



# **Business Plan Summary**

Rev 2.14 dated 24 September 2023

This Business Plan was approved by the Board of CBA as of June 2023

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# Executive Summary



CBA is pleased to provide this document to those wishing to join us to help relieve poverty by creating jobs through the investment & coaching of local entrepreneurs as an alternative to the simple relief approach as practiced by many organizations today in developing countries.

## MISSION

Early-stage investment to create meaningful employment backed by sustainable profits in order to reduce poverty and increase personal dignity.

Since 2013, CBA has developed the processes and local presence in Kenya to identify, train and invest in entrepreneurs who can grow their businesses to create new employment. For these entrepreneurs, microfinance loans are inadequate, venture capital not reachable, and bank loans simply unavailable. It is in this “*missing middle*” space where CBA is set to help.

Over the years, we have laid the groundwork for the investment programs that we offer today: our Incubator and Accelerator Program loans and equity investments. Along the way, we have trained 500+ persons and helped create hundreds of jobs through growth in a wide variety of companies.

**We aim to create 1000+ jobs/year  
in over 400 GODLY companies by 2026.**

Over the last 18 months to mid-2023, we have engaged 24 companies in our new Incubator Program with kick-start loans up to Ksh200,000 (~US\$1700) each. Next to this, we have added 6 more companies to our established Accelerator Program with financing up to Ksh5million (~US\$36k) each.

## OPERATIONS

Our team of local business leaders and international executives work together to help entrepreneurs create new jobs.

## ADVANTAGES

- ✓ Invest to leverage Local Talent
- ✓ Engage Local Business Leaders
- ✓ Build Profitable Companies
- ✓ Create Sustainable Employment
- ✓ Relieve Poverty with Dignity

In support of these investments, we have recruited & trained 50+ local Kenyan business leaders to help raise these companies as godly examples of Christian businesses while supporting growth of sustainable profits for long-term viability of the jobs they create.

In 2022 – the first year of our 5-year plan – we beat our employment targets while also developing a

burgeoning pipeline of opportunities of investment opportunities.

The primary challenge for CBA is now to raise the funds necessary to continue our journey of raising up godly companies that create new employment for those needing it. God has brought us this far and blessed us with a strong local presence in Kenya.

## OUR REQUEST

- ✓ 100% self-funded to now
- ✓ \$90k of self-funding planned for 2023
- ✓ \$230k is now requested from key partners

**Will you invest with us in this mission?**

# 1. The Christian Business Angels

## 1.1. Mission Statement

The Mission of the Christian Business Angels (*referred to as* CBA) is to help entrepreneurs to launch and/or grow businesses within their country of origin by providing affordable early-stage financing plus business coaching, with the ultimate aim of helping those entrepreneurs and their companies **create meaningful & sustainable employment to help reduce poverty** within their country, and to **raise up businesses that honor God and set the example for others to follow** in doing so.

## 1.2. Overview / Background

The CBA is a group of Christian<sup>1</sup> international business leaders seeking to help bring out the best of promising entrepreneurs<sup>2</sup> in developing countries. CBA was founded in 2013, following a visit to Kenya hosted by Compassion International where we observed that many qualified young people with university degrees were unable to secure suitable employment.

Looking for a way to make a difference as businesspeople, we came upon the idea that an important but often missing piece of the solution is entrepreneurship: by starting and growing new companies, economic activity in Kenya<sup>3</sup> increases and new employment is created, generating prosperity and opening avenues for a better future.

From our early years, CBA's business model was grouped around three objectives:

- to identify suitable investment candidates through the supply of business training,
- to invest financially with the best candidates from funding applications collected, and,
- to coach the founders/leaders of those companies receiving investment until such time that they are able to repay CBA financing provided.

Since our founding in 2013, we have provided business seminars to over 500 business-minded people, and detailed hands-on workshop training to over 200 entrepreneurs and investment candidates, which in turn has led to CBA financing of 14 “Accelerator” companies and loan support to 24 “Incubator” companies<sup>4</sup>.

All training and investment activity to date has taken place in the country of Kenya, and over 90% of the companies we have engaged with remain operational to date.

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<sup>1</sup> In the context of this document, Christians are defined as individuals who profess Jesus Christ as their Lord and Savior

<sup>2</sup> While CBA and its members operate out of a compassion for people from a Christian point of view, its activities as outlined in this Business Plan are not restricted to Christian entrepreneurs only. However, we expect entrepreneurs involved with us to subscribe to the biblical principles of doing business such as outlined in the 1<sup>st</sup> page of Appendix 1, and to be respectful of Christian beliefs.

<sup>3</sup> Our focus to date is exclusively on Kenya; it is our plan to replicate our business model to other developing countries when ready – see section 3.6

<sup>4</sup> Accelerator & Incubator activity as of June 2023

### 1.3. Our Calling

In our mission of creating employment through a family of godly businesses, we see three specific facets to our calling as the Christian Business Angels:

#### i) Helping Eradicate Poverty as Jesus Would

Our business model is designed to help those in need to help themselves, in line with the “*teaching how to fish*” vs “*handing out fish*” analogy.

In doing so, we focus on following in the steps of Jesus Christ himself, aiming to feed thousands with just a few “*loaves & fishes*” just as Jesus himself did<sup>5</sup>. In our case, our “*loaves & fishes*” are our financial resources, investment insights, business acumen and the coaching abilities of our global & local business leaders.

By applying our “*loaves & fishes*”, we aim to help feed the hungry by raising up local entrepreneurs with talent & opportunity, but lacking the finances and coaching to achieve their potential.

#### ii) – Building Businesses to Make a Difference

As we seek to bless entrepreneurs with our “*loaves & fishes*”, we favor those businesses that can create new employment that is meaningful for the employee and sustained over the long term by ongoing company profits.

But jobs and profits are by no means enough. Therefore, we incorporate a focus to locate those entrepreneurs who desire to follow Jesus by building a godly company that not only creates jobs with sustainable profits, and does so in a way that honors God, helps build His Kingdom – thereby also setting an example for others to follow.

Every entrepreneur joining with CBA signs a pledge of commitment<sup>6</sup> to build a business following God’s principles as expressed in the Bible – even when bribery, corruption or other wrongs may hold out the promise of greater worldly success. We want our businesses to serve as a light in the darkness, and our entrepreneurs to hold up an example of leadership that Jesus himself would be proud of.

#### iii) – Engaging Ourselves for Personal Growth

Lastly, from the perspective of our Business Angel donors and co-investors, we believe that God calls us to much more than just application of the funds He may have given us. Therefore, we provide opportunity for and encourage active involvement by each of our members as a way to honor God and help build His Kingdom through the work of CBA.

Opportunities to come alongside our local entrepreneur participants, their team members, families and coaches gives us the ability to share our witness, to provide encouragement and to also rejoice with them as God blesses them in their work.

The Kingdom of God is never built in isolation and not without the body of Christ working together, and so we at the Christian Business Angels praise God – together – when His presence is made known, the gospel is shared to yet one more new employee, but also when business plans are achieved!

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<sup>5</sup> See Matthew 14:18-20

<sup>6</sup> See the CBA “Rules of Engagement” provided in Appendix 1

To that end, CBA members & supporters find additional reward in being able to join us as hands-on Business Angels, engaging directly with local business leaders and entrepreneurs to identify, coach and guide CBA entrepreneurs – a clear missions opportunity to help build the Kingdom of God, using the very talents & resources that God has given us.

We consider ourselves blessed to do this work and call that opportunity MISSIONS 3.0<sup>7</sup>.

#### **1.4. CBA Organizational Structure**

The primary operations and offices of the CBA are located in USA (*Texas*) & Europe (*Netherlands*), where they are respectively registered as a 501(c)3 and ANBI charitable foundations to facilitate tax-deductible donations.

Local investments in target countries (*of which Kenya is the first*) are made through wholly-owned for-profit subsidiaries. The local subsidiary is the vehicle participating in the investment of local entrepreneurs, providing loans and/or holding shares in their company.

