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NAIROBI CHAPEL

ANNUAL REPORT AND FINANCIAL STATEMENTS

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For the year ended 31 December 2008

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NAIROBI CHAPEL  
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FOR THE YEAR ENDED 31 DECEMBER 2008

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NAIROBI CHAPEL  
OFFICERS AND PROFESSIONAL ADVISERS

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Elders' court

Gerald Macharia	-	Chairman
Anthony Okoth	-	Secretary
James Kaniaru	-	Treasurer
Oscar Muriu	-	Member
Mureithi Wanjau	-	Member
Walter Jaoko	-	Member
Godwin Wangongu	-	Member

Independent Auditor:

Thomas and Associates  
Certified Public Accountants (Kenya)  
P O Box 70872 - 00400  
Nairobi

Bankers:

Commercial Bank of Africa Ltd  
National Industrial Credit Bank Limited  
Chase Bank

NAIROBI CHAPEL  
REPORT OF THE ELDER'S COURT

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The Elders' court submit their report together with the audited financial statements for the year ended 31 December 2008, which disclose the state of the affairs of the Chapel.

PRINCIPAL ACTIVITY

The principal activity of the Chapel is equipping God's people to disciple the nations for Christ.

RESULTS

The results for the year are set out on pages 6 - 18.

ELDER'S COURT

The Elders who served the Chapel during the year are set out on page 1.

INDEPENDENT AUDITOR

The Chapel's auditor, Thomas & Associates served as the Independent auditor during the year and has indicated their willingness to continue in office.

Dated .....2009 and signed on behalf of the Elders' Court:

Signature:.....

Designation:.....

Signature:.....

Designation:.....

NAIROBI CHAPEL  
STATEMENT OF THE ELDER'S COURT RESPONSIBILITIES

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

The Elders' court accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by responsible and prudent judgements and estimates in conformity with International Financial Reporting Standards. The Elders' court is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Chapel and of the operating results. They further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

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

Dated ..... 2009 and signed on behalf of the Elders' Court:

Signature:..... Designation:.....

Signature:..... Designation:.....

NAIROBI CHAPEL  
REPORT OF THE INDEPENDENT AUDITOR TO THE ELDER'S COURT OF NAIROBI  
CHAPEL FOR THE YEAR ENDED 31 DECEMBER 2008

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REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Chapel, set out on pages 6-18 which comprise the balance sheet as at 31 December 2008 and the income and expenditure statement, statement of changes in funds and cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory notes.

THE ELDER'S COURT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Elder's Court is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and the presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

INDEPENDENT AUDITOR RESPONSIBILITY

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Chapel fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Chapel internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Elder's Court, as well as evaluating the overall presentation of the financial statements.

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

NAIROBI CHAPEL  
REPORT OF THE INDEPENDENT AUDITOR TO THE ELDER'S COURT OF NAIROBI  
CHAPEL FOR THE YEAR ENDED 31 DECEMBER 2008

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OPINION

In our opinion the Chapel financial statements give a true and fair view of the state of the financial affairs of the Chapel as at 31 December 2008 and of its income and expenditure, cash flows for the year ended in accordance with International Financial Reporting Standards.

THOMAS & ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS

NAIROBI \_\_\_\_\_ 2009

NAIROBI CHAPEL  
CONSOLIDATED INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2008

<b>INCOME</b>	Notes	2008 KShs	2007 KShs
<b>Income</b>	<b>10</b>	<b><u>171,848,428</u></b>	<b><u>137,788,914</u></b>
 <b>EXPENDITURE</b>			
Ministry expenses	11,12 &13	140,816,933	117,482,862
<b>Total expenditure</b>		<b><u>140,816,933</u></b>	<b><u>117,482,862</u></b>
<b>Surplus for the year</b>		<b><u>31,031,495</u></b>	<b><u>20,306,052</u></b>

