



COMMON PURPOSE INTERNATIONAL
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2021

Charity registered number: 1056573
Company registered number: 3207453

COMMON PURPOSE INTERNATIONAL
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2021

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COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEE

YEAR ENDED 31 JULY 2021

The trustee of Common Purpose International (“the Charity”) is pleased to present his annual report together with the audited financial statements for the year ended 31 July 2021, 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 (Second Edition, effective 1 January 2019).

1. OBJECTIVES AND ACTIVITIES

The charitable objective of Common Purpose International is the advancement of education for the public benefit. Its governing document describes its charitable objects 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 trustee confirms that he has 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’.

Common Purpose International was established as a charity in 1996 and is registered with the Charity Commission under the Registered Charity number 1056573. The Charity is a fully owned subsidiary of The Common Purpose Charitable Trust (CPCT). CPCT runs a wide range of leadership development programmes directly and through its other subsidiaries and licensees globally.

Ethos and vision

Common Purpose International 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. The Charity focuses on offering leadership development to people working in the environmental sector and to Diasporas with the support of multi-lateral organizations 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

COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEE (continued)

YEAR ENDED 31 JULY 2021

2. ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

During the year the main areas of focus were:

- Expanding our work with conservation leaders, including a new strand of online work to support them in managing through the pandemic
- Running a pilot of our new online environmental programme, SkyBlue
- Developing new diaspora programmes for Bangladeshi and Syrian leaders.

In addition to finding new areas of work and adapting our programmes to run online, in response to the pandemic, we significantly reduced the Charity's costs. Measures taken included eliminating all business travel and saving on programme costs.

As part of the group Trustees' business re-organization in February 2021, activity in CPI moved to the group's main charity, CPCT, and the creation of a business unit within CPCT called International. CPI is now no longer trading, and the company will be made dormant during the coming financial year.

Plans for 2021/22

The International business unit's single goal next year is to build scale in the area of environmental leadership. This will include:

- Launching SkyBlue globally
- Continuing to deepen our connection and grow our work with conservation leaders.

Our work with Diaspora groups will move to a new dedicated function within a different business unit.

3. FINANCIAL REVIEW

Details of the results for the year are given in the statement of financial activities on page 9. The net movement in funds for the year ended 31 July 2021 was a reduction of £16.8k, made up of a reduction in unrestricted funds of £11.8k and reduction in restricted funds of £5k (2019/20: reduction of £70k unrestricted funds, reduction of £16.2 k in restricted funds). The Charity's total reserves therefore fell to £90k, of which £87.5k was unrestricted and £2.5k restricted at year-end (2019/20: total of £106.8k of which £99.3k was unrestricted and £7.5k restricted). This includes transfers between funds of £30k, where CPI transferred grant income to other business units to support programme delivery.

Income from charitable activities

Income in 2020/21 totalled £200.7 (2019/20: £252.1), a reduction of £51k over the previous year. CPCT and Common Purpose Limited provided £88.9k of income during the year (2019/20: £130k) to help support delivery of programmes from donors. Income from other donors fell by £10.6k.

Expenditure

Total expenditure in 2020/21 amounted to £217.5k, split between unrestricted programmes (£163.7k) and restricted programmes (£53.8k): (2019/20: total of £338.3k, made up of unrestricted expenditure of £304.5k and restricted expenditure of £33.8k). Costs were therefore lower by £120.8k compared with 2019/20. This was due mainly to the move to fully online programme delivery and the fact that costs are only reflected for the first six months of the year: staff were moved from CPI to CPCT with effect from 1 February 2021.

The results for the year show only six months' of business activity. Following the business re-organization in February 2021, only contracted income and costs were booked in CPI, with all new business for this team being shown in CPCT.

COMMON PURPOSE INTERNATIONAL**REPORT OF THE TRUSTEE (continued)****YEAR ENDED 31 JULY 2021****4. RESERVES POLICY**

The Charity holds reserves to ensure the stability of its mission, programmes, employment, and ongoing operations. Reserves are that part of CPI's unrestricted funds that are freely available to spend on any of the charity's purposes. Reserves provide a source of internal funds for organizational priorities such as new programmes, curriculum development and international expansion. The Charity calculates reserves as that part of the Charity's unrestricted income that is freely available after taking account of restricted funds that donors have provided for specific projects.

