



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)**

# Contents

---

Report of the Trustees (incorporating the Directors' report and Strategic Report) for the year ended 31 March 2024 .....	1
Reference and administrative details of the charity, its trustees and advisers.....	1
Introduction .....	2
Aims, objectives and activities .....	3
Aims.....	3
Our Strategy – Revealing Jesus.....	3
Main objectives for the year .....	4
Strategic report.....	4
Review of activities and performance during the year .....	4
Implementing our Revealing Jesus strategy .....	4
Organisational sustainability.....	7
Involving volunteers.....	9
Supporting global partnership .....	9
Plans for next year and beyond .....	10
Financial review .....	10
Financial position.....	10
Reserves review .....	11
Principal funding sources.....	12
Investment policy and performance.....	12
Principal risks and uncertainties .....	13
Structure, governance and management .....	13
Governing document and constitution.....	13
Recruitment and appointment of trustees.....	13
Induction and training of trustees .....	14
Organisational structure.....	14
Pay and remuneration of key management personnel.....	16
Related parties.....	17
Grant-making policy and principles.....	17
Appointment of external auditor.....	18
Independent Auditor's Report to the Members of Scripture Union .....	19
Statement of financial activities incorporating an income and expenditure account .....	22
Balance sheet .....	23
Statement of cash flows.....	24
Notes forming part of the financial statements .....	25

# 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

<b>Status</b>	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	
<b>Registered name</b>	Scripture Union (also known as 'SU', 'SU England and Wales' and 'Scripture Union Cymru')	
<b>Charity registration number</b>	213422	
<b>Company registration number</b>	00039828	
<b>Country of incorporation</b>	England and Wales	
<b>Principal &amp; registered office</b>	Trinity House, Opal Court, Opal Drive, Fox Milne, Milton Keynes MK15 0DF	
<b>Trustees</b>	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> )	
<b>Leadership Team</b>	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	
<b>Company Secretary</b>	Mrs Susan Winning	
<b>Bankers</b>	HSBC Bank PLC, 4th Floor, 3 Temple Quay, Bristol BS1 6DZ	
<b>Solicitors</b>	Pothecary Witham Weld, 70 St Georges Square, London SW1V 3RD	
<b>Auditor</b>	MHA, 6 <sup>th</sup> Floor, 2 London Wall Place, London EC2Y 5AU	
<b>Investment advisers</b>	Rathbones Investment Management Limited, 8 Finsbury Circus, London EC2M 7AZ	
<b>Insurance brokers</b>	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;

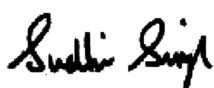
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit 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](http://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
<b>Income and endowments</b>									
<i>Income from generated funds:</i>									
- Income from donations and legacies <sup>b</sup>	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
<b>Total income</b>		<b>3,811</b>	<b>404</b>	<b>-</b>	<b>4,215</b>	<b>4,156</b>	<b>376</b>	<b>-</b>	<b>4,532</b>
<b>Expenditure</b>									
<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
<b>Total expenditure</b>	4	<b>4,824</b>	<b>419</b>	<b>-</b>	<b>5,243</b>	<b>4,680</b>	<b>405</b>	<b>-</b>	<b>5,085</b>
<b>Net gain/(loss) on investment assets</b>	8	135	-	30	165	(238)	-	(18)	(256)
<b>Net (expenditure)/income for the year being net movement in funds</b>		(878)	(15)	30	(863) <sup>c</sup>	(762)	(29)	(18)	(809)
<i>Reconciliation of funds:</i>									
<b>Fund balances brought forward</b>		4,970	154	638	5,762	5,732	183	656	6,571
<b>Fund balances carried forward</b>	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
<b>Fixed assets</b>			
Tangible assets	7	852	839
Investments	8	2,450	3,518
<b>Total Fixed Assets</b>		<b>3,302</b>	<b>4,357</b>
<b>Current assets</b>			
Short Term Investment Assets	8	1,015	-
Stocks	9	159	147
Debtors	10	517	883
Cash at bank and in hand		597	1,186
<b>Total Current Assets</b>		<b>2,288</b>	<b>2,216</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	11	(685)	(800)
<b>Net current assets</b>		<b>1,603</b>	<b>1,416</b>
<b>Total assets less current liabilities</b>		<b>4,905</b>	<b>5,773</b>
Provisions for liabilities	12	(6)	(11)
<b>Net assets</b>		<b>4,899</b>	<b>5,762</b>
<b>The funds of the Charitable Company</b>			
<b>Unrestricted funds</b>			
Fixed assets fund		852	839
Project and development fund		1,539	2,024
International fund		186	304
General fund		1,515	1,803
		<b>4,092</b>	<b>4,970</b>
<b>Restricted funds</b>			
Income fund		139	154
<b>Endowment funds</b>			
Endowment fund		668	638
<b>Total charity funds</b>		<b>4,899</b>	<b>5,762</b>

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
<b>Net cash (used in) operating activities</b>	<i>See (a) below</i>	<b>(779)</b>	<b>(867)</b>
<b>Cash flows from investing activities</b>			
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)
<b>Net cash from investing activities</b>		<b>190</b>	<b>738</b>
<b>Change in cash and cash equivalents for the year</b>		<b>(589)</b>	<b>(129)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>1,186</b>	<b>1,315</b>
<b>Total cash and cash equivalents at the end of the year</b>	<i>See (b) below</i>	<b>597</b>	<b>1,186</b>

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

<b>(a) Reconciliation of net (expenditure) for the year</b>		<b>2024 £'000</b>	<b>2023 £'000</b>
<b>Net (expenditure) for the reporting period</b>	<i>See SOFA</i>	<b>(863)</b>	<b>(809)</b>
<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)
<b>Net cash (used in) operating activities</b>		<b>(779)</b>	<b>(867)</b>
<b>(b) Cash and cash equivalents</b>		<b>2024 £'000</b>	<b>2023 £'000</b>
Cash at bank and in hand	<i>See Balance Sheet</i>	<b>597</b>	<b>1,186</b>
<b>Net funds</b>		<b>597</b>	<b>1,186</b>

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	
<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.

