

COMMON PURPOSE INTERNATIONAL
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2010

Charity registered number 1056573
Company registered number 3207453

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COMMON PURPOSE INTERNATIONAL
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2010

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COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

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 2010, which have been prepared in accordance with the Companies Act 2006, the Charities Act 2006, and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005)

OBJECTIVES AND AIMS

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 "

It was established as a charity in 1996 and is registered with the Charity Commission under the Registered Charity number 1056573

Common Purpose International is an international not-for-profit educational organisation that has been running educational courses which mix people from the private, public and not-for-profit sectors for over 20 years. Our educational courses give people the inspiration, skills and connections to become better leaders both at work and in society.

Our aim is to help people, organisations, cities and regions to succeed by broadening the horizons of their leaders and developing their ability to work together to lead change.

Ethos & Vision

Common Purpose creates a common educational experience within and across many countries, whilst remaining independent and non-aligned. We are always balanced and owe no historical or other allegiance to any other group. Our independence is reflected in our governance, finances, partnerships, behaviour and curriculum.

Common Purpose's vision is to give people the skills, connections and inspiration to become better leaders both at work and in society. Professional teams create innovative and ingenious ways of working to ensure that all Common Purpose activities are high quality, stimulating, imaginative and fun. The internationally recognised Chatham House Rule is respected on all courses as an aid to free discussion. We draw on the widest possible variety of sectors, areas, beliefs and social groups.

For more details visit our website: www.commonpurpose.org.uk/about/charter

COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 JULY 2010

2. SUMMARY OF THE MAIN OBJECTIVES FOR THE YEAR

During the year Common Purpose International has continued to provide support to the already established organisations which have yet to become fully self sustaining. However, there was a significant reduction in activity during the year. This was largely because there was no development work in new countries undertaken by Common Purpose International.

The main focus of the activity was to

- 1 Support the emerging entity in Turkey and
- 2 Undertake development work for the re-launch of Common Purpose France

Performance against objectives is as follows:

1 Support the emerging entity in Turkey

Support and guidance was provided in Turkey to develop a sustainable model to reduce dependency on sponsorship income. Turkey is now developing Frontrunner as well as Meridian courses.

2 Undertake development work for the re-launch of Common Purpose France

Work was undertaken to build relationships and research funding opportunities for the re-launch of a new course in Lille. We are committed to continuing work in France though this is a challenging location in which to work so it would, by necessity, be a medium term strategy.

3. ACTIVITIES THAT ARE UNDERTAKEN TO MEET THE OBJECTS, AIMS AND OBJECTIVES

The above objects, aims and objectives are achieved through the development of a range of courses for leaders and decision makers outside the UK. The activities undertaken by Common Purpose International to develop and support new organisations outside the UK that run these courses were as follows:

- Research and development work in the cities/countries where courses were being started
- Training, support and advice to local staff teams on curriculum and course management, organisational development and systems, and the running of courses

4. PLANS FOR THE FUTURE

Following the growth of Common Purpose internationally new opportunities are emerging as open courses and initiatives develop across the countries where we operate. As part of the current governance review we are exploring the possibility that these cross-country initiatives would be run by Common Purpose International.

COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 JULY 2010

5. OVERVIEW OF THE FINANCIAL POSITION

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 2010 was a surplus of £31,338 (2009 £20,000). The income includes £12,750 donation from the long term individual donors who are committed to the international development.

6. RESERVES POLICY

During 2009/2010, Common Purpose International reduced its accumulated general reserve deficit from £38,154 to £6,816 mainly due to £20,000 income receipt from the Common Purpose Charitable Trust. In 2010/2011, Common Purpose Charitable Trust is committed to support Common Purpose International to further reduce its existing general reserve deficit. For further details please refer to Note 6a to the accounts.

In future, Common Purpose International will manage its activities so as to cover its costs and as a result any increase in the reserves over the long term is expected to be minimal.

