

# Annual Report 2015





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Panua - Partners in Hope is a three-year program in Naivasha, Kenya which empowers youth-led families to stay intact, know the love of Jesus and move from dependency to self-sufficiency.

[www.panua.org](http://www.panua.org)

# From Program Director

Rev. Paul Matheri

Dear Friends of Panua,

Often people have wondered why Panua - Partners in Hope cares or “bothers” to work with Orphaned and Vulnerable Youth and Children (OVC). Not considering the underlying factors that bring a particular youth to their stature, they are looked at with suspicion and judgment and as a security threat.

The Panua program recognized the poverty cycle which is generated immediately following the death of one or both parents. The desperate state can even begin when there is a terminal illness in one of the parents. The eldest child in the family takes over the parental responsibility before they are mentally, physically, or emotionally ready. The youth, who now becomes the family caregiver, drops out of school and misses all the other opportunities to grow as a child.

Panua’s transformational ministry has helped restore hope, joy and love through Christ by identifying and empowering these youth following three steps: hope restoration through Christ and Community, life skills training and vocational and entrepreneurial training, as well as supporting them to start their own income-generating activities.

George Munene was orphaned at 6 years old. He joined Panua with the 90 youth in Panua’s pilot program, graduating in 2013. George is now doing crop and animal production on his farm. He has cows, rabbits, sheep, chickens and two dogs. He grows Napier grass, onions and corn. He also does transport business with his own motorbike. George is happily married with 2 children and he employs 10-15 people from the community, depending on the season. George is a testimony of how your prayers and generosity can transform a community.

In 2015, our second program cycle grew from 90 families to 160. This would not have been possible without the prayers and partnership of our friends from United Methodist churches in the USA and Kenya, as well as community and government support here in Naivasha.

Thank you all who have made this possible. The world can be different with your generous contribution towards reducing the poverty cycle, restoring hope, joy and love to those who need it.

With gratitude,

***Rev. Paul Matheri***



# From US Board Chair

## Mickey Linn

Dear Panua Stakeholder,

Thank you for your support which has made it possible for Panua to help 250 orphan heads of household to come out of poverty! For the cost of a cup of coffee a day, Panua can successfully help an orphan family become self-sustaining. The program currently operates in six slums in Naivasha, Kenya. By the end of this 3-year cycle in 2016, we expect to have graduated close to 250 heads of household, who support more than 700 siblings and dependents. These graduates enter the economy, create jobs, buy goods, get their siblings into school and raise the local standard of living. It is our belief that after three to four cycles, this will noticeably reduce the poverty level in the community by helping hundreds of families to move from poverty to self-sustainability. Even more important, these families move from hopelessness to hope and faith.

Panua began in 2010 with a commitment to professional management and developing and implementing the most cost-effective model available to help impoverished youth become self-sustaining. During the pilot cycle (2010-2013), 86% of the program participants achieved their sustainability goals, and the total three-year program cost was under \$2000/successful youth.

During the first two years of the current cycle (2014-2016), the program is on-budget and targeted to achieve a program cost of \$2000/successful youth, the Herth Hope Index, a measure of psychological health in our youth, has improved 43%, average income per youth has more than doubled, even with many just finishing their apprentice programs, and 70 families were added at the end of 2014, growing our program by 78%.

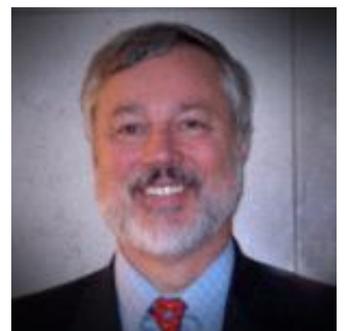
Panua works directly with the Methodist Church in Kenya and is based on John Wesley's Four Pillars: Scripture, Reason, Tradition and Experience. We are a learning organization always seeking to understand and improve our results. Last June we were asked to speak at the Methodist Youth Leadership Conference (Youth 2015) and had 600 attend our four workshops and over 2,000 walk through our replica Panua Experience! We are working to build long term support for Panua from these leaders. Already a youth group is targeting to pay for a group of 15 orphans for the entire next three year program! Think what this will mean to those young people – both those receiving the help *and* those supporting them on their faith journey.

We are now starting to work on our third class cycle, 2017 thru 2019. There is interest from other churches in the Panua program and we hope to turn that interest into on-going support, allowing us to expand and help even more young people to find hope from the belief in Christ and to become economically self-sustaining.

On a more personal note, it is a privilege to work with the people of Panua. Seeing transformation in each one of our orphans is a pure joy. So, too, is seeing our volunteers working for young people on the other side of the world to have a future. Again, thank you for your support for Panua.

