



PROCESS MANUAL

METROPOLITAN WATERWORKS AND
SEWERAGE SYSTEM
Regulatory Office

RO-PM-03-05

Revision Code: 0

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Section: **RESOURCE MANAGEMENT PROCESSES**

Effectivity Date: January 2016

Subject: **FISCAL REPORTING PROCESS**

1. PURPOSES:

- 1.1 To ensure that all accounting events are systematically recorded, summarized and analyzed in accordance with generally accepted government accounting and auditing rules and regulation.
- 1.2 To ensure that the reports issued faithfully represents company's financial position and performance in a fiscal period.
- 1.3 This process shall act as an important tool in making management decision relative to allocation of financial resources and also serves as a validation instrument in complying with the office target as committed with the Governance Commission for GOCCs.

2. SCOPE:

This procedure covers from the collation of financial data to the preparation and approval of financial reports and Budget utilization Reports for management use.

3. DEFINITION OF TERMS:

- 3.1 **CRJ** – Cash Receipt Journal, summary of all cash receipt of the company during the fiscal period.
- 3.2 **CIJ** – Cash Investment Journal, summary of all investment activities of the company during the fiscal period.
- 3.3 **Payreg**– Payroll Register, summary of all expenses relative to Personnel Services during the fiscal period.
- 3.4 **GJ** – General Journal, contains summary of adjusting events that are relevant in presenting the financial performance of the company and are not included in the CRJ, CIJ and Payreg.
- 3.5 **JV** – Journal Voucher, form used in recording the General Journal Entries.
- 3.6 **DBM** – Department of Budget and Management, approves the annual corporate budget of the company.

4. RECORDS:

- 4.1 Statement of Financial Position
- 4.2 Statement of Comprehensive Income
- 4.3 Statement of Cash Flows
- 4.4 Stockholder's Equity
- 4.5 Notes to Financial Statements
- 4.6 Trial Balance
- 4.7 Budget Utilization Report

5. REFERENCES:

- 5.1 ISO 9001:2008 Clause 6.1 Provision of Resources
- 5.2 Philippine Accounting Standard & Philippine Financial Reporting Standard
- 5.3 COA Related guidelines
- 5.4 Board Resolution no. 283-2001
- 5.5 DBM Approved Corporate Operating Budget

PREPARED BY:

Chief Corp. Accountant

REVIEWED BY:

DM for Admin Department

APPROVED BY:

DA for Admin & Legal



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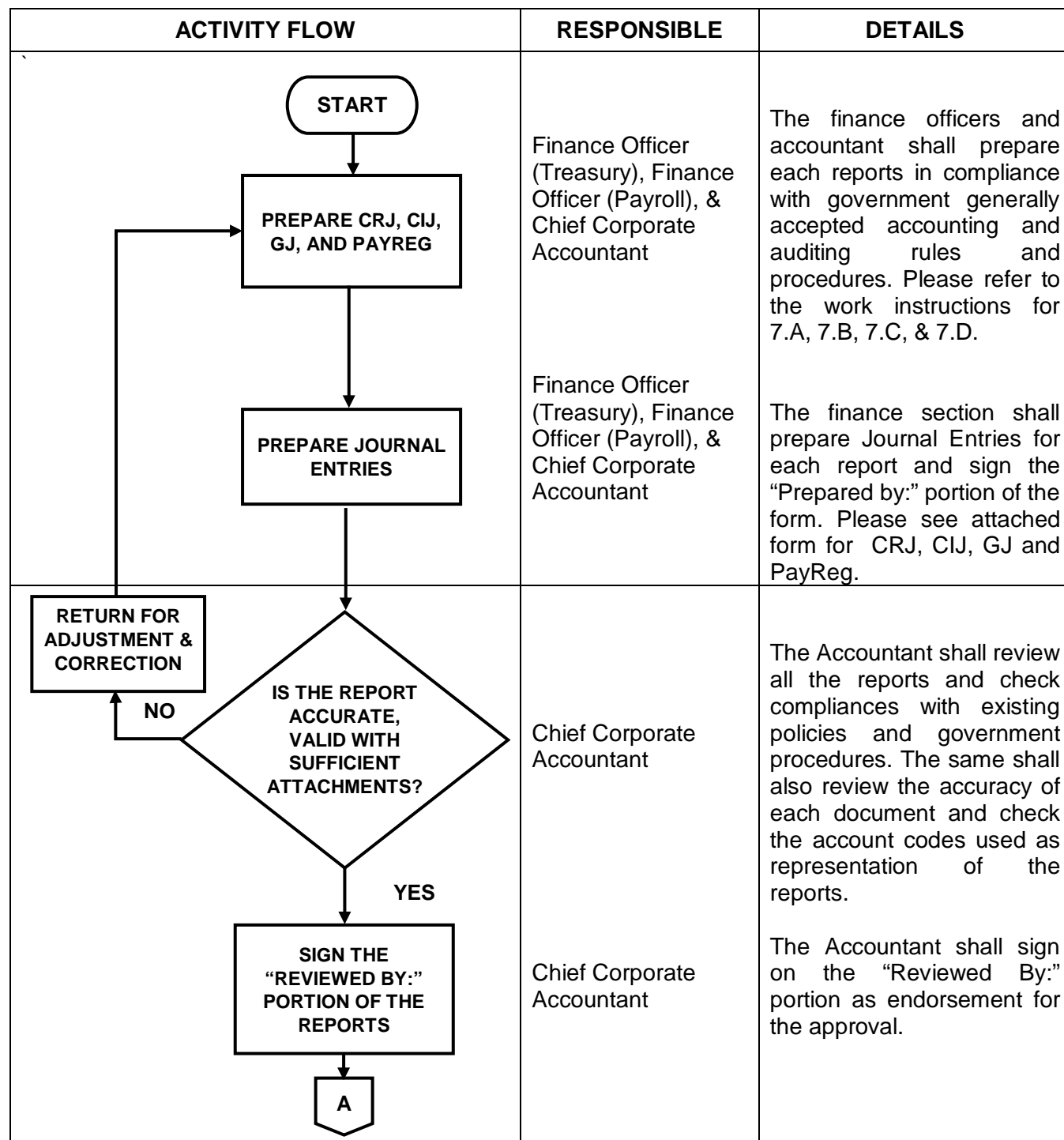
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6. PROCEDURE:



