

**THE ROUND SQUARE
(A Charitable Company Limited by Guarantee)**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2015



Company Registration No: 2011514
Registered Charity No: 327117

THE ROUND SQUARE
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2015

Trustees

HM King Constantine	President	
Roderick Fraser	Chairman	
Guy McLean	Deputy Chairman	
Tracey Balch	Advancement Committee	
Eleanor Dase	Membership Committee	
Papri Ghosh	South Asia & Gulf Regional Representative	Appointed 4 th October 2014
Doug Golden	RS School Governors' Representative	
Murray Guest	Australasia & East Asia Regional Representative	Appointed 4 th October 2014
John Hamilton	External Operations Committee	Resigned 29 th June 2015
Jan Hesford	RS Reps' Representative	Appointed 4 th October 2014
Shereen Ispahani	Advancement Committee	
Hugh Macdonnell	Finance Committee	
John O'Connor	Africa Regional Representative	
Raul Otero	Advancement Committee	
Sumer Singh	South Asia & Gulf Regional Representative	Resigned 4 th October 2014
Chris Shannon	Americas Regional Representative	

Company Secretary

Jane Howison

Worldwide Management Team

Rachael Westgarth	Director of Strategy and Operations
Katie Di Felicianantonio	Digital Communications Manager
Liz Gray	Project Support Manager
Duncan Hossack	Regional Support Manager Americas
Jane Howison	Membership Support Manager
Willie Ng'ang'a	Regional Support Manager Africa
Rajbir Sandhu	Regional Support Manager South Asia & Gulf
Rod Summerton	Regional Support Manager Australasia & East Asia
Penelope Jane Williams	Finance and Administration Manager

Auditors

haysmacintyre
26 Red Lion Square
London
WC1R 4AG

Bankers

Barclays Bank Plc
24 Lowfield Street
Dartford
Kent DA1 1HE

Solicitors

Bates, Wells & Braithwaite
2-6 Cannon Street
London
EC4M 6YH

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2015

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005, applicable law and the company's governing document.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Round Square is a company limited by guarantee governed by its Memorandum and Articles of Association dated April 1986 and amended by special resolutions on 25 September 2001, 28 September 2012 and 20 May 2015.

The Round Square is registered as a charity with the Charity Commission.

Appointment of Trustees

As part of the requirements of the Articles of Association, near to one-third of the Board of Trustees must retire at each Annual General Meeting (Article 3.5). Members of the Board of Trustees are, subject to any restrictions specified in the Rules of Governance (or in the case of Regional Trustees, in the Regional Charters), eligible for re-election (Article 3.6).

Nominations for positions on the Board of Trustees will, over time and as Terms of Office expire, come from a variety of sources and stakeholders of the Round Square Organisation.

Regional Trustees are elected by the Region through the process as designated in the specific Regional Charter for each Round Square Region. These positions are to be ratified at an Annual General Meeting by the Members.

The nomination process for the Staff Regional Representative is set out according to the procedure agreed to by the Staff Representatives from Global Member Schools. This position, as nominated and elected by all eligible Staff Representatives, would be approved by the Board of Trustees and ratified by Members at an Annual General Meeting.

The Governor's Representative will be nominated according to the criteria established and agreed to by the Governors from time to time. This position, as nominated and elected by eligible Governors, would be approved by the Board of Trustees and ratified by Members at an Annual General Meeting.

The Executive and Nomination Committee of the Board will nominate, after consultation, candidates for election to positions of the Board of Trustees.

Trustee Induction and Training

New Trustees are provided with an information pack detailing relevant information. This pack includes copies of governing documents, the Memorandum and Articles of Association, the Annual Report, Minutes of Trustee Meetings and reports including Committee reports, and budget information.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational Structure

The Trustees, who can number up to twenty, comprise of individuals with specific skill sets who are able to bring their expertise from wide ranging backgrounds and geographical locations throughout the World.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2015

The Trustees operate a Committee Structure, the committees and their responsibilities are shown below:

- Executive and Nomination Committee
- Members Committee, school membership, management of school recruitment
- External Operations Committee, projects, organisation and oversight
- Finance Committee, budgeting and finance matters
- Advancement Committee, raising profile and funds for the organisation

The full Board meets, at a minimum, twice a year; in addition both the full board and its Committees communicate by teleconference and group email.

