

Nurturing growth in the countryside



UHY's member firm in the Philippines helps homegrown rural bank BOF provide vital financial services to rural communities and empower micro, small and medium size businesses

Around the world, small businesses in rural communities often struggle to have their banking needs properly met. Rural businesses rely on banking facilities as much as urban counterparts, from checking, payroll and savings accounts to loans, mortgages and fund transfers. The easy availability of these facilities is an important factor in the ability of rural areas to thrive.

In the Central Luzon region of the Philippines, these needs are met by BOF, Inc. (A Rural Bank). Bank of Florida (BOF) started in 1964 from the small town of Floridablanca, and now operates 22 branches in the region, with 20 in Pampanga, one in Bulacan and one in Tarlac. It is headquartered in the City of San Fernando, Pampanga. The bank's vision is to be the bank of choice for micro, small, and medium size enterprises (MSMEs) in Central Luzon, providing high-quality, relevant products and services that drive financial inclusion, economic progress and sustainable development.

Good governance

Banking is a heavily regulated industry, and BOF changes its external auditors at least every three years as a part of a commitment to good corporate governance. "This practice ensures the independence, objectivity, and impartiality of the audit process, minimises the risk of professional judgement biases, and continuously enhances the quality of audits," says Anabelle C. Sampang, Chief Internal Auditor for BOF. UHY M.L. Aguirre and Co., CPAs, UHY's member firm in the Philippines, currently occupies the position, and not for the first time. The company previously served as BOF's external auditor from 2018 to 2020. Now, as then, UHY conducts



comprehensive financial reviews for the bank, ensuring that BOF's financial statements and reports are accurate and fully compliant with Philippine Financial Reporting Standards (PFRS) and regulatory requirements. The process is managed by Michael L Aguirre, co-founder and managing partner of the firm, who leads a team of highly qualified auditors.



UHY's work instils confidence in BOF's management, stockholders and lenders, and in regulators.

More than auditing

While auditing is the key requirement, Anabelle says BOF appreciates the extra value the UHY team brings to the relationship.

"With its expertise, UHY assists us in identifying and assessing potential risks and vulnerabilities, particularly in the bank's operational processes and financial reporting," she adds. "This proactive approach contributes to enhancing BOF's governance, risk management and internal control systems, ensuring a more robust and efficient organisational framework."

UHY M.L. Aguirre and Co., CPAs takes a value-added approach, providing insightful recommendations and

actionable guidance whenever it can. "This helps ensure that BOF can make timely, well-informed decisions to support its goals," says Anabelle. "The most valuable aspect of BOF's relationship with UHY is the collaborative approach they bring to the table."

Adding credibility

The UHY firm is a highly regarded auditor in the country, and its professional opinion adds credibility to BOF's financial statements, serving as a reliable record of the bank's past performance. In addition, a deep understanding of the financial services sector allows the team to provide reliable advice and guidance to a client that continues to innovate and evolve.

"UHY's work instils confidence in BOF's management, stockholders and lenders, and in regulators," says Anabelle. "It helps us identify areas for improvement, mitigate risks, and enhance our efficiency and effectiveness." ■

UHY in the financial services sector

As the environment for businesses operating in the financial services sector has become increasingly complex and regulated, UHY member firms are able to add significant value to banks, insurance companies, fund managers, private equity investors and credit unions. From regulatory compliance to the application of international accounting standards, UHY member firms are able to provide informed guidance and insight to clients in the sector.