

THE INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS

Registered as:

Union Internationale des Groupes Bibliques Universitaires
Beau-Site 12
1004 Lausanne
Switzerland

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

31 December 2009

Auditors

CRITCHLEYS ACCOUNTANTS LLP

Greyfriars Court
Paradise Square
OXFORD
OX1 1BE

REPORT OF THE INTERNATIONAL EXECUTIVE COMMITTEE For the year ended 31 December 2009

The International Executive Committee has pleasure in presenting their annual report and the audited accounts for the year ended 31 December 2009.

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

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 judgement
- 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

IFES vision to 2020 – living stones

In 2007, seven hundred students, staff and other IFES stakeholders from around the world forged a new vision to take the organisation through to 2020: students built into communities of disciples, transformed by the gospel and influencing the university, the church and society for the glory of Christ.

Today, IFES works with about 500,000 students annually. Recognising the opportunity contained in IFES' huge student base, the vision of living stones is to release student initiative with a view to doubling the number of active, committed members of IFES groups who are influencing their universities and societies for Christ. Students are at the centre of this vision: students reaching students with the good news of Jesus Christ, students growing into life-long disciples of Christ, students serving and strengthening the church.

Strategic priorities

To meet this goal of growth and depth of impact, IFES is focusing on six key

areas, with the aim of releasing student initiative at the heart of all the strategic priorities.

1. Communicating the good news of Jesus Christ – creatively and clearly to campuses throughout the world, in word, in action and through relationships, within and across cultures.
2. Strengthening leadership and formación – through leaders of integrity, impacting the church, the university, all of society.
3. Promoting student-graduate integration – nurturing life-long disciples, committed to student ministry and to being witnesses in the workplace and society.
4. Building sustainable support – through a growing wave of indigenous generosity and involvement.
5. Addressing current global issues – as students, united with the global body of Christ, responding to contemporary challenges from a Christian perspective.
6. Engaging the university – constructively and boldly, with carefully-developed biblical worldviews, demonstrating the integration of faith, life and academic disciplines.

Every aspect of IFES life will be surrounded and supported by three core commitments of Scripture engagement, community and prayer.

Public benefit

As stated above, IFES' overall objective is to help students bear witness to Christ and his teaching, applying it to every aspect of life in every area of society. This includes equipping them to demonstrate the love of God in practical, tangible ways. For example, in Africa there is a strong programme of educating young people concerning HIV/AIDS, and many IFES groups regularly assist the poor and disadvantaged in their context.

As we encourage Christian students to be faithful to their God, and to share that faith with others, the benefit extends beyond the individual and produces leaders in society who promote ethical standards and have a positive influence on their context. Whilst we would like everyone to embrace Christian values and beliefs, we respect the rights of others to hold differing viewpoints and would never coerce acceptance of our views.

IFES works worldwide, wherever there are universities and in whatever countries we have permission to enter. We believe in indigenous leadership, and strive to ensure that wherever possible nationals who know the local context lead the movements. There are no membership fees, and anyone who is interested is welcome to join in all activities.

The IEC confirm they have complied with their duty under section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

Key areas of focus in 2009

There is incredible breadth to the IFES ministry across more than 150 countries, so the following section seeks to highlight some key themes from 2009 and gives a number of examples and testimonies from different levels of the organisation, including regional and international events, as well as activities carried out by the national movements that we support.

- **Developing leaders of integrity to face global challenges and transform society**

Many of our strategic priorities depend on strong leadership skills, both in students and staff members. If, for example, we are to address global issues, we need people to lead the student movements who are well equipped with skills and resources to mobilize students. Leadership development takes place in day-to-day ministry as staff and students meet together, as well as through specific events. In 2009 this included many national events organised by different movements, as well as key regional events, such as the IFES Europe Student Leadership

Formación held in Poland (28 July- 8 August), sub-regional staff and student training in Latin America, and the Centre for African Contemporary Christianity, which is explained in more detail below.

