

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

December 31, 2016 and 2015

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Independent Auditor's Report

To the Board of Directors
Self-Help International (USA)
Waverly, Iowa

Report on the Financial Statements

I have audited the accompanying financial statements of Self-Help International (USA), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related Notes to Financial Statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

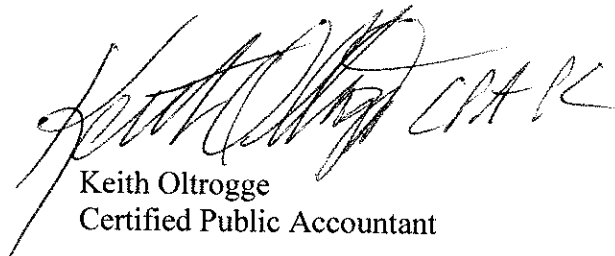
My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements 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 Organization's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Self-Help International (USA) as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Keith Oltrogge
Certified Public Accountant

Denver, Iowa
April 6, 2017

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

STATEMENTS OF FINANCIAL POSITION
At December 31, 2016 and 2015

ASSETS

	2016	
	Unrestricted Fund	(Unrestricted) Investment Fund
CURRENT ASSETS:		
Cash	\$ 76,846	\$ 174,577
Investments	-	236,714
Accounts Receivable	563	-
Inventory	281	-
Total Current Assets	\$ 77,690	\$ 411,291
PROPERTY AND EQUIPMENT:		
Office Equipment	\$ 26,655	\$ -
Nicaragua assets	100	-
	\$ 26,755	\$ -
Less accumulated depreciation	-20,698	-
Net Property and Equipment	\$ 6,057	\$ -
TOTAL ASSETS	\$ 83,747	\$ 411,291

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable	\$ 332	\$ -
Accrued payroll taxes	3,212	-
Total Liabilities	\$ 3,544	\$ -
Net Assets	\$ 80,203	\$ 411,291
TOTAL LIABILITIES AND NET ASSETS	\$ 83,747	\$ 411,291

See the accompanying notes to the financial statements, which are an integral part of this exhibit.

2016			2015	
Temporarily Restricted Fund	Permanently Restricted Endowment	Total (Memorandum Only)	Total (Memorandum Only)	
\$ -	\$ -	\$ 251,423	\$ 65,654	
-	102,172	338,886	439,330	
-	-	563	3,280	
-	-	281	167	
\$ -	\$ 102,172	\$ 591,153	\$ 508,431	
\$ -	\$ -	\$ 26,655	26,655	
-	-	100	100	
\$ -	\$ -	\$ 26,755	\$ 26,755	
-	-	-20,698	-20,524	
\$ -	\$ -	\$ 6,057	\$ 6,231	
	\$			
\$ -	\$ 102,172	\$ 597,210	\$ 514,662	
\$ -	\$ -	\$ 332	\$ 3,571	
-	-	3,212	2,305	
\$ -	\$ -	\$ 3,544	\$ 5,876	
\$ -	\$ 102,172	\$ 593,666	\$ 508,786	
\$ -	\$ 102,172	\$ 597,210	\$ 514,662	

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

STATEMENTS OF ACTIVITIES
Years Ended December 31, 2016 and 2015

	2016	
	Unrestricted Fund	(Unrestricted) Investment Fund
REVENUE, GAINS & OTHER SUPPORT		
Churches	\$ 12,190	\$ -
Individuals	189,235	-
Corporations/Organizations	66,088	-
Trustees	69,406	-
Interest	-	217
Dividends	-	7,291
Realized gain (loss)	-	36,938
Unrealized gain (loss) from increase (decrease) in FMV of investments	-	-17,024
Miscellaneous	1,344	-
In-Kind Contributions	18,000	-
Total Revenue, gains & other support	\$ 356,263	\$ 27,422
EXPENSES:		
Central America project	\$ -	\$ -
Africa project	-	-
Nutrition project	-	-
Management and general	78,568	-
Fund raising and public relations	67,835	-
Total Expenses	\$ 146,403	\$ -
Change in net assets before transfers	\$ 209,860	\$ 27,422
Transfers	-193,883	40,338
Change in net assets	\$ 15,977	\$ 67,760
Net assets beginning of year	64,226	343,531
Net assets end of year	\$ 80,203	\$ 411,291

See the accompanying notes to the financial statements, which are an integral part of this exhibit.

