

THE INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS

Registered as:

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**ANNUAL REPORT OF THE EXECUTIVE COMMITTEE
AND
ACCOUNTS**

31 December 2007

Auditors

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REPORT OF THE INTERNATIONAL EXECUTIVE COMMITTEE For the year ended 31 December 2007

The International Executive Committee has pleasure in presenting their annual report and the audited accounts for the year ended 31 December 2007.

OBJECTIVES AND ACTIVITIES

About IFES

The International Fellowship of Evangelical Students (IFES) is a network of national student movements committed to being partners in reaching students in every nation with the gospel of Jesus Christ and to sending them out to bear witness to Christ and his teaching. IFES is also committed to helping students apply the lordship of Christ to every aspect of life in every area of society. This includes equipping them to demonstrate the love of God in practical, tangible ways. References to IFES in the report and accounts refer to the combined activities of IFES (UK) and IFES(Switzerland).

What IFES believes in

The IFES doctrinal basis is the central truths of Christianity, as revealed in Scripture, including:

- the unity of the Father, Son and Holy Spirit in the Godhead
- the sovereignty of God in creation, revelation, redemption and final judgment
- the divine inspiration and entire trustworthiness of Holy Scripture, as originally given, and its supreme authority in all matters of faith and conduct
- the universal sinfulness and guilt of all people since the fall, rendering them subject to God's wrath and condemnation
- redemption from the guilt, penalty, dominion and pollution of sin, solely through the sacrificial death (as our representative and substitute) of the Lord Jesus Christ, the incarnate Son of God
- the bodily resurrection of the Lord Jesus Christ from the dead and his ascension to the right hand of God the Father
- the presence and power of the Holy Spirit in the work of regeneration
- the justification of the sinner by the grace of God through faith alone
- the indwelling and work of the Holy Spirit in the believer
- the one holy universal Church which is the body of Christ and to which all true believers belong
- the expectation of the personal return of the Lord Jesus Christ

Six strategic priorities

The six objectives covered in the report of the Executive Committee for the year ended 31 December 2006 have remained the focus of IFES' activities for the entirety of 2007.

1. Evangelism and mission – proclaiming Jesus Christ as Saviour, Lord and God to students in every country in the world where there are universities, leading students to personal faith in Christ, and equipping them to tell others this good news.

2. Global partnership – encouraging movements (both IFES and others) within countries, across countries, and across continents to reach out to one another and discover jointly how to fulfil the goal of taking the gospel to the ends of the earth.
3. Leadership development and formación – teaching and learning from the word of God in a way that transforms the lives, character and mind of each Christian student, enabling them to go out in the world with the gospel; the development of men and women who are equipped to be leaders in the church, in mission and in society.
4. Governance of IFES and national movements – equipping faithful leaders and ensuring well-structured and wisely-governed work that is honouring to God and crucial to the growth of student movements.
5. Integral approach to ministry – living out the message of Jesus through deeds of love; applying the clear teaching of Scripture in ways that are relevant to issues in the contemporary world.
6. Fund development – giving others an exciting opportunity to be part of what God is doing in and through IFES around the world; empowering and liberating student movements by helping them to raise their own funding from within the country, by establishing relationships with graduates and other Christians in their communities.

ACHIEVEMENTS AND PERFORMANCE

2007 was a key year for IFES with its quadrennial international conference, World Assembly, in July, which included 60th birthday celebrations and a leadership transition from Lindsay Brown to Daniel Bourdagné as IFES General Secretary. The next section summarises those aspects of the year before moving on to cover other areas of activity based on the above six strategic priorities.

World Assembly: the Fellowship in fellowship

World Assembly takes place every four years and brings together representatives of IFES movements from around the world. It is a time for staff and students to share stories of God's work on campuses worldwide, to plan together for the future, and to be equipped with the partnerships, knowledge and skills they need to serve their national ministry.

World Assembly 2007 was hosted by Inter-Varsity Canada under the theme *'In Christ, into the world'*. Six hundred staff, students, board members, regional teams and friends of the Fellowship represented the 152 countries where IFES is working or pioneering ministry.



'There is no better network in the world than IFES. I am indebted to it and to how it formed me, and I look back with gratitude at what God has done over the years.'

Ramez Atallah, IFES President

In 2007, IFES celebrated its 60th anniversary. From just ten nations in 1947, IFES now has ministry in universities in 152 countries, reaching over 400,000 students each year. In the small group Bible studies, which are a hallmark of IFES' ministry, students are trained and equipped to share the gospel with others. Now just 18 countries remain unpioneered.

There was much cause for celebration and thankfulness for the way God has grown this work. IFES gives thanks that he has:

- emboldened men and women to take the gospel to unreached campuses and countries;
- raised up national staff with a passion for helping students reach students in creative and courageous ways;
- used national movements to form life-long disciples who bring the transforming gospel to every sphere of society.

At World Assembly 2007, 18 new movements were welcomed into the IFES Fellowship. These included movements from countries where student ministry had seemed impossible just a few years ago. Cassells Morrell, Regional Secretary for Western Europe, introduced two new member movements by speaking of his deep gratitude and excitement: *'When national movements affiliate to IFES and I hear stories of student movements rising up and making Christ known, it really is an amazing privilege.'*

This great sense of privilege was felt by everyone at World Assembly as small clusters of people came onto the stage to represent their affiliating national movement and to testify to the way that God had brought it into being. These groups of people, ranging from two to ten, often included those who had pioneered the student movement, who had prayed for it, who had suffered for it and who continued to live sacrificially for it. Their stories and their prayers – even their very presence – were a visible testimony to the range of people God uses to bring the gospel to students around the world through IFES.

Leadership transition

For the past 16 years, Lindsay Brown has served as General Secretary of IFES. At World Assembly 2007, he officially handed over this role to Daniel Bourdanné, former Regional Secretary for French-speaking Africa, who had been chosen for this role after an extensive prayerful search.



Lindsay's personable approach, his ability to relate to staff and students from around the world and his passion for evangelism, have been gifts from which IFES has benefited greatly. In his final address as General Secretary, Lindsay exhorted World Assembly participants to keep being gripped by the good news of God's grace and to keep offering this grace to a lost world.

Participants wrote pledges of commitment on postcards to Daniel, stating one thing they planned to implement or address when they returned to the student ministry in which they are involved. In a moving ceremony, these cards were gathered together and handed from Lindsay to Daniel in recognition of the leadership transition.

Daniel shared with the Fellowship his desire to serve IFES in a way that helps it grow substantially in both breadth and depth. His vision is to see IFES become an increasingly prophetic organisation that is a blessing to both the global church and wider society, and which continues to grow deep roots through its biblically based evangelical movements.

Summary of IFES' work in 2007 in areas of strategic priority

1. Evangelism and mission

In the report of the Executive Committee for the year ended 31 December 2006, the Fellowship planned to continue the gospel distribution work as part of its evangelism initiative, and to hold at least three major missions conferences in 2007.

Gospel distribution and Bible study

Gospel distribution projects continue to put portions of the Bible into the hands of students, and around the world, IFES movements remain committed to giving students skills and confidence in studying God's word and to using Scripture faithfully in their evangelism.

- **Europe:** eight IFES movements in Europe are running gospel distribution projects. In Bulgaria, copies of John's gospel in English were accompanied by seven evangelistic bible studies, which each BCSU group was trained to use. The Hungarian project was launched in February 2007 with the distribution of 10,000 copies of John's gospel, accompanied by copies of the entire Bible on CD. Five new groups have begun as a result, non-Christians have been visiting the meetings regularly, and staff have used this gospel distribution project as an effective way of training their students. The 15,000 copies of Mark's gospel distributed in Poland were accompanied by training material for Christian students to help them grow in their understanding of Mark's message. Soon Polish students were distributing the gospels and working through Bible studies with their non-Christian friends, using thought-provoking material produced as part of this project to help seekers discover Jesus.
- **Middle East and North Africa:** a Bible distribution project for the Middle East and North Africa region began in 2007, using a special edition for students, one that is suitable for distribution in all Arab countries. Bible studies are being compiled and printed for distribution in the region along with the Bibles. Another project involves the book by Chawkat Moucarry, 'Faith to Faith'. The Bible Society in one country has translated part of this book into Arabic, and 1,800 copies are being distributed in the region.
- **North America:** the French-speaking movement in Canada (GBU) is a good example of a movement integrating Bible study into their evangelism. Staff and students initiated several new projects in 2007. First, they are translating into French the *Seekers* Bible study manual, *Passport to the Bible*, and using it in small group evangelism to reach international students. They are also preparing a mission in Quebec City that will involve Bible distribution and social action, as they join in celebrating the 400th anniversary of the city in 2008.

Major missions conferences

- **English- and Portuguese-speaking Africa:** the NIFES missions conference, held in Nigeria at the end of November 2007, was attended by about 6,000 students and

graduates from throughout Francophone and English- and Portuguese-speaking Africa.



NIFES 2007 challenged participants to engage in acts of service in relation to the needs and problems faced by people throughout the world, within a mission context. Focusing on the urgency of the task of world evangelisation, speakers encouraged students, staff and associates to be missionaries at heart in whatever calling they might find themselves.

- **South Asia:** key in encouraging evangelism and mission across the region was to be the South Asia student leaders' missions conference, to be held in Dhaka, Bangladesh, in early December 2007. The host committee and the leadership of BSFB (the Bangladesh IFES movement) tried their best to proceed with the conference, but due to ongoing relief work following a recent cyclone, they had to postpone the event. At very short notice, the conference was reorganized to take place in Kathmandu, Nepal, in January. It is listed this here as one of the major conferences of the year because all the preparation for the work was done in 2007.

Sixty student leaders from Pakistan, Bangladesh, India, Sri Lanka, and Nepal attended the conference. The theme of the conference revolved around an integral or holistic approach to missions. Taking advantage of the fact that students were able to meet with leaders from other countries, organisers decided to focus not only on biblical exposition, but also on addressing practical issues in the light of the Scriptures.


