

SCRIPTURE UNION

England & Wales · Charity number 213422

Details

Other names	SCRIPTURE UNION ENGLAND AND WALES, SU, UNDEB Y GAIR
Status	Registered
Legal form	Charitable company
Company number	00039828
Registered	1966-01-03
Register	View on the Charity Commission register

Contact

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Activities

Objects: TO ADVANCE CHRISTIANITY BY SHARING THE GOOD NEWS OF OUR LORD JESUS CHRIST WITH PEOPLE THROUGHOUT THE WORLD. THE OBJECTS SHALL BE CARRIED OUT IN PARTICULAR, BUT LIMITED TO, WORKING WITH CHURCHES: 1. BY MAKING GOD'S GOOD NEWS KNOWN TO CHILDREN, YOUNG PEOPLE AND FAMILIES; AND2. BY ENCOURAGING PEOPLE OF ALL AGES TO MEET GOD DAILY THROUGH THE BIBLE AND PRAYERSO THAT IN EACH CASE 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.

Activities: We help children and young people explore the Bible, respond to Jesus and grow in faith. We make Jesus known through our work in communities, schools, holidays and missions. Through publishing, using print and digital media, we aim to inspire leaders to make disciples of children and young people with our resources and to equip Christians to grow in discipleship with Bible guides and publications.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL

- Armenia
- Australia
- Bolivia
- Botswana
- Congo (Democratic Republic)
- Croatia
- Czech Republic
- Estonia
- Eswatini
- Fiji
- France
- Germany
- Ghana
- Greece
- Hungary
- India
- Ireland
- Isle Of Man
- Kenya
- Kosovo
- Lesotho
- Malawi
- Namibia
- Nepal
- New Zealand
- Nigeria
- Pakistan
- Peru
- Romania
- Russia
- Scotland
- Serbia
- Sierra Leone

- Slovakia
- South Africa
- South Korea
- Sri Lanka
- Tajikistan
- Thailand
- The Gambia
- Uganda
- Ukraine
- Zambia
- Zimbabwe
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,715,000	£5,714,000	£3,922,000	76
2024-03-31	£4,215,000	£5,243,000	£4,899,000	75
2023-03-31	£4,532,000	£5,085,000	£5,762,000	76
2022-03-31	£4,400,000	£4,533,000	£6,571,000	71
2021-03-31	£4,526,000	£4,167,000	£6,644,000	65

Trustees

Name	Role	Appointed
Richard Westacott Godden	Chair	2018-07-19
Caroline Sarah Daly		2026-02-04
Ian Robertson Gulland		2024-11-16
JUNIOR CHARLES JOHNSON		2020-02-05
KIM B HURST		2017-09-20
Malcolm William Forsyth		2020-11-19
Mark Binney		2025-07-01
RICHARD ALASTAIR EVANS		2019-07-11
Rachael Mary Heffer		2026-02-12
SANDRA MORRIS		2022-01-03
Sarah Jane Smart		2023-09-04

Linked charities

- MRS E M ROWCROFT TRUST (213422-1)
- MRS E M ROWCROFT BEQUEST (213422-2)
- OLD DENNING HALL TRUST (213422-3)
- PETER WOOD TRUST (213422-4)

Accounts



Scripture Union

Year in review

Trustees' annual
report & financial
statements

YEAR ENDED
31 MARCH
2025

*"See, I am doing a new thing!
Now it springs up; do you not perceive it?"*

2 Corinthians 5:20 (NIV)

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Report of the Trustees (incorporating the Directors' and Strategic Reports) for year ended 31 March 2025

The Trustees are pleased to present their annual Directors' report and financial statements of the Charitable Company for the year ended 31 March 2025, which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details of the charity, its trustees and advisers

Status	Scripture Union is a charitable company limited by guarantee. It is governed by its Articles of Association adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020	
Registered name	Scripture Union (also known as 'SU', 'SU England and Wales' and 'Scripture Union Cymru')	
Charity registration number	213422	
Company registration number	00039828	
Country of incorporation	England and Wales	
Principal & registered office	Trinity House, Opal Court, Opal Drive, Fox Milne, Milton Keynes MK15 0DF	
Trustees	Mr Richard Godden – Chair Ms Kim Hurst – Honorary Treasurer Mr Mark Binney (<i>appointed 1 July 2025</i>) Mr Richard Evans Mr Malcolm Forsyth Rev Dr Mark Griffiths (<i>resigned 29 June 2025</i>) Rev Ian Gulland (<i>appointed 16 November 2024</i>) Mr Junior Johnson Mrs Julie Kittow (<i>resigned 16 November 2024</i>) Mrs Sandra Morris Mrs Sarah Smart	
Leadership Team	Rev David Newton – National Director Rev Dr Mark Griffiths – Mission Resources Director (<i>from 30 June 2025</i>) Mr Richard Shaw – Mission Director Mr Stephen Vis – Finance & Services Director (<i>to 31 July 2024</i>) Mrs Sharon Esnard – Finance & Services Director (<i>from 9 July 2024</i>) Mrs Rachel Warwick – Mobilisation Director	
Company Secretary	Mrs Susan Winning	
Bankers	HSBC Bank plc, 62 George White Street, Cabot Circus, Bristol, BS1 3BA	
Solicitors	Pothecary Witham Weld, 70 St Georges Square, London SW1V 3RD	
Auditor	MHA, 6 th Floor, 2 London Wall Place, London EC2Y 5AU	
Investment advisers	Rathbones Investment Management Limited, 8 Finsbury Circus, London EC2M 7AZ	
Insurance brokers	Zurich Municipal, 2 Gladiator Way (N2), Farnborough, Hants GU14 6GB	

Introduction

This time last year, Dave Newton (our National Director) had been in post only three months and Sharon Esnard (our Finance & Services Director) had just joined us. In the months that followed, a number of other long-serving senior members of the SU team left and their successors joined us and, early in 2025, we merged two of our regions as part of several changes designed better to align our resources with our mission.

In the light of these changes, it would have been understandable had this report indicated that the past year had been focussed on rebuilding our team and that, consequently, there had been only limited progress in our front-line ministry. However, this is not the case: the speed with which the new team members settled in and began making an impact was tremendous. There has been no loss of momentum and, over the past year, there has been significant progress in all of our main areas of ministry.

The number of Faith Guides, supported by local churches, has continued to grow. By the end of March 2025, there were 566 Faith Guides (a 22% increase over the course of the year) and we have developed a structured approach to their coaching, which we believe will prove to be of material assistance to them. Alongside this, Mission Support (our on-line support for our Local Mission Partners, Faith Guides and churches generally), which was launched in October 2023, has enjoyed a successful first full year of operation, with nearly 2,600 people signed up to receive support as at the end of March 2025. The review of our Revealing Jesus framework that was mentioned in last year's Annual Report, indicated a need to adapt our resources, and, following a huge amount of work by members of our Development Hub and Digital Solutions teams, our new Resources Centre went live in January 2025. This provides both free and paid-for mission content and is designed with mobile device users in mind.

Our holidays and missions have likewise continued to evolve. Overall, the number of children and young people attending was lower than in the previous year, but over 1,500 did so and the new-style Faith Guide holidays, which were first trialled in 2023, continued to develop. There were four during the Easter and Summer holidays in 2024 and they provided opportunities for Faith Guides to offer a short Christian residential event to the groups of children and young people with whom they are working.

Our strategy of seeking to partner with other organisations has also been bearing fruit. The national partnership with the New Wine church network has developed and the equipping tour that is to take place later this year will result in the training of volunteers and staff in New Wine churches so that they can be pioneers of the Revealing Jesus framework and act as Revealing Jesus coaches for Faith Guides. We have also recently entered into a partnership with Prayer Spaces in Schools with a view to enabling school children to explore and respond to Jesus, and we hope that further partnerships with national para-church organisations and church denominations will follow.

As always, I thank all of those who have contributed to the work of SU and, in particular, our former Finance & Services Director, Stephen Vis (who oversaw the financial aspects of the implementation of our new strategy), our former Head of Mission Event Operations, Jo Morley (who for a long time oversaw our holidays and events) and the former Head of our Development Hub, Gemma Willis (who oversaw the many changes in our resources in recent years). We are most grateful for all that they did.

The recent Bible Society report, "The Quiet Revival", suggests that the tide may be turning in terms of attendance at church and interest in reading the Bible. The harvest is plentiful and we pray that the Lord would send workers into his harvest and, in particular, would use us as pleases him. We continue to be grateful that he has provided us with the people and the financial resources that have been required over the past year and we pray that he would do so again over the coming year.

Richard Godden
Chairman

Aims, objectives and activities

Aims

SU's **overarching aim** is to make God's good news known to children and young people and to encourage them to meet God through the Bible and prayer. We work to fulfil this aim as effectively as possible with the resources that God gives us.

SU's **vision** is for a new generation of children and young people who have a vibrant, personal faith in Jesus.

Our **mission** is to create opportunities for children and young people to explore the Bible, respond to Jesus and grow in faith.

Our **priority** is to reach those who don't yet know Jesus.

Our **values** underpin all we do: we serve *the living God*, depending on him in faith, and trusting him to transform us and the lives of those we work with: we are rooted in *the Bible*, seeking a sound understanding that is applied in daily living and encouraged in the lives of others; we trust in the power of *prayer*, embedding it into everything we do; we share God's heart for *children and young people*, demonstrating his love to them and inviting them into lifelong relationship with Jesus; we have a *responsibility* to work to create a safe and caring culture in all we do, reflecting God's heart as we strive to excel in the mission he has called us to; and we invest in *relationships* to advance mission opportunities, equipping and empowering each other in the kingdom.

All work carried out by SU is consistent with our charitable objects, as set out in the Articles of Association: to advance Christianity by sharing the good news of our Lord Jesus Christ with people throughout the world. The objects are carried out through, but not limited to, working with churches, by making God's good news known to children, young people and families and by encouraging 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.

Our Strategy – Revealing Jesus

Our strategic review in early 2019 resulted in the development of our *Revealing Jesus* strategy and its associated innovative mission framework. This culminated in an online launch in October 2020 and in a multi-year programme of development, field testing, and operational scaling that brought increased cohesion and focus to our activity (*see su.org.uk/revealingjesus*).

Building on our campaign to share the good news of Jesus with the 95% of children and young people not connected with a church (*'the 95'*), the mission framework helps envision, resource and equip churches as they engage with the younger generations in their community. Setting out a four-stage journey of faith, the framework equips Christians to act as *Faith Guides* who accompany children and young people over the long term and create opportunities for them to *connect* with Christians, *explore* the Bible, *respond* to Jesus and *grow* in their faith in Jesus. Our *Mission Enablers* and *Revealing Jesus Pioneers* walk alongside the Faith Guides, using an SU-developed training programme, offering one-to-one coaching and providing early access to resources through the *Faith Guide Hub*.

In addition to growing the number of Faith Guides and investing heavily in our resources and resource web platform, our focus areas this year have been from both a mission and an infrastructure perspective. We have sought to build the team, amplify our voice, increase support and increase missional effectiveness. Several senior staff changes during the year provided an opportunity to appoint and embed some key roles across the organisation. This included the appointment of a new Finance and Services Director, Sharon Esnard, who took over from Stephen Vis. We have also sought to streamline our management structures in line with strategy and embed a number of temporary mission roles into the permanent staffing establishment. We have

maximised opportunities during the year through events, print and broadcast media to increase the profile of SU across churches and the wider Christian community. Moreover, we continued to embed the Revealing Jesus strategy into the culture of the Movement, through our regional gatherings taking place in all English regions and in Wales. Additionally, we have prioritised growing our support base and widening our sources of income and have been encouraged by some of the early signs of response to the investment in this area. Alongside this we have invested in training to refine our support of mission through the Revealing Jesus strategy, particularly upskilling staff in offering coaching support. See *Implementing our Revealing Jesus strategy* below for further details of activity during the year.

Main objectives for the year

The Trustees confirm that they have referred to and have given due regard to the Charity Commission's guidance on public benefit when reviewing the Charitable Company's aims and objectives and when planning future activities. The focus of all SU's activities is on sharing the good news of Jesus Christ with children and young people in the belief that the gospel is life-transforming and life-enhancing. It is our conviction that the gospel has a positive impact on individuals who, in turn, have a positive and transformative impact on their families and communities. The following pages highlight just some of the ways in which God has been at work through SU to deliver public benefit in the past year as we have continued towards achieving our strategic goals.

As set out in SU's operating plan, we sought to fulfil our long-term vision by pursuing the following primary objectives:

- **Movement-wide safeguarding:** Deliver high quality safeguarding policy and practices across all of SU's work in England and Wales.
- **Mobilising others:** Mobilise the SU Movement and the wider Christian community to engage with the 95 through the Revealing Jesus strategy as donors, prayer supporters and volunteers.
- **Thought leadership:** Develop 'best in class' understanding of key aspects of engaging children and young people who are not in church, and influence the Movement and beyond through documenting, communicating and advocating the principles.
- **Creating relational opportunities:** Support churches to pioneer, develop and multiply opportunities for children and young people to connect with Christians, explore the Bible, respond to Jesus and grow in faith – that they might know the difference Jesus can make to the challenges and adventures of life.
- **Transforming organisational efficiency:** Ensure transformation of cross-functional, mission-enabling systems and processes to underpin organisational growth and efficiency.
- **Supporting global partnership:** Support and learn from SU movements globally who have a passion about working with children and young people who don't yet know Jesus.

Strategic report

Review of activities and performance during the year

The Trustees place great importance on ensuring that progress made in achieving the Movement's strategic objectives is measured and monitored appropriately. Key performance indicators are identified for the Movement's objectives and, alongside relevant commentary, form the basis of a quarterly progress report: the Mission Update. The Mission Update is prepared by the Leadership Team and key staff members and then reviewed by the Trustees before being circulated to members of Council and the full staff team. In addition, detailed monitoring and evaluation of activities, projects and programmes takes place on an ongoing basis by the relevant teams.

Keeping children and young people safe is of paramount importance to SU and the need to provide care for children and young people is always held as the highest priority in all our activities and is at the forefront of any event planning.

Implementing our Revealing Jesus strategy

Our Revealing Jesus strategy sets out how we intend to meet our objectives, fulfil our mission, and bring about our vision within our priority community, the 95.

Thought Leadership

We have continued to invest in thought leadership. Our focus this year has been on two significant reports exploring Hybrid Mission and Generation Alpha in Wales. The Hybrid Mission report, undertaken by our Research and Innovation Lead, has been completed and published. We are now seeking to disseminate the findings and ensure that the learning informs our mission practice through training and some pilot projects. The Generation Alpha research has run six months behind schedule due to staff changes; the field research is completed and the findings are now being analysed and written up.

We recognise the importance of building a culture within the Movement that supports our Vision, Mission and Priority (*stated on page 3*). We have sought to embed our values by taking opportunity to speak into them as often as possible and refreshing our staff induction process.

Faith Guides

Our strategy recognises Faith Guides as key to fulfilling our mission. They are passionate individuals who are commissioned by the local church and supported by SU's Mission Enablers and Revealing Jesus Pioneers. These Faith Guides seek to journey with children and young people as they connect with Christians, explore the Bible, respond to Jesus and grow in their faith.

The number of Faith Guides continued to grow from 463 last year to 566, while the number of associated churches increased from 338 to 430. We have clarified the support we offer Faith Guides, with a particular focus on training our Revealing Jesus Pioneers and Mission Enablers in 'coaching' through the Revealing Jesus framework. We have also developed partnerships with national Mission Partners, equipping them to act as coaches to work through the Revealing Jesus framework within their own denomination or network and thereby increasing our capacity and reach.

Mission Support

Since its launch in October 2023, the number of people registered for Mission Support has increased to nearly 2,600, including 565 Faith Guides. We have continued to consider how best to use this engagement tool and we now publish an on-line monthly 'Mission Sparks' resource, written by our field team, to help churches and individuals engage with the 95.

In early 2025, with the launch of the new Resource Centre (*see Resources and publishing activity section below*), all Revealing Jesus Mission Framework collections were made available to those who sign up to Mission Support to further aid their work with the 95.

Resources and publishing activity

This year has seen our Faith Guide Hub and Resource Centre go through a major transformation. The Resource Centre, digitally accessible from the website, now provides easily-searchable access to free and paid-for mission content. The site, which went live in January 2025, is the home for a range of resources to equip churches in their mission to Reveal Jesus. It has been designed with a mobile-first approach, as this is how most users are accessing resources, and its functionality has vastly improved end-user searching, payment facilities and access. The Faith Guide hub, which is still active, provides a facility to pilot material and make resources accessible to Faith Guides prior to their official launch.

Printed resources are fully aligned to our Revealing Jesus strategy. This year we wrote and published *So What Next*, and reprinted *It's Your Move* to celebrate the 25th anniversary of this much respected and well-used resource.

Despite experiencing significant challenges in July 2024 due to our primary distributor entering administration, income from product sales and royalties increased to £733,000, up from £681,000 last year.

Changes in the staff team during the year enabled an opportunity to reconsider our approach and build on recent technical work, and a new Mission Resource Department was launched in early July 2025. Rev Dr Mark Griffiths took up the role of Director of Mission Resources at that time.

Mission through Sport

Our mission-through-sport activities reached almost 4,000 young people this year. The team innovated in a number of key areas within the strategy, creating a brand-new resource, *Half Time*, using crafted video content and relevant activities to explore Mark's Gospel for both 7-11s and 11-16s. The team has engaged in a variety of training events to increase the confidence of staff and Faith Guides in using sport in mission, and has piloted a number of mission event days and sport-focused discipleship events.

Grow Communities

An important part of the Revealing Jesus mission framework is the concept of a Grow Community. This is a culturally-appropriate worshipping community of children and/or young people that is peer-shaped, peer-served and adult-guided. It enables the faith of the 95 to flourish in their commitment to Jesus in a setting which is relevant to them.

Throughout the year we continued to help Faith Guides to progress the spiritual journey of their young people, such that by the end of the year there were some 60 established or emerging Grow Communities serving almost 700 children and young people.

Holidays and Missions

Our holidays and missions remain at the heart of our missional activity.

Responding to the Revealing Jesus strategy, during Easter and summer 2024, we ran four new-style Faith Guide Holidays where, supported by Mission Enablers and Pioneers, Faith Guides provided a residential experience for the children and young people with whom they are journeying. These events were very well received.

Over 1,500 children and young people attended one of our residential events, a decline of around 200 against the previous year, with many others attending missions. Early indicators for 2025 show an upturn in the number of guest bookings.

Three modules of our new Young Leader Development Programme were implemented during the year and feedback from those involved has been positive. This programme supports our strategic intent that 'traditional' events support the development of a future generation of SU volunteers and staff and wider Christian leaders.

Partnerships

Part of our strategy for scaling the impact of Revealing Jesus is to engage in strategic mission partnerships.

We continue to engage in positive conversations with national para-church organisations and church denominations regarding the Revealing Jesus Mission Framework. During the year we entered into partnership with Prayer Spaces in Schools which will enable children and young people to explore and respond to what they have experienced.

Our Local Mission Partners continue to engage in different elements of the Revealing Jesus Mission Framework, as we look to equip them in all aspects during 2025. *Note: local mission partners are individual trusts or groups affiliated with SU and are an integral part of SU's regional teams. The partnership enables trusts to respond to local needs whilst sharing the SU core values and identity.*

Our partnership with the New Wine church network developed during the year, further reflecting the high alignment between SU's Revealing Jesus framework and the network's strategy for children and young people's work. Following SU's significant involvement at New Wine's Summer Festival in 2024, a new "equipping" tour for 2025 has been put in place. This will include the training of church volunteers and staff in the New Wine network to be able to pioneer the Revealing Jesus framework and act as Revealing Jesus coaches, thereby widening our reach.

Organisational sustainability

Fundraising and Communications

SU embraces fundraising first and foremost as ministry. It is a way of inviting donors to partner in our vision to reach the 95, and our supporters are a vital part of our ministry and work. Through fundraising we proclaim that we believe all who support us will benefit through their involvement in seeing God's kingdom grow through the transformed lives of children and young people. We share what God is doing with openness and honesty, providing opportunities for individuals, churches, and trusts to respond, in order to grow the ministry further.

We inform supporters of our activities, and our magazine *Connecting You* was sent directly to around 8,000 supporters by post and 8,000 by email each quarter during the year, as well as being available on our website and social media channels.

Underpinning all our fundraising is prayer, and an acknowledgement that God is the provider of all our needs through those who choose to partner with us. We ensure that anyone involved in fundraising activities is aware of and embraces these principles. The Fundraising Team runs a regular online prayer meeting for supporters which is well attended. We operate a relationship-based approach to fundraising and are pleased to know many of our donors personally.

The wellbeing and safety of donors is important to us, and our Donation Acceptance Policy includes the care of, and support for, vulnerable donors. Our fundraising and supporter care teams receive regular training in Safeguarding Vulnerable Adults and we have procedures in place, should any concerns be raised.

Income received as a result of the managed fundraising programme during the year increased from £2,084,000 to £2,149,000. Legacies of every size are vital to the ongoing work of SU. Several large legacies contributed to income totalling £1,318,000. This was higher than the £929,000 received the previous year, with legacy income for both years exceeding our expectations. We are currently working with two agencies to encourage people to include SU in their will.

The cost of raising funds during the year increased from £479,000 to £535,000 (*see Note 4 to the financial statements, page 30*).

We have an in-house fundraising team which is assisted, when required, by the services of fundraising consultants. We are registered with the Fundraising Regulator, and we endeavour to meet the high standards promoted by their Fundraising Practice by ensuring our activities are open, fair, honest and legal.

Work continues to increase regular giving in order to sustain and grow the operations envisioned in our Strategic Plan. During the year, we successfully transitioned fixed-term roles, previously funded by the Project and Development Fund, to permanent positions funded from regular operational income. We engaged an external consultant to review our Church Engagement and corresponding data, which will guide our focus on increasing regular giving in the coming year.

We regard the lawful and correct treatment of personal information as of paramount importance, and we have policies and procedures in place to be compliant with the Data Protection Act 2018. We ensure that staff are fully trained and understand their responsibilities in their respective areas.

We take pride in treating the wishes of our donors and their privacy with the utmost respect. We contact supporters in the ways that they prefer, adapting them as needed. Supporters can change

their preferences at any time, and we will not contact them if they ask us not to. We never share names, addresses or other personal information with third parties for charity, commercial or fundraising purposes. We appreciate feedback from supporters and the public and we review our fundraising activities in the light of any feedback and complaints we may receive. We received four (2024: one) fundraising complaints this year, three relating to fundraising mailing permissions, and one from a customer who was struggling with our online systems. All complaints have been resolved satisfactorily and none were deemed by the team to be serious and requiring referral to the Fundraising Regulator.

Digital infrastructure

In January 2025, we significantly improved SU's website by launching a new e-commerce platform, making our complete suite of Revealing Jesus resources accessible to the widest audience (available at su.org.uk/resources). Users now find it easier to identify relevant products, with free and paid resources integrated into a single checkout process. Enhanced data collection also provides a fuller picture of resource usage. Additionally, this update allows online orders to be sent directly to the distributor without manual processing, increasing our efficiency and delivery speed.

Environmental impact

We have continued to implement our Environmental Policy, recognising that, in Scripture, God specifically commands mankind to take care of his creation. This commitment to environmental stewardship is reflected in various aspects of our operations, activities and events.

We continue to see the benefits of the solar panels that were installed in the National Office. These panels have significantly reduced our reliance on non-renewable energy sources, contributing to a reduction in our carbon footprint.

In our daily operations and the events we run, we actively recycle consumables wherever possible. This includes paper, plastics and electronic waste. Additionally, we have made progress in reducing the use of single-use plastics across all our operations.

We have implemented measures to reduce paper usage, including promoting digital documentation and communication, which not only reduces waste but also enhances efficiency.

We encourage the use of public transportation and car sharing wherever possible. For longer distances, virtual meetings are encouraged to minimise the environmental impact of travel, unless there is an operational imperative to meet in person.

The adoption of flexible working arrangements, including working from home, has reduced the need for daily commuting, thereby lowering our overall carbon emissions.

We are committed to working with suppliers who share our environmental values. We prioritise partnerships with those who have robust sustainable practices, including the use of eco-friendly materials and processes, where it is financially viable to do so. All text paper used for the printing of our Bible Reading guides is from a FSC certified mill and the cover is from a PEFC certified mill.

Investments

A portion of SU's reserves has been identified as available for investment and held as long-term reserves (£1,185,000 as at 31 March 2025 (£2,428,000 as at 31 March 2024)). This includes a capital endowment (£651,000 as at 31 March 2025 (£668,000 as at 31 March 2024)). In addition, we hold short term cash investments of £23,000 (£22,000 as at 31 March 2024) and disinvested cash of £800,000 (£1,015,000 as at 31 March 2024). Income from the General Fund portfolio is reinvested whilst income from the Endowment Fund is used as restricted income to meet expenditure for the mission work of SU in England and Wales, and especially for work in schools.

We have been drawing on reserves to fund projects and our continuing investment in Revealing Jesus Pioneers and Sports Mission Pioneers. Close communication with our investment manager has

allowed us to draw down funds at attractive moments in the market and to optimise the short-term returns on cash that has been disinvested.

Please see the *Investment Policy and Performance* section (page 12) for an overview of the investments performance during the year.

Involving volunteers

SU is a volunteer-led movement, and we are grateful to the many individuals who give their time, energy and skills in support of SU. Volunteering at SU comes in many forms, including at holidays, missions, regional and national events and in governance, and volunteers join in our mission from a wide range of backgrounds, bringing a rich and diverse range of experiences, expertise and gifts. Recruiting sufficient volunteers has remained a challenge post-pandemic, but we continue to trust God to provide the workers for the harvest. Over the past year we created 1,428 (2024: 1,342) known opportunities for volunteer involvement, equivalent to 5,536 (2024: 5,282) working weeks, or 118 (2024: 112) full-time staff. These individuals have contributed significantly to the mission activity of the Movement, which would not be possible without them. Of these volunteer opportunities, 34 (2024:32) related to governance of the Charitable Company (for example, trustees and Council members) and therefore could not be filled by staff. These governance volunteers contributed the estimated equivalent of 58 (2024:56) working weeks.

Most opportunities for volunteer involvement relate to events, but many volunteers are becoming involved in regional and national initiatives.

In addition to SU volunteers, our local mission partnership programme involves many hundreds of volunteers working alongside 100 (2024:105) workers employed by 54 (2024:56) trusts.

Our Revealing Jesus strategy is also volunteer-focused; equipping and inspiring individuals in their mission with the 95, and supporting local churches to raise up church volunteers as Faith Guides to be equipped by SU Mission Enablers to reach out to the 95.

We have not included in our financial statements the value that volunteers bring through the time which they dedicate to the mission of the Movement, but we thank God and we thank each one of them for it all.

Supporting global partnership

There are over 130 independent SU movements around the world working in around 120 countries, all of which are united by Scripture Union's aims, belief and working principles. SU England and Wales is one such movement. Each national movement seeks to work through local people in ways that are appropriate to the national culture, and the number of staff is typically very small compared to the number of volunteers. Facilitated by Scripture Union International, staff and volunteers globally pray for and support each other, share ideas and resources and have joint projects and publications. Extended partnerships have also been established between countries to provide additional support and funding.

SU England and Wales makes grants to support SU projects and other national SU movements around the world. The grants approved during the year totalled £71,000 (2024: £45,000). Amongst the projects supported were enabling children and young people from Ukraine to attend an SU residential camp in Hungary, the distribution of Bibles and Christian literature in Ukraine, the development of a Trauma Informed schools programme in South Africa and development of ministry for Roma children in Serbia. In addition to the grants made from our own resources, we receive gifts from our supporters restricted for international purposes which we use to make grants to support ongoing SU mission and specific SU projects in other parts of the world. Such grants this year totalled £79,000 (2024: £83,000) (*see the Statement of financial activities, page 22, and Note 4 to the financial statements, pages 29-30*).

Plans for next year and beyond

Since the new Revealing Jesus strategic plan and its associated mission framework was launched in late 2020, the Movement has significantly altered its direction to better enable SU to operationally fulfil its renewed mission to its priority community, and hence better achieve its vision.

In light of changes to senior leadership within the SU executive team, a review of our strategic focus has been undertaken in consultation with staff, Trustees and Council members, in order to enable the entire Movement to fully identify and contribute to the Revealing Jesus strategy. Four key mission initiatives have been established under the banners of Regional Mission, Mission Resources, Residentials and Mission and Mission Partnerships. Clear definitions, focus and targets have been set against these initiatives to ensure progress, and these will be monitored operationally by a recently-formed strategic development group. The aim is to ensure that all aspects of SU's work better reflect the Revealing Jesus framework.

In addition to mission initiatives, foundations have been put in place to strengthen the organisation operationally. These foundation focuses include governance and compliance, people and culture, safer spaces, growing our supporters, and maximising organisational efficiency and digital technology at every level. Each year, our focus will be on at least two key areas in each of these foundations which will enable the mission to be better supported. After significant investment in digital systems over the last three years, it is now vital that we maximise the efficiencies that these systems afford.

Alongside the key mission initiatives and foundational work mentioned above, we have sought to provide greater clarity and focus on our goals. As a result, the wording of our vision and mission statements (as stated on page 3) was updated from April 2025: *Vision*: Mobilise a movement to see a new generation with a vibrant faith in Jesus; *Mission*: Equip churches and individuals in England and Wales to Reveal Jesus to the 95.

The implementation of this new approach has meant some reorganisation. We have merged our south-east and south-west regions to create a new South region. We have created a new directorate to oversee development and distribution of our physical and digital mission content, and a Mission Resource Director was appointed. We are looking to streamline processes around our missions and increase the number of residentials that are '95' focussed. Finally, we are looking to maximise partnerships both locally and nationally to accelerate the Revealing Jesus strategic roll out. Whilst we continue to invest funds to enable mission delivery, we are seeking to move towards a more balanced income and expenditure profile year on year. One key focus area to achieve this goal is to increase our church engagement in the coming year through a targeted campaign.

Financial review

Financial position

We thank God and our many supporters for their financial generosity in funding SU's work, especially during the current difficult economic climate. We are extremely thankful for the faithfulness of our supporters as they continue to financially support the movement, and we have been blessed with an increase in donation income. We continue to be blessed by legacy income, but we also recognise that it is not wise to rely on legacy income in the long term and are therefore investing in growing our supporter base with specific new initiatives to encourage younger supporters to join with us.

For the year ended 31 March 2025, we had an overall deficit of £977,000, compared to a deficit of £863,000 last year. This reflects our continued deliberate investment in the Revealing Jesus strategy – see the *Implementing our Revealing Jesus strategy* section starting on page 5 for more details.

Project and Development Fund (PDF) reserves have funded our investment in the new resource centre (see page 5) and fixed-term mission roles, both of which have demonstrated the effectiveness of our Revealing Jesus strategy. Due to success in the fixed-term mission roles, these have been established

as permanent roles effective from 1 April 2025. As we have now delivered our significant project plans, there is no further requirement for PDF reserves, and the balance of the Fund was moved to our general reserves on 31 March 2025. We plan to significantly reduce our financial deficits over the next two years and invest in resources to grow donation income.

Total gift income, including restricted gift income but excluding legacies, amounted to £2,149,000 which represents an increase of 3% from £2,084,000 in the previous year. It includes gifts of £79,000 restricted for projects run by other national SU movements. Unrestricted legacy income of £1,299,000 was received; this is 40% higher than last year at £925,000. Further details are included in the fundraising section above (*page 7*). Holidays and Mission income at £384,000 is lower than last year's £456,000. Publishing sales and royalty income at £733,000 is 8% higher when compared to last year's £681,000. Publishing activity continues to be focused on a narrow range of products that directly support our Revealing Jesus strategy or key needs of our supporter base.

Total income at £4,715,000 is £500,000 higher than the previous year (11% increase). Meanwhile total expenditure of £5,714,000 is £471,000 higher than last year (8% increase), driven primarily by the impairment adjustment to the value of the National Office building (*see Note 7 page 31*) and investment in digital infrastructure (*see page 8*).

For the year ending 31 March 2026, the Trustees aim to reduce the deficit, and planned expenditure and income generation is in line with the reserves policy (*see below*). The budgeted General Fund expenditure is planned to exceed budgeted income by £674,000, as we continue to increase the adoption of our Revealing Jesus framework.

Reserves review

Our reserves have clearly reduced given the overall deficit for the year, and at 31 March 2025 amounted to £3,922,000 (2024: £4,899,000). The Trustees set aside funds during the year as described below and in Note 13 to the financial statements (*see pages 33-34*).

- **Unrestricted designated funds:**
 - **Fixed Asset Fund** of £546,000 (2024: £852,000), representing the net book value of the fixed assets of the Movement, most specifically our National Office based in Milton Keynes.
 - **Project and Development Fund (PDF).** Representing designated funds to cover the investment cost of a range of significant one-off development initiatives to grow the scale and impact of SU's mission activity. PDF expenditure during the year totalled £652,000 (2024: £485,000). The Trustees made the decision to move the balance of PDF reserves to general reserves as we have now delivered our significant project plans. The Fund balance was therefore £nil at 31 March 2025 (2024: balance of £1,539,000).
 - **International Fund.** Representing designated funds to support projects in other national SU movements around the world. The Fund was fully expended as at 31 March 2025 (2024: £186,000). International SU projects will be supported from general reserves going forward.
- **Restricted funds** of £182,000 (2024: £139,000) relates to gifts made and earmarked for specific purposes by the donors.
- **Endowment funds** of £651,000 (2024: £668,000). The Endowment Fund is a restricted gift whereby we can use the income from these investments for the mission work of SU in England and Wales, especially work in schools; however, we are not able to access the investments themselves.
- **General reserves (unrestricted).** The General Fund stood at £2,543,000 (2024: £1,515,000) on 31 March 2025, which is above the target range set by the Trustees; however, this includes £677,000 of accrued legacy income (in line with FRS102), (*see Note 10, page 32*), where we may not receive the cash for many months.

As noted in the *Financial position* section above, an operating deficit is planned once again for the year ending 31 March 2026, which will further reduce the General Reserves level.

The level of required General Reserves is reviewed annually using a risk-based approach and within the process of budget preparation for the following year, to ensure that it remains relevant to SU's current and future position, in particular reflecting the developments necessary to deliver our strategy. It is also included within monthly financial reporting for review by the Trustees throughout the year.

The risk-based approach focuses on the quantification of risk associated with items in the Movement's Risk Register, together with an assessment of likely correlation of events happening concurrently. As a result, as at 31 March 2025 the Trustees considered it prudent to set the target level of general reserves retained by the Movement at between £1.1m and £1.5m.

Principal funding sources

SU relies substantially on voluntary income to fund our activities (*see Fundraising and communications, pages 7-8*), with the majority of donations coming from individual regular givers and from major donors. Other income shown in the Statement of Financial Activities (*see page 22*) includes sales of publications and fees for holidays, training and other events. When setting a price for our paid-for events and resources, appropriate consideration is given to how we can both maximise mission benefit and avoid pricing being a barrier to participation and partnership. We normally do not receive funding from the government, statutory bodies or the National Lottery. This remained true for the year ended 31 March 2025.

Investment policy and performance

The Trustees review the level of investments and cash flow demands periodically to ensure that the level of reserves available for investment remains appropriate for the Movement. SU seeks to produce the best financial return within an acceptable level of risk.

The key risk to long-term reserves is inflation – though volatility in the market can drive significant short-term fluctuations as experienced over the past few years – and our assets are invested to mitigate this risk over the long-term. SU aims to diversify its assets through investment in a multi-asset investment fund that reflects SU's ethical investment policy which specifically excludes companies that generate the majority of their revenue from armaments, gambling, tobacco, alcoholic drinks, production and dissemination of pornographic materials or high interest lending. The Trustees are aware that this may have some impact on investment performance.

Rathbones, our investment managers, continue to manage an investment portfolio of just over £1.2 million for SU. We continue to invest our portfolio of individual securities and pooled funds in Rathbones' range of Managed Funds for Charities which aligns with SU's ethical investment policy.

The investment portfolio is 67% invested in equities, with the balance in fixed income and alternatives. For the year to 31st March 2025, the returns of our portfolio were +7.3%, above the charity's benchmark return of +5.7%. Over five years, returns have been +56.1%, exceeding the benchmark's return of +53.0%.

The portfolio's performance over the financial year has been pleasing. Global equity markets delivered solid returns through most of 2024, with US equities leading once again, driven by strong corporate earnings and optimism following the US presidential election. However, sentiment shifted in early 2025, as the USA's unpredictable trade policy, higher inflation expectations and geopolitical tensions sparked renewed volatility, particularly in US markets. Despite these late headwinds, UK and European equities held up relatively well, supported by more defensive sector exposures and improving fiscal momentum in the EU. Our fixed income holdings have also been resilient, benefitting from good income yields and expectations of interest rates falling. These diversifying exposures away from US equities have allowed the portfolio to be more resilient amid the recent volatility. Whilst the start to 2025 has reminded investors that there are significant risks to economic growth and stock market performance in the short-term, we believe the portfolio remains well positioned for the long-term, and we continue to favour a globally diversified, high-quality approach.

Rathbones also held cash deposits for us valued at £800,000 as at 31st March 2025. These are held as time deposits with maturities structured to fit in with our liquidity requirements, whilst also benefitting from attractive interest rates in excess of 4% for fixed-term money. Our investment policy reflects a shorter-term horizon, as we anticipate utilising our unrestricted investments during the 2025/26 financial year, unless there is an increase in donations.

Principal risks and uncertainties

The Movement has a risk management policy and procedures through which risks arising from existing operations and strategic developments are identified and evaluated. The Leadership Team identifies risks associated with activities, assesses their potential impact and probability of occurrence, and reports on procedures which are in place or are being developed to manage and mitigate the risks. Major risks are highlighted for consideration and monitoring by the Trustees and the suitability and effectiveness of the risk review and management process is monitored by the Audit and Finance Committee (*see page 16*).

During the year, the Leadership Team and the Trustees carried out detailed reviews of potential reputational, financial, mission and operational risks to the Movement. The major risks to which the Charitable Company is exposed have been reviewed and systems have been established to manage those risks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Security of our IT networks, access control, phishing awareness and malware detection minimise the potential risk of a cyber security breach. Procedures are in place to ensure compliance with legislation, regulation, codes of practice and standards. All procedures are reviewed periodically to ensure that they continue to meet the needs of the Charitable Company.

Two primary risks have been identified:

Criticism, incident or allegation regarding work with children - Key elements of the prayerful management of this risk are safer recruitment processes, regular review of SU's safeguarding policy, clear lines of responsibility and accountability, input from SU's safeguarding advisory group, compliance with externally set activity standards and regular training and review.

Failure to generate sufficient income, falling numbers of supporters and mistrust of charities, particularly fundraising activity - Key elements of the management of this risk are prayer, maintaining a focus on trusting God to provide for His mission, ongoing building of personal relationships with donors, implementation of SU's fundraising strategy, periodic Trustee review of SU's fundraising ethos and strategy, and implementation of the strategic plan with a clear focus on income generation and expenditure.

Structure, governance and management

Governing document and constitution

SU was established in 1867. It is a charitable company limited by guarantee, incorporated on 28 October 1893 and registered as a charity on 3 January 1966. It is governed by its Articles of Association which were adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020.

Recruitment and appointment of trustees

Policies and procedures for the recruitment, appointment and induction of all new trustees are in place and maintained by the Trustees.

Responsibility for the trustee recruitment process lies with the Chair of Trustees. Each candidate is interviewed by a panel that usually comprises the Chair, at least one other trustee, and a member of Council. In the case of candidates whom the group believes may be called to be trustees, a second interview by the same or similar panel is normally conducted. Each candidate is assessed having

regard to the overall composition of the Board of Trustees, including any skills and experience that its then current members lack. The Trustees themselves may proactively approach and co-opt additional trustees to fill vacancies, and such appointments are effective until the next Annual Meeting.

The Council appoints new trustees and reappoints those who have come to the end of their current term of office and who are eligible, willing and nominated for re-election. Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act, are appointed for a three-year period in accordance with the Articles of Association. After serving a maximum of three consecutive terms of office, a retiring trustee is not eligible to serve any further term of office until at least one year of non-service has elapsed.

The Articles of Association provide for a minimum of six and a maximum of twelve trustees.

Induction and training of trustees

All trustees receive induction training, information and support to acquire the necessary detail of how the Movement and the Board of Trustees work, so that they can play a full part in discussion and decision-making. Every effort is made to broaden trustees' knowledge on an individual level so that they are up to date with the whole of the Movement and the Strategic Plan. Where there has not been any previous involvement, care is taken to introduce them to the Movement, with an emphasis on SU's aims, belief and working principles and the Strategic Plan. Participation in induction processes run principally for new staff is encouraged, both for new trustees and by way of a 'refresher'. All new and serving trustees are encouraged to attend or participate in a local, regional or national SU holiday, mission or other event as part of their induction and ongoing development.

Organisational structure

The members of the Council are the Members of the Company. The Council appoints the members of the Board of Trustees (*listed on page 1*) and the Trustees appoint the National Director and approve the process for the appointment of other members of the Leadership Team (*also listed on page 1*). The National Director and, in relation to their respective areas of responsibility, the members of the Leadership Team, are responsible for the day-to-day running of SU.

A trustee-approved document is in place which describes the governance structure of SU, including the division of powers between the Council and the Trustees and the delegation of powers by the Trustees. The document focuses on the legal structure and legal allocation of powers and responsibilities.

Trustees – The Trustees have ultimate responsibility for the strategic leadership and the management of the affairs of SU in accordance with its Articles of Association and applicable law (including company law and charity law). The Board of Trustees has four scheduled meetings each year and meets physically or by conference call on other occasions as necessary.

The Trustees seek to apply the principles set out in the Charity Governance Code having regard to the aims, belief and working principles of SU, and have implemented a three-year cycle to assess SU's application of the principles described in the Code. An external review of our compliance is currently being undertaken by an experienced volunteer auditor. Upon completion, their report and recommendations will be carefully considered by the Trustees.

Council – Council provides a forum for the development of spiritual vision and discernment of God's leading and advises the Trustees on the overall direction of the Movement. It has no executive powers and its key responsibilities are to ensure that the Statement of Aims, Belief and Working Principles is applied, to review the progress made towards fulfilling the Strategic Plan and to elect trustees. The Council, comprising up to 38 members (including trustees and leadership team members), normally meets for a full day twice a year. The aim is for the membership of Council to be broadly representative of SU's areas of work and community. SU's Nominations and Advisory Committee has responsibility for proposing individuals for admission as members of the Council (*see Sub-committees, page 16*).

Statement of Trustees' responsibilities

The Trustees (who are also Directors of SU for the purposes of company law) are responsible for preparing the Report of the Trustees (incorporating the Directors' and Strategic Reports) and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP) (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Qualifying third party indemnity provisions

During the reporting period and up to the date of this report, the Charitable Company maintained liability insurance and third-party indemnity provisions for its Trustees, under which the Charitable Company has agreed to indemnify the Trustees to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Charitable Company.

Internal controls

The Trustees have overall responsibility for the system of financial and other controls of the Charitable Company and for providing reassurance that:

- its assets are safeguarded against unauthorised use;
- adequate records are maintained and financial information used within the Charitable Company or for publication is reliable; and
- the Charitable Company complies with relevant laws and regulations.

It is recognised that such a system can provide only reasonable but not absolute assurance against errors and loss. Detailed monthly financial management reports are prepared by the finance team and circulated to the Trustees, Leadership Team and senior management, and are reviewed and discussed at each of the quarterly Board meetings.

The Movement operates a comprehensive annual planning and budgeting process which is approved by the Trustees. Performance is monitored through the use of activity and financial targets and reports made to Trustees comparing actual results against activity targets and the phased budget.

Sub-committees

The Trustees have delegated certain tasks to the Audit and Finance Committee. The Committee, which comprises trustees and volunteers, meets quarterly and has responsibility for:

- monitoring the integrity of the financial statements and any formal announcement relating to financial performance;
- reviewing the integrity of the internal financial control and financial and risk management systems;
- monitoring and reviewing the performance of the internal audit function;
- reviewing the independence of the external auditor and the provision of any non-audit services;
- reviewing the performance of the external auditor and making recommendations to the Trustees in relation to their appointment, re-appointment and removal and approving their remuneration and terms of engagement;
- monitoring financial performance and approving the annual draft budget for submission to the Trustees;
- reviewing all policies relevant to its functions and making any recommendation for change to the Trustees;
- reviewing the performance of the investment managers;
- monitoring the pension arrangements and reviewing the performance of insurance companies that provide the relevant pension policies and any pensions advisors;
- monitoring compliance with corporate and charity laws and regulations.

The Nominations and Advisory Committee, comprising members of Council, a trustee and a staff member, is a sub-committee of Council. It meets as required and has responsibility for:

- proposing individuals for admission as members of the Council (other than individuals who are admitted by virtue of being a trustee or member of the Leadership Team).
- helping Council to evaluate itself and its work.

Management and staff

The Trustees delegate to the National Director the day-to-day management of the Movement and the implementation of policies and other decisions of the Trustees. The National Director may sub-delegate the management and implementation and the exercise of powers to members of the Leadership Team (*members listed on page 1*). The Trustees are thankful to God for a committed staff team who work hard to support volunteers and to advance the aims of the Movement.

Pay and remuneration of key management personnel

The members of the Leadership Team (*listed on page 1*) are the key management personnel of the Movement in charge of directing, controlling and operating SU on a day-to-day basis.

Members of the Leadership Team need to have a breadth and depth of expertise and credibility which requires drawing from the best senior level talent within the Christian community. This is balanced with seeking to keep salary costs under control and ensuring that senior staff pay is connected to the pay of other staff.

The Trustees annually review and determine the pay of the Leadership Team with reference to comparable national charities' pay levels (XpertHR Voluntary Sector Salary Survey). The Trustees follow the principle that the pay of the highest paid employee is not more than four times the average full-time-equivalent salary of the administrative-level roles within the Movement.

Details of the employment benefits paid to the Leadership Team during the year are included in Note 5 to the financial statements (*page 30*).

Related parties

All trustees give of their time freely and no trustee received remuneration during the year. Details of trustees' expenses and any related party transactions are disclosed in Note 6 to the financial statements (*page 31*).

Trustees are required to disclose all relevant interests and register them with the Company Secretary and, in accordance with the Movement's policy, withdraw from decisions where a conflict of interest arises.

Grant-making policy and principles

One of the ways in which SU works out its mission is by setting aside a proportion of income and resources each year to make grants to other national SU movements and to organisations with a very close association to SU, for example local mission partners (*see page 6*). In addition, we receive gifts from our supporters which we use to make grants to support specific projects in other parts of the world. We do not fund individuals. The overriding purpose of any grant made is to further SU's mission locally, regionally, nationally or internationally.

