

# **GHANA FELLOWSHIP OF EVANGELICAL STUDENTS**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

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# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## OFFICERS OF THE ORGANISATION

### EXECUTIVE COUNCIL

Ing. Magnus Lincoln Quarshie	-	Chairman
Mr. Henry Baye	-	Senior Treasurer
Mr. Victor Obeng	-	General Secretary
Mrs. Rebecca Sittie	-	Member
Mr. Charles C. Oppon	-	Member
Dr. Rosina Kyeremanten	-	Member
Dr. Peter Kwapong	-	Member
Rev. Martin Obeng	-	Member
Mr. Julius Kpekpena	-	Member
Ms Bernice Adigah	-	Member (Staff Rep)
Kwame Adjei Mantey	-	Member (Student Rep)
Eno Abena Effah	-	Member (Student Rep)
Prof. Kobina Nkyekyer	-	Ex-Officio

### REGISTERED OFFICE

Scripture Union Centenary Building  
Between Ridge Hospital and YMCA  
No. C867/3, Castle Road  
Accra

### AUDITORS

Global Auditors  
(Chartered Accountants)  
P. O. Box OS 3010  
Osu-Accra

### BANKERS

#### Local

Standard Chartered Bank (Ghana) Limited)  
Barclays Bank of Ghana Limited  
ECOBANK Ghana Limited

#### Foreign

National Westminster Bank, London

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## AUDITOR'S REPORT TO THE MEMBERS

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

### **Respective Responsibilities of Management and Auditors**

The Fellowship's management is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit on those statements, and to report our opinion to you.

### **Basis of Opinion**

We conducted our audit in accordance with auditing standards issued. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the fellowship's circumstances, consistently applied and adequately disclosed.

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

### **Opinion**

We have obtained all the information and explanations we consider necessary for the purpose of our audit.

In our opinion, proper books have been kept and the financial statements which are in agreement therewith, give a true and fair view of the state of the Fellowship's affairs as at December 31, 2009 and of its excess of income over expenditure for the year then ended and comply with the Companies Code, 1963 (Act179).

*Global Auditors*

CHARTERED ACCOUNTANTS

2<sup>nd</sup> Floor  
Glemin House  
Osu-La Road  
Accra  
Dated: *May 30, 2010*

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## BALANCE SHEET AS AT DECEMEBR 31, 2009

		AS AT DEC 31, 2009 GH ¢	AS AT DEC 31, 2008 GH ¢
	<b>NOTE</b>		
<b>FIXED ASSETS</b>	3	92,711	13,962
<b>WORK IN PROGRESS</b>	4	<u>-</u>	<u>22,960</u>
		92,711	36,652
 <b>CURRENT ASSETS</b>			
Investments		30,187	16,416
Book Stock		-	7
Debtors	5	6,182	5,913
Cash/Bank	6	<u>115,449</u>	<u>87,754</u>
		<u>151,818</u>	<u>110,889</u>
 <b>CURRENT LIABILITIES</b>			
Creditors		1,523	1,246
Accrued Liabilities		<u>722</u>	<u>6,382</u>
		<u>2,245</u>	<u>7,628</u>
 <b>NET CURRENT ASSETS</b>		 <u>149,573</u>	 <u>102,462</u>
		<b><u>242,284</u></b>	<b><u>139,114</u></b>
 <b>REPRESENTED BY</b>			
Accumulated Fund		168,936	128,713
Capital Grant	2f	<u>73,348</u>	<u>10,401</u>
		<b><u>242,284</u></b>	<b><u>139,114</u></b>

.....  
CHAIRMAN

.....  
SENIOR TREASURER

.....  
GEN. SECRETARY

*The notes on pages 7 to 12 form parts of these accounts.*

*Auditor's Report – page 3.*

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## INCOME AND EXPENDITURE ACCOUNT

### FOR THE YEAR ENDED DECEMBER 31, 2009

		FOR THE YEAR ENDED DEC. 31, 2009	FOR THE YEAR ENDED DEC. 31, 2008
		GH¢	GH¢
	NOTE		
Income	7	221,564	153,646
Expenditure	9	<u>(231,780)</u>	<u>(164,566)</u>
		(10,216)	(10,920)
Other Income	8	<u>75,425</u>	<u>86,442</u>
Excess of Income Over Expenditure		<b><u>65,209</u></b>	<b><u>75,522</u></b>

## INCOME SURPLUS ACCOUNT

### FOR THE YEAR ENDED DECEMBER 31, 2009

	GH¢	GH¢
Balance at January 1	128,713	53,191
Adjustment to Capital Grants	<u>(24,986)</u>	<u>-</u>
	103,727	53,191
Surplus for the year	<u>65,209</u>	<u>75,522</u>
Balance at December 31	<b><u>168,936</u></b>	<b><u>128,713</u></b>