- **Francophone Africa:** the Francophone Africa missions conference was held over Christmas 2007. General secretaries from IFES movements in Gabon, Burundi, Madagascar, Togo, Côte d'Ivoire, Senegal, Niger, Mauritius, Chad, Congo, Central African Republic and Mali, as well as Rwanda attended, as did approximately 400 students from many of these countries.



One of the main speakers at the event was Dr Vinoth Ramachandra (above) from Sri Lanka, who works as the IFES Secretary for Dialogue and Social Engagement in Asia. He called students to see that the great commission in Matthew 28:19 follows the great affirmation by Jesus in verse 18 – 'All authority in heaven and earth has been given to me.' We can only embark on the commission because of that affirmation.

Other evangelistic activities: communicating the gospel

IFES has sought to support its national movements in further developing biblical models for evangelism that are faithful to the gospel message and relevant to the current student context. The following examples illustrate the variety of ways in which students around the world have engaged in both traditional and creative ways of communicating the gospel to their peers.

- **East Asia:** Daniel Bourdagné, IFES General Secretary, uses the image of swimming with the fish to portray how Christian students must engage with the university and with the world beyond. The IFES movement in Malaysia (FES) began a new focus on friendship evangelism in 2007. 'Something Fishy' training weekends taught students about living among 'the fish' and what it means to 'go after the fish'. Students were taken on real fishing expeditions using rods, nets and even their hands. These creative ideas communicated well to the students as they learned about reaching out for Christ in their universities.
- **Europe:** in October, a series of literary evenings were organised by the IFES movement in Slovenia. Discussions on the topic of faith were held in preparation for a public lecture; a Christian response to Richard Dawkins' book *The God Delusion* that took place soon after.
- **Latin America:** as part of a 'My philosophy of life' day, about 275 students listened to José Bonilla (IFES staff in Latin America) as he talked on the book of Ecclesiastes and the fullness of life. The talk challenged many to understand what life means with Jesus at the centre. To ensure that the day is not forgotten, follow-up continues through small group ministries.
- **South Pacific:** *Has God failed us? The Christian War on Everything! Freedom? Tough Questions, Tough Answers.* These are some of the themes that AFES groups around Australia used during evangelistic outreach last year. Hundreds of students have heard the good news of Jesus through public talks, debates, dinners, conversations, and street evangelism. The postcard (pictured) developed by the *La Trobe* group in Victoria was used (amongst others) to start conversations during the *Freedom Mission* held there and in Wollongong.
 
- **South Asia:** an evangelistic programme was held in March particularly for the students from the Balaju area of Nepal. Over a hundred students attended. In December, Christmas programmes in four different cities were well attended by more than 250 students. Bibles and evangelistic tracts were distributed to non-Christian students attending these events.

Pioneering student ministry

- **South Asia:** staff and students from IFES movements in South Asia have been exploring contacts with believing students in other neighbouring countries. In one country, they are connecting with the indigenous student ministry there.
- **East Asia:** in one country which cannot be named for security reasons, a partnership of indigenous students and graduates, with support from staff across the region, is fostering the growth of student ministry. God is raising up many national leaders and the ministry has been strengthened by a network of evangelistic and training camps.

- **Latin America:** in early 2007 Ricardo Wesley, the former general secretary of ABUB Brazil, was sent out with his wife, Ruth, to Montevideo, Uruguay with the goal of re-pioneering the work in this country, perhaps the toughest and certainly the most secularised in Latin America.

2. Global partnership

Both formal and informal reciprocal partnerships throughout IFES strengthen fellowship between staff and movements, equipping them for their ministry and encouraging students to reach students with the gospel worldwide.

IFES has been seeking to strengthen the range and network of partnerships both internally and externally. These partnerships take many forms: exchange programmes, short-term mission projects, prayer and financial support, and sharing materials and resources.

International investment

IFES **relaunched its website** during 2007 to make more materials available in English, French and Spanish to supporters around the world and to improve accessibility to the staff extranet. This latter site continues to be used as a secure means of sharing materials and resources; for example, the address list following World Assembly 2007 was posted there to enable participants to maintain relationships built during the event. It is still an area in which IFES needs to invest further.

A huge contribution is made to the work of IFES by **seconded staff and volunteers**. Of the 174 people working on behalf of IFES, 102 are not funded by the IFES budget. As the funding for seconded staff and volunteers does not pass through IFES, there is no precise dollar value, but these partnerships contribute enormously to the ministry of IFES.

- **Francophone Africa:** GBUAF (the IFES movement in Francophone Africa) is the region's most prolific source of Christian graduates joining other Christian organisations and churches. Strong partnerships have been forged with organisations such as SIL/Wycliffe Bible Translators, World Vision and the Bible Society. One of the fruits of such a partnership is the committee set up by SIL to bring together Francophone theologians: the *Comité Alliance-Wycliffe-SIL-GBUAF*. Staff participated as members of an organising committee for the meeting of francophone theologians in Cotonou in August 2007, and another meeting was held in November to review the follow-up of that event.
- **Europe:** one of the primary ways in Europe that global partnerships are facilitated is through IFES InterAction. InterAction is the department of IFES that aims to serve the national IFES movements in Europe by recruiting, training and sending graduates and students to help strengthen the national and local student ministry and to pioneer new work. InterAction acts as a sending agency that facilitates partnerships for around 65 people from 15 countries who serve in 20 countries.



In October, European staff attended the annual European Evangelical Alliance (EEA) assembly in Greece. The main speaker for morning Bible talks was Samuel Escobar, a professor of missiology and former honorary president of IFES. Staff were able to see, through the eyes of another organisation, the big picture of God's work happening all across the needy continent of Europe. Staff also participated in a Polish version of the global leadership summit that was organised by Willow Creek Church (USA) and took place in Krakow. It is good to strengthen the bonds of fellowship and learn from the church in the United States.

- **South Asia:** the IFES movement in India (UESI) makes efforts to have churches designate one Sunday in September every year as *College Student Sunday*. The purpose of the special day is to focus upon the strategic nature of student ministry, introduce UESI, mobilise prayer support, and create acceptance for the ministry of UESI among churches and network with churches. In Pakistan in May, a special Sunday to promote the student work of PFES was held at several churches.
- **East Asia:** in October, the Fellowship of Evangelical Students (FES) in Singapore held a day of prayer for student ministry around the world. About 100 students from various campus Christian fellowships took part. Kuzipa Nalwamba (former general secretary of the Zambia IFES movement, a sister movement to FES) was the keynote speaker on the theme 'Think globally, act locally'. The movement has also invited past and present IFES workers and affiliates to share about the situation and challenges in their respective countries.

3. Leadership development and formación

IFES' strategy has been to seek to equip and disciple all levels of the Fellowship and to strengthen leadership development programmes. Strong regional teams are able to give sustained, personal help to national movements and this is complemented by recurring regional training events.

- **East Asia:** the culturally diverse country of Malaysia is a popular tourist destination and has one of the region's most vibrant economies. Such stability and success does not always make it easy for Christians seeking to live out their faith in the working world. The student movement in Malaysia (FES) held its first 'Professionals of Tomorrow' conference last October. Students who participated from the fields of healthcare, teaching and law learned more about reaching out to their working colleagues. FES Malaysia also celebrated the movement's 45th anniversary last year.
- **Europe:** Edith Vilamajó (IFES staff) continues her work in evangelism training across Europe, developing and investing in leaders who will go on to train others. Olli is one of those trainers. He recently graduated from university in Finland and helps run evangelism training for the IFES movement there (OPKO-FSSM). The Contagious Christian courses which Olli coordinates, encourage and prepare students to tell the message of Christ to their relatives, friends and co-students. The importance of sharing the gospel is emphasised on the course and students have time to practise giving their own testimony, sharing how they came to know Christ and who he is.

- **Francophone Africa:** in early November 2007, 30 students and graduates took part in a leadership development meeting in North Africa. He came to share on the theme: *'Your word is a lamp to my feet and a light for my path'* (Psalm 119:105). The participants appreciated hearing teaching from someone who knows the kinds of challenges they face. At this event, the movement had their first ever General Assembly, officially launching the movement.
- **Latin America:** the student movement in Panama (CEC) held their leaders' training conference in September 2007. Most student leaders from different university and high school groups attended. Together the students looked into the themes of 'looking, feeling, and doing', such as looking at their history, feeling the pain of others in different situations and engaging in mission. Following the training conference, a 'Week of Values' was organised by several CEC groups in Chiriquí, Colón and Chorrerra.
- **Middle East:** at a time of great national and personal struggle, in the midst of great despair and pain, when difficult questions arise, both for individuals and the student Christian community at large, a Christian student conference was held last year in a country which cannot be named for security reasons. It was attended by 50 students and graduates from across the country. The theme was taken from Habakkuk 3:19 – 'He enables me to go on the heights.' In addition to biblical teaching, students had many opportunities to give testimony to the ways God was working in their lives and the lives of others. Organisers encouraged the students to be like Habakkuk when he thought God was ignoring him and freely asked God hard questions.

4. Governance of IFES and national movements

As a result of recent rapid growth around the world, IFES recognised the need to invest in strengthening structures appropriately so that there is a context in which the ministry can continue to flourish, both internationally and at a national level.

- **Europe:** in November, a joint Baltics staff meeting for Estonia, Latvia and Lithuania was held in Lithuania. The theme was mentoring. The conference opened with a talk on the biblical perspective on mentoring. During the next days, in depth studies looked at 2 Timothy to learn from the example of the mentoring relationship between Paul and Timothy. Deuteronomy was also examined to learn how Moses mentored Joshua to become his successor.
- **South Asia:** in Pakistan, groups called 'student bodies' have been established throughout the year and are working effectively. A student body is a group of student leaders helping staff in reaching out to other students in their respective cities. In cities where student bodies are active, the ministry has expanded as the formation of these bodies has given ownership to the students. Staff report that the experience of forming local student bodies has made a great impact on the overall picture of the Fellowship. The goal is to have a student body running on the regional as well as national levels and, in the years to come, student representatives on the national board.