The Board delegates day to day management of the organisation to the Worldwide Management Team, led by the Director of Strategy and Operations.

Status and Administration

The company is a registered charity and a company limited by guarantee. The company registered number is 2011514.

Risk

Round Square has produced a risk register during the reported year, which will be maintained on an ongoing basis and reviewed by the Board annually. In addition, the company has thorough processes in place for risk management of student-based activities.

Financial risk management is overseen by the Finance Committee which has developed policies regarding financial control, internal audit and overall expenditure.

OBJECTIVES AND ACTIVITIES

Round Square (RS) is a not-for-profit network of schools in 40 countries on five continents with a stated object to advance education anywhere in the world.

Its proposition is based on the theories of Kurt Hahn who believed that schools should have a greater purpose beyond preparing young people for college and university. Together, the schools in the Round Square network share a belief in six pillars, or IDEALS, inspired by Hahn's beliefs. These are:

International understanding, empathy and tolerance
Democratic governance and justice
Environmental stewardship
Adventure, motivating self-discovery
Leadership, with courage and compassion
Service to others

RS schools carry this belief into their practices and pedagogy, offering a holistic and collaborative approach to learning that develops students into well-rounded, informed, responsible, principled and confident Global Citizens.

Students at Round Square schools instigate, and engage in, practical initiatives that develop their skills and understanding both of themselves and others, on an International scale. They are challenged to seek out issues that have resonance locally, regionally and internationally and form their own opinions and ideas about these in the context of the RS IDEALS.

Subscriptions are paid by each member school in proportion to their fee income, and are utilised to support the organisations objectives. The organisation seeks to enhance the education of all constituents at member schools - pupils, governors and staff - and propagate a style of education built around the six IDEALS and Kurt Hahn's philosophy.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2015

Member schools demonstrate their commitment to Round Square IDEALS through activities run within their schools, through sharing good practice and knowledge, and through participation in international Round Square initiatives such as conferences and projects.

STRATEGIC INTENTIONS

Organisational

1. To be a major global educational influencer, advocating and promoting the philosophy of Kurt Hahn as the basis for excellence in education around the world;
2. To place students at the heart of our organisation, and to define our role, ambitions and activities by a compulsion to guide and support their educational, ethical and social journeys;
3. To strive for the broadest possible reach, engaging with schools and young people throughout the world, irrespective of background and circumstance;
4. To engender a culture within our schools that encourages and expects students to be active, informed and responsible participants in shaping and improving our world both now and in their future lives

Individual

5. To provide young people with the appropriate environment and opportunities for self-discovery and personal growth, through physical and mental challenge and **ADVENTURE** and through active participation in the **DEMOCRATIC** process of school leadership and governance;
6. To guide and support students in discovering their own inner strengths and developing a sense of personal responsibility, understanding that true **LEADERSHIP** is rooted in kindness, empathy and justice and that the best leaders know how to be of **SERVICE** to others;
7. To engender and nurture **INTERNATIONAL** understanding and global-mindedness through encouraging students to understand and appreciate the physical and social world around them and recognise the need to care for it through effective **ENVIRONMENTAL** stewardship.

Operational

8. To harness and invest in all available technologies and social media to facilitate and enhance opportunities for teaching and learning, sharing good practice, organisational development and communications;
9. To operate with the utmost professionalism: prioritising consistency of approach, method and implementation; delineating the roles of RS Central (infrastructure and enabling) and RS Schools (delivery and programme activity); setting standards rather than following them; and encouraging the elevation of the status of Round Square membership within all schools;
10. To develop and promote the Round Square brand including codification of Intellectual Property, measurement and protection of what it means to be a Round Square member school.

PUBLIC BENEFIT

The organisation specifically identifies the advancement of education in its governing documents.

The organisation, as one of its cornerstones recognises and promotes the importance of educating students to provide service to others and to participate in voluntary work in education, social service and similar activities in various parts of the World.

