

# **NEW ROUTES FOUNDATION**

## **REPORT AND ACCOUNTS**

**FOR**

**THE YEAR ENDED 31<sup>st</sup> MARCH 2025**



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**WALUBENGO & ASSOCIATES**

Certified Public Accountants of Kenya  
Financial Management & Poverty Alleviation Consultants.

**NEW ROUTES FOUNDATION**

**REPORT AND ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> March 2025**

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**NEW ROUTES FOUNDATION**

**ORGANISATIONAL INFORMATION**

**BOARD OF DIRECTORS:**

- |                            |                |
|----------------------------|----------------|
| 1. Storm Lindenberg        | -Chairperson   |
| 2. Alfred Otieno Achieng   | - Treasurer    |
| 3. Hellen Njeri Githomboti | - Secretary    |
| 4. Willfred Onyango Ojwang | - Board Member |
| 5. Kimutai Eutyachus Koech | - Board Member |

**Registered Office Address:**

New Routes Foundation

P. O BOX 6586- 30100

**ELDORET**

**PRINCIPAL BANKERS**

CO-OPERATIVE BANK LIMITED

ELDORET BRANCH

**INDEPENDENT AUDITORS:**

Walubengo & Associates,  
Certified Public Accountants of Kenya  
P.O. BOX 5264-30100  
ELDORET – KENYA.



## **NEW ROUTES FOUNDATION**

### **DIRECTORS' REPORT**

The Board of Directors presents its report together with the audited financial statements for the year ended 31<sup>st</sup> March, 2025.

#### **1. RESULTS FOR THE PERIOD ENDED 31<sup>ST</sup> March, 2025**

The results for the year ended 31<sup>st</sup> March 2025 are stated on page 8.

#### **2. BOARD MEMBERS:**

The Board Members who held the office during the period under review were:

- |                             |               |
|-----------------------------|---------------|
| 1. Storm Lindenberg         | -Chairperson  |
| 2. Alfred Otieno Achieng    | -Treasurer    |
| 3. Hellen Njeri Githombothi | -Secretary    |
| 4. Wilfred Onyango Ojwang   | -Board Member |
| 5. Kimutai Eutyachus Koech  | -Board Member |

#### **3. INDEPENDENT AUDITORS:**

The independent auditors, Walubengo & Associates - Certified Public Accountants of Kenya of P.O. Box 5264 – 30100 ELDORET, have indicated their willingness to continue in office.

#### **4. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved at a meeting of the Board of Directors on

**BY ORDER OF THE BOARD**

**PROGRAM ADMINISTRATOR**



**NEW ROUTES FOUNDATION**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The NGO's law requires the Directors to prepare the financial statements for each financial year, which give a true and fair view of the state of affairs of the Organization as at the end of the financial year and of the operating results of the organization for that year. It also requires the directors to ensure the organization keeps proper accounting records, which disclose with reasonable accountancy, the financial position of the organization. They are also responsible for safeguarding the assets of the organization.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards in the manner required by the NGO Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organization and of its operating results. They further accept responsibility for the maintenance of proper accounting records, which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal control.

Nothing has come to the attention of the Directors to indicate that the Organization will not remain a going concern for at least the next twelve months from the date of this statement.



CHAIRPERSON  
DATE: 21/05/2025

SECRETARY/  
EXECUTIVE DIRECTOR





**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
NEW ROUTES FOUNDATION**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of New Routes Foundation, set out on pages 8 to 27, which comprise the statement of financial position as at 31<sup>st</sup> March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the NGO as at 31<sup>st</sup> March 2025 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and the requirements of the Kenyan NGOs laws.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the NGO in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with other ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

**Other Information**

The directors are responsible for the other information, which comprises the report of directors and the statement of directors' responsibilities as required by the Kenyan NGOs Laws. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NEW ROUTES FOUNDATION**

### **Responsibilities of the Directors and Those Charged with Governance for the Financial Statements**

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Kenyan NGOs Laws, and for such internal controls as Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the NGO's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting. Those charged with governance are responsible for overseeing the NGO's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 NGO's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NGO's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our



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- auditor's report. However, future events or conditions may cause the NGO to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the NGO to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the organization audit. We remain responsible for our audit opinion.

