

SUK 53RD AGM

ANNUAL REPORT

APRIL 2023



SCRIPTURE UNION OF KENYA

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AGM NOTICE 2023

Date: 21st March 2023

To: All Scripture Union Members

RE: 53rd SCRIPTURE UNION OF KENYA ANNUAL GENERAL MEETING

Notice is hereby given of the 53rd Annual General Meeting of the Scripture Union of Kenya (SUK) to be held on Saturday, 15th April, 2023 starting at 9:30am at the Scripture Union Boardroom in Hurlingham, Nairobi.

The following business will be transacted:

1. Opening prayer and devotional
2. Affirmation of SUK Doctrinal Basis
3. Introductions and receiving apologies
4. Adoption of the Agenda
5. Confirmation of previous minutes and matters arising
6. Reports
 - National Director
 - SUK National Governing Council (NGC) Chairlady
7. Presentation of 2022 Audited Financial Statements
8. Presentation of 2023 Budget
9. Elections and Notifications:
 - Trustees
 - NGC Members
 - SUCBC Board Members
 - Auditors
10. A.O.B

To transact any other business which may be properly transacted at an Annual General Meeting, notice of which should have been given seven (7) days before the date of the AGM.

The AGM documents will be sent in due course.

Thank you and God bless you!

Yours Faithfully,



Ezekiel Baraza

National Director, Secretary - National Governing Council.

Mission, Vision & Core Values

Mission

To nurture children, strengthen family life and help people engage with God through the Bible that they may follow Jesus Christ and be instrumental in transforming their communities.

Vision

Children and families holistically rooted in Christ transforming society.

Core Values

1. Bible Centred - We endeavour to have all Scripture Union work centred on and guided by God's word.
2. Integrity – We endeavour to act in an honest, fair and ethical manner and create a culture of trust that is evident in all our activities and decision making processes.
3. Accountability – We endeavour to exercise great responsibility and prudence in the use and management of resources entrusted to the organization.
4. Partnership and Collaboration – We endeavour to network and collaborate with other like-minded institutions, organizations and individuals for the enhancement of our common good.
5. Excellence – We endeavour to have high level of commitment in serving the society by delivering consistently high-quality programmes, products, training and services.

SUK AIMS, MINISTRY FOCUS & REAM APPROACH

Aims

Working with the churches, Scripture Union aims:

- a. To make God's Good News known to children, young people and families and
- b. To encourage people of all ages to meet God daily through the Bible and prayer so that they may come to personal faith in our Lord Jesus Christ, grow in Christian maturity and become both committed church members and servants of a world in need.

Ministry Focus

- a. **Children's Ministry:** We reach to children wherever they are and provide spiritual nurture for children (SNC) programmes through evangelism, Leadership development, missions experiences and advocacy. We also build capacity for children workers, Bible club teachers and patrons, among others, by running training programmes.
- b. **Family Ministry:** We recognize and appreciate the challenges that families are facing in modern times whether we are talking about dysfunctional families, growing cases of separation and divorce, single-parenthood, financial challenges, changing gender-based roles, etc. We offer interventions by designing programmes that target two broad areas: marital relationships and parental skills and responsibilities
- c. **Bible Ministry:** We encourage people of all ages to meet God daily through reading the Bible and prayer by publishing dated devotional materials every year. We also have very good and Bible based materials for Mental Health, life skills, VBS workbooks, Pastoral Programme for Instructions, Sunday Schools guides among many others.

REAM Approach

- a. **Resourcing** all stakeholders with materials and tools for Values based Education, Sunday School Ministry, Schools and Estates Bible Clubs, Vocational Bible Schools, holiday camps, PPI, etc;
- b. **Equipping** of Christian teachers, children ministry workers, Chaplains, Christian facilitators, Care givers, and parents.
- c. **Advocating** for, with and about the children and family through a sustained awareness creation, lobbying and collaboration.
- d. **Mentoring** children through values and skills themed programs including leadership development programmes

SUK STATEMENT OF FAITH

1. We hold that the Lord our God is one: Father, Son and Holy Spirit, and that he fulfils his sovereign purposes creation, revelation, redemption, judgment, and the coming of his kingdom –by calling out from the world a people, united to him and to each other in love.
2. We acknowledge that though God made us in his own likeness and image, conferring on us dignity and worth and enabling us to respond to him; we now are members of a fallen race; we have sinned and come short of His glory.
3. We believe that the Father has shown us his holy love in giving Jesus Christ, his only Son, for us while through our sinfulness and guilt, we were subject to his wrath and condemnation; and has shown his grace by putting sinners right with himself when they place their trust in his son.
4. We confess Jesus Christ as Lord and God; as truly human, born of the Virgin Mary; as Servant, sinless, full of grace and truth; as only Mediator and Savior, dying on the cross in our place, representing us to God, redeeming us from the grip, guilt and punishment of sin
5. We believe in the Holy Spirit who convicts the world of guilt in regard to sin. righteousness and judgment; who makes the death of Christ effective to sinners, declaring that they must turn to Christ in repentance, and directing their trust towards Lord Jesus Christ; who through the new birth makes us partake in the life of the risen Christ and who is present within all believers, illuminating their minds to grasp the truth of Scripture producing in them his fruit, granting to them his gifts, and empowering them for service in the world.
6. We believe that the Old and New Testament Scriptures are God-breathed, since their writers spoke from God as they were moved by the Holy Spirit; hence are fully trustworthy in all that they affirm; and are our highest authority for faith and life
7. We recognize the Church as the body of Christ, held together and growing up in him: both as a total fellowship throughout the world, and as the local congregation in which believers gather.
8. We acknowledge the commission of Christ to proclaim the Good News to all people, making them disciples, and teaching them to obey him; and
9. We acknowledge the command of Christ to love our neighbours, resulting in service to the Church and society in seeking reconciliation for all with God and their fellows, in proclaiming liberty from every kind of oppression; and in spreading Christ's justice in an unjust world until he comes again.

NGC CHAIRPERSON'S REPORT

1. Introduction

A hearty welcome to the 53rd Annual General Meeting (AGM) of the Scripture Union of Kenya (SUK). We thank God who has granted us this blessing to be together to review the year 2022, celebrate His faithfulness and reflect on the journey ahead. We look back at 2022 with joy for having had a largely fruitful year of ministry, in spite of the challenges triggered by the elections and global economic recess that closely followed the Covid-19 crisis.

We gather for this meeting at a time when we are still dealing with the tough reality of the demise of our diligent and highly skilled Honorary Treasurer, Mr. Joseph "Joe" Gichuki. We sorrow with his family and the families of our dear brothers and sisters in the SUK family who lost loved ones during this season and pray for God's comfort in their grief and sorrow.

The NGC continued to offer governance and strategic oversight geared to enhancing our effectiveness and efficiency. This report provides a summary of the progress updates in four key areas of focus for governance. It also captures updates from Scripture Union International.

2. Strategic Areas of Focus

a. Providing Policy and Strategic Direction

You will recall that in 2019, we had started a strategic planning process that was not completed owing to the COVID-19 disruption. We will be re-engaging the process and hope to have a new strategic plan by the end of 2023. We will be engaging in the process of reviewing the constitution and related policy document in the course of 2023.

b. Ensuring Effective Governance Teams

We appreciate the members of the NGC, Trustees, Regional and County Committees for their dedicated commitment, prayer and leadership to the ministry. It is the sacrificial service of these men and women that guarantees continued operation of our governance structures.

In order to strengthen the effectiveness of our governance teams the following have taken place/will take place in the year:

- i. Review of the competency profiles needed to position the NGC and other governance teams for success. This is reflected in the diversity of expertise and experience in the new nominations to both the NGC, Trustees and Regional and County Committees.
- ii. Successful identification of nominees for NGC and Trustee to be presented to the AGM for election. Besides, we are working with Regional Committees to ensure all regions and counties where we have active ministry have established Committees to support the work. The process of identifying the new Honorary Treasurer has begun and members will be updated in due course.
- iii. At SUCBC, Fred Kinyua the Chairman, will serve for 1 more year on exceptional basis so that we manage the transitional lacuna arising from Mrs. Kahuthia's departure and Joe Gichuki's demise.
- iv. Commencement of the process of developing governance performance tools and systems to promote high performance culture and enhance reporting and accountability. The system and tools will be rolled out beginning this year, 2023.
- v. Reinvigorating the role of Trustees so as to better engage them and benefit from their wide ranging wisdom, skills and expertise.

- vi. As part of good governance and stewardship of what God has entrusted us with, we will seek to develop a governance pipeline and staggered exits at all levels of governance.
- vii. Clear definition by SUK NGC on the objectives of SUCBC so as to help SUCBC effectively pursue its mandate of raising adequate finance to support the ministry while building robust levels of accountability and mutual engagement.

c. Ensuring Competent and Performing Human Resource

Regarding human resource, we are pleased to report the following:

- i. We are grateful to God for the successful transition in the office of National Director and are glad to report that new National Director (Mr. Ezekiel Baraza) has settled well following a robust induction and orientation program. Welcome on board Ezekiel! We celebrate Mrs. Nancy Kahuthia for her great leadership spanning over 12 years, congratulate her on her appointment in SU international and wish her well.
- ii. In 2022, the NGC commissioned a Human Resource Consultancy whose terms of reference entails a HR Audit, job evaluation, review of performance management system and change management component to support the implementation of the outcomes. However, this was halted due to the transition in the ND's office and thus will be re-engaged and executed in 2023. The goal of this consultancy is to develop and implement well defined best practices, processes and procedures of going about managing people and culture in SUK.
- iii. The establishment of a Human Resource (People and Culture) Committee, is intended to strengthen our people leadership of both Staff and Volunteers so as to adopt best practices in the full HR cycle and pastoral care of our staff and volunteers.

May I take this opportunity to sincerely thank our staff and volunteers for the great work they do to reach children and families in diverse situations with the word of God.

d. Resource Mobilization, Fund Development and Sustainability

In spite of the economic challenges experienced both locally and globally, our hearts are warmed by the faithfulness of God to provide for His work. On behalf of the entire NGC, I thank all our donors and partners for the unwavering support to the Scripture Union of Kenya.

There is need to expand the reach of this great ministry and this requires more than double the resources we have now and thus the need to grow our support base is critical. To this end, we wish to note the following:

- i. The NGC made a critical decision to shift the responsibility of development and distribution of all SUK publications from SUCBC to SUK. This is to uphold the mainstreaming of material development and distribution as a ministry strategy while at the same time ensuring enhanced marketing and sales at grassroot level to move bigger volumes and raise more income. Please note that SUCBC will still remain a critical channel for distribution of SUK publications even with this shift.
- ii. SUK is blessed with land property which utilization can be better optimized. The NGC has initiated a process to inform strategic actions towards acquisition and development of land property both as a ministry tool and for economic activity to ensure sustainability.

iii. We strive to streamline membership registration and mobilization of individuals and churches to give financially to SUK ministry to increase our revenues.

3.SU Global

We wish to notify the SUK members of the following key updates from SU Global:

a. The SU Global community is organized in Community Groups covering various geographical areas. The communities serve as platform for mutual fellowship and support. Kenya is part of Community Group 2, which covers East Africa. In 2022 we hosted the first in person Community Group post Covid-19 pandemic. We recently hosted the Africa Field Director, Mr. Tony Nzanzah and the SU International Director, Monika Kuschmierz, who were here to orient both Ezekiel Baraza and Nancy Kahuthia into their new roles.

b. The SU Global Assembly, a platform for strategic conversations regarding our global collaboration and ministry development, is planned for 4 – 8th March 2024 in Kuala Lumpur, Malaysia.

c. We are trusting God that SUK will be able to give to support the global work of SU International.

4.Appreciations and Conclusion

We are very thankful for the sacrificial service of Mr. Micheal Ngure (Regional Chair Coast), Mr. Mr. James Thuo (Regional Chair North Rift) and Harun Kabiru (Regional Chair South Rift), who have served their full terms in the NGC. We wish all of them God's blessings in their new season. In the course of the AGM we will present the names of the proposed new Governance members for election or ratification as the individual case may be.

We appreciate all the members of SUK for their dedicated commitment, prayer and financial support to the ministry. Special thanks to all attending this AGM. God bless you!



***Ms. Christina Were
NGC Chairperson***



***Nancy handing over to Ezekiel as
National Director***

SUCBC CHAIRPERSON'S REPORT

PREAMBLE

In 2022, the Company continued with its multi-pronged growth strategy premised on

1. reviewing the existing operations and implementation of new business lines to improve the financial capacity of SUCBC,
2. capacity development of the Company including staff, board and policy framework to enhance realization of the mandate of the company, and
3. continuously strengthening the relationship between SUK and SUCBC to realize a cohesive and mutually beneficial relationship.

1.0 SUCBC BUSINESS OPERATIONS

1.1 Review of current operations

This review was undertaken by the Board through

1. Monthly Finance Committee Meetings,
2. Quarterly Board Meetings,
3. Strategic Retreats for the Board and Management,
4. Joint SUK and SUCBC Management and Board Meetings, and
5. Weekly Meetings by SUCBC staff.

Key Outcomes of the Review Processes

1. Mid-year budget and business review undertaken in July.
2. Clarity on role and responsibility of SUCBC with regard to SUK publications.
3. Irredeemable Loan Proposal and associated documentation.
4. Rental Reciprocity Policy Proposal where SUK and SUCBC are co-located in the same rental space.
5. Improvement of cashflow through increased collection of debts.
6. Increased cohesion across the company.

February 2022 Board & Management Retreat held at Subiaco Centre Karen



SUCBC Staff Team Bonding on 31st Dec 2022



1.2 Summary of 2022 Financial Performance

In 2022, the company's revenue decreased by 5% from KShs 58 million to KShs 56 million mainly due to the decrease in the sales of Golden Bells.

The total expenditures for the year decreased by 9.1% due to the following

Expenditure	Y-o-Y Change	Reason
Cost Of Goods Sold	+15.1%	<ul style="list-style-type: none"> Increased cost of printing GBS Increased costs for shipping Weakening Kenya shilling increased cost of imports
Administration & Selling Expenses	+24.4%	Penalties & Interest of KShs4.5m due to KRA for various items between 2015 & August 2020.
Establishment Costs	-97.5%	Cessation of royalty model relating to SUK Publications
Finance Charges	-70.5%	No third-party credit facility was utilised in 2022.

Consequently, the company realized a net loss before tax of KShs7,062,952 in 2022 as compared to a net loss of KShs3,390,634 in 2021.

1.3 Organisational Development

1.3.1 Review of Constitutive Documents

Adoption of Organisational Code of Conduct

In April, the Board adopted an organizational code of conduct as part of its constitutive documents.

The main elements of the code of conduct include

1. governance guidelines within SUCBC,
2. relationships and conduct between and within the various governance structures,
3. conduct with our customers,
4. internal and external communication,
5. principles for Financial Integrity, use of SUCBC assets and Conflicts of Interest, and
6. policy statement on the duty and responsibility of SUCBC and its stakeholders to uphold

Review of the Memorandum and Articles of Association

In strengthening the capacity of the Company to deliver on its mandate, the Board began to review the SUCBC Memorandum and Articles of Association. The intention of the review is to holistically amend this constitutive document to

1. align the Memorandum and Articles with current best practices in corporate governance,
2. provide for business continuity,
3. facilitate the business of the board,
4. entrench the ownership of SUCBC by SUK through clear definition of the relationship between SUK and SUCBC and associated roles of SUK representation within SUCBC.

It is anticipated that the review will be concluded within 2023.

1.3.2 Operationalization of Board Committees

In the year, the Board constituted and operationalised the following committees

1. Executive Committee
2. Finance Committee
3. Strategic and New Business Committee and
4. Human Resources Committee.

These committees greatly enhanced the work of the Board and the engagement of the Board with specific critical aspects of the business.

1.3.3 People Development

The Board remains keen on developing the human capacities of the Company at all levels. Key focus of this development has been to systematically enhance performance of the board, stabilise the management and equip the staff teams.

The Board continues to explore, develop and deploy various tools including performance appraisals to effect the above. For example, in 2023 the lessons learnt from the 2022 appraisal of the management team, will be deployed through all the levels of the company to further enhance the performance-based work culture.

