

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

**Report of the Trustees and
Financial Statements For The Period 1 August 2011 to 30 June 2012
for**

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

WEDNESDAY



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27/03/2013

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COMPANIES HOUSE

PricewaterhouseCoopers LLP
2 Humber Quays
Wellington Street West
Hull
HU1 2BN

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

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for the period 1 August 2011 to 30 June 2012**

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

**Report of the Trustees
for the period 1 August 2011 to 30 June 2012**

The Trustees of Georgetown University (USA) UK Initiatives Organisation (GU UK) present their report and the financial statements for the period ended 30 June 2012. 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
16 Old Bailey
London
EC4M 7EG

Trustees	
C. Augustini	- resigned 12 10 2012
E. Quinn	
W. Treanor	
D. Rubenstein	- appointed 12 10 2012

Company Secretary
Temple Secretarial Limited

Auditors
PricewaterhouseCoopers LLP
Benson House
33 Wellington Street
Leeds
LS1 4JP

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 period and up to the date of the report were:

C. Augustini	- resigned 12 10 2012
E. Quinn	
W. Treanor	

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

**Report of the Trustees
for the period 1 August 2011 to 30 June 2012**

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 organised 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 the 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 of GU UK or upon other circumstances set forth in the Articles of Association.

RISK STATEMENT

The 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 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 was 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 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 CTLS are primarily drawn from twenty-two participating law schools from around the world, including the University, King's College London, the University of Melbourne, University of Auckland, Free University of Berlin, Moscow State University, ESADE Law School (Spain), the National University of Singapore (NUS), the University of Fribourg, the University of Torino, the University of Toronto, Bucerius Law School (Germany), Católica Global School of Law, College of Management Academic Studies Law School (Israel), Diego Portales University (Chile), Peking University School of Transnational Law, Tecnológica de Monterrey (Mexico), the Hebrew University of Jerusalem, Universidad de los Andes (Colombia), Yonsei University Law School (South Korea), Amsterdam Law School, Renmin University (China), and the Universidad de Los Andes (Chile). Students enrolled at other, non-participating law schools may also apply individually to attend CTLS. Students attend courses at 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 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 period 1 August 2011 to 30 June 2012**

OBJECTIVES AND ACTIVITIES

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 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

The 2011-12 academic year at the Center for Transnational Legal Studies was a landmark year in many respects. During the Fall 2011 semester, we saw the largest class of students yet (86) and over the year we sought to further develop the curriculum and an ambitious program of mixed academic and social activities. As ever, the students were wonderfully committed to the transnational enterprise and highly resourceful at constructing social events from balls to cultural celebrations such as Thanksgiving and the Chinese and Jewish New Years, all of which involved introducing their peers to distinctive national traditions. Among the academic highlights were very successful educational trips to the International Criminal Court during the Fall 2011 semester and the European Commission during the Spring 2012 semester, which were developed as core elements of courses on International Criminal Courts and European Law, respectively. Once again, a highly talented and enthusiastic team from CTLS participated in the Vis International Arbitration Moot supported by past participants as well as CTLS stalwarts Maxi Scherer and Remy Gerbay. All of the members reported the Vis Moot experience as invaluable to their professional training - and they found the transnational analysis from CTLS key to navigating the complex procedural and substantive issues. We also instituted a highly successful student mentorship program this spring, matching mentors and mentees to assist with a wide range of issues from note taking and legal writing to conversational English.

New Participating Schools

In addition, we are delighted to report that we made significant institutional progress on a number of fronts this year, solidifying the foundations of CTLS for the future. During the spring we admitted students from Al Quds University in Jerusalem for the first time, and we have a number of new academic participating schools this year, including Amsterdam, Los Andes, and Renmin Universities. For both academic and financial reasons we are continuing efforts to expand the base of participating schools, particularly in regions outside of North America and Europe.

Teaching Innovation

An important objective this year was re-establishing the basic pedagogical model on which CTLS was founded and on which its unique character as a transnational program turns. The central ambition has always been to provide opportunities for innovative and collaborative teaching, and co-teaching courses with faculty from other schools and other legal systems has been the lynchpin of the model. A renewed commitment on the part of the founding participating schools to ensuring that faculty are in residence in London and teaching one and a half courses over a full term will permit this model to be much more fully realized. There are already striking results: there is a very rich curriculum lined up for the 2012-13 teaching year, along with an unprecedented number of co-taught courses.

