

GLOBAL SCHOOLROOM LIMITED

(a company limited by guarantee without a share capital)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDING 30TH SEPTEMBER 2010

Company Registration Number: 475456
Charity Registration Number: CHY 18768

GLOBAL SCHOOLROOM LIMITED

CONTENTS PAGE

| CONTENTS | PAGE |
|-----------------------------------|-------------|
| Company Information | 2 |
| Directors' Report | 3 |
| Auditor's Report | 8 |
| Statement of Financial Activities | 10 |
| Balance Sheet | 11 |
| Cash Flow Statement | 12 |
| Notes to the Financial Statements | 13 |

GLOBAL SCHOOLROOM LIMITED

COMPANY INFORMATION

| | |
|-------------------|--|
| Directors | Gwen Brennan Liam Kilbride Michael O'Brien Robert Power |
| Secretary | Damien Brennan |
| Company Number | 475456 |
| Charity Number | CHY 18768 |
| Registered Office | 10 Lissadel Crescent Malahide Co. Dublin |
| Auditors | Gaby Smyth & Co. 92 Merrion Road Ballsbridge Dublin 4 |
| Business Address | 10 Lissadel Crescent Malahide Co. Dublin |
| Bankers | Allied Irish Bank plc 40/41 Westmoreland Street Dublin 2 |

GLOBAL SCHOOLROOM LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their annual report, together with the financial statements of the company, for the period ended 30th September 2010.

STRUCTURE, GOVERNANCE & MANAGEMENT

The company is a charity and hence the report and results are presented in a form, which complies both with the requirements of the Companies Acts, 1963 to 2009, and also the Statements of Recommended Practice (SORP) as issued by the Charity Commissioners for England and Wales in March 2005.

Legal Status

Global Schoolroom Limited is a company registered in Ireland, which was incorporated under the Companies Acts, 1963 to 2009 on the 18th September 2009 and is a company limited by guarantee not having a share capital. The objects of the company are charitable in nature and it has established charitable status (CHY No.18768).

Directors and their Interests

At the first Annual General Meeting of the company, all of the directors shall retire from office and in each subsequent year one-third of the directors, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office.

The directors to retire in every year shall be those who have been longest in office since the last election, but as between persons who became directors on the same day, those to retire shall be determined by lot.

A retiring director shall be eligible for re-election.

The current directors of the board are as follows:

Gwen Brennan
Liam Kilbride
Michael O'Brien
Robert Power

Gwen Brennan and Liam Kilbride were appointed as directors on 30th November 2009. Garret Campbell resigned as company director on 1st September 2010. There were no other changes in directors between 30th September 2010 and date of signing the financial statements.

Robert Power resigned as company secretary on 28th April 2010 and was replaced by Damien Brennan.

Members

Members of the charitable company guarantee to contribute an amount not exceeding €1 to the assets of the charitable company in the event of a winding up. The total number of members is seven.

Events Since the Year End

There have been no significant events affecting the company since the year-end.

OBJECTIVES AND ACTIVITIES

Global Schoolroom Limited seeks to promote the sharing of educational experience between communities worldwide to help eradicate poverty, promote economic development and build sustainable communities.

In furthering this goal the company works directly with teachers and communities to build a strong framework for high standards of teacher education. Once in place, the Global Schoolroom programme is designed to be sustained by local networks.

GLOBAL SCHOOLROOM LIMITED

DIRECTORS' REPORT

This is achieved through the forging of respectful links between educational partners to their mutual benefit. This sharing of good educational practices enriches the collective educational experience, widens the cultural horizons of everyone involved and expands each individual's scope for opportunity. Children in the communities involved receive a better quality education which ultimately leads to greater economic development and higher standards of living.