*The notes on pages 7 to 12 form parts of these accounts.*

*Auditor's Report – page 3.*

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## INCOME AND EXPENDITURE ACCOUNT

### FOR THE YEAR ENDED DECEMBER 31, 2009

		FOR THE YEAR ENDED DEC. 31, 2009 GH¢	FOR THE YEAR ENDED DEC. 31, 2008 GH¢
	NOTE		
<b>Net Cash provided by Operating Activities</b>	<b>10</b>	<b>59,627</b>	<b>82,450</b>
<b>Cash Flows from Investing Activities</b>			
Capital Grants Received		51,993	-
Purchase of Assets		(93,114)	(5,300)
Work in Progress		22,960	(8,960)
Purchase of Investment		<u>(13,771)</u>	<u>(8,025)</u>
<b>Net Cash used in Investing Activities</b>		<b>(31,932)</b>	<b>(22,285)</b>
<b>Cash Flows from Financing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Cash provided Financing Activities</b>		<u><b>-</b></u>	<u><b>-</b></u>
<b>Net Increase in Cash</b>		<b>27,695</b>	<b>60,165</b>
<b>Cash at the beginning of the year</b>		<u><b>87,754</b></u>	<u><b>27,589</b></u>
<b>Cash at the end of the year</b>		<u><b>115,449</b></u>	<u><b>87,754</b></u>

*The notes on pages 7 to 12 form parts of these accounts.*

*Auditor's Report – page 3.*

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED DECEMBER 31, 2009

#### 1. NATURE OF ACTIVITIES

The Ghana Fellowship of Evangelical Students is registered under the Ghana Companies Code (Act179) as a company limited by guarantee with the following objectives:

- a. to witness to the Lord Jesus Christ as Saviour and Lord, and to lead fellow students to a personal faith with him;
- b. to deepen the spiritual life to Christian students by the devotional study of the Bible, by prayer and by fellowship;
- c. to stimulate interest in evangelistic and missionary work and prayer on its behalf; and
- d. to encourage responsible church membership.

#### 2. STATEMENT OF ACCOUNTING POLICIES

The following is a summary of the more important accounting policies adopted by the organization.

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention.

b. Depreciation

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis at annual rates estimated to write off the assets over their estimated lives. The principal annual rates used for this purpose are:

Buildings	-	5%
Motor Vehicle	-	25%
Furniture & Equipment	-	25%

c. Stocks

Stocks are calculated at the lower of cost and net realizable value. Cost includes all direct expenditure incurred in bringing the stocks to their current location and condition.

d. Debtors

Known bad debts are fully provided for and specific provisions are made for any debts considered doubtful.

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2009

e. Currency Translation

Transactions in foreign currency are converted at rates ruling at the date of the transaction. Residual balances denominated in foreign currencies are translated into cedis using exchange rates ruling at the balance sheet date. Gains and losses resulting from foreign currency are taken into income in the year in which they arise.

- f. Donations of a revenue nature are dealt with through the income and expenditure account. Capital based donations are shown as deferred credit and transferred to income and expenditure account over the estimated life of the related assets.

	<b>2009</b> GH¢	<b>2008</b> GH¢
Balance b/fwd	10,401	10,401
Adjustment from Acc. Fund	<u>24,986</u>	<u>-</u>
	35,387	10,401
Funds Received	<u>51,993</u>	<u>-</u>
	87,380	10,401
Transfer to Income	<u>(14,032)</u>	<u>-</u>
Balance c/fwd	<u><b>73,348</b></u>	<u><b>10,401</b></u>

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2009

### 3. FIXED ASSETS

	<b>MOTOR VEHICLES</b>	<b>OFFICE FURN/EQUIP</b>	<b>BUILDINGS</b>	<b>LAND</b>	<b>TOTAL</b>
<b>COST</b>	GH¢	GH¢	GH¢	GH¢	GH¢
Bal at 1/1/2009	30,429	13,473	4,525	1,307	49,734
Additions	61,943	4,187	26,984	-	93,114
Disposals	<u>-</u>	<u>(500)</u>	<u>-</u>	<u>-</u>	<u>(500)</u>
Bal at 31/12/2009	<u><b>92,372</b></u>	<u><b>17,160</b></u>	<u><b>31,509</b></u>	<u><b>1,307</b></u>	<u><b>142,348</b></u>
 <b>DEPRECIATION</b>					
Bal at 1/1/2009	23,952	11,595	225	-	35,772
Charge for the year	10,035	3,771	226	-	14,032
Disposals	<u>-</u>	<u>(167)</u>	<u>-</u>	<u>-</u>	<u>(167)</u>
Bal at 31/12/2009	<u><b>33,987</b></u>	<u><b>15,199</b></u>	<u><b>451</b></u>	<u><b>-</b></u>	<u><b>49,637</b></u>
 <b>NET BOOK VALUE</b>					
Bal at 31/12/2009	<u><b>58,385</b></u>	<u><b>1,961</b></u>	<u><b>31,058</b></u>	<u><b>1,307</b></u>	<u><b>92,711</b></u>
Bal at 31/12/2008	<u><b>6,477</b></u>	<u><b>1,878</b></u>	<u><b>4,300</b></u>	<u><b>1,307</b></u>	<u><b>13,962</b></u>