We communicate with Directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

We are also required to provide the Directors with a statement that we have complied with the relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

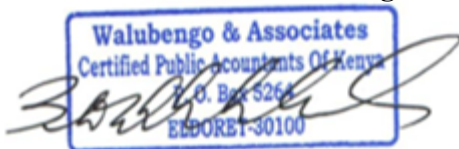
### **Report on Other Legal Requirements**

As required by the Kenyan NGOs Act we report to you, based on our audit, that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion proper books of account have been kept by the NGO, so far as appears from our examination of those books; and

The NGO's statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss) are in agreement with the books of accounts.

The engagement partner responsible for the audit resulting in this independent auditors' report is CPA **Johnstone Walubengo Kibunguchi – P/695**.



**Certified Public Accountants (Kenya)**

**Eldoret, Kenya**

**NEW ROUTES FOUNDATION  
STATEMENT OF INCOME & EXPENDITURE  
FOR THE YEAR ENDED 31st March 2025**

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	NOTES	2025 Kshs	2024 Kshs
<b>1.INCOMING RESOURCES</b>			
Grants from Donors	1	3,535,382	2,858,014
Other income	2	113,568	73,307
<b>TOTAL GRANTS FROM DONORS</b>		<b>3,648,950</b>	<b>2,931,321</b>
<b>RESOURCES EXPENDED</b>			
Programme costs	3	2,243,028	1,793,754
Administration costs	4	513,155	383,263
Personnel costs	5	880,804	683,029
Depreciation	6	60,054	74,219
<b>TOTAL RESOURCES EXPENDED</b>		<b>3,697,041</b>	<b>2,934,265</b>
<b>SURPLUS/DEFICIT FOR THE YEAR</b>		<b>(48,091)</b>	<b>(2,944)</b>
Net surplus brought forward		5,700	1,705
Net surplus for the period C/f		<b>(42,391)</b>	<b>5,700</b>



*NEW ROUTES FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
AS AT 31st March 2025*

	NOTES	2025 Kshs	2024 Kshs
<b>ASSETS EMPLOYED</b>			
<b>NON-CURRENT ASSETS:</b>			
PROPERTY, PLANT & EQUIPMENT	7	312,116	363,471
<b>CURRENT ASSETS:</b>			
Receivables	8		
Cash & Bank Balance	9	8,964	5,700
Prepayments	10		
<b>TOTAL CURRENT ASSETS</b>		<b>8,964</b>	<b>5,700</b>
<b>CURRENT LIABILITIES</b>			
Bank overdraft		-	-
Payables	10	7,440	7,440
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,440</b>	<b>7,440</b>
<b>NET CURRENT ASSETS</b>		<b>1,524</b>	<b>(1,740)</b>
<b>TOTAL NET ASSETS</b>		<b>313,640</b>	<b>361,731</b>
<b>FINANCED BY:</b>			
<b>ACCUMULATED FUNDS</b>			
Donor Fund	13	313,640	361,731
<b>TOTAL ACCUMULATED FUNDS</b>		<b>313,640</b>	<b>361,731</b>




**NEW ROUTES FOUNDATION  
STATEMENT OF CHANGES IN EQUITY  
AS AT 31st MARCH 2025**

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	ACCUMULATED FUNDS Kshs	CAPITAL FUND Kshs		TOTAL ACCUMULATED FUNDS Kshs
<b>As at 01.04.2023</b>	361,731		-	361,731
Surplus/Deficit for the year	(48,091)		-	(48,091)
Prior Year adjustments	-			-
<b>As at 31.03.2024</b>	313,640		-	313,640