In practical terms this involves:

- The recruitment of experienced teachers each December to travel to India or Uganda in the following July to work with their colleagues as part of the four week face-to-face element of the Global Schoolroom programme.
- For the teachers travelling, this is typically a once off experience with preparatory training and preparation provided to them in Ireland over 5 to 6 weekends prior to July and an independent debriefing and evaluation session following their return.
- These teachers are encouraged to maintain their links with Global Schoolroom thereafter through the alumni network and to involve their pupils in the experience.
- Some teachers volunteer to travel on the programme in subsequent years.
- For the teachers travelling from Ireland, University College Dublin (UCD) offers an M.A. in Education in Mentoring to Global Schoolroom volunteers built around their Global Schoolroom experience.
- For the Indian and Ugandan teachers involved, the sessions each July form part of a three year Diploma in Teacher Education accredited by UCD. Those who graduate may be offered the possibility to participate as volunteers on future Global Schoolroom programmes.
- The sessions each July include two weeks of intensive seminars and workshops during which the teachers share their educational experiences with one another.
- The visiting teachers then join the local teachers in their schools working with them to apply in situ the techniques and methodologies developed together during the previous two weeks.
- Further application and implementation is required throughout the year to help complete assignments for formal assessment in Global Schoolroom workbooks. A local tutor/mentor system and 'critical friend' groups have been set up locally to facilitate this process.
- Mid year reviews are undertaken in country by Global Schoolroom each February.
- Assessment of written work is done each July by a UCD member of staff.

ACHIEVEMENTS AND PERFORMANCE

There has been an overwhelming interest amongst the teaching profession to engage with Global Schoolroom. Teacher recruitment for the 2010 programmes began in October 2009 and final selection of volunteers was completed by December 2009. Briefing of volunteers began in January 2010 and continued monthly. Five volunteers travelled to Uganda to facilitate the first year of the programme there, while fifteen travelled to India to complete the final year of the first three-year cycle. While in country, volunteers were supported by experienced Team Leaders and by the CEO.

GLOBAL SCHOOLROOM LIMITED

DIRECTORS' REPORT

Global Schoolroom is conscious of the need to ensure that we enjoy a secure pipeline of reliable funding in order to fund our programme as it currently stands, finance the building and on-going cost of a permanent management infrastructure and make possible the expansion of our programme in the future. A fundraising committee was established in November 2010 to look at possible funding opportunities. An application was made to the Arthur Guinness Fund.

FINANCIAL REVIEW

As this is the first period in which the company is in operation there are no comparative figures on which to comment on.

Cornmarket Group Financial Services continued to contribute to the company's funding as they have done since the establishment of Global Schoolroom. A total of €50,000 was contributed by Cornmarket in period ending 30th September 2010.

Volunteers contributed a minimum of €1,500 towards their trip expenses. Amounts raised over this minimum amount were also contributed to Global Schoolroom Ltd.

A grant was received in the year and the company has made efforts to secure alternate funding for future periods.

Results for the Year

The results for the period and the balance sheet are set out on pages 10 and 11.

Financial Report for the Year

| | 2010 |
|---------------------------|-------------------|
| | € |
| Incoming Resources | |
| Grants | 1,800 |
| Donations | 50,000 |
| Volunteer Contributions | 58,400 |
| Donations-In-Kind | 18,390 |
| | <hr/> 128,590 |
| Resources Expended | |
| Programme Costs | 98,214 |
| Governance Costs | 10,471 |
| Donations-In-Kind | 18,390 |
| | <hr/> 127,075 |
| Net Incoming Resources | <hr/> <hr/> 1,515 |

Investment Powers and Policy

In accordance with the Memorandum and Articles of Association the company has the power to invest in any way the trustees wish.

Reserves Policy

The charity does not have a reserves policy at present.

PLANS FOR FUTURE PERIODS

In India the company have had numerous requests to expand the current programme from both educational partners and from teachers in regions adjoining those where it operates. Meanwhile the company is working with the Ministry of Education and Sports in launching programmes in Uganda.

GLOBAL SCHOOLROOM LIMITED

DIRECTORS' REPORT

In addition, Global Schoolroom has been requested by Self Help Africa to consider launching the programme in other African countries, which are Irish Aid (the Irish government's programme of assistance to developing countries) Bilateral Partners.

While we instinctively want to respond to these demands, we are determined nonetheless to retain our focus on our current programme and to ensure that we do not compromise our ability to deliver on our goals by spreading our resources too thinly – hence our strategy is one of step-by-step progression tempered by on-going consolidation.

With this strategy in mind the major milestones for the programme in India over the next two years are:

March 2011

Selection of five graduates from the current Indian programme to train as tutors on the next programme. This will include bringing them to Ireland for a four week period to attend seminars in UCD and experience teaching in Irish schools. March will also see the usual annual consultation process take place with the local stakeholders in preparation for the 2011-2014 programmes in N.E. India.