Grants are made at the discretion of the Trustees and this responsibility is delegated to the Leadership Team. Robust procedures are followed to ensure that consideration and awarding of grants is in line with the principles set out below, and that the quality and timeliness of reporting meets the requirements of SU's Audit and Finance Committee (*see pages 16*). Grant allocations amounting to £162,000 were made during the year (2024: £140,000). (*See Note 4 to the financial statements, pages 29-30, for a summary of grant allocations.*)

The following principles set out the way in which SU allocates its grants:

- Grants will be of strategic benefit for the growth of SU's mission and used in a manner consistent with SU's Statement of aims, beliefs and working principles.
- Grants will be made only where we are confident that it is possible to ensure that funds will be used for the intended purpose and that the recipient is able to commit to providing appropriate and timely reports on the use of the funds in a manner that meets the requirements of SU's Audit and Finance Committee.
- Grants will normally be for start-up, project or emergency purposes that will not create long-term financial dependence. They should therefore be 'one-off' or on a diminishing basis over a period of two or three years.
- Match-funding grants will be considered as a means of encouraging and facilitating local fundraising by the recipient.
- Assessment of grant requests will include scale of need and availability of other funding sources.
- The overall allocation of grants made by SU must adequately reflect our priority of sharing the good news of Jesus with children and young people who don't yet know him. This may include supporting projects that create local sustainability to achieve that priority.

Appointment of external auditor

MHA was appointed as external auditor in 2019 and has expressed willingness to continue in that capacity.

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

MHA will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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The Trustees submit their annual report and the audited financial statements for the year ended 31 March 2025. The financial statements comply with current statutory requirements, the Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102).

This Trustees' Annual Report, which incorporates the Strategic Report, was approved by the Trustees in their capacity as Company Directors on 18 July 2025 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Honorary Treasurer

Independent Auditor's Report to the Members of Scripture Union for year ended 31 March 2025

Opinion

We have audited the financial statements of Scripture Union (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the

other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Directors' report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sudhir Singh FCA (Senior Statutory Auditor)

for and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 12 August 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

Statement of financial activities incorporating an income and expenditure account for year ended 31 March 2025

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Income and endowments									
<i>Income from generated funds:</i>									
- Income from donations and legacies ^b	2a	3,047	420	-	3,467	2,626	387	-	3,013
- Income from investments	2b	109	18	-	127	39	17	-	56
<i>Income from charitable activities:</i>									
- Holidays and missions		384	-	-	384	456	-	-	456
- Other fee income		4	-	-	4	9	-	-	9
- Publishing sales and royalties		733	-	-	733	681	-	-	681
Total income		4,277	438	-	4,715	3,811	404	-	4,215
Expenditure									
<i>Expenditure on raising funds:</i>									
- Cost of raising funds	4	535	-	-	535	479	-	-	479
<i>Expenditure on charitable activities:</i>									
- Face-to-face mission in England and Wales	4	2,964	316	-	3,280	2,891	336	-	3,227
- Advocacy	4	152	-	-	152	203	-	-	203
- Content creation	4	480	-	-	480	175	-	-	175
- Commercial publishing	4	986	-	-	986	904	-	-	904
- International activities	4	202	79	-	281	172	83	-	255
Total expenditure	4	5,319	395	-	5,714	4,824	419	-	5,243
Net gain/(loss) on investment assets	8	39	-	(17)	22	135	-	30	165
Net (expenditure)/income for the year being net movement in funds^c		(1,003)	43	(17)	(977)	(878)	(15)	30	(863)
<i>Reconciliation of funds:</i>									
Fund balances brought forward		4,092	139	668	4,899	4,970	154	638	5,762
Fund balances carried forward	13	3,089	182	651	3,922	4,092	139	668	4,899

- a) All of the above results are derived from continuing activities. SU has no other recognised gains and losses other than those stated above.
- b) Income from donations and legacies in both 2024 and 2025 benefited from legacy income which exceeded expectations.
- c) The net deficit for the year was due to a combination of a planned operating deficit together with spend on Project and Development Fund (PDF) initiatives of £652,000.

The Notes on pages 25-36 form part of these financial statements.

Balance sheet

As at 31 March 2025

		2025 £'000	2024 Restated ^a £'000
	<i>Notes</i>		
Fixed assets			
Tangible assets	7	546	852
Investments	8	1,185	2,428
Total Fixed Assets		1,731	3,280
Current assets			
Short Term Investment Assets	8	800	1,015
Cash equivalent holdings (available on 28 days' notice)	8	23	22
Stocks	9	133	159
Debtors	10	993	517
Cash at bank and in hand		1,112	597
Total Current Assets		3,061	2,310
Liabilities			
Creditors: amounts falling due within one year	11	(869)	(685)
Net current assets		2,192	1,625
Total assets less current liabilities		3,923	4,905
Provisions for liabilities	12	(1)	(6)
Net assets		3,922	4,899
The funds of the Charitable Company	13		
Unrestricted funds			
Fixed assets fund ^b		546	852
Project and development fund		-	1,539
International fund		-	186
General fund		2,543	1,515
		3,089	4,092
Restricted funds			
Income fund		182	139
Endowment funds			
Endowment fund		651	668
Total charity funds		3,922	4,899

- a) 2024 figures have been restated, £22,000 having moved from Fixed Investments to Cash equivalent holdings
- b) The reduction in the Fixed assets fund from 2024 to 2025 was primarily due to the impairment adjustment of £247,000 to the value of our National Office building (see Note 7, page 31, for further details).

The financial statements were approved and authorised for issue by the Trustees on 18 July 2025 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Honorary Treasurer

The Notes on pages 25-36 form part of these financial statements.

Company Registration Number 00039828

Statement of cash flows

for year ended 31 March 2025

	Notes	2025 £'000	2024 £'000
Net cash (used in) operating activities	<i>See (a) below</i>	(1,076)	(779)
Cash flows from investing activities			
Interest received	2b	70	17
Dividends received	2b	57	39
Purchase of tangible fixed assets	7	(15)	(85)
Sale of investments	8	800	3,144
Purchase of investments	8	(35)	(1,961)
Movement in investment cash	8	714	(964)
Net cash from investing activities		1,591	190
Change in cash and cash equivalents for the year		515	(589)
Cash and cash equivalents at the beginning of the year		597	1,186
Total cash and cash equivalents at the end of the year	<i>See (b) below</i>	1,112	597

Reconciliation of net debt - the Charitable Company does not have any debt in the current or prior year. There was no change in cash and cash equivalents due to exchange rate movements during the year (2024: no change).

Notes to statement of cash flows

(a) Reconciliation of net (expenditure) for the year		2025 £'000	2024 £'000
Net (expenditure) for the reporting period	<i>See SOFA</i>	(977)	(863)
<i>Adjustments for:</i>			
Depreciation charges	7	74	71
Capital Impairments	7	247	-
Net (profit) on investments	8	(22)	(165)
Dividends and interest from investments	2b	(127)	(56)
Decrease/(increase) in stocks	9	26	(12)
(Increase)/decrease/ in debtors	10	(476)	366
Increase/(decrease) in creditors	11	184	(115)
(Increase) in provision for pensions	12	(5)	(5)
Net cash (used in) operating activities		(1,076)	(779)
(b) Cash and cash equivalents		2025 £'000	2024 £'000
Cash at bank and in hand	<i>See Balance Sheet</i>	1,112	597
Net funds		1,112	597

The Notes on pages 25-36 form part of these financial statements.

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

- a) ***Basis of preparation and assessment of going concern*** – The financial statements have been prepared under the historical cost convention, with the exception of investments which are included on a market value basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006.

SU constitutes a public benefit entity as defined by FRS 102.

These financial statements are presented in £'000s.

The Trustees consider that there are no material uncertainties about SU's ability to continue as a going concern. For the year ending 31 March 2026, an operating deficit is planned. Income is reviewed regularly against budget targets. Budgets and forecasts include the use of scenario analysis to support decision making. In addition to ownership of a building used as the national office and long-term reserves, SU has a healthy cash balance. Cash flow forecasts indicate that ongoing operational activity will continue beyond the twelve months from signature of these financial statements.

- b) ***Company status*** – Scripture Union is a company limited by guarantee. The guarantors are the members of the Company who are also members of the Council (as outlined on page 14). The liability in respect of the guarantee, as set out in the Articles of Association, is limited to £10 per member.
- c) ***Income recognition*** – All income, including any Government grants, is recognised when SU has entitlement to the funds, the receipt is probable, and the amount can be measured reliably. All income is accounted for on a receivable basis. For legacies, this is when SU becomes entitled to the income, based on notifications received, when there is probability of receipt and when the amount is reliably measurable. Donations are recognised when any performance-related conditions are met.

Publishing sales represent the amounts receivable for goods sold in the normal course of business, net of trade discounts and Value Added Tax (VAT).

Interest on funds held on deposit are accrued for in line with the current advised interest rate.

Dividends are recognised once the dividend has been declared and notification of the dividend due has been received.

The Movement receives funds on behalf of other national SU movements. These funds are recognised as income and expended as grants within the Statement of Financial Activities (SOFA) and are shown as a liability or creditor on the Balance Sheet. The Charitable Company holds these granted funds within a 'client account'.

No amounts are included in the financial statements for services donated by volunteers.

- d) ***Expenditure recognition*** – Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing SU to that expenditure, the amount of the obligation can be measured reliably, and it is probable that settlement will be required. SU exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities relating to grants and spiritual refreshment allowances. Judgement is necessary in assessing the likelihood that the liability will be realised and in quantifying the possible value of that liability.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to Note 1(e).

Charitable expenditure comprises expenditure related to the direct furtherance of SU's charitable objects. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

Cost of generating funds includes fees paid to fundraising consultants, staff time, database development costs and apportioned overhead costs.

Grants payable are payments made to third parties in the furtherance of SU's charitable objects. Grant awards are subject to the recipient fulfilling performance conditions. The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Movement that would permit SU to avoid making the future payment(s), settlement is probable, and the effect of discounting is material.

Termination benefits, including redundancy costs, are recognised when the Charitable Company has the obligation to pay the benefits and they can be reliably measured.

- e) **Allocation of support and governance costs** – Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company and include internal and external audit costs, Board and Council meeting costs and an allocation of indirect costs to cover support from members of staff. Other support costs are those functions that assist the work of the Movement but do not directly undertake charitable activities.

The allocation of support and governance costs is set out in Note 4 (*pages 29-30*). The basis on which these costs are allocated is:

Finance	Staff time
Human Resources	Headcount
Facilities	National Office
Digital Solutions	Headcount
Mobilisation	Staff time
Management / Leadership Team	Staff time

- f) **Fund accounting** – The Trustees have established two designated funds. These are unrestricted funds which have been allocated for specific purposes. Restricted funds are funds subject to specific restrictions imposed by donors. Endowment funds are funds given to the Charitable Company as capital. The purpose and use of the designated, restricted and endowment funds are set out in Note 13 to the financial statements (*pages 33-34*).

- g) **Tangible fixed assets and depreciation** – Tangible fixed assets are stated at cost including any incidental expenses of acquisition, less accumulated depreciation and any impairment. Assets are capitalised when the cost totals £250 or more. Depreciation is provided on all tangible fixed assets (except freehold land, which is not depreciated) at rates calculated to write off the cost on a straight-line basis over their expected useful economic life as follows:

Freehold brick buildings	fifty years
Fixtures and fittings	ten years
Computers and similar equipment	three years
Computer network	five years
Solar panel	twenty years

- h) **Investments** – Investments are measured based on a mark to market policy, initially recognised at their transaction value and subsequently measured at fair value using the quoted market price at the balance sheet date. Realised and unrealised gains and losses are included in the SOFA as they arise.

- i) **Stocks** – Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs and the attributable proportion of production overheads. Net realisable value is based on estimated selling price net of trade discounts. Provision is made for slow-moving items where appropriate.
- j) **Debtors** – Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- k) **Creditors and provisions** – Creditors and provisions are recognised where SU has a present obligation resulting from a past event that will or probably will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- l) **Pensions** – SU operates the Scripture Union (Legal & General) Personal Pension Plan. This is a defined contribution occupational pension scheme and the amount charged to the SOFA is the employer's contributions payable during the year. SU had a final salary pension scheme, the benefits of which were secured by an annuity in 1996 when the scheme was closed.
- SU provides pensions to a small number of former staff on an unfunded basis. These staff worked for the Movement before a formal pension plan was set up or were ineligible to join a Revenue approved scheme. All the people entitled to such pensions are either retired or no longer employed by SU and the regular cost of the scheme is immaterial. Assessment of the unfunded pension liability is carried out annually and appropriate provision made in the Balance Sheet and the SOFA. SU's contribution is restricted to the contributions disclosed in Note 5 (page 30). There were no outstanding contributions at the end of the year.
- m) **Operating leases** – Rentals under operating lease contracts are charged to the SOFA on a straight-line basis over the lease term, even if the payments are not on such a basis.
- n) **Foreign currency translation** – Transactions in foreign currency are recorded in sterling at the rate of exchange ruling on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.
- o) **Taxation** – SU, as a registered charity, is exempt from taxation on its income and gains falling within sections 466-493 of the Corporation Tax Act 2010 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year. The Charitable Company is registered for VAT. Certain of SU's activities are exempt from or outside of the scope of VAT. Accordingly, SU is unable to reclaim all input VAT suffered. Recoverable input VAT is included in debtors. Irrecoverable input VAT is written off to the SOFA as incurred.
- p) **Critical accounting estimates and areas of judgement** – Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are listed below.
- Depreciation rates for tangible fixed assets
 - Impairment provision for freehold land and buildings
 - Useful economic lives of assets
 - Allocation of support costs
 - Legacy income accruals
 - Stock provisions

- q) **Financial instruments** – The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The financial assets and financial liabilities of the Charitable Company are as follows:
- *Debtors* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 10 (see page 32). Prepayments, legacies receivable, tax recoverable and accrued income are not financial instruments.
 - *Cash at bank* is classified as a basic financial instrument and is measured at face value.
 - *Liabilities* – trade creditors, accruals, loans payable and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Note 11 (see page 32). Taxation and social security are not included in the financial instruments' disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.
 - *Investments* – Financial asset investments are classified as basic financial instruments and held at their fair value as detailed in note 1 (h) above.

2. Income

2a. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Donations	1,748	401	-	2,149	1,701	383	-	2,084
Legacies	1,299	19	-	1,318	925	4	-	929
	<u>3,047</u>	<u>420</u>	<u>-</u>	<u>3,467</u>	<u>2,626</u>	<u>387</u>	<u>-</u>	<u>3,013</u>

Of the donations income, advertising services donated by GoogleAds was received at a value of £30,149 (2024: £29,643) and was attributable to restricted income.

2b. Income from investments

	2025 £'000	2024 £'000
Interest receivable	70	17
Dividends receivable	57	39
	<u>127</u>	<u>56</u>

Of the investment income, £18,000 (2024: £17,000) was attributable to restricted income with the balance of £109,000 (2024: £39,000) adding to unrestricted funds.

3. Net income for the year is stated after charging:

	2025 £'000	2024 £'000
Auditor remuneration: Audit fee	27	23
Auditor remuneration: Other services (corporation tax)	1	2
Depreciation charges	74	71
Operating lease rentals: machinery	<u>4</u>	<u>4</u>

4. Expenditure

	Grant funding of activities (see below)		Support costs (see below)		Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Costs of raising funds	-	139	396	535	479	
Face-to-face mission in England and Wales	12	2,241	1,027	3,280	3,227	
Advocacy	-	59	93	152	203	
Content creation	-	216	264	480	175	
Commercial publishing	-	702	284	986	904	
International activities	150	26	105	281	255	
Total 2025	162	3,383	2,169	5,714	5,243	
Total 2024	140	3,544	1,559	5,243		

Full comparative numbers for year ended 31 March 2024 are included as a separate Note on page 35.

Analysis of support costs

	Finance £'000	Human Resources £'000	Facilities £'000	Digital Solutions £'000	Mobilisation £'000	Management / Leadership Team £'000	Total 2025 £'000	Total 2024 £'000
Costs of raising funds	103	3	62	98	109	21	396	361
Face-to-face mission in England and Wales	121	30	161	547	37	131	1,027	748
Advocacy	12	1	23	41	10	6	93	162
Content creation	42	3	69	105	26	19	264	123
Commercial publishing	31	5	85	118	5	40	284	122
International activities	34	1	16	17	29	8	105	43
Total 2025	343	43	416	926	216	225	2,169	1,559
Total 2024	254	49	139	585	305	227	1,559	
<i>Basis of allocation</i>	Staff time	Headcount	National Office Headcount	Headcount	Staff time	Staff time		

The basis on which costs have been allocated is outlined in Note 1(e) (page 26). Cost allocation includes an element of judgement and SU has had to consider the cost benefit of detailed calculations and record keeping. To ensure full-cost recovery on projects, SU adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. The support costs shown are therefore a best estimate of the costs that have been so allocated.

The increase in support costs during the year for Facilities is primarily due to the impairment adjustment to the value of the National Office (see Note 7 page 31) and for Digital Solutions due to investment in digital infrastructure (see page 8).

Included within support costs is £61,000 (2024: £54,000) of Governance costs which comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company. It includes external audit costs of £27,000 (2024: £23,000), Board and Council meeting costs of £7,000 (2024: £6,000) and an allocation of indirect costs to cover support from members of staff of £27,000 (2024: £25,000).

Grant activity in furtherance of the Charitable Company's objects

	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2025 £'000	Total 2024 £'000
<i>International grant activity</i>					
Worldwide	-	54	38	92	38
Africa	-	36	25	61	42
Former Soviet Republics	-	26	19	45	19
Europe	-	14	10	24	40
Americas	-	10	7	17	13
Pacific	-	6	4	10	9
Asia	-	2	1	3	9
Rest of Britain & Northern Ireland	-	2	1	3	4
Grant activity - international	-	150	105	255	174
Grant activity - England and Wales	39	12	15	66	62
Total 2025	39	162	120	321	236
Total 2024	33	140	63	236	

Grant allocations amounting to £162,000 (2024: £140,000) were made during the year. There were no new multi-year grant commitments (2024: £nil) which are payable in future years. There were no grant commitments (2024: £nil) accrued at the start of the year which remain payable in future years.

Movement in recognised funding commitments during the year

Charitable commitments accrued
£'000

Grant commitments accrued at the start of the year	-
New grant commitments charged to the Statement of Financial Activities during the year	162
Grants paid during the year	(162)
Amount of grant commitments accrued as at 31 March 2025	-

Further details on grants are available on request to the Movement.

SU England and Wales works in partnership with, and makes grants to, independent SU movements around the world as noted on pages 9 and 17.

5. Staff costs and remuneration of key management personnel

	2025 £'000	2024 £'000
Staff costs		
Wages and salaries	2,348	2,350
Social security costs	229	230
Reorganisation costs	82	18
Pension costs		
Scripture Union (L&G) Personal Pension Plan	246	229
Unfunded pension scheme	5	5
	2,910	2,832
	2025	2024
Average number of employees, analysed by function	Number	Number
Income generation	4	6
Advocacy	1	3
Face-to-face mission in England and Wales	43	44
Content creation	4	4
Commercial publishing	8	6
International activities	1	1
Administration and support of staff and volunteers	15	11
	76	75

The average number of employees during the year was 76 (2024: 75), including 32 (2024: 22) part-time employees, with no adjustment in the above table to take account of the number of hours worked. The average number of full-time equivalent employees during the year was 61 (2024: 68).

Contractual reorganisation costs of £81,000 were incurred during the year (2024: £9,000 contractual and £9,000 non-contractual under the authority of the Trustees considered to be in the Charity's best interests). These costs relate to contractual obligations arising from the organisational restructuring, including redundancy and termination payments. We recognise reorganisation costs, including redundancy and termination payments, as liabilities and expenses in the period in which the obligation arises, in accordance with our accounting policy for employee benefits. The £81,000 is the total cost of the reorganisation and is fully expensed in the financial year ended 31 March 2025.

SU's key management personnel are the members of the Leadership Team (*listed on page 1*). The employment benefits of the key management personnel – including employer pension and national insurance contributions – totalled £365,000 (2024: £352,000).

During the year, four employees (2024: three employees) earned between £60,001 and £70,000, one employee (2024: no employee) earned between £70,001 and £80,000, one employee (2024: no employee) earned between £80,001 and £90,000 and no employee (2024: one employee) earned between £90,001 and £100,000, excluding employer pension contributions. This includes individuals who received redundancy and lieu of notice payments relating to the reorganisation referred to above. Excluding these costs, two employees earned between £60,001 and £70,000 and one employee earned between £80,001 and £90,000 in the year ended 31 March 2025.

6. Related Parties

The Trustees received no emoluments in their role as trustees during the year, but ten of eleven trustees received reimbursement of travel expenses totalling £1,427 (2024: £3,070 reimbursed to ten of ten trustees).

7. Tangible fixed assets	Freehold land and buildings £'000	Computer equipment £'000	Computer network £'000	Fixtures and fittings £'000	Machinery £'000	Solar panels £'000	Total £'000
Cost:							
At 1 April 2024	810	237	15	283	10	34	1,389
Additions	-	14	-	1	-	-	15
Disposals	-	(17)	-	-	-	-	(17)
At 31 March 2025	810	234	15	284	10	34	1,387
Depreciation:							
At 1 April 2024	130	198	5	193	10	1	537
Charge for year	16	25	3	28	-	2	74
Disposals	-	(17)	-	-	-	-	(17)
At 31 March 2025	146	206	8	221	10	3	594
Impairment:							
At 1 April 2024	-	-	-	-	-	-	-
Charge for year	247	-	-	-	-	-	247
Disposals	-	-	-	-	-	-	-
At 31 March 2025	247	-	-	-	-	-	247
Net book value:							
At 31 March 2025	417	28	7	63	-	31	546
At 31 March 2024	680	39	10	90	-	33	852

At 31 March 2025, the Trustees had authorised capital expenditure for the ensuing year of £49,000 (2024: £50,000). Disposals as shown on the SOFA are shown net of depreciation. There were no capital commitments as at 31 March 2025 (2024: £nil).

A review was undertaken during the year to assess whether a triggering event had occurred due to structural damage in the National Office building. It was concluded that an impairment adjustment of £247,000 was necessary, which reflects the costs of remedial works to resolve the issue.

8. Investments

Investments at market value	2025 £'000	2024 £'000
<i>Fixed asset investments</i>		
Investment cash	-	500
UK Listed Stock Exchange Investments, Unit Trusts and OEICs	1,185	1,928
<i>Total Fixed asset Investments</i>	1,185	2,428
<i>Current asset Investments</i>		
Short-term cash deposits	800	1,015
Cash equivalent holdings (available on 28 days' notice)	23	22
<i>Total Current asset Investments</i>	823	1,037
Total investments at market value	2,008	3,465
<i>Movement during the year:</i>		
Market value at 1 April	3,465	3,519
Less: Disposals at open market value	(800)	(3,144)
Add: Acquisition at cost	35	1,961
Net gain on revaluation	22	165
Movement in investment cash	(714)	964
Market value at 31 March	2,008	3,465

The historic cost of investments is £1,899,000 (2024: £3,258,000).

9. Stocks

	2025 £'000	2024 £'000
Work in progress	36	31
Finished goods	97	128
	<u>133</u>	<u>159</u>

Value of stock recognised as an expense on the SOFA is £179,000 (2024: £175,000).

10. Debtors

	2025 £'000	2024 £'000
Trade debtors	102	49
Tax recoverable	15	64
Other debtors	-	10
Legacies receivable	677	323
Prepayments and accrued income	199	71
	<u>993</u>	<u>517</u>

Prior to sign-off of the financial statements, SU has been notified of further legacies with an estimated value of £541,000 (2024: £743,000). In accordance with Note 1(c) as noted on page 25, it was not considered appropriate to accrue for this amount in the financial statements, as at 31 March 2025 all criteria for recognising legacy income in these instances had not been met.

11. Creditors

<i>Creditors: amounts falling due within one year</i>	2025 £'000	2024 £'000
Trade creditors	429	245
Accruals and deferred income	348	356
Taxation and social security costs	63	60
Interest free loans from supporters	20	20
Other creditors	9	4
	<u>869</u>	<u>685</u>

<i>Deferred income</i>	2025 £'000	2024 £'000
Deferred income at 1 April	163	159
Resources deferred during the year	197	163
Amounts released from previous periods	(163)	(159)
Deferred income at 31 March	<u>197</u>	<u>163</u>

Deferred income relates to subscriptions on dated published products and holiday income in advance of the event taking place.

12. Provisions for liabilities

	2025 £'000	2024 £'000
<i>Ex-gratia pensions</i>		
Balance at start of year	6	11
Pensions paid	(5)	(5)
Increase in provision	-	-
Balance at end of year	<u>1</u>	<u>6</u>

Ex-gratia pensions are provided to a small number of former staff on an unfunded basis. See Note 1(l) (page 27) for more details.

13. Statement of funds	Balance 1 April 2024 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Transfers £'000	Balance 31 March 2025 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	852	-	-	-	(306)	546
Project and Development	1,539	-	(652)	-	(887)	-
International	186	-	(186)	-	-	-
	2,577	-	(838)	-	(1,193)	546
General fund	1,515	4,277	(4,481)	39	1,193	2,543
Total unrestricted funds	4,092	4,277	(5,319)	39	-	3,089
Restricted funds						
Income funds:						
Endowment income	-	18	(18)	-	-	-
Gifts for SU overseas	-	79	(79)	-	-	-
Good News Fund	4	1	-	-	-	5
Google AdWords	-	30	(30)	-	-	-
Hybrid Research	-	41	-	-	-	41
SU Holiday Fund	99	23	(29)	-	-	93
Team support	-	210	(210)	-	-	-
Others	36	36	(29)	-	-	43
Total restricted funds	139	438	(395)	-	-	182
Endowment funds						
Endowment fund	668	-	-	(17)	-	651
Total endowment funds	668	-	-	(17)	-	651
Total funds	4,899	4,715	(5,714)	22	-	3,922

Full comparative numbers for year ended 31 March 2024 are included as a separate Note on page 36.

Unrestricted funds

Designated funds are as follows:

- The **Fixed Assets Fund** represents the net book value of fixed assets of the movement, most specifically our National Office based in Milton Keynes.
- The **Project and Development Fund** was a provision for the development of SU mission, i.e. to enable 'step-change' growth of current and initiation of new mission activities. It was set aside to help grow the reach and impact of the movement. As our significant project plans have been delivered, the Trustees closed the Fund and moved the balance as at 31 March 2025 to the General Fund.
- The **International Fund** was a provision for the support of projects in SU movements around the world. Grants were made throughout the year and relevant expenditure incurred was charged to the fund as it arose. The Fund was fully expended as at 31 March 2025. International projects will be funded from the General Fund going forward.

The remaining unrestricted funds, referred to as the **General Fund**, are available for use in the event of an unanticipated downturn in the level of income received and to fund any deficits on current charitable activities.

Restricted funds

Income funds are as follows:

- **Endowment income** refers to income arising from the endowment fund investments which is restricted for the mission work of SU at home and especially for work in schools.
- **Gifts for SU overseas** refers to gifts for support of the work of SU in other parts of the world. At the discretion of the Trustees, these gifts are forwarded to relevant national movements as a grant. We are legally required to ensure that all such grants are used for purposes consistent with SU's charitable objectives.
- **Good News Fund** refers to gifts received to provide grants to equip and resource local churches and mission partners in initiatives to share the good news of Jesus with children and young people in local communities.

- **Google AdWords** refers to a monthly in-kind grant for AdWords advertising provided under the Google Grants for Non-profits Programme.
- **Hybrid Research** refers to grants received to equip churches to understand the value of revealing Jesus to young people using both online and in-person sessions with the practicalities of how best to adopt these in their local setting.
- **SU Holiday Fund** refers to gifts received to provide financial assistance for children whose families cannot afford for them to attend an SU holiday.
- **Team support** refers to gifts and payments received to support the work of an employee or group of employees.
- **Others** comprises gifts and grants given for specified purposes or projects not falling into the categories covered by the above seven income funds.

With the exception of in-kind Google AdWords grants, restricted income funds are represented by cash balances.

Endowment funds

The **Endowment fund** represents a capital endowment which is normally held in a designated portfolio of stocks and shares. Income from the fund is restricted as explained under *Restricted Funds: Endowment Income* above.

<i>Analysis of funds by asset</i>	Tangible fixed assets	Fixed asset Investments	Current assets	Liabilities and provisions	Total 2025
<i>Funds</i>	£'000	£'000	£'000	£'000	£'000
General	-	1,185	2,227	(869)	2,543
Designated	546	-	-	-	546
Restricted	-	-	182	-	182
Endowment	-	-	651	-	651
Total	546	1,185	3,060	(869)	3,922

14. Financial commitments

At 31 March 2025 SU had remaining commitments under non-cancellable leases as follows:

<i>Expiry date</i>	2025 Machinery £'000	2024 Machinery £'000
Within one year	5	4
Two to five years	14	6
Over five years	6	-
Total	25	10

The value of lease payments included in the SOFA in the year was £5,000 (2024: £4,000).

Comparative data for year ended 31 March 2024

4. Expenditure (2024 comparative)

	Grant funding of activities (see below) £'000	Direct costs £'000	Support costs (see below) £'000	Total 2024 £'000
Costs of raising funds	-	118	361	479
Face-to-face mission in England and Wales	12	2,467	748	3,227
Advocacy	-	41	162	203
Content creation	-	52	123	175
Commercial publishing	-	782	122	904
International activities	128	84	43	255
Total 2024	140	3,544	1,559	5,243

Analysis of support costs

	Finance £'000	Human Resources £'000	Facilities £'000	Digital Solutions £'000	Mobilisation £'000	Management/ Leadership Team £'000	Total 2024 £'000
Costs of raising funds	90	5	26	70	154	16	361
Face-to-face mission in England and Wales	105	34	67	351	57	134	748
Advocacy	11	2	14	29	61	45	162
Content creation	19	3	12	70	5	14	123
Commercial publishing	27	5	17	53	14	6	122
International activities	2	-	3	12	14	12	43
Total 2024	254	49	139	585	305	227	1,559

Grant activity in furtherance of the Charitable Company's objects

	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2024 £'000
<i>International grant activity</i>				
Worldwide	-	28	10	38
Africa	2	30	10	42
Americas	-	10	3	13
Former Soviet Republics	-	14	5	19
Europe	1	29	10	40
Pacific	-	7	2	9
Asia	-	7	2	9
Rest of Britain & Northern Ireland	-	3	1	4
Grant activity - international	3	128	43	174
Grant activity - England and Wales	30	12	20	62
Total 2024	33	140	63	236

Movement in recognised funding commitments during the year

	Charitable commitments accrued £'000
Grant commitments accrued at the start of the year	-
New grant commitments charged to the Statement of Financial Activities during the year	140
Grants paid during the year	(140)
Amount of grant commitments accrued as at 31 March 2024	-

13. Statement of funds (2024 comparative)

	Balance 1 April 2023 £'000	Income £'000	Expenditure £'000	Net investment (losses) £'000	Transfers £'000	Balance 31 March 2024 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	839	-	-	-	13	852
Project and Development	2,024	-	(485)	-	-	1,539
International	304	-	(118)	-	-	186
	3,167	-	(603)	-	13	2,577
General fund	1,803	3,811	(4,221)	(135)	(13)	1,515
Total unrestricted funds	4,970	3,811	(4,824)	(135)	-	4,092
Restricted funds						
Income funds:						
Endowment income	-	17	(17)	-	-	-
Gifts for SU overseas	-	83	(83)	-	-	-
Good News Fund	13	1	(10)	-	-	4
Google AdWords	-	30	(30)	-	-	-
SU Holiday Fund	107	9	(17)	-	-	99
Team support	-	215	(215)	-	-	-
Others	34	49	(47)	-	-	36
Total restricted funds	154	404	(419)	-	-	139
Endowment funds						
Endowment fund	638	-	-	(30)	-	668
Total endowment funds	638	-	-	(30)	-	668
Total funds	5,762	4,215	(5,243)	165	-	4,899

Analysis of funds by asset	Tangible fixed assets £'000	Fixed asset Investments £'000	Current assets £'000	Liabilities and provisions £'000	Total 2024 £'000
Funds					
General	-	981	1225	(691)	1,515
Designated	852	801	924	-	2,577
Restricted	-	-	139	-	139
Endowment	-	668	-	-	668
Total	852	2,450	2,288	(691)	4,899



Scripture Union

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Limited Company 39828 Registered in England and Wales Registered Charity 213422

Accounts



Scripture Union

Year in review

Trustees' annual
report & financial
statements

YEAR ENDED
31 MARCH
2024

*"We are therefore Christ's ambassadors, as though God
were making his appeal through us."*

2 Corinthians 5:20 (NIV)

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Report of the Trustees (incorporating the Directors' and Strategic Reports) for year ended 31 March 2024

The Trustees are pleased to present their annual Directors' report and financial statements of the Charitable Company for the year ended 31 March 2024 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details of the charity, its trustees and advisers

Status	Scripture Union is a charitable company limited by guarantee. It is governed by its Articles of Association adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020	
Registered name	Scripture Union (also known as 'SU', 'SU England and Wales' and 'Scripture Union Cymru')	
Charity registration number	213422	
Company registration number	00039828	
Country of incorporation	England and Wales	
Principal & registered office	Trinity House, Opal Court, Opal Drive, Fox Milne, Milton Keynes MK15 0DF	
Trustees	Mr Richard Godden – Chair Ms Kim Hurst – Honorary Treasurer Mr Richard Evans Mr Malcolm Forsyth Rev Dr Mark Griffiths Rev Stephen Hallett (<i>resigned 17 October 2023</i>) Mr Junior Johnson Mrs Julie Kittow Mrs Sandra Morris Mrs Sarah Smart (<i>appointed 4 September 2023</i>)	
Leadership Team	Dr Myles MacBean – National Director (<i>until 3 March 2024</i>) Rev David Newton – National Director (<i>from 4 March 2024</i>) Mrs Sharon Esnard – Finance & Services Director (incoming) (<i>from 9 July 2024</i>) Mr Richard Shaw – Mission Director Mr Stephen Vis – Finance & Services Director (outgoing) (<i>until 31 July 2024</i>) Mrs Rachel Warwick – Mobilisation Director	
Company Secretary	Mrs Susan Winning	
Bankers	HSBC Bank PLC, 4th Floor, 3 Temple Quay, Bristol BS1 6DZ	
Solicitors	Pothecary Witham Weld, 70 St Georges Square, London SW1V 3RD	
Auditor	MHA, 6 th Floor, 2 London Wall Place, London EC2Y 5AU	
Investment advisers	Rathbones Investment Management Limited, 8 Finsbury Circus, London EC2M 7AZ	
Insurance brokers	Zurich Municipal, 2 Gladiator Way (N2), Farnborough, Hants GU14 6GB	

Introduction

As reported last year, the 2022 'lessons learned' review of the Revealing Jesus framework confirmed its essential robustness but suggested some adjustments in its implementation. The past year has thus been a story of driving the framework forward whilst making the necessary adjustments.

Faith Guides, supported by their local churches, comprise the front line in reaching children and young people with the good news of Jesus and we have continued to focus on increasing their numbers. The twelve-month period to the end of March 2024 saw a 46% increase (to 463), which exceeded our expectations for the year and is hugely encouraging.

Our Mission Enablers seek to provide personal, one-to-one advice and assistance to Faith Guides. Of course, there is a limit to the number of Faith Guides that can be supported by any one Mission Enabler. However, our Revealing Jesus Pioneers and Sports Pioneers have provided a significant boost to our capacity, and we are thankful that resources were available to enable us to extend their contracts for another year. Furthermore, we are delighted to have entered into a partnership with New Wine that, amongst other things, will involve the training of church volunteers and staff in the network to be able to pioneer the Revealing Jesus framework. This is an exciting addition to our gospel partnerships with like-minded organisations and we look forward to forming more in the coming year: we need to work together to reach the children and young people of England and Wales.

Support for Faith Guides is also provided by means of our Faith Guide Holidays (of which there were eight in the year to March 2024, following successful trials in the previous year) and through various resources which we have continued to develop, taking into account the feedback that was received from Faith Guides during the 2022 review. We seek not only to produce materials suitable for use with children and young people but also to conduct research that will help Faith Guides and others in their work. An example of this is the recent survey of the attitudes of young people to some gospel-based questions, which led to the "Feel Good News" report, produced in collaboration with Youthscape.

Perhaps the most significant conclusion of the 2022 review was that, without losing our focus on Faith Guides, we needed to expand significantly the number of churches we work with by providing a form of engagement that demands less of time-poor church members and resource-poor churches. This resulted in the launch in October 2023 of Mission Support, which focusses on on-line support. The speed with which this was achieved was the result of hard work by many people and is testimony to the "can do" culture within Scripture Union.

The past year has seen some important changes among our team. In particular, Myles MacBean retired recently after five years as National Director. Myles joined with the task of establishing and implementing a strategy to achieve our vision of reaching the 95% of children and young people who are not in our churches. Despite Covid, the new strategy was launched in the Autumn of 2020 and the progress reflected in this Annual Report is, to a significant extent, the result of his leadership. His contribution has been tremendous and we thank God for bringing him to us at just the right time.

At the same time, we welcome Dave Newton, who became our National Director a few months ago. Dave has a wealth of mission experience working with children and young people and his passion for this work is obvious. We pray that, in coming years, God would bless him and through him the work of Scripture Union as he leads us into this next season.

The past year has been encouraging but we are always aware there is more to be done. Please join us in praying for an increase in the financial resources required to enable more staff and volunteers to come on board with the mission. Please also pray that more churches will take up the challenge of revealing Jesus to the 95!

Richard Godden
Chairman

Aims, objectives and activities

Aims

SU's **overarching aim** is to make God's good news known to children and young people and to encourage them to meet God through the Bible and prayer. We work to fulfil this aim as effectively as possible with the resources that God gives us.

SU's **vision** is for a new generation of children and young people who have a vibrant, personal faith in Jesus.

Our **mission** is to create opportunities for children and young people to explore the Bible, respond to Jesus and grow in faith.

Our **priority** is to reach those who don't yet know Jesus.

Our **values** underpin all we do: we serve *the living God*, depending on him in faith, and trusting him to transform us and the lives of those we work with: we are rooted in *the Bible*, seeking a sound understanding that is applied in daily living and encouraged in the lives of others; we trust in the power of *prayer*, embedding it into everything we do; we share God's heart for *children and young people*, demonstrating his love to them and inviting them into lifelong relationship with Jesus; we have a *responsibility* to work to create a safe and caring culture in all we do, reflecting God's heart as we strive to excel in the mission he has called us to; and we invest in *relationships* to advance mission opportunities, equipping and empowering each other in the kingdom.

All work carried out by SU is consistent with our charitable objects, as set out in the Articles of Association: to advance Christianity by sharing the good news of our Lord Jesus Christ with people throughout the world. The objects are carried out through, but not limited to, working with churches, by making God's good news known to children, young people and families and by encouraging 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.

Our Strategy – Revealing Jesus

Our strategic review in early 2019 resulted in the development of our *Revealing Jesus* strategy and its associated innovative mission framework. This culminated in an online launch in October 2020 (*see su.org.uk/revealingjesus*) and in a multi-year programme of development, field testing, and operational scaling that brought increased cohesion and focus to our activity.

Building on our campaign to share the good news of Jesus with the 95% of children and young people not connected with a church (*'the 95'*), the mission framework helps envision, resource and equip churches as they engage with the younger generations in their community. Setting out a four-stage journey of faith, the framework equips Christians to act as *Faith Guides* who accompany children and young people over the long term and create opportunities for them to *connect* with Christians, *explore* the Bible, *respond* to Jesus and *grow* in their faith in Jesus. Our *Mission Enablers* and *Revealing Jesus Pioneers* walk alongside the Faith Guides, using an SU-developed training programme and providing access to the *Faith Guide Hub*, a unique portfolio of themed *Faith Guide Collections* applicable to all stages of a faith journey.

We completed a meaningful 'lessons learned' review of our strategy in action during year ended 31 March 2023, our first full post-Covid year of operating the Revealing Jesus strategy. Input was sought from a wide range of people including Faith Guides. The review confirmed the robustness of the Revealing Jesus framework but suggested some adjustments in its implementation. As a result, in early 2023 we started the design and development of an additional offering within the Revealing Jesus framework. This was rapidly developed and the initial components of *Mission Support* were launched in October 2023. Early results indicate that, without losing our focus on investing in deep relationships with Faith Guides and their churches, we are beginning to expand significantly our

engagement with churches by providing a relationship model and resources that demand less of resource-poor churches and time-poor church members (see *Implementing our Revealing Jesus strategy* below).

Main objectives for the year

The Trustees confirm that they have referred to and have given due regard to the Charity Commission's guidance on public benefit when reviewing the Charitable Company's aims and objectives and when planning future activities. The focus of all SU's activities is on sharing the good news of Jesus Christ with children and young people in the belief that the gospel is life-transforming and life-enhancing. It is our conviction that the gospel has a positive impact on individuals who, in turn, have a positive and transformative impact on their families and communities. The following pages highlight just some of the ways in which God has been at work through SU to deliver public benefit in the past year as we have continued towards achieving our strategic goals.

As set out in SU's operating plan, we sought to fulfil our long-term vision by pursuing the following primary objectives:

- **Movement-wide Safeguarding:** Deliver high quality safeguarding policy and practices across all of SU's work in England and Wales.
- **Mobilising others:** Mobilise the SU Movement and the wider Christian community to engage with the 95 through the Revealing Jesus strategy as donors, prayer supporters and volunteers.
- **Thought leadership:** Develop 'best in class' understanding of key aspects of engaging children and young people who are not in church, and influence the Movement and beyond through documenting, communicating and advocating the principles.
- **Creating relational opportunities:** Support churches to pioneer, develop and multiply opportunities for children and young people to connect with Christians, explore the Bible, respond to Jesus and grow in faith – that they might know the difference Jesus can make to the challenges and adventures of life.
- **Transforming organisational efficiency:** Ensure transformation of cross-functional, mission enabling systems and processes to underpin organisational growth and efficiency.
- **Supporting global partnership:** Support and learn from SU movements globally who have a passion about working with children and young people who don't yet know Jesus.

Strategic report

Review of activities and performance during the year

The Trustees place great importance on ensuring that progress made in achieving the Movement's strategic objectives is measured and monitored appropriately. Key performance indicators are identified for the Movement's objectives and, alongside relevant commentary, form the basis of a quarterly progress report: the Mission Update. The Mission Update is prepared by the Leadership Team and key staff members and then reviewed by the Trustees before being circulated to members of Council and the full staff team. In addition, detailed monitoring and evaluation of activities, projects and programmes takes place on an ongoing basis by the relevant teams.

Keeping children and young people safe is of paramount importance to SU and the need to provide care for children and young people is always held as the highest priority in all our activities and is at the forefront of any event planning.

Implementing our Revealing Jesus strategy

Our Revealing Jesus strategy sets out how we intend to meet our objectives, fulfil our mission, and bring about our vision within our priority community, the 95.

Thought Leadership

We have continued to invest in thought leadership. In partnership with Youthscape, we completed the analysis, publication and wide promotion of the 'Feel Good News' report. This shares the findings of a survey of 1,000 teenagers across the UK, capturing their responses to five gospel-based statements. The results are hugely insightful and will help the Movement to better support children and young people in their exploration of the Bible and respond to Jesus.

We recognise the importance of building a culture within the Movement that supports our Vision, Mission and Priority (*stated on page 3*). The statement of our values was reviewed and a new set was published that better expresses our values. This has now been thoroughly workshopped across the staff team and work is well progressed on an agreed set of expected behaviours for staff and volunteers that will help underpin those values.

Faith Guides

Our strategy recognises Faith Guides as key to fulfilling our mission. They are passionate individuals who are commissioned by the local church and supported by SU's Mission Enablers and Revealing Jesus Pioneers. These Faith Guides seek to journey with children and young people as they connect with Christians, explore the Bible, respond to Jesus and grow in their faith.

This year saw churches continue their rebound from Covid, allowing us more opportunity to engage with them on mission to share the good news of Jesus with the 95. We also had more opportunity to refine and mature our approach to churches and potential Faith Guides. This resulted in us exceeding our aspirational targets for the year: the number of Faith Guides increased significantly over the year from 316 to 463 against an aspiration of 390, while the number of associated churches increased from 237 to 338. During each quarter of the year, groups led by Faith Guides regularly connected with over 9,000 children and young people in the connect-explore-respond phases of the Revealing Jesus mission framework. We also reached between 25,000 and 32,000 children each quarter through larger 'pre-connect' events.

These encouraging results encouraged us to extend our investment from the Project and Development Fund (*see Note 13, page 33*) in seven Revealing Jesus Pioneers and Sports Pioneers who work alongside our Mission Enablers in our regional mission teams. The *Plans for next year and beyond* section (*page 10*) highlights how these insights are influencing our future plans.

We continued to embed the Revealing Jesus strategy into the culture of the Movement. For example, the 'Mission Possible' Tour of staff, Faith Guides, volunteers and church leaders took place in Wales and the four regions of England to build community and share best practice. We also held multiple in-person and online training seminars on mission to children and young people within the Revealing Jesus framework in contexts such as school and sport.

Mission Support

The initial launch of Mission Support in October 2023 was realised through significant activity across all functions in our staff team to widely promote the new offering, present new models of engagement with our field teams, provide an initial pack of new resources and revisions of existing resources, and update systems to be able to capture key relationship information. The new offering, supported by in-person and online training events, was very well received with 1,346 people having registered by the end of the financial year, of which 463 were Faith Guides.

The medium-term plan for Mission Support has a significant impact on all our resources and related web systems as we remove those unrelated to the 95, refresh the rest to take full account of the Revealing Jesus framework, make our Revealing Jesus 'collections' available through Mission Support as well as to Faith Guides, and produce high-value additional resources for Faith Guides. This year we completed detailed planning and initial development for this. Full implementation will continue through 2024 (*see Plans for next year and beyond section below, page 10*).

Faith Guide Hub

The Faith Guide Hub continues to give Faith Guides exclusive access to specially selected digital and physical resources gathered in themed 'collections'. The resources help Faith Guides develop in their role and create the best faith journey with the 95. During the year we continued to develop our existing collections and in summer 2023 launched *Be More Micah – Environment* to reveal to the 95 God's heart for stewardship of the environment, and an expansion of *Showtime* to reveal Jesus in the wider creative arts. We continue to work on the *Bookworm* Collection for release later in 2024 to those Faith Guides wanting to use Revealing Jesus with 5–8-year-olds.

Grow Communities

An important part of the Revealing Jesus mission framework is the concept of a Grow Community. This is a culturally appropriate worshipping community of children and young people that is peer-shaped, peer-served and adult-guided. It enables the faith of the 95 to flourish in their commitment to Jesus in a setting where they set the agenda. Throughout the year we continued to help Faith Guides to progress the spiritual journey of their young people, such that by the end of the year there were some 43 established or emerging Grow Communities serving around 500 children and young people.

Holidays and Missions

Our holidays and missions remain at the heart of our missional activity. Responding to the Revealing Jesus strategy, during Easter and summer 2023 we ran eight new-style Faith Guide Holidays where, supported by Mission Enablers, Faith Guides provided a residential experience for the children and young people with whom they are journeying. These events were very well received. Our 2023 season demonstrated a further recovery in attendance levels, with nearly 1,800 children and young people attending a residential event, an increase of around 200 against the previous year, and many others attending missions. It remains to be seen, however, whether we have reached a new post-Covid norm for demand.

Feedback from those who used our new Young Leader Development Programme was positive, and three new modules have been developed for the year ending 31 March 2025. This supports our strategic intent that 'traditional' events support the development of a future generation of SU volunteers/ staff and wider Christian leaders.

Partnerships

Part of our strategy for scaling the impact of Revealing Jesus is to engage in strategic mission partnerships. In the last year we deepened existing relations and progressed discussions with several national para-church organisations. At the local level we continued to gain significant insight from the five continuing projects with local church groups that pilot the use of Revealing Jesus within an urban, ethnic minority church context. We also gained valuable insight through our strategic partnerships with two existing local mission partners to test multiplying the reach of the Revealing Jesus strategy through their staff acting as associate Mission Enablers. Note: local mission partners are individual trusts or groups affiliated with SU and are an integral part of SU's regional teams. The partnership enables trusts to respond to local needs whilst sharing the SU core values and identity.

