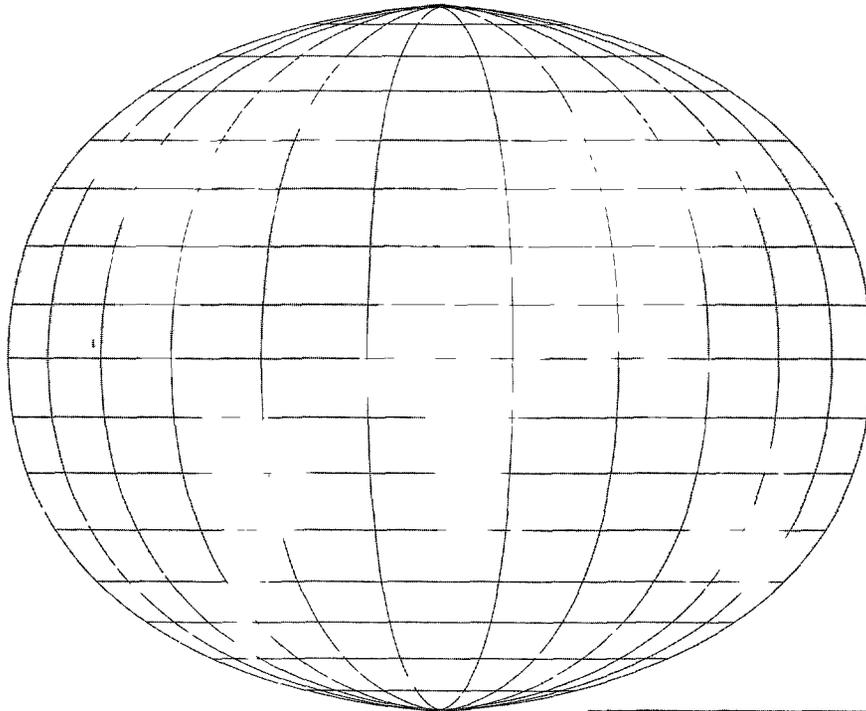


PD-ABQ-364

Report of Audit

**Financial Audit of the Assiut Businessmen Association,
Costs Incurred Under Cooperative Agreement
No. 263-A-00-95-00055-00 of USAID/Egypt's Small and
Micro Enterprise Development Project No. 263-0212**

**Report No. 6-263-98-018-N
March 5, 1998**



FINANCIAL INFORMATION CONTAINED
IN THIS REPORT MAY BE PRIVILEGED
THE RESTRICTION OF 18 USC 1905 SHOULD
BE CONSIDERED BEFORE ANY INFORMATION
IS RELEASED TO THE PUBLIC

**Regional Inspector General for Audit
Cairo, Egypt**

**OFFICE OF INSPECTOR GENERAL
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**



**UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
OFFICE OF THE REGIONAL INSPECTOR GENERAL/AUDIT**

CAIRO, EGYPT

Report No. 6-263-98-018-N
March 5, 1998

MEMORANDUM

TO DIRECTOR USAID/Egypt, John R Westley

FROM A/RIG/A/Cairo, Bruce N Boyer *Bruce N Boyer*

SUBJECT Financial Audit of the Assiut Businessmen Association, Costs Incurred Under Cooperative Agreement No 263-A-00-95-00055-00 of USAID/Egypt's Small and Micro Enterprise Development Project No 263-0212

The attached report, transmitted on February 3, 1998 by Price Waterhouse, presents the results of a financial audit of revenues received and costs incurred by the Assiut Businessmen Association (the "Association") under cooperative agreement No 263-A-00-95-00055-00 of USAID/Egypt's Small and Micro Enterprise Development Project No 263-0212. The purpose of the Association, established as a nonprofit organization with the Egyptian Ministry of Social Affairs, is to increase employment and earnings among the poorer strata of entrepreneurs in the urban areas of Assiut.

We engaged Price Waterhouse to perform a financial audit of revenues received and costs incurred by the Association during the period March 15, 1995 through December 31, 1996. The purpose of the audit was to evaluate the propriety of costs incurred and express an opinion on whether the Association's fund accountability statement presents fairly, in all material respects, revenues received and costs incurred during the audit period. The auditors also evaluated the Association's internal control structure and compliance with applicable laws, regulations and agreement terms as necessary in forming their opinion regarding the fund accountability statement.

The auditors identified no questioned costs, material internal control weaknesses, or instances of material noncompliance. Consequently, we have no audit recommendations to include in the Office of Inspector General's recommendation follow-up system.