Further, the Board initiated a review process aimed at aligning the tenures of the directors with best practice and to enhance business continuity. This ongoing process will complement other board development activities including the training, board appraisal and future recruitments.

1.3.4 Staff Transitions

On 1st October 2022, our long-time employee Rosemary Muhenje went to be with the Lord after a period of illness. It was a difficult time for SUCBC and SUK as Rosemary had been a pillar of both organisations during her employment.

We appreciate the support of the staff, management, Board, NGC and our partners for rallying behind us and the Muhenje family as they mourned and laid their loved one to rest.



2.0 SUK SUPPORT TO SUCBC

In 2022, the Company continued to strengthen its relationship with SUK. In particular the Company received critical support from SUK with regards to

1. the creation of a long-term irredeemable loan to ringfence debts owed to SUK by SUCBC,
2. balance sheet restructure of SUCBC which realizes a positive working capital position,
3. rental reciprocity policy proposal for co-located spaces, and
4. specific mandate for SUK in relation to its publications.

3.0 SUCBC IN 2023:

In planning for 2023, the Board continues to take cognizance of the challenges in the operating environment both internally and externally. This analysis has informed the following priorities for the year

1. 3-year Business Plan with specific focus on mapping the journey to profitability,
2. Roll out of new business lines including
 - a. Taa Investment Cooperative,
 - b. Digital Products,
 - c. Development of Business Concepts for Mission Oriented businesses,
3. Institutional capacity building through
 - a. Amendment of the SUCBC Memorandum and Articles of Association,
 - b. Continuous policy development and implementation,
 - c. Performance Appraisal across all levels of the Company,
 - d. Strategic Board Recruitment,
 - e. Enhanced Staff Capacities through enhanced remuneration, recruitment and training.
 - f. Compliance with applicable statutory and regulatory requirements.

Fred Kinyua
SUCBC Chairperson



NATIONAL DIRECTOR'S REPORT

1. Introduction

I am deeply honoured and filled with humility to have joined Scripture Union of Kenya (SUK) as the National Director. I am lost for words to express my gratitude for the warm welcome and support I have received from the Scripture Union Staff, the National Governing Council, the Trustees, Regional and County Committees, Volunteers, Partners and the Children across the country.

Together, we continue to execute our compelling mission of sharing the gospel to children and families so that they may know the Lord Jesus Christ, grow in their faith in Him and become agents of godly transformation as committed church members and servants of a world in need. This is achieved through enhancing the effectiveness of our ministry programs and the efficiency of our operations.

2. Ministry Programs

Over the past three years, Scripture Union of Kenya has adjusted the ministry approach from direct implementation to a more facilitatory and enabling role. The tenets of this new approach are configured as Resourcing, Equipping, Advocacy and Mentoring – REAM. This report aligns with the REAM approach organized under the three key ministry focus areas of SUK; Children, Family and Bible. Besides, we share highlights of the Mental Health and Wellness Program.

a. Children Ministry

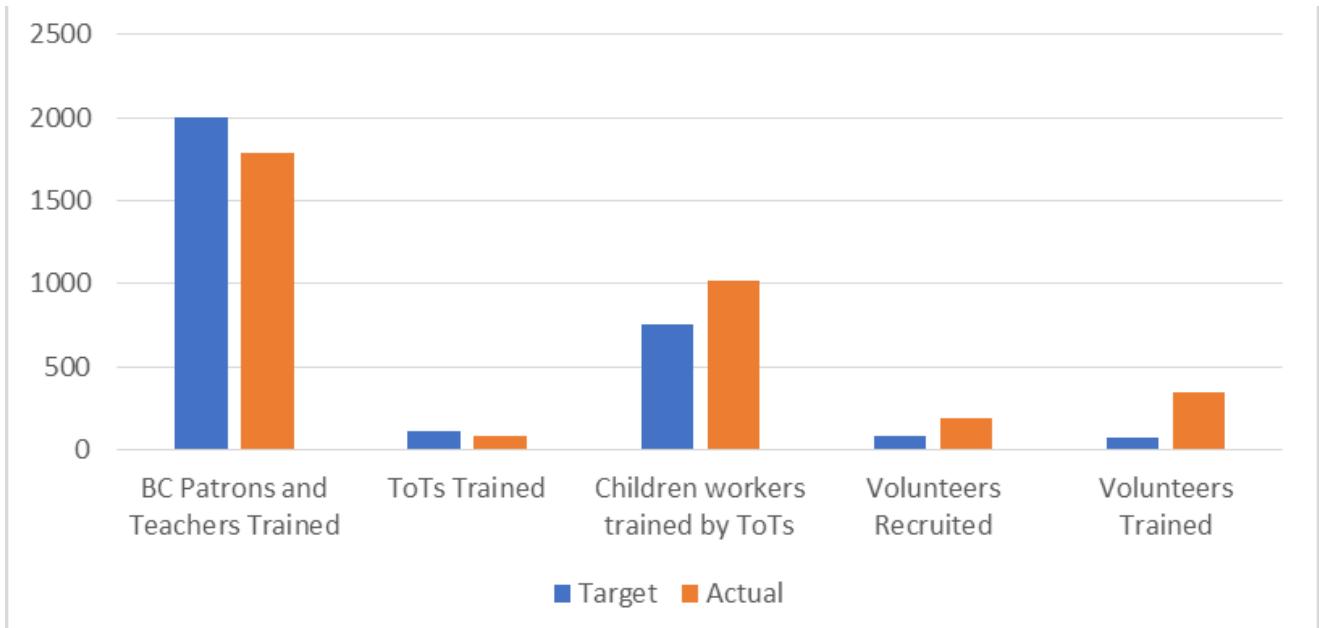
It is our commitment to see every child holistically nurtured to follow Jesus and live out their God-ordained purpose on earth. The following are highlights for Children Ministry in 2022:

i. Resourcing – We continued to develop and distribute Bible devotionals, Vocational Bible School Workbooks, Sunday School Registers, Programme for Pastoral Instruction (PPI) Program Manuals, Mental Health materials, Sunday School Workbooks (evangeli) and Values Education Series as the key children ministry resources.

ii. Equipping

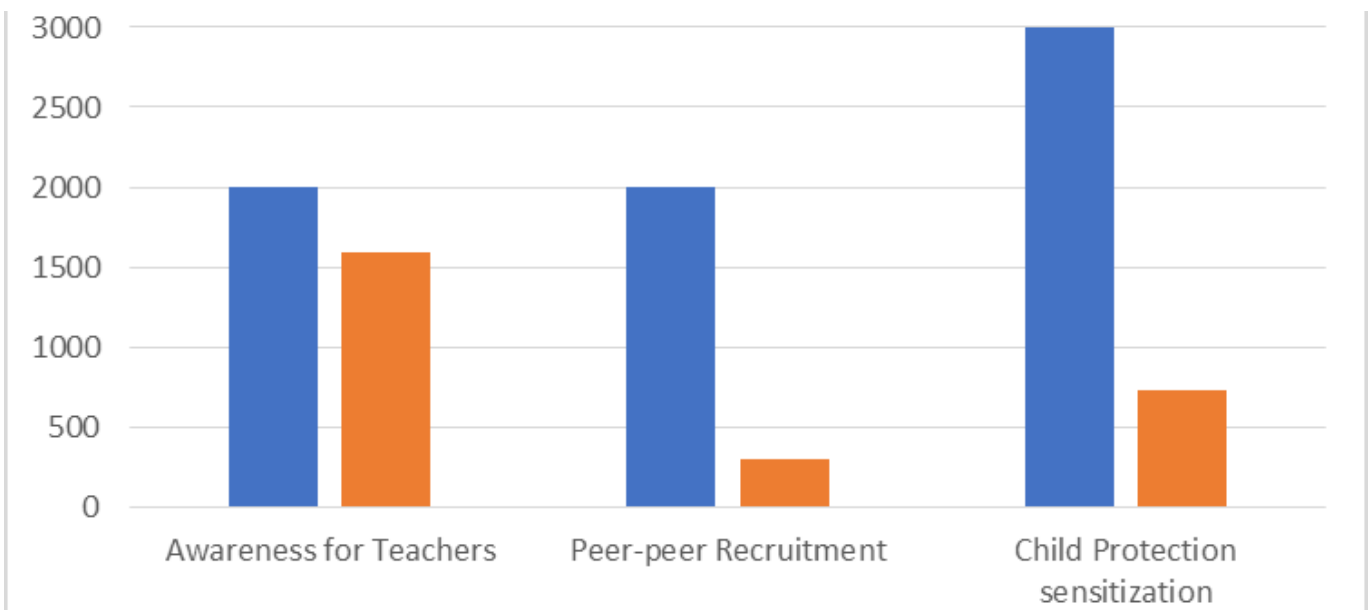
- Capacity building for 1789 Bible Club Patrons, teachers and PPI facilitators. This has been traditionally an area of strength and we strive to achieve more and more.
- Through partnership with World Vision we trained 5992 facilitators of PPI and Bible Club programs.
- Training of Trainers for Children Workers reaching 81 TOTs. These were mainly from churches because the schools space only opened later in the year. These ToTs trained 1019 other children ministry workers in the year.
- Trained 351 Children Ministry Volunteers mainly through regional forums. Of these were 190 new volunteers.
- 20,415 children and Bible Club leaders were trained through direct engagement with SUK staff and volunteers. An additional 441,519 children were reached through Partnerships with World Vision, One hope and Compassion.
- We also ran Bible camps, facilitated Vocational Bible Schools, trained Sunday school teachers and reached out to children in communities.

The graph below shows how the numbers above compare with the targets for the year.



iii. Advocacy

- In creating awareness about spiritual nurture for children, we reached 1593 Bible Club Patrons, Teachers and PPI facilitators. Campaign for peer-to-peer recruitment of children workers helped us reach potential 297 workers.
- Initiatives for sensitizing stakeholders on child safety and protection reached 726 stakeholders. This is a new area of emphasis and we will enhance efforts to reach more in the coming years. The comparative analysis with targets of the year is provided in the graph below.



- We continued to play the lead role in mobilizing and lobbying church leaders to prioritize children ministry and support PPI implementation through NCKK.
- Involvement in the Chaplaincy initiative and Curriculum development at the Kenya Institute of Curriculum Development remained critical platform for promoting the education curriculum to be more value-based

iv. Mentoring

- To promote mutual fellowship and care among our Volunteers in Children Ministry, we planned value-added teachers fellowships at regional and county level where 677 out of the desired 2000 participated.
- We had hoped to facilitate mentoring for 2000 Christian teachers and 50,000 peer educators and Bible club leaders in the year. However, succeeded to reach 728 and 14,072 respectively. With more open access to primary schools that we now have, we hope to reach more and achieve our targets going forward.

b. Family Ministry

Family Ministry (FM) is one of the key pillars in the work of SUK. We believe that the family is the single most important unit in raising a human being. SUK is committed to promoting wholesome relationships, healthy marriages and strong family life under the 'Design for Family' program.

In 2022, we achieved the following:

- i. Resourcing:** We commenced the process of reviewing and updating various resource materials for family ministry. The revised materials will be rolled out in 2023.
- ii. Equipping:** We organized capacity building forums on Family Ministry in Coast, South Rift and Lake Regions where 95 Staff and Volunteers were trained. We also conducted Training of Trainers (ToT) for 10 Volunteers and Staff.
- iii. Advocacy:** We participated in various Family Advocacy initiatives with partners such as the KCPF and NCKK.
- iv. Mentoring:** We targeted to reach to reach 840 couples and 840 parents in mentorship seminars. We reached 362 couples and 1973 parents through the seminars.

We are grateful to God for enabling us recruit a National Family Ministry Coordinator in September 2022. With this enhanced capacity, we aim to strengthen family ministry focusing on the following key components:

- i. Discipleship based Family programs: marital programs and parenting programs.
- ii. Out-reach based Family Programs: Family Intercessory Network (FI-Net) aimed at rallying people within and beyond SUK to specifically pray for the family and family support services including community counselling clinics and therapy centre services.
- iii. Advocacy and partnership Programs-Lobbying, Family para-mediation services
- iv. Research on family matters and trends to articulate issues with clarity and relevance

c. Bible Ministry (Scripture Engagement and Material Development)

According to Psalms 1, blessed are those whose delight is in the law of the Lord, and who meditate on His law, day and night. It is therefore our great privilege, as SUK, to encourage people of all ages to meet God daily through the Bible and Prayers. In 2022, we had the following highlights in scripture engagement and material development:

i. Resourcing: Through our bookshops we distributed 184,371 Golden Bells; 16,993 Daily Devotional Guides (5441-Daily Guide, 4247-Daily Power, 3191 God and Me, 4114 Guides in local languages – Kikamba, Kikuyu, Luo and Kalenjin); 1903 evangeli Sunday School materials and 2268 PPI manuals among other publications.

ii. Equipping: We trained 141 (annual target was 110) Writers to write quality and effective devotional notes.

iii. Advocacy: In our Bible reading awareness promotions we reached 88 volunteers and 45 churches which were below the desired targets of 280 Volunteer and 300 churches respectively. We aim to involve more volunteers, writers and editors to reach more churches and schools.

iv. Mentoring: We designed the Bible Bee Concept that is being rolled out in 2023. This is a Scripture Memory competition for Children in Schools.

d. Mental Health and Wellness Program

SUK designed and rolled out the mental health and wellness program in 2021 to provide support to stakeholders. This program involved development and dissemination of program resource materials, training and equipping 30 Trainer of Trainers (ToTs), training and equipping 5,000 mental health facilitators and caring and supporting 50,000 children, and by extension, their families.

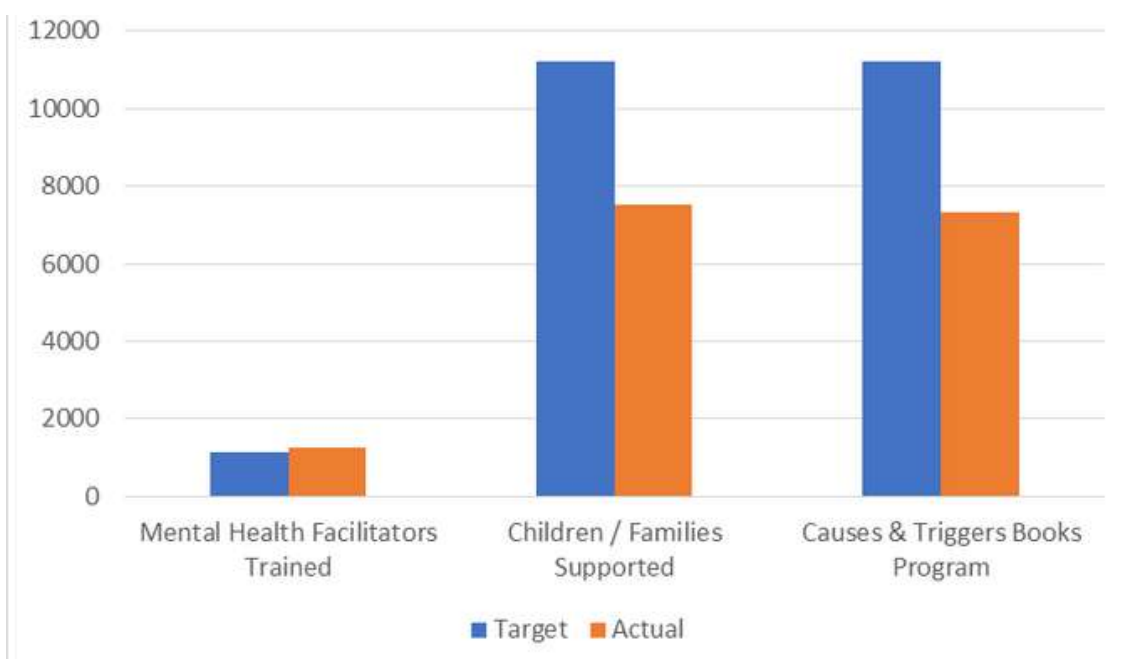
In 2022, we achieved the following in this program:

i. We trained 1258 mental health facilitators, up from the 168 trained in 2021.

ii. The mental health facilitators reached and supported 7513 children up from 4000 reported in 2021.

iii. We distributed 7329 mental health resources (Causes and Triggers).

