

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2022**

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**CONTENTS**

---

	Page
<b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b>	<b>1</b>
<b>Trustees' Report</b>	<b>2 - 7</b>
<b>Trustees' Responsibilities Statement</b>	<b>8</b>
<b>Independent Auditors' Report on the Financial Statements</b>	<b>9 - 12</b>
<b>Statement of Financial Activities</b>	<b>13</b>
<b>Balance Sheet</b>	<b>14</b>
<b>Statement of Cash Flows</b>	<b>15</b>
<b>Notes to the Financial Statements</b>	<b>16 - 22</b>

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 JULY 2022**

---

<b>Trustees</b>	Professor John Lonsdale (appointed 22 September 2021) Professor Dr Joy Pereira (appointed 22 September 2021) Tun Ahmad Sarji bin Abdul Hamid (deceased 28 August 2021) Dato' Henry Barlow Mr Jeremy Carver Professor Sir Brian Heap (resigned 1 October 2022) Professor Lord Hunt of Chesterton Dato' Thomas M L Lee
<b>Charity registered number</b>	1136815
<b>Principal office</b>	Trinity College Cambridge CB2 1TQ
<b>Independent auditor</b>	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
<b>Bankers</b>	National Westminster Bank Plc 21 Petty Cury Cambridge CB2 3NE

---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

#### 1. OBJECTS AND PURPOSES OF THE TRUST

The Cambridge Malaysian Education and Development Trust (CMEDT) was established by Trust Deed, dated 23 February 2010, with the following Objects:

1.1 to advance education for the benefit of the citizens of Malaysia, other countries of the Commonwealth and such other countries having links with Malaysia as the Trustees see fit (the 'Countries') by:

- (a) educating on the improvement of standards in educational institutions;
- (b) developing and helping to deploy programmes of 'distance learning' in all subjects (including programmes related to the teaching of English as a foreign language and the development of vocational and professional skills);
- (c) putting on courses, seminars, training programmes, lectures and other educational events;
- (d) providing visiting fellowships, scholarships, bursaries and secondments for study worldwide, with particular emphasis on Malaysia;
- (e) educating in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and promoting study and research in such subjects provided that the useful results of such study are disseminated to the public at large;
- (f) such other means as the Trustees in their absolute discretion see fit.

1.2 to promote sustainable development for the benefit of the citizens of the Countries by:

- (a) the preservation, conservation and protection of the environment and the prudent use of resources;
- (b) the promotion of sustainable means of achieving economic growth and regeneration.

1.3 to further for the benefit of the citizens of the Countries such other purposes as are charitable under the laws of England and Wales as the Trustees in their absolute discretion see fit.

In accordance with the Trust Deed, the Trustees must use the income and may use the capital of the Charity in promoting the Objects of the Charity.

#### 2. ORGANISATION AND MANAGEMENT OF THE TRUST

The Trust is a charity registered with the Charity Commission (Charity Reference Number 1136815).

The Trust is governed by its Trustees.

There is an Executive Committee. The following served during 2021-22:

- Tun Ahmad Sarji (until his death on 28 August 2021)
- Dato' Henry Barlow (Trustee and Executive Chairman)
- Sir Brian Heap (Trustee, Joint Deputy Executive Chairman and Chief Scientific Adviser)
- Professor John Lonsdale (Trustee and Joint Deputy Executive Chairman from 22 September 2021)
- Dr Anil Seal (Director)
- Mr Jeremy Carver (Trustee)
- Dr Nicholas Branson (Treasurer)

Professor Sir Brian Heap retired as a Trustee on 1 October 2022.

The Trustees pay tribute to the enormous assistance that Tun Ahmad Sarji provided to the Trust as Trustee and Joint Executive Chairman since the inception of the trust in February 2010. He also occupied key positions in the Malaysian Commonwealth Studies Centre (MCSC) for over 20 years. The Trustees record their appreciation for all the good work Tun Ahmad Sarji has done in promoting the unique connection between Malaysia, the developing Commonwealth and Cambridge in significant fields of endeavour.