A significant development was the launch of a major national partnership with the New Wine church network in March 2024, reflecting the high alignment between Revealing Jesus and the network's strategy for children and young people's work. This will include widespread training of church volunteers and staff in the network to be able to pioneer the Revealing Jesus framework.

Hybrid mission

We continued throughout the year our investigation of opportunities for hybrid mission models to enable online and in-person elements of mission with children and young people to be appropriately integrated at different points on an individual's faith journey. During the year, two

pilots were designed and launched to test the concept in the areas of mission through sport and online games. A decision has been taken to extend this project for a further six months, funded internally, whilst seeking external funding to enable the effective delivery and development of this project going forward.

Publishing activity

All new printed resources are fully aligned to our Revealing Jesus strategy, including our holiday club resources and seasonal content, except for a very limited set of resources to meet specific supporter needs such as Bible reading guides. We also promote and sell a selection of legacy and 'evergreen' resources such as *It's Your Move*. Together with a renewed focus on product marketing, this led to income of £681,000 from publishing sales and royalties, which, though higher than expected, was lower than the £843,000 achieved the previous year.

We continue to release downloadable content outside the Faith Guide Hub to meet specific needs of supporters, including seasonal content and holiday clubs. This continues to be well received, with some 90,000 items downloaded during the year, compared with 88,000 the previous year. Of particular note *The Grumpy Owl* and the *Joy of Christmas* had a strong first season with more than 25,500 copies sold. New materials now give clear guidance on use of the resource with the 95, and signpost users and readers to the Revealing Jesus mission framework.

Organisational sustainability

Fundraising and Communications

SU embraces fundraising first and foremost as ministry. It is a way of inviting donors to partner in our vision to reach the 95 and our supporters are a vital part of our ministry and work. Through fundraising we proclaim that we believe all who support us will benefit through their involvement in seeing God's kingdom grow through the transformed lives of children and young people. We share what God is doing with openness and honesty, providing opportunities for individuals, churches, and trusts to respond, in order to grow the ministry further.

We inform supporters of our activities and our quarterly magazine *Connecting You* was sent directly to more than 16,000 supporters during the year and shared more widely through email mailing lists and social media channels. This year we launched SUM+, a new social media project designed to engage with a younger audience. Since January 2024, SUM+ content has been slowly gathering a following on Instagram and Facebook and we hope to continue to grow this in the coming months. Plans are now focusing on how to include fundraising in these channels to engage a new demographic of donors.

Underpinning all our fundraising is prayer, and an acknowledgement that God is the provider of all our needs through those who choose to partner with us. We ensure that anyone involved in fundraising activities is aware of and embraces these principles. The Fundraising Team runs a regular online prayer meeting for supporters which is well attended. We operate a relationship-based approach to fundraising and are pleased to know many of our donors personally.

The wellbeing and safety of donors is important to us, and our Donation Acceptance Policy includes the care and support for vulnerable donors. Our fundraising and supporter care teams receive regular training in Safeguarding Vulnerable Adults and we have procedures in place should any concerns be raised.

Income received as a result of the managed fundraising programme during the year decreased by £5,000 from £2,089,000 to £2,084,000. Legacies of every size are vital to the ongoing work of SU. Several large legacies contributed to income received from legacies during the year totalling £929,000. This was lower than the £1,154,000 received the previous year, though legacy income for both years exceeded our expectations. The cost of raising funds during the year increased slightly from £465,000 to £479,000 (*see Note 4 to the financial statements, page 29*).

We have an in-house fundraising team which is assisted, when required, by the services of fundraising consultants. We are committed to fundraising in a way that is legal, open, honest and respectful and in line with the Code of Fundraising Practice published by the Fundraising Regulator.

Work continues to increase regular giving in order to sustain and grow the operation envisioned in our Strategic Plan in particular, and to allow us to move fixed-term roles which are funded from the Project and Development Fund to permanent positions funded from regular operational income. This year our mid-level and major donors have responded well to new team members who have worked hard to build relationships with them, offering appropriate opportunities to give. We have been experimenting with social media channels for donor acquisition but have been disappointed to see a drop in retention after last year's achievements.

We regard the lawful and correct treatment of personal information as of paramount importance, and we have policies and procedures in place to be compliant with the Data Protection Act 2018. We ensure that staff are fully trained and understand their responsibilities in their respective areas.

We take pride in treating the wishes of our donors and their privacy with the utmost respect. We contact supporters in the ways that they prefer, adapting them as needed. Supporters can change their preferences at any time, and we will not contact them if they ask us not to. We never share names, addresses or other personal information with third parties for charity, commercial or fundraising purposes. We genuinely appreciate feedback from supporters and the public and we review our fundraising activities in light of feedback and complaints we may receive. We received one fundraising complaint this year, relating to the timing of mailings from different lists. The team has responded and the complaint has been resolved satisfactorily.

Digital infrastructure

We have continued our refresh of operational systems. Following the update to the CRM system in 2022 and the updates to the Holiday Booking system in 2023, we launched our new Finance system in April 2024 to help with the efficient operation of Finance, and to allow integrated purchase ordering and finance reporting for budget holders.

Environmental impact

We have continued to implement our Environmental Policy, recognising that, in Scripture, God specifically commands mankind to take care of his creation. An energy usage audit identified power usage in the National Office as our greatest environmental impact. We have taken steps to reduce this usage and, in April 2023, installed solar panels to provide approximately half the office's power usage. We continue to recycle consumables where possible and encourage the reduction in single use plastics across our staff teams and events.

Investments

A portion of SU's reserves has been identified as available for investment and held as long-term reserves (£2,450,000 as at 31 March 2024 (£3,518,000 as at 31 March 2023)). This includes a capital endowment (£668,000 as at 31 March 2024 (£638,000 as at 31 March 2023)) and £500,000 disinvested cash (£500,000 as at 31 March 2023). All of SU's holding of High Quality Bonds (£636,000 as at 31 March 2023) was sold during the year. In addition, disinvested cash of £1,015,000 (£nil as at 31 March 2023) was held as short-term cash deposits. Income from the General Fund portfolio is reinvested whilst income from the Endowment Fund is used as restricted income to meet expenditure for the mission work of SU in England and Wales, and especially for work in schools.

We have been drawing on reserves to fund projects and our continuing investment in Revealing Jesus Pioneers and Sports Mission Pioneers. Close communication with our investment manager has allowed us to draw down funds at attractive moments in the market and to optimise the short-term returns on cash that has been disinvested.

See the *Investment Policy and Performance* section (page 12) for an overview of the investments performance during the year.

Involving volunteers

SU is a volunteer-led movement, and we are grateful to the many individuals who give their time, energy and skills in support of SU. Volunteering at SU comes in many forms, including at holidays, missions, regional and national events and in governance, and volunteers join in our mission from a wide range of backgrounds, bringing a rich and diverse range of experiences, expertise and gifts. Recruiting sufficient volunteers has remained a challenge post-pandemic, but we continue to trust God to provide the workers for the harvest. Over the past year we created 1,342 known opportunities for volunteer involvement, equivalent to 2,687 working weeks, or 57 full-time staff. These individuals have contributed significantly to the mission activity of the Movement, which would not be possible without them. Of these volunteer opportunities, 32 related to governance of the Charitable Company (for example, trustees and Council members) and therefore could not be filled by staff. These governance volunteers contributed the estimated equivalent of 56 working weeks.

Most opportunities for volunteer involvement relate to events, but many volunteers are becoming involved in regional and national initiatives. Two young adults worked with us during the year as part of our 10:2 leadership development (young leader) programme.

In addition to SU volunteers, our local mission partnership programme involves many hundreds of volunteers working alongside 105 workers employed by 56 trusts.

Our Revealing Jesus strategy is also volunteer-focused; equipping and inspiring individuals in their mission with the 95, and supporting local churches to raise up church volunteers as Faith Guides to be equipped by SU Mission Enablers to reach out to the 95.

We have not included in our financial statements the value that volunteers bring through the time which they dedicate to the mission of the Movement, but we thank God and we thank each one of them for it all.

Supporting global partnership

There are over 130 independent SU movements around the world working in around 120 countries, all of which are united by Scripture Union's aims, belief and working principles. SU England and Wales is one such movement. Each national movement seeks to work through local people in ways that are appropriate to the national culture, and the number of staff is typically very small compared to the number of volunteers. Facilitated by Scripture Union International, staff and volunteers globally pray for and support each other, share ideas and resources and have joint projects and publications. Extended partnerships have also been established between countries to provide additional support and funding.

In March 2024, five delegates from SU England and Wales joined with more than 350 SU staff and volunteers from over 100 countries for a special SU Global Gathering in Malaysia, where they joined in worship, inspirational discussions and presentations looking at how to shape SU ministry into the future. Opportunity was taken during the gathering to raise the profile of the Revealing Jesus framework; this was very well received, with several national movements expressing an interest in finding out more.

SU England and Wales continues to make grants to other national SU movements around the world and grants approved during the year totalled £45,000 (2023: £114,000). Amongst the projects supported were the building of a bomb shelter at SU Ukraine's campsite, purchase of musical instruments for the music ministry of a national movement working in a closed country, and attendance by an SU worker from a 'majority world' national movement at the SU Global Gathering. In addition to the grants made from our own resources, we receive gifts from our supporters restricted for international purposes which we use to make grants to support ongoing SU mission

and specific SU projects in other parts of the world. Such grants this year totalled £83,000 (2023: £86,000) (*see the Statement of financial activities, page 22, and Note 4 to the financial statements, pages 29-30*).

Plans for next year and beyond

Since the new Revealing Jesus strategic plan and its associated mission framework was launched in late 2020, the Movement has significantly altered its direction to better enable SU to operationally fulfil its renewed mission to its priority community, and hence better achieve its vision. Nevertheless, our overall aim for next year and beyond remains to grow the reach and impact of SU's mission activity through the primary objectives stated on page 4.

The associated revised three-year strategic plan – including an early view of the impact of the modified offering – has been agreed by the Trustees, with year one of the plan reflected in SU's agreed annual operating plan for the coming year. The plan includes operational targets for the existing offering to Faith Guides. The result is a planned operating deficit and the deployment of £645,000 of the Project and Development Fund (*see Note 13 to the financial statements, pages 33-34*) in support of our Revealing Jesus strategy.

Looking ahead we have a number of areas of strategic focus for 2024 and beyond. Initially we will be looking to recruit and embed a number of key staff appointments throughout the organisation, providing strength and stability to our team. We are making significant investment into our Revealing Jesus resource centre through an overhaul of the content and platform in the development hub.

Whilst we are so grateful for the loyal support and volunteer base for our work, we are looking to add and attract a younger support base in the years ahead. We have a number of developing initiatives designed to help us achieve this. The first is SUM+, which seeks to build a digital community of young adults committed to the vision of SU, through providing quality content and inspiring a new generation to reach the 95. Secondly, we are introducing a pilot podcast series looking at key issues impacting the reaching of children and young people. The year ahead will also allow us to embed further our local and national partnerships as we hope to extend the Revealing Jesus strategy into even more churches.

We have a clear desire to align further our holiday and residential activities with our Revealing Jesus Mission Framework alongside further investment in our young leaders training. We continue to have a number of exciting research projects exploring Gen Alpha in Wales and further embedding our learning into practice. We have an ongoing desire to ensure that our Movement is representative of the children and young people we seek to reach and therefore are committed to explore ways to work more closely with ethnically diverse groups, churches and individuals.

Financial review

Financial position

We thank God and our many supporters for their financial generosity in funding SU's work, especially during the current difficult economic climate. In a year when many charities faced financial challenges, we have seen a very small decrease in donations income, demonstrating the steadfast dedication and faithfulness of our generous supporters. We continue to be blessed by legacy income, but we also recognise that it is not wise to rely on legacy income in the long term and are therefore investing in growing our supporter base with specific new initiatives to encourage younger supporters to join with us.

For the year ended 31 March 2024, we had an overall deficit of £863,000, compared to a deficit of £809,000 last year. This reflects our continued deliberate investment in the Revealing Jesus strategy – see the *Implementing our Revealing Jesus strategy* section starting on page 4 for more details.

We have continued to spend the PDF reserves as we invest in our fixed-term mission roles to demonstrate the effectiveness of the Revealing Jesus strategy, alongside system improvements and

development of content for Faith Guides. We recognise that we need growth in donation income if we are to retain staff employed in fixed-term roles and to fund our longer-term plans. In the meantime, financial deficits are anticipated again in the next two years as the General and PDF reserves are progressively spent.

Total gift income, including restricted gift income but excluding legacies, amounted to £2,084,000 which represents a small decrease of less than 1% from £2,089,000 in the previous year. It includes gifts of £83,000 restricted for projects run by other national SU movements. Unrestricted legacy income of £925,000 was received; this is 19% lower than last year at £1,137,000. Further details are included in the fundraising section above (*page 7*). Holidays and Mission income at £456,000 is significantly higher than last year's £341,000. Publishing sales and royalty income at £681,000 is 19% lower when compared to last year's £843,000. Publishing activity continues to be focused on a narrow range of products that directly support our Revealing Jesus strategy or key needs of our supporter base.

Total income at £4,215,000 is £317,000 lower than the previous year (7% decrease). Meanwhile total expenditure of £5,243,000 is £158,000 higher than last year (3% increase), driven primarily by increased salary costs.

For the year ending 31 March 2025, the Trustees aim to continue to spend reserves in line with the reserves policy (*see below*), and as such have aligned budgeted General Fund expenditure to exceed budgeted income by £490,000, as we seek to invest in the new strategy. In addition, expenditure of around £685,000 from PDF reserves is planned.

Reserves review

Our reserves have clearly reduced given the overall deficit for the year, and at 31 March 2024 amounted to £4,899,000 (2023: £5,762,000). The Trustees have set aside funds as described below and in Note 13 to the financial statements (*see pages 33-34*).

- **Unrestricted designated funds:**
 - **Fixed Asset Fund** of £852,000 (2023: £839,000), representing the net book value of the fixed assets of the Movement, most specifically our National Office based in Milton Keynes.
 - **Project and Development Fund (PDF)**. Representing designated funds to cover the investment cost of a range of significant one-off development initiatives to grow the scale and impact of SU's mission activity. PDF expenditure during the year totalled £485,000 (2023: £357,000). The balance of the Fund at 31 March 2024 was £1,539,000 (2023: £2,024,000) to provide for future planned strategic initiatives. The Trustees have plans in place to expend the majority of PDF reserves over the next two to three years, including an estimated £685,000 in the 31 March 2025.
 - **International Fund** of £186,000 (2023: £304,000) to support projects in other national SU movements around the world.
- **Restricted funds** of £139,000 (2023: £154,000) relates to gifts made and earmarked for specific purposes by the donors.
- **Endowment funds** of £668,000 (2023: £638,000). The Endowment Fund is a restricted gift whereby we can use the income from these investments for the mission work of SU in England and Wales, especially work in schools; however, we are not able to access the investments themselves.
- **General reserves (unrestricted)**. The General Fund stood at £1,515,000 (2023: £1,803,000) on 31 March 2024, which is very slightly above the target range set by the Trustees; however, this includes £323,000 of accrued legacy income (in line with FRS102), (*see Note 10, page 32*), where we may not receive the cash for many months.

The level of required General Reserves is reviewed annually using a risk-based approach and within the process of budget preparation for the following year to ensure that it remains relevant to SU's current and future position, in particular reflecting the developments necessary to deliver our strategy. It is also included within monthly financial reporting for review by the Trustees throughout the year.

The risk-based approach focuses on the quantification of risk associated with items in the Movement's Risk Register, together with an assessment of likely correlation of events happening concurrently. As a result, as at 31 March 2024 the Trustees considered it prudent to set the target level of general reserves retained by the Movement at between £1.1m and £1.5m.

Principal funding sources

SU relies substantially on voluntary income to fund our activities (*see Fundraising and communications, pages 7-8*), with the majority of donations coming from individual regular givers and from major donors. Other income shown in the statement of financial activities (*see page 22*) includes sales of publications and fees for holidays, training and other events. When setting a price for our paid-for events and resources, appropriate consideration is given to how we can both maximise mission benefit and avoid pricing being a barrier to participation and partnership. We normally receive no funding from the government or other statutory bodies, nor from the National Lottery.

Investment policy and performance

The Trustees review the level of investments and cash flow demands periodically to ensure that the level of reserves available for investment remains appropriate for the Movement. SU seeks to produce the best financial return within an acceptable level of risk.

The key risk to long-term reserves is inflation – though volatility in the market can drive significant short-term fluctuations as experienced over the past few years – and our assets are invested to mitigate this risk over the long-term. SU aims to diversify its assets through investment in a multi-asset investment fund that reflects SU's ethical investment policy which specifically excludes companies that generate the majority of their revenue from armaments, gambling, tobacco, alcoholic drinks, production and dissemination of pornographic materials or high interest lending. The Trustees are aware that this may have some impact on investment performance.

Rathbones, our investment managers, continue to manage an investment portfolio of nearly £2 million for SU. During the year, our portfolio of individual securities and pooled funds has been switched into Rathbones' range of Managed Funds for Charities. This provides a more efficient way of investing assets of this size, reducing management fees and increasing diversification, while retaining an appropriate risk profile and alignment with SU's ethical investment policy.

The Managed Fund is 64% invested in equities, with the balance in fixed income and alternatives. On a combined basis for the year to 31st March 2024, the returns of our portfolio were 10.1%, in line with the charity's benchmark return of 9.9%. Over five years, returns have been 31%, well in excess of the benchmark's 16%.

The portfolio's strong performance came mostly in the second half of our financial year, as markets were buoyed by expectations of interest rate cuts and the absence of a widely expected recession in the USA. Whilst market expectations for rate cuts may prove too optimistic, there is a growing body of evidence that the worst may be over economically. Leading economic indicators have experienced an improving trend, and the market breadth in the US stock market has widened considerably, allowing for healthier returns to be generated across a number of sectors. Whilst occasional market turbulence from stickier inflation readings, weaker economic data and uncomfortable geopolitical events cannot be ruled out, Rathbones considers equity and bonds to be

attractively valued at these levels for longer-term investors. We continue to monitor our investments closely to ensure that they achieve our intended returns.

Rathbones also held cash deposits for us valued at £1.5m as at 31st March 2024. These are held as time deposits with a variety of maturities to fit in with our liquidity requirements, whilst also benefitting from attractive interest rates in excess of 5% for fixed-term money.

Principal risks and uncertainties

The Movement has a risk-management policy and procedures through which risks arising from existing operations and strategic developments are identified and evaluated. The Leadership Team is required to identify risks associated with activities, assess their potential impact and probability of occurrence, and report on procedures which are in place or are being developed to manage and mitigate the risks. Major risks are highlighted for consideration and monitoring by the Trustees and the suitability and effectiveness of the risk review and management process is monitored by the Audit and Finance Committee (*see page 16*).

During the year, the Leadership Team and the Trustees carried out detailed reviews of potential reputational, financial, mission and operational risks to the Movement. The major risks to which the Charitable Company is exposed have been reviewed and systems have been established to manage those risks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Security of our IT networks, access control and malware detection minimise the potential risk of a cyber security breach. Procedures are in place to ensure compliance with legislation, regulation, codes of practice and standards. All procedures are reviewed periodically to ensure that they continue to meet the needs of the Charitable Company.

Two primary risks have been identified:

Criticism, incident or allegation regarding work with children – Key elements of the prayerful management of this risk are safer recruitment processes, regular review of SU's safeguarding policy, clear lines of responsibility and accountability, input from SU's safeguarding advisory group, compliance with externally-set activity standards and regular training and review.

Failure to generate sufficient income, falling numbers of supporters and mistrust of charities, particularly fundraising activity – Key elements of the management of this risk are prayer, maintaining a focus on trusting God to provide for His mission, ongoing building of personal relationships with donors, implementation of SU's fundraising strategy, periodic Trustee review of SU's fundraising ethos and strategy and implementation of the strategic plan with a clear focus on income generation and expenditure.

Structure, governance and management

Governing document and constitution

SU was established in 1867. It is a charitable company limited by guarantee, incorporated on 28 October 1893 and registered as a charity on 3 January 1966. It is governed by its Articles of Association which were adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020.

Recruitment and appointment of trustees

Policies and procedures for the recruitment, appointment and induction of all new trustees are in place and maintained by the Trustees.

Responsibility for the trustee recruitment process lies with the Chair of Trustees. Each candidate is interviewed by a panel that usually comprises the Chair, at least one trustee, and a member of Council. In the case of candidates who the group believes may be called to be trustees, a second interview by the same or similar panel is normally conducted. Each candidate is assessed having

regard to the overall composition of the Board of Trustees, including any skills and experience that its then current members lack. The Trustees themselves may proactively approach and co-opt additional trustees to fill vacancies and such appointments are effective until the next Annual Meeting.

The Council appoints new trustees and reappoints those who have come to the end of their current term of office and who are eligible, willing and nominated for re-election. Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act, are appointed for a three-year period in accordance with the Articles of Association. After serving a maximum of three consecutive terms of office, a retiring trustee is not eligible to serve any further term of office until at least one year of non-service has elapsed.

The Articles of Association provide for a minimum of six and a maximum of twelve trustees.

Induction and training of trustees

All trustees receive induction training, information and support to acquire the necessary detail of how the Movement and the Board of Trustees work, so that they can play a full part in discussion and decision-making. Every effort is made to broaden trustees' knowledge on an individual level so that they are up to date with the whole of the Movement and the Strategic Plan. Where there has not been any previous involvement, care is taken to introduce them to the Movement, with an emphasis on SU's aims, belief and working principles and the Strategic Plan. Participation in induction processes run principally for new staff is encouraged, both for new trustees and by way of a 'refresher'. All new and serving trustees are encouraged to attend or participate in a local, regional or national SU holiday, mission or other event as part of their induction and ongoing development.

Organisational structure

The members of the Council are the Members of the Company. The Council appoints the members of the Board of Trustees (*listed on page 1*) and the Trustees appoint the National Director and approve the process for the appointment of other members of the Leadership Team (*also listed on page 1*). The National Director and, in relation to their respective areas of responsibility, the members of the Leadership Team are responsible for the day-to-day running of SU.

A trustee-approved document is in place which describes the governance structure of SU, including the division of powers between the Council and the Trustees and the delegation of powers by the Trustees. The document focuses on the legal structure and legal allocation of powers and responsibilities.

Trustees – The Trustees have ultimate responsibility for the strategic leadership and the management of the affairs of SU in accordance with its Articles of Association and applicable law (including company law and charity law). The Board of Trustees has four scheduled meetings each year and meets physically or by conference call on other occasions as necessary.

The Trustees seek to apply the principles set out in the Charity Governance Code having regard to the aims, beliefs and working principles of SU and has implemented a three-year cycle to assess SU's application of the principles described in the Code. A questionnaire based on the online self-audit tool developed by the Directory of Social Change (The Governance App) was completed by Trustees in Spring 2024. Learning is being taken from the results, though no significant areas of concern have been identified.

Council – Council provides a forum for the development of spiritual vision and discernment of God's leading and advises the Trustees on the overall direction of the Movement. It has no executive powers and its key responsibilities are to ensure that the Statement of Aims, Belief and Working Principles is applied, to review the progress made towards fulfilling the Strategic Plan and to elect trustees. The Council, comprising up to 38 members (including trustees and leadership team members), normally meets for a full day twice a year. The aim is for the membership of Council to be broadly representative of SU's areas of work and community. SU's Nominations and Advisory

Committee has responsibility for proposing individuals for admission as members of the Council (see *Sub-committees, page 16*).

Statement of Trustees' responsibilities

The Trustees (who are also Directors of SU for the purposes of company law) are responsible for preparing the Report of the Trustees (incorporating the Directors' and Strategic Reports) and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP) (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Qualifying third party indemnity provisions

During the reporting period and up to the date of this report, the Charitable Company maintained liability insurance and third-party indemnity provisions for its Trustees, under which the Charitable Company has agreed to indemnify the Trustees to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Charitable Company.

Internal controls

The Trustees have overall responsibility for the system of financial and other controls of the Charitable Company and for providing reassurance that:

- its assets are safeguarded against unauthorised use;
- adequate records are maintained and financial information used within the Charitable Company or for publication is reliable; and
- the Charitable Company complies with relevant laws and regulations.

It is recognised that such a system can provide only reasonable but not absolute assurance against errors and loss. Detailed monthly financial management reports are prepared by the finance team and circulated to the Trustees, Leadership Team and senior management, and are reviewed and discussed at each of the quarterly Board meetings.

The Movement operates a comprehensive annual planning and budgeting process which is approved by the Trustees. Performance is monitored through the use of activity and financial targets and reports made to Trustees comparing actual results against activity targets and the phased budget.

Sub-committees

The Trustees have delegated certain tasks to the Audit and Finance Committee. The Committee, which comprises trustees and volunteers, meets regularly and has responsibility for:

- monitoring the integrity of the financial statements and any formal announcement relating to financial performance;
- reviewing the integrity of the internal financial control and financial and risk management systems;
- monitoring and reviewing the performance of the internal audit function;
- reviewing the independence of the external auditor and the provision of any non-audit services;
- reviewing the performance of the external auditor and making recommendations to the Trustees in relation to their appointment, re-appointment and removal and approving their remuneration and terms of engagement;
- monitoring financial performance and approving the annual draft budget for submission to the Trustees;
- reviewing all policies relevant to its functions and making any recommendation for change to the Trustees;
- reviewing the performance of the investment managers;
- monitoring the pension arrangements and reviewing the performance of insurance companies that provide the relevant pension policies and any pensions advisors;
- monitoring compliance with corporate and charity laws and regulations.

The Nominations and Advisory Committee, comprising members of Council, a trustee and a staff member, is a sub-committee of Council. It meets regularly as required and has responsibility for:

- proposing individuals for admission as members of the Council (other than individuals who are admitted by virtue of being a trustee or member of the Leadership Team).
- helping Council to evaluate itself and its work.

Management and staff

The Trustees delegate to the National Director the day-to-day management of the Movement and the implementation of policies and other decisions of the Trustees. The National Director may sub-delegate the management and implementation and the exercise of powers to members of the Leadership Team (*members listed on page 1*). The Trustees are thankful to God for a committed staff team who work hard to support volunteers and to advance the aims of the Movement.

Pay and remuneration of key management personnel

The members of the Leadership Team (*listed on page 1*) are the key management personnel of the Movement in charge of directing, controlling and operating SU on a day-to-day basis.

Members of the Leadership Team need to have a breadth and depth of expertise and credibility which requires drawing from the best senior level talent within the Christian community. This is balanced with seeking to keep salary costs under control and ensuring that senior staff pay is connected to the pay of other staff.

The Trustees annually review and determine the pay of the Leadership Team with reference to comparable national charities' pay levels (XpertHR Voluntary Sector Salary Survey). The Trustees aim to follow the principle that the pay of the highest paid employee is not normally more than four times the average full-time-equivalent salary of the administrative-level roles within the Movement. Details of the employment benefits paid to the Leadership Team during the year are included in Note 5 to the financial statements (*page 30*).

Related parties

All trustees give of their time freely and no trustee received remuneration during the year. Details of trustees' expenses and any related party transactions are disclosed in Note 6 to the financial statements (*page 30*).

Trustees are required to disclose all relevant interests and register them with the Company Secretary and, in accordance with the Movement's policy, withdraw from decisions where a conflict of interest arises.

Grant-making policy and principles

One of the ways in which SU works out its mission is by setting aside a proportion of income and resources each year to make grants to other national SU movements and to organisations with a very close association to SU, for example local mission partners (*see page 6*). In addition, we receive gifts from our supporters which we use to make grants to support specific projects in other parts of the world. We do not fund individuals. The overriding purpose of any grant made is to further SU's mission locally, regionally, nationally or internationally.

Grants are made at the discretion of the Trustees and this responsibility is delegated to the Leadership Team. Robust procedures are followed to ensure that consideration and awarding of grants is in line with the principles set out below, and that the quality and timeliness of reporting meets the requirements of SU's Audit and Finance Committee (*see pages 16*). Grant allocations amounting to £140,000 were made during the year (2023: £225,000). (*See Note 4 to the financial statements, pages 29-30, for a summary of grant allocations.*)

The following principles set out the way in which SU allocates its grants:

- Grants will be of strategic benefit for the growth of SU's mission and used in a manner consistent with SU's Statement of aims, beliefs and working principles.
- Grants will be made only where we are confident that it is possible to ensure that funds will be used for the intended purpose and that the recipient is able to commit to providing appropriate and timely reports on the use of the funds in a manner that meets the requirements of SU's Audit and Finance Committee.
- Grants will normally be for start-up, project or emergency purposes that will not create long-term financial dependence. They should therefore be 'one-off' or on a diminishing basis over a period of two or three years.
- Match-funding grants will be considered as a means of encouraging and facilitating local fundraising by the recipient.
- Assessment of grant requests will include scale of need and availability of other funding sources.
- The overall allocation of grants made by SU must adequately reflect our priority of sharing the good news of Jesus with children and young people who don't yet know him. This may include supporting projects that create local sustainability to achieve that priority.

Appointment of external auditor

MHA was appointed as external auditor in 2019 and has expressed willingness to continue in that capacity.

* * * * *

The Trustees submit their annual report and the audited financial statements for the year ended 31 March 2024. The financial statements comply with current statutory requirements, the Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102).

This Trustees' Annual Report, which incorporates the Strategic Report, was approved by the Trustees in their capacity as Company Directors on 19 July 2024 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Honorary Treasurer

Independent Auditor's Report to the Members of Scripture Union

for year ended 31 March 2024

Opinion

We have audited the financial statements of Scripture Union (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Directors' report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;

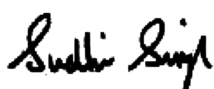
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sudhir Singh FCA (Senior Statutory Auditor)

for and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 25 August 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

Statement of financial activities incorporating an income and expenditure account for year ended 31 March 2024

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Income and endowments									
<i>Income from generated funds:</i>									
- Income from donations and legacies ^b	2a	2,626	387	-	3,013	2,883	360	-	3,243
- Income from investments	2b	39	17	-	56	48	16	-	64
- Income from grants	2c	-	-	-	-	2	-	-	2
<i>Income from charitable activities:</i>									
- Holidays and missions		456	-	-	456	341	-	-	341
- Other fee income		9	-	-	9	39	-	-	39
- Publishing sales and royalties		681	-	-	681	843	-	-	843
Total income		3,811	404	-	4,215	4,156	376	-	4,532
Expenditure									
<i>Expenditure on raising funds:</i>									
- Cost of raising funds	4	479	-	-	479	465	-	-	465
<i>Expenditure on charitable activities:</i>									
- Face-to-face mission in England and Wales	4	2,891	336	-	3,227	2,671	319	-	2,990
- Advocacy	4	203	-	-	203	174	-	-	174
- Content creation	4	175	-	-	175	165	-	-	165
- Commercial publishing	4	904	-	-	904	965	-	-	965
- International activities	4	172	83	-	255	240	86	-	326
Total expenditure	4	4,824	419	-	5,243	4,680	405	-	5,085
Net gain/(loss) on investment assets	8	135	-	30	165	(238)	-	(18)	(256)
Net (expenditure)/income for the year being net movement in funds		(878)	(15)	30	(863) ^c	(762)	(29)	(18)	(809)
<i>Reconciliation of funds:</i>									
Fund balances brought forward		4,970	154	638	5,762	5,732	183	656	6,571
Fund balances carried forward	13	4,092	139	668	4,899	4,970	154	638	5,762

- a) All of the above results are derived from continuing activities. SU has no other recognised gains and losses other than those stated above.
- b) Income from donations and legacies in both 2023 and 2024 benefited from legacy income which exceeded expectations.
- c) The net deficit for the year was due to a combination of a planned operating deficit together with spend on Project and Development Fund (PDF) initiatives of £485,000.

The Notes on pages 25-36 form part of these financial statements.

Balance sheet

As at 31 March 2024

	Notes	2024 £'000	2023 £'000
Fixed assets			
Tangible assets	7	852	839
Investments	8	2,450	3,518
Total Fixed Assets		3,302	4,357
Current assets			
Short Term Investment Assets	8	1,015	-
Stocks	9	159	147
Debtors	10	517	883
Cash at bank and in hand		597	1,186
Total Current Assets		2,288	2,216
Liabilities			
Creditors: amounts falling due within one year	11	(685)	(800)
Net current assets		1,603	1,416
Total assets less current liabilities		4,905	5,773
Provisions for liabilities	12	(6)	(11)
Net assets		4,899	5,762
The funds of the Charitable Company	13		
Unrestricted funds			
Fixed assets fund		852	839
Project and development fund		1,539	2,024
International fund		186	304
General fund		1,515	1,803
		4,092	4,970
Restricted funds			
Income fund		139	154
Endowment funds			
Endowment fund		668	638
Total charity funds		4,899	5,762

The financial statements were approved and authorised for issue by the Trustees on 19 July 2024 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Honorary Treasurer

The Notes on pages 25-36 form part of these financial statements.

Company Registration Number 00039828

Statement of cash flows

for year ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Net cash (used in) operating activities	<i>See (a) below</i>	(779)	(867)
Cash flows from investing activities			
Interest received	2b	17	47
Dividends received	2b	39	17
Purchase of tangible fixed assets	7	(85)	(42)
Sale of investments	8	3,144	1,770
Purchase of investments	8	(1,961)	(565)
Movement in investment cash	8	(964)	(489)
Net cash from investing activities		190	738
Change in cash and cash equivalents for the year		(589)	(129)
Cash and cash equivalents at the beginning of the year		1,186	1,315
Total cash and cash equivalents at the end of the year	<i>See (b) below</i>	597	1,186

Reconciliation of net debt - the Charitable Company does not have any debt in the current or prior year. There was no change in cash and cash equivalents due to exchange rate movements during the year (2023: £1,093).

Notes to statement of cash flows

(a) Reconciliation of net (expenditure) for the year		2024 £'000	2023 £'000
Net (expenditure) for the reporting period	<i>See SOFA</i>	(863)	(809)
<i>Adjustments for:</i>			
Depreciation charges	7	71	61
Net (profit)/loss on investments	8	(165)	256
Dividends and interest from investments	2b	(56)	(64)
(Increase) in stocks	9	(12)	(43)
Decrease/(increase) in debtors	10	366	(219)
(Decrease) in creditors	11	(115)	(47)
(Increase) in provision for pensions	12	(5)	(2)
Net cash (used in) operating activities		(779)	(867)
(b) Cash and cash equivalents		2024 £'000	2023 £'000
Cash at bank and in hand	<i>See Balance Sheet</i>	597	1,186
Net funds		597	1,186

The Notes on pages 25-36 form part of these financial statements.

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

- a) **Basis of preparation and assessment of going concern** – The financial statements have been prepared under the historical cost convention, with the exception of investments which are included on a market value basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006.

SU constitutes a public benefit entity as defined by FRS 102.

These financial statements are presented in £'000's.

The Trustees consider that there are no material uncertainties about SU's ability to continue as a going concern. For the year ending 31 March 2025 an operating deficit is planned and project and development activity will be funded from the designated Project and Development Fund reserve. A regular review of income has been implemented, budgets and forecasts make use of scenario analysis, and budgets use multiyear forecasts to help frame decision making. In addition to ownership of a building used as the national office and long-term reserves, SU has a healthy cash balance. Cash flow forecasts indicate that ongoing operational activity will continue beyond the twelve months from signature of these financial statements.

- b) **Company status** – Scripture Union is a company limited by guarantee. The guarantors are the members of the Company who are also members of the Council (as outlined on page 14). The liability in respect of the guarantee, as set out in the Articles of Association, is limited to £10 per member.
- c) **Income recognition** – All income, including any Government grants, is recognised when SU has entitlement to the funds, the receipt is probable, and the amount can be measured reliably. All income is accounted for on a receivable basis. For legacies, this is when SU becomes entitled to the income, based on notifications received, when there is probability of receipt and when the amount is reliably measurable. Donations are recognised when any performance-related conditions are met.

Publishing sales represent the amounts receivable for goods sold in the normal course of business, net of trade discounts and Value Added Tax (VAT).

Interest on funds held on deposit are accrued for in line with the current advised interest rate.

Dividends are recognised once the dividend has been declared and notification of the dividend due has been received.

The Movement receives funds on behalf of other national SU movements. These funds are recognised as income and expended as grants within the Statement of Financial Activities (SOFA) and are shown as a liability or creditor on the Balance Sheet. The Charitable Company holds these granted funds within a 'client account'.

No amounts are included in the financial statements for services donated by volunteers.

- d) **Expenditure recognition** – Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing SU to that expenditure, the amount of the obligation can be measured reliably, and it is probable that settlement will be required. SU exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities relating to grants and spiritual refreshment allowances. Judgement is necessary in assessing the likelihood that the liability will be realised and in quantifying the possible value of that liability.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to Note 1(e).

Charitable expenditure comprises expenditure related to the direct furtherance of SU's charitable objects. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

Cost of generating funds includes fees paid to fundraising consultants, staff time, database development costs and apportioned overhead costs.

Grants payable are payments made to third parties in the furtherance of SU's charitable objects. Grant awards are subject to the recipient fulfilling performance conditions. The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Movement that would permit SU to avoid making the future payment(s), settlement is probable, and the effect of discounting is material.

Termination benefits, including redundancy costs, are recognised when the Charitable Company has the obligation to pay the benefits and they can be reliably measured.

- e) **Allocation of support and governance costs** – Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company and include internal and external audit costs, Board and Council meeting costs and an allocation of indirect costs to cover support from members of staff. Other support costs are those functions that assist the work of the Movement but do not directly undertake charitable activities.

The allocation of support and governance costs is set out in Note 4 (*pages 29-30*). The basis on which these costs are allocated is:

Finance	Staff time
Human Resources	Headcount
Facilities	National Office
Digital Solutions	Headcount
Mobilisation	Staff time
Management / Leadership Team	Staff time

- f) **Fund accounting** – The Trustees have established three designated funds. These are unrestricted funds which have been allocated for specific purposes. Restricted funds are funds subject to specific restrictions imposed by donors. Endowment funds are funds given to the Charitable Company as capital. The purpose and use of the designated, restricted and endowment funds are set out in Note 13 to the financial statements (*pages 33-34*).

- g) **Tangible fixed assets and depreciation** – Tangible fixed assets are stated at cost including any incidental expenses of acquisition, less accumulated depreciation and any impairment. Assets are capitalised when the cost totals £500 or more. Depreciation is provided on all tangible fixed assets (except freehold land, which is not depreciated) at rates calculated to write off the cost on a straight-line basis over their expected useful economic life as follows:

Freehold brick buildings	fifty years
Fixtures and fittings	ten years
Computers and similar equipment	three years
Computer network	five years
Solar panel	twenty years

- h) **Investments** – Investments are measured based on a mark to market policy, initially recognised at their transaction value and subsequently measured at fair value using the quoted market price at the balance sheet date. Realised and unrealised gains and losses are included in the SOFA as they arise.

- i) **Stocks** – Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs and the attributable proportion of production overheads. Net realisable value is based on estimated selling price net of trade discounts. Provision is made for slow-moving items where appropriate.
- j) **Debtors** – Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- k) **Creditors and provisions** – Creditors and provisions are recognised where SU has a present obligation resulting from a past event that will or probably will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- l) **Pensions** – SU operates the Scripture Union (Legal & General) Personal Pension Plan. This is a defined contribution occupational pension scheme and the amount charged to the SOFA is the employer's contributions payable during the year. SU had a final salary pension scheme, the benefits of which were secured by an annuity in 1996 when the scheme was closed.
- SU provides pensions to a small number of former staff on an unfunded basis. These staff worked for the Movement before a formal pension plan was set up or were ineligible to join a Revenue approved scheme. All the people entitled to such pensions are either retired or no longer employed by SU and the regular cost of the scheme is immaterial. Assessment of the unfunded pension liability is carried out annually and appropriate provision made in the Balance Sheet and the SOFA. SU's contribution is restricted to the contributions disclosed in Note 5 (*page 30*). There were no outstanding contributions at the end of the year.
- m) **Operating leases** – Rentals under operating lease contracts are charged to the SOFA on a straight-line basis over the lease term, even if the payments are not on such a basis.
- n) **Foreign currency translation** – Transactions in foreign currency are recorded in sterling at the rate of exchange ruling on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.
- o) **Taxation** – SU, as a registered charity, is exempt from taxation on its income and gains falling within sections 466-493 of the Corporation Tax Act 2010 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year. The Charitable Company is registered for VAT. Certain of SU's activities are exempt from or outside of the scope of VAT. Accordingly, SU is unable to reclaim all input VAT suffered. Recoverable input VAT is included in debtors. Irrecoverable input VAT is written off to the SOFA as incurred.
- p) **Critical accounting estimates and areas of judgement** – Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are listed below.
- Depreciation rates for tangible fixed assets
 - Useful economic lives of assets
 - Allocation of support costs
 - Legacy income accruals
 - Stock provisions

q) **Financial instruments** – The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The financial assets and financial liabilities of the Charitable Company are as follows:

- **Debtors** – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 10 (*see page 32*). Prepayments, legacies receivable, tax recoverable and accrued income are not financial instruments.
- **Cash at bank** is classified as a basic financial instrument and is measured at face value.
- **Liabilities** – trade creditors, accruals, loans payable and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Note 11 (*see page 32*). Taxation and social security are not included in the financial instruments' disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.
- **Investments** – Financial asset investments are classified as basic financial instruments and held at their fair value as detailed in note 1 h) above.

2. Income

2a. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Donations	1,701	383	0	2,084	1,746	343	-	2,089
Legacies	925	4	0	929	1,137	17	-	1,154
	<u>2,626</u>	<u>387</u>	<u>-</u>	<u>3,013</u>	<u>2,883</u>	<u>360</u>	<u>-</u>	<u>3,243</u>

Of the donations income, advertising services donated by GoogleAds was received at a value of £29,643 (2023: £25,697) and was attributable to restricted income.

2b. Income from investments

	2024 £'000	2023 £'000
Interest receivable	17	47
Dividends receivable	39	17
	<u>56</u>	<u>64</u>

Of the investment income, £17,000 (2023: £16,000) was attributable to restricted income with the balance of £39,000 (2023: £48,000) adding to unrestricted funds.

2c. Income from grants

	2024 £'000	2023 £'000
Government grants	-	2
	<u>-</u>	<u>2</u>

During the year, the Charitable Company received no government grants (2023: rates rebate of £1,527). There are no unfulfilled conditions to this income at year end.

3. Net income for the year is stated after charging:

	2024 £'000	2023 £'000
Auditor remuneration: Audit fee	23	21
Auditor remuneration: Other services (corporation tax)	2	1
Depreciation charges	71	61
Operating lease rentals: machinery	4	4
	<u></u>	<u></u>

4. Expenditure

	Grant funding of activities (see below)		Support costs (see below)		Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Costs of raising funds	-	118	361	479	465	
Face-to-face mission in England and Wales	12	2,467	748	3,227	2,990	
Advocacy	-	41	162	203	174	
Content creation	-	52	123	175	165	
Commercial publishing	-	782	122	904	965	
International activities	128	84	43	255	326	
Total 2024	140	3,544	1,559	5,243	5,085	
Total 2023	225	3,390	1,470	5,085		

Full comparative numbers for year ended 31 March 2023 are included as a separate Note on page 35.

Analysis of support costs

	Finance £'000	Human Resources £'000	Facilities £'000	Digital Solutions £'000	Mobilisation £'000	Management / Leadership Team £'000	Total 2024 £'000	Total 2023 £,000
Costs of raising funds	90	5	26	70	154	16	361	355
Face-to-face mission in England and Wales	105	34	67	351	57	134	748	687
Advocacy	11	2	14	29	61	45	162	153
Content creation	19	3	12	70	5	14	123	117
Commercial publishing	27	5	17	53	14	6	122	117
International activities	2	-	3	12	14	12	43	41
Total 2024	254	49	139	585	305	227	1,559	1,470
Total 2023	265	54	137	535	303	176	1,470	
Basis of allocation	Staff time	Headcount	National Office Headcount	Headcount	Staff time	Staff time		

The basis on which costs have been allocated is outlined in Note 1(e) (page 26). Cost allocation includes an element of judgement and SU has had to consider the cost benefit of detailed calculations and record keeping. To ensure full-cost recovery on projects, SU adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. The support costs shown are therefore a best estimate of the costs that have been so allocated.

Included within support costs is £54,000 (2023: £55,000) of Governance costs which comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company. It includes external audit costs of £23,000 (2023: £21,000), Board and Council meeting costs of £6,000 (2023: £6,000) and an allocation of indirect costs to cover support from members of staff of £25,000 (2023: £28,000).

Grant activity in furtherance of the Charitable Company's objects

	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2024 £'000	Total 2023 £'000
<i>International grant activity</i>					
Worldwide	-	28	10	38	95
Africa	2	30	10	42	63
Americas	-	10	3	13	30
Former Soviet Republics	-	14	5	19	20
Europe	1	29	10	40	16
Pacific	-	7	2	9	10
Asia	-	7	2	9	5
Rest of Britain & Northern Ireland	-	3	1	4	4
Grant activity - international	3	128	43	174	243
Grant activity - England and Wales	30	12	20	62	75
Total 2024	33	140	63	286	318
Total 2023	32	225	61	318	

Grant allocations amounting to £140,000 (2023: £225,000) were made during the year. There were no new multi-year grant commitments (2023: £nil) which are payable in future years. There were no grant commitments (2023: £nil) accrued at the start of the year which remain payable in future years.

Movement in recognised funding commitments during the year

Charitable commitments accrued
£'000

Grant commitments accrued at the start of the year	-
New grant commitments charged to the Statement of Financial Activities during the year	140
Grants paid during the year	(140)
Amount of grant commitments accrued as at 31 March 2024	-

Further details on grants are available on request to the Movement.

SU England and Wales works in partnership with, and makes grants to, independent SU movements around the world as noted on pages 9 and 17.

5. Staff costs and remuneration of key management personnel

	2024 £'000	2023 £'000
Staff costs		
Wages and salaries	2,350	2,266
Social security costs	230	228
Reorganisation costs	18	-
Pension costs		
Scripture Union (L&G) Personal Pension Plan	229	214
Unfunded pension scheme	5	1
	2,832	2,709
Average number of employees, analysed by function	2024 Number	2023 Number
Income generation	6	6
Advocacy	3	3
Face-to-face mission in England and Wales	44	43
Content creation	4	6
Commercial publishing	6	7
International activities	1	1
Administration and support of staff and volunteers	11	10
	75	76

The average number of employees during the year was 75 (2023: 76), including 22 (2023: 25) part-time employees, with no adjustment in the above table to take account of the number of hours worked. The average number of full-time equivalent employees during the year was 68 (2023: 68).

Reorganisation costs noted above of £18,000 relate to a termination payment in the year (2023: £Nil). £9,000 of the termination payment relates to pay in lieu of notice and £9,000 was a non-contractual payment made under the authority of the Trustees considered to be in the Charity's best interests.

SU's key management personnel are the members of the Leadership Team (*listed on page 1*). The employment benefits of the key management personnel – including employer pension and national insurance contributions – totalled £352,000 (2023: £328,000).