The organisation provides opportunities for students to participate in events including conferences, projects and exchanges. Specifically the organisation provides young people with opportunities to work together as an international group promoting understanding.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2015

The organisation raises funds to enable students to attend projects. Additionally each school raises funds to support Round Square's charitable activities. During the reported year donations were made specifically to the Prince Alexander Project fund which is used purchase building materials for International Service Projects.

Member schools provide support to students at International Schools.

Round Square directly sponsors students to attend International and Regional Conferences and provides allocated funding to meet this commitment.

The trustees confirm that they have referred to the Charity Commission's guidance on Public Benefit in reviewing the charity's aims, objectives and future plans.

ACHIEVEMENTS AND PERFORMANCE

The organisation continues to grow, both in terms of member schools and the opportunities afforded to school communities within the Association.

Today 149 schools and colleges around the globe are members of the Round Square network and at the 2015 Conference 13 new global members will be recognised.

Conferences and International Service Projects

In October 2014 an International Conference was hosted jointly by Sanskaar Valley School in India and King's Academy in Jordan.

During the reported year, eight Round Square International Service Projects took place. In December 2014, four Projects ran in Kenya, India, Cambodia and Nicaragua with a total of 58 students, 11 adults and 31 schools taking part. In July 2015, four Projects were run in two destinations: Two in Peru, and two in South Africa with a total of 71 students, 13 adults and 39 schools taking part.

Strategic and Implementation Planning

Over the past two years, the Round Square network has been engaged in the significant development of the organisation's future direction based on a shared Strategic Framework and individual Regional Implementation Plans. Following workshops at the 2013 International Conference, a series of regional meetings in 2014 brought the organisation's membership together to draft objectives that each Regional Trustee then presented to the Worldwide Board.

At the start of the reported year each region engaged in further discussions to agree and plan detailed practical actions, which they have begun to implement over the course of the year. Each region provided an update on progress towards their ambitions at the 2014 International Conference, and reviewed their plans once again at their Annual Regional Meetings in the first quarter of 2015.

Supporting the Round Square Membership Network

The Round Square Worldwide Management Team has continued to introduce improvements in support of these regional objectives. Building on last year's new process for managing enquiries and tracking membership applications the new web site has brought with it an online enquiry function and has refreshed and reinvigorated the way in which the benefits of membership are communicated.

On Service Projects, Round Square has once again successfully retained the BS8848 standard at the Interim Audit, and has completed internal assessments to the new standard in preparation for a full Audit next year. Experiments with the structure and profile of International Service Projects began trials in July 2015. These will continue through the December 2015 projects.

Alongside Project delivery, four Leader Training 2-day workshops were delivered during the year, in the UK, Kenya, South Africa and America. Further workshops are planned for 2016 including one in Australia during the early part of the year.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2015

Perhaps the most significant investment in support of Round Square's regional development during the reported year has been the appointment of five paid Regional Support Managers, one in each RS Region, operating as part of the Worldwide Management Team to provide on-the-ground support to the development of each regional membership network and the role of the Regional Trustee.

A Powerful and Enabling Online Presence

As a result of the Strategic Planning Process, a clear need was identified to invest in the development of a new web site for Round Square as a hub for an increasing profile of collaborative resource-sharing and project, conference and exchange activity.

During the 2014/15 year a significant investment of financial and human resource was made in the development and construction of this site. Launched in March 2015, the new site includes an intranet members-only area which offers easy access to contact details for all member schools, project and conference information, and the ability to advertise school projects, conferences, events and courses. The site also offers a range of communication tools to support engagement within the RS network as well as platforms for collaboration, finding exchange partners, advertising and searching GAP opportunities, and meeting in designated workspaces. The greatest addition is perhaps the Resource Library which as it grows will offer increasing opportunity for member schools to share experience, best practice and templates, learning and benefiting from each other's innovation and creativity.

In support of the ongoing development of the web site Round Square appointed a Digital Communications Manager during the reported year. In addition to the ongoing management of the site, through this new role Round Square now has an active and vibrant presence on seven social media platforms.

Infrastructure Development

The 2014/15 year was marked by the establishment of Round Square's first Worldwide Office in Windsor in November 2014. Now also officially the Registered Office of Round Square, the new premises were formally opened by His Majesty King Constantine in January 2015. Five members of the Round Square Team are currently based in the Worldwide Office, with a further four based and working outside the UK.

