



INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS

ANNUAL ACCOUNTS AND TRUSTEES REPORT 2019

Auditors

CROWE U.K. LLP
Aquis House
49-51 Blagrove Street
READING
RG1 1PL

International Fellowship of Evangelical Students is a UK charity no 247919
and a limited company, registered in England and Wales no 876229
Registered office: 5 Blue Boar Street, Oxford, OX1 4EE

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 5 Blue Boar Street, Oxford OX1 4EE.

BOARD AND FINANCE COMMITTEE

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

Mr Chris Collins (term completed, resigned 10 July 2019)
 Mr Septi Bukula (Chair)
 Dr Nishan de Mel (term completed, resigned 10 July 2019)
 Ms Vira Diukanova (appointed 12 July 2019)
 Mr David Edmund (term completed, resigned 10 July 2019)
 Dr Janet Epp Buckingham (appointed 12 July 2019)
 Mrs Renee Gibson
 Ms Valerie Goold
 Mrs Fatouma Gouda Sare Keita (appointed 12 July 2019)
 Rev Riad Kassis
 Dr Michel Kenmogne (term completed, resigned 10 July 2019)
 Mr Reji Koshy Daniel (appointed 12 July 2019)
 Mrs Mi Sook Lim
 Rev Samuel McCook
 Ms Margaret Akoth Muga (appointed 12 July 2019)
 Ms Esther Phua (term completed, resigned 10 July 2019)
 Mr Gavin Rothwell (appointed 12 July 2019)
 Mr Timothy Rudge (resigned 5 May 2019)
 Dr Glenn Smith (term completed, resigned 10 July 2019)
 Mr Vinicio J Zuquino Barrientos

The members of the company appoint the Directors.

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

Mr Septi Bukula (committee Chair)
 Mr Chris Collins
 Dr Nishan de Mel
 Mrs Eleanor Ehresman
 Mr John Kinder
 Ms Deborah Kong
 Mr Simon Lau
 Mr Alan Smith
 Dr Daniel Bourdanne (General Secretary – ex-officio, non-voting)
 Mr Nicholas Addo (Chief Financial Officer – ex-officio, non-voting)
 Mr Timothy Adams (Associate General Secretary for Operations – ex-officio, non-voting)
 Mr Martin Haizmann (Associate General Secretary – ex-officio, non-voting)

OFFICERS

Acting General Secretary:	Mr Jamil Chabouh
Associate General Secretary for Operations:	Mr Timothy Adams
Company Secretary:	Mr Nicholas Addo

RELEVANT ORGANISATIONS

Bankers

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

Barclays Bank plc
UK Retail and Business Banking
Multi Client Servicing
LEICESTER
LE87 2BB

Solicitors

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

Auditors

Crowe U.K. LLP
Aquis House
49-51 Blagrove Street
READING
RG1 1PL

REPORT OF THE TRUSTEES OF THE INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS

For the year ended 31 December 2019

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 2019.

References to IFES refer to the combined activities of IFES (UK) and IFES (Switzerland). The trustees confirm they have complied with their duty under section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

I OBJECTIVES AND ACTIVITIES

MISSION STATEMENT

The objects of IFES are to advance the Christian faith by:

- promoting, supporting and maintaining an international fellowship of national Christian student ministries (national movements);
- seeking to awaken and deepen personal faith in the Lord Jesus Christ and to further evangelistic work among students throughout the world; and
- providing for fellowship on a worldwide and regional basis.

IFES VISION TO 2020 – LIVING STONES

The IFES vision to 2020 is called Living Stones, based on a verse in 1 Peter:

As you come to him, the Living Stone – rejected by human beings but chosen by God and precious to him – you also, like living stones, are being built into a spiritual house to be a holy priesthood, offering spiritual sacrifices acceptable to God through Jesus Christ. 1 Peter 2:4-5 (TNIV)

We want to nurture and train students to be “living stones”, equipped to creatively engage the university and to take their place in that “spiritual house”. The Living Stones vision is to double the number of active, committed members of IFES groups who are influencing their universities and societies for Christ.

To achieve this goal, we adopted six key strategic priorities, each of which has at its heart the aim of releasing student initiative.

- **Communicating the good news of Jesus Christ** in word, action and through relationships
- **Strengthening leadership and formación** (personal development) through training and equipping students and graduates to impact the church, university and society
- **Promoting student-graduate integration** so that students continue to live out their faith, serving others and giving back to the student community in their lives beyond graduation
- **Building sustainable support** through growing local support and involvement
- **Addressing current global issues** by responding to contemporary challenges from a Christian perspective
- **Engaging the university** constructively and boldly, with carefully-developed biblical worldviews to demonstrate the integration of faith, life and academic disciplines

Every aspect of IFES ministry is undergirded by three core commitments: **scripture engagement, community and prayer**.

PUBLIC BENEFIT

The overall objective of IFES is to help students bear witness to Christ and his teaching, applying it to every aspect of life in every area of society. We continue to see examples of students serving their local communities as an expression of their faith. For example GHAFES, the movement in Ghana, celebrated 10 years of their Short Term Involvement in Community Service (STICS) program which aims to instil a spirit of patriotism and volunteerism in tertiary Christians and to encourage and motivate young graduates to take National Service postings to deprived rural communities. In Ecuador, 16 local student groups sought to raise awareness and address environmental issues on campuses as part of their wider “Genesis Project”. They set up initiatives to recycle plastic and old clothes, planted a garden in an abandoned courtyard and cleaned up cigarette stubs from the university lake. In Central Asia, staff and students of an IFES movement provide friendship and support to international students from South Asian countries who face discrimination and injustice.

Beyond the university, IFES encourages Christian graduates and leaders in society to apply their faith and Christian ethics in their professional lives. A guest track for Church and Government Leaders held during the IFES World Assembly in South Africa in July 2019 gave opportunity to 29 senior leaders from 20 African countries to recognise the potential of student ministry to prepare the future leaders in society. Participants were also personally challenged to model the highest standards of integrity in their own roles. One participant commented: *During the ‘salt and light in our society’ seminar, I learned the importance of having integrity and working for transparency in a corrupt world.* The Bible and Culture courses run through the IFES Graduate Impact program in Europe and Eurasia continue to be a significant opportunity to help young professionals think about how their Christian faith relates to their work.

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

II ACHIEVEMENTS AND PERFORMANCE

EVANGELISM

REVIVE

The end of 2019 saw 3,000 students, graduates and staff gather in Germany for the IFES Europe student evangelism conference *Revive*. 68 countries were represented, including all of the region’s member movements as well as delegates from places like Israel, Guatemala and Gambia.

Though coming from very different contexts, the group was brought together by a longing for God to revive their hearts, their universities and their region. Bible teaching and small group time was focused on Acts 1-5. Seminars gave students and graduates the opportunity to explore big questions of faith, evangelism and apologetics in greater depth. Participants reflected on the impact of *Revive*:

“God gave me a new vision for my ministry (leading the local VBG group in Switzerland), and for my professional life, and for me personally... It was MASSIVE! and it still continues in my everyday life, God revealing himself to me in a way I never experienced before.”

JUDITH, VBG SWITZERLAND

“Revive set my heart on fire and I want every young Christian to experience the same fire I have now in my heart for Jesus.”

MIRIAM, GBU SPAIN

Read more about Revive at ifesworld.org/pray



PARTNERSHIP IN EVANGELISM

It has been particularly encouraging to see student movements giving generously to support the evangelism initiatives of other IFES movements. At the UCCF Great Britain national conference, students collected an offering for the Arabic translation of the evangelistic resource *Uncover John*. Revive was supported by the students of the three North American IFES movements at *Urbana* 2018. And students at *Revive* gave towards the next IFES South Asia student evangelism conference, happening in 2020.