In comparison with targets the year, the variances were as shown in the figure below.



This program has great potential for expansion and has served as a great entry strategy in schools where we haven't worked before. We pray for sustained funding and lasting impact.

3. Human Resource (HR) Management

a) SUK Staff complement and Capacity Building

SUK currently has a staff complement of 22. This represents a 30% growth from 17 in 2021. The expanding ministry needs demand for increased human resource and we are grateful to the Lord for this growth, as we trust him to raise more workers, for the harvest is plentiful.

Staff welfare and capacity development are key to enhance motivation and satisfaction, enable optimal utilization of their gifts, and cultivating a high performance culture in line with our core values. To this end, we organized comprehensive inductions for new staff and facilitated inhouse capacity building on child safety and protection and new models of ministry. We also exposed some of the staff to various other opportunities for personal and professional growth. Going forward, we plan to have a more structured and progressive staff training approach. We are also trusting God to establish an Institute for Capacity Development to run certified Staff and Volunteer training courses and create a niche in research and training on areas of special interest to SUK such as children ministry, family ministry, scripture engagement, experiential training and leadership for volunteer movements.

b) Volunteer Mobilization and Engagement

Having an effective volunteer movement is one of the key working principles and a critical success factor in SUK work. In 2022, we had about 500 Volunteers involved in SUK work across the country. Going forward, our desire is to grow this number steadily to enable us reach more schools. In 2023, we hope to increase this number to at least 2000. God has always used the ordinary people to accomplish great missions. Our commitment is to recruit, build capacity, care for and support a strong Movement of Volunteers to drive the ministry to growth.

4. Resource Mobilization and Sustainability

The main income sources for SUK are rent, program funds, general gifts and donations, membership subscriptions, interest income, Isinya farming project, Golden Bells Grant from SUCBC and designated funds from various donors for special projects such as Mental Health and Wellness Program.

In 2022, we experienced a decline in most of these areas as you will notice from the financial statements. This can be attributed to several factors including the global economic recess, elections in Kenya, and transitions in the office of the National Director. In view of the projected growth in income for 2023, we have identified the following areas as critical for income growth:

a) Membership Subscriptions and General Donations

The table below gives estimates of the number of membership subscriptions and individuals, churches and organizations that gave to SUK in the last 3 years.

Category	2020	2021	2022
Membership Subscriptions (Annual and life)	1	12	6
Individuals' donations	92	70	64
Church donations	4	4	7
Organization donations	7	6	1

We hope to achieve the following to improve these numbers significantly;

- i) Mobilize our members to update their subscriptions and commit to regularly support Scripture Union work. We also plan to roll out membership registration drives which seek to bring on board more churches, schools and individuals.
- ii) Enhance our reach to local donors and strengthen grassroots oriented support for the ministry at national, regional and county levels to raise general gifts and donations from individuals, organizations and churches. This will include enhanced communication and publicity and providing a unique value proposition.

b) A strategy for material development and distribution – we will be rolling out a robust strategy to grow our income through material development and distribution, both in print and in digital versions.

c) Partnerships - Growing and sustaining partnerships for various projects

We thank God for the partners who supported various programs and projects in 2022 as indicated in the table below. We hope to strengthen relationships with these partners as we explore reaching out to others to grow our partners portfolio and broaden our funding base.

Partners and the areas of Partnership

- i) Scripture Union International and Community group 2
- ii) Tearfund- Mental Health
- iii) Co-workers -Mental Health
- iv) TS Care Germany - Mental Health
- v) Anonymous Donor- Mental Health and Isinya Children Resource Centre
- vi) Hanson Young Trust - Mental Health
- vii) Ministry of Education - Chaplaincy and access to schools
- viii) Kenya Institute of Curriculum Development - Program for Pastoral Instruction (PPI)
- ix) National Council of Churches of Kenya (NCCCK) -Advocacy, Chaplaincy and Church Mobilization
- x) Evangelical Alliance of Kenya (EAK) -Church Mobilization
- xi) One Hope International - Resources for School Ministry
- xii) Forum for Bible Associations (FOBA) Scripture Engagement - Bible Reading Marathon
- xiii) Faith Comes by Hearing Scripture Engagement - Audio Bibles
- xiv) World Vision - Training Children Workers
- xv) Compassion International -Training Children Workers
- xvi) Local Churches - PPI, Sunday School Ministry

5.Looking ahead - Key initiatives for 2023

Here is a summary of key initiatives for 2023

a. Ministry programs

- i. Children – Increase the number of Children reached (2.1M) through churches and schools; increase number and enhance capacity of children workers (2000 Volunteers trained), enhance awareness and advocacy on children issues and ministry in Schools and churches, mobilize more younger volunteers – University and college Students, Trainee Teachers and Pastors (1200).
- ii. Family – Revamping family ministry with flagship programs; marital programs and parenting programs, Family Intercessory Network (FI-Net) and family support services, establishing structures for family ministry and recruiting Family ministry volunteers.
- iii. Bible (Scripture Engagement and Materials Development) - Develop and execute a robust strategy for material development and distribution for wider reach and increased income, develop new publications and initiatives; Children Hymn Book, Bible Bee - Hidden Word Challenge, Giriama Devotional and Digital Content for SUK Bible resources.

b. Organizational effectiveness

- i. Strengthening our membership recruitment and member engagement.
- ii. Enhancing our Human Resource Function.
- iii. Strengthening Regional and County Structures
- iv. Re-opening Isinya Centre for Children Ministry
- v. Enhancing Resource Mobilization
- vi. Leveraging technology for ministry, communication and branding.
- vii. Developing new Strategic Plan.

6. Conclusion

When entrusted with such great responsibilities we are reminded of the words of Zechariah 4:6, 'Not by might nor by power, but by my Spirit,' says the LORD Almighty. Emboldened by this great assurance, let's hold hands in unity of purpose and mind and press forward with great faith and hope. Let's do all the good we can, in all the ways we can, to all the souls we can, in every place we can, at all the times we can, with all the zeal we can, as long as we ever can (John Wesley).
In His name, in His steps, by His strength and for His glory!

***Mr. Ezekiel Baraza
National Director***



Winners of SUK Bible Trivia competition in West Pokot



Training for Bible Club Leaders at SUK Children Resource Centre - Isinya



Training for Sunday School Teachers in Mutomo - Kitui



Children displaying Mental Health Resource - Causes and Triggers

AUDITED ACCOUNTS 2022

SCRIPTURE UNION OF KENYA
CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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Scripture Union of Kenya

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Consolidated Annual Report and Financial Statements
For the year ended 31 December 2022

Organization information

National Governing Council

Ms. Christina Were	Chairperson
Mr. Ezekiel Baraza	National Director & NGC Secretary - Appointed on 4th Jan 2023
Mrs. Nancy Kahuthia	National Director & NGC Secretary - Retired on 28 February 2023
Mr. Joseph Gichuki	Honorary Treasurer - Deceased in March 2023
Mr Zack Gaya	Member- Resigned 12 July 2022
Mr. Frederick Kinyua	Member
Mr. Harun Kabiru	Member
Mr. Michael Ngure	Member
Mr. James Thuo	Member
Rev. Johna Muchiri	Member
Pastor Jane Ndanu	Member
Ms. Joan Kepha	Member- Appointed on 12 July 2022

Registered Office

Scripture Union Centre
Hurlingham
P.O. Box 40717-00100
Nairobi

Secretary

Lantern Associates
P.O Box 70268-00400
Nairobi

Independent Auditor

MGK Associates LLP
Certified Public Accountants of Kenya
P.O. Box 6358 - 00100
Nairobi

Principal Banker

Co-operative Bank of Kenya
Tom Mboya Branch
P.O Box 10179-00400
Nairobi.

SBM
Hurlingham Branch
P.O Box 3012-00100
Nairobi.

Stanbic Bank Kenya Ltd
Upperhill Branch
P.O Box 30390-00100
Nairobi.

Scripture Union of Kenya

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Consolidated Annual Report and Financial Statements
For the year ended 31 December 2022

National Governing Council report

The National Governing Council submitted their report together with the consolidated audited financial statements for the year ended 31st December 2022.

National Governing Council

The names of the National Governing Council members who held office during the year and to the date of this report are listed on page 2.

Principal activities

The principal activity of the Organization is to spread the Word of God through spiritual nurture for children's programs, children and youth camps, training Christian teachers and ministry workers and distribution of Christian literature. Scripture Union of Kenya controls Scripture Union Book Centre whose principal activity is publication and distribution of Christian literature.

Business review

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenya Societies Act. The accounting policies have been applied consistently compared to the prior year.

The performance of the organisation is as follows:

	2022		2021	
	Group Kshs	Parent-SUK Kshs	Group Kshs	Parent-SUK Kshs
Surplus	<u>2,929,590</u>	<u>9,992,540</u>	<u>19,574,744</u>	<u>22,965,378</u>

Terms of appointment of auditors

MGK Associates LLP, Certified Public Accountants have expressed their willingness to continue in office. The National Governing Council monitor the effectiveness, objectivity and independence of the auditors. The National Governing Council also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

By order of the Council


Secretary

Date: 30/03/2023

Scripture Union of Kenya

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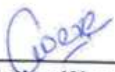
Consolidated Annual Report and Financial Statements
For the year ended 31 December 2022

Statement of National Governing council's Responsibilities


The Council is required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the organisation as at the financial year and its operating results for that year. The Council is also required to ensure that the organisation keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the organisation. They are also responsible for safeguarding the assets of the organisation.

The Council accept responsibility for the annual financial statements, which, have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates. The Council are of the opinion that the financial statements give a true and fair view of the state of financial affairs of the organisation and of its operating results. The Council further accept responsibility for the maintenance of accounting records which may be relied upon in preparation of financial statements, as well as adequate systems of internal financial controls.

Approved by the National Governing Council on 30/03/2023.....and signed on its behalf by:



Ms. Christina Were- Chairperson



Mr. Ezekiel Baraza - National Director



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 W www.mgkconsult.co.ke

CONSOLIDATED ANNUAL REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF SCRIPTURE UNION OF KENYA FOR THE YEAR ENDED 31ST DECEMBER 2022.

Opinion

We have audited the accompanying consolidated financial statements of Scripture Union of Kenya, set out on pages 7 to 24, which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income and statements of changes in equity and cash flows for the year then ended, and notes, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Organisation as at 31 December 2022 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and medium sized entities.

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 organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The National Governing Council is responsible for the other information. Other information comprises the information included in the Annual Report, but 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

National Governing Council responsibility for the financial statements

The National Governing Council is responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standards for Small and medium sized entities and for such internal control as the National Governing Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

CONSOLIDATED ANNUAL REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF SCRIPTURE UNION OF KENYA FOR THE YEAR ENDED 31ST DECEMBER 2022 (CONTINUED).

National Governing Council' responsibility for the financial statements (continued)

In preparing the financial statements, the National Governing Council is responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the National Governing Council either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

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 scepticism 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 organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 organisation'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 auditor's report. However, future events or conditions may cause the organisation 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.

We communicate with those charged with governance regarding, 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA James Gichuru of Practising Certificate No. 2640.



For and on behalf of
MGK Associates LLP
Certified Public Accountants
Nairobi, Kenya

31st March 2023

Scripture Union of Kenya

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Consolidated Annual Report and Financial Statements
For the year ended 31 December 2022

Organisation Statement of Comprehensive Income

	Notes	2022 Kshs	2021 Kshs
Income			
Grant and program income	3a	18,494,795	23,454,971
Scripture Union Christian Book Centre grant	3b	14,414,530	17,318,434
Rental income	3c	10,374,414	10,939,671
Other income	5	-	158,234
		<u>43,283,739</u>	<u>51,871,310</u>
Expenditure			
Program expenses	6	(18,771,301)	(15,647,996)
Establishment expenses	8	(583,089)	(334,619)
Finance cost	9	(37,217)	(34,449)
Administrative expenses	10	(13,899,592)	(12,888,868)
Surplus for the year		<u>9,992,540</u>	<u>22,965,378</u>
Surplus funds reconciliation			
General funds		6,482,620	17,658,671
Designated funds	4	3,509,920	5,306,707
		<u>9,992,540</u>	<u>22,965,378</u>

The notes on pages 14 to 24 are an integral part of these financial statements

Scripture Union of Kenya

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Consolidated Annual Report and Financial Statements
For the year ended 31 December 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Income	Notes	2022 Kshs	2021 Kshs Restated
Grant and program income	3a	18,494,795	20,006,169
Rental income	3b	8,346,347	9,105,257
Gross profit from trading	7	24,470,873	31,288,646
Other income	5	127,925	158,234
Expenditure		<u>51,439,939</u>	<u>60,558,306</u>
Program expenses	6	(18,771,301)	(15,647,996)
Establishment expenses	8	(687,974)	(443,654)
Finance cost	9	(46,909)	(67,253)
Administrative expenses	10	(29,004,166)	(24,824,660)
Surplus for the year		<u>2,929,590</u>	<u>19,574,744</u>
Tax charge/(credit) for the year	12 (a)	(9,782,507)	574,042
(Deficit)/surplus after tax		<u>(6,852,918)</u>	<u>20,148,788</u>
Surplus funds reconciliation			
General funds		2,929,590	19,574,744
		<u>2,929,590</u>	<u>19,574,744</u>

The notes on pages 14 to 24 are an integral part of these financial statements

Scripture Union of Kenya

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Consolidated Annual Report and Financial Statements
For the year ended 31 December 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

ASSETS	Notes	2022 Kshs	2021 Kshs Restated
Non - Current Assets			
Deferred tax asset	12 c	2,011,228	11,793,735
Property, plant and equipment	14	19,446,523	19,281,874
Investment property	15	39,575,772	39,575,772
Intangible assets	16	40,666	181,333
		<u>61,074,190</u>	<u>70,832,714</u>
Current Assets			
Inventory	17	26,534,335	11,236,943
Trade and other receivables	18	13,186,190	7,378,090
Cash and cash equivalents	19	25,842,935	31,618,482
		<u>65,563,460</u>	<u>50,233,515</u>
Total Assets		<u><u>126,637,650</u></u>	<u><u>121,066,229</u></u>
FUNDS AND LIABILITIES			
General funds	Page 12	<u>95,627,259</u>	<u>102,526,667</u>
Current Liabilities			
Trade and other payables	20	<u>31,010,391</u>	<u>18,539,562</u>
		<u>31,010,391</u>	<u>18,539,562</u>
Total Equity and Liabilities		<u><u>126,637,650</u></u>	<u><u>121,066,229</u></u>

The notes on pages 14 to 24 are an integral part of these financial statements

The financial statements were approved by the Governing Council on 30/03/2023 and signed on its behalf by:


Ms. Christina Were- Chairperson


Mr. Ezekiel Baraza - National Director

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Statement of Changes in Funds
For the year ended 31 December 2022

Statement of Changes in Funds as at 31 December

	General reserves	Totals
	Kshs	Kshs
Year ended 31st December 2022		
Balance at 1st January	108,662,196	108,662,196
Surplus for the year	9,992,540	9,992,540
Prior year adjustments (note 24)	(10,846,490)	(10,846,490)
Balance at 31st December 2022	<u>107,808,246</u>	<u>107,808,246</u>
Year ended 31st December 2021		
Balance at 1st January	83,350,414	83,350,414
Surplus for the year	22,965,378	22,965,378
Prior year adjustments (note 24)	2,346,404	2,346,404
Balance at 31st December 2021	<u>108,662,196</u>	<u>108,662,196</u>

The notes on pages 14 to 24 are an integral part of these financial statements

Scripture Union of Kenya

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Consolidated Statement of Changes in Funds
For the year ended 31 December 2022

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS AS AT 31 DECEMBER

	General reserves Kshs	Totals Kshs
Year ended 31st December 2022		
Balance at 1st January 2022	102,526,667	102,526,667
Surplus for the year	(6,852,918)	(6,852,918)
Prior year adjustments (note 24)	(46,490)	(46,490)
Balance at 31st December 2022	<u>95,627,259</u>	<u>95,627,259</u>
Year ended 31st December 2021		
Balance at 1st January 2021	84,304,028	84,304,028
Surplus for the year	20,148,788	20,148,788
Prior year adjustments (note 24)	(1,926,149)	(1,926,149)
Balance at 31st December 2021	<u>102,526,667</u>	<u>102,526,667</u>

The notes on pages 14 to 24 are an integral part of these financial statements

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Consolidated Annual Report and Financial Statements
For the year ended 31 December 2022

CONSOLIDATED STATEMENT OF CASHFLOWS AS AT 31 DECEMBER

	Notes	2022 Kshs	2021 Kshs
Operating Activities			
Surplus for the year		2,929,590	19,574,744
Adjustments for:			
Depreciation charge for the year	14	2,444,286	2,319,869
Amortisation charge for the year	16	140,667	90,667
Operating cash flow before working capital changes		5,514,543	21,985,279
Changes in working capital			
Inventories		(15,297,394)	11,374,817
Trade and other receivables		(5,808,099)	(486,274)
Trade and other payables		12,470,829	(1,418,633)
Net cash flow (used in)/generated from operating activities		(3,120,123)	31,455,189
Investing Activities			
Purchase of fixed assets	14	(2,608,935)	(971,855)
Purchase of intangible assets	16	-	(122,000)
Net cash flow used in investing activities		(2,608,935)	(1,093,855)
Financing Activities			
Prior year adjustment (note 24)		(46,490)	(1,926,149)
Net cash outflow (used in) financing activities		(46,490)	(1,926,149)
Net (decrease)/increase in cash and cash equivalents		(5,775,548)	28,435,185
Cash and cash equivalents at the beginning of the year		31,618,483	3,183,298
Cash and cash equivalents at the end of the year	19	25,842,935	31,618,483

The notes on pages 14 to 24 are an integral part of these financial statements

Significant accounting policies

General information

Scripture Union of Kenya is domiciled in Kenya where it is registered under the Societies Act. The address of its registered office and principal place of business is Scripture Union Centre, Hurlingham, P.O Box 40717-00100. The principal activities of the group are to spread the word of God through spiritual nurture for Children's program, youth camps, training Christian teachers and distributing Christian Literature.

