

REGISTERED COMPANY NUMBER: 12436197 (England and Wales)  
**REGISTERED CHARITY NUMBER: 1193597**

Trustees' Report and  
Audited Financial Statements for the Year Ended 31 December 2021  
for  
Centre for Public Impact Europe (formerly Centre for Public Impact UK)

Centre for Public Impact Europe

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for the Year Ended 31 December 2021

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Centre for Public Impact Europe  
Trustee's Report  
for the Year Ended 31 December 2021

The Trustees present their report, which is also a Directors' report under company law, and audited financial statements for the year ended 31 December 2021.

The financial statements comply with the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: 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 (FRS 102) (effective 1 January 2019) (2nd Edition).

**Reference and Administrative Information**

Charity name:	Centre for Public Impact Europe
Charity registration number:	1193597
Company registration number:	12436197
Registered office and operational address:	30 Stamford Street 3rd Floor, Vivo Building London SE1 9LQ

**Board of Trustees**

Mr L Kamener	Chair
Mr E R Rhys Jones	Company Secretary
Ms R G Kennedy	
Prof P 't Hart	

**Senior Management Team**

Mrs M Kuenkel	CPIE Director (left 31/12/2021)
Mr A Brown	Interim CPIE Director (from 1/1/2022)
Miss K Rose	CPIE Director (from 7/6/2022)
Mrs R Harrison	Corporate Services Director

**External Auditors** - HW Fisher LLP, Acre House, 11-15 William Road, London NW1 3ER

**Accountants** - ChadSan, Castle House, Castle Street, Guildford, Surrey, GU1 3UW

**Bankers** - HSBC, 60 Queen Victoria Street, London EC4N 4TR

**Solicitors** - Stone King, Boundary House, 91 Charterhouse Street, London EC1M 6HR

## **Structure, governance and management**

### Governing document

The Centre for Public Impact UK was incorporated on 31 January 2020 as a private company limited by guarantee, with no share capital. It is a registered charity with registered charity number 1193597 since 18 February 2021.

On 23 August 2022, the Centre for Public Impact UK changed its name to Centre for Public Impact Europe ("CPIE" or the "Charity") to reflect its increasing diversification of activities across Europe.

The objects of the Charity are for the benefit of the public to advance such exclusively charitable purposes as the Trustees may decide from time to time.

The Charity is governed by a Board of Trustees, who are also the directors of CPIE. Trustees set the strategic and policy direction with day-to-day management functions being the responsibility of the leadership team.

Trustees who served during the year and up to the date of approval of the financial statements were:

Mr L Kamener (Chair)  
Mr E R Rhys Jones (Company Secretary)  
Ms R G Kennedy  
Prof P 't Hart

The leadership team during the year were:

Mrs M Kuenkel	CPIE Director (left 31/12/2021)
Mr A Brown	Interim CPIE Director (from 1/1/2022)
Miss K Rose	CPIE Director (from 7/6/2022)
Mrs R Harrison	Corporate Services Director

### Related Parties

The Charity's sole member ("the Member") is Centre for Public Impact, an independent not-for-profit foundation within the meaning of Articles 80 et seq of the Swiss Civil Code registered on the Swiss Federal Interior Department's Register of Foundations and at the Geneva Register of Commerce (IDE: CHE-172.995.978) based in Geneva, Switzerland (CPI CH). CPIE receives operational and financial support from CPI CH through an annually renewed agreement.

### Recruitment and appointment of Trustees

Persons may be appointed to be a Trustee by ordinary resolution or by written notice from the Member to the Charity specifying the name of the person to be appointed as a Trustee and the date of their appointment.

Trustees are appointed for a period of three years and may be re-appointed for a further term or terms to a maximum of nine years' service.

The minimum number of Trustees is three, and there is no maximum number of Trustees who may be appointed.

The recruitment of new Trustees follows an evaluation of the desired skills and experience of the Board, aligned to the Charity's evolving strategy.

On joining CPIE's Board, new Trustees receive a welcome pack with key documents and an induction programme which covers the Charity's values and purpose as well as information on the financial, governance and operational arrangements for the Charity. Trustees receive insights into the Charity's work at its meetings and regular briefings from staff and the leadership team.

