

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

**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2021**

Company registered number: 2832875  
Charity registered number: 1023384

**THE COMMON PURPOSE CHARITABLE TRUST**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2021**

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## **COMMON PURPOSE CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES**

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The trustees of The Common Purpose Charitable Trust (“Common Purpose”, “the Trust” or “CPCT”) are pleased to present their group 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. Chair’s report**

This year will long be remembered for the continued impact of the Coronavirus pandemic and what has become a growing realisation of the importance of solving major issues facing the world, including social inequality, the effects of climate change and the role of the state.

In all these areas Common Purpose has a major role to play. The need for leaders who can operate across boundaries has never been greater. This has been reflected in the significant and continued demand for our programmes over the past year. Our Sky Blue initiative also addresses more directly the need for incisive, cross sector and intergenerational leadership in the area of climate change.

Common Purpose has been impacted by the pandemic in terms of our financial performance, albeit much less than we originally feared. Overall the financial performance for the year has been very credible, especially against the background of the many challenges we faced and the changes in ways of working and delivering our services that we necessarily had to make.

The way in which the organisation and our staff responded to these challenges has demonstrated a continued commitment to our purpose and core values. It also reflects a resilient and agile organisation which was able to quickly adapt. These attributes have helped safeguard the work of the charity and enabled the continued demand from our clients to be met. This year, over 11,000 attended a Common Purpose programme and the total number of alumni exceeded 100,000.

In the early months of 2020 and as this financial year started, our staff quickly transitioned to remote working. This largely continued throughout the year. At the same time, new and innovative ways of delivering our core programmes were designed and implemented. Although the pace of change and degree of innovation were both accelerated as a consequence of the pandemic, we believe we are now well placed for the future in terms of the relevance of our service offerings as well as the different ways in which we are now able to deliver our core training.

The impact we have had is well summarised in the reports from individual companies and business units within the group.

We can look back with pride on what has been achieved, not least due to the support, efforts and commitment of our staff, clients and all the other stakeholders with whom we interact - to all of whom the board offer our grateful thanks.

Finally, one of the reasons why Common Purpose was well placed to deal with the challenges of the pandemic was due to the long-standing efforts and commitment of Richard Charkin, my predecessor as Chair. Richard was Chair of Common Purpose for four years and retired from the board in 2020. Particular thanks are due to Richard.

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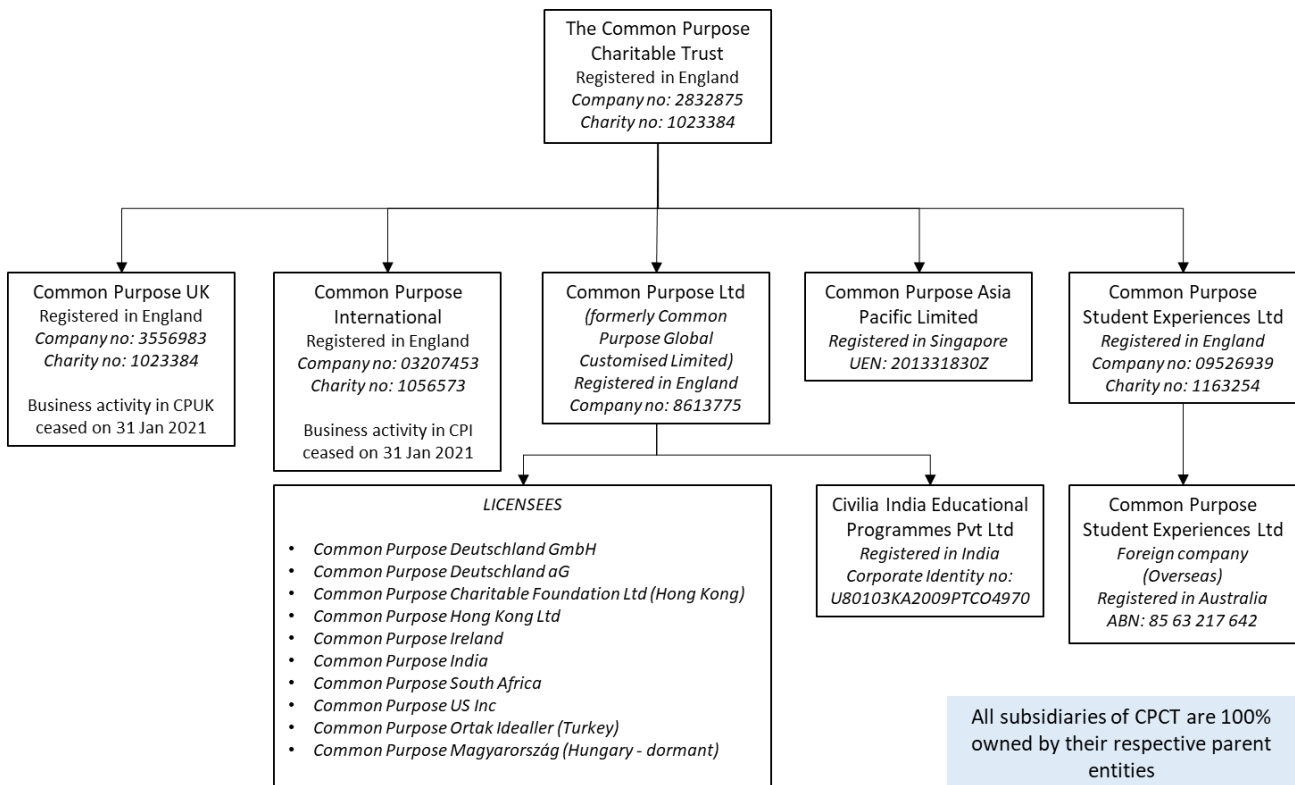
YEAR ENDED 31 JULY 2021

## 2. About Common Purpose

CPCT is the parent company in a group structure. Much of the Trust's activities are carried out through the subsidiary organisations:

- Common Purpose UK (CPUK), a charity registered in England that delivers programmes open to interested participants across England, Scotland and Northern Ireland. Business activity in CPUK ceased from 1 February 2021, with activity moving to CPL and CPCT
- Common Purpose International (CPI), a charity registered in England that has recently focused on environmental leadership and diaspora programmes. Business activity in CPI ceased from 1 February 2021, with all new activity moving to CPCT
- Common Purpose Limited (CPL - formerly Common Purpose Global Customised Limited), a trading company registered in England which manages the international licensing arrangements, the provision of services to licensees and delivers open and customised courses to global clients. CPL is a wholly owned subsidiary of CPCT. CPL began the process of acquiring the shares of Civilia India Educational Programmes Pvt Ltd (CIEP, an Indian licensee) during the year. At the time of approving these accounts, the acquisition was not complete and as a result, CIEP's figures have not been consolidated into these accounts
- Common Purpose Asia-Pacific Limited (CPAPL), a charity registered in Singapore that runs two major open programmes in its region and delivers customised programmes to major corporate entities in Singapore and south east Asia
- Common Purpose Student Experiences Limited (CPSE), a charity registered in England which provides leadership programmes for students from leading universities around the world. CPSE operates a branch (Foreign Company (Overseas)) in Australia.
- Common Purpose Customised Limited (CPCL), a trading company registered in England which delivered customised courses to UK clients was dissolved on 6 April 2021

CPCT licenses entities in a number of countries to deliver Common Purpose programmes in their respective countries. Summary information on each organisation and licensees is shown later in this report.



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

#### **3. The role of the Trust**

The Trust oversees the activities carried out through the subsidiary organisation, and is responsible for:

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

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'.

#### **4. Our purpose and activities**

The purpose of the charity is to drive social purpose and have a positive and sustained impact on the quality of leadership by:

- convening leaders across sectors and from all backgrounds so that they learn to cross boundaries and see how diversity brings fresh perspectives and sparks innovation
- delivering experiential leadership development to people across our chosen sectors, and
- ensuring that programme participants understand how to apply their learning back in society and the workplace.

The vision that shapes our work is to give people from the different sectors and backgrounds and generations 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 thousands of leaders each year from over 100 countries across six continents.

The strategies we employ to achieve our aims and objectives are to:

- design and deliver programmes for different cohorts of leaders, based on their needs, interests and role in the community,
- develop content and curriculum
- work with partners to support wider participation in leadership development
- maintain an extensive and active alumni network to help with continued leadership development of those completing our programmes.