June 2011

See through the successful graduation of 133 Indian teachers.

July 2011

Start the next three-year cycle in eight new centres in N.E. India, involving Irish, UK and Indian teachers working together to facilitate the programme.

Spring 2012

Establish a local training programme for Indian Tutors in association with Assam Don Bosco University in tandem with our plans to secure local accreditation for the Global Schoolroom programme more generally.

Again with the same strategy in mind, the major milestones for the programme in Uganda in the forthcoming periods are:

March 2011

Undertake the usual annual consultation process with the local stakeholders in preparation for the 2nd year of the 2010-2013 pilot programme.

July 2011

Launch the 2nd year of the three year pilot programme in Kayunga and Masaka. Carry out Year 1 assessment and continue consultations with local stakeholders.

By end 2011

Finalise the agreement of local accreditation for the Global Schoolroom programme.

ACCOUNTING RECORDS

The directors acknowledge their responsibility under Section 202 of the Companies Act 1990 to keep proper books and records for the company. The books and records are kept at 10 Lissadel Crescent, Malahide, Co. Dublin.

DIRECTORS RESPONSIBILITIES

Company Law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

GLOBAL SCHOOLROOM LIMITED

DIRECTORS' REPORT

- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1963 to 2009 and the accounting standards issued by the Accounting Standards Board (Generally Accepted Accounting Practice in Ireland). They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The Auditors, Gaby Smyth & Co., Chartered Accountants, have expressed their willingness to continue in office in accordance with section 160 (2) of the Companies Act, 1963.

On behalf of the Directors

DIRECTOR

DIRECTOR

9^h May 2011

GLOBAL SCHOOLROOM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We have audited the financial statements on pages 10 to 16. These financial statements have been prepared under the accounting policies set out in the statement of accounting policies on page 13.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 6, the directors of the company are responsible for the preparation of financial statements in accordance with applicable law and accounting standards issued by the Accounting Standards Board and promulgated by Chartered Accountants Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with the Companies Acts, 1963 to 2009. We also report to you whether in our opinion: the company has kept proper books of account; and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether financial statements are in agreement with the books of account.

We also report to you, if in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatement within it.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

OPINION

In our opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs at 30th September 2010 and of its results for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2009.

GLOBAL SCHOOLROOM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on pages 3 to 7 is consistent with the financial statements.

**Gaby Smyth & Co.
Chartered Accountants
and Registered Auditors**

**92 Merrion Road
Ballsbridge
Dublin 4.**

9th May 2011

GLOBAL SCHOOLROOM LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDING 30TH SEPTEMBER 2010**

| | Notes | 2010 Unrestricted Funds € | 2010 Restricted Funds € | 2010 Total Funds € |
|--|----------|------------------------------------|----------------------------------|-----------------------------|
| Incoming Resources | | | | |
| <i>Incoming Resources from Generated Funds</i> | 3 | | | |
| <i>Voluntary Income</i> | | | | |
| Grants | | - | 1,800 | 1,800 |
| Donations | | 50,000 | - | 50,000 |
| Volunteer Contributions | | - | 58,400 | 58,400 |
| Donations In Kind | | 18,390 | - | 18,390 |
| | | <hr/> | <hr/> | <hr/> |
| Total Incoming Resources | | 68,390 | 60,200 | 128,590 |
| Resources Expended | | | | |
| <i>Costs of Generating Funds</i> | | | | |
| Programme Costs | 4 | 38,014 | 60,200 | 98,214 |
| Governance Costs | 5 | 10,471 | - | 10,471 |
| Donations In Kind | | 18,390 | - | 18,390 |
| | | <hr/> | <hr/> | <hr/> |
| Total Resources Expended | | 66,875 | 60,200 | 127,075 |
| Net Incoming Resources | | 1,515 | - | 1,515 |
| Funds at the Beginning of the Period | | - | - | - |
| | | <hr/> | <hr/> | <hr/> |
| Funds at the End of the Period | | 1,515 | - | 1,515 |
| | | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

There are no recognised gains or losses other than the gains or losses for the above financial period.

