FilmAid International, Inc.

Financial Statements and
OMB Circular A-133 Financial Report
Together with Independent Auditors’ Report

June 30, 2015
FilmAid International, Inc.

Financial Statements and
OMB Circular A-133 Financial Report
Together With Independent Auditors’ Report

June 30, 2015

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Independent Auditors' Report

Board of Directors
FilmAid International, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of FilmAid International, Inc. ("FilmAid"), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the 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.

Auditors' Responsibility

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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditors' 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FilmAid International, Inc. as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Summarized Comparative Information

The financial statements of FilmAid as of June 30, 2014 were audited by other auditors whose report dated March 24, 2015, expressed an unmodified opinion on those statements. The summarized comparative information presented herein as of and for the year ended June 30, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 31, 2016 on our consideration of FilmAid's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering FilmAid's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

May 16, 2016
### FilmAid International, Inc.

**Statement of Financial Position**

**June 30, 2015**

(with comparative amounts at June 30, 2014)

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 344,541</td>
<td>$ 284,410</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>55,628</td>
<td>308,105</td>
</tr>
<tr>
<td>Contributions receivable - related party</td>
<td>-</td>
<td>111,495</td>
</tr>
<tr>
<td>Due from affiliates, net</td>
<td>11,485</td>
<td>961</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>73,514</td>
<td>67,057</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>188,624</td>
<td>182,142</td>
</tr>
<tr>
<td>Security deposit</td>
<td>3,300</td>
<td>350</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$ 677,092</strong></td>
<td><strong>$ 954,520</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$ 195,258</td>
<td>$ 89,854</td>
</tr>
<tr>
<td>Due to BPRM - NICRA close-out</td>
<td>243,179</td>
<td>243,179</td>
</tr>
<tr>
<td>Program advances</td>
<td>152,972</td>
<td>98,629</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>591,409</strong></td>
<td><strong>431,662</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>65,683</td>
<td>522,858</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>85,683</strong></td>
<td><strong>522,858</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$ 677,092</strong></td>
<td><strong>$ 954,520</strong></td>
</tr>
</tbody>
</table>

See notes to financial statements
FilmAid International, Inc.