- **Africa:** IFES regional staff - Femi Adeleye and Calisto Odede - conducted a training programme for board members of FOCUS Kenya. These visits and training sessions are crucial to the encouragement of staff, and to establishing good relationships between regional and national leaders in the coming year, as well as providing adequate training for staff workers.

5. Integral approach to ministry

There have been encouragements in several areas as IFES and its national movements have challenged students to think through how to express biblical beliefs in every area of society.

- **Sub-Saharan Africa:** more than two-thirds (68%) of people living with HIV/AIDS are found in this region, where more than three-quarters (76%) of all AIDS-related deaths in 2007 occurred. Responding to the HIV/AIDS pandemic in Africa continues to be one of the ways in which IFES encourages Christian students to be whole-life disciples. IFES believes that the main approach in fighting HIV/AIDS is to intervene at the level of education to change behavioural patterns. The following five initiatives are currently being implemented throughout the region: 1) mainstreaming HIV/AIDS projects into all programmes; 2) peer education; 3) literature production and distribution; 4) basic care for people living with Aids; and 5) voluntary counselling and testing advocacy.
- **Europe:** in one country (which cannot be named for security reasons), there are many students at one university who have few resources, so there is opportunity there to practice more 'traditional' integral ministry. During the winter, when a new semester had just begun, many of the international students were cold and hungry. A food donation programme was implemented by the Christian students here, and the Anglican church joined in with enthusiasm. It is a joy to know that Christians are presenting a united front in this country to help those in need, and it is hoped that as the love of Christ is shown in a down-to-earth way non-Christians might be moved to ponder their spiritual need.
- **Latin America:** students from five regions in Peru are rolling up their sleeves and getting involved in the *Vivir para Servir* (Live to Serve) endeavour, a social project to help fight poverty. Through *Vivir para Servir*, Peruvian students are learning to actively use their training and studies to transform society from a Christian perspective. Examples include architecture students who designed a community centre and children's play area; student teachers who provided after-school classes for the children; graduates who have helped to provide services from dental and medical treatment to haircuts. The University in Lima has been so impressed by the project that students from the social sciences faculty undertake practical placements with *Vivir para Servir* as part of their degree.



- **South Pacific:** TSCF, the IFES student movement in Papua New Guinea, is pioneering three outreach programmes in an effort to share the love of Jesus through caring for those who are often marginalised by the rest of society – in prisons, in slums and in hospitals. Students are allowed to enter prison camps to witness to God’s love by conducting Sunday church services and befriending prisoners. Students who live in big cities like Port Moresby, the capital of Papua New Guinea, visit people living in the poorest areas, bringing with them food and clothing, as well as the good news. They also visit people in hospital, taking food and other needed items to distribute to sick people.

6. Fund Development

In order to achieve the first five priorities, IFES has worked together with the national movements to continue to build a sustainable support base, both nationally and internationally. This remains a key area in which IFES will invest in the coming years.

International investment

As reported in 2006, IFES has been encouraging national movements to become more self-sufficient. The programme for reducing the level of grants made by IFES to national movements has continued, alongside investment in fund development training.

The IFES International Office continued its strategy aimed at increasing the ‘small’ or individual supporter base and attracting supporters from a younger age group to sustain its income beyond a ten-year period. This has been helped and supported by the improved information and prayer materials on the redesigned IFES website.

- **North America:** in the USA, the national movement’s Vision Campaign has been successful in identifying and starting to bring in significant major gifts. New leadership in the Advancement department and the development of the major donor base has led to very helpful organisation and capitalising on major gifts. Income continues to grow at a healthy rate.
- **South Asia:** in Nepal, a graduates’ survey and pledge form has been widely distributed to collect the needed information to keep in touch with graduates and give them the opportunity to be involved financially in the student work by using their expertise and resources to help the IFES movement (NBCBS). The first graduate who responded has decided to use his teaching gift to advance the work and has pledged to contribute financially as well.
- **Caribbean:** fund development continues to be a major concern in the region. In 2007, three initiatives were undertaken to increase the funding base of the Caribbean.
 - A ‘Caribbean Connections’ meeting held in Georgetown, Guyana in September 2007 brought together about forty graduates and friends of IFES in the Caribbean (CARIFES) to share about the work and launch the CARIFES website. Some of those present pledged to give to the work of CARIFES.

- A 'Caribbean Connections' forum, held in October in New York, was organised to 'Friend Raise' or connect with Christians of the Caribbean diaspora, especially graduates of CARIFES movements, to engage in dialogue regarding opportunities for involvement in the student ministry in the region. It was, therefore, intended to muster support (financial, human and material) for CARIFES and the work of the student ministry in the Caribbean. About 70 persons attended.
- On his way back from the IFES senior leadership team meeting held in Spain, Associate Regional Secretary, Marc Pulvar, met in Paris with a group of graduates from the French Caribbean movements who are now living in France. They are getting organised to see how they can bring their financial contribution to support the work in the region.

FUTURE PLANS

The six strategic priorities on which this report is based and which were identified at World Assembly 2003 continue to form the basis of IFES ministry through to July 2008.

1. Evangelism and mission
2. Global partnership
3. Leadership development and formación
4. Governance of IFES and national movements
5. Integral approach to ministry
6. Fund development

These plans will be pursued by the granting of funds to IFES (UK).

Planning for a strong future

A key characteristic feature of IFES is that it is a network organisation. As such, its vision and plans for future periods are developed through consultation around the Fellowship, most recently through sessions at the quadrennial World Assembly in Canada in July 2007.

Taking the results of the consultative exercise at World Assembly, IFES has begun to formulate a vision to take the Fellowship through to 2020. The finalisation of this strategic plan for the ministry worldwide is a key objective for 2008. This process is being led by a group of senior IFES staff, working alongside Daniel Bourdanne (IFES General Secretary), and will be launched by the IFES International Executive Committee after their meetings in June 2008. Details will be available from the IFES International Office (by email at info@ifesworld.org).

Examples of activities planned for 2008 that express the key priorities

- **Evangelism:** Lindsay Brown, IFES evangelist at large, has been seconded to work part-time with UCCF (the student movement in Great Britain) in an effort to develop and encourage university evangelists across Europe. In early 2008, 12 young evangelists will observe missions in the UK with a view to returning home to proclaim Christ in their universities across Europe.

Also in early 2008, a European Evangelism Conference will be held in Austria for over 2,000 students from Europe and Eurasia. The conference will include excellent Bible expositions,

multi-cultural worship, a wide variety of tracks on evangelism, dynamic prayer, engaging the university, and opportunities to share experiences with students from other countries.

- **Mission:** an IFES Regional Student Leadership and Missions Training Conference is planned for the Middle East and North Africa region. The conference (and subsequent national follow-up conferences) will tackle the issues of culture influencing young people in the region and the high number of youth leaving the churches because it is not attractive or relevant.
- **Leadership and formación:** Secular models of leadership within Eurasia have traditionally been overwhelmingly hierarchical, authoritarian and often tyrannical. Biblical models of collaborative, empowering and servant leadership are exceedingly rare, both in theory and in practice. In the light of leadership needs, IFES in Eurasia is pursuing a partnership with Azusa Pacific University (APU), a Christian university in the USA. This affords a unique opportunity to bring the expertise and values of the APU curriculum in Organisational Leadership to needs within the Eurasian context.

A pilot project will be conducted in which as many as 20 students will participate in an 'Operation Impact' programme to be offered in Ukraine, under the auspices of APU and facilitated by IFES-Eurasia. This partnership will help establish a new generation of well-trained and equipped servant leaders for Eurasia.

- **Fund development:** Fund development remains a key challenge for many staff and national movements and IFES is taking proactive steps to support the movements in growing indigenous supporters. Through 2008, part of this approach will be the production of materials to help strengthen the ability of the movements to raise funds to support their parts of the vision, including training materials in communications and fundraising, and developing communications plans for growing a sustainable supporter base.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The International Fellowship of Evangelical Students (hereafter referred to as IFES (Switzerland)) is a registered body in Lausanne, Switzerland. Reference and Administrative Details can be found on P37-38.

Governing document

The governing document of IFES (Switzerland) is its constitution. The constitution outlines the objects of IFES (Switzerland) as follows:

'To create an international fellowship of national student evangelical unions or fellowships for the purpose of:

- (A) Seeking to awaken and deepen personal faith in the Lord Jesus Christ and to further evangelistic work among students throughout the world.
- (B) Strengthening the National Evangelical Unions (hereafter referred to as 'movements') and providing for fellowship on a world-wide and regional basis
- (C) Arranging at regular intervals united and regional international conferences.'

Structure and decision-making process

During 2007 the restructuring of IFES (Switzerland) and IFES Trust resulted in the employees previously employed by IFES (Switzerland) becoming employees of IFES Trust with effect from 1 April 2007.

From 1 April 2007 the structure and decision-making process were as follows:

- The company had no employees, and was governed by its board of Directors.
- The activities of IFES (Switzerland) are functionally overseen and managed by the senior officers of the International Fellowship of Evangelical Students (UK), who make day-to-day decisions regarding the running of IFES (Switzerland) as part of their management of IFES (UK). On 5 July 2007, IFES Trust was renamed the International Fellowship of Evangelical Students, abbreviated in this report to IFES (UK).

The governing body of the Fellowship remains the International General Committee (GC). This is made up of delegates from each movement that is a member of the Fellowship. The GC normally meets once every four years, with the last meeting having taken place in 2007. The GC elects an International Executive Committee (IEC), which is made up of a Chair, Treasurer and 13 other voting members, with the General Secretary and Associate General Secretaries as ex-officio, non-voting members. The IEC acts on behalf of the GC between meetings of the GC. The full IEC meets at least once a year. The IEC appoints the General Secretary. The members of the IEC are the directors of IFES (UK).

Appointment, induction and training of IEC members

The members of the IEC are elected by the IFES International General Committee following regional nominations. At least two names are nominated for each region, and then the Nominations Committee, which is a sub-committee of the IEC, recommends a candidate from each region giving regard to background, gender, age and skills in order to achieve the required skills mix. The aim is to have representation on the IEC from theologians, business people, and people involved in student ministry. Each member of the IEC serves a four year term which may be renewed for a second term.