2016			2015	
Temporarily Restricted Fund	Permanently Restricted Endowment	Total (Memorandum Only)	Total (Memorandum Only)	
\$ 7,207	\$ -	\$ 19,397	\$ 37,865	
29,394	-	218,629	182,030	
52,309	-	118,397	60,787	
3,500	-	72,906	61,925	
-	-	217	-	
-	1,143	8,434	7,869	
-	-	36,938	7,048	
-	-	-17,024	-3,669	
-	-	1,344	3,805	
-	-	18,000	18,000	
\$ 92,410	\$ 1,143	\$ 477,238	\$ 375,660	
\$ 121,598	\$ -	\$ 121,598	\$ 122,892	
104,345	-	104,345	104,503	
20,012	-	20,012	6,259	
-	-	78,568	73,577	
-	-	67,835	100,728	
\$ 245,955	\$ -	\$ 392,358	\$ 407,959	
\$ -153,545	\$ 1,143	\$ 84,880	\$ -32,299	
153,545	-	-	-	
\$ -	\$ 1,143	\$ 84,880	\$ -32,299	
-	101,029	508,786	541,085	
\$ -	\$ 102,172	\$ 593,666	\$ 508,786	

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2016 and 2015

	2016	
	Unrestricted Fund	(Unrestricted) Investment Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 209,860	\$ 27,422
Depreciation	174	-
(Increase) Decrease in inventory	-114	-
(Increase) Decrease in accounts receivable	2,717	-
(Increase) Decrease in life insurance policy	-	-
Increase (Decrease) in accounts payable	-3,239	-
Increase (Decrease) in accrued payroll taxes	907	-
Unrealized (gain) loss on investments	-	17,024
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ 210,305	\$ 44,446
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from investments	\$ -	\$ 256,107
Purchase of investments	-	-164,036
Dividends and interest reinvested	-	-8,651
NET CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES	\$ -	\$ 83,420
NET INCREASE (DECREASE) IN CASH	\$ 210,305	\$ 127,866
Transfers	-193,883	41,481
CASH AT BEGINNING OF YEAR	60,424	5,230
CASH AT END OF YEAR	\$ 76,846	\$ 174,577

Cash is comprised of:

	2016	2015
Checking, savings and petty cash	\$ 76,846	\$ 60,424
Money market account	174,577	5,230
	<u>\$ 251,423</u>	<u>\$ 65,654</u>

See the accompanying notes to the financial statements, which are an integral part of this exhibit.

2016			2015	
Temporarily Restricted Fund	Permanently Restricted Endowment	Total (Memorandum Only)	Total (Memorandum Only)	
\$ -153,545	\$ 1,143	\$ 84,880	\$ -32,299	
-	-	174	174	
-	-	-114	18,500	
-	-	2,717	-3,280	
-	-	-	2,138	
-	-	-3,239	3,571	
-	-	907	2,305	
-	-	17,024	3,669	
\$ -153,545	\$ 1,143	\$ 102,349	\$ -5,222	
\$ -	\$ -	\$ 256,107	\$ 244,111	
-	-	-164,036	-245,220	
-	-	-8,651	-7,869	
\$ -	\$ -	\$ 83,420	\$ -8,978	
\$ -153,545	\$ 1,143	\$ 185,769	\$ -14,200	
153,545	-1,143	-	-	
-	-	65,654	79,854	
\$ -	\$ -	\$ 251,423	\$ 65,654	

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

STATEMENTS OF FUNCTIONAL EXPENSES – UNRESTRICTED FUND
Years Ended December 31, 2016 and 2015

	2016			
	Program Services			
	Nutrition Project	Central America	Africa	Total
Payroll	\$ -	\$ -	\$ -	\$ -
Payroll Taxes	-	-	-	-
Legal and accounting	-	-	-	-
Insurance	-	-	-	-
Supplies	-	-	-	-
Telephone/Infonet	-	-	-	-
Postage/Shipping	-	-	-	-
Dues and subscriptions	-	-	-	-
Office expense	-	-	-	-
Promotion	-	-	-	-
Bank Charges	-	-	-	-
Retirement/Benefits	-	-	-	-
Depreciation	-	-	-	-
Travel	-	-	-	-
Training	-	-	-	-
	\$ -	\$ -	\$ -	\$ -

See the accompanying notes to the financial statements, which are an integral part of this exhibit.