The Trustees have established a Remuneration Committee to settle the remuneration of officers (i.e. the Director and Treasurer), with the proviso that any officer whose remuneration is being discussed will not be present for



---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

---

discussion of that item of business. The Remuneration Committee has the following membership:

- The Executive Chairman
- The Deputy Joint Executive Chairmen
- The Director
- The Treasurer
- Mr Jeremy Carver

The administration of the Trust is conducted from the headquarters of the Malaysian Commonwealth Studies Centre (MCSC), 11 Madingley Road, Cambridge CB3 0EG. The administrative structure of the Trust is shared with the MCSC. The Trustees express their gratitude to the Trustees of the MCSC for their willing co-operation. The Trust meets its share of the running costs of this joint administration.

#### Folding-in of MCSC with the Cambridge Malaysian Education and Development Trust

In view of the increasingly close relationship between the activities of the MCSC and the CMEDT, in 2017 the University of Cambridge Finance Committee, as de facto regulator of the MCSC as an exempt charity, recommended that a folding-in of the two trusts should take place. This recommendation was unanimously approved by the Trustees of both trusts. On 1 August 2018, the MCSC Trustees, together with the University, executed a Deed of Amendment of the MCSC Trust Deed to enable the assets, liabilities, functions and activities of MCSC to be transferred to the CMEDT. Some minor consequential amendments of the CMEDT Trust Deed were executed by the CMEDT Trustees on the same date. As at 31 July 2022 the folding-in has not been executed and the two trusts continue to report their financial results separately. To date, no transfer of assets has taken place, and no decision has been taken regarding when such a transfer might occur. The management of the Trusts is undertaken on a unified basis with costs shared as appropriate. CMEDT makes a grant to MCSC.

The Accounts of both trusts for 2021-22 have been prepared on the basis that, apart from the normal inter-trust transfers relating to the agreed respective responsibilities of the two trusts for shared programmes, the investments of MCSC continue to be shown as MCSC assets at 31 July 2022.

#### Recruitment, induction, and training of Trustees

All Trustees have considerable administrative experience and knowledge of related governance procedures, in most cases having run or held senior positions in national, educational, or business institutions. Some Trustees are major figures in international affairs, and others are leading figures from within the University of Cambridge and its Colleges. It is the policy of the Trust that all new Trustees should receive full minutes of previous meetings of Trustees and their Executive Committee as well as details of accounts and budgets for at least three years prior to appointment; that they should receive a copy of the Trust Deed and any rules and regulations made under it; and that they should be given an informal briefing by the officers and invited to contact the Chairman of the Executive Committee for further and better particulars or for any matters arising after perusing background papers.

#### Key Management Personnel

The key management personnel are the members of the Executive Committee.

#### Investment Policy

The Trust does not have assets held on a long-term basis. The investment of its funds is through short-term bank and similar deposits.

#### Ethical Investment Policy

The Trustees do not have an ethical investment policy as such. If they reach the point of being able to invest their funds, they will rely on the ethical investment policies of the managers of the individual funds concerned.

### 3. ACTIVITIES AND DEVELOPMENTS OF THE TRUST DURING THE YEAR TO 31 JULY 2022

#### **Income of the Trust**

---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

---

In response to a request put by the Trust to the Malaysian Government in 2020, the Government of Malaysia agreed to make additional contributions to the Trust of £1m a year for three years from 2020-21. The first of these contributions was received by the trust in February 2021, and the second on 6 June 2022.

#### Activities of the Trust

The core remit is to advance education and sustainable development for the benefit of citizens of Malaysia and, more broadly, with the developing countries of the Commonwealth and beyond.

The Trust's current programmes are:

- Affordable Education, principally English language teaching and assessment
- The Mitigation of Climate Change and Natural Disasters
- Sustainable Development and Smart Villages
- Good Governance and Electoral Democracy in the Commonwealth (and beyond)

### 3.1 AFFORDABLE EDUCATION

#### English Language Learning, Teaching and Assessment

##### *Background*

A key remit addressed by CMEDT (and MCSC) since 2010 was to help Malaysia improve the proficiency of its peoples in the English language.

##### *Accessible Testing System (cats step)*

The Accessible Testing System cats step, created by the trusts, represents an innovative and unique system of learning and assessing functional English. Among its core purposes, the system has been designed to enable pupils of varying abilities and from different backgrounds to improve their proficiency in English through a step-by-step process, with the learning material being an integral part of the system along with the assessments. The system is calibrated against CEFR standards.