Sincerely,

***William Michael (Mickey) Linn***



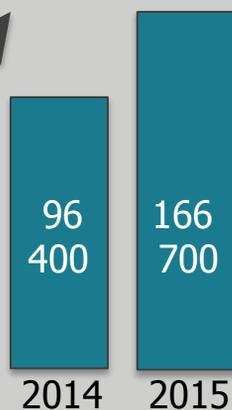
# Panua Grows in 2015



Thanks to our supporters and Naivasha team, our goal to expand in Naivasha became a reality in 2015. Drawing from its growing waiting list, Panua added 70 youth, a 78% increase over the previous year. These youth joined the existing 90 who began the program in 2014, and became part of the six existing neighborhood youth groups. The new 70, referred to as "Group B" are now part of a 2-year pilot program to determine if they can accomplish in 2 years what was originally envisioned as a 3-year program.

**78%**  
increase in  
number of lives  
transformed

Program youth  
Extended family

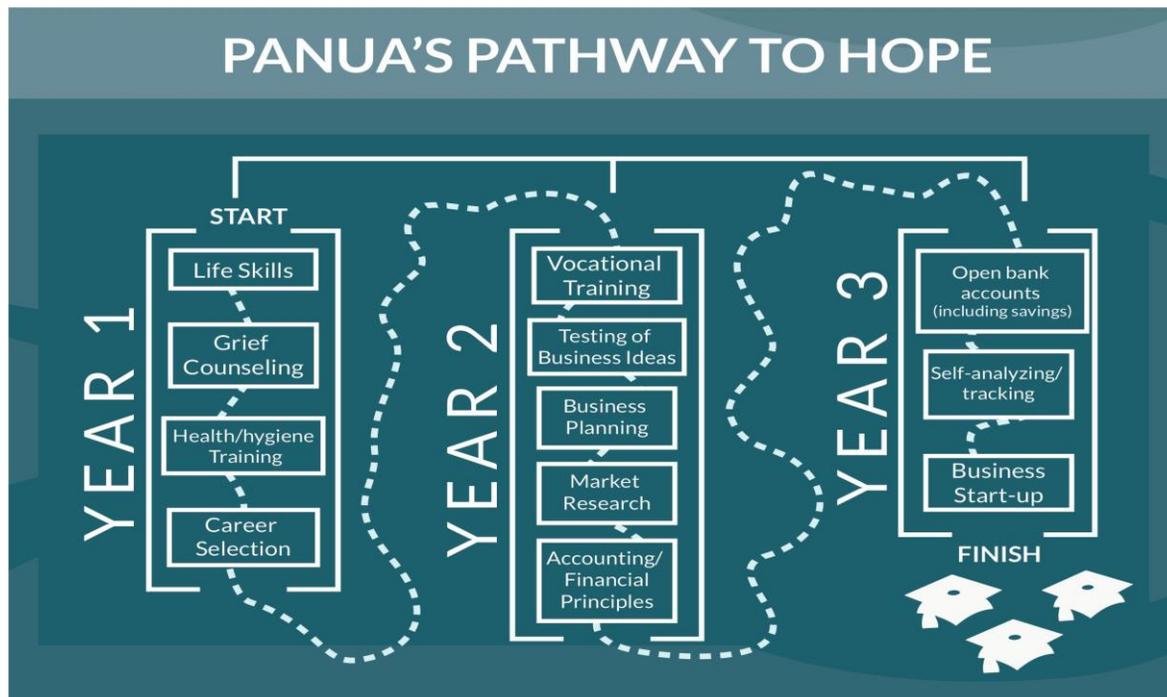


Thanks to you, this year we served more youth with impact.

# 2015:

## On the Path to Self-Reliance

Panua's three-year program transforms lives through a unique blend of education, emotional and spiritual mentoring, and business/vocational training. Catering to individual needs and interests, the youth can set their own pace throughout the program. In 2015, a large focus was on vocational training.



The 166 Panua youth have received training in a wide number of vocations, including those listed below:

- 43 hairdressers/barbers
- 27 mechanics/motorbike
- 5 electricians
- 10 welders
- 12 tailors
- 3 accountants
- 8 professional drivers
- 3 carpenters
- 14 hospitality
- 1 plant operator
- 1 disc jockey
- 4 floriculture
- 1 early childhood development
- 1 sign writer
- 1 sweater knitter
- 1 tile repairman

Some of these youth became employed or started businesses of their own in 2015. Year 3 (2016) will see a great focus on business start-ups, as youth will begin to support themselves and their dependents.

# Outcome Measurements

Panua conducts an annual assessment survey to measure all areas of the program, including: Health and hygiene, HIV/AIDS education, legal rights, social and spiritual well-being, emotional and psychological well-being, and financial security. The survey is given to all program participants at four points during the three-year program: Program start (baseline), end of year one, end of year two and end of year three (graduation).

Panua analyzes and compares survey results as participants progress through the three year program, with the following goals:

- Gain insight into program participants' progress
- Determine if annual program goals and objectives are being met, surpassing expectations or in need of further attention
- Measure the emotional, social and financial outcomes\* and well-being of program participation
- Use results as one of the program's key performance indicators, for continued program development as well as transparency in reporting

*\*Outcomes are defined as the changes that have taken place as a result of our work, vs. outputs, which are defined as the list of the work that we do.*



# Outcome Measurements



Panua youth tailoring shop

**Note:** The assessment data presented in the following pages is based on the 90 youth who started the program in 2014. The additional 70 youth who joined in 2015 are showing similar assessment results to the second-year data points of the original group. We will continue to evaluate whether a two-year program could be as effective and transformational.