2016						2015 Total (Memorandum Only)
Supporting Services						
Management & General	Fund- Raising	Total	Total (Memorandum Only)			
\$ 25,591	\$ 38,971	\$ 64,562	\$ 64,562	\$	53,210	
2,199	3,104	5,303	5,303		3,390	
2,620	-	2,620	2,620		2,420	
301	-	301	301		1,656	
-	-	-	-		-	
649	649	1,298	1,298		1,507	
496	962	1,458	1,458		1,791	
5,653	-	5,653	5,653		5,398	
19,787	-	19,787	19,787		20,406	
-	23,892	23,892	23,892		69,302	
7,936	-	7,936	7,936		7,325	
8,930	-	8,930	8,930		4,689	
174	-	174	174		174	
4,105	257	4,362	4,362		3,037	
127	-	127	127		-	
\$ 78,568	\$ 67,835	\$ 146,403	\$ 146,403	\$	174,305	

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

STATEMENTS OF FUNCTIONAL EXPENSES – TEMPORARILY RESTRICTED FUND
Years Ended December 31, 2016 and 2015

2016				
Program Services				
	Nutrition Project	Central America	Africa	Total
Payroll	\$ -	\$ 13,298	\$ 12,500	\$ 25,798
Payroll Taxes	-	899	996	1,895
Legal and accounting	-	-	-	-
Insurance	-	-	-	-
Supplies	20,012	105,824	79,379	205,215
Telephone/Infonet	-	-	-	-
Postage/Shipping	-	-	-	-
Dues and subscriptions	-	-	-	-
Office expense	-	-	111	111
Promotion	-	-	-	-
Bank Charges	-	-	-	-
Retirement	-	-	-	-
Depreciation	-	-	-	-
Travel	-	1,577	11,359	12,936
Training	-	-	-	-
	\$ 20,012	\$ 121,598	\$ 104,345	\$ 245,955

See the accompanying notes to the financial statements, which are an integral part of this exhibit.

2016						
Supporting Services					2015	
Management & General	Fund- Raising	Total	Total (Memorandum Only)		Total (Memorandum Only)	
\$ -	\$ -	\$ -	\$ 23,783	\$	31,671	
-	-	-	1,895		2,018	
-	-	-	-		-	
-	-	-	-		-	
-	-	-	205,215		188,670	
-	-	-	-		-	
-	-	-	-		-	
-	-	-	-		-	
-	-	-	111		-	
-	-	-	-		-	
-	-	-	-		-	
-	-	-	-		-	
-	-	-	14,951		11,295	
-	-	-	-		-	
\$ -	\$ -	\$ -	\$ 245,955	\$	233,654	

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
At December 31, 2016

NOTE 1 – NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

The Organization began its operations in 1959. It is incorporated under the Iowa Non-Profit Corporation Act. It impacts world hunger by teaching the skills necessary to operate and maintain small farm equipment, which helps provide the food needs of whole communities in developing countries. Micro-credit loans give women the ability to start small scale businesses. The nutrition program improves children's diets, alleviates malnutrition, thwarts sickness and helps keep the children in school. Countries in Africa and Central America are where the Organization is currently working.

The financial statements do not include the bank accounts or activities of Self-Help International (USA)/IMT-Ghana or Self-Help International (USA)/Nicaragua. The accounts have been funded primarily by grants from Self-Help International (USA) and interest earned on micro-credit loans. Accounting records for all in-country receipts and disbursements are maintained in those countries.

Significant Accounting Policies

Accounting Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation – The Organization has adopted accounting standards for accounting for contributions received and made and financial statements of not-for-profit organizations. The accounting standards establish standards for external reporting by not-for-profit organizations and require that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. Accounting standards also require that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the Organization to distinguish between contributions received for each net asset category in accordance with the donor imposed restrictions. A description of the three net asset categories is as follows:

Unrestricted Net Assets – This category of net assets includes unrestricted contributions and expenses associated with the principal activity of the Organization.

