTHORITY


- a. Accountant shall be responsible for recording, summarizing and posting of accounts to the General Ledger; and shall be responsible for the preparation of Trial Balance.
- b. Finance Department Manager shall be responsible for the review and approval of Trial Balance; shall prepare the Financial Statements and Monthly Data Sheet; and shall be responsible for the submission of Financial Reports and Monthly Data Sheet to the Board of Directors, COA and LWUA.
- c. General Manager shall be responsible for the approval of Financial Statements and Monthly Data Sheet.

VI. PROCEDURE DETAILS

a. Preparation of Financial Statements


Process Flow	In-charge	Process Description	Records
			
	Accountant	<p>Shall record the Journal Entries from the Journal Entry Vouchers and Disbursement Vouchers to the Journal, Cash Receipt Journal, & Journal Voucher Register.</p> <p>Shall record the billing summary found in the Journal Entry Vouchers to the Billing Register.</p> <p>Shall summarize recorded list of accounts in the Voucher Register, Journal Voucher Register and Cash Receipt Register.</p> <p>Shall maintain a Voucher Register, Cash Receipt Register, Journal Voucher Register, Billing Register and General Ledger</p>	<p>Journal Entry Vouchers</p> <p>Disbursement Vouchers</p> <p>Voucher Register</p> <p>Cash Receipt Register</p> <p>Journal Entry Vouchers</p> <p>Billing Register</p> <p>General Ledger</p>

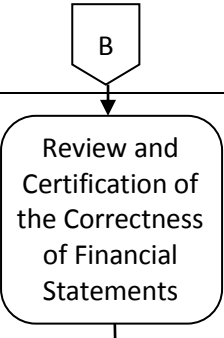
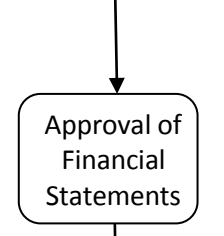
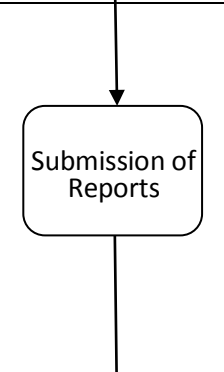
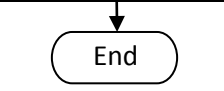
This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy.	Registration Date:	-
	Distribution Date:	-
	Page Number:	Page 3 of 26

 <p>Republic of the Philippines City of Koronadal Water District Block I, Casa Subd., Zone III, City of Koronadal, South Cotabato</p>	DOC ID No.: CKWD-QP-ABCMD-002	Date of Issuance: 02-03-2017
	Division/Section: ACCTG., BGT & CSH MGT. DIV.	Revision No.: 0
TITLE:	FINANCIAL STATEMENT PREPARATION PROCEDURE	Date of Revision: -


A			
↓			
<div style="border: 1px solid black; border-radius: 15px; padding: 5px; width: fit-content; margin: 0 auto;"> Posting of Accounts to the General Ledger </div>	Accountant	<p>Shall post the summary of accounts from the Voucher Register and Cash Receipts Register to the General Ledger</p> <p>Shall individually post the classified accounts found in Journal Entry Vouchers to the General Ledger.</p> <p>Shall post the summary of accounts from the Billing Register to the General Ledger.</p> <p>Shall ensure that the debit and credit accounts are equally balanced.</p> <p>Shall conduct a monthly reconciliation of accounts.</p> <p>Shall generate a summary of balances of all accounts at the end of the month.</p>	Voucher Register Summary Cash Receipt Register Summary Journal Voucher Register Summary General Ledger
↓			
<div style="border: 1px solid black; border-radius: 15px; padding: 5px; width: fit-content; margin: 0 auto;"> Prepare of Trial Balance </div>	Accountant	<p>Shall prepare a trial balance based on the summary of accounts found in the General Ledger.</p> <p>Shall ensure that the debit and credit accounts are equally balanced.</p>	General Ledger Trial Balance
↓			
<div style="border: 1px solid black; border-radius: 15px; padding: 5px; width: fit-content; margin: 0 auto;"> Prepare of Financial Statements </div>	Finance Department Manager	<p>Shall generate a financial statement based on the entries in the Trial Balance.</p> <p>Note: Financial Statements generally prepared are: the Balance Sheet, Statement of Income and Expenses, Statement of Cash Flow and Statement of Changes of Government Equity.</p> <p>Shall prepare Notes to Financial Statements.</p>	Trial Balance Financial Statements Notes to Financial Statement
↓			
B			