Ukraine: Sergiy is a student leader in CCX (the IFES movement in Ukraine). He recently attended a student leadership conference that took place in Kyiv, the Ukrainian capital. He says, *'Particularly I wanted to know what it means to be a Christian leader, what character traits this leader should have. I wanted to grow deeper in my relationship with God. I made a commitment to grow as a leader and be involved in CCX during my university years.'*

- **Building firm foundations throughout the Fellowship**

IFES recognises that strong growth needs firm foundations, so we will invest in identifying and initiating excellence and best practice in governance, organisational development, global partnerships, human resources and pastoral care, and research and innovation.

Francophone Africa: Another session of the Centre for African Contemporary Christianity was held in 2009 for staff in Francophone Africa. Its goals include equipping participants to train emerging student leaders, and enabling them to think critically and analytically, within a sound biblical framework, about national and global issues. One leader, commenting on how those attending were required to undertake domestic chores, said that the training equips participants to be 'models of transformation'.

South Asia: In April 2009, an 'Honour, Encourage and Recognise' conference took place for the female staff of UESI India and the wives of male staff. The goal was to encourage and equip women in ministry, recognising that they may have special needs that can be overlooked in some contexts.

South Africa and the UK: The IFES movement in South Africa offers its students the opportunity to serve God after graduation, working alongside SCO ministry in universities or high schools. Papi, the SCO staffworker who oversees this short-term experience in mission (STEM) scheme, attended a training week of Relay (the equivalent of STEM in Britain). He shares how it helped him have a broader picture and gave him new ideas that he can adapt to the South African context.

- **Mission that shows God's love in word and deed**

Caribbean: In mid-2009, 20 students and staff from eight countries took part in the second Dominica Missions Project, where IFES movements in the Caribbean are seeking to re-pioneer the student ministry. About 40 students and teachers from Dominica received training and the students were also trained as part of the 'Free' Project, which distributes contemporary versions of Mark's gospel without charge, providing opportunities for discussion with those not a part of the movement.

Mexico: A missions convention, VIVE 2009, was held by COMPA (the IFES movement in Mexico) hosting over 900 participants from all over Mexico and from neighbouring countries. VIVE 2009 gathered and not only students, but also over 200 professionals and church members. The goal was to encourage a holistic missions outlook both within the churches and in the student context. Participants were challenged to see God glorified and his kingdom expanded through the proclamation of the gospel and the service of Christians in their context and in the world.

Central Asia: Mission has become very practical in Central Asia. A friend there writes: *'Because we are women in a mainly Muslim country, our program must be aimed at female university students. We have invited local Christian doctors to run weekly sessions with us on topics like HIV/AIDS, love, drugs, addiction and abortion. These are issues that no-one talks about publicly. Some topics are so sensitive that we try to include the mothers of the students in order to gain their trust. These are problems that can only find their solution in the healing power of Christ.'*

- **Resourcing students to communicate the good news of Jesus Christ**

Europe: Glowing reports come from many countries throughout Europe regarding the effects of the training the emerging evangelists received while hosted at UK-based week-long evangelistic missions throughout January, February and March. We are especially please to hear how the student movement in Hungary has eagerly responded, not only to their newly trained evangelists, but also to a pair of students now have a vision for small group evangelistic Bible studies. The Hungarian movement is has produced a website where it advertises evangelistic events, the two students have trained others and the number of new Bible studies continues to grow. They are now eager to produce materials in their own language, for their own context.

Middle East and North Africa: Students from six countries in the MENA region met in Jordan, with high expectations and a desire for a deeper understanding of the word of God. With speakers from every participating country and lectures that covered a broad range of topics, students were equipped with the necessary tools to motivate them to invest more time in studying the Bible and applying it to their lives. In addition, they were encouraged to spread this new profound insight amongst others in their universities, churches and small groups.

