



INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS

ANNUAL ACCOUNTS AND TRUSTEES REPORT
2020

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 Septi Bukula (Chair)
 Ms Vira Diukanova
 Dr Janet Epp Buckingham
 Mrs Renee Gibson
 Ms Valerie Goold
 Mrs Fatouma Gouda Sare Keita
 Rev Riad Kassis
 Mr Reji Koshy Daniel
 Mrs Mi Sook Lim
 Rev Samuel McCook
 Ms Margaret Akoth Muga
 Rev Christian Rasmussen – appointed 29 May 2020
 Mr Gavin Rothwell
 Mr Greg Smith (Treasurer) - appointed 29 May 2020
 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
 Dr Nishan de Mel
 Mrs Eleanor Ehresman
 Ms Deborah Kong
 Mr Greg Smith (committee Chair)
 Mr Jamil Chabouh (Acting General Secretary – ex-officio, non-voting)
 Mr Nicholas Addo (Chief Financial Officer – ex-officio, non-voting)
 Mr Timothy Adams (Associate General Secretary – ex-officio, non-voting)
 Mr Martin Haizmann (Associate General Secretary – ex-officio, non-voting)

OFFICERS

Acting General Secretary (till 31 December 2020)
 General Secretary (from 1 January 2021)
 Company Secretary

Mr Jamil Chabouh
 Mr Timothy Adams
 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
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RG1 1PL

REPORT OF THE TRUSTEES OF THE INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS

For the year ended 31 December 2020

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 2020.

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 has been 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**.

A new strategy is being prepared to take IFES beyond the period of the Living Stones vision. Consultation with national movements for the new strategy started at the World Assembly in 2019. Further work has been done to take account of the implications of the global Coronavirus pandemic for student ministry. The new strategy for the next 10 years will be shared with the Fellowship in the second quarter of 2021.

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. In 2020 perhaps more than in any other year, there has been ample opportunity for staff and students of IFES national movements to express their faith in practical acts of service in their local communities.

As countries went into varying degrees of lockdown in March 2020 in the face of the growing COVID-19 emergency, IFES movements quickly identified ways to serve their local communities. Here are just a few examples from different parts of the world.

- During the worst of the pandemic, IVCF Manila showed love to their city. The group made face shields for police and other workers on the front line. Staff workers and students from IVCF Manila also provided meals for police officers and the homeless, growing their distribution from 38 meals to 726 across the city. The initiatives were a group effort between IVCF students, staff, and graduates and funded by movement alumni.



- The Beirut explosion in August devastated parts of the city, rendering many students homeless. LIVF Lebanon sprang to action, creating a project called “For You” to minister to students in the worst areas. So far, they have helped 50 students, distributing food vouchers, connecting them with counselling resources, and inviting them to LIVF groups.
- Just weeks before lockdown, NIFES Nigeria introduced a course to address mental health issues from a biblical perspective. It was created by a staff member who had recognized a trend of poor mental health in Nigerian students. The course came at the perfect time. During the lockdown, NIFES moved the course online and used it to reach out to students looking for healthy ways to cope with the pandemic.

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

No one anticipated how student ministry would change in 2020 in the light of the COVID-19 pandemic but IFES helped national movements move forward. Looking back, 2020 was not merely a year of survival, but of innovation and growth.

Nothing expressed this better than the “Our Mission Continues” campaign, launched in March to share the stories of national movements continuing to reach students even in the global pandemic. We heard stories of students in Nepal finding any means to continue meeting



online despite shaky internet. We were inspired with practical tips for converting events to webinars and even heard from Christian students contributing to COVID-19 research.

Through it all, we kept then Acting General Secretary Jamil Chabouh's words in the forefront of our minds: *"This virus is very contagious. So is panic, fear, anxiety, discouragement. But also calm, peace, trust, grace, love, and kindness. We must choose wisely what we want to spread around us."*

And truly, IFES kept the peace of Christ at the centre of our witness. This attitude of grace was explicitly expressed through a global day of prayer in May, where students, staff, and supporters from around the world gathered on video calls over the course of the day to pray for IFES ministry and to hear how students and staff were continuing the mission. The day was a powerful expression of our unity as a fellowship and the importance of keeping prayer at the centre.

We are thankful for God's continued blessing, despite the challenges of 2020. With grateful hearts, we share some of the many ways that he has allowed us to continue our mission over the past year.

EVANGELISM

CARRYING ON UNDER COVID

In Innovation

This year national movements innovated new ways to continue ministry. In Latin America, CECE Ecuador changed their approach by starting weekly online workshops and using paid social media promotion to reach students in new cities. With their new contacts, they created a series of training for students interested in planting a university group Bible study on their campus. They are also preparing to launch a new evangelism tool called the InstaProxi, through which participants can invite their followers to have a spiritual conversation on Instagram.



In Outreach

The ups and downs of the pandemic led many to put their faith in Jesus. In the spring, InterVarsity/USA groups in New York and New Jersey saw record-breaking numbers of students come to Christ in the span of one week.

"We've seen an increased openness that the quarantine season has caused. I think they're asking questions about identity, about places of security and I think that's created a lot of space for students to want to engage with Christ." Douglas Paillere, staff worker, InterVarsity/USA

In Prayer

The pandemic has pushed groups to be fervent in prayer. When the CARIFES regional missions conference was cancelled, the region planned 40 days of prayer instead. Groups

prayed individually throughout the week and then gathered as an entire region to pray together on a weekly Zoom call.

INTERNATIONAL STUDENT MINISTRY (ISM)

Ministry to international students continues to grow even in a global pandemic. This year new groups were started by ChSA Poland, OSCER Romania, and KFS Denmark with a specific focus on students studying outside their home countries. The personal connections made in small groups were a huge blessing to those feeling lonely. There were many creative online and outdoor activities to provide face-to-face connections.

“I was impressed by my ISM group in spring lockdown. It’s always good to have a community and network and something regular to look forward to and help you remember what day of the week it is.”
International student



This year international students also faced pressing physical needs due to the pandemic. Many were unable to afford food and rent during the lockdown. In the South Pacific region, AFES Australia met these needs by distributing care packages with food, information about FOCUS (their groups for international students), and a gospel.