NAIROBI CHAPEL  
CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2008

	Notes	2008 KShs	2007 KShs
<b>NON CURRENT ASSETS</b>			
Property, Plant & Equipment	2 a)	100,677,775	77,842,879
Prepaid lease rentals	6	<u>53,669,467</u>	<u>45,180,870</u>
		<b>154,347,242</b>	<b>123,023,749</b>
Investments	7	3,866,294	4,747,880
<b>CURRENT ASSETS</b>			
Cash and bank	3	15,428,073	14,179,108
Receivables and prepayments	4	<u>3,362,344</u>	<u>5,887,155</u>
		18,790,417	20,066,263
<b>TOTAL ASSETS</b>		<b><u>177,003,953</u></b>	<b><u>147,837,892</u></b>
<b>FINANCED BY</b>			
Capital fund	8	154,347,242	123,023,749
Accumulated fund	9	<u>2,145,355</u>	<u>5,685,519</u>
		<b>156,492,597</b>	<b>128,709,268</b>
<b>CURRENT LIABILITIES</b>			
Payables	5	7,082,249	14,623,944
Designated & Self financing funds	14	<u>13,429,107</u>	<u>4,504,680</u>
		<b>20,511,356</b>	<b>19,128,624</b>
<b>TOTAL LIABILITIES</b>		<b><u>177,003,953</u></b>	<b><u>147,837,892</u></b>

The accounts were approved by the court of elders on.....2009  
and signed on its behalf by:

Chairman .....

Treasurer .....

NAIROBI CHAPEL  
CONSOLIDATED CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008 KShs	2007 KShs
Surplus for the year	21,957,602	20,577,392
Less prior year adjustments affecting cash	8,176	(549,617)
Add: Depreciation	-	928,901
Loss on disposal	-	352,822
(Increase) or decrease in receivables	740,376	(651,425)
Increase or (decrease) in payables	(6,906,457)	12,980,801
<b>Net cashflow from / (used by) operating activities</b>	<b>15,799,697</b>	<b>33,638,874</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(25,003,391)	(37,092,493)
<b>Net cashflow from investing activities</b>	<b>(25,003,391)</b>	<b>(37,092,493)</b>
<b>FINANCING ACTIVITIES</b>		
Self financing projects	11,732,669	1,077,020
	<b>11,732,669</b>	<b>1,077,020</b>
Changes in cash and cash equivalents	4,143,280	(2,376,599)
Cash and cash equivalents at the beginning of the year	11,284,793	16,555,708
<b>Cash and cash equivalents at the end of the year</b>	<b>15,428,073</b>	<b>14,179,109</b>

NAIROBI CHAPEL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008

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1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with International Financial Reporting Standards. The principal accounting policies adopted are set out below.

**a) Basis of preparation**

The financial statements are prepared in compliance with international financial Reporting Standards (IFRSs). The financial statements are presented in functional currency, Kenya shillings (KShs), which is the prevailing currency within the primary economic environment, and prepared in accordance with the measurement bases prescribed by IFRS.

The preparation of financial statement in conformity with IFRS requires the use of estimates and assumptions. It also requires Elders' Court to exercise its judgment in the process of applying the Chapel policies.

**b) Income**

Income represents tithes, offerings and donations.

**c) Receivables**

Receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

**d) Payables**

Payable are stated at their nominal value.

**e) Property plant and equipment**

Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on the reducing balance method to write off the cost or valuation of the property and equipment over their expected useful lives at the following annual rates:

	Rate
Loose tools	33.33 %
Computers	30.00 %
Motor vehicle	25.00 %
Furniture & Fittings	12.5 %
Musical Equipment	12.5 %
Alarm System	12.5 %
Generator	12.5 %

**f) Retirement benefit obligations**

The Chapel contributes to a statutory defined contribution pension scheme, the National Social Security Fund (NSSF). Contributions to this statutory scheme are determined by local statute and the Chapel's obligations are limited to KShs. 200 per employee per month. The Chapel's contributions to this scheme are charged to the income statement as they fall due.

**g) Translation of foreign currencies**

Transaction in foreign currencies during the year are converted into the functional currency, Kenya shillings, using the exchange rates prevailing at the settlement of such transactions and from translation at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Income and Expenditure account.

**h) Impairment**

At each balance sheet date, the elder's court reviews the carrying amount of its financial assets, tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised in the income statement whenever the carrying amount in the assets exceeds its recoverable amount.