Thank you for the cooperation and assistance extended to the audit staff on this engagement and your continued support of the financial audit program in Egypt.

Attachment a/s

U.S. Mailing Address
USAID-RIG/A/C Unit 64902
APO AE 09839-4902

Tel. Country Code (202)
357-3909
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Garden City, Cairo, Egypt*

A

**ASSIUT BUSINESSMEN ASSOCIATION
UNDER THE USAID/EGYPT FUNDED
COOPERATIVE AGREEMENT NO. 263-A-00-95-00055-00**

**FUND ACCOUNTABILITY STATEMENT
AND ADDITIONAL INFORMATION
FOR THE PERIOD
MARCH 15, 1995 THROUGH DECEMBER 31, 1996**

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Price Waterhouse



February 3, 1998

Mr Lou Mundy
Regional Inspector General for Audit/Cairo
United States Agency for
International Development

Dear Mr Mundy

This report presents the results of our financial related audit of project revenues received and costs incurred by the Assiut Businessmen Association ("ASBA") The audit population includes revenues received and costs incurred by ASBA under the United States Agency for International Development Mission to Egypt ("USAID/Egypt") funded Cooperative Agreement No 263-A-00-95-00055-00 ("Cooperative Agreement" or "Agreement") for the period March 15, 1995 through December 31, 1996

Background

The ASBA was established as a non-profit organization with the Ministry of Social Affairs in March of 1995 ASBA's primary goal is "to increase employment and earnings among the poorer strata of entrepreneurs in the urban areas of Assiut" This is being accomplished by administering a credit facility to small and micro enterprises The credit is available from USAID funds under the Small and Micro Enterprise Project The credit fund was not subject to this audit ASBA has established its headquarters and branch offices in Assiut Additional branch offices are in Abu Teek and El Kosia The funding for the initial three years of operating and facility costs is provided by USAID With the exception of taxes, all costs can be covered by USAID The payment of interest by clients constitutes the only other source of revenue available for ASBA One intent of the Agreement is that ASBA would be self supporting within three years, and no longer require USAID funds to support its operations This is the first audit of the Cooperative Agreement

Audit Objectives and Scope

The objective of this engagement was to perform a financial related audit of project revenues received and costs incurred by ASBA under the Cooperative Agreement during the period March 15, 1995 through December 31, 1996 (the "audit period") Specific objectives were to perform and determine the following

- 1 Express an opinion on whether the fund accountability statement for the USAID/Egypt financed ASBA Cooperative Agreement presents fairly, in all material respects, Agreement revenues received and costs incurred for the period under audit in conformity with generally accepted accounting principles or other comprehensive basis of accounting, including the cash receipts and disbursements basis and modifications of the cash basis,



- 2 Determine if the costs reported as incurred under the Agreement are in fact allowable, allocable and reasonable in accordance with the terms of the Cooperative Agreement;
- 3 Evaluate and obtain a sufficient understanding of the internal control structure of ASBA, assess control risk, and identify reportable conditions, including material internal control weaknesses, and
- 4 Perform tests to determine whether ASBA complied, in all material respects, with the terms of the Cooperative Agreement and with applicable laws and regulations

Preliminary planning and review procedures began in August 1997. These procedures consisted of discussions with personnel from the Office of the Regional Inspector General for Audit in Cairo and ASBA management. Audit fieldwork commenced in November, 1997 and was completed in February, 1998.

The scope of our audit included a population of Agreement costs amounting to \$484,479 or LE 1,642,384. On a judgmental basis, we selected and tested \$275,143 or LE 932,735 (57%) of costs incurred. Our audit population also included \$779,509 or LE 2,642,536 of project revenues received. We tested one hundred percent of these revenues.

Our tests of Agreement costs incurred by ASBA included, but were not limited to, the following:

- 1 Reconciling ASBA Agreement accounting records to billings issued to USAID/Egypt to ensure that Agreement costs were appropriately supported,
- 2 Testing Agreement costs funded by USAID/Egypt for allowability and allocability,
- 3 Determining whether appropriate procurement procedures were applied that conformed with the terms of the Cooperative Agreement, and applicable laws and regulations,
- 4 Determining if salary costs were adequately supported and approved, and,
- 5 Establishing the adequacy of ASBA control procedures to safeguard Agreement funds/assets

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards and the financial audit requirements of Government Auditing Standards ("GAS") issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement.