Statement of Activities
Year Ended June 30, 2015
(with summarized totals for the year ended June 30, 2014)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>Temporarily Restricted</th>
<th>Total</th>
<th>2014</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE AND SUPPORT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and Contributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government - U.S. Department of State</td>
<td>$1,268,133</td>
<td>$ -</td>
<td>$1,268,133</td>
<td>$1,436,373</td>
<td>$ -</td>
<td>$1,436,373</td>
</tr>
<tr>
<td>Government - United Nations agencies</td>
<td>666,354</td>
<td>5,000</td>
<td>671,354</td>
<td>241,042</td>
<td>4,000</td>
<td>285,156</td>
</tr>
<tr>
<td>Affiliated organizations</td>
<td>4,000</td>
<td>-</td>
<td>4,000</td>
<td>287,156</td>
<td>-</td>
<td>86,191</td>
</tr>
<tr>
<td>Corporate</td>
<td>18,000</td>
<td>-</td>
<td>18,000</td>
<td>114,342</td>
<td>-</td>
<td>33,087</td>
</tr>
<tr>
<td>Other organizations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foundations</td>
<td>152,250</td>
<td>-</td>
<td>152,250</td>
<td>72,980</td>
<td>-</td>
<td>30,087</td>
</tr>
<tr>
<td>Individuals</td>
<td>92,875</td>
<td>-</td>
<td>92,875</td>
<td>45,405</td>
<td>-</td>
<td>18,191</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>40,150</td>
<td>-</td>
<td>40,150</td>
<td>33,087</td>
<td>-</td>
<td>12,851</td>
</tr>
<tr>
<td>Board members</td>
<td>2,000</td>
<td>15,000</td>
<td>17,000</td>
<td>19,850</td>
<td></td>
<td>19,850</td>
</tr>
<tr>
<td><strong>Total Grants and Contributions</strong></td>
<td>$2,243,762</td>
<td>20,000</td>
<td>$2,263,762</td>
<td>$2,336,426</td>
<td>20,000</td>
<td>$2,336,426</td>
</tr>
<tr>
<td>Special Events</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ticket sales revenue</td>
<td>174,050</td>
<td>-</td>
<td>174,050</td>
<td>101,154</td>
<td>-</td>
<td>65,374</td>
</tr>
<tr>
<td>Less: costs with direct benefit to donors</td>
<td>(32,816)</td>
<td>-</td>
<td>(32,816)</td>
<td>(27,921)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Special Events</strong></td>
<td>208,278</td>
<td>-</td>
<td>208,278</td>
<td>138,607</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue and Support</strong></td>
<td>2,452,040</td>
<td>20,000</td>
<td>2,472,040</td>
<td>2,475,033</td>
<td>20,000</td>
<td>2,475,033</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>2,378,127</td>
<td>-</td>
<td>2,378,127</td>
<td>2,175,119</td>
<td>-</td>
<td>1,975,119</td>
</tr>
<tr>
<td>Management and general</td>
<td>429,844</td>
<td>-</td>
<td>429,844</td>
<td>259,228</td>
<td>-</td>
<td>159,228</td>
</tr>
<tr>
<td>Fundraising</td>
<td>51,736</td>
<td>-</td>
<td>51,736</td>
<td>53,112</td>
<td>-</td>
<td>27,112</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>2,859,707</td>
<td>-</td>
<td>2,859,707</td>
<td>2,487,459</td>
<td>-</td>
<td>2,162,459</td>
</tr>
<tr>
<td>(Deficiency) Excess of Revenue and Support Over Expenses</td>
<td>(407,667)</td>
<td>20,000</td>
<td>(387,667)</td>
<td>(12,426)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NON OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign currency exchange gain</td>
<td>10,865</td>
<td>-</td>
<td>10,865</td>
<td>13,275</td>
<td>-</td>
<td>13,275</td>
</tr>
<tr>
<td>Miscellaneous expense</td>
<td>(60,373)</td>
<td>-</td>
<td>(60,373)</td>
<td>(15,867)</td>
<td>-</td>
<td>(15,867)</td>
</tr>
<tr>
<td><strong>Total Non Operating Activities</strong></td>
<td>(49,508)</td>
<td>-</td>
<td>(49,508)</td>
<td>(2,592)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in Net Operating Activities</td>
<td>(457,175)</td>
<td>20,000</td>
<td>(437,175)</td>
<td>(15,018)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>522,858</td>
<td>-</td>
<td>522,858</td>
<td>537,876</td>
<td>-</td>
<td>537,876</td>
</tr>
<tr>
<td><strong>End of year</strong></td>
<td>$ 65,683</td>
<td>$ 20,000</td>
<td>$ 85,683</td>
<td>$ 522,858</td>
<td>$ 20,000</td>
<td>$ 522,858</td>
</tr>
</tbody>
</table>

See notes to financial statements
FilmAid International, Inc.

Statement of Functional Expenses
Year Ended June 30, 2015
(with summarized totals for the year ended June 30, 2014)

