

**INTERNATIONAL FELLOWSHIP OF  
EVANGELICAL STUDENTS**

**ANNUAL ACCOUNTS 2009**

Auditors

CRITCHLEYS ACCOUNTANTS LLP  
Greyfriars Court  
Paradise Square  
OXFORD  
OX1 1BE

International Fellowship of Evangelical Students is a UK charity no 247919 and a limited company, incorporated in London no 876229. Registered office: 321 Banbury Road, Oxford OX2 7JZ.

L'IFES est une organisation déclarée en Suisse.

## **REPORT OF THE TRUSTEES OF THE INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS For the year ended 31 December 2009**

The trustees of the International Fellowship of Evangelical Students – IFES (UK) – have pleasure in presenting their annual report and the audited accounts for the year ended 31 December 2009. References to IFES refer to the combined activities of IFES (UK) and IFES (Switzerland).

### **OBJECTIVES AND ACTIVITIES**

#### **About IFES**

The International Fellowship of Evangelical Students (IFES) is global community of indigenous student movements, called to engage the university with the good news of Jesus Christ. 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 Trustees 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 pleased 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 who now have a vision for small group evangelistic Bible studies. The Hungarian movement 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 TCSF-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 be 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 formation 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.

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

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The company's governing document is its Memorandum and Articles of Association. Members must signify in writing their agreement with the Doctrinal Basis of the company. Reference and administrative details can be found on pages 31 and 32.

### **Structure and decision-making process**

The company will be overseen by its board of directors and is managed by the senior officers of the company. The directors of the company are the same as those of IFES (Switzerland).

For internal organisational purposes, IFES divides the world into eleven regions. Each region is directed by a regional secretary who manages expenditure in their region. For each region, the direct charitable expenditure represents staff, projects and events which are located in the region and focused on working towards the objectives of IFES, as laid out in this report.

In addition to direct charitable expenditure, each regional secretary may recommend the payments of partnership grants to IFES-linked national movements within their region. The purpose of these grants is primarily to enable the employment of a national staff worker - a key factor in the growth and indigenisation of a national movement.

Continued payment of a partnership grant is dependent on the movement providing an annual report of how the money has been used and how this has helped progress towards the IFES objectives. In addition to these reports, regional secretaries monitor the use of the partnership grant during the year. Our aim is to gradually reduce these partnership grants as the national movement becomes better established and more financially self-sufficient.

The administration and fundraising work of IFES is carried out in the International Service Centre, which is directed by the Chief Administrative Officer.

### **Appointment, induction and training of trustees**

The process for the training and appointment of trustees mirrors that of IFES (Switzerland).

- The members of the IEC (International Executive Committee of IFES (Switzerland)) 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. These new members of the IEC will also be appointed as Directors of IFES (UK). The aim is to have representation on the IEC from theologians, business people, and people involved in student ministry. Each member of the IEC will serve a four year term which may be renewed for a second term.
- Immediately following appointment, orientation training will be given to new trustees 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/Board of IFES (UK) by the Chair. They will also be given specific training on the role and responsibilities of trustees of a UK charity.
- The new trustees will also be provided with key documents – a copy of the Memorandum and Articles of IFES (UK), and a copy of 'Inner Workings' which works out the policies and procedures of the Fellowship. The trustees are encouraged to attend IFES events and to become a member of the Regional Support Group in the region they represent. Other ad hoc training or orientation is given as required.

### **Related charity**

IFES (UK) has a related charity, International Fellowship of Evangelical Students, which is registered in Switzerland. Principal contact addresses are the same as for IFES (UK). The principal financial activity of IFES (Switzerland) is to receive donations on behalf of IFES (UK) and pass them on. IFES (UK) donated \$15,755 (2008 \$3,349) to IFES (Switzerland) during 2009. It also received \$73,405 in grants from IFES (Switzerland) in 2009 (2008 \$366,062).

### **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 reviewed 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.

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply

with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware; and each Director has taken all steps that they ought to have taken as a director in order to make themselves aware of relevant audit information and to establish that the charitable company's auditors are aware of that information.

**Taxation status of the company**

The company, as a charity, registered number 247919, is exempt from taxation under Section 360 of the Income and Corporation Taxes Act 1988.