To read more stories about international student ministry, visit ifesworld.org/evangelism.

PIONEERING

This year IFES continued to help pioneering efforts, even in COVID-19 conditions. When Aida Banyuls who is pioneering student ministry in Equatorial Guinea, became stranded in Spain, she continued her work from there, taking part in online events for Spanish students, mobilizing students to pray for Equatorial Guinea, and reaching out to students from Equatorial Guinea who were studying outside of their country.



Pioneering continued elsewhere in the world, like Latin America, where Pablo Galaz marked one year of pioneering ministry in a new region for GBU Chile in Patagonia. Pablo has spent a large portion of his time driving long distances in the region, helping pastors and leaders understand the value of student ministry. He has also invested in a student, Nicholas, who is now helping Pablo reach more students.

Since it was launched in 2018, the IFES Breaking New Ground project has given 93 grants to support the start of 497 new groups in 67 countries. While no grants were disbursed in the 2020 calendar year, Breaking New Ground continued to offer support and training to the network of pioneers. The group had planned to have a 2020 gathering in Ireland but it was postponed. Instead, the network met virtually for a time of fellowship and sharing updates.

To read more stories about pioneering, visit ifesworld.org/pioneer.

REVIVE

Just weeks after the IFES Europe student evangelism conference *Revive 2019*, the pandemic hit Europe. Students who had attended the conference reached out to the Revive leaders, asking for a virtual day of prayer. In March, more than 250 people from Europe and beyond gathered on a Zoom call to pray for God to move in Europe during the crisis. They heard testimonies from the hardest hit regions and broke into small groups for prayer. After the

event ended, many students stayed on the call for two extra hours, pulling out drums and guitars for a post-prayer jam session.

Students were so moved by the meeting that organisers planned a second one – inviting Professor John Lennox to speak on the topic of his book, *Where is God in a Coronavirus World?* John Lennox is a mathematics professor from the University of Oxford who is renowned for integrating faith with science and philosophy.

The next Revive conference is planned for December 2021.

FEUER CONFERENCE

This year IFES national movements have partnered for evangelism through the Fellowship of Evangelists in the Universities of Europe (FEUER). This IFES-led network has seen hundreds of mission weeks held in universities across 40 countries with a growing team of evangelists equipped to speak at them. In November they organized a conference with 550 participants from 62 countries. The online format allowed the participation of a wider reach of countries outside of Europe including Burkina Faso, Mexico, Argentina, and Nepal. During the event, hundreds of students and staff logged on to hear evangelistic presentations from professors, professionals, and preachers from around the world.



As a result of these presentations, a Serbian professor came to faith. He had been invited to give feedback from a non-Christian perspective, not knowing that the week would change his life. Now, other evangelists are calling him a Serbian John Lennox, after the British academic and apologist. He is now part of a group learning to preach.

During the conference, groups from Ukraine and Israel shared how they have been creatively using Instagram to post short evangelistic talks. They were inspired by the Scottish Christian students who had hosted a whole week of events for every university in the country.

LEADERSHIP DEVELOPMENT

IFES believes that the leaders of tomorrow are students today. The following examples show the strategic ways that IFES develops students, graduates, and staff for ministry. To read more examples of leadership development within IFES, go to ifesworld.org/leadership.

GLOBAL LEADERSHIP INITIATIVE

The Global Leadership Initiative mentors promising young leaders within national movements. These are people who already have proven integrity, commitment, faithfulness, and maturity in their ministry. It gives them exposure to the global Fellowship within a group of 20 other leaders from around the world.



This year the Global Leadership Initiative (GLI) continued to journey with their second cohort, which consists of 21 young leaders from all eleven IFES regions. After an informal meeting at World Assembly in 2019, the cohort was able to meet again in Ukraine in March (see photo). It was the last in-person IFES international gathering before the world went into lockdown. Because her country's borders closed, one Mongolian participant was unable to return home until July.

The final GLI gathering was due to happen in September 2020 but had to be postponed. Online one-to-one mentoring has continued with all the participants and as soon as possible, they will meet for the final gathering.

GLI is equipping a pool of leaders who will be available to take on responsibilities in regional or global projects and positions. Three people from this initiative have been invited to join the program planning team for the next IFES World Assembly in 2023 in Indonesia. On the national level, several previous participants have become staff workers in their movements.

IFES EAST ASIA CONFERENCES

In East Asia, conferences to develop and unite students continued online. While the 2020 East Asia Regional Conference (EARC) was cancelled in person, 900 students attended a two-day online conference in July. The theme “Unfinished” was an expository study on Ezekiel, looking at the unfinished task ahead of reaching the world with the gospel. EARC is rescheduled for 2024 in Thailand.

The first East Asia Staff Conference was to have been held in 2020, but it was postponed until February 2022 as it was decided that this needs to happen in-person. FES Malaysia will host this conference which is expected to gather 300 staff for the theme “Towards a New Horizon.”

EURASIA INSTITUTE

Usually, the Eurasia Institute is a residential training program run over several weeks in early summer. Because of the pandemic, the regional team decided to reshape it into monthly online sessions. The meetings focused on discipleship, a timely topic since the region was concentrating on small groups and one-to-one relationships during the pandemic. The program looked at biblical examples of discipleship and trained students to preach the gospel and build relationships with students from other cultures and religions.

STRENGTHENING AND SUPPORTING NATIONAL MOVEMENTS

VIRTUAL SOLUTIONS FOR COVID-19

No one anticipated how student ministry would change in 2020, but IFES helped national movements and regional teams not only to survive, but to innovate and grow.

E-learning

E-learning courses helped students and staff creatively adapt to an unpredictable environment. After participating in the Engaging the University online course, Janet, a Malaysian international student in CUI Ireland was inspired to organize an online discussion night over a popular TV series, incorporating the theme of unconditional love. Janet said that she was grateful for the e-learning format of the course because it put her in contact with other students who understood the frustrations of taking ministry online.

