



**THE COMMON PURPOSE CHARITABLE TRUST**  
**(A company limited by guarantee)**

**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

Company registered number: 2832875  
Charity registered number: 1023384



**COMMON PURPOSE CHARITABLE TRUST**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2015**

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# COMMON PURPOSE CHARITABLE TRUST

## TRUSTEES REPORT

FOR THE YEAR ENDED 31 JULY 2015

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The Trustees of Common Purpose Charitable Trust ("Common Purpose", "the Trust" or the "Company") are pleased to present their annual report together with the audited financial statements for the year ended 31 July 2015 which have been prepared in accordance with the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005).

### 1. OBJECTIVES AND AIMS

The charitable objective of Common Purpose is the advancement of education for the public benefit and the charitable objects are described in its governing document as:

"the advancement of education for the public benefit and in particular but without prejudice to the generality of the foregoing to educate men and women and young people of school age, from a broad range of geographical, political, ethnic, institutional, social and economic backgrounds in constitutional, civic, economic and social studies with special emphasis on civil and social awareness and responsibility in the United Kingdom and elsewhere."

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

It was established as a charity in 1989 and is registered with the Charity Commission under the Registered Charity number 1023384.

#### **Ethos and vision**

Common Purpose gives people from the private, public and not-for-profit sectors the inspiration, skills and connections to become better leaders, both at work and in society.

We run local and global programmes in cities across the world for 4,000 leaders each year from over 100 countries across six continents.

We are the **global** provider of **leadership development** to help people of the world to **work together** to solve common problems.

- **Local and global:** we operate locally in major cities around the world and we connect them through our global programmes.
- **Leadership development:** we deliver experiential leadership development and ensure that our participants leave with clear thinking on how to apply their learning back in the workplace and in wider society. As a result, all leaders, from all backgrounds - have a far more sustained impact.
- **Work together:** we convene leaders across sectors and from all backgrounds so that they learn to cross boundaries and see how diversity brings fresh perspectives and sparks innovation.

For more details visit our website: [www.commonpurpose.org](http://www.commonpurpose.org)

## COMMON PURPOSE CHARITABLE TRUST

### TRUSTEES REPORT

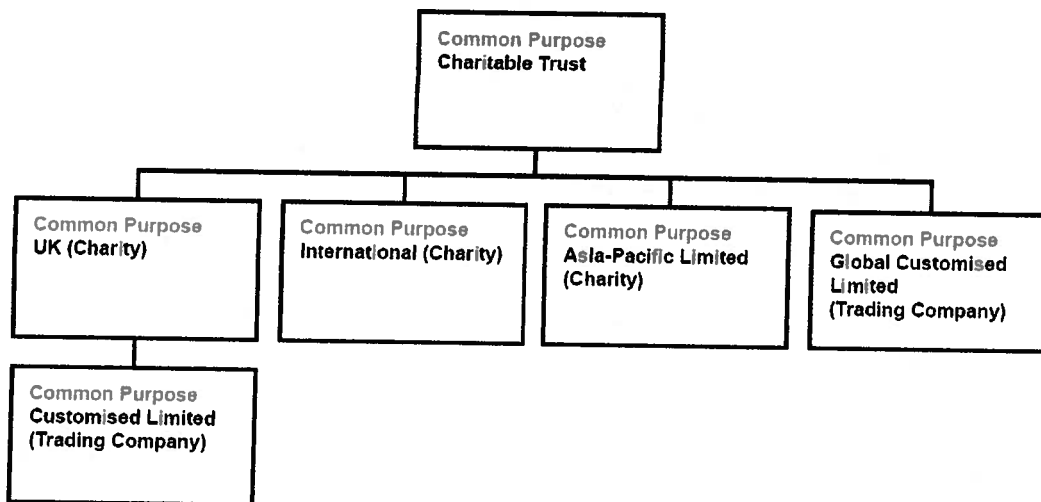
FOR THE YEAR ENDED 31 JULY 2015

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## 2. COMMON PURPOSE CHARITABLE TRUST

Common Purpose Charitable Trust is the parent company in a group structure. Most of the Trust's activities are carried out through the subsidiary organisations:

- Common Purpose UK, a charity registered in England
- Common Purpose International, a charity registered in England
- Common Purpose Asia-Pacific Limited, a charity registered in Singapore
- Common Purpose Global Customised Limited, a trading company which manages the international licensing arrangements, the provision of services to licensees and delivers customised courses to global clients. Common Purpose Global Customised Limited, a company registered in England, is a wholly owned subsidiary of Common Purpose Charitable Trust.
- Common Purpose Customised Limited, a trading company which delivers customised courses to UK clients. Common Purpose Customised Limited, a company registered in England, is a wholly owned subsidiary of Common Purpose UK.



Summary information about each organisation's objectives, activities and performance is shown later in this report.

During the year, the Company incorporated a new subsidiary, Common Purpose Student Experiences Limited (registered no. 09526939, charity registration no. 1162534). This entity will focus on providing leadership programmes for students from leading universities around the world. The company began trading in August 2015.

## **COMMON PURPOSE CHARITABLE TRUST**

### **TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 JULY 2015**

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### **3. THE ROLE OF COMMON PURPOSE CHARITABLE TRUST**

The Trust oversees the activities of all the companies within the group: Common Purpose UK, Common Purpose International, Common Purpose Customised Limited, Common Purpose Global Customised Limited and Common Purpose Asia-Pacific Limited.

The Charitable Trust is responsible for:

- The overall strategic plan
- Safeguarding the brands, intellectual property, web domain names and trademarks
- Supporting the global alumni offering
- The development of new international opportunities.

#### **Objectives for the year**

Common Purpose Charitable Trust's key objectives for the year 2014/15 included:

1. Growing our global customised business working with global corporates and foundations.
2. Continuing to develop work with university students with a target of reaching 50 magnet cities by 2016.
3. Launching two more global partnerships.
4. Continuing to invest in the Core: building reserves, developing a strong core central team, developing a global governance community and delivering training around Cultural Intelligence (CQ).

These objectives formed the basis of a target setting process for individual members of the staff and progress was reviewed through the year and finally as part of the annual staff appraisal process. The Senior Management Team reviews overall progress against the objectives on a monthly basis throughout the year.

