



COMMON PURPOSE INTERNATIONAL
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2016

Charity registered number: 1056573
Company registered number: 3207453

COMMON PURPOSE INTERNATIONAL
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016

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COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2016

The Trustees of Common Purpose International ("Common Purpose" or the "Company") are pleased to present their annual report together with the audited financial statements for the year ended 31 July 2016, 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 2015).

OBJECTIVES AND ACTIVITIES

The charitable objective of Common Purpose International 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 1996 and is registered with the Charity Commission under the Registered Charity number 1056573.

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. Common Purpose International focuses specifically on leadership development with large multi-lateral organisations and groups in Africa, the Middle East and the sub-continent.

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

2. ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

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

It focused on five 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. It also launched a programme for Pakistani and Bangladeshi leaders, and a blended learning programme for African diaspora leaders.
- **The development of emerging leaders' programmes across Europe, the Middle East and North Africa**
Common Purpose International ran a leadership programme for young leaders across seven Arab countries. Development work was also undertaken for 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**
Common Purpose International continued to undertake development work to support this new programme for emerging leaders from the public, private and not-for-profit sectors across the Continent.
- **United States**
Common Purpose International supported the registration of a new legal entity in the United States and the development of programmes that provide leaders in the US the opportunity to enhance their Cultural Intelligence. This included a programme for US civic leaders to learn from their counterparts in India.
- **Not for profit leaders programmes**
The organisation managed and delivered programmes for emerging leaders in the not-for-profit leaders sector in the UK, India and Hong Kong. This reflects the need for leadership development opportunities in the sector.

A total of 222 people participated in a Common Purpose International programme during 2015/16 representing more than 15 countries. Courses were delivered over 33 days during the year.

Plans ahead for 2016/17

Common Purpose International will continue to play a key part in the Common Purpose Charitable Trust's Growth Plan by developing programmes across Europe, the Middle East and North Africa. It will focus on five main areas:

- Grow the work with leaders living in the diaspora and increase the number and variety of these programmes. This reflects the increasing interest in the role that diaspora can play in the development of their country of origin
- Launch an emerging leaders' programme across the Euro-Med region. This will build on the previous work done by Common Purpose in this area
- Continue to develop leadership programmes for emerging leaders across the Middle East and North Africa. This reflects the appetite for leadership in the region
- Manage and deliver not-for-profit leaders' programmes. Leaders in this sector have relatively few opportunities to participate in high quality leadership development programmes

COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 JULY 2016

- Continue to develop and deliver programmes for leaders from the United States that provide them with the opportunity to develop their Cultural Intelligence through leadership development experiences run in cities around the world.

3. FINANCIAL REVIEW

Details of the results for the year are given in the statement of financial activities on page 8. The net movement in unrestricted funds for the year ended 31 July 2016 was a surplus of £65,903 (2015: deficit of £45,100). The company held reserves of £20,804 of which £15,878 was unrestricted reserve (2015: unrestricted reserves of £(53,571) and £4,925 restricted (2015: restricted £8,471). This improvement in the level of reserve therefore represents progress towards meeting the company's reserve objective of holding sufficient funds to cover its costs. This objective will continue to be a priority for the coming year.

Income from charitable activities

In 2015/2016 income for the totalled £820,407 (2014: £213,064). The major increase in income was due to delivering a major international programme on behalf of The Common Purpose Charitable Trust (£558,000 in revenue). This flagship programme for the American Express Foundation was delivered in the UK, India and Hong Kong and in conjunction with other Common Purpose licensees. Other programmes representing £213,290 of income were funded either through sponsorship alone or combination of tuition fees and sponsorship. The Common Purpose Charitable Trust also provided £48,857 of income to support its delivery of other projects. £25,000 of the company's income was a specific restricted grant.

Expenditure

Total expenditure in 2015/16 amounted to £754,504 compared with £259,105 in 2014/15. This increase over the previous year's costs again reflects the impact of delivering the major programme on behalf of The Common Purpose Charitable Trust. Most of the restricted fund was spent during the year, with a small residual amount (£4,925) carried forward to 2016/17.