“With the pandemic, it is a bit harder to do outreach now. But the course has been so helpful. I met other people who had also set up student groups around the world and we talked about how hard online ministry is sometimes. I got really encouraged by that and I was able to encourage others as well.”

Online Events

We have created web-based programs to continue sharing ideas across the international network. So far, webinars have been held for Scripture Engagement, Indigenous Support Development, and Governance Development.



Regional teams and national movements followed suit, turning small, local events into national, regional, and even global virtual gatherings. Students and staff were able to fellowship with each other through web-conferencing platforms in ways not imagined before.

SOLIDARITY FUND - SUPPORTING NATIONAL MOVEMENTS DURING COVID-19

The Solidarity Fund gave opportunity for IFES staff and national movements to support other movements facing financial challenges during COVID-19. The fund disbursed small grants to help with ongoing operational and ministry costs. Fifteen grants were given, mostly to movements in Francophone Africa and Latin America.

For SULTAM Lesotho, the grant covered daily expenses like communication and electricity, and provided for staff workers.

“The grant is going to help us reinstate our staff workers who we could not pay due to financial constraints. Staff workers will be able to put bread on the tables of their families for the well-being of the family. And with more hands in place, we will be able to cover more campuses at a go and ministerial goals will be achieved.” Staff worker, SULTAM Lesotho

The fund will continue to provide assistance for struggling movements in 2021.

INDIGENOUS SUPPORT DEVELOPMENT (ISD)

The first ISD e-learning course, ‘Introduction to Indigenous Support Development,’ launched in September 2019 in English and French, with further releases in Spanish, Russian, and Portuguese throughout 2020. This is an important milestone in multiplying the impact of ISD and many national movements are already seeing the benefits. The e-learning format allowed the course to continue during the year, giving movements training to help them continue to develop partnerships during the crisis.

ISD has also made it possible for movements to support each other. From September to December, national movements in Eurasia raised \$1,270 to help CSC Moldova pay staff salaries.

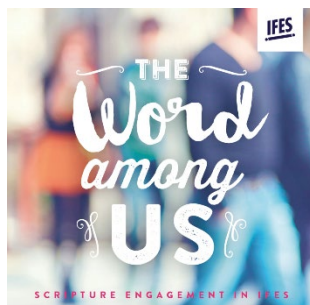
GOVERNANCE DEVELOPMENT

In 2020, Governance Development training continued to help national movements establish and maintain healthy governance structures. Though all initial training was postponed during the year, the team was still able to conduct nine online follow-up visits, one coaching session, and several consulting sessions with various national boards.

Six regions hosted Matt.25 eForum events, online events that combined the basic elements of governance training, practical ideas and solutions for boards functioning in the COVID-19 context. Responding to the success of the eForum in Eurasia in November 2020, board members expressed a desire for a follow-up edition in 2021. Plans are also being made for another forum in Latin America.

Governance Development e-learning courses were also helpful throughout the year. In 2020, a total of 18 cohorts participated in these courses. A new course will launch in April 2021 called “Passing the Torch - Make change a positive experience.”

SCRIPTURE ENGAGEMENT



Scripture Engagement efforts also explored new online formats this year. In the South Asia region, a series of webinars ran under the theme: “The Word among us - The Groans of Life and the God on the Cross.” Participants used psalms of lament to explore how they can transform their minds to face the challenges of life and bring hope to their contexts.

“God has refreshed the Scriptures in my life. His vision has been refreshed in me. Growing through this Scripture Engagement webinar was a source of motivation for missionary work.”

Staff worker, South Asia

Since the pandemic forced movements to quickly change their ministry approach, it was important to share new ideas with each other. In the Latin America region, IFES movements learned from each other by creating forums to share their best practices.

One new idea came from ABUB Brazil, which created a series of Bible studies addressing the topic of fake news. A multidisciplinary team of students, staff, volunteer staff and university professors worked together to prepare 12 Bible studies on the topic. The initiative gave movements a concrete example of how to biblically address a current challenge.

ENGAGING THE UNIVERSITY

The university is the place where people engage with big questions. Through teaching, research, disciplinary dialogues and discussions, IFES supports students, faculty, and researchers to join and re-orient conversations across the academic world. This has continued online during 2020. So far, three learning cohorts of 490 learners from 80 countries have completed the “Introduction to Engaging the University” e-learning course.

A significant development in 2020 has been the setting up of the Logos and Cosmos Initiative, a five-year program that will focus on mentoring students, staff, and academics in Latin America and Francophone Africa. Partly funded by the Templeton Foundation, the project will equip and fund participants to carry out projects in the university that foster dialogue between theology and the sciences, both social and natural. Beginning in 2021, it is an extension of our commitment to impact all of society for the glory of Christ.

For more information visit ici.ifesworld.org/.

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. In recent years we have increasingly moved towards use of cloud-based technology that allows us to collaborate across the three offices. This meant that we were well-placed to continue with minimal disruption to services when staff in all three locations were required to work from home in March 2020. A few staff in the UK office were put on furlough for varying lengths of time. The UK government support scheme was particularly welcome in providing support for the facilities management positions while the office was closed.

Recognising a need to invest intentionally in global and regional staff care and development, a new senior management role was created during the year with the appointment of John Criswell as Head of People and Culture. In preparation for the new post, a number of surveys were conducted amongst staff and national movements in order to identify areas that should be given priority attention.



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 a small in-house supporter relations team based in the UK, USA 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.

IFES LEADERSHIP

Throughout 2020 while the search process continued for a new General Secretary, Jamil Chabouh served as Acting General Secretary, supported by Associate General Secretaries Tim Adams and Martin Haizmann.

At the end of 2019, a Discernment and Search Committee started the process to identify a new General Secretary. A thorough search process continued throughout the first half of 2020 and final candidates were recommended for interview by the Board. When it became apparent that it would not be possible to meet the candidates in person, the Board agreed to conduct the interviews virtually. In order to honour the IFES Constitution which requires that member movements confirm the Board's appointment of a General Secretary, an online poll was conducted, resulting in strong affirmation of the appointment of Tim Adams as the fifth General Secretary of IFES.