<table>
<thead>
<tr>
<th>Supporting Services</th>
<th>Program Management and General</th>
<th>Program Services</th>
<th>Total Supporting Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>$ 113,518</td>
<td>$ 35,677</td>
<td>$ 12,974</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>1,640</td>
<td>515</td>
<td>188</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>4,339</td>
<td>1,364</td>
<td>496</td>
</tr>
<tr>
<td>Program personnel-Kenya</td>
<td>990,962</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Personnel Costs</td>
<td>1,110,459</td>
<td>37,556</td>
<td>13,658</td>
</tr>
<tr>
<td>Program supplies</td>
<td>542,772</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Consultants</td>
<td>18,786</td>
<td>281,806</td>
<td>12,526</td>
</tr>
<tr>
<td>Video production</td>
<td>189,299</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operational costs</td>
<td>150,613</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Travel and lodging</td>
<td>117,651</td>
<td>1,480</td>
<td>987</td>
</tr>
<tr>
<td>Vehicle operation</td>
<td>81,934</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>52,442</td>
<td>6,556</td>
<td>6,555</td>
</tr>
<tr>
<td>Professional fees (includes $40,150 of in-kind legal services)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td>20,026</td>
<td>80,108</td>
<td>-</td>
</tr>
<tr>
<td>Office space rental</td>
<td>35,516</td>
<td>625</td>
<td>624</td>
</tr>
<tr>
<td>Monitoring and evaluation</td>
<td>18,201</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Program development</td>
<td>14,891</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>10,262</td>
<td>-</td>
</tr>
<tr>
<td>Bank and credit card fees</td>
<td>45</td>
<td>379</td>
<td>6,019</td>
</tr>
<tr>
<td>Printing and photocopying</td>
<td>165</td>
<td>1,055</td>
<td>3,018</td>
</tr>
<tr>
<td>Office supplies</td>
<td>138</td>
<td>1,652</td>
<td>824</td>
</tr>
<tr>
<td>Marketing and promotion</td>
<td>-</td>
<td>785</td>
<td>1,809</td>
</tr>
<tr>
<td>Equipment maintenance and rental</td>
<td>2,121</td>
<td>111</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>1,987</td>
<td>-</td>
</tr>
<tr>
<td>Fundraising expense</td>
<td>-</td>
<td>-</td>
<td>1,781</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>288</td>
<td>431</td>
<td>936</td>
</tr>
<tr>
<td>Payroll processing fees</td>
<td>1,034</td>
<td>325</td>
<td>118</td>
</tr>
<tr>
<td>Website design and maintenance</td>
<td>539</td>
<td>485</td>
<td>54</td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$ 2,378,127</td>
<td>$ 429,844</td>
<td>$ 51,736</td>
</tr>
</tbody>
</table>

See notes to financial statements
## Statement of Cash Flows

**Year Ended June 30, 2015**

(with comparative amounts for the year ended June 30, 2014)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$ (437,175)</td>
<td>$ (15,018)</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to net cash from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>-</td>
<td>28,713</td>
</tr>
<tr>
<td>Depreciation</td>
<td>65,553</td>
<td>61,768</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants receivable</td>
<td>252,477</td>
<td>(267,551)</td>
</tr>
<tr>
<td>Contributions receivable - related party</td>
<td>111,495</td>
<td>(111,495)</td>
</tr>
<tr>
<td>Due from affiliates</td>
<td>(10,524)</td>
<td>(961)</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>(6,457)</td>
<td>(553)</td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>105,404</td>
<td>(10,122)</td>
</tr>
<tr>
<td>Program advances</td>
<td>54,343</td>
<td>1,749</td>
</tr>
<tr>
<td>Net Cash from Operating Activities</td>
<td>135,116</td>
<td>(313,470)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan repayments from related party - Country Director (Kenya)</td>
<td>-</td>
<td>4,628</td>
</tr>
<tr>
<td>Security deposit</td>
<td>(2,950)</td>
<td>2,150</td>
</tr>
<tr>
<td>Acquisition of property and equipment</td>
<td>(72,035)</td>
<td>(52,220)</td>
</tr>
<tr>
<td>Net Cash from Investing Activities</td>
<td>(74,985)</td>
<td>(45,442)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>284,410</td>
<td>643,322</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 344,541</td>
<td>$ 284,410</td>
</tr>
</tbody>
</table>

See notes to financial statements
1. Organization and Tax Status

FilmAid International, Inc. ("FilmAid"), was organized as a not-for-profit corporation on January 15, 2003 under the laws of the State of New York. FilmAid is dedicated to using the power of film to promote health, strengthen communities, and enrich the lives of the world’s vulnerable and uprooted. Through the strategic use of film and video, FilmAid communicates life-saving information on issues such as HIV/AIDS and non-violent conflict resolution. Conveying educational messages in an entertaining format, FilmAid also engages the mind and sparks the imagination of those who have suffered the effects of war and poverty, stimulating physical well-being and alleviating mental trauma. FilmAid’s programs are as follows:

Film-based Informational Workshops — partner with other aid agencies in refugee camps to use video as a complement to their daytime educational, health care and skills training programs.