A central part of our mandate this year was to develop the scholarly aspects of the program and to enhance the profile of CTLS as a center of excellence in research on transnational law. Part of this involved increasing outreach to faculty and graduate students at the many London and UK law schools who visited CTLS in numerous capacities: as guest speakers in CTLS classes, as presenters at the weekly Transnational Law Colloquium, as featured Transitional Justice Lecturers, as participants in academic workshops, and, increasingly, simply as part of the growing audience at our public events.

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

**Report of the Trustees
for the period 1 August 2011 to 30 June 2012**

ACHIEVEMENT AND PERFORMANCE

CTLS in Action

In April 2012, we also convened a freestanding, one-day workshop, "Cartographies of Legal Pluralism in a Transnational World", involving both CTLS faculty and legal academics from London and abroad. Starting from the premise that maps and classifications both order our cognitive universe and influence how we conceptualize the relationship between multiple and overlapping legal institutions and regimes, the participants engaged in an exhilarating and productive conversation ranging across fields as diverse as legal geography and legal history and covering topics from trafficking to jurisdiction. As Prabha Kotiswaran from SOAS observed "law itself can be understood as a cartographic practice in that it both produces and regulates space." We hope to publish a version of our conversation soon.

The annual CTLS meeting was held this year in Mexico City and hosted by our UNAM, a participating school of CTLS. This was the first meeting held outside of Europe, and it proved to be a wonderful opportunity to get to know academics in Mexico and demonstrate the concept of CTLS in action. The academic conference targeted a theme of particular interest to faculty at CTLS, 'Translation and Interpretation', participants agreed that it is a theme that we should continue to explore at future events. In an effort to focus everyone's attention on a set of common questions, we devised an innovative format this year, devoting the first session to a roundtable and collective discussion of two texts, Walter Benjamin's essay, "The Task of the Translator" and Richard Hyland's 'Babel A She'ur'. This was followed by three wonderful papers by Franz Werro, Philomila Tsoukala and David Luban that engaged the issues of translation and interpretation in both their linguistic and jurisprudential aspects.

FUTURE DEVELOPMENTS

Finally, this year we were able to further develop and expand upon the detailed budget of CTLS. We are happy to report significant progress this year in reducing a number of costs, including tax and legal expenditures, and at the April meeting the Executive Council approved an increase in the contributions from founding participating schools going forward. We are confident that all of these developments will serve not only to stabilize CTLS's financial base but also to limit Georgetown's financial exposure and secure the financial health and viability of CTLS in the future.

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

**Report of the Trustees
for the period 1 August 2011 to 30 June 2012**

FINANCIAL REVIEW

The Statement of Financial Activities set out on page 10 of the financial statements shows how GU UK's incoming resources were expended in the period ended 30 June 2012

Total unrestricted incoming resources amounted to \$1,224,181 \$300,000 received in the form of gifts, \$331,848 generated by way of donations and donated services received from the University and \$592,333 of tuition and fees received

Resources expended amounted to \$1,840,721 \$1,826,581 on education and \$14,140 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 \$616,540

The balance sheet set out on page 11 of the financial statements shows the financial position of GU UK at 30 June 2012

There was no investment in fixtures, fittings and equipment during the period. After deducting the charge for depreciation, the net book value of fixed assets was \$222,383

Current assets are represented by debtors of \$127,182 and cash at bank and in hand of \$244,843

Total assets less current liabilities amounted to (\$2,243,136) which is represented by the closing balance of (\$2,271,136) of unrestricted funds and \$28,000 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 30 June 2012, 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

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

**Report of the Trustees
for the period 1 August 2011 to 30 June 2012**

FUTURE PLANS

Below are the highlights of the future plans of GU UK

- To attract schools to the Intermediate Participating School level from developing countries in the Global South and East
- To continue to add participating schools 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 complete 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 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

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 that 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 that 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

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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

**Report of the Trustees
for the period 1 August 2011 to 30 June 2012**

AUDITORS

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting of the board of trustees