**i) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits and other shorter highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

**j) Investments**

All investments are initially recognized at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

NAIROBI CHAPEL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008

2 a) PROPERTY PLANT AND EQUIPMENT AS AT 31 DECEMBER 2008

	Computers	Building	Alarm system	Motor vehicle	Music Equipments	Office Equipment	Furniture& Fittings	Loose tools	Generator	Tents	TOTAL
	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs
Cost/ valuation;											
1st January 2008	6,091,895	34,270,369	263,786	3,222,881	14,061,445	7,989,410	11,216,285	68,445	177,648	14,891,352	92,253,516
Additions	365,230	15,168,454	-		1,698,669	5,641,201	1,277,441		-	852,397	25,003,392
<b>TOTAL</b>	<b>6,457,125</b>	<b>49,438,823</b>	<b>263,786</b>	<b>3,222,881</b>	<b>15,760,114</b>	<b>13,630,611</b>	<b>12,493,726</b>	<b>68,445</b>	<b>177,648</b>	<b>15,743,749</b>	<b>117,256,908</b>
<b>DEPRECIATION:</b>											
1st January 2008	3,214,239	2,834,949	109,224	(74,058)	2,898,274	1,132,292	2,366,826	32,429	35,043	1,861,419	14,410,637
Charge for the year	972,866	1,165,097	19,320	824,235	1,607,730	1,562,290	1,265,863	11,993	17,826	1,735,291	9,182,510
	4,187,105	4,000,046	128,544	750,177	4,506,004	2,694,582	3,632,689	44,422	52,869	3,596,710	23,593,147
<b>NET BOOK VALUE</b>											
<b>As at 31 December, 2008</b>	<b>2,270,020</b>	<b>45,438,777</b>	<b>135,242</b>	<b>2,472,704</b>	<b>13,371,092</b>	<b>11,644,983</b>	<b>10,955,077</b>	<b>2,118,062</b>	<b>124,779</b>	<b>12,147,039</b>	<b>100,677,775</b>

2(a) PROPERTY PLANT AND EQUIPMENT AS AT 31 ST DECEMBER 2007

	Computers	Building	Alarm system	Motor vehicle	Music Equipments	Office Equipment	Furniture& Fittings	Loose tools	Generator	Tents	TOTAL
	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs
Cost/ valuation;											
4,041,313	28,191,558	263,786	2,540,122	11,432,931	6,993,525	10,819,824	19,345	177,648	-		64,480,052
Additions	2,185,582	6,078,811	-	2,732,287	3,107,394	995,885	396,461	49,100		14,891,352	30,436,872
Disposals	(135,000)	-	-	(2,049,528)	(478,880)	-	-	-	-	-	(2,663,408)
<b>TOTAL</b>	<b>6,091,895</b>	<b>34,270,369</b>	<b>263,786</b>	<b>3,222,881</b>	<b>14,061,445</b>	<b>7,989,410</b>	<b>11,216,285</b>	<b>68,445</b>	<b>177,648</b>	<b>14,891,352</b>	<b>92,253,516</b>
<b>DEPRECIATION:</b>											
Accumulated depreciation	2,385,293	1,959,756	98,920	94,265	1,229,475	516,328	1,297,369	3,967	1,850	-	7,587,223
Charge for the year	741,509	875,193	10,304	414,758	1,731,784	615,964	1,069,457	28,462	33,193	1,861,419	7,382,043
Disposal	87,437		-	(583,081)	(62,985)	-	-	-	-	-	(558,629)
	3,214,239	2,834,949	109,224	(74,058)	2,898,274	1,132,292	2,366,826	32,429	35,043	1,861,419	14,410,637
<b>NET BOOK VALUE</b>											
<b>As at 31 December, 2007</b>	<b>2,877,656</b>	<b>31,435,420</b>	<b>154,562</b>	<b>3,296,939</b>	<b>11,163,171</b>	<b>6,857,118</b>	<b>8,849,459</b>	<b>36,016</b>	<b>142,605</b>	<b>13,029,933</b>	<b>77,842,879</b>