# Program Assessment:

## The Hope Index

Generating hope in Panua participants is an essential component for achieving successful outcomes. Panua youth experience God's love in small group settings of 15-25 youth from the same neighborhood. Under the guidance of a mentor and Panua staff, they experience spiritual and emotional encouragement and accountability together, and eagerly become a community of extended family.

Panua uses the Herth Hope Index as one way to assess the difference Panua is making in restoring hope in the lives of the youth it serves. This self-survey has become widely used as a measure of hope in many program settings. The questions measure dimensions of temporality and future, positive readiness and expectancy and interconnectedness. The youth complete the survey at the program start and then repeat at the end of each year until graduation. Scores range from 13 to 52, with higher scores reflecting higher levels of hope.

### Summary of Results

- Large gains in hope were seen in year one, where participants went from high levels of isolation, poverty and hopelessness to finding a supportive community of like-minded peers in their youth groups, as well as prayer partners in the US.
- Year 2 continues to show gains, though the pace is more level. Vocational training has started, and more time is spent in the training and business aspects of the program than in the initial community-building phase as in year 1.
- Some of the biggest leaps can readily be seen in the detailed chart, such as a 95% improvement in goal setting and a 79% improvement in "seeing possibilities in the midst of difficulties."
- The 60% improvement in feelings of loneliness is reiterated in the separate assessment, where the youth moved from 7% to 64% reporting having a supportive social network involved in their lives.



# Program Assessment:

## The Hope Index

Hope Index Score Comparison						
(Scale 1-4 with 4 being most favorable score)						
Question	Baseline 2014 Mean Score	January 2015 Mean Score	1 Year Improvement	January 2016 Mean Score	2 Year Improvement	2 Year Percent Improvement
I have a positive outlook towards life	2.08	3.48	1.40	3.45	1.37	66%
I have short and/or long goals	1.69	3.31	1.62	3.30	1.61	95%
I feel lonely	2.20	3.43	1.23	3.51	1.31	60%
I can see possibilities in the midst of difficulties	1.85	3.29	1.44	3.31	1.46	79%
I have faith that gives me comfort	2.73	3.58	0.85	3.48	0.75	27%
I feel scared about my life	2.37	3.27	0.90	3.38	1.01	43%
I can recall happy/joyful times	2.30	3.17	0.87	3.23	0.93	40%
I have deeper inner strength	2.42	3.49	1.07	3.43	1.01	42%
I am able to give care and love	2.66	3.47	0.81	3.67	1.01	38%
I have a sense of direction	2.02	3.27	1.25	3.26	1.24	61%
I believe that each day has potential	3.18	3.37	0.19	3.69	0.51	16%
I feel my life has value and worth	2.85	3.65	0.80	3.77	0.92	32%
I can make decisions	2.66	3.54	0.88	3.53	0.87	33%
Mean of all questions	2.39	3.41	1.02	3.46	1.08	45%
<b>TOTAL HOPE INDEX SCORE (MAX = 52)</b>	<b>31.02</b>	<b>44.34</b>	<b>13.32</b>	<b>48.15</b>	<b>17.13</b>	<b>55%</b>