Partnership in evangelism is also seen when movements invite students or staff from other movements to attend their national events. In December, delegates from 15 IFES movements were able to attend AFES Australia's National Training Event (NTE) and the short-term mission trips which followed. Among the international guests were delegates from the movements in Myanmar, Zimbabwe, Russia, Slovenia, Vanuatu, Indonesia and Tonga. One reflected:

“The NTE Bible study opened wide our understanding on the importance of studying the word of God deeply. We were so much encouraged to see the many students actively involved in studying hard the word of God and spreading the gospel in the mission trip. Those who attended this event committed themselves to start doing the same in Myanmar.”

IFES continues to encourage partnership between movements at an individual level as well, through programs like [InterVarsity/USA Link](#) and [IFES Europe InterAction](#). These give graduates the opportunity to spend a year or two serving a movement in another country, helping to encourage and equip local students in their evangelism.

INTERNATIONAL STUDENT MINISTRY

As the number of international students around the world continues to rise, international student ministry is increasingly a focus in national and regional training, planning and ministry. One particularly encouraging story was that of a student from the Middle East who moved to Eurasia to study. He heard the gospel and became a Christian through the IFES movement

there. This group in Eurasia was specifically for international students and was funded by an IFES Breaking New Ground grant.

In consideration of this significant global trend, and conscious of the opportunities it affords for reaching the unreached, international student ministry will continue to be a growing focus for IFES regions and national movements in 2020. The Acting General Secretary has identified this as an area that he particularly wants to invest in and promote in the coming year.

Read more stories of international student ministry at ifesworld.org/evangelism

PIONEERING

It was wonderful to celebrate the affiliation to IFES of 12 new member movements at World Assembly 2019, each one the fruit of pioneering efforts over many years. Meanwhile, pioneering ministry continues in several countries in the Middle East and North Africa (MENA), as well as in South Asia, the South Pacific, Francophone Africa, Eurasia, EPSA and East Asia. Some examples include:

Greenland, Europe: Sara and Filip Friis Børty, graduates of KFS Denmark, moved to Greenland in 2019 to begin pioneering work in Nuuk, the capital. The country is nominally Christian, but fellowship outside of church on Sundays is rare. Sara and Filip have been able to help a group of young people start meeting together and reading the Bible. They are praying that one day a Greenlandic student movement would be established.

Equatorial Guinea, English- and Portuguese- speaking Africa (EPSA): Aida Banyuls, a graduate of GBU Spain, moved to Equatorial Guinea in 2019 to work with the local Christian students to pioneer a national movement. Local churches have been supportive, and a group of students have begun meeting together to pray and read the Bible. They would like to get permission from the university to meet officially as a group on campus and are planning to start a Bible study for seekers in the near future.

Dutch St Maarten, Caribbean: Monique Rollings, a graduate of JSS Suriname, is now working to pioneer a student movement in Dutch St Maarten, a small island in the Caribbean. Churches are many, but collaboration between them is rare, and schools are reluctant to allow Christian groups to meet on campus.

São Tomé and Príncipe: The EPSA regional team has been praying about pioneering opportunities in São Tomé and Príncipe for ten years and in 2019 two staff members had the opportunity to visit the country. They were encouraged by fruitful meetings with local pastors and Christian students and hope to return in early 2020 to gather students for training.

With challenges in each context, those involved in pioneering ministry need support, training and prayer. One of the ways IFES provides that is through the Breaking New Ground project, a pioneering initiative that aims to support and resource national movements in pioneering ministry.



Sara, Filip, Aida and Monique all attended the IFES Breaking New Ground gathering in Canada in October 2019. The gathering brought together 30 young pioneers from around the world for a time of sharing ideas and pioneering training.

The IFES Breaking New Ground project has now given 93 grants to support the start of 497 new groups in 67 countries. A further round of grants will be made in 2020.

Read more pioneering stories at ifesworld.org/pioneer

LEADERSHIP DEVELOPMENT

IFES is committed to investing in student, graduate and staff development at all levels. Below are three examples of what that looks like. To find out more about how IFES is investing in leadership development, go to ifesworld.org/leadership

GLOBAL LEADERSHIP INITIATIVE

The second cohort of the Global Leadership Initiative is underway with 21 young leaders from all eleven IFES regions. The program seeks to invest in the next generation of young leaders in IFES. The second cohort first met together in December 2018 in Malaysia and then each participant met monthly via skype (and at World Assembly) with their mentor throughout 2019. Mentoring is a crucial part of the program. One participant shared her experience:

“Being mentored as part of the GLI program has helped me see ministry challenges in a different light. Rather than shying away from them, I have been encouraged to use my strengths to find solutions and to lead my team from a place of joy and confidence.”

RACHELLE LOW SWEE LYNN, IVCF CANADA

In March 2020 the cohort will meet in Ukraine for their second gathering.

IFES EAST ASIA GRADUATE CONFERENCE

The East Asia Graduate Conference took place in Tokyo in August 2019 and was attended by 370 graduates from 16 movements across the region. Participants were encouraged by times of fellowship; Bible teaching and hearing stories of how graduate ministry is advancing in different contexts around East Asia. The focus of the conference was on the graduates' role as ambassadors of reconciliation in the workplace and beyond. In a context of extremely high pressure for graduates, long working hours and, in many places, corruption, investing in graduate ministry in East Asia will continue to be of great value in the years to come.

THE INSTITUTE OF STAFF DEVELOPMENT AND TRAINING (ISDT)

Part one of the two-year ISDT program for young staff in English- and Portuguese- speaking Africa (EPSA) took place from May to July 2019. The current cohort (see photo) comprises 20 participants from 13 EPSA national movements, including participants from Guinea Bissau and Angola – the first time these Portuguese-speaking countries have been represented at ISDT.

The program provides context-specific theological and practical training, as well as opportunities for engaging with contemporary issues from a biblical perspective. It is encouraging to see the long-term benefits of investing in staff training as ISDT participants return to their national movements better equipped to teach and disciple students.

“God’s Word came alive in a unique and fresh way. I am so grateful for this rich cross-cultural experience. I have gained new ideas to start reading clubs and Christian libraries on campus to further enhance the discipleship of the mind.”

BRIGHT OBENG, GHAFES GHANA

“Understanding and interpreting the Bible has been of great help to me and now I feel I can teach clearly with a thorough knowledge. And personally, I have been challenged to study more.”

ALBERT MOSOLO, SULTM LESOTHO



STRENGTHENING AND SUPPORTING NATIONAL MOVEMENTS

WORLD ASSEMBLY 2019

In July 2019, IFES students, staff, volunteers and key stakeholders gathered in South Africa for World Assembly. The quadrennial global gathering saw more than 1,000 participants coming together from 167 national movements or pioneering contexts all over the world.



World Assembly focused on our role as messengers of hope in the world's universities. Time was spent worshipping together, studying God's Word and thinking about how to respond to issues in higher education today. IFES met as a General Committee, welcomed new member movements, and elected new Board members and a new Chair. Many commented on the blessing of being together, networking and learning in a culturally rich and diverse environment.



EQUIPPING FOR MINISTRY

A program of 70 seminars offered a wide variety of teaching and training opportunities. In these smaller groups, participants had the opportunity to share their struggles, questions and best practices, and learn from the wealth of ministry experience represented at World Assembly.

Seminar topics included theology, social media, persecution, international student ministry, fundraising and many others.

STUDENT GATHERING

Around 160 students from 125 movements attended the Student Gathering, held for two days before the start of World Assembly. This gave them an opportunity to connect with each other and discuss issues which they wanted to bring to the wider Fellowship. They were joined by 100 more students for World Assembly. Every student helped to lead the small groups and several played other active roles as well, including giving Bible expositions, acting in dramas and sharing testimonies on stage.

“I assumed that World Assembly would impact me deeply, but it surpassed my expectations! It refreshed and renewed me in a lot of ways, particularly regarding my goals at university and my role in the movement.”

ÁRON KNEIFEL, STUDENT AND SCHOLARSHIP RECIPIENT, MEKDSZ HUNGARY

Alongside the main event this year were a number of smaller gatherings including two organised by IFES **Engaging the University**: the *Big Issues Consultation* looking at how IFES movements can best bring a biblical perspective to universities, and a track for African faculty and research students. The scholars’ track aimed to develop a sense of shared vision among African scholars, who believe that their faith should not be divorced from their lecturing or research.