During the year, three employees (2023: three employees) earned between £60,001 and £70,000 and one employee (2023: one employee) earned between £90,001 and £100,000, excluding employer pension contributions.

6. Related Parties

The Trustees received no emoluments in their role as trustees during the year, but all ten trustees received reimbursement of travel expenses totalling £3,070 (2023: £2,419 reimbursed to eight of ten trustees).

7. Tangible fixed assets	Freehold land and buildings £'000	Computer equipment £'000	Computer network £'000	Fixtures and fittings £'000	Machinery £'000	Solar panels £'000	Total £'000
Cost:							
At 1 April 2023	810	236	15	261	10	-	1,332
Additions	-	29	-	22	-	34	85
Disposals	-	(28)	-	-	-	-	(28)
At 31 March 2024	810	237	15	283	10	34	1,389
Depreciation:							
At 1 April 2023 (<i>restated</i>)	114	202	2	166	10	-	494
Charge for year	16	24	3	27	-	1	71
Disposals	-	(28)	-	-	-	-	(28)
At 31 March 2024	130	198	5	193	10	1	537
Net book value:							
At 31 March 2024	680	39	10	90	-	33	852
At 31 March 2023 (<i>restated</i>)	696	34	13	95	-	-	838

At 31 March 2024, the Trustees had authorised capital expenditure for the ensuing year of £50,000 (2023: £123,000). Disposals as shown on the SOFA are shown net of depreciation. There were no capital commitments as at 31 March 2024 (2023: £nil).

A review of asset valuations was undertaken in the first quarter of 2021. A review undertaken during the year to assess whether a triggering event had occurred on the National Office (building cracks noted) concluded that no impairment was necessary. See also Note 12, page 32.

8. Investments

Investments at market value	2024 £'000	2023 £'000
<i>Fixed asset investments</i>		
Investment cash	522	569
Fixed Interest & UK Government stocks	-	304
UK Listed Stock Exchange Investments, Unit Trusts and OEICs	1,928	2,645
<i>Total Fixed asset Investments</i>	2,450	3,518
<i>Current asset Investments</i>		
Short-term cash deposits	1,015	-
	3,465	3,518
<i>Movement during the year:</i>		
Market value at 1 April	3,519	4,490
Less: Disposals at open market value	(3,144)	(1,770)
Add: Acquisition at cost	1,961	565
Net gain/(loss) on revaluation	165	(256)
Movement in investment cash	964	489
Market value at 31 March	3,465	3,518

The historic cost of investments is £3,258,000 (2023: £3,307,000).

9. Stocks

	2024 £'000	2023 £'000
Work in progress	31	59
Finished goods	128	88
	159	147

Value of stock recognised as an expense on the SOFA is £175,000 (2023: £177,000).

10. Debtors	2024	2023
	£'000	£'000
Trade debtors	49	104
Tax recoverable	64	38
Other debtors	10	141
Legacies receivable	323	506
Prepayments and accrued income	71	94
	517	883

Prior to sign-off of the financial statements, SU has been notified of further legacies with an estimated value of £743,000 (2023: £382,000). In accordance with Note 1(c) as noted on page 25, it was not considered appropriate to accrue for this amount in the financial statements, as at 31 March 2024 all criteria for recognising legacy income in these instances had not been met.

11. Creditors

Creditors: amounts falling due within one year	2024	2023
	£'000	£'000
Trade creditors	245	350
Accruals and deferred income	356	351
Taxation and social security costs	60	53
Interest free loans from supporters	20	20
Other creditors	4	26
	685	800

Deferred income	2024	2023
	£'000	£'000
Deferred income at 1 April	159	133
Resources deferred during the year	163	159
Amounts released from previous periods	(159)	(133)
Deferred income at 31 March	163	159

Deferred income relates to subscriptions on dated published products and holiday income in advance of the event taking place.

12. Provisions for liabilities	2024	2023
	£'000	£'000
Ex-gratia pensions		
Balance at start of year	11	13
Pensions paid	(5)	(5)
Increase in provision	-	3
Balance at end of year	6	11

Ex-gratia pensions are provided to a small number of former staff on an unfunded basis. See Note 1(l) (page 27) for more details.

An in-depth investigation is currently being conducted to determine the cause of structural damage at SU's National Office located in Milton Keynes. Until the investigation is concluded, it is not possible to provide a reliable estimate for the repair costs. Consequently, we recognise this as a contingent liability.

13. Statement of funds	Balance 1 April 2023 £'000	Income £'000	Expenditure £'000	Net investment (losses) £'000	Transfers £'000	Balance 31 March 2024 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	839	-	-	-	13	852
Project and Development	2,024	-	(485)	-	-	1,539
International	304	-	(118)	-	-	186
	3,167	-	(603)	-	13	2,577
General fund	1,803	3,811	(4,221)	(135)	(13)	1,515
Total unrestricted funds	4,970	3,811	(4,824)	(135)	-	4,092
Restricted funds						
Income funds:						
Endowment income	-	17	(17)	-	-	-
Gifts for SU overseas	-	83	(83)	-	-	-
Good News Fund	13	1	(10)	-	-	4
Google AdWords	-	30	(30)	-	-	-
SU Holiday Fund	107	9	(17)	-	-	99
Team support	-	215	(215)	-	-	-
Others	34	49	(47)	-	-	36
Total restricted funds	154	404	(419)	-	-	139
Endowment funds						
Endowment fund	638	-	-	(30)	-	668
Total endowment funds	638	-	-	(30)	-	668
Total funds	5,762	4,215	(5,243)	165	-	4,899

Full comparative numbers for year ended 31 March 2023 are included as a separate Note on page 36.

Unrestricted funds

Designated funds are as follows:

- The **Fixed Assets Fund** represents the net book value of fixed assets of the movement, most specifically our National Office based in Milton Keynes.
- The **Project and Development Fund** is a provision for the development of SU mission, i.e. to enable 'step-change' growth of current and initiation of new mission activities. It is set aside to help grow the reach and impact of the movement. Details of plans for use of this Fund are outlined in the *plans for next year and beyond* section (page 10).
- The **International Fund** is a provision for the support of projects in SU movements around the world. Grants are made throughout the year and relevant expenditure incurred is charged to the fund as it arises.

The remaining unrestricted funds, referred to as the **General Fund**, are available for use in the event of an unanticipated downturn in the level of income received and to fund any deficits on current charitable activities.

Restricted funds

Income funds are as follows:

- **Endowment income** refers to income arising from the endowment fund investments which is restricted for the mission work of SU at home and especially for work in schools.
- **Gifts for SU overseas** refers to gifts for support of the work of SU in other parts of the world. At the discretion of the Trustees, these gifts are forwarded to relevant national movements as a grant. We are legally required to ensure that all such grants are used for purposes consistent with SU's charitable objectives.
- **Good News Fund** refers to gifts received to provide grants to equip and resource local churches and mission partners in initiatives to share the good news of Jesus with children and young people in local communities.
- **Google AdWords** refers to a monthly in-kind grant for AdWords advertising provided under the Google Grants for Non-profits Programme.
- **SU Holiday Fund** refers to gifts received to provide financial assistance for children whose families cannot afford for them to attend an SU holiday.

- **Team support** refers to gifts and payments received to support the work of an employee or group of employees.
- **Others** comprises gifts and grants given for specified purposes or projects not falling into the categories covered by the above seven income funds.

With the exception of in-kind Google AdWords grants, restricted income funds are represented by cash balances.

Endowment funds

The **Endowment fund** represents a capital endowment which is normally held in a designated portfolio of stocks and shares. Income from the fund is restricted as explained under *Restricted Funds: Endowment Income* above.

<i>Analysis of funds by asset</i>	Tangible fixed assets	Fixed asset Investments	Current assets	Liabilities and provisions	Total 2024
<i>Funds</i>	£'000	£'000	£'000	£'000	£'000
General	-	981	1225	(691)	1,515
Designated	852	801	924	-	2,577
Restricted	-	-	139	-	139
Endowment	-	668	-	-	668
Total	852	2,450	2,288	(691)	4,899

14. Financial commitments

At 31 March 2024 SU had remaining commitments under non-cancellable leases as follows:

	2024	2023
<i>Expiry date</i>	Machinery	Machinery
	£'000	£'000
Within one year	4	4
Two to five years	6	10
Total	10	14

The value of lease payments included in the SOFA in the year was £4,000 (2023: £4,000).

Comparative data for year ended 31 March 2023

4. Expenditure (2023 comparative)	Grant funding of activities (see below) £'000	Direct costs £'000	Support costs (see below) £'000	Total 2023 £'000
Costs of raising funds	-	110	355	465
Face-to-face mission in England and Wales	25	2,278	687	2,990
Advocacy	-	21	153	174
Content creation	-	48	117	165
Commercial publishing	-	848	117	965
International activities	200	85	41	326
Total 2023	225	3,390	1,470	5,085

Analysis of support costs

	Finance £'000	Human Resources £'000	Facilities £'000	Digital Solutions £'000	Mobilisation £'000	Management/ Leadership Team £'000	Total 2023 £'000
Costs of raising funds	95	5	26	64	154	11	355
Face-to-face mission in England and Wales	110	35	66	322	57	97	687
Advocacy	11	3	14	27	65	33	153
Content creation	20	5	12	64	6	10	117
Commercial publishing	28	6	16	48	15	4	117
International activities	1	-	3	10	6	21	41
Total 2023	265	54	137	535	303	176	1,470
<i>Basis of allocation</i>	Staff time	Headcount	National Office Headcount	Headcount	Staff time	Staff time	

Grant activity in furtherance of the Charitable Company's objects

	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2023 £'000
<i>International grant activity</i>				
Worldwide	-	79	16	95
Africa	1	52	10	63
Americas	-	25	5	30
Former Soviet Republics	-	17	3	20
Europe	1	12	3	16
Pacific	-	8	2	10
Asia	-	4	1	5
Rest of Britain & Northern Ireland	-	3	1	4
Grant activity - international	2	200	41	243
Grant activity - England and Wales	30	25	20	75
Total 2023	32	225	61	318

Movement in recognised funding commitments during the year

	Charitable commitments accrued £'000
Grant commitments accrued at the start of the year	6
New grant commitments charged to the Statement of Financial Activities during the year	225
Grants paid during the year	(231)
Amount of grant commitments accrued as at 31 March 2023	-

13. Statement of funds (2023 comparative)

	Balance 1 April 2022 £'000	Income £'000	Expenditure £'000	Net investment (losses) £'000	Transfers £'000	Balance 31 March 2023 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	858	-	-	-	(19)	839
Project and Development	2,381	-	(357)	-	-	2,024
International	484	-	(180)	-	-	304
	3,723	-	(537)	-	(19)	3,167
General fund	2,009	4,156	(4,143)	(238)	19	1,803
Total unrestricted funds	5,732	4,156	(4,680)	(238)	-	4,970
Restricted funds						
Income funds:						
Endowment income	-	16	(16)	-	-	-
Gifts for SU overseas	-	86	(86)	-	-	-
Good News Fund	11	5	(3)	-	-	13
Google AdWords	-	25	(25)	-	-	-
Rooted	14	-	(14)	-	-	-
SU Holiday Fund	111	12	(16)	-	-	107
Team support	-	215	(215)	-	-	-
Others	47	17	(30)	-	-	34
Total restricted funds	183	376	(405)	-	-	154
Endowment funds						
Endowment fund	656	-	-	(18)	-	638
Total endowment funds	656	-	-	(18)	-	638
Total funds	6,571	4,532	(5,085)	(256)	-	5,762

Analysis of funds by asset	Tangible fixed assets £'000	Investments £'000	Current assets £'000	Liabilities and provisions £'000	Total 2023 £'000
<i>Funds</i>					
General	-	1,880	734	(811)	1,803
Designated	839	1,000	1,328	-	3,167
Restricted	-	-	154	-	154
Endowment	-	638	-	-	638
Total	839	3,518	2,216	(811)	5,762



Scripture Union

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Limited Company 00039828 Registered in England and Wales Registered Charity 213422

Accounts



Scripture Union

Year in review

Trustees' annual
report & financial
statements

YEAR ENDED
31 MARCH
2023

“Pray that the LORD your God will tell us where we should go and what we should do.”

JEREMIAH 42:3 (NIV)

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Report of the Trustees (incorporating the Directors' and Strategic Reports) for year ended 31 March 2023

The Trustees are pleased to present their annual Directors' report and financial statements of the Charitable Company for the year ended 31 March 2023 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details of the charity, its trustees and advisers

Status	Scripture Union is a charitable company limited by guarantee. It is governed by its Articles of Association adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020		
Registered name	Scripture Union (also known as 'SU', 'SU England and Wales' and 'Scripture Union Cymru')		
Charity registration number	213422		
Company registration number	00039828		
Country of incorporation	England and Wales		
Principal & registered office	Trinity House, Opal Court, Opal Drive, Fox Milne, Milton Keynes MK15 0DF		
Trustees	Mr Richard Godden	-	Chair
	Ms Kim Hurst	-	Honorary Treasurer
	Mr Richard Evans		
	Mr Malcolm Forsyth		
	Rev Dr Mark Griffiths		
	Rev Stephen Hallett		
	Mr Junior Johnson		
	Mrs Julie Kittow		
	Mrs Sandra Morris		
	Rev Dr Edward Scrase-Field		<i>(retired 12 November 2022)</i>
Leadership Team	Dr Myles MacBean	-	National Director
	Mr Richard Shaw	-	Mission Development Director
	Mr Stephen Vis	-	Finance & Services Director
	Mrs Rachel Warwick	-	Mobilisation Director
Company Secretary	Mrs Susan Winning		
Bankers	HSBC Bank PLC, 4th Floor, 3 Temple Quay, Bristol BS1 6DZ		
Solicitors	Pothecary Witham Weld, 70 St Georges Square, London SW1V 3RD		
Auditor	MHA, 6 th Floor, 2 London Wall Place, London EC2Y 5AU		
Investment advisers	Rathbones Investment Management Limited, 8 Finsbury Circus, London EC2M 7AZ		
Insurance brokers	Zurich Municipal, 2 Gladiator Way (N2), Farnborough, Hants GU14 6GB		

Introduction

Over the past year, it has been encouraging to see considerable progress in the implementation of Scripture Union's (SU's) *Revealing Jesus* strategy. On the front line, the number of Faith Guides grew from 218 at the end of March 2022 to 316 a year later, whilst the number of churches supporting Faith Guides grew from 160 to 237. Equally importantly, seven new part-time Revealing Jesus Pioneers working within major cities were engaged and we launched two pilots for hybrid mission (relating to sports and online games), five pilots of Revealing Jesus within an urban, ethnic minority church context and three pilots with Local Mission Partners (designed to multiply the reach of *Revealing Jesus*). The Pioneers hit the ground running and the pilots are progressing well and have potential for further roll out.

The refocussing of the SU holidays on to 'the 95' also commenced: in the Summer of 2022, five new 'Faith Guide Holidays' were successfully trialled and 12 are now planned for 2023. These are designed to be suitable for Faith Guide led groups.

You can read more about progress made in implementing the *Revealing Jesus* strategy on pages 3 to 6 of this Report.

Meanwhile, our 'ever green' publications, such as *It's Your Move*, proved to be meeting a continuing need, with sales above expectations. New materials for use by Faith Guides were also produced, some of which were released during the year, whilst others (notably *Be More Micah* and *Showtime*) have been released since the year end. We have also continued to invest in thought leadership partnerships and recently published a report into youth peer-to-peer evangelism, with a report on how GenZ engages with the Bible coming out shortly.

Although the first half of the two-and-a-half years since the launch of *Revealing Jesus* was disrupted by the Covid-19 pandemic, we have conducted a 'lessons learned' review of our strategy, with input being sought from a wide range of people including Faith Guides. This has confirmed the essential robustness of the *Revealing Jesus* framework but has suggested some adjustments in its implementation. In particular, we have realised that, without losing our focus on Faith Guides, we need to expand significantly the number of churches we work with by providing a form of engagement that demands less of time-poor church members and resource-poor churches.

The work of SU is, of course, dependent on financial resources. Many people continue to give generously and we are most grateful to them. However, as the accounts in this report reveal, gift income fell significantly in the past year and, although generous legacies offset some of this fall, financial resources are becoming strained. It would be most disappointing if lack of resources were to render it impossible to continue the work in the way that is currently planned. We are, therefore, redoubling our efforts to engage a new generation of supporters of all ages, ranging from major donors who might be interested in directly supporting some of the *Revealing Jesus* work to a younger group of supporters whose financial contribution might be smaller but who might support the work in many ways over a long period.

Finally, as always, I thank all the people who have worked hard to achieve the things mentioned above. The SU family is a large one and those who have contributed include not only the trustees, leadership team and staff of SU itself but also our Local Mission Partners, the growing army of Faith Guides and the churches that support them, and many others. Without them *Revealing Jesus* would merely be a good idea. With them, we are seeing it become a reality.

Richard Godden
Chairman

Aims, objectives and activities

Aims

SU's **overarching aim** is to make God's good news known to children and young people and to encourage them to meet God through the Bible and prayer. We work to fulfil this aim as effectively as possible with the resources that God gives us.

SU's **vision** is for a new generation of children and young people who have a vibrant, personal faith in Jesus.

Our **mission** is to create opportunities for children and young people to explore the Bible, respond to Jesus and grow in faith.

Our **priority** is to reach those who don't yet know Jesus.

Our **values** underpin all we do: we serve *the living God*, depending on him in faith, and trusting him to transform us and the lives of those we work with: we are rooted in *the Bible*, seeking a sound understanding that is applied in daily living and encouraged in the lives of others; we trust in the power of *prayer*, embedding it into everything we do; we share God's heart for *children and young people*, demonstrating his love to them and inviting them into lifelong relationship with Jesus; we have a *responsibility* to work to create a safe and caring culture in all we do, reflecting God's heart as we strive to excel in the mission he has called us to; and we invest in *relationships* to advance mission opportunities, equipping and empowering each other in the kingdom.

All work carried out by SU is consistent with our charitable objects, as set out in the Articles of Association: to advance Christianity by sharing the good news of our Lord Jesus Christ with people throughout the world. The objects are carried out through, but not limited to, working with churches, by making God's good news known to children, young people and families and by encouraging 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.

Our Strategy – Revealing Jesus

A strategic review that started in early 2019 resulted in the initial development of our new *Revealing Jesus* strategy and its associated innovative mission framework, and culminated in the online launch in October 2020 ([see su.org.uk/revealingjesus](https://su.org.uk/revealingjesus)). A multi-year programme of development, field testing, and operational scaling is underway, aimed at bringing coherence across all our activity.

Building on our campaign to share the good news of Jesus with the 95% of children and young people not connected with a church (*'the 95'*), the mission framework aims to envision, resource and equip churches as they engage with the younger generations in their community. Setting out a four-stage journey of faith, the framework equips Christians to act as *Faith Guides* who accompany children and young people over the long term and create opportunities for them to *connect* with Christians, *explore* the Bible, *respond* to Jesus and *grow* in their faith in Jesus. Our *Mission Enablers* and *Revealing Jesus Pioneers* walk alongside the Faith Guides, using an SU-developed training programme and providing access to the *Faith Guide Hub*, a unique portfolio of themed *Faith Guide Collections* applicable to all stages of a faith journey.

Having completed our first full post-Covid year of operating the Revealing Jesus strategy, we give thanks for the significant progress towards our vision for thousands of young people to discover a life of vibrant personal faith in Jesus, and the valuable insight we have gained that is influencing our future plans (see *Plans for next year and beyond*, page 9).

Main objectives for the year

The Trustees confirm that they have referred to and have given due regard to the Charity Commission's guidance on public benefit when reviewing the Charitable Company's aims and

objectives and when planning future activities. The focus of all SU's activities is on sharing the good news of Jesus Christ with children and young people in the belief that the gospel is life-transforming and life-enhancing. It is our conviction that the gospel has a positive impact on individuals who, in turn, have a positive and transformative impact on their families and communities. The following pages highlight just some of the ways in which God has been at work through SU to deliver public benefit in the past year as we have continued towards achieving our strategic goals.

As set out in SU's operating plan, we sought to fulfil our long-term vision by pursuing the following primary objectives:

- **Mobilising others:** Mobilise the SU movement and the wider Christian community to engage with the 95 through the Revealing Jesus strategy as donors, prayer supporters and volunteers.
- **Thought leadership:** Develop 'best in class' understanding of key aspects of engaging children and young people who are not in church, and influence the Movement and beyond through documenting, communicating and advocating the principles.
- **Creating relational opportunities:** Pioneer, develop and multiply opportunities for children and young people to explore and grow in the difference Jesus can make to the challenges and adventures of life.
- **Transforming organisational efficiency:** Ensure transformation of cross-functional, mission enabling systems and processes to underpin organisational growth and efficiency.
- **Supporting global partnership:** Support and learn from SU movements globally who have a passion about working with children and young people who don't yet know Jesus.

Strategic report

Review of activities and performance during the year

The Trustees place great importance on ensuring that progress made in achieving the Movement's strategic objectives is measured and monitored appropriately. Key performance indicators are identified for the Movement's objectives and, alongside relevant commentary, form the basis of a quarterly progress report: the Mission Update. The Mission Update is prepared by the Leadership Team and reviewed by the Trustees before being circulated to members of Council and the full staff team. In addition, detailed monitoring and evaluation of activities, projects and programmes takes place on an ongoing basis by the relevant teams.

Keeping children and young people safe is of paramount importance to SU and the need to provide adequate care for children and young people is always held as a high priority in all our activities and is at the forefront of any event planning.

Implementing our Revealing Jesus strategy

Our Revealing Jesus strategy sets out how we intend to meet our objectives, fulfil our mission, and bring about our vision within our priority community.

Thought Leadership

We have continued to invest in thought leadership. With like-minded organisations we published the 'Influencers' report that aimed to understand how young people are influenced by their peers in their faith journey. Lessons learned have been integrated across our mission models and included in the Spring 2023 edition of the *Revealing Jesus* book. In partnership we also completed research on 'Translating Jesus', investigating how the Christian faith might best be communicated to young people in their culture. Following further analysis, the results will influence future developments.

We recognise the importance of building a culture within the SU movement that supports our Vision, Mission and Priority (*stated on page 3*). We therefore completed an in-depth review and have published a revised statement of culture aligned with our Revealing Jesus strategy. This is being workshopped across the staff team and work has started on deriving relevant behaviours.

Faith Guides

Our strategy recognises Faith Guides as key to fulfilling our mission. They are passionate individuals who are commissioned by the local church and supported by SU's Mission Enablers and Revealing Jesus Pioneers. These Faith Guides seek to journey with children and young people as they connect with others, explore the Bible, respond to Jesus and grow in their faith.

We started the year having just emerged from the final Covid-related restrictions on activity. The gradual rebound of the local church from these restrictions continued to negatively impact our ability to engage with them on mission to the 95 and hence we missed our aspirational targets. Nevertheless, the number of Faith Guides increased significantly over the year from 218 to 316 against an aspiration of 400, while the number of associated churches increased in line with our aspirations from 160 to 237. During the year, groups led by Faith Guides regularly connected with over 33,000 children and young people in the connect-explore-respond phases of the Revealing Jesus mission framework. This compared to almost 8,000 the previous year, though some of this growth can be attributed to the stabilisation of our metric reporting.

This growth in the number of churches and Faith Guides registering with us and actively connecting with the 95 allowed us to gain valuable insight into the operation of the Revealing Jesus framework throughout our first full post-Covid year of operation. Early results gave us confidence to invest from our Project and Development Fund (*see Note 13, page 31*) to recruit seven new Revealing Jesus Pioneers and Sports Pioneers who are now fully integrated into our regional mission activity. The *Plans for next year and beyond* section (page 9) highlights how these insights are influencing our future plans.

We continued to embed the Revealing Jesus strategy into the culture of the SU movement. For example, gatherings of staff, Faith Guides, volunteers and church leaders were held in Wales and in each of the four regions of England to build community and share best practice. The removal of Covid restrictions also allowed us to hold multiple in-person and online training seminars on mission to children and young people within the Revealing Jesus framework in contexts such as school and sport.

Faith Guide Hub

The Faith Guide Hub gives Faith Guides exclusive access to specially selected digital and physical resources gathered in themed 'collections'. The resources help Faith Guides develop in their role and create the best faith journey with the 95. During the year we continued to develop our existing collections while preparing two new ones for launch in summer 2023: *Be More Micah – Environment* to reveal to the 95 God's heart for stewardship of the environment, and an expansion of *Showtime* to reveal Jesus in the wider creative arts.

Grow Communities

An important part of the Revealing Jesus mission framework is the concept of a Grow Community. This is a culturally appropriate worshipping community of children and young people that is peer-shaped, peer-served and adult-guided. It enables the faith of the 95 to flourish in their commitment to Jesus in a setting where they set the agenda. Emerging from Covid restrictions, we helped Faith Guides to progress the spiritual journey of their young people such that by the end of the year there were some 20 Grow Communities serving around 225 children and young people.

Holidays and Missions

Our holidays and missions remain at the heart of our missional activity. Responding to the Revealing Jesus strategy, during Easter and summer 2022 we piloted five new-style Faith Guide Holidays where, supported by Mission Enablers, Faith Guides provided a residential experience for the children and young people they are journeying with. These events were received very well, and we plan to run 12 in 2023. With around 1,600 children and young people attending a residential event and many others attending missions, our 2022 season demonstrated a healthy recovery to around 70% of pre-Covid levels, and further improvements are anticipated in 2023.

Our programme of non-residential missions also saw participation return towards pre-Covid levels, while training and materials placed more emphasis on being visible in the community and on using the mission events to initiate all-year-round Revealing-Jesus-shaped opportunities.

Partnerships

Part of our strategy for scaling the impact of Revealing Jesus is to engage in strategic mission partnerships. In the last year we have deepened existing relations and progressed discussions concerning partnerships with several national church networks. At the local level we began to get significant insight from the five continuing projects with local church groups that pilot the use of Revealing Jesus within an urban, ethnic minority church context. We completed a review of all existing local mission partnerships and started strategic pilots with three local mission partners to test multiplying the reach of the Revealing Jesus strategy through partner staff acting as associate Mission Enablers. Note: local mission partners are individual trusts or groups affiliated with SU and are an integral part of SU's regional teams. The partnership enables trusts to respond to local needs whilst sharing the SU core values and identity.

Hybrid mission

Our thought leadership work previously concluded that, as part of our Revealing Jesus strategy, there was significant potential for hybrid mission models to enable online and in-person elements of mission with children and young people to be appropriately integrated at different points on an individual's faith journey. During the year, two pilots were designed and launched to test the concept in the areas of mission through sport and online games.

Publishing activity

New printed resources are now aligned to our Revealing Jesus strategy, or meet a limited number of specific supporter needs such as Bible reading guides, holiday club resources and seasonal content. We also promote and sell a selection of legacy and 'evergreen' resources such as *It's Your Move*. Together with a renewed focus on product marketing, this led to higher-than-expected income of £843,000 from publishing sales and royalties compared with £791,000 the previous year.

We continue to release some new downloadable content outside the Faith Guide Hub to meet specific needs of supporters, including seasonal content and holiday clubs. This continues to be well received, with some 88,000 items downloaded during the year, compared with 83,000 the previous year. New materials now give clear guidance on use of the resource with the 95, and signpost users and readers to the Revealing Jesus mission framework.

Organisational sustainability

Fundraising and Communications

SU embraces fundraising first and foremost as ministry. It is a way of inviting donors to partner in our vision to reach the 95 and our supporters are a vital part of our ministry and work. Through fundraising we proclaim that we believe all who support us will benefit through their involvement in seeing God's kingdom grow through the transformed lives of children and young people. We share what God is doing with openness and honesty, providing opportunities for individuals, churches, and trusts to respond, in order to grow the ministry. We inform supporters of our activities and our quarterly magazine *Connecting You* was sent by post or email to more than 16,000 supporters during the year, as well as being shared through email mailing lists and social media channels.

Underpinning all our fundraising is prayer, and an acknowledgement that God is the provider of all our needs through those who choose to partner with us. We ensure that anyone involved in fundraising activities is aware of and embraces these principles. The Fundraising Team run a monthly online prayer meeting for supporters which is well attended.

Income received as a result of the managed fundraising programme during the year decreased by £293,000 from £2,382,000 to £2,089,000. Legacies of every size are vital to the ongoing work of

SU. Several large legacies contributed to income received from legacies during the year totalling £1,154,000. This was higher than the £1,101,000 received the previous year, with legacy income for both years exceeding our expectations. The cost of raising funds during the year increased slightly from £456,000 to £465,000 (*see Note 4 to the financial statements, page 27*).

We have an in-house fundraising team which is assisted, when required, by the services of fundraising consultants. We are committed to fundraising in a way that is legal, open, honest and respectful and in line with the Code of Fundraising Practice published by the Fundraising Regulator.

Work continues to increase regular giving to sustain and grow the operation envisioned in our Strategic Plan in particular, and to allow us to move fixed-term roles which are funded from the Project and Development Fund to permanent positions funded from regular operational income. Our focus this year has been on retaining new donors, reviewing welcome communications and targeted follow-up asks. Having retained 39% of donors in 2021-22, we saw an increase to 53% of retained donors – surpassing our target by 6%. A priority for the coming year is new donor acquisition, now that we can be more confident of retaining new supporters.

During the year we worked with existing Major Donors to develop Major Giving Proposals based on the Revealing Jesus strategy. These are now being shared with new potential Major Donors with the aim of increasing our income in this area. A Mid-Level Donor Fundraiser was recently added to the team, to deepen our relationship with this sector in the hope of seeing an uplift in both short-term giving and lifetime value.

We regard the lawful and correct treatment of personal information as of paramount importance, and we have policies and procedures in place to be compliant with the Data Protection Act 2018. We ensure that staff are fully trained and understand their responsibilities in their respective areas.

We take pride in treating the wishes of our donors and their privacy with the utmost respect. We contact supporters in the ways that they prefer, adapting them as needed. Supporters can change their preferences at any time, and we will not contact them if they ask us not to. We never share names, addresses or other personal information with third parties for charity, commercial or fundraising purposes. We genuinely appreciate feedback from supporters and the public and we review our fundraising activities in light of feedback and complaints we may receive. We received two minor fundraising complaints this year, both relating to our thanking process and transparency of information. The team has responded and both complaints have been resolved satisfactorily.

Investment performance

A portion of SU's reserves available for investment has been identified and held as long-term reserves and invested (£3,518,000 as at 31 March 2023 (£4,490,000 as at 31 March 2022)). This includes a capital endowment (£638,000 as at 31 March 2023 (£656,000 as at 31 March 2022)), High Quality Bonds of £636,000 (£1,246,000 as at 31 March 2022) and disinvested cash of £500,000 (£nil as at 31 March 2022). Income from the General Fund portfolio is reinvested whilst income from the Endowment Fund is used as restricted income to meet expenditure for the mission work of SU at home and especially for work in schools.

Rathbones, our investment managers, continue to manage a £2.4m investment portfolio aiming to outperform a benchmark comprising 35% FTSE All-Share, 30% FTSE World ex UK, 25% UK Gilts, 5% Property, 5% Cash. The portfolio returned 0.6% over the period, slightly ahead of the benchmark which returned 0.0%. Aggressive monetary tightening from the Federal Reserve, the ongoing war in Ukraine, and Autumn's political crisis in the UK have unsettled investors and made for a difficult and volatile year. The longer-term track record remains good in both absolute and relative terms, with the five years to 31 March 2023 producing a return of 22.3%. This represents an outperformance of the benchmark which has risen 11.1% over that time. Rathbones expect markets to remain volatile in the short-term given the geopolitical environment and the lagged effect of monetary tightening, but consider equity valuations to look attractive at this level for long-term investors.

We also have an investment in the Rathbone High Quality Bond Fund which is invested in short-maturity bonds with an average credit rating of A. This portfolio is designed to earn a slightly higher income than we can achieve at high street banks. Short-term capital returns were affected by volatility in bond markets in the first half of the year amid the aforementioned tightening of monetary policy. However there has been a strong recovery over the past six months, and Rathbones remain confident that the overall total returns will meet expectations over the long-term. We continue to monitor our investments closely to ensure that they achieve our intended returns.

We have been drawing on reserves to fund project spending over the past six months, and close communication with Rathbones has allowed us to draw down funds at attractive moments in the market, as well as to optimise the short-term returns on cash that has been disinvested.

Environmental impact

During the year we developed and implemented an Environmental Policy, recognising that, in Scripture, God specifically commands mankind to take care of his creation. An energy usage audit identified power usage in the National Office as our greatest environmental impact. We have taken steps to reduce this usage and, in April 2023, installed solar panels to provide approximately half the office's power usage. We continue to recycle consumables where possible and encourage the reduction in single use plastics across our staff teams and events.

Involving volunteers

SU is a volunteer-led movement, and we are grateful to the many individuals who give their time, energy and skills in support of SU. Volunteering at SU comes in many forms, including at holidays, missions, regional and national events and in governance, and volunteers join in our mission from a wide range of backgrounds, bringing a rich and diverse range of experiences, expertise and gifts. Recruiting volunteers has been a struggle as activities have restarted after the pandemic, but we continue to trust God to provide the workers for the harvest. Over the past year we have created 1,383 known opportunities for volunteer involvement, equivalent to 2,612 working weeks, or 56 full-time staff. These individuals have contributed significantly to the mission activity of the Movement, which would not be possible without them. Of these volunteer opportunities, 32 related to governance of the Charitable Company (for example, trustees and Council members) and therefore could not be filled by staff. These governance volunteers contributed the estimated equivalent of 51 working weeks.

Most opportunities for volunteer involvement relate to events, but many volunteers are becoming involved in regional and national initiatives. Two young adults worked with us during the year as part of our 10:2 leadership development (young leader) programme and two young adults worked with us on student placement.

In addition to SU volunteers, our local mission partnership programme involves many hundreds of volunteers working alongside 120 workers employed by 60 trusts.

Our Revealing Jesus strategy is also volunteer-focused; supporting local churches to raise up church volunteers as Faith Guides to be equipped by SU Mission Enablers to reach out to the 95.

We have not included in our financial statements the value that volunteers bring through the time which they dedicate to the mission of the Movement, but we thank God and we thank each one of them for it all.

Supporting global partnership

There are over 130 independent SU movements around the world working in around 120 countries, all of which are united by Scripture Union's aims, belief and working principles. SU England and Wales is one such movement. Each national movement seeks to work through local people in ways that are appropriate to the national culture, and the number of staff is typically very small compared to the number of volunteers. Facilitated by Scripture Union International, staff and volunteers globally pray for and support each other, share ideas and resources and have joint

projects and publications. Extended partnerships have also been established between countries to provide additional support and funding.

SU England and Wales continues to make grants to other SU movements around the world and grants approved during the year totalled £114,000 (2022: £70,000). Amongst the projects supported were a horticultural project at a campsite in Zimbabwe, refurbishment of a campsite in South Africa, educational interventions in El Salvador and a Bible project in Vietnam. In addition to the grants we make from our own resources, we receive gifts from our supporters restricted for international purposes which we use to make grants to support ongoing SU mission and specific SU projects in other parts of the world. Such grants this year totalled £86,000 (2022: £96,000) (*see the Statement of financial activities, page 20, and Note 4 to the financial statements, pages 27-28*).

Plans for next year and beyond

Since the new Revealing Jesus strategic plan and its associated mission framework was launched in late 2020, the Movement has significantly altered its direction to better enable SU to operationally fulfil its renewed mission to its priority community, and hence better achieve its vision. Nevertheless, our overall aim for next year and beyond remains to grow the reach and impact of SU's mission activity through the primary objectives stated on page 4.

The year ended 31 March 2023 was the first full post-Covid year of operating the Revealing Jesus strategy. Over recent months this has allowed us to make a meaningful 'lessons learned' review of our strategy in action. Input was sought from a wide range of people including Faith Guides. The review confirmed the robustness of the Revealing Jesus framework but suggested some adjustments in its implementation. In particular, we have realised that, without losing our focus on investing in deep relationships with Faith Guides and their churches, we also need to significantly expand our engagement with churches by providing a relationship model and resources that demands less of resource-poor churches and time-poor church members.

The definition of this modified offering and the related development plan is now underway, with the first new components of the renewed offering likely to be released in the autumn of 2023.

The associated revised three-year strategic plan – including an early view of the impact of the modified offering – has been agreed by the Trustees, with year one of the plan reflected in SU's agreed annual operating plan for the coming year. The plan includes operational targets for the existing offering to Faith Guides, and for the new offering under development. The result is a planned operating deficit and the deployment of £357,000 of the Project and Development Fund (*see Note 13 to the financial statements, pages 31-32*) in support of our Revealing Jesus strategy.

Strategic investments in the coming year include the continued funding of the fixed-term Revealing Jesus Pioneers and Sports Pioneers to help to deepen relationships with existing Faith Guides and their churches, to reach more churches with our existing offering, and to broaden our reach through the new offerings under development. The other key element of strategic investment will be the continuation of the pilots of hybrid mission. We will also continue with our five pilots of using Revealing Jesus in the ethnic minority church context and complete our three pilots with Local Mission Partners to test multiplying the reach of the Revealing Jesus strategy through partner staff acting as associate Mission Enablers.

We plan to build on the encouraging results in 2022 and continue re-establishing our Easter and Summer programme of Missions and Holidays, including the operation of 12 new Faith Guide Holidays.

Other key plans include the introduction of a new communications programme aimed at acquiring younger generation supporters, and a new church-focussed communications strategy for Revealing Jesus. We will also build on the improved donor retention in 2022-23 which allows us to refocus on donor acquisition. At the same time, we plan to roll out our new major donor offering while extending it into mid-level donors and trusts.

Financial review

Financial position

We thank God and our many supporters for their financial generosity in funding SU's work, although we recognise that in recent years the level of donations received has been falling as a result of the economic climate. We have been blessed by legacy income which has helped mitigate the reduction in donations, but we also recognise that it is not wise to rely on legacy income in the long term and are therefore investing in growing our fundraising capabilities.

For the year ended 31 March 2023, we had an overall deficit of £809,000, compared to a deficit of £73,000 last year. This reflects our deliberate investment in the Revealing Jesus strategy – see the *Implementing our Revealing Jesus strategy* section starting on page 4 for more details.

Our balance sheet has clearly reduced given the overall deficit for the year, and at 31 March 2023 amounted to £5,762,000 (2022: £6,571,000). This includes £2,024,000 (2022: £2,381,000) within the Project and Development Fund (PDF), total restricted funds of £154,000 (2022: £183,000) and total endowment funds of £638,000 (2022: £656,000) (*see Note 13 to the financial statements, pages 31-32*). We will continue to spend the PDF reserves as we invest in our fixed term mission roles to demonstrate the effectiveness of the Strategic Plan. We recognise that we need donation income to fund our longer-term plans. In the meantime, financial deficits are anticipated again in the next two years as the General and PDF reserves are progressively spent. The endowment fund is a restricted gift whereby we can use the income from these investments for the mission work of SU at home and especially work in schools, however we are not able to access the investments themselves.

Total gift income, including restricted gift income but excluding legacies, amounted to £2,089,000 which represents a 12% decrease from £2,382,000 in the previous year. It includes gifts of £86,000 restricted for SU activity overseas. Unrestricted legacy income of £1,137,000 was received; this is 4% higher than last year at £1,096,000. Further details are included in the fundraising performance section above (*pages 6-7*). Holidays and Mission income at £341,000 is significantly higher than last year's £57,000. Publishing sales and royalty income at £843,000 is 7% higher when compared to last year's £791,000. Publishing activity continues to be focused on a narrow range of products that directly support our Revealing Jesus strategy or key needs of our supporter base.

Total income at £4,532,000 is £132,000 higher than the previous year (3% increase). Total expenditure of £5,085,000 is £552,000 higher than last year (11% increase).

For the year ending 31 March 2024, the Trustees aim to continue to spend reserves in line with the reserves policy (*see below*), and as such have aligned budgeted General Fund expenditure to exceed budgeted income by £550,000, as we seek to invest in the new strategy. In addition, expenditure of around £680,000 from PDF reserves is planned.

Reserves review

The level of required reserves is reviewed annually using a risk-based approach and within the process of budget preparation for the following year to ensure that it remains relevant to SU's current and future position, in particular reflecting the developments necessary to deliver our strategy. It is also included within monthly financial reporting for review by the Trustees throughout the year.

The risk-based approach focuses on the quantification of risk associated with items in the Movement's Risk Register, together with an assessment of likely correlation of events happening concurrently. As a result, as at 31 March 2023 the Trustees considered it prudent to set the target level of general reserves retained by the Movement at between £1.2m and £1.6m. The General Fund stood at £1,803,000 (2022: £2,009,000) on that date, which is a little above the top of the reserves range.

In addition to the General Fund, the Trustees have set aside designated funds as described below and in Note 13 to the financial statements (*see pages 31-32*).

The level and timing of legacy income is uncertain and therefore continues to be budgeted at a conservative level. Legacy income received above the budgeted levels may be used to add to designated reserves within the Project and Development Fund (PDF) (*see Note 13 to the financial statements, pages 31-32, for more information*). Spending from the accumulated reserves in the PDF covers the investment cost of a range of significant one-off development initiatives to grow the scale and impact of SU's mission activity. PDF expenditure in the year totaled £357,000 (2022: £596,000). The balance of the Fund at 31 March 2023 was £2,024,000 (2022: £2,381,000) to provide for future planned strategic initiatives. The Trustees have plans in place to expend the majority of PDF reserves over the next two years including an estimated £680,000 in the year to 31 March 2024.

Principal funding sources

SU relies substantially on voluntary income to fund our activities (*see Fundraising and communications, pages 6-7*), with the majority of donations coming from individual regular givers, and from major donors. Other income shown in the statement of financial activities (*see page 20*) includes sales of publications and fees for holidays, training and other events. When setting a price for our paid-for events and resources, appropriate consideration is given to how we can both maximise mission benefit and avoid pricing being a barrier to participation and partnership. We normally receive no funding from the government or other statutory bodies, nor from the National Lottery.

Investment policy

The Trustees review the level of general reserves and cash flow demands periodically to ensure that the level of reserves available for investment remains appropriate for the Movement. SU seeks to produce the best financial return within an acceptable level of risk.

SU is reliant on fundraising and donations for its mission activities. Investment assets are held as reserves. The key risk to long-term reserves is inflation – though volatility in the market can drive significant short-term fluctuations as experienced over the past few years – and our assets are invested to mitigate this risk over the long-term. SU aims to diversify its assets through investment in a multi-asset investment fund that reflects SU's ethical investment policy which specifically excludes companies which generate the majority of their revenue from armaments, gambling, tobacco, alcoholic drinks, production and dissemination of pornographic materials, high interest lending or single purpose abortifacients. The Trustees are aware that this may have some impact on investment performance.

Principal risks and uncertainties

The Movement has a risk-management policy and procedures through which risks arising from existing operations and strategic developments are identified and evaluated. The Leadership Team is required to identify risks associated with activities, assess their potential impact and probability of occurrence, and report on procedures which are in place or are being developed to manage the risks. Major risks are highlighted for consideration and monitoring by the Trustees and the suitability of the risk review and management process is monitored by the Audit and Finance Committee (*see pages 14-15*).

During the year, the Leadership Team and the Trustees carried out detailed reviews of potential reputational, financial, mission and operational risks to the Movement. The major risks to which the Charitable Company is exposed have been reviewed and systems have been established to manage those risks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Security of our IT networks, access control and malware detection

minimise the potential risk of a cyber security breach. Procedures are in place to ensure compliance with legislation, regulation, codes of practice and standards. All procedures are reviewed periodically to ensure that they continue to meet the needs of the Charitable Company.

Two primary risks have been identified:

Criticism, incident or allegation regarding work with children – Key elements of the management of this risk are safer recruitment processes, regular review of SU's safeguarding policy, clear lines of responsibility and accountability, input from SU's safeguarding advisory group, compliance with externally-set activity standards and regular training and review.

Failure to generate sufficient income, falling numbers of supporters and mistrust of charities, particularly fundraising activity – Key elements of the management of this risk are prayer, maintaining a focus on trusting God to provide for His mission, ongoing building of personal relationship with donors, implementation of SU's fundraising strategy, periodic Trustee review of SU's fundraising ethos and strategy and implementation of the strategic plan with a clear focus on income generation and expenditure.

Structure, governance and management

Governing document and constitution

SU was established in 1867. It is a charitable company limited by guarantee, incorporated on 28 October 1893 and registered as a charity on 3 January 1966. It is governed by its Articles of Association which were adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020.

Recruitment and appointment of trustees

Policies and procedures for the recruitment, appointment and induction of all new trustees are in place and maintained by the Trustees.

Responsibility for the trustee recruitment process lies with the Chair of Trustees. Each candidate is interviewed by a panel that usually comprises the Chair, at least one trustee, and a member of Council. In the case of candidates who the group believes may be called to be trustees, a second interview by the same or similar panel is normally conducted. Each candidate is assessed having regard to the overall composition of the Board of Trustees, including any skills and experience that its then current members lack. The Trustees themselves may proactively approach and co-opt additional trustees to fill vacancies and such appointments are effective until the next Annual Meeting.

The Council appoints new trustees and reappoints those who have come to the end of their current term of office and who are eligible, willing and nominated for re-election. Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act, are appointed for a three-year period in accordance with the Articles of Association. After serving a maximum of three consecutive terms of office, a retiring trustee is not eligible to serve any further term of office until at least one year of non-service has elapsed.

The Articles of Association provide for a minimum of six and a maximum of twelve trustees.

Induction and training of trustees

All trustees receive induction training, information and support to acquire the necessary detail of how the Movement and the Board of Trustees work, so that they can play a full part in discussion and decision-making. Every effort is made to broaden trustees' knowledge on an individual level so that they are up to date with the whole of the Movement and the Strategic Plan. Where there has not been any previous involvement, care is taken to introduce them to the Movement, with emphasis on SU's aims, belief and working principles and the Strategic Plan. Participation in induction processes run principally for new staff is encouraged, both for new trustees and by way of

a 'refresher'. All new and serving trustees are encouraged to attend or participate in a local, regional or national SU holiday, mission or other event as part of their induction and ongoing development.

Organisational structure

The members of the Council are the Members of the Company. The Council appoints the members of the Board of Trustees (*listed on page 1*) and the Trustees appoint the National Director and approve the process for the appointment of other members of the Leadership Team (*also listed on page 1*). The National Director and, in relation to their respective areas of responsibility, the members of the Leadership Team are responsible for the day-to-day running of SU.

A trustee-approved document is in place which describes the governance structure of SU, including the division of powers between the Council and the Trustees and the delegation of powers by the Trustees. The document focuses on the legal structure and legal allocation of powers and responsibilities.

Trustees – The Trustees have ultimate responsibility for the strategic leadership and the management of the affairs of SU in accordance with its Articles of Association and applicable law (including company law and charity law). The Board of Trustees has four scheduled meetings each year and meets physically or by conference call on other occasions as necessary.

The Trustees seek to apply the principles set out in the Charity Governance Code having regard to the aims, beliefs and working principles of SU and has implemented a tri-annual cycle to assess SU's application of the principles described in the Code. A questionnaire based on the online self-audit tool developed by the Directory of Social Change (The Governance App) was completed by Trustees in Spring 2023. Learning is being taken from the results, though no significant areas of concern have been identified.