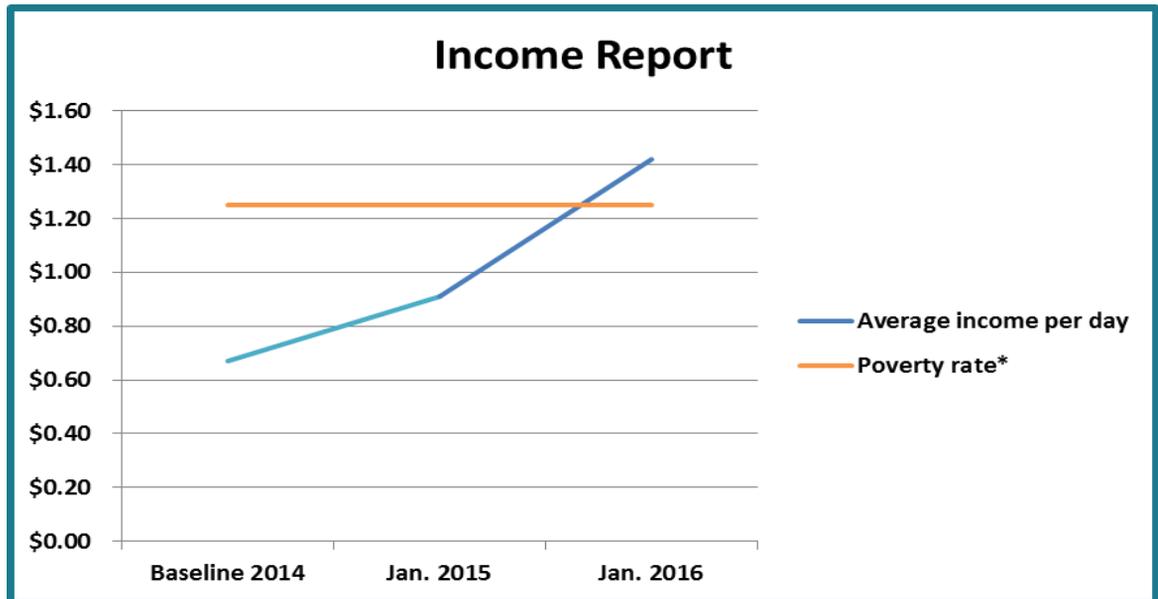


Stephen



Amina

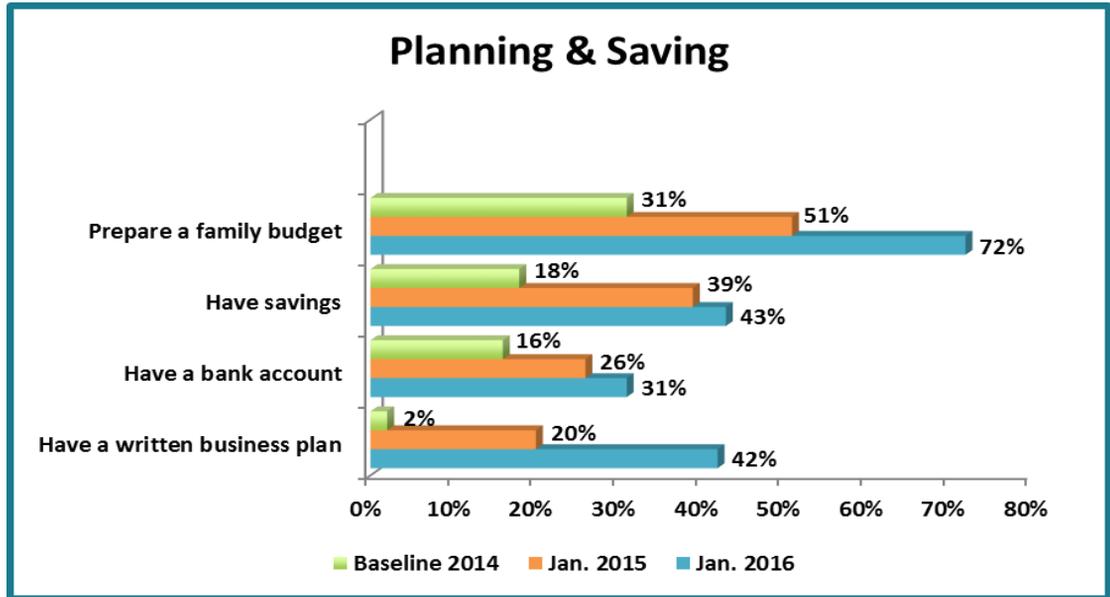
# Program Assessment: Financial Indicators



*\*The World Bank defines extreme poverty as \$1.25/day or less.*

- In year 2, Panua youth average earnings rose above the poverty level, from \$0.67/day to \$1.42/day. This average includes youth who are still earning nothing, while they complete their vocational training.
- The figures for 2015 and 2016 were adjusted to the baseline 2014 exchange rate so as not to skew the data with currency fluctuations.