## FINANCIAL REVIEW

The results of the company for the year ended 31 December 2009 are set out in the accounts on pages 13 to 28.

Donation income to IFES (UK) was \$6,273,663 (\$6,791,198 in 2008). This enabled direct charitable expenditure of \$5,016,246 to further the objects of the Fellowship. Total donation income in 2009 for IFES (UK) and IFES (Switzerland) (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.

We acknowledge that 2009 was a challenging financial year for IFES as it was for many other organisations. We made the strategic decision to cut projects and maintain staffing, as we consider our staff are critical to our work. In support of this decision we decided to be willing to use up to \$200,000 from our General Fund if required. We thank our Finance Committee for their support and wise advice during this difficult time.

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 made to national movements and other external bodies are treated as grants and are included in the 'grants payable' figure of \$1,791,234. 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.

### 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, the general fund was \$303,509. Additionally there were general funds held in IFES (Switzerland) of \$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 funds 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 five 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.

The charity holds funds in the following institutions: US Bank, HSBC, Natwest, CAF bank and AIB. It seeks to ensure that the Fitch short term debt rating for institutions where it holds funds is F1+.

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

## **APPOINTMENT OF AUDITORS**

Critchleys Accountants LLP, who were appointed during the year, have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming annual general meeting.

## **BY ORDER OF THE BOARD**

A handwritten signature in cursive script, appearing to read "Beverley Joshua".

BEVERLEY JOSHUA  
**Secretary**

321 Banbury Road  
Oxford  
OX2 7JZ  
Date: 11<sup>th</sup> June 2010

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account)**  
**For the year ended 31 December 2009**

	<b>Note</b>	<b>Unrestricted Funds \$</b>	<b>Restricted Funds \$</b>	<b>Total Funds 2009 \$</b>	<b>Total 2008 \$</b>
<b>INCOMING RESOURCES</b>					
Donations, legacies and similar incoming resources	2	888,416	5,385,247	6,273,663	6,791,198
Activities for generating funds		28,010	7,218	35,228	52,752
Investment Income		48	15,237	15,285	78,308
Incoming resources from charitable activities	3	9,074	52,633	61,707	33,519
Other Incoming Resources		124	0	124	0
<b>TOTAL INCOMING RESOURCES</b>		<b>925,672</b>	<b>5,460,335</b>	<b>6,386,007</b>	<b>6,955,777</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income	5	519,322	16,978	536,300	602,281
<b>Total cost of generating funds</b>		<b>519,322</b>	<b>16,978</b>	<b>536,300</b>	<b>602,281</b>
<b>Charitable activities</b>					
Student Ministry	4	264,676	4,756,066	5,020,742	5,853,568
<b>Total charitable activities</b>		<b>264,676</b>	<b>4,756,066</b>	<b>5,020,742</b>	<b>5,853,568</b>
<b>Governance costs</b>					
	6	16,652	37,287	53,939	50,258
<b>Total Resources Expended</b>	9	<b>800,650</b>	<b>4,810,331</b>	<b>5,610,981</b>	<b>6,506,107</b>
<b>Net Incoming / (Outgoing) Resources Before Transfers</b>					
		125,022	650,004	775,026	449,670
<b>Transfers Between Funds</b>					
	16,17	(528,771)	528,771	-	-
		<b>(403,749)</b>	<b>1,178,775</b>	<b>775,026</b>	<b>449,670</b>
<b>Other Recognised Gains and Losses</b>					
Realised Gains on Investments		-	-	-	-
Unrealised exchange loss	16		29,374	29,374	(355,590)
Net Realised Gains		-	29,374	29,374	(355,590)
<b>Net Movement in Funds</b>		<b>(403,749)</b>	<b>1,208,149</b>	<b>804,400</b>	<b>94,080</b>
Balances brought forward at 1 January		762,199	2,217,293	2,979,492	2,885,412
<b>Balances carried forward at 31 December</b>	16,17	<b>358,450</b>	<b>3,425,442</b>	<b>3,783,892</b>	<b>2,979,492</b>

The company's income and expenses all relate to continuing operations.