1. Our global customised revenue grew 25% through a combination of increased global customised course delivery and continued delivery of the Amex course. There was significant interest in cross boundary leadership and we expect this growth curve to continue.
2. We established a new entity (Common Purpose Student Experiences Limited) to run the student programme working with top universities globally. Courses were delivered in ten cities to over 680 participants.
3. Over the year we extended our global reach to now work in over 75 cities.
4. We launched two more global partnerships, one with World Leadership Alliance-Club de Madrid and the other with ASEAN.

## COMMON PURPOSE CHARITABLE TRUST

### TRUSTEES REPORT

FOR THE YEAR ENDED 31 JULY 2015

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#### 4. COMMON PURPOSE INTERNATIONAL

Common Purpose International played a key part in development work to support The Common Purpose Charitable Trust's Growth Plan.

It focused on four main areas:

- *The development of programmes for leaders living in the Diaspora*  
During the year Common Purpose International undertook development work for programmes for diaspora Leaders from Africa and launched a new programme for diaspora leaders from Pakistan and Bangladesh.
- *The development of emerging leaders' programmes across Europe, the Middle East and North Africa*  
Development work was undertaken to launch a programme in the Euro-Med region. This work builds on the previous programmes run by Common Purpose for emerging leaders from Europe and the Arab world.
- *The development of an Africa Leaders' programme*  
This programme was launched in 2014-15. Common Purpose International continued to undertake development work both to ensure a successful launch and to gather support from organisations in Africa.
- *United States*  
Development work in 2014-15 included work on the set up of the legal entity and the launch of a programme for US civic leaders with the aim of enhancing their Cultural Intelligence.

#### 5. COMMON PURPOSE CUSTOMISED LIMITED

Performance against objectives for this company included:

1. *Focus on growth areas to include work with universities, the NHS, large NGOs and the private sector.*

While the focus remained very much on these sectors, clients in practice came from a wide range of industry sectors: private, public and not-for-profit. The North East was particularly strong for UK Customised during the year.

2. *Proactively market our Collab and InnoVenture products.*

CPC Ltd delivered its first InnoVenture for Team Doncaster, a four day intervention on the challenge of *How do we produce the UK's best health and wellbeing system for older people in Doncaster by 2020?* This was independently evaluated and the commissioner was pleased with the outcomes which include five prototypes that participants are working on beyond the programme itself.

3. *Continue to develop key account relationships in order to maximise repeat and new business opportunities.*

## COMMON PURPOSE CHARITABLE TRUST

### TRUSTEES REPORT

#### FOR THE YEAR ENDED 31 JULY 2015

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The appointment of a senior person to the Customised Director role in March 2015 has provided focus and momentum to our work. She takes a strategic overview of our main accounts.

4. *Produce case-studies to demonstrate the impact of our work.*

CPC Limited invested in marketing collateral and now has a new Customised brochure and updated Collab flier. The company also produced a suite of material in relation to the Doncaster InnoVenture including a video and flier.

5. *Develop a pool of associates to include coaches to work with us to increase resource capacity.*

A number of associates work with the company and their skill set, expertise and experience complement those in the permanent team.

6. *Build strategic alliances.*

This is a long term strategy.

## 6. COMMON PURPOSE GLOBAL CUSTOMISED LIMITED

Common Purpose Global Customised Limited ("the Company") has two areas of activity: licensees and customised courses.

During the year, the Company – with the Common Purpose Charitable Trust – developed the first version of the Operating Standards for licensees. These are designed to help support consistent and effective operations across all licensees in all territories. The Operating Standards will be reviewed in 2015/16, in particular the system through which licensees track their progress against the Standards.

The key areas of focus for the company are to:

- Build on already established relationships in other parts of Common Purpose to maximise interest in customised work globally;
- Keep up with the market trends in our sector and align our IT systems internally and externally to enhance the online experience for our staff, customers, participants and alumni community.
- Deliver on the last phase of the three year growth plan by maintaining our high standard of IT Support for the growing number of staff and locations we now operate in;
- Work on strong service evaluation process and develop statistical data which demonstrates the impact our services / solutions are making on the customer
- Continue to develop the Board to support the growth of global customised work.

Areas of focus specifically for Customised courses include:

- Prioritising existing Common Purpose key accounts and key development accounts in line with a carefully drafted sales strategy for 2015/16;
- Developing existing key account relationships in order to maximise repeat and new business opportunities globally.



# **COMMON PURPOSE CHARITABLE TRUST**

## **TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 JULY 2015**

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### **7. COMMON PURPOSE ASIA-PACIFIC LIMITED**

Over the next year, the company's main focus will be to continue grow its presence in the Asia-Pacific region. It will do this by continuing to build Singapore as a hub for Common Purpose's activities at three levels:

- Global - to drive Global Leadership Programmes such as CSCLeaders and the ASEAN Leaders Programme from an Asia-Pacific base;
- Regional - to give an Asia-Pacific focus to Common Purpose and help spread its work across this region. This would mean delivering and growing the ASEAN Leaders Programme for the 10 countries of the region and become a crucial player in expanding cross-sector leadership in the region; and
- Local - to make the Singapore base operate to its optimum, Common Purpose will make its presence relevant to the local community by running locally relevant programmes especially for young people in partnership with local stakeholders.

# COMMON PURPOSE CHARITABLE TRUST

## TRUSTEES REPORT

FOR THE YEAR ENDED 31 JULY 2015

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### 8. COMMON PURPOSE UK

The goal for 2014/15 was to build the next iteration of a sustainable financial model in each local cost centre with each delivering a mixed portfolio of open and customised courses. The strategy was to achieve a surplus to help build the group general reserves at the year end.

#### 8.1 Open courses

In 2014/15 we ran 22 open courses (2013/14: 25) with 457 participants (2013/14: 559). We continued to provide a significant level of bursary as shown in the following table.

Most of the bursaries are provided by Common Purpose itself but we also receive some sponsorship. The commitment to bursaries is also made possible thanks to support in kind from supporters and contributors which keeps our costs down and for which we are very grateful.