NAIROBI CHAPEL  
CONSOLIDATED ASSETS SUMMARY  
FOR THE YEAR ENDED 31 DECEMBER 2008

2 b) PROPERTY PLANT AND EQUIPMENT AS AT 31 DECEMBER 2008 SUMMARY

	CENTRAL KShs	MASHARIKI KShs	MAVUNO KShs	MAVUNO D.T KShs	MAMLAKA KShs	NGONG ROAD KShs	TOTAL KShs
Building	26,722,447	-	19,845,663	-	1,084,158	9,061,212	56,713,480
Computers	200,583	-	536,034	-	561,105	1,124,251	2,421,973
Motor vehicle		-	783,129	-	-	944,308	1,727,437
Furniture & fittings	2,094,039	245,620	1,214,868	5,673	1,275,467	2,764,799	7,600,466
Office equipment	708,954	5,651	7,897,873	-	470,012	1,838,587	10,921,077
Music equipment	2,116,982	27,895	-	753,387	1,686,209	4,323,015	8,907,488
Generator	-	-	-	-	-	115,165	115,165
Tents	-	-	-	-	-	12,147,039	12,147,039
Alarm system	123,650	-	-	-	-	-	123,650
<b>Total Assets</b>	<b>31,966,655</b>	<b>279,166</b>	<b>30,277,567</b>	<b>759,060</b>	<b>5,076,951</b>	<b>32,318,376</b>	<b>100,677,775</b>

NAIROBI CHAPEL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008

3 BANK AND CASH	CENTRAL KShs	MAVUNO-D.T KShs	MAVUNO KShs	MASHARIKI KShs	MAMLAKA KShs	NGONG KShs	TOTAL KShs	TOTAL KShs
CBA Bank	522,046	926,117	3,853,509	-	2,905,482	-	8,207,154	7,152,418
Petty Cash	103,632	64,041	1,580	-	31,918	65,753	266,924	500,727
Chase Bank	-	-	-	-	-	613,176	613,176	1,100,738
NIC Bank account	62,021	-	97,603	235,257	114,820	5,803,968	6,313,669	5,425,225
Equity	-	-	27,150	-	-	-	27,150	-
	<b>687,699</b>	<b>990,158</b>	<b>3,979,842</b>	<b>235,257</b>	<b>3,052,220</b>	<b>6,482,897</b>	<b>15,428,073</b>	<b>14,179,108</b>

4 RECEIVABLES AND PREPAYMENTS	CENTRAL KShs	MAVUNO D.T KShs	MAVUNO KShs	MASHARIKI KShs	MAMLAKA KShs	NGONG KShs	TOTAL KShs	TOTAL KShs
Prepayments	-	-	43,259	-	-	-	43,259	421,563
Mavuno Down Town	-	-	-	-	552,440	-	552,440	43,088
Prepaid rent	-	-	-	-	-	470,815	470,815	1,684,257
Other receivables	2257332	-	38,498	-	-	-	2,295,830	3,738,247
	<b>2,257,332</b>	<b>-</b>	<b>81,757</b>	<b>-</b>	<b>552,440</b>	<b>470,815</b>	<b>3,362,344</b>	<b>5,887,155</b>

5 PAYABLES AND ACCRUALS	CENTRAL KShs	MAVUNO D.T KShs	MAVUNO KShs	MASHARIKI KShs	MAMLAKA KShs	NGONG KShs	TOTAL KShs	TOTAL KShs
Audit fees	-	93,856	123,470	49,642	156,620	259,960	683,548	1,061,833
Salary accruals	-	53,287	-	57,876	-	742,859	854,022	-
Other payables	-	473,777	1,054,594	100,000	-	2,314,951	3,943,322	13,562,111
Bank overdraft	-	-	-	-	-	-	1,601,357	-
	<b>-</b>	<b>620,920</b>	<b>1,178,064</b>	<b>207,518</b>	<b>156,620</b>	<b>3,317,770</b>	<b>7,082,249</b>	<b>14,623,944</b>

NAIROBI CHAPEL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	KShs	KShs
6 PREPAID LEASE RENTALS		
Cost of land	48,000,000	48,000,000
Site management & development costs	9,167,750	-
	<u>57,167,750</u>	<u>48,000,000</u>
Accumulated amortisation b/f	2,819,130	2,248,890
Amortisation charge for the year	679,153	570,240
	<u>3,498,283</u>	<u>2,819,130</u>
Total amortised value	3,498,283	2,819,130
Balance c/d	<u><u>53,669,467</u></u>	<u><u>45,180,870</u></u>

- The land located on Jamhuri Drive, off Ngong Road, has been paid for and ownership legally transferred to the church. A technicality has however delayed usage by the church . After initial discussions with the government , The Kenya Forestry Services issued the church with a 25 year licence on 12th January 2007 enabling the Nairobi Chapel - Ngong Road access and use the Land in return for an annual licence fee of KShs. 221,215 per annum. The Elder's are still in discussion with the government and hope the matter will be resolved soon to enable the church enjoy full rights to the land.

