



Republic of the Philippines  
**COMMISSION ON AUDIT**

Regional Office No. III  
City of San Fernando, Pampanga

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June 20, 2017

**Engr. JOEL FELIX H. BERNARDO**

General Manager  
Santa Rosa Water District  
Santa Rosa, Nueva Ecija

Dear **Manager Bernardo**:

We are pleased to transmit the Financial Audit Report on the audit of the Santa Rosa Water District, Santa Rosa, Nueva Ecija for the Calendar Years 2016 and 2015 in compliance with Section 43 of the Government Auditing Code of the Philippines (PD No. 1445). The audit was conducted in accordance with Philippine Standards on Auditing and we believe that it provided reasonable basis for the results of our audit.

The audit was conducted to (a) ascertain the degree of reliance that may be placed on Management's assertions on the financial statements; (b) recommend agency improvement opportunities; and (c) determine the extent of implementation of prior years' audit recommendations.

We rendered a qualified opinion on the fairness of presentation of the financial statements because the effect of the deviations from the prescribed procedures affected the account balances.


The audit report consists of Part I - Audited Financial Statements, Part II – Audit Observations and Recommendations, Part III - Status of Implementation of Prior Years' Unimplemented Audit Recommendations and Part IV- Appendices.

The audit observations and recommendations were discussed with concerned officials of the District in the exit conference that was held on May 29, 2017. Management's comments were incorporated in the report, where appropriate.

We request that a status report, thru accomplishing the attached **Agency Action Plan and Status of Implementation (AAPSI)** form, on the actions taken on the audit recommendations be submitted within 60 days from receipt of this report, pursuant to Section 96 of the General Provisions of the General Appropriations Act for FY 2016.

We appreciate the invaluable support and cooperation extended by the officials and staff of the Water District during the audit engagement.

Very truly yours,

  
**LYNN S.F. SICANGCO**  
Regional Director