### 4. WORK IN PROGRESS

This relates to the Ghafes House and Prefabricated Office Building under construction. The Prefabricated project was completed in 2009.

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2009

### 5. DEBTORS

	<b>2009</b> GH¢	<b>2008</b> GH¢
Debtors	4,444	1,207
Prepayments	<u>1,738</u>	<u>4,706</u>
	<b><u>6,182</u></b>	<b><u>5,913</u></b>

### 6. BANK AND CASH

	<b>2009</b> GH¢	<b>2008</b> GH¢
Bank	113,503	84,100
Cash	<u>1,946</u>	<u>3,654</u>
	<b><u>115,449</u></b>	<b><u>87,754</u></b>

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED DECEMBER 31, 2009

#### 7. INCOME

Income consists of the following:

	<b>2009</b> GH¢	<b>2008</b> GH¢
Local Associates and Friends	176,112	111,991
Student Fellowships	3,055	2,675
Foreign Donations	38,389	37,365
Organisations and Churches	<u>4,008</u>	<u>1,615</u>
	<b><u>221,564</u></b>	<b><u>153,646</u></b>

#### 8. OTHER INCOME

This consists of:

	<b>2009</b> GH¢	<b>2008</b> GH¢
Book Sales	3,082	114
Rent Receivable	693	1,043
Conference Registration	14,335	5,576
Investment Income	23,824	46,051
Mustard Seed Partnership Club	774	945
Vehicle Fund Raising	-	4,965
Other Programs (Care Force, NEPS, etc)	18,685	27,748
Transfer from Capital Grants	<u>14,032</u>	<u>-</u>
	<b><u>75,425</u></b>	<b><u>86,442</u></b>

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED DECEMBER 31, 2009

#### 9. EXPENDITURE

	<b>2009</b>	<b>2008</b>
	GH¢	GH¢
Salaries and Related Cost	77,653	59,660
Insurance	555	125
Travelling and Transport	3,106	1,968
Printing and Stationery	2,515	4,129
Telephone and Postage	4,683	5,467
Rent (Office and Household)	9,736	8,450
Donations and Subscriptions	6,151	5,700
Provision for Depreciation	14,254	10,332
Fuel	6,404	6,183
Repairs and Maintenance	5,617	2,410
Services to Associates	2,299	-
Bank Charges	4,841	2,897
Sundry Expenses	611	702
Office Utility Charges	2,712	4,300
Staff Training and Development	11,354	651
Student Training and Conferences	51,224	35,213
Student Secretariat Expenses	4,191	1,436
Hospitality & Public Relations	2,527	1,843
Medical Expenses	479	944
Library and Book Costs	608	297
HIV/AIDS Project	312	157
Fund Raising Dinner	9,750	4,476
CareForce	5,180	2,111
NEPS	4,916	1,873
Other Expenses	<u>174</u>	<u>3,242</u>
	<b><u>231,780</u></b>	<b><u>164,566</u></b>

# GHANA FELLOWSHIP OF EVANGELICAL STUDENTS

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED DECEMBER 31, 2009

#### 10. RECONCILIATION OF NET PROFIT TO NET CASHFLOW FROM OPERATING ACTIVITIES

	<b>2009</b> GH¢	<b>2008</b> GH¢
Net Income	65,209	75,522
<b>Adjustment to reconcile net profit to net cash provided by operating activities:</b>		
Depreciation	14,254	10,332
Adjustment from Capital Grants	(24,986)	-
<b>Changes in Assets/Liabilities</b>		
(Inc.)/Dec in Exchange Gain	11,017	270
(Inc.)/Dec in Stock	7	113
(Inc.)/Dec in Debtors	(269)	(395)
Inc./(Dec) in Creditors/Accruals	<u>(5,383)</u>	<u>(3,392)</u>
	(5,582)	6,928
<b>Net Cash provided by Operating Activities</b>	<b><u>59,627</u></b>	<b><u>82,450</u></b>