Scripture Union of Kenya controls a company limited by guarantee Scripture Union Christian Book Centre whose principal activity is fostering the Ministry of Scripture Union of Kenya by publishing and selling Christian Literature. The accounts of the subsidiary have been consolidated in the financial statements.

1 Basis of preparation and summary of significant accounting policies

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. They are presented in Kenya Shillings (Kshs). The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

a) Revenue recognition

Revenue from sales of goods is recognised when the goods are delivered and title has passed. Revenue from sale of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales-related taxes collected on behalf of the government of Kenya.

Rental income from investment properties is recognised on a straight line basis over the respective lease term. The rent income is net of VAT.

Grants and donations income are recognised on receipt basis.

b) Borrowings and borrowings costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

c) Income tax

Tax expense represents the aggregate amount included in profit or loss for the period in respect of current tax and deferred tax.

Current tax is the amount of income tax payable or refundable in respect of the taxable profit or loss for the current and prior periods, determined in accordance with the Kenyan Income Tax Act.

Deferred tax is determined on differences arising between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences), using tax rates and laws enacted or substantively enacted at the balance sheet date and expected to apply when the asset is recovered or the liability is settled.

Income derived from grants and donations are exempt from tax. The organisation is in the process of updating its tax exempt status with Kenya Revenue Authority and the directors consider it likely that exemption will be received on all its earnings

Significant accounting policies (Continued)

d) Translation of foreign currency

All transactions in foreign currencies are initially recorded in Kenya Shillings, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

e) Motor vehicle, computers, equipment, furniture and fittings

All assets are stated at historical cost less accumulated depreciation. Depreciation is calculated on the reducing balance basis to write down the cost to their residual values over their estimated useful lives as follows:

Motor vehicles	25%
Computer and accessories	30%
Office partitions	10%
Furniture, fixtures and fittings	10%
Office equipment	10%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in profit or loss.

f) Intangible assets

Intangible assets comprise purchased computer software and are stated at cost less accumulated amortization and any accumulated impairment losses. They are amortized over their estimated life of three years using the straight-line method. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible assets, amortization is revised prospectively to reflect the new expectation.

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, term and call deposits with banking institutions and other short-term highly liquid investments in money market instruments with maturities of three months or less from the date of acquisition net of bank overdrafts. In the statement of financial position, bank overdrafts are disclosed as borrowings under current liabilities.

h) Comparatives

Where necessary, the comparative amounts have been adjusted to comply with the financial reporting requirements.

i) Financial assets

Trade and other receivables are initially recognized at the transaction price. Most sales are made on the normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately.

Bad debts are written off after all reasonable steps are have been taken to recover them without success and after the approval of the National Governing Council.

Scripture Union of Kenya

Consolidated Annual Report and Financial Statements
For the year ended 31 December 2022

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Significant accounting policies (Continued)**j) Leases**

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

Rights to assets held under finance leases are recognised as assets of the Organization at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

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

k) Impairment of non-financial assets

At each reporting date, property, plant and equipment, investment property, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

l) Financial liabilities

Financial liabilities are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

m) Employee benefits - post-employment benefit obligations

The company and the employees also contribute to the National Social Security Fund (NSSF), a national defined contribution scheme. Contributions are determined by local statute and the Organization's contributions are charged to profit or loss in the year to which they relate.

Significant accounting policies (Continued)**2 Critical accounting estimates and judgements**

The Organization makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

a) Tangible and intangible assets

Critical estimates are required in determining the depreciation rates for furniture and fittings, computers, motor vehicles, computer software and office equipment. The management determines these rates of depreciation based on their assessment of the useful lives of the various items of property and equipment.

b) Inventory valuation

Inventory property is stated at the lower of cost and net realisable value (NRV). NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Organization, based on comparable transactions identified by the Organization for properties in the same geographical market serving the same real estate segment. NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

c) Investment Property

Property held to earn rentals or for capital appreciation or both is classified as investment property. Investment property whose fair value cannot be measured reliably without undue cost or effort is measured at cost less accumulated depreciation and any accumulated impairment losses.

d) Financial risk management objectives and policies

The Organization's activities expose it to a variety of financial risks including credit liquidity and changes in market prices of the Organization's products. The Organization's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Organization does not hedge any risks and has in place policies to ensure that credit is extended to customers with an established credit history.

Scripture Union of Kenya
Consolidated Annual Report and Financial Statements
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Notes to the Financial Statements

	Group		Parent-SUK				
	2022 Kshs	2021 Kshs	2022 Kshs	2021 Kshs			
3 Income							
a) Grant and program income							
Fund raising- Program income	13,617,588	16,863,046	13,617,588	16,863,046			
General gifts and donations	738,709	2,108,205	738,709	2,108,205			
Membership	18,000	42,000	18,000	42,000			
Ministry support from SUCBC	-	-	-	3,600,000			
Isinya farming income	2,536,254	841,720	2,536,254	841,720			
Interest income	1,584,244	151,198	1,584,244	-			
	<u>18,494,795</u>	<u>20,006,169</u>	<u>18,494,795</u>	<u>23,454,971</u>			
b) Golden Bells Proceeds	-	-	14,414,530	17,318,434			
c) Rental income	8,346,347	9,105,257	10,374,414	10,939,671			
4 Designated funds							
Year 2022							
	ANONYMOUS DONOR	TS CARE GERMANY	LE AFRICA	HANSON YOUNG TRUST	TEARFUND	COWORKERS	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Balance as at 1 January 2022	4,512,722	127,990	665,995	-	-	-	5,306,707
Receipts during 2022	-	991,471	64,466	411,424	2,137,613	937,266	4,542,240
Less: Expenditure							
Program expenses	1,732,210	955,461	730,461	389,994	1,453,907	389,994	5,652,027
Capital expenditure	-	164,000	-	-	390,000	133,000	687,000
Balance as at 31 December 2022	<u>2,780,512</u>	<u>-</u>	<u>-</u>	<u>21,430</u>	<u>293,706</u>	<u>414,272</u>	<u>3,509,920</u>
Year 2021							
Balance as at 1 January 2021	-	-	-	-	-	-	-
Receipts during 2021	4,512,722	127,990	665,995	-	-	-	5,306,707
Less: Expenditure							
Program expenses	-	-	-	-	-	-	-
Capital expenditure	-	-	-	-	-	-	-
Balance as at 31 December 2021	<u>4,512,722</u>	<u>127,990</u>	<u>665,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,306,707</u>
5 Other income							
Boardroom hire and miscellaneous income	127,925	158,234	-	-	-	-	158,234
	<u>127,925</u>	<u>158,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>158,234</u>
6 Program expenditure							
Program facilitation costs- salaries	7,921,853	5,605,309	-	-	-	-	-
Camping, seminars and rallies expenses	3,481,867	5,341,269	-	-	-	-	-
Program materials	2,881,701	2,109,540	-	-	-	-	-
Editorial expenses	292,000	267,220	-	-	-	-	-
Isinya project costs	2,165,069	1,311,092	-	-	-	-	-
Meetings and conferences	393,590	378,250	-	-	-	-	-
Motor vehicle running expenses	229,310	241,641	-	-	-	-	-
Rent and rates	158,005	147,825	-	-	-	-	-
Travel and accommodation	286,700	245,850	-	-	-	-	-
Other Designated Costs (LE Africa & CG2)	961,205	-	-	-	-	-	-
	<u>18,771,301</u>	<u>15,647,996</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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Notes to the Financial Statements (Continued)

	Group		Parent-SUK	
	2022 Kshs	2021 Kshs	2022 Kshs	2021 Kshs
7 Gross profit from Trading				
Sales	56,093,264	58,765,248	-	-
Cost of goods sold	(31,622,392)	(27,476,602)	-	-
	<u>24,470,873</u>	<u>31,288,646</u>	<u>-</u>	<u>-</u>
8 Establishment Expenses				
Repairs and maintenance	389,323	138,100	380,695	124,935
Insurance and licenses	298,651	305,554	202,394	209,684
	<u>687,974</u>	<u>443,654</u>	<u>583,089</u>	<u>334,619</u>
9 Finance charges				
Interest on short term facility	44,726	52,630	35,034	34,449
Foreign exchange loss	2,183	14,623	2,183	-
	<u>46,909</u>	<u>67,253</u>	<u>37,217</u>	<u>34,449</u>
10 Administration expenses				
Salaries and wages	11,403,164	12,408,542	5,153,431	6,381,452
Depreciation	2,444,286	2,319,869	2,239,894	2,081,364
Rent and rates	1,260,687	1,223,937	47,298	50,627
Staff welfare and medical	1,554,227	1,615,308	885,440	989,711
Electricity, water, fuel, telephone and postages	1,591,927	1,489,363	1,115,163	896,281
Security expenses	938,250	900,000	560,250	540,000
Travelling and accommodation expenses	213,642	215,103	159,082	105,458
Audit fees	400,000	330,000	200,000	150,000
Amortisation	140,667	90,667	-	-
Management fees	422,888	361,784	422,888	361,784
Motor vehicle expenses	343,312	380,668	242,592	209,780
Subscriptions expenses	15,450	72,980	15,450	72,980
Bank charges	253,245	218,830	128,340	103,480
Donations	470,355	1,870,970	355,600	70,919
Office general expenses	105,086	72,172	105,086	72,172
AGM and governance meetings	742,349	598,717	677,919	539,113
Printing and stationery	240,604	165,450	98,962	34,918
Staff training and retreat	304,078	31,200	292,878	20,000
Internet expenses	82,194	86,174	82,194	86,174
PR and branding expenses	215,236	67,535	82,500	-
Computer expenses	431,243	278,391	202,061	119,155
Fines and penalties	5,427,776	-	829,064	-
Accountancy and professional fees	3,500	27,000	3,500	3,500
	<u>29,004,166</u>	<u>24,824,660</u>	<u>13,899,592</u>	<u>12,888,868</u>
11 Operating surplus				
Operating profit for the year is after charging :-				
Audit fees	400,000	330,000	200,000	150,000
Amortisation	140,667	90,667	-	-
Depreciation	2,444,286	2,319,869	2,239,894	2,081,364
Staff costs	<u>12,957,391</u>	<u>14,023,851</u>	<u>6,038,871</u>	<u>7,371,163</u>

Scripture Union of Kenya

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Consolidated Annual Report and Financial Statements
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Notes to the Financial Statements (Continued)	Group		Parent-SUK	
	2022	2021	2022	2021
12 Taxation	Kshs	Kshs	Kshs	Kshs
a) Tax expense				
Deferred tax	9,782,507	(574,042)	-	-
b) Tax reconciliation				

The tax expense for the year differs from the theoretical amount that would result from applying the statutory tax rate of 30% (2021: 30%) to (deficit)/ surplus before tax as follows:

	2022 Kshs	2021 Kshs	2022 Kshs	2021 Kshs
Surplus before tax	(7,062,952)	(3,390,617)	-	-
Tax calculated at the statutory rate of 30%	(2,118,886)	(1,017,185)	-	-
Tax effect of:				
Expenses not deductible for tax purposes	9,890,164	443,143	-	-
Deferred tax	2,011,228	-	-	-
Tax charge/ (credit)	9,782,507	(574,042)	-	-

c) Deferred tax

Deferred tax is calculated using the enacted rate of 30% (2021: 30%). The following are the deferred tax assets (liabilities) recognised by the entity:

Period ended 31st December 2022	At start of	Credited	At end of
	year	/(charged) to	year
Deferred tax asset	Kshs	profit or loss Kshs	Kshs
Property, plant and equipment	(21,893)	(1,427,685)	(1,449,578)
Taxable losses	(11,771,842)	11,210,192	(561,650)
Net deferred tax asset	(11,793,735)	9,782,507	(2,011,228)

The deferred tax relates to the results of the Organization's subsidiary, Scripture Union Christian Book Centre.

