

REGISTERED COMPANY NUMBER· 06635942 (England and Wales)
REGISTERED CHARITY NUMBER· 1146078

**Report of the Trustees and
Financial Statements For The Year Ended 31 July 2011
for**

**Georgetown University (USA) UK
Initiatives Organisation**

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**Georgetown University (USA) UK
Initiatives Organisation**

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for the year ended 31 July 2011**

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**Georgetown University (USA) UK
Initiatives Organisation**

**Report of the Trustees
for the year ended 31 July 2011**

The Trustees of Georgetown University (USA) UK Initiatives Organisation (GU UK) present their report and the financial statements for the year ended 31 July 2011. The statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (2005).

PRINCIPAL ACTIVITY

The principal activity of GU UK is providing academic courses in London at the Center for Transnational Legal Studies (CTLIS) to students around the world studying law at the tertiary or post-graduate level, as well as presenting public lectures and other educational events during the academic year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
06635942 (England and Wales)

Registered Charity number
1146078

Registered office
21 Holborn Viaduct
London
EC1A 2DY

Trustees
C Augustin
E Quinn
W Treanor - appointed 16 8 2010
J Areen - resigned 16 8 2010

The directors of the company became trustees of the charity on 23 February 2012.

Company Secretary
Hogan Lovells Corporate Services Limited

Auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
2 Humber Quays
Wellington Street West
Hull
HU1 2BN

Accountants
Grant Harrod Parkinson LLP
Chartered Accountants
49a High Street
Ruislip
Middlesex
HA4 7BD

STRUCTURE, GOVERNANCE AND MANAGEMENT

GU UK is a company limited by guarantee (company registration number 06635942) and is governed by its Memorandum and Articles of Association. GU UK is registered with the Charity Commission of England and Wales (charity registration number 1146078), with effect from 23 February 2012.

The Trustees, who are also the directors for the purposes of company law, who served during the year were:

C Augustin
E Quinn
W Treanor
J Areen (resigned 16 8 2010)

**Georgetown University (USA) UK
Initiatives Organisation**

**Report of the Trustees
for the year ended 31 July 2011**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees use their own network of contacts to identify suitable candidates possessing the necessary knowledge and skills to act as trustees of GU UK. At the present time GU UK has three trustees, which is considered adequate for its purposes.

Trustees are recruited on the basis of their existing relevant knowledge. Information relating to GU UK's legal status, finances and activities are provided in advance of appointment. Trustees are expected to identify their training needs and to take measures to ensure that these needs are met.

GU UK has three trustees, which are (i) Georgetown University, a non-profit institution of higher education organized as a non-stock corporation under federal charter in the United States of America (the University) (as represented by the individual holding the position of Secretary of the University), (ii) the individual holding the position of Vice President and Treasurer at the University, and (iii) the individual holding the position of Executive Vice President for Law Center Affairs and Dean of the Law Center at Georgetown University. The two aforementioned individuals serve as members by virtue of the positions they hold at the University, if they were to leave their positions at the University, the trusteeships would revert to their successors in their positions at the University.

GU UK's policy is set by the Board of Trustees (the Board), and the day-to-day management of CTLS is exercised by a programme director seconded annually from the University, currently R. Scott Foster for 2011/12.

The trustees of GU UK or the Board may, from time to time, appoint any person as a member of the Board either to fill a casual vacancy or by way of addition to the Board subject to the provisions of the Articles of Association. Any trustee so appointed shall retain office until he resigns as a trustee to GU UK or upon other circumstances set forth in the Articles of Association.

RISK STATEMENT

Trustees are aware of their responsibility to ensure that the major risks to which GU UK is exposed are identified and to establish systems to mitigate those risks. The Trustees believe that adequate controls and systems are in place to mitigate any external and internal risks that the GU UK may face.