Find out more about how IFES is helping its students, staff and movements engage the university at ifesworld.org/university

LEADERSHIP TRANSITION

In the General Committee business meeting at World Assembly, the Fellowship had the opportunity to thank God for Daniel Bourdanné and his leadership of IFES as General Secretary over the past 12 years, and Chris Collins for his service on the Board since 2003, including the last eight years as chair.

New IFES Board members were welcomed from Eurasia, Francophone Africa, North America and South Asia, as well as student Board members from Ireland and Kenya. Former Treasurer, Septi Bukula, was appointed as the new IFES Board Chair.

As reported in the previous trustees report, following the withdrawal shortly before World Assembly of the General Secretary Designate, Jamil Chabouh was appointed to serve as Acting General Secretary while the Board engages in a new search process to identify the next General Secretary for IFES. The gathering of the Fellowship during World Assembly provided a valuable opportunity for Board members to engage with member movements about the processes around the recruitment and appointment of a new General Secretary.

INDIGENOUS SUPPORT DEVELOPMENT (ISD)

The ISD program continues to gain momentum across the globe through the launch of the e-learning course, *Introduction to Indigenous Support Development*, in September 2019 (in English and French). Twenty leaders from 13 countries took part in the English speaking-cohort, and 25 leaders from Francophone Africa enrolled for the French course. The materials are now ready to be launched in Spanish, Russian and Portuguese in 2020.

During 2019, ISD training and coaching was conducted with the movements in Bolivia, Gambia, Fiji, Ukraine, Rwanda and two movements in Eurasia.

“This 90-minute Bible study has motivated and convinced me to build support more than my last two years of reading on fundraising techniques”.

GBUR RWANDA PARTICIPANT

PSFC Fiji was the first national movement to take ISD training in the South Pacific. During the training, they held their biggest fundraising event ever in which more than 100 guests gave generously to support the ongoing ministry among students.

GOVERNANCE DEVELOPMENT

Since this program began seven years ago, 128 IFES movements have now received initial governance training. Over the last three years, the Governance Development team has been

back to 72 of those movements to carry out follow-up visits. Through providing resources tailored to the needs of each individual board, these follow-up visits have helped to ensure the boards of the movements continue to flourish.

The board of TAFES Tanzania received follow-up training in May. One participant reflected:

“The training will help me not only in TAFES but even in my private engagement in the NGO where I work and my business.”

The coaching program launched in 2018 has continued to be well received by the four national movements currently taking part: Gabon, Burundi, Uruguay (photo below) and El Salvador.



Other highlights of the Governance Development year included the training of new trainers which took place in Rwanda in February. There are now over 30 multi-lingual trainers in all regions of IFES who provide in-country training and assist in board coaching. Training is conducted in Arabic, English, French, Russian and Spanish.

SCRIPTURE ENGAGEMENT

One highlight of Scripture Engagement in 2019 was the first gathering of the Global Network of Scripture Engagement Multipliers in December.

The gathering brought together national movement staff from almost every IFES region to form a network of regional champions or ‘multipliers’ for Scripture Engagement. The group spent time talking together about how they can best help their students engage deeply with the Bible in different contexts. Some of the key topics addressed at the gathering include:



- Awakening a passion and competence for interacting with the Old Testament
- Mentoring
- Retreats
- Scripture engagement and evangelism

This network will continue to be a space for encouragement and learning across the regions over the coming years, which, God-willing, will filter out across every national movement.

RESOURCES AND PUBLICATIONS

WORD & WORLD

The purpose of the IFES journal *Word & World* is to equip those involved in student ministry to listen more attentively to God's Word and God's World. Theologians and scholars are asked to comment on what the Christian faith has to say to contemporary issues in today's universities.

Through *Word & World*, IFES seeks to equip students with resources to integrate faith and daily life, and to inform and facilitate dialogue within universities.



Over the last four years, IFES *Word & World* has published eight issues and its readership continues to grow. Over the last two years, the publication's website received over 23,000 unique page visits, and delegates at World Assembly 2019 took home more than eight hundred hard copies. Issue 7, published in June 2019 was on the theme "What is the University For?"

Word & World is available at ifesworld.org/journal.

THE DAY OF HIS POWER AND CAMPUS LIGHTS

Pete Lowman's *The Day of His Power* was re-published in July 2019. The book, first published in 1983 tells the story of God's work in the university around the world, over many years.

Campus Lights by Luke Cawley tells stories from different student movements around the world of students boldly living and speaking for Jesus, often in extremely challenging contexts. IFES partnered with Muddy Pearl to enable this publication.

Find out more about how IFES is strengthening its national movements at ifesworld.org/strengthen

INTERNATIONAL SERVICES

The International Services team, working from offices in the UK, Malaysia and the USA, provides coordination and support services for the global Fellowship. The preparation and delivery of World Assembly was the major focus for International Services in the first half of 2019, involving each department and every member of the team to a greater or lesser extent.

Other highlights included the launch of a new website in June 2019, and work to develop improved online services to staff and national movements. New online tools will enable national movements and staff to interact with the IFES International Services teams in a more secure online environment, reducing the need to transmit confidential or personal information by email. A cyber-awareness training program was also provided for staff to ensure that we minimise the risk of online fraud.

FUNDRAISING

IFES is committed to the highest standards in fundraising. We seek to work to the highest level of transparency and integrity towards all who engage with the charity, including those who give to our work.

Recognising our dependence on voluntary income, IFES aims to inspire and encourage others to give in support of our work. IFES takes great care in our communications with

supporters and donors. At all times we will ensure that we are respectful, open, honest and accountable to our supporters and donors. In our approach to potential donors, we will never subject anyone to pressure or a 'hard sell' and treat individuals with dignity and respect.

We are aware that some of our donors may be older, potentially vulnerable adults. IFES has guidance and training for staff on identifying vulnerable older donors and how to work with them in a way that maintains their dignity.

All fundraising activity is carried out by IFES's small in-house supporter relations team based in the UK, US and Malaysia, managed by the Chief Advancement Officer. The US team operates through IFES/USA, a separate entity and registered 501(c)(3) non-profit organisation in the USA. No professional fundraiser or commercial participator was used during the year.

In the UK we are registered with the Fundraising Regulator and we follow the Regulator's code of Practice when raising funds, taking all reasonable steps to protect vulnerable people from persistent approaches, unreasonable intrusion or undue pressure. In the US, IFES/USA, a separate but related non-profit is an accredited member of the Evangelical Council for Financial Accountability and a valued partner with GuideStar Exchange.

In the year under review, no complaint was received from any member of the general public regarding our fundraising activities.

LOOKING AHEAD

IFES LEADERSHIP

The recruitment process for the new IFES General Secretary is well underway. Having received nominations from the Fellowship, the Discernment and Search Committee will invite potential candidates to apply, and the process of assessment and interviews will take place over the following months. It is hoped that a new General Secretary will have been appointed by the end of 2020. In the meantime, the whole Fellowship continues to pray and work together for God's glory, under the interim leadership of Acting General Secretary Jamil Chabouh, supported by Associate General Secretaries Tim Adams and Martin Haizmann.

STRATEGY DEVELOPMENT

Over 120 movements took part in workshops at World Assembly and online questionnaires to help inform the development of IFES strategic priorities from 2021. This input, together with external research findings and the expertise of IFES senior staff, has provided a deeper understanding of both the context of our ministry and the shared priorities of our movements.

The IFES senior staff team has commissioned a strategy working group, representing all regions and ministries of IFES, to continue engagement and consultation. During 2020 the aim is to agree priorities for the next chapter of IFES ministry.

ENGAGING THE UNIVERSITY

IFES has submitted a grant proposal to the John Templeton Foundation for further funding to allow IFES to build on the Big Issues Project, particularly addressing the conversations happening between theology and the sciences.

If the application is successful, IFES will run a grants program for individuals, national movements and regions to create their own science and theology projects. Additional e-learning courses and a mentoring program will also be developed to provide resources and support to Christians serving God in universities throughout the IFES world.

