



For Africa's Future

NDOTO: FOR AFRICA'S FUTURE

Financial Statements
With Independent Accountant's Compilation
Report

December 31, 2025 and 2024

NDOTO: FOR AFRICA'S FUTURE

Table of Contents

	<u>Page</u>
Independent Accountant's Compilation Report	1
Financial Statements	
Statements of Financial Position	2
Statements of Activities	3
Statement of Functional Expenses - 2025	4
Statement of Functional Expenses - 2024	5
Statements of Cash Flows	6
Notes to Financial Statements	7

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Ndoto: For Africa's Future
Dallas, Texas

Management is responsible for the accompanying financial statements of Ndoto: For Africa's Future (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed the compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Capin Crouse LLC

Irving, Texas
March 3, 2026

NDOTO: FOR AFRICA'S FUTURE

Statements of Financial Position

	December 31,	
	<u>2025</u>	<u>2024</u>
ASSETS:		
Cash and cash equivalents	\$ 131,711	\$ 86,794
Restricted cash	120,602	52,837
Total cash, cash equivalents, and restricted cash	<u>252,313</u>	<u>139,631</u>
Contribution receivable	50,000	-
Prepays and other assets	7,031	197
Investments	270,031	412,250
Property and equipment-net	<u>1,728</u>	<u>4,691</u>
Total Assets	<u>\$ 581,103</u>	<u>\$ 556,769</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	\$ 576	\$ 996
Total liabilities	<u>576</u>	<u>996</u>
Net assets:		
Without donor restrictions	162,125	209,288
With donor restrictions	418,402	346,485
Total net assets	<u>580,527</u>	<u>555,773</u>
Total Liabilities and Net Assets	<u>\$ 581,103</u>	<u>\$ 556,769</u>

See independent accountant's compilation report and notes to financial statements

NDOTO: FOR AFRICA'S FUTURE

Statements of Activities

	Year Ended December 31,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions	\$ 143,740	\$ 588,819	\$ 732,559	\$ 170,402	\$ 272,330	\$ 442,732
Investment income	18,683	-	18,683	26,459	-	26,459
Other income	5,945	-	5,945	611	-	611
Total Support and Revenue	168,368	588,819	757,187	197,472	272,330	469,802
NET ASSETS RELEASED:						
Satisfaction of restrictions	516,902	(516,902)	-	319,172	(319,172)	-
EXPENSES:						
Program services:						
Sponsorships	253,884	-	253,884	297,598	-	297,598
Visiting missionary	53,060	-	53,060	15,037	-	15,037
Ndoto sports	25,573	-	25,573	-	-	-
Development	-	-	-	44,702	-	44,702
Student emergency	7,564	-	7,564	3,338	-	3,338
Ndoto Academy	237,040	-	237,040	33,495	-	33,495
	577,121	-	577,121	394,170	-	394,170
Supporting activities:						
General and administrative	106,096	-	106,096	65,815	-	65,815
Fundraising	49,216	-	49,216	70,768	-	70,768
Total Expenses	732,433	-	732,433	530,753	-	530,753
Change in Net Assets	(47,163)	71,917	24,754	(14,109)	(46,842)	(60,951)
Net Assets, Beginning of Year	209,288	346,485	555,773	223,397	393,327	616,724
Net Assets, End of Year	\$ 162,125	\$ 418,402	\$ 580,527	\$ 209,288	\$ 346,485	\$ 555,773

See independent accountant's compilation report and notes to financial statements