The principal expenditure on cats step during 2021-22 has been shared between CMEDT and MCSC, principally on the development of the system with a view to its deployment in other countries, with the particular aim of promoting affordable education for disadvantaged sectors of student populations in the developing Commonwealth and beyond. Any commercial deployment of cats step will be through a separate charitable company Cambridge Education and Development Trust.

### 3.2 THE MITIGATION OF CLIMATE CHANGE AND NATURAL DISASTERS

#### Danum Valley, and the South East Asia Rainforest Research Partnership (SEARRP)

The continuing support by MCSC and CMEDT for Danum Valley, via SEARRP, has been vital in underpinning the long-term monitoring and data collection programmes essential in an era of global environmental change, in particular the seminal contributions that SEARRP and Danum Valley make to the development of conservation and sustainability policy and best-practice in Malaysia and, through Malaysia, for the world.

Links with Cambridge remain integral to future plans, particularly through the work of many Cambridge-based academics who collaborate with SEARRP, notably the Centre for Atmospheric Science at Cambridge, chaired by Professor John Pyle, who is also chair of the SEARRP Board of Trustees on which Dato' Henry Barlow, Trustee of CMEDT, also serves.

#### Asian Network of Climate Science and Technology (ANCST) and the Window-to-Cambridge at UKM

The establishment of the Asian Network on Climate Science and Technology, which, since its launch in 2013 under the leadership of Professor Lord (Julian) Hunt of Chesterton (a Trustees of CMEDT), together with Professor Joy Pereira, who leads UKM's South-East Asia Disaster Prevention Initiative (SEADPRI), has created

---

## **CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022**

---

a flourishing international network which has facilitated collaboration and the exchange of information between world-class researchers on the scientific and technological aspects of climate change and climate driven disasters specific to Asian conditions.

From its base at SEADPRI-UKM, with support from world-class institutions in the Commonwealth and beyond, ANGST coordinates special topic groups on key climate science and technology topics, engaging and mobilising more than 2,500 scientists, policy-makers and private-sector practitioners through over 50 workshops and associated events.

### **3.3 SUSTAINABLE DEVELOPMENT AND SMART VILLAGES**

Under the direction of Sir Brian Heap, Trustee and Director of the trusts' iconic programmes on Biosciences for Farming in Africa and Smart Villages, CMEDT and MCSC are mapping out, together with collaborators throughout the world, the next stage of their support for these programmes which have had impacts on policy-making and sustainable development goals at the highest levels throughout the world.

The Trusts' grant funding of £100,000 in 2020 and 2021 has leveraged grant funding over the two years of £1.23 million for the Smart Villages Research Group (SVRG) and for Science Technology and Innovation for Development (STI4D), increased to £2.18 million when grant funds to partners are also taken into account, these bodies being led by Dr Bernie Jones supported by a team of eminent scientists and technologists.

Live projects being supported in this way include a community energy project in Tanzania, a minigrid project in Uganda, a project to clean plastic waste from river systems in and around Nairobi, Kenya, a mobile minigrid project in Kenya, a farm irrigation system for rural off-grid farmers in Uganda, and a minigrid project in Lesotho. Recently completed projects include a low-cost cold-store project in Uganda, a remote access-to-healthcare project, an off-grid technology project in Tanzania, and a minigrid modelling tool for Malaysia and Somaliland.

### **3.4 GOOD GOVERNANCE AND ELECTORAL DEMOCRACY IN THE COMMONWEALTH (AND BEYOND)**

For the past 19 years MCSC, together with CMEDT since its establishment, have played the key role in establishing and leading an annual Cambridge Conference providing a forum in which Chief Election Commissioners and those who lead Election Management Bodies in the Commonwealth (and beyond) can meet together to exchange information and ideas about policy and practice in superintending elections which are as free and as fair as circumstances permit.

