



Financial Accountability Procedures

11 months from 05/01/14 – 03/31/15

Performed on: Global Discipleship Ministries (GDM)
On Behalf of: Hands of Love USA Board of Directors
Performed by: Sarah Bilbra

In July 2015, Sarah Bilbra conducted the following procedures on GDM's books in Uganda. Alex Sendi, the lead accountant for GDM, represented GDM during Sarah Bilbra's procedures.

1. **Obtained all transfer documents that GDM received from HOL USA for the period May 1, 2014 through March 31, 2015.** These documents provide the detail for the monthly (or bi-monthly) wire transfers from HOL USA to GDM. These documents include descriptions of all funds wired, amounts and funds for all donor specified gifts. The transfer documents are prepared by the HOL USA accountant in the United States.
2. **Obtained all bank statements for GDM for the period May 1, 2014 through March 31, 2015.** All funds sent from HOL USA are deposited into the one GDM bank account.
3. **Obtained a detailed listing of all expenditures, by month, made by GDM for the period May 1, 2014 through March 31, 2015.** This listing of expenditures is compiled and maintained by Alex Sendi's accounting staff at GDM. It includes columns for the categories of food, clothing, medical, education, beddings, staff, gifts, building projects, mission trips and other. Each expenditure item includes the amount, date and category. One-off purchases include additional description information.
4. **Obtained receipts for expenditures from May 1, 2014 through March 31, 2015.** The original receipts are organized by date and are maintained in three ring binders. Alex and his staff provided all the receipts for the period.
5. **Agreed the total amount transferred from HOL USA, per the transfer documents, to the monthly GDM bank statements for each month in the period from May 1, 2014 through March 31, 2015.** No exceptions noted.
6. **Compared the detail included in the transfer document from HOL USA to the detail listing of expenditures maintained by GDM for each month for the period May 1, 2014 through March 31, 2015.** Noted that all donor-specified amounts related to staff



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position sponsorship, gifts, building projects and mission trips were used for those purposes. Also noted that gifts specified for group meals, clothing, medicine, etc. were used for those purposes in the appropriate month or the month following. Lastly, noted that all amounts related to child sponsorship were used for children's food, clothing, bedding, medical needs or education.

7. **Noted each mission trip has a detailed summary that includes funds received from the missionaries and all expenditures made on their behalf during the trip (hotel, transportation, etc.).** Not all receipts listed the mission trip group to tie back to the missionaries' payments. As mission trips increase and dates overlap, receipts should indicate the mission trip leader.
8. **Agreed total expenditures per the detailed listing of expenditures to the GDM bank statement for the period May 1, 2014 through March 31, 2015.** No exceptions noted.
9. **Selected all expenditures for which the description was non-recurring for the period May 1, 2014 through March 31, 2015. Agreed each of these expenditures to the original receipt, noting that all descriptions agreed to the supporting receipt.** No exceptions noted.
10. **Selected a sample of 10 expenditures per month during the period from May 1, 2014 through March 31, 2015, including all expenditures over a certain dollar amount. Agreed each expenditure to the supporting receipt, noting that the date and description matched the detailed expenditure listing.** No exceptions noted.

NOTE 1: For the majority of months in the period May 1, 2014 through March 31, 2015, funds transferred from HOL USA were insufficient to fund the costs of GDM. The shortfall was raised in Uganda from various sources.