**NEW ROUTES FOUNDATION  
STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31st MARCH 2025**

	<b>2025 Kshs</b>	<b>2024 Kshs</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Surplus/(Deficit) for the year	(48,091)	(2,944)
<b>Adjustments to Reconcile excess of revenue over expenses to net cash provided by operating activities</b>		
Depreciation	60,054	74,219
Non- Adjustable Expenses		
Armotisation(Deferred Income)		
Interest Expenses		
<b>Operating Income before working capital changes</b>	<b>11,963</b>	<b>71,275</b>
Decrease/(Increase) in receivables		
Increase/(Decrease) in payables	-	7,440
Decrease/(Increase) in inventories		
<b>Cash generated from operations</b>	<b>11,963</b>	<b>78,715</b>
Income tax paid		
Interest paid		
<b>NET CASHFLOWS FROM OPERATING ACTIVITIES</b>	<b>11,963</b>	<b>78,715</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed Assets	(8,700)	(74,720)
Capital Expenditure		
Fixed assets Donated		
<b>NET CASHFLOWS FROM INVESTING ACTIVITIES</b>	<b>(8,700)</b>	<b>(74,720)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Donor Funding	-	-
Prior year adjustments	-	-
Additional funds	-	-
Deferred Income	-	-
<b>NET CASHFLOWS FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>Net increase/(Decrease) in cash &amp; Cash Equivalents.</b>	<b>3,264</b>	<b>3,995</b>
Cash & cash Equivalents at the beginning of the period	5,700	1,705
Cash & cash Equivalents at the end of the period	8,964	5,700




**NEW ROUTES FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31st MARCH 2025**

**ACCOUNTING POLICIES**

**Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

For the Kenyan NGOs Act reporting purposes, in these financial statements the balance sheet is equivalent to the statement of financial position and the profit and loss account is included in the statement of profit or loss and other comprehensive income.

**Application of new and revised International Financial Reporting Standards (IFRSs)**

(i) *Relevant new standards and amendments to published standards effective for the year ended 31st DECEMBER 2021*

Several new and revised standards and interpretations became effective during the year. The directors have evaluated the impact of the new standards and interpretations and none of them had a significant impact on the organization's financial statements.

(ii) *Relevant new and amended standards and interpretations in issue but not yet effective in the year ended 31st DECEMBER 2021*

<i>New standards and amendments to standards</i>	<i>Effective for annual periods beginning on or after</i>
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from contracts with customers	1 January 2018
IFRS 16 Leases	1 January 2019
Amendments to IAS 7	1 January 2017
Amendments to IAS 12 Recognition of Deferred Tax	
Assets for Unrealized Losses	1 January 2017

(iii) *Impact of relevant new standards and amendments to published standards effective for future annual periods*

**IFRS 9 Financial Instruments**

In July 2014, the IASB finalized the reform of financial instruments accounting and issued IFRS 9 (As revised in 2014), which contains the requirements for:

- a) The classification and measurement of financial assets and financial liabilities;
- b) Impairment methodology; and
- c) General hedge accounting.

**Key requirements of IFRS 9:**

- **Classification and measurement.** Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39; however there are differences in the requirements applying to the measurement of an entity's own credit risk.



**NEW ROUTES FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31st MARCH 2025**

**ACCOUNTING POLICIES CONT'**

**Application of new and revised International Financial Reporting Standards (IFRSs)**  
**(Continued)**

*(iii) Impact of relevant new standards and amendments to published standards effective for future annual Periods (Continued)*

**IFRS 9 Financial Instruments (Continued)**

**Key requirements of IFRS 9 (Continued):**

- **Impairment.** The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a loss event to have occurred before a credit loss is recognised
- **Hedge accounting.** Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
- **De-recognition.** The requirements for de-recognition of the financial assets and liabilities are carried forward from IAS 39. The Directors of the organization anticipate that the application of IFRS 9 in the future may have a significant impact on amounts reported in respect of the organization's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until a detailed review has been completed by the organization.