Tim's appointment took effect on 1 January 2021. He has a 22-year history with IFES, giving him the experience and insight to serve the global student ministry. Since being appointed as Associate General Secretary in 2014, Tim has been central to the development and launch of a number of innovative ministry projects. He well understands the diverse cultural contexts in which IFES operates and has strong relationships with leaders around the world. We are thankful to God for providing Tim to serve as IFES General Secretary at this point in our history.

Unusually the Board and its sub-committees were unable to meet in person during the year. However, meetings continued on Zoom, making use of technology to keep connected. Following consultation with member movements, two new Board members were appointed in May, filling vacancies that had been left in 2019. The

Board now has a full complement for the remainder of its term up to World Assembly 2023 and members are eagerly anticipating being able to meet in person as soon as travel restrictions are eased.

LOOKING AHEAD

STRATEGY DEVELOPMENT

As we anticipate a post-pandemic return to in-person meetings and real-world interaction, we will be giving careful consideration to the lessons we have learned over the past year. We have found that many activities can be successfully done online, and we have discovered which aspects of our ministry particularly suffer when we are unable to meet in person. We do not assume that everything will return to the same as it was before the pandemic and we will seek to integrate the experiences of the past year into our ministry and activity plans for the future.

As mentioned above, the period of the Living Stones vision has now come to an end and work is underway to articulate a strategy that will guide our work in the next 10 years. Extensive consultation over past months has allowed national movements and other stakeholders to contribute to the process. The new strategy will be communicated to the Fellowship in the second quarter of 2021.

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 presented by the Coronavirus pandemic in restricting travel and in-person gatherings.

Training is 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.

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. The Board may fill any vacancies during its 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) or the Executive Officer to the Committees, 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 2020 have been reflected in the notes to the accounts (2019 – \$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 2020 are set out in the accounts on pages 22 - 43.

In comparison with 2019 when two major events generated income of approximately US\$2.5 million, the effect of COVID-19 and the absence of any major events in 2020 resulted in a 30% drop in income. Not surprisingly, total expenditure was also reduced by 38% as programs were adjusted to accommodate an anticipated drop in income and the need to move many activities online in response to the global lockdown. Thankfully we ended the year with a net surplus of US\$303,000, in part due to an unexpected increase in legacy income.

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\$2.6 million. In addition to the usual level of grants, in 2020 we made grants totalling US\$66,000 to 18 national

movements adversely impacted by the pandemic. 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 2020. 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\$12,807) 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 2021 budget for IFES would require a free reserves figure between US\$350,000 and US\$875,000. At the end of 2020, total unrestricted funds for the group stood at \$2.8 million but with tangible fixed assets valued at approximately \$2.9 million, the group ended the year with negative free reserves of \$100,000.

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. Taking into account the free reserves of US\$418,000 in IFES Switzerland, we are therefore able to report overall positive free reserves of US\$318,000. Senior management continue to work closely with the Board to ensure that we continue to build up our free reserves.

INVESTMENTS

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, 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 2021

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

OPINION

We have audited the financial statements of International Fellowship of Evangelical Students ('the charitable company') for the year ended 31 December 2020 which comprise Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated Cash Flow and notes to the financial statements, including 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 2020 and of the group's 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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:

- adequate and proper accounting records have not been kept; or
- the 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 15, 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations.

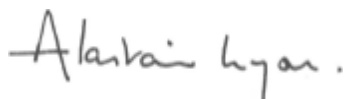
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income, in particular donations and legacies, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, sample testing of documentation relating to income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Reading

7 June 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 December 2020

	Note	Unrestricted Funds US\$	Restricted Funds US\$	Total Funds 2020 US\$	Total 2019 US\$
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	1,405,497	4,371,526	5,777,023	7,549,562
Fundraising and other trading activities		19,058	3,863	22,921	58,824
Investments		7,212	-	7,212	23,034
Charitable activities	3	811	128,313	129,124	1,063,424
UK Government grant		28,782	26,372	55,154	-
Other sources		132,689	13,862	146,551	77,900
TOTAL		1,594,049	4,543,936	6,137,985	8,772,744
EXPENDITURE ON:					
Raising funds	5	406,173	3,659	409,832	436,546
Charitable activities					
Student ministry	4	1,195,804	4,229,268	5,425,072	8,913,010
TOTAL	9	1,601,977	4,232,927	5,834,904	9,349,556
Net income/(expenditure) Before transfers		(7,928)	311,009	303,081	(576,812)
Transfers between funds	16,17	492,969	(492,969)	-	-
Net movement in funds		485,041	(181,960)	303,081	(576,812)
Balances brought forward at 1 January		2,337,299	3,959,832	6,297,131	6,873,943
Balances carried forward at 31 December	16,17	2,822,340	3,777,872	6,600,212	6,297,131

A breakdown by fund type of the 2019 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 2020
Company number: 876229

		Group		Charity	
		2020	2019	2020	2019
		US\$	US\$	US\$	US\$
FIXED ASSETS					
Tangible assets	10	2,903,858	2,994,491	2,836,848	2,905,430
Investments	11	-	-	1	1
		<u>2,903,858</u>	<u>2,994,491</u>	<u>2,836,849</u>	<u>2,905,431</u>
Debtors: Amounts falling due after one year	12	<u>105,476</u>	<u>165,773</u>	<u>105,476</u>	<u>165,773</u>
CURRENT ASSETS					
Debtors	12	918,537	1,630,218	907,155	1,614,724
Cash at bank		<u>3,060,275</u>	<u>2,438,747</u>	<u>3,026,544</u>	<u>2,373,420</u>
		3,978,812	4,068,965	3,933,699	3,988,144
CREDITORS					
Amounts falling due within one year	13	<u>(321,135)</u>	<u>(867,096)</u>	<u>(316,716)</u>	<u>(848,742)</u>
NET CURRENT ASSETS		<u>3,657,677</u>	<u>3,201,869</u>	<u>3,616,983</u>	<u>3,139,402</u>
Total assets less current liabilities		6,667,011	6,362,133	6,559,308	6,210,606
Creditors: Amounts falling due after one year	14	<u>(66,799)</u>	<u>(65,002)</u>	<u>(66,799)</u>	<u>(65,002)</u>
NET ASSETS		<u><u>6,600,212</u></u>	<u><u>6,297,131</u></u>	<u><u>6,492,509</u></u>	<u><u>6,145,604</u></u>
FUNDS					
Restricted funds	16	3,777,872	3,959,832	3,725,437	3,907,397
Unrestricted funds	17	2,822,340	2,337,299	2,767,072	2,238,207
		<u><u>6,600,212</u></u>	<u><u>6,297,131</u></u>	<u><u>6,492,509</u></u>	<u><u>6,145,604</u></u>