OBJECTIVES AND ACTIVITIES

GU UK pursues the advancement of education by providing academic courses in London at the CTLS to students from around the world studying law at the tertiary or post-graduate level, as well as presenting public lectures and other educational events during the academic year. The CTLS is founded on the principle that it is increasingly important for legal education to be global in nature and to include international and transnational law so as to reflect the increased impact of globalization on all manner of legal matters. In other words, as the world "shrinks", the importance of transnational and international law grows. The following is a non-exhaustive list of past and current course topics presented within the CTLS, provided by way of illustration: transnational legal theory, comparative contract theory, world trade law, international investment law, comparative privacy law, regulation and development, and comparative legal institutions. Students and faculty at the CTLS are primarily drawn from twenty participating law schools from around the world, including the University, King's College London, Queen's University Belfast, the University of Melbourne, University of Auckland, Free University of Berlin, Moscow State University, ESADE Law School (Spain), the National University of Singapore (NUS), UNAM (Mexico), the University of Fribourg, the University of Torino, the University of Toronto, Católica Global School of Law, College of Management Academic Studies Law School (Israel), Diego Portales University (Chile), National Law School of India University, Peking University School of Transnational Law, Tecnológica de Monterrey (Mexico), the Hebrew University of Jerusalem, Universidad de los Andes (Colombia), and Yonsei University Law School (South Korea). Students enrolled at other, non-participating law schools may also apply individually to attend the CTLS. Students attend courses at the CTLS on a full-time basis for one academic term during their degree course at their "home" law school, or exceptionally for two terms. At the end of their term(s) at graduation, students of the CTLS programme may go on to careers in law, the judiciary, academic, government service, international organisations, charities or non-governmental organisations (NGOs), or elsewhere. Due to the global scope of participation, each class includes students from a diverse set of legal and national backgrounds. Students of the University and the participating law schools do not pay tuition to GU UK for their attendance at CTLS. Instead, students at participating law schools continue to pay their tuition directly to their "home" law school. Each of the participating law schools or universities pays a fixed annual fee to GU UK to participate. The University additionally provides grant funding to GU UK to support its operation.

**Georgetown University (USA) UK
Initiatives Organisation**

**Report of the Trustees
for the year ended 31 July 2011**

OBJECTIVES AND ACTIVITIES (CONTINUED)

In order to achieve GU UK's objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit including its supplementary public benefit guidance on advancing education and on fee charging

GU UK provides benefit to the law students from around the globe who attend the CTLS who themselves may be in receipt at their home law schools of bursaries, scholarships or other financial assistance GU UK's activities also provide wider public benefit in advancing the state of the art of legal education and knowledge in the area of transnational law and international law It is also expected that a proportion of the students of CTLS will use the international legal education that they gain at CTLS in public service careers with government agencies, international organisations, charities, NGOs or other public interest organisations In addition, GU UK presents free public lectures and other events during the academic year (from August to May), including the Transnational Law Colloquia series and the Lectures in Transnational Justice

ACHIEVEMENT AND PERFORMANCE

In the Fall Term 2010, CTLS welcomed for the first time students from Diego Portales (Santiago, Chile), Peking University School of Transnational Law (Shenzhen, People's Republic of China), Yonsei University (South Korea), Queen's University Belfast (Belfast, Northern Ireland), and Universidad Nacional Autonoma de Mexico (Mexico City, Mexico) Overall, CTLS welcomed 68 students and plunged them right into the Global Practice Exercise ("GPE") This year, CTLS veterans Maxi Scherer (WilmerHale) and Remy Gerbay (London Court of International Arbitration), oversaw the GPE

Maxi and Remy introduced the arbitral process and then discussed the various substantive issues that arbitrators and the lawyers appearing before them must decide Over three days, the students - this semester from 17 schools in 16 countries - were assigned to teams and asked to represent fictitious clients in an international dispute, presenting their arguments before an adjudicator and then a judge Although students learned much about the set topic, they learned even more about their commonalities and differences, and about what it is like to work closely with aspiring lawyers from other parts of the world The exercise was, as it always is, a remarkable cross-cultural experience that brought the students and faculty closer together in a very short time

The Fall Term saw courses taught by teachers from the founding participating schools Chiara Besso, from Torino, taught Comparative Civil Procedure, Cheah Wui Ling, from the National University of Singapore, taught International Criminal Law, Imer Flores, from UNAM, taught Comparative Constitutional Law, Satvinder Juss, from King's College, offered courses in International Refugee Law and in International Human Rights Law, Brian Langille, from Toronto, taught Transnational Labour Law with several distinguished guest speakers from the academy and practice, and Peter Tague, from the University, offered Comparative Professional Responsibility Building on his predecessors' innovations, Victor Ramraj revised and taught the Core Course, drawing on CTLS colleagues and practitioners as guest speakers

This term, we also welcomed teachers from schools new to CTLS Dmitri Dedov from Moscow State University, who taught Comparative Corporate Governance, and Qingxiu Bu, from Queen's University Belfast, who taught Transnational Business Law