Immediately following appointment, orientation training is given to new IEC members with a general overview of the Fellowship by the General Secretary, a financial overview by the Head of Finance, and a general introduction to the IEC by the Chairman.

The new IEC members are also provided with key documents – a copy of the IFES Constitution, and 'Inner Workings' which sets out implementation of the policies and procedures of the Fellowship. Members are encouraged to attend IFES events and to participate in the Regional Support Group in the region they represent. Other ad hoc training or orientation is given as required.

Related charity

IFES (Switzerland) has a related charity, International Fellowship of Evangelical Students (IFES (UK)), which is registered in the United Kingdom as both a charity (No 247919) and a company (No. 876229). Principal contact addresses are the same as for IFES (Switzerland). From its incorporation to the end of March 2007, the principal activity of IFES Trust has been to receive donations and to hold property in the United Kingdom on behalf of IFES (Switzerland). From 1 April 2007, IFES Trust took over the principal activities of IFES. IFES (Switzerland)'s principal

financial activity from this date has been to receive donations on behalf of IFES Trust and pass them on. IFES (UK) donated \$853,398 to IFES (Switzerland) during 2007 (2006:\$2,783,476). IFES Trust was renamed International Fellowship of Evangelical Students on 5 July 2007.

Risk management

During 2003, a risk assessment was carried out in order to identify the major risks to which IFES is exposed under the headings Operational Risk, Personnel Risks, Financial Risks, Governance and Management Risks, Reputational Risks, Strategic Risks and Overseas Risks, and a risk register was compiled. During 2004 significant further work was carried out on the risk register, the results of which were presented to the Finance Committee at their meeting in November 2004. A total of 57 potential risks were considered and each was given a rating for probability and impact. Control systems already in place to mitigate risks were recognized, and new control systems were identified where sufficient systems were not already established. The Finance Committee approved the risk register for implementation. During 2005 a dry run of an IT disaster was carried out and the conclusion was that the International Office could recover satisfactorily from such an event.

The major risk continuing to face the Fellowship currently is income protection during the General Secretary transition period. Much work has been done to mitigate this risk. The Advancement Department has been working to increase the number of regular donors and develop major donor relationships.

Also related to the General Secretary transition, the Steering Committee of the Board considered the risk of Daniel Bourdagné not being granted a missionary visa to enable him to relocate to Oxford and discussed contingency plans. Risks have also been considered related to personnel changes in the senior staff team and the potential purchase of a new office.

During the year risks related to World Assembly have also been considered, including the effect of exchange movements on budget, the need to raise sufficient donations towards the costs and the possibility that the conference might have to be cancelled. Significant work was undertaken to manage these risks.

The IEC confirms that they continue to be satisfied that adequate control actions and monitoring processes are in place to manage our exposure to major risks. A significant review of the Risk Register will be undertaken in 2008 to incorporate risks at a regional level.

Responsibility of the IEC for accounts

The IEC notes that it is their responsibility to prepare accounts for each financial year which give a true and fair view of the state of the affairs of the Fellowship and of the result for that year. In preparing these accounts, we have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- complied with applicable accounting standards subject to any material departures disclosed and explained in the accounts, including the Statement of Recommended Practice for Accounting and Reporting by Charities;
- prepared the accounts on the going concern basis unless it is inappropriate to assume that the Fellowship will continue its operations.

We are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Fellowship. We are also responsible for safeguarding the assets of the Fellowship and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

The IEC has elected to have regard to the requirements of the Statement of Recommended Practice ('SORP') on Accounting by Charities (2005) in order to comply with best practice. The accounts comply with current statutory requirements unless otherwise indicated below.

FINANCIAL REVIEW

The results of the Fellowship for the year ended 31 December 2007 are set out in the accounts on pages 20 to 34.

Donation income to IFES (Switzerland) was \$1,213,489 (\$5,768,040 in 2006). This enabled direct charitable expenditure of \$2,169,026 (\$5,740,744 in 2006) to further the objects of the Fellowship. Due to the restructuring in the year a comparison of the combined results of IFES (UK) and IFES (Switzerland) needs to be made to give a true understanding of changes in financial activity between 2007 and 2006. Total donation income in 2007 (less intercompany transfers) was \$6,735,453 compared to \$6,302,285 in 2006, an increase of 7%. Total charitable expenditure increased by 9% from \$5,811,393 to \$6,336,963 with 90% of the 2007 figure being direct costs and 10% allocated support costs.

The direct charitable expenditure undertaken by IFES during the year under review funded student ministry worldwide, which supported the key objects of IFES as laid out in the governing document of IFES.

The Fellowship makes payments through 'Transmission Funds'. These are donations for activities that are not part of IFES' core activities but are within IFES' charitable objects. Payments that are made to national movements and other external bodies are treated as grants and are included in the Grants Payable figure of \$389,012. IFES transfers these payments as received after deduction of a service charge. Recipients are expected to make their own arrangements with local tax authorities to ensure that they meet their responsibilities in that area.

The Fellowship uses a defined contribution pension scheme. It is part of group arrangements under the Trusteeship of Global Connections (formerly the Evangelical Missionary Alliance). Legal & General Assurance Society Limited runs the scheme. The scheme consists of two parts, an 'approved' scheme for employees who are subject to UK tax, and an 'unapproved' scheme for those who are not. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Fellowship in the year.

A huge contribution is made to the work of IFES by seconded staff and volunteers, working mainly in IFES teams across the Europe and Eurasia regions, helping to strengthen national movements and to pioneer new ministry. It is not possible to give a reliable figure for the value of the contribution made by these individuals, partly due to the wide diversity of the parts of the world from which they originate. However, we estimate that if the value of their contribution was brought into the figures disclosed in the accounts, it would increase the reported income for the year by at least 50%. We would like to extend our sincere thanks to these partners in ministry.

Reserves policy

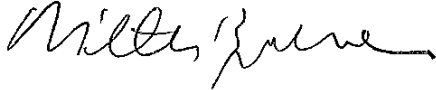
The Finance Committee has set a target range for the General Fund balance, which are the free reserves of the Fellowship, to be between 10% and 15% of the annual operational budget. This would allow the Fellowship to cover staff, management and support costs, allowing operations to continue in the event of a drop in funding. Based on the 2008 budget for the Fellowship, this would require a General Fund balance of between \$472,000 and \$708,000. At the end of 2007, the General Fund was \$410,898. Additionally there were general funds held in IFES (UK) of \$364,662. Across the Fellowship there was therefore a total of \$775,560 which was slightly above the target range, being 16% of the operational budget.

Investments

There are no restrictions on the Fellowship's power to invest. The investment strategy is set by the IEC with a long-term view to capital growth, using funds not required for medium term operational needs. During 2004 investments held at 31 December 2003 were sold, and the proceeds are currently being held on short term deposit with Credit Suisse. The Finance Committee made a decision to take advice on how the proceeds should be invested long-term. A further decision was made to delay taking this advice until the restructuring of IFES (Switzerland) and IFES (UK) is complete. A decision will be made in 2008 about the reinvestment of these funds. The Fellowship's assets are available and adequate to fulfil the obligations of each fund.

APPOINTMENT OF AUDITORS

Critchleys have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming Finance Committee meeting.



DIETER BREPOHL

Chair of IEC

Date: 26 JUNE 2008

321 Banbury Road

Oxford

OX2 7JZ

**STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
for the year ended 31 December 2007**

| | Note | Unrestricted Funds US\$ | Restricted Funds US\$ | Total Funds 2007 US\$ | Total Funds 2006 US\$ |
|---|-------|-------------------------------|-----------------------------|-----------------------------|--------------------------------|
| INCOMING RESOURCES | | | | | |
| Donations, legacies and similar incoming resources | 2 | 662,037 | 551,452 | 1,213,489 | 5,768,040 |
| Activities for generating funds | | - | - | - | 34,486 |
| Investment Income | | 18,633 | - | 18,633 | 18,935 |
| Other Incoming Resources | | 19,456 | 3,764 | 23,220 | 105,314 |
| TOTAL INCOMING RESOURCES | | 700,126 | 555,216 | 1,255,342 | 5,926,775 |
| RESOURCES EXPENDED | | | | | |
| Costs of generating funds | | | | | |
| Costs of generating voluntary income | 4 | 106,144 | - | 106,144 | 427,303 |
| Fundraising trading | 5 | 23,103 | - | 23,103 | 46,398 |
| Total cost of generating funds | | 129,247 | - | 129,247 | 473,701 |
| Charitable activities | | | | | |
| Student Ministry | 3 | 141,525 | 2,027,501 | 2,169,026 | 5,740,744 |
| Total charitable activities | | 141,525 | 2,027,501 | 2,169,026 | 5,740,744 |
| Governance costs | 6 | 29,100 | - | 29,100 | 61,526 |
| Total Resources Expended | 9 | 299,872 | 2,027,501 | 2,327,373 | 6,275,971 |
| Net Incoming / (Outgoing) Resources Before Transfers | | 400,254 | (1,472,285) | (1,072,031) | (349,196) |
| Transfers Between Funds | 16,17 | (104,618) | 104,618 | - | - |
| Net Incoming / (Outgoing) Resources | | 295,636 | (1,367,667) | (1,072,031) | (349,196) |
| Gains and Losses on disposal of Fixed assets | | - | 40,773 | 40,773 | - |
| Net Movement in Funds | | 295,636 | (1,326,894) | (1,031,258) | (349,196) |
| Total Funds at 1 January 2007 | 16,17 | 115,262 | 1,609,847 | 1,725,109 | 2,074,305 |
| Total Funds at 31 December 2007 | 16,17 | 410,898 | 282,953 | 693,851 | 1,725,109 |

The notes on pages 23 to 34 form part of these financial statements.

The Fellowship's income and expenditure all relate to continuing operations. The Fellowship has no recognised gains or losses other than those shown on this page.