Following restructuring of the employed team during 2014, the reported year has seen an expansion to include new roles focused more specifically on the objectives outlined in Round Square's Strategic Plan. In addition to a Digital Communications Manager and five Regional Support Managers, in 2015 Round Square has appointed a new Finance and Administration Manager and advertised the post of Student Conference and Events Manager.

Also during the year, further energy has been invested in reviewing and renewing Round Square's systems, policies and procedures, legal frameworks and documentation. In addition, Round Square has continued to invest in ensuring that its brand is adequately protected, with Trademark registrations now established in 42 countries.

FINANCIAL RESULTS AND RESOURCES

Investments Policy

Round Square has reviewed its cash balances and has made some investment decisions based on the need to ensure funds are held in accounts producing investment returns whilst ensuring funds are held securely.

A conservative approach to the investment of surplus funds continues to form the basis of the investment policy. The Committee will seek to make further investments where there is the minimum risk to capital.

The Finance Committee will review the cash position at least annually and make decisions accordingly.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2015

Reserves Policy

Reserves built up in the organisation are intended for investment, by Board decision, in the development of a specific initiative or area of the business. It is not the intention of the Board to supplement normal operating expenditure through use of reserves. In line with Round Square's future implementation plans for the 2015/16 year the Board has determined to make a proactive investment from reserves next year in order to develop the infrastructures of the organisation.

Free reserves (unrestricted funds not tied up in fixed assets or designated) at the year-end were £345,478 and this is considered as sufficient for the on-going work of the charity given the Board's target of 12 months expenditure.

Results for the year

The results for the year show a small increase in resources of £2,473, in spite of significant developments having been completed during the year, including the development of the Round Square web site and the creation of promotional resources including a film. The modest increase against this backdrop is largely attributable to a combination of prudent resource management, and an increase in the number of Global Member Schools. The total unrestricted reserves of the organisation are now £345,478. The total unrestricted resources carried forward are held in order to ensure the continued ability to finance the charity's objectives. With no reserves draw-down having been necessary during the reported year, the coming year will see a planned investment from the Development Fund to finance a number of one-off initiatives detailed below.

PLANS FOR THE FUTURE

With the Strategic Development process now leading into global and regional implementation Round Square is creating a solid foundation for future growth and development.

Strategic Themes

Three strategic themes continue to form the central framework of our plan. These encapsulate our Guiding Principles and provide a touchstone for shaping current and future ambitions. Our themes are:

- A World Class Educational Approach
- A Vibrant Connected Network
- A Platform for Future Leaders

Strategic Outcomes

The Strategic Planning Process identified five Strategic Outcomes for the organisation:

- 1) A meaningful Round Square value system
The Ebb & Flow of Learning in the organisation
- 2) A whole new standard of educational value
BEING Round Square not DOING Round Square
- 3) The development of better human beings
The Vision and purpose to the curriculum shared by Round Square schools
- 4) Advancement of critical skills and qualities for lifelong learning
Propagating the Round Square approach
- 5) Attraction and retention of exemplary Round Square schools
Seeking out those schools that excel and innovate in areas that we are passionate about

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2015

Worldwide Implementation Plan

Flowing from the Strategic Plan, schools in each Round Square Region came together to create implementation plans for their region in order to deliver our shared strategic outcomes. The Worldwide organisation continues to focus on four key areas in support of regional ambitions:

Communications including the continuing development of our web and social media platforms.

Core Programme Development including development of Projects, Conferences and an Alumni programme.

Membership Support including the enquiry, member school recruitment and support processes but also Professional Development, Training and Mentoring for Adults and schools.

Infrastructure Development which encompasses a continuing review and improvement in our systems and processes as well as the ongoing development and building of a new Worldwide Management Team, in particular integrating the new Regional Support Manager roles.

Alumni Research Programme

During the coming year, Round Square has ambitious plans to reinvigorate its Alumni programme. In addition to targeting growth in membership via the new web site, plans are in place to commission external evaluative research in order to gather evidence of "distance travelled" in terms of students' learning. This will assist Round Square in understanding and improving how the organisation communicates the learning outcomes of RS activity to its stakeholders.