Outdoor Evening Screenings — provide education and entertainment to thousands of individuals at a time. The majority of the films screened are locally produced African films that convey critical messages about social, health and environmental issues including HIV/AIDS and how individuals and communities elsewhere are coping with similar problems.

Community-based Film Production — works with other relief agencies and refugee community leaders to identify emerging issues and develop appropriate video messages to help educate and inform; engages with communities in need, as well as the refugee population to create these videos.

FilmAid’s programs are supported primarily by government, foundation, corporate, and individual donor contributions.

FilmAid is exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a). Income generated from activities unrelated to FilmAid’s exempt purpose is subject to tax under Internal Revenue Code Section 511.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts 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. Accordingly actual results could differ from those estimates.
2. Summary of Significant Accounting Policies (continued)

Presentation of Net Assets

The financial statements report amounts separately by class of net assets based on the presence or absence of donor restrictions.

*Unrestricted net assets* represent assets which are not restricted by donors and are fully available, at the discretion of management and the Board of Directors, for FilmAid to utilize in any of its programs or supporting services.

*Temporarily restricted net assets* are subject to donor-imposed restrictions that require FilmAid to use or expend a gift as specified, based on purpose or passage of time. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, 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* contain donor-imposed restrictions that stipulate that resources be maintained permanently, but permit FilmAid to use or expend part or all of the income derived from the donated assets for either specified or unspecified purposes.

Cash and Cash Equivalents

Cash and cash equivalents include cash held in banks and money market accounts. Cash and cash equivalents include highly liquid instruments with a maturity of three months or less when acquired.

Revenue from Government Grants

Grants and cooperative agreements with federal, foreign, and local governments and other agencies are deemed to be exchange transactions, and accordingly, revenue is recognized when funds are utilized by FilmAid to carry out the activity stipulated in the grant or cooperative agreement. Accordingly, amounts received but not recognized as revenue are classified in the statement of financial position as program advances, and amounts expended but not yet received are classified as grants receivable at net realizable value.

Contributions

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is made. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized.
2. Summary of Significant Accounting Policies (continued)

Contributions (continued)

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. At June 30, 2015, contributions receivable are considered collectible in less than one year.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is established for amounts where there exists doubt as to whether an amount will be fully collected. The determination of this allowance is an estimate based on FilmAid’s historical experience, review of account balances and expectations relative to collections.

In-kind Contributions

Contributions of services are recognized at fair value when they are received if the services either create or enhance nonfinancial assets, or require specialized skills, and those skills are provided by individuals possessing those skills, and would typically need to be purchased if not donated. Donated goods distributed are recorded as income and expense at the time they are received which is normally also the time they are placed into service or distributed.

Many individuals volunteer their time and perform a variety of tasks that assist FilmAid with various program functions. These volunteer services have not been recognized in the financial statements because they do not meet the criteria for recognition.

Property and Equipment

Property and equipment are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets:

<table>
<thead>
<tr>
<th></th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program equipment</td>
<td>10</td>
</tr>
<tr>
<td>Computers and peripherals</td>
<td>5</td>
</tr>
<tr>
<td>Office equipment</td>
<td>7</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>7</td>
</tr>
</tbody>
</table>

FilmAid follows the practice of capitalizing and depreciating all expenditures for property and equipment costing $1,500 or more and a useful life in excess of one year.

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is noted. If the carrying amount for the asset is not recoverable, the value is written down to the asset’s fair value. There were no asset impairments for fiscal 2015.
2. Summary of Significant Accounting Policies (continued)

Foreign Currency Transactions

Net foreign currency transaction gains and losses resulting from exchange rate fluctuations on transactions denominated in a foreign currency are reported on the statement of activities.

Advertising Costs

FilmAid uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising costs were approximately $2,600 in advertising expense for the year ended June 30, 2015.