The company has no recognised gains or losses other than those shown on this page.

The profit/(loss) for the financial year has been calculated on the historical cost basis, as modified by the revaluation of investments.

The notes on pages 16 to 28 form part of these accounts.

**BALANCE SHEET**  
**As at 31 December 2009**

		2009 \$	2008 \$
<b>FIXED ASSETS</b>			
Tangible Assets	11	<u>56,008</u>	<u>18,228</u>
Debtors: Amounts falling due after one year	12	<b>60,293</b>	58,634
<b>CURRENT ASSETS</b>			
Debtors	12	<b>512,519</b>	585,521
Short Term Deposits		<b>1,445,907</b>	1,834,400
Cash at Bank		<b>2,111,871</b>	734,727
		<u><b>4,070,297</b></u>	<u>3,154,648</u>
<b>CREDITORS</b>			
- amounts falling due within one year	13	<u><b>299,771</b></u>	<u>152,701</u>
<b>NET CURRENT ASSETS</b>		<u><b>3,770,526</b></u>	<u>3,001,947</u>
<b>Total Assets Less Current Liabilities</b>		<b>3,886,827</b>	3,078,809
<b>Creditors: Amounts falling due after one year</b>	14	<b>102,935</b>	99,317
<b>NET ASSETS</b>		<u><u><b>3,783,892</b></u></u>	<u><u>2,979,492</u></u>
<b>FUNDS</b>			
Restricted Funds	16	<b>3,425,442</b>	2,217,293
Unrestricted Funds	17	<b>358,450</b>	762,199
		<u><u><b>3,783,892</b></u></u>	<u><u>2,979,492</u></u>

Approved by the Board of Directors on 11 June 2010 and signed on its behalf by:

 Director

The notes on pages 16 to 28 form part of these accounts.

**CASHFLOW STATEMENT**  
**For the year ended 31 December 2009**

	2009 \$	2008 \$
Net (outgoing)/incoming resources	804,400	94,080
Decrease/(Increase) in debtors	71,343	476,008
Increase/(Decrease) in creditors	150,690	(112,934)
Depreciation and profit on disposal	24,257	13,207
Investment income	(15,285)	(78,308)
Exchange gain(on retranslation)	-	-
<b>Net cash inflow/(outflow) from operations</b>	<u>1,035,405</u>	<u>392,053</u>
Returns on Investment and servicing of finance	15,285	78,308
Capital expenditure and financial investment	(62,039)	(13,418)
<b>(Decrease)/Increase in cash during the year</b>	<u><u>988,651</u></u>	<u><u>456,943</u></u>
<b>Cash in hand balances</b>		
	2009	2008
	\$	\$
Short term deposits	1,445,907	1,834,400
Cash at bank and in hand	2,111,871	734,727
	<u>3,557,778</u>	<u>2,569,127</u>
Balances at 31 December 2008	(2,569,127)	(2,112,184)
<b>(Decrease)/Increase in cash for the year</b>	<u><u>988,651</u></u>	<u><u>456,943</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	15,285	78,308
	<u>15,285</u>	<u>78,308</u>

**Capital expenditure and financial investment**

Purchase of tangible fixed assets	62,039	13,418
Receipts from sale of tangible fixed assets	-	-
Receipts from sale of fixed asset investments	-	-
	<u>62,039</u>	<u>13,418</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 and the Statement of Recommended Practice Accounting by Charities (2005)<sup>1</sup>. Monetary values are calculated under the historical cost convention, as modified by the revaluation of investments 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

Donations received under Gift Aid, and other donations, are recognised as income when received. The tax recoverable under Gift Aid is recognised as income when it becomes receivable. 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. Legacy income is recognised when the charity is advised by the personal representative of an estate that payment will be made and the amount involved can be reliably quantified.

(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.

(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 MINISTRIES

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 2009. This has been shown in the accounts under note 4 as having been recharged to the regions.

*Property Fund.* This funds given for the purchase of a property. They have not yet been applied for the intended use.

*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.

*Vision fund.* This relates to gifts received for the implementation of the Living Stones vision.

*Indigenous Fund Development fund.* This relates to funds received to help national movements build their indigenous support base.

