

Republika ng Pilipinas
PAMBANSANG PANGASIWAAN NG PATUBIG
(National Irrigation Administration)
Gusaling APC, Quezon Memorial Circle
Diliman, Lungsod ng Quezon

MC # 37, s. 1971

MEMORANDUM CIRCULAR

TO : THE CHIEF, ENGINEERING DEPARTMENT; CHIEF,
ACCOUNTING DIVISION; CHIEF, FINANCIAL
PLANNING AND CONTROL DIVISION; AND ALL
OTHERS CONCERNED
National Irrigation Administration

SUBJECT : Implementation of Additional Management
Information Reports

In order that the financial picture of NIA may be shown clearly as to important changes in Assets, Liabilities and Surplus, its overall results of operations including the financial and operating highlights for the fiscal year, you are hereby directed to prepare and submit, in addition to the previously required MIS Report under MC # 3, s. 1971, the reports hereunder enumerated as follows:

1. Consolidated Balance Sheet,
2. Statement of Income and Expenses, and
3. Financial and Operating Highlights.

Brief discussion and preparation as well as the deadline dates for submission and distribution of each reports are contained in the attached forms and instruction sheets.

This Memorandum Circular takes effect beginning the fiscal year ending June 30, 1971

Please be guided accordingly.


ALEXANDRO L. JUINIO
Administrator

Encl. a/s
June 23, 1971

-2-
 tional Irrigation Administration
 Consolidated Balance Sheet
 As of June 30, 1971 and 1970

<u>ASSETS</u>	<u>CODE</u>	<u>1971</u>	<u>1970</u>	<u>INCREASE (DECREASE)</u>
CURRENT ASSETS				
Cash	70-000	P	P	P
Other Banks	-300			
Collecting Officers	-400			
Disbursing Officers	-500			
Other Officers	-600			
Treasury Current Account	-700			
Total Cash				
Receivables	71-000			
National Government Agencies	-100			
Local Governments	-200			
Government owned or controlled Corporations	-300			
Miscellaneous	-900			
Total Receivables				
Inventories	72-000			
Supplies and Materials	-100			
Supplies and Materials	-800			
Total Inventories				
Prepayments and Deposits	73-000			
Prepayments	-100			
Guaranty Deposits	-200			
Deposits on Containers	-300			
Miscellaneous	-900			
Total Prepayments and Deposits				
Other Current Assets	74-000			
Total Current Assets				
PROPERTY AND EQUIPMENT				
Land, Land Improvements and Structures	76-000			
Economic Development	-400			
Construction in Process	-600			
Total Land, Land Improvements and Structures				
EQUIPMENT	77-000			
Economic Development	-400			
Items in Transit	-500			
Total Equipment				
Total Property and Equip.				
TOTAL ASSETS		P	P	P

<u>LIABILITIES AND SURPLUS</u>	<u>CODE</u>	<u>1971</u>	<u>1970</u>	<u>INCREASE (DECREASE)</u>
CURRENT LIABILITIES				
Accounts Payable	81-000			
National Government Agencies	-100	P	P	P
Local Governments	-200			
Government owned or controlled corporation	-300			
Unliquidated Obligations	-400			
Miscellaneous	-900			
Total Accounts Payable				
Miscellaneous Liabilities and Credits	85-000			
Miscellaneous Deposits	-200			
Miscellaneous	-900			
Total Misc. Liabilities & Credits				
Total Current Liabilities				
LONG-TERM LIABILITIES				
Loans Payable	86-000			
RA 3601				
RA 1000				
USPL 480				
Total Long-Term Liabilities				
SURPLUS				
Current Surplus				
Invested Surplus				
Total Surplus				
TOTAL LIABILITIES AND SURPLUS		P	P	P

Explanatory Notes to Balance Sheet:-

Explanatory notes should accompany the balance sheet. The notes should explain the increase/s or decrease/s of each item in the balance sheet, if the increase or decrease of each item is significant; otherwise only changes in each major item are explained.

Reasons for the significant change in the current ratio should also be indicated.

CONSOLIDATED BALANCE SHEET

Description of Statement

This statement, which will be prepared every six (6) months, shows the financial picture of NIA and provides Management with relevant information on important changes in assets, liabilities and surpluses. This statement will be prepared by the Bookkeeping Section of the Accounting Division which Division shall submit same to the Administrator.

