

**A Self-help Assistance  
Program, Inc.  
Audited Financial Statements  
September 30, 2011**

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## INDEPENDENT AUDITORS' REPORT

To The Board of Directors:  
A Self-help Assistance Program, Inc.  
Peachtree City, Georgia

We have audited the accompanying statement of financial position of A Self-help Assistance Program, Inc. (the Organization) as of September 30, 2011 and the related statement of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of A Self-help Assistance Program, Inc. as of September 30, 2011 and the changes in its net assets and the related statement of activities and statement of cash flows for the year then ended in conformity with generally accepted accounting principles of the United States of America.

*Bambo Sonaike CPA, LLC*

January 10, 2012

A Self-help Assistance Program, Inc.  
Statement of Financial Position  
As of September 30, 2011

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<b>Assets</b>	<b><u>2011</u></b>	<b><u>2010</u></b>
Cash and cash equivalents	\$ 72,256	\$ 138,200
Receivables <sup>(note 2)</sup>	-	12,000
Other assets	3,457	1,808
Property and equipment <sup>(net) (note 2 &amp; 3)</sup>	<u>7,278</u>	<u>26,751</u>
<b>Total assets</b>	<u><u>82,991</u></u>	<u><u>178,759</u></u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	6,013	8,205
Pension liability <sup>(note 5)</sup>	21,406	22,974
Notes payable <sup>(note 4)</sup>	<u>13,318</u>	<u>13,318</u>
<b>Total liabilities</b>	40,736	44,497
<b>Net assets (deficit)</b>		
Unrestricted	(13,437)	55,132
Temporarily restricted	55,692	79,130
Permanently restricted	<u>-</u>	<u>-</u>
<b>Total net assets</b>	42,255	134,262
<b>Total liabilities and net assets</b>	<u><u>\$ 82,991</u></u>	<u><u>\$ 178,759</u></u>

The accompanying notes are an integral part to these financial statements.

A Self-help Assistance Program, Inc.  
Statement of Activities  
For the year ended September 30, 2011

	<b>For the period ended September 30, 2011</b>			
<b>Revenue</b>	Unrestricted	Temporarily Restricted	Pemanently Restricted	Total
Grants and awards	\$ 275,544	\$ 54,403	\$ -	\$ 329,947
Contribution	59,913	1,289	-	61,202
Interest income	324	-	-	324
Contributed services	96,000	-	-	96,000
Donated materials	15,972	-	-	15,972
Other income	25,269	-	-	25,269
<b>Total revenues</b>	<b>473,022</b>	<b>55,692</b>	<b>-</b>	<b>528,714</b>
<b>Net assets released from restriction</b>	<b>79,130</b>	<b>(79,130)</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>				
Program services	547,346	-	-	547,346
Support services				
Management and general	20,736	-	-	20,736
Fundraising	20,664	-	-	20,664
<b>Total expenses</b>	<b>588,746</b>	<b>-</b>	<b>-</b>	<b>588,746</b>
<b>Other activities</b>				
Discontinued Malawi operations	(31,850)	-	-	(31,850)
Loss on disposal of assets	(125)	-	-	(125)
<b>Total other activities</b>	<b>(31,975)</b>	<b>-</b>	<b>-</b>	<b>(31,975)</b>
<b>Change in net assets</b>	<b>(68,569)</b>	<b>(23,438)</b>	<b>-</b>	<b>(92,007)</b>
Net assets-beginning	55,132	79,130		134,262
<b>Net asset- ending</b>	<b>\$ (13,437)</b>	<b>\$ 55,692</b>	<b>\$ -</b>	<b>\$ 42,255</b>

The accompanying notes are an integral part to these financial statements.