Accreditation

Recognising that many Round Square Schools operate their own very successful Diplomas to accredit Students' Round Square experiences, this year will see the start of a project to create a central option for those schools that do not already have their own and would like to offer students an accreditation route. Working with a well-known international examining body and drawing on best practice throughout the network this should prove to be an exciting initiative that will be developed over the next 2-3 years.

Branding & Promotion

Initiated during the reported year, the second phase of Round Square's branding review will take place and conclude during 2015/16. New printed materials combined with a Round Square App platform and Augmented Reality capability will offer a unique and exciting interface between print and online media. Two communications channels will focus on embedding, explaining, and raising the value of Round Square within existing schools as well as providing the tools and messages to support new member school recruitment.

University Recognition Programme

Round Square's University Recognition Programme will receive greater focus as it finds a home on the new web site during 2016. Already in progress, this initiative will offer students a gateway into understanding what a range of universities throughout the world can offer and challenge them with, in the context of the Round Square IDEALS.

Conferences

The 2016 Round Square International Conference will take place in Europe in October. The programme will include a Professional Development element for adult delegates. In addition, delegate places at three further conferences, one each in India, Africa and America, each for a different age group and hosted by an individual RS Member school, will be opened up to all member schools globally. This will provide globally accessible conference opportunities throughout the year and will provide for students aged 11 to 19.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2015

Teaching and Learning – A Discovery Framework

A key area of focus for Round Square in the coming year continues to be the development of a single framework to describe and define Round Square's holistic approach to the education of young people around the world. This initiative recognises that within Round Square's member schools exists a wonderful array of examples of individual approaches to teaching and learning. Our challenge is to distil these in order to provide something that is uniquely Round Square and is accessible throughout the Round Square Membership, irrespective of culture, location or specific curriculum content. Initial work completed collaboratively during the reported year by an international team drawn from Round Square Member Schools will be built on further during the remainder of 2015, and shared with the wider RS membership at the 2015 RSIC in Singapore.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report 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 for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and 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.

So far as each of the trustees is aware at the time the report is approved:

- there is no relevant audit information of which the 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.

Approved by the trustees on 3rd September 2015 and signed on their behalf by:


HM King Constantine
President
Round Square


Roderick D Fraser
Chairman
Round Square

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROUND SQUARE

We have audited the financial statements of The Round Square for the year ended 31 July 2015 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).

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.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, 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.

We have been appointed auditor under the Companies Act 2006. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2015 and of the charitable company's incoming resources and application of resources, including the 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.



Tracey Young (Senior Statutory Auditor)
for and on behalf of haysmacintyre, Statutory Auditor

**26 Red Lion Square
London WC1R 4AG**

15 December 2015

THE ROUND SQUARE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2015

INCOME AND EXPENDITURE		Unrestricted Funds £	Restricted Funds £	2015 Total £	2014 Total £
	Notes				
INCOMING RESOURCES					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations		10,666	38,544	49,210	40,728
Bank interest received		3,221	-	3,221	2,051
Incoming resources from charitable activities	2	776,690	-	776,690	739,553
Other incoming resources		1,068	-	1,068	991
		<u>791,645</u>	<u>38,544</u>	<u>830,189</u>	<u>783,323</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising and publicity		1,000	-	1,000	1,354
Charitable activities		704,260	37,557	741,817	725,310
Governance costs		84,899	-	84,899	87,300
	3	<u>790,159</u>	<u>37,557</u>	<u>827,716</u>	<u>813,964</u>
Net incoming / (outgoing) resources		1,486	987	2,473	(30,641)
Balance brought forward at 1 August 2014		525,757	93,737	619,494	650,135
Balance carried forward at 31 July 2015		<u>527,243</u>	<u>94,724</u>	<u>621,967</u>	<u>619,494</u>

No summary income and expenditure account has been prepared because this information is clearly identified in the above statement.

All transactions are derived from continuing activities.

The accompanying notes form part of these financial statements.