4. RESERVES POLICY

The policy of the Trustees is to manage the Charity's activities to cover its costs and build sufficient reserves to manage irregular income of the company.

5. REFERENCE AND ADMINISTRATIVE DETAILS

Name of the charity

Common Purpose International

The Company has dispensation from the relevant authorities to omit 'Limited' from its name.

Charity Registration Number

1056573

Company Registration Number

3207453

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REPORT OF THE TRUSTEES (continued)
YEAR ENDED 31 JULY 2016

Registered Office

Monmouth House
38 – 40 Artillery Lane
London E1 7LS

ADVISORS

Auditor haysmacintyre, 26 Red Lion Square, London, WC1R 4AG

Bank National Westminster, Cavendish Square Branch, PO Box 4NU,
1 Cavendish Square, London W1A 4NU

6. TRUSTEES AND DIRECTORS

Sir Graham Boyce
Peter Kulloi
Emma Shercliff
Albert Tucker

All served throughout the year ended 31 July 2016.

Chief Executive Officer

Alison Coburn

7. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and constitution

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

Organisational structure and decision making

The Company was established in 1996 alongside The Common Purpose Charitable Trust, which is a company limited by guarantee, registered in England and Wales under company number 2832875 ("CPCT"). Common Purpose International is a wholly owned subsidiary of the CPCT.

The Chief Executive, Alison Coburn, who reports to the board of Trustees, runs the Company. The board of Trustees meets quarterly and sets the strategic direction of the Company. The Company is exempt from holding annual general meetings.

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 that 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 International 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 in the implementation of the strategic objectives of the companies within the group and act to safeguard the organisation's independence and brands.

Risk review statement

The Trustees have established an annual risk assessment process, 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.

COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 JULY 2016

The ability of the Charity to continue to operate is dependent upon identifying and securing grants and sponsorship from potential sources of funding to fund the international development activities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of Common Purpose International 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 auditor is unaware;
- 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;
- any relevant audit information and to establish that the auditors are aware of that information.

By order of the Board of Trustees on 21 June 2017

.....
Trustee

(Peter Kulloic)

COMMON PURPOSE INTERNATIONAL

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

COMMON PURPOSE INTERNATIONAL

We have audited the financial statements of Common Purpose International for the year-ended 31 July 2016 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 including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 directors and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors 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 2016 and of its movement in funds, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 from preparing Strategic Report.



Richard Weaver (Senior Statutory Auditor)
for and on behalf of haysmacintyre
Chartered Accountants & Statutory Auditors

26 Red Lion Square
London WC1R 4AG

21 July 2017

COMMON PURPOSE INTERNATIONAL

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

YEAR ENDED 31 JULY 2016

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Income from:				
<i>Charitable activities</i>				
International Project income	188,290	25,000	213,290	189,029
Income from Common Purpose Charitable Trust	607,117	0	607,117	24,035
Total	795,407	25,000	820,407	213,064
Expenditure on:				
Charitable Expenditure on International Projects	725,958	28,546	754,500	259,105
Total resources expended	725,958	28,546	754,500	259,105
Net income/(expenditure) & net movement in funds	69,449	(3,546)	65,907	(46,041)
Fund balances brought forward as at 1 Aug	(53,571)	8,471	(45,100)	941
Fund balances carried forward as at 31 July 2016	15,878	4,925	20,804	(45,100)

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

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BALANCE SHEET AS AT 31 JULY 2016