Programme	2014/15	2013/14
1. Meridian	10	12
2. Inside OUT	-	-
3. Common Purpose Navigator	6	6
4. 20:20	-	1
5. Profile / Profile Plus	4/1	4/1
6. Ventures (Dishaa)	2	1
<b>TOTAL</b>	<b>22</b>	<b>25</b>
Number of participants	457	559
Value of bursary places	£522,524	£705,995
Percentage of income paid as full or partial bursary support	33%	41%

#### 8.2 Student work

We delivered 23 Frontrunners in eleven universities and grew income for this area of the business by 10% from 13/14. This growth was delivered locally rather than via the new central appointment and as a result we reviewed that plan. Ahead, we want to capitalise on the strength of student work in London and have appointed a Senior Course Manager to expand what we do here. We have invested in training and developing Course Manager to deliver Frontrunner and this is now happening across the UK.

In 2014/15, we also ran customised courses for a number of Further Education College students.

### **8.3 London**

The London team ran the American Express Not-for-Profit Leadership Academy and hosted the London study tours for the CSCLeaders programme as well as running Meridian for senior leaders, Navigator for emerging leaders and Frontrunners for students. We are reviewing how we can best respond to the opportunities that London presents.

### **8.4 Customised work**

We appointed a new director to lead Customised work in the UK. This has brought focus and energy which is reflected in the growing pipeline. We have greater clarity about our product offering and in April delivered our first InnoVenture which was very well received.

### **8.5 Impact and visibility**

We have finalised a model that will enable us to analyse the impact of what we do in four key areas:

- 1 Leadership Learning: Leaders with Cultural Intelligence, who can lead beyond their authority.
- 2 Broader Networks: Leaders who spot connections, who can work in collaboration.
- 3 Better Decisions: Leaders who see the wider context, thriving in complexity.
- 4 Bold Innovation: Leaders who think the unthinkable, turning ideas to action

Our marketing materials have been refreshed and updated throughout the year and we have developed some high quality collateral, including a video, around the Doncaster InnoVenture.

### **8.6 Customer experience**

We ask all of our participants to respond to a value for time question – our KPIs. The average KPIs for 2014/15 are as follows:

Meridian	90.32%
Navigator	96.70%
Frontrunner	93.92%
Frontrunner Workshops	94.33%
Customised	94.40%

In addition, participants are asked to provide qualitative responses on their experience with Common Purpose.

## COMMON PURPOSE CHARITABLE TRUST

### TRUSTEES REPORT

FOR THE YEAR ENDED 31 JULY 2015

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#### 9. GROUP PLANS FOR THE FUTURE (2015/16)

1. Continue growth in global customised and students markets
2. Introduce blended learning across all our courses
3. Develop version two evaluation system to evidence our impact
4. Invest in next generation of talent who will contribute to the growth of the organisation
5. Develop our work with diasporas from Africa and Syria and build on this.
6. Launch the Common Purpose Massive Online Innovation Community (MOIC) for alumni.

#### 10. REVIEW OF FINANCIAL ACTIVITIES

##### Overview of financial position

The net movement in unrestricted funds for the year ended 31 July 2015 was a surplus of £86,306 (2013/14: surplus of £275,597). The net movement in restricted funds for the year was a surplus of £93,066 (2013/14: surplus of £5,494). Details of the results for the year are given in the Statement of Financial Activities on page 20.

##### Income

Total income grew to £5,080,178 in 2014/15 from £4,534,183 in 2013/14, an increase of 12% arising principally from sponsored programmes and an early lease termination fee.

##### Donated goods and services

During the year, expenditure in Common Purpose was kept to a minimum through the receipt of significant support in kind received locally and nationally. Generous support was received in kind from supporters who act as advisors, speakers, contributors and hosts on the course days. Such valuable contribution enables Common Purpose to run the high quality and range of courses currently in operation as well as enabling Common Purpose to offer bursary and part bursary places on our courses. During 2014/15, donated goods and services amounted to £493,206 compared with £494,787 in 2013/14.

##### External income of trading subsidiary of Common Purpose Charitable Trust

External income of the trading subsidiary Common Purpose Global Customised Limited (which comprises licence fee income and customised work) amounted to £421,026 in 2014/2015 compared to £348,102 in 2013/2014. The increase is a result of 2014/15 being the second operating year for the business. We expect the growth to continue in coming years.