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
At December 31, 2016

NOTE 1 – NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued):

Temporarily Restricted Net Assets – This category of net assets includes gifts and income for which donor imposed restrictions have not been met and pledges for which the ultimate purpose of the proceeds is not permanently restricted.

Permanently Restricted Net Assets – This category of net assets includes gifts, trusts and pledges which require, by donor restriction, that the corpus of the gift be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

In-Kind Contributions – In-kind contributions are recorded as revenue in the statement of activity. An equal amount is recorded as property and equipment in the Statement of Financial Position or as an expense in the Statement of Activities. In-kind contributions consist of donated equipment, professional services, printing costs, and supplies. These contributions are recorded at estimated fair value at the time of contribution.

Revenue Recognition – Revenue from grants is recognized in the period the Organization has fulfilled the requirements of the grants.

Cash and Cash Equivalents – For purposes of reporting cash flows, cash and cash equivalents include cash and savings with six month liquidity.

Property and Equipment and Depreciation – Property and equipment are stated at historical cost except for donated property which is recorded at estimated fair value at date of receipt. Depreciation is calculated using the straight line method over the asset's estimated useful life.

Fair Value of Financial Instruments – The carrying amount of cash, receivables and accounts payable approximates fair value because of the short maturity of these instruments.

Income Taxes – Self-Help International (USA) is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. The tax exempt status is also recognized by the State of Iowa. Accordingly, no provision for income taxes has been made.

Investments – The Organization elected to adopt accounting standards for accounting for certain investments held by not-for-profit organizations. The accounting standards require that investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets.

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
At December 31, 2016

NOTE 1 – NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates – The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Total (Memorandum Only) – The total column on the comparative statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with U. S. generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

Pledges and Contributions – The Organization engages in periodic fundraising campaigns manifested by offering telephone, mail and other fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Organization for enhancement of the programs and operating expenses. Financial contributions are frequently evidenced by pledges received from responding supporters. Contributions including unconditional promises to give are recognized as revenue in the period received or given. However, uncollected pledges are not enforceable against contributors. An allowance for uncollectible contributions receivable is provided based on the Organization’s judgment including such factors as prior collection history and type of contribution. All pledges receivable are promises to give within one year of December 31, 2016. Contributions and collected pledges are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of the Organization. This usage is consistent with appeals for contributions and pledges.

Contributed Services – During the years ended December 31, 2016 and 2015, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
At December 31, 2016

NOTE 2 –INVESTMENTS

Investments are in mutual funds and are stated at fair value and are summarized as follows as of December 31, 2016:

Mutual Funds	Cost	Fair Value	
ISHARES Russell 1,000 Growth Fund	\$ 27,807	\$ 27,798	
Vanguard Total Bond Market Fund	125,928	122,558	**
Vanguard MSCI Emerging Markets Index Fund	7,355	6,584	
ISHARES MSCI EAFE Index Fund	27,976	27,133	
ISHARES Russell 1,000 Index Fund	68,877	113,632	**
ISHARES Russell 2,000 Index Fund	9,744	14,564	
SPDR Barclay's Capital High Yield Bond Fund	13,928	13,742	
Vanguard REIT ETF Fund	13,966	12,875	
	<u>\$ 295,581</u>	<u>\$ 338,886</u>	

**Represents more than 5% of total assets.

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
At December 31, 2016

NOTE 2 – INVESTMENTS (Continued)

Interest Rate Risk – The Organization manages interest rate risk with segmented time distribution.

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended December 31, 2016:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest income	\$ 217	\$ -	\$ -	\$ 217
Dividend income	7,291	-	1,143	8,434
Net realized gain/loss	36,938	-	-	36,938
Unrealized gain/loss	-17,024	-	-	-17,024
	<u>\$ 27,422</u>	<u>\$ -</u>	<u>\$ 1,143</u>	<u>\$ 28,565</u>

NOTE 3 – ENDOWMENT FUND

The Organization has a permanently restricted endowment fund that includes \$70,000 from E & M Charities. The Organization has the use of the income produced each year. If the Organization should ever become “for profit” or cease to exist the principal would revert to the donor. During the year ended December 31, 2015, the Merry Fredrick Leadership Endowment Fund was created. 5% of the average balance may be used in a year for grants which recognize, initiate or promote leadership. During the year ended December 31, 2016 a grant of \$968 was given. The principal consists of the following at December 31, 2016 and 2015:

	Fair Value at December 31,	
	2016	2015
Mutual Funds	<u>\$ 102,172</u>	<u>\$ 101,029</u>

NOTE 4 – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts at one financial institution which, at times, may exceed federally insured limits. The Corporation has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash. At December 31, 2016, the Organization’s uninsured cash balance was approximately \$145,619.