Scripture Union of Kenya

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Notes to the Financial Statements (Continued)

13 Parent Property plant and equipment	Year 2022							Total Kshs
	Freehold land Kshs	Motor vehicles Kshs	Motor cycles Kshs	Computers Kshs	Furniture and equipment Kshs	Project Isinya Kshs		
Cost								
At 1 January	303,000	9,742,903	2,153,000	1,895,445	12,016,911	18,626,193	44,737,452	
Additions	-	-	-	741,241	24,485	1,690,209	2,455,935	
At 31 December	303,000	9,742,903	2,153,000	2,636,686	12,041,396	20,316,402	47,193,387	
Accumulated depreciation								
At 1 January	-	9,338,181	2,123,243	1,831,842	8,692,953	4,766,643	26,752,862	
Charge for the year	-	101,181	7,439	241,453	334,844	1,554,976	2,239,893	
At 31 December	-	9,439,361	2,130,682	2,073,295	9,027,798	6,321,619	28,992,754	
Carrying amount								
At 31 December	303,000	303,542	22,318	563,391	3,013,598	13,994,783	18,200,633	
Year 2021								
Cost								
At 1 January	303,000	9,742,903	2,153,000	1,895,445	12,016,911	17,654,338	43,765,597	
Additions	-	-	-	-	-	971,855	971,855	
At 31 December	303,000	9,742,903	2,153,000	1,895,445	12,016,911	18,626,193	44,737,452	
Accumulated depreciation								
At 1 January	-	9,203,273	2,113,323	1,804,584	8,323,625	3,226,693	24,671,498	
Charge for the year	-	134,907	9,919	27,258	369,329	1,539,950	2,081,363	
At 31 December	-	9,338,181	2,123,243	1,831,842	8,692,953	4,766,643	26,752,861	
Carrying amount								
At 31 December	303,000	404,722	29,757	63,603	3,323,958	13,859,550	17,984,591	

Scripture Union Christian Book Centre

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Notes to the Financial Statements (Continued)

Consolidated property 14 plant and equipment Group	Freehold land Kshs	Isinya Project Kshs	Motor vehicles Kshs	Motor cycles Kshs	Computer and Accessories Kshs	Office partition Kshs	Furniture and fittings Kshs	Equipment's Kshs	Total Kshs
Year 2022									
Cost									
At 1 January	303,000	18,626,193	11,217,455	2,153,000	6,270,730	483,199	15,912,500	601,208	55,567,285
Additions	-	1,690,209	-	-	885,241	-	33,485	-	2,608,935
At 31 December	303,000	20,316,402	11,217,455	2,153,000	7,155,971	483,199	15,945,985	601,208	58,176,220
Accumulated depreciation									
At 1 January	-	4,766,643	10,731,121	2,123,242	5,967,017	398,647	11,802,209	496,532	36,285,411
Charge for the year	-	1,554,976	121,583	7,440	327,887	8,455	413,477	10,468	2,444,286
At 31 December	-	6,321,619	10,852,705	2,130,681	6,294,904	407,103	12,215,686	507,000	38,729,697
Carrying amount									
At 31 December	303,000	13,994,783	364,750	22,319	861,067	76,096	3,730,299	94,208	19,446,523
Year 2021									
Cost									
At 1 January	303,000	17,654,338	11,217,455	2,153,000	6,270,730	483,199	15,912,500	601,208	54,595,430
Additions	-	971,855	-	-	-	-	-	-	971,855
At 31 December	303,000	18,626,193	11,217,455	2,153,000	6,270,730	483,199	15,912,500	601,208	55,567,285
Accumulated depreciation									
At 1 January	-	3,226,693	10,569,010	2,113,322	5,836,855	389,252	11,345,509	484,901	33,965,543
Charge for the year	-	1,539,950	162,111	9,919	130,163	9,395	456,699	11,631	2,319,868
At 31 December	-	4,766,643	10,731,121	2,123,242	5,967,017	398,647	11,802,209	496,532	36,285,411
Carrying amount									
At 31 December	303,000	13,859,550	486,334	29,758	303,713	84,552	4,110,291	104,676	19,281,874

a) The freehold land comprises of property of Isinya, Kajiado County L.R No Kajiado/Kaputei North/2035 measuring 4.05 hectares. The property is under development and has a market value of Kshs 59million is based on a professional valuation undertaken in 2016. The property is carried in the books at a cost of Kshs 303,000

b) Scripture Union of Kenya owns a plot in Eldoret, Uasin Gishu County L.R No. Pioneer/Ngeria Block 1 (EATEC)/11885 measuring 0.39 hectares. The plot was purchased over 15 years ago and the cost has not been established hence it has not been brought into the books. The director's valuation of the plot is Kshs 9million

Scripture Union of Kenya

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Consolidated Annual Report and Financial Statements
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Notes to the Financial Statements (Continued)	Group		Parent-SUK	
	2022 Kshs	2021 Kshs	2022 Kshs	2021 Kshs
15 Investment property at cost				
Scripture Union Centre	<u>39,575,772</u>	<u>39,575,772</u>	<u>39,575,772</u>	<u>39,575,772</u>
Investment property relates to the cost of land and building in Hurlingham where Scripture Union of Kenya are based and other units are rented out.				
	Group		Parent-SUK	
	2022	2021	2022	2021
	Kshs	Kshs	Kshs	Kshs
16 Intangible assets				
At 1st January	1,895,245	1,773,245	-	-
Additions	-	122,000	-	-
At 31 December	<u>1,895,245</u>	<u>1,895,245</u>	-	-
Amortization	1,713,912	1,623,245	-	-
Charge for the year	140,667	90,667	-	-
At 31 December	<u>1,854,579</u>	<u>1,713,912</u>	-	-
Net book value as at 31 December	<u>40,666</u>	<u>181,333</u>	-	-
17 Inventories				
Books and other materials	<u>26,534,335</u>	<u>11,236,943</u>	-	-
18 Trade and other receivables				
Trade receivables	11,292,629	6,022,452	1,316,451	2,010,507
Other receivables	<u>1,893,561</u>	<u>1,355,639</u>	<u>822,271</u>	<u>282,179</u>
	<u>13,186,190</u>	<u>7,378,090</u>	<u>2,138,722</u>	<u>2,292,686</u>
19 Cash and cash equivalents				
Bank balances	25,653,996	31,596,370	19,081,201	25,877,802
Cash on hand	<u>188,939</u>	<u>22,112</u>	<u>48,876</u>	<u>(6,128)</u>
	<u>25,842,935</u>	<u>31,618,482</u>	<u>19,130,077</u>	<u>25,871,674</u>
20 Trade and other payables				
Trade payables	16,289,304	7,354,155	174,353	740,447
Accruals, rent deposits and other payables	<u>14,721,087</u>	<u>11,185,408</u>	<u>3,422,835</u>	<u>2,806,058</u>
	<u>31,010,391</u>	<u>18,539,562</u>	<u>3,597,188</u>	<u>3,546,505</u>
21 Long-term Irredeemable Loan				
SUK Long-term Irredeemable Loan	<u>19,904,392</u>	-	<u>19,904,392</u>	-

The Organization has entered into an Irredeemable Long-term Loan Agreement with Scripture Union Christian Book Centre, converting the of debts owed from the borrower into an irredeemable long-term loan facility. The facility is repayable upon dissolution of the Lender or early repayment in full of the outstanding amount by the Borrower, whichever comes first. The facility does not bear any interest, and the Borrower may make early repayment without penalty at any time. The security for the facility is a floating charge over the Borrower's assets, and the Lender maintains the first right of refusal for long-term financing, except where such financing shall in part or wholly repay the outstanding facility amount.

Scripture Union of Kenya

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Consolidated Annual Report and Financial Statements
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Notes to the Financial Statements (Continued)

22 Related party balances	Group		Parent-SUK	
	2022	2021	2022	2021
	Kshs	Kshs	Kshs	Kshs
Scripture Union Christian Book Centre				
As at 1 January	-	-	26,483,978	26,899,324
Advanced during the year	-	-	24,024,219	7,266,514
Paid during the year	-	-	(38,052,358)	(7,681,860)
As at 31 December	-	-	12,455,839	26,483,978

Scripture Union of Kenya is related to Scripture Union Christian Book Centre Limited by common management. Scripture Union Christian Book Centre Limited operates a bookshop at Scripture Union Centre which is owned by Scripture Union of Kenya. Scripture Union of Kenya has also granted Scripture Union Christian Book Centre Limited rights to print and distribute Golden bells.

Scripture Union Christian Book Centre Limited pays rent for the bookshop space and royalty for the rights granted to print and distribute Golden bells.

	Parent-SUK	
	2022	2021
	Kshs	Kshs
i) Rent for the year		
- Rent billed to Scripture Union Christian Book Centre Limited	2,028,067	1,834,414
	<u>2,028,067</u>	<u>1,834,414</u>
ii) Outstanding balances		
Amounts due from related parties		
- Rent receivable from Scripture Union Christian Book Centre Ltd	2,368,335	3,489,532
- Grant receivable from Scripture Union Christian Book Centre Ltd	10,176,850	-
- Royalty receivable from Scripture Union Christian Book Centre Ltd	-	7,200,000
- Other receivables from Scripture Union Christian Book Centre Ltd	(89,347)	15,794,446
	<u>12,455,839</u>	<u>26,483,978</u>

23 Subsequent Events Review

There are no material subsequent events that would require disclosure in the financial statements.

24 Capital Commitments

The Company has no capital commitments, whether authorised and contracted or authorised and not contracted.

25 Contingent liability

The organisation has been involved in a case filed by former employees who were made redundant in 2018 and who are claiming additional pay and benefits totalling Kshs 4,257,000.

26 Prior year adjustments

The prior year adjustment relates to prior periods program incomes and expenditure that were not accounted for in the prior year.

Scripture Union of Kenya
TAX COMPUTATION

Appendix I

	2022 Kshs	2021 Kshs
Loss before tax	(7,062,952)	(3,390,634)
Add Back		
Prior year adjustment	10,800,000	-
Grant to Scripture union of Kenya	14,414,530	17,318,434
Depreciation	204,392	238,505
Software amortization	140,667	90,667
Donations	114,755	1,800,051
Tax arrears accrual	4,598,712	31,575
	23,210,104	16,088,598
Less		
Unrealised Exchange Gain	(89,338)	-
Wear and Tear	(207,013)	(208,035)
Software amortization	-	(72,688)
	22,913,752	15,807,876
Tax Loss Brought Forward	(24,785,919)	(40,593,795)
Taxable Loss C/F	<u>(1,872,167)</u>	<u>(24,785,919)</u>

	Motor vehicles Kshs 25.00%	Computers and Accessories Kshs 25.00%	Office partition Kshs 10.00%	Furniture and fitting Kshs 10.00%	Equipment Kshs 10.00%	Total Kshs
WDV 1/1/2022	75,334	267,036	71,459	677,421	96,327	1,187,577
		144,000		9,000		153,000
	<u>75,334</u>	<u>411,036</u>	<u>71,459</u>	<u>686,421</u>	<u>96,327</u>	<u>1,340,577</u>
W&T	(18,834)	(102,759)	(7,146)	(68,642)	(9,633)	(207,013)
WDV 31/12/2022	<u>56,501</u>	<u>308,277</u>	<u>64,313</u>	<u>617,779</u>	<u>86,695</u>	<u>1,133,564</u>
WDV 1/1/2021	100,445	356,048	79,399	752,690	107,030	1,395,612
	<u>100,445</u>	<u>356,048</u>	<u>79,399</u>	<u>752,690</u>	<u>107,030</u>	<u>1,395,612</u>
W&T	(25,111)	(89,012)	225,000 (7,940)	(75,269)	(10,703)	(208,035)
WDV 31/12/2021	<u>75,334</u>	<u>267,036</u>	<u>71,459</u>	<u>677,421</u>	<u>96,327</u>	<u>1,187,577</u>

Scripture Union of Kenya
Proposed audit Journal entries
For the year ended 31 December 2022

	Debit Kshs	Credit Kshs	Income and Expenditure reconciliation Kshs
Surplus as per client			14,477,239
1 Audit fees			
Other payables	50,000	50,000	(50,000)
<i>Being under provision of audit fees for the year</i>			
2 Program income			
RP rent receivable	147,967	147,967	(147,967)
<i>Being reversal of World vision income erroneously posted to SUK</i>			
3 Fines and penalties			
Other payables	744,600	744,600	(744,600)
<i>Being accrual of NITA penalties imposed to SUK</i>			
4 Retained Earnings			
Bank charges	11,379	11,379	
<i>Being bank charges for previous year booked after audit reversed</i>			
5 SUCBC Long-term Irredeemable Loan			
Grants receivable	4,237,680	4,237,680	
<i>Being legacy debts accrued by SUCBC to be settled by SUK</i>			
6 SUCBC Long-term Irredeemable Loan			
SUCBC Rent Receivable	2,636,772	2,636,772	
<i>Being Rent payable to SUK for periods prior to Oct 2019, now moved to long-term debt</i>			
7 Royalties/Ministry support Receivable			
SUCBC Long-term Irredeemable Loan	3,600,000	3,600,000	
<i>Being money paid towards 2020 royalties now transferred to long term irredeemable debt</i>			
8 Income Statement			
Reserves for prior year adjustments	3,600,000		(3,600,000)
Royalties/Ministry support Receivable	10,800,000		
<i>Being 2019 to 2022 royalties payable now written off</i>			
9 SUCBC Long-term Irredeemable Loan			
Other receivables from SUCBC	16,629,940	16,629,940	
<i>Being related party balances transferred to long term debt</i>			
10 Program income			
Reserves	5,978,830	5,978,830	(5,978,830)
<i>Being 2021 Program Income for North Rift region</i>			
11 Reserves			
Camping, seminars and rallies	6,025,320	3,863,112	
<i>Being 2021 program expenditure for North Rift region</i>			
12 Related party receivables			
Trade receivables	19,567,604	19,567,604	
<i>Being reclass of rent receivable from related parties</i>			
13 Rent income			
Rent expense	2,028,067	2,028,067	
<i>Being rent billed to SUCBC reversed</i>			
Profit as per financial statements			<u>9,992,541</u>

Approved By.....

Signature 

SCRIPTURE UNION OF KENYA PROPOSED 2023 BUDGET

SCRIPTURE UNION OF KENYA
PROPOSED 2023 BUDGET

1

1. SUK Budget 2023 - Income & Expenditure Summary					
	2023 BUDGET	2022 ACTUAL	2022 BUDGET	2021 ACTUAL	2021 BUDGET
Income					
Rent and Service Charge	12,770,376	10,374,414.00	10,887,516.00	10,939,671.00	10,427,196.00
Designated funds & donations	14,444,289	6,342,238.10	9,150,000.00	10,813,777.87	9,750,004.00
Farming, Interest income	6,881,808	4,120,498.00	6,305,064.00	852,726.00	399,996.00
SUCBC Royalties		-	3,600,000.00	3,600,000.00	3,600,000.00
Income from Golden Bells	11,111,579	14,414,530.00	32,388,272.00	17,318,434.00	17,318,434.00
Program income	89,532,557	8,032,058.40	11,499,996.00	8,346,701.55	3,000,000.00
	134,740,609	43,283,738.50	73,830,848.00	51,871,310.42	44,495,630.00
Expenditure					
Administration Costs	3,742,101	2,128,141.29	2,065,402.00	1,494,498.33	2,119,992.00
Designated Costs	5,658,822	5,328,732.69	3,975,912.00	2,975,163.00	249,996.00
Establishment Costs	5,258,376	5,167,298.83	5,606,036.00	4,384,750.29	4,742,340.00
Finance Costs	495,640	35,034.43	43,404.00	34,449.02	60,000.00
Program Costs	71,893,481	14,300,242.97	21,125,820.00	13,767,109.18	13,500,000.00
Staff Costs	11,671,488	6,331,748.71	8,381,380.00	6,241,486.20	7,160,380.00
	98,719,908	33,291,198.92	41,197,954.00	28,897,456.02	27,832,708.00
Surplus/(Deficit)	36,020,701	9,992,539.58	32,632,894.00	22,973,854.40	16,662,922.00
Capex	6,570,000				
Net Surplus	29,450,701				

ELECTIONS AND NOMINATIONS

1. National Governing Council

The NGC presents the following Nominees for election to Join the NGC:

Regional Committee Chairpersons;

Position	Candindates
Lake region	Mrs. Joanne Kepher Ochome
Coastal region	Rev. Bownlo Mwagecho Mwawasi
South rift region	Mr. Simon Njaria

Candidates nominated for approval by the AGM;

Areas of expertise	Candidates
i) Donor Funding, Project management, Organizational Development	Jacqueline Ndirangu
ii) Organizational Leadership, Programs and Funding	Mercy Oyoo
iii) Finance & Audit	Liz Matimu
iv) Children Ministry, Business Development and Volunteer Mobilization	Naomi Wambui George

2..Trustees

The NGC recommends the appointment of Mr. Gitau Mburu for election to be a Trustee of SUK.

3 .Auditors

The NGC recommends the re-appointment of MGK Associate LLP to be the independent auditors of SUK for the year 2023.