CBA was founded on a donation basis, with participants (*called “Members”, or “Business Angels”*) making annual contributions as well as to providing their time to help lead workshops or coach entrepreneurs. Aside from a small local accounting service in Kenya, all CBA activities through 2022 have been completed through the financial donation and volunteer work by our bench of Angels and coaches.

Through mid-2023, CBA has been self-funded and is now ready for external investors to help us remain on track in this 5-year plan with regards to investments and employment creation.

In the first half of 2023, CBA has established a full-time, local office in Nairobi, Kenya with the addition of our Nairobi-based Financial Controller in Kenya (*another new job created ☺*), and welcomes new investors & donors alongside our working Angels to help achieve our goals as laid out in this our 5-year plan.

#### **1.5. Key Personnel / Management Team**






The Christian Business Angels is a mix of senior businesspeople from various countries, all with a common goal of creating employment in developing countries. Global leadership is provided by a Board of Directors, who are elected to office and serve on a volunteer / unpaid basis.

A summary of our Business Angels team as of mid-year 2023 is provided below, with further details/updates provided on our website.











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<sup>7</sup> Check this short video from our Chairman to learn more about Missions 3.0: <https://tinyurl.com/Missions3>

## Board of Directors

				
<b>Roland Heersink</b>	<b>Bernhard Brouwer</b>	<b>Gerard Vesseur</b>	<b>Jonathan Davies</b>	<b>Carol Nzau</b>
<b><i>Chairman</i></b>	<b><i>Secretary</i></b>	<b><i>Treasurer</i></b>	<b><i>Vice Chair</i></b>	<b><i>Country Director</i></b>
Software Company CEO/President <i>(retired)</i>	Sr. Vice-president, Johnson & Johnson <i>(retired)</i>	CFO, Windpark Fryslân	Sr. Vice-president Doehler Global	Compassion International

## Business Angels / Key Contributors / Management Team

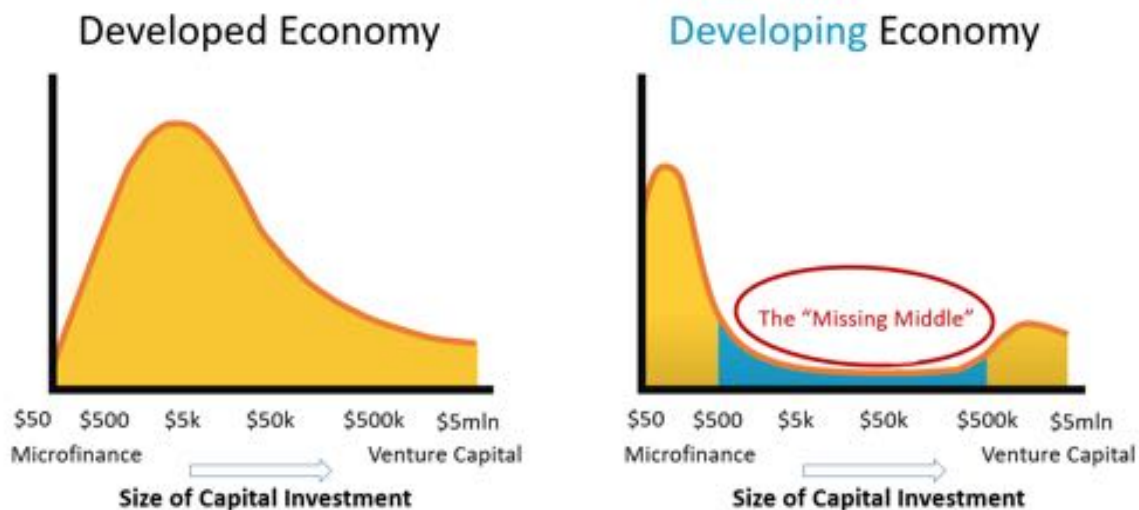
				
<b>Bob Davis</b>	<b>Jan-Hein de Baat</b>	<b>Rob de Groot</b>	<b>Jos Den Hengst</b>	<b>Erik Kuisch</b>
Tech Startup Guru	Software/Telecom CEO/Board Member	President ReckittBenckiser <i>(retired)</i>	Entrepreneur <i>(retired)</i>	COO Eurofiber Chair Tearfund NL)
				
<b>John Poole</b>	<b>Dave Pollock</b>	<b>Paulus Steenkamp</b>	<b>Irena Theodorou</b>	<b>Jan Voois</b>
Chairman, Strategic Products & Services (software) <i>(retired)</i>	Finance Mgr, US Government US Navy	Vice-president & Engineering Mgr, Shell Oil <i>(retired)</i>	CEO, Private Cancer Clinic <i>(retired)</i>	Founder, Actwell Actuary Services (semi-retired)

## 2. CBA Investment Strategy

### 2.1. CBA Market Position

CBA is one of many organizations active in Kenya with the aim to help the local population. We are a for-profit company in Kenya, with focus is on the “*Missing Middle*”<sup>8</sup>, an investment zone of early-stage companies in the space between pure microfinance and venture capital or bank funding.

The diagram below illustrates the problem. Compared to a developed economy, a developing country has more micro businesses and some large, capitalized businesses. There is a significant lack of Small & Medium sized Enterprises (SME’s) in a developing economy. The lack of a “missing middle” means that there is no established pathway means that those at the bottom can't easily visualize a pathway for economic growth because there is little for them in the economic middle.



Currently there are two well-funded and significant forms of entrepreneurial development in the developing world – but neither one addresses the “missing middle”.

First, there is microfinance which can be hugely transformative for individuals and their families. Loans of \$50-\$500 allow a family to buy a goat, a sewing machine or some other commodity with which to start a simple micro business and feed their family. These programs have a wide population impact because they're easy to scale by just giving out a lot of very small loans across the bottom 30 percent of the population. However, these programs tend to have little impact on the economy in the form of jobs for others outside the microfinance community.

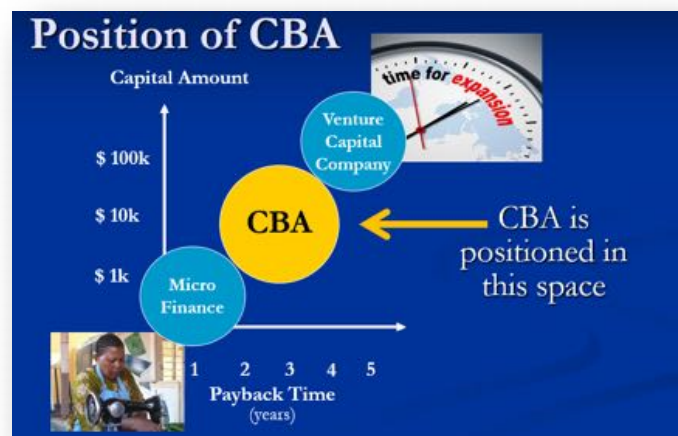
The other very effective form of economic development is large-scale impact investing where venture investments of \$100k to \$1million or more can scale existing businesses to create jobs. Although investments at this end of the economy also have a high economic impact, the population that is affected is often a narrow one at the higher end of the economic scale.

<sup>8</sup> Thanks to Thomas Carlson of ECatalyst – a company similar to CBA with primary focus in Ethiopia – for his very clear video explaining why investment in the “Missing Middle” is so important: <https://tinyurl.com/CBAtarget>

In order to transform an economy with impact across the entire population, the problem of the missing middle must be addressed. This means the substantial creation of small- & medium-sized enterprises (SME's) to fill the gap between 1-2 people employed in a microfinance business and the 1000+ employees in a large-scale enterprise.

Today, however, very few investors or aid organizations focus on this space. Creation of SME's in the "missing middle" means creating new businesses that may have unproven business models and few peers in the local economy. Aid organizations avoid this space because it doesn't spread the risk as effectively as microfinance does. And venture capital investors avoid this space because it's too risky and the returns may not be as high as they wish.

The "missing middle" is exactly where CBA brings its focus.