Council – Council provides a forum for the development of spiritual vision and discernment of God's leading and advises the Trustees on the overall direction of the Movement. It has no executive powers and its key responsibilities are to ensure that the Statement of Aims, Belief and Working Principles is applied, to review the progress made towards fulfilling the Strategic Plan and to elect trustees. The Council, comprising up to 38 members (including trustees and leadership team members), normally meets for a full day twice a year. Our aim is for the membership of Council to be broadly representative of SU's areas of work and community.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of SU for the purposes of company law) are responsible for preparing the Report of the Trustees (incorporating the Directors' and Strategic Reports) and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to

presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Qualifying third party indemnity provisions

During the reporting period and up to the date of this report, the Charitable Company maintained liability insurance and third-party indemnity provisions for its Trustees, under which the Charitable Company has agreed to indemnify the Trustees to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Charitable Company.

Internal controls

The Trustees have overall responsibility for the system of financial and other controls of the Charitable Company and for providing reassurance that:

- its assets are safeguarded against unauthorised use;
- adequate records are maintained and financial information used within the Charitable Company or for publication is reliable; and
- the Charitable Company complies with relevant laws and regulations.

It is recognised that such a system can provide only reasonable but not absolute assurance against errors and loss. Detailed monthly financial management reports are prepared by the finance team and circulated to the Trustees, Leadership Team and senior management, and are reviewed and discussed at each of the quarterly Board meetings.

The Movement operates a comprehensive annual planning and budgeting process which is approved by the Trustees. Performance is monitored through the use of activity and financial targets and reports made to Trustees comparing actual results against activity targets and the phased budget.

Sub-committees

The Trustees have delegated certain tasks to the Audit and Finance Committee. The Committee, which comprises trustees and volunteers, meets regularly and has responsibility for:

- monitoring the integrity of the financial statements and any formal announcement relating to financial performance;
- reviewing the integrity of the internal financial control and financial and risk management systems;
- monitoring and reviewing the performance of the internal audit function;
- reviewing the independence of the external auditor and the provision of any non-audit services;
- reviewing the performance of the external auditor and making recommendations to the Trustees in relation to their appointment, re-appointment and removal and approving their remuneration and terms of engagement;

- monitoring financial performance and approving the annual draft budget for submission to the Trustees;
- reviewing and approving investment policies and reviewing the performance of the investment managers;
- monitoring the pension arrangements and reviewing the performance of insurance companies that provide the relevant pension policies and any pensions advisors;
- monitoring compliance with corporate and charity laws and regulations.

The Nominations and Advisory Committee, comprising members of Council, a trustee and a staff member, is a sub-committee of Council. It meets regularly as required and has responsibility for:

- proposing individuals for admission as members of the Council (other than individuals who are admitted by virtue of being a trustee or member of the Leadership Team).
- helping Council to evaluate itself and its work.

Management and staff

The Trustees delegate to the National Director the day-to-day management of the Movement and the implementation of policies and other decisions of the Trustees. The National Director may sub-delegate the management and implementation and the exercise of powers to members of the Leadership Team (*members listed on page 1*). The Trustees are thankful to God for a committed staff team who work hard to support volunteers and to advance the aims of the Movement.

Pay and remuneration of key management personnel

The members of the Leadership Team (*listed on page 1*) are the key management personnel of the Movement in charge of directing, controlling and operating SU on a day-to-day basis.

Members of the Leadership Team need to have a breadth and depth of expertise and credibility which requires drawing from the best senior level talent within the Christian community. This is balanced with seeking to keep salary costs under control and ensuring that senior staff pay is connected to the pay of other staff.

The Trustees annually review and determine the pay of the Leadership Team with reference to comparable national charities' pay levels (XpertHR Voluntary Sector Salary Survey). The Trustees aim to follow the principle that the pay of the highest paid employee is not normally more than four times the average full-time-equivalent salary of the administrative-level roles within the Movement.

Details of the employment benefits paid to the Leadership Team during the year are included in Note 5 to the financial statements (*pages 29-30*).

Related parties

All trustees give of their time freely and no trustee received remuneration during the year. Details of trustees' expenses and any related party transactions are disclosed in Note 6 to the financial statements (*page 29*).

Trustees are required to disclose all relevant interests and register them with the Company Secretary and, in accordance with the Movement's policy, withdraw from decisions where a conflict of interest arises.

Grant-making policy and principles

One of the ways in which SU works out its mission is by setting aside a proportion of income and resources each year to make grants to other SU movements and to organisations with a very close association to SU, for example local mission partners (*see page 6*). In addition, we receive gifts from our supporters which we use to make grants to support specific projects in other parts of the world. We do not fund individuals. The overriding purpose of any grant made is to further SU's mission locally, regionally, nationally or internationally.

Grants are made at the discretion of the Trustees and this responsibility is delegated to the Leadership Team. Robust procedures are followed to ensure that consideration and awarding of grants is in line with the principles set out below, and that the quality and timeliness of reporting meets the requirements of SU's Audit and Finance Committee (*see pages 16-17*). Grant allocations amounting to £225,000 were made during the year (2022: £166,000). (*See Note 4 to the financial statements, pages 27-28, for a summary of grant allocations.*)

The following principles set out the way in which SU allocates its grants:

- Grants will be of strategic benefit for the growth of SU's mission and used in a manner consistent with SU's Statement of aims, beliefs and working principles.
- Grants will be made only where we are confident that it is possible to ensure that funds will be used for the intended purpose and that the recipient is able to commit to providing appropriate and timely reports on the use of the funds in a manner that meets the requirements of SU's Audit and Finance Committee.
- Grants will normally be for start-up, project or emergency purposes that will not create long-term financial dependence. They should therefore be 'one-off' or on a diminishing basis over a period of two or three years.
- Match-funding grants will be considered as a means of encouraging and facilitating local fundraising by the recipient.
- Assessment of grant requests will include scale of need and availability of other funding sources.
- The overall allocation of grants made by SU must adequately reflect our priority of sharing the good news of Jesus with children and young people who don't yet know him. This may include supporting projects that create local sustainability to achieve that priority.

Appointment of external auditor

MHA was appointed as external auditor in 2019 and has expressed willingness to continue in that capacity.

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA MacIntyre Hudson to MHA.

* * * * *

The Trustees submit their annual report and the audited financial statements for the year ended 31 March 2023. The financial statements comply with current statutory requirements, the Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102).

This Trustees' Annual Report, which incorporates the Strategic Report, was approved by the Trustees in their capacity as Company Directors on 12 July 2023 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Honorary Treasurer

Opinion

We have audited the financial statements of Scripture Union (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;

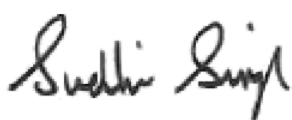
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sudhir Singh FCA (Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 23 July 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

Statement of financial activities incorporating an income and expenditure account for year ended 31 March 2023

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Income and endowments									
<i>Income from generated funds:</i>									
- Income from donations and legacies	2a	2,883	360	-	3,243	3,097	386	-	3,483
- Income from investments	2b	48	16	-	64	34	20	-	54
- Income from grants	2c	2	-	-	2	-	-	-	-
<i>Income from charitable activities:</i>									
- Holidays and missions		341	-	-	341	57	-	-	57
- Other fee income		39	-	-	39	15	-	-	15
- Publishing sales and royalties		843	-	-	843	791	-	-	791
Total income		4,156	376	-	4,532	3,994	406	-	4,400
Expenditure									
<i>Expenditure on raising funds:</i>									
- Cost of raising funds	4	465	-	-	465	456	-	-	456
<i>Expenditure on charitable activities:</i>									
- Face-to-face mission in England and Wales	4	2,671	319	-	2,990	2,182	288	-	2,470
- Advocacy	4	174	-	-	174	209	-	-	209
- Content creation	4	165	-	-	165	337	16	-	353
- Commercial publishing	4	965	-	-	965	727	-	-	727
- International activities	4	240	86	-	326	222	96	-	318
Total expenditure	4	4,680	405	-	5,085	4,133	400	-	4,533
Net (loss)/gain on investment assets	8	(238)	-	(18)	(256)	97	-	(37)	60
Net (expenditure)/income for the year being net movement in funds		(762)	(29)	(18)	(809)	(42)	6	(37)	(73)
<i>Reconciliation of funds:</i>									
Fund balances brought forward		5,732	183	656	6,571	5,774	177	693	6,644
Fund balances carried forward	13	4,970	154	638	5,762	5,732	183	656	6,571

- a) All of the above results are derived from continuing activities. SU has no other recognised gains and losses other than those stated above.
- b) Income from donations and legacies in both 2022 and 2023 benefited from legacy income which significantly exceeded expectations.
- c) The net deficit for the year was due to a combination of a planned operating deficit together with spend on Project and Development Fund (PDF) initiatives of £357,000 and the downward movement on investments of £256,000.

The Notes on pages 23-34 form part of these financial statements.

Balance sheet

As at 31 March 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Tangible assets	7	839	858
Investments	8	3,518	4,490
Total Fixed Assets		4,357	5,348
Current assets			
Stocks	9	147	104
Debtors	10	883	664
Cash at bank and in hand		1,186	1,315
Total Current Assets		2,216	2,083
Liabilities			
Creditors: amounts falling due within one year	11	(800)	(847)
Net current assets		1,416	1,236
Total assets less current liabilities		5,773	6,584
Provisions for liabilities	12	(11)	(13)
Net assets		5,762	6,571
The funds of the Charitable Company	13		
Unrestricted funds			
Fixed assets fund		839	858
Project and development fund		2,024	2,381
International fund		304	484
General fund		1,803	2,009
		4,970	5,732
Restricted funds			
Income fund		154	183
Endowment funds			
Endowment fund		638	656
Total charity funds		5,762	6,571

The financial statements were approved and authorised for issue by the Trustees on 12 July 2023 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Honorary Treasurer

The Notes on pages 23-34 form part of these financial statements.

Company Registration Number 00039828

Statement of cash flows

for year ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Net cash (used in) operating activities	<i>See (a) below</i>	(867)	(368)
Cash flows from investing activities			
Interest received	2b	47	34
Dividends received	2b	17	20
Purchase of tangible fixed assets	7	(42)	(26)
Sale of investments	8	1,770	1,241
Purchase of investments	8	(565)	(709)
Movement in investment cash	8	(489)	(55)
Net cash from investing activities		738	505
Change in cash and cash equivalents for the year		(129)	137
Cash and cash equivalents at the beginning of the year		1,315	1,178
Total cash and cash equivalents at the end of the year	<i>See (b) below</i>	1,186	1,315

Reconciliation of net debt - the Charitable Company does not have any debt in the current or prior year. The only change in cash and cash equivalents is due to exchange rate movements during the year which was £1,093 (2022: £654).

Notes to statement of cash flows

(a) Reconciliation of net (expenditure) for the year			
	Notes	2023 £'000	2022 £'000
Net (expenditure) for the reporting period	<i>See SOFA</i>	(809)	(73)
<i>Adjustments for:</i>			
Depreciation charges	7	61	58
Net loss/(profit) on investments	8	256	(60)
Dividends and interest from investments	2b	(64)	(54)
(Increase)/decrease in stocks	9	(43)	5
(Increase) in debtors	10	(219)	(217)
(Decrease) in creditors	11	(47)	(21)
(Increase) in provision for pensions	12	(2)	(6)
Net cash (used in) operating activities		(867)	(368)
(b) Cash and cash equivalents			
	Notes	2023 £'000	2022 £'000
Cash at bank and in hand	<i>See Balance Sheet</i>	1,186	1,315
Net funds		1,186	1,315

The Notes on pages 23-34 form part of these financial statements.

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

- a) ***Basis of preparation and assessment of going concern*** – The financial statements have been prepared under the historical cost convention, with the exception of investments which are included on a market value basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006.

SU constitutes a public benefit entity as defined by FRS 102.

These financial statements are presented in £'000's.

The Trustees consider that there are no material uncertainties about SU's ability to continue as a going concern. For the year ending 31 March 2024 an operating deficit is planned and project and development activity will be funded from the designated Project and Development Fund reserve. A regular review of income has been implemented, budgets and forecasts make use of scenario analysis, and budgets use multiyear forecasts to help frame decision making. In addition to ownership of a building used as the national office and long-term reserves, SU has a healthy cash balance. Cash flow forecasts indicate that ongoing operational activity will continue beyond the twelve months from signature of these financial statements.

- b) ***Company status*** – Scripture Union is a company limited by guarantee. The guarantors are the members of the Company who are also members of the Council (as outlined on page 13). The liability in respect of the guarantee, as set out in the Articles of Association, is limited to £10 per member.
- c) ***Income recognition*** – All income, including Government grants, is recognised when SU has entitlement to the funds, the receipt is probable, and the amount can be measured reliably. All income is accounted for on a receivable basis. For legacies, this is when SU becomes entitled to the income, based on notifications received, when there is probability of receipt and when the amount is reliably measurable. Donations are recognised when any performance-related conditions are met.

Publishing sales represent the amounts receivable for goods sold in the normal course of business, net of trade discounts and Value Added Tax (VAT).

Interest on funds held on deposit are accrued for in line with the current advised interest rate.

Dividends are recognised once the dividend has been declared and notification of the dividend due has been received.

The Movement receives funds on behalf of other SU national movements. These funds are recognised as income and expended as grants within the Statement of Financial Activities (SOFA) and are shown as a liability or creditor on the Balance Sheet. The Charitable Company holds these granted funds within a 'client account'.

No amounts are included in the financial statements for services donated by volunteers.

- d) ***Expenditure recognition*** – Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing SU to that expenditure, the amount of the obligation can be measured reliably, and it is probable that settlement will be required. SU exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities relating to grants and spiritual refreshment allowances. Judgement is necessary in assessing the likelihood that the liability will be realised and in quantifying the possible value of that liability.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to Note 1(e).

Charitable expenditure comprises expenditure related to the direct furtherance of SU's charitable objects. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

Cost of generating funds includes fees paid to fundraising consultants, staff time, database development costs and apportioned overhead costs.

Grants payable are payments made to third parties in the furtherance of SU's charitable objects. Grant awards are subject to the recipient fulfilling performance conditions. The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Movement that would permit SU to avoid making the future payment(s), settlement is probable, and the effect of discounting is material.

Termination benefits, including redundancy costs, are recognised when the Charitable Company has the obligation to pay the benefits and they can be reliably measured.

- e) **Allocation of support and governance costs** – Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company and include internal and external audit costs, Board and Council meeting costs and an allocation of indirect costs to cover support from members of staff. Other support costs are those functions that assist the work of the Movement but do not directly undertake charitable activities.

The allocation of support and governance costs is set out in Note 4 (*pages 27-28*). The basis on which these costs are allocated is:

Finance	Staff time
Human Resources	Headcount
Facilities	National Office
Digital Solutions	Headcount
Mobilisation	Staff time
Management / Leadership Team	Staff time

- f) **Fund accounting** – The Trustees have established three designated funds. These are unrestricted funds which have been allocated for specific purposes. Restricted funds are funds subject to specific restrictions imposed by donors. Endowment funds are funds given to the Charitable Company as capital. The purpose and use of the designated, restricted and endowment funds are set out in Note 13 to the financial statements (*pages 31-32*).

- g) **Tangible fixed assets and depreciation** – Tangible fixed assets are stated at cost including any incidental expenses of acquisition, less accumulated depreciation and any impairment. Assets are capitalised when the cost totals £500 or more. Depreciation is provided on all tangible fixed assets (except freehold land, which is not depreciated) at rates calculated to write off the cost on a straight-line basis over their expected useful economic life as follows:

Freehold brick buildings	fifty years
Fixtures and fittings	ten years
Computers and similar equipment	three years
Computer network	five years

- h) **Investments** – Investments are stated at market value at the balance sheet date. Realised and unrealised gains and losses are included in the SOFA as they arise.
- i) **Stocks** – Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs and the attributable proportion of production overheads. Net realisable value is based on

estimated selling price net of trade discounts. Provision is made for slow-moving items where appropriate.

- j) **Debtors** – Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- k) **Creditors and provisions** – Creditors and provisions are recognised where SU has a present obligation resulting from a past event that will or probably will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- l) **Pensions** – SU operates the Scripture Union (Legal & General) Personal Pension Plan. This is a defined contribution occupational pension scheme and the amount charged to the SOFA is the employer's contributions payable during the year. SU had a final salary pension scheme, the benefits of which were secured by an annuity in 1996 when the scheme was closed.
- SU provides pensions to a small number of former staff on an unfunded basis. These staff worked for the Movement before a formal pension plan was set up or were ineligible to join a Revenue approved scheme. All the people entitled to such pensions are either retired or no longer employed by SU and the regular cost of the scheme is immaterial. Assessment of the unfunded pension liability is carried out annually and appropriate provision made in the Balance Sheet and the SOFA. SU's contribution is restricted to the contributions disclosed in Note 5 (*page 28*). There were no outstanding contributions at the end of the year.
- m) **Operating leases** – Rentals under operating lease contracts are charged to the SOFA on a straight-line basis over the lease term, even if the payments are not on such a basis.
- n) **Foreign currency translation** – Transactions in foreign currency are recorded in sterling at the rate of exchange ruling on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.
- o) **Taxation** – SU, as a registered charity, is exempt from taxation on its income and gains falling within sections 466-493 of the Corporation Tax Act 2010 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year. The Charitable Company is registered for VAT. Certain of SU's activities are exempt from or outside of the scope of VAT. Accordingly, SU is unable to reclaim all input VAT suffered. Recoverable input VAT is included in debtors. Irrecoverable input VAT is written off to the SOFA as incurred.
- p) **Critical accounting estimates and areas of judgement** – Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are listed below.
- Depreciation rates for tangible fixed assets
 - Useful economic lives of assets
 - Allocation of support costs
 - Legacy income accruals
 - Stock provisions

q) **Financial instruments** – The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The financial assets and financial liabilities of the Charitable Company are as follows:

- *Debtors* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 10 (see page 30). Prepayments, legacies receivable, tax recoverable and accrued income are not financial instruments.
- *Cash at bank* is classified as a basic financial instrument and is measured at face value.
- *Liabilities* – trade creditors, accruals, loans payable and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Note 11 (see page 30). Taxation and social security are not included in the financial instruments' disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2. Income

2a. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Donations	1,746	343	-	2,089	2,001	381	-	2,382
Legacies	1,137	17	-	1,154	1,096	5	-	1,101
	<u>2,883</u>	<u>360</u>	<u>-</u>	<u>3,243</u>	<u>3,097</u>	<u>386</u>	<u>-</u>	<u>3,483</u>

Of the donations income, advertising services donated by GoogleAds was received at a value of £25,697 (2022: £17,502) and was attributable to restricted income.

2b. Income from investments

	2023 £'000	2022 £'000
Interest receivable	47	34
Dividends receivable	17	20
	<u>64</u>	<u>54</u>

Of the investment income, £16,000 (2022: £20,000) was attributable to restricted income with the balance of £48,000 (2022: £34,000) adding to unrestricted funds.

2c. Income from grants

	2023 £'000	2022 £'000
Government grants	2	-
	<u>2</u>	<u>-</u>

During the year, the Charitable Company received a rates rebate of £1,527 (2022: nil). There are no unfulfilled conditions to this income at year end.

3. Net income for the year is stated after charging:

	2023 £'000	2022 £'000
Auditor remuneration: Audit fee	21	18
Auditor remuneration: Other services (corporation tax)	1	2
Depreciation charges	61	58
Operating lease rentals: machinery	4	4

4. Expenditure

	Grant funding of activities (see below) £'000	Direct costs £'000	Support costs (see below) £'000	Total 2023 £'000	Total 2022 £'000
Costs of raising funds	-	110	355	465	456
Face-to-face mission in England and Wales	25	2,278	687	2,990	2,470
Advocacy	-	21	153	174	209
Content creation	-	48	117	165	353
Commercial publishing	-	848	117	965	727
International activities	200	85	41	326	318
Total 2023	225	3,390	1,470	5,085	4,533
Total 2022	166	3,121	1,246	4,533	

Full comparative numbers for year ended 31 March 2022 are included as a separate Note on page 33.

Analysis of support costs

	Finance £'000	Human Resources £'000	Facilities £'000	Digital Solutions £'000	Mobilisation £'000	Management / Leadership Team £'000	Total 2023 £'000	Total 2022 £,000
Costs of raising funds	95	5	26	64	154	11	355	348
Face-to-face mission in England and Wales	110	35	66	322	57	97	687	519
Advocacy	11	3	14	27	65	33	153	141
Content creation	20	5	12	64	6	10	117	90
Commercial publishing	28	6	16	48	15	4	117	108
International activities	1	-	3	10	6	21	41	40
Total 2023	265	54	137	535	303	176	1,470	1,246
Total 2022	247	45	126	386	262	180	1,246	
<i>Basis of allocation</i>	Staff time	Headcount	National Office Headcount	Headcount	Staff time	Staff time		

Digital Solutions costs include both the IT and Database teams, as well as Project Management resources. These resources are now being used across multiple projects, and are therefore included in support costs. Prior year project management costs were £140,000 within specific PDF projects.

The basis on which costs have been allocated is outlined in Note 1(e) (page 24). Cost allocation includes an element of judgement and SU has had to consider the cost benefit of detailed calculations and record keeping. To ensure full-cost recovery on projects, SU adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. The support costs shown are therefore a best estimate of the costs that have been so allocated.

Included within support costs is £55,000 (2022: £48,000) of Governance costs which comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company. It includes external audit costs of £21,000 (2022: £18,000), Board and Council meeting costs of £6,000 (2022: £4,000) and an allocation of indirect costs to cover support from members of staff of £28,000 (2022: £26,000).

Grant activity in furtherance of the Charitable Company's objects	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2023 £'000	Total 2022 £'000
<i>International grant activity</i>					
Worldwide	-	79	16	95	49
Africa	1	52	10	63	59
Americas	-	25	5	30	45
Former Soviet Republics	-	17	3	20	26
Europe	1	12	3	16	11
Pacific	-	8	2	10	11
Asia	-	4	1	5	1
Rest of Britain & Northern Ireland	-	3	1	4	4
Grant activity - international	2	200	41	243	206
Grant activity - England and Wales	30	25	20	75	50
Total 2023	32	225	61	318	256
Total 2022	30	166	60	256	

Grant allocations amounting to £225,000 (2022: £166,000) were made during the year. There were no new multi-year grant commitments (2022: £nil) which are payable in future years. There were no grant commitments (2022: £6,000) accrued at the start of the year which remain payable in future years.

Movement in recognised funding commitments during the year

Charitable commitments accrued
£'000

Grant commitments accrued at the start of the year	6
New grant commitments charged to the Statement of Financial Activities during the year	225
Grants paid during the year	(231)
Amount of grant commitments accrued as at 31 March 2023	-

Further details on grants are available on request to the Movement.

SU England and Wales works in partnership with, and makes grants to, independent SU movements around the world as noted on pages 8, 9, 15 and 16.

5. Staff costs and remuneration of key management personnel

Staff costs	2023 £'000	2022 £'000
Wages and salaries	2,266	2,208
Social security costs	228	219
Pension costs		
Scripture Union (L&G) Personal Pension Plan	214	202
Unfunded pension scheme	1	6
	2,709	2,635
Average number of employees, analysed by function	2023 Number	2022 Number
Income generation	6	5
Advocacy	3	3
Face-to-face mission in England and Wales	43	37
Content creation	6	7
Commercial publishing	7	6
International activities	1	1
Administration and support of staff and volunteers	10	12
	76	71

The average number of employees during the year was 76 (2022: 71), including 25 (2022: 23) part-time employees, with no adjustment in the above table to take account of the number of hours worked. The average number of full-time equivalent employees during the year was 68 (2022: 65).

SU's key management personnel are the members of the Leadership Team (*listed on page 1*). The employment benefits of the key management personnel – including employer pension and national insurance contributions – totalled £328,000 (2022: £372,000).

During the year, three employees (2022: two employees) earned between £60,001 and £70,000 and one employee (2022: one employee) earned between £90,001 and £100,000, excluding employer pensions contributions.

6. Related Parties

The Trustees received no emoluments in their role as trustees during the year, but eight of the ten trustees received reimbursement of travel expenses totalling £2,419 (2022: £1,502 reimbursed to eight of eleven trustees).

Until June 2022, Dominic Vis, the son of Stephen Vis, Finance & Services Director and a member of Key Management Personnel, was employed by the Charitable Company in the role of IT assistant. Stephen Vis was not involved in the appointment process. Dominic Vis was employed under standard terms of employment and at the normal pay scales as applied to other members of staff for such roles.

7. Tangible fixed assets	Freehold land and buildings	Computer equipment	Computer network	Fixtures and fittings	Machinery	Total
Cost:	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2022	810	253	-	254	10	1,327
Additions	-	20	15	7	-	42
Disposals	-	(37)	-	-	-	(37)
At 31 March 2023	810	236	15	261	10	1,332
Depreciation:						
At 1 April 2022	97	222	-	140	10	469
Charge for year	16	17	2	26	-	61
Disposals	-	(37)	-	-	-	(37)
At 31 March 2023	113	202	2	166	10	493
Net book value						
At 31 March 2023	697	34	13	95	-	839
At 31 March 2022	713	31	-	114	-	858

At 31 March 2023, the Trustees had authorised capital expenditure for the ensuing year of £123,000 (2022: £52,000). Disposals as shown on the SOFA are shown net of depreciation. There were no capital commitments as at 31 March 2023 (2022: £nil).

No triggering event since the review of asset valuations undertaken in the first quarter of 2021 has been identified, and as such no further impairment review has been necessary.

8. Investments

Fixed asset investments

	2023 £'000	2022 £'000
Investments at market value		
Investment cash	569	78
Fixed Interest & UK Government stocks	304	448
UK Listed Stock Exchange Investments, Unit Trusts and OEICs	2,645	3,964
	3,518	4,490
<i>Movement during the year:</i>		
Market value at 1 April	4,490	4,907
Less: Disposals at open market value	(1,770)	(1,240)
Add: Acquisition at cost	565	709
Net (loss)/gain on revaluation	(256)	60
Movement in investment cash	489	54
Market value at 31 March	3,518	4,490

The historic cost of investments is £3,307,000 (2022: £3,685,000).

9. Stocks

	2023 £'000	2022 £'000
Work in progress	59	31
Finished goods	88	73
	<u>147</u>	<u>104</u>

Value of stock recognised as an expense on the SOFA is £177,000 (2022: £172,000).

10. Debtors

	2023 £'000	2022 £'000
Trade debtors	104	71
Tax recoverable	38	80
Other debtors	141	79
Legacies receivable	506	372
Prepayments and accrued income	94	62
	<u>883</u>	<u>664</u>

Prior to sign-off of the financial statements, SU has been notified of further legacies with an estimated value of £382,000 (2022: £339,000). In accordance with Note 1(c) as noted on page 23, it was not considered appropriate to accrue for this amount in the financial statements, as at 31 March 2023 all criteria for recognising legacy income in these instances had not been met.

11. Creditors

Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	350	330
Accruals and deferred income	351	346
Taxation and social security costs	53	53
Interest free loans from supporters	20	32
Other creditors	26	86
	<u>800</u>	<u>847</u>

Deferred income

	2023 £'000	2022 £'000
Deferred income at 1 April	133	144
Resources deferred during the year	159	133
Amounts released from previous periods	(133)	(144)
Deferred income at 31 March	<u>159</u>	<u>133</u>

Deferred income relates to subscriptions on dated published products and holiday income in advance of the event taking place.

12. Provisions for liabilities

	2023 £'000	2022 £'000
<i>Ex-gratia pensions</i>		
Balance at start of year	13	19
Pensions paid	(5)	(9)
Increase in provision	3	3
Balance at end of year	<u>11</u>	<u>13</u>

Ex-gratia pensions are provided to a small number of former staff on an unfunded basis. See Note 1(l) (page 25) for more details.

13. Statement of funds	Balance 1 April 2022 £'000	Income £'000	Expenditure £'000	Net investment (losses) £'000	Transfers £'000	Balance 31 March 2023 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	858	-	-	-	(19)	839
Project and Development	2,381	-	(357)	-	-	2,024
International	484	-	(180)	-	-	304
	3,723	-	(537)	-	(19)	3,167
General fund	2,009	4,156	(4,143)	(238)	19	1,803
Total unrestricted funds	5,732	4,156	(4,680)	(238)	-	4,970
Restricted funds						
Income funds:						
Endowment income	-	16	(16)	-	-	-
Gifts for SU overseas	-	86	(86)	-	-	-
Good News Fund	11	5	(3)	-	-	13
Google AdWords	-	25	(25)	-	-	-
Rooted	14	-	(14)	-	-	-
SU Holiday Fund	111	12	(16)	-	-	107
Team support	-	215	(215)	-	-	-
Others	47	17	(30)	-	-	34
Total restricted funds	183	376	(405)	-	-	154
Endowment funds						
Endowment fund	656	-	-	(18)	-	638
Total endowment funds	656	-	-	(18)	-	638
Total funds	6,571	4,532	(5,085)	(256)	-	5,762

Full comparative numbers for year ended 31 March 2022 are included as a separate Note on page 34.

Unrestricted funds

Designated funds are as follows:

- The **Fixed Assets Fund** represents the net book value of fixed assets.
- The **Project and Development Fund** is a provision for the development of SU mission, i.e. to enable 'step-change' growth of current and initiation of new mission activities. It provides a means of smoothing the receipt and expenditure of legacy income, or other income that exceeds budgeted levels, to provide for impact of the one-off project and development expenditure. Details of plans for use of this Fund are outlined in the *plans for next year and beyond* section (page 9).
- The **International Fund** is a provision for the support of projects in SU movements around the world. Grants are made throughout the year and relevant expenditure incurred is charged to the fund as it arises.

The remaining unrestricted funds, referred to as the **General Fund**, are available for use in the event of an unanticipated downturn in the level of income received and to fund any deficits on current charitable activities.

Restricted funds

Income funds are as follows:

- **Endowment income** refers to income arising from the endowment fund investments which is restricted for the mission work of SU at home and especially for work in schools.
- **Gifts for SU overseas** refers to gifts for support of the work of SU in other parts of the world. At the discretion of the Trustees, these gifts are forwarded to relevant movements as a grant. We are legally required to ensure that all such grants are used for purposes consistent with SU's charitable objectives.
- **Good News Fund** refers to gifts received to provide grants to equip and resource local churches and mission partners in initiatives to share the good news of Jesus with children and young people in local communities.
- **Google AdWords** refers to a monthly in-kind grant for AdWords advertising provided under the Google Grants for Non-profits Programme.
- **Rooted** refers to a gift to promote this resource below fully allocated cost to maximise reach and impact.

- **SU Holiday Fund** refers to gifts received to provide financial assistance for children whose families cannot afford for them to attend an SU holiday.
- **Team support** refers to gifts and payments received to support the work of an employee or group of employees.
- **Others** comprises gifts and grants given for specified purposes or projects not falling into the categories covered by the above seven income funds.

With the exception of in-kind Google AdWords grants, restricted income funds are represented by cash balances.

Endowment funds

The **Endowment fund** represents a capital endowment which is normally held in a designated portfolio of stocks and shares. Income from the fund is restricted as explained under *Restricted Funds – Endowment Income* above.

<i>Analysis of funds by asset</i>	Tangible fixed assets	Investments	Current assets	Liabilities and provisions	Total 2023
<i>Funds</i>	£'000	£'000	£'000	£'000	£'000
General	-	1,880	734	(811)	1,803
Designated	839	1,000	1,328	-	3,167
Restricted	-	-	154	-	154
Endowment	-	638	-	-	638
Total	839	3,518	2,216	(811)	5,762

14. Financial commitments

At 31 March 2023 SU had remaining commitments under non-cancellable leases as follows:

	2023	2022
<i>Expiry date</i>	Machinery	Machinery
	£'000	£'000
Within one year	4	4
Two to five years	10	14
Over five years	-	-
Total	14	18

The value of lease payments included in the SOFA in the year was £4,000 (2022: £4,000).

Comparative data for year ended 31 March 2022

4. Expenditure (2022 comparative)	Grant funding of activities (see below) £'000	Direct costs £'000	Support costs (see below) £'000	Total 2022 £'000
Costs of raising funds	-	108	348	456
Face-to-face mission in England and Wales	-	1,951	519	2,470
Advocacy	-	68	141	209
Content creation	-	263	90	353
Commercial publishing	-	619	108	727
International activities	166	112	40	318
Total 2022	166	3,121	1,246	4,533

Analysis of support costs

	Finance £'000	Technical Services £'000	Human Resources £'000	Facilities £'000	Database £'000	Mobilisation £'000	Management / Leadership Team £'000	Total 2022 £'000
Costs of raising funds	98	36	3	24	28	149	10	348
Face-to-face mission in England and Wales	87	180	29	60	23	26	114	519
Advocacy	9	15	2	13	9	64	29	141
Content creation	18	36	5	11	5	6	9	90
Commercial publishing	25	27	5	15	18	14	4	108
International activities	10	6	1	3	3	3	14	40
Total 2021	247	300	45	126	86	262	180	1,246
<i>Basis of activity</i>	Staff time	Headcount	Headcount	National Office Headcount	Staff time	Staff time	Staff time	

Grant activity in furtherance of the Charitable Company's objects

International grant activity

	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2022 £'000
Africa	-	47	12	59
Worldwide	-	39	10	49
Americas	-	37	8	45
Former Soviet Republics	-	21	5	26
Europe	-	9	2	11
Pacific	-	9	2	11
Rest of Britain & Ireland	-	3	1	4
Asia	-	1	-	1
Grant activity - international	-	166	40	206
Grant activity - England and Wales	30	-	20	50
Total 2022	30	166	60	256

Movement in recognised funding commitments during the year

	Charitable commitments accrued £'000
Grant commitments accrued at the start of the year	41
New grant commitments charged to the Statement of Financial Activities during the year	166
Grants paid during the year	(201)
Amount of grant commitments accrued as at 31 March 2022	6

13. Statement of funds(2022 comparative)

	Balance 1 April 2021 £'000	Income £'000	Expenditure £'000	Net investment gains/(losses) £'000	Transfers £'000	Balance 31 March 2022 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	890	-	-	-	(32)	858
Project and Development	2,227	-	(596)	-	750	2,381
International	579	65	(160)	-	-	484
	<u>3,696</u>	<u>65</u>	<u>(756)</u>	<u>-</u>	<u>718</u>	<u>3,723</u>
General fund	2,078	3,929	(3,377)	97	(718)	2,009
Total unrestricted funds	<u>5,774</u>	<u>3,994</u>	<u>(4,133)</u>	<u>97</u>	<u>-</u>	<u>5,732</u>
Restricted funds						
Income funds:						
Endowment income	-	20	(20)	-	-	-
Gifts for SU overseas	-	96	(96)	-	-	-
Good News Fund	15	2	(6)	-	-	11
Google AdWords	-	16	(16)	-	-	-
Rooted	14	-	-	-	-	14
SU Holiday Fund	102	9	-	-	-	111
Team support	-	249	(249)	-	-	-
Others	46	14	(13)	-	-	47
Total restricted funds	<u>177</u>	<u>406</u>	<u>(400)</u>	<u>-</u>	<u>-</u>	<u>183</u>
Endowment funds						
Endowment fund	693	-	-	(37)	-	656
Total endowment funds	<u>693</u>	<u>-</u>	<u>-</u>	<u>(37)</u>	<u>-</u>	<u>656</u>
Total funds	<u>6,644</u>	<u>4,400</u>	<u>(4,533)</u>	<u>60</u>	<u>-</u>	<u>6,571</u>

Analysis of funds by asset	Tangible fixed assets £'000	Investments £'000	Current assets £'000	Liabilities and provisions £'000	Total 2022 £'000
<i>Funds</i>					
General	-	2,584	285	(860)	2,009
Designated	858	1,250	1,615	-	3,723
Restricted	-	-	183	-	183
Endowment	-	656	-	-	656
Total	<u>858</u>	<u>4,490</u>	<u>2,083</u>	<u>(860)</u>	<u>6,571</u>



Scripture Union

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Limited Company 39828 Registered in England and Wales Registered Charity 213422

Accounts



Scripture Union

Year in review

Trustees' annual
report & financial
statements

YEAR ENDED
31 MARCH
2022



*"Let each generation tell its children of your
mighty acts; let them proclaim your power"*

PSALM 145:4 (NLT)

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Report of the Trustees (incorporating the Directors' and Strategic Reports) for year ended 31 March 2022

The Trustees are pleased to present their annual Directors' report and financial statements of the Charitable Company for the year ended 31 March 2022 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details of the charity, its trustees and advisers

Status	Scripture Union is a charitable company limited by guarantee. It is governed by its Articles of Association adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020		
Registered name	Scripture Union (also known as 'SU', 'SU England and Wales' and 'Scripture Union Cymru')		
Charity registration number	213422		
Company registration number	00039828		
Country of incorporation	England and Wales		
Principal & registered office	Trinity House, Opal Court, Opal Drive, Fox Milne, Milton Keynes MK15 0DF		
Trustees	Mr Richard Godden	–	Chair
	Ms Kim Hurst	–	Honorary Treasurer
	Mr Richard Evans		
	Mr Malcolm Forsyth		
	Rev Dr Mark Griffiths		
	Rev Stephen Hallett		
	Mr Junior Johnson		
	Mrs Julie Kittow		
	Mrs Sandra Morris		(appointed 3 January 2022)
	Rev Dr Edward Scrase-Field		
	Mr Timothy Warren		(retired 9 October 2021)
Leadership Team	Dr Myles MacBean	–	National Director
	Mr Terence Clutterham	–	Culture & Innovation Director (until 31 July 2021)
	Mr Richard Shaw	–	Mission Development Director
	Mr Stephen Vis	–	Finance & Services Director
	Mrs Rachel Warwick	–	Mobilisation Director
Company Secretary	Mrs Susan Winning		
Bankers	HSBC Bank PLC, 4th Floor, 3 Temple Quay, Bristol BS1 6DZ		
Solicitors	Pothecary Witham Weld, 70 St Georges Square, London SW1V 3RD		
Auditor	MHA MacIntyre Hudson, 6 th Floor, 2 London Wall Place, London EC2Y 5AU		
Investment advisers	Rathbones Investment Management Limited, 8 Finsbury Circus, London EC2M 7AZ		
Insurance brokers	Zurich Municipal, 2 Gladiator Way (N2), Farnborough, Hants GU14 6GB		

Introduction

Our *Revealing Jesus* strategy was publicly launched in the Autumn of 2020, and 2021-22 was thus the first full year of its implementation. This occurred against the continuing uncertainty caused by COVID-19, which presented challenges both for Scripture Union (SU) and for the Faith Guides, churches and local mission partners with whom we work. These resulted in progress being slower than we would have liked – and yet the year saw significant progress!

Our strategy (*see the Revealing Jesus box, page 3*) focuses on our Mission Enablers building a network of Faith Guides who are working in churches, making contacts with children and young people over the long term. During 2021-22 the number of those Faith Guides grew to 218, from 160 churches, and we launched an online Faith Guide community with a view to assisting our Mission Enablers to support Faith Guides and helping the Faith Guides to support one another.

At the same time, the resources available to Faith Guides were enhanced by the addition of three new multi-media collections being added to the Faith Guide Hub (*see Creating relational opportunities, page 7*) and more widely we launched seasonal content for Christmas, Easter and Halloween, the latter being featured extensively on *Songs of Praise*.

In addition, we engaged with various groups with a view to consulting, testing and refining our strategy. These included some of our many local mission partners, several national and regional groups (some with which we have formed strategic partnerships) and minority ethnic church leaders in key cities. After workshops with these leaders, we launched projects with six groups of partners designed to test our strategic framework and resources in minority ethnic contexts and to build new relationships.

In-person events during the Spring and Summer of 2021 were, of course, seriously disrupted by COVID-19 restrictions but 12 in-person holidays and day-camps and ten in-person missions were held, in addition to 16 online events. In total these events engaged around 3,000 children and young people: significantly fewer than in previous years but, in the circumstances, a pleasing number.

It was also good to be able to hold an in-person conference in November 2021, which brought together over 200 people with a passion for seeing children and young people come to know Jesus: Faith Guides, local mission partners, volunteers from our holidays and missions, SU staff, and others.

We had to say goodbye during the year to some people who have worked with us for many years. These included Terry Clutterham, who retired from the Leadership Team after decades on the staff in various roles, most recently as Culture and Innovation Director fleshing out the Revealing Jesus mission framework within our new strategy, and Tim Warren who retired after completing a second period as a Trustee. The resulting Trustee vacancy was filled by Sandra Morris, who brings long experience of working with children and young people and considerable knowledge of SU both on the front line and as a member of the Council.

There remain many uncertainties in the world, but God is unchanging and we look forward with confidence. The Revealing Jesus strategy is scalable: the more money that becomes available the more Mission Enablers we will be able to employ and hence the more Faith Guides we will be able to serve and the more children and young people we will be able to reach. Owing to the generosity of many supporters (including recent legacies), we are now able to recruit eight new staff across England and Wales, who will be engaged either in sports mission or in equipping and coaching Faith Guides. We also plan to invest further in new collections of resources for the Faith Guide Hub.

The Trustees of SU recognise that we are simply members of a team that includes many other people who support the work by means of prayer, by giving their time or by giving money. We are thankful to God for them all and we pray that he would stir up his Church in England and Wales so that the 95% of children who are not connected with a church ('The 95') would hear about Jesus and be given the chance to respond to him.

Richard Godden
Chairman

Aims, objectives and activities

Aims

SU's overarching aim is to make God's good news known to children and young people and to encourage them to meet God through the Bible and prayer (*see Objects of the Charity, page 14, for more details*). We work to fulfil this aim as effectively as possible with the resources that God gives us.

Our **vision** is for a new generation of children and young people who have a vibrant, personal faith in Jesus.

Our **mission** is to create opportunities for children and young people to explore the Bible, respond to Jesus and grow in faith.

Our **priority** is to reach those who don't yet know Jesus.

Underpinning everything that we do is the *Bible*: God speaks to us; *prayer*: God changes us; *relationship*: God works through us; and *mission*: God involves us.

In all our work, we aim to *care*: we're here to understand struggles faced by children and young people, so if they ask for help, we can give it; to *share*: we're not here to tell children and young people what to think, but to offer a valuable Jesus-

centered perspective; and to *empower*: we're here to help children and young people discover answers in their physical and spiritual life, so that they can thrive, not just survive.

Revealing Jesus

Accompanying 'The 95' on a lifelong journey of faith

It was in October 2020 that we launched our *Revealing Jesus* strategy with its innovative mission framework. Building on our campaign to share the Good News of Jesus with the 95% of children and young people not connected with a church ('The 95'), the framework aims to envision, resource and equip churches as they engage with the younger generations in their community. Setting out a four-stage journey of faith, the framework invites Christians to act as *Faith Guides* who accompany children and young people over the long term; creating opportunities for them to *Connect, Explore, Respond* and *Grow* in their faith in Jesus. Our *Mission Enablers* walk alongside the *Faith Guides*, using an SU-developed training programme and providing access to the *Faith Guide Hub*, a unique portfolio of themed *Faith Guide Collections* applicable to all stages of a faith journey. With much still to be done, we give thanks that in this last year we have seen significant first fruit as we work towards our vision for thousands of young people discovering a life of vibrant personal faith in Jesus.

More information can be found at su.org.uk/revealingjesus

Main objectives for the year and our Strategic Plan

The Trustees confirm that they have referred to and have given due regard to the Charity Commission's guidance on public benefit when reviewing the Charitable Company's aims and objectives and when planning future activities. The following pages highlight just some of the ways in which God has been at work through SU to deliver public benefit in the past year as we have continued towards achieving our strategic goals.

As set out in SU's operating plan, we sought, from April 2021, to fulfil our long-term vision by pursuing the following primary objectives:

- **Mobilising others:** Mobilise the SU movement and the wider Christian community to engage with The 95 through the Revealing Jesus strategy as donors, prayer supporters and volunteers.
- **Thought leadership:** Develop 'best in class' understanding of key aspects of engaging children and young people who are not in church, and influence the Movement and beyond through documenting, communicating and advocating the principles.
- **Creating relational opportunities:** Pioneer, develop and multiply opportunities for children and young people to explore and grow in the difference Jesus can make to the challenges and adventures of life.
- **Transforming organisational efficiency:** Ensure transformation of cross-functional, mission enabling systems and processes to underpin organisational growth and efficiency.
- **Supporting global partnership:** Support and learn from SU movements globally who have a passion about working with children and young people who don't yet know Jesus.

Strategic report

Review of activities and performance during the year

The focus of all SU's activities is on sharing the good news of Jesus Christ with children and young people in the belief that the gospel is life-transforming and life-enhancing. It is our conviction that the gospel has a positive impact on individuals who, in turn, have a positive and transformative impact on their families and communities.

Involving volunteers

SU is a volunteer-led movement, and we are grateful to the many individuals who give their time, energy and skills in support of the Movement. Volunteering at SU comes in many forms, including at holidays and missions, regional and national events, and in governance, and volunteers join in our mission from a wide range of backgrounds, bringing a rich and diverse range of experiences, expertise and gifts. Recruiting volunteers has been a struggle as activities have restarted after the pandemic, but we continue to trust God to provide the workers for the harvest. Over the past year we have created 1,316 known opportunities for volunteer involvement, equivalent to 2,287 working weeks, or 49 full time staff. These individuals have contributed significantly to the mission activity of the Movement, which would not be possible without them. Of these volunteer opportunities, 36 related to governance of the Charitable Company (for example, trustees and Council members) and therefore could not be filled by staff. These governance volunteers contributed the estimated equivalent of 56 working weeks.

Most opportunities for volunteer involvement relate to events, but many volunteers are becoming involved in regional and national initiatives. One young adult worked with us during the year as part of our 10:2 leadership development (young leader) programme and two young adults worked with us on student placement.

In addition to SU volunteers, our local mission partnership programme involves many hundreds of volunteers working alongside 125 workers employed by 66 trusts. *(See Note 4 to the financial statements, page 30, for an outline of our local mission partnership programme.)*

Our Revealing Jesus strategy is also volunteer-focused; supporting local churches to raise up church volunteers as Faith Guides to be equipped by SU Mission Enablers to reach out to 'The 95' (*see su.org.uk/revealingjesus for more information about Faith Guides and the strategy.*)

We have not included in our financial statements the value that volunteers bring through the time which they dedicate to the mission of the Movement, but we thank God and we thank each one of them for it all.

Monitoring achievement

The Trustees place great importance on ensuring that progress made in achieving the Movement's strategic objectives is measured and monitored appropriately. Key performance indicators are identified for the Movement's objectives and, alongside relevant commentary, form the basis of a quarterly progress report: the Mission Update. The Mission Update is prepared by the Leadership Team and reviewed by the Trustees before being circulated to members of Council and the full staff team. In addition, detailed monitoring and evaluation of activities, projects and programmes takes place on an ongoing basis by the relevant teams.

Impact of COVID-19

The COVID-19 Action Team, formed in March 2020, has met regularly to manage the Movement's response to COVID-19 constraints and opportunities. Always acting in accordance with the government guidelines applicable at any point in time for England and for Wales, we have remained flexible to meet the rapidly changing circumstances. The Trustees have been consulted on policy and informed of key executive decisions at all times.

Mission activity – During the year we were pleased to make significant progress re-engaging in in-person mission (see *Creating relational opportunities, page 7*) despite continuing COVID-19 impact. We were, for example, encouraged that the 2021/22 Holidays and Missions program had over half the events of 2019 – 38 events ran, 22 of which were in-person, which enabled us to engage with around 3,000 children and young people. Nevertheless, despite COVID-19 constraints relaxing during the first half of the year and continued growth in engagement with churches on the Revealing Jesus framework, our wider mission context remained challenging throughout the year with many churches not ready to engage in looking outward and thinking missionally.