III GOVERNANCE

RISK MANAGEMENT, PRINCIPLE RISKS AND UNCERTAINTIES

The Finance Committee supports the Board by reviewing the risk register and providing advice on risk management. The risk register is regularly updated to reflect developments in ministry and changing circumstances. Many of the major risks identified continue to be relevant, such as failure of governance leading to a loss of focus and/or non-achievement of the vision, travel risks, adverse publicity that could discredit the organisation, and failure of information and technology systems.

As an organisation which is entirely funded by voluntary giving and which operates globally, we face ongoing challenges such as over-reliance on a small number of large donors from one country, currency rate movements, the risk of cyber fraud, and the potential impact on our work of volatile political and economic situations as well as the current challenges of organising events in the face of the coronavirus.

Following the major focus in 2018 on compliance with GDPR requirements, further online training has been provided to all staff to ensure appropriate handling of personal data and awareness of the risk of cyber fraud and cyber security.

As trustees, our overall assessment is that adequate control measures are in place for all known risks and that proactive monitoring by senior managers is sufficient to ensure that any major new risks are identified and brought to our attention.

PAY POLICY FOR SENIOR MANAGEMENT

The IFES board of directors, who are also the trustees, and the IFES senior staff team comprise the key management personnel in charge of directing, controlling and running the operations of IFES (UK). All directors give their time freely and no director received remuneration in the year.

The pay of the staff team is reviewed annually and normally increased in line with UK inflation. Given both the global spread of IFES staff and the university focus of our work, the directors consider remuneration packages of local IFES national movements, university lecturers and NGOs of similar size when determining pay packages for senior regional and international staff.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company's governing document is its Articles of Association. On appointment, members of IFES (UK) must signify in writing their agreement with the doctrinal basis of the company.

STRUCTURE AND DECISION-MAKING PROCESS

The company is 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. The ministry in 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 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 payment 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 partnership grants as the national movement becomes better established and more financially self-sufficient.

APPOINTMENT, INDUCTION AND TRAINING OF TRUSTEES

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

- The members of the Board of IFES (Switzerland) are elected by the IFES International General Committee following regional nominations. Nominations are received from each region and the Nominating Committee, a sub-committee of the Board, recommends candidates giving regard to background, gender, age and skills in order to achieve the required skills mix. New members of the Board are also appointed as directors of IFES (UK). The aim is to have representation on the Board of theologians, businesspeople, and people involved in student ministry, including students. Each member of the Board serves a four-year term which may be renewed for a second term though student members serve only one four-year term.
- Orientation is given to new trustees with a general introduction to the Board of IFES (UK) by the Chair and the General Secretary, a general overview of the Fellowship by the Associate General Secretary (Operations), a financial overview by the Chief Financial Officer, and specific training on the role and responsibilities of trustees of a UK charity.
- New trustees are provided with key documents including the Articles of Association and the policies and procedures of the Fellowship. Trustees are encouraged to participate in IFES events in the region they represent. There is a regular update at each Board meeting on any developments in UK charity law that they should be aware of. 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. Its principle contact address is 4 Avenue de Provence, 1007 Lausanne, Switzerland.

Transactions between IFES (UK) and IFES (Switzerland) during 2019 have been reflected in the notes to the accounts (2018 – \$862,474).

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of IFES (UK) for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group 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 2019 are set out in the accounts on pages 23 - 43.

Total income for the year was up from US\$7.36 million in 2018 to US\$8.77 million in 2019. This was due largely to fee income and extra fundraising for World Assembly 2019 and the Revive conference. These two events accounted for approximately US\$2.5 million and put a significant extra demand on staff time, meaning that work in some other areas had to be cut back. Our total expenditure increased by \$1.25 million, an increase of 15% overall. We ended the year with a deficit of \$577,000 which was largely covered from restricted funds received in prior years.

As a fellowship we regularly make grant payments through national movements' 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 US\$2.78 million. IFES makes these grants on a request basis 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 operates a defined contribution pension scheme for its staff in the UK and a retirement savings plan for its overseas staff. The UK scheme is an approved scheme with Royal London and is open to employees who are subject to UK tax. The overseas scheme is a savings plan set up for overseas staff of member agencies of Global Connections. Funds in the overseas scheme are managed by Zurich International. Pension costs charged in the Statement of Financial Activities represent the total contributions payable by the Fellowship in the year.

THANKS TO ALL OUR PARTNERS

IFES would like to express our deepest gratitude for every gift received in 2019. We are thankful for all who supported IFES ministry with prayer, volunteering or finances throughout the year.

We would like to thank trusts and foundations who, identifying the strategic nature of student ministry, awarded capacity-building, project-specific and general operating grants of up to \$1,000,000 in the reporting period. In addition, supporting churches have given generously to specific staff, national movements and projects; without the money, personnel and prayer that these partnerships represent, our work would be impossible. Finally, we acknowledge the wonderful supporter base we have around the world: individuals who see what God is doing through this ministry and regularly pray and give towards the work. Since we are unable to meet everyone face-to-face, we take this opportunity to say thank you in this report.

Under the terms of their grant, we specifically acknowledge a gift from the Evangelical-Lutheran Church of Wuerttemberg (Germany) of €11,000 (US\$12,336) towards student ministry in Europe.

RESERVES POLICY

IFES holds reserves for the following reasons:

1. to protect the continuity of work in the event of a significant fall in income
2. to fund periodic shortfalls in income compared to expenditure
3. to set aside funds to invest in the longer-term development of the organisation, as well as meeting its constitutional obligations to hold a World Assembly every four years

We have set a target range for the free reserves to be between 10% and 25% of the annual operational budget. The 2020 budget for IFES would require a free reserves figure between US\$360,000 and US\$900,400. At the end of 2019, total unrestricted funds for the group stood at \$2.34 million but with tangible fixed assets costing approximately \$3 million, the group ended the year with negative “free reserves” of \$657,000.

As trustees of both IFES UK and IFES Switzerland, a related body, we have regularly reviewed our reserves policy by combining the finances of the two entities. Viewed this way, we are able to take into account the free reserves of \$285,960 in IFES Switzerland reducing our overall negative “free reserves” to \$371,233.

Senior management are working closely with the Board to ensure that our free reserves are restored to levels in line with our reserves policy over the next two years.

INVESTMENTS

On the recommendation of the IFES Finance Committee, the IFES Board approved a revised Reserves and Investment Policy in 2018. The investment policy states that any investment in stocks and shares should be in funds that meet our ethical standards, using a combination of negative screens to eliminate areas such as tobacco, alcohol, armaments and gambling, and positive screens to favour businesses with a good record on corporate social responsibility or that are involved in environmentally-friendly or low-carbon industries.

The charity holds funds in the following institutions: US Bank, NatWest, Barclays Bank Plc, Scottish Widows, Santander and CAF Bank. 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

The auditors, Crowe U.K. LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

The Trustees Report and the Strategic report have been approved

BY ORDER OF THE BOARD



SEPTI BUKULA
Chair of the Board
5 Blue Boar Street, Oxford OX1 4EE

Date: 29 May 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS

OPINION

We have audited the financial statements of International Fellowship of Evangelical Students for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, The Group and Company balance sheets, the consolidated cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor
Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

24 June 2020

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 December 2019

	Note	Unrestricted Funds US\$	Restricted Funds US\$	Total Funds 2019 US\$	Total 2018 US\$
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	939,866	6,609,696	7,549,562	6,996,042
Fundraising and other trading activities		50,499	8,325	58,824	68,516
Investments		20,705	2,329	23,034	21,148
Charitable activities	3	116	1,063,308	1,063,424	271,445
Other sources		68,091	9,809	77,900	8,625
TOTAL		1,079,277	7,693,467	8,772,744	7,365,776
EXPENDITURE ON:					
Raising funds	5	426,169	10,377	436,546	388,098
Charitable activities					
Student ministry	4	1,234,683	7,678,327	8,913,010	7,707,381
TOTAL	9	1,660,852	7,688,704	9,349,556	8,095,479
Net income/(expenditure) Before transfers		(581,575)	4,763	(576,812)	(729,703)
Transfers between funds	16,17	601,228	(601,228)	-	-
Net movement in funds		19,653	(596,465)	(576,812)	(729,703)
Balances brought forward at 1 January		2,317,646	4,556,297	6,873,943	7,603,646
Balances carried forward at 31 December	16,17	2,337,299	3,959,832	6,297,131	6,873,943

A breakdown by fund type of the 2018 figures is provided under note 8.