#### **5. Achievements and performance**

The objectives for the year were formulated during the COVID-19 crisis. Our plans included:

- scaling up our major global programmes (American Express Leadership Academies and MAVA) in response to stronger commitments from donors
- deepening our relationships with key clients to deliver more customised work both in and beyond the UK and Singapore
- ensuring our Asia Pacific entity continued to flourish as its CEO, Adirupa Sengupta, settled into the role of Group CEO
- returning our UK company to profitability and eliminating its negative reserves
- focusing rigorously on costs and the efficiency of our operations to support growth in reserves.
- establishing our US licensee as a profitable and self-sustaining organization by delivering initiatives built around milestone events in cities and aimed at encouraging young people to play a greater role in the city's development (Legacy programme) through our US licensee

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COVID-19 continued to affect our delivery model. We moved to fully online delivery in July 2020 with the launch of our new flagship programme, The Common Purpose Programme. We also created online offerings for a number of commercial clients, which were extremely well received. We did not deliver any in-person programmes during the year.

Our clients continued to support the organization throughout the year, and we saw growth in both repeat and new business. We are particularly grateful to our major donors who continued to support us during the pandemic.

The financial results are set out in the review of financial activities, paragraph 8 below. Details of the impact on individual companies of the group are given in the sections immediately following.

Despite the global pandemic, Common Purpose continued to deliver and expand its offering during the year. In all 11,490 people attended a Common Purpose programme during 2020/21, and we achieved a long held target of graduating 100,000 alumni in August 2021. Across our suite of offerings we reached:

Programme	No. of participants
Open	852
Student	7,984
Customised	921
Grant-based	1,641

Our move to full online delivery of programmes – itself the result of the pandemic – allowed us a much broader reach globally, and we regularly had people from 114 countries on some of our programmes.

As part of our charitable mission, we offered over 2,000 scholarship or discounted places to participants during the year.

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

**6. Plans for 2021/22**

We will continue to focus on delivering online programmes for the foreseeable future, until such time as client demand and an easing in COVID-19 restrictions around the world allow us to resume in-person delivery. That said, we see a model of blended, hybrid learning emerging as the world starts to return to normal.

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

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

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

American Express did not run a programme with us during the year but continued to support us, for which we are extremely grateful. Our work with MAVA scaled up as we moved to digital delivery. Student programmes have operated very successfully in online with support from our key university clients. Our plans include continuing to grow these programmes globally.

The disruption to our operations as a result of the COVID-19 crisis prompted the trustees to consider whether the group's corporate structure was fit for purpose in the new business environment. The trustees approved a business re-organization which took place in February 2021, to simplify the structure and reduce the number of corporate entities. Full details of the re-organization are given in paragraph 11 below.

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## 7. Performance and plans of individual subsidiaries

### 7.1. Common Purpose UK

The key areas of activity for CPUK during the year were open programmes, Legacy programmes and customised programmes run in the UK.

During the year in response to Covid 19, CPUK transitioned to running the group's new online programme, The Common Purpose Programme (TCPP) both for emerging leaders and for senior leaders. This proved attractive to both repeat and new buyers. In 2020/21, CPUK ran TCPP in:

- London
- Bristol and Birmingham
- the Northern Powerhouse; and
- Scotland and Northern Ireland.

The programmes involved 535 participants, in comparison to 624 participants on the in-person programmes in cities in 2019/20. Full scholarship places were offered to 100 participants with a particular emphasis on investing in Black, Asian and Minority Ethnic participants.

Our place-based Legacy programme for young leaders continued to go from strength to strength – we ran seven programmes in five locations during the year involving 347 young people.

The company's Bitesize product, which gives buyers a cost-effective way of testing our approach, proved to be an effective entry point for organizations into our wider customised offer. CPUK also delivered customised programmes for a range of clients, including the Co-operative Group, Skipton Building Society, the Legal Aid Agency and NHSX.

Common Purpose Customised Limited, CPUK's trading subsidiary was dissolved on 6 April 2021.

As part of the group Trustees' business re-organization in February 2021, activity in CPUK moved to the group's trading subsidiary, Common Purpose Limited (CPL). The new structure has led to the creation of a UK business unit, focused on sales across our key markets and products. Programme delivery is now provided by a dedicated group delivery team, which supports four group business units. The change has already produced a clearer focus on customers' needs and an increase in scale.

### 7.2. Common Purpose International

During the year the main areas of focus were:

1. expanding our work with conservation leaders, including a new strand of online work to support them in managing through the pandemic
2. running a pilot of our new online environmental programme, SkyBlue
3. 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 parent, CPCT. The focus of this business unit will remain environmental programmes, with diaspora programmes moving to a different business unit.

### 7.3. Common Purpose Limited (formerly Common Purpose Global Customised Ltd)

Common Purpose Limited ("the company") is a subsidiary of The Common Purpose Charitable Trust ("CPCT"). It changed its name from Common Purpose Global Customised Ltd on 19 January 2021.

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Following a re-organization of the business activities of the group in February 2021, the company now has three areas of activity within the wider group: issuing licences to companies to sell and deliver Common Purpose programmes, a business unit focused on UK open and customised programmes (formerly part of Common Purpose UK) and a business unit covering open and customised programmes across Europe, the Middle East and South Asia.

##### *a. Licensees*

The company manages the licensing arrangements with the Common Purpose licensees, which in 2020/21 included Common Purpose UK, Common Purpose Asia Pacific Ltd, Common Purpose International and Common Purpose Student Experiences Ltd, together with Common Purpose licensees operating in Germany, Hong Kong, Hungary, Ireland, India, South Africa, Turkey and the United States. Common Purpose UK, Common Purpose Asia Pacific Ltd, Common Purpose International and Common Purpose Student Experiences Ltd are direct subsidiaries of Common Purpose Charitable Trust, which is the company's ultimate parent company.

Licensees that are not part of the CPCT group run Common Purpose programmes in their respective countries. These include both open programmes and customised. The licence fee covers use of Common Purpose's programmes and intellectual property, together with IT systems and services provided by a central Common Purpose team.

Common Purpose Customised Ltd, the trading subsidiary of Common Purpose UK was dissolved on 6 April 2021. Common Purpose Hungary did not trade during the period.

The company began the process of acquiring the shares of its Indian licensee, Civilia India Educational Programmes Pvt Ltd (CIEP) in May 2021. At the time of approving these accounts, the acquisition had not been completed.

##### *b. UK programmes*

Following the business re-organization in February 2021, the activities of Common Purpose UK were moved into CPL. these activities include online open programmes run across the UK, together with customised programmes delivered to UK corporates.

##### *c. Europe, Middle East and South Asia (EMESA)*

The team formerly responsible for sales of customised work was expanded as part the business re-organization to focus on a wider geography. Since February it has covered sales and delivery to key global corporate clients, together with global open programmes (the flagship January programme, and The Common Purpose Programme in countries where the company doesn't have a local sales presence). With the incorporation of CIEP into the group, the team's remit was expanded to include business development in the South Asia region.

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

The key objectives for 2020/21 were to:

- ensure the business continued to operate successfully despite the difficult trading conditions occasioned by the COVID-19 pandemic
- continue the financial recovery of the company so that its reserves were positive by year end
- successfully complete the business re-organization, by bringing like teams together, benefiting from the synergy around sales, and reducing costs
- repay the outstanding balance of the loan provided by its parent, by the latest at the end of first quarter, 2021/22.

#### **Review of activities**

The company continued to provide services to its fellow subsidiaries set out above and to licensees in the UK, Ireland, Germany, Hong Kong, Hungary, South Africa, India, Turkey and the US.

It ran open programmes (principally the January global programme) together with customised programmes for commercial clients in the US, UK reaching 1,419 participants. The impact of COVID-19



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resulted in the company moving its programmes fully online. We are incredibly grateful to our clients who stuck by us during the pandemic. Our programmes all shifted to online and as a result, the business continued to operate successfully and profitably.

Following the re-organization, the company began offering open programmes both in the UK and globally and these also contributed the successful outcome of the year.