Papua New Guinea: D, a recent graduate of TCSF-PNG, the IFES movement in Papua New Guinea, speaks sadly of her difficult childhood and her anger towards her father that deeply affected her as a teenager. Through her involvement with TSCF-PNG, however, she learned that her heavenly Father is different from her earthly father - that God loves her deeply, unconditionally. Now she has graduated, she volunteers as a worker with high school students, hoping that she can share the love she has received with them.

International Service Centre: Changes in the International Service Centre structure have taken place over the past year in order to facilitate better communication throughout the IFES Fellowship. A new Global Communications team has been formed, including the appointment of a Digital Services Manager. This has given additional energy to developing our use of the internet and social media to facilitate increased networking, discussion and interaction and to increase the number of students who engage directly with IFES. This will continue to be an area of major focus in 2010.

At the same time we have also changed the way we manage our fundraising. Previously all of our fundraising has been run from our International Service Centre in Oxford. We want to increase our fundraising capacity and so we are now establishing dedicated Supporter Relations teams in the UK and USA (together the UK and USA account for more than 80% of IFES income) and launching an Indigenous Support Development (ISD) program which aims to help national movements and IFES regions to raise more funds in-country. Funding has been received enabling us to move forward with the ISD program and we anticipate one outcome will the establishment of fundraising functions in other IFES regions in the coming years.

Key areas of focus for 2010

A top priority in 2010 will continue to be the communication and dissemination of the Living Stones vision, and working with regional staff and national movements to develop implementation plans to achieve the goals of this vision. Staff around the Fellowship invest crucial time, expertise and experience in nurturing, training and equipping students in order to release their creative energy and initiative as ambassadors of Christ's kingdom, for this generation and those to come.

- **Vision conference:** A key focus for the last part of 2009 was preparations for the Living Stones Conference in early 2010. All movements worldwide were invited to send representatives to the conference, usually the general secretary of the movement. The purpose of the conference is to ensure that every movement both understood IFES Living Stones vision, and was equipped to implement it in the particular contexts of their countries. In addition to teaching sessions, small group discussions and sharing opportunities in the evenings will ensure that all participants can learn from one another and that best practice is communicated. The focus will be on each movement developing concrete plans towards the vision that can be implemented over the coming two years.
- **Around the Fellowship:** IFES will continue working towards making the living stones vision a reality and equipping our students, staff and movements through focussed events, training and ministry initiatives on a regional and international level. Such activities planned for 2010 include the following:
 - a consultation on Islam in Thailand in September;
 - publishing and resource development, governance training, a conference on reconciliation, and training of trainers for the HIV/ AIDS related work in Africa;
 - focussed events for both graduates and governing boards in the Middle East, for student formación in Eurasia and for staff in South Asia;
 - continued commitment to strengthening networks of students and staff in Europe with a passion for particular aspects of ministry, including evangelism and expository preaching.
 - of ministry, including evangelism and expository preaching.

The trustees have pleasure in presenting their report and the accounts for the year ended 31 December 2009.

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 pages 27-28.

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

The structure and decision-making process are as follows.

- The company had no employees, and is 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).

The governing body of the Fellowship is 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. IFES (Switzerland)'s principal financial activity is to receive donations on behalf of IFES Trust and pass them on. IFES Switzerland donated \$73,405 (2008: \$366,062) to IFES (UK) and received \$15,755 of donations from IFES (Switzerland) during 2009 (2008: \$3,349)

Risk management

A major review of the risk register was undertaken in 2008 including asking the regional secretaries to undertake an assessment of the risks in their region. Prior to regional secretaries being asked to assess risk they were given training on risk management. Seventy-three risks were identified at an international level with further risks identified in different regions. These risks were rated 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.

The major risks identified included inadequate oversight of personnel issues; weak plans, targets and budgets; loss of tax status in the United States; failure of bankers, and overseas staff being affected by exchange movements. Plans are being put in place to mitigate our exposure to these risks. Major changes in the risk register will be annually.

In 2009 no new risks related to ongoing work were identified though work was undertaken to identify risks related to the property project being undertaken. Risks identified in this case included Failure to secure the property and failure to raise sufficient funds.