Functional Expenses

The costs of providing the program and other activities of FilmAid have been summarized on a functional basis. Accordingly, certain expenses have been allocated among the programs and supporting services benefited.

Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with FilmAid’s financial statements for the year ended June 30, 2014, from which the summarized information was derived.

Accounting for Uncertainty in Income Taxes

FilmAid recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that FilmAid had no uncertain tax positions that would require financial statement recognition or disclosure. FilmAid is no longer subject to audits by the applicable taxing jurisdictions for periods prior to June 30, 2012.

Reclassifications

Certain 2014 amounts have been reclassified to conform to the current year presentation.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is May 16, 2016.
3. Concentrations of Credit Risk

FilmAid maintains its cash balances at various financial institutions. Balances held in U.S. financial institutions are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to $250,000. FilmAid also maintains several bank accounts in East Africa which are insured by the Deposit Protection Fund (“DPF”) for up to 100,000 Kenyan Schillings (“KES”) per institution (approximately $1,141 per institution) at June 30, 2015.

Concentrations of credit risk with respect to total grants and contributions received from two grantors aggregate to 87% during 2015. In addition, one grantor represents all grants receivable at June 30, 2015.

4. Grants Receivable

Grants receivable represents amounts expended under grant and cooperative agreements at June 30, 2015, but not collected as of the financial statement date and consists of the following:

<table>
<thead>
<tr>
<th>United States Department of State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau of Population, Refugees and Migration</td>
</tr>
</tbody>
</table>

These amounts are generally collected within one year. FilmAid believes its receivables to be fully collectible. Accordingly, no allowance for doubtful accounts was recorded at June 30, 2015.

5. Property and Equipment

Property and equipment consist of the following at June 30, 2015:

<table>
<thead>
<tr>
<th>Program equipment</th>
<th>$ 356,837</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computers and peripherals</td>
<td>53,293</td>
</tr>
<tr>
<td>Office equipment</td>
<td>13,427</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>5,835</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>429,392</strong></td>
</tr>
</tbody>
</table>

Accumulated depreciation | (240,768) |

| **Total** | **$ 188,624** |
6. Due to BPRM – NICRA Close-Out

In fiscal year 2013, FilmAid recognized $243,179 as a liability due to Bureau of Population, Refugees and Migration (“BPRM”), which represents the amount to be returned to BPRM for overpayments of indirect costs (Negotiated Indirect Cost Rate Agreement – NICRA) received during fiscal years 2009-2013. The United States Department of the Interior formally closed out the NICRA agreements for fiscal years 2009-2012 and issued final indirect cost rates. The total due also includes the estimated liability for the 2013 fiscal year which is yet to be finalized. BPRM is currently in the process of formally closing out each fiscal year’s grant contract, at which time, it will request payment from FilmAid.

7. Related Party Transactions

Affiliate Contributions

During the year ended June 30, 2015, FilmAid received $4,000 in contributions from FilmAid International – UK (“FAUK”), one of its affiliates.

Due from Affiliates

FilmAid has cost sharing agreements with its affiliates. For the year ended June 30, 2015, FilmAid allocated $13,089 in employee salaries to affiliates. Affiliates include both FAUK and FilmAid – Asia (“FAA”). The amount due from affiliates but not collected as of the financial statement date consists of the following:

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FAUK - cost share</td>
<td>$10,622</td>
</tr>
<tr>
<td>FAA - cost share</td>
<td>2,467</td>
</tr>
<tr>
<td><strong>Balance, end of year</strong></td>
<td><strong>$13,089</strong></td>
</tr>
</tbody>
</table>

Due to Affiliate

For the year ended June 30, 2015, FilmAid was billed by FAUK a total of $1,604 for shared office space and employee salaries; the amount remained payable at year end and is included in due from affiliates in the accompanying statement of financial position.