The company has no recognised gains or losses other than those shown on this page. The notes on pages 26 to 43 form part of these accounts.

BALANCE SHEET as at 31 December 2019
Company number: 876229

		Group		Charity	
		2019 US\$	2018 US\$	2019 US\$	2018 US\$
FIXED ASSETS					
Tangible assets	10	2,994,491	2,996,958	2,905,430	2,976,152
Investments	11	<u>2,994,491</u>	<u>-</u>	<u>1</u>	<u>1</u>
			2,996,958	2,905,431	2,976,153
Debtors: Amounts falling due after one year	12	<u>165,773</u>	<u>112,986</u>	<u>165,773</u>	<u>112,986</u>
CURRENT ASSETS					
Debtors	12	1,630,218	1,700,043	1,614,724	1,668,803
Cash at bank		<u>2,438,747</u>	<u>2,838,720</u>	<u>2,373,420</u>	<u>2,810,921</u>
		4,068,965	4,538,763	3,988,144	4,479,724
CREDITORS					
Amounts falling due within one year	13	<u>(867,096)</u>	<u>(711,858)</u>	<u>(848,742)</u>	<u>(708,398)</u>
NET CURRENT ASSETS		<u>3,201,869</u>	<u>3,826,905</u>	<u>3,139,402</u>	<u>3,771,326</u>
Total assets less current liabilities		6,362,133	6,936,849	6,210,606	6,860,465
Creditors: Amounts falling due after one year	14	<u>(65,002)</u>	<u>(62,906)</u>	<u>(65,002)</u>	<u>(62,906)</u>
NET ASSETS		<u><u>6,297,131</u></u>	<u><u>6,873,943</u></u>	<u><u>6,145,604</u></u>	<u><u>6,797,559</u></u>
FUNDS					
Restricted funds	16	3,959,832	4,556,297	3,907,397	4,503,863
Unrestricted funds	17	<u>2,337,299</u>	<u>2,317,646</u>	<u>2,238,207</u>	<u>2,293,696</u>
		<u><u>6,297,131</u></u>	<u><u>6,873,943</u></u>	<u><u>6,145,604</u></u>	<u><u>6,797,559</u></u>

Approved by the Board of Directors on 29 May 2020

and signed on its behalf by



Director

The notes on pages 26 to 43 form part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2019

	2019 US\$	2018 US\$
Cash flows from operating activities:		
Net movement in funds	(576,812)	(729,703)
Decrease/(increase) in debtors	74,549	(289,780)
Increase/(decrease) in creditors	155,233	461,415
Gain on disposal of fixed assets	859	-
Depreciation	109,544	102,427
Investment income	(23,034)	(21,148)
Revaluation and exchange (gains)/loss	(593)	482
Net cash provided by operating activities	<u>(260,254)</u>	<u>(476,307)</u>
Cash flows from investing activities		
Interest and other investment income received	23,034	21,148
Proceeds of disposal	1,707	-
Purchase of tangible fixed assets	(109,643)	(36,265)
Net cash (used in) investing activities	<u>(84,902)</u>	<u>(15,117)</u>
Cash flows from financing activities		
New capital revolving fund loan made	(76,755)	-
Repayments of capital revolving staff loans	22,063	27,754
Repayment of loans	(127)	(134)
Net cash (used in) financing activities	<u>(54,819)</u>	<u>27,620</u>
Change in cash and cash equivalents in the year	<u>(399,975)</u>	<u>(463,804)</u>
Movement in cash and cash equivalents		
	2019 US\$	2018 US\$
Increase/(decrease) in cash in the year	(399,975)	(463,804)
Cash and cash equivalents at 1 January	2,838,721	3,302,525
Cash and cash equivalents at 31 December	<u>2,438,747</u>	<u>2,838,721</u>
Analysis of cash and cash equivalents		
	2019 US\$	2018 US\$
Cash in hand	19,738	80,876
Notice deposits (less than 3 months)	2,207,380	2,553,487
Other currency holdings	211,629	204,358
Net Cash	<u>2,438,747</u>	<u>2,838,721</u>

The notes on pages 26 to 43 form part of these accounts.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

b) Basis of consolidation

The consolidated accounts include the trading activities, assets and liabilities of the group's subsidiary company in accordance with the Charity SORP. Intra-group transactions have been eliminated on consolidation. The subsidiary company was incorporated on 20 January 2016. No separate SOFA or income and expenditure account have been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

IFES UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

c) 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.

d) Going concern

Having reviewed the funding facilities available to the Group together with the Group's future projected cash flows, the trustees have a reasonable expectation that the Group has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

e) Income

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 is due and the amount involved can be reliably quantified.

f) 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.

g) Depreciation and value of fixed assets

Depreciation is calculated to write off the cost of fixed assets (except land) on a straight-line basis over their effective useful lives. For buildings, this is at 2% per annum. For computers, office furniture and equipment this is at 10-25% per annum. Leasehold improvements are capitalised where the value of the asset is over \$750, and other fixed assets are capitalised if the value is over \$150.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

h) Disposal of fixed assets

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

i) Financial instruments

The charity holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at fair value. Note 19 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to debtor balances excluding prepayments, and financial liabilities referring to all creditors excluding deferred income and social security and other taxes.

j) Expenditure

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

k) Pensions

The Fellowship uses two defined contribution pension schemes. For employees who are subject to UK tax, contributions are made to a scheme run by Royal London. For overseas employees it is part of a group arrangement under the trusteeship of Global Connections and run by Zurich International Life Ltd.

Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Fellowship in the year.

l) 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.

m) Raising funds

Raising funds expenditure comprises 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.

n) 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 overheads.

o) Significant judgements and estimates

The trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

p) Investments

Unlisted investments are carried at historic cost.

q) 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:

i) Restricted funds

National movement funds: These comprise the unexpended balances of donations held to be applied for national movements. A charge for the costs associated with administration is levied on the intended recipients each year.

Project funds: The activities undertaken from project 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 enough importance to the work of the Fellowship that unrestricted funds will be applied to meet any shortfall in restricted income.

Capital revolving fund: This relates to money designated for the use of making loans to IFES staff.

ii) Unrestricted funds

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.

Property fund: This has been designated by the trustees at the value of the property and assets purchased with the donations received for it, less the revenue expenditure and depreciation on the building.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

2. Income – donations and legacies

Originating country	2019 US\$	2018 US\$
United States of America	4,634,514	4,528,905
United Kingdom	1,692,158	1,537,278
Canada	272,595	218,190
Bahamas	197,478	186,039
Switzerland	60,390	10,777
Germany	331,089	100,910
Norway	84,745	99,877
Australia	14,125	8,618
Singapore	17,762	65,532
Denmark	21,240	38,785
Republic of Ireland	22,423	13,365
Korea	765	26,279
Netherlands	30,164	37,141
Other	170,114	124,346
	7,549,562	6,996,042

Legacies received in the year amounted to \$90,732 (2018: \$21,400).

3. Income from charitable activities

	2019 US\$	2018 US\$
World Assembly	551,095	300
IFES Interaction fees	12,051	18,259
Other event fees	500,278	252,886
	1,063,424	271,445

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

4. Charitable activities expenditure

	Unrestricted funds US\$	Restricted funds US\$	Total funds 2019 US\$	Total funds 2018 US\$
English- and Portuguese-Speaking				
Africa	-	451,552	451,552	471,968
Francophone Africa	-	470,492	470,492	456,562
Europe	-	2,302,585	2,302,585	1,447,282
Eurasia	-	1,046,310	1,046,310	745,658
Middle East and North Africa	-	591,995	591,995	557,294
Latin America	-	270,534	270,534	357,386
Caribbean	-	126,910	126,910	223,551
South Asia	-	96,060	96,060	118,813
East Asia	-	171,709	171,709	192,993
South Pacific	-	137,165	137,165	235,925
North America	-	74,899	74,899	166,532
International Ministries	301,788	1,523,421	1,825,209	1,108,475
Support costs	932,895	414,695	1,347,590	1,624,942
	1,234,683	7,678,327	8,913,010	7,707,381

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 \$1,022,474 (2018: \$1,509,717). Support costs were also recharged to International Ministries of \$325,116 (2018: \$338,675). 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.

