

QCB & Co

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◆ **Accreditations**
SEC No. 0182-FR-1 (Apr. 30, 2016)
BOA/PRC Reg. No. 0250 (Dec. 31, 2017)
CDA CEA No 0015-AF (Mar. 2, 2017)
NEA No. 2013-07-00011 (Jul. 20, 2016)
IC No. F-2014/017 (Oct. 23, 2017)
BSIP (Jun. 30, 2016), BIR (Jun. 4, 2018)

REPORT OF INDEPENDENT AUDITORS

The Board of Trustees and Members
Peoples Bank of Caraga – Mutual Benefit Association, Inc.
National Highway, Barangay 5, San Francisco
Agusan del Sur

We have audited the accompanying financial statements of Peoples Bank of Caraga – Mutual Benefit Association, Inc. which comprise the statements of financial position as at December 31, 2015 and 2014, and the related statements of profit or loss, changes in fund balances and cash flows for the years then ended, and notes to financial statements comprising of a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