Mission operations – Staff continued to work from home for much of the first part of the year, with a small group attending the National Office to undertake critical IT, financial and supporter care functions. An experimental phase of 'new norm' working began in November, which included National Office staff having the option to work from home for part of the week, though this was disrupted by the introduction of the government's 'Plan B' in England and similar in Wales. The staff perspective on our experimental new norm policies was surveyed and the results are being considered. Any changes to working patterns are anticipated to be implemented later this summer.

Impact on income and going concern – Throughout the COVID-19 pandemic, God's generosity through our many supporters has allowed us to continue our mission activity. The Fundraising team has begun to see early results from its Fundraising Strategy with improved relationship with and response from major donors, improved relationships with trusts in that we increasingly receive invitations to submit proposals, and more targeted appeals realising higher yields. We continue to monitor income on a regular basis, including rolling cash forecasts and scenario modelling to support our Going Concern assessment. Given the strength of our Balance Sheet (see page 23), we are confident that we can continue to operate in the foreseeable future. Nevertheless, while compensated somewhat by strong legacy income, this year saw a reduction in gift income rather than the hoped-for increase that would allow us to sustainably scale our team of Mission Enablers over the long-term to meet the challenge of enabling churches to reach the 12 million children and young people not connected with a church.

Staff wellbeing – Staff wellbeing has remained relatively high, though long-term COVID-19 constraints inevitably began to cause background challenges. A number of self-isolations and COVID-19 infections amongst the staff were reported. No members of staff were furloughed during the year.

Safeguarding

We continue to seek to deliver high quality safeguarding policy and practices across all of SU's work in England and Wales. Safeguarding has always held high priority in all our activities and we were pleased to be able to recruit a Safeguarding Manager during the year, allowing us to continue to improve safeguarding policy and practice across the Movement.

Following the conclusion of the Lessons Learned Review of our historic involvement with John Smyth (see page 13), we continue to work through the recommendations. A number of changes have been made, including a training needs analysis and the inclusion of a safeguarding statement in every staff role description.

Implementing our Revealing Jesus strategy

The strategic review that started in early 2019 resulted in the initial development of our new Revealing Jesus strategy and its associated mission framework. This culminated in the online launch in October 2020 (see su.org.uk/revealingjesus). It also started a multi-year program of development, field testing, and operational scaling aimed at bringing coherence across all our activity.

Key to our strategy is raising up a generation of church-volunteer Faith Guides to faith journey with the children and young people of their community. Last year the COVID-19 pandemic restricted our

in-person interaction with local churches and potential Faith Guides for longer than anticipated, and local churches took longer than expected to re-engage in mission. This restricted our ability to grow the number of churches and Faith Guides registered with us (*see Creating relational opportunities for children and young people, page 7*). However, it also gave us the opportunity to consolidate our strategy-based work with early-adopter churches and to broaden our collections of resources in the Faith Guide Hub ready for volume adoption. We were also able to invest in critical infrastructure such as our new Customer Relationship Management (CRM) database (*see Transforming organisational efficiency, page 8*).

This work has positioned us well for the coming season (*see Plans for next year and beyond, page 9*) as local churches, denominations and church networks begin their own strategic reviews of how they serve Jesus in their new ministry context.

The following sections describe progress this year, as the new strategy shaped our activity in all five of our top-level objectives, and the Movement realigned itself to equip local churches and their Faith Guides to reveal Jesus to The 95 in their communities.

Mobilising others

Our aim during the year was to mobilise the SU Movement and the wider Christian community to engage with The 95 through the Revealing Jesus strategy as donors, prayer supporters and volunteers. Most key milestones were completed although there were some delays due to recruitment taking longer than hoped, and data migration and process change as we launched our new CRM database.

Initiatives and milestones during the year included:

- A highly successful Movement-wide in-person conference during November 2021 which brought together over 200 Faith Guides, local mission partners, holiday and mission volunteers, and SU staff across three days of reconnection, worship, teaching and equipping.
- Sustained Revealing-Jesus-focused online mailings that helped grow membership of our 95 Campaign email mailing list by 1,370 to 15,009, with the vast majority being new to our database.
- The development of a social media strategy that allowed us to target the channels used, better focus our messaging and develop a plan to centralise our social media use.
- A re-segmentation of data for appeals and fundraising mailings, allowing for more targeted information and requests for giving.
- A digital legacy campaign, designed to engage younger donors in legacy pledging. This resulted in two pledges in its first month.

Developing thought leadership

During the year we sought to refine our Revealing Jesus strategy through further understanding of key aspects of engaging children and young people who are not in church. The reduced capacity for mission in the local church caused by COVID-19 resulted in less opportunity than anticipated for primary research or feedback on how well the Revealing Jesus strategy worked in the field. Nevertheless, progress has been made on many fronts.

Initiatives and milestones during the year included the following:

- Based on research carried out and reported in the previous year, we started the long-term process of implementing the holistic culture changes needed in the Movement if we are to better support and serve ethnic minorities, and meet the needs of millennial workers.
- In partnership with a like-minded organisation, we carried out detailed qualitative research into faith formation in Generation Z children and young people. The quantitative research has been commissioned and will be undertaken later than planned this autumn.

- We developed a hybrid mission model to enable online and in-person elements of mission with children and young people to be appropriately integrated at different points on an individual's faith journey. This is now moving into development and pilot testing.
- In partnership with others, we carried out in-depth research into the part peer-to-peer evangelism has in the faith journey of young people. The results were published in June 2022 and will be used to further develop our Revealing Jesus framework.

Plans were put on hold to develop the book telling the in-depth story of the development of the Revealing Jesus framework within the distinctive history of SU. COVID-19 meant there was insufficient evidence of the framework in action. The situation will be reviewed in late 2022 based on the new Generation Z research and the outcome of the hybrid mission work (*see above*), and on further investment plans for 2022-23 (*see Plans for next year and beyond, page 9*).

Creating relational opportunities for children and young people

We continued to see good progress in pioneering, developing and multiplying opportunities for children and young people to explore the difference Jesus can make to the challenges and adventures of life. The slower-than-expected return to mission by local churches resulted in less opportunity than hoped for to grow Faith Guide and church registrations. Nevertheless, the Development Hub was able to continue creating new and exciting resources to equip Faith Guides and churches in their mission, and our Holidays and Missions team re-established in-person ministry as lockdown eased.

Key initiatives and milestones during the year included the following:

- A campaign of regional advocacy and training events during the year led to 109 new Faith Guides from 87 churches registering with us, meaning a total of 218 Faith Guides from 160 churches now actively work with us.
- During the year, detailed conversations about our Revealing Jesus strategy continued with our 66 local mission partners, as well as with major regional and national organisations. This resulted in Revealing Jesus framework-related partnership agreements with Southampton City Mission and the Church of England's Diocese of Durham.
- In January 2022 we launched a digital media-based community for Faith Guides that has so far successfully engaged over one third of Faith Guides in social media support from Mission Enablers, and mutual peer-to-peer support.
- We created and launched three new collections of resources for Faith Guides, deepening the rich portfolio of content available in the Faith Guide Hub. *Show Time*, seeks to reveal Jesus through the creative arts, *SeeKing Jesus* to help children find their place in God's big story and *Be More Micah* to reveal to The 95 God's heart for mercy and justice.
- Strong engagement with our online-only Holidays and Missions at Easter 2021 was followed by a major push to re-engage children and young people with in-person events in Summer 2021. Twelve COVID-secure in-person holidays and day-camps ran as well as ten in-person missions which, together with 16 online events, engaged circa 3,000 children and young people and were supported by more than 600 volunteers.
- After workshops with church leaders from ethnic minority churches in key cities we have launched projects with six groups of partners to test the Revealing Jesus framework, understand the effectiveness of our resources, and build new relationships in these relatively new contexts for SU.

Transforming organisational efficiency

We continued to transform our systems and processes to enable efficient and effective organisational growth. Our primary focus was on the introduction of our new CRM database. A major investment in terms of money and time, when fully implemented this will radically enhance our capability across our organisation with a single organisational view of relationships and funds across supporter care, communications, marketing, fundraising and regional mission. Launched in January 2022, the transition of some quarter-of-a-million database records and the necessary dedication of resources led to a knock-on effect on operations and to other projects that had to be deferred. However, while it will take some time to realise full strategic benefits, all key operational elements are now complete.

We also completed several smaller system improvements during the year which included further migration of services to cloud-based computing. We also upgraded payment aspects of our website which has enabled us to comply with the latest security and fraud standards. Donors are also now able to cover the costs of card processing, an option taken up by almost a third of donors in the first few months of operation.

Supporting global partnership

There are over 130 independent SU movements around the world working in around 120 countries, all of which are united by Scripture Union's aims, belief and working principles. SU England and Wales is one such movement. Each national movement seeks to work through local people in ways that are appropriate to the national culture and the number of staff is typically very small compared to the number of volunteers. Facilitated by the Scripture Union International team, staff and volunteers globally pray for and support each other, share ideas and resources and have joint projects and publications. Extended partnerships have also been established between countries to provide additional support and funding.

Our aim during the year was to support and learn from SU movements globally who have a passion about working with children and young people who don't yet know Jesus. Initiatives and milestones included the following:

- *Strategic investment* – Implementation of our shared understanding with SU International of the strategic priorities of the global SU movement was once again delayed as COVID-19 diverted the attention of national movements. We have continued to support the initiative to establish minimum-standard safeguarding policies globally, and we are considering a grant application to support the next global strategic priority to train global SU movements in developing, managing and delivering project-orientated initiatives. Projects which we are currently funding are progressing well.
- *Grant funding* – SU England and Wales continues to give a percentage of our gift income and unrestricted legacies to other SU movements around the world. Grants approved during the year totalled £70,000 (2021: £118,000). Amongst the projects supported was the "Smooth Stone" project developed by SU Malawi which uses sport to share the gospel in culturally appropriate ways with marginalised/at risk young people. In addition to the grants we make from our own resources, we receive gifts from our supporters restricted for international purposes which we use to make grants to support ongoing SU mission and specific SU projects in other parts of the world. Such grants this year totalled £96,000 (2021: £115,000) (*see the Statement of financial activities, page 22, and Note 4 to the financial statements, pages 29-30*).
- *Guardians of Ancora* – *Guardians of Ancora* is our free digital game that gives children a fun, safe play-space where Bible stories come alive as they explore their relationship with God and the Bible. Our new Spanish *Guardianes de Ancora* was released in October 2021 and is potentially available to the more than 0.5 billion Spanish speakers worldwide. Partnership discussions with Spanish-speaking SU movements have been deferred as many were significantly affected by the pandemic. The planned language localisation of the game into

isiZulu did not go ahead due to the priorities of SU South Africa having to be realigned with COVID-19 realities.

- *International sub-publishing* – An international sub-publishing process has been devised and used to re-establish sub-publishing agreements with SU USA. A file-sharing system has been developed to automate the process for national SU movements to access available resources although the launch of this has been deferred because of resource constraints caused by the launch of our new CRM database.

Plans for next year and beyond

The Movement has revised its direction in the last few years, presenting a clear, renewed vision, mission and priority for the coming years (*see page 3*). The aim of the Strategic Plan is to ensure that SU operationally fulfils its renewed mission to its priority community, and hence achieves its vision. The Plan is fully integrated into SU's annual operating plan for the coming year, as agreed by the Trustees in February 2022.

Our overall aim remains to grow the reach and impact of SU's mission activity. To achieve this, we will continue to focus on the same primary objectives as for year ended 31 March 2022 as stated on page 3, delivering them through the Revealing Jesus strategy.

We plan to use £685,000 of the funds set aside in our Project and Development Fund (*see Note 13 to the financial statements, pages 33–34*) in pursuing these objectives. This includes in the region of £490,000 for creating relational opportunities, £150,000 for transforming organisational efficiency and thought leadership, and £45,000 for mobilising others and mission transformation.

Strategic investment will focus on deepening relationships with existing Faith Guides and their churches while growing the size of our Faith Guide community by increasing our pioneering work in new cities. To do this we plan to recruit eight new Revealing Jesus Pioneers and Sports Pioneers. This will also test our strategy at greater scale for further refinement through the year. The other key element of strategic investment will be the design and testing of the hybrid approaches to mission that have been identified in the last year as part of our thought leadership work.

We will continue to develop our growing relationships with minority ethnic churches and church leaders, completing the projects launched last year (*see Creating relational opportunities, page 7*) and feeding lessons learned into reviews of the Revealing Jesus framework and related resources.

We also aim to firmly re-establish our Easter and Summer programme of Missions and Holidays after two challenging years. We envisage upwards of 80 Missions, events and residential holidays across England and Wales. Strategically this will include the piloting of up to five new regional Faith Guide Holidays where, supported by Mission Enablers, Faith Guides provide a residential experience for the children and young people they are journeying with.

A further operational objective will be to encourage increased recurring gift income in the medium-term to enable continued long-term sustainable expansion of our mission reach. This will involve work to grow our support base among younger generations and developing targeted propositions for support of Mission Enablers by major donors and trusts.

Financial review

Financial position

We thank God and our many supporters for their financial generosity in funding the work we were able to do in 2021-22, especially given the negative economic impact of the pandemic. We were particularly grateful for those who left legacies, which were significant in the year. However, it was disappointing that donations and gifts fell in 2021-22 as, in the longer term, our ability to expand the work among The 95 is dependent upon our donation income increasing, which is a key focus of our fundraising efforts.

For the year ended 31 March 2022, we had an overall deficit of £73,000, compared to a surplus of £1,073,000 last year, due to spend on Project and Development Fund (PDF) initiatives of £596,000 (*see Reserves Policy, pages 10-11, for more details*). We had planned for a larger deficit for the year, however we received higher legacy income, and incurred lower costs because of local and national lockdown restrictions limiting our ability to find churches and volunteers to adopt our Revealing Jesus framework and to run a full programme of holidays and missions.

Our balance sheet is healthy at £6,571,000 (2021: £6,644,000). This includes £2,381,000 (2021: £2,227,000) within the PDF, total restricted funds of £183,000 (2021: £177,000) and total endowment funds of £656,000 (2021: £693,000) (*see Note 13 to the financial statements, pages 33-34*). We expect to continue to spend the PDF reserves over the next three years as we deliver on the Strategic Plan and, as a first significant step, in Spring 2022 the Trustees approved investment in a number of new fixed-term roles focusing on implementing our Revealing Jesus framework by expanding into new geographic areas, extending the coverage of our mission-through-sport activities, and investing in broadening our relationship with the wider church (*see page 9*). This will be a significant investment of over £600,000 to maximise the missional benefit of the funding that we have received from the wide range of supporters of our mission. As a result, financial deficits are anticipated again in the next two years as the General and PDF reserves are progressively spent.

Total gift income, including restricted gift income but excluding legacies, amounted to £2,382,000 which represents a 6% decrease from £2,532,000 in the previous year. It includes gifts of £96,000 restricted for SU activity overseas. Unrestricted legacy income of £1,096,000 was received; this is 4% higher than last year at £1,055,000. Further details are included in the fundraising performance section below (*page 12*). Holidays and Mission income at £57,000 is significantly higher than last year's £9,000 as we were able to run a reduced events programme this year (events were online only last year), but this remains well short of the pre-pandemic 2019 income. Publishing sales and royalty income at £791,000 is down 1% compared to last year's £801,000 as we continue to move away from commercial publishing in line with our strategy. Publishing activity is now much reduced and focused on a narrow range of products.

Total income at £4,400,000 is £126,000 lower than the previous year (3% down). Total expenditure of £4,533,000 is £366,000 higher than last year (9% up).

For the year ending 31 March 2023, the Trustees aim to continue to spend reserves in line with the reserves policy (*see below*), and as such have aligned budgeted General Fund expenditure to exceed budgeted income by £575,000, as we seek to invest in the new strategy. In addition, expenditure of around £685,000 from PDF reserves is planned.

Reserves policy

The level of required reserves is reviewed annually as part of the process of budget preparation for the following year to ensure that it remains relevant to SU's current and future position, in particular reflecting the developments necessary to deliver our strategy. It is also included within monthly financial reporting for review by the Trustees throughout the year.

During the year the Trustees undertook a complete review of the Movement's needs for reserves using a risk-based approach. The new approach focuses upon the quantification of risk associated with items in the Movement's Risk Register, together with an assessment of likely correlation of events happening concurrently. As a result, the Trustees consider it prudent to set the target level of general reserves retained by the Movement at between £1.2m and £1.6m. Reserves were previously measured by the number of months (2021: 6.1 months) of ongoing unrestricted charitable expenditure for the Movement based on the financial statements for the year.

At 31 March 2022, the General Fund stood at £2,009,000 (2021: £2,078,000), which exceeds the new Reserves range. The Trustees have planned for continued investment which will give rise to an

operating deficit for the year ending 31 March 2023 and bring us back into the agreed Reserves Policy range.

In addition to the General Fund, the Trustees have set aside designated funds as described below and in Note 13 to the financial statements (*see pages 33-34*).

The level and timing of legacy income is uncertain and therefore continues to be budgeted at a conservative level. Legacy income received above the budgeted levels may be used to add to designated reserves within the Project and Development Fund (PDF) (*see Note 13 to the financial statements, pages 33-34, for more information*). Spending from the accumulated reserves in the PDF covers the investment cost of a range of significant one-off development initiatives to grow the scale and impact of SU's mission activity. PDF expenditure in the year totaled £596,000 (2021: £365,000) and included £410,000 for continuing digital transformation (*see page 8*), £182,000 for creating opportunities for children and young people to explore the Bible, respond to Jesus and grow in faith (*see page 7*), and £4,000 for mobilising others to engage with The 95 (*see page 6*) and for developing thought leadership (*see pages 6-7*). The balance of the Fund at 31 March 2022 was £2,381,000 (2021: £2,227,000) after the transfer of £750,000 into the Fund to provide for future planned strategic initiatives (*see Note 13 to the financial statements pages 33-34*).

PDF funds are set aside to grow SU's mission scale and impact and the Trustees have plans in place to expend the majority of PDF reserves over the next three years. In line with our objectives we plan to spend an estimated £685,000 in the year to 31 March 2023 (*see page 9 for further information*).

Principal funding sources

SU relies substantially on voluntary income to fund our activities, with the majority of donations coming from individual regular givers, and from major donors. Other income shown in the statement of financial activities (*see page 22*) includes sales of publications and fees for holidays, training and other events. When setting a price for our paid-for events and resources, appropriate consideration is given to how we can both maximise mission benefit and avoid pricing being a barrier to participation and partnership. We normally receive no funding from the government or other statutory bodies, nor from the National Lottery; no Government grants relating to Furlough funding were claimed this year under the Coronavirus Job Retention scheme.

Fundraising review

Fundraising approach

SU embraces fundraising first and foremost as ministry. It is a way of inviting donors to partner in our vision to reach 'The 95'. Our supporters, rather than a means to an end, are seen as a vital part of our ministry and work.

Through fundraising we proclaim that we believe all who support us will benefit through their involvement in seeing God's kingdom grow through the transformed lives of children and young people. We share what God is doing with openness and honesty, providing opportunities for individuals, churches, and trusts to respond, in order to grow the ministry.

Underpinning all our fundraising is prayer, and an acknowledgement that God is the provider of all our needs through those who choose to partner with us. We ensure that anyone involved in fundraising activities is aware of and embraces these principles.

We have an in-house fundraising team which is assisted, when required, by the services of fundraising consultants. Relationship building with donors has underpinned all fundraising activity over this year. However, COVID-19 impacted donor response somewhat and hence strategic targets for improved donor retention, reactivation, acquisition, and uplift fell slightly short of plan. At the same time during the year, we reviewed and re-engineered our end-to-end donor journeys to improve retention and create a secure process into which future donors will be recruited.

Work continues to increase regular giving to achieve the sustainable scaling of our operation envisioned in our Strategic Plan, in particular, to allow us to move fixed-term PDF-funded roles to permanent positions funded from regular operational income. A priority is seeking new funding from major donors and trusts.

The new CRM database will provide significantly improved tracking and reporting opportunities for fundraising. Once it is fully established, a simplified reporting structure will be developed and implemented, focusing on income by source within three categories; individual, churches and grants/trusts.

We regard the lawful and correct treatment of personal information as of paramount importance, and we have policies and procedures in place to be compliant with the Data Protection Act 2018. We ensure that staff are fully trained and understand their responsibilities in their respective areas.

We take pride in treating the wishes of our donors and their privacy with the utmost respect. We contact supporters in the ways that they prefer, adapting them as needed. Supporters can change their preferences at any time, and we will not contact them if they ask us not to. We never share names, addresses or other personal information with third parties for charity, commercial or fundraising purposes. We genuinely appreciate feedback from supporters and the public and we review our fundraising activities in light of feedback and complaints we may receive. We did not receive any complaints relating to our fundraising activity during the year.

Fundraising performance

Income received as a result of the managed fundraising programme decreased by £150,000 from £2,532,000 to £2,382,000.

Donations received during the year came predominantly from individual supporters (83%), with the balance being received from trusts (10%), churches (4%) and other sources (3%).

Legacies of every size are vital to the ongoing work of SU. Several large legacies contributed to income received from legacies during the year totalling £1,101,000. This was higher than the £1,091,000 received the previous year, with legacy income for both years exceeding our expectations.

The cost of raising funds during the year increased slightly from £426,000 to £456,000 (*see Note 4 to the financial statements, pages 29-30*).

We place a high priority on the need to inform supporters of our activities and our quarterly magazine *Connecting You* was sent by post or email to more than 19,000 supporters during the year. This is noticeably less than the 28,000 in 2021 – the list was reviewed during the year to better target our spend on postage and as part of the data cleanse process to implement the new CRM database.

Investment policy and performance

A portion of SU's reserves available for investment has been identified and held as long-term reserves and invested (£4,490,000 as at 31 March 2022 (£4,907,000 as at 31 March 2021)). This includes a capital endowment (£656,000 as at 31 March 2022 (£693,000 as at 31 March 2021)) and includes High Quality Bonds of £1,246,000 (£1,793,000 as at 31 March 2021). During the year we withdrew £501,000 from the High Quality Bonds for use within the movement. Income from the General Fund portfolio is reinvested whilst income from the Endowment Fund is used as restricted income to meet expenditure for the mission work of SU at home and especially for work in schools.

Periodically the Trustees review the level of general reserves and cash flow demands to ensure that the level of reserves available for investment remains appropriate for the Movement. SU seeks to produce the best financial return within an acceptable level of risk. Rathbones, our investment managers, continue to manage a £3.2m investment portfolio aiming to outperform a benchmark comprising 35% FTSE All-Share, 30% FTSE World ex UK, 25% UK Gilts, 5% Property, 5% Cash. The portfolio returned 5% over the period, slightly behind the benchmark which rose by 8%. This underperformance occurred in the most recent quarter to 31st March, amid the war in Ukraine and

aggressive monetary tightening from the Federal Reserve, both of which have unsettled investors. The longer-term track record remains good in both absolute and relative terms, with the five years to 31 March 2022 producing a return of 38.4%. This represents an outperformance of the benchmark which has risen 18.2% over that time. Rathbones expect markets to remain volatile in the short-term given the geopolitical environment but consider equity valuations to look attractive at this level for long-term investors.

We also have an investment in the Rathbone High Quality Bond Fund which is invested in short-maturity bonds with an average credit rating of A. This portfolio is designed to earn a slightly higher income than we can achieve at high street banks, where interest rates on large capital sums have fallen sharply. Short-term capital returns have been affected by volatility in bond markets amid the aforementioned tightening of monetary policy, but Rathbones remain confident that the overall total returns will meet expectations over the long-term. We continue to monitor our investments closely to ensure that they achieve our intended returns.

SU is reliant on fundraising and donations for its mission activities. Investment assets are held as reserves. The key risk to long-term reserves is inflation – although volatility in the market can drive significant short-term fluctuations as experienced over the past few years – however our assets are invested to mitigate this risk over the long-term. SU aims to diversify its assets through investment in a multi-asset investment fund that reflects SU's ethical investment policy which specifically excludes companies which generate the majority of their revenue from armaments, gambling, tobacco, alcoholic drinks, production and dissemination of pornographic materials, high interest lending or single purpose abortifacients. The Trustees are aware that this may have some impact on investment performance.

Principal risks and uncertainties

The Movement has risk-management policies and procedures through which risks arising from existing operations and strategic developments are identified and evaluated. The Leadership Team is required to identify risks associated with activities, assess their potential impact and probability of occurrence, and report on procedures which are in place or are being developed to manage the risks. Significant risks are highlighted for consideration and monitoring by the Trustees and the suitability of the risk review and management process is monitored by the Audit and Finance Committee (*see pages 16-17*).

During the year, the Leadership Team and the Trustees carried out detailed reviews of potential reputational, financial, mission and operational risks to the Movement. The major risks to which the Charitable Company is exposed have been reviewed and systems have been established to manage those risks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Security of our IT networks, access control and malware detection minimise the potential risk of a cyber security breach. Procedures are in place to ensure compliance with legislation, regulation, codes of practice and standards. All procedures are reviewed periodically to ensure that they continue to meet the needs of the Charitable Company.

Two primary risks have been identified:

Criticism, incident or allegation regarding work with children – Key elements of the management of this risk are safer recruitment processes, regular review of SU's safeguarding policy, clear lines of responsibility and accountability, input from SU's safeguarding advisory group, compliance with externally-set activity standards and regular training and review.

We continue to be deeply saddened by the accounts of abuse suffered by the victims of the late John Smyth, a trustee of SU from 1971-79, and the ongoing impact of this on the victims and those around them. We are confident that lessons learned are being applied to our work and are committed to ongoing learning and improvement in this area.

Failure to generate sufficient income, falling numbers of supporters and mistrust of charities, particularly fundraising activity – Key elements of the management of this risk are prayer, maintaining a focus on trusting God to provide for His mission, ongoing building of personal relationship with donors, implementation of SU's fundraising strategy, periodic Trustee review of SU's fundraising ethos and strategy and implementation of the strategic plan with a clear focus on income generation and expenditure.

Structure, governance and management

Governing document and constitution

SU was established in 1867. It is a charitable company limited by guarantee, incorporated on 28 October 1893 and registered as a charity on 3 January 1966. It is governed by its Articles of Association which were adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020.

Objects of the charity

The charitable objects of SU, as set out in the Articles of Association, are to advance Christianity by sharing the good news of our Lord Jesus Christ with people throughout the world. The objects are carried out with, but not limited to, working with churches, by making God's good news known to children, young people and families and by encouraging 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.

Recruitment and appointment of trustees

Policies and procedures for the recruitment, appointment and induction of all new trustees are in place and maintained by the Trustees.

Responsibility for the trustee recruitment process lies with the Chair of Trustees. Each candidate is interviewed by a panel that usually comprises the Chair, at least one trustee, and a member of Council. In the case of candidates who the group believes may be called to be trustees, a second interview by the same or similar panel is normally conducted. Each candidate is assessed having regard to the overall composition of the Board of Trustees, including any skills and experience that its then current members lack. The Trustees themselves may proactively approach and co-opt additional trustees to fill vacancies and such appointments are effective until the next Annual Meeting.

The Council appoints new trustees and reappoints those who have come to the end of their current term of office and who are eligible, willing and nominated for re-election. Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act, are appointed for a three-year period in accordance with the Articles of Association. After serving a maximum of three consecutive terms of office, a retiring trustee is not eligible to serve any further term of office until at least one year of non-service has elapsed.

The Articles of Association provide for a minimum of six and a maximum of twelve trustees.

Induction and training of trustees

All trustees receive induction training, information and support to acquire the necessary detail of how the Movement and the Board of Trustees work, so that they can play a full part in discussion and decision-making.

Every effort is made to broaden trustees' knowledge on an individual level so that they are up to date with the whole of the Movement and the Strategic Plan. Where there has not been any previous involvement, care is taken to introduce them to the Movement, with emphasis on SU's aims, belief and working principles and the Strategic Plan. Participation in induction processes run principally for new staff is encouraged, both for new trustees and by way of a 'refresher'. All new

and serving trustees are encouraged to attend or participate in a local, regional or national SU holiday, mission or other event as part of their induction and ongoing development.

Organisational structure

The members of the Council are the Members of the Company. The Council appoints the members of the Board of Trustees (*listed on page 1*) and the Trustees appoint the National Director and approve the process for the appointment of other members of the Leadership Team (*also listed on page 1*). The National Director and, in relation to their respective areas of responsibility, the members of the Leadership Team are responsible for the day-to-day running of SU.

Trustees – The Trustees have ultimate responsibility for the strategic leadership and the management of the affairs of SU in accordance with its Articles of Association and applicable law (including company law and charity law). The Board has four scheduled meetings each year and meets physically or by conference call on other occasions as necessary.

The Trustees seek to apply the principles set out in the Charity Governance Code having regard to the aims, beliefs and working principles of SU. A review of our compliance was carried out by an experienced volunteer auditor during the year as part of a tri-annual cycle to assess SU's application of the principles described in the Code. It was the auditor's opinion that processes supporting the code principles are strong and mostly effective. A small number of isolated practices were identified with elements incurring a moderate or low risk and the Trustees have agreed actions to meet the resulting recommendations.

A trustee-approved document is in place which describes the governance structure of SU, including the division of powers between the Council and the Trustees and the delegation of powers by the Trustees. The document focuses on the legal structure and legal allocation of powers and responsibilities.

Council – Council provides a forum for the development of spiritual vision and discernment of God's leading and advises the Trustees on the overall direction of the Movement. It has no executive powers and its key responsibilities are to ensure that the Statement of Aims, Belief and Working Principles is applied, to review the progress made towards fulfilling the Strategic Plan and to elect trustees. The Council, comprising up to 38 members (including trustees and leadership team members), normally meets for a full day twice a year. Our aim is for the membership of Council to be broadly representative of SU's areas of work and community.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of SU for the purposes of company law) are responsible for preparing the Report of the Trustees (incorporating the Directors' and Strategic Reports) and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Qualifying third party indemnity provisions

During the reporting period and up to the date of this report, the Charitable Company maintained liability insurance and third-party indemnity provisions for its Trustees, under which the Charitable Company has agreed to indemnify the Trustees to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Charitable Company.

Internal controls

The Trustees have overall responsibility for the system of financial and other controls of the Charitable Company and for providing reassurance that:

- its assets are safeguarded against unauthorised use;
- adequate records are maintained and financial information used within the Charitable Company or for publication is reliable; and
- the Charitable Company complies with relevant laws and regulations.

It is recognised that such a system can provide only reasonable but not absolute assurance against errors and loss. Detailed monthly financial management reports are prepared by the finance team and circulated to the Trustees, Leadership Team and senior management, and are reviewed and discussed at each of the quarterly Board meetings.

The Movement operates a comprehensive annual planning and budgeting process which is approved by the Trustees. Performance is monitored through the use of activity and financial targets and reports made to Trustees comparing actual results against activity targets and the phased budget.

Sub-committees

The Trustees have delegated certain tasks to the Audit and Finance Committee, comprising trustees and volunteers. The Committee meets regularly and has responsibility for:

- monitoring the integrity of the financial statements and any formal announcement relating to financial performance;
- reviewing the integrity of the internal financial control and financial and risk management systems;
- monitoring and reviewing the performance of the internal audit function;
- reviewing the independence of the external auditor and the provision of any non-audit services;

- reviewing the performance of the external auditor and making recommendations to the Trustees in relation to their appointment, re-appointment and removal and approving their remuneration and terms of engagement;
- monitoring financial performance and approving the annual draft budget for submission to the Trustees;
- reviewing and approving investment policies and reviewing the performance of the investment managers;
- monitoring the pension arrangements and reviewing the performance of insurance companies that provide the relevant pension policies and any pensions advisors;
- monitoring compliance with corporate and charity laws and regulations.

The Nominations and Advisory Committee, comprising members of Council, a trustee and a staff member, is a sub-committee of Council. It meets regularly as required and has responsibility for:

- proposing individuals for admission as members of the Council (other than individuals who are admitted by virtue of being a trustee or member of the Leadership Team).
- helping Council to evaluate itself and its work.

Management and staff

The Trustees delegate to the National Director the day-to-day management of the Movement and the implementation of policies and other decisions of the Trustees. The National Director may sub-delegate the management and implementation and the exercise of powers to members of the Leadership Team (*members listed on page 1*). The Trustees are thankful to God for a committed staff team who work hard to support volunteers and to advance the aims of the Movement.

Pay policy for senior staff

The members of the Leadership Team (*listed on page 1*) are the key management personnel of the Movement in charge of directing, controlling and operating SU on a day-to-day basis.

Members of the Leadership Team require a breadth and depth of expertise and credibility which requires drawing from the best senior level talent within the Christian community. This is balanced with seeking to keep salary costs under control and ensuring that senior staff pay is connected to the pay of other staff.

The Trustees annually review and determine the pay of the Leadership Team with reference to comparable national charities' pay levels (XpertHR Voluntary Sector Salary Survey). The Trustees aim to follow the principle that the pay of the highest paid employee is not normally more than four times the average full-time-equivalent salary of the administrative-level roles within the Movement.

Details of the employment benefits paid to the Leadership Team during the year are included in Note 5 to the financial statements (*page 30*).

Related parties

All trustees give of their time freely and no trustee received remuneration during the year. Details of trustees' expenses and any related party transactions are disclosed in Note 6 to the financial statements (*page 31*).

Trustees are required to disclose all relevant interests and register them with the Company Secretary and, in accordance with the Movement's policy, withdraw from decisions where a conflict of interest arises.

Grant-making policy and principles

One of the ways in which SU works out its mission is by setting aside a proportion of income and resources each year to make grants to other SU movements and to organisations with a very close association to SU, for example local mission partners (*see page 30*). In addition, we receive gifts from our supporters which we use to make grants to support specific projects in other parts of the

world. We do not fund individuals. The overriding purpose of any grant made is to further SU's mission locally, regionally, nationally or internationally.

Grants are made at the discretion of the Trustees and this responsibility is delegated to the Leadership Team. Robust procedures are followed to ensure that consideration and awarding of grants is in line with the principles set out below, and that the quality and timeliness of reporting meets the requirements of SU's Audit and Finance Committee (*see pages 16-17*). Grant allocations amounting to £166,000 were made during the year (2021: £244,000). (*See Note 4 to the financial statements, pages 29-30, for a summary of grant allocations.*)

Since the needs of the SU family are great and available funding is limited, the following principles set out the way in which SU allocates its grants:

- Grants will be of strategic benefit for the growth of SU's mission and used in a manner consistent with SU's Statement of aims, beliefs and working principles.
- Grants will be made only where we are confident that it is possible to ensure that funds will be used for the intended purpose and that the recipient is able to commit to providing appropriate and timely reports on the use of the funds in a manner that meets the requirements of SU's Audit and Finance Committee.
- Grants will normally be for start-up, project or emergency purposes that will not create long-term financial dependence. They should therefore be 'one-off' or on a diminishing basis over a period of two or three years.
- Match-funding grants will be considered as a means of encouraging and facilitating local fundraising by the recipient.
- Assessment of grant requests will include scale of need and availability of other funding sources.
- The overall allocation of grants made by SU must adequately reflect our priority of sharing the good news of Jesus with children and young people who don't yet know him. This may include supporting projects that create local sustainability to achieve that priority.

Appointment of external auditor

MHA MacIntyre Hudson was appointed as external auditor in 2019 and has expressed willingness to continue in that capacity.

* * * * *

The Trustees submit their annual report and the audited financial statements for the year ended 31 March 2022. The financial statements comply with current statutory requirements, the Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102).

This Trustees' Annual Report, which incorporates the Strategic Report, was approved by the Trustees in their capacity as Company Directors on 13 July 2022 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Honorary Treasurer

Independent Auditor's Report to the Members of Scripture Union

For the year ended 31 March 2022

Opinion

We have audited the financial statements of Scripture Union (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the

financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

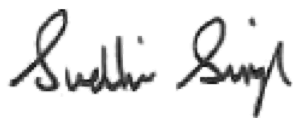
- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sudhir Singh FCA
(Senior Statutory Auditor)

for and on behalf of MHA MacIntyre Hudson
Statutory Auditor
London, United Kingdom

Date: 7 October 2022

Statement of financial activities incorporating an income and expenditure account for the year ended 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Income and endowments									
<i>Income from generated funds:</i>									
- Income from donations and legacies	2a	3,097	386	-	3,483	3,183	440	-	3,623
- Income from investments	2b	34	20	-	54	34	21	-	55
- Income from grants	2c	-	-	-	-	20	-	-	20
<i>Income from charitable activities:</i>									
- Holidays and missions		57	-	-	57	9	-	-	9
- Other fee income		15	-	-	15	17	1	-	18
- Publishing sales and royalties		791	-	-	791	801	-	-	801
Total income		3,994	406	-	4,400	4,064	462	-	4,526
Expenditure									
<i>Expenditure on raising funds:</i>									
- Cost of raising funds		456	-	-	456	426	-	-	426
<i>Expenditure on charitable activities:</i>									
- Face-to-face mission in England and Wales		2,182	288	-	2,470	1,741	326	-	2,067
- Advocacy		209	-	-	209	236	-	-	236
- Content creation		337	16	-	353	340	20	-	360
- Commercial publishing		727	-	-	727	729	-	-	729
- International activities		222	96	-	318	234	115	-	349
Total expenditure	4	4,133	400	-	4,533	3,706	461	-	4,167
Net gain/(loss) on investment assets	8a	97	-	(37)	60	646	-	68	714
Net (expenditure)/income for the year being net movement in funds		(42)	6	(37)	(73)	1004	1	68	1,073
<i>Reconciliation of funds:</i>									
Fund balances brought forward		5,774	177	693	6,644	4,770	176	625	5,571
Fund balances carried forward	13	5,732	183	656	6,571	5,774	177	693	6,644

- a) All of the above results are derived from continuing activities. SU has no other recognised gains and losses other than those stated above.
- b) Income from donations and legacies in both 2021 and 2022 benefited from legacy income which significantly exceeded expectations.
- c) The net deficit for the year was due to spend on Project and Development Fund (PDF) initiatives of £596,000 (see Reserves Policy, pages 10-11, for more details).

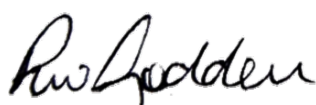
The Notes on pages 25-36 form part of these financial statements.

Balance sheet

As at 31 March 2022

	Notes	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	7	858	890
Investments	8a	4,490	4,907
Total Fixed Assets		5,348	5,797
Current assets			
Investments	8b	-	122
Stocks	9	104	109
Debtors	10	664	447
Cash at bank and in hand		1,315	1,056
Total Current Assets		2,083	1,734
Liabilities			
Creditors: amounts falling due within one year	11	(847)	(868)
Net current assets		1,236	866
Total assets less current liabilities		6,584	6,663
Provisions for liabilities	12	(13)	(19)
Net assets		6,571	6,644
The funds of the Charitable Company	13		
Unrestricted funds			
Fixed assets fund		858	890
Working capital fund		-	-
Project and development fund		2,381	2,227
International fund		484	579
General fund		2,009	2,078
		5,732	5,774
Restricted funds			
Income fund		183	177
Endowment funds			
Endowment fund		656	693
Total charity funds		6,571	6,644

The financial statements were approved and authorised for issue by the Trustees on 13 July 2022 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Honorary Treasurer

The Notes on pages 25-36 form part of these financial statements.

Company Registration Number 00039828

Statement of cash flows

for the year ended 31 March 2022

	Notes	2022 £'000	2021 £'000
Net cash (used in) operating activities	<i>See (a) below</i>	(368)	163
Cash flows from investing activities			
Interest received	2b	34	34
Dividends received	2b	20	21
Purchase of tangible fixed assets	7	(26)	(14)
Sale of investments	8a	1,241	695
Purchase of investments	8a	(709)	(2,536)
Movement in investment cash	8a	(55)	25
Net cash from investing activities		505	(1,775)
Change in cash and cash equivalents for the year		137	(1,612)
Cash and cash equivalents at the beginning of the year		1,178	2,790
Total cash and cash equivalents at the end of the year	<i>See (b) below</i>	1,315	1,178

Change in cash and cash equivalents due to exchange rate movements during the year was £654 (2021: £1,729).

Notes to statement of cash flows

(a) Reconciliation of net income/(expenditure) for the year		2022 £'000	2021 £'000
Net (expenditure)/income for the reporting period	<i>Notes See SOFA</i>	(73)	1,073
<i>Adjustments for:</i>			
Depreciation charges	7	58	58
Net (profit)/loss on investments	8a	(60)	(714)
Dividends and interest from investments	2b	(54)	(55)
Decrease in stocks	9	5	62
(Increase) in debtors	10	(217)	(26)
(Decrease) in creditors	11	(21)	(229)
(Increase) in provision for pensions	12	(6)	(6)
Net cash (used in)/provided by operating activities		(368)	163
(b) Cash and cash equivalents	<i>Notes</i>	2022 £'000	2021 £'000
Cash at bank and in hand	<i>See Balance Sheet</i>	1,315	1,056
Notice deposits (less than 3 months)	8b	-	122
Net funds		1,315	1,178

The Notes on pages 25-36 form part of these financial statements.

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

- a) **Basis of preparation and assessment of going concern** – The financial statements have been prepared under the historical cost convention, with the exception of investments which are included on a market value basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006.

SU constitutes a public benefit entity as defined by FRS 102.

These financial statements are presented in £'000's.

The Trustees consider that there are no material uncertainties about SU's ability to continue as a going concern. For the year ending 31 March 2023 an operating deficit is planned and project and development activity will be funded from the designated Project and Development Fund reserve. A regular review of income has been implemented. In addition to ownership of a building used as the national office and long-term reserves, SU has a healthy cash balance. Cash flow forecasts indicate that ongoing operational activity will continue beyond the twelve months from signature of these financial statements.

- b) **Company status** – Scripture Union is a company limited by guarantee. The guarantors are the members of the Company who are also members of the Council (as outlined on page 15). The liability in respect of the guarantee, as set out in the Articles of Association, is limited to £10 per member.
- c) **Income recognition** – All income, including Government grants, is recognised when SU has entitlement to the funds, the receipt is probable, and the amount can be measured reliably. All income is accounted for on a receivable basis. For legacies, this is when SU becomes entitled to the income, based on notifications received, when there is probability of receipt and when the amount is reliably measurable. Donations are recognised when any performance-related conditions are met.

Publishing sales represent the amounts receivable for goods sold in the normal course of business, net of trade discounts and Value Added Tax (VAT).

Interest on funds held on deposit are accrued for in line with the current advised interest rate.

Dividends are recognised once the dividend has been declared and notification of the dividend due has been received.

The Movement receives funds on behalf of other SU national movements. These funds are recognised as income and expended as grants within the Statement of Financial Activities (SOFA) and are shown as a liability or creditor on the Balance Sheet. The Charitable Company holds these granted funds within a 'client account'.

No amounts are included in the financial statements for services donated by volunteers.

- d) **Expenditure recognition** – Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing SU to that expenditure, the amount of the obligation can be measured reliably, and it is probable that settlement will be required. SU exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities relating to grants and sabbatical allowances. Judgement is necessary in assessing the likelihood that the liability will be realised and in quantifying the possible value of that liability.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to Note 1(e).

Charitable expenditure comprises expenditure related to the direct furtherance of SU's charitable objects. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

Cost of generating funds includes fees paid to fundraising consultants, staff time, database development costs and apportioned overhead costs.

Grants payable are payments made to third parties in the furtherance of SU's charitable objects. Grant awards are subject to the recipient fulfilling performance conditions. The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Movement that would permit SU to avoid making the future payment(s), settlement is probable, and the effect of discounting is material.

Termination benefits, including redundancy costs, are recognised when the Charitable Company has the obligation to pay the benefits and they can be reliably measured.

- e) **Allocation of support and governance costs** – Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company and include internal and external audit costs, Board and Council meeting costs and an allocation of indirect costs to cover support from members of staff. Other support costs are those functions that assist the work of the Movement but do not directly undertake charitable activities.

The allocation of support and governance costs is set out in Note 4 (*pages 29-30*). The basis on which these costs are allocated is:

Finance	Staff time
Technical Services	Headcount
Human Resources	Headcount
Facilities	National Office Headcount
Database	Staff time
Mobilisation	Staff time
Management / Leadership Team	Staff time

- f) **Fund accounting** – The Trustees have established three designated funds. These are unrestricted funds which have been allocated for specific purposes. Restricted funds are funds subject to specific restrictions imposed by donors. Endowment funds are funds given to the Charitable Company as capital. The purpose and use of the designated, restricted and endowment funds are set out in Note 13 to the financial statements (*pages 33-34*).
- g) **Tangible fixed assets and depreciation** – Tangible fixed assets are stated at cost including any incidental expenses of acquisition, less accumulated depreciation and any impairment. Assets are capitalised when the cost totals £500 or more. Depreciation is provided on all tangible fixed assets (except freehold land, which is not depreciated) at rates calculated to write off the cost on a straight-line basis over their expected useful economic life as follows:
- | | |
|---------------------------------|-------------|
| Freehold brick buildings | fifty years |
| Fixtures and fittings | ten years |
| Computers and similar equipment | three years |
- h) **Investments** – Investments are stated at market value at the balance sheet date. Realised and unrealised gains and losses are included in the SOFA as they arise.
- i) **Stocks** – Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs and the attributable proportion of production overheads. Net realisable value is based on

estimated selling price net of trade discounts. Provision is made for slow-moving items where appropriate.

- j) **Debtors** – Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- k) **Creditors and provisions** – Creditors and provisions are recognised where SU has a present obligation resulting from a past event that will or probably will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- l) **Pensions** – SU operates the Scripture Union (Legal & General) Personal Pension Plan. This is a defined contribution occupational pension scheme and the amount charged to the SOFA is the employer's contributions payable during the year. SU had a final salary pension scheme, the benefits of which were secured by an annuity in 1996 when the scheme was closed.
- SU provides pensions to a small number of former staff on an unfunded basis. These staff worked for the Movement before a formal pension plan was set up or were ineligible to join a Revenue approved scheme. All the people entitled to such pensions are either retired or no longer employed by SU and the regular cost of the scheme is immaterial. Assessment of the unfunded pension liability is carried out annually and appropriate provision made in the Balance Sheet and the SOFA. SU's contribution is restricted to the contributions disclosed in Note 5 (page 30). There were no outstanding contributions at the end of the year.
- m) **Operating leases** – Rentals under operating lease contracts are charged to the SOFA on a straight-line basis over the lease term, even if the payments are not on such a basis.
- n) **Foreign currency translation** – Transactions in foreign currency are recorded in sterling at the rate of exchange ruling on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.
- o) **Taxation** – SU, as a registered charity, is exempt from taxation on its income and gains falling within sections 466-493 of the Corporation Tax Act 2010 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year. The Charitable Company is registered for VAT. Certain of SU's activities are exempt from or outside of the scope of VAT. Accordingly, SU is unable to reclaim all input VAT suffered. Recoverable input VAT is included in debtors. Irrecoverable input VAT is written off to the SOFA as incurred.
- p) **Critical accounting estimates and areas of judgement** – Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are listed below.
- Depreciation rates for tangible fixed assets
 - Useful economic lives of assets
 - Allocation of support costs
 - Legacy income accruals
 - Stock provisions

The Trustees do not consider the COVID-19 pandemic to have had a material impact on these accounting estimates and areas of judgement.

q) **Financial instruments** – The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The financial assets and financial liabilities of the Charitable Company are as follows:

- **Debtors** – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 10 (see page 32). Prepayments, legacies receivable, tax recoverable and accrued income are not financial instruments.
- **Cash at bank** – is classified as a basic financial instrument and is measured at face value.
- **Liabilities** – trade creditors, accruals, loans payable and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Note 11 (see page 32). Taxation and social security are not included in the financial instruments' disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2. Income

2a. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Donations	2,001	381	-	2,382	2,128	404	-	2,532
Legacies	1,096	5	-	1,101	1,055	36	-	1,091
	<u>3,097</u>	<u>386</u>	<u>-</u>	<u>3,483</u>	<u>3,183</u>	<u>440</u>	<u>-</u>	<u>3,623</u>

2b. Income from investments

	2022 £'000	2021 £'000
Interest receivable	34	34
Dividends receivable	20	21
	<u>54</u>	<u>55</u>

Of the investment income, £20,000 (2021: £21,000) was attributable to restricted income with the balance of £34,000 (2021: £34,000) adding to unrestricted funds.