#### **7.4. Common Purpose Asia-Pacific Limited**

The company began the year by completing delivery of its flagship ASEAN Leadership Programme. Customised work during the year included delivering major programmes for a number of regional organisations, with a large percentage of repeat business. As with other parts of Common Purpose, COVID-19 put a stop to in-person programmes after March 2021, however the company quickly moved its offering online and continued to deliver programmes. The July 2021 ASEAN Leadership Programme was delivered completely online.

The pandemic had an impact on our ability to recruit participants on to our global programmes including the ASEAN Leadership Programme. We had 24 participants on the 2020 programme and 22 on the 2021 programme (run in June/July).

#### **Plans for 2021/22**

2021/22 will be a year of building back for the company. We are responding to client demand for more locally based programmes by running The Common Purpose Programme in Singapore and the ASEAN region. As the impact of the pandemic starts to wane, we will again focus on activities at three levels:

- Global - to reinvigorate Global Leadership Programmes such as 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 includes working closely with our licensee in Hong Kong to build our presence there, and
- Local - to make the Singapore base operate to its optimum, Common Purpose will make its presence relevant to the local community by running The Common Purpose Programme and other locally relevant programmes particularly for young people in partnership with local stakeholders.

#### **7.5. Common Purpose Student Experiences Ltd**

Common Purpose Student Experiences focuses on developing the next generation of inclusive leaders with Cultural Intelligence (CQ): the ability to cross boundaries and thrive in multiple cultures. We collaborate with universities to deliver our co-curricular leadership programmes. These programmes offer a cutting-edge CQ pedagogy with powerful experiential learning techniques, equipping students with CQ to thrive in the world today. They enable universities to complement existing offerings and meet key institutional objectives.

CPSE operates a branch in Australia to support clients in that country. Turnover for the year was AU \$959k and surplus AU \$763.5k (2019/20: turnover AU \$813k and surplus AU \$692.3k). The branch's results are reflected in the figures of the parent company, CPSE. The branch employs two full time staff.

During 2020/21 our main priorities were:

- to continue to innovate in our offerings to universities and to focus on improving quality and content of our programmes
- to maintain and improve the key performance indicators (KPIs) that measure client and participant satisfaction with our programmes
- to continue to take more students from UK and Australian universities on our Global Leadership Experience Abroad programmes to cities across the world, and in particular targeting non-traditional students who don't take up international experiences at university

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- through the support of corporate and university partners to run GLE: Home programmes in the major education hubs of the world
- to run large scale in-person and purely online programmes where 500 – 1,000 students can learn together
- to generate over 6,500 total graduate numbers and online participant numbers.

To achieve this, we ran 27 in-person programmes before COVID-19 affected our operations, reaching 2,145 participants in nine countries. We also saw 388 students complete one of our asynchronous courses.

When COVID-19 made in-person programmes unviable, we quickly re-designed them to be deliverable purely online. In less than three months, we conceived, developed and delivered fully online programmes, demonstrating to our clients our speed of response to the unfolding situation with COVID-19. Our agility and technical competence meant we were able to continue to deliver leadership programmes for our existing clients from March onwards and to offer online leadership programmes to new clients. As a result, from March to July this year we had 5,878 students completing online courses or programmes with us – 1,684 on asynchronous courses and a further 4,194 completing a live “real-time” online programme.

This represents a total across the year of 8,411 students completing a Common Purpose programme. Against this very difficult background, we have also been able to deliver a financial surplus for 2020/21.

Highlights for this period saw over 600 RMIT University students complete the online Global Leadership Forum Worldwide and over 330 students from Glasgow, Gloucestershire, Chicago and Pretoria Universities and Queen’s University Belfast complete the online Global Leadership Forum EMEA.

We have asked all of our participants to tell us whether the programme was good value for their time, rating their response on a scale of 1 to 6 (6 being excellent value for time and 1 being very poor). Our target is for 90%+ of participants to score our programmes as 5 or 6 – this was our student experience Key Performance Indicator (KPI) for 2020/21. The average KPI score across our programmes was 83%, a little lower than some previous years. We have reviewed Value for Time as a performance indicator and decided that it is not as useful a measure as we would like. External events over which we have no control (such as bad weather) can intervene to affect participants’ views. As a result, we are moving to KPIs based on the impact the programme has had on participants.

We also measure the students’ development of key leadership skills. Through attending our programmes, our participants reported that:

- through deepening their understanding of other cultures they became more Empathetic
- through working with difference they became more Agile
- through living with ambiguity they became more Open
- through solving complex problems they became more Influential.

We combine these skills to measure two core competencies, aiming for an average response of 5 or more out of 6 for each across the year (6 being excellent development of the competency and 1 being very poor). Participants gave the following average scores, meaning we are pleased to have exceeded this target over the year across all competencies:

- become more inclusive leaders: 5.29 out of 6
- operate with broader horizons: 5.07 out of 6

In addition, we now ask students if they would recommend the programme to others, again aiming for an average score of 5 or more out of 6 (6 being highly recommended). We are delighted to report an average score of 5.36 across the year, showing the value the students place in their experience with us.

We are especially pleased to see that student satisfaction and development of key leadership skills and competencies has been comparable, or higher, for our new online delivered programmes during COVID-19 in relation to their previous in-person models.

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#### Plans for 2021/22

Our plans for 2021/22 include:

- continuing to deliver our full suite of online programmes, and develop new online programmes, to ensure that at even at a time of social distancing students can still benefit from our programmes
- as and when circumstances allow, running in-person programmes where our university partners choose to revert back from online delivery – both as GLE Home programmes (i.e. run domestically in their own cities) or GLE Abroads (run in cities in different countries to the host university)
- expanding our portfolio of university partners for programmes to include more countries in the Asia-Pacific, Canada, the UAE and possibly the US.
- by the end of the financial year, having over 9,000 students completed our in-person and online programmes – of which 75% go on to successfully earn the associated micro-credential.

## 8. Review of financial activities

### Overview of financial position

Total income for the year 2020/21 was £4,374.7k (2019/20: £4,727.9k), representing a fall of 7.5% on the previous year. Income from open programmes fell by 33%, and grant income was lower by 13%, but other categories of programmes all showed increases in revenue over the previous year. Unrestricted income fell overall by just 2.7%; restricted income fell by 31.5%. The falls were attributable to the impact of COVID-19, together with a decision from a major funder not to run its programme with us in 2021, again due to COVID-19. Revenue from student programmes increased by just under 10%, and from customised programmes by 152%, reflecting the commitment of a major client to a large-scale programme. The Trust also saw revenue of £46.6k from grants under the UK government's Coronavirus Job Retention Scheme, however the Charity finished claiming under the CJRS in January 2021.

The contribution made by donated goods and services continued to fall as it has in recent years. In 2020/21 it was £227.3k, 38.5% lower than the £369.4k of the previous year. Donated goods and services includes time offered by speaker and contributors, as well as programme venues, offices and other pro bono support provided by a number of organizations. Because we didn't run in-person programmes after March 2021, donated services were not sought. Donated goods and services are recognized as both income and cost, and the effect is therefore overall neutral on the contribution to reserves.

Expenditure was £4,259.6k (2019/20: £4,996k), a reduction of 14.7%. This reduction reflected efforts to bring expenditure into line with the lower revenue referred to above, while maintaining headcount sufficient to ensure the future sustainability of the Trust. Looking at individual categories:

- Unrestricted expenditure fell by 20%; restricted expenditure increased by 21% as we began delivering a new programme for the MAVA Fondation pour la Nature.
- Salary costs stayed largely flat although there was an increase in expenditure in salary on restricted projects as we delivered some major programmes. The Trust again benefited from the UK government's support between August and January 2021.
- Programme costs fell by 65%, with reductions both in unrestricted and restricted costs, reflecting the move to fully online programme delivery.
- General overheads fell by 17% to £746k from £901k in 2019/20. Virtually no business development travel was undertaken.

The net movement in overall funds for the year ended 31 July 2021 was a surplus of £115.1k (2019/20: deficit of £268.1k). The net movement in unrestricted funds was an increase of £441.1k (2019/20: reduction of £351.9k) and a reduction in restricted funds of £326k (2019/20: increase of £83.8k). Details of the results for the year are given in the Statement of Financial Activities on page 19.