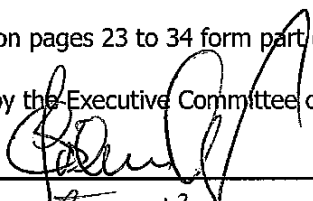
BALANCE SHEET
As at 31 December 2007

| | Notes | 2007 | | 2006 | |
|---|-------|------------------|----------------|------------------|------------------|
| | | US\$ | US\$ | US\$ | US\$ |
| Fixed Assets | | | | | |
| Tangible Assets | 11 | | <u>43,337</u> | | <u>74,118</u> |
| | | | <u>43,337</u> | | <u>74,118</u> |
| Debtors: Amounts falling due after one year | 13 | | - | | 50,697 |
| Current Assets | | | | | |
| Stock | 12 | - | | 22,146 | |
| Debtors | 13 | 2,145 | | 630,871 | |
| Short-term deposits | | 603,601 | | 350,000 | |
| Cash at Bank and in hand | | <u>547,997</u> | | <u>1,124,688</u> | |
| | | <u>1,153,743</u> | | <u>2,127,705</u> | |
| Creditors: Amounts falling due within one year | 14 | <u>(503,229)</u> | | <u>(425,110)</u> | |
| Net Current Assets | | | <u>650,514</u> | | <u>1,702,595</u> |
| Total Assets Less Current Liabilities | | | 693,851 | | 1,827,410 |
| Creditors: Amounts falling due after one year | 15 | | - | | (102,301) |
| Net Assets | | | <u>693,851</u> | | <u>1,725,109</u> |
| FUNDS | | | | | |
| Restricted Funds | | | | | |
| Priority Funds | 16 | | 901 | | 227,031 |
| Provisional Funds | 16 | | 137,796 | | 492,985 |
| Transmission Funds | 16 | | - | | 594,427 |
| Property Fund | 16 | | 144,256 | | 103,483 |
| Capital Revolving Funds | 16 | | - | | 70,000 |
| B Fund | 16 | | - | | 121,921 |
| | | | <u>282,953</u> | | <u>1,609,847</u> |
| Unrestricted Funds | | | | | |
| Strategy Fund | 17 | | - | | 37,293 |
| General Fund | 17 | | 410,898 | | 77,969 |
| | | | <u>410,898</u> | | <u>115,262</u> |
| Total Funds | | | <u>693,851</u> | | <u>1,725,109</u> |

The notes on pages 23 to 34 form part of these financial statements

Approved by the Executive Committee on 26 JUNE

2008 and signed on its behalf:



 Dieter Brepohl

Mr Øistein Garcia de Presno (Treasurer)

Sr Dieter Brepohl (Chair)

CASHFLOW STATEMENT
For the year ended 31 December 2007

| | 2007 | 2006 |
|--|-------------------------|------------------------|
| | \$ | \$ |
| Net (outgoing)/incoming resources | (1,031,258) | (349,196) |
| Decrease/(Increase) in stock | 22,146 | 8,689 |
| Decrease/(Increase) in debtors | 679,423 | 32,589 |
| Increase/(Decrease) in creditors | (24,182) | 257,406 |
| Depreciation and profit on disposal | (39,719) | 17,310 |
| Profit on disposal of short term deposits | - | - |
| Investment income | <u>(18,633)</u> | <u>(18,935)</u> |
| Net cash inflow/(outflow) from operations | (412,223) | (52,137) |
| Returns on investment and servicing of finance | 18,633 | 18,935 |
| Capital expenditure and financial investment | 70,500 | 12,786 |
| (Decrease)/Increase in cash during the year | <u>(323,090)</u> | <u>(20,416)</u> |
| Cash in hand balances | | |
| | 2007 | 2006 |
| | \$ | \$ |
| Short term deposits | 603,601 | 350,000 |
| Cash at bank and in hand | <u>547,997</u> | <u>1,124,688</u> |
| | 1,151,598 | 1,474,688 |
| Balances at 31 December 2006 | <u>(1,474,688)</u> | <u>(1,495,104)</u> |
| (Decrease)/Increase in cash for the year | <u>(323,090)</u> | <u>(20,416)</u> |

Analysis of cash flows for headings in the cash flow statement

Returns on Investments and servicing of finance

| | | |
|---|---------------|---------------|
| Interest and other investment income received | 18,633 | 18,935 |
| | <u>18,633</u> | <u>18,935</u> |

Capital expenditure and financial investment

| | | |
|---|---------------|---------------|
| Purchase of tangible fixed assets | - | (12,131) |
| Receipts from sale of tangible fixed assets | 70,500 | 33 |
| Receipts from sale of fixed asset investments | | 24,884 |
| | <u>70,500</u> | <u>12,786</u> |

NOTES TO THE ACCOUNTS

For the year ended 31 December 2007

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The accounts are drawn up in accordance with applicable accounting standards. The IEC has elected to have regard to the requirements of the Statement of Recommended Practice ("SORP") on Accounting by Charities (2005) in order to comply with best practice. Any exceptions are noted below.

Monetary values are calculated under the historical cost convention, as modified by the revaluation of investments, and the accounts have been prepared on a going concern basis.

(b) SCOPE OF ACCOUNTS

IFES is a worldwide affiliation of autonomous national student movements. Direct bilateral arrangements for co-operation between two or more national student movements, including the secondment of staff, are not accounted for by IFES. The accounts include IFES Regional Offices and associated staff and exclude autonomous national student movements.

A restructuring of IFES (Switzerland) and IFES (UK) took place in 2007. See note 22.

(c) INCOMING RESOURCES

Donation income is recognised in the Statement of Financial Activities as soon as it is prudent and practicable so to do. Resources will not be recognised until the conditions for receipt have been met and there is reasonable assurance of receipt. Conference income is accounted for on a receivable basis.

(d) CURRENCY EXCHANGE

Assets, liabilities, income and costs expressed in foreign currencies are translated into US dollars at rates of exchange ruling on the date at which the transaction occurs, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date. Differences arising on the translation of such items are dealt with in the Statement of Financial Activities.

(e) DEPRECIATION AND VALUATION OF FIXED ASSETS

Depreciation is calculated to write off the cost of fixed assets except freehold property on a straight-line basis over their effective useful lives. For computers, office furniture and equipment this is at 25% per annum. Freehold and leasehold properties are valued at cost where readily obtainable and depreciated over 50 years or the length of the lease as appropriate.

(f) DISPOSAL OF FIXED ASSETS

Surpluses and deficits on disposal and depreciation of fixed assets are credited or charged to the Statement of Financial Activities.

Due to the restructuring of IFES and IFES Trust, some of the fixed assets held by IFES were sold to IFES Trust at their net book value as at 31 December 2006.

(g) RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

- * Finance costs are allocated on the basis of all employees worldwide
- * IT costs are allocated on the basis of office based employees
- * Facilities costs are allocated on the basis of floor area used
- * Human resources costs are allocated on the basis of all employees worldwide
- * Communications costs are allocated on the basis of all employees worldwide
- * General Management costs are allocated on the basis of office based employees

NOTES TO THE ACCOUNTS For the year ended 31 December 2007

(h) PENSIONS

The Fellowship uses a defined contribution pension scheme. It is part of Group arrangements under the Trusteeship of the Evangelical Missionary Alliance. The scheme is run by Legal & General Assurance Society Limited. The scheme consists of two parts, an "approved" scheme for employees who are subject to UK tax, and an "unapproved" scheme for those who are not. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Fellowship in the year.

(i) INTERNATIONAL MINISTRY

These are costs associated with the work of IFES that cannot be allocated against a particular region or country, whether due to the international nature of the work or the materiality of the expenditure.

(j) COSTS OF GENERATING FUNDS

Costs of generating funds comprise all costs identified as wholly or mainly attributable to the generation of incoming resources other than from charitable activities and include an apportionment of overheads.

(k) CHARITABLE ACTIVITIES

Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objects of the charity. These costs include staff costs, wholly or mainly attributable support costs and an apportionment of overhead.

(l) GOVERNANCE COSTS

Governance costs comprise all costs identified as wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulation. These costs include external audit and trustees costs.

FUND ACCOUNTING

The International Fellowship of Evangelical Students has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

1. Restricted Funds

Transmission Funds. The Transmission Funds comprise the unexpended balances of donations held to be applied for specific purposes within IFES. A charge for the costs associated with administration was levied on the intended recipients during 2007. This has been shown in the accounts under note 3 as having been recharged to the Regions.

Capital Revolving Fund. Money has been designated as for the use of making loans to IFES staff. These loans are made to allow the staff to do their work in the most effective way but the assets paid for are the property of the staff once the loan is paid off.

Property Fund. This fund relates to fixed assets purchased using restricted income where the donor approval is required on the use of proceeds raised should the assets be sold.

Provisional Funds. The activities undertaken from Provisional Funds are those that will only go ahead if specific money has been raised to enable them to do so.

Priority Funds. Priority expenditure is for activities that are of sufficient importance to the work of the Fellowship that unrestricted funds will be applied to meet any shortfall in restricted income.

B Fund. The interest on the B Fund is transferred to support the work in Central Europe.

2. Unrestricted Funds

Strategy Fund. The Strategy Fund is used to pay for strategic events in the life of the Fellowship, particularly the four yearly World Assembly.