7 INVESTMENTS		
Mavuno worship project	-	3,120,688
Old Mutual Investments	3,866,294	1,627,191
	<u>3,866,294</u>	<u>4,747,879</u>

NAIROBI CHAPEL  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	KShs	KShs
<b>8 CAPITAL FUND</b>		
Balance b/f	123,023,749	99,574,124
Transfer from accumulated fund	-	30,436,872
Site management development additions	9,167,750	-
Amortisation charge	(679,153)	(570,240)
Asset additions	25,003,392	-
Prior year adjustment on assets opening balances	8,799,120	-
Depreciation charge	(9,182,510)	(7,382,043)
Covenant assets written off	(1,785,106)	965,036
	<u><b>154,347,242</b></u>	<u><b>123,023,749</b></u>

Covenant Church ceased to be part of Nairobi chapel from 31 December 2007 after merging with Kileleshwa Community Church to form Kileleshwa Covenant Community Church.

<b>9 ACCUMULATED FUND</b>		
Accumulated fund b/f	5,685,519	4,206,715
Site management development additions	(9,167,750)	-
Transfer to capital fund	(25,003,392)	11,609,624
Prior year adjustment	(400,517)	-
Surplus for the year	31,031,495	(10,130,820)
	<u><b>2,145,355</b></u>	<u><b>5,685,519</b></u>

NAIROBI CHAPEL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008

10 INCOME	MAVUNO KShs	MAVUNO-DT KShs	NGONG KShs	MASHARIKI KShs	MAMLAKA KShs	TOTAL KShs	2007 KShs
Tithe and Offerings	57,757,210	7,048,457	54,747,773	3,941,417	40,439,732	163,934,589	125,003,574
Other Income	3,810,822	-	3,998,275	-	104,742	7,913,839	12,785,340
	<b>61,568,032</b>	<b>7,048,457</b>	<b>58,746,048</b>	<b>3,941,417</b>	<b>40,544,474</b>	<b>171,848,428</b>	<b>137,788,914</b>

11 PERSONNEL COSTS	MAVUNO KShs	MAVUNO-DT KShs	NGONG KShs	MASHARIKI KShs	MAMLAKA KShs	TOTALS KShs	2007 KShs
Staff Salaries	19,540,672	2,284,359	28,358,740	2,815,735	22,665,014	75,664,520	62,301,729
	<b>19,540,672</b>	<b>2,284,359</b>	<b>28,358,740</b>	<b>2,815,735</b>	<b>22,665,014</b>	<b>75,664,520</b>	<b>62,301,729</b>