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#### Donated goods and services

We continued to receive significant support in kind locally and nationally to help keep expenditure in Common Purpose to a minimum. 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 2020/21, donated goods and services amounted to £227.3k compared with £369.4 in 2019/20. We gratefully acknowledge the support of the many organisations that donated their services during the year.

#### Results for the trading subsidiary of Common Purpose Charitable Trust

Common Purpose Limited (formerly Common Purpose Global Customised Ltd) made a profit of £358.6k for the year (2019/20: loss of £3.1k). The income of the trading subsidiary (which comprises licence fee income and fees from both open programmes and customised work) rose to £1,743.1k from £564.2k in 2019/20. The improvement in the financial results for CPL reflect the positive outcomes of the business re-organization which took place in February 2021. This is covered further in paragraph 10 below.

It is the intention of the directors of CPL to gift aid positive reserves to the group.

#### Intercompany guarantee

CPUK has an intercompany debtor balances with: CPSE for £223k, CPI for £13.1k and CPL for £126.6k. In light of CPUK's negative reserve balance and the fact that it is no longer actively trading following the business re-organization, CPCT has provided guarantees to these companies to meet the sums CPUK owes.

### 9. Reserves policy

CPCT holds reserves to ensure the stability of its mission, programmes, employment, and ongoing operations of the organization. Reserves are that part of CPCT'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.

CPCT intends to meet its operational and strategic objectives by maintaining reserves at a level that allows it to carry on and develop its activities in line with its charitable objectives and strategy, while not holding excessive reserves that would limit the amount spent on achieving those objectives.

The Trustees of CPCT are responsible for setting and monitoring the level of reserves for the CPCT group and for approving this policy. The Trustees are also responsible for approving the use of reserves for investment in new programmes or initiatives.

CPCT's total reserves are made up of:

- unrestricted reserves, which are the reserves that CPCT has accumulated from surpluses on unrestricted income over unrestricted expenditure. They represent the net accumulated surplus or deficit since the organisation came into existence. These funds can be spent at the discretion of the trustees in furtherance of CPCT's objectives
- restricted reserves, which represent grants or other income that CPCT has received for specific programmes where the donor requires the funds to be held or accounted for separately in support of programme delivery.

CPCT has calculated that an appropriate level of unrestricted reserve for the organization, based on the risk to income, is £1,200,000. At the end of 2021/22, the group is budgeted to hold £1,352k of unrestricted reserve. This is £135k higher than the level required to provide a minimum of six months' cover for the business. The trustees however are happy to hold reserves slightly in excess during the period of economic uncertainty associated with COVID-19. Should this contingency not be required, the excess funds will be used for future business growth.

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It is also the Trustees' policy that all companies within the CPCT group should hold positive unrestricted reserves. Where a company has negative reserves, the board will take appropriate remedial action to return the reserves to positive.

The level of reserves is reported each month in line with the monthly accounts preparation. The level of unrestricted and restricted reserves is reported to each board meeting with the group balance sheet.

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 and we receive no new cash to support the business. Staff are paid their contractual notice period. Under this scenario, CPCT would need reserves of £2m to liquidate the company.

The make up across the group is:

	<b>Total</b>	<b>Unrestricted</b>	<b>Restricted</b>
CPCT	<b>917.0</b>	469.4	447.6
CP International	<b>90.0</b>	87.5	2.5
CP Limited	<b>234.0</b>	234.0	0.0
CPUK	<b>(276.9)</b>	(276.9)	0.0
CP Student Experiences Ltd	<b>494.9</b>	494.9	0.0
CP Asia-Pacific Ltd	<b>98.9</b>	98.9	0.0
<b>Total reserves</b>	<b>1,557.9</b>	<b>1,107.8</b>	<b>450.1</b>

**10. Business re-organization in February 2021**

In February 2021, the Trust moved to simplify its corporate structure by:

- moving business activity from Common Purpose UK to the group's trading subsidiary, Common Purpose Ltd (CPL)
- moving business activity from Common Purpose International to the parent entity, CPCT.

The purpose of the business restructure was to:

- create a better alignment between the group's evolving business model and the corporate structure needed to achieve it, particularly in light of the impact of COVID-19 on the 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 the highly dynamic and fast moving business environment, particularly over the next 12 to 18 months.

The core activities of both CPUK and CPI have not changed but now sit within larger teams with stronger support networks for business development and programme delivery. The trustees expect to

**COMMON PURPOSE CHARITABLE TRUST****REPORT OF THE TRUSTEES****YEAR ENDED 31 JULY 2021**


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see similar or larger revenue from each new team, with a lower cost base as resources are shared between teams within CPL and CPCT.

In addition to these changes, a new dedicated team for programme delivery was created, which is responsible for scheduling, preparing and delivering programmes across the UK, EMESA, Students and Asia Pacific business units.

CPL is also in the process of acquiring the shares of Civilia India Educational Programmes Pvt Ltd (CIEP). CIEP has until now been an independently owned and operated licensee based in Bangalore, and therefore outside the control of the group. However the board wishes to regularize the shareholder structure – these are currently two individuals – and bring together the business development capability of the wider group to build a stronger presence in the Indian market. CIEP will be a subsidiary of CPL. The results for CIEP between the acquisition in May and the end of the group's financial year have not been consolidated in this report as the acquisition has not yet been completed and CPL's ownership has not yet been formally finalized by the Reserve Bank of India.

**11. Reference and administrative details**

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

**12. Advisers**

Auditors: Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG  
 Bankers: National Westminster, 250 Regent Street, London W1B 3BN  
 Solicitors: Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square  
 London E1 6PW

**13. Trustees and directors**

Lynna Chandra	Mark Linder
Richard Charkin (resigned 26 Nov 2020)	Vandana Saxena Poria
Jonathan Donner	David Robinson
David Grace (Chair)	Shuvo Saha
Sanjeev Gupta	Janis Sanders
Peter Kulloi	Albert Tucker
Lauren Le Franc	

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

The group's Chief Executive Officer is Adirupa Sengupta.

**14. Structure, governance and management***a. Governing Document and Constitution*

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

*b. Policies and procedures for the induction of trustees*

## COMMON PURPOSE CHARITABLE TRUST

### REPORT OF THE TRUSTEES

#### YEAR ENDED 31 JULY 2021

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.

#### *c. Directors' insurance and indemnities*

The trustees have the benefit of the indemnity provisions contained in the Trust's Articles of Association, and the Trust has maintained throughout the year directors' and officers' liability insurance for the benefit of the Trust, the directors and its officers.

#### 15. Board sub-committees

##### *a. Audit and Risk Committee*

The Audit and Risk Committee (ARC) meets regularly to review and advise the board on all financial and risk matters as they relate to the group. ARC formally met seven times during the year and held a further nine calls during the height of the pandemic. Areas of review included:

- cash flow monitoring, particularly as the COVID-19 pandemic began affect business conditions
- closely monitoring the Trust's financial position, including receiving weekly updates during the height of the lockdown and business interruption in the UK
- advising on the preparation of the budget for 2021/22 in light of changed business conditions and new product offerings
- reviewing management's plans for the proposed business re-organization
- working closely with the Trust's auditors during the height of the pandemic to help close out the 2018/19 accounts
- providing input into and oversight of the licence renewal process
- generally supporting financial matters of the group.

ARC members are Jan Sanders (Chair) and Sanjeev Gupta (appointed Nov 2020), with the Group CEO and Finance Director/Group Company Secretary attending. David Grace, formerly the chair of ARC resigned from the committee when he was appointed group Chair. The ARC meets monthly and as required.

##### *b. Nominations Committee*

The Nominations Committee meets periodically to discuss matters to do with board appointments and succession. Its members include Jonathan Donner and Vandana Saxena Poria.

#### 16. Organisational structure and decision making

The trustees of The 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.

The trustees set the salary of the Group Chief Executive Officer, who is delegated to set the salaries of senior management. These are benchmarked against average management salaries for the sector. The aggregate emoluments of the key management personnel were £1,141.2k (2019/20: £1,273k).

Support costs are run centrally and recovered from revenue generating business units. 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

## COMMON PURPOSE CHARITABLE TRUST

### REPORT OF THE TRUSTEES

#### YEAR ENDED 31 JULY 2021

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.