The Board meets quarterly with occasional additional meetings as needed. The Trustee role is unremunerated, but Trustees can claim expenses where relevant.

#### People's Panel

The People's Panel, which is a diverse group, acts as an advisory committee to CPIE, providing input into the Charity's strategic research objectives and helping the Charity shape its understanding of societal challenges and concerns. People's Panel members are appointed by the leadership team for up to three years. They have no management or governance responsibilities and are not Trustees, thus having no legal liability.

#### Key management personnel

The Trustees have delegated authority to the Director of CPIE for the day-to-day management of the Charity. CPIE's leadership team during the year comprised the Director of UK and Director of Programmes. Additional support is provided by CPI CH through financial and operational support from its Executive Director, Global Director of Communications, Global Director of Corporate Services and Global Director of People and Culture (from February 2022).

Magdalena Kuenkel left the Charity in December 2021, and Adrian Brown, Executive Director for CPI CH, undertook the role of Acting Director of CPIE from January 2022. An internal recruitment campaign for a new Director of CPIE was completed in June 2022 with the appointment of Katie Rose (formerly the Director of Programmes). The Board would like to thank Magdalena for all she has done to establish CPIE.

#### **Objectives and activities**

The reporting period marks the first year as an independent UK charity. The Charity was founded by Centre for Public Impact, a Swiss charitable foundation established by the Boston Consulting Group.

#### Purpose

CPIE's purpose is to reimagine government so that it works for everyone.

Our vision is a new era in which government adapts to address the complex challenges we face, emphasises the value of human relationships, and optimises for learning rather than control.

We believe in the potential of government to bring about better outcomes for people. Yet, we have found that the systems, structures, and processes of government today are often not set up to respond to the complex challenges we face as a society.

That's why we have an emerging vision to reimagine government so that it works for everyone. We act as a learning partner for governments, public servants, and the diverse network of changemakers leading the charge to reimagine government – holding space to collectively make sense of the complex challenges we face and drive meaningful change through experimentation.

We refine and promote our vision for government by working as a learning partner alongside those pioneering this vision in government. This includes supporting partners to build the mindsets, culture, capabilities, and tools needed to bring people from across the system together to commit to a process of continuous experimentation and learning.

Specifically, we do this through sensemaking and action-learning experiments which include the following:

Sensemaking

- Creating space for listening, reflection, and exploration beyond typical boundaries
- Uncovering different framings, stories, and viewpoints
- Uplifting new perspectives that challenge the status-quo

Action-learning

- Adopting experimental, learning mindsets for day-to-day activities
- Fostering a willingness to embrace failure
- Instilling the belief there will always be opportunities to adapt and improve

Public benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to guidance on public benefit produced by the Charity Commission and believe the undertaking of these activities fully meets the requirements that all the Charity's aims are for the public benefit.

The Trustees and management team consider carefully any new initiatives or changes to delivery models to ensure they meet CPIE's primary charitable purpose.

Our strategic aims

Our aim in Europe is to support changemakers in and around government and the public sector to bring about a transformation in their thinking and practice. We believe this transformation is necessary for CPI's vision for government to be realised, and ultimately, for government to work better for everyone.

To help us achieve this aim, CPIE set the following four objectives for our work, which act as both our north stars (stating the change we want to help bring about in the world) and as entry points for us to start our work with partners and each other.

- We support changemakers to **reimagine relationships** between government, communities and the planet.
- We support changemakers to **redesign public services** so that relationships are prioritised and people's needs are put first.
- We support organisations to **build the tools and frameworks** needed to optimise for learning and build learning environments.
- As a team, we are **continually learning and embedding** our organisational values in our working culture, practices and programmatic work to build an environment that enables everyone to flourish.

**Achievements & Performance**

We advance our mission and vision through the following pillars of programmatic work:

City innovation and transformation

We support city governments to design innovative 'test and learn' approaches to their most pressing challenges, by exposing them to design thinking and other methods.