*Other funds.* This includes the Capital Revolving Fund, the B Fund and the Urbana fund. The Capital Revolving fund relates to money designated for the use of making loans to IFES staff.

The interest on the B Fund is transferred to the European region.

The Urbana fund related to offerings received from the 2006 Urbana Conference .

#### 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 (UK) Trustees may designate these funds for certain purposes but they are not restricted to being used solely for those purposes.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2009**

**2 INCOME - DONATIONS, LEGACIES AND SIMILAR INCOMING RESOURCES**

	2009	2008
	\$	\$
Income Analysis		
Up to \$1,000	1,805,660	935,599
\$1,000-\$5,000	1,049,826	1,569,103
\$5,000-20,000	923,930	996,920
\$20,000-100,000	920,895	1,269,554
Over \$100,000	1,499,946	1,653,960
Grants from IFES (Switzerland)	73,405	366,062
	<u>6,273,662</u>	<u>6,791,198</u>
Included in the above is the following amount of donations and related tax recoverable received under the Gift Aid Scheme		
<u>IFES Income Fund</u>		
Amounts receivable under Gift Aid		
Net received during year	609,250	753,471
Related tax recoverable	171,840	212,517
	<u>781,090</u>	<u>965,988</u>

Legacies were received in the year of \$81,280 (2008:\$550,727).

**3 INCOMING RESOURCES FROM CHARITABLE ACTIVITY**

World Assembly fees	-	(2,700)
Interaction fees	25,067	20,812
Other event fees	13,812	14,033
Tax refund	8,886	-
Other	13,942	1,374
	<u>61,707</u>	<u>33,519</u>

	Unrestricted Funds US\$	Restricted Funds US\$	Total Funds 2009 \$	Total Funds 2008 \$
<b>4 CHARITABLE EXPENDITURE</b>				
English and Portuguese Speaking Africa		428,215	428,215	689,132
Francophone Africa		214,048	214,048	188,507
Europe		1,213,231	1,213,231	1,426,594
Eurasia		868,520	868,520	964,778
Innovista		9,094	9,094	2,591
Middle East and North Africa		254,865	254,865	429,771
Latin America		272,196	272,196	273,479
Caribbean		155,516	155,516	124,875
South Asia		98,047	98,047	177,079
East Asia		30,934	30,934	34,637
South Pacific		151,604	151,604	138,720
North America		47,183	47,183	54,536
International Ministries		627,521	627,521	695,487
Grants to IFES	15,463	0	15,463	3,349
Support costs	249,213	385,092	634,305	650,033
			-	-
	<u>264,676</u>	<u>4,756,066</u>	<u>5,020,742</u>	<u>5,853,568</u>

Support costs incurred on behalf of the IFES regions were recharged to those regions during the year under review. Total support costs recharged to regions were \$292,313. Support costs were also recharged to International Ministries of \$27,485. 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2008**

	Unrestricted Funds US\$	Restricted Funds US\$	Total Funds 2009 US\$	Total Funds 2008 US\$
<b>5 COSTS OF GENERATING VOLUNTARY INCOME</b>				
Staff Costs	171,431		171,431	181,927
Supporter Raising	11,239		11,239	13,848
Appeals & Portfolio	17,735		17,735	31,668
US fundraising		16,978	16,978	14,137
Miscellaneous Expenses	4,293		4,293	12,033
Support costs apportioned - notes 7 & 8	314,624		314,624	348,668
	<u>519,322</u>	<u>16,978</u>	<u>536,300</u>	<u>602,281</u>

<b>6 GOVERNANCE COSTS</b>	2009	2008
	\$	\$
External Audit	16,652	13,487
Executive Committee (Trustee) costs	<u>37,287</u>	<u>36,771</u>
	<u><u>53,939</u></u>	<u><u>50,258</u></u>