5. Raising funds expenditure

	Unrestricted Funds US\$	Restricted Funds US\$	Total Funds 2019 US\$	Total Funds 2018 US\$
Staff costs	149,121	-	149,121	99,987
Supporter raising	30,862	9,675	40,537	28,068
Appeals & portfolio	7,619	-	7,619	10,283
Prayer materials	27,524	-	27,524	32,722
Miscellaneous expenses	277	702	979	2,798
Support costs apportioned (notes 6 & 7)	210,766	-	210,766	214,240
	426,169	10,377	436,546	388,098

6a. Analysis of Charitable Activities by Mission Priorities

	Direct costs US\$	Support costs US\$	2019 US\$	2018 US\$
Evangelism	1,185,803	210,392	1,396,195	398,075
Pioneering	438,986	77,887	516,873	490,788
Leadership development	1,983,825	357,273	2,341,098	1,673,247
Strengthening & supporting national movements	1,170,204	207,624	1,377,828	1,549,156
Direct grants to national movements	2,786,602	494,414	3,281,016	3,596,116
	7,565,420	1,347,590	8,913,010	7,707,382

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

6b. Analysis of Charitable Activities by Mission Priorities and Regional Allocation

	Evangelism US\$	Pioneering US\$	Leadership development US\$	Strengthening & supporting NMs US\$	Direct grants to NMs US\$	2019 US\$	2018 US\$
Caribbean	-	7,692	2,941	20,917	95,359	126,910	223,551
East Asia	-	57,904	-	7	113,798	171,709	192,993
English- & Portuguese-speaking Africa	-	34,723	91,139	19,053	306,637	451,552	471,968
Europe	1,177,581	12,212	345,133	(660)	768,318	2,302,584	1,447,283
Eurasia	2,848	-	146,682	27,634	869,146	1,046,310	745,658
Francophone Africa	-	946	307,057	87,380	75,109	470,492	456,561
Latin America	2,895	-	7,702	14,736	245,201	270,534	357,386
Middle East & North Africa	-	176,272	174,846	203,127	37,750	591,995	557,295
South Asia	-	19,461	11,016	813	64,770	96,060	118,813
South Pacific	-	-	-	1,552	135,613	137,165	235,925
North America	-	-	-	-	74,899	74,899	166,531
International ministries	2,479	129,775	897,310	795,646	-	1,825,210	1,108,474
	1,185,803	438,986	1,983,825	1,170,204	2,786,602	7,565,420	6,082,438
Support costs	210,392	77,887	357,273	207,624	494,414	1,347,590	1,624,943
	1,396,195	516,873	2,341,098	1,377,828	3,281,016	8,913,010	7,707,381

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

7. Apportionment of support costs

Support Cost	Evangelism	Pioneering	Leadership development	Strengthening & supporting NMs	Direct grants to NMs	Raising funds US\$	2019 Total US\$	2018 Total US\$	Basis of allocation
Finance	40,940	15,156	68,492	40,402	96,208	7,795	268,993	240,811	Direct costs
General management	85,766	31,751	143,485	84,637	201,548	16,330	563,517	837,853	Direct costs
Communications	25,176	9,320	42,119	24,845	59,162	170,210	330,832	288,787	Staff time
Senior management	1,611	596	7,986	1,589	3,785	5,598	21,165	57,588	Staff time
Governance	56,899	21,064	95,191	56,151	133,711	10,834	373,849	100,753	Direct costs
	210,392	77,887	357,273	207,624	494,414	210,766	1,558,356	1,525,792	

Audit fees included under Governance costs above came to US\$19,619 (2018 – US\$19,943).

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

8. Statement of Financial Activities for the year ended 31 December 2018

	Unrestricted funds US\$	Restricted funds US\$	Total funds 2018 US\$
INCOME AND ENDOWMENT FROM:			
Donations and legacies	963,064	6,032,978	6,996,042
Fundraising and other trading activities	58,864	9,652	68,516
Investment	8,356	12,792	21,148
Charitable activities	-	271,445	271,445
Other sources	1,766	6,859	8,625
TOTAL	1,032,050	6,333,726	7,365,776
EXPENDITURE ON:			
Raising funds	387,827	271	388,098
Charitable activities			
Student ministry	1,088,605	6,618,776	7,707,381
Total charitable activities	1,088,605	6,618,776	7,707,381
Total	1,476,432	6,619,047	8,095,479
Net income/(expenditure)			
Before transfers	(444,382)	(285,321)	(729,703)
Transfers between funds	41,458	(41,458)	-
Net movement in funds	(402,924)	(326,779)	(729,703)
Balances brought forward at 1 January	2,720,570	4,883,076	7,603,646
Balances carried forward at 31 December	2,317,646	4,556,297	6,873,943

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

9. Information regarding employees

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

	2019 US\$	2018 US\$
Wages and salaries	2,160,072	2,287,418
Social security costs	173,811	174,005
Pension costs	409,580	239,289
Other staff costs	36,017	85,858
	2,779,480	2,786,570

One employee had earnings within \$79,110 (£60,000) - \$92,295 (£70,000) band in the year (2018: same)

The average number of employees during the year, analysed by function, was:

	2019	2018
Student ministries	44	40
Communications	2	5
Supporter relations	5	2
Senior management	7	6
Other management and administration	27	27
	85	80

Total remuneration for senior management comprising General Secretary, Associate General Secretaries and chief officers in the year was \$441,360 (2018 - \$411,853). Names of these officers are detailed in the Reference and Administrative information section of the report.

10. Tangible fixed assets

Group	Leasehold property US\$	Freehold property US\$	Leasehold improve- ments US\$	Computers US\$	Office furniture & equipment US\$	Total US\$
Cost						
At 1 January 2019	2,758,789	563,399	88,793	329,125	144,697	3,884,803
Additions during year	-	-	-	108,978	665	109,643
Disposals during year	-	-	-	(5,092)	-	(5,092)
At 31 December 2019	2,758,789	563,399	88,793	433,011	145,362	3,989,354
Depreciation						
At 1 January 2019	353,699	77,292	69,088	282,796	104,970	887,845
Charge during year	52,801	-	8,641	31,901	16,201	109,544
Disposals during year	-	-	-	(2,526)	-	(2,526)
At 31 December 2019	406,500	77,292	77,729	312,171	121,171	994,863
Net book values						
At 31 December 2019	2,352,289	486,107	11,064	120,840	24,191	2,994,491
At 1 January 2019	2,405,090	486,107	19,705	46,329	39,727	2,996,958

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

Charity	Leasehold property US\$	Freehold property US\$	Leasehold improvements US\$	Computers US\$	Office furniture & equipment US\$	Total US\$
Cost						
At 1 January 2019	2,758,789	563,399	88,793	304,498	135,012	3,850,491
Additions during year	-	-	-	27,559	-	27,559
Disposals during year	-	-	-	(5,092)	-	(5,092)
At 31 December 2019	<u>2,758,789</u>	<u>563,399</u>	<u>88,793</u>	<u>326,965</u>	<u>135,012</u>	<u>3,872,958</u>
Depreciation						
At 1 January 2019	353,700	77,292	69,088	272,408	101,851	874,339
Charge during year	52,801	-	8,641	21,887	12,386	95,715
Disposals during year	-	-	-	(2,526)	-	(2,526)
At 31 December 2019	<u>406,501</u>	<u>77,292</u>	<u>77,729</u>	<u>291,769</u>	<u>114,237</u>	<u>967,528</u>
Net book values						
At 31 December 2019	<u>2,352,288</u>	<u>486,107</u>	<u>11,064</u>	<u>35,196</u>	<u>20,775</u>	<u>2,905,430</u>
At 1 January 2019	<u>2,405,089</u>	<u>486,107</u>	<u>19,705</u>	<u>32,090</u>	<u>33,161</u>	<u>2,976,152</u>

11. Investments

	Group Investment in subsidiaries US\$	Charity Investment in subsidiaries US\$
Cost		
At 31 January 2019	-	1
At 31 December 2019	<u>-</u>	<u>1</u>

IFES UK owns the entire share capital of IFES Asia SDN BHD, a company incorporated in Malaysia on 20 January 2016 to help IFES make better use of technology in its ministry and outreach.