The trustees confirm that they continue to be satisfied that adequate control actions and monitoring processes are in place to manage our exposure to major risks.

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 2009 are set out in the accounts on pages 12 to 26.

Donation income to IFES (Switzerland) was \$315,888 (\$215,428 in 2008). This enabled direct charitable expenditure of \$69,741 (\$357,892 in 2008) to further the objects of the Fellowship. Total donation income in 2009 (less intercompany transfers) was \$6,500,391 compared to \$6,638,650 in 2008, a decrease of 2%. Total charitable expenditure decreased by 14% from \$5,843,485 to \$4,996,827 with 89% of the 2009 figure being direct costs and 10% cost of generating funds and 1% governance.

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.

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

IFES holds reserves for the following reasons:

1. to fund working capital
2. to fund operational activities in the event of shortfalls in income
3. to set aside funds to invest in the longer term development of the organisation.

IFES has set a target range for the General Fund Balance to be between 10 and 25% of the annual operational budget.

Based on the 2010 budget for the Fellowship, this would require a general fund balance of between \$530,555 and \$1,326,387. At the end of 2009 for IFES (Switzerland), the general fund was \$619,834. Across the Fellowship there was therefore a total of \$923,343 which was in the middle of the target range, being 17.4% of the operational budget.

Investments

Short term investments

The following funds will only be invested for a maximum of three months as they may be required in the short term: transmission funds, priority funds, provisional funds, the B fund, and general fund being held to fund operational activities in the event of shortfalls in income.

In keeping with our reasons for holding these funds, IFES seeks to maintain high liquidity of investments. Given this requirement we seek to achieve as high a return as is feasible while maintaining the security of the assets. To achieve this, IFES will invest with institutions that have a high security rating in fixed interest term deposits.

Funds held in the Urbana Fund and the strategy fund not needed in the current financial year will be invested for the period that they are not required. IFES will seek to protect the capital of these funds. To achieve this, IFES will invest with institutions that have a high security rating in fixed interest term deposits.

Longer term investments

Investment in freehold (or similar) property will be considered where it would significantly reduce the ongoing operational costs of the organisation or where it would enable the retention of senior staff. Funds which can be used for this purpose are: the designated property fund and general funds greater than those required to fund operational activity in the event of a shortfall.

Other funds that are being held for the long term use of the charity (where the capital is not required within the next 5 years) will be invested in a mixture of bonds and equities. IFES currently holds no funds on this basis and the Treasurer in consultation with the Head of Finance will decide the appropriate mixture at the time when it has such funds to invest, given its desire to maximise returns while maintaining the value of the capital on a longer term basis.

Currencies

The general funds that are being held to maintain operational activities in the event of a shortfall, are held in a mixture of Sterling, Euros and Dollars in relation to the proportion of budgeted operational costs that are in these currencies. Other funds are maintained in the currency that will be expended.

General

The investment strategy will be reviewed annually in light of IFES needs at the time, anticipated needs for the future, the types of fund being held and current market conditions.

We seek to avoid investing in companies about which we have ethical concerns eg armaments, tobacco, gambling and alcohol., these also being particularly sensitive to students

There are no restrictions on the Fellowship's power to invest.

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: 11 JUNE 2010

321 Banbury Road

Oxford

OX2 7JZ

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
for the year ended 31 December 2009