The financial statements were approved by the Board on 9th May 2011 and signed on its behalf by:

DIRECTOR

DIRECTOR

GLOBAL SCHOOLROOM LIMITED

**BALANCE SHEET
AS AT 30TH SEPTEMBER 2010**

| | Notes | 2010 € | 2010 € |
|--|-------|--------------|---------------------|
| Current Assets | | | |
| Debtors | 6 | 5,680 | |
| Cash at Bank | | <u>5,643</u> | |
| | | 11,323 | |
| Current Liabilities | | | |
| Creditors: amounts falling due within one year | 7 | <u>9,808</u> | |
| Net Current Assets/(Liabilities) | | | 1,515 |
| Total Assets less Current Liabilities | | | <u><u>1,515</u></u> |
| Financed By | | | |
| Capital and Reserves | 10 | | |
| Opening Funds | | | - |
| Net Incoming Resources | | | 1,515 |
| Closing Funds | | | <u><u>1,515</u></u> |

The notes set out on pages 13 to 16 form an integral part of these accounts.

The financial statements were approved by the Board on 9th May 2011 and signed on its behalf by:

DIRECTOR

DIRECTOR

GLOBAL SCHOOLROOM LIMITED
CASH FLOW STATEMENT
FOR THE PERIOD ENDING 30TH SEPTEMBER 2010

| | 2010 € |
|--|---------------------|
| Reconciliation of Net Income to Net Cash Inflow from Operating Activities | |
| Net Incoming Resources | 1,515 |
| (Increase)/Decrease in Debtors | (5,680) |
| Increase/(Decrease) in Creditors | <u>9,808</u> |
| Net Cash Inflow from Operating Activities | <u><u>5,643</u></u> |
| Cash Flow Statement | |
| Net Cash Inflow from Operating Activities | <u>5,643</u> |
| | <u><u>5,643</u></u> |
| Reconciliation of Net Cash Flow to Movement in Net Funds (Note 11) | |
| Increase in Cash in Period Ended 30 th September 2010 | <u>5,643</u> |
| Net Funds at 30 th September 2010 | <u><u>5,643</u></u> |

GLOBAL SCHOOLROOM LIMITED

NOTES ON THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING 30TH SEPTEMBER 2010

1. Statement of Accounting Policies

1.1 Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2009. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by Chartered Accountants Ireland and issued by the Accounting Standards Board.

The financial statements are presented in a form, which complies with the Statement of Recommended Practice (SORP) for Charities as issued by the Charities Commissioners for England and Wales in March 2005. As a result of adopting the requirements of the SORP for Charities, the financial statements include a detailed statement of financial activities.

1.2 Incoming Resources

Voluntary income represents total income generated by the company and is accounted for on a cash receipts basis.

1.3 Grant Income

As far as it is practical, grant income is reflected in the statement of financial activities in the period in which the expenditure for which the grant was applied is incurred and is credited to unrestricted funds. Grant income received that is restricted to its purpose by the wishes of the donor is taken to restricted funds.

1.4 Intangible Income

Intangible income, which comprises donated services, is included in income at a value which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. Management estimate that intangible income received during 2010 totalled €18,390. The company appreciates this gesture of 'support in kind' and also the support of other funders during the year.

1.5 Resources Expended

Resources expended are analysed between programme costs and governance costs. Where costs cannot be directly attributable, they are allocated on a basis consistent with the use of resources.

2. Movement in Total Funds for the Year

| | 2010 € |
|---|--------------|
| Net income for the year is stated after charging: | |
| Auditors' Remuneration | 1,210 |
| | <u>1,210</u> |

GLOBAL SCHOOLROOM LIMITED

**NOTES ON THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 30TH SEPTEMBER 2010**

3. Incoming Resources

| | 2010 | 2010 | 2010 |
|------------------------------------|---------------------|-------------------|----------------|
| | Unrestricted | Restricted | Total |
| | Funds | Funds | Funds |
| | € | € | € |
| Income from Generated Funds | | | |
| Cornmarket Donation | 50,000 | - | 50,000 |
| Comhlamh Capacity Building Grant | - | 1,800 | 1,800 |
| Volunteer Contributions | - | 58,400 | 58,400 |
| | <u>50,000</u> | <u>60,200</u> | <u>110,200</u> |