At CBA, we invest in those opportunities that might create employment for 10-50 people in a term of 3-5 years. Our investments target the "missing middle" for creation of employment for those needing more than microfinance can offer and aim to create an ecosystem of SME's that can work together, build on each other, and over time, help eliminate the "missing middle". Our goal is to create a healthy community of SME's that will allow a developing economy to move towards being a fully-developed economy, with economic activity for all members of the society.

## 2.2. Investment Lifecycle

Our investment lifecycle consists of the following major components:

- Identifying suitable investment candidates
- Financial investment at either the "Incubator" or "Accelerator" level
- Onboarding & coaching of new investments for sustainable growth
- Investment recovery

This lifecycle is planned to take 1-2 years for the Incubator companies, and 3-7 years for the larger Accelerator investments. To date, we have made 38 investments, split approximately 2:1 between the Incubator & Accelerator programs.



### 2.2.1. Identifying New Investments

CBA has historically offered multi-day Business Planning & Start-up training workshops to which we invited cohorts of 30-50 entrepreneurs to attend. Over the years, we have trained 200+ entrepreneurs and a further 500+ through 1-day seminars. These workshops & seminars provided CBA with direct contact and were our primary means of identifying suitable investment candidates in the early years.

In doing so, CBA has nurtured several partnerships with training & microfinance companies, as additional sources of investment candidates. In mid-2022, CBA formed a strategic partnership with Sinapis<sup>9</sup>, an US-based international Christian entrepreneur & business training company with primary focus in Kenya. Under the partnership arrangement, CBA routes entrepreneurial candidates to Sinapis for training, and Sinapis provides CBA with access to training graduates, with the first opportunity to invest.

Besides the Sinapis partnership, CBA has also partnered with several microfinance organizations, as described in section 3.2, for additional access to both Incubator and Accelerator investment candidates.

### 2.2.2. Incubator Investments

Since the Incubator Program launch in January 2022, CBA has made 24 investments, with loans in the range of US\$1000–\$2000 each.

Each of these loans is awarded to suitable entrepreneurs following application, credit checks, analysis of historical & forecast financials, and a personal interview with a Business Angel or Local Coach.

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- 24 companies
  - \$1000 - \$2000 loans
  - 10-12% interest with flexible terms

Successful applicants are required to ascribe to the CBA “*Rules of Engagement*”, reinforcing Christian principles for their business dealings. A copy of the same is provided in Appendix 1.

A summary of Incubator investments made is as follows:

- Afrikana Heritage House – Kenya handicrafts retail shops
- Better Health Green Grocer – natural foods retailer
- Caaly Naturals – natural skin care products
- Calo Bakers – bakery
- G-star Technicals – IT & cyber services
- Heartland Honey – beekeeper training; honey production & sales
- Isaac Barbershop – hair salon
- JEILO Collections – handcrafted leather goods
- Jonah Fresh Juice – juice & snacks bar
- Kamida Enterprises<sup>10</sup> – sunflower oil production
- Kibu Energies – LPG gas supplier
- Kimuki Poultry – chick nursery

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<sup>9</sup> For more information, visit <https://www.sinapis.org/>

<sup>10</sup> Has “graduated” from Incubator loan financing to receive CBA “Accelerator” investment

- Kosgey Salons – hair salon
- Lancel Investment - beekeeper training; honey production & sales
- Leao Limited – farm-to-supermarket wholesaler
- Life is Delicious – pastries & specialty cakes
- Litmus Ventures – ice cream & snacks
- Rift Picnics – event planning
- Salome Group – vegetable production
- Sentewe Animal Feeds<sup>9</sup> – animal feed sales & delivery
- Tigo House – fashion & home décor
- To-La Naturals – organic skin & hair care
- Victorious Bone Crafts – handcrafted jewelry items
- Wise Choice Bakeries – bakery + youth skills education

Loans have been provided to each of these companies, with a 1-2 year payback schedule carrying compound interest of 10-12% per annum. Repayment is facilitated by use of m-Pesa money transfer in Kenya<sup>11</sup>.

The primary goal of the Incubator Program is to raise suitable applicants for further investment via the Accelerator Program, while also creating meaningful & sustainable employment along the way.

### 2.2.3. Accelerator Investments

To date, CBA has made 14 Accelerator investments, as shareholder equity or revenue-based financing agreement, within the target range of US\$5,000 - \$50,000 each.

Accelerator investments are made with suitable entrepreneurs following a more detailed application, analysis of historical & forecast financials, business plans plus personal interviews with both a Business Angel / CBA Board Representative and Local Coach.

- 14 company investments
- Target US\$5,000 - \$50,000
- Equity or revenue-based financing
- 3-7 year life cycle

As part of the evaluation process, entrepreneur applicants complete a 3-year financial plan which is reviewed in detail with the CBA team to ensure that it is both realistic and achievable. Following this review and a formal valuation analysis of the business<sup>12</sup>, the CBA team selects the preferred investment model (*equity or revenue-based financing*) and proposes an investment accordingly. An outline of the Accelerator Evaluation process is provided in Appendix 2. Successful applicants then wishing to engage with CBA for financing sign off on the appropriate legal documents<sup>13</sup> as well as indicating their acceptance to the CBA “*Rules of Engagement*”<sup>14</sup>.

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<sup>11</sup> M-Pesa is Kenya’s leading money transfer facility, for consumers & businesses – <https://en.wikipedia.org/wiki/M-Pesa>

<sup>12</sup> See valuation template provided in Appendix 3

<sup>13</sup> A copy of a sample Revenue-Based Financing Term Sheet is provided in Appendix 5; a complete copy of the Revenue-Based Finance document is available on request.

<sup>14</sup> The CBA “Rules of Engagement” document the Christian principles that we require for entrepreneurial business dealings. A copy is provided in Appendix 1.

A summary of our Accelerator investments as of mid-2023 is as follows, with additional detail provided in Appendix 4:

- Beach Kitchen – restaurant, *35% CBA ownership*
- BigBrainz – school management software, *10% CBA ownership*
- Coconazi – coconut treats, *45% CBA ownership*
- Crystalyn<sup>15</sup> – music & video media productions, *30% CBA ownership*
- EagleLinks – pork production, *45% CBA ownership*
- EcoKud – eco-friendly protein feed production, *39% CBA ownership*
- House of Gbemi – bespoke fashion tailoring, *6.25% revenue-based financing / 5 years*
- Imani Mocassions – restaurant & catering, *20% CBA ownership*
- Kamida Enterprises – sunflower oil production, *7% revenue-based financing / 8 years*
- Kikafri Collections – African designer bags & clothing, *45% CBA ownership*
- Kilimo Biashara Smart Farm – vegetable production, *7% revenue-based financing / 5 years*
- Sentewe – animal feeds, *4.5% revenue-based financing / 4 years*
- Vic Green<sup>15</sup>, vegetable & fruit production, *49% CBA ownership*
- Zindua<sup>16</sup>, vegetable production, *20% CBA ownership, shares have since been repurchased*

The primary goal of the Accelerator Program is to create meaningful and sustainable employment in the development of a business that serves as witness to both godly principles and the love of Jesus. Longer term, we hope to raise up these early-stage companies to where they can sustain profitable operations without further CBA involvement, and then source further capital as needed through bank financing or venture investment.

Early Accelerator investments were made as equity investments, this has more recently shifted to prefer a Revenue-Based Financing (RBF) arrangement so that CBA is better able to recover its investment for further deployment with the next generation of entrepreneurs. In the RBF arrangement, the entrepreneur repays the CBA investment as an affordable % of monthly collections, up to an established target, typically 2-3x the original investment, depending on market conditions, risk, funds application and business profile.

#### **2.2.4. Coaching for Success**

Each of the CBA investment companies – Incubator & Accelerator – are assigned a CBA Business Coach to help them realize their plans for employment growth backed sustainable company profits. Both the Incubator & Accelerator companies have a local coach assigned, and the Accelerator companies additionally have an individual CBA Business Angel that serves on the board of the company as well.

Our network of coaches and advisors has been built over the years to a team of 50+ volunteer local business leaders in Kenya providing coaching and deal analysis, in addition to our US-, UK-and EU-based Business Angels.