General Fund. This fund is made up of donations given for the general work of IFES with no restriction on their application by the donor. Income from this fund is used to offset shortfalls in income for specific purposes in the Priority Fund. The IFES Executive Committee may designate these funds for certain purposes but they are not restricted to being used solely for those purposes.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

2 DONATION INCOME ANALYSIS

| | Total Funds 2007 US\$'s | Total Funds 2006 US\$'s | | |
|-----------------------------------|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Individual Donors | 20,992 | 1,884,719 | | |
| Major Donors (gifts over \$5,000) | 337,077 | 3,669,483 | | |
| National Movements | 883 | 115,388 | | |
| Churches | 518 | 98,450 | | |
| Other | 621 | | | |
| Gifts from IFES (UK)* | 853,398 | | | |
| Total | 1,213,489 | 5,768,040 | | |
| | Unrestricted Funds US\$ | Restricted Funds US\$ | Total Funds 2007 US\$ | Total Funds 2006 US\$ |

*Note Gifts from IFES (UK) in 2006 were \$2,780,947

3 CHARITABLE ACTIVITIES:
STUDENT MINISTRY

| | | | | |
|---|----------------|------------------|------------------|------------------|
| English and Portuguese Speaking Africa | - | 118,737 | 118,737 | 558,411 |
| Francophone Africa | - | 53,054 | 53,054 | 295,748 |
| Western Europe | - | 123,147 | 123,147 | 640,707 |
| Central Europe | - | 118,095 | 118,095 | 618,351 |
| Eurasia | - | 149,345 | 149,345 | 846,192 |
| Innovista | - | (6,102) | (6,102) | 239,569 |
| Middle East and North Africa | - | 52,508 | 52,508 | 180,915 |
| Latin America | - | 45,286 | 45,286 | 244,491 |
| Caribbean | - | 25,884 | 25,884 | 123,975 |
| South Asia | - | 15,213 | 15,213 | 162,893 |
| East Asia | - | 9,412 | 9,412 | 71,828 |
| South Pacific | - | 45,724 | 45,724 | 75,076 |
| North America | - | 1,322 | 1,322 | 139,932 |
| International Ministries | 37,293 | 115,537 | 152,830 | 950,561 |
| Grants to IFES(UK) | | 1,160,339 | 1,160,339 | |
| Support costs apportioned - notes 7 & 8 | 104,232 | - | 104,232 | 592,095 |
| | 141,525 | 2,027,501 | 2,169,026 | 5,740,744 |

No support costs incurred on behalf of the IFES regions were recharged to those regions during the year under review due to the reorganisation. (In 2006 support costs recharged were \$487,347). These recharged costs are considered as both a contribution towards the costs of administering the funds, and a contribution to the work of the wider Fellowship.

| | Unrestricted Funds US\$ | Restricted Funds US\$ | Total Funds 2007 US\$ | Total Funds 2006 US\$ |
|---|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| 4 COSTS OF GENERATING VOLUNTARY INCOME | | | | |
| Staff Costs | 41,566 | | 41,566 | 138,612 |
| Supporter Raising | 345 | | 345 | 22,065 |
| Appeals & Portfolio | | | - | 35,965 |
| US fundraising | 185 | | 185 | 10,134 |
| Miscellaneous Expenses | 1,956 | | 1,956 | 6,776 |
| Support costs apportioned - notes 7 & 8 | 62,092 | - | 62,092 | 213,751 |
| | 106,144 | - | 106,144 | 427,303 |
| 5 FUNDRAISING TRADING | | | | |
| Materials for resale | 21,776 | | 21,776 | 40,768 |
| Support costs apportioned - notes 7 & 8 | 1,327 | | 1,327 | 5,630 |
| | 23,103 | - | 23,103 | 46,398 |
| 6 GOVERNANCE COSTS | | | | |
| External Audit | 7,979 | | 7,979 | 20,582 |
| GS Search Committee costs | - | | - | 23,957 |
| Executive Committee (Trustee) costs | 21,121 | | 21,121 | 16,987 |
| | 29,100 | - | 29,100 | 61,526 |

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

7 ANALYSIS OF SUPPORT COSTS FOR APPORTIONMENT

| | 2007 US\$ | 2006 US\$ |
|--------------------------------|----------------|----------------|
| Finance | | |
| Staff Costs | 38,100 | 131,316 |
| Bank charges | 6,345 | 10,428 |
| Other Finance costs | 1,670 | - |
| | <u>46,115</u> | <u>141,744</u> |
| General Management | | |
| Staff Costs | 41,744 | 131,397 |
| Maintenance/Cleaning | - | 10,448 |
| Stationery & Photocopy costs | 413 | 9,031 |
| Postage | 498 | 2,809 |
| Telephone/Fax | 700 | 9,589 |
| Insurance | 7,018 | 7,219 |
| Legal Expenses | 138 | - |
| Other office expenditure | 4,958 | 20,470 |
| (Gain)/Loss on disposal | - | (14) |
| Depreciation | - | 15,606 |
| | <u>55,469</u> | <u>206,555</u> |
| Facilities | 28,368 | 124,835 |
| Exchange (gain)/loss | (33,233) | (60,543) |
| | <u>50,604</u> | <u>270,847</u> |
| Information Technology | | |
| Staff Costs | 21,651 | 76,427 |
| Support contracts & licenses | 7,759 | 13,896 |
| Equipment and other costs | - | 6,337 |
| | <u>29,410</u> | <u>96,660</u> |
| Human Resources | | |
| Staff Costs | 14,824 | 69,476 |
| Recruitment costs | - | 14,996 |
| Other costs | 134 | 5,481 |
| | <u>14,958</u> | <u>89,953</u> |
| Communications | | |
| Staff Costs | 22,452 | 85,069 |
| Prayer materials | 163 | 101,811 |
| Internal communications | 2,753 | 16,605 |
| Other costs | 1,196 | 8,787 |
| | <u>26,564</u> | <u>212,272</u> |
| TOTAL FOR APPORTIONMENT | <u>167,651</u> | <u>811,476</u> |

8 BASIS OF APPORTIONMENT

| Support Cost | Fundraising US\$ | Fundraising Trading US\$ | Student Ministry US\$ | 2007 US\$ | 2006 US\$ | Basis of allocation |
|--------------------|---------------------|--------------------------------|-----------------------------|----------------|----------------|---------------------|
| Finance | 5,005 | 71 | 41,039 | 46,115 | 141,744 | No. staff globally |
| General Management | 28,562 | 414 | 26,493 | 55,469 | 206,555 | No. office staff |
| IT | 15,144 | 219 | 14,047 | 29,410 | 96,660 | No. office staff |
| Human Resources | 1,623 | 23 | 13,312 | 14,958 | 89,953 | No. staff globally |
| Communications | 2,883 | 41 | 23,640 | 26,564 | 212,272 | No. staff globally |
| Facilities | 12,482 | 611 | 15,275 | 28,368 | 124,835 | Floor area |
| Exchange loss | (3,607) | (52) | (29,574) | (33,233) | (60,543) | No. staff globally |
| | <u>62,092</u> | <u>1,327</u> | <u>104,232</u> | <u>167,651</u> | <u>811,476</u> | |

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

9 TOTAL RESOURCES EXPENDED

| | Regional Operations & Salaries US\$ | Evangelism & Mission US\$ | Conferences & Formacion US\$ | Ministry Projects & Literature US\$ | Total 2007 US\$ | Total 2006 US\$ |
|--|--|---------------------------------|------------------------------------|--|-----------------------|-----------------------|
| Student Ministries: | | | | | | |
| English and Portuguese Speaking Africa | 31,544 | 86,700 | 493 | | 118,737 | 558,411 |
| French Speaking Africa | 42,117 | 4,437 | 6,500 | | 53,054 | 295,748 |
| Western Europe | 104,733 | 15,811 | 2,603 | | 123,147 | 640,707 |
| Central Europe | 44,905 | 72,976 | 214 | | 118,095 | 618,351 |
| Eurasia | 17,545 | 124,342 | 10,000 | -2,542 | 149,345 | 846,192 |
| Innovista | (6,102) | | | | (6,102) | 239,569 |
| Middle East and North Africa | 34,609 | 3,599 | 4,300 | 10,000 | 52,508 | 180,915 |
| Latin America | 31,867 | 13,419 | | | 45,286 | 244,491 |
| Caribbean | 18,046 | 7,838 | | | 25,884 | 123,975 |
| South Asia | 8,713 | 3,500 | 3,000 | | 15,213 | 162,893 |
| East Asia | 35 | 9,377 | | | 9,412 | 71,828 |
| South Pacific | 18 | 45,706 | | | 45,724 | 75,076 |
| North America | 18 | 1,304 | | | 1,322 | 139,932 |
| Grants to IFES(UK) | 1,160,339 | | | | 1,160,339 | 0 |
| International Ministry | 131,482 | 0 | 21,348 | 0 | 152,830 | 950,561 |
| Support costs apportioned | 81,773 | 19,637 | 2,446 | 376 | 104,232 | 592,095 |
| Fundraising | 83,272 | 19,998 | 2,491 | 383 | 106,144 | 427,303 |
| Fundraising trading | 18,125 | 4,353 | 542 | 83 | 23,103 | 46,398 |
| Governance costs | 29,100 | | | | 29,100 | 61,526 |
| | <u>1,832,139</u> | <u>432,997</u> | <u>53,937</u> | <u>8,300</u> | <u>2,327,373</u> | <u>6,275,971</u> |

IFES only has one charitable activity, which is student ministry. The breakdown of this activity into the categories shown above is intended to better convey the nature of this student ministry. The support costs which have been apportioned to student ministry, together with the Fundraising and Fundraising Trading costs, have been allocated to the different headings above by being weighted in proportion to the total Regional expenditure for that heading.