4. Programme Costs

| | 2010 |
|------------------------|---------------|
| | € |
| Trip Expenses | 85,406 |
| Training | 250 |
| Consultancy | 5,042 |
| Telephone and Internet | 2,141 |
| Print and Postage | 3,589 |
| Catering | 1,601 |
| Other Costs | 185 |
| | <u>98,214</u> |

5. Governances Costs

| | 2010 |
|------------------------|---------------|
| | € |
| Administration Charges | 8,563 |
| Management Training | 120 |
| Insurance | 376 |
| Bank Fees | 202 |
| Audit Fee | 1,210 |
| | <u>10,471</u> |

6. Debtors

| | 2010 |
|---------------|--------------|
| | € |
| Sundry Debtor | 5,646 |
| Prepayments | 34 |
| | <u>5,680</u> |

GLOBAL SCHOOLROOM LIMITED

**NOTES ON THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 30TH SEPTEMBER 2010**

7. Creditors

| | 2010 € |
|-----------------|------------------|
| Trade Creditors | 8,554 |
| Credit Card | 1,210 |
| Accruals | 44 |
| | 9,808 |

8. Incorporation

Global Schoolroom Limited is a company limited by guarantee and, as such, has no issued share capital. In addition, the company is a Registered Charity, reference number CHY 18768.

9. Taxation

The company, as a charitable organisation is exempted from Corporation Tax, Income Tax and Capital Gains Tax.

10. General Fund

| | 2010 Unrestricted Funds € | 2010 Restricted Funds € | 2010 Total Funds € |
|------------------------------------|---|---|--|
| Income from Generated Funds | | | |
| Incoming Resources | 68,390 | 60,200 | 128,590 |
| Resources Expended | (66,875) | (60,200) | (127,075) |
| Closing Balance as End of Period | 1,515 | - | 1,515 |

11. Analysis of Changes in Net Funds

| | Opening Balance € | Cash Flows € | Closing Balance € |
|--------------------------|---------------------------------------|----------------------------------|---------------------------------------|
| Cash at Bank and in Hand | - | 5,643 | 5,643 |
| | - | 5,643 | 5,643 |

**NOTES ON THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 30TH SEPTEMBER 2010**

12. Related Party Transactions

The Company has identified the following transaction which is required to be disclosed under the terms of FRS 8 “Related Party Transactions”

Cornmarket Group Financial Services Ltd.

Cornmarket Group Financial Services Ltd. and the company share common directors. During the year the company received a donation from Cornmarket Group Financial Services Ltd. amounting to €50,000. The balance due to the company at 30th September 2010 was €Nil.

13. Approval of the Financial Statements

The financial statements were approved by the Board on the 9th May 2011 and signed on its behalf by:

DIRECTOR

DIRECTOR

The following pages do not form part of the audited financial statements.

Appendix I

DETAILED STATEMENT OF FINANCIAL ACTIVITIES PERIOD ENDED 30TH SEPTEMBER 2010

| | 2010 |
|----------------------------------|---------------------|
| | € |
| Voluntary Income | |
| Comhlamh Capacity Building Grant | 1,800 |
| Cornmarket Donation | 50,000 |
| Volunteer Contributions | 58,400 |
| Donations-In-Kind | 18,390 |
| Total Income | <u>128,590</u> |
| | |
| Programme Costs | |
| Trip Expenses | 42,481 |
| Air Travel | 30,244 |
| Travel Insurance | 2,874 |
| Programme Development | 450 |
| Vaccinations | 4,124 |
| Training | 250 |
| Travel and Subsistence | 5,234 |
| Consultancy | 5,042 |
| Telephone and Internet | 2,141 |
| Print, Post and Stationery | 3,589 |
| Website | 19 |
| Catering | 1,601 |
| Sundry | 165 |
| | <u>98,214</u> |
| | |
| Governance Costs | |
| Administration Charges | 8,563 |
| Management Training | 120 |
| Insurance | 376 |
| Audit Fees | 1,210 |
| Bank Charges | 202 |
| | <u>10,471</u> |
| | |
| Donations-In-Kind | <u>18,390</u> |
| | |
| Total Expenditure | <u>127,075</u> |
| | |
| Net Incoming Resources | <u><u>1,515</u></u> |