



REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
COMMONWEALTH AVENUE, QUEZON CITY



**NATIONAL GOVERNMENT AUDIT SECTOR  
CLUSTER 4 – DEFENSE AND SECURITY**

June 30, 2022

**LTGEN ROMEO S BRAWNER JR**

Commanding General  
Philippine Army  
Fort Andres Bonifacio  
Taguig City

Dear **LTGen Brawner**:

We are pleased to transmit the Consolidated Annual Audit Report on the **Philippine Army** for Calendar Year 2021, in compliance with Section 43 of the Government Auditing Code of the Philippines (P.D. No. 1445).

The audit was made to ascertain the propriety of financial transactions, compliance of the Agency with prescribed laws, rules and regulations, fairness of presentation of the financial statements and extent of the implementation of prior years' audit recommendations.

The attached report consists of the Independent Auditor's Report, Audited Financial Statements, detailed Observations and Recommendations which were discussed with concerned Management officials and the Status of Prior Years' Audit Recommendations. We believe that our audit provides reasonable basis for our modified opinion.

We also invite your attention to the prior years' recommendations that have yet to be implemented.

We request a status report on the actions taken on the audit recommendations within 60 days from receipt of this report, pursuant to Section 91 of the General Appropriations Act of 2021 (R.A. No. 11518) using the attached Agency Action Plan and Status of Implementation, copy furnished the Secretary of the Department of Budget and Management, Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance.

We express our appreciation for the support and cooperation extended to the Audit Team by the officials and staff of that Agency.

Very truly yours,

  
**MICHAEL R. BACANI**  
Director IV