Regional Operations & Salaries:

| | 2007 US\$ | 2006 US\$ |
|---|------------------|------------------|
| Staff Costs* | 415,092 | 2,067,830 |
| Other Operating Costs | 1,204,777 | 333,016 |
| Apportioned Support Costs - Notes 7 & 8 | 183,170 | 496,987 |
| Governance Costs | 29,100 | 61,526 |
| | <u>1,832,139</u> | <u>2,959,359</u> |

Evangelism & Mission:

| | | |
|---|----------------|------------------|
| Grants to national student ministries - Note 23 | 389,009 | 1,587,384 |
| Ministry staff costs | 0 | 58,457 |
| Pioneering and other mission costs | 0 | 43,922 |
| Apportioned Support Costs | 43,988 | 349,790 |
| | <u>432,997</u> | <u>2,039,553</u> |

Conferences & Formacion:

| | | |
|---------------------------------|---------------|----------------|
| Global Conferences | | 309,949 |
| Scholarships | 16,780 | 88,139 |
| Regional Conferences & Training | 31,678 | 398,340 |
| Apportioned Support Costs | 5,479 | 164,864 |
| | <u>53,937</u> | <u>961,292</u> |

Ministry Projects & Literature:

| | | |
|---|--------------|----------------|
| Gospel Distribution | | 165,551 |
| Grants to national student ministries - Note 23 | | 58,662 |
| Other Ministry Projects & Literature work | 7,458 | 37,399 |
| Apportioned Support Costs | 842 | 54,155 |
| | <u>8,300</u> | <u>315,767</u> |

*All grants are made to organisations. In 2007 grants were made to 81 (101 in 2006) organisations.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

10 INFORMATION REGARDING EMPLOYEES

Total staff costs worldwide, including support staff, during the year under review were:

| | 2007 | 2006 |
|-----------------------|----------------|------------------|
| | US\$ | US\$ |
| Wages and Salaries | 491,484 | 2,034,821 |
| Social Security Costs | 30,191 | 155,801 |
| Pension Costs | 1,602 | 189,974 |
| Other Staff Costs | 72,152 | 377,987 |
| | <u>595,429</u> | <u>2,758,584</u> |

No employee earned \$119,838 (£60,000) per year or more.

The average number of employees, analysed by function, was:

| | 2007 | 2006 |
|-------------------------------|-----------|-----------|
| Student Ministries | 57 | 59 |
| Fundraising and Publicity | 7 | 6 |
| Management and Administration | 11 | 10 |
| | <u>75</u> | <u>75</u> |

Staff were transferred to IFES(UK) on 1 April 2007. The above note represents the average number of employees for the first three months of 2007.

11 TANGIBLE FIXED ASSETS

| | Freehold Property US\$ | Leasehold Property US\$ | Computers US\$ | Office Furniture & Equipment US\$ | Total US\$ |
|------------------------|------------------------------|-------------------------------|-------------------|--|---------------|
| <i>Cost</i> | | | | | |
| At 1 January 2007 | 33,029 | 52,850 | - | - | 85,879 |
| Additions during year | - | - | - | - | - |
| Disposals during year | (33,029) | - | - | - | (33,029) |
| At 31 December 2007 | <u>-</u> | <u>52,850</u> | <u>-</u> | <u>-</u> | <u>52,850</u> |
| <i>Depreciation</i> | | | | | |
| At 1 January 2007 | 3,305 | 8,456 | - | - | 11,761 |
| Charge during year | - | 1,057 | - | - | 1,057 |
| Disposals during year | (3,305) | - | - | - | (3,305) |
| At 31 December 2007 | <u>-</u> | <u>9,513</u> | <u>-</u> | <u>-</u> | <u>9,513</u> |
| <i>Net Book Values</i> | | | | | |
| at 31 December 2007 | <u>-</u> | <u>43,337</u> | <u>-</u> | <u>-</u> | <u>43,337</u> |
| at 31 December 2006 | <u>29,724</u> | <u>44,394</u> | <u>-</u> | <u>-</u> | <u>74,118</u> |

Due to the restructuring of IFES and IFES Trust, some of the Fixed Assets of IFES were sold to IFES Trust at their net book value as at 31 December 2006.

12 STOCK

The stock figure for 2006 on the face of the balance sheet represents a stock of booklets held. These booklets were produced for resale in order to generate incoming funds.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

13 DEBTORS

| <i>Current Assets</i> | Notes | 2007 US\$ | 2006 US\$ |
|------------------------------|-------|--------------|----------------|
| Other Debtors | | 1,409 | 187,760 |
| Income Receivable | | | 351,749 |
| Prepayments | | 736 | 66,959 |
| Capital Revolving Fund Loans | 13a | <u>2,145</u> | <u>24,403</u> |
| | | <u>2,145</u> | <u>630,871</u> |
| | | | |
| Long Term Debtors | | | |
| Capital Revolving Fund Loans | 13a | 0 | 50,697 |

13a Capital Revolving Fund Loans

| | Sterling Loans £ | Euro Loans € | £/€ Loans US\$ | US\$ Loans US\$ | Total US\$ |
|-----------------------------|------------------------|--------------------|----------------------|-----------------------|---------------|
| Balance 1 January 2007 | 3,857 | 28,782 | 45,302 | 29,798 | 75,100 |
| Correction of B/f balance | | 956 | 1,517 | (1,517) | |
| New Loans | | | | | - |
| Repaid in 2007 | (964) | (1,554) | (3,931) | (2,541) | (6,472) |
| Transferred to IFES (UK) | (2,893) | (28,184) | (42,888) | (25,740) | (68,628) |
| Balance 31 December 2007 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Repayable before 31.12.2007 | | | | | - |
| Repayable after 31.12.2007 | | | | | - |
| | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |

The Capital Revolving Fund uses money designated for the use of making loans to IFES staff. These loans are made to allow staff to do their work in the most effective way but the assets paid for are the property of the staff once the loan is paid off.

The existing loans were transferred to IFES (UK) on 1 April 2007 as part of the restructuring process. The Capital Revolving Fund from which the loans were lent has also been transferred to IFES (UK). This consisted of \$70,000 permanent capital and long-term loans valued at \$39,182 (£20,000) at the start of 2007.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

14 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2007 | 2006 |
|----------------------------|----------------|----------------|
| <i>Current Liabilities</i> | US\$ | US\$ |
| Due to IFES Trust | 493,420 | 195,066 |
| Other creditors | 1,830 | 48,082 |
| Accruals | 7,979 | 181,962 |
| | <u>503,229</u> | <u>425,110</u> |

15 LONG TERM LOANS

| | Capital Revolving Fund US\$ | General Fund US\$ | TOTAL US\$ |
|-------------------------|--------------------------------------|-------------------------|---------------|
| At 1 January 2007 | 39,182 | 63,119 | 102,301 |
| Exchange loss | | - | 0 |
| Transferred to IFES(UK) | (39,182) | (63,119) | (102,301) |
| At 31 December 2007 | <u>0</u> | <u>0</u> | <u>0</u> |

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

16 RESTRICTED FUNDS

| FUND | Opening Balance 01-Jan-07 | Incoming Resources | Outgoing Resources | Transfers | Gains | Closing Balance 31-Dec-07 |
|-------------------------------|------------------------------|-----------------------|-----------------------|----------------|---------------|------------------------------|
| Priority Funds | 227,031 | 423,905 | (820,913) | 170,878 | - | 901 |
| Provisional Funds | 492,985 | 29,454 | (288,687) | (95,956) | - | 137,796 |
| Transmission Funds | 594,427 | 99,563 | (692,386) | (1,604) | - | - |
| Property Fund | 103,483 | - | - | - | 40,773 | 144,256 |
| Capital Revolving Funds | 70,000 | - | (70,000) | - | - | - |
| B Fund | 121,921 | - | (121,921) | - | - | - |
| World Assembly | - | 2,294 | (33,594) | 31,300 | - | - |
| TOTAL RESTRICTED FUNDS | 1,609,847 | 555,216 | (2,027,501) | 104,618 | 40,773 | 282,953 |

Some expenses were incurred in Priority funds for purposes that funds have been given to Provisional funds. Transfers were made to cover these costs.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

17 UNRESTRICTED FUNDS

| FUND | Opening Balance 01-Jan-07 | Incoming Resources | Outgoing Resources | Transfers | Realised Gains | Closing Balance 31-Dec-07 |
|---------------------------------|--------------------------------------|-------------------------------|-------------------------------|------------------|---------------------------|--------------------------------------|
| Strategy Fund | 37,293 | - | (37,293) | - | - | - |
| General Fund | 77,969 | 700,126 | (262,579) | (104,618) | - | 410,898 |
| TOTAL UNRESTRICTED FUNDS | 115,262 | 700,126 | (299,872) | (104,618) | - | 410,898 |

Transfers between funds

Transfers between funds are normally made to offset any deficit in a restricted fund that was not likely to be offset by income during 2008. Restricted funds that were applicable, i.e. that were restricted to a more general area, were used first. For example, surpluses in restricted funds for the work in Central Europe generally were used to offset any deficits in particular funds within that sub-region. If there were insufficient restricted funds for this purpose, general funds were used to offset the deficit.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets US\$ | Long term debtors US\$ | Net Current Assets US\$ | Long term Liabilities US\$ | Total US\$ |
|-------------------------------|----------------------------------|------------------------------|-------------------------------|----------------------------------|----------------|
| Restricted Funds | | | | | |
| Priority Funds | - | - | 901 | - | 901 |
| Provisional Funds | - | - | 137,796 | - | 137,796 |
| Transmission Funds | - | - | - | - | - |
| Property Fund | 43,337 | - | 100,919 | - | 144,256 |
| Loan Funds | - | - | - | - | - |
| B Fund | - | - | - | - | - |
| TOTAL RESTRICTED FUND: | 43,337 | - | 239,616 | - | 282,953 |
| Unrestricted Funds | - | - | 410,898 | - | 410,898 |
| | 43,337 | - | 650,514 | - | 693,851 |

19 PAYMENTS TO EXECUTIVE COMMITTEE MEMBERS

The following reimbursements for travel expenses were made to Executive Committee members:

| | IFES IFES (UK) | IFES (Switzerland) | Total |
|----------------------------|-------------------|-----------------------|------------------|
| Sr Dieter Brepohl | 3,390.00 | - | 3,390.00 |
| Dr Rachael Masake | 1,915.00 | 1,753.00 | 3,668.00 |
| Mr Pascal Ratovona | 273.00 | 1,995.00 | 2,268.00 |
| Dr Atef Gendy | 1,307.00 | - | 1,307.00 |
| Ms Sheyla Ramos | 760.00 | - | 760.00 |
| Mr Øisten Garcia de Presno | 1,484.00 | - | 1,484.00 |
| Ms Muriel Wilson | 22.78 | - | 22.78 |
| Dr Choong Chee Pang | 1,209.00 | 2,467.00 | 3,676.00 |
| Ms Leah Genita | 2,325.00 | 2,591.00 | 4,916.00 |
| Mr Augustine Pagolu | 1,010.00 | 2,196.00 | 3,206.00 |
| Sr Francisco Mira Moya | 990.00 | 1,449.00 | 2,439.00 |
| Dr Kornel Herjeczki | 1,236.00 | - | 1,236.00 |
| Mr Septi Bukula | 1,514.00 | - | 1,514.00 |
| Mr Jiries Habash | 1,623.00 | - | 1,623.00 |
| Ms Josephine Romain | 777.00 | - | 777.00 |
| | 19,835.78 | 12,451.00 | 32,286.78 |

No other members of the Executive Committee have received remuneration or have been reimbursed expenses by IFES.

