



REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
CORPORATE GOVERNMENT SECTOR  
CLUSTER A - FINANCIAL

**INDEPENDENT AUDITOR'S REPORT**

**The Monetary Board**

Bangko Sentral ng Pilipinas  
Manila

We have audited the accompanying financial statements of Bangko Sentral ng Pilipinas (BSP), which comprise the balance sheet as at 31 December 2009, and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and 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 applicable Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit 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.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Bangko Sentral ng Pilipinas as at 31 December 2009, and of its financial performance and its cash flows for the year then ended in accordance with applicable Philippine Financial Reporting Standards.

**Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 39 to the financial statements which states that BSP shall settle its dividend deficiency to the National Government for CY2003 to CY2006 aggregating PHP9.213 billion arising out of the various capital reserve provisions not allowable as deductible items for dividend distribution purposes.

**COMMISSION ON AUDIT**

  
**ADELA L. DONDONILLA**  
Supervising Auditor

20 October 2010