Approved by the Board of Directors on 29 May 2021
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 2020

	2020	2019
	US\$	US\$
Cash flows from operating activities:		
Net movement in funds	303,081	(576,812)
Decrease/(increase) in debtors	718,861	74,549
Increase/(decrease) in creditors	(545,965)	155,233
Gain on disposal of fixed assets	483	859
Depreciation	124,575	109,544
Investment income	(7,212)	(23,034)
Revaluation and exchange (gains)/loss	(4,255)	(593)
Net cash provided by operating activities	<u>589,568</u>	<u>(260,254)</u>
Cash flows from investing activities		
Interest and other investment income received	7,212	23,034
Proceeds of disposal	-	1,707
Purchase of tangible fixed assets	(34,425)	(109,643)
Net cash (used in) investing activities	<u>(27,213)</u>	<u>(84,902)</u>
Cash flows from financing activities		
New capital revolving fund loan made	(50,000)	(76,755)
Repayments of capital revolving staff loans	109,299	22,063
Repayment of loans	(126)	(127)
Net cash (used in) financing activities	<u>59,173</u>	<u>(54,819)</u>
Change in cash and cash equivalents in the year	<u>621,528</u>	<u>(399,975)</u>
Movement in cash and cash equivalents	2020	2019
	US\$	US\$
Increase/(decrease) in cash in the year	621,528	(399,975)
Cash and cash equivalents at 1 January	<u>2,438,747</u>	2,838,721
Cash and cash equivalents at 31 December	<u>3,060,275</u>	<u>2,438,747</u>
Analysis of cash and cash equivalents	2020	2019
	US\$	US\$
Cash in hand	68,283	19,738
Notice deposits (less than 3 months)	2,774,040	2,207,380
Other currency holdings	217,952	211,629
Net Cash	<u>3,060,275</u>	<u>2,438,747</u>

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

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
For the year ended 31 December 2020

Analysis of changes in net debt

	At 1 January 2020	Cashflow	Foreign exchange movements	At 31 December 2020
Cash	231,367	54,868		286,235
Cash equivalents	2,207,380	566,660		2,774,040
	<u>2,438,747</u>	<u>621,528</u>	-	<u>3,060,275</u>
Loans falling due within one year	(132)	(4)		(136)
Loans falling after more than one year	(65,002)	(1,797)		(66,799)
	<u>2,373,613</u>	<u>619,727</u>	-	<u>2,993,340</u>

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

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

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 2020

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 2020

p) Investments

Unlisted investments are carried at historic cost.

q) Functional currency

As an international non-governmental organisation operating in over 160 countries, IFES UK has chosen the US dollar as its functional currency.

r) 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 2020

2. Income – donations and legacies

Originating country	2020 US\$	2019 US\$
United States of America	2,798,594	4,634,514
United Kingdom	2,045,366	1,692,158
Canada	204,407	272,595
Bahamas	33,005	197,478
Switzerland	30,367	60,390
Germany	205,950	331,089
Norway	73,179	84,745
Australia	12,718	14,125
Singapore	13,740	17,762
Denmark	21,468	21,240
Republic of Ireland	13,688	22,423
Korea	6,774	765
Netherlands	36,323	30,164
Other	281,444	170,114
	<u>5,777,023</u>	<u>7,549,562</u>

Legacies received in the year amounted to \$334,576 (2019: \$90,732).

3. Income from charitable activities

	2020 US\$	2019 US\$
World Assembly	-	551,095
IFES Interaction fees	-	12,051
Other event fees	129,124	500,278
	<u>129,124</u>	<u>1,063,424</u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

4. Charitable activities expenditure

	Unrestricted funds US\$	Restricted funds US\$	Total funds 2020 US\$	Total funds 2019 US\$
Caribbean	-	88,468	88,468	126,910
East Asia	-	171,608	171,608	171,709
English- and Portuguese-Speaking Africa	-	297,380	297,380	451,552
Eurasia	-	581,619	581,619	1,046,310
Europe	-	1,196,053	1,196,053	2,302,585
Francophone Africa	-	227,009	227,009	470,492
Latin America	-	330,838	330,838	270,534
Middle East and North Africa	-	388,689	388,689	591,995
South Asia	-	58,151	58,151	96,060
South Pacific	-	139,920	139,920	137,165
North America	-	115,140	115,140	74,899
International Ministries	428,302	372,291	800,593	1,825,209
Support costs	767,502	262,102	1,029,604	1,347,590
	1,195,804	4,229,268	5,425,072	8,913,010

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 \$842,071 (2019: \$1,022,474). Support costs were also recharged to International Ministries of \$187,533 (2019: \$325,116). 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 2020 US\$	Total funds 2019 US\$
Staff costs	184,933		184,933	149,121
Supporter raising	22,430	3,659	26,089	40,537
Appeals & portfolio	7,723		7,723	7,619
Prayer materials	25,891		25,891	27,524
Miscellaneous expenses	118		118	979
Support costs apportioned (notes 6,7)	165,078		165,078	210,766
	406,173	3,659	409,832	436,546