On account of the covid pandemic, the Annual Conference in Cambridge has been replaced, it is hoped only temporarily, by meetings held on-line. In 2021-22, the forum has been kept alive through three virtual seminars conducted in September 2021, and in March and July 2022, focusing on the theme of managing elections during a pandemic. Participants and presenters have included commissioners and chairpersons from South Africa, Nigeria, Kenya, Ghana, Zimbabwe, Mauritius, Malaysia, Australia, UK, India, Bangladesh and Pakistan, together with a number of academics specialising in electoral democracy. Further virtual seminars are planned for the next 12 months.

## **4. PUBLIC BENEFIT**

The above accounts of the Trust's activities amply demonstrate the public benefit arising from each programme. Affordable education, sustainable development, food security, the mitigation of climate change and natural disasters, affordable medicine and healthcare, and the promotion of electoral democracy in the Commonwealth and beyond, are self-evidently programmes of great actual and potential benefit to the public.

The Trustees are satisfied that the activities of the Trust, as described in this report and in the accompanying accounts, are entirely for charitable purposes and fully meet the 'public benefit' requirement of the Charities Act 2011. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's

---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

---

general guidance on public benefit.

#### 5. FUTURE OUTLOOK

The Trust continues to be viable, and will continue to work closely with MCSC. The possibility of some form of merger with MCSC remains for future consideration by the Trustees of the two trusts.

#### 6. FINANCIAL REVIEW

The total income for the year ended 31 July 2022 was £1,000,359 (2020-21: £(1,000,158)). The total expenditure for the year ended 31 July 2022 was £794,564 (2020-21: £1,587,716).

The net income for the year ended 31 July 2022 was £205,795 (2020-21: net expenditure £(587,558)).

The total assets less liabilities as at 31 July 2022 were £1,115,046 (2020-21: £909,251).

#### 7. GOING CONCERN

The Trustees expect the Trust to have adequate resources to continue in operational existence for at least one year from the date of approval.

The Malaysian Government agreed to contribute a £1m a year for three years to support the work of the trust. The first instalment was received in February 2021 and the second in June 2022. The final instalment and any further funding remains to be confirmed. If funding is not received Trustees will review their ability to continue to support their current programme areas at the current levels. The Trustees will not extend support in excess of their available resources.

For the present, the Trust has total assets less liabilities of £1,115,046 as at 31 July 2022 (2021: £909,251). Accordingly, for the present, the CMEDT Trustees continue to adopt the going concern basis in preparing the financial statements.

#### 8. RESERVES POLICY

The assets of the Trust are expendable and available generally for the purposes of the Trust in accordance with the Trust Deed. These assets provided a sufficient cushion to underpin the activities of the Trust in 2022-23. The trust has committed to supporting the development of CatStep with MCSC and other programmes. No awards are granted in excess of existing cash reserves.

The unrestricted reserves at 31 July 2022 were £1,115,046 (2021: £909,251).

The restricted reserves at 31 July 2022 were £nil (2021: £nil).

#### 9. RISK MANAGEMENT

The Trustees have examined the major strategic, business and operational risks which the Trust faces, and are satisfied that, with the regular reports they receive at meetings, they are able to assess these risks and to put in hand on a timely basis any necessary actions (mainly in relation to the scale of the collaborative activities of the Trust) to lessen or avoid them.

The principal risk is that income from donors, in particular the Malaysian Government, might turn out to be less than currently anticipated. This risk is mitigated by retaining sufficient reserves to meet current commitments.

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2022**

---

A risk register has been prepared, and will be kept under regular review.

The assets of the Trust are sufficient meet the commitments currently envisaged for 2022-23.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**Professor John Lonsdale  
Chair**

Date: 12 May 2023

---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 JULY 2022

---

The Trustees 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).

The law applicable to charities in England & Wales 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 its incoming resources and application of resources, including its 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;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 in business.

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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

Approved by order of the members of the board of Trustees and signed on its behalf by:



**Professor John Lonsdale**  
Chair

Date: 12 May 2023



---

## **CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

#### **Opinion**

We have audited the financial statements of Cambridge Malaysian Education and Development Trust (the 'charity') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of its incoming resources and application of resources 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 Charities Act 2011.

#### **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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

---

## **CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST (CONTINUED)**

---

#### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 charity or to cease operations, or have no realistic alternative but to do so.