2c. Income from grants

	2022 £'000	2021 £'000
Government grants	-	20
	<u>-</u>	<u>20</u>

During the year, the Charitable Company claimed no COVID-19 Job Retention Scheme grants (2021: £19,723) for staff unable to continue to work during lockdown. There are no unfulfilled conditions to this income at year end.

3. Net income for the year is stated after charging:

	2022 £'000	2021 £'000
Auditor remuneration: Audit fee	18	18
Auditor remuneration: Other services (corporation tax)	2	1
Depreciation charges	58	58
Operating lease rentals: machinery	4	3
	<u>82</u>	<u>80</u>

4. Expenditure

	Grant funding of activities (see below)		Support costs (see below)		Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Costs of raising funds	-	108	348	456	426	
Face-to-face mission in England and Wales	-	1,951	519	2,470	2,067	
Advocacy	-	68	141	209	236	
Content creation	-	263	90	353	360	
Commercial publishing	-	619	108	727	729	
International activities	166	112	40	318	349	
Total 2022	166	3,121	1,246	4533	4,167	
Total 2021	244	2,738	1,185	4,167		

Full comparative numbers for year ended 31 March 2021 are included as a separate Note on page 35.

Analysis of support costs	Finance £'000	Technical Services £'000	Human Resources £'000	Facilities £'000	Database £'000	Mobilisation £'000	Management/ Leadership Team £'000	Total 2022 £'000	Total 2021 £'000
Costs of raising funds	98	36	3	24	28	149	10	348	293
Face-to-face mission in England and Wales	87	180	29	60	23	26	114	519	515
Advocacy	9	15	2	13	9	64	29	141	108
Content creation	18	36	5	11	5	6	9	90	115
Commercial publishing	25	27	5	15	18	14	4	108	98
International activities	10	6	1	3	3	3	14	40	56
Total 2022	247	300	45	126	86	262	180	1,246	1,185
Total 2021	281	259	44	133	79	205	184	1,185	
<i>Basis of allocation</i>	Staff time	Headcount	Headcount	National Office Headcount	Staff time	Staff time	Staff time		

The basis on which costs have been allocated is outlined in Note 1(e) (page 26). Cost allocation includes an element of judgement and SU has had to consider the cost benefit of detailed calculations and record keeping. To ensure full-cost recovery on projects, SU adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. The support costs shown are therefore a best estimate of the costs that have been so allocated.

Included within support costs is £48,000 (2021 £43,000) of Governance costs which comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company. It includes internal and external audit costs of £18,000 (2021: £18,000), Board and Council meeting costs of £4,000 (2021: £203) and an allocation of indirect costs to cover support from members of staff of £26,000 (2021: £25,000).

Grant activity in furtherance of the Charitable Company's objects	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2022 £'000	Total 2021 £'000
<i>International grant activity</i>					
Africa	-	47	12	59	74
Worldwide	-	39	10	49	89
Americas	-	37	8	45	70
Former Soviet Republics	-	21	5	26	36
Europe	-	9	2	11	47
Pacific	-	9	2	11	12
Rest of Britain & Ireland	-	3	1	4	13
Asia	-	1	-	1	7
Grant activity - international	-	166	40	206	348
Grant activity - England and Wales	30	-	20	50	61
Total 2022	30	166	60	256	409
Total 2021	89	244	76	409	

Grant allocations amounting to £166,000 (2021: £244,000) were made during the year. There were no new multi-year grant commitments (2021: £31,000) which are payable in future years. There were £6,000 grant commitments (2021: £9,000) accrued at the start of the year which remain payable in future years.

Movement in recognised funding commitments during the year

Charitable commitments accrued
£'000

Grant commitments accrued at the start of the year	41
New grant commitments charged to the Statement of Financial Activities during the year	166
Grants paid during the year	(201)
Amount of grant commitments accrued as at 31 March 2022	6

Further details on grants are available on request to the Movement.

SU England and Wales works in partnership with, and makes grants to, independent SU movements around the world as noted on pages 8, 17 and 18.

We also work in partnership with a range of independent trusts who look to SU for support and guidance on best practice in work with children and young people, including:

- Local mission partners, whose aims are similar to those of SU and who operate in a particular local area, referred to on pages 2, 4, 5, 6, 7 and 17. Mission partners are individual trusts or groups affiliated with SU and are an integral part of SU's regional teams. This partnership enables trusts to respond to local needs whilst sharing the SU core values and identity.
- Great Wood Trust - SU has use of the Great Wood site under a licence agreement.

5. Staff costs and remuneration of key management personnel

	2022 £'000	2021 £'000
Staff costs		
Wages and salaries	2,208	1,942
Social security costs	219	189
Reorganisation costs	-	7
Pension costs		
Scripture Union (L&G) Personal Pension Plan	202	188
Unfunded pension scheme	6	6
	2,635	2,332
Average number of employees, analysed by function	2022 Number	2021 Number
Income generation	5	4
Advocacy	3	3
Face-to-face mission in England and Wales	37	36
Content creation	7	6
Commercial publishing	6	6
International activities	1	1
Administration and support of staff and volunteers	12	9
	71	65

The average number of employees during the year was 71 (2021: 65), including 23 (2021: 19) part-time employees with no adjustment in the above table to take account of the number of hours worked. The average number of full-time equivalent employees during the year was 65 (2021: 62). No contractual reorganisation costs (2021: £7,000) were incurred during the year.

SU's key management personnel are the members of the Leadership Team (*listed on page 1*). The employment benefits of the key management personnel – including employer pension and national insurance contributions – totalled £372,000 (2021: £373,000).

During the year, two employees (2021: one employee) earned between £60,001 and £70,000, no employee (2021: one employee) earned between £80,001 and £90,000, and one employee (2021: no employee) earned between £90,001 and £100,000, excluding employer pensions contributions.

6. Related Parties

The Trustees received no emoluments in their role as trustees during the year, but eight of the eleven trustees received reimbursement of travel expenses totalling £1,502 (2021: £82 reimbursed to one of ten trustees).

During 2021/22, Dominic Vis the son of Stephen Vis, Finance & Services Director and a member of Key Management Personnel, commenced employment by the Charity in the role of an IT assistant. Stephen Vis was not involved in the appointment process. Dominic Vis was employed under standard terms of employment and at the normal pay scales as applied to other members of staff for such roles. There were no payments to Dominic Vis in 2021. (2021: Culture and Innovation Director was paid £250 and his wife was paid £300 during the year for writing notes for one of our Bible reading guides).

7. Tangible fixed assets	Freehold land and buildings £'000	Computer equipment £'000	Fixtures and fittings £'000	Machinery £'000	Total £'000
Cost:					
At 1 April 2021	810	233	253	12	1,308
Additions	-	25	1	-	26
Disposals	-	(5)	-	(2)	(7)
At 31 March 2022	810	253	254	10	1,327
Depreciation:					
At 1 April 2021	81	211	114	12	418
Charge for year	16	16	26	-	58
Disposals	-	(5)	-	(2)	(7)
At 31 March 2022	97	222	140	10	469
Net book value					
At 31 March 2022	713	31	114	-	858
At 31 March 2021	729	22	139	-	890

At 31 March 2022, the Trustees had authorised capital expenditure for the ensuing year of £52,000 (2021: £71,000). Disposals as shown on the SOFA are shown net of depreciation. There were no capital commitments as at 31 March 2022 (2021: £nil).

No triggering event since the review of asset valuations undertaken in the first quarter of 2021 has been identified, and as such no further impairment review has been necessary.

8. Investments

8a. Fixed asset investments

	2022 £'000	2021 £'000
Investments at market value		
Investment cash	78	24
Fixed Interest & UK Government stocks	448	511
UK Listed Stock Exchange Investments, Unit Trusts and OEICs	3,964	4,372
	4,490	4,907
<i>Movement during the year:</i>		
Market value at 1 April	4,907	2,377
Less: Disposals at open market value	(1,240)	(695)
Add: Acquisition at cost	709	2,536
Net gain on revaluation	60	714
Movement in investment cash	54	(25)
Market value at 31 March	4,490	4,907

The historic cost of investments is £3,685,000 (2021: £3,809,000).

8b. Current asset investments

	2022 £'000	2021 £'000
Scottish Widows	-	122
	-	122

Current asset investments represent short-term cash deposits. The Scottish Widows account was closed during the year.

9. Stocks

	2022 £'000	2021 £'000
Work in progress	31	17
Finished goods	73	92
	<u>104</u>	<u>109</u>

Value of stock recognised as an expense on the SOFA is £172,000 (2021: £177,000).

10. Debtors

	2022 £'000	2021 £'000
Trade debtors	71	19
Tax recoverable	80	51
Other debtors	79	27
Legacies receivable	372	300
Prepayments and accrued income	62	50
	<u>664</u>	<u>447</u>

Prior to sign-off of the financial statements, SU had been notified of further legacies with an estimated value of £339,000 (2021: £246,000). In accordance with Note 1(c) as noted on page 25, it was not considered appropriate to accrue for this amount in the financial statements as at 31 March 2022 all criteria for recognising legacy income in these instances had not been met.

11. Creditors

Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	330	191
Accruals and deferred income	346	567
Taxation and social security costs	53	46
Interest free loans from supporters	32	32
Other creditors	86	32
	<u>847</u>	<u>868</u>

Deferred income

	2022 £'000	2021 £'000
Deferred income at 1 April	144	144
Resources deferred during the year	133	144
Amounts released from previous periods	(144)	(144)
Deferred income at 31 March	<u>133</u>	<u>144</u>

Deferred income relates to subscriptions on dated published products and holiday income in advance of the event taking place.

12. Provisions for liabilities

	2022 £'000	2021 £'000
<i>Ex-gratia pensions</i>		
Balance at start of year	19	25
Pensions paid	(9)	(9)
Increase in provision	3	3
Balance at end of year	<u>13</u>	<u>19</u>

Ex-gratia pensions are provided to a small number of former staff on an unfunded basis. See Note 1(l) (page 27) for more details.

13. Statement of funds	Balance 1 April 2021 £'000	Income £'000	Expenditure £'000	Net investment gains/(losses) £'000	Transfers £'000	Balance 31 March 2022 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	890	-	-	-	(32)	858
Project and Development	2,227	-	(596)	-	750	2,381
International	579	65	(160)	-	-	484
	3,696	65	(756)	-	718	3,723
General fund	2,078	3,929	(3,377)	97	(718)	2,009
Total unrestricted funds	5,774	3,994	(4,133)	97	-	5,732
Restricted funds						
Income funds:						
Endowment income	-	20	(20)	-	-	-
Gifts for SU overseas	-	96	(96)	-	-	-
Good News Fund	15	2	(6)	-	-	11
Google AdWords	-	16	(16)	-	-	-
Rooted	14	-	-	-	-	14
SU Holiday Fund	102	9	-	-	-	111
Team support	-	249	(249)	-	-	-
Others	46	14	(13)	-	-	47
Total restricted funds	177	406	(400)	-	-	183
Endowment funds						
Endowment fund	693	-	-	(37)	-	656
Total endowment funds	693	-	-	(37)	-	656
Total funds	6,644	4,400	(4,533)	60	-	6,571

Full comparative numbers for year ended 31 March 2021 are included as a separate Note on page 36.

Unrestricted funds

Designated funds are as follows:

- The **Fixed Assets Fund** represents the net book value of fixed assets.
- The **Project and Development Fund** is a provision for the development of SU mission, i.e. to enable 'step-change' growth of current and initiation of new mission activities. It provides a means of smoothing the receipt and expenditure of legacy income, or other income that exceeds budgeted levels, to provide for impact of the one-off project and development expenditure. Details of plans for use of this Fund are outlined in the *plans for next year and beyond* section (page 9).
- The **International Fund** is a provision for the support of projects in SU movements around the world. At the discretion of the Trustees, an agreed percentage of gift income not specifically restricted for other SU movements and unrestricted legacies is transferred to the fund. Grants are made throughout the year and relevant expenditure incurred is charged to the fund as it arises.

The remaining unrestricted funds, referred to as the **General Fund**, are available for use in the event of an unanticipated downturn in the level of income received and to fund any deficits on current charitable activities.

Restricted funds

Income funds are as follows:

- **Endowment income** refers to income arising from the endowment fund investments which is restricted for the mission work of SU at home and especially for work in schools.
- **Gifts for SU overseas** refers to gifts for support of the work of SU in other parts of the world. At the discretion of the Trustees, these gifts are forwarded to relevant movements as a grant. We are legally required to ensure that all such grants are used for purposes consistent with SU's charitable objectives.
- **Good News Fund** refers to gifts received to provide grants to equip and resource local churches and mission partners in initiatives to share the good news of Jesus with children and young people in local communities.
- **Google AdWords** refers to a monthly in-kind grant for AdWords advertising provided under the Google Grants for Non-profits Programme.

- **Rooted** refers to a gift to promote this resource below fully allocated cost to maximise reach and impact.
- **SU Holiday Fund** refers to gifts received to provide financial assistance for children whose families cannot afford for them to attend an SU holiday.
- **Team support** refers to gifts and payments received to support the work of an employee or group of employees.
- **Others** comprises gifts and grants given for specified purposes or projects not falling into the categories covered by the above seven income funds.

With the exception of in-kind Google AdWords grants, restricted income funds are represented by cash balances.

Endowment funds

The **Endowment fund** represents a capital endowment which is normally held in a designated portfolio of stocks and shares.

<i>Analysis of funds by asset</i>	Tangible fixed assets	Investments	Current assets	Liabilities and provisions	Total 2022
<i>Funds</i>	£'000	£'000	£'000	£'000	£'000
General	-	2,584	285	(860)	2,009
Designated	858	1,250	1,615	-	3,723
Restricted	-	-	183	-	183
Endowment	-	656	-	-	656
Total	858	4,490	2,083	(860)	6,571

14. Financial commitments

At 31 March 2022 SU had remaining commitments under non-cancellable leases as follows:

	2022	2021
<i>Expiry date</i>	Machinery	Machinery
	£'000	£'000
Within one year	4	3
Two to five years	14	12
Over five years	-	2
Total	18	17

The value of lease payments included in the SOFA in the year was £4,000 (2021: £3,000).

Comparative data for year ended 31 March 2021

4. Expenditure (2021 comparative)	Grant funding of activities (see below) £'000	Direct costs £'000	Support costs (see below) £'000	Total 2021 £'000
Costs of raising funds	-	133	293	426
Face-to-face mission in England and Wales	11	1,541	515	2,067
Advocacy	-	128	108	236
Content creation	-	245	115	360
Commercial publishing	-	631	98	729
International activities	233	60	56	349
Total 2021	244	2,738	1,185	4,167

Analysis of support costs

	Finance £'000	Technical Services £'000	Human Resources £'000	Facilities £'000	Database £'000	Mobilisation £'000	Management / Leadership Team £'000	Total 2021 £'000
Costs of raising funds	73	31	3	25	35	111	15	293
Face-to-face mission in England and Wales	100	156	28	64	22	33	112	515
Advocacy	7	13	2	13	4	48	21	108
Content creation	51	31	5	12	2	4	10	115
Commercial publishing	30	23	5	16	12	7	5	98
International activities	20	5	1	3	4	2	21	56
Total 2021	281	259	44	133	79	205	184	1,185
<i>Basis of activity</i>	Staff time	Headcount	Headcount	National Office Headcount	Staff time	Staff time	Staff time	

**Grant activity in furtherance of the
Charitable Company's objects**

	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2021 £'000
Scripture Union worldwide	20	49	20	89
Scripture Union – Africa	13	49	12	74
Scripture Union – Americas	12	55	3	70
Scripture Union – England and Wales	30	11	20	61
Scripture Union – Europe	3	36	8	47
Scripture Union – Former Soviet Republics	5	23	8	36
Scripture Union – rest of Britain & Ireland	2	9	2	13
Scripture Union – Pacific	2	9	1	12
Scripture Union – Asia	2	3	2	7
Total 2021	89	244	76	409

Movement in recognised funding commitments during the year

	Charitable commitments accrued £'000
Grant commitments accrued at the start of the year	27
New grant commitments charged to the Statement of Financial Activities during the year	244
Grants paid during the year	(230)
Amount of grant commitments accrued as at 31 March 2021	41

13. Statement of funds(2021 comparative)

	Balance 1 April 2020 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Transfers £'000	Balance 31 March 2021 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	934	-	-	-	(44)	890
Working Capital	95	-	-	-	(95)	-
Project and Development	1,392	-	(365)	-	1,200	2,227
International	388	352	(161)	-	-	579
	2809	352	(526)	-	1,061	3,696
General fund	1,961	3,712	(3,180)	646	(1,061)	2,078
Total unrestricted funds	4,770	4,064	(3,706)	646	-	5,774
Restricted funds						
Income funds:						
Endowment income	-	21	(21)	-	-	-
Gifts for SU overseas	-	115	(115)	-	-	-
Good News Fund	13	2	-	-	-	15
Google AdWords	-	19	(19)	-	-	-
Rooted	27	-	(13)	-	-	14
SU Holiday Fund	92	10	-	-	-	102
Team support	-	228	(228)	-	-	-
Others	44	67	(65)	-	-	46
Total restricted funds	176	462	(461)	-	-	177
Endowment funds						
Endowment fund	625	-	-	68	-	693
Total endowment funds	625	-	-	68	-	693
Total funds	5,571	4,526	(4,167)	714	-	6,644

NOTE: The **Working Capital Fund** (designated fund) represented the funds used to finance the continuing activities of the publishing department, comprising the stock and debtors less trade and other creditors of the department. Given the strategic reduced focus on publishing, this designated fund was closed in year ended 31 March 2021 and outstanding balances transferred to the General Fund.

Analysis of funds by asset	Tangible fixed assets £'000	Investments £'000	Current assets £'000	Liabilities and provisions £'000	Total 2021 £'000
<i>Funds</i>					
General	-	4,214	(1,248)	(888)	2,078
Designated	890	-	2,806	-	3,696
Restricted	-	-	177	-	177
Endowment	-	693	-	-	693
Total	890	4,907	1,735	(888)	6,644



Scripture Union

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Limited Company 39828 Registered in England and Wales Registered Charity 213422

Accounts



Scripture Union

Year in review

Trustees' annual report & financial statements

YEAR ENDED
31 MARCH
2021

“Though the mountains be shaken and the hills be removed, yet my unfailing love for you will not be shaken nor my covenant of peace be removed”

ISAIAH 54:10 (NIV)

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Report of the Trustees (incorporating the Directors' and Strategic Reports) for year ended 31 March 2021

The Trustees are pleased to present their annual Directors' report and financial statements of the Charitable Company for the year ended 31 March 2021 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details of the charity, its trustees and advisers

Status	Scripture Union is a charitable company limited by guarantee. It is governed by its Articles of Association adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020.	
Registered name	Scripture Union (also known as ‘SU’, ‘SU England and Wales’ and ‘Scripture Union Cymru’)	
Charity registration number	213422	
Company registration number	00039828	
Country of incorporation	England and Wales	
Principal & registered office	Trinity House, Opal Court, Opal Drive, Fox Milne, Milton Keynes MK15 0DF	
Trustees	Mr Richard GoddenChair Ms Kim HurstHonorary Treasurer Mr Richard Evans Mr Malcolm Forsyth(appointed 19 November 2020) Rev Dr Mark Griffiths Rev Stephen Hallett Mr Junior Johnson Mrs Julie Kittow(appointed 17 November 2020) Rev Dr Edward Scrase-Field Mr Timothy Warren	
Leadership Team	Dr Myles MacBeanNational Director Mr Terence ClutterhamCulture & Innovation Director Mrs Keren MallinsonMission Development Director (until 31 December 2020) Mr Richard ShawMission Development Director (from 1 April 2021) Mr Stephen VisFinance & Services Director Mrs Rachel WarwickMobilisation Director	
Company Secretary	Mrs Susan Winning	
Bankers	HSBC Bank PLC, 4th Floor, 3 Temple Quay, Bristol BS1 6DZ	
Solicitors	Pothecary Witham Weld, 70 St Georges Square, London SW1V 3RD	
Auditor	MHA MacIntyre Hudson, 6 th Floor, 2 London Wall Place, London EC2Y 5AU	
Investment advisers	Rathbones Investment Management Limited, 8 Finsbury Circus, London EC2M 7AZ	
Insurance brokers	Zurich Municipal, 2 Gladiator Way (N2), Farnborough, Hants GU14 6GB	

Introduction

2020-21 was, of course, the year of COVID-19; a year of exceptional disruption and uncertainty. In these circumstances, if this Report were an account of crisis management and damage limitation, it is likely that few readers would be surprised.

But that is not what this Report comprises. It is far more positive. Yes, there was a lot of creativity and leadership deployed in responding to COVID-19 limitations, but 2020-21 was also a year of progress in which many of The 95 heard the gospel and the foundations were laid for many more to do so in coming years.

Scripture Union (SU) was already working towards greatly increased use of digital communication channels, and the advent of the COVID-19 pandemic thus led to a huge increase in the speed of their adoption rather than a radical change of direction. There was an astonishingly rapid move from in-person to on-line events and from hard copy to digital content: 1,334 guests attended on-line events; 'Lockdown' and 'Leaving Lockdown' videos were viewed over 33,000 times; over 4,000 people attended on-line training events; and there were 1,849 downloads of the Halloween and Christmas resources packs.

Our new *Revealing Jesus* strategy was formally launched in October 2020 at an on-line event joined by over 1,100 people, which compares with the 300 people we might have expected to attend the previously planned physical event. Since the launch, and despite an inevitable slowdown during the last lockdown, by 31st March 2021 109 Faith Guides from 73 churches across England and Wales had committed to working with us to accompany The 95 on their journey of faith.

These things required a huge amount of work by our Leadership Team and staff, who had to alter their working practices dramatically. They were greatly assisted by the investment in technology infrastructure that was made in 2019-20 but such technology requires a willingness to change, and our staff rose to the challenge. In the Report for 2019-20, I commented that the new Leadership Team had been subjected to an onerous test and had come through with flying colours and I can say the same thing this year. On behalf of the Trustees, I would again like to thank Myles MacBean and the Leadership Team.

Keren Mallinson, our former Mission Development Director, left her role at the end of 2020. Her six years with Scripture Union were a time of great change and her organisational skills, judgment and capacity for work were greatly appreciated throughout that time. She will be greatly missed and, on behalf of the Trustees, I would like to thank her for all that she did for SU and to welcome her successor, Richard Shaw.

Two new Trustees joined the Board in November 2020, Malcolm Forsyth and Julie Kittow. They bring to the Board considerable experience of work with children and young people in different contexts and we are already appreciating their contributions.

During the course of the year, the Trustees spent a lot of time considering issues arising from the terrible abuse committed by John Smyth forty years ago (*see page 14*). We remain deeply saddened by the abuse suffered by the victims, and profoundly regret that such acts were carried out by someone associated with Scripture Union. We remain committed to ensuring that our current practices continue to be shaped and improved by lessons learned so that we serve and protect those in our care to the best of our ability.

Finally, I would like to express the thanks of the Trustees to all those who have supported Scripture Union by means of prayer, by giving their time or by giving financially. SU aims to mobilise the Church in England and Wales to reach The 95 and this will only be achieved as many Christians around the country respond to God's call to join together in the task. We constantly thank God as we see him responding to our prayers in relation to this.

Richard Godden
Chairman

Aims, objectives and activities

Aims

SU's overarching aim is to make God's good news known to children and young people and to encourage them to meet God through the Bible and prayer (*see Objects of the Charity, page 14, for more details*). We work to fulfil this aim as effectively as possible with the resources that God gives us.

Our **vision** is for a new generation of children and young people who have a vibrant, personal faith in Jesus.

Our **mission** is to create opportunities for children and young people to explore the Bible, respond to Jesus and grow in faith.

Our **priority** is to reach those who don't yet know Jesus.

Underpinning everything that we do is the *Bible*: God speaks to us;

prayer: God changes us;

relationship: God works through us;

and *mission*: God involves us.

In all our work, we aim to *care*: we're here to understand struggles faced by children and young people, so if they ask for help, we can give it; to *share*: we're not here to tell children and young people what to think, but to offer a valuable Jesus-centered perspective; and to *empower*: we're here to help children and young people discover answers in their physical and spiritual life, so that they can thrive, not just survive.

Revealing Jesus

Accompanying the 95 on a lifelong journey of faith

In October 2020 we launched *Revealing Jesus*, our new mission framework. Building on our campaign to share the Good News of Jesus with the 95% of children and young people not connected with a church, the framework aims to envision, resource and equip churches as they engage with the younger generations in their community. Setting out a four-stage journey of faith, *Revealing Jesus* invites Christians to act as *Faith Guides* who accompany children and young people over the long term; creating opportunities for them to *Connect, Explore, Respond* and *Grow* in their faith in Jesus. Our *Mission Enablers* walk alongside the *Faith Guides*, using an SU-developed training programme and providing access to a unique series of resource collections to use at each stage. We're praying that this will result in thousands of young people discovering a life of vibrant personal faith in Jesus.

More information can be found at su.org.uk/revealingjesus

Main objectives for the year and our Strategic Plan

The Trustees confirm that they have referred to and have given due regard to the Charity Commission's guidance on public benefit when reviewing the Charitable Company's aims and objectives and when planning future activities. The following pages highlight just some of the ways in which God has been at work through SU to deliver public benefit in the past year as we have continued towards achieving our strategic goals.

As set out in SU's operating plan, we sought, from April 2020, to fulfil our long-term vision by pursuing the following primary objectives:

- **Mobilising others**: Mobilise the SU Movement and the wider Christian community to engage with The 95 as supporters, volunteers and mission partners.
- **Developing thought leadership**: Develop 'best in class' understanding on key aspects of engaging children and young people who are not in church, and influence the Movement and beyond through documenting, communicating and advocating the principles.
- **Creating opportunities**: Pioneer, develop and multiply opportunities for children and young people to explore and grow in the difference Jesus can make to the challenges and adventures of life.
- **Continuing digital transformation**: Ensure transformation of cross-functional, mission enabling systems and processes to underpin organisational growth and efficiency.
- **Supporting global partnership**: Support and learn from SU movements globally who have a passion about working with children and young people who don't yet know Jesus.

Strategic report

Review of activities and performance during the year

The focus of all SU's activities is on sharing the good news of Jesus Christ with children and young people in the belief that the gospel is life-transforming and life-enhancing. It is our conviction that the gospel has a positive impact on individuals who, in turn, have a positive and transformative impact on their families and communities.

Involving volunteers

SU is at heart a volunteer movement. SU volunteers bring action to the Movement, are a rich source of information about the contexts in which they live and are instrumental to the formation of our strategy. They give their time, skills and enthusiasm in a variety of ways – the vast majority in direct mission activity. With COVID-19 pausing many activities through most of the year, it has been difficult for our many volunteers who faithfully work with our teams in face-to-face activity. However, in the times when activity could take place there were 753 known opportunities for volunteer involvement during the year – the equivalent of 661 working weeks, or 14 full-time staff. Without this body of volunteers, which included 560 individuals who volunteered on one or more of SU's holidays, missions or national events, a vast amount of the Movement's mission activity simply would not happen, and we pay tribute to their commitment and generosity in giving their time. Of the volunteer opportunities, 34 were concerned with governance of the Charitable Company (for example, trustees and members of Council) and therefore could not be filled by staff. These contributed the equivalent of an estimated 52 working weeks.

Most opportunities for volunteer involvement relate to events, but many volunteers are becoming involved in regional and national initiatives. Two people worked with us during the year as part of our 10:2 leadership development (young leader) programme and two people worked with us on student placement.

In addition to SU volunteers, our local mission partnership programme involves many hundreds of volunteers supporting 120 workers employed by 67 trusts. *(See Note 4 to the financial statements, page 30, for an outline of our local mission partnership programme.)*

We have not included in our financial statements the value that volunteers bring through the time which they dedicate to the mission of the Movement, but we thank God and we thank each one of them for it all.

Monitoring achievement

The Trustees place great importance on ensuring that progress made in achieving the Movement's strategic objectives is measured and monitored appropriately. Key performance indicators are identified for the Movement's objectives and, alongside relevant commentary, form the basis of a quarterly progress report: the Mission Update. The Mission Update is prepared by the Leadership Team and endorsed by the Trustees before being circulated to members of Council and the full staff team. In addition, detailed monitoring and evaluation of activities, projects and programmes takes place on an ongoing basis by the relevant teams.

Impact of COVID-19

The COVID-19 Action Team was formed in March 2020 and met weekly throughout the year to manage the Movement's response to COVID-19 constraints and opportunities. Always acting in accordance with the government guidelines applicable at any point in time, we remained flexible to meet the rapidly changing circumstances. The Trustees were consulted on policy and informed of key executive decisions at all times.

Mission activity - As reported later (pages 7-8), key changes to normal mission practice included the 2020/21 season of face-to-face *Holidays and Missions* being cancelled and replaced with innovative online activities, while the *Regional Mission* and the *Development Hub* teams pivoted to provide popular online lockdown-specific resources and followed this with imaginative material to support physically-distanced mission.

Mission operations - More generally, the flexibility of our staff and our prior investment in a new technology infrastructure allowed for a rapid move to homeworking for all staff. Nevertheless, throughout the year a small group attended the National Office at least two days a week to enable critical IT, financial and supporter care functions.

Impact on income and going concern - God has continued to be generous to us, and the Fundraising team has continued to implement the Fundraising Strategy with good results. Cash flow has remained healthy. We continue to monitor income on a regular basis, including rolling cash forecasts and scenario modelling to support our Going Concern assessment. Given the strength of our Balance Sheet (see page 23), we are confident that we can continue to operate in the foreseeable future.

Staff wellbeing - God's generosity meant we did not have to instigate a general furlough programme. However, the cancellation of the Holidays and Missions season led to three staff being furloughed for at least part of the summer. A small number of staff also requested and were granted part-time furlough during the third lockdown for child-care purposes. There were a small number of self-isolations and a very small number of COVID-19 infections amongst the staff team, none of which reported as due to mission activity.

Developing new strategy

We rapidly progressed the development of our new strategic mission framework, *Revealing Jesus*, (see page 4) during the year. We defined the new Mission Enabler role and retrained our field staff, implemented necessary systems to support new processes, developed training and support processes to enable us to serve the new Faith Guide role, and built out the innovative content and functionality of the Faith Guide Hub. This was all successfully launched at an online event in October 2020 that attracted over 1,100 live viewers.

After launch, the new mission framework set the agenda across all our major objectives (see below). We continue to iteratively refine the framework based on experience, whilst investigating the framework's impact on areas such as holidays and missions, digital mission, schools work, and mission in socially diverse urban and rural contexts.

Mobilising others

Our aim during the year was to mobilise the SU Movement and the wider Christian community to engage with The 95 as supporters, volunteers and mission partners within the *Revealing Jesus* mission framework.

Initiatives and milestones during the year included:

- Launching and promoting the new *Revealing Jesus* mission framework. We had originally planned to do this at our national conference in June 2020. When this was cancelled due to COVID-19 restrictions, we moved to an online launch in October 2020 which was viewed more than 3,500 times in the first month.
- Growing the Fundraising Team to increase our breadth and capacity. We now have a Major Donor Fundraiser and a Trust Fundraiser on the team and performance in these areas is improving noticeably.

Developing thought leadership

During the year we sought to develop 'best in class' understanding of key aspects of engaging children and young people who are not in church, and to influence the understanding of all those involved in SU's mission activities through documenting, communicating and advocating the principles. Further development of *Revealing Jesus* was delayed due to COVID-19 restricting what could be learned through face-to-face mission. However, good progress was made on other matters including the development of action plans from the ethnicity report (*see below*) that are now beginning to be implemented.

Initiatives and milestones during the year included the following:

- Theological reflection, research and review of SU's mission practice was completed ready for the launch of the *Revealing Jesus* mission framework, and the summary of the *Faith for Gen Z* research was published.
- Formational work on the training modules for Faith Guides and the development of a module on handling the Bible with The 95 were completed.
- The first two public editions of the booklet that forms the basis of our *Revealing Jesus* mission framework were published and distributed in July and October 2020.
- Following the qualitative research *Faith for Gen Z* which was published in 2019, planning was completed for quantitative research into faith formation in Gen Z children and young people, with publication expected in 2022.
- We commenced planning the content of the book that will help tell the story of the development of the *Revealing Jesus* mission framework and progress made in the first two years from launch.
- Following biblical reflection on how we better support and serve ethnic minorities, and on the needs of millennial workers, reports were published and action plans developed on the culture changes needed in the Movement.
- We created a theological framework for prayer, and workshopped ways to develop our understanding and practice of prayer across the Movement.

Creating opportunities for children and young people

Good progress has continued to be made in creating opportunities for children and young people to explore the difference Jesus can make to the challenges and adventures of life. Progress was made in implementing the new *Revealing Jesus* mission framework in all areas, including completion of content collections within the Faith Guide Hub, a review of our future approach to holidays and events against the new framework, the recruitment of Faith Guides and the development of online digital engagement opportunities.

Initiatives and milestones during the year included the following:

- Despite severe COVID-19 restrictions, strong relationships have been developed with Faith Guides and their churches. By the end of March 2021, 109 Faith Guides from 73 churches across England and Wales had registered, with many more having indicated their interest – a tribute to the passion and gifting of our Mission Enablers and the new Faith Guides.
- The new Faith Guide Hub was launched, giving Faith Guides exclusive access to exciting new content collections tailored to support them as they use the *Revealing Jesus* mission framework in their local church setting.
- A new approach to content creation for the Development Hub was created to ensure processes can be easily undertaken with our many internal and external contributors. Phase 2 of the Hub was launched in January 2021 with Phase 3 due for completion by end of July 2021. All phases are increasingly creating resources for a blended online/offline context.

- Knowing that most local mission activity was taking place online due to COVID-19 restrictions, we created a wide range of digital resources to help churches engage with The 95. Videos produced were viewed over 33,000 times.
- We created training and resources to support socially-distanced mission where restrictions allowed, with online training attended by over 4,000 people. QR-code trails for Halloween and Christmas were produced in English and Welsh, with 1,849 downloads of the resource pack and 15,300 QR Code scans.
- Significant in-person mission activity took place when permitted, including sports, detached and community activities.
- Although in-person holidays and missions were cancelled, cross-functional work by staff enabled the provision of 27 online events using a mixture of pre-recorded video and zoom meetings. Registered guests totalled 1,334, and there was a very positive response from attendees, parents and volunteer team members. A detailed review of holidays and missions has taken place using the *Revealing Jesus* mission framework as the backdrop.
- Several organisations have shown strong interest in national partnerships and collaboration agreements as part of the *Revealing Jesus* mission framework. We have entered a collaboration with KICK and a partnership agreement with the Baptist Union of Wales, while several other national discussions are still underway.
- About 70% of local mission partners (LMPs) (*see page 30*) furloughed their workers through the summer of 2020, returning at the beginning of the autumn term. Most have been developing resources for schools with only a few going into schools.

Continuing digital transformation

Our aim during the year was to ensure transformation of cross-functional, mission enabling systems and processes to underpin organisational growth and efficiency. Good progress was made on the main projects, although much is still to be done if the replacement of our customer relationship management (CRM) system is to happen on time in 2021. Improvements to key processes had to be fitted around higher priority activities, so some have been carried forward into the coming year.

Initiatives and milestones included the following:

- We developed and launched the technical infrastructure for the Faith Guide Hub (*see the section above for a description of the Faith Guide Hub*).
- The Faith Guide registration system was developed and launched, enabling Faith Guides and their nominating church to be registered and linked to our Mission Enabler teams for training and support.
- The website was updated for improved usability, together with improved user management and tools to assist with resource management.
- We researched options for the replacement of our present CRM system, tendered for its replacement, chose the supplier and technology for implementation, and started the project which is due to deliver in the autumn of 2021.
- Internal processes were improved and moved to online systems, to cope with the impact of the pandemic and remote working and to improve the efficiency of the organisation.
- Despite the pandemic, we were able to continue on all projects with just some minor delays, reaping benefits from the work in the previous financial year when we completed the rollout of a new technology infrastructure.

Supporting global partnership

There are over 130 independent SU movements around the world working in around 120 countries, all of which are united by Scripture Union's aims, belief and working principles. SU England and Wales is one such movement. Each national movement seeks to work through local people in ways that are appropriate to the national culture and the number of staff is typically very small compared to the number of their volunteers. Facilitated by the SU International team, staff and volunteers globally pray for and support each other, share ideas and resources and have joint projects and publications. Extended partnerships have also been established between countries to provide additional support and funding.

Our aim during the year was to support and learn from SU movements globally who have a passion for working with children and young people who don't yet know Jesus. Initiatives and milestones included the following:

- *Strategic investment* - We established with SU International a shared understanding of the strategic priorities of the global SU family to better align our grants. Implementation was delayed as COVID-19 diverted the attention of national movements. Nevertheless, a global initiative was developed to implement minimum-standard safeguarding policies globally, which we will support through a significant grant approved in May 2021. We envisage further support of key global strategic initiatives in the coming year and for regional initiatives.
- *International ministry through sport* - Ministry through sport remains a global priority. A significant grant was approved in April 2021 to support the "Smooth Stone" project developed by SU Malawi which uses sport to share the gospel in culturally appropriate ways with marginalised/at risk young people.
- *Grant funding* - SU England and Wales continues to give a percentage of our gift income and unrestricted legacies to other SU movements around the world. Grants approved during the year totalled £118,000 (2020: £81,000). Amongst the projects supported was SU South Africa's Sinawe school workers programme which brings the light of the gospel into schools while helping the children deal with trauma and other needs. In addition to the grants made from our own resources, we receive gifts from our supporters restricted for international purposes which we use to make grants to support ongoing SU mission and specific SU projects in other parts of the world. Such grants this year totalled £115,000 (2020: £160,000) (*see the Statement of financial activities, page 22, and Note 4 to the financial statements, pages 29-30*).
- *Guardians of Ancora* - Guardians of Ancora is our free digital game that gives children a fun, safe play-space where Bible stories come alive as they explore their relationship with God and the Bible. Despite COVID-19-related delays, our new Spanish *Guardianes de Ancora* is in beta testing before being released to the more than 0.5 billion Spanish speakers worldwide. The final planned language localisation of the game into isiZulu - developed in partnership with SU South Africa - is planned for completion in the coming year. This year has also seen a significant increase in the number of national movements committed as distribution partners for the English language game. We also led seminars for global movement on online safety and digital ministry, and developed a 24-session *Guardians of Ancora*-based curriculum in English, Serbian and Albanian.
- *Global content licensing* - We have refreshed and streamlined our approach to supporting the re-publishing of printed resources by national movements. A clearly defined portfolio of readily localised resources is backed by a simple content licence model that will allow most movements to reuse our content licence free of charge.

Plans for next year and beyond

The Movement has revised its direction in the last few years, presenting a clear, renewed vision, mission and priority for the coming years (*see page 4*). The aim of the Strategic Plan is to ensure that SU operationally fulfils its renewed mission to its priority community, and hence achieve its vision. The Plan is fully integrated into SU's annual operating plan for the coming year, as agreed by the Trustees in February 2021.

Our overall aim for the coming year remains to grow the reach and impact of SU's mission activity. To achieve this, we will continue to focus on the following primary objectives:

- **Mobilising others:** Mobilise the SU Movement and the wider Christian community to engage with The 95 through *Revealing Jesus* as donors, prayer supporters and volunteers.
- **Thought leadership:** Develop 'best in class' understanding of key aspects of engaging children and young people who are not in church, and influence the Movement and beyond through documenting, communicating and advocating the principles.
- **Creating relational opportunities:** Pioneer, develop and multiply opportunities for children and young people to explore and grow in the difference Jesus can make to the challenges and adventures of life
- **Transforming organisational efficiency:** Ensure transformation of cross-functional, mission enabling systems and processes to underpin organisational growth and efficiency.
- **Supporting global partnership:** Support and learn from SU movements globally who have a passion about working with children and young people who don't yet know Jesus.

We plan to use £650,000 of the funds set aside in our Project and Development Fund (*see Note 13 to the financial statements, pages 33-34*) in pursuing these objectives. This includes in the region of £420,000 for transforming organisational efficiency, £175,000 for creating relational opportunities, £40,000 for establishing thought leadership and £15,000 for mobilising others.

Financial review

Financial position

We thank God and our many supporters for their financial generosity in funding the work of SU especially in a year of such economic impact due to COVID-19, and we are also grateful for the regular prayers and time offered by our supporters and volunteers that multiply the work of the staff teams. For the year ended 31 March 2021 we had an overall surplus £1,073,000, compared to a deficit of £992,000 last year. This was primarily due to:

- a significant growth in investments of £714,000, which compares to a reduction of £314,000 last year due to the impact of COVID-19 during February and March 2020;
- spend on Project and Development Fund (PDF) initiatives of £365,000 being lower than had been planned for the year, as a number of one-off initiatives to grow scale and impact of SU missional activities were deferred (*see Reserves Policy, pages 11-12, for more details*);
- an operating budget surplus being achieved, despite planning for a small budgeted operating deficit. COVID-19 restrictions meant that our 2020 holiday and mission programme was cancelled, and we took the precautionary step of limiting expenditure in the first half of the year as the impact of the COVID-19 pandemic was assessed. We were able to restart recruitment as our donation and gift income held up during the second half of the year. Nevertheless, local and national lockdown restrictions limited our ability to run face-to-face activity.

As a result, our balance sheet has improved and is healthy at £6,644,000. This includes £2,227,000 within the PDF, total restricted funds of £177,000 and total endowment funds of £693,000 (*see Note 13 to the financial statements, pages 33-34*). We expect to continue to spend the PDF reserves over

the next three to five years as we continue to deliver on the Strategic Plan. Overall financial deficits are anticipated again in these years as the PDF reserves are progressively spent.

Total gift income, including restricted gift income but excluding legacies, amounted to £2,532,000 which represents a 0.2% decrease from £2,537,000 in the previous year. It includes gifts of £115,000 restricted for SU activity overseas. Unrestricted legacy income of £1,055,000 was received; this is 34% higher than last year at £789,000. Further details are included in the fundraising performance section below (*page 13*). Holidays and Mission income at £9,000 is 98% lower than last year's £554,000 due to the cancellation of the programme. Publishing sales and royalty income at £801,000 is down 6% compared to last year's £853,000 as we continue to move away from commercial publishing in line with our strategy. Publishing activity is now much reduced and focused on a narrow range of products.

Total income at £4,526,000 is £344,000 lower than the previous year (7% down). Total expenditure of £4,167,000 is £1,381,000 lower than last year (24% down).

For the year ending 31 March 2022, the Trustees aim to continue to spend reserves in line with the reserves policy (*see below*), and as such have aligned budgeted General Fund expenditure to exceed budgeted income by £200,000, as we seek to invest in the new strategy. In addition, expenditure of around £650,000 from PDF reserves is planned.

Reserves policy

The level of required reserves is reviewed annually as part of the process of budget preparation for the following year to ensure that it remains relevant to SU's current and future position, in particular reflecting the developments necessary to deliver our strategy. It is also included within monthly financial reporting for review by the Trustees throughout the year.

The Trustees have reviewed the Movement's needs for reserves in line with the guidance issued by the Charity Commission. Factors taken into account include the need to cover fluctuations in gift and legacy income, level of debtors and unforeseen and critical expenditure requirements.

The Trustees consider it prudent to set the target level of General Fund reserves retained by the Movement at between three and six months of unrestricted normal ongoing charitable expenditure. At 31 March 2021, the General Fund stood at £2,078,000 (2020: £1,961,000) which represents 6.1 months (2020: 5.4 months) of ongoing unrestricted charitable expenditure for the Movement based on the financial statements for year ended 31 March 2021. We have planned an operating deficit for the year ending 31 March 2022 to bring us back into our Reserve Policy range. In addition to the General Fund, the Trustees have set aside designated funds as described below and in Note 13 to the financial statements (*see pages 33-34*).

The level and timing of legacy income is uncertain and therefore continues to be budgeted at a conservative level. Legacy income received above the budgeted levels may be used to add to designated reserves within the Project and Development Fund (PDF) (*see Note 13 to the financial statements, pages 33-34, for more information*). Spending from the accumulated reserves in the PDF covers the investment cost of a range of significant one-off development initiatives to grow the scale and impact of SU's mission activity. PDF expenditure in the year totalled £365,000 (2020: £559,000) and included £199,000 for continuing digital transformation (*see page 8*), £106,000 for creating opportunities for children and young people to explore the Bible, respond to Jesus and grow in faith (*see page 7*), £44,000 for mobilising others to engage with The 95 (*see page 6*), £7,000 for developing thought leadership (*see page 7*) and £9,000 for Mission Transformation and Support. The balance of the Fund at 31 March 2021 was £2,227,000 (2020: £1,392,000) after the transfer of £1,200,000 into the Fund to provide for future planned strategic initiatives (*see Note 13 to the financial statements pages 33-34*).

PDF funds are set aside to grow SU's mission scale and impact and the Trustees have plans in place to expend the majority of PDF reserves over the next three to five years. In line with our objectives for next year we plan to spend an estimated £650,000 for the year to 31 March 2022 (*see page 10 for further information*).

Continuing investment in mission development projects is needed – particularly for digital engagement with volunteers and The 95 – and additional funding will be sought from major donors and trusts.

Principal funding sources

SU relies substantially on voluntary income to fund our activities. Other income shown in the statement of financial activities (*see page 22*) includes sales of publications and fees for holidays, training and other events. When setting a price for our paid-for events and resources, appropriate consideration is given to how we can both maximise mission benefit and avoid pricing being a barrier to participation and partnership. We normally receive no funding from the government or other statutory bodies, nor from the National Lottery; however this year we did receive Government grants of £20,000 relating to Furlough funding claimed under the Coronavirus Job Retention scheme.

Fundraising review

Fundraising approach

Scripture Union embraces fundraising first and foremost as ministry. It is a way of announcing our vision to reach the 95% of under 18s who don't go to church and inviting other people to get involved in our mission. Our financial supporters, rather than a means to an end, are seen as a vital part of our ministry and work.

Through fundraising we proclaim what we believe in such a way that all who support us, will benefit through their involvement of seeing God's kingdom grow through the lives of children and young people. We share what God is doing with openness and honesty, providing opportunities for individuals, churches, and trusts to respond, in order to grow the ministry.

Underpinning all our fundraising is prayer, and an acknowledgement that God is the provider of all our needs, through those who choose to partner with us. We ensure that anyone involved in fundraising activities is aware of and embraces these principles.