8. Compensated Absences

Employees of FilmAid are entitled to paid vacation, paid sick days, and personal days off, depending on job classification, length of service, and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. FilmAid’s policy is to recognize the costs of compensated absences when actually paid to employees.
9. Contingencies

FilmAid receives funding from U.S. government agencies, primarily from the United States Department of State, BPRM, and other organizations for various activities which are subject to audits. Although such audits may result in disallowance of certain expenditures, which would be absorbed by FilmAid, in management’s opinion, the ultimate outcome of such audits would not have a material effect on the financial position, changes in net assets, or cash flows of FilmAid.

10. Foreign Currency Translation

Substantially all assets and liabilities of the foreign office operations are translated at yearend exchange rates; support and revenue and expenses are translated at the average exchange rates during the year. Translation adjustments for such assets and liabilities are accumulated in unrestricted net assets. Gains from foreign currency translations of $10,865 for the years ended June 30, 2015 are included in the statement of activities.

* * * * *
FilmAid International, Inc.

OMB Circular A-133
Schedules and Reports

Year Ended June 30, 2015
FilmAid International, Inc.

Schedule of Expenditures of Federal Awards and Accompanying Notes
Year Ended June 30, 2015

<table>
<thead>
<tr>
<th>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</th>
<th>Grant Identifying Number</th>
<th>Award Period</th>
<th>Federal CFDA Number</th>
<th>Federal Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Department of State</td>
<td>Overseas Refugee Assistance Programs for Africa - Direct Programs</td>
<td>SPRMCO13CA1169</td>
<td>9/1/13 - 8/31/2014</td>
<td>19.517</td>
</tr>
</tbody>
</table>

Total Expenditures of Federal Awards $1,268,133

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of FilmAid International, Inc. (“FilmAid”) under programs of the federal government for the year ended June 30, 2015. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of FilmAid, it is not intended to and does not represent the financial position, changes in net assets or cash flows of FilmAid.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, Cost Principles for Non-Profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

3. Nonmonetary Assistance

Nonmonetary assistance is reported on the Schedule based on the amount disbursed or received. During the year ended June 30, 2015, FilmAid received no nonmonetary assistance.

4. Subrecipients

There were no subrecipients for the year ended June 30, 2015.
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Independent Auditors’ Report

Board of Directors
FilmAid International, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of FilmAid International, Inc. (“FilmAid”), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 16, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered FilmAid’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of FilmAid’s internal control. Accordingly, we do not express an opinion on the effectiveness of FilmAid’s internal control.

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 financial statements will not be prevented, or detected and corrected on a timely basis. 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.

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 may exist that have not been identified.
Compliance and Other Matters

As part of obtaining reasonable assurance about whether FilmAid's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose 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 entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

May 16, 2016
Board of Directors
FilmAid International, Inc.

Report on Compliance for Each Major Federal Program

We have audited FilmAid International, Inc.’s (“FilmAid”) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of FilmAid’s major federal programs for the year ended June 30, 2015. FilmAid’s major federal programs are identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors’ Responsibility

Our responsibility is to express an opinion on compliance for each of FilmAid’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about FilmAid’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the FilmAid’s compliance.

Basis for Qualified Opinion on Overseas Refugee Assistance Programs for Africa

As described in the accompanying schedule of findings and questioned costs, FilmAid did not comply with requirements regarding CFDA 19.517 Overseas Refugee Assistance Programs for Africa as described in finding numbers 2015-001 for Allowable Cost/Cost Principles and 2015-002 for Reporting. Compliance with such requirements is necessary, in our opinion, for FilmAid to comply with the requirements applicable to that program.
Qualified Opinion on Overseas Refugee Assistance Programs for Africa

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, FilmAid complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 19.517 Overseas Refugee Assistance Programs for Africa for the year ended June 30, 2015.

Other Matters

The results of our auditing procedures disclosed another instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2015-003. Our opinion on each major federal program is not modified with respect to these matters.

FilmAid’s response to the noncompliance findings identified in our audit is described in the accompanying Appendix A – Corrective Action Plan. FilmAid’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of FilmAid is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered FilmAid’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of FilmAid’s internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or its employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2015-001 and 2015-002 to be material weaknesses.
A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2015-003 to be a significant deficiency.