This term also saw a Transnational Justice Lecture by Craig Scott from Osgoode Hall Law School, 'The Transnationalism of Truth A Meditation on Sri Lanka and Honduras', and colloquia papers by our own faculty as well as by external speakers, including a leading barrister (Robin Hollington, QC), several academic colleagues, including Sheldon Leader (Essex), Catherine Redgwell (University College London), Werner Menski (School of Oriental and African Studies, or SOAS), and some long-time friends of CTLS - Pierre Legrand (Sorbonne), who delivered his third CTLS paper and last year's co-director, Carrie Menkel-Meadow (the University and UC Irvine)

In addition to their courses, and in some instances as part of them, the students ventured beyond the classroom too, enjoying tours of the Inns of Court, Parliament, the UK Supreme Court, the High Court of Justice, and the Central Criminal Court (the Old Bailey)

In a first for CTLS, Fall Term students have formed a truly transnational team - Camilla Cravetto (Torino), James Hart (King's), Eileen Rhein (Toronto), Ana Conover (UNAM), and Ronnie Ang (NUS) - that will represent CTLS at the Willem C Vis International Commercial Arbitration Moot in Vienna, Austria, in April 2012

**Georgetown University (USA) UK
Initiatives Organisation**

**Report of the Trustees
for the year ended 31 July 2011**

ACHIEVEMENT AND PERFORMANCE (CONTINUED)

On Friday, 10 December 2010, we marked the end of term with our traditional skating party at Somerset House on The Strand, followed by a 'graduation' dinner at King's College, overlooking the lights of the Thames. And as the swift passage of a semester at CTLS began to sink in, we reminded ourselves that although many of us now go our separate ways, the CTLS alumni continue to expand with this latest group of students and teachers joining a welcoming network of friends around our interconnected world.

The Spring Term 2011 welcomed 66 new students into the CTLS community, joining 12 students from the Fall Term 2010 at CTLS headquarters at Swan House. As always, the semester began with the GPE, with CTLS veteran Remy Gerbay of the London Court of International Arbitration at the helm. We celebrated another successful initiation into the complexities of transnational law overlooking the Thames from the terrace dining room at King's College London.

The Spring 2011 Term welcomed a new group of CTLS faculty who explored transnational law and practice from a wide range of perspectives. Professor Jordi Sellares (ESADE) brought his courses to life by accompanying his International Commercial Arbitration students on a tour of the International Chamber of Commerce in Paris during the one-week break. His students in Diplomatic & Consular Law and Practice visited several embassies in London as part of their studies. Professor Walter Stoffel's (Fribourg) courses on Competition Law and International Company Law attracted large numbers of students and the proximity of Swan House to the City allowed Professor Stoffel - and Professor Cally Jordan (Melbourne) in her International Capital Markets Law and Regulation course - to invite many seasoned practitioners to discuss the latest developments in practice. Professor Roberto Caranta (Torino) explored The Rise of the Modern Regulatory State with his enthusiastic students, while Professor Iris Canor (College of Management) and Professor Heike Krieger (Berlin) taught respectively, European Private International Law in a Globalized World and Post-Conflict State-Building under International Law, while joining forces to investigate the Multilayered Protection of Human Rights in Europe. Professor Peter Tague (the University) explored the comparative dimensions of professional responsibility with his group while Professor Victor V. Ramraj (NUS) and Professor Cally Jordan examined the comparative, theoretical and practice dimensions of transnational legality with their students in the Core Course, ending the semester with a simulation exercise on legal pluralism in East Timor.

The Spring Term 2011 also saw excursions around London - a walking tour of legal London, and trips to Parliament, the Supreme Court, and the London Court of International Arbitration.

The Transnational Justice Lecture Series continued with two inspirational talks: economist Ha-Joon Chang of the University of Cambridge challenged our assumptions about capitalism with a talk on "23 Things They Don't Tell You About Capitalism", while Werner Menski of the School of Oriental and African Studies provoked much discussion with his lecture, "Law as a Kite". The Spring term's transnational law colloquium included papers by resident faculty, but also welcomed Cesar Arjona (ESADE, CTLS Fall Term 2009) and Ugo Pagallo (Torino, CTLS Spring Term 2009) back to CTLS.

We also welcomed speakers from the University of Cambridge (Michael Waibel), the World Intellectual Property Organization's Academy (Karen Lee Rata), Maastricht (Jan Smits), as well as Dean Gabriel Cavazos Villanueva from CTLS participating school, Tecnológico de Monterrey.