A Self-help Assistance Program, Inc.  
Statement of Activities  
For the year ended September 30, 2011

	<b>For the period ended September 30, 2010</b>			
<b>Revenue</b>	Unrestricted	Temporarily Restricted	Pemanently Restricted	Total
Grants and awards	\$ 353,072	\$ 79,130	\$ -	\$ 432,202
Contribution	57,959	-	-	57,959
Interest income	221	-	-	221
Investment income	(4,731)	-	-	(4,731)
Contributed services	76,000	-	-	76,000
Donated materials	17,699	-	-	17,699
Other income	7,428	-	-	7,428
<b>Total revenues</b>	<b>507,648</b>	<b>79,130</b>	<b>-</b>	<b>586,778</b>
<b>Net assets released from restriction</b>	<b>79,819</b>	<b>(79,819)</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>				
Program services	596,880	-	-	596,880
Support services	-	-	-	-
Management and general	16,053	-	-	16,053
Fundraising	11,737	-	-	11,737
<b>Total expenses</b>	<b>624,670</b>	<b>-</b>	<b>-</b>	<b>624,670</b>
<b>Other activities</b>				
Foreign currency translation	(4,295)	-	-	(4,295)
<b>Total other activities</b>	<b>(4,295)</b>	<b>-</b>	<b>-</b>	<b>(4,295)</b>
<b>Change in net assets</b>	<b>(41,498)</b>	<b>(689)</b>	<b>-</b>	<b>(42,187)</b>
Net assets-beginning	96,630	79,819	-	176,449
<b>Net asset- ending</b>	<b>\$ 55,132</b>	<b>\$ 79,130</b>	<b>\$ -</b>	<b>\$ 134,262</b>

The accompanying notes are an integral part to these financial statements.

A Self-help Assistance Program, Inc.  
Statement of Functional Expenses  
For the year ended September 30, 2011

	For the period ended September 30, 2011				
	Program services		Support services		Total
	Zimbabwe	Malawi	M & G	Fundraising	
Advertising and promotion	\$ 7,108	\$ 4,004	\$ -	\$ 2,720	\$ 13,832
Client training	74,678	9,690	-	-	84,368
Depreciation	5,627	-	2,907	-	8,534
Equipment and capital	10,668	963	319	65	12,015
Insurance	2,551	-	-	-	2,551
Interest and bank charges	1,899	231	703	-	2,833
Memberships and licenses	-	-	124	-	124
Professional fees	-	2,430	6,000	-	8,430
Occupancy	12,373	10,893	1,298	2,694	27,258
Office expenses	417	635	79	649	1,780
Other operating expenses	-	587	-	-	587
Postage and delivery	174	3	144	85	406
Printing and reproduction	93	29	-	-	122
Staff salaries and benefits	180,713	54,759	-	1,155	236,627
Staff development	4,244	1,197	-	-	5,441
Stakeholder mobilization	1,221	1,040	-	49	2,310
Supplies	2,049	246	45	-	2,340
Telephone	4,805	670	1,117	1,359	7,951
Vehicle	29,397	19,614	-	-	49,011
Travel	9,329	9,871	-	2,888	22,088
Utilities	4,138	-	-	-	4,138
Contributed services	47,000	32,000	8,000	9,000	96,000
Total expenses	<u>\$ 398,484</u>	<u>\$ 148,862</u>	<u>\$ 20,736</u>	<u>\$ 20,664</u>	<u>\$ 588,746</u>

The accompanying notes are an integral part to these financial statements.

A Self-help Assistance Program, Inc.  
Statement of Functional Expenses  
For the year ended September 30, 2011