20 RELATED PARTIES

IFES (Switzerland) made grants to a related UK registered Fellowship, IFES (UK). In 2007 the total amount of the grant was \$1,160,397.

It also received donations from IFES (UK) in the earlier part of 2007 to pay for costs that were still being borne by IFES (Switzerland). In 2007 these amounted to \$853,398 (2006 \$2,780,447)

The transactions with IFES (UK) resulted in a creditor being shown on the IFES balance sheet at 31 December 2007 of \$423,420 (2006 Creditor of \$195,066).

22 RESTRUCTURING

In 2007 the planned restructuring between IFES (Switzerland) and IFES (UK)(formerly IFES Trust) took place. This resulted in IFES (UK) taking over the activities that had been historically undertaken by IFES (Switzerland). As part of this process, loans from and to IFES (Switzerland) were transferred to IFES All Fixed Assets apart from property were transferred to IFES (UK) at the end of 2006.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2007

| 23 GRANTS TO ORGANISATIONS | 2007 US\$ | 2006 US\$ |
|--|----------------|------------------|
| Uganda | 47,801 | 47,276 |
| Central Asia | 44,210 | 97,005 |
| Ukraine | 32,620 | 91,680 |
| New Zealand | 26,500 | 65,086 |
| Austria | 23,430 | 10,301 |
| EPSA- English and Portuguese Speaking Africa | 26,016 | |
| Russia | 20,050 | 147,850 |
| Australia | 19,206 | - |
| Spain | 11,780 | 12,714 |
| Lithuania | 11,662 | 24,581 |
| EX/Eurasia region | 9,750 | 15,326 |
| Belarus | 9,457 | 46,094 |
| Bosnia | 8,583 | 20,344 |
| Trinidad & Tobago | 7,838 | 7,232 |
| East Asia | 7,781 | 18,471 |
| Nigeria | 7,478 | 54,039 |
| Latvia | 7,009 | 14,318 |
| Mexico | 5,950 | 22,932 |
| Serbia and Montenegro | 5,914 | 32,780 |
| Moldova | 4,847 | 24,340 |
| Romania | 4,756 | 24,405 |
| Poland | 4,703 | 38,287 |
| Ghana | 3,430 | 17,500 |
| Armenia | 3,233 | 13,682 |
| Guatemala | 2,952 | 12,317 |
| Macedonia | 2,948 | 16,799 |
| Switzerland | 1,591 | 20,345 |
| Portugal | 1,428 | 6,740 |
| Canada | 1,304 | 52,207 |
| Croatia | 500 | 10,450 |
| Malawi | 500 | 7,952 |
| Sudan | 185 | 10,499 |
| Slovakia | 172 | 17,213 |
| United Kingdom | | 90,263 |
| United States | | 87,725 |
| Nepal | | 63,641 |
| FAF/French-speaking Africa | 3,537 | 47,337 |
| Gambia | | 33,768 |
| Bulgaria | | 30,200 |
| Kenya | | 24,352 |
| Republic of South Africa | | 19,238 |
| Albania | | 14,373 |
| Jamaica | | 14,070 |
| Slovenia | | 13,550 |
| Bangladesh | | 11,763 |
| Czech Republic | | 10,312 |
| Hungary | | 8,702 |
| Hong Kong | | 8,535 |
| Turkey | | 7,600 |
| Ecuador | | 7,286 |
| Italy | | 6,989 |
| Pakistan | | 6,455 |
| Angola | | 5,665 |
| Zimbabwe | | 5,400 |
| India | | 5,100 |
| Fiji | | 5,000 |
| Bolivia | | 5,000 |
| Grants to other organisations | 19,888 | 112,957 |
| Total Grants to Organisations | 389,009 | 1,646,046 |

Direct grants are made from regional budgets to assist the work of the most fragile movements. These are mainly funded by donations restricted to the work in those regions. Remaining grants are made from restricted income and reflect the donors' intent to support student ministry around the world.

INDEPENDENT AUDITORS' REPORT TO THE EXECUTIVE COMMITTEE OF THE INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS FOR THE YEAR ENDED 31 DECEMBER 2007

We have audited the accounts of the International Fellowship of Evangelical Students for the year ended 31 December 2007 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and related notes. The accounts have been prepared under the historical cost convention and in accordance with the accounting policies set out therein.

This report is made solely to the Fellowship's Executive Committee members, as a body. Our audit work has been undertaken so that we might state to the Fellowship's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fellowship and the Fellowship's Executive Committee members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Executive Committee and Auditors

The Executive Committee members' responsibilities for preparing the annual report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Executive Committee members' responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International standards on auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view. We also report to you if, in our opinion, the Executive Committee members' Report is not consistent with the accounts, if the Fellowship has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Executive Committee members' remuneration and transactions with the Fellowship is not disclosed.

We read other information contained in the Executive Committee members' report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Executive Committee members in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Fellowship's affairs as at 31 December 2007 and of its incoming resources and application of resources for the year then ended.



CRITCHLEYS
CHARTERED ACCOUNTANTS
and Registered Auditors
Greyfriars Court
Paradise Square
Oxford.
Date: 21/8/2008

REPORT OF THE INTERNATIONAL EXECUTIVE COMMITTEE For the year ended 31 December 2007

REFERENCE AND ADMINISTRATIVE DETAILS

Members of the International Executive Committee

The members set out below hold office for four years between meetings of the IFES General Committee, which met during 2007 at the World Assembly. Members of the Executive Committee who served during the year:

Sr Dieter Brepohl (Chair)
Mr Lindsay Brown (General Secretary – ex-officio, non-voting) (resigned 17 July 2007)
Dr Daniel Bourdagné (General Secretary – ex-officio, non-voting) (appointed 17 July 2007)
Mr Alan Gillespie (Treasurer) (resigned 17 July 2007)
Mr Øistein Garcia de Presno (Treasurer) (appointed 17 July 2007)
Mr Septi Bukula (appointed 17 July 2007)
Dr Choong Chee Pang (appointed 17 July 2007)
Dr Chris Collins
Dr Atef Mehanny Gendy (resigned 17 July 2007)
Ms Leah Genita
Mr Stefan Gustavsson (appointed 17 July 2007)
Mr Jiries Habash (appointed 17 July 2007)
Dr Kornel Herjeczki (resigned 17 July 2007)
Rev Jens-Petter Johnsen (resigned 17 July 2007)
Mr Goh Keat Peng (resigned 17 July 2007)
Mrs Rhona Lawrie-Goveia (resigned 17 July 2007)
Dr Rachael Masake (resigned 17 July 2007)
Sr Francisco Mira Moya (resigned 17 July 2007)
Dr Augustine Pagolu
Ms Sheyla Ramos (appointed 17 July 2007)
Mr Pascal Ratovona
Ms Josephine Romain (appointed 17 July 2007)
Rev Gernot Spies (appointed 17 July 2007)
Mr Sergei Timchenko (appointed 17 July 2007)
Miss Tonica van der Meer (resigned 17 July 2007)
Ms Muriel Wilson

Members of the Finance Committee who served during the year:

Sr Dieter Brepohl (Chair of the International Executive Committee)
Mr Alan Gillespie (Committee Chair) (resigned 17 July 2007)
Mr Øistein Garcia de Presno (Committee Chair) (appointed 17 July 2007)
Mr Lindsay Brown (General Secretary – ex-officio, non-voting) (resigned 17 July 2007)
Dr Daniel Bourdagné (General Secretary – ex-officio, non-voting) (appointed 17 July 2007)
Mr Dieter Bauer (appointed 21 September 2007)
Sr Braulio Craveiro Filho (appointed 21 September 2007)
Mr John Irwin
Miss Vera Karageozian (term ended 20 July 2007)
Mr Nils Masvie
Mr Flemming Martinussen

Mr Lowell Nystrom (term ended 20 July 2007)
Mr Douglas Reynolds (appointed 21 September 2007)
Mr Alan Smith (appointed 21 September 2007)
Mr Simon Webley
Mr Adrian White (CAO & Head of Finance – ex-officio, non-voting) (resigned 30 Sept 2007)
Dr Las Newman (Associate General Secretary, ex-officio, non-voting)
Ms Beverley Hazell (Head of Finance – ex-officio, non-voting) (appointed 1 October 2007)
Mrs Deborah Lake (Head of Advancement – ex-officio, non-voting)

General Secretary and Senior Management Team

The senior management team based at the International Office is made up as follows:

Mr Lindsay Brown (General Secretary) (resigned 17 July 2007)
Dr Daniel Bourdagné (General Secretary) (appointed 17 July 2007)
Dr Las Newman (Associate General Secretary/ Interim CAO (from 1 October 2007))
Mr Adrian White (Chief Administrative Officer/Head of Finance) (resigned 30 Sept 2007)
Mrs Deborah Lake (Head of Advancement)
Ms Kirsty Thorburn (Special Assistant to the General Secretary)

Address of operating office: 321 Banbury Road, Oxford OX2 7JZ

Relevant organisations

Bankers

National Westminster Bank plc
315 Station Road
HARROW
Middlesex
HA1 2AD

Investment Managers

Credit Suisse
Case Postale 2493
1002 LAUSANNE
Switzerland

Solicitors

Anthony Collins Solicitors
St Philips Gate
5 Waterloo Street
BIRMINGHAM
B2 5PG

Auditors

Critchleys Chartered Accountants
Greyfriars Court
Paradise Square
OXFORD
OX1 1BE