**NEW ROUTES FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31<sup>st</sup> MARCH 2025**

**ACCOUNTING POLICIES CONT'**

**Application of new and revised International Financial Reporting Standards (IFRSs) (Continued)**

*(iii) Impact of relevant new standards and amendments to published standards effective for future annual Periods (Continued)*

**IFRS 16 Leases**

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet) except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any re-measurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as operating lease payments under IAS 17 are presented as operating cash flows; whereas under the IFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

The Directors of the Organization anticipate that the application of IFRS 16 in the future may have a significant impact on amounts reported in respect of the Organization's financial assets and financial liabilities. However, it is not practical to provide a reasonable estimate of the effect of IFRS 16 until a detailed review has been completed.

**Amendments to IAS 7 Disclosure Initiative**

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

The amendments apply prospectively for annual periods beginning on or after 1 January 2017 with earlier application permitted. The directors of the Organization do not anticipate that the application of these amendments will have a material impact on the Organization's financial statements.



**NEW ROUTES FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31<sup>st</sup> MARCH 2025**

**ACCOUNTING POLICIES CONT'**

**Basis of preparation**

The financial statements are prepared under the historical cost basis of accounting. The principal accounting policies adopted in the preparation of these financial statements remain unchanged from the previous year and are set out below:

**Revenue recognition**

The organization does not trade but receives grants from donors to support the underprivileged during the year. It therefore did not generate any revenue.

**Foreign currency translation**

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non – monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Gains and losses on exchange are recognized in profit or loss.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current taxation is provided on the basis of the results for the year as shown in the financial statements, adjusted in accordance with tax legislation.

Deferred tax represents the estimate of tax payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit and is accounted for using the liability method.

Deferred tax liabilities are recognised for all taxable temporary differences while deferred tax assets on tax losses are recognised only to the extent that it is probable that future taxable profits will be generated against which the unused tax losses and unused tax credit can be utilized

**Retirement benefit costs**

The organization contributes to the statutory National Social Security Fund. This is a defined contribution scheme registered under the National Social Security Fund Act. The organization's obligations under the scheme are limited to specific contributions legislated from time to time.

The NGO's obligations to employee retirement benefits schemes are recognised in profit or loss as they fall due.

**Leave pay provision**

A provision is made for the estimated liability in respect of accrued annual leave as a result of services rendered by employees up to the end of the reporting period. Employees' entitlement to annual leave is also recognised in profit or loss when they accrue to employees

**Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.



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**NEW ROUTES FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31<sup>st</sup> MARCH 2025**

**ACCOUNTING POLICIES CONT'**

**Depreciation**

Depreciation is calculated on reducing balance basis to write off the cost of property, plant and equipment over their expected useful lives at the annual rate:

Furniture, fittings & equipment	10.0%
Computers	25.0%
Vehicles	25%

**Leasehold land**

Payments to acquire interest in leasehold land are treated as prepaid operating lease rentals and the cost of the land is amortised over the unexpired term of the lease on the straight line basis.

**Intangible assets**

Trademarks are measured initially at the purchase cost and are amortised on a straight-line basis over their estimated useful lives.

**Impairment**

At the end of each reporting period, the organization reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

*If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced from its recoverable amount. Impairment losses are recognised as an expense immediately.*

**Accounting for leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

*The NGO as lessee*

Rentals payable under operating leases are charged to profit or loss on the straight-line basis over the term of the relevant lease.



## **Financial instruments**

Financial assets and liabilities are recognized in the organization's statement of financial position when the organization has become a party to the contractual provisions of the instrument. Financial assets excluded from fair valuation and that have a fixed maturity are measured at amortised cost. Re-measurement gains and losses are dealt with in the profit or loss.

### **Trade receivables**

Trade receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on the review of all outstanding amounts at the year end. Bad debts are written off when all reasonable steps to recover them have failed.

### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the net assets of an entity after deducting all its liabilities. Equity instruments issued by the organization are recorded at the proceeds received, net of direct issue costs.

### **Trade payables**

Trade payables are initially stated at their nominal value and are subsequently measured at amortised cost using the effective interest rate method



**NEW ROUTES FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31<sup>st</sup> MARCH 2025**

**ACCOUNTING POLICIES CONT'**

**Financial instruments (continued)**

**Bank borrowings**

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

**Borrowings costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned from the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets.

All other borrowings costs are recognized in the profit or loss in the period in which they are incurred.

**Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand and bank balances net of the outstanding bank overdraft.

**Comparatives**

Where necessary comparative figures have been adjusted conform to changes in presentation on the current year.

**2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the organization's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



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The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key areas of judgement in applying the entities accounting policies are dealt with below:

**(a) Critical judgements in applying accounting policies**

There are no critical judgements, apart from those involving estimations (see b below), that the directors have made in the process of applying the organization's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

**(b) Key sources of estimation uncertainty**

*Impairment losses*

At the end of each reporting period, the organization reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the organization estimates the recoverable amount of the cash generating unit to which the asset belongs.


*Property, plant and equipment, prepaid operating lease rentals and intangible assets*

Critical estimates are made by the directors in determining depreciation rates for property, plant and equipment and prepaid operating lease rentals and intangible assets.



**NEW ROUTES FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st March 2025**

	NOTES	2025 Kshs	2024 Kshs
<b>Capital purchase</b>	<b>1</b>		
Opening balance		48,268	-
Gifts & Donations			
NRUK Grant		18,800	55,000
<b>Total Income</b>		<b>18,800</b>	<b>55,000</b>
<b>Expenses</b>			
Furnitures & Fittings		8,700	6,700
Mpesa Transcations			32
<b>Total expense</b>		<b>8,700</b>	<b>6,732</b>
<b>Surplus C/f</b>		<b>58,368</b>	<b>48,268</b>
<b>Operational</b>	<b>2</b>		
Opening balance	-	113,390	1,267
Gifts & Donations			
NRUK Grant		393,951	246,927
<b>Total Income</b>		<b>280,561</b>	<b>248,194</b>
<b>Expenses</b>			
Bank service & charges withdrawals		4,126	4,483
Stationery expense		1,154	1,760
Office expense		21,232	79,216
Printing		690	6,100
Repairs & Maintenanace		9,720	9,150
Telephone expense		8,150	7,000
Transport & Travel cost		23,265	6,397
Audit fees		30,000	30,000
Electricity & Water bills		10,000	28,500
internet purchase		12,500	20,500
rent expenses		327,762	159,428
Professional fees		6,100	7,000
Postage		5,708	2,050
Security services		34,329	
		<b>494,736</b>	<b>361,584</b>
<b>Surplus C/f</b>		<b>(214,175)</b>	<b>(113,390)</b>



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**Programme (1)****3**

Opening balance	<b>138,119</b>	<b>22,860</b>
Gifts & Donations	-	<b>73,307</b>
NRUK Grant	<b>2,204,963</b>	<b>1,847,523</b>
<b>Total Income</b>	<b>2,343,082</b>	<b>1,943,690</b>
<b>Expenses</b>		
Bank service & charges withdrawals	9,184	11,817
Student items purchase cost	56,225	60,275
Student Allowance	343,394	432,926
Water & Electricity bill	67,558	17,250
Medical expense	52,219	31,725
Students NHIF	500	5,000
Rent expenses	492,272	444,319
Refreshments	55,055	21,818
Printing & stationery	13,396	17,190
other fees	8,050	39,861
Transport	100,410	104,472
University Fees Application	3,000	6,000
University School fees grants	843,194	500,614
Internet expense	20,000	6,500
Training fees	30,301	26,450
Christmas dinner	22,075	7,547
Personal projects	1,500	7,807
Donations in Kind	-	64,000
Students assets purchase	78,950	
Security Services	34,329	
	<b>2,231,612</b>	<b>1,805,571</b>
<b>TOTAL PROGRAMME COST</b>	<b>2,231,612</b>	<b>1,805,571</b>
<b>Surplus</b>	<b>111,470</b>	<b>138,119</b>



