



National Center for Mental Health

Date: April 22, 2022

Management Representation Letter

JOYCELYN R. RAMOS

OIC- Director IV, National Government Sector
Cluster 6 – Health and Science
Commission on Audit
Commonwealth Avenue
Quezon City

Subject: National Center for Mental Health

This representation letter is provided in connection with your audit of the financial statements of the National Center for Mental Health for the year ended December 31, 2021 for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with Philippine Public Sector Accounting Standards (PPSAS)/Philippine Financial Reporting Standards (PFRS) and as to other terms required, if any.

Statement of Management's Responsibility for the Financial Statements

We affirm that the financial statements for the National Center for Mental Health are management's responsibility; that these were prepared in accordance with the PPSAS/PFRS, that all relevant information was provided the Commission on Audit Team, that access to relevant information and records were made available and that all transactions were recorded and reflected in the financial statements; and that all instances of non-compliance of which we are aware of are disclosed to the COA audit team.

Specific Affirmations pertaining to the Financial Statements Provided to the Commission on Audit

We affirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated October 1, 2021, for the preparation of the financial statements in accordance with the PPSAS/PFRS:

"There is no Health without Mental Health"

1. In particular, the financial statements are free from material misstatements including omissions and errors, and are fairly presented.
2. Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.
3. Related party relationships and transactions, if any, have been appropriately accounted for and disclosed in accordance with the requirements of the PPSAS/PFRS.
4. All events subsequent to the date of the financial statements and for which PPSAS/PFRS require adjustment or disclosure have been adjusted or disclosed.
5. All matters related to claims, litigations, assessments and dispute have been disclosed to COA by our Legal Office and external legal counsel.
6. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
7. The selection and application of accounting policies are appropriate.
8. The following have been recognized, measured, presented or disclosed in accordance with the PPSAS/PFRS:
 - a. Plans or intentions that may affect the carrying value or classification of assets and liabilities;
 - b. Liabilities, both actual and contingent;
 - c. Title to, or control over, assets, the liens or encumbrances on assets, and assets pledged as collateral; and
 - d. Aspects of laws, regulations and contractual agreements that may affect the financial statements, including non-compliance.

In preparing the financial statements, management is also responsible for assessing the National Center for Mental Health's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the National Center for Mental Health or to cease operations, or has no realistic alternative but to do so.

B. Internal Control

1. We have assessed the effectiveness of the National Center for Mental Health internal control in achieving the following objectives:
 - a. Reliability of financial reporting;
 - b. Compliance with applicable laws and regulations;
 - c. Safeguarding of assets; and
 - d. Achievement of agency objectives.
2. We have disclosed to you all significant deficiencies in the design or operation of internal control that could adversely affect the entity's ability to meet the internal control objectives and identified those we believe to be material weaknesses.
3. There have been no changes to internal control subsequent to December 31, 2021, or other factors that might significantly affect it

C. Compliance

1. The activities and financial transactions are in compliance with the relevant government rules and regulations.
2. We have provided you with interpretation of compliance requirements that may have varying interpretations.
3. All contracts, agreements and other correspondence have been made available.
4. We have disclosed all contracts and agreements with service organizations, including any communications with those organizations related to instances of non-compliance.
5. The National Center for Mental Health has been operated effectively, throughout the period covered by the audit.

D. Information Required

1. We have provided you with:
 - a. Access to all information deemed relevant to the preparation of the financial statements such as records, documentation and other matters;
 - b. Additional information requested for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity determined necessary to obtain audit evidence.
2. All transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the specific results of our assessment of the risk indicating that the financial statements may be materially misstated as a result of fraud.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves: management; employees who have significant roles in internal control; or others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
6. We have disclosed to you the identity of related parties and all the related party relationships and transactions of which we are aware.

Signed:


DIONICIO A. TOLENTINO, MPA
Finance Management Officer II



NOEL V. REYES, MD, FPPA
Medical Center Chief II