With funding from Bloomberg Philanthropies, CPIE partnered with the Harvard Kennedy School, TPX Impact and Public Digital to accelerate digital innovation to improve critical services and deliver better results for residents in 20 European capital cities. Over the course of the programme, more than 300 staff across 19 cities received training

in the skills required to lead digital transformation, and new digital services were tested with the support of more than 2000 residents.

In partnership with our colleagues at Centre for Public Impact North America, Inc. (CPI NA), we supported Bloomberg Philanthropies' Global Mayors Challenge, a competition designed to help cities foster innovative solutions to problems created or exacerbated by the COVID-19 pandemic. Over 630 cities from 99 countries applied. The 50 cities with the most innovative solutions had their ideas taken forward, and were supported to develop human-centred design approaches to better understand the needs of residents and design solutions around them. At the conclusion of the Challenge, 15 winning cities received \$1 million each in addition to technical support and coaching over three years, to help bring their ideas to life and spread these to other cities around the world.

#### Human Learning Systems approach to public management practice

We support organisations and partners to take a Human Learning Systems (HLS) approach to their public management practice, to transform how they work and make learning central. CPIE has been key in the development of the HLS approach and in 2021 developed a flagship report, Human Learning Systems: Public Service for the Real World, to guide this work. We are now working with a number of organisations to enable them to apply this approach, to learn about how it could help improve how public services are delivered and ultimately, how it could create better outcomes for people.

With initial seed funding from Lankelly Chase, we launched the HLS Collaborative in 2021, bringing together a group of pioneers who are trying to promote and support paradigm shifts in public management, in many different contexts and ways. This group meets four times a year for 2 hours long 'strategy and learning' sessions where participants share learnings and action research from HLS experimentation in their organisations.

During the year, CPIE also started working with Cumbria, Northumberland, Tyne and Wear (CNTW) NHS Trust's Improvement Collaborative to support them as they embed a culture where quality, safety, continuous improvement and learning are front and centre of thinking and actions in the trust. To help them develop the mindset for transformation, we have been applying a HLS approach to this work.

#### Collaboration between communities, different levels of government and the public sector

We support organisations working across systems so that they can work better together and with their communities, to enable public services that work better for people.

In 2021, with funding from CNTW NHS Trust, we supported organisations within Collaborative Newcastle to improve how they work together, to help realise their Positive Mental Health Transformation strategy. Partnering with Easier Inc., Newcastle Business School and Cardiff University, CPIE acted as a learning partner to the collaborative to undertake listening and sensemaking sessions, which helped them to break the work into three workstreams and experiment with different approaches and solutions.

CPIE also worked with Redbridge Council to support the Community Hubs team to use learning cycles to manage and improve their work and develop a Theory of Change. This included working closely with community organisers to support them to understand their work as experiments, and co-developing governance processes that enable experimentation and the sharing of learning. As a result of this work, the Community Hubs' Theory of Change has been widely welcomed across the council and by key partners, who are engaging with the new approaches to learning.

#### **Plans for the Future**

In future years, the Charity will continue to work with local governments and philanthropic organisations to support changemakers in government and public service to bring about a transformation in their public management practice. We believe this transformation in public management practice is necessary for the Charity's vision for government to be realised.

In 2023, our work with CNTW and Redbridge Council continues but we are looking to broaden our funding base. We will be partnering with local authorities across England and Scotland that have an interest in learning about our Human Learning Systems approach to public management. We are also looking to broaden our geographic reach through a partnership with the UNDP to work with mayors in cities across Europe as they seek to reimagine or reinvent key aspects of local living. Finally, we will be supporting other CPI regions in developing new project streams to 'reimagine climate action in cities' and 'do international development differently.'

## **Financial Review**

The Charity funds its activities through funded projects with public sector organisations and grants from philanthropic organisations. Total income raised in the period was £502k. Total expenditure was £462k. As a result, the charity produced a surplus of £40k and was able to increase unrestricted reserves by £40k.

In this period, our programmatic activity has been funded through grants from CPI CH, service contract income from public sector organisations and new funding secured during the year from philanthropic organisations.

