



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

MEMORANDUM

DATE: May 15, 2023

TO: USAID/South Sudan, Mission Director, Katherine Crawford

FROM: USAID OIG Africa Regional Office, Audit Director, Robert Mason /s/

SUBJECT: Financial Closeout Audit of USAID Resources Managed by BMMI Company Limited in South Sudan Under Contract AID-668-C-14-00001, July 1, 2020, to July 31, 2021 (Report No. 4-668-23-007-N)

This memorandum transmits the final audit report on USAID resources managed by BMMI Company Limited under a contract to provide life support services to the US mission to South Sudan. USAID/South Sudan contracted with the independent audit firm PKF Kenya LLP, Nairobi, Kenya to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards. However, it did not have a continuing professional education program that fully satisfy the standards' requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on BMMI Company Limited's schedule of expenditures of USAID awards; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to (1) express an opinion on whether the schedule of expenditures of USAID awards for the period audited, was presented fairly, in all material respects; (2) evaluate BMMI Company Limited's internal controls; and (3) determine whether BMMI Company Limited complied with award terms and applicable laws and regulations.

To answer the audit objectives, PKF Kenya LLP (1) audited the schedule of expenditures of USAID awards including the budgeted amounts by category and major items and the revenues received from USAID for the period covered by the audit and the costs reported by BMMI Company Limited as incurred from July 1, 2020, to July 31, 2021; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to BMMI Company Limited's ability to report financial data consistent with the assertions embodied in each account of the schedule of expenditures of USAID awards; and (3) identified the award terms and pertinent laws and regulations and determined which of those, if not

¹ We reviewed the audit firm's report for conformity with professional reporting standards. Our desk reviews are typically performed to identify any items needing clarification or issues requiring management attention. Desk reviews are limited to review of the audit report itself and excludes review of the auditor's supporting working papers; they are not designed to enable us to directly evaluate the quality of the audit performed.

observed, could have a direct and material effect on the schedule of expenditures of USAID awards. BMMI Company Limited reported expenditures of \$3,320,849 in USAID funds during the audited period.

The audit firm concluded the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm identified no questioned costs; no material weaknesses in internal control; and no instances of material noncompliance.

Accordingly, we are not making any recommendations.

During our desk review, we noted a minor area for improvement which the audit firm should address in future audit reports. We presented this area in a memo to the controller, dated May 15, 2023.

OIG does not routinely distribute independent public accounting reports beyond the immediate addressees because a high percentage of these reports contain information restricted from release under the Trade Secrets Act, 18 U.S.C. 1905 and Freedom of Information Act Exemption Four, 5 U.S.C. 552(b)(4) (“commercial or financial information obtained from a person that is privileged or confidential”).