#### 17. Risk Review Statement

The trustees have established a regular risk assessment which identifies the major foreseeable risks faced by the Trust, assessing their likelihood and impact, and as appropriate, implementing measures to mitigate these risks. The trustees regularly review a detailed risk register which identifies the major risks to which the Trust is exposed. The risk register assigns a likelihood and impact score to each identified risk, and assigns both management and board responsibility for oversight. The scores are then assigned a colour (red, amber, green) with the most serious risks being closely monitored.

Major risks discussed and addressed at board level include:

- the impact of COVID-19 on the group and strategies to support our continued solvency
- maintaining our independence and ensuring we keep to our core ethos of supporting diversity, equality, partnership etc.
- operational risks in the online delivery model
- succession planning for trustees and key management
- major IT failure due to cyber-attacks or other service interruption
- international HR compliance as we become more global in our operations
- financial risks such as dependency on a few large contracts, currency volatility, inadequate reserves.

#### 18. Impact of COVID-19 (Coronavirus)

The trustees have 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 since early March 2021, and in common with most other organisations, the Trust was forced to curtail its in-person programmes and refocus its activities on online programmes. All Common Purpose programmes were moved online from July 2020, and it is expected that programmes will continue online for the foreseeable future, until the governments relax the restrictions related to the pandemic.

The Trust took advantage of the government employment support schemes in the UK and Singapore:

- In the UK, the Coronavirus Job Retention Scheme allowed us to continue to furlough staff members, although all staff had returned to work by the end of January 2021.
- In Singapore, CP Asia-Pacific benefited again during the year from the Singapore government's Job Support Scheme.

The Trust successfully applied for a loan of £400,000 under the UK government's Coronavirus Business Interruption Loan scheme. The funds were received in August 2021. The trustees have determined that to hold the funds as a contingency planning measure in case of a slower than expected recovery.

In November 2021 the trustees formally reviewed an updated cash flow forecast to December 2022 for the group as a whole. On the basis of the assumptions made by management this showed the Trust remaining cash flow positive throughout the period.

The trustees recognize, however, that given the current uncertain situation with COVID-19 any forecast of future activity levels and thus cash flow is inherently uncertain. The key uncertainty is the extent to



## COMMON PURPOSE CHARITABLE TRUST

### REPORT OF THE TRUSTEES

#### YEAR ENDED 31 JULY 2021

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which uncontracted income will be realised while COVID-19 restrictions apply. To protect this income, we continue to stay very close to our clients.

The trustees believe, however, that notwithstanding the inherent uncertainties that currently exist, the strength of the Trust's underlying business and management's ongoing relationships with key donors and clients and the actions being taken to mitigate expected reduced activity levels (as mentioned above) mean that the Trust remains financially sustainable and will remain a going concern for at least the next twelve months from the date of approval of these accounts.

The trustees will continue to actively monitor staff levels and operational costs and take such steps as they consider necessary to help ensure these remain in line with reduced activity levels and income, also taking into account the Trust's proposed utilisation of the assistance being provided by the UK and Singapore governments.

The Trust has no investments or other assets that have been significantly impaired as a result of COVID-19. The Trust's reserves have recovered during 2020/21, The trustees have reviewed and updated the Trust's reserves policy to reflect COVID-19, as well as the risk register and other actions that need to be taken to reflect the current situation.

#### 19. Statement of trustees' responsibilities

The trustees, who are also the directors and members of The 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 Trust and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Trust 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 Trust 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 Trust 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 Trust 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 Trust 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.

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

**COMMON PURPOSE CHARITABLE TRUST**

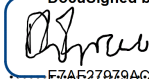
**REPORT OF THE TRUSTEES**

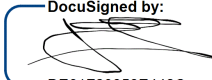
**YEAR ENDED 31 JULY 2021**

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In preparing this report the trustees have taken advantage of the exemptions available to small companies (including the exemption from preparing a strategic report).

Signed by order of the Board of Trustees on 25 November 2021.

DocuSigned by:  
  
E7AF27B79AC74DA.....  
David Grace  
Trustee

DocuSigned by:  
  
DE61F20858E442C.....  
Jan Sanders  
Trustee

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

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### **Opinion**

We have audited the financial statements of Common Purpose Charitable Trust for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Trust-only Balance Sheet, the Consolidated Cash Flow Statement, 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 group's and of the parent charitable company's affairs as at 31 July 2021 and of the group's and parent 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 Group 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 trustees' 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 group'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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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 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.

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

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### **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 Trustees' Report (which includes the directors' 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 directors' report included within the Trustees' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' 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 parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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 trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on pages 15 and 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, and for such internal control as the trustees determine 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 trustees are responsible for assessing the group's and the parent 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 trustees either intend to liquidate the group or the parent 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 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 group 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

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

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](http://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:



Steven Harper (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor  
EC4R 1AG

10 Queen Street Place  
London

Date: 28 February 2022

**COMMON PURPOSE CHARITABLE TRUST****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(including an income and expenditure account)****FOR THE YEAR ENDED 31 JULY 2021**

	Note	2020/21			Note	2019/20		
		Unrestricted Funds £000s	Restricted Funds £000s	Total funds £000s		Unrestricted Funds £000s	Restricted Funds £000s	Total funds £000s
<b>Income from</b>								
Donated goods and services		227.3	0.0	227.3		369.4	0.0	369.4
Charitable activities:								
Open programmes		734.5	0.0	734.5		1,099.6	0.0	1,099.6
Student programmes		981.9	0.0	981.9		897.7	0.0	897.7
Grants		444.8	516.4	961.2		356.0	753.7	1,109.6
Customised programmes		1,239.9	0.0	1,239.9		494.3	0.0	494.3
Payments received for staff furlough		46.6	0.0	46.6		145.9	0.0	145.9
Other Income		108.5	0.0	108.5		0.0	0.0	0.0
Other trading activities		74.8	0.0	74.8		611.3	0.0	611.3
<b>Total</b>		<b>3,858.3</b>	<b>516.4</b>	<b>4,374.7</b>		<b>3,974.2</b>	<b>753.7</b>	<b>4,727.9</b>
<b>Expenditure on</b>								
Charitable activities:								
Open programmes		895.6	0.0	895.6		1,278.6	2.1	1,280.7
Student programmes		875.0	0.0	875.0		1,094.4	0.0	1,094.4
Grant-based programmes		384.4	812.4	1,196.8		394.3	394.9	789.1
Customised programmes		1,107.2	0.0	1,107.2		681.6	272.9	954.5
Other trading activities		185.0	0.0	185.0		877.2	0.0	877.2
<b>Total</b>	6	<b>3,447.2</b>	<b>812.4</b>	<b>4,259.6</b>	0.0	<b>4,326.1</b>	<b>669.9</b>	<b>4,996.0</b>
<b>Net (expenditure) / income</b>		<b>411.1</b>	<b>(296.0)</b>	<b>115.1</b>		<b>(351.9)</b>	<b>83.7</b>	<b>(268.1)</b>
Transfers between funds		30.0	(30.0)	0.0		7.5	(7.5)	0.0
<b>Net movement in funds</b>		<b>441.1</b>	<b>(326.0)</b>	<b>115.1</b>		<b>(344.4)</b>	<b>76.3</b>	<b>(268.1)</b>
Fund balances brought forward as at 1 August		666.7	776.1	1,442.8		1,011.1	699.9	1,711.0
<b>Fund balances carried forward as at 31 July</b>		<b>1,107.8</b>	<b>450.1</b>	<b>1,557.9</b>		<b>666.7</b>	<b>776.1</b>	<b>1,442.9</b>

The accompanying notes on pages 24 to 37 form part of the financial statements.