SELF-HELP INTERNATIONAL (USA)
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
At December 31, 2016

NOTE 5 – SCHEDULE OF FUNCTIONAL EXPENSES

The costs of providing the various programs and services have been allocated to program/service functions based upon utilization and time spent by employees as designated by the Executive Director.

NOTE 6 – FAIR VALUES OF FINANCIAL INSTRUMENTS

The Organization's financial instruments, none of which are held for trading purposes, include cash and investments. The Organization estimates that the fair value of all financial instruments at December 31, 2016 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position. The estimated fair value amounts have been determined by First National Bank, using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Organization could realize in a current market exchange.

NOTE 7 – RISK MANAGEMENT

The Organization is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The Organization assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 6, 2017, which is the date the financial statements were available to be issued.

Independent Auditor's Report on Internal Control over Financial Reporting

To the Board of Directors
Self Help International (USA)

I have audited in accordance with auditing standards generally accepted in the United States of America the financial statements of Self Help International (USA) as of and for the year ended December 31, 2016, and have issued my report thereon dated April 6, 2017

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Self Help International (USA)'s internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Self Help International (USA)'s internal control. Accordingly, I do not express an opinion on the effectiveness of Self Help International (USA)'s internal control.

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings, I identified a deficiency in internal control I consider to be a material weakness.

A deficiency in internal control exists when the design or operation of the 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 a material misstatement of the Organization's financial statements will not be prevented or detected and corrected on a timely basis. I consider the deficiency described in Part I of the accompanying Schedule of Findings as item I-A-16 to be a material weakness.

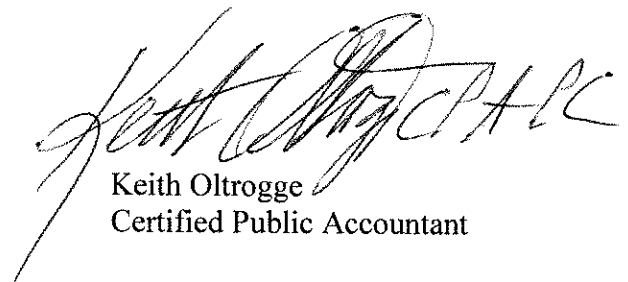
Self Help International (USA)'s Responses to the Findings

Self Help International (USA)'s response to the finding identified in my audit is described in the accompanying Schedule of Findings. Self Help International (USA)'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control. Accordingly, this communication is not suitable for any other purpose.

I would like to acknowledge the many courtesies and assistance extended to me by personnel of Self Help International (USA) during the course of my audit. Should you have any questions concerning any of the above matters, I shall be pleased to discuss them with you at your convenience.



Keith Oltrogge
Certified Public Accountant

Denver, Iowa
April 6, 2017

Self Help International (USA)

Schedule of Findings

Year Ended June 30, 2016

Part I – Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCIES:

I-A-16 Segregation of Duties – The limited number of personnel makes it difficult to achieve adequate internal control through the segregation of duties and responsibilities, such as recording and processing cash receipts, preparing checks and bank reconciliations, preparation of journals and general financial information for ledger posting, and the analysis of financial information. A small staff makes it difficult to establish an ideal system of automatic internal checks on accounting record accuracy and reliability. This is not an unusual condition, but it is important the entity officials are aware that the condition exists.

Recommendation – I realize that with a limited number of office employees, segregation of duties is difficult. However, the entity should review its control procedures to obtain the maximum internal control possible under the circumstances. Something as simple as the Board Treasurer reviewing the bank statements or providing a second signature on the checks is helpful in protecting the entity's assets.

Response - The entity is aware of the lack of complete segregation of duties and will make changes as the opportunity arises.

Conclusion – Response accepted.