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**7 ANALYSIS OF SUPPORT COSTS FOR APPORTIONMENT**

	2009 US\$	2008 US\$
<b>Finance</b>		
Staff Costs	178,535	225,596
Bank charges	14,021	17,992
Other Finance costs	3,554	104
	<u>196,110</u>	<u>243,692</u>
<b>General Management</b>		
Staff Costs	114,740	63,509
Maintenance/Cleaning	8,412	10,261
Stationery & Photocopy costs	6,618	8,611
Postage	5,186	5,780
Telephone/Fax	5,429	7,545
Insurance	6,294	13,339
Legal fees and subscriptions (incl VAT)	3,365	1,650
Property consultancy	60,434	20,454
Other office expenditure	16,101	17,052
(Gain)/Loss on disposal	-	347
Depreciation	24,257	13,207
	<u>250,836</u>	<u>161,755</u>
Facilities	193,778	205,360
Exchange (gain)/loss	(67,583)	
	<u>377,031</u>	<u>367,115</u>
<b>Information Technology</b>		
Staff Costs	72,687	69,012
Support contracts & licenses	12,905	13,713
Equipment and other costs	11,463	10,854
	<u>97,055</u>	<u>93,579</u>
<b>Human Resources</b>		
Staff Costs	65,410	80,304
Recruitment costs	421	1,747
Other costs	15,600	6,559
	<u>81,431</u>	<u>88,610</u>
<b>Communications</b>		
Staff Costs	91,719	107,428
Prayer materials	66,841	69,247
World maps/ leaflet	-	1,498
Vision materials	11,084	10,918
Other costs	27,662	16,615
	<u>197,306</u>	<u>205,706</u>
TOTAL FOR APPORTIONMENT	<u>948,933</u>	<u>998,702</u>

**8 BASIS OF APPORTIONMENT**

Support Cost	Student		2009 US\$	2008 US\$	Basis of allocatio
	Fundraising US\$	Ministry US\$			
Finance	28,451	167,659	196,110	243,692	No. staff globally
General Management	108,326	142,535	250,861	161,755	No. office staff
IT	41,899	55,129	97,028	93,579	No. office staff
Human Resources	11,815	69,616	81,431	88,610	No. staff globally
Communications	28,625	168,680	197,305	205,706	No. staff globally
Facilities	105,313	88,464	193,777	205,359	Floor area
Exchange loss	(9,805)	(57,778)	(67,583)	-	No. staff globally
	<u>314,624</u>	<u>634,305</u>	<u>948,929</u>	<u>998,701</u>	

## NOTES TO THE ACCOUNTS

For the year ended 31 December 2009

### 9 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	122,273	283,192	9,547	13,203	428,215	689,132
Francophone Africa	111,816	19,216	68,846	14,170	214,048	188,507
Europe	627,853	490,127	88,188	7,063	1,213,231	1,426,594
Eurasia	164,827	547,527	34,893	121,273	868,520	964,778
Innovista	41	9,053	-	0	9,094	2,591
Middle East and North Africa	156,095	18,490	42,040	38,240	254,865	429,771
Latin America	172,436	73,718	20,892	5,150	272,196	273,479
Caribbean	75,695	69,584	0	10,237	155,516	124,875
South Asia	29,487	54,560	7,000	7,000	98,047	177,079
East Asia	850	26,084	4,000	0	30,934	34,637
South Pacific	194	151,410	-	-	151,604	138,720
North America	0	47,183	-	-	47,183	54,536
International Ministries	464,369	5,877	157,275	-	627,521	695,487
Grants to IFES	15,463	-	-	-	15,463	3,349
Support costs apportioned	280,738	259,715	62,568	31,283	634,305	650,033
Fundraising	237,362	219,587	52,902	26,450	536,300	602,281
Governance costs	53,939	-	-	-	53,939	50,258
	<u>2,513,438</u>	<u>2,275,323</u>	<u>548,151</u>	<u>274,069</u>	<u>5,610,981</u>	<u>6,506,107</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	2008
Staff Costs	1,769,388	2,122,815
Other Operating Costs	156,548	142,115
Apportioned Support Costs (Notes 7& 8)	518,100	545,898
Governance Costs	53,939	50,258
Grants to IFES (Switzerland)	15,463	3,349
	<u>2,513,438</u>	<u>2,864,435</u>

Evangelism & Mission:	2009	2008
Grants to national student ministries - Note 21	1,791,234	2,198,687
Pioneering and other mission costs	4,787	0
Apportioned Support Costs (Notes 7& 8)	479,302	529,149
	<u>2,275,323</u>	<u>2,727,836</u>

All grants are made to organisations. In 2009 grants were made to 100 (109 in 2008) organisations.