FilmAid’s response to the internal control over compliance findings identified in our audit is described in the accompanying Appendix A – Corrective Action Plan. FilmAid’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of FilmAid as of and for the year ended June 30, 2015, and have issued our report thereon dated May 16, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

PKF O’Connor Davies, LLP

July 21, 2016
FilmAid International, Inc.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2015

Section I - Summary of Auditors' Results

Financial Statements
Type of auditors' report issued: Unmodified
Internal control over financial reporting:
Material weakness(es) identified? ___ yes X no
Significant deficiency(ies) identified? ___ yes X none reported
Noncompliance material to financial statements noted? ___ yes X no

Federal Awards
Internal control over major federal programs:
Material weakness(es) identified? X yes ___ no
Significant deficiency(ies) identified? X yes ___ none reported
Type of auditors' report issued on compliance for major federal programs: Qualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? X yes ___ no

Identification of major federal programs:

<table>
<thead>
<tr>
<th>CFDA Number</th>
<th>Name of Federal Program or Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>19.517</td>
<td>Overseas Refugee Assistance Programs for Africa</td>
</tr>
</tbody>
</table>

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

Auditee qualified as low-risk auditee? ___ yes X no
Section II - Financial Statement Findings
During our audit, we noted no material findings for the year ended June 30, 2015.

Section III - Federal Award Findings and Questioned Costs

Finding 2015-001
19.517 Overseas Refugee Assistance Programs for Africa

Internal Control over Compliance – Allowable Cost/Cost Principles

Criteria:
Payroll payments must comply with FilmAid’s payroll policies, as outlined in its Finance and Procurement Policies manual, including the provisions of OMB Circular A-110.

Condition:
A sample of 34 payroll payments totaling $33,287 was selected for testing. 33 payroll payments totaling $31,979 did not have sufficient documentation to determine if the payments were allowable and accurately recorded. In addition, all 34 samples were missing direct deposit authorizations.

Questioned Costs:
$31,979

Cause:
Procedures in place requiring proper payroll documentation are not fully maintained.

Effect:
The lack of documentation could lead to federal funds being used to pay incorrect amounts to employees or fail to prevent payments to fictitious employees.

Recommendation:
We recommend that payroll procedures are followed and all documentation is maintained.

Views of Responsible Officials and Planned Corrective Actions:
See Corrective Action Plan attached.
Finding 2015-002
19.517 Overseas Refugee Assistance Programs for Africa

Timely Submission of Office of Management and Budget (OMB) Circular A-133 Reporting Package - Reporting

**Criteria:**
The OMB Circular A-133 (§.320 (b)) requires auditees to submit a completed Standard Form Single Audit Collection (SF-SAC) along with other specified reports, to the Federal Audit Clearinghouse designated by OMB (currently the U.S. Bureau of the Census) within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.

**Condition:**
FilmAid expended more than $500,000 in Federal Awards during the fiscal year ended June 30, 2015 and failed to submit its SF-SAC together with the OMB A-133 reporting package on a timely basis.

**Cause:**
FilmAid elected to change its auditing firm after its fiscal year end, causing a delay in the start and completion of the audit.

**Effect:**
Failure to submit the SF-SAC in a timely manner caused FilmAid to be noncompliant with OMB Circular A-133 reporting requirements.

**Recommendation:**
We recommend that FilmAid begin its audit preparation earlier to allow adequate time for the completion of the audit and satisfaction of all regulatory requirements.

**Views of Responsible Officials and Planned Corrective Actions:**
See Corrective Action Plan attached.
Finding 2015-003
19.517 Overseas Refugee Assistance Programs for Africa

Timely Filing and Review of Required Inventory Reports for Each Federal Program - Reporting

Criteria:
Under the terms of its Projecting Hope and Enriching Lives: Dadaab and Kukuma agreement, FilmAid is required to submit an inventory report within 30 days prior to the expiration of the agreement.

Condition:
FilmAid did not submit any inventory reports to the Bureau of Population, Refugees, and Migration during the year ended June 30, 2015.

