



Financial Accountability Procedures

14 months from 04/01/15 – 05/31/16

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

In July 2016, Anna Minner conducted the following procedures on GDM's books in Uganda. Alex Sendi, the lead accountant for GDM, represented GDM during Anna Minner's procedures.

1. **Obtained all transfer documents that GDM received from HOL USA for the period Apr 1, 2015 through May 31, 2016.** 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. No exceptions noted.
2. **Obtained all bank statements for GDM for the period Apr 1, 2015 through May 31, 2016.** All funds sent from HOL USA are deposited into the one GDM bank account. No exceptions noted.
3. **Obtained a detailed listing of all expenditures, by month, made by GDM for the period Apr 1, 2015 through May 31, 2016.** This listing of expenditures is compiled and maintained by Alex Sendi's accounting staff at GDM. It includes columns for the categories of gifts, staff, education, food, medical, building and other. Each expenditure item includes the amount, date and category. One-off purchases include additional description information. No exceptions noted.
4. **Obtained receipts for expenditures from Apr 1, 2015 through May 31, 2016.** 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. No exceptions noted.
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 Apr 1, 2015 through May 31, 2016.** No exceptions noted.



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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 Apr 1, 2015 through May 31, 2016.** Noted that all donor-specified amounts related to staff 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 that 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.).** Upon inspection we learned that our Ugandan finance office had stopped compiling these reports, even though they had continued logging the appropriate expense receipts. In August 2016, our Board communicated to our Ugandan finance office that receiving these reports after each mission trip needed to be a top priority.
8. **Agreed total expenditures per the detailed listing of expenditures to the GDM bank statement for the period Apr 1, 2015 through May 31, 2016.** No exceptions noted.
9. **Selected all expenditures for which the description was non-recurring for the period Apr 1, 2015 through Apr 30, 2016. 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 Apr 1, 2015 through Apr 30, 2016, 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 Apr 1, 2015 through May 31, 2016, funds transferred from HOL USA were insufficient to fund the costs of GDM. The shortfall was raised in Uganda from various sources.