**COMMON PURPOSE CHARITABLE TRUST**

**TRUSTEES REPORT**

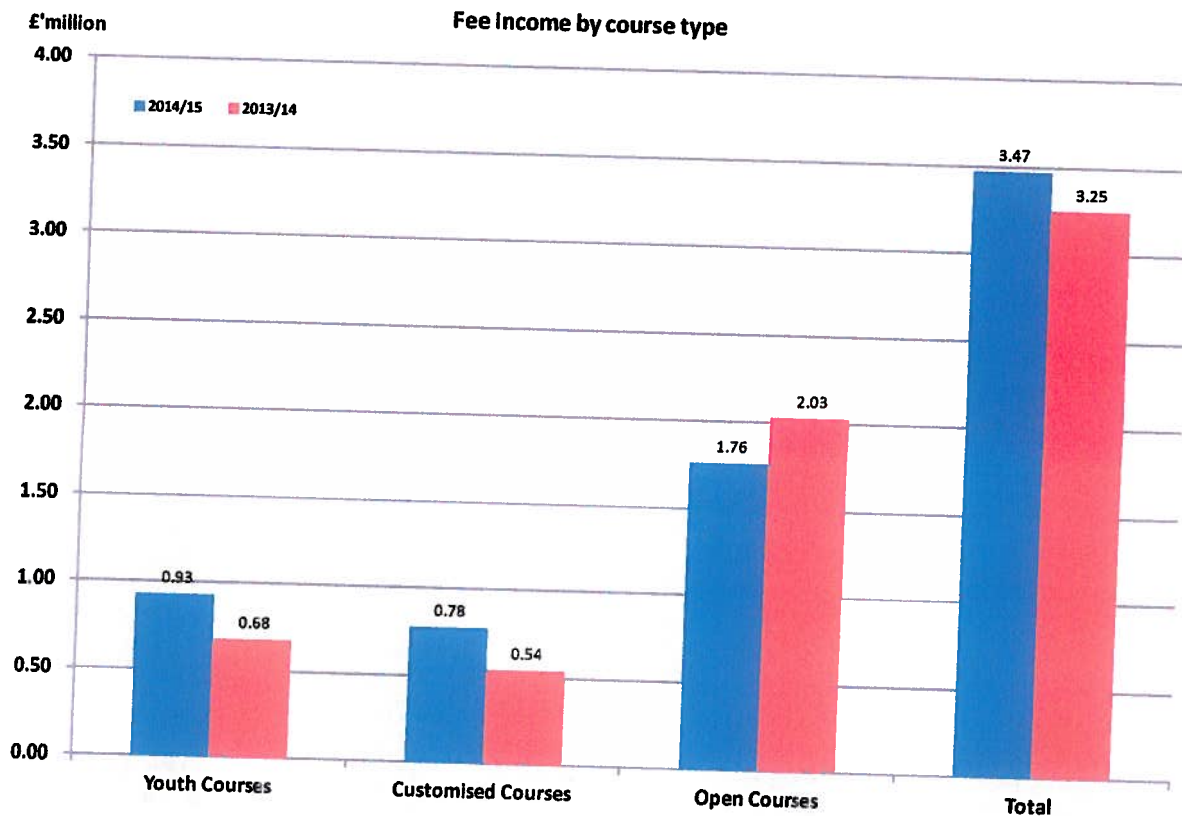
**FOR THE YEAR ENDED 31 JULY 2015**

**10. REVIEW OF FINANCIAL ACTIVITIES (continued)**

**Income from charitable activities**

In 2014/15, courses continued to be funded through a combination of tuition fees, bursaries and sponsorship. These sources covered both direct costs incurred locally and the indirect costs of central services provided by the central office in London.

Below is a summary of the course fee income by course type.



Fee income increased in both the Global Students (98%) and CSCLeaders courses (16%) during the year. This increase helped offset a 12.5% decline in fees for open courses in the UK and a significant fall of 46% in UK customised courses.

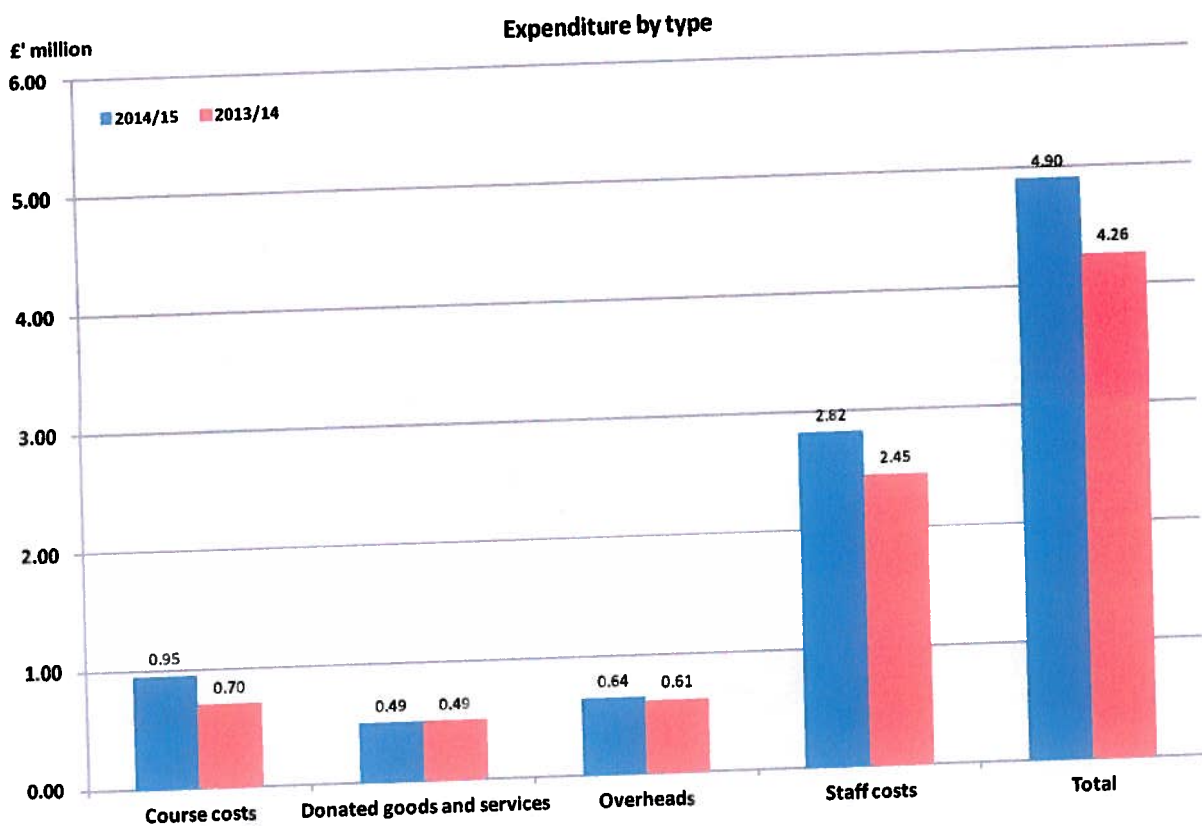
**COMMON PURPOSE CHARITABLE TRUST**  
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**FOR THE YEAR ENDED 31 JULY 2015**

**10. REVIEW OF FINANCIAL ACTIVITIES (continued)**

**Expenditure**

Total expenditure in 2014/15 amounted to £4,900,084 compared with £4,253,093 in 2013/14, an increase of 15%. Expenditure by activity is shown in the Statement of Financial Activities on page 20.

Expenditure by type is shown below.



Staff costs, including temporary staff and excluding donated goods and services, accounted for approximately 57% of total expenditure (down from 64% in 2014/15). The increase in staff costs of 15% over 2013/14 was mainly due to continued investment in Asia Pacific and core central services. This was offset by lower UK staff costs (net reduction of approx 25%). Average staff numbers increased from 68 in 2013/14 to 73 in 2014/15.

Overhead costs increased in line with the continued investment in core services, rising to £640,240 from £611,800 in 2013/2014.

## COMMON PURPOSE CHARITABLE TRUST

### TRUSTEES REPORT

FOR THE YEAR ENDED 31 JULY 2015

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#### 11. RESERVES POLICY

The policy of the Trustees is to build up a level of reserves, which would enable the group to meet ongoing liabilities in the event of serious interruption to income, recession or even closure. The unrestricted reserve level at the end of July 2015 was £904,455 and restricted £175,369 (refer to Restricted Fund Note 13). The Trustees have set a target for reserves to achieve three months' coverage of operational costs or a minimum £1,000,000.

