

CY 2021 BOARD AUDIT COMMITTEE REPORT

The Board Audit Committee (BdAC) convened on April 15, July 8, November 23 and December 14, 2021, and the Internal Audit Department (IAD) reported to the BdAC the following:

1. IAD Audit Reports including the status of the prior years' audit observations and recommendations;
2. Commission on Audit (COA) Audit Observation Memoranda; and
3. TransCo Management's comments/action plans on the COA and IAD audit observations and recommendations.

In the fifty-one (51) previous and current audit projects, the IAD reported two hundred forty-two (242) audit observations and recommendations. One hundred ninety-six (196) of the audit recommendations were fully implemented while forty-four (44) audit recommendations were on-going implementation by the TransCo Management. The TransCo Management also committed to implement the remaining two (2) audit recommendations. Below is the summary of the audit projects and the TransCo Management's actions on the audit observations and recommendations:

No	Report No.	Audit Projects	TransCo Management's Action on the Audit Observations and Recommendations			
			Implemented	On-going	For Implementation	TOTAL
1	2009-02	Report on PUC	1			1
2	2010-02	Cash Audit and Follow-up Audit – Head Office Cashier	4			4
3	2010-03	Cash Audit and Follow-up Audit – UMD Ecozone Cashiers	10			10
4	2010-04	Audit and Follow-up Audit on UMD Operations	2			2
5	2010-05	Report and Supplemental Report on IWC	2			2
6	2011-01	Audit on TransCo Provident Fund	4			4
7	2011-02	Audit on EME	1			1
8	2011-04	Audit on the Recording/ Recognition of NGCP's Completed/ Energized Projects	5			5
9	2011-06	ROW Audit	5			5

10	2012-01	Audit on Transportation Allowance	2			2
11	2012-03	Audit on GL 149, GL 173, and GL 175	4			4
12	2012-04	IT Audit and Follow-up Audit - Application Controls Review	11			11
13	2012-05	Audit on Current and Non-Current Accounts Receivable	6	1		7
14	2012-07	IT Audit -General Controls Review and Information Security	5			5
15	2013-02	Compliance Audit on TransCo's Public Biddings	5			5
16	2013-03	IT Audit - HRIS	7			7
17	2013-04	IT Audit - IFMIS	2		1	3
18	2014-03	Report on the CY 2013 Assets Unitization of NGCP's Completed Projects	7			7
19	2014-04	Audit on Fixed Asset Register (CY 2013)	4	1		5
20	2014-06	Compliance Audit on Record Keeping and Disposal	7	3		10
21	2014-07	Compliance Audit on Contracted Services	4			4
22	2014-08	Compliance Audit on Travelling Expenses	6			6
23	2014-09	Audit on the Existence of Transmission Assets and Completeness of the PPE Register	4	6		10
24	2014-10	Report on CY 2014 Assets Unitization/Inspection of Completed Projects	4			4
25	2015-04	Compliance Audit on CY 2014 Public Biddings	4			4
26	2015-05	Review of TransCo's Financial Reports for CY 2014	3			3
27	2015-06	IT Audit – Materials Management System (MMS)	4	3		7
28	2015-07	Cash Audit of Cashiers: Head Office (HO), Authority Freeport Area of Bataan (AFAB) and Baguio Ecozone	5			5
29	2015-08	Review of TransCo's Financial Reports for the 1st Quarter of 2015	2			2
30	2015-09	IT Audit – FIT System	5	1		6
31	2015-10	Audit on the Physical Existence of Transmission Assets and	6	4		10

		Completeness of the Property, Plant & Equipment Register – Mindanao Region				
32	2015-11	Report on CY 2015 Asset Unitization / Inspection of Completed Projects	4			4
33	2016-05	Audit on the Sale of Subtransmission Assets	1	1		2
34	2016-06	Review of TransCo's CY 2015 Financial Reports	5	1		6
35	2016-07	Audit on the FIT-All Fund CY 2015 Financial Statements	4			4
36	2016-08	Audit on the Recording and Cost of Completed Projects Under Construction (PUC)	4	2	1	7
37	2016-09	Audit on the Right-Of-Way (ROW) Payments	1			1
38	2016-10	Review of the CY 2016 Quarterly Financial Statements	2			2
39	2016-11	Audit on the Physical Existence of Transmission Assets and Completeness of the Property, Plant & Equipment Register – North Luzon Region	3	3		6
40	2016-13	Report on CY 2016 Asset Unitization / Inspection of Completed Projects	6			6
41	2017-02	Cash Audit (Head Office, AFAB and BCEZ)	7	1		8
42	2017-03	Review of CY 2016 Financial Statements	3			3
43	2017-04	Audit on TransCo's Compliance with the Concession Agreement	3			3
44	2017-08	Audit on the Recording of Completed New Projects (excluding Projects Under Construction)	1	2		3
45	2017-10	Audit on the Physical Existence of Transmission Assets and Completeness of the Property Plant & Equipment Register - Visayas Region	3	4		7
46	2018-02	Review of TransCo's CY 2017 Financial Statements		2		2
47	2018-05	CY 2018 Cash Audit	1			1
48	2018-06	Audit of Leave Credits	3	1		4

49	2019-02	Review of TransCo's CY 2018 Financial Statements	1			1
50	2019-05	CY 2019 Cash Audit	1			1
51	2020-05	Right-of-Way Audit in the North Luzon Region	2	8		10
TOTAL			196	44	2	242