



FINANCIAL STATEMENTS
With Accountants' Compilation Report

December 31, 2014

NDOTO: FOR AFRICA'S FUTURE

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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
NDOTO: For Africa's Future
Carrollton, Texas

We have compiled the accompanying statements of financial position of NDOTO: For Africa's Future as of December 31, 2014, and the related statements of activities and cash flows for the year then ended.

We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Capin Crouse LLP

Dallas, Texas
September 8, 2015

NDOTO: FOR AFRICA'S FUTURE

Statements of Financial Position

December 31, 2014

ASSETS:

Cash and cash equivalents	\$	168,788
Accounts receivable		5,848
Property and equipment—net		<u>4,525</u>

Total Assets	\$	<u><u>179,161</u></u>
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LIABILITIES AND NET ASSETS:

Liabilities:

Accounts payable	\$	<u>2,093</u>
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Net assets:

Unrestricted:

Operating		102,072
Equity in property and equipment		4,525
Board designated		<u>25,168</u>

131,765

Temporarily restricted		<u>45,303</u>
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177,068

Total Liabilities and Net Assets	\$	<u><u>179,161</u></u>
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See accompanying notes and accountants' compilation report

NDOTO: FOR AFRICA'S FUTURE

Statements of Activities

December 31, 2014

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE:			
Contributions	88,493	\$ 159,832	\$ 248,325
Other income	3,354	-	3,354
	91,847	159,832	251,679
NET ASSETS RELEASED:			
Purpose restrictions	151,270	(151,270)	-
EXPENSES:			
Program activities:			
Sponsorships	132,708	-	132,708
Medical aide	10,988	-	10,988
Teams	7,574	-	7,574
	151,270	-	151,270
Supporting activities:			
General and administrative	74,243	-	74,243
Fund-raising	42,799	-	42,799
	268,312	-	268,312
Total Expenses	268,312	-	268,312
Change in Net Assets	(25,195)	8,562	(16,633)
Net Assets, Beginning of Year	156,960	36,741	193,701
Net Assets, End of Year	\$ 131,765	\$ 45,303	\$ 177,068

See accompanying notes and accountants' compilation report

NDOTO: FOR AFRICA'S FUTURE

Statements of Cash Flows

December 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (16,633)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation and amortization	1,152
Changes in operating assets and liabilities:	
Accounts receivable, prepaid expenses and other assets	(5,158)
Purchases of property and equipment	(4,464)
Accounts payable	(3,125)
Net Cash Used by Operating Activities	<u>(28,228)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Net Cash Used by Investing Activities	<u> </u>
Net Change in Cash and Cash Equivalents	<u>(28,228)</u>

Cash and Cash Equivalents, Beginning of Year	<u>197,016</u>
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Cash and Cash Equivalents, End of Year	<u><u>\$ 168,788</u></u>
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See accompanying notes and accountants' compilation report

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2014

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:

Educate: Through student sponsorship, NDOTO is able to pay for school fees, as well as address mental, emotional, and physical needs of a student while helping them to develop spiritually.

Disciple: NDOTO staff members meet with students in small groups and one on one to help grow in their knowledge of God and in their faith in Jesus Christ. This program includes group outings into the city to help them connect with other students in the program and serve the community.

Develop: NDOTO works with entrepreneurs who have promising business ideas and helps them create a solid business plan. Upon completing a thorough review and approval process, and obtaining funding, a small micro loan is provided to individuals to start their own businesses.

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.

2. SUMMARY OF ACCOUNTING POLICIES:

BASIS OF ACCOUNTING

The financial statements of NDOTO have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The more significant accounting policies are summarized below.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of checking and money market accounts. These accounts, at times, may exceed federally insured limits. NDOTO has not experienced any losses on such accounts and believes they are not exposed to any significant credit risk.

ACCOUNTS RECEIVABLE

Accounts receivable consist of micro loans totaling \$1,415 owed to NDOTO and funds held on their behalf, by an overseas organization, in the amount of \$4,433 as of December 31, 2014.

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

PROPERTY AND EQUIPMENT

Expenditures for property and equipment greater than \$1,000 are capitalized at cost. Donated items are recorded at fair market value on the date of the gift. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from three to seven years.

NET ASSETS

The financial statements report amounts separately by class of net assets.

Unrestricted net assets are currently available for use at the discretion of the board.

Temporarily restricted net assets are stipulated by donors for specific operating purposes or for the specific programs of NDOTO.

SUPPORT AND REVENUE

Contributions are recorded when made, which may be when cash and other assets are received or when unconditionally promised. NDOTO reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the contributed amounts. When a stipulated time restriction ends or purpose restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as a satisfaction of purpose restrictions.

Property and other non-cash gifts are recorded at their estimated fair market value on the date of donation, and included in contributions. Usable property, meeting valuation threshold of \$500, may also be capitalized at the same estimated fair market value on the date of donation.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various program services and supporting activities have been summarized in the statement of activities. Accordingly, certain costs, such as salaries and benefits and depreciation, have been allocated among the program services and supporting activities benefited.

UNCERTAIN TAX POSITIONS

The financial statement effects of a tax position taken or expected to be taken are recognized in the financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the statement of activities. As of December 31, 2014, NDOTO had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

NDOTO: For Africa's Future files information tax returns in the U.S. and various states. The Organization is generally no longer subject to U.S. federal and state income tax examinations by tax authorities for years before 2011.

NDOTO: FOR AFRICA'S FUTURE

Notes to Financial Statements

December 31, 2014

3. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net as of December 31, consist of:

Furniture, fixtures and equipment	\$	5,677
Less accumulated depreciation		(1,152)
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	\$	4,525
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4. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets as of December 31, consist of:

Sponsorships	\$	41,273
Visiting missionary		3,586
Medical aide		444
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	\$	45,303
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5. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through the date of the report, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.