7. 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

Registered Office

Discovery House
28-42 Banner Street

London EC1Y 8QE8

ADVISORS

Auditor Haysmacintyre, Fairfax House, 15 Fulwood Place, London, WC1V 6AY

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

COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 JULY 2010

9. TRUSTEES AND DIRECTORS

Peter Kulloi
John Inge
Miriam Mulcahy – Appointed 16 September 2009
Tarek Ben Halim – Resigned 16 September 2009
Sir David Bell – (Chair) Resigned 16 September 2009

All served throughout the year ended 31 July 2010, unless indicated otherwise

Chief Executive Officer

Alison Coburn

10. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document and Constitution

The governing document of Common Purpose International is 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 and Civilia Ltd a company registered in England is a wholly owned subsidiary of Common Purpose International Civilia Ltd, a trading company which manages the international licensing arrangements, the provision of services to licensees and delivers customised Common Purpose courses

The Company is run by the Chief Executive, Alison Coburn, who reports to the board of trustees The board of trustees meets quarterly The strategic direction of the Company is set by the trustees

The Company is exempt from holding annual general meetings

Risk Review Statement

The trustees have established an annual risk assessment process through which it 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

The ability of the charity to continue to operate is dependant upon identifying and securing grants and sponsorship from potential sources of funding to fund the international development activities In addition, the Company is dependant upon Common Purpose UK, a related charity, not to require repayment of the amounts due, or in the event that repayments are required, that the parent charity

COMMON PURPOSE INTERNATIONAL

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 JULY 2010

CPCT will provide the necessary facilities to enable the charity to continue to operate and to meet its liabilities

Statement of Trustees' responsibilities

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 Trust and of the surplus or deficit of the Trust for that period. In preparing those financial statements, the trustees are required to

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business

The trustees are responsible for ensuring proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In determining how amounts are presented within items in the profit and loss account and balance sheet, the trustees have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting policies or practice.

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

- there is no relevant audit information of which the company's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

INDEPENDENT AUDITORS

A resolution reappointing Haysmacintyre will be proposed at the AGM in accordance with S485 of the Companies Act 2006.

By order of the Board of Trustees on 22 March 2011



Miriam Mulcahy
Trustee

**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 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 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 company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report⁷ and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

COMMON PURPOSE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2010

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 July 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements



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

Fairfax House
15 Fulwood Place
London
WC1V 6AY

24 March 2011

COMMON PURPOSE INTERNATIONAL

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

YEAR ENDED 31 JULY 2010

	Note	Unrestricted funds 2010 £	Total Funds 2010 £	Total Funds 2009 £
Incoming resources				
<i>Incoming resources from charitable activities</i>				
International Project income		12,750	12,750	96,171
Service charges		-	-	-
Income from Common Purpose Charitable Trust –		20,000	20,000	20,000
Other		-	-	115
Total incoming resources		<u>32,750</u>	<u>32,750</u>	<u>116,286</u>
Resources expended				
<i>Charitable activities</i>				
International project activities		-	-	95,036
<i>Governance costs</i>		1,412	1,412	1,250
Total resources expended	3	<u>1,412</u>	<u>1,412</u>	<u>96,286</u>
Net movement in funds		31,338	31,338	20,000
Fund balances brought forward at 1 August 2009		<u>(38,154)</u>	<u>(38,154)</u>	<u>(58,154)</u>
Fund balances carried forward at 31 July 2010		<u>(6,816)</u>	<u>(6,816)</u>	<u>(38,154)</u>

All transactions are derived from continuing operations

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

COMMON PURPOSE INTERNATIONAL

BALANCE SHEET

AS AT 31 JULY 2010

Company registered number: 3207453

	Notes	2010	2009
		£	£
FIXED ASSETS			
Investments	4	1	1
CURRENT ASSETS			
Debtors	5	56,588	86,843
Cash at bank and in hand		11	1,130
		<u>56,599</u>	<u>87,973</u>
CREDITORS: Amounts falling due within one year			
Creditors	6	<u>(63,416)</u>	<u>(104,353)</u>
NET CURRENT (LIABILITIES)		(6,817)	(16,380)
CREDITORS. Amounts falling due in more than one year	7	-	(21,775)
NET (LIABILITIES)		<u>(6,816)</u>	<u>(38,154)</u>
FUNDS			
General fund		<u>(6,816)</u>	<u>(38,154)</u>
Total funds		<u>(6,816)</u>	<u>(38,154)</u>

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



Miriam Mulcahy

Trustee 22 March 2011

COMMON PURPOSE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2010

1. ACCOUNTING POLICIES

Accounting basis

The financial statements are prepared under the historical cost basis and in accordance with the Statement of Recommended Practice *Accounting and Reporting by Charities* (revised 2009), with applicable accounting standards and the Companies Act 2006

The financial statements have been prepared on a going concern basis assuming that the parent charity will continue to provide the necessary facilities to enable the charity to continue to operate and to meet its liabilities