This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy.	Registration Date:	-
	Distribution Date:	-
	Page Number:	Page 4 of 26

 <p>Republic of the Philippines City of Koronadal Water District Block I, Casa Subd., Zone III, City of Koronadal, South Cotabato</p>	DOC ID No.: CKWD-QP-ABCMD-002	Date of Issuance: 02-03-2017
	Division/Section: ACCTG., BGT & CSH MGT. DIV.	Revision No.: 0
TITLE:	FINANCIAL STATEMENT PREPARATION PROCEDURE	Date of Revision: -

	Finance Department Manager	Shall certify the correctness of the prepared Financial Statements and submit the same to the General Manager for Approval.	Financial Statements Notes to Financial Statements
	General Manager	Shall approve the Financial Statements.	Financial Statements Notes to Financial Statements
	Finance Department Manager	Shall submit the Approved Financial Statements to the Board of Directors, Commission on Audit and LWUA. Note: -COA requires submission of monthly and annual Financial Statements. -Financial Statements are submitted to the LWUA only upon request.	Financial Statements Notes to Financial Statements
			


This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy.	Registration Date:	-
	Distribution Date:	-
	Page Number:	Page 5 of 26

 <p>Republic of the Philippines City of Koronadal Water District Block I, Casa Subd., Zone III, City of Koronadal, South Cotabato</p>	DOC ID No.: CKWD-QP-ABCMD-002	Date of Issuance: 02-03-2017
	Division/Section: ACCTG., BGT & CSH MGT. DIV.	Revision No.: 0
TITLE:	FINANCIAL STATEMENT PREPARATION PROCEDURE	Date of Revision: -

b. Preparation of Monthly Data Sheet

Process Flow	In-charge	Process Description	Records
Start			
Collection of Data	Finance Department Manager	Shall collect monthly data from concerned Departments Note: CSD - Service Connection Data & Billing and Collection Data EOD – Water Production & Laboratory Reports HRD- Personnel Files OGM – Board Resolutions issued	Service Connection Data Schedule of Water Rates Billing and Collection data Financial Statements Water Production Report Personnel Files Laboratory Reports
Preparation of Monthly Data Sheet	Finance Department Manager	Shall prepare the Monthly Data Sheet based on the collected data from concerned departments Shall submit to the General Manager for review and approval	Monthly Data Sheet.
Review and Approval of Monthly Data Sheet	General Manager	Shall review, evaluate and approve the Monthly Data Sheet.	Monthly Data Sheet
Submission of Reports	Finance Department Head	Shall submit copy of Monthly Data Sheet to Board of Directors, LWUA and COA	Monthly Data Sheet Financial Statements
End			

This document is updated and controlled if it bears the red “CONTROLLED COPY” stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy.	Registration Date:	-
	Distribution Date:	-
	Page Number:	Page 6 of 26

 <p>Republic of the Philippines City of Koronadal Water District Block I, Casa Subd., Zone III, City of Koronadal, South Cotabato</p>	DOC ID No.: CKWD-QP-ABCMD-002	Date of Issuance: 02-03-2017
	Division/Section: ACCTG., BGT & CSH MGT. DIV.	Revision No.: 0
TITLE:	FINANCIAL STATEMENT PREPARATION PROCEDURE	Date of Revision: -

a. Reports

Reports	Frequency	Responsible
Financial Statements	Monthly/ Annual	Finance Department Manager
Monthly Data Sheet	Monthly	Finance Department Manager

VII. PERFORMANCE INDICATORS

- a. Financial Statements are properly accomplished, monitored and submitted on time.

VIII. ATTACHMENTS AND FORMS

- a. AFD-013-0 – Trial Balance
- b. AFD-014-0 – Income Statement
- c. AFD-015-0 – Balance Sheet
- d. AFD-016-0 – Cash Flow Statement
- e. AFD-017-0 – Statement of Changes in Government Equity
- f. AFD-018-0 – Monthly Data Sheet

This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy.	Registration Date:	-
	Distribution Date:	-
	Page Number:	Page 7 of 26