

**STATUS OF IMPLEMENTATION OF PRIOR YEARS'
AUDIT RECOMMENDATIONS**

Out of the 19 audit recommendations embodied in the prior years' Annual Audit Reports, 13 were fully implemented, five were partially implemented and one was not implemented. Three observations with partially implemented recommendations are reiterated in Part II of this Report. Details of the other audit observations with the corresponding partially implemented and not implemented recommendations are presented below:

| References | Audit | | Status of Implementation |
|---|---|---|--|
| | Observations | Recommendations | |
| CY 2020 AAR/ AOM No. 13/ Pages 44 to 47 | The faithful representation of Furniture, Fixture and Equipment account totaling P141.968 million with Accumulated Depreciation of P135.461 million as at December 31, 2020 was not ascertained due to: a) the impairment of properties was not supported by a formal estimate of recoverable amount; and b) incomplete supporting documents and erroneous accounting entries on derecognition of properties, contrary to the Bank's accounting policy and COA Circular No. 80-124 dated January 18, 1980. | a. Support the computed impairment of FFE amounting to P5.70 million with a formal estimate of their recoverable amounts; and | Partially implemented Of the P9.302 million recorded as impairment on properties, supporting documents such as invoice receipts of properties, acknowledgement receipts and notice of award totaling P3.602 million were submitted, leaving a balance of to P5.70 million as at year end. |
| | | b. Support the derecognition of FFE totaling P2.602 million with complete documents to establish the propriety of recorded amounts. | Partially implemented Of the P12.249 million properties derecognized, P9.647 million were with supporting documents, leaving a balance of P2.602 million with no supporting documents. |

| References | Audit | | Status of Implementation |
|---|--|--|--|
| | Observations | Recommendations | |
| CY 2020 AAR/ AOM No. 15/ Pages 54 to 55 | The implementation of Gender and Development (GAD) by OFBank was not fully compliant with PCW-NEDA-DBM Joint Circular No. 2012-01 and PCW Memorandum Circular No. 2017-03 by OFBank because major programs were attributed to GAD budget without conducting gender analysis using the Harmonized Gender and Development Guideline (HGDG) tool. | Assess major program/s using the Harmonized Gender and Development Guideline Tool to determine the level of gender-responsiveness and the corresponding percentage to be attributed to GAD budget. | Not implemented OFBank's GAD focal point person already attended a webinar hosted by their LBP counterpart on the conduct of assessment of GAD major programs using HGDG Tool last November 2021. |