	Note	Unrestricted Funds US\$	Restricted Funds US\$	Total Funds 2009 US\$	Total Funds 2008 US\$
INCOMING RESOURCES					
Donations, legacies and similar incoming resources	2	206,474	109,414	315,888	215,428
Investment Income		-	382	382	7,771
Other Incoming Resources		-	671	671	-
TOTAL INCOMING RESOURCES		206,474	110,467	316,941	223,199
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income		-	-	-	-
Total cost of generating funds		-	-	-	-
Charitable activities					
Student Ministry	3	(11,498)	81,239	69,741	357,892
Total charitable activities		(11,498)	81,239	69,741	357,892
Governance costs					
	4	5,089	-	5,089	4,153
Total Resources Expended	7	(6,409)	81,239	74,830	362,045
Net Incoming / (Outgoing) Resources Before Transfers					
		212,883	29,228	242,111	(138,846)
Transfers Between Funds					
	11,12	(5,004)	5,004	-	-
Net Incoming / (Outgoing) Resources					
		207,879	34,232	242,111	(138,846)
Gains and Losses on disposal of Fixed assets					
		-	-	-	-
Net Movement in Funds					
		207,879	34,232	242,111	(138,846)
Total Funds at 1 January 2009	11,12	411,955	143,050	555,005	693,851
Total Funds at 31 December 2009	11,12	619,834	177,282	797,116	555,005

The notes on pages 15 to 24 form part of these financial statements.

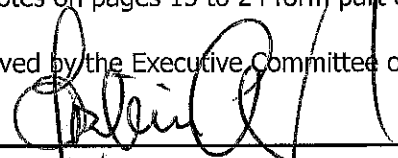
The Fellowship's income and expenditure all relate to continuing operations. The Fellowship has no recognised gains or losses other than those shown on this page.

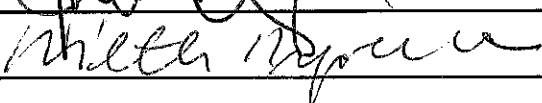
BALANCE SHEET
As at 31 December 2009

	Notes	2009		2008	
		US\$	US\$	US\$	US\$
Fixed Assets					
Tangible Assets	8		<u>41,223</u>		<u>42,280</u>
			<u>41,223</u>		<u>42,280</u>
Current Assets					
Debtors	9	168,831		-	
Short-term deposits		-		-	
Cash at Bank and in hand		<u>591,740</u>		<u>563,222</u>	
		<u>760,571</u>		<u>563,222</u>	
Creditors: Amounts falling due within one year	10	<u>(4,678)</u>		<u>(50,497)</u>	
Net Current Assets			<u>755,893</u>		<u>512,725</u>
Total Assets Less Current Liabilities			<u>797,116</u>		<u>555,005</u>
Net Assets			<u><u>797,116</u></u>		<u><u>555,005</u></u>
FUNDS					
Restricted Funds					
Priority Funds	11		15,492		-
Provisional Funds	11		669		-
Transmission Funds			19,128		
Property Fund	11		<u>141,993</u>		<u>143,050</u>
			<u>177,282</u>		<u>143,050</u>
Unrestricted Funds					
Strategy Fund	12		-		-
General Fund	12		<u>619,834</u>		<u>411,955</u>
			<u>619,834</u>		<u>411,955</u>
Total Funds			<u><u>797,116</u></u>		<u><u>555,005</u></u>

The notes on pages 15 to 24 form part of these financial statements.

Approved by the Executive Committee on **11 JUNE** 2010 and signed on its behalf:


 _____ Mr Øistein Garcia de Presno (Treasurer)


 _____ Sr Dieter Brepohl (Chair)

CASHFLOW STATEMENT
For the year ended 31 December 2009

	2009	2008
	\$	\$
Net (outgoing)/incoming resources	242,111	(138,846)
Decrease/(Increase) in stock	-	-
Decrease/(Increase) in debtors	(168,831)	2,145
Increase/(Decrease) in creditors	(45,819)	(452,732)
Depreciation and profit on disposal	1,057	1,057
Profit on disposal of short term deposits	-	-
Investment income	<u>(382)</u>	<u>(7,771)</u>
Net cash inflow/(outflow) from operations	28,136	(596,147)
Returns on investment and servicing of finance	382	7,771
Capital expenditure and financial investment	-	-
(Decrease)/Increase in cash during the year	<u><u>28,518</u></u>	<u><u>(588,376)</u></u>
Cash in hand balances		
	2009	2008
	\$	\$
Short term deposits	-	-
Cash at bank and in hand	<u>591,740</u>	<u>563,222</u>
	591,740	563,222
Balances at 31 December 2008	<u>(563,222)</u>	<u>(1,151,598)</u>
(Decrease)/Increase in cash for the year	<u><u>28,518</u></u>	<u><u>(588,376)</u></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	382	7,771
	<u>382</u>	<u>7,771</u>

Capital expenditure and financial investment

Purchase of tangible fixed assets	-	-
Receipts from sale of tangible fixed assets	-	-
Receipts from sale of fixed asset investments	-	-
	<u>-</u>	<u>-</u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 2009

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.