In what is now a CTLS tradition in April, the Spring Term ended with a cruise on the River Thames, followed by an end-of-term dinner back on the terrace at King's College London.

In April 2011, CTLS faculty from the first, second, and third years - and many of next year's teaching faculty - met at the annual CTLS conference hosted this year by the University of Fribourg, Switzerland, to exchange views on transnational law and transnational legal education. The incoming co-directors of CTLS for 2011-2012 - Naomi Mezey of Georgetown and Kerry Rittich of Toronto - were also welcomed. The topic of the conference was 'Transnational Legality and the Future of State Law'.

**Georgetown University (USA) UK
Initiatives Organisation**

**Report of the Trustees
for the year ended 31 July 2011**

FINANCIAL REVIEW

The Statement of Financial Activities set out on page 8 of the financial statements shows how GU UK's incoming resources were expended in the year ended 31 July 2011

Total incoming resources amounted to \$1,079,109 \$403,250 generated by way of donations and donated services received from the University and \$675,859 of tuition and fees received

Resources expended amounted to \$1,543,260 \$1,495,657 on education and \$47,603 on governance costs. An analysis of the resources expended is provided in notes 4 to 5 of the financial statements

The resulting deficit for the year was \$464,151

The balance sheet set out on page 9 of the financial statements shows the financial position of GU UK at 31 July 2011

There was no investment in fixtures, fittings and equipment during the year. After deducting the charge for depreciation, the net book value of fixed assets was \$370,640

Current assets are represented by debtors of \$438,300 and cash at bank and in hand of \$166,266

Total assets less current liabilities amounted to (\$1,418,096) which is represented by the closing balance of (\$1,654,596) of unrestricted funds and \$236,500 of restricted funds

GU UK is committed to using its resources in pursuit of its charitable objects. Although the financial statements of GU UK reflected a negative reserve balance at 31 July 2011, GU UK is committed to securing a level of reserves that is sufficient to ensure that all commitments can be met and to protect the long-term future of its operations. Until GU UK can secure a level of reserves to meet its on-going liabilities, the University is committed to provide the resources needed to sustain GU UK's activities. GU UK is assessing new initiatives that will stabilize the operating results going forward. These new initiatives include increased tuition, increased enrollment and the pursuit of other educational programs such as executive education. Increased revenues will positively affect the future financial results and reduce GU UK's dependency on the University.

GU UK relies very much on the financial and operational support of the University, to whom we wish to express our thanks

FUTURE PLANS

Below are the highlights of the future plans of GU UK

- To create an Intermediate Partnership level to be able to attract partner schools from developing countries in the Global South and East
- To continue to add partners at all levels to further enhance the diversity of the student body and the teaching faculty, and the overall financial viability of CTLS
- To strengthen faculty research opportunities and intellectual endeavors, including the sponsoring of additional academic conferences in various areas of transnational law and legal theory
- To undertake a strategic planning process to develop a 3-year plan for the next stage of CTLS development
- To develop a new alumni database to keep better track of our students' whereabouts and professional achievements after they leave CTLS, including for use by future students in identifying alumni working in students' areas of interest and otherwise to draw on alumni effectively
- To roll out a newly designed website, which includes links to all our partner schools and provides information to users with a more comprehensive sweep and in a more intuitive manner

- To incorporate social media tools into the communication strategy to enhance the ways in which students can connect before they arrive at CTLS, utilize social media to broadcast and interact with activities at CTLS as they happen, and to establish the methods by which students will continue to stay connected with each other and with CTLS after the end of their time here
- To continue developing special programming so that students can take advantage of the location of CTLS in the heart of legal London
- To continue developing special academic trips to legal institutions in Europe to take advantage of London's location as a hub for traveling to nearby European cities
- To consider new options for current processes, including the way in which CTLS handles its monthly payroll transactions

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Georgetown University (USA) UK Initiatives Organisation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Georgetown University (USA) UK
Initiatives Organisation**

**Report of the Trustees
for the year ended 31 July 2011**

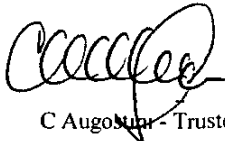
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information

AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office

ON BEHALF OF THE BOARD



C Augon - Trustee

Date

4/27/2012

**Report of the Independent Auditors to the Members of
Georgetown University (USA) UK
Initiatives Organisation**

We have audited the financial statements of Georgetown University (USA) UK Initiatives Organisation for the year ended 31 July 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