#### 12. REFERENCE AND ADMINISTRATIVE DETAILS:

Charity number: 1023384  
Company number: 2832875  
Registered office: Monmouth House  
38 – 40 Artillery Lane  
London  
E1 7LS

#### 13. ADVISERS

Auditors haysmacintyre, 26 Red Lion Square, London, WC1R 4AG  
Bankers National Westminster, Cavendish Square Branch, PO Box 4NU,  
1 Cavendish Square, London W1A 4NU  
Solicitors Simmons and Simmons, CityPoint, One Ropemaker Street,  
London EC2Y 9SS

#### 14. TRUSTEES AND DIRECTORS

Sir David Bell (resigned 26 June 2015)  
Dr Robert F Care  
Richard Charkin  
Jonathan Donner  
Peter Kulloi  
Mark Linder  
Gail Lumsden (appointed 29 Jan 2015)  
Riaz Ali Shah (appointed 9 Oct 2014)  
Guy Stobart  
Lisa Stone  
Albert Tucker  
Robert Wilmot  
Philip Wright

All served throughout the year ended 31 July 2015, unless indicated otherwise.

Chief Executive Officer  
**Julia Middleton**

## **COMMON PURPOSE CHARITABLE TRUST**

### **TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 JULY 2015**

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## **15. STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document and Constitution**

Common Purpose Charitable Trust is a company limited by guarantee with charitable status. The governing documents of Common Purpose Charitable Trust are the Memorandum and Articles of Association.

### **Methods adopted for the recruitment and appointment of Trustees**

We encourage people interested in becoming Trustees to apply on our website. When vacancies arise, the nominations committee draws up criteria, considers applications, conducts interviews of candidates and recommends appointments. Prospective Trustees are briefed on the nature and work of the organisation, invited to meet the board and the executive and, if the board approves, appointed at the next board meeting. Appointments are ratified at the following annual general meeting.

### **Policies and procedures for training and induction of Trustees**

All Trustees are offered an induction, which is tailored to suit their individual requirements. Each new Trustee receives an information pack which informs them of their role, the management structure and the policies and systems in place. New Trustees are invited to attend a course day to see Common Purpose in action, as well as participating in other Common Purpose events.

### **Organisational structure and decision making**

The Trustees of Common Purpose Charitable Trust meet quarterly to review the direction and performance of the organisation. They set and agree the strategy to ensure that the organisation meets its aims.

The Chief Executive is responsible for the leadership of the organisation. The Trustees review the progress of the strategic objectives of the companies within the group and act to safeguard the organisation's independence and brands.

In each local area in which Common Purpose operates, a Local Advisory Group is set up, the chair of which is appointed by the chair of the Trustees. The group is made up of local leaders from the public, private and voluntary sectors. The Local Advisory Group ensures that participant groups are diverse and reflect the make-up of the local area. The names of members of all Local Advisory Groups are published on the Common Purpose website.

Local Advisory Groups are advisory only. They have no legal, financial, or managerial responsibility for Common Purpose. They are not representative bodies either. All Advisory Group members attend as individuals in a voluntary and unpaid capacity which they are invited to take on in their personal, rather than professional, roles. If any issue arises at

Advisory Group meetings which conflicts with their professional role, members exclude themselves from that section of the discussion.



## **COMMON PURPOSE CHARITABLE TRUST**

### **TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 JULY 2015**

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## **15. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Risk Review Statement**

The Trustees have established a regular risk assessment which identifies the major foreseeable risks faced by the Charity, assessing their likelihood and impact, and as appropriate, implementing measures to mitigate these risks. The Trustees have reviewed the major risks to which the Charity is exposed and are satisfied that appropriate systems have been established to mitigate those risks.

### **Statement of Trustees' responsibilities**

The Trustees, who are also the directors of Common Purpose Charitable Trust for the purposes of company law, 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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 the group 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 and group's auditor is 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 auditor is aware of that information.

**COMMON PURPOSE CHARITABLE TRUST**

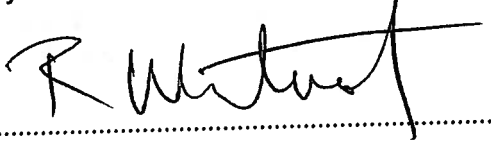
**TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 JULY 2015**

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A resolution re-appointing haysmacintyre will be proposed at the AGM in accordance with S485 of the Companies Act 2006.

By order of the Board of Trustees



.....  
Trustee

22 March 2016

.....  
Trustee

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF COMMON PURPOSE CHARITABLE TRUST**

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We have audited the financial statements of Common Purpose Charitable Trust for the year ended 31 July 2015 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement 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 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

### **Respective responsibilities of Trustees and Auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, 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.

### **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](http://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 group's and the parent charitable company's affairs as at 31 July 2015 and of the group's charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
COMMON PURPOSE CHARITABLE TRUST**

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**Opinion on other matters 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 parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records or 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.

  
*Richard Weaver (Senior statutory auditor)  
for and on behalf of haysmacintyre, Statutory Auditor*

*26 Red Lion Square  
London  
WC1R 4AG*

*22 March 2016*  
.....~~2015~~

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**COMMON PURPOSE CHARITABLE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account)**

**FOR THE YEAR ENDED 31 JULY 2015**

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2015 £	Total funds 2014 £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Donated goods and services		493,206	-	493,206	494,787
Bank interest		17	-	17	69
External income of trading subsidiary	4	82,119	-	82,119	73,470
<i>Incoming resources from charitable activities</i>					
Course fees		2,770,827	90,000	2,860,827	2,939,572
Local sponsors		175,650	206,877	382,527	334,557
Project Income		146,502	142,357	288,859	219,436
Income from non-UK bodies		16,567	697,204	713,771	437,559
Other Income		258,852	-	258,852	34,734
<b>Total incoming resources</b>		<b>3,943,740</b>	<b>1,136,438</b>	<b>5,080,178</b>	<b>4,534,184</b>
<b>Resources expended</b>					
<i>Charitable activities:</i>					
Youth courses		456,833	-	456,833	369,152
Open courses		1,366,576	-	1,366,576	1,390,373
Customised courses		615,127	142,260	757,387	730,984
International Projects		1,130,739	901,112	2,031,851	1,516,519
Other		229,321	-	229,321	181,052
<i>Governance</i>		58,840		58,840	65,013
<b>Total resources expended</b>	6	<b>3,857,436</b>	<b>1,043,372</b>	<b>4,900,808</b>	<b>4,253,093</b>
<b>Net movement in funds</b>		<b>86,304</b>	<b>93,066</b>	<b>179,370</b>	<b>281,091</b>
Fund balances brought forward at 1 August		818,151	82,303	900,454	619,363
<b>Fund balances carried forward at 31 July</b>		<b>904,455</b>	<b>175,369</b>	<b>1,079,824</b>	<b>900,454</b>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