We take an incremental lockstep approach to expenditure, increasing programme staffing resources once additional revenue is confirmed. This is a critical part of the Charity's financial risk management process.

## Going concern

Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- Budgets and forecasts up to FY23 are based on known and secured sources or with further additional income targets that are considered to be achievable.
- The charity has limited fixed costs, no long-term liabilities and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any downturn.
- As sole member, CPI CH act as a funder of last resort in the event of financial uncertainty.

As of the date of signing these financial statements, the Trustees' forecasts indicate that CPIE will be able to maintain liquidity for a period of at least one year following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees consider that no material uncertainty exists in relation to going concern for CPIE.

## Reserves policy

Trustees agreed a new reserves policy in September 2021, which incorporates a risk-based approach. The policy identifies the risk factors for which reserves are retained, the process for estimating the level of reserves required against each risk area and the circumstances under which reserves may be built above the minimum reserves level for future investment.

Total funds at the year end are £40k, of which £24k are free reserves. The assessment of the minimum unrestricted free reserves level required is between £200k to £300k to cover 3 months of operating costs. Although the level of free reserves at 31 December 2021 was below the minimum requirement, the Trustees are working with management to build reserves to the required level over the next 2-3 years.

## Risk management

We have a risk management process to enable our Trustees and management to assess the risks facing the organisation and to devise and implement strategies and controls to mitigate or address these risks.

We maintain a comprehensive risk register. Our risk register is reviewed regularly by our Chair and senior management team and annually by the Trustees.



The areas considered by our Board to be high risk, and our strategy for meeting them, are outlined below:

*Unrestricted funding targets not being met*

- We have a clear fundraising proposition centred around our mission to reimagine government so that it works for everyone through sensemaking and action-learning activities
- We have regular conversations with existing and prospective funders
- We use our networks to raise CPIE's profile with potential funders

*Disengagement as CPIE transitions to hybrid working*

- We have put in place policies and procedures to support flexible working for our staff
- We have quarterly 'in person' away days to reflect on learning goals and discuss CPIE's strategic direction
- We provide staff with the right tools and equipment to stay connected with each other and thrive professionally

*Not demonstrating an arm's length relationship with Boston Consulting Group (BCG)*

- We have a Conflicts of Interest policy which helps to ensure that connections with BCG do not prevent CPIE Trustees from acting in the best interests of CPIE's objects
- We ensure we put contracts in place when collaborating with BCG on programmatic activities
- We have transitioned staff from BCG payroll onto CPIE's payroll

**Disclosure of Information to the Auditor**

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is not aware. Having made enquiries of fellow Trustees and the auditor, each Trustee has taken all the steps that he/she is obliged to take as a Trustee in order to make himself/herself aware of relevant audit information and to establish that the auditor is aware of that information.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

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 Charity and of the incoming resources and application of resources, including income and expenditure for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State where applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue operations.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditors**

HW Fisher LLP have been appointed as the Charity's Auditors during the period.

In preparing this Trustees' report advantage has been taken of the small companies' exemption, including the option not to produce a strategic report.

The Directors' and Trustees Report on pages 1-8 was signed on behalf of the Directors and Trustees by:



.....  
Larry Kamener (Chair)

01 Nov 2022

## **Opinion**

We have audited the financial statements of Centre for Public Impact Europe (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our 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 has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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 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.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Carol Rudge (Senior Statutory Auditor) *Carol Rudge*  
for and on behalf of HW Fisher LLP

Chartered Accountants  
Statutory Auditor  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

01 Nov 2022

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Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
For the Year Ended 31 December 2021

The notes form part of these financial statements

Centre for Public Impact Europe

Balance Sheet

At 31 December 2021

		31.12.21 Total Funds	11 Month Period Ended 31.12.20
<b>FIXED ASSETS</b>	Note	£	£
Tangible Assets	9	15,729	-
<b>CURRENT ASSETS</b>			
Debtors	10	251,186	-
Cash at bank and in hand		<u>132,780</u>	=
		383,966	-
<b>CREDITORS</b>			
Amounts falling due within one year	11	(359,940)	-
<b>NET CURRENT ASSETS</b>		<u>24,026</u>	=
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		39,755	-
<b>NET ASSETS</b>		<u>39,755</u>	=
<b>FUNDS</b>			
Unrestricted funds		39,755	-