- 45+ local Business Leaders as coaches
- 14 US- and EU-based Business Angel advisors / board members
- Mix of local & global Deal Team analysts

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<sup>15</sup> Entrepreneur equity buyback in progress

<sup>16</sup> Entrepreneur buyback completed

Global zoom calls provide training and networking opportunities to our team of coaches & leaders, supplemented with periodic local networking events for coaches & entrepreneurs. In-person CBA Business Angels involvement is limited due to the travel required, but we maintain engagement with 3-4 short term visits per year, supplemented by 3-5 months/year of in-country presence by our chairman.

### **2.2.5. Investment Recovery**

The final phase of the CBA investment lifecycle is the recovery of Incubator/Accelerator loans and divestment of Accelerator shareholding. Loan / financing recovery is per fixed terms agreed with the entrepreneur, just as a bank or other financial institution would. Recovery of the equity investment also follows a pre-agreed strategy, but with some more flexibility, depending on actual business growth.

To support divestment of equity investments in Accelerator companies, CBA pre-agrees a valuation methodology with the entrepreneurs, applying this at initial investment and at every successive year-end for each company.

The understanding of a return on investment in multiples of original equity is well-defined and clearly understood by all entrepreneurs from initial investment date onwards and refreshed at each year-end. Exit of CBA from the company as a shareholder therefore is straightforward and with buyout amounts within expectations. See Appendix 3 for a sample of our Valuation Template used.

### **2.2.6. Investment Risk & Mitigation**

The “sweet spot” for CBA financing are early-stage companies with 3-5 employees and revenues of US\$10-20k/year. These companies are past the initial startup period, but not yet substantial enough to obtain bank financing or venture capital.

Of course, investing in such companies requires a considerable on-the-ground network to identify and assess the opportunity. With approximately 50 business leaders and others in Kenya that committed to help with CBA success, we are in a unique position to identify & assess opportunities generally overlooked by others.

Through leverage of our substantial on-the-ground presence, and our years of investment in the Kenyan market, we have developed the processes and insights with which to help maximize returns through appropriate management of the risks involved. Highlights of our processes include:

- Structured application with defined business canvas or business plan documents
- Structured historical & forecast financial reporting for value assessment
- In-person interview & assessment by our trained deal evaluation team
- Detailed review of every application by our team of senior executives
- Comprehensive loan & shareholder documentation
- Standardized accounting used in all company investments with monthly CBA roll-up
- Onboarding process for standard monthly reporting & adherence to Christian values
- Monthly coaching of entrepreneurs by local business leaders
- Monthly-Quarterly board meetings including local coach & international executive
- Annual company valuation & assessment process & reporting

Of course, even the longest list of procedures, safeguards and personal interactions cannot guarantee success, and therefore we ensure an ongoing diversity in our portfolio – both in terms of geography, industry and actual company status.

## 3. Five Year Plan Details 2022-2026

This section of the report provides additional details on how we will achieve our primary goal of creating 1000 new jobs per year in the country of Kenya.

### 3.1. Creating Jobs is our Goal

This chart shows the jobs created over the course of our 5 year plan. These jobs come from both our Incubator (*loan*) and Accelerator (*loan and/or equity*) investments, as shown:

CUMULATIVE EMPLOYMENT	2022	2023	2024	2025	2026
	Plan	<b>ACTUAL</b>	Plan	Plan	Plan
<b>Accelerator Program</b>					
<i># of Accelerator investments</i>	13	11	21	36	61
Low Case Jobs Forecast	38		75	149	296
Base Case Jobs Forecast	47	72	107	237	496
<b>Incubator Program</b>					
<i># of Incubator investments</i>	26	22	69	135	232
Low Case Jobs Forecast	12		54	146	321
Base Case Jobs Forecast	22	107	96	260	571
<b>Total CBA Employment</b>					
Low Case Jobs Forecast	51		129	295	617
Base Case Jobs Forecast	69	179	203	497	1067

Details of how we find, finance and grow these numbers are given in the following sections.

### 3.2. Sourcing Entrepreneurs

From 2013-2022, CBA sourced its entrepreneurs by inviting entrepreneurs to attend workshops, where we provided business training, business plan (pitch) competitions and personal coaching:

Year	# participants <sup>17</sup>	Duration & Contents
<b>Seminars</b>		
2013	250 <sup>18</sup>	2 hrs, Generic CBA presentation & Integrity in the Marketplace
2013	65 <sup>19</sup>	4 hrs, Business Plan Essentials & Business Plan Competition
2014	240 <sup>10</sup>	2 hrs, Entrepreneurship
<b>Training workshops</b>		
2015	31	1 day, Business Plan development
2016	20	1 day, Business Plan Contest & Start-up Success
2018	32	2.5 days Business Plan & Start-up Company
2019	41	2.5 days Business Plan & Start-up Company
2022	46	2.5 days Business Plan & Start-up Company

<sup>17</sup> A number of individuals participated in multiple events, hence the total number of individual participants is about 500.

<sup>18</sup> Included all students enrolled in the Compassion LDP program at that time.

<sup>19</sup> As offered to interested students as part of an annual LDP conference.

In this period, some 500 people were familiarized with CBA and the rudimentary concepts of setting up a business (plan), and a further 200 persons were given more detailed business plan and startup training.

The workshop approach has been effective but not scalable to the extent we need in our 5-year plan, and so we have partnered with Sinapis, a professional and Christian entrepreneur training organization, for the training of prospective CBA entrepreneurs. To mid-2023, Sinapis has graduated 2,147 entrepreneurs from its suite of business training programs, with significant growth expected in the coming years.<sup>20</sup>



From 2022, CBA now has first access to all Sinapis business training graduates, which provides a significant increase in the number of funding candidates for CBA investment.

In addition, CBA has also partnered with several other organizations providing microfinance business training and other leadership development opportunities. A summary of our training partners that we have relationships with is shown below:



In addition, CBA has started partnerships with a couple of local investment capital firms which typically target investments for their applicants in the range of \$250,000 - \$750,000. These firms now route the best of their “early-stage” applicants to CBA for investments up to \$50,000 with the objective that these businesses are then “raised up” by CBA coaching & leadership to again come back to the investment partners for future capital injection.

The investment partners that we have current relationships with is shown below:

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<sup>20</sup> For more information, visit [www.Sinapis.org](http://www.Sinapis.org)



Taken together, these partners provide an abundance of opportunity for CBA investment. This is especially true since early stage startup companies and microfinance “graduates” are generally not well-established enough for bank or other financing, without supplemental leadership and coaching of the type the CBA can provide.

### 3.3. Building & Managing Entrepreneurial Success

Following CBA investment – whether via the Incubator or Accelerator program – each entrepreneur is assigned a local coach to help build company success. The local coaches are Kenyan men & women with business experience adequate to understand the challenges of growing revenues and building a sustainable profit stream in early-stage startup companies.

Similar to the selection we process followed for new entrepreneurs, all local coaches are also interviewed and vetted via the CBA onboarding process. This includes application, personal interview + signed commitment to CBA values, and agreement to help without personal gain.

Following coach admission to the CBA team, the coaches themselves are trained by CBA, and then supported with contact directly to the Angels on our CBA Business Angel Coaching Team. The Coaching Team maintains local coach communications and provides regular training seminars (*via zoom or in person*), plus network events – all to ensure that our local coaches are well-equipped to help build success with the selected entrepreneurs receiving CBA investment.