# Program Assessment: Financial Indicators

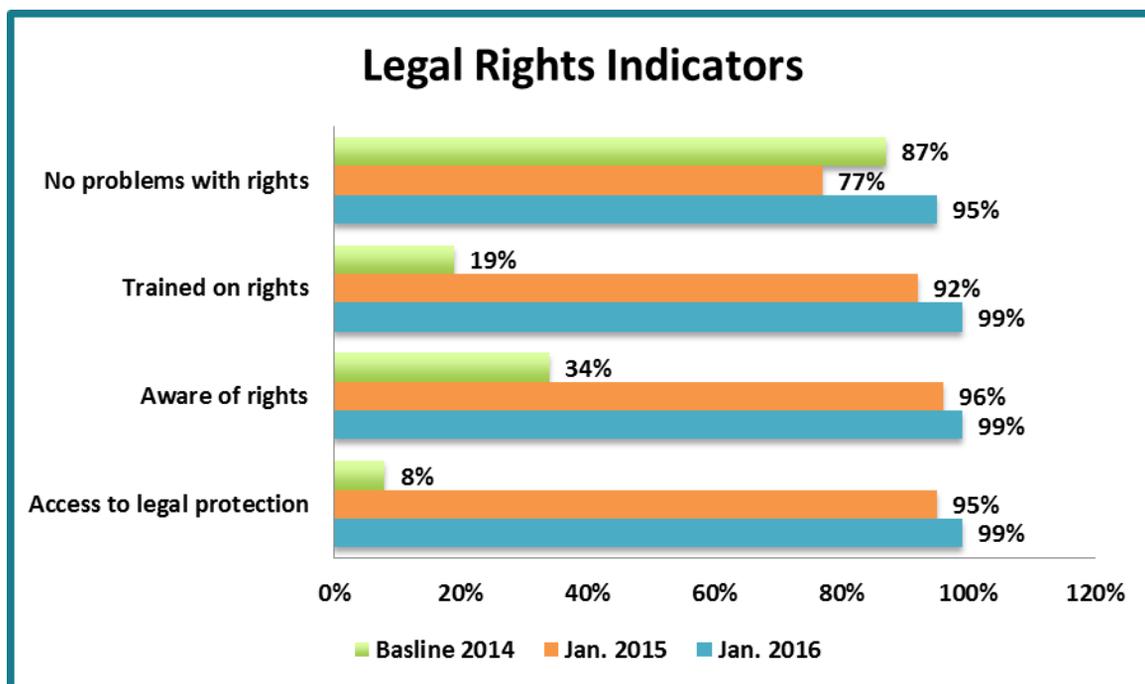


- Planning and saving are additional indicators of financial health. Almost three-quarters of Panua participants (72%) are now preparing a family budget either weekly or monthly, compared to 31% at the program start. The percentage of those with financial savings more than doubled.
- Additionally, the quality of savings location improved, with those saving at home decreasing from 25% to 4% and those saving in a bank or other outside institution increasing from 25% to 44%.

# Program Assessment:

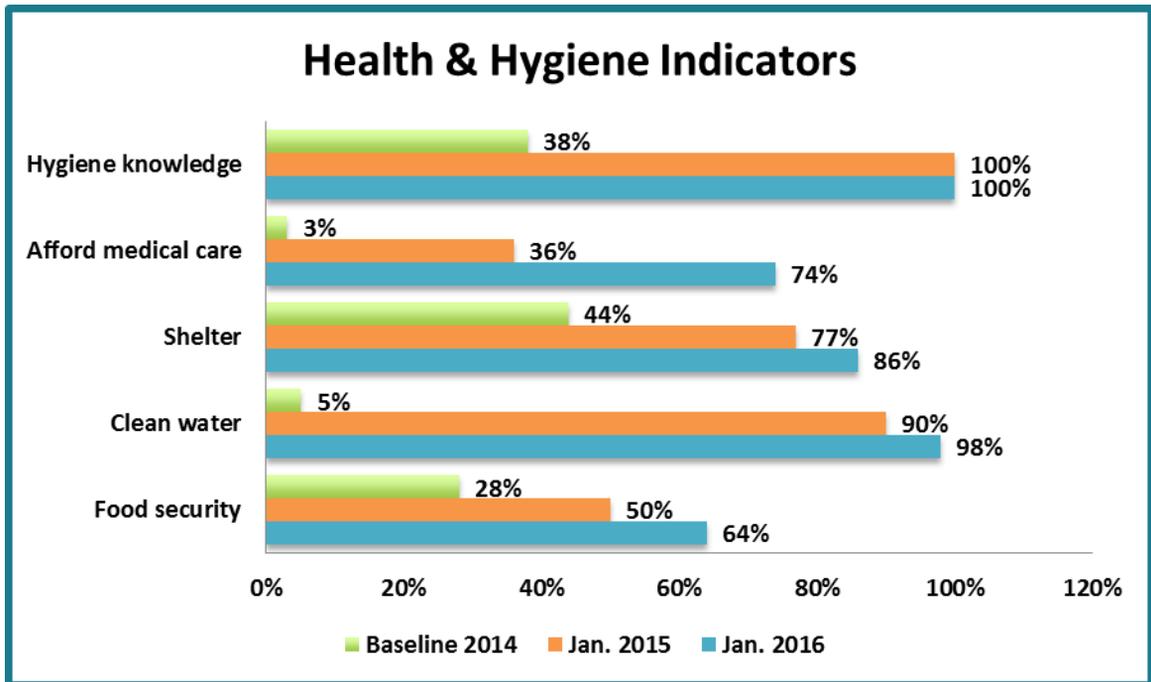
## Legal & Health

Ensuring basic needs are met and the household is in a safe and healthy environment is paramount for building to the next level of well-being and financial security. For this reason, the first year of Panua program provides training with a strong focus on legal rights, health and hygiene, nutrition and food security of the youth and their families. The impact of these trainings and counseling can be readily seen in the improvement levels.



- Often, children and youth in orphaned households do not have an awareness of the basic rights that are theirs as citizens of Kenya and children of God. Violations of rights can easily ensue, ranging in scope from land issues to birth certificate and other identifying documents to sexual harassment, physical abuse, child labor/trafficking, child neglect, exploitation, or unpaid wages.
- During the Panua program, the Panua youth and their households are trained on their basic rights and solutions are pursued in cases of rights infringement. Ninety-nine percent of Panua youth attended the training. Huge gains in awareness or rights (from 34% to 99%) and access to legal protection (from 8% to 99%) were also seen.