We did not have an external quality control review by an unaffiliated audit organization as required by paragraph 33 of Chapter 3 of GAS since no such quality control review program is offered by professional organizations in Egypt. We believe that the effect of this departure from the financial audit requirements of GAS is not material because we participate in the Price Waterhouse worldwide internal quality control program which requires the Price Waterhouse Cairo office to be subjected, every three years, to an extensive quality control review by partners and managers from other Price Waterhouse offices and firms.

As part of our examination of ASBA, we assessed internal controls in order to determine our auditing procedures. We also tested ASBA's compliance with applicable laws and regulations.

Results of Audit

Fund accountability statements

Our audit procedures did not identify any questionable project costs.

Internal control structure

Our audit procedures did not identify any material weaknesses in the internal control.

Compliance with laws, regulations, contracts and Cooperative Agreement

Our audit procedures did not identify any instances of material non-compliance with either the terms of the Grant Agreement, or with applicable laws and regulations.

This report is intended for the information of ASBA management and others within the organization and USAID/Egypt. However, this report is a matter of public record, and its distribution is not limited.

Price Waterhouse

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**REPORT OF INDEPENDENT ACCOUNTANTS
ON THE FUND ACCOUNTABILITY STATEMENTS**

February 3, 1998

Mr Lou Mundy
Regional Inspector General for Audit/Cairo
United States Agency for
International Development

We have audited the fund accountability statement of project revenues received and costs incurred by the Assiut Businessmen Association ("ASBA") under the United States Agency for International Development Mission to Egypt ("USAID/Egypt") funded Cooperative Agreement No 263-A-00-95-00055-00 ("Cooperative Agreement") for the period March 15, 1995 through December 31, 1996. The fund accountability statement is the responsibility of ASBA management. Our responsibility is to express an opinion on this statement based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards ("GAS") issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the fund accountability statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the fund accountability statement. We believe that our audit provides a reasonable basis for our opinion.

We did not have an external quality control review by an unaffiliated audit organization as required by paragraph 33 of Chapter 3 of GAS since no such quality control review program is offered by professional organizations in Egypt. We believe that the effect of this departure from the financial audit requirements of GAS is not material because we participate in the Price Waterhouse worldwide internal quality control program which requires the Price Waterhouse Cairo office to be subjected, every three years, to an extensive quality control review by partners and managers from other Price Waterhouse offices and firms.

As described in Note 2, the fund accountability statement has been prepared on the basis of cash receipts and disbursements. Consequently, revenues are recognized when received and expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the fund accountability statement is not intended to present results in accordance with accounting principles generally accepted in the United States of America.



In our opinion, the fund accountability statement referred to in the first paragraph presents fairly, in all material respects, Cooperative Agreement revenues received and costs incurred by ASBA under the Cooperative Agreement for the period March 15, 1995 through December 31, 1996, in conformity with the basis of accounting described in Note 2

In accordance with GAS, we have also issued a report dated February 3, 1998 on our consideration of ASBA's internal control and a report dated February 3, 1998 on its compliance with laws and regulations

This report is intended for the information of ASBA management and others within the organization and USAID/Egypt. However, this report is a matter of public record, and its distribution is not limited

Price Waterhouse

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ASSOCIATION OF BUSINESSMEN (ASBA)
 COOPERATIVE AGREEMENT NUMBER 263 A 00-95-0005-00
 FOR THE PERIOD MARCH 15 1995 THROUGH DECEMBER 31 1996
 FUND ACCOUNTABILITY STATEMENT