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

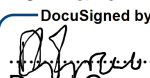
AS AT 31 JULY 2021


	Note	2021		2020	
		£000s	£000s	£000s	£000s
<b>FIXED ASSETS</b>					
Intangible fixed assets	7		37.6		41.7
Tangible fixed assets	8		41.7		65.3
			<u>79.3</u>		<u>107.0</u>
<b>CURRENT ASSETS</b>					
Debtors	9	1,338.7		947.1	
Cash at bank and in hand		<u>2,427.9</u>		<u>1,056.3</u>	
<b>Total current assets</b>		<u>3,766.6</u>		<u>2,003.4</u>	
Creditors: amounts falling due within one year	10	<u>(1,888.0)</u>		<u>(667.5)</u>	
<b>Net current assets</b>			1,878.6		1,335.9
<b>LONG TERM LIABILITIES</b>					
Creditors: amounts falling due in more than one year	11	(400.0)			
<b>Total long term liabilities</b>			(400.0)		
<b>TOTAL ASSETS LESS LIABILITIES</b>			<u><u>1,557.9</u></u>		<u><u>1,442.9</u></u>
<b>RESERVES</b>					
Restricted funds	15		450.1		776.2
Unrestricted funds	14		<u>1,107.8</u>		<u>666.7</u>
			<u><u>1,557.9</u></u>		<u><u>1,442.9</u></u>

The accompanying notes on pages 24 to 37 form part of the financial statements.

The 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 authorised for issue by the Board of Trustees on 26 November 2021 and were signed below on its behalf by:

DocuSigned by:  
  
 David Grace  
 Trustee

DocuSigned by:  
  
 Jan Sanders  
 Trustee

## THE COMMON PURPOSE CHARITABLE TRUST

Company registered number: 2832875

## BALANCE SHEET (TRUST ONLY)

AS AT 31 JULY 2021

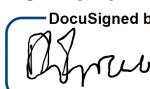
	Note	2021		2020	
		£000s	£000s	£000s	£000s
<b>FIXED ASSETS</b>					
Tangible fixed assets	8		40.2		48.1
			40.2		48.1
<b>CURRENT ASSETS</b>					
Debtors	9	637.9		683.5	
Cash at bank and in hand		2,280.3		753.9	
<b>Total current assets</b>		2,918.2		1,437.4	
Creditors: amounts falling due within one year	10	(1,641.4)		(517.4)	
<b>Net current assets</b>			1,276.8		920.0
Creditors: amounts falling due in more than one year	11	(400.0)			0.0
<b>Net long term liabilities</b>			(400.0)		0.0
<b>TOTAL ASSETS LESS LIABILITIES</b>			917.0		968.1
<b>RESERVES</b>					
Restricted funds			446.9		777.0
Unrestricted funds			470.1		191.1
			917.0		968.1

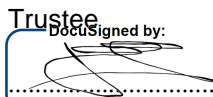
The Common Purpose Charitable Trust made a loss before consolidation of £332.3k (2019/20: loss of £369.1k).

The accompanying notes on pages 24 to 37 form part of the financial statements.

The 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 authorised for issue by the Board of Trustees on 25 November 2021 and were signed below on its behalf by:

DocuSigned by:  
  
 E7AF27979AC74DA...  
 David Grace

Trustee  
 DocuSigned by:  
  
 DE31F20859E442C...  
 Jan Sanders  
 Trustee



**THE COMMON PURPOSE CHARITABLE TRUST****CONSOLIDATED CASH FLOW STATEMENT****YEAR ENDED 31 JULY 2021**

		<b>2021</b>	<b>2020</b>
		£000s	£000s
<b>Net cash inflow / (outflow) from operating activities</b>	12	417.5	(47.2)
<b>Returns on investments and servicing of finance</b>			
Interest received		0.0	0.0
<b>Capital expenditure</b>			
Payments to acquire tangible and intangible fixed assets		(3.9)	(30.1)
<b>Increase / (decrease) in cash</b>		1,371.6	(77.3)
<b>Cash at bank and in hand at start of year</b>		1,056.2	1,133.5
<b>Cash at bank and in hand at end of year</b>		2,427.9	1,056.2

The accompanying notes on pages 24 to 37 form part of the financial statements.

The balance of £2,427.9k cash at bank and in hand is made up as follows:

	<b>2020/21</b>	<b>2019/20</b>
	£000s	£000s
Cash	£2,427.9	£1,214.3
Bank overdraft utilised	£0.0	£(158.1)
<b>Total</b>	<b>£2,427.9</b>	<b>£1,056.2</b>

## THE COMMON PURPOSE CHARITABLE TRUST

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### YEAR ENDED 31 JULY 2021

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#### 1. ACCOUNTING POLICIES

Common Purpose Charitable Trust is a charitable company limited by guarantee. Further details are shown in section 15 of the Trustees' Annual Report.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charitable Trust is a public benefit entity for the purposes of FRS 102 and therefore the Trust 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.

##### (a) Financial instruments

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

##### (b) Revenue recognition

In the view of the trustees in applying the accounting policies adopted, judgement was required in relation to recognition of accrued income.

Programme delivery date	% of contracted amount
First quarter of the following financial year	75%
Second quarter of the following financial year	50%

##### (c) 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.

##### (d) Income

Income represents the total income receivable during the year comprising fees from open programmes, student programmes, customised programmes, as well as grants for large international projects, bank interest and other income.

Income and expenditure related to open 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.

Income and expenditure related to student and customised programmes is matched and any surplus on a course is recognised in the accounting year in which it arises. Due to the nature of the programmes, income is partially based on the services rendered within the financial year. Where a client makes a legally binding commitment to purchase a customised programme, but the programme is not running until the next financial year, income is accrued as per not 1(b) above.

In prior years, grant income was recognized in its entirety at the time it is received as long as there were no conditions that prevented recognition. This income was held as restricted income until such time as programme delivery costs were incurred.

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021**

Following a review with the Audit and Risk Committee and the group's auditors, it was agreed that in line with the FRS 102 Charities SORP, where donors imposed timelines in relation to delivery of their programmes, income should be deferred rather than recognized in the year of receipt, as this represents a precondition set by the donor. We have therefore adopted this principal for any grants received that meet this condition.

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

**(e) Expenditure**

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

Direct costs are charged to the appropriate category of charitable activity 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. Support costs include governance costs. More detail as to the method of their allocation is given in note 6b to the accounts.

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

**(f) 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 ten years.

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

Amortisation of software with a perpetual licence is calculated on an annual basis of ten years.

**(g) Leased assets**

Payments under operating leases are charged to the Statement of Financial Activities.

**(h) Basis of consolidation**

The group financial statements consolidate the financial statements of The Common Purpose Charitable Trust, Common Purpose UK, Common Purpose International, Common Purpose Ltd, Common Purpose Student Experiences Ltd and Common Purpose Asia-Pacific Ltd. The financial statements of CPSE's branch in Australia are consolidated into the accounts of CPSE. No statement of financial activities is presented for The Common Purpose Charitable Trust as provided by section 408 of the Companies Act 2006.

**(i) 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.

**(j) Going concern**

The accounts are approved during a period where the impacts of COVID-19 continue to be felt in Common Purpose's business. The Trust's response has been to reforecast its cash flow in light of

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021**


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COVID-19. This forecast shows the Trust staying cash flow positive for the next 12 months despite the impact on income during the 2020/21 financial year. The trustees have also made use of funding and other support facilities available to it, including UK government initiatives around employment and lending support. The trustees believe therefore that the Trust has sufficient resources to continue its activities for the foreseeable future. They consider that any uncertainties over the Trust's financial viability are manageable. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**2. NET MOVEMENT IN FUNDS - Group and Trust**

	<b>2021</b>	<b>2020</b>
	£000s	£000s
The net movement in funds is arrived at after charging:		
Depreciation and amortisation	31.5	50.4
Auditors' remuneration for audit services	31.9	41.8
Auditors' remuneration for non-audit related services	3.3	1.6
Operating lease rentals - land and buildings	107.1	106.1
Operating lease rentals – equipment	<u>30.4</u>	<u>30.4</u>

**THE COMMON PURPOSE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2021**

**3. STAFF NUMBERS AND EMOLUMENTS - Group and Trust**

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
The average number of persons employed by the group during the year was:		
Programme sales and delivery	59	47
Operational support	16	21
	<u>75</u>	<u>68</u>
<b>Staff costs</b>	<b>£</b>	<b>£</b>
Wages and salaries	2,714,651	2,728,307
Social security costs	286,575	263,240
Employer Pension Contribution	74,041	62,961
	<u>3,075,266</u>	<u>3,054,508</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	3	2
£70,000 - £79,999	2	1
£80,000 - £89,999	2	3
£90,000 - £99,999	1	1
£100,000 - £109,999	0	0
£110,000 - £119,999	2	0
Over £130,000	1	1
Total	<u>11</u>	<u>8</u>

Aggregate emoluments of the Senior Management Team

	<b>£</b>	<b>£</b>
Salary	994,512	1,123,458
Social security costs	113,702	119,988
Pension	32,975	29,569
	<u>1,141,189</u>	<u>1,273,015</u>

No termination payments were made during the year.

