



Republic of the Philippines  
**COMMISSION ON AUDIT**  
*National Government Sector*  
*Cluster 5 – Education and Employment*  
Commonwealth Avenue, Quezon City

May 17, 2017

**Dr. ALEX B. BRILLANTES, JR.**

Chairperson

Philippine State College of Aeronautics Board of Trustees

Commission on Higher Education

C.P. Garcia Street, U.P. Diliman, Quezon City

**Dr. BERNARD R. RAMIREZ**

President

Philippine State College of Aeronautics

Piccio Garden, Villamor, Pasay City



**Dear Sirs:**

We are pleased to transmit the Annual Audit Report on the Philippine State College of Aeronautics for Calendar Year 2016 in compliance with Section 2, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree No. 1445, the State Audit Code of the Philippines.

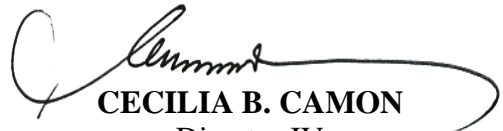
The audit was conducted in accordance with the Philippine Public Sector Standards on Auditing to: (a) ascertain the level of assurance that may be placed on management's assertions on the financial statements; (b) determine the propriety of transactions as well as the extent of compliance with applicable laws, rules and regulations; (c) recommend agency improvement opportunities; and (d) determine the extent of the implementation of prior year's audit recommendations. We believe that the audit provides a reasonable basis for rendering a qualified opinion on the fairness of the presentation of the financial statements.

The attached report consists of the Independent Auditor's Report, the Audited Financial Statements, the Observations and Recommendations, and the Status of Implementation of Prior Year's Audit Recommendations which were discussed with the concerned Management officials and staff.

We request for a status report on the actions taken on the audit recommendations within 60 days from receipt of the report hereof, pursuant to Section 96 of the General Provisions of the General Appropriations Act of Fiscal Year 2016 (RA No. 10717), using the attached Agency Action Plan and Status of Implementation (Annex A).

We express our appreciation for the valuable support and cooperation extended by the officials and staff of the Agency.

Very truly yours,



**CECILIA B. CAMON**  
Director IV