THE COMMON PURPOSE CHARITABLE TRUST

Company registered number: 2832875

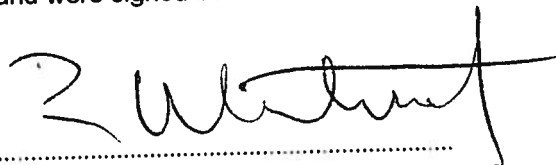
CONSOLIDATED BALANCE SHEET

AS AT 31 JULY 2015

	Note	2015		2014	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible fixed assets	7		47,248		29,859
Tangible fixed assets	8		63,500		23,338
			<u>110,748</u>		<u>53,197</u>
<b>CURRENT ASSETS</b>					
Debtors	9	1,126,207		815,524	
Cash at bank and in hand		546,910		677,279	
<b>Total current assets</b>		<u>1,673,117</u>		<u>1,492,803</u>	
Creditors: amounts falling due within one year	10	(704,041)		(645,546)	
<b>Net current assets</b>			<u>969,076</u>		<u>847,257</u>
<b>TOTAL ASSETS LESS LIABILITIES</b>			<u><u>1,079,824</u></u>		<u><u>900,454</u></u>
<b>RESERVES</b>					
Unrestricted funds			904,455		818,151
Restricted funds			175,369		82,303
			<u>1,079,824</u>		<u>900,454</u>

The financial statements were approved and authorised for issue by the Board of Trustees on and were signed below on its behalf by:

22 Mar 16



Trustee

Trustee

**THE COMMON PURPOSE CHARITABLE TRUST**

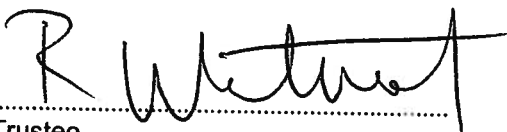
Company registered number: 2832875

**BALANCE SHEET (TRUST ONLY)**

**AS AT 31 JULY 2015**

	Note	£	2015 £	2014 £
<b>Fixed Assets</b>				
Tangible fixed assets			25,729	
<b>CURRENT ASSETS</b>				
Debtors	9	1,257,126		978,803
Cash in bank		211,871		288,471
<b>Total current assets</b>		<u>1,468,997</u>		<u>1,267,274</u>
Creditors: amounts falling due within one year	10	339,260		348,152
<b>NET CURRENT ASSETS</b>			<u>1,129,737</u>	<u>919,122</u>
<b>TOTAL ASSETS LESS LIABILITIES</b>			<u><u>1,155,466</u></u>	<u><u>919,122</u></u>
<b>RESERVES</b>				
Restricted funds			9,321	-
Unrestricted general fund			1,146,145	919,122
			<u>1,155,466</u>	<u>919,122</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 22 Mar 16 2015 and were signed below on its behalf by:

  
 .....  
 Trustee

.....  
 Trustee

**THE COMMON PURPOSE CHARITABLE TRUST**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**YEAR ENDED 31 JULY 2015**

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	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>Net cash (outflow)/inflow from operating activities</b>	11	(37,577)	241,623
<b>Returns on investments and servicing of finance</b>			
Interest received		17	69
<b>Capital expenditure</b>			
Payment to acquire tangible and intangible fixed assets		(92,809)	(46,827)
<b>(Decrease)/increase in cash</b>		<u>(130,369)</u>	<u>194,865</u>



# THE COMMON PURPOSE CHARITABLE TRUST

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2015

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements are prepared under the historical cost basis and in accordance with the Statement of Recommended Practice *Accounting and Reporting by Charities* issued in 2005, with applicable accounting standards and the Companies Act 2006.

#### (b) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. Restricted funds are funds subject to specific restricted conditions imposed by the donors.

#### (c) Incoming resources

Incoming resources represent the total income receivable during the period comprising tuition fees, local sponsors, Your Turn funding, bursaries, Profile, Navigator income, project income, bank interest and other income.

Income and expenditure related to individual courses is matched and any surplus on a Course is recognised in the accounting period in which it arises. Course deficits are recognised as soon as anticipated. Income is fully recognised on commencement of courses including those that cease after the year end as no refunds are given once a course has commenced and hence full entitlement to the income occurs on commencement.

Where Common Purpose has been donated facilities amounts are included in incoming resources at the estimated value to the charity of the donated facilities with an equal and opposite amount being included in expenditure.

#### (d) Resources expended

Expenditure is charged to the Statement of Financial Activities on an accruals basis.

Direct costs are charged to the appropriate category of charitable activity or governance cost along with appropriate allocation of support costs, which are defined as those costs which are necessary to deliver the charitable activity but do not constitute its output. More detail as to the method of their allocation is given in note 6a to the accounts.

Governance costs are those non-charitable costs which are necessary for the general running of the charity and include items such as constitutional costs, trustee costs and audit fees along with an allocation of support costs.

#### (e) Depreciation and amortisation

Depreciation is calculated on a monthly basis so as to write off the cost of tangible fixed assets over their expected useful economic lives. The principal annual rates and bases used for this purpose are:

Leasehold improvements	10% straight line
Computer equipment	33% straight line

Amortisation on trademarks is calculated on an annual basis over five years.

Amortisation on software costs are calculated on an annual basis over three years.

**THE COMMON PURPOSE CHARITABLE TRUST**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2015**

**1 ACCOUNTING POLICIES (continued)**

(f) **Leased assets**  
 Payments under operating leases are charged to the Statement of Financial Activities.