NDOTO: FOR AFRICA'S FUTURE

Statement of Functional Expenses

Year Ended December 31, 2025

	Program Services					Total Program Services	Supporting Activities		TOTAL
	Sponsorships	Visiting Missionary	Ndoto Sports	Student Emergency	Ndoto Academy		General and Administrative	Fundraising	
Grants	\$ 225,420	\$ 1,842	\$ 11,649	\$ 331	\$ 221,132	\$ 460,374	\$ -	\$ -	\$ 460,374
Salaries and benefits	27,047	23,497	13,804	7,201	15,768	87,317	80,561	41,240	209,118
Travel and meetings	-	27,409	-	-	-	27,409	6,705	1,717	35,831
Office expenses	-	21	-	-	-	21	15,511	73	15,605
Other	1,417	291	120	32	140	2,000	3,319	6,186	11,505
	\$ 253,884	\$ 53,060	\$ 25,573	\$ 7,564	\$ 237,040	\$ 577,121	\$ 106,096	\$ 49,216	\$ 732,433

See independent accountant's compilation report and notes to financial statements

NDOTO: FOR AFRICA'S FUTURE

Statement of Functional Expenses

Year Ended December 31, 2024

	Program Services					Total Program Services	Supporting Activities		TOTAL
	Sponsorships	Visiting Missionary	Development	Student Emergency	Ndoto Academy		General and Administrative	Fundraising	
Grants	\$ 263,810	\$ 256	\$ 32,039	\$ 327	\$ 23,466	\$ 319,898	\$ -	\$ -	\$ 319,898
Salaries and benefits	31,658	9,428	12,663	3,011	10,029	66,789	40,100	49,403	156,292
Travel and meetings	166	5,353	-	-	-	5,519	9,216	4,271	19,006
Office expenses	570	-	-	-	-	570	14,098	1,026	15,694
Other	1,394	-	-	-	-	1,394	2,401	16,068	19,863
	\$ 297,598	\$ 15,037	\$ 44,702	\$ 3,338	\$ 33,495	\$ 394,170	\$ 65,815	\$ 70,768	\$ 530,753

See independent accountant's compilation report and notes to financial statements

NDOTO: FOR AFRICA'S FUTURE

Statements of Cash Flows

	Year Ended December 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 24,754	\$ (60,951)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,963	2,963
Realized and unrealized gain	(18,683)	(22,098)
Contributions restricted for long-term investment	(299,925)	(26,145)
Changes in operating assets and liabilities:		
Contribution receivable	(50,000)	-
Prepaid expenses and other assets	(6,834)	3,869
Accounts payable	(420)	(3,339)
Net Cash Used in Operating Activities	(348,145)	(105,701)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	345,164	298,223
Purchases of investments	(184,262)	(350,000)
Net Cash Provided by (Used in) Investing Activities	160,902	(51,777)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions restricted for long-term investment	299,925	26,145
Net Cash Provided by Financing Activities	299,925	26,145
Net Change in Cash, Cash Equivalents, and Restricted Cash	112,682	(131,333)
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	139,631	270,964
Cash, Cash Equivalents, and Restricted Cash, End of Year	\$ 252,313	\$ 139,631

See independent accountant's compilation report and notes to financial statements

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2025 and 2024

1. NATURE OF ORGANIZATION:

Ndoto: For Africa's Future (Ndoto) is a Texas nonprofit organization incorporated in September of 2009. Ndoto is a Christ centered community development organization that works in the Obunga slum in Kisumu, Kenya. Ndoto's mission is to educate, disciple, and develop at-risk youth to pursue their dreams, glorify God, and transform their communities. This is accomplished through the following major program areas typically being carried out by Ndoto Kenya, a separately controlled nonprofit organization:

Student Sponsorship: Ndoto's largest program connects donors with at-risk students from Kindergarten through University for education and discipleship. Sponsored students receive basic school supplies, medical care, and school tuition. Ndoto staff care for students' spiritual, emotional, and physical needs, hosting student retreats, service days, Bible studies, and more. The Sponsorship program also supports community-wide services such as Ndoto Community Church and athletic programs.

Ndoto Academy: In 2022, Ndoto opened its own private Christian elementary school to provide high-quality education to students in the region. Ndoto Academy features modern resources, best practices in education, and a pastoral component to create an offering that stands apart from similar area schools.