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EXPRESSED IN US DOLLARS

	Approved Budget (Note 1)	Actual Expenditures (Note 1)	Cost Reclassifications (Note 1)	Revised Actual (Note 1)
Revenues				
USMID Receipts	\$	\$ 773.00	\$	\$ 773.00
TOTAL REVENUES	\$	\$ 773.00	\$	\$ 773.00
Expenditures				
<u>Personnel Costs</u>				
Salaries	\$ 224,852	\$ 23,741	\$	\$ 4,57
Social Insurance	60,205	10,214	(570)	1,098
Part-time employees		48	(11)	52
Incentives	1,064	1,400		1,404
Subtotal Personnel Costs	\$ 441,711	\$ 125,403	\$	\$ 125,403
<u>Operations Cost</u>				
Office Supplies & Stationery	\$ 17,40	\$ 10,007	\$	\$ 10,007
Repairs & Maintenance	005	0		0
Communication	10,071	1,004		1,004
Bank Charges	11,5	9		9
Insurance	1,084	72		72
Utilities	0	1		1
Travel & Transportation	5,0	4		47
Miscellaneous		1,071		1
Business Travel Expense		1,75		5
Consultant Fee	1,00	0		0
Subtotal Operations Cost	\$ 18,022	\$ 13,868	\$	\$ 13,868
<u>Fixed Assets</u>				
Office Premises	117,004	1,000	\$	\$ 1,000
Renovation	5,007	13,004	0,40	1,400
Office Equipment		3,050	17,441	2,106
Office Furniture	98	1,080	0	17,00
Photocopier	98	10,821	0,551	1,008
Telephones	3,09	2,806	10,447	1
Computer	3,997	10,821		10,001
Fixtures		2,011		2,011
Subtotal Fixed Assets	\$ 16,042	\$ 206,078	\$	\$ 206,078
<u>Branch Fixed Assets</u>				
Office Premises	\$ 60,72	\$	\$	\$
Renovation	186			
Office Furniture	5,186			
Photocopier	13,912			
Telephones	14,000			
Computer	186			
Subtotal Branch Fixed Assets	\$ 200,444	\$	\$	\$
<u>Special Projects</u>				
Premises	\$ 58,997	\$ 70,229	\$	\$ 70,229
Renovation	17,699	7,072		7,072
Furniture	2,124			
Equipment	14,749			
Operations	22,104	362		362
Subtotal Special Projects	\$ 115,673	\$ 77,663	\$	\$ 77,663
<u>Training</u>				
Staff Training	\$ 15,487	\$ 2,022	\$	\$ 2,022
Subtotal Training	\$ 15,487	\$ 2,022	\$	\$ 2,022
TOTAL EXPENDITURES	\$ 1,228,569	\$ 484,479	\$	\$ 484,479
OUTSTANDING FUND BALANCE	\$	\$ 295,030	\$	\$ 295,030

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ASSIUT BUSINESSMEN ASSOCIATION
UNDER THE USAID/EGYPT FUNDED
COOPERATIVE AGREEMENT NO. 263-A-00-95-00055-00
NOTES TO THE FUND ACCOUNTABILITY STATEMENT

NOTE 1 - SCOPE OF STATEMENTS:

The fund accountability statement of Assiut Businessmen Association ("ASBA") includes project revenues received and costs incurred by ASBA under the Grant Agreement for the period March 15, 1995 through December 31, 1996 (the "audit period")

"Approved Budget" is the USAID/Egypt approved budget in accordance with the most recent budget amendment of the Cooperative Agreement within the audit period and is presented for informational purposes only. "Actual Expenditures" represents cumulative revenues received and costs incurred by ASBA under the Cooperative Agreement during the audit period. "Revised Actual" represents actual expenditures adjusted for cost reclassifications, as mentioned in Note 4. "Outstanding Fund Balance", represents the net excess of funds received over expenditures. The budget, revenues and expenditures in LE have been converted to US dollars as described in Note 3 below.

NOTE 2 - BASIS OF PRESENTATION:

The fund accountability statement of ASBA has been prepared on the basis of cash receipts and disbursements. Consequently, revenues are recognized when received and costs are recognized when paid, rather than when the obligation is incurred.

NOTE 3 - FOREIGN EXCHANGE:

Actual and budgeted revenues and costs incurred in LE have been converted to US dollars at an exchange rate of 3.39 LE to one US dollar. The exchange rate has been calculated by averaging the ending monthly exchange rates during the audit period.

NOTE 4 - COST RECLASSIFICATIONS:

Certain costs associated with various budget line items were properly recorded in ASBA's accounting records, but on the billing to USAID/Egypt, they were recorded in the incorrect budget line item. These costs have been reclassified to facilitate a more appropriate comparison between actual expenditures and ASBA's budgeted costs.

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**REPORT OF INDEPENDENT ACCOUNTANTS
ON INTERNAL CONTROL**

February 3, 1998

Mr Lou Mundy
Regional Inspector General for Audit/Cairo
United States Agency for
International Development

We have audited the fund accountability statement of project revenues received and costs incurred by the Assiut Businessmen Association ("ASBA") under the United States Agency for International Development Mission to Egypt ("USAID/Egypt") funded Grant Agreement No 263-A-00-95-00055-00 ("Grant Agreement" or "Project") for the period March 15, 1995 through December 31, 1996 (the "audit period"), and have issued our report thereon dated February 3, 1998

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards ("GAS"), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement.