	For the period ended September 30, 2010				
	Program services		Support services		Total
	Zimbabwe	Malawi	M & G	Fundraising	
Advertising and promotion	\$ 6,088	\$ 6,088	\$ -	\$ 20	\$ 12,196
Client training	44,151	20,154	-	-	64,305
Depreciation	7,749	9,436	2,860	-	20,045
Equipment and capital	4,551	4,980	49	802	10,382
Insurance	1,454	-	-	-	1,454
Interest and bank charges	3,310	944	856	-	5,110
Memberships and licenses	-	-	145	-	145
Professional fees	1,333	2,705	1,334	-	5,372
Occupancy	3,126	1,851	-	673	5,650
Office expenses	1,130	3,895	-	-	5,025
Other operating expenses	-	97	-	-	97
Postage and delivery	768	158	33	50	1,009
Printing and reproduction	(1,252)	863	28	-	(361)
Staff salaries and benefits	171,569	80,239	9,270	3,150	264,228
Staff development	7,113	1,796	-	-	8,909
Stakeholder mobilization	-	4,953	-	-	4,953
Supplies	1,009	2,164	203	163	3,539
Telephone	9,548	9,214	1,275	879	20,916
Vehicle	63,958	36,229	-	-	100,187
Travel	2,438	2,259	-	-	4,697
Utilities	3,726	48	-	-	3,774
Contributed services	25,000	45,000	-	6,000	76,000
Bad Debt	7,038	-	-	-	7,038
<b>Total expenses</b>	<b>\$ 363,807</b>	<b>\$ 233,073</b>	<b>\$ 16,053</b>	<b>\$ 11,737</b>	<b>\$ 624,670</b>

The accompanying notes are an integral part to these financial statements.

A Self-help Assistance Program, Inc.  
Statement of Cash Flows  
For the year ended September 30, 2011

	<u>2011</u>	<u>2010</u>
<b>Cash flow from operating activities:</b>		
Change in net assets	\$ (92,007)	\$ (42,187)
Reconciliation of changes in net assets provided from operating activities:		
Depreciation	8,534	20,045
Foreign currency translation		
(Increase)/ decrease in operating assets		
Accounts receivable	12,000	35,524
Other assets	(1,649)	1,799
Increase/ (decrease) in operating liabilities		
Accounts payable and accrued liabilities	(2,192)	2,735
Pension liability	(1,568)	4,644
Net cash provided by operating activities	<u>(76,882)</u>	<u>22,560</u>
<b>Cash flow from investing activities:</b>		
Purchase of property and equipment	(728)	(2,149)
Disposal of property and equipment	11,666	79
Net cash used by investing activities	<u>10,938</u>	<u>(2,070)</u>
<b>Cash flow from financing activities:</b>		
Paydown of notes payable	-	(6,909)
Net cash used by financing activities	<u>-</u>	<u>(6,909)</u>
Net increase(decrease) in cash	<u>(65,944)</u>	<u>13,581</u>
Beginning balance of cash	<u>138,200</u>	<u>124,619</u>
<b>Ending balance of cash</b>	<u>\$ 72,256</u>	<u>\$ 138,200</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid for note payable interest	<u>\$ -</u>	<u>\$ 285</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part to these financial statements.

# A Self-help Assistance Program, Inc.

## Notes to Financial Statements

### For the period ended September 30, 2011

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#### 1. Organization

A Self-help Assistance Program, Inc. (the Organization) was incorporated on January 30, 1992 in the United States. The Organization implements programs to cultivate self-reliance in Africa. Projects include Village Savings and Lending rural microfinance, Math teacher training, and other activities to improve agricultural practices, nutrition and household security in Africa.

#### 2. Significant accounting policies

##### **Basis of accounting and financial statements presentation**

The financial statements are reported using the accrual basis of accounting. All of the Organization's assets, liabilities, net assets, revenue and expenses have been reflected in accordance with the accrual method.

The financial statements presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) No. 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

##### Unrestricted net assets

These are assets that are not subject to donor imposed or grantor-imposed restrictions.

##### Temporarily restricted assets

These are assets that are subject to donor imposed stipulations that may or will be met, either by actions of the Organization and/or passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

##### Permanently restricted net assets

These are assets subject to donor imposed stipulations permanently by the Organization. Generally, the donors of these assets permit an organization to use all or part of the income earned on any related investments for general or specific purposes.

##### **Cash and cash equivalent**

Cash consists of cash on hand at the Organization and checking accounts held at financial institutions. Cash equivalents are considered to be short term investments with original maturities of three months or less from date of acquisition in authorized financial institutions. There were no cash equivalents at September 30, 2011.