4.SUCBC Board

The SUCBC Board hereby notifies the AGM that the following members have joined SUCBC Board

i.Dr. Roselyne Olumbe

ii.Dr. Reuben Nzuki

iii.Dr. Heglou Kitawi

MINUTES OF THE SCRIPTURE UNION OF KENYA 52ND ANNUAL GENERAL MEETING HELD VIRTUALLY ON ZOOM ON SATURDAY 26TH MARCH 2022, 9.30AM-12.30PM

Present

1. Ms. Christina Were	NGC Chairlady
2. Mrs. Nancy Kahuthia	NGC Secretary & National Director
3. Mr. Joseph Gichuki	NGC Honorary Treasurer
4. Mr. Fred Kinyua	Chairman, SUCBC
5. Mr. Harun Kabiru	Chairman, South Rift Region
6. Mr. James Thuo	Chairman, North Rift Region
7. Mr. Michael Ngure	Chairman, Coast Region
8. Pastor Jane Ndanu	Chairlady, Eastern Region & Editor, Kikamba Daily Guide
9. Mr. Zack Gaya	Chairman, Lake Region
10. Pastor Mary Mumo	Trustee
11. Mrs. Nancy Gachoka	Trustee
12. Rev. James Wanjau	Trustee
13. Canon Micah Amukobole	Life Member
14. Mrs. Tabitha Wanjau	Life Member
15. Rev. David Gichung'wa	Life Member
16. Prof. David Gikungu	Life Member
17. Mrs. Jane Miano	Life Member
18. Ms. Esther Mbiyu	Life Member
19. Mr. Isaiah Kimani	Life Member
20. Mr. Simon Kiteme	Life Member
21. Mr. Caleb Kahuthia	Life Member & Writer, Kikuyu Daily Guide
22. Mr. Stephen Oloo	Editor, Luo Daily Guide
23. Rev. William K. Koskey	Editor, Kalenjin Daily Guide
24. Mrs. Elizabeth Hatego	AGM Member, Busia
25. Ms. Elizabeth Orwa	AGM Member, Kisumu
26. Mr. Charles Karisa	AGM Member, Mombasa
27. Ms. Annread Kamunde	AGM Member,
28. Mrs. Biridah Waweru	AGM Member, Taita Taveta & Bible Club Patron
29. Rev. Samuel Ndunda	AGM Member, Nairobi
30. Mrs. Joanne Kepher	AGM Member, Nairobi
31. Mr. Joe Alando	AGM Member, Nairobi
32. Mr. Joel Sigu	AGM Member, Machakos
33. Mr. John Ng'ang'a	AGM Member, Nakuru
34. Mrs. Joyce Kitavi	AGM Member, Machakos
35. Mrs. Lilian Otawo	AGM Member, Kisumu
36. Mrs. Lois Wafula	AGM Member, Nairobi

Present

37. Mr. Minjire Waithanji	AGM Member, Embu
38. Rev. Peter Mbugua Kagiki	AGM Member, Embu
39. Rev. Kennedy Joel	AGM Member
40. Rev. Flora Moraa	AGM Member
41. Ms. Ruth Haru	AGM Member, Nairobi
42. Mrs. Stella Ndwiga	AGM Member, Nairobi
43. Rev. Williamson Mwangemi	AGM Member, Taita Taveta & Bible Club Patron
44. Mr. Robert Wanga	AGM Member
45. Mr. Richard Sijenyi	AGM Member
46. Mr. Alexander Buyu	AGM Member
47. Ms. Magdaline Everia	AGM Member
48. Mr. Kenneth Ouma	AGM Member
49. Mr. Timothy Ochuka	AGM Member
50. Ms. Eunice Njeru	AGM Member
51. Mr. Billups Omido	AGM Member
52. Mrs. Mary Gatamba	AGM Member
53. Mrs. Eunice Kamau	AGM Member
54. Mr. Simon Kiteme	AGM Member
55. Mr. King'ori Muito	Staff, General Manager SUCBC
56. Rev. David Chiko	Staff, Programme Coordinator Coast Region
57. Rev. Paul Muoki	Staff, National Coordinator Children Ministry
58. Rev. George Nyakundi	Staff, SUCBC
59. Rev. Jared Kataka	Staff, Programme Coordinator Nairobi County
60. Pastor Jared Omollo	Staff, Programme Coordinator Kisumu County
61. Mr. Kenneth Mwenda	Staff, Programme Coordinator Nyeri County
62. Ms. Christine Odiero	Staff, Finance
63. Ms. Victoria Oduol	Staff, Accounts
64. Ms. Adrine Mutegi	Staff, Head Office
65. Mr. Shem Kalafa	Staff, Head Office
66. Ms. Mercy Akello	Staff, SUCBC
67. Mr. Bright Ngure	Staff, Programme Coordinator Taita Taveta County
68. Mr. Ephraim Meso	Staff, Programme Coordinator Nakuru County
69. Mr. Daniel Muhia	Auditor
70. Mr. Fred Chwara	Auditor

Apologies

- 1.Mr. Alois Wanjala
- 2.Mrs. Anne M. Njuguna
- 3.Rev. Benjamin Mwangecho
- 4.Mr. David Mwaure Waihiga
- 5.Mrs. Anne Mwaure Waihiga
- 6.Mr. Eddy Mkala
- 7.Rev. Erastus K. Kau
- 8.Major (Rtd.) John Seii
- 9.Mrs. Leah Waweru
- 10.Mrs. Mary Njoroge
- 11.Pastor Morris Opati
- 12.Mwalimu Joash Ochuka
- 13.Ms. Phoebe Mukiria
- 14.Mrs. Rachel Nduta Mwaura
- 15.Mr. Samuel Guamba
- 16.Pastor Jackson Kinyenze
- 17.Mr. Peter Milimo
- 18.Rev. Samson Mina
- 19.Mr. Fredrick G. Omondi
- 20.Rev. J. Mutembura
- 21.Rev. James Gitunda
- 22.Pastor Nancy Mwai
- 23.Ms. Loise Maina
- 24.Pastor Florence Otieno
- 25.Mr. Antony Chengecha Ngigi
- 26.Mr. Dan Joshua
- 27.Ms. Audrey Odhiambo
- 28.Ms. Nancy Omolo
- 29.Ms. Anne Ong'any
- 30.Rev. Johna Muchiri Mwangi
- 31.Pastor Andrew Muma

In Attendance

1. Mrs. Womba Miyanza Lukwesu – SU Zambia National Coordinator

Agenda

- 1.Opening prayer and devotional
 - 2.Affirmation of SUK Doctrinal Basis
 - 3.Introductions and receiving apologies
 - 4.Adoption of the Agenda
 - 5.Reports
 - a.SUK National Governing Council (NGC) Chairman
 - b.National Director
 - 6.Presentation of 2021 Audited Financial Statements
 - 7.Presentation of 2022 Budget
 - 8.Elections and Notifications: · NGC Members · SUCBC Members Auditors
 - 9 Confirmation of previous minutes and matters arising
 10. A.O.B
- To transact any other business which may be properly transacted at an Annual General Meeting, notice of which should have been given seven (7) days before the date of the AGM.

Min 01/03/022: Preliminaries**Opening Prayer**

The meeting opened at 9.30am with a word of prayer from King'ori Muito, followed by a session of online singing.

Devotional by Rev. Samuel Ndunda

“Let the little children come to me; do not hinder them” Matthew 19:13-14

- ·Children are a special group of people yet sometimes neglected especially in churches.
- ·They don't have much in terms of resources or ideas, yet, children matter!
- ·What Jesus thought about children
 - Let the little children come to me. Children are very special in the heart of Jesus. He welcomed them into his space. He had time for them. He laid his hands on them.
 - May SUK be reminded of its mandate: children.
 - The kingdom of God belongs to such as these. It is difficult to belong to God's kingdom unless we embrace the attitude of children. Let us prioritize children's discipleship; let us make them disciples of Jesus.
 - Children are not a bother. They matter. It is important to invite them into our space, share the gospel with them and invite them to follow Jesus.

Min 02/03/022: Affirmation of SUK Doctrinal Basis

Members affirmed the SUK Statement of Belief by unanimously responding “Yes We Believe” at the full reading of the statement by Daniel Karanu.

Min 03/03/022: Introduction and receiving apologies

Nancy Kahuthia introduced members/participants present by categories as follows:

1. Trustees, NGC Members, SUCBC Board, Regional and County Committees, Life Members, Annual Members, Editors, Writers, Volunteers, Partners, Bible Club teachers and Staff.
2. The Auditors were in attendance.
3. Thirty one (31) apologies were received.

Min 04/03/022: Adoption of the Agenda

The chairlady presented the agenda to the members. It was adopted without alteration through a proposal by Mr. Charles Karisa and seconded by Mr. Isaiah Kimani.

The Secretary confirmed that the AGM had a quorum.

Min 05/03/022: Reports**NGC Chairlady – Ms. Christina Were**

Christina presented the chairlady's report to the AGM. The following is a summary.

1. Preliminaries

- a. A word of welcome to all members to the 52nd SUK AGM and noted that notice of the AGM was circulated on 7th March 2022. No AOB has been received.
- b. Expression of sorrow with the families of SUK who lost loved ones during the season some among them Rev. Johnson Muchira, SUK Trustee, Rev. Purity Wachira, wife to Bishop Wachira, former Central Region Chair, Madame Jemimah Mbithi, SUK Kitui County Chairlady, Rev. Dr. David Matolo, Committee member of Garissa County among others.
- c. Thankfulness to God for health and new lease of life for those among us who got infected with C-19 and other illnesses and recovered. Our earnest prayers are for those who are unwell.
- d. Appreciation to the AGM members for dedication commitment, prayer and financial support to the ministry and for attending the 52nd AGM.

2. She reminded and exhorted the AGM to remain committed to SUK's strategic direction in terms of vision, mission, core values, priority areas and ministry approach.

3. Disaster and Risk Reduction

- a. SUK continued to experience the negative impact of the COVID-19 pandemic in the first half of 2021 with very little ministry happening across the Regions.
- b. However, the second half opened up with the initiation of the SUK Mental Health and Wellness (MH&W) programme which created interest with stakeholders and opened doors for ministry in schools, churches and communities as well some little funding, which enabled the recalling of staff from leave and make payroll possible.

4. Communication, Resources and Funds Development:

- a. God enabled SUK to stabilize the organization and end the year stronger than we had begun.
- b. Membership: SUK is a membership organization hence the members ought to be upto date with their membership status. She applauded the paid members (Life and Annual) and noted the need to remain legally compliant by having all members renew their membership status annually as well strengthen the communications docket.
- c. Resource Mobilization: she applauded the staff team for working hard to raise funds for different programs and observed the need to step up fundraising efforts.
- d. SUK Publications: the sale of Golden Bells – an SUK publication – had boost SUK financial status through a grant by SUCBC.
- e. COVID- 19 Payroll deductions: As a result of God's faithfulness, SUK Staff were paid the salary deductions that had been necessitated by the COVID-19 financial crunch.

5. SU Global: SU Global has held online General Assembly on 2nd to 5th of July 2021. SUK was represented by the NGC Chair and the National Director. Among others, the following were flagged as key highlights:

- a. Child Protection and Safeguarding as a thematic area. Every national movement is encouraged to have a policy framework and an implementation strategy.
 - b. Bible Engagement Initiatives - The Bible engagement programme (syllabus for devotionals) that SU uses was developed over 30 years ago. With the realization that a lot has changed and that the way children and young people engage with the Bible is different, the SU global team has led a BE initiative that seeks to answer the question of what has changed as well articulate a strategy that will speak to today's readers. SUK is privileged to have Daniel Karanu, Programmes Director, sit in the Planning Team of eight (8) who are representing the global movement. The four phases of the initiative are:
 - i. Initial survey – completed in 2020
 - ii. Conversations at national movements and community groups – April 2021
 - iii. Virtual Bible Engagement Consultation – March 2022
 - iv. Creation and Evaluation of new resources
 - c. Strategic focus Areas: The Global team is committed to continue working on its five strategic areas namely Ministry, Community, Sustainability, Partnerships, Governance and Administration.
 - d. SUK also participated in the SU Global Week of Prayer held from 7th to 13th November '21.
6. Eastern Africa Community Group 2: SUK was represented in the meetings for Council Chairs and National Directors on 24th and 26th June '21 respectively. These meetings play the role of fellowship, experiential sharing and accountability.

7. Trustees

- i. Trustees Canon Mica Amukobole and Major John Seii retired in the course of the year. We are most grateful for their dedicated service and wish them God's blessing for their sacrificial service.
- ii. The late Rev. Johnson Muchira went to be with the Lord in September 2021. We once more convey our heartfelt condolences to the family, sorrow at the departure of such a giant of faith, and yet joy over the legacy he has left behind.
- iii. NGC will be working towards filling the vacant positions for Trustees in the course of the year.

8. Governance

- NGC Held all her statutory meetings as scheduled in the year under review.
- A team representing NGC held meetings with the SUCBC Board to clarify relationship and expectations.
- Dr. Reuben Nzuki handed over leadership to Ms. Christina Were in July 2021.
- Other transitions that took place were as follows;
 1. Rev. Joshua Ombok, Lake region chairman, handed over leadership to Zack Gaya.
 2. Rev. Richard Mutiso, acting chair for Eastern Region, handed over leadership to Pst. Jane Ndanu.
 3. Bishop Charles Wachira, Central region chairman, handed over leadership to Rev. Johnah Muchiri.

- e. Dr. Nzuki, Rev. Ombok, Rev. Mutiso and Bishop Wachira were appreciated for pouring their lives to the ministry.
 - f. A hearty welcome was extended to Mr. Zack Gaya, Pst. Jane Ndanu and Rev. Johnah Muchiri and with prayer for strength and wisdom to discharge their responsibilities
 - g. Induction trainings had been conducted for regional teams in Eastern and Lake region.
 - h. Lake region was applauded for the recruitments of the County Committees and continued induction that was ongoing.
- 9.2022 Plans – To strengthen Governance, the NGC would give attention to the following strategic objectives, each with clear outcomes;
- a. Ensure competent and performing governance teams.
 - b. Provide policy and strategic direction.
 - c. Ensure competent and performing Human Resource.
 - d. Ensure sustainable financial resources and functional administrative systems.

SUCBC Chairman – Mr. Fredrick Kinyua

Mr. Kinyua asked Mr. King'ori to present the SUCBC report on his behalf. The following is a summary.

1. Preamble

- a. SUCBC was beset with the Covid-19 challenges and within this reality found anchor in Jeremiah 29: 4-7.
 - b. Fueled by the above Scripture, the Board purposively engaged in:
 - i. reviewing the current operations to ensure sustainability of the business,
 - ii. implementation of new businesses to shore up the revenues of the bookshops,
 - iii. raising financial resources and
 - iv. developing its human resource capacity.
2. Strategic Thinking & Planning for 2021 and Beyond: the Board and management team held a retreat on 18th February 2021 to review the 2019-2023 SUCBC Strategic Plan. The retreat, facilitated by Mr. Joseph Gichuki, was instructive in establishing a strategic framework for the origination, evaluation and implementation of business ideas by the Company.

3. SUCBC Business Operations

- a. Review of operations: 2021 was a difficult year for the Company's operations. The overall uncertainty around the reopening of the economy impacted negatively on sales with key customers reducing their purchases considerably. Additionally, some key suppliers experienced varying logistical challenges which led to sector-wide stock outs of various items. In response, the Company undertook various initiatives including
 - i. Stocking increased titles by existing and new local authors.
 - ii. Negotiating new credit terms with existing and new suppliers for popular titles and in particular local bibles.
- b. Golden Bells Sales: a significant sale of Golden Bells in 2021 enabled the Company to transfer to SUK KShs16.1million as part of the proceeds from sales realised between 2019 and 2021.

- c. Diversification of SUCBC into a retail operation: the Company continued to diversify its current non-book offerings such as the Eden Health drinks, toys, Christian-themed games and gift items. This activity will continue as the business evolves into a more robust retail operation. Further, the Company finalised the development of the SUCBC Online store and the Scripture Union of Kenya both of which are presently active. These digital assets will be an integral part of the Company's revenue lines as they open the business into the digital market place.
- d. Organisational Capacity Development: the Company, aided by an external consultant, undertook a training needs analysis of the staff team. The results of the study were instructive in identifying existing training and capacity gaps. They are being utilised to inform planning for future training, capacity building and development of motivational programs across the organisation. Additionally, the Board together with management embarked on developing a performance appraisal framework that links the Strategic Plan to the budget and actionable activities from which performance can be measured.
4. SUK-SUCBC Relationship: appreciating the relationship between SUK and SUCBC, a select committee comprising SU and SUCBC representatives met to discuss the principles informing the relationship between the two organisations. The outcome of the discussion is subject to the governing body of each entity for policy and operational guidance clarity.
5. Update on Legal Cases
- a. ELRCC NO. 355 OF 2017 at Nakuru: on 14th February 2022, the matter was heard virtually. The Judge ruled that the parties should explore an out-of-court settlement failure to which the matter will proceed to a full in-person hearing at the Employment Court in Nakuru on 5th April 2022.
- b. Timothy Ochuka Case: ELRCC NO. E319 of 2020 at Nairobi: The matter was certified ready for hearing on 11th October 2021 and is scheduled for hearing on 17th May 2022.
6. Additional comments by Mr. Fredrick Kinyua, SUCBC Chairman:
- a. Underscored that SUCBC exists for ministry not just making money.
- b. SUCBC was looking at redefining her market place and therefore assessing the business methods, as well seek to understand broad worldview and market dynamics.
- c. History is important: history of the Jews is probably the greatest hindrance to the spread of the Gospel. A leadership guru, Charles Hardy said, "We should not let our past, however glorious, stay on the way of our future."
- d. SUCBC was seeking to reclaim her market share, to have a greater voice for ministry in the marketplace. However, SUCBC remained aware that the company had a small staff and small management. SUCBC was therefore exploring how best to broaden, empower, enrich and retain the staff team for effective ministry, business and best returns.