We did not have an external quality control review by an unaffiliated audit organization as required by paragraph 33 of Chapter 3 of GAS since no such quality control review program is offered by professional organizations in Egypt. We believe that the effect of this departure from the financial audit requirements of GAS is not material because we participate in the Price Waterhouse worldwide internal quality control program which requires the Price Waterhouse Cairo office to be subjected, every three years, to an extensive quality control review by partners and managers from other Price Waterhouse offices and firms.

The management of ASBA is responsible for establishing and maintaining internal controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal controls are to provide management with reasonable, but not absolute, assurance that the assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the fund accountability statements in accordance with the terms of the Cooperative Agreement and the cash basis of accounting. Because of inherent limitations in any internal control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the internal controls to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.



In planning and performing our audit of the fund accountability statement of ASBA for the audit period we obtained an understanding of the internal control structure as it relates to the Grant Agreement. With respect to the internal controls, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation. We also assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the fund accountability statement and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. A material weakness is a condition in which the design or operation of one or more of the internal control elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the fund accountability statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of ASBA management and others within the organization and USAID/Egypt. However, this report is a matter of public record and its distribution is not limited.

Priscilla Waterhouse

Price Waterhouse



**REPORT OF INDEPENDENT ACCOUNTANTS
ON COMPLIANCE WITH LAWS, REGULATIONS, CONTRACTS AND GRANTS**

February 3, 1998

Mr Lou Mundy
Regional Inspector General for Audit/Cairo
United States Agency for
International Development

We have audited the fund accountability statement of project revenues received and costs incurred by the Assiut Businessmen Association ("ASBA") under the United States Agency for International Development Mission to Egypt ("USAID/Egypt") funded Grant Agreement No 263-A-00-95-00055-00 ("Grant Agreement" or "Project") for the period March 15, 1995 through December 31 1996 (the "audit period"), and have issued our report thereon dated February 3, 1998

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards ("GAS"), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement.

We did not have an external quality control review by an unaffiliated audit organization as required by paragraph 33 of Chapter 3 of GAS since no such quality control review program is offered by professional organizations in Egypt. We believe that the effect of this departure from the financial audit requirements of GAS is not material because we participate in the Price Waterhouse worldwide internal quality control program which requires the Price Waterhouse Cairo office to be subjected, every three years, to an extensive quality control review by partners and managers from other Price Waterhouse offices and firms.

Compliance with laws, regulations, contracts and agreements applicable to ASBA is the responsibility of ASBA management. As part of obtaining reasonable assurance about whether the fund accountability statement is free of material misstatement, we performed tests of ASBA's compliance with certain provisions of laws, regulations, contracts and agreements. However, the objective of our audit of the fund accountability statement was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion. For purposes of this report, we have categorized the provisions of laws, regulations, contracts, and agreements we tested as part of obtaining such reasonable assurance into the following categories:

- ▶ Procurement policies and procedures
- ▶ Restrictions on billing taxes
- ▶ Budgetary expenditure limitations
- ▶ Maintenance of accounting books, records and documents
- ▶ Compensation limitations



Material instances of non-compliance are failures to follow requirements, or violations of prohibitions, contained in laws, regulations, contracts, or agreements that cause us to conclude that the aggregation of the misstatements resulting from those failures or violations is material to the fund accountability statement. The results of our tests of compliance disclosed no instances of noncompliance that are required to be reported herein under GAS.

This report is intended for the information of ASBA management and others within the organization and USAID/Egypt. However, this report is a matter of public record, and its distribution is not limited.

Price Waterhouse

**ASSIUT BUSINESSMEN ASSOCIATION
UNDER THE USAID/EGYPT FUNDED
COOPERATIVE AGREEMENT NO. 263-A-00-95-00055-00**

SUPPLEMENTAL SCHEDULES

**FUND ACCOUNTABILITY STATEMENT
EXPRESSED IN EGYPTIAN POUNDS**

**FOR THE PERIOD
MARCH 15, 1995 THROUGH DECEMBER 31, 1996**

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**REPORT OF INDEPENDENT ACCOUNTANTS
ON ADDITIONAL INFORMATION**

February 3, 1998

Mr Lou Mundy
Regional Inspector General for Audit/Cairo
United States Agency for
International Development

Our audit was conducted for the purpose of forming an opinion on the basic fund accountability statement of the Assiut Businessmen Association ("ASBA") taken as a whole. The fund accountability statement, as expressed in Egyptian pounds ("LE") (the "Supplemental Schedule"), is presented for purposes of additional analysis and is not a required part of the basic fund accountability statement. The information in the Supplemental Schedule has been subjected to the auditing procedures applied in the audit of the basic fund accountability statement, and, in our opinion, such information is fairly stated, in all material respects, in relation to the basic fund accountability statement of ASBA taken as a whole.