##### **Property and equipment**

Property and equipment are stated at cost, or if donated, at their estimated fair value at the date of the gift. Such donations are reported as unrestricted support unless the donor restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be

A Self-help Assistance Program, Inc.  
Notes to Financial Statements  
For the period ended September 30, 2011

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maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed into service as instructed by the donor.

Depreciation is computed by the straight-line method over the estimated useful lives as stated in Note 3 below. At the time assets are retired or disposed, costs and accumulated depreciation are eliminated from the related accounts and gains or losses, if any, are credited or charged to income.

**Revenue recognition**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions.

**Use of estimates**

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**Income Tax**

The Organization is a not-for-profit entity under section 501(C) (3) of the Internal Revenue Code and is not subject to federal or state income taxes.

**Foreign currency translation**

The Organization's Statement of Financial Position is translated into U.S. for its foreign operation using the current exchange rate and revenues and expenses are translated using an average exchange rate. As of September 30, 2011, the Organization no longer maintains any assets denominated in a foreign currency as such there were no foreign currency translation for the Statement of Financial Position. Revenues and expenses for the Malawi operations were recorded on the statement of activities and translated using a rate of 150 Malawi Kwacha to 1 U.S. Dollar.

**3. Property and equipment**

Property and equipment consists of the following:

	<u>2011</u>	<u>2010</u>	<u>Useful Life</u>
Furniture and equipment	\$ 9,494	\$ 13,721	8 years
Computer and office equipment	40,645	48,543	4 years
Vehicles	36,332	63,668	4 years
Motorbikes	35,528	54,891	3 years
Total	<u>121,999</u>	<u>180,823</u>	
Less: accumulated depreciation	<u>(114,721)</u>	<u>(154,072)</u>	
Property and equipment, net	<u>\$ 7,278</u>	<u>\$ 26,751</u>	

A Self-help Assistance Program, Inc.  
Notes to Financial Statements  
For the period ended September 30, 2011

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For the period ended September 30, 2011, depreciation expense in the amount of \$8,534 was recorded in the Statement of Activities. The property and equipment held in Malawi was donated to the Malawi Board of Trustees, when the operations were discontinued (see note 7). The asset cost and accumulated depreciation were removed from the books and the resulting loss was recorded in the statement of activities.

**4. Notes payable / Related Party Transaction**

As of September 30, 2011 notes payable consisted of the following:

	Beginning balance	Additions	Deductions	Ending balance	Due within one year
Notes payable	\$ 13,318	\$ -	\$ -	\$ 13,318	\$ 4,581

*Notes payable.* On July 1, 2007 the Organization entered a promissory note for the purchase of the equipment and inventory for a coffee roasting income generating facility, On Safari Coffee Initiative. The initial balance of the promissory note was \$ 53,341 with a 5% interest rate. On January 21, 2009, the Organization refinanced the promissory note for \$25,000. The new annual interest rate is calculated at 2% and compounded monthly. The monthly payments are \$720 for the three year term. The holder of the promissory note is an officer and a member of the Board of Directors for the Organization. The Organization did not make any payments towards the note payable during the 2011 fiscal year. The note agreement has been subsequently amended. See **Note 7** for additional information.

The annual principal payment amounts on the debt outstanding at September 30, 2011 are as follows:

	Principal
2012	\$ 4,581
2013	4,668
2014	4,069
	\$ 13,318

**5. Pension liability**

As of September 30, 2011, the Organization has accrued \$21,406 in pension benefits payable to management and employees of the Organization.

**6. Discontinued operation – Malawi programs**

Due to financial constraints and the resignation of the Program Director, On April 30, 2011 the Organization’s Board of Directors voted to discontinue operations in Malawi and donated all assets to the Malawi Board of Trustees, who intend on continuing the programs.