NGC Secretary & National Director – Mrs. Nancy Kahuthia

Nancy presented the secretary's report. The following is the summary.

1. Preamble
- a. Gratitude to God for continued protection, health, provisions and strengthening.
- b. Psalmist "Not to us, LORD, not to us but to your name be the glory, because of your love and faithfulness" (Psa. 115;1).
- c. The Secretariat was thankful too to the National Governing Council and the SUCBC Board for providing solid and timely leadership during an uncertain phase of the ministry. The ND thanked the SUK Partners and Volunteer workers for their unwavering commitment, at times with great sacrifices.

2. Year 2021 at a Glance

- a. 2021 started with uncertainties and without concrete plans. The school space was closed. The church space had significantly shrunk.
- b. Jeremiah 29:1-14 was adopted as the theme and framed it thus: “Acknowledging the Challenges, Embracing Change”. Throughout the year, it was clear that God knows our specific situations, He has wonderful plans for us, we have a responsibility to seek and call upon Him, and that we must engage our daily work with commitment and urgency.
- c. By God’s grace, Dr. Stephen Asatsa led a team of three including Nancy Kahuthia and Daniel Karanu, to develop the Mental Health program. This injected fresh impetus into the programmatic space resulting in children and families receiving help, care and support. Indeed, most of the schools that opened their doors were to allow us facilitate the programme.
- d. This report was presented within the Resourcing, Equipping, Advocacy and Mentoring (REAM) framework.

3. Resourcing

a. The Mental Health & Wellness Programme (MH&WP): towards the end of 2020, it became clear that COVID-19 pandemic had accelerated an already difficult mental health situation. Children, some of whom were Bible Club members, became victims of the pandemic due to closure of schools and loss of learning time, prolonged stay at home, exposure to domestic and gender-based violence, losing parents or people they knew, all resulting in great stress. SUK sought to intervene with four pronged objectives:

- i. development and dissemination of program resource materials;
 1. “It’s okay not to be okay” is a manual for training the trainers as well the MHFs.
 2. “Causes and Triggers of Mental un-wellness” is the first resource in a series of four volumes which addresses itself to the causes of triggers of mental unwellness.
- ii. training and equipping 30 Trainer of Trainers (ToTs);
- iii. training and equipping 5,000 mental health facilitators (MHFs);
- iv. caring and supporting 50,000 children, and by extension, their families

b. Funds raised for Program Work

- i. REAM: Ministry activities at the county levels mobilized and raised Kshs.8.3M. An extra Kshs.7.9M was raised through program partnerships.
- ii. MH&WP: the programme attracted support and funding of approximately Kshs.7M from various donors.

c. Bible Reading Materials

- i. SU Kenya contributed content for 14 days in the 2023 Daily Guide and 30 days content in the 2023 Daily Power.
- ii. The Vernacular (Dholuo, Kikamba, Kalenjin and Kikuyu) notes were in the development stage, which was to end on 31st March, upon which the Editors were going to compile and publish the book.

Items	Impact
Spiritual Nurture of children materials distributed	19,482 children resourced with discipleship materials to enable them grow in faith and service
Bibles distributed	1,683 children resourced with Bibles to nourish their faith and service to God and people
Faith Comes By Hearing (FCBH) Listening Groups	1,741 individuals placed in listening groups to the hear and engage with Word of God

1. Equipping

a. Mental Health & Wellness Programme (MH&WP): the following were the equipping milestones:

i. Training of Trainers (ToT):

1. thirty (30) ToTs were equipped between May and August 2021 with participants selected from the SUK staff team and a wide range of SUK volunteers, who work in churches and schools.
2. 168 Mental Health Facilitators drawn from schools, churches and community, were trained across the country and were able to equip, care and support about 4,000 children.
3. There was great appreciation from the MHFs that the training was helpful to both themselves as well as those who need care and support.

ii. Testimonies from (some of) the participants:

“Before this training, I had feelings of insufficiency though I am a trained counsellor. I now feel better equipped to support others and commit to be active in counseling.” Sophie Mwaniki (Mothers’ Union Coordinator, ACK)

“This has been an inspiring time. I have been ministered to around the life events I’m going through which I believe is a mirror of what other people are going through. The training has helped me to understand myself, my temperaments, and how I can use them to minister. I am better equipped and gained more insight and will relate with people differently” Jared Kataka, SU Staff (Nairobi County)

iii. The programme had been rolled out in 9 counties, i.e. Kiambu, Kajjado, Nyeri, Kisumu, Kitui, Machakos, Makueni, Muranga and Nairobi.

b. Teacher Training – Sunday School, PPI and Bible Club: we were able to gain inroad into our flagship programme of equipping children ministry workers as follows;

- i. 334 Sunday Schools Teachers trained in partnership with various churches – PEFA, AIPCA, Anglican Church of Kenya, PCEA, PAG among others in Coast Nyeri, Murang’a, Nanyuki Nairobi, Thika, Kiambu, Isiolo and Kitui;
- ii. 104 BC Patrons and Teachers trained in partnership with several schools and churches;

- iii. 820 PPI teachers/facilitators trained in partnership with churches and other organizations
- iv. 431 Peer Educators trained in partnership with other institutions.
- c. Intercessory Prayers
 - i. In partnership with the Intercessors for Kenya, SUK trained its stakeholders on four key Mountains of Influence namely Education, Family, Religion and Economy
 - ii. Regular corporate prayers were organized for and offered. We thank God for the opportunity to gather as SU Partners through times of prayer
- d. Other summaries

Items	Impact
Spiritual Nurture of children materials distributed	19,482 children resourced with discipleship materials to enable them grow in faith and service
Bibles distributed	1,683 children resourced with Bibles to nourish their faith and service to God and people
Faith Comes By Hearing (FCBH) Listening Groups	1,741 individuals placed in listening groups to the hear and engage with Word of God

5. Advocating

- a. National Council of Churches of Kenya (NCCCK)
 - i. SUK continued to be a central voice in advocating for children among and within the NCCCK. Of critical importance was our involvement on the training on Child Safety and Protection where all stakeholders have been encouraged to have policy and strategy.
 - ii. SUK is part of the Program and Executive Committees of NCCCK and was present in all the Committee meetings as well as the 64th General Assembly held in August 2021. As a core player, SUK was offered a chance to lead devotions on “a peaceful world for children” in the 2021 end of year Executive Committee meeting.
 - iii. SUK has also been involved in the input for the following Bills and Guidelines presented/to be presented to the National Assembly
 - 1.Children’s Bill
 - 2.Chaplaincy Guidelines
- b. Evangelical Alliance of Kenya
 - i. With the need to extend our advocacy to evangelical churches, we applied to become a member of EAK which has a membership of 900 denominations with over 70,000 congregations.
 - ii. By the time of this report, our membership application had been accepted.

- c. Tearfund Kenya:
 - i. Having supported SUK in printing the MH manual, TF requested to carry out a Partnership Organization Capacity Assessment (POCA), which commenced on 17th August 2021.
 - ii. The overall outcome yielded that SUK is a low-risk partner but pointed areas of improvement, including enhancing our capacity (additional staff) in our finance department, strengthening and/or developing certain policy frameworks, and building capacity for staff and key stakeholders on policy frameworks.
 - iii. Consequently, the Management strengthened existing policy documents and developed new ones to address the identified gaps.
 - iv. The Ministry Staff Team have already been trained on the new policy frameworks, and have been charged with the responsibility of training Volunteers under their care.
- d. World Vision Kenya:
 - i. SUK has been a central player in partnership with the World Vision Kenya to campaign for a violence-free world for children.
 - ii. Through several initiatives, SUK has facilitated panel discussions on Child Protection and contributed to the Teens for a Cause campaign.
 - iii. In partnership, SUK continues to implement the programmes for Spiritual Nurture for Children across the country
- e. Other summaries

Items Description	Impact
Positive Parenting	558 adults sensitized on Positive parenting
Bible Reading Promotions (BRPs)	34 Churches engaged with Bible Reading Promotions (BRPs)
Sensitization on SNC and SUK work	158 Pastors sensitized on SNC and SUK work

6. Mentoring (Ministry in the Schools)

- a. Bible Club Ministry
 - i. Schools reopened but with little access to outsiders. Nevertheless, a few of our staff and volunteers were able to access some schools especially riding on the Mental Health program (an in depth report on the mental health program is set out here below).
 - ii. Since SUK did not have the MoE Letter to access schools, ministry engagements purely happened on the goodwill of the Education officials (County and Sub-county level and principals) within the respective regions/counties.

iii. In spite of these strains, SUK managed to engage directly with the children in various schools in different counties.

b. MH&WP: Care and Support for Children, Young People and / or Families

i. The MHF have the responsibility of providing children and young people with spiritual and psychosocial support. The key cog is the Causes and Triggers of Mental Un-Wellness booklet, which provides both the entry point as well the content of engagement.

ii. By the end of Dec.2021,

1. 4,312 children (1,445 boys, 2,867 girls) have gone through the programme. Among these, 668 are People Living With Disability (PLWD) while 17 girls had sexual abuse cases;
2. 6,206 Causes and Triggers of mental Health were distributed to MHF and children;
3. 799 adults (Bible Club teachers, Sunday School teachers and a few community

workers) became primary beneficiary alongside the children

iii. Testimonies from (selected) children:

My name is Hanifa Isaac from the St. Juliet education centre, I am in Standard 8. One of the inspiring lessons that helped me from the training on Causes & Triggers was on fear and phobia because I was able to learn practical tips to help myself (sic) overcome fear and phobia. Initially, anything could trigger fear because of my previous experiences in life. I am now a confident girl, able to do well in school and relate well with people around me.

My name is Albert. I am in Class 7 at Nyoro primary School. I lost my dad and aunt from Covid-19. This made our family to be isolated by the community. When schools opened, I was stigmatized because most of the students came from my village. After going through the lessons on grief and loss, stress, trauma, isolation and loneliness and stigma, I recovered from the mental challenges I was going through, even though am not fully recovered. Next year 2022, I will be doing my final exams for primary education I am positive that I will perform well. May God bless the Scripture Union of Kenya for coming up with a programme for mental health for children.

My name is Mwendu Musyimi I am in class 6. Since I lost my father I have never had a chance to understand how it affected me. I became quiet and withdrawn from other people, sometimes I would sit alone and cry like someone who does not have hope. But after attending the Peer Educators training we went through the lessons of Mental Health with teacher Daryl and teacher Grace. I was helped to understand myself better. I am now able to cope with the loss and grief and also as a Peer educator I now feel empowered to help other children as well.

My name is Mwaluko Syuki. My dad and mum were doing business before Covid -19 came. When it came they had to close their business because they could not travel to Nairobi to buy plastic items to come and sell. I was also very anxious that they will not have money to help us and I had a bad headache most of the time. After attending the Peers Educators training whereby we were trained using a textbook called 'It's okay, not to be okay' my life changed for the good. I am now able to manage my worry and talk with my parents. I shared with my parent what we were taught and my parents wanted to read the book for themselves. I gave them the book and they were very happy. My dad and mum read the book and also shared it with their friends. My dad and mum look relaxed now despite the challenges that they are still facing

c. Other summaries

Items Description	Impact
Salvations recorded	569 children gave their lives to Jesus Christ as Lord and Saviour
No. of children in rallies	1,160 mentored through rallies
BC leaders under ongoing mentorship	486 Bible Club leaders mentored during BC sessions
Schools visited and BC's strengthened	150 Bible Clubs visited and children ministered to across the country

7. Partnerships

a. Throughout the year, SUK forged and strengthened strategic and mutual partnership with:

1. SU Global and Eastern Africa Community Group
2. National Council of Churches of Kenya
3. FOBA Kenya
4. Ministry of Education
5. Kenya Institute of Curriculum Development
6. Prisons Ministry
7. Hilfur fur Brude
8. TS Care
9. Local Churches
10. Faith Comes by Hearing
11. OneeHope International
12. World Vision Kenya
13. Among many others
14. Anonymous

8. Human Resource: It was reported that:

- a. Salary cuts were halted at the end of April 2021;
- b. Staff who had been on leave were recalled from May 2021;
- c. Joyce Mwangi's son and a SUK volunteer, Steve, married in August 2021;
- d. Several Staff were sick and others lost loved ones and we supported them best we could

9. Praise and Prayer

- a. Strength, warmth, encouragement and sense of family occasioned by staff meetings, trainings and fellowships
- b. Rev. John Gachungu, a committee member in Embu County ordained as Bishop of Calvary Worship Center

- c. Successful leadership transition for the Central region, where Bishop Charles Wachira retired and Rev. Jonah Muchiri became the regional chairperson
- d. Appointment of Pastor Jane Ndanu as the regional chairperson of the Eastern Region
- e. Commencement of the mental health program in SUK and an opening into schools to facilitate the MH programs
- f. Healing and restoration for staff and SU Members who contracted COVID-19
- g. Willingness of schools to allow albeit limited ministry even in the absence of the letter of authority to visit schools
- h. Easing and opening up of virtually all the sectors thus facilitating ease of movement and resumption of services.
- i. God to grant SUK favour and open doors for ministry, in churches, schools and other partners
- j. Letter of authority to be granted by MoE

2.Challenges

- a. Reduced or zero access to schools due to C-19 restrictions, thus undermining our legacy programs, e.g. Bible Clubs, Teacher's Fellowships, PPI, sale of devotional materials and others. To cure this, a Teacher Engagement Strategy had been engaged, where teachers are considered as ministry partners.
- b. High volunteer attrition rate: this had been the case across the region, especially this COVID-19 season. This undermined our Aims, Beliefs and Working Principles (AB&WPs) and required critical attention before it greatly impacts our work. To cure this, a volunteer engagement strategy was being fine-tuned for enhanced recruitment.
- c. Dwindling finances which was occasioned by reduced or lack of field activities. At the national level, some staff had to be put on unpaid leave while other took salary cuts.
- d. Closure of bookshop outlet in Nakuru coupled with COVID-19 realities meant loss of office space for the program work in Mombasa, Nakuru, Kisumu, Embu and Machakos. Kiambu struggled for a while but has since bounded back. The Management through the guidance of NGC was looking into this matter.
- e. Programmatic Relevance: COVID-19 exposed the underbelly of our program design. With the near closure of the schools and churches space, we were left grappling with how to find a footing of our work. SUK's preparedness to shift to the virtual space was tested to the limit. In some instances, our tools and equipment (phones, computers, Wi-Fi, etc.) failed us to deliver efficient online ministry. We have to constantly assess our responsiveness to the needs on the ground as well as audit our internal capacity (skills, competencies, tools, resources, etc.) to guarantee delivery in such unpredictable times.