	Note	2016		2015	
		£	£	£	£
Fixed assets					
Investments			0		0
Current assets					
Debtors	4	456,442		44,490	
Accrued income		0		41,807	
Cash at bank and in hand		21,997		950	
		<u>478,439</u>		<u>87,247</u>	
Creditors: amounts falling due within one year					
Creditors	5	<u>(457,635)</u>		<u>(132,347)</u>	
Net current assets / (liabilities)			<u>20,804</u>		<u>(45,100)</u>
Net assets / (liabilities)			<u>20,804</u>		<u>(45,100)</u>
Funds					
General fund			15,878		(53,571)
Restricted fund			4,925		8,471
Total funds			<u>20,804</u>		<u>(45,100)</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 21 June 2017 and were signed below on its behalf by:

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(Peter Kullai)

Trustee

COMMON PURPOSE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2016

1. ACCOUNTING POLICIES

(a) Basis of accounting

Common Purpose International is a charitable company limited by guarantee. Further details are shown on page 1.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), section 1A. The charitable company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011, and Regulations made thereunder.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered financial forecasts and projections. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future and, therefore, the charitable company has adopted the going concern basis in preparing its financial statements. The parent entity (the Common Purpose Charitable Trust) has reiterated its ongoing support for the continued operations of the entity through an undertaking to provide financial support should it be required during the year.

FRS 102 has been adopted for the first time when preparing these financial statements. The previous financial statements for the year-ended 31 July 2015 were prepared under the earlier UK Generally Accepted Accounting Practice but no changes in accounting policy have been required on adoption of FRS102.

The charitable company holds only basic financial instruments which are initially recognised at cost or transaction, and do not require subsequent adjustment to fair value.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

(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) Income

Income represents the total income receivable during the year comprising tuition fees, sponsorship, bursaries, and other income.

Income and expenditure related to individual courses is matched and any surplus on a course is recognised in the accounting year 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.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2016

(d) Expenditure

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

Direct costs are charged to charitable activities along with appropriate support costs, which are defined as those costs which are necessary to deliver the charitable activity but do not constitute its output. Support costs include 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.

(f) Foreign currency translation

Transactions denominated in in foreign currencies are initially translated into sterling at the exchange rate at the transaction date. Monetary items are retranslated at the balance sheet date and the resulting differences are reflected in the Statement of Financial Activities.

2. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES

No emoluments were paid, nor expenses reimbursed, to the Trustees during the current or previous year.

3a ANALYSIS OF RESOURCES EXPENDED	Direct Costs £	Support Costs £	Total 2016 £	Total 2015 £
International Projects	<u>736,030</u>	<u>18,474</u>	<u>754,504</u>	<u>258,045</u>

The aggregate emoluments of the key management personnel were £95,502 (2015: £95,502). The company does not employ any staff directly; all staff are seconded from The Common Purpose Charitable Trust.

3b ANALYSIS OF SUPPORT COST	Licence Fee £	Governance £	Total 2016 £
	<u>17,374</u>	<u>1,100</u>	<u>18,474</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2016

4. DEBTORS

	2016	2015
	£	£
Amount due from parent undertaking (Common Purpose Charitable Trust)	419,305	0
Amount due from related undertaking (Common Purpose Customised Ltd)	300	10,212
Amount due from related undertaking (Common Purpose UK)	836	0
Amount due from related undertaking (Common Purpose Global Customised Ltd)	35,207	0
Trade debtors	794	34,278
	<u>456,442</u>	<u>44,490</u>

5. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2016	2015
	£	£
Amounts owed to related undertaking (Common Purpose UK)	0	2,928
Amount owed to related undertaking (Common Purpose Global Customised Ltd)	11,970	18,547
Amount due to parent undertaking (Common Purpose Charitable Trust)	0	89,260
Other creditors	443,903	17,495
Other taxes and social security	1,762	4,117
	<u>457,635</u>	<u>132,347</u>

6. ULTIMATE PARENT UNDERTAKING

Common Purpose International is a subsidiary of The Common Purpose Charitable Trust, a company registered in England, number 2832875 and a registered charity number 1023384, which head the largest and smallest group for which consolidated financial statements are prepared.

Consolidated financial statements for The Common Purpose Charitable Trust are available to the public from www.charitycommission.org.uk.