6a. Analysis of Charitable Activities by Mission Priorities

	Direct costs US\$	Support costs US\$	2020 US\$	2019 US\$
Evangelism	237,607	55,556	293,163	1,396,195
Pioneering	312,667	73,105	385,772	516,873
Leadership development	385,809	92,097	477,906	2,341,098
Strengthening & supporting national movements	848,536	198,398	1,046,934	1,377,828
Direct grants to national movements	2,610,849	610,448	3,221,297	3,281,016
	4,395,468	1,029,604	5,425,072	8,913,010

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

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

	Evangelism	Pioneering	Leadership development	Strengthening & supporting NMs	Direct grants to NMs	2020	2019
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Caribbean	-	5,508	-	24,333	58,627	88,468	126,910
East Asia	-	23,631	-	-	147,977	171,608	171,709
English- & Portuguese-speaking Africa	-	910	3,342	5,177	287,951	297,380	451,552
Europe	142,936	1,272	252,416	9,968	789,461	1,196,053	2,302,584
Eurasia	-	-	510	1,112	579,997	581,619	1,046,310
Francophone Africa	-	-	-	65,006	162,003	227,009	470,492
Latin America	-	-	54,760	6,121	269,957	330,838	270,534
Middle East & North Africa	-	234,114	736	131,746	22,093	388,689	591,995
South Asia	-	16,105	908	-	41,138	58,151	96,060
South Pacific	-	3,415	-	-	136,505	139,920	137,165
North America	-	-	-	-	115,140	115,140	74,899
International ministries	94,671	27,712	73,137	605,073	-	800,593	1,825,210
	237,607	312,667	385,809	848,536	2,610,849	4,395,468	7,565,420
Support costs	55,556	73,105	92,097	198,398	610,448	1,029,604	1,347,590
	293,163	385,772	477,906	1,046,934	3,221,297	5,425,072	8,913,010

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

7. Apportionment of support costs

Support Cost	Evangelism	Pioneering US\$	Leadership development US\$	Strengthening & supporting NMs US\$	Direct grants to NMs US\$	Raising funds US\$	2020	2019	Basis of allocation
							Total US\$	Total US\$	
Finance	14,202	18,688	23,060	50,717	156,050	14,629	277,346	268,993	Direct costs
General management	33,434	43,996	54,288	119,399	367,377	34,440	652,934	563,517	Direct costs
Communications	5,426	7,140	8,810	19,377	59,620	111,551	211,924	330,832	Staff time
Senior management	194	254	2,204	691	2,127	2,089	7,559	21,165	Staff time
Governance	2,300	3,027	3,735	8,214	25,274	2,369	44,919	373,849	Direct costs
	55,556	73,105	92,097	198,398	610,448	165,078	1,194,682	1,558,356	

Audit fees included under Governance costs above came to US\$17,263 (2019 – US\$19,619).

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

8. Statement of Financial Activities for the year ended 31 December 2019

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

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

9. Information regarding employees

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

	2020 US\$	2019 US\$
Wages and salaries	2,178,357	2,160,072
Social security costs	181,084	173,811
Pension costs	247,516	409,580
Other staff costs	-	36,017
	<u>2,606,957</u>	<u>2,779,480</u>

No employee had earnings within \$81,894 (£60,000) - \$95,543 (£70,000) band in the year (2019: one).

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

	2020	2019
Student ministries	43	44
Communications	5	2
Supporter relations	3	5
Senior management	6	7
Other management and administration	21	27
	<u>78</u>	<u>85</u>

Total remuneration for senior management comprising General Secretary, Associate General Secretaries and chief officers in the year was \$365,850 (2019 - \$441,360). 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 2020	2,758,789	563,399	88,793	433,011	145,362	3,989,354
Additions during year	-	-	-	29,944	4,481	34,425
Disposals during year	-	-	-	(68,276)	(2,356)	(70,632)
At 31 December 2020	<u>2,758,789</u>	<u>563,399</u>	<u>88,793</u>	<u>394,679</u>	<u>147,487</u>	<u>3,953,147</u>
Depreciation						
At 1 January 2020	406,500	77,292	77,729	312,171	121,171	994,863
Charge during year	52,801	-	8,641	48,105	15,028	124,575
Disposals during year	-	-	-	(67,894)	(2,255)	(70,149)
At 31 December 2020	<u>459,301</u>	<u>77,292</u>	<u>86,370</u>	<u>292,382</u>	<u>133,944</u>	<u>1,049,289</u>
Net book values						
At 31 December 2020	<u>2,299,488</u>	<u>486,107</u>	<u>2,423</u>	<u>102,297</u>	<u>13,543</u>	<u>2,903,858</u>
At 1 January 2020	<u>2,352,289</u>	<u>486,107</u>	<u>11,064</u>	<u>120,840</u>	<u>24,191</u>	<u>2,994,491</u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

Charity	Leasehold property US\$	Freehold property US\$	Leasehold improvements US\$	Computers US\$	Office furniture & equipment US\$	Total US\$
Cost						
At 1 January 2020	2,758,789	563,399	88,793	326,965	135,012	3,872,958
Additions during year	-	-	-	24,661	4,481	29,142
Disposals during year	-	-	-	(68,276)	(2,356)	(70,632)
At 31 December 2020	<u>2,758,789</u>	<u>563,399</u>	<u>88,793</u>	<u>283,350</u>	<u>137,137</u>	<u>3,831,468</u>
Depreciation						
At 1 January 2020	406,501	77,292	77,729	291,769	114,237	967,528
Charge during year	52,801	-	8,641	22,963	12,836	97,241
Disposals during year	-	-	-	(67,894)	(2,255)	(70,149)
At 31 December 2020	<u>459,302</u>	<u>77,292</u>	<u>86,370</u>	<u>246,838</u>	<u>124,818</u>	<u>994,620</u>
Net book values						
At 31 December 2020	<u>2,299,487</u>	<u>486,107</u>	<u>2,423</u>	<u>36,512</u>	<u>12,319</u>	<u>2,836,848</u>
At 1 January 2020	<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>

11. Investments

	Group Investment in subsidiaries US\$	Charity Investment in subsidiaries US\$
Cost		
At 31 January 2020	-	1
At 31 December 2020	<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