**Staff expenses****NOTE 5**

Opening balance	120	-
Gifts & Donations	113,568	
NRUK Grant	900,047	683,907
<b>Total Income</b>	<b>1,013,735</b>	<b>683,907</b>
<b>Expenses</b>		
Bank service & charges withdrawals	8,151	7,430
Pay as you Earn (PAYE)	64,994	51,478
National Hospital Insurance Fund(NHIF)	22,356	17,100
National Social Security Fund (NSSF)	95,520	37,680
NITA	1,350	900
Housing Levy	24,465	15,120
Staff net salary	672,119	553,311
Mpesa charges	1,084	768
<b>Total expense</b>	<b>890,039</b>	<b>683,787</b>
Surplus C/f	123,696	120

**Miscellaneous****NOTE 6**

Opening balance	21,116	91
Gifts & Donations		
NRUK Grant	24,221	24,658
<b>Total Income</b>	<b>45,337</b>	<b>24,749</b>
<b>Expenses</b>		
Bank service & charges withdrawals		33
Refreshments		-
Report printing		-
NGO office expense		-
Office expense		1,600
Capital purchase(Bunk Bed)	20,600	2,000
<b>Total expense</b>	<b>20,600</b>	<b>3,633</b>
Surplus C/f	24,737	21,116
Net Surplus C/f	104,097	94,233



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**NEW ROUTES FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE THE YEAR ENDED 31st MARCH 2025**

	NOTES	2025 KSH	2024 KSH
<b>8.RECEIVABLES</b>	<b>8</b>		
Rent Prepaid			
Other receivables			
<b>TOTAL RECEIVABLES</b>		-	-
<b>9.CASH &amp;CASH EQUIVALENTS</b>			
Cash at Hand			
Cooperative Bank		6,935	5,700
MPESA	<b>9</b>	2,029	-
<b>TOTAL</b>		<b>8,964</b>	<b>5,700</b>
<b>10.PAYABLES</b>	<b>10</b>		
UNI FEE		7,440	7,440
WALUBENGO & ASSOCIATES			
<b>TOTAL PAYABLES</b>		<b>7,440</b>	<b>7,440</b>

**BORROWINGS**

Bank overdraft

**11.TAXATION**

Under the provision of Income Tax Act chapter 470 of the laws of the republic of Kenya as revised in the 2001 budget, Income of NGO'S established in Kenya or whose regional head quarters are situated in Kenya shall be exempt from the payment of Income Tax provided they pass on economic and social benefits to Kenyans. Since the programme is a registered NGO, it qualifies for exemption from the payment of Income Tax on its Income subject to receipt of Income Tax Exemption Certificate from Kenya Revenue Authority- Domestic Tax Department.

**12.ACCUMULATED FUND**

At 01.04.2024

Prior Year adjustment

Accumulated Funds	361,731	364,675
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Capital Fund	-	-
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Surplus/Deficit for the year	(48,091)	(2,944)
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<b>At 31.03.2025</b>	<b>313,640</b>	<b>361,731</b>
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**13.DEFERRED INCOME**

Value of donated assets

Deduct provision for Depreciation

**Balance transferred to balance sheet**

**14.EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

There are no material events after the balance sheet date which requires to be disclosed

**15.ESTABLISHMENT**

The NGO was established in accordance with NGO'S Coordination Act 1990

**16.CURRENCY**

These Financial Statements are presented in Kenya Shillings(Kshs)