Registered Number: 12436197

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

01 Nov 2022

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



.....  
Larry Kamener (Chair)

Statement of Cashflows

For the Year Ended 31 December 2021

	<b>31.12.21 Total Funds</b>	<b>11 Month Period Ended 31.12.20</b>
<b>Cashflows from operating activities</b>	<b>£</b>	<b>£</b>
<b>Operating surplus for the financial year</b>	39,755	-
Adjustment for:		
<b>Depreciation charges</b>	341	-
<b>Increase in trade and other receivables</b>	(251,186)	-
<b>Increase in trade and other payables</b>	<u>359,940</u>	=
<b>Net cash from operating activities</b>	148,850	-
 <b>Cashflows from investing activities</b>		
Purchase of property, plant and equipment	<u>(16,070)</u>	=
<b>Net cash from investing activities</b>	(16,070)	-
 Net increase in cash and cash equivalents	132,780	-
 <b>Cash and cash equivalents at the beginning of the year</b>	-	-
<b>Cash and cash equivalents at the end of the year</b>	132,780	-

The net debt at the end of the year was nil.



## **1. ACCOUNTING POLICIES**

### **Charity information**

Centre for Public Impact Europe is a charitable company limited by guarantee, incorporated in England and Wales. The company's registered office address is 30 Stanford Street, 3rd Floor Vivo Building, London SE1 9LQ.

#### **1.1. Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

#### **1.2. Incoming resources**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income relating to funded projects is recognised in accordance with the stages of work completed and to the extent that the amounts can be measured reliably, and it is probable that income will be received.

Income relating to recharged expenses is recognised in line with the recognition of the related expenses to the extent that the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount.

Where payments are received in advance, any unrecognised amounts are held as deferred revenue until such time as it can be recognised.

#### **1.3. Resources expended**

Expenditure is recognised in the period in which it is incurred.

Costs of raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Costs of charitable activities comprise all expenditure identified as wholly or mainly attributable to achieving the objectives of the charity. These costs include staff costs, wholly or mainly attributable governance and support costs and an apportionment of general overheads.

Where relevant, expenditure is allocated to a charitable activity on a percentage basis. The percentage allocated to an activity is derived from its use of the charity's direct resources during the year.

#### **1.4. Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **1.5. Going concern**

Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the income targets in FY22-23 which are considered to be achievable, no long-term liabilities and support from its sole member CPI CH, who are willing to act as a funder of last resort in the event of financial uncertainty.

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.6. Foreign Currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences arising on monetary items are detailed as support costs under expenditure on charitable activities on the Statement of Financial Activities.

#### **1.7. Tangible Fixed Assets and Depreciation**

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer Equipment	25% Straight Line
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#### **1.8. Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

#### **1.9. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

#### **1.10. Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**1.11. Value Added Tax**

Value Added Tax is recoverable by the charity and as such, the recoverable amount is included in the Statement of Financial Position as a debtor.

**1.12. Critical accounting estimates and judgements**

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no critical accounting estimates and judgements for the year ended 31 December 2021.

**1.13. Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. DONATIONS & LEGACIES**

	Year Ended 31.12.21	11 Month Period Ended 31.12.20
	£	£
Donations	93,895	-
Donations from parent	<u>154,304</u>	-
	248,199	-

Included in Donations is £21,420 (2020: nil) of gifts in kind provided to CPIE by CPI CH. These amounts consist of £13,770 (2020: nil) in rent and £7,650 (2020: nil) in IT costs.

### 3. CHARITABLE ACTIVITIES

	Year Ended 31.12.21	11 Month Period Ended 31.12.20
	£	£
Action-learning projects	<u>253,418</u>	-
	253,418	-

The above income is derived largely from 3<sup>rd</sup> party contracts.

