



United States African Development Foundation

Conducting Financial Assessment of New Applicants

Conducting Financial Assessments of New Applicants



What We Will Accomplish Today

1. Determine the **PURPOSE** of the financial assessment
2. Determine **HOW** the financial assessment is a key component of ADF's mission
3. Determine **WHAT** makes up the financial assessment
4. Practice using the financial assessment questionnaire
5. Q&A

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At the End of the Session You Will Be Able to Answer the Questions:

1. WHO should do the financial assessment?
2. HOW LONG should it take?
3. WHAT do we do with the results?
4. WHAT is wrong with the recommendation “hire and professional accountant and install Quickbooks”?

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PURPOSE

1. To make sure our clients have adequate financial systems to use the funds provided to them.
2. To help our clients establish a sound financial foundation on which to build their businesses.



USADF'S MISSION

“To grow profitable businesses and sustainable social enterprises that benefit the poor”

- Impossible without a good financial system
- The financial assessment is the most important evaluation we do
- The financial assessment is given the least importance in the project development process
- Financial assessment is a starting point not an end point



What Is the Financial Assessment?

- Involves conducting a “mini” audit
- Assesses internal controls
- Traces transactions through the accounting process
- Recommends a plan of action