Visiting Missionaries: Facilitating travel between the US and Kenya is an important ministry to both the travelers and the work in Kenya. Visitors are valuable volunteers and encourage the students and staff, but they also report being heavily affected by the experience of seeing the ministry up close. They become ambassadors for Ndoto upon returning home.

Development: Ndoto works to create sustained economic development in two ways: starting businesses directly, and providing training and support for existing business leaders. Ndoto-operated businesses meet community needs, create jobs, and provide revenue for further ministry.

Student Emergency: Ndoto is prepared to provide above-and-beyond support of any kind to sponsored students and key members of the ministry who face emergencies in their lives. In recent years, this has included major surgery, flooding relief, unexpected death, and legal support for the abused.

Ndoto Sports: Ndoto operates a gym, boxing program, and multiple community soccer teams as an outreach to the community and a place for members of the community beyond the reach of the church, school, or sponsorship to find a home for community and mentorship.

Ndoto receives its main support through charitable contributions.

Ndoto operates as a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), and is not a private foundation under Section 509(a) of the Code. Contributions to Ndoto are deductible for income tax purposes.

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2025 and 2024

2. SIGNIFICANT ACCOUNTING POLICIES:

BASIS OF ACCOUNTING

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASU). Ndoto provides grants to a separately controlled nonprofit organization in Kenya called Ndoto Kenya. The financial results of Ndoto Kenya are not included in Ndoto's financial statements due to lack of economic interest and board control. The significant accounting policies followed are described below to enhance the usefulness of the statements to the reader.

USE OF ESTIMATES

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allocation of functional expenses and fair value of investments.

CASH AND CASH EQUIVALENTS AND CREDIT RISK

Cash and cash equivalents consists of checking, money market, and saving accounts. As of December 31, 2025 and 2024, Ndoto had no funds in excess of federally insured limits.

RESTRICTED CASH

Restricted cash consists of cash held for future capital projects.

CONTRIBUTION RECEIVABLE

The contribution receivable consists of money expected to be received in 2026 in accordance with a restricted contribution made in 2025. No allowance is considered necessary as the receivable is expected to be fully collected in 2026. The time restriction on this contribution receivable is included in the campus capital campaign classification within Note 4.

INVESTMENTS

Investments consist of certificates of deposit, some of which are publicly traded and others that are held by banks. Certificates of deposit that are held by banks are reported at amortized cost plus accrued interest as of December 31, 2025 and 2024, and total \$168,464 and \$285,029, respectively. The remaining certificate of deposit investments are reported at fair value. See Note 5 for further details on the fair value measurements.

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2025 and 2024

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

INVESTMENTS, continued

As of December 31, 2025, Ndoto had certificates of deposit with interest rates ranging from 3.9% to 5.4% and have maturity dates ranging from January 30, 2026 to June 12, 2028. As of December 31, 2024, Ndoto had certificates of deposit with interest rates ranging from 4.0% to 5.4% and have maturity dates ranging from January 18, 2025 to November 8, 2027. All certificates of deposit are federally insured.

PROPERTY AND EQUIPMENT, NET

Property and equipment purchased by Ndoto are recorded at cost. Repairs and maintenance are expensed as incurred. Ndoto capitalizes all expenditures for property and equipment over \$1,000 with a useful life in excess of one year. Property and equipment consists of website costs. Depreciation is computed on the straight-line mid-month method over the estimated useful life of 5 years. For the year ended December 31, 2025 and 2024, depreciation expense was \$2,963.

NET ASSETS

Net assets without donor restrictions are currently available for use at the discretion of the board.

Net assets with donor restrictions are those resources contributed with donor stipulations for specific operating purposes and/or time restrictions.