NAIROBI CHAPEL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008

12 ADMINISTRATIVE EXPENSES	MAVUNO-DT KShs	MAVUNO KShs	MASHARIKI KShs	NGONG RD KShs	MAMLAKA KShs	TOTALS KShs	2007 KShs
Rent	1,079,664	2,662,314	525,000	2,542,820	420,000	7,229,798	8,943,181
Security	-	1,279,529	-	1,777,142	1,253,988	4,310,659	3,677,835
Utilities	-	420,090	5,000	339,169	362,807	1,127,066	1,097,851
Transport expenses	460,908	231,993	64,749	482,132	125,300	1,365,082	2,879,714
Printing & stationary	66,905	-	15,002	661,042	216,063	959,012	2,344,420
Telephone & communication	16,904	-	18,400	191,933	847,602	1,074,839	1,084,400
Office running	284,581	-	41,427	93,731	738,957	1,158,696	1,098,108
Amortisation of mavuno project	-	1,040,229	-	-	-	1,040,229	-
Repairs and renewals	72,700	-	38,469	916,993	795,126	1,823,288	2,429,020
Premises expenses	-	2,128,794	76,237	180,350	-	2,385,381	2,742,340
Insurance	144,100	827,819	45,000	263,382	795,366	2,075,667	3,238,631
Refreshments	-	679,414	42,169	290,236	550,487	1,562,306	2,076,390
Bank charges	25,308	307,286	34,590	456,068	111,657	934,909	713,528
Audit fees	93,856	123,470	-	169,128	176,633	563,087	652,664
Professional and legal fees	-	121,800	-	559,205	-	681,005	1,001,128
Hiring of equipment	28,000	-	890	-	-	28,890	412,285
Land rates and rent	-	-	-	242,015	-	242,015	-
Hospitality, benevolence & gifts	-	-	-	-	697,864	697,864	1,754,813
Decorations	-	-	9,000	551,205	415,446	975,651	343,294
Medical out patient	-	-	-	188,770	683,307	872,077	-
Advertising	-	-	7,769	20,880	158,435	187,084	-
Site development management	-	3,637,812	-	-	-	3,637,812	-
Depreciation	-	1,061,973	-	-	758,451	1,820,424	481,333
	<b>2,272,926</b>	<b>14,522,523</b>	<b>923,702</b>	<b>9,926,201</b>	<b>9,107,489</b>	<b>36,752,841</b>	<b>36,970,935</b>

13 MINISTRY EXPENSES	MAVUNO-DT KShs	MAVUNO KShs	MASHARIKI KShs	NGONG RD KShs	MAMLAKA KShs	TOTALS KShs	2007 KShs
Ministry related expenses	1,598,801	12,958,139	35,445	4,437,766	9,369,421	28,399,572	18,210,198
	<b>1,598,801</b>	<b>12,958,139</b>	<b>35,445</b>	<b>4,437,766</b>	<b>9,369,421</b>	<b>28,399,572</b>	<b>18,210,198</b>

NAIROBI CHAPEL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008

14 DESIGNATED FUND

	CENTRAL KShs	MASHARIKI KShs	MAMLAKA KShs	NGONG RD KShs	TOTAL KShs
Towers funds	-	-	3,000,000	-	3,000,000
Elders Mavuno Monthly	-	-	-	305,050	305,050
ARTFEST	-	-	6,377	-	6,377
Luke Jaoko	197,352	-	(164,707)	-	32,645
Maisha mema	-	-	29,400	-	29,400
PMCC	4,150	-	346,593	108,241	458,984
ADIYA- Womens ministry	-	-	-	253,130	253,130
Tree of joy	-	-	-	100,010	100,010
Couples Activities	-	-	(15,115)	-	(15,115)
Mizizi	-	-	100,959	-	100,959
Salt Fellowship	18,606	-	142,267	-	160,873
Maggy Gitau-Support	-	-	37,000	-	37,000
Youth Camp	-	(27,802)	(266,330)	-	(294,132)
Ropes Camp	12,092	-	(5,380)	204,545	211,257
Scholarship fund	(1,303,374)	-	(116,271)	-	(1,419,645)
Missions	-	-	2,000	-	2,000
Young Adults	1,000	-	9,301	40,385	50,686
Poor fund	346,180	-	-	8,006,719	8,352,899
Cheryl's fund	-	-	-	48,730	48,730
School of prayer	-	-	(139,400)	27,900	(111,500)
Children Outreach	-	-	77,082	-	77,082
Humanitarian	-	-	127,557	-	127,557
Mamlaka times	-	-	68,250	-	68,250
TULIP	-	-	500	439,199	439,699
Fashion show	-	-	5,324	-	5,324
Tumaini kwa watoto	-	-	(10,000)	-	(10,000)
Kenya Airways investment	-	-	-	8,721	8,721
Food parlour	-	-	61,175	-	61,175
Intern Support scholar	-	-	44,797	1,676,607	1,721,404
Mens fellowsip	-	-	500	1,900	2,400
Ministries	8,492	-	29,788	(420,393)	(382,113)
<b>Total</b>	<b>(715,502)</b>	<b>(27,802)</b>	<b>3,371,667</b>	<b>10,800,744</b>	<b>13,429,107</b>