With our team of 35+ local coaches, the following support is provided to each entrepreneur:

- Monthly review meetings<sup>21</sup>
  - Quarterly progress updates
  - 3-4x yearly Coach & Entrepreneur networking events
  - Periodic Business Training seminars
  - Annual Entrepreneur Conference
- plus
- Quarterly board oversight for Accelerator investments<sup>22</sup>
  - Annual Business Valuation report<sup>23</sup>
  - Higher-level Sinapis training as appropriate to their situation<sup>24</sup>

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<sup>21</sup> Copies of the Monthly Report and Strategy Planning templates provided in Appendix 6

<sup>22</sup> All Accelerator investments involve a volunteer executive – a “Business Angels” – on their board of directors

<sup>23</sup> See Appendix 3 for a copy of the CBA Annual Valuation Report

<sup>24</sup> This would include the ACADEMY and ASCEND training programs, as appropriate



### 3.4. Financials behind the CBA 5 Year Plan

An overview of CBA funding versus investment costs & expenses is provided below and based on our collective experience and learnings since 2013:<sup>25</sup>

FINANCIALS, x1000	2022		2023	2024	2025	2026
	Plan	ACTUAL	Plan	Plan	Plan	Plan
<b>Income</b>						
<i># of Angels @year-end</i>	17	15	23	34	60	96
Angels Member Fees	\$61	\$51	\$97	\$151	\$272	\$466
Donations	\$50	\$5	\$20	\$25	\$30	\$35
Co-Investors			\$230	\$300	\$393	\$514
Equity BuyBacks / Revenue Share Payments	\$10		\$35	\$95	\$196	\$366
<b>Total Income</b>	<b>\$121</b>	<b>\$56</b>	<b>\$367</b>	<b>\$516</b>	<b>\$775</b>	<b>\$1,176</b>
<b>Investment Costs &amp; Expenses</b>						
Accelerators	\$50	\$32	\$100	\$185	\$315	\$487
Incubators	\$39	\$30	\$64	\$100	\$145	\$195
Travel & Events	\$20	\$9	\$37	\$63	\$89	\$116
CBA Staff & Overhead	\$26	\$3	\$79	\$131	\$184	\$236
+10% contingency funds	\$13		\$28	\$48	\$73	\$103
<b>Total Investment Costs &amp; Expense</b>	<b>\$148</b>	<b>\$74</b>	<b>\$308</b>	<b>\$527</b>	<b>\$806</b>	<b>\$1,138</b>

Key assumptions to the above figures are as follows:<sup>26</sup>

Accelerator Funding		Incubator Funding	
4	# of new investments in Year 1 (2022)	26	# of incubator starts in Year 1 (2022)
100%	annual growth in accelerators yr2 : yr1	65%	annual growth in incubators yr2 : yr1
-15%	slowing annual growth, %points/year	-10%	slowing annual growth, %points/year
\$12,500	average funding per investment	\$1,500	average funding per investment
Accelerator employment assumptions		Incubator employment assumptions	
5.0	# new jobs added per year per company	2.0	# new jobs added per year per company
75%	% added in year 1	75%	% added in year 1
20%	growth of employees added per year	25%	growth of employees added per year
Accelerator company assumptions		Incubator company assumptions	
10%	company fail rate (new jobs not counted)	33%	company fail rate (new jobs not counted)
<i>above data are BASE case projections:</i>		85%	funded incubators who actually launch
75%	LOW:BASE case job creation ratio		

### 3.5. Mid-Year 2023 Update

As of mid-2023, over 200 jobs are supported within the CBA family of companies – *this in addition to the 300+ jobs created by 2013-2019 trainees not receiving CBA investment.*

Employment is split approximately 60/40 between full-time and part-time positions, and includes only those individuals on a CBA company payroll, not contractors or other secondary employment positions.

- 38 companies with CBA investment
- 200+ jobs supported in the CBA family
- 300+ jobs expected by YE 2023

<sup>25</sup> For convenience, financials are reported in US\$; a parity rate of 1:1 is assumed versus the euro

<sup>26</sup> A detailed forecast model is available for sensitivity analysis to interested readers – email us in case this is of interest to you

Year-end 2023 employment figures for all CBA investments is forecast at 300+ positions. A further performance summary to mid-2023 is as follows:

**Investment Statistics:** through mid 2023, we made 14 “Accelerator” investments:

- ✓ 93% remain in operation, even 2+ years after CBA investment
- ✓ 64% of these companies have reached profitability and are creating jobs

**Employment Creation:** we create new jobs via loans and equity financing

- ✓ 24 Incubator loans, typically \$2,000 each made in last 18 months
- ✓ 6 Accelerator investments
- ✓ 222 full-time positions now supported by CBA investments

**Global but Local:** we have established significant global presence:

- ✓ 50+ CBA members/supporters in Kenya, with 36 coaches and 9 business analysts / deal evaluators
- ✓ 14 senior executives from UK, USA & EU as donor participants leading CBA operations

While these results are significant by any standard, they are exceptional given that they have been achieved solely with modest donations of time & money by a very limited group of executives to mid-2023. For that we thank and praise God!

From inception to the time of this report in 2023, the success of CBA and its investments have been built solely on the financial support and volunteer contributions of our Business Angels. All funding has been provided as donations, with any return generated from CBA activities to remain in CBA for use in future entrepreneur support.

Now, however, CBA needs funding beyond what can be raised from our own membership; and for this we look to outside donors and co-investors, as detailed in the financials in the preceding section.

### **3.6. Beyond Kenya & Past this 5-Year Plan**

Oftentimes, we’re asked “*Why Kenya?*” To this, we say “*Why not Kenya?*”

Kenya is the place where CBA got started with its first initiatives of training Compassion Leadership Development Program (LDP) students. Kenya is also a country that is both a leader and role model in east Africa, while still being a place of great need.

Even though we started in Kenya, we have our eye on much bigger things – there are many other places in Africa where we can implement our mission, and many other countries elsewhere as well.

As we look to the future, our likely path is to go where the doors are most easily opened. Our strategic partnerships – especially with Sinapis, which also started in Kenya – will guide us. Check the following map to see where Sinapis is already active.



When will we take the next step into another country?

Not until our 5-year plan for Kenya is well underway, and then only assuming we have the extra funds and resources to commit to geographic expansion. To be honest, we cannot say with any certainty when and where the future leads, but we can say this – the God whom we serve, and whose Kingdom we aim to help build through employment creation, is ever full of surprises and guidance – if we listen!

As we close this Business Plan Summary for the next 5 years, let's listen to the life-changing story of our very first entrepreneur, Victor Onyango, founder of Vic Green:

*As a child, I grew up with the help of Compassion International in Kenya after being in poverty. My family was not able to provide basic needs such as food, clothes and shelter. Through a sponsorship (with Compassion) my family was able to go through the difficulties.*



*My dream was to become an accountant in life which was achieved through this sponsorship. I also did farming during my childhood and this was exciting since I was able to feed my family.*

*CBA has helped me in two major ways, that is funding my business plan and mentoring me through the process. I was able to get a green house and grow tomatoes which has allowed me to buy another parcel of land used also in farming. This has helped me to become self-employed. I have also workers who work on my farms. My family is also able to get food on the table, roof over their heads and clothes to put on.*

*I would like to say thank you for the sacrifice made to me. I know it's not an easy journey but am glad that it's worth it. Walking with someone from point zero to somewhere in life is not easy. I am grateful for the support from CBA.*

Regards,

*Victor*

## 4. Our Request – Your Opportunity

The foundation has been laid to create employment that helps eradicate poverty – in the name of Jesus. Will you come alongside us with your involvement and/or support?



**Do you see the opportunity  
and sense the excitement  
of the CBA Vision?**

**Will you invest with us to raise up  
entrepreneurs that help eradicate poverty  
by creating 1000 new jobs per year?**

**And, optionally, are you interested to join  
our team of Business Angels to participate  
in a hands-on way?**

### **FINANCIAL GOALS:**

- ✓ Year 1 of our 5-year plan has been funded by 2021-2022 giving from our volunteer executives – the Business Angels – and we are on track to meet our employment goals
- ✓ Year 2 requires a step up from the forecast \$90k of funding that our team can provide, and so we look for additional support in the amount of \$230,000
- ✓ Support can be via tax-deductible donation at any level, or via direct for-profit co-investment in any one of our new opportunities at the \$10,000+ level for individuals, \$50,000+ for foundations/corporations
- ✓ **BONUS:** donors or investors with suitable experience may also join as a “Business Angel” to help select investment opportunities, serve as CBA company board member, or guest lecturer at any of our networking/partner opportunities as desired

Visit [www.ChristianBusinessAngels.org](http://www.ChristianBusinessAngels.org) or scan the appropriate QR code for more info

Christian Business Angels is a registered in EU & USA  
USA: 501(c)3 charity - Friendswood TX, 77456  
EU/ Netherlands: ANBI status – Moordrecht, Zuid Holland



Invest with us



Donate



See note<sup>27</sup>

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<sup>27</sup> Pictured from top-to bottom: Entrepreneurs Joash Adongo and Enock Ndede in Kisumu / Lake Victoria area of Kenya – Business Plan training class in Nairobi – Signing of shareholding agreement with EcoKud. September 2019.