(g) **Basis of consolidation**  
 The group financial statements consolidate the financial statements of The Common Purpose Charitable Trust, Common Purpose International, Common Purpose Customised Ltd, Common Purpose Global Customised Ltd and Common Purpose Asia-Pacific Ltd. No statement of financial activities is presented for The Common Purpose Charitable Trust as provided by section 408 of the Companies Act 2006. The Common Purpose Charitable Trust made an unrestricted surplus of £227,203 (2013/14: surplus £275,597) and a restricted surplus of £9,321 (2013/14: surplus £5,494).

<b>2. NET MOVEMENT IN FUNDS - Group and Trust</b>	<b>2015 £</b>	<b>2014 £</b>
The net movement in funds is arrived at after charging:		
Depreciation and amortisation	35,258	28,497
Auditors' remuneration	24,260	19,873
Operating lease rentals - land and buildings	68,579	95,887
Operating lease rentals – equipment	33,511	33,419
	<u>          </u>	<u>          </u>

<b>3. STAFF NUMBERS AND EMOLUMENTS - Group and Trust</b>	<b>2015 Number</b>	<b>2014 Number</b>
The average number of persons employed by the group during the year was:		
Courses	52	35
Other	21	33
	<u>          </u>	<u>          </u>
	73	68
	<u>          </u>	<u>          </u>

<b>Staff costs</b>	<b>£</b>	<b>£</b>
Wages and salaries	2,356,901	2,142,934
Social security costs	223,767	213,030
Employer	18,301	-
	<u>          </u>	<u>          </u>
	2,598,969	2,355,964
	<u>          </u>	<u>          </u>

The number of employees whose emoluments for the year fell within the following bands:	<b>Number</b>	<b>Number</b>
£60,000 - £69,999	5	4
£70,000 - £79,999	2	2
£80,000 - £89,999	1	-
£90,000 - £99,999	2	-
£100,000 - £109,999	-	1
	<u>          </u>	<u>          </u>
Total	10	7
	<u>          </u>	<u>          </u>

THE COMMON PURPOSE CHARITABLE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2015

4. RESULTS FROM COMMON PURPOSE CHARITABLE TRUST TRADING SUBSIDIARIES

The group has two trading subsidiary companies.

Common Purpose Customised Limited is incorporated in the UK and its main area of activity is to provide customised courses in the UK. It is a wholly owned subsidiary of Common Purpose UK which in turn is a charitable subsidiary of Common Purpose Charitable Trust.

Common Purpose Global Customised Limited is a wholly owned subsidiary of The Common Purpose Charitable Trust and is incorporated in the UK. It manages licensing arrangements and the provision of services to the Common Purpose licensees. The company covenants its taxable profits to The Common Purpose Charitable Trust. The company was incorporated in July 2013 and became active on 1 August 2014 when its business was transferred from Common Purpose Customised Limited.

The results and net assets of the companies are shown below:

	Common Purpose Customised Limited		Common Purpose Global Customised Limited	
	2015	2014	2015	2014
	£	£	£	£
<b>Profit and loss account</b>				
Turnover	524,402	419,195	693,467	553,638
Administrative expenses	493,647	396,888	626,111	540,390
Gift Aid to parent charity	30,755	22,308	67,356	13,248
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Retained profit	-	(1)	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Balance sheet</b>				
Fixed assets	-	-	47,248	29,859
Current assets	185,175	191,476	346,899	219,028
Current liabilities	185,174	191,475	394,146	248,886
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	1	1	1	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**THE COMMON PURPOSE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**4a. RESULTS OF CHARITABLE SUBSIDIARIES**

Common Purpose Charitable Trust has two UK charitable subsidiaries, Common Purpose UK and Common Purpose International. A summary of their results is shown below.

	Common Purpose UK		Common Purpose International	
	2015	2014	2015	2014
	£	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds	485,206	456,512	-	-
Incoming resources from charitable activities	1,939,748	1,953,713	189,029	107,076
Net Cost recoveries from related entities	136,995	161,486	24,035	49,802
<b>Total income</b>	<b>2,561,949</b>	<b>2,571,711</b>	<b>213,064</b>	<b>156,878</b>
<b>Resources expended</b>				
Charitable activities	2,226,338	2,285,042	259,105	157,378
<b>Total resources expended</b>	<b>2,226,338</b>	<b>2,285,042</b>	<b>259,105</b>	<b>157,378</b>
<b>Net movement in funds</b>	<b>335,611</b>	<b>286,669</b>	<b>(46,041)</b>	<b>(500)</b>
<b>Surplus Covenanted to CPCT</b>	<b>(260,337)</b>	<b>(281,175)</b>	<b>-</b>	<b>-</b>
Assets	901,459	796,305	87,247	46,571
Liabilities	(695,799)	(665,916)	(132,347)	(45,630)
<b>Net funds</b>	<b>205,660</b>	<b>130,389</b>	<b>(45,100)</b>	<b>941</b>

In addition, Common Purpose Asia-Pacific Limited, a charity registered in Singapore is a wholly owned subsidiary of Common Purpose Charitable Trust. The company limited by guarantee was incorporated on 26th November 2013 and became International Charity Organisation from 20th August 2014. Its turnover for the year-ended 31 July 2015 amounted to £162,872 (period-ended 31 July 14: £49,951) – combination of grant from The Common Purpose Charitable Trust for the development of Singapore as a hub for Common Purpose activities in Asia Pacific and to increase the reach to global leaders and service fees related to Amex and E&Y projects. Common Purpose Asia-Pacific Limited made a deficit of £6,438 for year (2014: £nil surplus/deficit for the period) and had an accumulated fund deficit of £6,438 (2014: £nil).

**5. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES**

**Group and Trust**

No emoluments were paid, nor expenses reimbursed, to the Trustees during the year (2013/2014: nil).

