



Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. III
City of San Fernando, Pampanga



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December 6, 2017

Engr. LEANDRO JUN C. LACSAMANA
General Manager
Talavera Water District
Talavera, Nueva Ecija

Dear **Manager Lacsamana**:

We are pleased to transmit the Financial Audit Report on the audit of the Talavera Water District, Talavera, Nueva Ecija for the Calendar Year 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 financial 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 - Appendix.

The audit observations and recommendations were discussed with concerned officials of the Water District in the exit conference held on June 19, 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 93 of the General Provisions of the General Appropriations Act for FY 2015.

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. SILANGAN
Regional Director