<i>Current Assets</i>	Group		Charity	
	2020 US\$	2019 US\$	2020 US\$	2019 US\$
Due from IFES (Switzerland)	174,428	209,300	174,428	209,300
Other debtors	43,629	30,520	43,154	23,282
Income receivable	581,348	1,337,006	581,348	1,337,006
Prepayments	85,184	26,624	74,277	18,368
Capital revolving fund loans	33,948	26,768	33,948	26,768
	<u>918,537</u>	<u>1,630,218</u>	<u>907,155</u>	<u>1,614,724</u>
Long Term Debtors				
Capital revolving fund loans	<u>105,476</u>	<u>165,773</u>	<u>105,476</u>	<u>165,773</u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

13. Liabilities: amounts falling due within one year

	2020	2019	2020	2019
	US\$	US\$	US\$	US\$
Trade creditors	145,917	490,586	145,917	490,585
Other creditors	129,076	200,686	129,076	200,686
Accruals and deferred income	46,006	175,692	41,587	157,339
Other loans (due within 1 year)	136	132	136	132
	<u>321,135</u>	<u>867,096</u>	<u>316,716</u>	<u>848,742</u>

Included within other creditors is \$26,199 (2019: \$29,626) in relation to social security and other taxes.

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

	2020	2019	2020	2019
	US\$	US\$	US\$	US\$
Property fund loan	32,856	32,039	32,856	32,039
Capital revolving fund loan	33,943	32,963	33,943	32,963
	<u>66,799</u>	<u>65,002</u>	<u>66,799</u>	<u>65,002</u>

15. Commitments under operating leases

At 31 December 2020, IFES had future minimum lease payments under non-cancellable operating leases as follows

	2020	2019
	US\$	US\$
Not later than 1 year	3,307	3,213
Later than 1 year but not later than 5 years	4,685	7,762
	<u>7,992</u>	<u>10,975</u>

16. Restricted funds

Group

a) By fund	Opening balance at 1 Jan 2020	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 2020
	US\$	US\$	US\$	US\$	US\$
Priority funds	626,685	1,368,352	(1,668,996)	26,951	352,992
Project funds	1,819,154	1,285,963	(800,269)	(652,378)	1,652,470
National movement funds	1,443,993	1,889,621	(1,763,662)	132,458	1,702,410
Capital revolving fund	70,000	-	-	-	70,000
TOTAL RESTRICTED FUNDS	<u>3,959,832</u>	<u>4,543,936</u>	<u>(4,232,927)</u>	<u>(492,969)</u>	<u>3,777,872</u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

b) By region	Opening balance at 1 Jan 2020	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 2020
	US\$	US\$	US\$	US\$	US\$
Caribbean	133,277	83,887	(88,468)	4,523	133,219
East Asia	250,423	140,801	(171,608)	11,346	230,962
English- and Portuguese- speaking Africa	234,583	220,072	(297,380)	63,470	220,745
Europe	878,065	1,545,567	(1,196,053)	(85,317)	1,142,262
Eurasia	329,475	653,044	(581,619)	48,963	449,863
Francophone Africa	166,348	91,647	(227,009)	109,975	140,961
International Ministries	1,073,341	742,735	(638,052)	(577,515)	600,509
Latin America	294,418	175,553	(330,838)	21,856	160,989
Middle East and North Africa	262,202	583,373	(388,689)	(59,370)	397,516
South Asia	177,628	61,529	(58,151)	16,776	197,782
South Pacific	114,721	140,466	(139,920)	(77,349)	37,918
North America	45,351	105,262	(115,140)	29,673	65,146
TOTAL RESTRICTED FUNDS	3,959,832	4,543,936	(4,232,927)	(492,969)	3,777,872

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

Charity

a) By fund	Opening balance at 1 Jan 2020	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 2020
	US\$	US\$	US\$	US\$	US\$
Priority funds	626,685	1,368,352	(1,668,996)	26,951	352,992
Project funds	1,766,719	1,285,963	(800,269)	(652,378)	1,600,035
National movement funds	1,443,993	1,889,621	(1,763,662)	132,458	1,702,410
Capital revolving fund	70,000	-	-	-	70,000
TOTAL RESTRICTED FUNDS	3,907,397	4,543,936	(4,232,927)	(492,969)	3,725,437

b) By region	Opening balance at 1 Jan 2020	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 2020
	US\$	US\$	US\$	US\$	US\$
Caribbean	133,277	83,887	(88,468)	4,523	133,219
East Asia	250,423	140,801	(171,608)	11,346	230,962
English- and Portuguese- speaking Africa	234,583	220,072	(297,380)	63,470	220,745
Europe	878,065	1,545,567	(1,196,053)	(85,317)	1,142,262
Eurasia	329,475	653,044	(581,619)	48,963	449,863
Francophone Africa	166,348	91,647	(227,009)	109,975	140,961
International Ministries	1,020,906	742,735	(638,052)	(577,515)	548,074
Latin America	294,418	175,553	(330,838)	21,856	160,989
Middle East and North Africa	262,202	583,373	(388,689)	(59,370)	397,516
South Asia	177,628	61,529	(58,151)	16,776	197,782
South Pacific	114,721	140,466	(139,920)	(77,349)	37,918
North America	45,351	105,262	(115,140)	29,673	65,146
TOTAL RESTRICTED FUNDS	3,907,397	4,543,936	(4,232,927)	(492,969)	3,725,437

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

17. Unrestricted funds

Group

	Opening balance at 1 Jan 2020 US\$	Incoming resources US\$	Outgoing resources US\$	Transfers US\$	Closing balance at 31 Dec 2020 US\$
Designated funds:					
Property fund	1,527,705	-	-	-	1,527,705
Unrestricted fund:					
General fund	809,594	1,594,049	(1,601,977)	492,969	1,294,635
TOTAL UNRESTRICTED FUNDS	2,337,299	1,594,049	(1,601,977)	492,969	2,822,340