Conferences & Formacion:	2009	2008
Global Conferences	12,394	69,728
Scholarships	42,925	33,889
Regional Conferences & Training	377,362	347,302
Apportioned Support Costs (Notes 7& 8)	115,470	108,521
	<u>548,151</u>	<u>559,440</u>

Ministry Projects & Literature:	2009	2008
Ministry buildings	0	93,435
Bible Distribution	0	99,495
Other Ministry Projects & Literature work	216,336	92,720
Apportioned Support Costs (Notes 7& 8)	57,733	68,746
	<u>274,069</u>	<u>354,396</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2009**

**10 INFORMATION REGARDING EMPLOYEES**

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

	2009	2008
Wages and Salaries	1,805,912	1,926,320
Social Security Costs	107,725	121,470
Pension Costs	165,134	148,264
Other Staff Costs	213,708	472,610
	<u>2,292,479</u>	<u>2,668,664</u>

No employee earned \$95,556 (£60,000) per year or more.

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

	2009	2008
Student Ministries	46	48
Fundraising and Publicity	6	6
Management and Administration	11	11
	<u>63</u>	<u>65</u>

**11 TANGIBLE FIXED ASSETS**

	Computers US\$	Office Furniture & Equipment US\$	Total US\$
Cost			
At 1 January 2009	38,059	10,481	48,540
Additions during year	62,039	-	62,039
Disposals during year	(1,409)		(1,409)
At 31 December 2009	<u>98,689</u>	<u>10,481</u>	<u>109,170</u>
Depreciation			
At 1 January 2009	24,511	5,801	30,312
Charge during year	21,644	2,613	24,257
Disposals during year	(1,407)	-	(1,407)
At 31 December 2009	<u>44,748</u>	<u>8,414</u>	<u>53,162</u>
Net Book Values			
at 31 December 2009	<u>53,941</u>	<u>2,067</u>	<u>56,008</u>
at 31 December 2008	<u>13,548</u>	<u>4,680</u>	<u>18,228</u>

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**12 DEBTORS**

<i>Current Assets</i>	Notes	2009 US\$	2008 US\$
Due from IFES (Switzerland)		0	46,334
Other Debtors		45,091	62,711
Income Receivable		356,632	385,058
Prepayments		80,476	65,235
Capital Revolving Fund Loans	13a	30,320	26,183
		<u>512,519</u>	<u>585,521</u>
Long Term Debtors			
Prepayments		0	0
Capital Revolving Fund Loans	13a	60,293	58,634
		<u>60,293</u>	<u>58,634</u>

**12a Capital Revolving Fund Loans**

	Sterling Loans £	Sterling Loans US\$	Euro Loans €	Euro Loans US\$	US\$ Loans US\$	Total US\$
Balance 1 January 2009	0	0	17,306	24,396	60,420	84,816
New Loans	6,000	9,941			27,000	36,941
Repaid in 2009	(400)	(652)	(6,216)	(8,665)	(21,620)	(30,937)
Exchange Loss		(370)		163		(207)
Balance 31 December 2009	<u>5,600</u>	<u>8,919</u>	<u>11,090</u>	<u>15,894</u>	<u>65,800</u>	<u>90,613</u>
Repayable before 31.12.2010	1,200	1,911	6,216	8,909	19,500	30,320
Repayable after 31.12.2010	4,400	7,008	4,874	6,985	46,300	60,293
	<u>5,600</u>	<u>8,919</u>	<u>11,090</u>	<u>15,894</u>	<u>65,800</u>	<u>90,613</u>

The exchange gain arises on the revaluation in US dollars at the year end of loans fixed and repayable in pounds Sterling and in Euros.

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 total sum available from general assets for loans from the Capital Revolving Fund is \$109,815. Of this total, \$39,815 represents a long term loan (£25,000 sterling) to the Capital Revolving Fund, repayable in 2010 or later.

The balance of \$70,000 is permanent capital. The long-term loans were revalued at the year end.