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

Incoming resources

Incoming resources represent the total income during the year comprising project income, service charges, income from CPCT and other income which are recognised on a receivable basis

Resources expended

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

Direct costs of international project activities are charged to the expenditure heading of that name 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 3b 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

Consolidation

The charitable Company has taken advantage of the exemption given by Section 400 of the Companies Act 2006 not to prepare consolidated financial statements on the grounds that the charitable Company and its subsidiary are consolidated within the financial statements of the ultimate parent company, Common Purpose Charitable Trust, a company incorporated in England and Wales

Cash flow statement

The company has taken advantage of the exemptions provided by FRS1 and not prepared a cash flow statement

2. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES

No emoluments were paid, nor expenses reimbursed, to the trustees during the current, or prior, year

COMMON PURPOSE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2010

3a ANALYSIS OF RESOURCES EXPENDED	Direct Costs £	Support Costs £	Total 2010 £	Total 2009 £
International project activities	-	-	-	95,036
Governance costs	-	1,412	1,412	1,250
	<u>-</u>	<u>1,412</u>	<u>1,412</u>	<u>96,286</u>
3b ANALYSIS OF SUPPORT COSTS	International project activities £	Governance £	Total 2010 £	
Finance and Audit cost	-	1,412	1,412	
	<u>-</u>	<u>1,412</u>	<u>1,412</u>	
4. INVESTMENTS		2010 £	2009 £	
Investment in trading subsidiary		<u>1</u>	<u>1</u>	

Civilia Ltd a company registered in England, is a wholly owned subsidiary of Common Purpose International and covenants its entire profits as computed for corporation tax purposes to its ultimate parent, The Common Purpose Charitable Trust

For the year ended 31 July 2010 Civilia Ltd made an operating profit of £505,636, which was covenanted to The Common Purpose Charitable Trust. At 31 July 2010, the net assets of Civilia Ltd were £1

COMMON PURPOSE INTERNATIONAL**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 JULY 2010****4 INVESTMENTS – continued**

A summary of results of the trading subsidiary is shown below

Profit and loss account	2010 £	2009 £
Turnover	1,110,353	672,681
Administrative expenses	(604,717)	(614,945)
Interest received	-	99
	<u>505,636</u>	<u>57,835</u>
Profit	505,636	57,835
Amounts covenanted to The Common Purpose Charitable Trust	(505,636)	(57,835)
Taxation	-	-
	<u>-</u>	<u>-</u>
Profit retained in subsidiary	<u>-</u>	<u>-</u>
Balance sheet		
Fixed Assets	24,032	29,131
Cash In Bank	234	1,286
Debtors	547,696	242,774
Creditors	(571,961)	(273,190)
	<u>1</u>	<u>1</u>
Net Assets	<u>1</u>	<u>1</u>
Share capital	<u>1</u>	<u>1</u>

COMMON PURPOSE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2010

5. DEBTORS	2010 £	2009 £
Trade debtors	2,000	6,000
Amount due from group undertaking (Civilia Ltd)	24,617	-
Accrued Income and deferred expenses	4,500	61,232
Other debtors	25,471	19,611
	<u>56,588</u>	<u>86,843</u>
6. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR	2010 £	2009 £
Amounts owed to related undertaking (Common Purpose UK) – see note (a) below	53,116	99,353
Amount due to group undertaking (Common Purpose Charitable Trust)	1,300	-
Other creditors	9,000	5,000
	<u>63,416</u>	<u>104,353</u>
6. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR (continued)		
<p>Note (a)</p> <p>In 2008 a loan repayment schedule was agreed with Common Purpose UK to repay, over a three year period, £61,775 of the total amount due for the prior periods. Common Purpose Charitable Trust committed to provide equivalent funding to the company to enable these repayments to be made, hence during 2008/2009 and 2009/2010 total £40,000 has been repaid and £21,775 was shown as due after more than one year at the end of 2008/09. At the end of 2009/10 £53,116 was outstanding to CPUK. The repayment of which will come from the Common Purpose Charitable Trust (£21,775) and remaining from the funds outstanding from other debtors.</p>		
7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2010 £	2009 £
Amounts owed to related undertaking (Common Purpose UK) see note 6 (a) above	-	21,775
	<u>-</u>	<u>21,775</u>

COMMON PURPOSE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2010

8. 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 Companies House, Crown Way and Cardiff, CF4 3UZ