BALANCE SHEET

AS AT 31 JULY 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	5	-	2,721
CURRENT ASSETS			
Debtors	6	59,966	117,019
Stock		5,413	5,433
Cash at bank		695,236	773,471
		760,615	895,923
CREDITORS: Amounts falling due within one year	7	(138,648)	(279,150)
NET CURRENT ASSETS		621,967	616,773
TOTAL ASSETS LESS CURRENT LIABILITIES		621,967	619,494
FUNDS			
Unrestricted:			
General Funds	10	345,478	342,658
Designated Funds	10	181,765	183,099
Restricted	10	94,724	93,737
		621,967	619,494

The financial statements were approved and authorised for issue by the Board of Directors on 3rd September 2015 and were signed below on its behalf by:


King Constantine - Director

The accompanying notes form part of these financial statements.

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2015

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005, the Companies Act 2006 and applicable accounting standards.

The particular accounting policies adopted are described below.

Accounting Basis

The financial statements are prepared under the historical cost convention.

Income

Incoming resources are included on a receivable basis.

Expenditure

Expenditure is accounted for on an accruals basis and is allocated to expense headings either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Costs of generating funds are those costs incurred to raise voluntary income and costs of trading activities for the purpose of raising funds. Charitable activities relates to costs incurred in delivering the charity's activities and services to its beneficiaries. Governance costs are costs incurred in meeting the constitutional and statutory requirements.

Stock

Stock is valued at the lower of cost and net realisable value.

Operating lease rentals

Rentals under operating leases are charged to the profit and loss account as they fall due.

Depreciation

Depreciation on fixed assets is charged such that items with a purchase price in excess of £1,000 will be depreciated and these will be charged so as to write an item's full cost over its expected useful life at a rate of 25% on cost of office equipment. Where the purchase price is below £1,000 and depreciation is not employed, the item will be written off in full during the reported year.

Cash Flow Statement

In accordance with the exemption allowed for small companies under Financial Reporting Standard No. 1, the company has not prepared a cash flow statement.

Funds

Unrestricted funds are funds that can be used in accordance with the charitable objects at the discretion of the trustees. Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

Restricted funds arise when funds can be used only for a specific purpose, either as specified by the donor or in accordance with the terms for which they were raised.

Foreign Currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. Any exchange differences arising from the translation are dealt with in the Statement of Financial Activities.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2015 £	2014 £
Subscriptions	548,720	492,227
Project monies received	192,503	180,700
Conferences	35,467	66,626
	<u>776,690</u>	<u>739,553</u>

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2015

3. ANALYSIS OF RESOURCES EXPENDED

	Direct costs £	Allocated support costs £	Total 2015 £	Total 2014 £
Direct and allocated costs				
<i>Cost of generating funds:</i>				
Fundraising and publicity	1,000	-	1,000	1,354
<i>Charitable activities:</i>				
Conference expenditure	20,053	17,382	37,435	124,204
Projects and educational activities	356,530	347,852	704,382	601,106
<i>Governance costs</i>	84,899	-	84,899	87,300
	<u>462,482</u>	<u>365,234</u>	<u>827,716</u>	<u>813,964</u>
Allocated support costs	Office costs £	Management costs £	Total 2015 £	Total 2014 £
<i>Cost of generating funds:</i>				
Fundraising and publicity	-	-	-	-
<i>Charitable activity:</i>				
Conference expenditure	13,906	3,476	17,382	94,826
Projects and educational activities	278,282	69,570	347,852	389,932
<i>Governance costs</i>	-	-	-	-
	<u>292,188</u>	<u>73,046</u>	<u>365,234</u>	<u>484,758</u>

The costs include salaries totalling £259,071 (2014: £317,294) to employees who carry out significant work on behalf of the charity (see Note 4).

	2015 £	2014 £
Net incoming resources is stated after charging:		
Auditor's remuneration (excl VAT)		
- Audit fees	4,330	4,150
Depreciation	2,721	1,350
	<u>7,051</u>	<u>5,500</u>
4. STAFF COSTS AND TRUSTEES EMOLUMENTS	2015 £	2014 £
Wages and salaries	236,773	298,391
Social security costs	22,298	18,903
	<u>259,071</u>	<u>317,294</u>

The average number of employees was 5 (2014: 6).