(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.

(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 2009

(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

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.

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 2009

2 DONATION INCOME ANALYSIS	Total Funds 2009	Total Funds 2008		
	US\$'s	US\$'s		
Up to \$1,000	14,691	8,315		
\$1,000-5,000	45,710	7,894		
5,000-20,000	239,732	55,617		
20,000-100,000	-	-		
Over 100,000	-	140,253		
Gifts from IFES (UK)*	15,755	3,349		
Total	<u>315,888</u>	<u>215,428</u>		
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds	2009	2008
	US\$	US\$	US\$	US\$
3 CHARITABLE ACTIVITIES:				
STUDENT MINISTRY				
English and Portuguese Speaking Africa	-	-	-	-
Francophone Africa	-	1,057	1,057	1,057
Western Europe	-	-	-	4,927
Eurasia	-	-	-	54
Innovista	-	-	-	58
Middle East and North Africa	-	-	-	18
Latin America	-	-	-	-
Caribbean	-	-	-	-
South Asia	-	-	-	-
East Asia	-	-	-	-
South Pacific	-	-	-	-
North America	-	-	-	-
International Ministries	-	5,359	5,359	-
Grants to IFES(UK)	4,163	69,242	73,405	366,062
Support costs apportioned - notes 5 & 6	(15,661)	5,581	(10,080)	(14,284)
	<u>-</u>	<u>11,498</u>	<u>69,741</u>	<u>357,892</u>
4 GOVERNANCE COSTS				
External Audit	5,089	-	5,089	4,153
	<u>5,089</u>	<u>-</u>	<u>5,089</u>	<u>4,153</u>

NOTES TO THE ACCOUNTS
For the year ended 31 December 2009

5 ANALYSIS OF SUPPORT COSTS FOR APPORTIONMENT

	2009 US\$	2008 US\$
Finance		
Bank charges	3,874	2,452
	<u>3,874</u>	<u>2,452</u>
General Management		
Other office expenditure	-	57
Depreciation	-	-
	<u>-</u>	<u>57</u>
Exchange (gain)/loss	<u>(14,247)</u>	<u>(17,587)</u>
	<u>(14,247)</u>	<u>(17,530)</u>
Information Technology		
Support contracts & licenses	-	468
Equipment & other costs	-	268
	<u>-</u>	<u>736</u>
Human Resources		
Other costs	293	58
	<u>293</u>	<u>58</u>

6 TOTAL FOR APPORTIONMENT (10,080) (14,284) 2008 Basis of allocation
US\$

BASIS OF APPORTIONMENT

Support Cost	Fundraising US\$	Fundraising Trading US\$	Student Ministry US\$	Total US\$	2008 US\$	Basis of allocation
Finance			3,874	3,874	2,452	No. staff globally
					57	No. office staff
					58	No. staff globally
					(17,587)	No. staff globally

NOTES TO THE ACCOUNTS

For the year ended 31 December 2009

7 TOTAL RESOURCES EXPENDED

	Regional Operations & Salaries US\$	Evangelism & Mission & US\$	Conferences & Formacion & US\$	Ministry Projects & Literature US\$	Total 2009 US\$	Total 2008 US\$
Student Ministries:						
English and Portuguese Speaking Africa					0	0
French Speaking Africa	1,057				1,057	1,057
Europe					0	4,927
Eurasia					0	54
Innovista					0	58
Middle East and North Africa					0	18
Latin America					0	0
Caribbean					0	0
South Asia					0	0
East Asia					0	0
South Pacific					0	0
North America					0	0
Grants to IFES(UK)	73,405				73,405	366,062
International Ministry	5,359				5,359	0
Support costs apportioned	(10,080)	-	-		(10,080)	(14,284)
Governance costs	5,089				5,089	4,153
	<u>74,830</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>74,830</u>	<u>362,045</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:

	2009 US\$	2008 US\$
Staff Costs*	3,527	3,527
Other Operating Costs	76,294	367,173
Apportioned Support Costs - Notes 5 & 6	(10,080)	-14,227
Governance Costs	5,089	4,153
	<u>74,830</u>	<u>360,626</u>

Evangelism & Mission:

Grants to national student ministries	0	1,375
Ministry staff costs	0	0
Pioneering and other mission costs	0	0
Apportioned Support Costs	-	-53
	<u>0</u>	<u>1,322</u>

Conferences & Formacion:

Global Conferences		
Scholarships	0	0
Regional Conferences & Training	0	102
Apportioned Support Costs	-	-4
	<u>0</u>	<u>98</u>

Ministry Projects & Literature:

Gospel Distribution		
Other Ministry Projects & Literature work	0	0
Apportioned Support Costs	0	0
	<u>0</u>	<u>0</u>

NOTES TO THE ACCOUNTS
For the year ended 31 December 2009

8 TANGIBLE FIXED ASSETS

	Leasehold Property US\$	Computers US\$	Furniture & Equipment US\$	Office Total US\$
<i>Cost</i>				
At 1 January 2009	52,850	-	-	52,850
Additions during year				
Disposals during year				
At 31 December 2009	<u>52,850</u>	<u>-</u>	<u>-</u>	<u>52,850</u>
<i>Depreciation</i>				
At 1 January 2009	10,570	-	-	10,570
Charge during year	1,057	-	-	1,057
Disposals during year	-	-	-	-
At 31 December 2009	<u>11,627</u>	<u>-</u>	<u>-</u>	<u>11,627</u>
<i>Net Book Values</i>				
at 31 December 2009	<u>41,223</u>	<u>-</u>	<u>-</u>	<u>41,223</u>
at 31 December 2008	<u>42,280</u>	<u>-</u>	<u>-</u>	<u>42,280</u>

NOTES TO THE ACCOUNTS
For the year ended 31 December 2009

9 DEBTORS

<i>Current Assets</i>	Notes	2009 US\$	2008 US\$
Due from IFES (UK)		136,527	0
Other debtors		32,304	0
		<u>168,831</u>	<u>0</u>

10 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
<i>Current Liabilities</i>	US\$	US\$
Due to IFES Trust	-	46,334
Other creditors		
Accruals	4,678	4,163
	<u>4,678</u>	<u>50,497</u>

NOTES TO THE ACCOUNTS
For the year ended 31 December 2009

11 RESTRICTED FUNDS

FUND	Opening Balance 01-Jan-09	Incoming Resources	Outgoing Resources	Transfers	Gains	Closing Balance 31-Dec-09
Priority Funds	-	66,032	(56,601)	6,061		15,492
Provisional Funds	-	669	-			669
Transmission funds	-	43,764	(24,636)			19,128
Property Fund	143,050			(1,057)		141,993
TOTAL RESTRICTED FUNDS	143,050	110,465	(81,237)	5,004	-	177,282

Note transfers relate to the moving of the depreciation to the property fund and a transfer from General Fund to cover a deficit arising.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2009

12 UNRESTRICTED FUNDS

FUND	Opening Balance 01-Jan-09	Incoming Resources	Outgoing Resources	Transfers	Realised Gains	Closing Balance 31-Dec-09
Strategy Fund	-					-
General Fund	411,955	206,474	6,409	(5,004)		619,834
TOTAL UNRESTRICTED FUNDS	411,955	206,474	6,409	(5,004)	-	619,834