---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST (CONTINUED)

---

#### Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge of charity law and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing the minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- we designed procedures to identify unexpected and unusual journal entries and performed testing to confirm the validity of such postings;
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST (CONTINUED)

---

- reviewing any correspondence with relevant regulators such as the Charity Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' Report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Peters Elworthy & Moore**  
Chartered Accountants  
Statutory Auditors  
Salisbury House  
Station Road  
Cambridge  
CB1 2LA

Date: 15 May 2023

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>INCOME FROM:</b>				
Donations	4	1,000,000	1,000,000	1,000,000
Interest receivable		359	359	158
<b>TOTAL INCOME</b>		<b>1,000,359</b>	<b>1,000,359</b>	<b>1,000,158</b>
<b>EXPENDITURE ON:</b>				
Charitable activities	5	794,564	794,564	1,587,716
<b>TOTAL EXPENDITURE</b>		<b>794,564</b>	<b>794,564</b>	<b>1,587,716</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>205,795</b>	<b>205,795</b>	<b>(587,558)</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		909,251	909,251	1,496,809
Net movement in funds		205,795	205,795	(587,558)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,115,046</b>	<b>1,115,046</b>	<b>909,251</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 22 form part of these financial statements.

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**BALANCE SHEET  
AS AT 31 JULY 2022**

---

	Note	2022 £	2021 £
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		1,219,682	1,668,614
		<u>1,219,682</u>	<u>1,668,614</u>
Creditors: amounts falling due within one year	10	<u>(104,636)</u>	<u>(759,363)</u>
<b>NET CURRENT ASSETS</b>		<b>1,115,046</b>	<b>909,251</b>
<b>TOTAL NET ASSETS</b>		<b><u>1,115,046</u></b>	<b><u>909,251</u></b>
<b>CHARITY FUNDS</b>			
Unrestricted funds		<u>1,115,046</u>	<u>909,251</u>
<b>TOTAL FUNDS</b>		<b><u>1,115,046</u></b>	<b><u>909,251</u></b>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Professor John Lonsdale**  
Chair

Date: 12 May 2023

The notes on pages 16 to 22 form part of these financial statements.

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2022**

---

	Note	2022 £	2021 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	11	(449,291)	(48,085)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends, interests and rents from investments		359	-
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		359	-
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		(448,932)	(48,085)
Cash and cash equivalents at the beginning of the year		1,668,614	1,716,699
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	12	1,219,682	1,668,614

The notes on pages 16 to 22 form part of these financial statements

---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

---

#### 1. GENERAL INFORMATION

The Cambridge Malaysian Education and Development Trust is a charitable trust. The financial statements have been prepared under the historical cost convention.

#### 2. ACCOUNTING POLICIES

##### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Cambridge Malaysian Education and Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 GOING CONCERN

The Trustees expect the Trust to have adequate resources to continue in operational existence for at least the next twelve months, from the date of signing these financial statements. The Malaysian Government has agreed to contribute a further £1m a year for three years to support the work of the Trust. The first instalment was received in February 2021 and a second in June 2022. Further instalments remain to be confirmed.

On 1 August 2018, the MCSC Trustees, together with the University, executed a Deed of Amendment of the MCSC Trust Deed to enable the assets, liabilities, functions, and activities of MCSC to be transferred to the CMEDT. To date, no transfer of assets has taken place, and no decision has been taken regarding when such a transfer might occur. CMEDT and MCSC continue to remain separate and distinct charities that are managed on a unified basis.

The Trustees are confident that the Trust has adequate funds and resources to continue operating at least twelve months from the date of signing these financial statements and is well placed to manage its business risks successfully. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

##### 2.3 INCOME

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and all other receipts are reported gross and the related fundraising costs are reporting in other expenditure.

Investment income is accounted for when receivable.

---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

---

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 EXPENDITURE

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Trust's objectives, as well as any associated support costs.

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs include costs related to the statutory audit and legal fees.

Support costs are costs for the administration of charitable activities. Staff costs are allocated between support and governance costs. Support costs are allocated to promotion and education because this is the material activity and no support costs are allocated to activities that are wholly grant funded as those costs are not considered to be material.

Grants payable are payments made to third parties in furtherance of the charitable activities of the Trust. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or when the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the Trust.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure. Where grants have been awarded by MCSC the 50% share of the award is recognised by CMDET as a grant to MCSC as part of its commitment to jointly fund activities with MCSC.