# Program Assessment: Legal & Health



- Panua trainings on basic health and hygiene resulted in all of the youth (100%) having the knowledge to eradicate and/or avoid related diseases, where just 38% did when they first joined Panua.
- HIV/AIDS training is a major learning component, since so many of the youth have been orphaned as a result or are caring for others who are ill. The youth moved from just 62% having had training and knowing their own HIV status at the program start to 96% being trained in prevention of HIV, management of AIDS and knowing their HIV status.
- Nearly half the youth (44%) started with inadequate shelter, but this figure improved to a vast majority (86%) with homes (rented or owned) deemed adequate, clean, dry and safe.
- Ninety eight percent of households now have clean drinking water, compared to only five percent on entering the program, due to the installation of water filters.
- It is anticipated that basic needs relating to financial ability will continue to see improvement in the last year of the program as the youth become more financially secure. Program participants who can afford medical care improved from 3% to 74%. Food security (defined as eating at least two meals a day with one or more being nutritionally balanced) improved from just over a fourth of participants (28%) at program start to more than half (64%) after two years.

# Our Stories:

## Stephen - Tomatoes

Orphaned at the age of 13, Stephen was left to care for his three siblings. With this great responsibility, he was unable to continue school past the 8<sup>th</sup> grade, instead taking to the streets to look for odd jobs.



Stephen's incoming 2014 photo

In 2010, Mary, a woman who sells tomatoes at a local market, hired Stephen to assist with selling tomatoes and paid him a daily commission. He slept in her tomato stall at night. He learned from Mary, but his wages were not enough to support his family, let alone save enough start-up capital to open his own tomato business.

Stephen joined the Panua family in 2014. Panua supported him with business training and income-generating start-up capital. He has been able to start his own business of selling tomatoes in the same market where he had been employed by Mary, who remains his mentor though he no longer works for her.

Stephen is now living on his own and can afford to pay his own rent and take care of his siblings because his income has improved. Stephen continues to improve his tomato business, and through continued Panua business training support, is working to expand his business in both retail and wholesale markets.



*“Panua has changed my life and is a blessing to my future. I am really proud of my business and I do love it.”*

*- Stephen*

Stephen in 2015 with his own tomato stand

# Our Stories:

## Irene - Soap

Irene lives in the Kayole neighborhood, a depressed and isolated area just outside the city of Naivasha. Her father died when she was 14, leaving her to care for her terminally ill mother, her sister and her baby in a small, congested house. Before joining the Panua program, Irene was forced to search for odd jobs daily just to try to make ends meet for her household.

Today, Irene is running her own business, manufacturing soap and detergents. She received start-up capital and continuous business counseling to ensure her success. In less than one year and with a mere \$150, she began this small start-up and has grown to regular income averaging \$80 per week in sales. She currently sells to over 14 schools, 6 restaurants, 3 hotels, 4 business offices and many individuals purchasing from her regularly.

Irene was one of the 15 hand-picked youth who recently completed Panua's advanced management training. In the coming year she hopes to build her business and add two Panua youth as sales representatives.



Irene's incoming 2014 photo

*"I have great plans and goals to expand my business both nationally and internationally!"*

*- Irene*



Irene in 2015 with her soap business

# Our Stories:

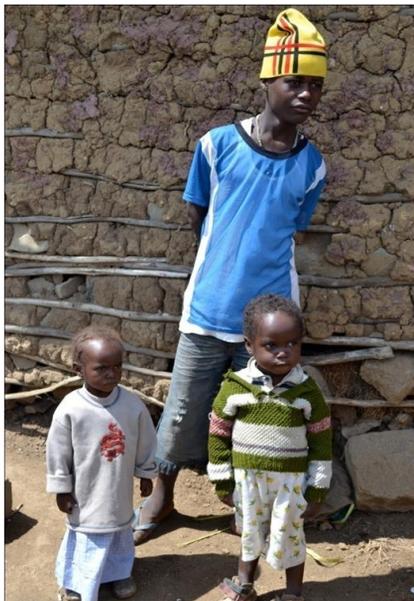
## Amy McKenna, Panua Supporter

Amy, an RN, first traveled to Panua in 2011. She met John and his five siblings then, and their health was so poor, the team wasn't sure they would survive. At the time, John was only able to get a couple of meals a week. He was trying to raise rabbits to sell, but had to eat them to sustain himself and his family.



Amy returned in 2012 as part of a medical mission trip and saw John had started to blossom when given the opportunity through Panua, and she went again in 2013 to see John graduate from the program. Today, John and his siblings are thriving and John has his own sign-painting business. Amy has seen first-hand the Panua model's success, and has continued her role as sponsor for the 2<sup>nd</sup> 3-year class cycle.

To see more of the story of Amy, John and John's Panua sponsor family, check it out here: <https://vimeo.com/159356096>.

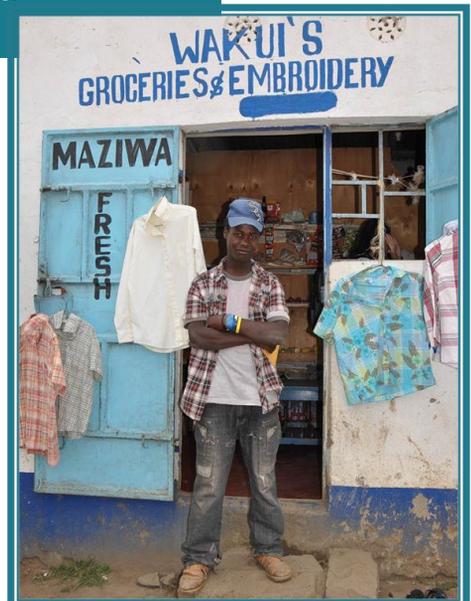


John and his some of his siblings in 2011

*“Not only did he graduate from the program, but he painted the graduation sign.” - Amy McKenna*