ON BEHALF OF THE BOARD



D Rubenstein - Trustee

Date

3/23/13

**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 period ended 30 June 2012 on pages ten to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 30 June 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period 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 period 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

AR Blackwell

Anthony Blackwell (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Benson House
33 Wellington Street
Leeds
LS1 4JP

Date *26/3/13*

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

**Statement of Financial Activities
for the period 1 August 2011 to 30 June 2012**

				period 1 8 11 to 30 6 12 Total funds \$	year ended 31 7 11 Total funds \$
	Notes	Unrestricted funds \$	Restricted funds \$		
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	631,848	(208,500)	423,348	442,746
Activities for generating funds	3	<u>592,333</u>	<u>-</u>	<u>592,333</u>	<u>675,859</u>
Total incoming resources		1,224,181	(208,500)	1,015,681	1,118,605
 RESOURCES EXPENDED					
Charitable activities	4				
Education		1,826,581	-	1,826,581	1,495,657
Governance costs	5	<u>14,140</u>	<u>-</u>	<u>14,140</u>	<u>47,603</u>
Total resources expended		1,840,721	-	1,840,721	1,543,260
 NET (OUTGOING) RESOURCES					
		(616,540)	(208,500)	(825,040)	(424,655)
 RECONCILIATION OF FUNDS					
Total funds brought forward		(1,654,596)	236,500	(1,418,096)	(993,441)
TOTAL FUNDS CARRIED FORWARD		<u>(2,271,136)</u>	<u>28,000</u>	<u>(2,243,136)</u>	<u>(1,418,096)</u>

The notes form part of these financial statements

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

**Balance Sheet
At 30 June 2012**

	Notes	Unrestricted funds \$	Restricted funds \$	2012 Total funds \$	2011 Total funds \$
FIXED ASSETS					
Tangible assets	9	222,383	-	222,383	370,640
CURRENT ASSETS					
Debtors	10	99,182	28,000	127,182	438,300
Cash at bank		<u>244,843</u>	<u>-</u>	<u>244,843</u>	<u>166,266</u>
		344,025	28,000	372,025	604,566
CREDITORS					
Amounts falling due within one year	11	<u>(2,837,544)</u>	<u>-</u>	<u>(2,837,544)</u>	<u>(2,393,302)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(2,493,519)</u>	<u>28,000</u>	<u>(2,465,519)</u>	<u>(1,788,736)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(2,271,136)</u>	<u>28,000</u>	<u>(2,243,136)</u>	<u>(1,418,096)</u>
NET ASSETS/(LIABILITIES)		<u>(2,271,136)</u>	<u>28,000</u>	<u>(2,243,136)</u>	<u>(1,418,096)</u>
FUNDS	13				
Unrestricted funds				(2,271,136)	(1,654,596)
Restricted funds				<u>28,000</u>	<u>236,500</u>
TOTAL FUNDS				<u>(2,243,136)</u>	<u>(1,418,096)</u>

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 *March 22, 2013* and were signed on its behalf by



D Rubenstein -Trustee

The notes form part of these financial statements

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

**Notes to the Financial Statements
for the period 1 August 2011 to 30 June 2012**

I 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

Incoming resources

All incoming resources are included in 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 = £0.640320

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

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

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

**Notes to the Financial Statements - continued
for the period 1 August 2011 to 30 June 2012**

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.

Operating lease

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the 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.

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

	period 1 8 11 to 30 6 12 \$	year ended 31 7 11 \$
Gifts	300,000	-
Donations	<u>123,348</u>	<u>442,746</u>
	<u>423,348</u>	<u>442,746</u>

The above total is after deducting \$212,000 in respect of an amount outstanding at 31 July 2011 which is now deemed to be irrecoverable and has been written off.

