

News Release
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Pag-IBIG earns record 6th straight unqualified opinion from COA

Pag-IBIG Fund has earned its sixth straight unqualified opinion from state auditors, breaking yet another record in the Fund's 37-year history.

In June, the Commission on Audit (COA) transmitted a copy of the results of the audit of the accounts and transactions of Pag-IBIG Fund for 2017 and 2016. State auditors gave Pag-IBIG another unqualified opinion which is the best opinion that a government agency or corporation can get from COA.

"In our opinion, the financial statements present fairly, in all material respects, the financial positions of HDMF as of December 31, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS)," read the Independent Auditor's Report.

Secretary Eduardo D. Del Rosario, concurrent Chairman of the Housing and Urban Development Coordinating Council and Pag-IBIG Fund, stated "This is Pag-IBIG Fund's sixth consecutive unqualified opinion. This 6-peat achievement is yet another proof that Pag-IBIG Fund is working hard to serve our members while maintaining the sustainability of the Filipino workers' fund which is in accord with the housing sector's initiatives and President Rodrigo Roa Duterte's directive to prioritize the delivery of reliable government services."

"We, in Pag-IBIG, are delighted for having earned another unqualified opinion from COA. We concluded 2016 as a great year but our performance in 2017 was record-breaking, making it our best year ever!", said Pag-IBIG Fund CEO Acmad Rizaldy P. Moti.

CEO Moti also clarified that contrary to reports, Pag-IBIG home borrowers face no risk in losing their homes based on a COA finding that 22,123 accounts were not yet converted from Contracts to Sell (CTS) to Real Estate Mortgage (REM).

"It is unfortunate that COA's report has been misread. Let me clear things by saying that borrowers do not risk losing their homes on account of the non-conversion from CTS to REM. Pag-IBIG has safeguards in place to ensure that the home loan borrower's rights are always protected. For one, the CTS is assigned to Pag-IBIG Fund and annotated in the title as proof that the borrower purchased that property. Two, we can sanction developers who fail to meet the conversion timeline. Lastly and most importantly, Pag-IBIG itself can do the conversion by using the retention fee deducted from the developer to make sure that these titles will be transferred under the names of the borrowers," he said.

"Borrowers have no reason to worry because regardless of the conversion status of their properties, the only way they face the risk of losing their homes is if they are not paying their monthly obligations," CEO Moti added.

While COA noted some observations in the report, the unqualified opinion stands as these observations are not enough to merit a lesser opinion.

“We rendered an unqualified opinion on the fairness of presentation of the financial statements of the HDMF for the years ended December 31, 2017 and 2016 in accordance with PFRS. Some of the audit observations impact on the balances of the accounts presented in the financial statements. However, in aggregate, they do not exceed the material level set for the 2017 audit of accounts and transactions to warrant a qualified or adverse opinion,” the Auditor’s Opinion read.