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 2009.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2009

13 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	-	-	15,492	-	15,492
Provisional Funds	-	-	669	-	669
Property Fund	41,223	-	100,770	-	141,993
TOTAL RESTRICTED FUNDS	41,223	-	116,931	-	158,154
Unrestricted Funds			638,962		638,962
	41,223	-	755,893	-	797,116

14 PAYMENTS TO EXECUTIVE COMMITTEE MEMBERS

No reimbursements were made to Executive committee members through IFES (Switzerland)
The following reimbursements for travel expenses were made to IEC members through IFES(UK):

	2009
Sr Dieter Brepohl	2,640
Mr Pascal Ratovona	1,784
Ms Sheyla Ramos	889
Mr Augustine Pagolu	680
Mr Chong Chee Pang	1,032
Mr Sergei Timchenko	298
Mr Jiries Habash	739
Mr Septi Bukula	667
Ms Josephine Romain	1,702
Mr Chris Collins	1,412
	<u>11,843</u>

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

15 RELATED PARTIES

IFES (Switzerland) made grants to a related UK registered Fellowship, IFES (UK). In 2009 the total amount of the grant was \$73,405 (2008:\$336,062).
It also received donations from IFES (UK) of \$15,755 (2008:\$3,349 towards costs borne by IFES (Switzerland)).

The transactions with IFES (UK) resulted in a debtor being shown on the IFES balance sheet at 31 December 2009 of \$136,527 (2008 Creditor of \$46,334).

INDEPENDENT AUDITORS' REPORT TO THE EXECUTIVE COMMITTEE OF THE INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS FOR THE YEAR ENDED 31 DECEMBER 2009

We have audited the accounts of the International Fellowship of Evangelical Students for the year ended 31 December 2009 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.

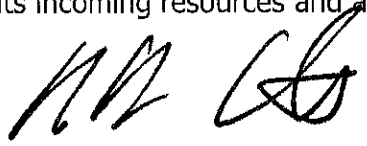
Basis of opinion

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 judgments 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 2009 and of its incoming resources and application of resources for the year then ended.



Robert Kirtland
Senior Statutory Auditor
For and on behalf of Critchleys Accountants LLP, Statutory Auditor
Oxford

Date: 14/6/2010

**REPORT OF THE INTERNATIONAL EXECUTIVE COMMITTEE
For the year ended 31 December 2009**

REFERENCE AND ADMINISTRATIVE DETAILS

General Secretary: Dr Daniel Bourdagné
Chief Administrative Officer Mr Timothy Adams

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)
Dr Daniel Bourdagné (General Secretary – ex-officio, non-voting)
Mr Øistein Garcia de Presno (Treasurer)
Mr Septi Bukula
Dr Choong Chee Pang
Dr Chris Collins
Ms Leah Genita
Mr Stefan Gustavsson
Mr Jiries Habash
Dr Augustine Pagolu
Ms Sheyla Ramos
Mr Pascal Ratovona
Ms Josephine Romain
Rev Gernot Spies
Mr Sergei Timchenko
Ms Muriel Wilson

Members of the Finance Committee who served during the year:

Sr Dieter Brepohl (Chair of the International Executive Committee)
Mr Øistein Garcia de Presno (Committee Chair)
Dr Daniel Bourdagné (General Secretary – ex-officio, non-voting)
Mr Dieter Bauer
Sr Braulio Craveiro Filho
Mr John Irwin
Mr Nils Masvie
Mr Flemming Martinussen
Mr Douglas Reynolds Mr Alan Smith
Mr Simon Webley
Ms Beverley Hazell (Head of Finance – ex-officio, non-voting)
Mrs Deborah Lake (Head of Advancement – ex-officio, non-voting resigned 30th November 2009)
Mr Timothy Adams (Chief Administrative Officer)

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

Relevant organisations

Bankers

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

Solicitors

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

Auditors

Critchleys Accountants LLP
Greyfriars Court
Paradise Square
OXFORD
OX1 1BE