1.Looking Ahead: 2022 Priorities

a. REAM

- i. Children Ministry: the REAM outputs have targets for teachers in school (Bible Club teachers, patrons and PPI teachers), children workers in churches, Bible Club children and leaders as well as volunteers;
- ii. Family Ministry: the REAM outputs have targets for couples and parents, volunteers as well as other stakeholders in the family space;
- iii. Scripture Engagement and Materials Development Ministry: the REAM outputs have targets for editors, writers, staff, volunteers and other stakeholders in the Bible Engagement space

- b. Children and Teacher Engagement:
 - i. target 10% of schools in Kenya over the next 3 years, where
 - 1. For teachers;
 - a. recruit 2 teachers per school – for support and guidance of the Bible Club. The target for 2022 is 922 teachers;
 - b. provide a graduated training for the teachers that is targeted and relevant to their faith and career (development);
 - c. schedule and run teachers fellowships and conferences at county, regional and national levels;
 - d. request each teacher to recruit one teacher in the course of year;
 - e. request the teacher to support SUK Ministry with Kshs.300/- per month.
 - 2. For children;
 - a. leverage on teachers' partnership to recruit and register Bible Club members across schools where we have access. The target for 2022 is 23,038;
 - b. distribute God & Me to every registered Bible Club member (BC members will register with Kshs.150, annually). The target for 2022 is 23,038;
 - c. transition the BC member to junior membership and distribute Daily Power at the Junior Secondary School.
- c. Mental Health and Wellness Programme: we shall:
 - i. train 840 Mental Health Facilitators;
 - ii. support and provide care to 8,400 children / families;
 - iii. develop vol.2 & 3 information booklets as sequels to the current vol.1 (Causes & Triggers of Mental Un-Wellness).
- d. Human Resource: recruit the following categories of staff:
 - i. national coordinator for family ministry
 - ii. regional coordinators for Eastern, Central, Metropolitan and North Rift regions
 - iii. communications assistant
 - iv. fundraising office
 - v. Isinya farm assistant
- e. Volunteers:
 - i. we shall organize volunteer recruitment, management, engagement, capacity enhancement, networking and fellowship at regional and national levels

12. Important Calendar Dates

a. Scheduled meetings during the year

Activity	Dates
NGC Meetings	Q1 – 4 th -5 th March; Q2 – 12 th May; Q3 – 13 th August; Q4 – 10 th November
NGC Committees	To be decided by the Conveners
Regional Committees	To be decided by the Regional teams
Prayer and Fasting (Quarterly)	Q1 - 17-31 January; Q2 – 9-13 May; Q3 – 2-5 August; Q4 – 7-11 November
AGM	26 th March
NGC Isinya visit	TBD
Children Camps	March-April
Mental Health & Wellness Training	April
SU East African Community Group Meeting	June
SU Global Bible Engagement Consultation	14 th March – 1 st April
SUK Partners / Volunteers Fellowship Meeting	TBD
Office Closure for Christmas holidays	21 st December
Office open	9 th January 2023

The reports for the NGC Chairlady, SUCBC Chairman and NGC Secretary were adopted by the 52nd AGM through a proposal by Mr. Joel Sigu and seconded by Mr. James Thuo.

Comments and discussions

- Minjire Waithanji expressed his attempts to access the mental health program training without success and sought to know how he could join the training program. Response: The management apologized to Mr. Minjire for the hiccup and promised to connect him to a training cohort.
- The chairlady thanked the members for their participation, encouragement and support to the ministry.
- Stephen Oloo sought to know how the head office could help to get a document that enabled Volunteers to access to schools? Response: SUK had applied to the MoE for the granting of letter of authority and was following up. They had indicated at the beginning of the year that no institution will be allowed to access schools. However, SUK was working with and through the NCKK to get the letter. Members were requested to uphold this matter in prayer.
- Zack Gaya inquired about development of digital materials to help young people interact with the Word. Anne on the other hand challenged SUK to take the family matters seriously noting that the issue of family should be in the Kenya Constitution through legislation. Response: the SU Global was going through a process of Bible Engagement, which really started in 2020. The big question is: Is there anything that needs to change in our Bible engagement? How do we do Bible engagement in family and households, in public space, in the digital space with a very big emphasis on family. It was noted that Nancy, the National Director was a co-facilitator on the family stream. For Kenya, it was pointed that a Family Ministry Coordinator would be recruited to drive the family agenda.
- Rev. Flora Moraa thanked the leadership for the mental health program.

Min 06/03/022: Presentation of 2021 Audited Financial Statements

Mr. Joseph Gichuki introduced the Finance Officer, Ms. Christine Odiero and Mr. Daniel Muhia, the Auditors (with his team). He presented the Auditor's report as well the Financial Report and Statements. These are the highlights:

1. The Auditors report gave an unqualified opinion of the financial statements. That meant that the books of accounts had been kept well. Mr. Daniel Muhia confirmed that the report as presented to the AGM originated from him and team.
2. It was noted that there are two important financial statements: (i) Statement of Comprehensive Income and Statement of Financial Position). Everything else contained in the financial report supports these two statements.
3. Statement of Comprehensive Income (or the Income & Expenditure statement) for SUK alone
 - a. The income has shot up from last year significantly
 - b. There was an income from SUCBC which is a return from our investment in SUCBC and the restructuring that happened in 2017. We did not see recovery results in surpluses until 2021.
 - c. Rental income stayed the same.
 - d. Program expenses were the direct program activities like PPI, and had increased proportionally with the income.
 - e. There was a surplus of about Kshs.23M, which puts SUK on a much firmer financial footing. This is what had enabled the paying off the staff who had been on salary cuts and unpaid leaves.
4. Consolidated Statement of Comprehensive Income – combines both SUK and SUCBC.
 - a. The overall surplus when you combine both organisations was Kshs.19.5M, because SUCBC incurred a marginal loss.
 - b. SUK was not tax exempt. SUK used to be tax exempt but in 2012 the KRA issued a blanket cancellation of all tax exemptions and told required fresh application. The application for tax exemption had commenced, but there was need to to sort some internal issues first.
5. Statement of Financial Position (or the Balance Sheet), which is a tally of all the wealth contained in the organization.
 - a. It changes from time to time, and in 2021 stood at Kshs.112M as compared to Kshs.89M in 2020. The difference between the two is the overall surplus.
 - b. Property and land remained the same because it was stated at cost.
 - c. Cash and bank balances was the surplus earlier mentioned.
 - d. Due from related parties was the money owed to SUK by SUCBC, which stood at Kshs.26.4M. It was noted that SUCBC could approach SUK to write off this amount.
6. Combined Statement of Financial Position
 - a. The tax provision is not expected to be paid but a provision to cushion SUK and comply with tax laws.
 - b. Trade and other receivables went down with about Kshs.26M because this was a combined statement and SUK cannot owe itself.
 - c. The overall net wealth of the organization was at Kshs.103.8M

Comments and Questions

- a. Nancy Kahuthia noted that part of the KShs.22M surplus was under designated fund, towards the MH&WP program (about Kshs.4M). Designated funds means that you cannot use them for any other reason apart from the designated purpose stated by the donor.
- b. The chairlady thanked the honorary treasurer for the report. She also thanked SUCB for the grant to SUK.
- c. Mr. Joel Sigu sought the treasurer's opinion regarding the covid related implications once covid 19 recedes. Response: There were assurances from the management that the surpluses may remain the same but not necessarily double in the coming year. It was noted that SUCBC continued to be modest in the 2022 expectations but expected some growth in the course of the year since the academic calendar had stabilized. Nancy noted that Management was very grateful to God for provision, and noted that there was need to think critically about sustainability. She noted that there were no reserves when COVID struck. It is therefore essential to consider shoring up reserves to the extent that if another COVID struck, SUK would be afloat. There was need to think how to develop our assets as part of our sustainability. We have continued to challenge SUCBC that it is not only Golden Bells but all SUK publications.
- d. The 2021 audited accounts were adopted by the 52nd AGM through a proposal by Mr. Joel Sigu and seconded by Mr. Kenneth Ouma.

Min 07/03/022: Presentation of 2022 Budget

Mr. Gichuki asked Christine Odiero to present the 2022 Budget Statement. The following is the summary.

1. 2021 saw an increase in income compared to the past two years.
2. During the year, 45% of the total income consisted of grants and local donations. The increase enabled an expansion in revenue streams at Isinya and investments interest income from money market.
3. The schedule below shows the performance summary for 2020 & 2021 against respective budgets.

	Yr 2020 Audited	Yr 2020 Approved Adjusted Budget	Yr 2021 Audited Actuals	Yr 2021 Approved Budget	Yr 2022 Proposed Budget
Total Income	20,233,635.84	25,419,041.00	51,871,310.00	44,495,629.00	73,830,854.56
Total Expenditure	(20,115,455.49)	(20,300,690.59)	(28,905,932.00)	(27,462,379.30)	(45,113,425.11)
Operating Surplus/(Deficit)	118,180.35	5,118,350.41	22,965,378.00	17,033,249.70	28,717,429.45

1. The 2022 budget assumed an incremental budget basis given that it is mainly funded through grants and donations.
2. The total budgeted income was Kshs.73.8M which was an increase of 29% from the actual total income of Kshs.51.7M in 2021.
3. Out of this, Kshs.32.3M was expected from SUCBC as grant from sale of SUK Publications and as such, expected income from grants and donations will form 44% of the total budgeted income.

Income Summary

	Yr 2020 Audited	Yr 2020 Approved Adjusted Budget	Yr 2021 Unaudited Actuals	Yr 2021 Approved Budget	Yr 2022 Proposed Budget
Designated Funds	1,437,350.21	5,200,000.00	8,799,963.03	5,200,000.00	6,600,000.00
Grant from SUCBC - SUK Publications	-	-	17,318,434.00	17,318,434.00	32,388,272.00
Grants & Donations	1,933,927.78	2,500,000.00	1,980,215.18	4,500,000.00	2,500,000.00
Income from Region Programs	2,886,701.00	3,000,000.00	8,200,073.55	3,000,000.00	11,500,000.00
Interest Income from Money Market fund	-	-	-	-	2,591,061.76
Isinya Farming Income	58,225.00	400,000.00	832,720.00	400,000.00	3,714,000.00
Membership & Other Income	56,380.75	50,000.00	200,234.00	50,000.00	50,000.00
Royalties - SUK Publications	3,600,000.00	3,350,000.00	3,600,000.00	3,600,000.00	3,600,000.00
SU Centre Rent & Service charge	10,261,051.10	10,919,041.00	10,939,670.53	10,427,195.00	10,887,520.80
Total Income	20,233,635.84	25,419,041.00	51,871,310.29	44,495,629.00	73,830,854.56

1. The budgeted expenditure was Kshs.45.1M. The actual expenditure over the past two years had remained relatively constant. This was because there had not been major changes in staffing or level of program activities.
2. For the year 2022, the proposed areas of focus were the two main strategic pillars:
 - a. Leadership and governance which involved ensuring competent and performing governance teams, providing functional administrative systems and ensuring adequate and sustainable infrastructural and financial resources.
 - b. Growing ministry programs which majorly involved developing and implementing a ministry growth master plan and ensuring efficient ministry approach and delivery.

	Yr 2020 Audited	Yr 2020 Approved Adjusted Budget	Yr 2021 Unaudited Actuals	Yr 2021 Approved Budget	Yr 2022 Proposed Budget
Administration costs	1,441,864.31	1,730,000.00	1,000,556.89	2,355,000.00	1,250,408.82
Capex	-	-	-	-	2,070,000.00
Depreciation	2,245,480.00	2,430,012.00	2,081,364.00	2,103,504.00	2,892,318.00
Establishment Costs	2,369,020.87	2,510,818.59	2,183,311.05	2,324,815.85	2,522,790.00
Finance Costs	35,571.00	36,000.00	34,449.02	50,508.00	173,792.00
Governance Costs	123,982.15	50,000.00	539,112.62	100,000.00	721,000.00
Isinya CRC Projects	-	600,000.00	-	-	2,000,000.00
Isinya Farming Costs	307,801.00	600,000.00	1,311,092.00	250,000.00	1,848,571.18
Program Costs	3,276,525.36	3,000,000.00	10,499,045.59	13,648,555.45	23,497,164.00
Staff Costs	10,315,210.80	9,343,860.00	11,257,000.65	6,629,996.00	8,137,381.11
Total Expenditure	20,115,455.49	20,300,690.59	28,905,931.82	27,462,379.30	45,113,425.11

Assumptions:

1. As the proposed budget was heavily funded by grants and donations, the assumption was that the business environment would continue to improve and recover from the effects of the pandemic.
2. 2022 being an election year, prayer for stability in the business environment was essential.

Comments and Questions

1. It was noted that SUK was not doing well in regard to membership recruitment and subscriptions and there was need to up our game in that area.
2. Mr. Joe Alando sought to know why the 2021 column was marked un-audited? Response: This was a typo.
3. It was noted that some members did not receive the reports.
4. Mr. Minjire Waithanji affirmed the caution for modesty in terms of expenditure and forecast.
5. Mr. Joel Sigu thanked Christine for the budget report and sought to know how much had been allocated for marketing. He observed that if more of the income was expected from bookshops, then it was necessary to be sure that there is proper marketing taking place. Response: the budget for SUCBC incorporated the marketing component but it was not part of this AGM report.

The 2022 Budget was adopted by the 52nd AGM through a proposal by Ms. Eunice Njeru and seconded by Rev. Dr. Mary Mumo.

Min 08/03/022: Elections and Nominations**Auditors**

1. Mr. Daniel Muhia and Mr. Fredrick Chwara were requested to take leave of absence to enable discussions on the appointment of auditors for the 2022 FY.
2. The Honorary Treasurer, Mr. Joseph Gichuki observed that the Auditors have worked hard to ensure we have our AGM within or by March. We have proper financial reports and budgets. Our current auditors had contributed in big ways and given proper technical improvement. NGC was happy to ask them to take up tax exemption applications. The recommendation of the Finance Committee and the NGC was that MGK Associates LLP be appointed as auditors for the 2022 Financial Year.
3. Mrs. Nancy Kauthia observed that the 51st AGM had appointed the MGK Associates LLP for two consecutive years, but the Honorary Treasurer noted that for compliance with the law, the AGM still needed to pass a resolution to appoint them for the 2022 Financial Year.
4. The 52nd AGM re-elected MGK Associates LLP as the auditors for the 2022 Financial Year through a proposal by Rev. Jane Ndanu and seconded by Mr. Minjire Waithanji.

Recruitments

It was noted that in 2022, there was going to recruitments to strengthen governance at the Trustees, NGC, Regional and SUCBC level.

Min 09/03/022: Confirmation of Previous Minutes and Matters Arising

1. The Secretary presented the minutes. They were confirmed as a true recording of the 51st AGM by Mr. Joel Sigu and seconded by Rev. Dr. Mary Mumo.
2. The matters arising from the 51st AGM were addressed in the various reports earlier presented.

Min 10/03/022: A.O.B

The Chair informed the AGM that no AOB had been received

- Timothy Ochuka noted that there was a problem with the governance structure of SUK. He proposed that a committee be formed to look at it, for example, is there a SUK chairperson (what we have is an NGC chair), the manner of appointment of National Director and adoption of the SUK Constitution without quorum.
- Response from chair:
 - o Regarding chair and chairperson – these are used interchangeably in the SUK constitution.
 - o She noted that the NDs contract had not been extended and that there was no constitution that had been adopted. The SU Global has asked all national movements to revise their constitutions in line with certain guidelines, and this process is not yet complete.
- Caleb noted that the minutes of the previous minutes have not be signed. Response: the practice is that the minutes of previous meeting are signed once they have been confirmed. They will now be signed.
- Joel Sigu thanked the chairlady for leading the meeting well, and Nancy for recording all the proceedings well. He also expressed his excitement for the return of Mr. Zack Gaya for his return to SUK in a governance capacity.
- The chairlady invited SU Zambia National Director, Mrs. Womba Miyanza to greet the AGM and welcomed her to Kenya for her induction and orientation.
- Mrs. Womba expressed her joy in attending the AGM and eagerness to come to Kenya in April.

There being no other business, the AGM adjourned at 13.05PM. Rev. James Wanjau led the AGM in the final prayer at 13.06PM.

Signed

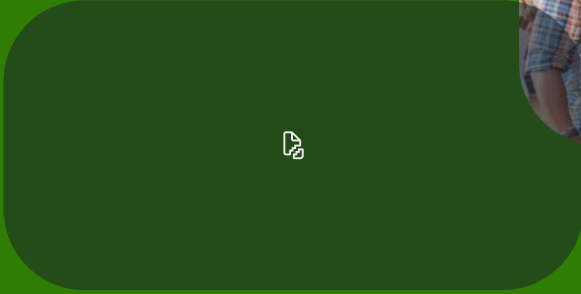
Date: _____

Date: _____

Ms. Christina Were,
NGC Chairlady

Mrs. Nancy Kahuthia,
NGC Secretary

Pictorial memories





**For inquiries,
contact us.**

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