## **Appendix 1 – CBA “*Rules of Engagement*”**

# Christian Business Angels "Rules of Engagement"



As founder of a company accepting CBA investment, we expect your signature and agreement to the principles and actions as outlined herein. Please read, review & sign.

## 1. Christian business values & ethics

CBA expects the entrepreneurs it supports and invests in, to adopt and adhere to the following business values and ethics, based on the Holy Scripture. None of these can be compromised, they form the basis for an enduring successful enterprise and serve as a precondition for engagement with CBA.

### Integrity

Do not break your promises, fulfill the commitments you have made. Your business practice shows trustworthiness and integrity, no one can find corruption in your way of doing business. In doing so you act confident and carefree.

**[Matthew 5:33, Daniel 6:4, Proverbs 10:9]**

### Honesty

Be honest in making business agreements. Make sure your intentions can be trusted. Show proper respect to everyone. Give everyone what you owe them, pay your due taxes. Use only one, true and honest, weight and measure.

**[1 Thessalonians 5:12-13, 1 Peter 2:17, Deuteronomy 25:15, Leviticus 19:36, Romans 13:7, Proverbs 16:13]**

### Fairness in Business

Do not defraud or rob your business partners they deserve a fair share of your profits. Your staff receives the wages they are entitled to, don't exploit your workers. Fulfil your obligations to your creditors, pay them on time without any delay.

**[Leviticus 19:13, Romans 13:7, James 5:4]**

### Clarity of Communication

Be consistent in your communication, do not pretend, don't manipulate. People should not have to guess at what you are trying to say. Just say what is true. That way, your language can't be used against you.

**[James 5:12]**

### No Bribes

Do not ever take bribes, for a bribe blinds the clarity of sight in doing business and subverts the righteous mission of your enterprise. No one should ever be able to gain control of your enterprise by buying your favors.

**[Exodus 23:8]**



## 2. Business Reporting

In operating your business, we expect you to generate and periodically submit the following business reports/updates:

- **Monthly Bookkeeping** (**by the 10th of each month**, update of company accounts using the low-cost, online ZOHOO online accounting package or similar – [www.zoho.com/books](http://www.zoho.com/books))
- **Monthly Business Update** (**by the 10<sup>th</sup> of each month**, a summary of progress on key initiatives, based on CBA’s standard monthly template for reporting.
- **Ad hoc Updates on any special items** (keeping us posted of sudden changes to the business, damages, loss, theft, etc plus updates on major expenditures, investments or divestments, hiring/firing of key staff plus any other significant happenings)
- **Quarterly Sales/Revenue Forecast** (**within 30 days of end of quarter**, meeting with your assigned CBA coach to update the outlook to the year-end via a brief written management summary with trends & figures of why you are ahead/behind plan, what changes are planned in the coming quarter, and any data/thinking to support your outlook)
- **Annual Financial Report** (**within 45 days of the end of the year**, meeting with your assigned CBA coach to set the plan for the coming year, and to provide an annual summary of how things went vs. plan in the preceding year – this should be easily facilitated based on regular, monthly accounting – see above)
- **Annual Update to the Business Plan** (**within 45 days of the end of the year**, reviewing these with your assigned CBA coach)

## 3. Communication

In order to maximize the support and coaching from CBA for success of your business, you will follow these guidelines:

- **Meet your Coach regularly.** Be in contact with your coach once a month, and meet face-to-face at least once a quarter. Your assigned CBA coach is there to help you and gaining that help requires you taking the lead in establishing the communications. Don’t neglect to do this!
- **Be open & honest in any communication.** Never try to “gloss over” bad news or hide / withhold information. Bad news kept hidden only gets worse, plus we cannot help you if we are not made aware of any problems. As an investor / board member, we are part of your team to help you!
- **Be prompt in your reply.** We expect a response **within +/-48 hours** on any email, WhatsApp or message. Even if all you can manage is a confirmation that you received our message, that is already good. If you do not or cannot reply within 48 hours, then you must tell us by what date we can expect a reply.
- **It’s OK not to know the answer.** We do not expect that you have the answer to every question that we may ask – if you did, then you wouldn’t need the CBA! If ever you don’t know the answer or don’t understand the question – for any situation – then **just ask us for clarification or for help** 😊

By signing below, you agree to follow the guidelines published in this document:

Date

Name

Signature

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## **Appendix 2 – Accelerator Evaluation Process**

## ACCELERATOR EVALUATION PROCESS

(post funding pitch & selection)



The following steps are an outline of our standard Accelerator Funding Application evaluation process. Schedule listings provided are rough estimates only; actual timing depends on entrepreneur responsiveness and CBA availability.

### 1) FINANCIALS & EMPLOYMENT – 1-4 weeks after pitch selection

- Prior year financials:
  - ⇒ monthly P&L or Cash Flow for preceding year in CBA EXCEL format (*or equivalent*)
  - ⇒ prior year financials as prepared by company accountant or audit firm – this means P&L plus Balance Sheet
  - ⇒ copies of bank statements / proof of cash balances as of end prior year
  - ⇒ overview of full- & part-time employment through the year
- Current year financials:
  - ⇒ monthly P&L or Cash Flow for current year in CBA EXCEL format (*or equivalent*)
  - ⇒ copies of bank statements / proof of cash balances as of latest quarter or calendar month
  - ⇒ overview of full- & part-time employment so far this year

### 2) DUE DILIGENCE QUESTIONNAIRE – 1-4 weeks after pitch selection

- Completion of the CBA Due Diligence questionnaire

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<< CBA Board review & approval prior to moving to next step >>

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### 3) INITIAL SITE VISIT – 4-8 weeks after pitch selection

- Selection of local coach to accompany CBA Kenya Finance Lead
- CBA Kenya Finance Lead + local coach complete initial site visit to verify assets, operations, staffing, etc.
- Summary report to list findings and further actions recommended

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<< CBA Board review & approval prior to moving to next step >>

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### 4) ONGOING DATA ACCESS – on approval, the following is needed on a monthly basis from this point on:

- CBA report for current month and monthly from this point forward
- Cash flow register report (or equivalent) for ongoing business activities
  - ⇒ *above reports due to CBA by the 10<sup>th</sup> of each month*
- View-only access to active company bank accounts by CBA Kenya Finance Lead

### 5) BUSINESS STUDY – 8-16 weeks after pitch selection

- Engagement of outside (local) business consultant for entrepreneur/business study, involving face-to-face meeting with the entrepreneur, site visit and issuance of a summary report
- Study costs & expenses to be paid by CBA
- Report to be made available to the board on completion.

### 6) CBA ANGEL VISIT – typically 12+ weeks after selection but may vary depending on Angel schedule

- Site visit including face-to-face meetings with the entrepreneur
- A summary report and final investment recommendation to be provided to the board for a funding approval vote, as appropriate.

### 7) FUNDING DECISION – typically 16-20 weeks after funding pitch selection

- A final funding decision will be made in the first available CBA board meeting following completion of all of the above steps.

# **Appendix 3 – CBA Valuation Template**



# Company Value & CBA Shareholding

Company Name: \_\_\_\_\_

At CBA, we believe it's important to document both our original investment "deal", and also look ahead to the day of our eventual divestment. This document gives a brief outline related to these situations. Please read, review & return a signed copy to CBA prior to our initial investment.