The total reserves of the Charity currently stand at £90,149 and are calculated as follows:

Unrestricted funds	£87,600
Restricted funds	£2,549
TOTAL RESERVES	£90,149

Reserves are calculated and managed at a group level. CPCT has adopted a risk-based approach to determining its reserves, utilising a model that allocates a risk weighting to unrestricted income and costs. In the model, income is assessed on certainty and stability, to produce a reliability score. Costs are assessed on the impact of reducing them, their priority to the organisation and the source of funding, to produce an expenditure commitment score. Income and expenditure lines are given a red / amber / green rating. The reserves figure is based on the red and amber results. CPCT has chosen a six months' time horizon, meaning that we aim to hold reserves to cover six months of trading.

To compare the results of this model, a worst case scenario was also prepared. This scenario involves an orderly wind down of the business, with an assumption that no debtors pay open invoices, and the Charity receives no new cash to support the business. Under this scenario, CPCT would need reserves of £2m to ensure the group has, at a minimum, sufficient reserves to support the continued solvency and liquidity of the group.

CPCT has calculated that an appropriate level of unrestricted reserve for the group, based on the risk to income, is £1.2m. At the end of 2021/22, the group is budgeted to hold £1.352m of unrestricted reserve. This is £135k higher than the level required to provide a minimum of six months cover for the business. This estimate reflects income and costs to which the organisation has a high or medium commitment.

5. REFERENCE AND ADMINISTRATIVE DETAILS**Name of the charity**

Common Purpose International

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

Charity Registration Number

1056573

Company Registration Number

3207453

Registered Office

Monmouth House
38 – 40 Artillery Lane
London E1 7LS

Advisors

Auditors Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

Bankers National Westminster, 250 Regent Street, London W1B 3BN

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REPORT OF THE TRUSTEE (continued)

YEAR ENDED 31 JULY 2021

6. TRUSTEES AND DIRECTORS

Albert Tucker (Chair)
Peter Kulloi (resigned 31 July 2021)
Dr Rouba Mhaissen (resigned 31 July 2021)
Emma Shercliff (resigned 31 July 2021)

All served throughout the year ended 31 July 2021 unless otherwise indicated.

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

The Chief Executive, Alison Coburn runs the Charity and reports to the board of trustees. The board of trustees meets quarterly and sets the strategic direction of the Charity. Alison Coburn also attends the group's monthly senior management team meetings. During 2020/21 the Charity had two staff members working for it. The Charity is exempt from holding annual general meetings.

Following the business re-organization in February 2021, the trustees continued to serve until the end of the financial year. The company now has only one serving trustee who will continue until such time as the company is made dormant.

Organizational structure and decision-making

The trustees of Common Purpose International met quarterly during the year to review the direction and performance of the organization. They set and agreed the strategy to ensure that the organization met its aims.

The Chief Executive has been responsible for the leadership of the organization. The trustees reviewed the progress towards implementing the strategic objectives of the company prior to the re-organization, to safeguard the organization's independence and brands.

Directors' insurance and indemnities

The trustees have the benefit of the indemnity provisions contained in the Charity's Articles of Association, and the Charity has maintained throughout the year Directors' and Officers' liability insurance for the benefit of the Charity, the trustees and its officers. The Charity's trustees are covered under the parent entity's insurance policies in respect of:

- Professional indemnity
- Trustees and individual liability
- Professional and legal liability

Risk review statement

The trustees of CPCT have established a 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

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REPORT OF THE TRUSTEE (continued)

YEAR ENDED 31 JULY 2021

Charity is exposed and are satisfied that appropriate systems have been established to mitigate those risks. The key risk that emerged from the COVID-19 pandemic was business interruption to the Charity's ability to run its programmes face-to-face. The Charity's response was to move programmes online. This has proved successful and has demonstrated the effectiveness of the risk mitigation strategies.

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.

Impact of COVID-19 (Coronavirus)

The trustee has approved these accounts at a time when the economic uncertainty because of the coronavirus, COVID-19 continues. With the introduction of virus control measures around the world in March 2021, and in common with most other organisations, the company was forced to curtail and refocus its activities. Programmes were moved online with the support of major donors and as a result, the Charity continued to run programmes as planned.

Business re-organization

The trustees of the Charity and the parent, CPCT implemented a business re-organization in February 2021. The purpose of the business restructure was to:

- Create a better alignment between our business model and the corporate structure needed to achieve it, particularly in light of the impact of COVID-19 on our business
- Reduce the number of boards and related governance requirements and cost
- Leverage talents and abilities across the group to support innovation and growth, rather than keeping staff in business silos
- Ensure the group remains lean and flexible to survive in what has become a highly dynamic and fast moving business environment, particularly over the next 12 to 18 months.