We have an in-house fundraising team which is assisted, when required, by the services of fundraising consultants. The strategic targets for donor retention, reactivation, acquisition and uplift, fell slightly short this year as the COVID-19 pandemic necessitated a less direct approach to fundraising. Instead, we focused on building relationship with donors, while reviewing our donor journeys to improve retention and create a secure process into which we can recruit new donors in future.

The customer relationship management system replacement project currently underway created an opportunity to review our tracking and categorisation of fundraising income streams. A simplified structure will be implemented in the coming financial year, under three headings of individual, church and grants and trusts.

We are registered with the Fundraising Regulator, and we endeavour to meet the high standards promoted by their Fundraising Practice by ensuring our activities are open, fair, honest and legal. We continue to work towards full compliance with the Data Protection Act 2018. We ensure that staff are fully trained and understand their responsibilities in their respective areas.

We take pride in treating the wishes of our donors and their privacy with the utmost respect. We contact supporters in the ways that they prefer, adapting them as needed. Supporters can change their preferences at any time, and we will not contact them if they ask us not to. We never share names, addresses or other personal information with third parties for charity, commercial or fundraising purposes. We genuinely appreciate feedback from supporters and the public and we

review our fundraising activities in light of feedback and complaints we may receive. During the year we received four complaints relating to our fundraising activity, none of which were deemed to be highly serious or referred to the Fundraising Regulator.

Fundraising performance

Income received as a result of the managed fundraising programme decreased slightly by £5,000 from £2,537,000 to £2,532,000.

Donations received during the year came predominantly from individual supporters (91%), with the balance being received from trusts (7%) and churches (2%). It is also worth noting that income from Major Donors came in at 300% of budget for this year.

Legacies of every size are vital to the ongoing work of SU. Several large legacies contributed to income received from legacies during the year totalling £1,091,000. This was higher than the £789,000 received the previous year, with legacy income for both years exceeding our expectations.

The cost of raising funds during the year increased slightly from £425,000 to £426,000 (*see Note 4 to the financial statements, pages 29-30*).

We place a high priority on the need to inform supporters of our activities and our quarterly magazine *Connecting You* was sent by post or email to more than 28,000 (2020: 30,000) supporters during the year.

Investment policy and performance

A portion of SU's reserves available for investment has been identified and held as long-term reserves and invested (£4,907,000 as at 31 March 2021 (£2,377,000 as at 31 March 2020)). This includes a capital endowment (£693,000 as at 31 March 2021 (£625,000 as at 31 March 2020)) and this year includes £1,793,000 moved from bank deposits to High Quality Bonds (£nil as at 31 March 2020). Income from the General Fund portfolio is reinvested whilst income from the Endowment Fund is used as restricted income to meet expenditure for the mission work of SU at home and especially for work in schools.

The Trustees review periodically the level of general reserves and cash flow demands to ensure that the level of reserves available for investment remains appropriate for the Movement. SU seeks to produce the best financial return within an acceptable level of risk. Rathbones, our investment managers, continue to manage £3.1m of our investment portfolio aiming to outperform a benchmark comprising 35% FTSE All-Share, 30% FTSE World ex UK, 25% UK Gilts, 5% Property, 5% Cash. The longer-term track record also remains good in both absolute and relative terms, with the five years to 31 March 2021 producing a return of 54.21%. This represents an outperformance of the benchmark which has risen 29.55% over that time.

This year we also migrated cash savings from bank deposits into the Rathbone High Quality Bond Fund invested in short-maturity bonds with an average credit rating of A. This portfolio is designed to earn a slightly higher income than we can achieve at high street banks, where interest rates on large capital sums have fallen sharply. Total returns from inception to 31st March were -0.5%, however, we have made 1.2% since 31st March and so the total return since inception stands at 0.7%.

SU is reliant on fundraising and donations for its mission activities. Investment assets are held as reserves. The key risk to long-term reserves is inflation – although volatility in the market can drive significant short-term fluctuations – and the assets are invested to mitigate this risk over the long-term. SU aims to diversify its assets through investment in a multi-asset investment fund that reflects SU's ethical investment policy which specifically excludes companies whose principal business is in armaments, gambling, tobacco or alcoholic drinks. The Trustees are aware that this may have some impact on investment performance.

The 31 March 2021 reporting date is almost exactly a year on from the lows in markets amid the onset of the COVID-19 pandemic, and the subsequent rebound in the markets has been reflected in the growth in our investments during the year.

Principal risks and uncertainties

The Movement has risk-management policies and procedures through which risks arising from existing operations and strategic developments are identified and evaluated. The Leadership Team is required to identify risks associated with activities, assess their potential impact and probability of occurrence, and report on procedures which are in place or are being developed to manage the risks. Significant risks are highlighted for consideration and monitoring by the Trustees and the suitability of the risk review and management process is monitored by the Audit and Finance Committee (*see page 17*).

During the year, the Leadership Team and the Trustees carried out detailed reviews of potential reputational, financial, mission and operational risks to the Movement. The major risks to which the Charitable Company is exposed have been reviewed and systems have been established to manage those risks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Security of our IT networks, access control and malware detection minimise the potential risk of a cyber security breach. Procedures are in place to ensure compliance with legislation, regulation, codes of practice and standards. All procedures are reviewed periodically to ensure that they continue to meet the needs of the Charitable Company.

One primary risk has been identified:

Criticism, incident or allegation regarding work with children – Key elements of the management of this risk are safer recruitment processes, regular review of SU's safeguarding policy, clear lines of responsibility and accountability, input from SU's safeguarding advisory group, compliance with externally-set activity standards and regular training and review.

We remain deeply saddened by the accounts of abuse suffered by the victims of the late John Smyth, a trustee of SU from 1971-79. The lessons-learned review into SU's past connections with John Smyth was completed in March 2021. The independent reviewer made a number of recommendations which are now being worked through to ensure learning is implemented and that we are in line with best practice in our safeguarding across the movement.

Structure, governance and management

Governing document and constitution

SU was established in 1867. It is a charitable company limited by guarantee, incorporated on 28 October 1893 and registered as a charity on 3 January 1966. It is governed by its Articles of Association which were adopted with effect from 1 October 2009 and amended by special resolution passed on 17 October 2020.

Objects of the charity

The charitable objects of SU, as set out in the Articles of Association, are to advance Christianity by sharing the good news of our Lord Jesus Christ with people throughout the world. The objects are carried out with, but not limited to, working with churches, by making God's good news known to children, young people and families and by encouraging 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.

Recruitment and appointment of trustees

Policies and procedures for the recruitment, appointment and induction of all new trustees are in place and maintained by the Trustees.

Responsibility for the trustee recruitment process lies with the Chair of Trustees. Each candidate is interviewed by a panel that usually comprises the Chair, one or more trustees and a member of Council. In the case of candidates who the group believes may be called to be trustees, a second interview by the same or similar panel is normally conducted. Each candidate is assessed having regard to the overall composition of the Board of Trustees, including any skills and experience that its then current members lack. The Trustees themselves may proactively approach and co-opt additional trustees to fill vacancies and such appointments are effective until the next Annual Meeting.

The Council appoints new trustees and reappoints those who have come to the end of their current term of office and who are eligible, willing and nominated for re-election. Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act, are appointed for a three-year period in accordance with the Articles of Association. After serving a maximum of three consecutive terms of office, a retiring trustee is not eligible to serve any further term of office until at least one year of non-service has elapsed.

The Articles of Association provide for a minimum of six and a maximum of twelve trustees.

Induction and training of trustees

All trustees receive induction training, information and support to acquire the necessary detail of how the Movement and the Board of Trustees work, so that they can play a full part in discussion and decision-making.

Every effort is made to broaden trustees' knowledge on an individual level so that they are up to date with the whole of the Movement and the Strategic Plan. Where there has not been any previous involvement, care is taken to introduce them to the Movement, with emphasis on SU's aims, belief and working principles and the Strategic Plan. Participation in induction processes run principally for new staff is encouraged, both for new trustees and by way of a 'refresher'. All new and serving trustees are encouraged to attend or participate in a local, regional or national SU holiday, mission or other event as part of their induction and ongoing development.

Organisational structure

The members of the Council are the Members of the Company. The Council appoints the members of the Board of Trustees (*listed on page 2*) and the Trustees appoint the National Director and approves the process for the appointment of other members of the Leadership Team (*also listed on page 2*). The National Director and, in relation to their respective areas of responsibility, the members of the Leadership Team are responsible for the day-to-day running of SU.

Trustees – The Trustees have ultimate responsibility for the strategic leadership and the management of the affairs of SU in accordance with its Articles of Association and applicable law (including company law and charity law). It has four scheduled meetings each year and meets physically or by conference call on other occasions as necessary. The Trustees seek to apply the principles set out in the Charity Governance Code having regard to the aims, beliefs and working principles of SU. In February 2020, the Trustees approved a document which describes the governance structure of SU, including the division of powers between the Council and the Trustees and the delegation of powers by the Trustees. The document focuses on the legal structure and legal allocation of powers and responsibilities.

Council – Council, whose members are broadly representative of SU's areas of work and community, provides a forum for the development of spiritual vision and discernment of God's leading and advises the Trustees on the overall direction of the Movement. It has no executive powers and its key responsibilities are to ensure that the Statement of Aims, Belief and Working Principles is

applied, to review the progress made towards fulfilling the Strategic Plan and to elect trustees. The Council, comprising up to 36 members (including trustees and leadership team members), normally meets for a full day twice a year.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Scripture Union for the purposes of company law) are responsible for preparing the Report of the Trustees (incorporating the Directors' and Strategic Reports) and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Qualifying third party indemnity provisions

During the reporting period and up to the date of this report, the Charitable Company maintained liability insurance and third-party indemnity provisions for its Trustees, under which the Charitable Company has agreed to indemnify the Trustees to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Charitable Company.

Internal controls

The Trustees have overall responsibility for the system of financial and other controls of the Charitable Company and for providing reassurance that:

- its assets are safeguarded against unauthorised use;

- proper records are maintained and financial information used within the Charitable Company or for publication is reliable; and
- the Charitable Company complies with relevant laws and regulations.

It is recognised that such a system can provide only reasonable but not absolute assurance against errors and loss. Detailed monthly financial management reports are prepared by the finance team and circulated to the Trustees, Leadership Team and senior management, and are reviewed and discussed at each of the quarterly Board meetings.

The Movement operates a comprehensive annual planning and budgeting process which is approved by the Trustees. Performance is monitored through the use of activity and financial targets and reports made to Trustees comparing actual results against activity targets and the phased budget.

Sub-committees

The Trustees have delegated certain tasks to the Audit and Finance Committee, comprising trustees and volunteers. The Committee meets regularly and has responsibility for:

- monitoring the integrity of the financial statements and any formal announcement relating to financial performance;
- reviewing the integrity of the internal financial control and financial and risk management systems;
- monitoring and reviewing the performance of the internal audit function;
- reviewing the independence of the external auditor and the provision of any non-audit services;
- reviewing the performance of the external auditor and making recommendations to the Trustees in relation to their appointment, re-appointment and removal and approving their remuneration and terms of engagement;
- monitoring financial performance and approving the annual draft budget for submission to the Trustees;
- reviewing and approving investment policies and reviewing the performance of the investment managers;
- monitoring the pension arrangements and reviewing the performance of insurance companies that provide the relevant pension policies and any pensions advisors;
- monitoring compliance with corporate and charity laws and regulations.

The Nominations and Advisory Committee, comprising members of Council, a trustee and a staff member, is a sub-committee of Council. It meets regularly as required and has responsibility for:

- proposing individuals for admission as members of the Council (other than individuals who are admitted by virtue of being a trustee or member of the Leadership Team).
- helping Council to evaluate itself and its work.

Management and staff

The Trustees delegate to the National Director the day-to-day management of the Movement and the implementation of policies and other decisions of the Trustees. The National Director may sub-delegate the management and implementation and the exercise of powers to members of the Leadership Team (*members listed on page 2*). The Trustees are thankful to God for a committed staff team who work hard to support volunteers and to advance the aims of the Movement.

Pay policy for senior staff

The members of the Leadership Team (*listed on page 2*) are the key management personnel of the Movement in charge of directing, controlling and operating SU on a day-to-day basis.

Members of the Leadership Team require a breadth and depth of expertise and credibility which requires drawing from the best senior level talent within the Christian community. This is balanced with seeking to keep salary costs under control and ensuring that senior staff pay is connected to the pay of other staff.

The Trustees annually review and determine the pay of the Leadership Team with reference to comparable national charities' pay levels (XpertHR Voluntary Sector Salary Survey). The Trustees aim to follow the principle that the pay of the highest paid employee is not normally more than four times the average full-time-equivalent salary of the administrative-level roles within the Movement. Details of the employment benefits paid to the Leadership Team during the year are included in Note 5 to the financial statements (*page 30*).

Related parties

All trustees give of their time freely and no trustee received remuneration during the year. Details of trustees' expenses and any related party transactions are disclosed in Note 6 to the financial statements (*pages 30-31*).

Trustees are required to disclose all relevant interests and register them with the Company Secretary and, in accordance with the Movement's policy, withdraw from decisions where a conflict of interest arises.

Grant-making policy and principles

One of the ways in which SU works out its mission is by setting aside a proportion of income and resources each year to make grants to other SU movements and to organisations with a very close association to SU, for example local mission partners (*see page 30*). In addition, we receive gifts from our supporters which we use to make grants to support specific projects in other parts of the world. We do not fund individuals. The overriding purpose of any grant made is to further SU's mission locally, regionally, nationally or internationally.

Grants are made at the discretion of the Trustees and this responsibility is delegated to the Leadership Team. Robust procedures are followed to ensure that consideration and awarding of grants is in line with the principles set out below, and that the quality and timeliness of reporting meets the requirements of SU's Audit and Finance Committee (*see page 17*). Grant allocations amounting to £244,000 were made during the year. For a summary of grant allocations, see Note 4 to the financial statements (*pages 29-30*).

Since the needs of the SU family are great and available funding is limited, the following principles set out the way in which SU allocates its grants:

- Grants will be of strategic benefit for the growth of SU's mission and used in a manner consistent with SU's Statement of aims, beliefs and working principles.
- Grants will be made only where we are confident that it is possible to ensure that funds will be used for the intended purpose and that the recipient is able to commit to providing appropriate and timely reports on the use of the funds in a manner that meets the requirements of SU's Audit and Finance Committee.
- Grants will normally be for start-up, project or emergency purposes that will not create long-term financial dependence. They should therefore be 'one-off' or on a diminishing basis over a period of two or three years.
- Match-funding grants will be considered as a means of encouraging and facilitating local fundraising by the recipient.
- Assessment of grant requests will include scale of need and availability of other funding sources.
- The overall allocation of grants made by SU must adequately reflect our priority of sharing the good news of Jesus with children and young people who don't yet know him. This may include supporting projects that create local sustainability to achieve that priority.

Appointment of external auditor

MHA MacIntyre Hudson was appointed as external auditor in 2019 and has expressed willingness to continue in that capacity.

* * * * *

The Trustees submit their annual report and the audited financial statements for the year ended 31 March 2021. The financial statements comply with current statutory requirements, the Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102).

This Trustees' Annual Report, which incorporates the Strategic Report, was approved by the Trustees in their capacity as Company Directors on 15 July 2021 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Treasurer

Opinion

We have audited the financial statements of Scripture Union (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

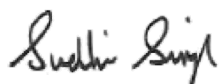
- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sudhir Singh FCA (Senior Statutory Auditor)
For and behalf of MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditors
6th Floor, 2 London Wall Place
London, EC2Y 5AU

Date 23 July 2021

Statement of financial activities incorporating an income and expenditure account for the year ended 31 March 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Income and endowments									
<i>Income from generated funds:</i>									
- Income from donations and legacies	2a	3,183	440	-	3,623	2,785	541	-	3,326
- Income from investments	2b	34	21	-	55	60	26	-	86
- Income from grants	2c	20	-	-	20	-	-	-	-
<i>Income from charitable activities:</i>									
- Holidays and missions		9	-	-	9	554	-	-	554
- Other fee income		17	1	-	18	51	-	-	51
- Publishing sales and royalties		801	-	-	801	853	-	-	853
Total income		4,064	462	-	4,526	4,303	567	-	4,870
Expenditure									
<i>Expenditure on raising funds:</i>									
- Cost of raising funds		426	-	-	426	425	-	-	425
<i>Expenditure on charitable activities:</i>									
- Face-to-face mission in England and Wales		1,741	326	-	2,067	2,747	448	-	3,195
- Advocacy		236	-	-	236	316	-	-	316
- Content creation		340	20	-	360	464	2	-	466
- Commercial publishing		729	-	-	729	722	-	-	722
- International activities		234	115	-	349	264	160	-	424
Total expenditure	4	3,706	461	-	4,167	4,938	610	-	5,548
Net gain/(loss) on investment assets	8a	646	-	68	714	(240)	-	(74)	(314)
Net income/(expenditure) for the year being net movement in funds		1004	1	68	1,073	(875)	(43)	(74)	(992)
<i>Reconciliation of funds:</i>									
Fund balances brought forward		4,770	176	625	5,571	5,645	219	699	6,563
Fund balances carried forward	13	5,774	177	693	6,644	4,770	176	625	5,571

- a) All of the above results are derived from continuing activities. SU has no other recognised gains and losses other than those stated above.
- b) Income from donations and legacies in 2021 and 2020 benefited from legacy income which significantly exceeded expectations.
- c) The annual net growth for restricted and unrestricted funds reflects:
- o planned spending down of the Project and Development Fund of £365,000 (*see reserves policy, pages 11-12*);
 - o a significant growth in investments of £714,000; and
 - o a budgeted surplus as we sought to limit expenditure in the first half of the year due to the COVID-19 pandemic, and the ongoing limitations in activities in the second half of the year as local and national lockdowns limited our ability for face-to-face operations.

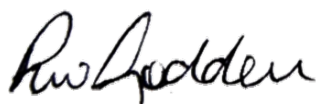
The Notes on pages 25-36 form part of these financial statements.

Balance sheet

As at 31 March 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	7	890	934
Investments	8a	4,907	2,377
Total Fixed Assets		5,797	3,311
Current assets			
Investments	8b	122	2,122
Stocks	9	109	171
Debtors	10	447	421
Cash at bank and in hand		1,056	668
Total Current Assets		1,734	3,382
Liabilities			
Creditors: amounts falling due within one year	11a	(868)	(948)
Net current assets		866	2,434
Total assets less current liabilities		6,663	5,745
Creditors: amounts falling due over one year	11b	-	(149)
Provisions for liabilities	12	(19)	(25)
Net assets		6,644	5,571
The funds of the Charitable Company	13		
Unrestricted funds			
Fixed assets fund		890	934
Working capital fund		-	95
Project and development fund		2,227	1,392
International fund		579	388
General fund		2,078	1,961
		5,774	4,770
Restricted funds			
Income fund		177	176
Endowment funds			
Endowment fund		693	625
Total charity funds		6,644	5,571

The financial statements were approved and authorised for issue by the Trustees on 15 July 2021 and signed on their behalf by:



Richard Godden
Chairman



Kim Hurst FCA
Treasurer

The Notes on pages 25-36 form part of these financial statements.

Company Registration Number 00039828

Cash flow statement

for the year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
Net cash (used in) operating activities	<i>See (a) below</i>	163	(466)
Cash flows from investing activities			
Interest received	2b	34	60
Dividends received	2b	21	26
Purchase of tangible fixed assets	7	(14)	(12)
Sale of investments	8a	695	176
Purchase of investments	8a	(2,536)	(229)
Movement in investment cash	8a	25	22
Net cash from investing activities		(1,775)	43
Change in cash and cash equivalents for the year		(1,612)	(423)
Cash and cash equivalents at the beginning of the year		2,790	3,213
Total cash and cash equivalents at the end of the year	<i>See (b) below</i>	1,178	2,790

Change in cash and cash equivalents due to exchange rate movements during the year was £1,729 (2020: £130).

Notes to cash flow statement

(a) Reconciliation of net income/(expenditure) for the year		2021 £'000	2020 £'000
Net income/(expenditure) for the reporting period	<i>Notes See SOFA</i>	1,073	(992)
<i>Adjustments for:</i>			
Depreciation charges	7	58	84
Net (profit)/loss on investments	8a	(714)	314
Dividends and interest from investments	2b	(55)	(86)
Decrease/(increase) in stocks	9	62	(32)
(Increase)/decrease in debtors	10	(26)	59
(Decrease)/increase in creditors	11	(229)	187
(Increase) in provision for pensions	12	(6)	-
Net cash provided by/(used in) operating activities		163	(466)
(b) Cash and cash equivalents	<i>Notes</i>	2021 £'000	2020 £'000
Cash at bank and in hand	<i>See Balance Sheet</i>	1,056	668
Notice deposits (less than 3 months)	8b	122	2,122
Net funds		1,178	2,790

The Notes on pages 25-36 form part of these financial statements.

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

- a) ***Basis of preparation and assessment of going concern*** – The financial statements have been prepared under the historical cost convention, with the exception of investments which are included on a market value basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006.

SU constitutes a public benefit entity as defined by FRS 102.

These financial statements are presented in £'000's.

The Trustees consider that there are no material uncertainties about SU's ability to continue as a going concern despite the impacts of COVID-19. For the year ending 31 March 2022 a balanced operating budget has been set and project and development activity will be funded from the designated Project and Development Fund reserve. A regular review of income has been implemented. In addition to ownership of a building used as the national office and long-term reserves, SU has a healthy cash balance. Cash flow forecasts indicate that ongoing operational activity will continue beyond the twelve months from signature of these financial statements.

- b) ***Company status*** – Scripture Union is a company limited by guarantee. The guarantors are the members of the Company who are also members of the Council (as outlined on page 15). The liability in respect of the guarantee, as set out in the Articles of Association, is limited to £10 per member.
- c) ***Income recognition*** – All income, including Government grants, is recognised when SU has entitlement to the funds, the receipt is probable, and the amount can be measured reliably. All income is accounted for on a receivable basis. For legacies, this is when SU becomes entitled to the income, based on notifications received, when there is probability of receipt and when the amount is reliably measurable. Donations are recognised when any performance-related conditions are met.

Publishing sales represent the amounts receivable for goods sold in the normal course of business, net of trade discounts and Value Added Tax (VAT).

Interest on funds held on deposit are accrued for in line with the current advised interest rate.

Dividends are recognised once the dividend has been declared and notification of the dividend due has been received.

The Movement receives funds on behalf of other SU national movements. These funds are recognised as income and expended as grants within the Statement of Financial Activities (SOFA). The Charitable Company holds these granted funds within a 'client account' and, because the Charitable Company does not own and has no entitlement to these funds, they are excluded from the balance sheet.

No amounts are included in the financial statements for services donated by volunteers.

- d) ***Expenditure recognition*** – Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing SU to that expenditure, the amount of the obligation can be measured reliably, and it is probable that settlement will be required. SU exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities relating to grants and sabbatical allowances. Judgement is necessary in assessing the likelihood that the liability will be realised and in quantifying the possible value of that liability.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to Note 1(e).

Charitable expenditure comprises expenditure related to the direct furtherance of SU's charitable objects. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

Cost of generating funds includes fees paid to fundraising consultants, staff time, database development costs and apportioned overhead costs.

Grants payable are payments made to third parties in the furtherance of SU's charitable objects. Grant awards are subject to the recipient fulfilling performance conditions. The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Movement that would permit SU to avoid making the future payment(s), settlement is probable, and the effect of discounting is material.

Termination benefits, including redundancy costs, are recognised when the Charitable Company has the obligation to pay the benefits and they can be reliably measured.

- e) **Allocation of support and governance costs** – Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company and include internal and external audit costs, Board and Council meeting costs and an allocation of indirect costs to cover support from members of staff. Other support costs are those functions that assist the work of the Movement but do not directly undertake charitable activities.

The allocation of support and governance costs is set out in Note 4 (*pages 29-30*). The basis on which these costs are allocated is:

Finance	Staff time
Technical Services	Headcount
Human Resources	Headcount
Facilities	National Office Headcount
Database	Staff time
Mobilisation	Staff time
Management / Leadership Team	Staff time

- f) **Fund accounting** – The Trustees have established four designated funds. These are unrestricted funds which have been allocated for specific purposes. Restricted funds are funds subject to specific restrictions imposed by donors. Endowment funds are funds given to the Charitable Company as capital. The purpose and use of the designated, restricted and endowment funds are set out in Note 13 to the financial statements (*pages 33-34*).

- g) **Tangible fixed assets and depreciation** – Tangible fixed assets are stated at cost including any incidental expenses of acquisition, less accumulated depreciation and any impairment. Assets are capitalised when the cost totals £500 or more. Depreciation is provided on all tangible fixed assets (except freehold land, which is not depreciated) at rates calculated to write off the cost on a straight-line basis over their expected useful economic life as follows:

Freehold brick buildings	fifty years
Fixtures and fittings	ten years
Computers and similar equipment	three years

- h) **Investments** – Investments are stated at market value at the balance sheet date. Realised and unrealised gains and losses are included in the SOFA as they arise.

- i) **Stocks** – Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs and the attributable proportion of production overheads. Net realisable value is based on

estimated selling price net of trade discounts. Provision is made for slow-moving items where appropriate.

- j) **Debtors** – Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- k) **Creditors and provisions** – Creditors and provisions are recognised where SU has a present obligation resulting from a past event that will or probably will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- l) **Pensions** – SU operates the Scripture Union (Legal & General) Personal Pension Plan. This is a defined contribution occupational pension scheme and the amount charged to the SOFA is the employer's contributions payable during the year. SU had a final salary pension scheme, the benefits of which were secured by an annuity in 1996 when the scheme was closed.
- SU provides pensions to a small number of former staff on an unfunded basis. These staff worked for the Movement before a formal pension plan was set up or were ineligible to join a Revenue approved scheme. All the people entitled to such pensions are either retired or no longer employed by SU and the regular cost of the scheme is immaterial. Assessment of the unfunded pension liability is carried out annually and appropriate provision made in the Balance Sheet and the SOFA. SU's contribution is restricted to the contributions disclosed in Note 5 (page 30). There were no outstanding contributions at the end of the year.
- m) **Operating leases** – Rentals under operating lease contracts are charged to the SOFA on a straight-line basis over the lease term, even if the payments are not on such a basis.
- n) **Foreign currency translation** – Transactions in foreign currency are recorded in sterling at the rate of exchange ruling on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.
- o) **Taxation** – SU, as a registered charity, is exempt from taxation on its income and gains falling within sections 466-493 of the Corporation Tax Act 2010 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year. The Charitable Company is registered for VAT. Certain of SU's activities are exempt from or outside of the scope of VAT. Accordingly, SU is unable to reclaim all input VAT suffered. Recoverable input VAT is included in debtors. Irrecoverable input VAT is written off to the SOFA as incurred.
- p) **Critical accounting estimates and areas of judgement** – Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are listed below.
- Depreciation rates for tangible fixed assets
 - Useful economic lives of assets
 - Allocation of support costs
 - Legacy income accruals
 - Stock provisions
- The Trustees do not consider the COVID-19 pandemic to have had a material impact on these accounting estimates and areas of judgement.

q) **Financial instruments** – The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The financial assets and financial liabilities of the Charitable Company are as follows:

- **Debtors** – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 10 (see page 32). Prepayments, legacies receivable, tax recoverable and accrued income are not financial instruments.
- **Cash at bank** – is classified as a basic financial instrument and is measured at face value.
- **Liabilities** – trade creditors, accruals, loans payable and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Note 11 (see page 32). Taxation and social security are not included in the financial instruments' disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2. Income

2a. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Donations	2,128	404	-	2,532	1,996	541	-	2,537
Legacies	1,055	36	-	1,091	789	-	-	789
	<u>3,183</u>	<u>440</u>	<u>-</u>	<u>3,623</u>	<u>2,785</u>	<u>541</u>	<u>-</u>	<u>3,326</u>

2b. Income from investments

	2021 £'000	2020 £'000
Interest receivable	34	60
Dividends receivable	21	26
	<u>55</u>	<u>86</u>

Of the investment income, £21,000 (2020: £26,000) was attributable to restricted income with the balance of £34,000 (2020: £60,000) adding to unrestricted funds.

2c. Income from grants

	2021 £'000	2020 £'000
Government grants	20	-
	<u>20</u>	<u>-</u>

During the year, the Charitable Company claimed COVID-19 Job Retention Scheme grants totalling £19,723 for staff unable to continue to work during lockdown. There are no unfulfilled conditions to this income at year end.

3. Net income for the year is stated after charging:

	2021 £'000	2020 £'000
Auditor remuneration: Audit fee	18	17
Auditor remuneration: Other services (corporation tax)	1	2
Depreciation charges	58	84
Operating lease rentals: machinery	<u>3</u>	<u>3</u>

4. Expenditure

4. Expenditure	Grant funding of activities (see below)		Support costs (see below)		Total 2021 £'000	Total 2020 £'000
	£'000	£'000		£'000		
Costs of raising funds	-	133		293	426	425
Face-to-face mission in England and Wales	11	1,541		515	2,067	3,195
Advocacy	-	128		108	236	316
Content creation	-	245		115	360	466
Commercial publishing	-	631		98	729	722
International activities	233	60		56	349	424
Total 2021	244	2,738		1,185	4,167	5,548
Total 2020	268	3,973		1,307	5,548	

Full comparative numbers for year ended 31 March 2020 are included as a separate Note on page 35.

Analysis of support costs

	Finance £'000	Technical Services £'000	Human Resources £'000	Facilities £'000	Database £'000	Mobilisation £'000	Management / Leadership Team £'000	Total 2021 £'000	Total 2020 £'000
Costs of raising funds	73	31	3	25	35	111	15	293	298
Face-to-face mission in England and Wales	100	156	28	64	22	33	112	515	532
Advocacy	7	13	2	13	4	48	21	108	162
Content creation	51	31	5	12	2	4	10	115	143
Commercial publishing	30	23	5	16	12	7	5	98	122
International activities	20	5	1	3	4	2	21	56	50
Total 2021	281	259	44	133	79	205	184	1,185	1,307
Total 2020	288	276	58	159	101	217	208	1,307	
Basis of activity	Staff time	Headcount	Headcount	National Office Headcount	Staff time	Staff time	Staff time		

The basis on which costs have been allocated is outlined in Note 1(e) (page 26). Cost allocation includes an element of judgement and SU has had to consider the cost benefit of detailed calculations and record keeping. To ensure full-cost recovery on projects, SU adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. The support costs shown are therefore a best estimate of the costs that have been so allocated.

Included within support costs is £43,000 (2020 £54,000) of Governance costs which comprise all costs associated with meeting the constitutional and statutory requirements of the Charitable Company. It includes internal and external audit costs of £18,000 (2020: £17,000), Board and Council meeting costs of £203 (2020: £4,000) and an allocation of indirect costs to cover support from members of staff of £25,000 (2020: £33,000).

Grant activity in furtherance of the Charitable Company's objects

	Activities undertaken directly £'000	Grant funding of activities £'000	Support Costs £'000	Total 2021 £'000	Total 2020 £'000
Scripture Union worldwide	20	49	20	89	128
Scripture Union – Africa	13	49	12	74	121
Scripture Union – Americas	12	55	3	70	16
Scripture Union – England and Wales	30	11	20	61	70
Scripture Union – Europe	3	36	8	47	52
Scripture Union – Former Soviet Republics	5	23	8	36	68
Scripture Union – rest of Britain & Ireland	2	9	2	13	14
Scripture Union – Pacific	2	9	1	12	12
Scripture Union – Asia	2	3	2	7	13
Total 2021	89	244	76	409	494
Total 2020	163	273	58	494	

Grant allocations amounting to £244,000 (2020: £273,000) were made during the year. This includes £31,000 (2020: £nil) of new multi-year grant commitments which are payable in future years. Grant commitments accrued at the start of the year which remain payable in future years totalled £9,000 (2020: £27,000).

Movement in recognised funding commitments during the year	Charitable commitments accrued £'000
Grant commitments accrued at the start of the year	27
New grant commitments charged to the Statement of Financial Activities during the year	244
Grants paid during the year	(230)
Amount of grant commitments accrued as at 31 March 2021	41

Further details on grants are available on request to the Movement.

SU England and Wales works in partnership with, and makes grants to, independent SU movements around the world as noted on pages 9, 18 and 19.

We also work in partnership with a range of independent trusts who look to SU for support and guidance on best practice in work with children and young people, including:

- Local mission partners, whose aims are similar to those of SU and who operate in a particular local area, referred to on pages 5, 8 and 18. Mission partners are individual trusts or groups affiliated with SU and are an integral part of SU's regional teams. This partnership enables trusts to respond to local needs whilst sharing the SU core values and identity.
- Great Wood Trust - Scripture Union has use of the Great Wood site under a licence agreement (*see page 32*).

5. Staff costs and remuneration of key management personnel

	2021 £'000	2020 £'000
Staff costs		
Wages and salaries	1,942	2,034
Social security costs	189	201
Reorganisation costs	7	7
Pension costs		
Scripture Union (L&G) Personal Pension Plan	188	193
Unfunded pension scheme	6	-
	2,332	2,435
Average number of employees, analysed by function	2021 Number	2020 Number
Income generation	4	5
Advocacy	3	3
Face-to-face mission in England and Wales	36	36
Content creation	6	6
Commercial publishing	6	6
International activities	1	1
Administration and support of staff and volunteers	9	11
	65	68

The average number of employees during the year was 65 (2020: 68), including 19 (2020: 17) part-time employees with no adjustment in the above table to take account of the number of hours worked. The average number of full-time equivalent employees during the year was 62 (2020: 62). Contractual reorganisation costs of £7,000 were incurred during the year (2020: £nil).

SU's key management personnel are the members of the Leadership Team (*listed on page 2*). The employment benefits of the key management personnel – including employer pension and national insurance contributions – totalled £373,000 (2020: £377,000).

During the year, one employee (2020: two employees) earned between £60,001 and £70,000, and one employee (2020: one employee) earned between £80,001 and £90,000, excluding employer pensions contributions.

6. Related Parties

The Trustees received no emoluments in their role as trustees during the year, but one of the ten trustees received reimbursement of travel expenses totalling £82 (2020: £995 reimbursed to six of ten trustees).

Notes forming part of the financial statements for year ended 31 March 2021

The Culture and Innovation Director was paid £250 (2020: £375) and his wife was paid £300 (2020: nil) during the year for writing notes for one of our Bible reading guides. There were no other related party transactions (2020: sale of a laptop for £125 to The Red Trust (Bushey), a charity of which the wife of the Finance and Services Director is a Trustee).

7. Tangible fixed assets	Freehold land and buildings	Computer equipment	Fixtures and fittings	Machinery	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2020	810	225	253	19	1,307
Additions	-	14	-	-	14
Disposals	-	(6)	-	(7)	(13)
At 31 March 2021	810	233	253	12	1,308
Depreciation:					
At 1 April 2020	65	200	89	19	373
Charge for year	16	17	25	-	58
Disposals	-	(6)	-	(7)	(13)
At 31 March 2021	81	211	114	12	418
Net book value					
At 31 March 2021	729	22	139	-	890
At 31 March 2020	745	25	164	-	934

At 31 March 2021, the Trustees had authorised the capital expenditure budget for the ensuing year of £71,000 (2020: £70,000). Disposals as shown on the SOFA are shown net of depreciation. There were no capital commitments as at 31 March 2021 (2020: £nil).

During the first quarter of 2021, an Impairment review was undertaken to assess the impact, if any, of the COVID-19 pandemic on the value of our fixed assets, with input from a firm of surveyors for the freehold land and building together with some of the fixtures and fittings. The review concluded no impairment losses needed to be recognised. This outcome was reviewed by the Audit and Finance Committee in March 2021 and noted by the Trustees in May 2021.

8. Investments

8a. Fixed asset investments

	2021 £'000	2020 £'000
Investments at market value		
Investment cash	24	49
Fixed Interest & UK Government stocks	511	398
UK Listed Stock Exchange Investments, Unit Trusts and OEICs	4,372	1,930
	4,907	2,377
<i>Movement during the year:</i>		
Market value at 1 April	2,377	2,660
Less: Disposals at open market value	(695)	(176)
Add: Acquisition at cost	2,536	229
Net gain/(loss) on revaluation	714	(314)
Movement in investment cash	(25)	(22)
Market value at 31 March	4,907	2,377

The historic cost of investments is £3,809,000 (2020: £1,934,000).

8b. Current asset investments

	2021 £'000	2020 £'000
Virgin Money	-	2,000
Scottish Widows	122	122
	122	2,122

Current asset investments represent short-term cash deposits. The Virgin Money account was closed during the year, with the majority of the cash moved to Corporate Bond investments seeking a better return than interest available for cash deposit accounts.

9. Stocks

	2021 £'000	2020 £'000
Work in progress	17	69
Finished goods	92	102
	<u>109</u>	<u>171</u>

Value of stock recognised as an expense on the SOFA is £177,000 (2020: £198,000).

10. Debtors

	2021 £'000	2020 £'000
Trade debtors	19	45
Tax recoverable	51	51
Other debtors	27	47
Legacies receivable	300	140
Prepayments and accrued income	50	138
	<u>447</u>	<u>421</u>

Prior to sign-off of the financial statements, SU had been notified of further legacies with an estimated value of £246,000 (2020: £224,000). In accordance with Note 1(c) as noted on page 25, it was not considered appropriate to accrue for this amount in the financial statements as at 31 March 2021 all criteria for recognising legacy income in these instances had not been met.

A prepayment of £10,000 for the use of Great Wood Trust's site for our holiday programme related to summer 2021, with a further £20,000 for summer 2021 recognised as an expense as at 31st March 2021 given the decision that our holiday and events programme was significantly reduced due to COVID-19.

11. Creditors

11a. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	191	184
Accruals and deferred income	567	415
Taxation and social security costs	46	277
Interest free loans from supporters	32	35
Other creditors	32	37
	<u>868</u>	<u>948</u>

Deferred income

	2021 £'000	2020 £'000
Deferred income at 1 April	144	211
Resources deferred during the year	144	144
Amounts released from previous periods	(144)	(211)
Deferred income at 31 March	<u>144</u>	<u>144</u>

Deferred income relates to subscriptions on dated published products.

11b. Creditors: amounts falling due over one year

	2021 £'000	2020 £'000
Accruals and deferred income	-	149
	<u>-</u>	<u>149</u>

12. Provisions for liabilities

	2021 £'000	2020 £'000
Ex-gratia pensions		
Balance at start of year	25	25
Pensions paid	(9)	(9)
Increase in provision	3	9
Balance at end of year	19	25

Ex-gratia pensions are provided to a small number of former staff on an unfunded basis. See Note 1(l) (page 27) for more details.

13. Statement of funds

	Balance 1 April 2020 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Transfers £'000	Balance 31 March 2021 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	934	-	-	-	(44)	890
Working Capital	95	-	-	-	(95)	-
Project and Development	1,392	-	(365)	-	1,200	2,227
International	388	352	(161)	-	-	579
	2809	352	(526)	-	1,061	3,696
General fund	1,961	3,712	(3,180)	646	(1,061)	2,078
Total unrestricted funds	4,770	4,064	(3,706)	646	-	5,774
Restricted funds						
Income funds:						
Endowment income	-	21	(21)	-	-	-
Gifts for SU overseas	-	115	(115)	-	-	-
Good News Fund	13	2	-	-	-	15
Google AdWords	-	19	(19)	-	-	-
Rooted	27	-	(13)	-	-	14
SU Holiday Fund	92	10	-	-	-	102
Team support	-	228	(228)	-	-	-
Others	44	67	(65)	-	-	46
Total restricted funds	176	462	(461)	-	-	177
Endowment funds						
Endowment fund	625	-	-	68	-	693
Total endowment funds	625	-	-	68	-	693
Total funds	5,571	4,526	(4,167)	714	-	6,644

Full comparative numbers for year ended 31 March 2020 are included as a separate Note on page 36.

Unrestricted funds

Designated funds are as follows:

- The **Fixed Assets Fund** represents the net book value of fixed assets.
- The **Working Capital Fund** represented the funds used to finance the continuing activities of the publishing department, comprising the stock and debtors less trade and other creditors of the department. Given the strategic reduced focus on publishing, we have decided to close this designated fund transferring outstanding balances to the General Fund.
- The **Working Capital Fund** represents the funds used to finance the continuing activities of the publishing department, comprising the stock and debtors less trade and other creditors of the department.
- The **Project and Development Fund** is a provision for the development of SU mission, i.e. to enable 'step-change' growth of current and initiation of new mission activities. It provides a means of smoothing the receipt and expenditure of legacy income, or other income that exceeds budgeted levels, to provide for one-off project and development expenditure. Details of plans for use of this Fund are outlined in the *plans for next year and beyond* section (page 10).

- The **International Fund** is a provision for the support of projects in SU movements around the world. At the discretion of the Trustees, an agreed percentage of gift income not specifically restricted for other SU movements and unrestricted legacies is transferred to the fund. Grants are made throughout the year and relevant expenditure incurred is charged to the fund as it arises.

The remaining unrestricted funds, referred to as the **General Fund**, are available for use in the event of an unanticipated downturn in the level of income received and to fund any deficits on current charitable activities.

Restricted funds

Income funds are as follows:

- Endowment income** refers to income arising from the endowment fund investments which is restricted for the mission work of SU at home and especially for work in schools.
- Gifts for SU overseas** refers to gifts for support of the work of SU in other parts of the world. At the discretion of the Trustees, these gifts are forwarded to relevant movements as a grant. We are legally required to ensure that all such grants are used for purposes consistent with SU's charitable objectives.
- Good News Fund** refers to gifts received to provide grants to equip and resource local churches and mission partners in initiatives to share the good news of Jesus with children and young people in local communities.
- Google AdWords** refers to a monthly in-kind grant for AdWords advertising provided under the Google Grants for Non-profits Programme.
- Rooted** refers to a gift to promote this resource below fully allocated cost to maximise reach and impact.
- SU Holiday Fund** refers to gifts received to provide financial assistance for children whose families cannot afford for them to attend an SU holiday.
- Team support** refers to gifts and payments received to support the work of an employee or group of employees.
- Others** comprises gifts and grants given for specified purposes or projects not falling into the categories covered by the above seven income funds.

With the exception of in-kind Google AdWords grants, restricted income funds are represented by cash balances.

Endowment funds

The **Endowment fund** represents a capital endowment which is normally held in a designated portfolio of stocks and shares.

<i>Analysis of funds by asset</i>	Tangible fixed assets	Investments	Current assets	Liabilities and provisions	Total 2021
<i>Funds</i>	£'000	£'000	£'000	£'000	£'000
General	-	4,214	(1,248)	(888)	2,078
Designated	890	-	2,806	-	3,696
Restricted	-	-	177	-	177
Endowment	-	693	-	-	693
Total	890	4,907	1,735	(888)	6,644

14. Financial commitments

At 31 March 2021 SU had remaining commitments under non-cancellable leases as follows:

	2021	2020
<i>Expiry date</i>	Machinery	Machinery
	£'000	£'000
Within one year	3	1
Two to five years	12	-
Over five years	2	-
Total	17	1

The value of lease payments included in the SOFA in the year was £3,000 (2020: £3,000).

Comparative data for year ended 31 March 2020

4. Expenditure (2020 comparative)	Grant funding of activities (see below) £'000	Direct cost £'000	Support cost (see below) £'000	Total 2020 £'000
Costs of raising funds	-	127	298	425
Face-to-face mission in England and Wales	27	2,636	532	3,195
Advocacy	-	154	162	316
Content creation	-	323	143	466
Commercial publishing	-	600	122	722
International activities	241	133	50	424
Total 2020	268	3,973	1,307	5,548

Analysis of support costs	Finance £'000	Technical Services £'000	Human Resources £'000	Facilities £'000	Database £'000	Fundraising and Comms £'000	Management/ Leadership Team £'000	Total 2020 £'000
Costs of raising funds	56	28	5	24	36	134	15	298
Face-to-face mission in England and Wales	126	179	37	79	30	24	57	532
Advocacy	13	14	3	24	3	53	52	162
Content creation	46	21	6	8	15	4	43	143
Commercial publishing	28	34	6	24	14	1	15	122
International activities	19	-	1	-	3	1	26	50
	288	276	58	159	101	217	208	1,307
<i>Basis of activity</i>	Staff time	Staff time	Headcount	National Office Headcount	Staff time	Staff time	Staff time	

Grant activity in furtherance of the Charitable Company's objects	Activities undertaken directly	Grant funding of activities	Support costs	Total 2019 £'000
Scripture Union worldwide	48	64	16	128
Scripture Union – Africa	34	72	15	121
Scripture Union – England and Wales	30	32	8	70
Scripture Union – Former Soviet Republics	19	41	8	68
Scripture Union – Europe	15	31	6	52
Scripture Union – Americas	-	14	2	16
Scripture Union – Asia	5	7	1	13
Scripture Union – rest of Britain & Ireland	10	3	1	14
Scripture Union – Pacific	2	9	1	12
	163	273	58	494

Movement in recognised funding commitments during the year	Charitable commitments accrued £'000
Grant commitments accrued at the start of the year	82
New grant commitments charged to the Statement of Financial Activities during the year	273
Grants paid during the year	(328)
Amount of grant commitments accrued as at 31 March 2020	27

13. Statement of funds (2020 comparative)

	Balance 1 April 2019 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Transfers £'000	Balance 31 March 2020 £'000
Unrestricted funds						
Designated funds:						
Fixed Assets	1,006	-	-	-	(72)	934
Working Capital	33	-	-	-	62	95
Project and Development	1,601	-	(559)	-	350	1,392
International	680	247	(189)	-	(350)	388
	<u>3,320</u>	<u>247</u>	<u>(748)</u>	<u>-</u>	<u>(10)</u>	<u>2809</u>
General fund	2,325	4,056	(4,190)	(240)	10	1,961
Total unrestricted funds	<u>5,645</u>	<u>4,303</u>	<u>(4,938)</u>	<u>(240)</u>	<u>-</u>	<u>4,770</u>
Restricted funds						
Income funds:						
Children's evangelism	40	-	(40)	-	-	-
Endowment income	-	26	(26)	-	-	-
Gifts for SU overseas	-	160	(160)	-	-	-
Good News Fund	38	2	(27)	-	-	13
Google AdWords	-	16	(16)	-	-	-
Guardians of Ancora	7	-	(7)	-	-	-
Rooted	-	27	-	-	-	27
SU Holiday Fund	93	20	(21)	-	-	92
Team support	-	293	(293)	-	-	-
Others	41	23	(20)	-	-	44
Total restricted funds	<u>219</u>	<u>567</u>	<u>(610)</u>	<u>-</u>	<u>-</u>	<u>176</u>
Endowment funds						
Endowment fund	699	-	-	(74)	-	625
Total endowment funds	<u>699</u>	<u>-</u>	<u>-</u>	<u>(74)</u>	<u>-</u>	<u>625</u>
Total funds	<u>6,563</u>	<u>4,870</u>	<u>(5,548)</u>	<u>(314)</u>	<u>-</u>	<u>5,571</u>

Analysis of funds by asset	Tangible fixed assets £'000	Investments £'000	Current assets £'000	Liabilities and provisions £'000	Total 2020 £'000
<i>Funds</i>					
General	-	1,752	1,331	(1,122)	1,961
Designated	934	-	1,875	-	2,809
Restricted	-	-	176	-	176
Endowment	-	625	-	-	625
Total	<u>934</u>	<u>2,377</u>	<u>3,382</u>	<u>(1,122)</u>	<u>5,571</u>



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