Preparation of the Statement

The balance sheet for the first six months of every fiscal year (December 31) will be prepared from the quarterly trial balance, while the balance sheet for the last six months (June 30) will be prepared from the final trial balance. If the final trial balance is not available on August 20th of every year, the balance sheet for June 30th may be prepared from the revised preliminary trial balance.

Deadline for Submission and Distribution

The semestral and fiscal year-end balance sheets are submitted on or before the 20th of January and on or before the 30th of August, respectively to the Administrator, copies furnished the following:

1. Assistant Administrator
2. Accounting Division
3. Engineering Department
4. Management Staff
5. Financial Planning and Control Division

Effectivity and Others

This statement will be implemented starting June 30, 1971.

The date of the Consolidated Balance Sheet to be prepared on December 31, 1971 should be "As of December 31, 1971 and 1970". However, if it is not possible to prepare the balance sheet on December 31, 1971 with comparative figures for 1970 due to absence of 1970 data, the Consolidated Balance Sheet shall still be prepared with the 1971 figures only. In such a case, the data should be stated thus, "December 31, 1971".

NATIONAL IRRIGATION ADMINISTRATION
STATEMENT OF INCOME AND EXPENSES
For the Fiscal Year Ended June 30, 1971 and 1970

	1971			1970		
	ACTUAL	BUDGET	OVER (UNDER) BUDGET AMOUNT %	ACTUAL	BUDGET	OVER (UNDER) BUDGET AMOUNT %
REVENUES						
Irrigation Fees	P	P	P	P	P	P
Equipment Rental						
Others						
Total Revenues						
OPERATION AND MAINTENANCE						
Salaries						
Wages						
GSIS Premiums						
Travelling Expenses						
Supplies and Materials						
Retirement Gratuities						
Sundry Expenses						
Total Operation and Maintenance						
NET INCOME (LOSS) FROM OPERATION						
GENERAL ADMINISTRATION						
FIELD SURVEYS AND PLAN PREPARATION						
NET INCOME (LOSS)						
GOVERNMENT SUBSIDY						
General Fund Allotment						
NET INCOME (LOSS) AFTER SUBSIDY	P	P	P	P	P	P

STATEMENT OF INCOME AND EXPENSES

Description of Statement

This statement shows the overall results of operations for the semiannual year or any given period as compared with the budget. This statement will be prepared semi-annually by the Bookkeeping Section of the Accounting Division which Division shall submit the same to the Administrator.

Preparation of the Statement

Revenue—Actual - will be taken from the Summary Report of Income and Obligations as prepared by the Accounting Division.

Budget - will be supplied by the Financial Planning and Control Division.

Operations and Maintenance, General Administration and Field and Plan Preparation

Actual and Budget figures will be taken from the Statement of Allotments, Obligations and Balances.

Note. - the total of operation and maintenance, general administration and field surveys and plan preparation in the statement of Income and Expenses for a period should be EQUAL to the total expenses in the Statement of Operating Expenses by responsibility Centers for the same period. To attain this equality, the ROA's posted in the JAO (source record in the preparation of the Statement of Allotments, Obligations and Balances and Statement of Income and Expenses) should tally with the ROA's posted in the Allotment Control record (source record in the preparation of the Statement Expenses by responsibility center.)

Deadline Dates for Submission and Distribution

The statement should be submitted on or before the 20th of the month following the end of every six months to the Administrator, copies furnished the following:

1. Assistant Administrator
2. Management Staff
3. Accounting Division
4. Engineering Department
5. Financial Planning and Control Division

Effectivity and Others

The proposed effective date of implementation of this report is June 30, 1971.

The Financial Planning and Control Division should furnish the Accounting Division the budgeted revenues on or before the 15th of the month following the end of every semester.

The ~~date~~ of the Statement of Income and Expenses to be prepared on December 31, 1971 should be "FOR THE SIX MONTHS ENDED DECEMBER 31, 1971 and 1970".

If it is not possible to prepare the Statement on June 30 and December 31, 1971 with comparative figures for 1970, the statement will still be prepared with the 1971 figures only. The date of the statements should be indicated as "for the fiscal year ended June 30, 1971" and "for the six months ended December 31, 1971", respectively.