SUPPORT, REVENUE, AND RECLASSIFICATIONS

Contributions are reported when made, which may be when cash is received, unconditional promises are made, or ownership of donated assets is transferred to Ndoto. Bequests are reported as support at the time Ndoto has an established right to the bequest and proceeds are measurable. Revenues are reported when earned. Ndoto reports conditional grants in which the restriction is met in the same fiscal year as grant revenue without donor restrictions. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as a satisfaction of purpose restrictions.

EXPENSES

Expenses are reported when incurred. Ndoto did not incur any advertising expenses during the years ended December 31, 2025 and 2024. The costs of providing the various program services and supporting activities have been summarized in the statements of activities. Accordingly, salaries and wages have been allocated on the basis of time and effort; depreciation and facility expense have been allocated on the basis of square footage used. All other expenses were allocated based upon the functional nature of the underlying expenses. Ndoto incurred no joint costs for the years ended December 31, 2025 and 2024.

RECLASSIFICATIONS

Certain amounts in the notes to the financial statements have been reclassified to align with current year presentation.

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2025 and 2024

3. LIQUIDITY AND AVAILABILITY OF RESOURCES:

The following reflects Ndoto's financial assets reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date:

	December 31,	
	2025	2024
Financial assets:		
Cash and cash equivalents	\$ 131,711	\$ 86,794
Restricted cash	120,602	52,837
Contribution receivable	50,000	-
Investments	270,031	412,250
Financial assets, at year end	572,344	551,881
Less those unavailable for general expenditure within one year, due to:		
Donor restrictions based on purpose or time	-	(6,435)
Financial assets available to meet general obligations within one year	\$ 572,344	\$ 545,446

Ndoto is substantially supported by contributions, which at times are received with donor restrictions. Those contributions with donor restrictions require resources to be used in a particular manner. Ndoto must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of its liquidity management, Ndoto has established guidelines for making decisions related to managing short term cash reserves in a prudent manner. Ndoto expects to use \$418,402 and \$340,050 of net assets with donor restrictions in the years ended December 31, 2025 and 2024, respectively.

4. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consist of the following:

	December 31,	
	2025	2024
Sponsorships	\$ 278,319	\$ 265,770
Campus capital campaign	120,602	52,837
Ndoto Academy	12,000	793
Catherine Ray Memorial van	6,435	6,435
Ndoto sports	927	-
Student emergency	119	250
Leadership transitions	-	20,400
	\$ 418,402	\$ 346,485

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2025 and 2024

5. FAIR VALUE MEASUREMENTS:

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are observable or can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2025 and 2024.

Certificates of deposit: Valued using yields for securities of comparable maturity, quality, and interest rate as obtained from market makers.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Ndoto believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2025 and 2024

5. FAIR VALUE MEASUREMENTS, continued:

Assets measured at fair value on a recurring basis consist of the following:

	Total	Fair Value Measurements Using:		
		Level 1	Level 2	Level 3
December 31, 2025				
Investments held at fair value:				
Certificates of deposit	\$ 101,567	\$ -	\$ 101,567	\$ -
Investments held at amortized cost:				
Certificates of deposit	168,464			
	\$ 270,031			
December 31, 2024				
Investments held at fair value:				
Certificates of deposit	\$ 127,221	\$ -	\$ 127,221	\$ -
Investments held at amortized cost:				
Certificates of deposit	285,029			
	\$ 412,250			

6. RELATED PARTY TRANSACTIONS:

Ndoto provides financial support to Ndoto Kenya each year. One officer of Ndoto is the Board Chair of Ndoto Kenya. During the years ended December 31, 2025 and 2024, approximately \$460,000 and \$320,000, respectively, was reported as a grant expense to Ndoto Kenya.

Board members contributed approximately 10% and 6% of total contributions to Ndoto during the years ended December 31, 2025 and 2024, respectively.

7. CONCENTRATION OF SUPPORT RISK:

For the years ended December 31, 2025 and 2024, the top 10 givers provided approximately 45% and 20%, respectively, of the support to Ndoto.

8. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 3, 2026, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.