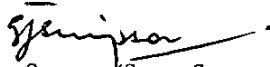
In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Georgetown University (USA) UK
Initiatives Organisation**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, 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, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees



Steve Simpson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
2 Humber Quays
Wellington Street West
Hull
HU1 2BN

Date 30 April 2012

**Georgetown University (USA) UK
Initiatives Organisation**

**Statement of Financial Activities
for the year ended 31 July 2011**

	Notes	Unrestricted funds \$	Restricted funds \$	2011 Total funds \$	2010 Total funds \$
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	403,250	39,496	442,746	546,600
Activities for generating funds	3	<u>675,859</u>	<u>-</u>	<u>675,859</u>	<u>362,961</u>
Total incoming resources		1,079,109	39,496	1,118,605	909,561
RESOURCES EXPENDED					
Charitable activities					
Education	4	1,495,657	-	1,495,657	1,515,175
Governance costs	5	<u>47,603</u>	<u>-</u>	<u>47,603</u>	<u>61,000</u>
Total resources expended		1,543,260	-	1,543,260	1,576,175
NET INCOMING/(OUTGOING) RESOURCES					
		(464,151)	39,496	(424,655)	(666,614)
RECONCILIATION OF FUNDS					
Total funds brought forward		(1,190,445)	197,004	(993,441)	(326,827)
TOTAL FUNDS CARRIED FORWARD		<u>(1 654,596)</u>	<u>236,500</u>	<u>(1,418,096)</u>	<u>(993,441)</u>

The notes form part of these financial statements

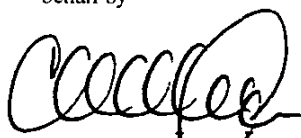
**Georgetown University (USA) UK
Initiatives Organisation**

**Balance Sheet
At 31 July 2011**

	Notes	Unrestricted funds \$	Restricted funds \$	2011 Total funds \$	2010 Total funds \$
FIXED ASSETS					
Tangible assets	9	370,640	-	370,640	518,897
CURRENT ASSETS					
Debtors	10	201,800	236,500	438,300	247,302
Cash at bank		<u>166,266</u>	<u>-</u>	<u>166,266</u>	<u>190,383</u>
		368,066	236,500	604,566	437,685
CREDITORS					
Amounts falling due within one year	11	<u>(2,393,302)</u>	<u>-</u>	<u>(2,393,302)</u>	<u>(1,950,023)</u>
NET CURRENT (LIABILITIES)/ ASSETS		<u>(2,025,236)</u>	<u>236,500</u>	<u>(1 788,736)</u>	<u>(1,512,338)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,654,596)</u>	<u>236,500</u>	<u>(1,418,096)</u>	<u>(993 441)</u>
NET (LIABILITIES)/ASSETS		<u>(1,654,596)</u>	<u>236,500</u>	<u>(1 418 096)</u>	<u>(993,441)</u>
FUNDS	13				
Unrestricted funds				(1,654,596)	(1,190,445)
Restricted funds				236,500	197,004
TOTAL FUNDS				(1,418,096)	(993,441)

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 27/4/2012 and were signed on its behalf by


C Augustini - Trustee

The notes form part of these financial statements

**Georgetown University (USA) UK
Initiatives Organisation**

**Notes to the Financial Statements
for the year ended 31 July 2011**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

As a small entity, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Going concern

The financial statements have been prepared on a going concern basis as the parent undertaking has indicated its willingness to provide the necessary financial support to enable the company to meet its liabilities for a period of at least twelve months from the date of approval of these financial statements

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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

Reporting currency

The financial statements have been prepared in US dollars ("\$\$"). The exchange rate at the balance sheet date was \$1 = £0.60860

Operating lease

Amounts payable under Operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Improvements to property	- in accordance with the term of the lease
Plant and machinery	- Straight line over 5 years and Straight line over 10 years
Fixtures and fittings	- Straight line over 20 years and Straight line over 5 years

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

**Georgetown University (USA) UK
Initiatives Organisation**

**Notes to the Financial Statements - continued
for the year ended 31 July 2011**

1. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into dollars at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. VOLUNTARY INCOME

	2011	2010
	\$	\$
Donations	<u>442,746</u>	<u>546,600</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2011	2010
	\$	\$
Tuition fees	<u>675,859</u>	<u>362,961</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs		Totals	
	2011	2010	2011	2010
	\$	\$	\$	\$
Education	<u>1,495,657</u>	<u>1,515,175</u>	<u>1,495,657</u>	<u>1,515,175</u>