Paul Wittichouse

ASSIUT BUSINESSMEN ASSOCIATION (ASBA)
 COOPERATIVE AGREEMENT NUMBER 263 A 00-95-00055 00
 FOR THE AUDIT PERIOD MARCH 15 1995 THROGH DECEMBER 31 1996
 FUND ACCOUNTABILITY STATEMENT

BEST AVAILABLE COPY

EXPRESSED IN EGYPTIAN POUNDS

	Approved Budget	Actual Expenditures	Cost Reclassification	Revised Actual
Revenues				
USAID Receipts	LE _____	LE _____ 2 642 536	LE _____	LE _____ 2 642 536
TOTAL REVENUES	LE _____	LE _____ 2 642 536	LE _____	LE _____ 2 642 536
Expenditures				
<u>Personnel Costs</u>				
Salaries	LE 762 249	LE 18 459	LE - 766	LE - 1 25
Social Insurance	204 094	4 966	(- 766)	- 200
Part time employees		205	(82)	- 823
Incentives	531 056	9 088	82	9 470
Sub Total Personnel Costs	LE 1 497 099	LE 4 578	LE _____	LE 4 578
<u>Operations Costs</u>				
Office Supplies & Stationery	LE 58 78	LE 54 468	LE _____	LE 4 468
Repairs & Maintenance	67 820	1 187		1 187
Communication	16 174	608		608
Bank Charges	8 455	2 022		2 022
Insurance	44 69	1 262		1 262
Utilities	4 870	5 602		5 602
Local Travel & Transportation	7 11	11 774		11 774
Miscellaneous	4 261	4 820		4 820
Business Trip Expense		65		65
Consultants Fees	50 570	1 319		1 319
Sub Total Operations Costs	LE 40 04	LE 1 758	LE _____	LE 1 758
<u>Fixed Assets</u>				
Office Premises	LE 400 000	LE 451 557	LE _____	LE 451 557
Renovation	200 000	66 761	(18 1)	66 778
Office Equipment		2 745	(- 2)	2 712
Office Furniture	120 000	57 166	1 467	8 633
Photocopier	120 000	6 684	(13 164)	- 520
Telephones	32 400	2511	57 11	46 624
Computer	200 000	5 666		5 666
Fixtures		8 512		8 512
Sub Total Fixed Assets	LE 1 072 400	LE 698 602	LE _____	LE 698 602
<u>Branch Fixed Assets</u>				
Office Premises	LE 225 000	LE _____	LE _____	LE _____
Renovation	112 500			
Office Equipment				
Office Furniture	112 500			
Photocopier	67 500			
Telephones	49 500			
Computer	112 500			
Fixtures				
Sub Total Branch Fixed Assets	LE 679 500	LE _____	LE _____	LE _____
<u>Special Projects</u>				
Premises	LE 200 000	LE 258 416	LE _____	LE 258 416
Renovation	60 000	23 975		23 975
Furniture	75 000			
Equipment	50 000			
Operations	75 000	5 261		5 261
Sub Total Special Projects	LE 460 000	LE 287 652	LE _____	LE 287 652
<u>Training</u>				
Staff Training	LE 52 500	LE 84 823	LE _____	LE 84 823
Sub Total Training	LE 52 500	LE 84 823	LE _____	LE 84 823
TOTAL EXPENDITURES	LE 4 164 842	LE 1 642,384	LE _____	LE 1 642,384
OUTSTANDING FUND BALANCE		LE 1 000 152		LE 1 000 152

14



UNITED STATES AGENCY for INTERNATIONAL DEVELOPMENT

CAIRO, EGYPT

M E M O R A N D U M

4, MAR 1998

Date : March 1, 1998

To : Bruce Boyer, A/RIG/A

From : Shirley Hunter, DC/FM/FA

A handwritten signature in black ink, appearing to be "Shirley Hunter", is written over the "From" line of the memorandum.

Subject: Request for Exit Conference Waiver for Audit of Assuit Business Association (ASBA) Under the USAID/Egypt Funded Cooperative Agreement No. 263-0212-A-00-5055-00, Project No. 263-0212, Fund Accountability Statements for the period March 15, 1995 through December 31, 1996

The first draft audit report did not contain any reportable findings.

Based on ASBA management's request, we hereby ask you to waive the Exit Conference and issue the report in final.

Thank you for your assistance.

cc:

G. Kinney, Proc
M. Khalil, EG/PF