



OFFICE OF INSPECTOR GENERAL

U.S. International Development Finance Corporation

DFC's Consolidated Financial Statements for Fiscal Year 2025

November 14, 2025
Audit Report DFC-26-001-C

1100 New York Avenue NW
Washington, D.C. 20527
<https://www.dfc.gov/oig>



Office of Inspector General

U.S. International Development Finance Corporation

MEMORANDUM:

DATE: November 14, 2025

TO: MR. BENJAMIN BLACK
CHIEF EXECUTIVE OFFICER

MS. MILDRED CALLEAR
VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

FROM: Naga Jujjavarapu
Deputy Inspector General

SUBJECT: DFC's Consolidated Financial Statements for Fiscal Year 2025
(Report Number DFC-26-001-C)

Enclosed is the Fiscal Year 2025 Consolidated Financial Statement opinion audit report. We contracted with the independent public accounting firm RMA Associates, LLC (RMA) to audit the consolidated financial statements of the United States International Development Finance Corporation (DFC) for the fiscal year ended September 30, 2025, report on internal control over financial reporting, and report on compliance with laws and other matters. The contract required the audit to be performed in accordance with U.S. generally accepted auditing standards, Office of Management and Budget audit guidance, and the Government Accountability Office's and Council of the Inspectors General on Integrity and Efficiency's Financial Audit Manual.

In its audit of DFC, RMA reported

- the consolidated financial statements were fairly presented, in all material respects, in accordance with U.S. generally accepted accounting principles;
- no material weaknesses¹ and no significant deficiencies² in internal control over financial reporting; and
- no reportable noncompliance with provisions of laws tested and other matters.

RMA is responsible for the attached auditor's report dated November 14, 2025 and the conclusions expressed therein. We do not express opinions on DFC's consolidated financial statements, or report on internal control over financial reporting, or report on compliance and other matters.

NAGASILPA

JUJJAVARAPU

Digitally signed by NAGASILPA JUJJAVARAPU
Date: 2025.11.13 15:22:27 -0500

Naga Jujjavarapu
Deputy Inspector General
U.S. International Development Finance Corporation

¹ A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

² A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Independent Auditor's Report

Chief Executive Officer, Chief Financial Officer, and Deputy Inspector General
United States International Development Finance Corporation

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying financial statements of the United States International Development Finance Corporation (DFC), which comprise the consolidated balance sheet as of September 30, 2025, and the related consolidated statement of net cost, statement of changes in net position, and the combined statement of budgetary resources, for the year then ended, and the related notes to the financial statements (collectively referred to as 'consolidated financial statements').

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the DFC as of September 30, 2025, and its net cost, changes in net position, and combined budgetary resources for the year then ended, in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Office of Management and Budget (OMB) Bulletin No. 24-02, *Audit Requirements for Federal Financial Statements*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the DFC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and OMB Bulletin No. 24-02, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and OMB Bulletin No. 24-02 we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the DFC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

U.S. generally accepted accounting principles require management's discussion and analysis be presented to supplement the consolidated financial statements. Such information is the responsibility of management and, although not a part of the consolidated financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the consolidated financial statements, and other knowledge we obtained during our audit of the consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the Annual Management Report. The other information comprises the *Table of Contents*, *Agency Head Letter*, *Inspector General's Transmittal Letter*, *Other Information Section*, and *Appendix* but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements as of and for the year ended September 30, 2025, we considered the DFC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the DFC's internal control. Accordingly, we do not express an opinion on the effectiveness of the DFC's internal control. We did not test all internal controls relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the DFC's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters required to be reported under *Government Auditing Standards*.

DFC's Response to Audit

DFC's response to our audit can be found in [Exhibit I](#). DFC's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of the Other Reporting Required by *Government Auditing Standards*

The purpose of the communication described in the Report on Internal Control over Financial Reporting and Report on Compliance and Other Matters sections of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the DFC's internal control or compliance. This section is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the DFC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RMA Associates

Arlington, VA
November 14, 2025


Exhibit 1: DFC Response



MEMORANDUM

November 12, 2025

TO: Naga Jujjavarapu
Deputy Inspector General
DFC – Office of the Inspector General

FROM: Mildred Callear 
Vice President and Chief Financial Officer

SUBJECT: DFC's Management Comments to "DFC's Consolidated Financial Statements for Fiscal Year 2025 (Report Number DFC-26-001-C)"

DFC wishes to thank the Office of the Inspector General (OIG) for the deep level of collaboration and cooperation that was realized throughout this audit yet again this year. As stewards of federal funds, DFC takes very seriously its responsibility to uphold high standards of internal control over financial reporting. We greatly appreciate the recognition from RMA Associates that DFC's financial statements fairly present the financial position of DFC for FY 2025.

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