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ACTIVITY FLOW	RESPONSIBLE	DETAILS
<p style="text-align: center;">A</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">SIGN THE “APPROVED BY PORTION:”</p>	Department Manager for Administration/ Chief Regulator	Compliance with Board Resolution No. 283-2001 (MWSS Signing Authority)
<p style="text-align: center;">↓</p> <p style="text-align: center;">JOURNALIZE ENTRIES AND POST IN THE PEACHTREE SYSTEM</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">GENERATE TRIAL BALANCE</p>	Chief Corporate Accountant Chief Corporate Accountant	Record and post the journal Entries in the Peachtree Accounting System. The accountant shall consolidate the entries from CRJ, CIJ, GJ, and PayReg with the outputs of Disbursement Process (See Disbursement Procedure) and generate a detailed trial balance.
<p style="text-align: center;">↓</p> <p style="text-align: center;">PREPARE FINANCIAL STATEMENTS</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">B</p>	Chief Corporate Accountant	The Chief Accountant shall prepare a complete set of financial statement in accordance with Philippine Accounting Standard and Philippine Financial Reporting Standard, this includes a Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows, Stockholder's Equity, and Notes to Financial Statements.

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<p style="text-align: center;">↓</p> <p style="text-align: center;">B</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">PREPARE BUDGET UTILIZATION REPORT</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">SIGN "PREPARED & CERTIFIED CORRECT BY:" PORTION OF THE FINANCIAL STATEMENT AND BUDGET UTILIZATION REPORT</p> <p style="text-align: center;">↓</p>	<p>Chief Corporate Accountant</p> <p>Chief Corporate Accountant</p>	<p>The Accountant shall prepare Budget Utilization Report to ensure that the company's disbursement are within the DBM Approved Corporate Operating Budget and to ensure that all resources were utilized according to its purpose and amount.</p> <p>The Accountant shall ensure the accuracy of the Financial Statements and Budget Utilization Report to faithfully represent the company's overall financial position and performance. See attached Financial Statements.</p>
<p style="text-align: center;">↓</p> <p style="text-align: center;">SIGN THE "NOTED BY:" PORTION OF THE FINANCIAL STATEMENT AND BUDGET UTILIZATION REPORT</p> <p style="text-align: center;">↓</p>	<p>Department Manager for Administration Department</p>	<p>The DM for Admin Department shall sign the "Noted By:" portion of the reports prior endorsement to Deputy Administrator for Admin & Legal Affairs.</p>
<p style="text-align: center;">↓</p> <p style="text-align: center;">SIGN "RECOMMENDING APPROVAL:" PORTION OF THE FINANCIAL STATEMENT AND BUDGET UTILIZATION</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">C</p>	<p>Deputy Administrator for Administration and Legal Affairs</p>	<p>The DA for Admin & Legal shall recommend the reports to the Office of the Chief Regulator for approval.</p>

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<div><div>C</div><div>SIGN “APPROVED BY:” PORTION OF THE FINANCIAL STATEMENT AND BUDGET UTILIZATION REPORTS</div></div>	Chief Regulator	The head of the agency shall approve the Financial Statement and Budget Utilization Reports.
<div><div>EVALUATE BUDGET UTILIZATION REPORT</div></div>	Technical Assistant	This output shall be an input to the Annual Planning and Budgeting Process.
<div><div>TRANSMIT THE FINANCIAL STATEMENT REPORTS TO COA</div><div>END</div></div>	Secretary B	The Administration Secretary shall transmit the Financial Statement Reports to COA for post audit. The same shall maintain a logbook to support the transfer of files for future reference.

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