A Self-help Assistance Program, Inc.  
Notes to Financial Statements  
For the period ended September 30, 2011

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**7. Subsequent events**

Effective October 1, 2011, the Organization amended the promissory note to extend the maturity date of the note to 2014, decreasing the monthly payment of principal and interest to \$400.

A Self-help Assistance Program, Inc.  
 Supplemental Information  
 For the period ended September 30, 2011

<u>Program Services Expenditures</u>	<u>2011</u>	<u>2010</u>
<b>Zimbabwe Program</b>		
<b>Village Savings &amp; Lending rural micro-finance project</b>		
Plan International, Mutasa District	\$ 71,066	\$ 45,181
CARE Zimbabwe, Micro-finance 2 project	58,791	69,834
CARE Zimbabwe, Joint Initiative to address urban vulnerability	-	56,645
Concern Worldwide, Sustainable income for HIV/AIDS affected	25,166	66,605
Catholic Relief Services, Out of School Adolescents	16,601	71,418
Catholic Relief Services, Micro-Finance Life Line	14,419	-
ASAP Africa Allocation	75,427	9,837
<b>TOTAL Zimbabwe Internal Savings &amp; Lending project</b>	<b>261,470</b>	<b>319,519</b>
<b>Village Savings &amp; Lending Capacity Building of Organizations</b>		
Ptotracted Relief Project GRM - 10 local partners	10,488	-
Action Aid Zimbabwe	4,304	-
Africare Zimbabwe	4,322	-
Capacity Building: Nzeve School for Deaf Children	-	228
ASAP Africa Allocation	7,473	-
<b>TOTAL Village Savings &amp; Lending Capacity Bulding</b>	<b>26,587</b>	<b>228</b>
<b>Education Projects</b>		
<u>Improving Math Education in Primary School</u>		
Banyan Tree Foundation	22,041	26,489
Flora Family Foundation	17,937	14,570
ASAP Africa Allocation	15,629	3,000
<u>Vocational &amp; Agriculture Skills Training</u>		
Catholic Relief Services, Out of School Adolescents	24,517	-
ASAP Africa Allocation	9,585	-
<u>What makes a "good" school</u>		
UNICEF - Educational Transition Fund	9,978	-
ASAP Africa Allocation	6,135	-
<u>School fees, Uniforms, Shoes</u>		
Glenn Memorial UMC	1,211	-
ASAP Africa Allocation	3,394	-
<b>TOTAL Education projects</b>	<b>110,427</b>	<b>44,059</b>
<b>TOTAL Zimbabwe Program Expenditure</b>	<b>398,484</b>	<b>363,806</b>
<b>Malawi Program</b>		
<b>Village Savings &amp; Lending rural micro-finance project</b>		
Cordaid entrprenuership project	57,887	124,104
Sundance Pay-It-Forward Foundation	20,000	-
FIMA	17,295	5,330
Total Land Care	707	18,864
ASAP Africa Allocation	52,973	84,775
<b>TOTAL Malawi Internal Savings &amp; Lending project</b>	<b>148,862</b>	<b>233,074</b>
<b>TOTAL Program Services</b>	<b>\$ 547,346</b>	<b>\$ 596,880</b>

A Self-help Assistance Program, Inc.  
 Supplemental Information  
 For the period ended September 30, 2011

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<b><u>Grants awarded</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
Cordaid, The Netherlands	\$ 54,289	\$ 167,611
CARE Zimbabwe	71,173	97,328
Catholic Relief Services, Zimbabwe	55,537	65,078
Plan International Zimbabwe	66,732	48,608
Concern World Wide Zimbabwe	29,316	45,081
FIMA Malawi	20,052	26,118
Banyan Tree Foundation	32,000	12,000
Sundance Pay-It-Forward Foundation	20,000	-
UNICEF	9,978	-
Flora Family Foundation	50,000	-
Total Land Care, Malawi		11,456
Revenue released from restriction	(79,130)	(41,078)
Total	<u>\$ 329,947</u>	<u>\$ 432,202</u>