3. ACTIVITIES FOR GENERATING FUNDS

	period 1 8 11 to 30 6 12 \$	year ended 31 7 11 \$
Tuition and fees	<u>592,333</u>	<u>675,859</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs		Totals	
	2012 \$	2011 \$	2012 \$	2011 \$
Education	<u>1,826,581</u>	<u>1,495,657</u>	<u>1,826,581</u>	<u>1,495,657</u>

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

**Notes to the Financial Statements - continued
for the period 1 August 2011 to 30 June 2012**

5 GOVERNANCE COSTS

	period 1 8 11 to 30 6 12	year ended 31 7 11
	\$	\$
Auditors' remuneration	14,140	13,958
Auditors' remuneration for non-audit work	-	33,645
	<u>14,140</u>	<u>47,603</u>

6 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	period 1 8 11 to 30 6 12	year ended 31 7 11
	\$	\$
Auditors' remuneration	14,140	13,958
Depreciation - owned assets	148,257	148,257
Other operating leases	<u>478,176</u>	<u>457,066</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 30 June 2012 nor for the year ended 31 July 2011

Trustees' Expenses

There were no trustees' expenses paid for the period ended 30 June 2012 nor for the year ended 31 July 2011

8. STAFF COSTS

	period 1 8 11 to 30 6 12	year ended 31 7 11
	\$	\$
Wages and salaries	441,806	216,028
Social security costs	18,664	58,859
Other pension costs	<u>24,117</u>	<u>4,856</u>
	<u>484,587</u>	<u>279,743</u>

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

	period 1 8 11 to 30 6 12	year ended 31 7 11
Administration	<u>3</u>	<u>2</u>

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

**Notes to the Financial Statements - continued
for the period 1 August 2011 to 30 June 2012**

9. TANGIBLE FIXED ASSETS

	Improvements to property \$	Plant and machinery \$	Fixtures and fittings \$	Totals \$
COST				
At 1 August 2011 and 30 June 2012	<u>437,359</u>	<u>98,107</u>	<u>205,815</u>	<u>741,281</u>
DEPRECIATION				
At 1 August 2011	218,680	49,054	102,907	370,641
Charge for year	<u>87,472</u>	<u>19,622</u>	<u>41,163</u>	<u>148,257</u>
At 30 June 2012	<u>306,152</u>	<u>68,676</u>	<u>144,070</u>	<u>518,898</u>
NET BOOK VALUE				
At 30 June 2012	<u>131,207</u>	<u>29,431</u>	<u>61,745</u>	<u>222,383</u>
At 31 July 2011	<u>218,679</u>	<u>49,053</u>	<u>102,908</u>	<u>370,640</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 \$	2011 \$
Trade debtors	-	201,800
Other debtors	<u>127,182</u>	<u>236,500</u>
	<u>127,182</u>	<u>438,300</u>

Other debtors includes an amount of \$28,000 in respect of restricted funds

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 \$	2011 \$
Amounts owed to group undertakings	2,750,324	2,295,168
Other creditors	<u>87,220</u>	<u>98,134</u>
	<u>2,837,544</u>	<u>2,393,302</u>

12. OPERATING LEASE COMMITMENTS

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

	2012 \$	2011 \$
Expiring		
Between one and five years	<u>340,262</u>	<u>340,470</u>

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

**Notes to the Financial Statements - continued
for the period 1 August 2011 to 30 June 2012**

13 MOVEMENT IN FUNDS

	At 1 8 11 \$	Net movement in funds \$	At 30 6 12 \$
Unrestricted funds			
General fund	(1,654,596)	(616,540)	(2,271,136)
Restricted funds			
School of law	236,500	(208,500)	28,000
TOTAL FUNDS	<u>(1,418,096)</u>	<u>(825,040)</u>	<u>(2,243,136)</u>

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

	Incoming resources \$	Resources expended \$	Movement in funds \$
Unrestricted funds			
General fund	1,224,181	(1,840,721)	(616,540)
Restricted funds			
School of law	(208,500)	-	(208,500)
TOTAL FUNDS	<u>1,015,681</u>	<u>(1,840,721)</u>	<u>(825,040)</u>

The above funds were restricted as follows

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

14. RELATED PARTY DISCLOSURES

Since the formation of Georgetown University (USA) UK Initiatives Organisation it has received net funding totalling \$2,750k from Georgetown University, a non-profit institution of higher education organised as a non-stock corporation under federal charter in the United States of America, as at 30th June 2012

15 ULTIMATE CONTROLLING PARTY

The directors regard Georgetown University, a non-profit institution of higher education organised as a non-stock corporation under federal charter in the United States of America, 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