### 4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year Ended 31.12.21	11 Month Period Ended 31.12.20
	£	£
Support to other CPI entities	129,286	-
Subcontracted consultants	119,382	-
Recharged staff costs	157,012	-
Rent	13,770	-
Benefits	8,521	-
HR and setup costs	3,763	-
Website hosting and maintenance	1,048	-
Travel	1,090	-
IT costs	11,068	-
Event cost	633	-
Support costs (note 5)	<u>15,169</u>	-
	460,742	-

Of the above costs £331,456 (2020: nil) is in support of action-learning projects and the remaining costs are for support to other CPI entities.

## 5. SUPPORT COSTS

	Other £	Governance £	Total £
Support costs	813	14,356	15,169

	Year Ended 31.12.21 £	11 Month Period Ended 31.12.20 £
<b>Other costs</b>		
Insurance	298	-
Postage	26	-
Telephone & internet	64	-
Depreciation of computer equipment	341	-
Foreign currency exchange losses on receivables	<u>84</u>	-
	813	-

	Year Ended 31.12.21 £	11 Month Period Ended 31.12.20 £
<b>Governance costs</b>		
Audit	12,000	-
Bookkeeping	<u>2,356</u>	-
	14,356	-

## 6. NET INCOMING/(OUTGOING) RESOURCES

	Year Ended 31.12.21 £	11 Month Period Ended 31.12.20 £
Net incoming/(outgoing) resources is stated after charging/(crediting):		
Auditors remuneration	12,000	-
Depreciation of computer equipment	341	-
Foreign Currency exchange losses	84	-

## 7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the period ended 31 December 2020

## 8. STAFF COSTS

The average monthly number of staff employed by Centre for Public Impact Europe during the year was nil (2020: nil)

During the year, total costs of £261,053 were recognised in respect of staff employed by Boston Consulting Group charged on to Centre for Public Impact Europe. Of these costs, £104,041 has been recognised as support costs for other CPI Entities.

All staff employment contracts were transferred to Centre for Public Impact Europe on 1 January 2022.

## 9. TANGIBLE FIXED ASSETS

	Computer Equipment
<b>Cost</b>	£
As at 1 January 2021	-
Additions	<u>16,070</u>
As at 31 December 2021	16,070
<b>Depreciation</b>	
As at 1 January 2021	-
Provided during year	<u>341</u>
As at 31 December 2021	341
<b>Net Book Value</b>	
As at 31 December 2021	<u>15,729</u>
As at 1 January 2021	-

## 10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year Ended 31.12.21 £	11 Month Period Ended 31.12.20 £
Trade debtors	149,446	-
VAT	81,750	-
Accrued revenue	19,570	-
Prepayments	<u>420</u>	-
	251,186	-

## 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year Ended 31.12.21 £	11 Month Period Ended 31.12.20 £
Trade creditors	217,325	-
Deferred revenue (note 12)	100,957	-
Accrued expenses	<u>41,658</u>	-
	359,940	-

## 12. DEFERRED REVENUE

	Year Ended 31.12.21 £	11 Month Period Ended 31.12.20 £
Payments received	162,875	-
Income recognised against contracts	<u>(61,918)</u>	-
Balance carried forward	100,957	-

### **13. RELATED PARTY DISCLOSURES**

During the year, a total of £154,304 (2020: Nil) of costs were recharged to Centre for Public Impact, the independent not-for-profit foundation identified in the Trustees' Report.

During the year, a total of £269,574 (2020: Nil) was charged to the Centre for Public Impact Europe in staff and benefits costs by the Boston Consulting Group.

### **14. CHANGE OF NAME**

On 23 August 2022 the name of the organisation was formally changed from 'Centre for Public Impact UK' to 'Centre for Public Impact Europe'.

### **15. PARENT ENTITY**

The Parent entity of Centre for Public Impact Europe is Centre for Public Impact, an independent not-for-profit foundation within the meaning of Articles 80 et seq of the Swiss Civil Code registered on the Swiss Federal Interior Department's Register of Foundations and at the Geneva Register of Commerce (IDE: CHE-172.995.978) based in Geneva, Switzerland (CPI CH).