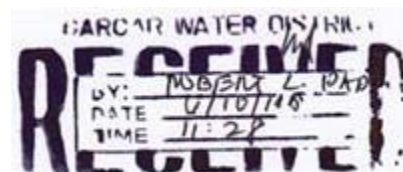




Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. VII
Cebu City

April 30, 2015



THE BOARD OF DIRECTORS

Carcar Water District

Carcar City, Cebu

Gentlemen:

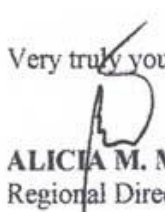
Pursuant to Section 2, Article IX -D of the Philippine Constitution and Section 43 of Presidential Decree No. 1445, otherwise known as the "Government Auditing Code of the Philippines", we are pleased to transmit the Annual Audit Report on the results of the audit of the accounts and operations of the Carcar Water District (CWD) covering a one year period from January 1, 2014 to December 31, 2014.

The audit was primarily aimed at ascertaining the reliability of financial reports and the adequacy of the books of accounts in order to express an opinion on the fairness of presentation of the water district's financial statements. In view of the conditions discussed in the comments and observations and in the status of implementation of prior years' audit recommendations, we expressed a qualified opinion on the financial statements of CWD. On a test basis, the audit also included a review on the propriety of disbursements and other financial transactions to determine whether or not the transactions were made in accordance with existing laws, rules and regulations.

In a separate transmittal letter of even date, we requested the General Manager to take appropriate actions on the current and prior year's audit recommendations as contained in the attached report and to inform us through our auditor of the actions taken thereon within sixty (60) days from receipt of the COA Annual Audit Report pursuant to Section 88 of the General Provisions of the General Appropriations Act of FY 2014 (RA 10633).

We acknowledge the cooperation and support extended by the Management to our auditors during the audit that facilitated the completion of the report.

Very truly yours,

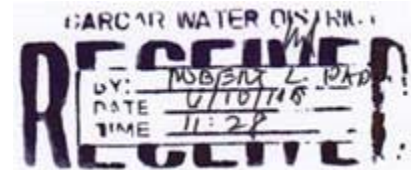

ALICIA M. MALQUISTO
Regional Director



Republic of the Philippines
COMMISSION ON AUDIT
Regional Office No. VII
Cebu City

April 30, 2015

ENGR. EDWARD L. REMO
General Manager
Carcar Water District
Carcar City, Cebu



Sir:

Pursuant to Section 2, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree No. 1445, otherwise known as the "Government Auditing Code of the Philippines", and in line with this Commission's continuing effort towards informing Management on how fiscal responsibility has been discharged, we are pleased to transmit the Annual Audit Report on the results of the audit of the accounts and operations of the Carcar Water District (CWD) covering a one year period from January 1, 2014 to December 31, 2014.

The audit was primarily aimed at ascertaining the reliability of financial reports and the adequacy of the books of accounts in order to express an opinion on the fairness of presentation of the water district's financial statements. In view of the conditions discussed in the comments and observations and in the status of implementation of prior year's audit recommendations, we expressed a qualified opinion on the financial statements of CWD. On a test basis, the audit also included a review on the propriety of disbursements and other financial transactions to determine whether or not the transactions were made in accordance with existing laws, rules and regulations.

We request that the current and prior year's audit recommendations as contained in the attached report be appropriately acted upon, and would appreciate being informed through our auditor of the actions taken thereon within sixty (60) days from receipt hereof pursuant to Section 88 of the General Provisions of the General Appropriations Act of FY 2014 (RA 10633).

We further request that the actions taken by management be summarized using the Agency Action Plan and Status of Implementation (AAPSI), form attached.

We acknowledge the cooperation and support you and your staff extended to our auditors during the audit that facilitated the completion of the report..

Very truly yours,


ALICIA M. MALQUISTO
Regional Director