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
<b>Staff costs</b>		
Wages and salaries	2,350	2,266
Social security costs	230	228
Reorganisation costs	18	-
<b>Pension costs</b>		
Scripture Union (L&G) Personal Pension Plan	229	214
Unfunded pension scheme	5	1
	<b>2,832</b>	<b>2,709</b>
<b>Average number of employees, analysed by function</b>	<b>2024 Number</b>	<b>2023 Number</b>
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
	<b>75</b>	<b>76</b>

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).

<b>7. Tangible fixed assets</b>	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)
<b>At 31 March 2024</b>	<b>810</b>	<b>237</b>	<b>15</b>	<b>283</b>	<b>10</b>	<b>34</b>	<b>1,389</b>
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)
<b>At 31 March 2024</b>	<b>130</b>	<b>198</b>	<b>5</b>	<b>193</b>	<b>10</b>	<b>1</b>	<b>537</b>
Net book value:							
<b>At 31 March 2024</b>	<b>680</b>	<b>39</b>	<b>10</b>	<b>90</b>	<b>-</b>	<b>33</b>	<b>852</b>
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

<b>Investments at market value</b>	<b>2024 £'000</b>	<b>2023 £'000</b>
<b><i>Fixed asset investments</i></b>		
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>	<b>2,450</b>	<b>3,518</b>
<b><i>Current asset Investments</i></b>		
Short-term cash deposits	1,015	-
	<b>3,465</b>	<b>3,518</b>
<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
<b>Market value at 31 March</b>	<b>3,465</b>	<b>3,518</b>

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

## 9. Stocks

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

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

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

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

<b><i>Creditors: amounts falling due within one year</i></b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
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
	<b>685</b>	<b>800</b>

<b><i>Deferred income</i></b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
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	<b>163</b>	<b>159</b>

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

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

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.



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

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.

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

#### 14. Financial commitments

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

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

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

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

### Analysis of support costs

	Finance £'000	Human Resources £'000	Facilities £'000	Digital Solutions £'000	Mobilisation £'000	Management/ Leadership Team £'000	<b>Total 2023 £'000</b>
Costs of raising funds	95	5	26	64	154	11	<b>355</b>
Face-to-face mission in England and Wales	110	35	66	322	57	97	<b>687</b>
Advocacy	11	3	14	27	65	33	<b>153</b>
Content creation	20	5	12	64	6	10	<b>117</b>
Commercial publishing	28	6	16	48	15	4	<b>117</b>
International activities	1	-	3	10	6	21	<b>41</b>
<b>Total 2023</b>	<b>265</b>	<b>54</b>	<b>137</b>	<b>535</b>	<b>303</b>	<b>176</b>	<b>1,470</b>
<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	<b>Total 2023 £'000</b>
<i>International grant activity</i>				
Worldwide	-	79	16	<b>95</b>
Africa	1	52	10	<b>63</b>
Americas	-	25	5	<b>30</b>
Former Soviet Republics	-	17	3	<b>20</b>
Europe	1	12	3	<b>16</b>
Pacific	-	8	2	<b>10</b>
Asia	-	4	1	<b>5</b>
Rest of Britain & Northern Ireland	-	3	1	<b>4</b>
<b>Grant activity - international</b>	<b>2</b>	<b>200</b>	<b>41</b>	<b>243</b>
<b>Grant activity - England and Wales</b>	<b>30</b>	<b>25</b>	<b>20</b>	<b>75</b>
<b>Total 2023</b>	<b>32</b>	<b>225</b>	<b>61</b>	<b>318</b>

### 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)
<b>Amount of grant commitments accrued as at 31 March 2023</b>	<b>-</b>

### 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
<b>Unrestricted funds</b>						
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
<b>Total unrestricted funds</b>	<b>5,732</b>	<b>4,156</b>	<b>(4,680)</b>	<b>(238)</b>	<b>-</b>	<b>4,970</b>
<b>Restricted funds</b>						
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
<b>Total restricted funds</b>	<b>183</b>	<b>376</b>	<b>(405)</b>	<b>-</b>	<b>-</b>	<b>154</b>
<b>Endowment funds</b>						
Endowment fund	656	-	-	(18)	-	638
<b>Total endowment funds</b>	<b>656</b>	<b>-</b>	<b>-</b>	<b>(18)</b>	<b>-</b>	<b>638</b>
<b>Total funds</b>	<b>6,571</b>	<b>4,532</b>	<b>(5,085)</b>	<b>(256)</b>	<b>-</b>	<b>5,762</b>

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



# Scripture Union

[www.scriptureunion.org.uk](http://www.scriptureunion.org.uk)

Registered Office: Trinity House Opal Court Opal Drive Fox Milne Milton Keynes MK15 ODF  
T 01908 856000 F 01908 856111 E [info@scriptureunion.org.uk](mailto:info@scriptureunion.org.uk)

Limited Company 00039828 Registered in England and Wales Registered Charity 213422