- 7 -

NATIONAL IRRIGATION ADMINISTRATION

FINANCIAL AND OPERATING HIGHLIGHTS
FOR THE FISCAL YEAR ENDED JUNE 30, 197__

FINANCIAL HIGHLIGHTS

BILLING AND COLLECTION

Billings - Irrigated Area (Hectares)

- Amount

Average Revenue (irrigation fees) per hectare

Total Operating Expenses (irrigation systems only)

Operating Expenses per Hectare

Net Income per Hectare

Collections

Collections per Hectare

Percentage of Collections to Billings

OTHER STATISTICAL DATA

Amount of peso invested in fixed operating
properties for each peso of revenue

Ratio of long-term debts to fixed operating
properties

Net Income to Total Revenues

OPERATING HIGHLIGHTS

TOTAL POTENTIAL SERVICE AREA

TOTAL IRRIGATED AREA

PROJECTS COMPLETED AND SYSTEMS REHABILITATED

New Systems

Rehabilitation and Improvement of Systems

PROJECT UNDER CONSTRUCTION

FINANCIAL AND OPERATING HIGHLIGHTS

Brief Description of report

This report presents to Management the financial and operating highlights for the fiscal year, along with other pertinent statistical information on NIA finances and operating performance. This report will be prepared by the Financial Planning and Control Division annually every end of each fiscal year.

Brief Description of Each Item in the Report

BILLING AND COLLECTION:

Billings - Irrigated Area (Hectares)

- Amount

The irrigated area will be taken from the report on Potential, Irrigated and Benefited Areas with the Average Yield per Hectare furnished by the Engineering Department to the Financial Planning and Control Division not later than the 20th of the month following the end of the fiscal year or July 20. The irrigated area is the total of the First Crop and Second Crop Irrigated areas.

The Amount will be obtained from the Statement of Income and Expenses as prepared by the Accounting Division (Note: The Irrigation fees recorded may not represent the fees of the benefited areas for that fiscal year). There may be bills prepared but have not yet been submitted to the Accounting Division for recording, hence not included in the report).

Average Revenue (irrigation fees) per hectare

This is computed by dividing Amount over Irrigated Areas.

Total Operating Expenses

This data should be taken from the Statement of Allotments, Obligations and Balances. The expenses are those pertaining to the operations and maintenance of the systems already earning revenues.

Operating Expenses per Hectare

This is arrived at by dividing the operating Expenses over the irrigated areas.

Net Income Per Hectare

This is the result of dividing net income over the irrigated areas. The Net Income figure should be taken from the Statement of Income and Expenses ("Net Income" before Government Subsidy).

Collections, Collection per Hectare, Percentage of Collection to Billings

Collections is obtained from the Collection Efficiency Report of Accounting Division. Collections per hectare is arrived at by dividing Collections over irrigated areas. Percentage of Collections to Billings is obtained from this same Collection Efficiency Report.

OTHER STATISTICAL DATA:

Amount of Peso Invested in Fixed Operating Properties for Each Peso of Revenue

Computation: Fixed Assets (in Balance Sheet) over Total Revenue (in Statement of Income and Expenses).

Ratio of Long-term Debts to Fixed Operating Properties

Computation - Unpaid Balance of long-term loans in the
Summary of long-term Debts over Fixed Assets.

Net Income to Total Revenues

These figures are available in Statement of Income and
Expenses (Net Income represents Income before Government
Subsidy).

Projects Completed

The cost of completed systems and improved systems
should be furnished by the Accounting Division.

Projects under Construction

The cost of on-going systems and also of improvements
costs on systems should be supplied by the Engineering
Department. The cost called for here is the cumulative
cost.

Effective Date of Implementation and Submission of Report Distribution and others

The Financial Planning and Control Division shall prepare this Report
on July 1st, 1971 for the Fiscal Year ending June 30, 1971. The deadline
for submission of this report to Management is on July 25, 1971, and
thereafter on the same date of the same month at the end of the fiscal
year. Copies of this report shall be distributed to the following:

1. Administrator
2. Assistant Administrator
3. Management Staff
4. Engineering Department
5. Accounting Division
6. Financial Planning and Control Division