12. Debtors

	Group		Charity	
<i>Current Assets</i>	2019 US\$	2018 US\$	2019 US\$	2018 US\$
Due from IFES (Switzerland)	209,300	-	209,300	-
Other debtors	30,520	30,594	23,282	30,594
Income receivable	1,337,006	1,071,979	1,337,006	1,071,979
Prepayments	26,624	575,426	18,368	544,186
Capital revolving fund loans	26,768	22,044	26,768	22,044
	<u>1,630,218</u>	<u>1,700,043</u>	<u>1,614,724</u>	<u>1,668,803</u>
Long Term Debtors				
Capital revolving fund loans	<u>165,773</u>	<u>112,986</u>	<u>165,773</u>	<u>112,896</u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

13. Liabilities: amounts falling due within one year

	2019	2018	2019	2018
	US\$	US\$	US\$	US\$
Trade creditors	490,586	551,443	490,585	551,443
Other creditors	200,686	70,815	200,686	70,815
Accruals and deferred income	175,692	70,127	157,339	66,667
Due to IFES (Switzerland)	-	19,346	-	19,346
Other loans (due within 1 year)	132	127	132	127
	867,096	711,858	848,742	708,398

Included within other creditors is \$29,626 (2018: \$28,881) in relation to social security and other taxes.

14. Liabilities: amounts falling due after more than one year

	2019	2018	2019	2018
	US\$	US\$	US\$	US\$
Property fund loan	32,039	31,071	32,039	31,071
Capital revolving fund loan	32,963	31,835	32,963	31,835
	65,002	62,906	65,002	62,906

15. Commitments under operating leases

At 31 December 2019, IFES had future minimum lease payments under non-cancellable operating leases as follows

	2019	2018
	US\$	US\$
Not later than 1 year	3,213	9,306
Later than 1 year but not later than 5 years	7,762	36,024
	10,975	45,330

16. Restricted funds

Group

	Opening balance at 1 Jan 2019	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 2019
	US\$	US\$	US\$	US\$	US\$
a) By fund					
Priority funds	695,267	1,854,723	(1,826,366)	(96,939)	626,685
Project funds	2,377,292	4,006,278	(3,835,710)	(728,706)	1,819,154
National movement funds	1,413,738	1,832,466	(2,026,628)	224,417	1,443,993
Capital revolving fund	70,000	-	-	-	70,000
TOTAL RESTRICTED FUNDS	4,556,297	7,693,467	(7,688,704)	(601,228)	3,959,832

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

	Opening balance at 1 Jan 2019	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 2019
	US\$	US\$	US\$	US\$	US\$
b) By region					
Caribbean	93,309	161,856	(126,910)	5,022	133,277
East Asia	227,973	165,624	(171,709)	28,535	250,423
English- and Portuguese- speaking Africa	314,772	316,477	(451,553)	54,887	234,583
Europe	1,003,862	2,258,719	(2,302,583)	(81,933)	878,065
Eurasia	559,249	792,199	(1,046,305)	24,332	329,475
Francophone Africa	143,614	307,531	(470,491)	185,694	166,348
International Ministries	1,433,806	2,436,311	(1,948,496)	(848,280)	1,073,341
Latin America	176,463	334,496	(270,538)	53,997	294,418
Middle East and North Africa	298,198	600,345	(591,997)	(44,344)	262,202
South Asia	177,603	90,152	(96,060)	5,933	177,628
South Pacific	114,421	150,443	(137,165)	(12,978)	114,721
North America	13,027	79,314	(74,897)	27,907	45,351
TOTAL RESTRICTED FUNDS	4,556,297	7,693,467	(7,688,704)	(601,228)	3,959,832

A description of each of these funds is detailed under accounting policy note 1(q).

Charity

	Opening balance at 1 Jan 2019	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 2019
	US\$	US\$	US\$	US\$	US\$
a) By fund					
Priority funds	695,267	1,854,723	(1,826,366)	(96,939)	626,685
Project funds	2,324,857	4,006,278	(3,835,710)	(728,706)	1,766,719
National movement funds	1,413,738	1,832,466	(2,026,628)	224,417	1,443,993
Capital revolving fund	70,000				70,000
TOTAL RESTRICTED FUNDS	4,503,862	7,693,467	(7,688,704)	(601,228)	3,907,397

	Opening balance at 1 Jan 2019	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 2019
	US\$	US\$	US\$	US\$	US\$
b) By region					
Caribbean	93,309	161,856	(126,910)	5,022	133,277
East Asia	227,973	165,624	(171,709)	28,535	250,423
English- and Portuguese- speaking Africa	314,772	316,477	(451,553)	54,887	234,583
Europe	1,003,862	2,258,719	(2,302,583)	(81,933)	878,065
Eurasia	559,249	792,199	(1,046,305)	24,332	329,475
Francophone Africa	143,614	307,531	(470,491)	185,694	166,348
International Ministries	1,381,371	2,436,311	(1,948,496)	(848,280)	1,020,906
Latin America	176,463	334,496	(270,538)	53,997	294,418
Middle East and North Africa	298,198	600,345	(591,997)	(44,344)	262,202
South Asia	177,603	90,152	(96,060)	5,933	177,628
South Pacific	114,421	150,443	(137,165)	(12,978)	114,721
North America	13,027	79,314	(74,897)	27,907	45,351
TOTAL RESTRICTED FUNDS	4,503,862	7,693,467	(7,688,704)	(601,228)	3,907,397

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

17. Unrestricted funds

Group

	Opening balance at 1 Jan 2019 US\$	Incoming resources US\$	Outgoing resources US\$	Transfers US\$	Closing balance at 31 Dec 2019 US\$
Designated funds:					
Property fund	1,527,705	-	-	-	1,527,705
Unrestricted fund:					
General fund	789,941	1,079,277	(1,660,852)	601,228	809,594
TOTAL UNRESTRICTED FUNDS	2,317,646	1,079,277	(1,660,852)	601,228	2,337,299

Charity

	Opening balance at 1 Jan 2018 US\$	Incoming resources US\$	Outgoing resources US\$	Transfers US\$	Closing balance at 31 Dec 2018 US\$
Designated funds:					
Property fund	1,527,705	-	-	-	1,527,705
Unrestricted fund:					
General fund	765,992	1,075,453	(1,732,171)	601,228	710,502
TOTAL UNRESTRICTED FUNDS	2,293,697	1,075,453	(1,732,171)	601,228	2,238,207

Transfers between funds

IFES has a general policy of levying a service charge of between 10% and 15% on all gifts received to help cover the costs of administering the different funds and form part of the transfer between funds.