## 1. Current Company Valuation

CBA has determined an approximate value of your current business from the following information:

- Value of tangible company assets: Ksh \_\_\_\_\_ TANGIBLES
- Value of company liabilities & loans: Ksh \_\_\_\_\_ LIABILITIES
- Value of intangible company assets: Ksh \_\_\_\_\_ INTANGIBLES
- Collections over the last 12 months: Ksh \_\_\_\_\_ REVENUE
- Profits over the last 12 months: Ksh \_\_\_\_\_ PROFIT
- Growth rate prior 12 months (*existing business only*) \_\_\_\_\_ % OLD\_GROWTH
- Expected growth rate for next year: \_\_\_\_\_ % NEW\_GROWTH

The value assigned to your business is estimated based on the following three approaches:

- 1) **(TANGIBLES - LIABILITIES + INTANGIBLES)** to determine the book value of the company; where the intangibles to reflect intellectual property, market advantage, etc
- 2) **1x REVENUE** multiplied by a Growth Factor and a Risk Factor (see below)
- 3) **6.5x PROFIT** as the discounted cash flow value of the company, if profits are maintained; in cases where significant profit increase is expected, this can be multiplied by a Growth Factor

- **Growth Factor:** typically between the (1 + OLD\_GROWTH) and (1 + NEW\_GROWTH), depending on CBA judgement / market conditions. In case of negative growth, there would be a negative (reducing) effect on company value.
- **Risk Factor:** typically between 0.5-1.0, reflecting overall risk due to competition, market conditions, experience, etc. Generally, the longer the business has been in operation and the more solid the business plan, the closer to 1.0 this factor will be. New businesses not yet in operation will typically see this value in the range of 0.3-0.7.

Notes: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Based on the above information, the approximate value of your company is estimated to lie between

Ksh \_\_\_\_\_ to \_\_\_\_\_



# Company Value & CBA Shareholding

## 2. Proposed Shareholding Split

The breakdown of investment contributions on a post-CBA investment basis is as follows:

### Contributions by Current Company Owners

Share Value (based on current company valuation)	Ksh _____
Further cash contributions	Ksh _____
Further tangible contributions (equipment, land, etc)	Ksh _____
Further intangible contributions ("free" or discounted labor, etc)	Ksh _____
<b>TOTAL CONTRIBUTION</b>	Ksh _____

### Contributions by CBA Investment

Cash contributions	Ksh _____
Other tangible contributions (not likely, but just in case)	Ksh _____
Other intangible contributions (coaching, etc)	Ksh _____
<b>TOTAL CBA CONTRIBUTION</b>	Ksh _____

**TOTAL OF ALL CONTRIBUTIONS** Ksh \_\_\_\_\_

Now, we can calculate the relative percentages of the above investments:

Owner percentage \_\_\_\_\_%      CBA percentage \_\_\_\_\_%

Notes: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Based on the above, recommended CBA shareholding is \_\_\_\_\_%



# Company Value & CBA Shareholding

## 3. Eventual CBA Divestment

CBA is making an investment in your company to help establish and grow it for the creation of future employment within your company and/or its business partners.

Once the company is reasonably well established, it is the stated intention of CBA to divest of its shareholding in your company at a fair market value – following a similar valuation methodology as used herein but with the then-current financial data and growth estimates.

This means that CBA is typically looking for a return on its investment expressed in multiples of original investment, not a rate of return as might be calculated on a business loan. Our joint aim is therefore to **multiply company value per the valuation formula** used in this document, and in that way secure a good return on investment for both CBA and the Founders.

The timing of CBA divestment is also variable, **typically between 2-5 years**, but this can vary between businesses and will depend on our joint objectives and company success rates.

## 4. Agreement and Understanding

By signing below, you indicate your understanding and acceptance of the approach taken to determine CBA shareholding, and agree to a similar approach to valuation of CBA shares when it comes time for CBA divestment in your company.

All Founders/Owners should sign below and return completed form to CBA

Date	Name	Signature
_____	_____	_____

Date	Name	Signature
_____	_____	_____

Date	Name	Signature
_____	_____	_____

Date	Name	Signature
_____	_____	_____

## **Appendix 4 – CBA “Accelerator” Investments**



## **Beach Kitchen Foods** – restaurant + business training

Caroline Odera established the Beach Kitchen Restaurants as a way to provide employment and training to local women. With the CBA investment in 2022, she was able to open a 2<sup>nd</sup> location to expand her business and her impact. Caroline is also founder and leader of WISE, an organization that has trained 1000's of women in business skills and more.

Beach Kitchen is an early-stage growth company with significant potential.



## **Crystalyn Media** – video & soundtrack services to artists & commercial enterprise.



Crystalyn Media was a startup venture founded primarily by Karanja Kiarie of **Nairobi**, Kenya with a vision to bring a fresh approach to the industry. Crystalyn Media has been in business since early 2014, and received substantial investment from CBA to support serious growth and expansion towards commercial marketing videos in mid-2015.

<https://www.youtube.com/c/CrystalynMedia/videos>

Crystalyn Media plans to start the divestment process in 2023.

**BigBrainz Software** – school management software system.



Big Brainz was a startup venture founded by John Slater of **Eldoret**, Kenya with an entirely internet-based new school management system. BigBrainz has evolved its internet and software business activities since 2014, and has received a start-up loan from CBA to support serious growth and expansion in 2016.

The quality of his business plan was such that he appeared in KCB Bank’s “The Lion’s Den<sup>28</sup>” where he attracted the attention of Kenyan/Ghanaian entrepreneur and investor Kris Senanu, who is now a co-investor with CBA in BigBrainz.

[www.bigbrainz.co.ke/bigbrainz](http://www.bigbrainz.co.ke/bigbrainz)

Big Brainz is preparing for a US\$250k round of venture fundraising; CBA divestment is planned some time thereafter.

**Coconazi Sweets** – kashata coconut candy

Brothers Andrew & Peter Kinuthia grew up in the slums of Nairobi with little opportunity for education or escape. They made a go of it anyway, starting with coconut sweets made at home and sold on the street corner themselves. Under the brand name of “Kashata Dashata”, they are now selling chewable coconut sweets through a network of dealers in Nairobi.

Coconazi was funded by CBA in 2019 is still in early-stage growth.



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<sup>28</sup> A TV program similar to the Shark Tank (USA, Australia), Tigers of Money (Japan), and the Dragon’s Den (UK, Netherlands).

## **EcoKud** – Organic animal feed supply



In 2019, CBA approved investment in this organic animal feed supply startup jointly by Joash Adongo (left in the picture) and Enock Ndede in the vicinity of **Kisumu**.

Using larvae from the black soldier fly, highly nutritious animal feed will be manufactured as an alternative to Omena (a type of fresh water sardines) taken from Lake Victoria. Larvae will be grown from a mix of kitchen waste, market waste, restaurant and municipal waste. The protein rich product will then be sold directly to local farmers. A positive consequence of this new start up is the recycling of local waste alongside a reduction in Lake Victoria's overfishing as well as a reduced reliance on imported Omena from Uganda.



EcoKud is still in early-stage growth.

## **Eaglelinks Choice** – Pork production

This investment was made in early 2020. This business focusses on raising pigs for pork meat, and has been set-up by entrepreneur Obed Oluhano in the Vihiga County, some 20km north of **Kisumu**.

The business model is based on piglets, porkers, sow and manure and will apply organic farming principles in order to lessen the environmental footprint.

EagleLinks is still in early-stage growth.



## House of Gbemi – fashion tailoring



Joseph Olamji leads his tailoring operation on the outskirts of Nairobi to provide suits and uniforms to Kenya's finest doctors, hospitals and TV personalities, among others. He has grown the business from zero to a 14-person operation with the help of his wife Candice, who serves as evening shift manager after her day job as a corporate lawyer. Joseph & Candice routinely bring the good news of the gospel to remote villages, together with the give-away of 1000's of feminine pads sewn in their tailoring shop.

CBA has invested in House of Gbemi together with an external co-investor in 2023 to help double or triple the business in the coming years.