Cause:
Procedures in place requiring submission of inventory reports were not followed.

Effect:
Failure to file inventory reports within the allotted time leads to noncompliance of the agreement.

Recommendation:
The responsible official should be cognizant of the compliance requirements under the agreement with respect to report filing and should ensure all required reports are filed in a timely manner.

Views of Responsible Officials and Planned Corrective Actions:
See Corrective Action Plan attached.

Section IV – Prior Year Findings

Finding 2014-001

Condition:
During the year ended June 30, 2014, it was discovered that several FilmAid employees at the Dadaab refugee camp were engaging in fraudulent activity with respect to expenditure documentation, authorization and payments. Fraudulent activity included forging of invoices and payments, participant signatures on Attendance and Payment lists, and taxi receipts. In addition, misappropriation of petty cash occurred and was determined by performing a reconciliation of petty cash on hand to the accounting records.

Current Status:
The finding has been corrected.
Finding 2014-002

**Condition:**
Licensing fees related to fiscal years 2012-2014 due from an affiliate were not recorded as receivable because the contract between FilmAid and the affiliate had not been finalized.

**Current Status:**
The finding has been corrected.

Finding 2014-003
Fraud

**Condition:**
During the year ended June 30, 2014, it was discovered that several FilmAid employees at the Dadaab refugee camp were engaging in fraudulent activity with respect to expenditure documentation, authorization and payments. Questioned costs related to federal funds in connection with the fraud total $12,103.

**Current Status:**
The finding has been corrected.

Finding 2014-004
Internal Control over Compliance – Procurements

**Condition:**
FilmAid has not complied with its own procurement policies and the provisions of OMB Circular A-110.

**Current Status:**
The finding has been corrected.

Finding 2014-005
Internal Control over Compliance – Equipment and Real Property Management

**Condition:**
FilmAid’s property records were not properly updated to reflect equipment acquired using federal award funds during fiscal year 2014.

**Current Status:**
The finding has been corrected.
MEMORANDUM

TO: PKF O’CONNOR DAVIES - Audit Firm
FROM: FILMAID INTERNATIONAL MANAGEMENT
DATE: June 30, 2016
RE: Management Responses to Fiscal Year ended June 30, 2015 – Findings in A-133 compliance audit

Appendix A - CORRECTIVE ACTION PLAN
The management of FilmAid International, Inc. (FAI) has reviewed the schedule of findings and questioned costs for the year ended June 30, 2015. As a result of the review management responses to the findings are as follows:

FINDING 2015-001: INTERNAL CONTROL OVER COMPLIANCE- ALLOWABLE COSTS/COST PRINCIPLES
Management has investigated the issue of lack of documentation for payroll direct deposits authorizations. We are redesigning the Human Resource and Payroll functions within the Kenya program office to ensure better communication and completion of necessary documentation. We will also re-emphasize the policy and procedures for all fiscal and human resource staff. We are migrating toward a more comprehensive oversight from the New York City HQ and fully plan to have that oversight, including internal audits of records for compliance purposes, in place in fiscal year 2017.

FINDING 2015-002: TIMELY SUBMISSION OF A-133 (OMB) REPORTING PACKAGE
Management acknowledges the importance of timely submission. Due to extenuating circumstances the audit completion was delayed due to a change in audit firms by management. We have ensured that the audit preparation process will begin in a timely manner and the coordination between the Kenya program office and the US will be more fluid and seamless by using the same audit firm to conduct all necessary audit activities.

FINDING 2015-003: TIMELY FILING AND REVIEW OF REQUIRED INVENTORY REPORTS FOR EACH FEDERAL PROGRAM:
Management will ensure that appropriate inventory lists are updated in a timely manner and a review will be conducted by the New York office at the completion of each federal program agreement as a means to ensure compliance with this requirement of the agreement. Please note that a previous year finding (2014-005) noted the lack of equipment and real property listings and this finding has subsequently been corrected. We will use the same methodology in place to ensure individual inventory lists are maintained for each agreement.