The senior management team includes those employees who report directly to the CEO, made up of the heads of business units and support teams. During 2020/21 the senior management team consisted of ten people in CPCT, one in CPUK (moved to CPCT in February 2021) and one in CPAPL. Employer pension contributions relate to defined contribution arrangements only and these are charged to expenditure as they fall due.

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021****4. RESULTS FROM COMMON PURPOSE CHARITABLE TRUST TRADING SUBSIDIARIES**

Until April 2021, the group had two trading subsidiary companies:

- Common Purpose Customised Limited (company no. 03476595) was dissolved on 6 April 2021 in line with the plans outlined during 2020.
- Common Purpose Limited (formerly Common Purpose Global Customised Limited, company no.08613775 and renamed in January 2021) 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 2015 when its business was transferred from Common Purpose Customised Ltd. CPL began the process of acquiring the shares of Civilia India Educational Programmes Pvt Limited, the group's Indian trading licensee, in May 2021. This is expected to be finalized by December 2021.

The results and net assets of CPL are shown below:

	<b>Common Purpose Limited</b>	
	<b>2021</b>	<b>2020</b>
<b>Profit and loss account</b>	<b>£</b>	<b>£</b>
Turnover	1,743.1	564.2
Administrative expenses	(1,384.5)	(564.7)
Interest paid	0.0	(2.6)
Retained profit / (loss)	358.6	(3.1)
 <b>Balance sheet</b>		
Fixed assets	30.9	37.9
Current assets	757.6	199.0
Current liabilities	(554.5)	(253.6)
Long term liabilities	0.0	(107.7)
Surplus / (Deficit) on reserves	234.0	(124.5)

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021****4a. RESULTS OF CHARITABLE SUBSIDIARIES**

The Common Purpose Charitable Trust has three UK charitable subsidiaries, Common Purpose UK (company no. 03556983, charity no. 1023384), Common Purpose International (company no. 03207453, charity no. 1056573) and Common Purpose Student Experiences Limited (company no. 09526939), together with a subsidiary in Singapore (Common Purpose Asia Pacific Ltd).

As part of the business re-organization, trading in both CPUK and CPI was moved to other group companies with effect from 1 February (refer paragraphs 7.1, 7.2, 7.3 and 10 in the Report of the Trustees above)

Common Purpose Student Experiences also operated a branch of an overseas company in Australia. These results are consolidated with those of CPSE.

	<b>Common Purpose UK</b>		<b>Common Purpose International</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Income</b>	£000s	£000s	£000s	£000s
Income from donated goods and services	145.4	346.0	0.0	0.0
Income from charitable activities	371.5	1,099.9	111.8	122.5
Net cost recoveries from other group entities	117.9	144.0	88.9	129.6
<b>Total income</b>	<b>634.8</b>	<b>1,590.0</b>	<b>200.7</b>	<b>252.1</b>
<b>Expenditure</b>				
Charitable activities	710.0	1,694.8	217.5	338.3
<b>Net movement in funds</b>	<b>(75.2)</b>	<b>(104.9)</b>	<b>(16.8)</b>	<b>(86.2)</b>
<b>Surplus covenanted to CPCT</b>	<b>0.0</b>	<b>0.0</b>		<b>0.0</b>
Assets	128.5	197.6	91.2	111.1
Liabilities	(405.4)	(399.3)	(1.2)	(4.3)
<b>Net funds</b>	<b>(276.9)</b>	<b>(201.7)</b>	<b>90.0</b>	<b>106.8</b>

**THE COMMON PURPOSE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2021**

	<b>Common Purpose Student Experiences Ltd</b>	
	<b>2021</b>	<b>2020</b>
<b>Income</b>	£000s	£000s
Income from charitable activities	1,017.6	609.8
Net cost recoveries from other group entities	12.8	345.3
<b>Total income</b>	<u>1,030.4</u>	<u>955.2</u>
<b>Expenditure</b>		
Charitable activities	<u>789.6</u>	<u>873.2</u>
<b>Net movement in funds</b>	<u>240.8</u>	<u>82.0</u>
<b>Surplus covenanted to CPCT</b>		0.0
Assets	711.6	444.5
Liabilities	<u>(216.7)</u>	<u>(190.4)</u>
<b>Net funds</b>	<u>494.9</u>	<u>254.1</u>

	<b>Common Purpose Asia Pacific Ltd</b>			
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Income</b>	£000s	£000s	SG \$000s	SG \$000s
Grant from Common Purpose Charitable Trust	0.0	0.0	0.0	0.0
Income from charitable and trading activities	170.9	514.4	311.4	918.1
Net cost recoveries from other group entities	63.1	162.4	115.0	289.9
<b>Total income</b>	<u>234.0</u>	<u>676.8</u>	<u>426.4</u>	<u>1,207.9</u>
<b>Expenditure</b>				
Charitable activities	<u>279.9</u>	<u>749.0</u>	<u>510.1</u>	<u>1,336.8</u>
<b>Net movement in funds</b>	<u>(45.9)</u>	<u>(72.2)</u>	<u>(83.7)</u>	<u>(128.9)</u>
Assets	198.3	260.4	424.7	464.7
Liabilities	<u>(99.6)</u>	<u>(89.5)</u>	<u>(203.4)</u>	<u>(159.7)</u>
<b>Net funds</b>	<u>98.6</u>	<u>170.9</u>	<u>221.3</u>	<u>305.0</u>



## THE COMMON PURPOSE CHARITABLE TRUST

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### YEAR ENDED 31 JULY 2021

#### 5. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES (Group and Trust)

No emoluments were paid during the year (2019/20: nil). Nil expenses were reimbursed to trustees (2019/20: nil).

#### 6a. ANALYSIS OF EXPENDITURE

	Direct costs	Support Costs	Total 2021	Direct costs	Support Costs	Total 2020
	£000s	£000s	£000s	£000s	£000s	£000s
Open programmes	603.6	250.4	<b>854.0</b>	914.4	364.2	<b>1,278.6</b>
Student programmes	538.4	334.8	<b>873.1</b>	797.0	297.4	<b>1,094.4</b>
Grants	959.8	236.1	<b>1,196.0</b>	816.9	246.9	<b>1,063.8</b>
Customised programmes	686.4	425.3	<b>1,111.7</b>	517.8	163.7	<b>681.5</b>
Other trading activities	146.4	78.4	<b>224.8</b>	626.5	250.7	<b>877.2</b>
	<b>2,934.6</b>	<b>1,325.0</b>	<b>4,259.6</b>	<b>3,672.6</b>	<b>1,323.0</b>	<b>4,995.6</b>

#### 6b. ANALYSIS OF SUPPORT COSTS

	2021				2020			
	Central support costs	Licence fee	Governance	Total	Central support costs	Licence fee	Governance	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Open programmes	199.7	43.6	7.1	<b>250.4</b>	294.7	56.7	12.8	<b>364.2</b>
Student programmes	266.9	58.3	9.6	<b>334.8</b>	240.7	46.3	10.4	<b>297.4</b>
Grants	172.9	58.9	4.3	<b>236.1</b>	197.6	45.2	4.1	<b>246.9</b>
Customised programmes	339.2	74.0	12.1	<b>425.3</b>	132.5	25.5	5.7	<b>163.7</b>
Other trading activities	62.5	13.6	2.3	<b>78.4</b>	202.9	39.1	8.8	<b>250.7</b>
	<b>1,041.2</b>	<b>248.4</b>	<b>35.4</b>	<b>1,325.0</b>	<b>1,068.3</b>	<b>212.8</b>	<b>41.8</b>	<b>1,323.0</b>

Support costs are apportioned on the basis of the percentage of each activity's direct expenditure. Central services includes Finance, HR, Marketing and Operational support. Support costs are fully recovered from business units.