5. GOVERNANCE COSTS

	2011	2010
	\$	\$
Auditors' remuneration	13,958	26,000
Auditors' remuneration for non-audit work	<u>33,645</u>	<u>35,000</u>
	<u>47,603</u>	<u>61,000</u>

6. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	2011	2010
	\$	\$
Auditors' remuneration	13,958	26,000
Depreciation - owned assets	148,257	222,384
Other operating leases	<u>457,066</u>	<u>354,740</u>

**Georgetown University (USA) UK
Initiatives Organisation**

**Notes to the Financial Statements - continued
for the year ended 31 July 2011**

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2011 nor for the year ended 31 July 2010

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 July 2011 nor for the year ended 31 July 2010

8 STAFF COSTS

	2011	2010
	\$	\$
Wages and salaries	216,028	309,740
Social security costs	58,859	67,231
Other pension costs	<u>4,856</u>	<u>5,575</u>
	<u>279,743</u>	<u>382,546</u>

The average monthly number of employees during the year was as follows

	2011	2010
	<u>2</u>	<u>2</u>
Administration		

9 TANGIBLE FIXED ASSETS

	Improvements to property \$	Plant and machinery \$	Fixtures and fittings \$	Totals \$
COST				
At 1 August 2010 and 31 July 2011	<u>437,359</u>	<u>98,107</u>	<u>205,815</u>	<u>741,281</u>
DEPRECIATION				
At 1 August 2010	131,208	29,432	61,744	222,384
Charge for year	<u>87,472</u>	<u>19,622</u>	<u>41,163</u>	<u>148,257</u>
At 31 July 2011	<u>218,680</u>	<u>49,054</u>	<u>102,907</u>	<u>370,641</u>
NET BOOK VALUE				
At 31 July 2011	<u>218,679</u>	<u>49,053</u>	<u>102,908</u>	<u>370,640</u>
At 31 July 2010	<u>306,151</u>	<u>68,675</u>	<u>144,071</u>	<u>518,897</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	\$	\$
Trade debtors	201,800	50,000
Other debtors	<u>236,500</u>	<u>197,302</u>
	<u>438,300</u>	<u>247,302</u>

**Georgetown University (USA) UK
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**Notes to the Financial Statements - continued
for the year ended 31 July 2011**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 \$	2010 \$
Amounts owed to group undertakings	2,295,168	1,910,778
Other creditors	<u>98,134</u>	<u>39,245</u>
	<u><u>2,393,302</u></u>	<u><u>1,950,023</u></u>

12. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	2011 \$	2010 \$
Expiring		
Between one and five years	<u>340,470</u>	<u>324,156</u>

13. MOVEMENT IN FUNDS

	At 1 8 10 \$	Net movement in funds \$	At 31 7 11 \$
Unrestricted funds			
General fund	(1,190,445)	(464,151)	(1,654,596)
Restricted funds			
School of law	197,004	39,496	236,500
TOTAL FUNDS	<u>(993,441)</u>	<u>(424,655)</u>	<u>(1,418,096)</u>

Net movement in funds, included in the above are as follows

	Incoming resources \$	Resources expended \$	Movement in funds \$
Unrestricted funds			
General fund	1,079,109	(1,543,260)	(464,151)
Restricted funds			
School of law	39,496	-	39,496
TOTAL FUNDS	<u>1,118,605</u>	<u>(1,543,260)</u>	<u>(424,655)</u>

The above funds were restricted as follows

School of Law Relates to donations received from Howrey LLP relating to the School of Law

**Georgetown University (USA) UK
Initiatives Organisation**

**Notes to the Financial Statements - continued
for the year ended 31 July 2011**

14. RELATED PARTY DISCLOSURES

Georgetown University (USA) UK Initiatives Organisation have received net funding totalling \$2,295k from Georgetown University, a non-profit institution of higher education organised under the laws of District of Columbia, U S A as at 31st July 2011

15. ULTIMATE CONTROLLING PARTY

The directors regard Georgetown University, a non-profit institution of higher education organised under the laws of the District of Columbia, U S A, to be the ultimate parent undertaking and the ultimate controlling party

16. COMPANY LIMITED BY GUARANTEE

The company was incorporated on 2 July 2008 as a company Limited by Guarantee