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**13 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009	2008
<i>Current Liabilities</i>	US\$	US\$
Trade Creditors	17,615	
Due to IFES (Switzerland)	136,527	
Other creditors	111,919	94,786
Accruals and deferred income	33,710	57,915
	<u>299,771</u>	<u>152,701</u>

**14 LONG TERM LOANS**

	Capital Revolving Fund US\$	General Fund US\$	TOTAL US\$
At 1 January 2009	36,197	63,120	99,317
Loan repaid			0
Exchange loss	3,618	-	3,618
At 31 December 2009	<u>39,815</u>	<u>63,120</u>	<u>102,935</u>

**15 COMMITMENTS**

IFES (UK) occupies an office at Lambourne House, 321. Banbury Road, Oxford which is occupied on a 10 year lease at an annual rent of \$137,192 (£86,144). The lease expires in 2011.

IFES (UK) assumes responsibility for the payment of the rent on behalf of IFES (Switzerland).

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**16 RESTRICTED FUNDS**

FUND	Opening Balance At 1 Jan 2009 US\$	Incoming Resources US\$	Outgoing Resources US\$	Transfers US\$	Unrealised Losses/ Gains US\$	Closing Balance At 31 Dec 2009 US\$
Priority Funds	170,338	1,503,822	(2,041,483)	578,176		210,853
Provisional Funds	718,801	480,982	(608,266)	(65,938)		525,579
Transmission Funds	721,404	1,891,585	(1,795,456)	6,028		823,561
Property Fund	293,924				29,374	323,298
Vision Fund	-	1,000,000	(199,443)			800,557
Indigenous fund development fund	-	583,946				583,946
Capital Revolving Fund	70,000					70,000
B Fund	92,661		(5,013)			87,648
Urbana Restricted Fund	150,165	-	(150,165)			-
World assembly			(10,505)	10,505		-
<b>TOTAL RESTRICTED FUNDS</b>	<b>2,217,293</b>	<b>5,460,335</b>	<b>(4,810,331)</b>	<b>528,771</b>	<b>29,374</b>	<b>3,425,442</b>

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**17 UNRESTRICTED FUNDS**

<b>FUND</b>	<b>Opening Balance At 1 Jan 2009</b>	<b>Incoming Resources</b>	<b>Outgoing Resources</b>	<b>Transfers</b>	<b>Closing Balance At 31 Dec 09</b>
Strategy Fund	US\$ 58,010	US\$ 8,665	US\$ (29)	US\$ (1,705)	US\$ 54,941
General Fund	704,189	917,007	(800,621)	(517,066)	303,509
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>762,199</b>	<b>925,672</b>	<b>(800,650)</b>	<b>(528,771)</b>	<b>358,450</b>

**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 2010. 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 2009**

**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\$
<b>Restricted Funds</b>					
Priority Funds			205,184		205,184
Provisional Funds			542,558		542,558
Transmission Funds			829,230		829,230
Property Fund			318,039		318,039
Vision Fund			800,557		800,557
Indigeneous Fund Dev Fund			583,946		583,946
Other funds		60,293	137,170	(39,815)	157,648
<b>TOTAL RESTRICTED FUNDS</b>	-	60,293	3,416,684	(39,815)	3,437,162
<b>Unrestricted Funds</b>	56,008		353,842	(63,120)	346,730
	<u>56,008</u>	<u>60,293</u>	<u>3,770,526</u>	<u>(102,935)</u>	<u>3,783,892</u>

The following reimbursements for travel expenses were made to Trustees:

	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
Ms Leah Genita	2,615
	<u>14,458</u>

No other Trustees have received remuneration or have been reimbursed expenses by IFES.

**19 RELATED PARTIES**

IFES (UK) receives donations from a related Swiss registered Fellowship, IFES (Switzerland). Grants from IFES (Switzerland) are recorded as donation in IFES (UK). In 2009 the total amount of from this source was \$73,405 (2008 \$336,062).

In 2009 it made grants to IFES (Switzerland) of \$15,755 (2008:\$3,349).

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

**20 POST BALANCE SHEET EVENTS**

On 31 March 2010 a freehold property was purchased by IFES (UK) for £370,000 (\$563,399). This property will be let to the General Secretary for a market rent.