Charity

	Opening balance at 1 Jan 2020 US\$	Incoming resources US\$	Outgoing resources US\$	Transfers US\$	Closing balance at 31 Dec 2020 US\$
Designated funds:					
Property fund	1,527,705	-	-	-	1,527,705
Unrestricted fund:					
General fund	710,502	1,594,049	(1,558,153)	492,969	1,239,367
TOTAL UNRESTRICTED FUNDS	2,238,207	1,594,049	(1,558,153)	492,969	2,767,072

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 2021. 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 2020

18a. Analysis of net assets between funds as at 31 December 2020

Group

	Tangible fixed assets US\$	Long term debtors US\$	Net current assets US\$	Long term liabilities US\$	Total US\$
Restricted funds					
Priority funds	-	-	352,992	-	352,992
Project funds	-	-	1,652,470	-	1,652,470
National movement funds	-	-	1,702,410	-	1,702,410
Capital revolving fund	-	105,476	(1,533)	(33,943)	70,000
TOTAL RESTRICTED FUNDS	-	105,476	3,706,339	(33,943)	3,777,872
Designated funds	1,560,561	-	-	(32,856)	1,527,705
Unrestricted funds	1,343,297	-	(48,662)	-	1,294,635
	2,903,858	105,476	3,657,677	(66,799)	6,600,212

Charity

	Tangible fixed assets US\$	Long term debtors US\$	Net current assets US\$	Long term liabilities US\$	Total US\$
Restricted funds					
Priority funds	-	-	352,992	-	352,992
Project funds	-	-	1,600,035	-	1,600,035
National movement funds	-	-	1,702,410	-	1,702,410
Capital revolving fund	-	105,476	(1,533)	(33,943)	70,000
TOTAL RESTRICTED FUNDS	-	105,476	3,653,904	(33,943)	3,725,437
Designated funds	1,560,561	-	-	(32,856)	1,527,705
Unrestricted funds	1,276,288	-	(36,921)	-	1,239,367
	2,836,849	105,476	3,616,983	(66,799)	6,492,509

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

18b. 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 2020

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	
	2020 US\$	2019 US\$	2020 US\$	2019 US\$
Financial assets measured at amortised costs				
Cash at bank	3,060,275	2,438,747	3,026,544	2,373,421
Debtors	1,024,013	1,795,992	1,012,631	1,780,498
	4,084,288	4,234,739	4,039,175	4,153,919
Financial liabilities measured at amortised costs				
Creditors	387,934	932,097	383,515	913,744

	Group	
	2020 US\$	2019 US\$
Total interest income for financial assets held at amortised cost	13,405	34,657

20. Related parties

The following reimbursements for travel expenses were made to trustees:

	2020		2019	
	Number of trustees	US\$	Number of trustees	US\$
Reimbursed to trustees for committee meetings	1	110	13	18,927
	1	110	13	18,927

No emoluments have been paid to the trustees (2019 - \$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 2020

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 2020 IFES (UK) received \$2.75 million from IFES/USA (2019: \$4.56 million) and no donations/grants from IFES Switzerland (2019: \$0).

The transactions with IFES (Switzerland) resulted in a debtor being shown on the IFES (UK) balance sheet at \$174,428 (2019 – debtor of \$209,300).

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 \$456,167 (2019 - \$482,569) and the amount due from the subsidiary at the year-end was \$107,702 (2019 - \$76,384).

IFES (UK) lets a freehold property, original cost £370,000 (\$487,845), to a former staff member for a rent of \$16,379 (£12,000) per annum.

21. Grants to organisations

	Direct grants	Support costs	2020 US\$	2019 US\$
Albania	46,018	-	46,018	29,008
Bolivia	16,353	-	16,353	4,240
Bosnia	22,509	-	22,509	28,747
Bulgaria	17,966	-	17,966	20,966
Canada (1)	59,510	-	59,510	35,522
Caribbean (2)	4,030	46,291	50,321	83,090
Croatia	-	-	-	14,521
East Asia (5)	63,895	15,187	79,082	43,253
English and Portuguese-Speaking Africa (12)	73,654	120,131	193,785	246,877
Eurasia (8)	288,361	118,391	406,752	622,244
Europe (13)	202,843	309,284	512,127	425,313
France	5,804	-	5,804	5,709
Francophone Africa (10)	74,435	87,568	162,003	75,109
Ghana	14,826	-	14,826	11,296
Guatemala	4,043	-	4,043	3,206
Guyana	8,306	-	8,306	12,269
Japan	60,136	-	60,136	37,262
Kenya	30,011	-	30,011	25,795
Latin America (12)	119,334	68,662	187,996	174,968
Lithuania	4,504	-	4,504	-
Mexico	61,566	-	61,566	62,787
Middle East and North Africa (1)	9,007	13,086	22,093	37,750
Moldova	23,635	-	23,635	27,205
New Zealand	75,934	-	75,934	64,737
Nigeria	19,032	-	19,032	16,257
North Macedonia	10,660	-	10,660	-
Philippines	8,759	-	8,759	33,283
Poland	-	-	-	2,003
Portugal	7,783	-	7,783	7,152
Romania	16,645	-	16,645	16,544
Russia	36,020	-	36,020	56,095
Serbia and Montenegro	49,136	-	49,136	58,055

NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

South Africa	9,956	-	9,956	6,412
South Asia (3)	28,370	12,767	41,137	73,977
South Pacific (1)	4,500	56,071	60,571	60,945
Spain	48,174	-	48,174	30,372
St Vincent and the Grenadines	-	-	-	-
Switzerland (2)	-	-	-	32,008
Uganda	20,341	-	20,341	-
Ukraine	113,590	-	113,590	163,602
United Kingdom	48,135	-	48,135	98,644
United States	55,630	-	55,630	39,377
Miscellaneous grant	-	-	-	-
Total grants to organisations	1,763,411	847,438	2,610,849	2,786,602

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 2020, grants were made to 96 organisations (2019: 135).

22. Ultimate parent undertaking

The ultimate parent undertaking is IFES (Switzerland), a company incorporated in Switzerland with registered offices at Rue du Simplon 37, 1006 Lausanne, Switzerland. Control is exercised by requiring all board members of IFES (Switzerland) to serve as trustees of IFES UK.