**THE COMMON PURPOSE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

<b>6. ANALYSIS OF RESOURCES EXPENDED</b>	<b>Direct costs £</b>	<b>Support Costs £</b>	<b>Total 2015 £</b>	<b>Total 2014 £</b>
Youth courses	345,762	111,071	456,833	369,152
Open courses	1,023,065	343,511	1,366,576	1,390,373
Customised courses	725,625	31,762	757,387	730,984
International projects	1,899,798	132,053	2,031,851	1,516,519
Other	229,321	-	229,321	181,052
Governance	24,260	34,580	58,840	65,013
	<u>4,247,831</u>	<u>652,977</u>	<u>4,900,808</u>	<u>4,253,093</u>

<b>6a. ANALYSIS OF SUPPORT COSTS</b>	<b>Finance and HR costs £</b>	<b>Office costs £</b>	<b>2015 Total £</b>	<b>2014 Total £</b>
Youth courses	39,928	71,143	111,071	81,244
Open courses	123,486	220,025	343,511	322,372
Customised courses	11,418	20,344	31,762	47,412
International projects	132,053	-	132,053	103,341
Other	-	-	-	-
Governance	-	34,580	34,580	45,140
	<u>306,885</u>	<u>346,092</u>	<u>652,977</u>	<u>599,509</u>

Finance and HR costs are apportioned on the basis of the percentage of each activity's direct expenditure. Office costs are apportioned on the same basis.

**7. INTANGIBLE FIXED ASSETS**

	<b>Software Costs £</b>	<b>Group Trade Marks £</b>	<b>Total £</b>
<b>COST</b>			
At 31 July 2014			
Additions	123,880	28,837	152,717
	37,127	-	37,127
At 31 July 2015	<u>161,007</u>	<u>28,837</u>	<u>189,844</u>
<b>AMORTISATION</b>			
At 31 July 2014			
Charge for year	97,706	25,152	122,858
	18,182	1,556	19,738
At 31 July 2015	<u>115,888</u>	<u>26,708</u>	<u>142,596</u>
<b>NET BOOK VALUE</b>			
At 31 July 2015	<u>45,129</u>	<u>2,129</u>	<u>47,248</u>
At 31 July 2014	<u>26,174</u>	<u>3,685</u>	<u>29,859</u>

THE COMMON PURPOSE CHARITABLE TRUST  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 YEAR ENDED 31 JULY 2015

8. TANGIBLE FIXED ASSETS	Leasehold improvements £	Group Computer equipment £	Total £
<b>COST</b>			
At 31 July 2014	133,381	1,194,018	1,327,399
Disposal	-	-	-
Additions	26,428	29,254	55,682
At 31 July 2015	<u>159,809</u>	<u>1,223,272</u>	<u>1,383,081</u>
<b>DEPRECIATION</b>			
At 31 July 2014	129,359	1,174,702	1,304,061
Disposal	-	-	-
Charge for year	2,482	13,038	15,520
At 31 July 2015	<u>131,841</u>	<u>1,187,740</u>	<u>1,319,580</u>
<b>NET BOOK VALUE</b>			
At 31 July 2015	<u>27,968</u>	<u>35,532</u>	<u>63,500</u>
At 31 July 2014	<u>4,022</u>	<u>19,316</u>	<u>23,338</u>

All the fixed assets are used for direct charitable activities.

9. DEBTORS	Group		Trust	
	2015 £	2014 £	2015 £	2014 £
Other debtors	496,368	247,186	190,519	113,849
Prepayments	25,344	6,478	19,632	9,580
Prepaid marketing material	21,434	20,667	-	-
Tuition fees and sponsorship income	583,061	541,193	150,464	233,482
Amounts due from related undertakings	-	-	896,511	621,892
	<u>1,126,207</u>	<u>815,524</u>	<u>1,257,126</u>	<u>978,803</u>
<b>10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>				
	2015 £	2014 £	2015 £	2014 £
Sundry creditors and accruals	391,258	274,119	198,923	160,688
Other taxes and social security	120,611	142,552	38,924	59,389
Bank overdraft	-	-	-	-
Deferred income	192,172	228,875	101,414	128,075
	<u>704,041</u>	<u>645,546</u>	<u>339,260</u>	<u>348,152</u>

Deferred income relates to work due to be undertaken in the coming year. The brought forward deferred income has been released into the current year's Statement of Financial Activities.

THE COMMON PURPOSE CHARITABLE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2015

11. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES	Group	
	2015 £	2014 £
Net increase in funds	179,370	281,091
Interest received	(17)	(69)
Depreciation and amortisation	35,258	28,498
Decrease/ (increase) in debtors	(310,683)	53,070
(Decrease)/increase in creditors	58,495	(120,967)
<b>Net cash (outflow) from operating activities</b>	<b>(37,577)</b>	<b>241,623</b>

12. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR	2014	Group	2015
	£	Change in year £	£
Cash at bank and in hand	677,279	(130,369)	546,910
Bank overdraft	-	-	-
	<u>677,279</u>	<u>(130,369)</u>	<u>546,910</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	£
Fixed assets	-	110,748	110,748
Current assets	175,369	1,497,748	1,673,117
Current liabilities	-	(704,041)	(704,041)
	<u>175,369</u>	<u>904,455</u>	<u>1,079,824</u>

**Restricted funding**

1. A total of £499,542 of funding was receivable from a corporate foundation in respect of specific projects in the UK, India and China. The £166,898 carried forward in restricted funds is expected to be fully expended within the subsequent year.
2. The balance of restricted income represents contributions from a variety of corporate sources towards a specific course and this income was fully expended in the year. British Council is the only one with carried forward balance.

**THE COMMON PURPOSE CHARITABLE TRUST**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2015**

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**14. OPERATING LEASE COMMITMENTS**

The Company is committed to making the following minimum annual rental payments in respect of leases expiring;

	<b>2015</b>	<b>2014</b>
	<b>Land and</b>	<b>Land and</b>
	<b>Buildings</b>	<b>Buildings</b>
	<b>£</b>	<b>£</b>
<b>Within:</b>		
<b>more one year and less than 5 years</b>	71,392	117,500
<b>over five 5 years</b>	-	-
	<u>71,392</u>	<u>117,500</u>
	<b>2015</b>	<b>2014</b>
	<b>Equipment</b>	<b>Equipment</b>
	<b>£</b>	<b>£</b>
<b>Within:</b>		
<b>more one year and less 5 years</b>	33,511	33,511
	<u>33,511</u>	<u>33,511</u>

**15. RELATED PARTY TRANSACTIONS WITH GROUP COMPANIES**

As permitted by FRS8, no disclosures are made in these accounts of intergroup transactions or balances eliminated on consolidation.