**NOTES TO THE ACCOUNTS**

**For the year ended 31 December 2009**

<b>21 GRANTS TO ORGANISATIONS</b>	<b>Direct Grants</b>	<b>Other grants</b>	<b>2009 US\$</b>	<b>2008 US\$</b>
Albania	5,000	22,572	27,572	15,138
Australia	-	9,800	9,800	19,595
Bolivia	-	25,977	25,977	-
Bosnia	12,911	-	12,911	-
Bosnia	-	24,667	24,667	21,074
Bulgaria	3,000	31,598	34,598	34,000
Canada	-	36,829	36,829	42,942
Caribbean	14,000	-	14,000	5,999
Central Asia (7)	-	255,306	255,306	226,591
Croatia	5,500	5,600	11,100	51,074
East Africa (2)	3,600	24,100	27,700	26,700
East Asia	-	10,204	10,204	2,409
EX/Eurasia region	-	23,791	23,791	23,996
Gambia	-	5,103	5,103	11,567
Germany	-	12,222	12,222	20,510
Ghana	-	15,000	15,000	6,500
Guatemala	-	10,348	10,348	10,548
Guyana	-	31,000	31,000	19,900
Haiti	-	-	-	11,000
Hungary	-	10,200	10,200	-
Italy	-	6,790	6,790	-
Jamaica	-	24,584	24,584	9,843
Kenya	-	41,333	41,333	78,769
Lithuania	-	7,423	7,423	12,179
Macedonia	2,000	11,729	13,729	23,417
Malawi	-	8,200	8,200	30,450
Mexico	-	36,169	36,169	29,531
Middle East/ North Africa (7)	17,490	1,000	18,490	13,046
Moldova	-	29,190	29,190	23,080
New Zealand	-	134,360	134,360	112,855
Nigeria	-	80,794	80,794	76,314
Poland	-	41,315	41,315	51,088
Portugal	-	8,516	8,516	11,368
Romania	2,000	31,350	33,350	30,017
Russia	-	123,280	123,280	121,380
Serbia and Montenegro	3,488	32,474	35,962	38,023
Slovakia	3,000	4,143	7,143	12,002
Slovenia	-	9,409	9,409	18,177
South Asia (5)	15,709	38,851	54,560	103,322
Spain	-	21,662	21,662	54,678
Sudan	-	5,063	5,063	42,228
Tanzania	-	5,230	5,230	8,100
Uganda	-	68,219	68,219	79,183
Ukraine	-	115,960	115,960	112,560
United Kingdom	-	127,364	127,364	305,017
United States	-	10,354	10,354	11,594
Zimbabwe	-	20,500	20,500	18,138
Grants to other organisations	22,997	80,960	103,957	106,105
<b>Total grants to organisations</b>	<b>110,695</b>	<b>1,680,539</b>	<b>1,791,234</b>	<b>2,082,006</b>

Direct grants are made from regional budgets to assist the work of the most fragile movements.

Transmission grants are from restricted income and reflect the donor's intention to support a particular movement.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IFES (UK)**

We have audited the accounts of IFES (UK) for the year ended 31 December 2009 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These accounts have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of IFES (UK) for the purposes of company law) responsibilities for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the charity's accounts give a true and fair view are set out in the Statement of Trustees' 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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Report, and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit 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 trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IFES (UK)**

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 of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the accounts have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Report is consistent with the accounts.



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

Date: 14/6/2010

## **REFERENCE AND ADMINISTRATIVE DETAILS**

The Company is limited by guarantee and does not have a share capital. The company's full name is International Fellowship of Evangelical Students, referred to herein as IFES (UK). Its registered company number is 876229 and registered charity number 247919. The Registered Office is 321 Banbury Road, Oxford, OX2 7JZ. The company's name was changed from IFES Trust on 5 July 2007.

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

### **Directors**

The Directors set out below, who also act as Trustees for the charitable activities of the company are:

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

The members of the Company appoint the Directors.

Members of the Finance Committee who served during the year are:

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 30<sup>th</sup> November 2009)  
Mr Timothy Adams (Chief Administrative Officer)

## **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