## Imani Mocassions – restaurant & event catering

Together with a few like-minded individuals, Sheprine Kaumba has founded Imani Mocassions to serve both business and social events. A primary driving force has been to provide employment to the less-fortunate, training them to work as chefs, wait staff or delivery personnel. Her business has catered events into the 1000's, providing opportunity for many who are otherwise overlooked for employment.

Imani was funded in 2022 is an early-stage growth company.



## **Kamida Enterprises** – sunflower oil production via network of smallhold farmers



Paul Ogalo grew up on the eastern shores of Lake Victoria, where people relied on fish and not agriculture for their existence. These days, fishing is inadequate and Paul is working under the auspices of Kamida Enterprises with the many small landowners to provide training, seeds and coaching in the growth of sunflowers. In exchange, he is able to purchase the seeds for wholesale oil production.



Kamida has been approved for food-grade oil production and is developing a network of retailers for Kenyan-made organic sunflower oils. Investment by CBA was made in 2023.

## **Kikafri Collections** – Custom made bags.

During his studies, entrepreneur Johnny Kibilige developed Kikafri Collections and started marketing and manufacturing various types of bags built to customer's requirements in terms of fabrics, zippers, side compartments etc.

After his graduation, he embarked on his business full-time. A key outlet will be the weekly Maasai Market in **Nairobi** as well as his website and WhatsApp.



<http://www.kikafricollections.com>

Kikafri was invested in by CBA in 2019 and is still in early-stage growth.

### **Kilimo Biashara Smart Farm** – vegetable production

Fayaz Joto has grown up in the rural south of Kenya, near the slopes of Mount Kilimanjaro. Plentiful lands have been under-utilized for farming due to lack of expertise and fear of wild animals. Fayaz has overcome those challenges to start an agricultural enterprise on family lands – beginning with raising of seedlings in greenhouses and eventual planting in the open (fenced-in) fields. Plentiful labor supply used in the business brings value and dignity to the local population while also helping grow the business cost-effectively.

Kilimo Smart Farm was funded by CBA in 2022 and is still in early-stage growth.



### **Sentewe** – animal feeds formulation & distribution



Regina Mutiso studied animal feed sciences and now applies that knowledge to deliver a top-grade animal feeds product for chickens, pigs, cattle and more. Her production and feed quality have recently been recognized and approved by the local county government as the only certified product for local farmers, with significant market impact.

CBA has invested in Sentewe together with an external co-investor to help raise Sentewe from small family operation to a multi-county multi-location enterprise.

## **Vic Green** – Production & supply of locally-grown foodstuffs.



Victor Onyango and his company Vic Green bring a greenhouse-based approach to agri-business in the **Kisumu** region of Kenya. Until now, the Kisumu metropolitan area vegetable supply has been primarily imported (usually via motorcycle) from farms across the border in Uganda. Residents of the Kisumu area have long turned away from agriculture, preferring other trades to support themselves, but Vic Green changes that and lowers the cost of local food supply at the same time.

CBA has invested in Vic Green in 2014 and has seen this enterprise develop, notwithstanding set-backs such as a storm leveling the greenhouse late 2016. From the positive cash-flow, Vic Green has been able to expand and procure a second parcel of land north of Kisumu, which is being planted with papaya trees.

Vic Green has started the divestment process, expected to complete in 2023.

## **Zindua Rural Transformers** – Vegetables

After an initial, failed attempt to establish a conventional farm in the Kisumu region, Raphael Omondi got acquainted with the concept of hydroponics farming. Having completed an intense course in hydroponics farming, he established Zindua in **Nairobi**, featuring a first greenhouse growing capsicums and applying hydroponics techniques.

The plants are grown in soil-filled watertight troughs and by drip irrigation are fed a very tightly controlled amount of water laced with the right nutrients and disease repellents. CBA invested in 2019 and the first produce has been sold on the Nairobi market mid 2020.



Zindua has repurchased the CBA equity in 2022.

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## **Accelerator Investment Update**

A number of additional Accelerator applicants are scheduled for our upcoming pitch events, with those listed below already pre-approved and in the final stages of negotiation:

- Machakos Millers – flour milling operation
- Candi Fresh – food trolley franchise operation

# **Appendix 5 – Sample Term Sheet**



# Memorandum of Understanding

## Term Sheet for Revenue-Based Share Agreement

Business Angels of Kenya, Limited (the “Investor”) agrees to provide a total of **x.x million Kenya Shillings** (the “Investment”) to \_\_\_\_\_ (the “Company”) to support Company growth plans. Funds shall be provided by Investor to Company per the schedule in Attachment A, and Company agrees to only use provided funds to support Company growth as outlined in Attachment A.

Repayment of the Investment by Company to Investor will be done by a series of recurring monthly payments, to be paid on or before the 10<sup>th</sup> day of each month, **beginning \_\_\_\_\_, 2023**, and calculated as **x.x% (x point x per cent)** of the monthly gross revenue collected by Company in the prior month, (the “Monthly Payments”).

Recurring monthly payments shall continue until such time that the total of all payments made reaches a total of **xx million Kenya Shillings** (the “Repayment Amount”).

According to the revenue projections provided by Company in Attachment B, it is expected that Company will be able to repay the Repayment Amount in a period of **xx (xx) months** (the “Repayment Time”). Actual Repayment Time may vary, depending on Company’s business performance.

As an incentive to complete repayment ahead of the planned Repayment Time, Investor will refund to Company 1% of the Repayment Amount (the “Incentive”) for each full calendar month by which the total of all Monthly Payments reaches the Repayment Amount. The Incentive will be repaid to Company by Investor within 30 days of Company reaching full repayment of the Repayment Amount.

In case Company is not able to complete repayment of the Repayment Amount within the Repayment Time, 1% of the difference between the Repayment Amount and the total of all Monthly Payments made to the end of each month past the Repayment Time shall be added to the Repayment Amount (the “Adjustment”) The Adjustment shall be added to the Repayment Amount on a monthly basis for each month passing after the Repayment Time, and Company shall continue the Monthly Payments each month after the Repayment Time until such time that repayment in full of the adjusted Repayment Amount has been achieved.

Investor acknowledges that provision of the Investment to Company does not give Investor any ownership rights or shareholding in the Company. Company acknowledges that, by accepting Investment from the Investor, it has a legal obligation to repay the Investment per the agreed terms. Company and Investor agree the above terms to form a basis for the development and signature of formal legal agreements, to be drawn up by Investor and provided within two (2) weeks of signature to this Memorandum of Understanding.

Understood and agreed as written:

\_\_\_\_\_  
Date of Signature

\_\_\_\_\_  
Date of Signature

\_\_\_\_\_  
Name & Title  
Business Angels of Kenya, Limited

\_\_\_\_\_  
, Founder & CEO  
, Limited

# **Appendix 6 – Monthly Planning Templates**

# MONTHLY REPORT



Month: \_\_\_\_\_ Year: \_\_\_\_\_

Company Name: \_\_\_\_\_

CBA Loan Amount (*if applicable*): Ks. \_\_\_\_\_ Repaid so far: Ks. \_\_\_\_\_

## Operations

Last Month	This coming Month
Collections: Ks. _____	Collections: Ks. _____
Expenses: Ks. _____	Expenses: Ks. _____
# Full-Time Employees: _____	# Full-Time Employees: _____
# Part-Time Employees: _____	# Part-Time Employees: _____
<input type="checkbox"/> Going better than plan <input type="checkbox"/> Going about as planned <input type="checkbox"/> Not going as well as planned	

## Good News (what's going well – where are you finding success?)

## Concerns (what's not going so great – what are the big challenges or surprises?)

## Do Next (my actions in the coming month to multiply success and handle any concerns)



Company Name: \_\_\_\_\_ Date: \_\_\_\_\_

**OBJECTIVE**

GOALS	STRATEGIES	KPI MEASURES	ACTIONS

\*\* Due back to CBA by the 15<sup>th</sup> of the month – send completed form to [info@ChristianBusinessAngels.org](mailto:info@ChristianBusinessAngels.org)