Transfers between funds are also made to offset any deficit in a restricted fund that is not likely to be offset by income during 2020. Restricted funds that were applicable but were restricted to a more general area, were used first. For example, surpluses in restricted funds for the work in 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 2019

18a. Analysis of net assets between funds as at 31 December 2019

Group

	Tangible fixed assets US\$	Long term debtors US\$	Net current assets US\$	Long term liabilities US\$	Total US\$
Restricted funds					
Priority funds	-	-	626,685	-	626,685
Project funds	-	-	1,819,154	-	1,819,154
National movement funds	-	-	1,443,993	-	1,443,993
Capital revolving fund	-	165,773	(62,810)	(32,963)	70,000
TOTAL RESTRICTED FUNDS	-	165,773	3,827,022	(32,963)	3,959,832
Designated funds	1,559,744	-	-	(32,039)	1,527,705
Unrestricted funds	1,434,747	-	(625,153)	-	809,594
	2,994,491	165,773	3,201,869	(65,002)	6,297,131

Charity

	Tangible fixed assets US\$	Long term debtors US\$	Net current assets US\$	Long term liabilities US\$	Total US\$
Restricted funds					
Priority funds	-	-	626,685	-	626,685
Project funds	-	-	1,766,719	-	1,766,719
National movement funds	-	-	1,443,993	-	1,443,993
Capital revolving fund	-	165,773	(62,810)	(32,963)	70,000
TOTAL RESTRICTED FUNDS	-	165,773	3,774,587	(32,963)	3,907,397
Designated funds	1,559,744	-	-	(32,039)	1,527,705
Unrestricted funds	1,345,687	-	(635,185)	-	710,502
	2,905,431	165,773	3,139,402	(65,002)	6,145,604

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

18b. Analysis of net assets between funds as at 31 December 2018

Group

	Tangible fixed assets US\$	Long term debtors US\$	Net current assets US\$	Long term liabilities US\$	Total US\$
Restricted funds					
Priority funds	-	-	695,267	-	695,267
Project funds	-	-	2,377,292	-	2,377,292
National movement funds	-	-	1,413,738	-	1,413,738
Capital revolving fund	-	112,986	(11,151)	(31,835)	70,000
TOTAL RESTRICTED FUNDS	-	112,986	4,475,146	(31,835)	4,556,297
Designated funds	1,558,776	-		(31,071)	1,527,705
Unrestricted funds	1,438,182	-	(648,241)	-	789,941
	<u>2,996,958</u>	<u>112,986</u>	<u>3,826,905</u>	<u>(62,906)</u>	<u>6,873,943</u>

Charity

	Tangible fixed assets US\$	Long term debtors US\$	Net current assets US\$	Long term liabilities US\$	Total US\$
Restricted funds					
Priority funds	-	-	695,267	-	695,267
Project funds	-	-	2,324,857	-	2,324,857
National movement funds	-	-	1,413,738	-	1,413,738
Capital revolving fund	-	112,986	(11,151)	(31,835)	70,000
TOTAL RESTRICTED FUNDS	-	112,986	4,422,711	(31,835)	4,503,862
Designated funds	1,558,776	-		(31,071)	1,527,705
Unrestricted funds	1,417,377	-	(651,385)	-	765,991
	<u>2,976,153</u>	<u>112,986</u>	<u>3,771,326</u>	<u>(62,906)</u>	<u>6,797,558</u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

19. Financial instruments

Financial assets held at amortised cost are cash in hand and at bank. Debtors excluding prepayments and financial liabilities held at amortised cost are all creditors excluding deferred income, social security and other taxes.

	Group		Charity	
	2019	2018	2019	2018
	US\$	US\$	US\$	US\$
Financial assets measured at amortised costs				
Cash at bank	2,438,747	2,838,720	2,373,421	2,810,921
Debtors	1,795,992	1,813,029	1,780,498	1,781,789
	4,234,739	4,651,749	4,153,919	4,592,710
Financial liabilities measured at amortised costs				
Creditors	932,097	774,764	913,744	771,304

	Group	
	2019	2018
	US\$	US\$
Total interest income for financial assets held at amortised cost	34,657	21,148

20. Related parties

The following reimbursements for travel expenses were made to trustees:

	2019		2018	
	Number of trustees	US\$	Number of trustees	US\$
Reimbursed to trustees for committee meetings	13	18,927	11	20,541
	13	18,927	11	20,541

No emoluments have been paid to the trustees (2018 - \$nil). Trustees can be reimbursed for their travel and subsistence expenses in attending meetings. Additionally, trustees may occasionally visit IFES programs within their region, with costs of such trips being met by the charity. Trustees are encouraged to visit at least one international program in every four-year term served.

There are two related bodies linked to IFES (UK): IFES Switzerland, a registered organisation with similar objectives in Switzerland and IFES/USA, a tax-exempt non-profit organisation and classified as a public charity in the USA. IFES Switzerland shares a common board with IFES (UK) whereas relations with IFES/USA are covered by an annually signed agreement called the Agreement for Cooperative Ministry Activities and Funding under which the treasurer and an officer of IFES (UK) sit on the board of IFES/USA as non-voting members.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

Gifts for the wider work of IFES are often routed via these sister organisations. They in turn, pass on these gifts to IFES (UK) as donations/grants less any applicable charges. During the year to 31 December 2019 IFES (UK) received \$4.56 million from IFES/USA (2018: \$4.58 million) and no donations/grants from IFES Switzerland (2018: \$0).

The transactions with IFES (Switzerland) resulted in a debtor being shown on the IFES (UK) balance sheet at \$209,300 (2018 – creditor of \$19,346).

In 2016, IFES (UK) set up a trading subsidiary in Malaysia, IFES Asia, to harness the effective use of technology across the IFES fellowship. Operational costs of this subsidiary for the year were \$482,569 (2018 - \$435,706) and the amount due from the subsidiary at the year-end was \$76,384 (2018 - \$27,801).

IFES (UK) lets a freehold property, original cost £370,000 (\$487,845), to the General Secretary for a rent of \$15,822 (£12,000) per annum.

21. Grants to organisations

	Direct grants	Support costs	2019 US\$	2018 US\$
Albania	29,008	-	29,008	30,024
Bolivia	4,240	-	4,240	1,509
Bosnia	28,747	-	28,747	-
Bulgaria	20,966	-	20,966	-
Canada (2)	35,522	-	35,522	132,399
Caribbean(4)	22,652	60,438	83,090	59,574
Croatia	14,521	-	14,521	20,025
East Asia (4)	32,298	10,955	43,253	103,674
English and Portuguese-Speaking Africa (11)	129,265	117,612	246,877	205,710
Eurasia (8)	431,401	190,843	622,244	361,501
Europe (19)	224,098	201,215	425,313	498,684
France	5,709	-	5,709	18,772
Francophone Africa (16)	53,888	21,221	75,109	107,349
Ghana	11,296	-	11,296	10,576
Guatemala	3,206	-	3,206	6,012
Guyana	12,269	-	12,269	-
Japan	37,262	-	37,262	17,006
Kenya	25,795	-	25,795	25,026
Latin America (14)	82,835	92,133	174,968	181,865
Lithuania	-	-	-	3,276
Macedonia	-	-	-	-
Mexico	62,787	-	62,787	70,036
Middle East and North Africa (5)	22,841	14,909	37,750	69,773
Moldova	27,205	-	27,205	39,081
New Zealand	64,737	-	64,737	87,681
Nigeria	16,257	-	16,257	22,588
Philippines	33,283	-	33,283	20,334
Poland	2,003	-	2,003	853
Portugal	7,152	-	7,152	5,993
Romania	16,544	-	16,544	12,145
Russia	56,095	-	56,095	71,906

NOTES TO THE ACCOUNTS

For the year ended 31 December 2019

Serbia and Montenegro	58,055	-	58,055	60,009
South Africa	6,412	-	6,412	38,710
South Asia (6)	58,771	15,206	73,977	91,245
South Pacific (2)	23,661	37,284	60,945	123,724
Spain	30,372	-	30,372	70,423
St Vincent and the Grenadines	-	-	-	-
Switzerland (2)	32,008	-	32,008	22,542
Uganda	-	-	-	-
Ukraine	163,602	-	163,602	137,560
United Kingdom	98,644	-	98,644	89,802
United States	39,377	-	39,377	34,133
Miscellaneous grant	-	-	-	-
Total grants to organisations	2,024,784	761,818	2,786,602	2,851,520

Direct grants are made from regional budgets to assist the work of the most fragile movements. Other grants are from restricted income and reflect the donor's intention to support a particular movement. All grants are made to organisations. In 2019, grants were made to 135 organisations (2018: 119).

22. Ultimate parent undertaking

The ultimate parent undertaking is IFES (Switzerland), a company incorporated in Switzerland.