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021****7. INTANGIBLE FIXED ASSETS - GROUP**

	<b>Software Costs</b> £000s	<b>Group Trademarks</b> £000s	<b>Investments</b> £000s	<b>Total</b> £000s
<b>COST</b>				
At 1 August 2020	243.2	41.2	0.0	284.4
Additions	<u>0.0</u>	<u>0.0</u>	<u>3.0</u>	<u>3.0</u>
At 31 July 2021	<u>243.2</u>	<u>41.2</u>	<u>3.0</u>	<u>287.4</u>
<b>AMORTISATION</b>				
At 1 August 2020	208.0	34.7	0.0	242.7
Charge for year	<u>5.8</u>	<u>1.3</u>	<u>0.0</u>	<u>7.1</u>
At 31 July 2021	<u>213.8</u>	<u>36.0</u>	<u>0.0</u>	<u>249.8</u>
<b>NET BOOK VALUE</b>				
At 31 July 2021	<u><u>29.4</u></u>	<u><u>5.2</u></u>	<u><u>3.0</u></u>	<u><u>37.6</u></u>
At 1 August 2020	<u><u>35.2</u></u>	<u><u>6.6</u></u>	<u><u>0.0</u></u>	<u><u>41.7</u></u>

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021****8. TANGIBLE FIXED ASSETS – GROUP**

	<b>Leasehold improvements</b>	<b>Group Computer equipment</b>	<b>Total</b>
	£000s	£000s	£000s
<b>COST</b>			
At 1 August 2020	161.3	1,362.5	1,523.8
Disposal	0.0	0.0	0.0
Additions	0.9	0.0	0.9
	<u>162.1</u>	<u>1,362.5</u>	<u>1,524.6</u>
At 31 July 2021	<u>162.1</u>	<u>1,362.5</u>	<u>1,524.6</u>
<b>DEPRECIATION</b>			
At 1 August 2020	147.9	1,310.6	1,458.5
Disposal	0.0	0.0	0.0
Charge for year	2.9	21.5	24.4
	<u>150.8</u>	<u>1,332.1</u>	<u>1,482.9</u>
At 31 July 2021	<u>150.8</u>	<u>1,332.1</u>	<u>1,482.9</u>
<b>NET BOOK VALUE</b>			
At 31 July 2021	<u><u>11.3</u></u>	<u><u>30.4</u></u>	<u><u>41.7</u></u>
At 1 August 2020	<u><u>13.4</u></u>	<u><u>51.9</u></u>	<u><u>65.3</u></u>

Included in the above table are assets related to the parent charitable trust with a net book value of £40.2k (2019/20: £48.1k).

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021****9. DEBTORS**

	Group		Trust	
	2021 £000s	2020 £000s	2021 £000s	2020 £000s
Tuition fees and sponsorship income	752.1	452.8	126.3	131.7
Prepayments	(5.0)	17.6	5.1	20.7
Accrued income	588.4	476.1	164.3	210.0
Other debtors	0.0	0.0	0.0	29.2
Prepaid marketing material	0.5	0.6	0.0	0.0
Amounts due from group undertakings	2.7	0.0	234.5	184.3
Loans to group companies	0.0	0.0	107.7	107.7
	<b>1,338.7</b>	<b>947.1</b>	<b>637.9</b>	<b>683.5</b>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Trust	
	2021 £000s	2020 £000s	2021 £000s	2020 £000s
Overdraft	0.0	158.1	0.0	140.2
Sundry creditors and accruals	403.0	283.2	234.7	246.3
Other taxes and social security	225.7	208.6	108.5	65.7
Deferred income	1,259.3	175.6	1,012.4	0.0
Amounts due to group undertakings	0.0	0.0	285.8	55.4
	<b>1,888.0</b>	<b>825.6</b>	<b>1,641.4</b>	<b>507.7</b>

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

**11. LOAN UNDER THE CORONAVIRUS BUSINESS INTERRUPTION LOANS (CBIL) SCHEME**

In August 2020, CPCT received a loan under the CBIL Scheme for £400,000. The loan is repayable over six years. Repayments on the loan began in August 2021. The trustees have decided to maintain the loan for the foreseeable future as a liquidity buffer. The Audit and Risk Committee reviews the Charity's cash position every three months to determine whether the loan can be partially or fully repaid.

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021****12. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	£000s	£000s
Net increase / (decrease) in funds	115.1	(268.1)
Interest received	0.0	0.0
Disposal of tangible fixed assets	0.0	0.0
Depreciation and amortisation	31.5	50.4
Loan funds incoming	(400.0)	0.0
(Increase) / decrease in debtors	(391.5)	366.5
Increase / (decrease) in creditors	1,062.5	(195.9)
<b>Net cash inflow / (outflow) from operating activities</b>	<u>417.5</u>	<u>(47.2)</u>

**13. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR**

	<b>2020</b>	<b>Group</b>	<b>2021</b>
	£000s	<b>Change in</b>	£000s
		<b>year</b>	
		£000s	
Cash at bank and in hand	1,056.2	1,371.7	2,427.9
	<u>1,056.2</u>	<u>1,371.7</u>	<u>2,427.9</u>

## THE COMMON PURPOSE CHARITABLE TRUST

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2021

#### 14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021	Unrestricted Funds £000s	Restricted Funds £000s	Total Funds £000s
Fixed assets	79.3	0.0	79.3
Current assets	3,316.5	450.1	3,766.6
Current liabilities	(1,888.0)	0.0	(1,888.0)
Long term liabilities	(400.0)	0.0	(400.0)
	1,107.8	450.1	1,557.9

2020	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	107.1	0.0	107.1
Current assets	1,385.3	776.1	2,161.5
Current liabilities	(825.6)	0.0	(825.6)
	666.8	776.1	1,443.0

#### 15. RESTRICTED FUNDS

2021	Brought forward	Income	Expenditure	Transfers / gains	Carried forward
American Express Foundation	21.7	0.0	0.0	(21.7)	(0.0)
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	34.4	11.9	(20.0)	2.5
MAVA Foundation	647.1	378.7	649.4	0.0	376.3
Women Emerging from Isolation	28.5	9.0	0.1	(37.5)	0.0
Creative Scotland	0.0	9.0	9.0	0.0	0.0
Grants for the development of UK101 project	71.3	0.0	0.0	0.0	71.3
<b>TOTAL</b>	776.1	463.1	699.8	(89.2)	450.1

2020	Brought forward	Income	Expenditure	Transfers / gains	Carried forward
American Express Foundation	249.8	0.0	228.1	0.0	21.7
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
MAVA Foundation	351.6	912.1	616.7	0.0	647.1
Women Emerging from Isolation	0.0	28.7	0.2	0.0	28.5
Grants for the development of UK101 project	73.5		2.2	0.0	71.3
<b>TOTAL</b>	698.7	965.9	880.9	(7.5)	776.1

**THE COMMON PURPOSE CHARITABLE TRUST****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2021****16. OPERATING LEASE COMMITMENTS – LESS THAN FIVE YEARS**

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

	<b>2021</b>	<b>2020</b>
	<b>Land and buildings</b>	<b>Land and buildings</b>
<b>Within:</b>	£000s	£000s
more than one year and less than 5 years	<u>321.3</u>	<u>428.4</u>

	<b>2021</b>	<b>2020</b>
	<b>Equipment</b>	<b>Equipment</b>
<b>Within:</b>	£000s	£000s
more than one year and less 5 years	<u>0</u>	<u>0</u>

**17. RELATED PARTY TRANSACTIONS**

During the year, no directors or management made related party transactions. There were no other related party transactions in the year. One director declared a related party transaction in the previous year (2019/20).

Companies within the CPCT group routinely enter into transactions with other group companies. These transactions are to pay for staff engaged from other group entities, and to provide funding for programme costs where programmes were being delivered by a different group entity. Net inter-group debtor and creditor balances as at year end were as follows:

	<b>2021</b>	<b>2020</b>
	£000s	£000s
Common Purpose Asia-Pacific Ltd	68.7	0.5
Common Purpose Ltd	51.3	211.1
Common Purpose UK	264.6	244.1
Common Purpose Customised Limited	(12.0)	(12.0)
Common Purpose Charitable Trust	51.1	(283.0)
Common Purpose International	(77.6)	(54.9)
Common Purpose Student Experiences Ltd	<u>(343.4)</u>	<u>(116.5)</u>
Net intercompany debtor / (creditor) balance	2.7	(10.7)