John's siblings in 2015



John in 2015

# 2015 Financials

## Revenue

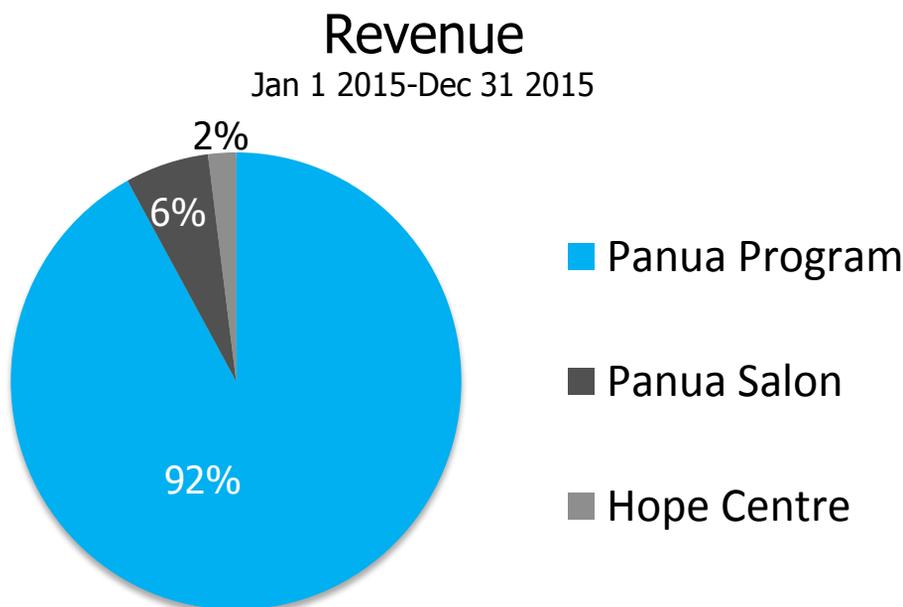
Funding for the Panua Program is raised from donations from individuals, ministry groups, churches, grant funding and businesses. Panua also runs two small businesses in Naivasha to generate profit and serve the Panua youth.

The Panua Salon is a hairdressing training facility for Panua youth and also serves the Naivasha community. Income is generated from service fees from customers and training registrations.

The Hope Centre is an internet business office providing internet access and computer skills training for the Panua youth and the local Naivasha community.

First United Methodist Church Winter Park raises money for Panua in advance of need and contributes funds according to the budget approved by the Boards of Directors in both Naivasha, Kenya and in Winter Park.

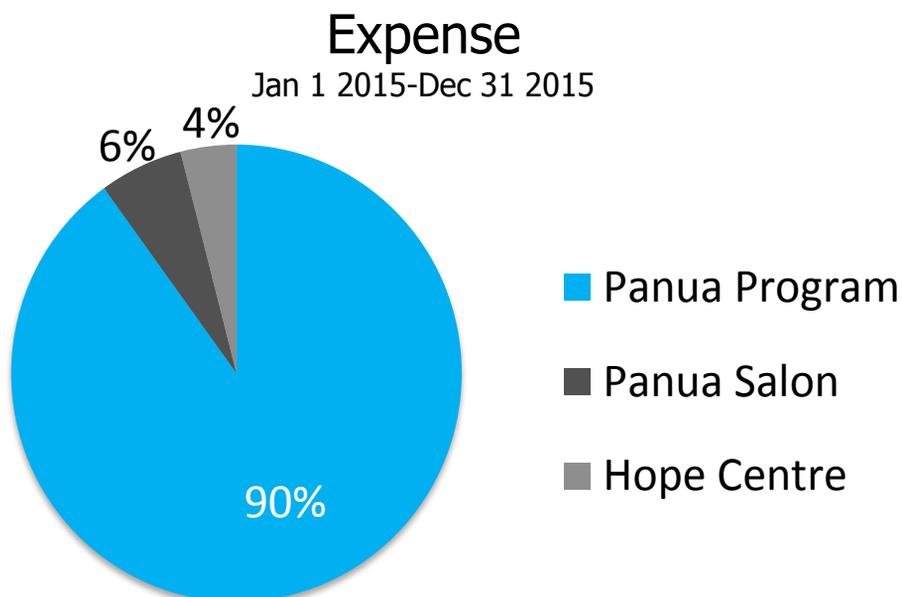
The approved funds are contributed as needed to meet the expenses (therefore the contributions equal the expenses). In 2015 program expenses (\$112,335) were 98 % of the budgeted amount (\$115,044).



