



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

### MEMORANDUM

**DATE:** May 10, 2022

**TO:** USAID/India Mission Director, Veena Reddy

**FROM:** USAID OIG Asia Regional Office USDH NFA Coordinator, Rhonda M. Horried /s/

**SUBJECT:** Financial Audit of Producer-Owned Women Enterprises Project in India Managed by Indus Tree Crafts Foundation Under Cooperative Agreement 72038619CA00003, April 01, 2020 to March 31, 2021 (5-386-22-015-R)

This memorandum transmits the financial audit of Producer-Owned Women Enterprise (POWER) project managed by Indus Tree Crafts Foundation (ICF) in India under cooperative agreement 72038619CA00003, from April 01, 2020 to March 31, 2021. USAID/India contracted with the independent auditor P.K. Chopra & Co., to conduct the audit. The audit firm stated that it performed its audit in accordance with U.S. Government Auditing Standards (GAGAS). The audit firm disclosed that it did not have continuing professional education program and external quality control reviews that fully satisfied GAGAS requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on ICF's schedule of expenditures of USAID awards, the effectiveness of its internal control, or its compliance with the award, laws, and regulations. I

The audit objectives were to (1) express an opinion on whether ICF's schedule of expenditures of USAID awards for the audited period was presented fairly, in all material respects; (2) evaluate ICF's internal controls; and (3) determine whether ICF complied with award terms and applicable laws and regulations (including cost-sharing/matching contributions). The audit covered revenues and costs of \$969,101 and \$908,678, respectively for the audited period.

The audit firm concluded that the schedule of expenditure of USAID awards for POWER project presented fairly, in all material respects, revenues, costs incurred and reimbursed, and commodities and technical assistance directly procured by USAID for the audited period. The audit firm did not identify any deficiencies in internal control, questioned costs, or instances of noncompliance.

The audit firm determined that indirect costs were not incurred, and cost-sharing contributions

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<sup>1</sup> 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.

were applicable, but none were reported for the audit period.

The report does not include any recommendations.

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").