**NEW ROUTES FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st March 2025**

	NOTES	2025 Kshs	2024 Kshs
<b>1. INCOMING RESOURCES</b>			
NRUK Grant	1	3,535,382	2,858,014
Other Income			
<b>TOTAL GRANTS FROM DONORS</b>		<b>3,535,382</b>	<b>2,858,014</b>
<b>2. OTHER INCOME</b>			
Gifts & Donations	2	113,568	73,307
<b>TOTAL OTHER INCOME</b>		<b>113,568</b>	<b>73,307</b>
<b>TOTAL INCOME</b>		<b>3,648,950</b>	<b>2,931,321</b>
<b>3. PROGRAMME COSTS</b>			
University School fees grants	3	843,194	500,614
University Fees Application		3,000	6,000
Travelling and Subsistence		100,410	104,472
Medical expense		52,219	31,725
Student Allowance		343,394	432,926
Student Household items		56,225	60,275
Student rent expense		492,272	399,528
Internet expense		20,000	6,500
Refreshments		22,075	29,365
Students NHIF		500	5,000
other fees		64,605	39,861
Training Expenses		9,660	31,807
Utilities		67,558	17,250
Equipments		99,550	-
Stationery		13,396	17,190
Mentoring Activities		3,262	2,450
Attachment expenses		17,379	44,791
Donations in Kind		-	64,000
Security Expense		34,329	
<b>TOTAL PROGRAMME COST</b>		<b>2,243,028</b>	<b>1,793,754</b>
<b>4. ADMINISTRATION COST</b>			
Bank service & charges	4	4,126	1,875
Rent Expense		327,762	159,428
Water & Electricity		10,000	28,500
Stationery		1,154	1,760
Printing		690	6,100
Repairs & Maintenance		9,720	9,150
Telephone & Postage		13,858	9,050
Transport & Travel		23,265	6,397
Internet Expense		12,500	20,500
Audit fees		30,000	30,000
Office expense		21,232	80,816
Professional fees		6,100	7,000
Security Expense		34,329	
Depreciation		60,054	74,219
Capital Expenditure		-	74,720
<b>TOTAL ADMIN COST</b>		<b>554,790</b>	<b>360,576</b>
<b>5. PERSONNEL COSTS</b>			
Salary & Wages	5	672,119	553,311
PAYE		64,994	51,478
NHIF		22,356	17,100
NSSF		95,520	45,120
NITA		1,350	900
Housing Levy		24,465	15,120
Staff Bonus		-	-
Staff Expense		-	-
<b>TOTAL PERSONNEL COSTS</b>		<b>880,804</b>	<b>683,029</b>
<b>6. FINANCE COSTS</b>			
Bank Charges	6	8,151	10,070
M-pesa charges		10,268	12,617
<b>TOTAL FINANCE COSTS</b>		<b>18,419</b>	<b>22,687</b>




**NEW ROUTES FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st March 2025**

**PROPERTY ,PLANT AND EQUIPMENT**

	Balance as at 01.04.2024	Additions	Disposals	Total	Depreciation	Balance as at 31.03.2025
	kshs	kshs	kshs	Kshs	kshs	kshs
Furniture & Fittings	148,955	8,700	-	157,655	15,766	141,890
Computers & printers	64,181		-	64,181	16,045	48,136
office printer	16,373	-	-	16,373	4,093	12,280
Quickbooks	15,000	-	-	15,000	3,750	11,250
Office Telephone	9,374	-	-	9,374	2,344	7,031
Fridge & fridge guard	29,246		-	29,246	7,312	21,934
Water filters& replacement filters	18,075		-	18,075	4,519	13,556
Kitchen equipments	9,360		-	9,360	936	8,424
Books	3,600		-	3,600	360	3,240
Microwave	13,311		-	13,311	1,331	11,980
Oven	35,996		-	35,996	3,600	32,396
<b>TOTAL</b>	<b>363,471</b>	<b>8,700</b>	<b>-</b>	<b>372,171</b>	<b>60,054</b>	<b>312,116</b>

*Alfred*

*Storm*