THE ROUND SQUARE**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 JULY 2015****4. STAFF COSTS AND TRUSTEES EMOLUMENTS (continued)**

The Trustees received no emoluments during the year. They received reimbursed expenses relating to the work of the charity which totalled £39,316 (2014: £53,595). The number of employees who received emoluments exceeding £60,000 was:

	2015	2014
£60,001 - £70,000	1	-
£100,001 - £110,000	-	1
	<u>1</u>	<u>1</u>

5. TANGIBLE FIXED ASSETS

	Office equipment £
Cost	
At 1 August 2014	11,704
Additions	-
Disposals	-
At 31 July 2015	<u>11,704</u>
Depreciation	
At 1 August 2014	8,893
Charge for year	2,721
Disposals	-
At 31 July 2015	<u>11,704</u>
Net book value	
At 31 July 2015	<u>-</u>
At 31 July 2014	<u>2,721</u>

All assets are used for charitable purposes.

6. DEBTORS

	2015 £	2014 £
Trade debtors	47,900	72,830
Other debtors	4,229	-
Prepayments and accrued income	7,837	44,189
	<u>59,966</u>	<u>117,019</u>

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2015

7. CREDITORS: Amounts falling due within one year	2015 £	2014 £
Trade creditors	45,081	15,115
Subscriptions received in advance	53,979	94,706
Project monies in advance	12,393	64,515
Other taxes and social security	7,462	6,242
Other creditors	1,986	31,269
Accruals	17,747	67,303
	<u>138,648</u>	<u>279,150</u>

8. TAXATION

The company is a registered Charity (No. 327117) and is not liable to tax on its surpluses generated by charitable activities. The company has undergone an independent formal VAT review during the reported year, and this has confirmed Round Square's tax position in relation to VAT.

9. CONSTITUTION

The company is limited by guarantee. The maximum liability of each member on winding up is £1.

10. FUNDS	Balance at 1 August 2014 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 July 2015 £
Unrestricted funds:					
General funds	342,658	790,979	788,159	-	345,478
Designated funds:					
Governors' Bursary Fund	9,274	-	1,000	-	8,274
Peter Pelham Bursary	8,100	666	1,000	-	7,766
Project Development Fund	165,725	-	-	-	165,725
Restricted funds:					
Global Forum Fund	6,148	-	6,148	-	-
Hill Trust	6,111	-	-	-	6,111
Prince Alexander	81,478	38,544	31,409	-	88,613
	<u>619,494</u>	<u>830,189</u>	<u>827,716</u>	<u>-</u>	<u>621,967</u>

Restricted Funds:

The Global Forum Fund represents amounts received enabling the organisation to create a global academic collaborative forum for Member schools. The preparatory work for this initiative, designed to promote international perspectives across a range of academic subjects which will engage staff and students alike, has been completed during the reported year.

The Hill Trust relates to donations received towards provision of bursary support for students that could not otherwise afford to participate in RSIS projects.

The Prince Alexander Project fund has been created to generate funds for the building materials (bricks and mortar) element of the Round Square International Service (RSIS) projects. It is not used for administrative purposes.

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2015

Designated Funds:

The Governors' Bursary Fund represents monies donated by Member schools governors whose contributions to this fund enable provision of an annual bursary to a student or school staff member who could not otherwise afford to participate in an RSIS project.

The Peter Pelham Bursary Fund represents monies donated by the Board of Directors whose contributions to this fund enable provision of an annual bursary to a student from a financially disadvantaged member school who could not otherwise afford to participate in an RSIS project.

The Project Development Fund represents monies that the trustees have earmarked for organisational development projects.

As Round Square is a Charitable Trust, the accumulated funds do not belong to the members. If, upon the winding up or dissolution of the Trust there remains, after satisfaction of all debts and liabilities, any property whatsoever, then, under the terms of the company's memorandum, this must be transferred to some other charitable institution having similar charitable objects to the company. All unrestricted reserves are held for supporting the charitable objectives of the company.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £	Net current Assets £	Total £
Unrestricted funds:			
- General	-	345,478	345,478
- Designated funds	-	181,765	181,765
Restricted funds	-	94,724	94,724
	<u>-</u>	<u>621,967</u>	<u>621,967</u>

12. OPERATING LEASE RENTALS

The company has entered into operating lease rental agreements. The outstanding commitment at 31 July 2015 is £102,690 (£19,560 falling due within one year, and £78,240 falling due within one and five years).