The impact of the re-organization has been that:

- All new income is now booked in CPCT, with only legacy contracts being recognized in CPI until completed
- All programme delivery is now through CPCT
- The two staff members seconded to CPI have moved to a new business unit within CPCT
- Three of the four trustees resigned at the end of the financial year; the remaining trustee will continue to serve for the foreseeable future
- Surplus reserves will be gifted to the parent
- The company will become dormant by the end of the 2021/22 financial year.

Statement of trustees' responsibilities

The trustee, who is also the director of Common Purpose International for the purposes of company law, is responsible for preparing the Trustee's 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 trustee to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustee is 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;

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REPORT OF THE TRUSTEE (continued)

YEAR ENDED 31 JULY 2021

- 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 Charity will continue in business.

The trustee is 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

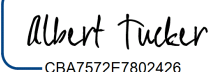
In so far as the trustee is aware:

- 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.

In preparing the Trustee's Report, the trustee has taken advantage of the exemptions available to small companies (including the exemption from preparing a strategic report).

By order of the Board of Trustees on 23 November 2021

DocuSigned by:



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Albert Tucker
Trustee

COMMON PURPOSE INTERNATIONAL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

COMMON PURPOSE INTERNATIONAL

Opinion

We have audited the financial statements of Common Purpose International for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. 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).

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 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Emphasis of matter

We draw attention to note 1(e) on page 14 of the financial statements which discloses the premise upon which the charitable company has prepared its financial statements by applying the going concern assumption. Our audit opinion is not modified in respect of this matter.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

COMMON PURPOSE INTERNATIONAL

material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustee's Report (which includes the director's report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report included within the Trustee's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report (which incorporates the director's report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustee's report and from the requirement to prepare a strategic report.

Responsibilities of trustee for the financial statements

As explained more fully in the trustee's responsibilities statement set out on pages 5 and 6, the trustee (who is also the director of the charitable company for the purposes of company law) is responsible for the preparation of the financial statements and for being satisfied that he gives a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of

COMMON PURPOSE INTERNATIONAL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

COMMON PURPOSE INTERNATIONAL

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll taxes and sales tax.

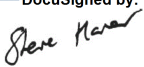
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries or the manipulation of accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing the minutes of Trustees' meetings during the year
- Identifying and testing journals, in particular journal entries posted around the year-end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

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Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London

28 February 2022

COMMON PURPOSE INTERNATIONAL**STATEMENT OF FINANCIAL ACTIVITIES (including an income and expenditure account)****YEAR ENDED 31 JULY 2021**

	Unrestricted Funds 2021 2021 £000s	Restricted Funds 2021 2021 £000s	Total Funds 2021 2021 £000s	Unrestricted Funds 2020 2020 £000s	Restricted Funds 2020 2020 £000s	Total Funds 2020 2020 £000s
Note						
Income from:						
<i>Charitable activities</i>						
International Project income	33.0	78.8	111.8	97.5	25.0	122.5
Income from Common Purpose Charitable Trust & Common Purpose Limited	88.9	0.0	88.9	129.6	0.0	129.6
Total	121.9	78.8	200.7	227.1	25.0	252.1
Expenditure on:						
Charitable Expenditure on International Projects	(163.7)	(53.8)	(217.5)	(304.5)	(33.8)	(338.3)
Total expenditure	(163.7)	(53.8)	(217.5)	(304.5)	(33.8)	(338.3)
Net income/(expenditure)	(41.8)	25.0	(16.8)	(77.4)	(8.8)	(86.2)
Transfers between funds	30.0	(30.0)	0.0	7.5	(7.5)	0.0
Net movement in funds	(11.8)	(5.0)	(16.8)	(70.0)	(16.2)	(86.2)
Fund balances brought forward as at 1 Aug	99.3	7.5	106.8	169.3	23.7	193.0
Fund balances carried forward as at 31 July	87.5	2.5	90.0	99.3	7.5	106.8

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

All transactions are derived from continuing activities.