# 2015 Financials

## Expenses

Expense	
Capacity building (Group leaders and mentors meetings and training)	\$3,420
Transportation for youth	\$2,130
Education	\$3,178
Entrepreneurship Training	\$22,782
Health Education	\$2,506
Field Operations	\$7,118
Office Operations	\$5,493
Life Skills and Child's Rights	\$2,352
Food Security	\$419
Payroll costs	\$42,993
Program costs	\$6,671
Youth Personal Development	\$1,630
Administration	\$1,165
Panua Salon	\$6,506
Hope Centre	\$3,972
<b>Total Panua Program Expenses</b>	<b>\$112,335</b>

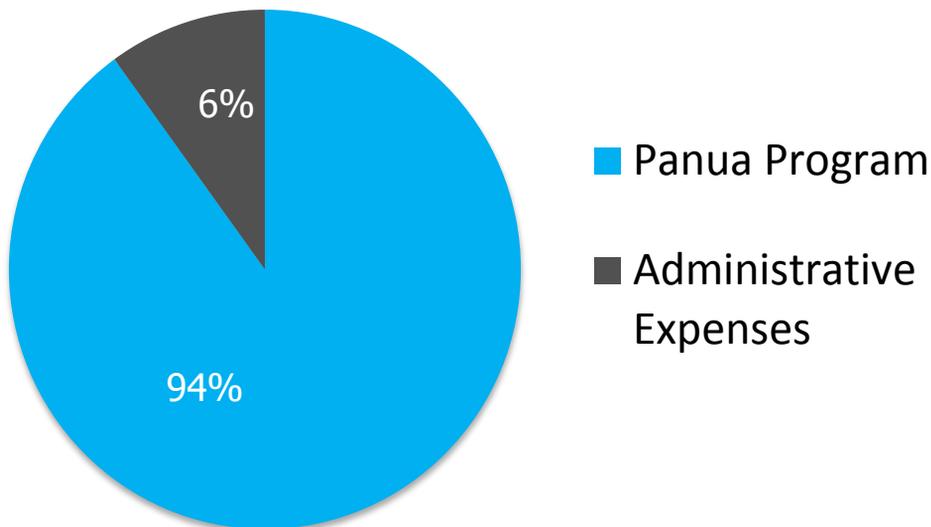


# 2015 Financials

The Panua Program is able to keep expenses to a very low percentage due to the in-kind support of the volunteers, businesses and churches who give generously of their time and expertise.

## Allocation of Expenses

Jan 1 2015-Dec 31 2015



Panua – Partners in Hope accounting records are audited by the independent Certified Public Accounting firm of Wambugu Githaiga and Associates of Nairobi, Kenya. The audited financial statements are presented in accordance with International Financial Reporting Standards (IFRSs) and Interpretational Committee (IFIRC).

Full financials are available upon request.

# Staff & Board Members

## Kenya Staff

Rev. Paul Matheri – Program Director  
Florence Muriuki – Social Worker  
Patrick Ndonga – Business Program Manager  
Ephantus Kariuki – Finance Manager

## Kenya Board

Samuel Weru – Chairman – Environmental Specialist  
Ann Muene – Community Health Volunteer/Farmer  
Jimmy Njuguna – CPA/Businessman  
George Shabaan – Accountant  
Mary Gacheru – Community Health Nurse  
James Waweru – Business Manager

## U.S. Board

Michael Linn – Chairman – Businessman/Entrepreneur  
Amy McKenna – RN, Businesswoman  
Larry Brown – Architect  
Loran Van Wormer – Educator  
Susie Rush – Speech Pathologist (retired)  
Mia Thomas – CPA  
Ivor Singer – Businessman/Entrepreneur  
Jensie Gobel – First United Methodist Church Winter Park Panua Global Coordinator  
Carol Smith – First United Methodist Church Winter Park Director of Lay Ministry



2015 Board Chairs Mickey and Sam

# Join Our Team

## and be a Partner in Hope!



**Connect:**



**Go:** Join our late summer 2016 trip to Naivasha and see our current class graduate! For more trip info, visit this link: <http://panua.org/missiontrips>

**Pray:** for our youth, our sponsors, and our staff

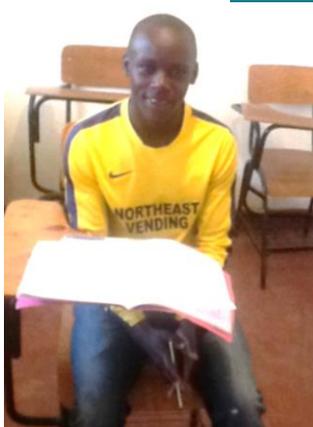
**Learn:** Sign up for our monthly newsletter [here](#) (or email [jensieg@panua.org](mailto:jensieg@panua.org)) and visit [panua.org](http://panua.org) to learn more.

**DONATE**

Donate one time or pledge monthly at [panua.org/donate](http://panua.org/donate); it all helps. Sponsor a youth for one, two or three years.

# Thank You!

The success of Panua - Partners in Hope takes everyone – financial sponsors, prayer partners, staff in both the US and in Kenya, and most of all, young people who are motivated to learn, work hard and embrace the opportunity for change. We are deeply grateful to you for your part in this transformational ministry!





# panua

PARTNERS IN HOPE

Jensie Gobel  
jensie@panua.org

[www.panua.org](http://www.panua.org)