COMMON PURPOSE INTERNATIONAL

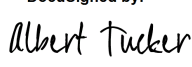
COMPANY NO. 3207453

BALANCE SHEET AS AT 31 JULY 2021

	Note	31-Jul-21		31-Jul-20	
		£000s	£000s	£000s	£000s
Current assets					
Debtors	4	89.5		56.2	
Accrued income		0.0		0.0	
Cash at bank and in hand		1.7		54.9	
		<u>91.2</u>		<u>111.1</u>	
Creditors: amounts falling due within one year					
Creditors	5	<u>(1.2)</u>		<u>(4.3)</u>	
Net current assets			<u>90.0</u>		<u>106.8</u>
Net assets			<u>90.0</u>		<u>106.8</u>
Funds					
General fund			87.5		99.3
Restricted income fund			<u>2.5</u>		<u>7.5</u>
Total funds			<u>90.0</u>		<u>106.8</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorized for issue by the Board of Trustees on 23 November 2021 and were signed below on its behalf by:

DocuSigned by:

 CBA7572E7802426...
 Albert Tucker
 Trustee

COMMON PURPOSE INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2021

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 – Second Edition, effective 1 January 2019), the Companies Act 2006 and the Charities Act 2011, and Regulations made thereunder.

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

In the view of the trustee in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognized 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 trustee in furtherance of the general charitable objectives.

Restricted funds are funds subject to specific restricted conditions imposed by the donors. Further details of the charity's restricted funds are provided in note 7 to the accounts.

(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 recognized in the accounting year in which it arises. Course deficits are recognized as soon as anticipated. Income is fully recognized 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.

(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.

COMMON PURPOSE INTERNATIONAL**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 JULY 2021****(e) Going concern**

The accounts are approved following the business re-organization in February 2021. The trustees decided that the activities of the charity should be transferred to CPCT. The entity is therefore no longer trading, and once the final balance sheet items are address, the company will become dormant for the foreseeable future. In light of this, a cash flow forecast has not been prepared. These accounts have therefore been prepared on a going concern basis.

(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 EXPENDITURE

	Direct Costs	Support Costs	Total
	£	£	£
International Projects 2021	137.5	80.0	217.5
International Projects 2020	216.4	121.9	338.3

The aggregate emoluments including employer pension and national insurance contributions of the key management personnel were £118,618 (2018/19: £109,781). The Charity did not employ any staff directly; all staff were seconded from CPCT. The secondments were terminated with effect from 31 January 2021.

3b. ANALYSIS OF SUPPORT COST

	Central Services	Licence Fee	Governance	Total
	£	£	£	£
Support costs 2021	68.6	8.4	3.0	80.0
Support costs 2020	114.5	5.5	1.8	121.8

COMMON PURPOSE INTERNATIONAL**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 JULY 2021****4. DEBTORS**

	2021	2020
	£000s	£000s
Amount due from parent undertaking (Common Purpose Charitable Trust)	40.5	55.4
Amount due from related undertaking (Common Purpose Ltd)	24.0	0.0
Amount due from related undertaking (Common Purpose UK)	13.1	0.0
Trade debtors	11.9	0.8
	<u>89.5</u>	<u>56.2</u>

As part of the business re-organization, activities in CPUK have been transferred to other group companies. In light of the debtor balance of £13.1k owed by CPUK to CPI, the parent company CPCT, has agreed provided a guarantee for this amount.

5. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2021	2020
	£000s	£000s
Amount due to related undertaking (Common Purpose UK)	0.0	0.0
Other taxes and social security	(0.8)	0.5
Other creditors	2.0	3.8
	<u>1.2</u>	<u>4.3</u>

COMMON PURPOSE INTERNATIONAL**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 JULY 2021****6. RESTRICTED FUNDS**

2020/21	<i>Brought forward</i> £000s	<i>Income</i> £000s	<i>Expenditure</i> £000s	<i>Transfers/ gains</i> £000s	<i>Carried forward</i> £000s
Asfari Foundation	7.5	0.0	7.5	0.0	0.0
Islamic Relief Worldwide	0.0	32.0	21.9	(10.0)	0.0
British Council Bangladesh	0.0	46.9	24.4	(20.0)	2.5
Totals	7.5	78.8	53.8	(30.0)	2.5
2019/20	<i>Brought forward</i> £000s	<i>Income</i> £000s	<i>Expenditure</i> £000s	<i>Transfers/ gains</i> £000s	<i>Carried forward</i> £000s
Asfari Foundation	15.1	0.0	0.1	(7.5)	7.5
British Council Pakistan	8.7	0.0	8.7	0.0	0.0
British Council Bangladesh	0.0	20.0	20.0	0.0	0.0
Penny Appeal	0.0	5.0	5.0	0.0	0.0
Totals	23.7	25.0	33.8	(7.5)	7.5

7. 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.

8. RELATED PARTY TRANSACTIONS

During the year, the Charity entered into a number of transactions with other group companies. These transactions were to pay for services delivered to other group entities, and to provide funding for programme costs where programmes were being delivered by a different group entity. All such transactions are eliminated on consolidation in the accounts of Common Purpose Charitable Trust.