### 2.5 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### 2.6 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

### 2.7 PENSIONS

All eligible staff are members of the University of Cambridge's Contributory Pension Scheme (CPS) to which the Trust contributes. As the Trust is unable to identify its share of the underlying assets and liabilities of the CPS on a reasonable and consistent basis, it accounts as if the CPS were a defined contribution scheme, so that the cost is equal to the total of contributions payable in the year.

---

## CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

---

#### 2. ACCOUNTING POLICIES (CONTINUED)

##### 2.8 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### 3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year beyond the accounting policies set out above.

#### 4. INCOME FROM DONATIONS

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Malaysian Ministry of Education	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>



**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

**5. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
English Language	-	536,681	-	536,681	500,000
Climate Change	-	50,000	-	50,000	-
Electoral Democracy	13,125	-	-	13,125	-
Promotion & Education	31,339	-	163,419	194,758	1,087,716
<b>TOTAL 2022</b>	<b>44,464</b>	<b>586,681</b>	<b>163,419</b>	<b>794,564</b>	<b>1,587,716</b>
<b>TOTAL 2021</b>	<b>880,362</b>	<b>500,000</b>	<b>207,354</b>	<b>1,587,716</b>	

Grants to institutions include £500,000 (2021: £500,000) to MCSC to support the CATS Step project.

**ANALYSIS OF SUPPORT COSTS**

	Total funds 2022 £	Total funds 2021 £
Staff costs	114,582	166,035
Telephone, postage and couriers	1,963	1,642
Rent and rates	4,367	3,929
Administrative support	8,832	-
Office expenses	10,032	8,417
Property costs	10,011	13,235
Travel	1,846	685
Bank charges	386	1,591
Governance costs	11,400	11,820
	<b>163,419</b>	<b>207,354</b>

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

---

**6. AUDITORS' REMUNERATION**

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>11,400</u>	<u>11,820</u>

**7. STAFF COSTS**

	2022 £	2021 £
Wages and salaries	91,403	137,574
Social security costs	10,487	15,082
Pension costs	12,235	12,753
Apprenticeship levy	457	626
	<u>114,582</u>	<u>166,035</u>

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Employees	<u>2</u>	<u>2</u>

The key management personnel are the members of the Executive Committee, as set out on page 1 of this report. The Director and Treasurer are the only members who receive remuneration from the Trust. Remuneration is approved by the Executive Committee after considering the recommendations of the Remuneration Committee. In setting the levels of remuneration, the Remuneration Committee have regard to comparable pay levels in the University of Cambridge.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £70,001 - £80,000	1	1

**8. TRUSTEES' REMUNERATION AND EXPENSES**

As stated on page 3, the key management personnel are members of the executive committee which comprises the trustees and the two members of staff. The payments made to key management personnel were £113,388 including National Insurance and Pension costs, these costs were apportioned between CMEDT and MCSC, therefore the net charge to CMEDT was £55,354 (2021: £92,907).

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

---

**8. TRUSTEES' REMUNERATION AND EXPENSES (CONTINUED)**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 July 2022, no Trustee expenses have been incurred (2021 - £NIL).

**9. TAXATION**

Cambridge Malaysian Education and Development Trust is a registered charity and is exempt from tax on income and capital gains falling within Chapter 3 of Part II to the Corporation Tax Act 2010 or Section 256 of the Taxation of Capital Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charges have arisen in the Charitable Trust.

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

	2022 £	2021 £
Trade creditors	-	14,215
Amount owed by MCSC	93,012	200,841
Other creditors	224	-
Accruals	11,400	544,307
	<u>104,636</u>	<u>759,363</u>

**11. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	205,795	(587,558)
<b>ADJUSTMENTS FOR:</b>		
Dividends, interests and rents from investments	(359)	-
(Decrease)/increase in creditors	(500,200)	539,473
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>(294,764)</u>	<u>(48,085)</u>

---

**CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

---

**12. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2022 £	2021 £
Cash in hand	1,219,682	1,668,614
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,219,682</b>	<b>1,668,614</b>

**13. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash at bank and in hand	1,668,614	(448,932)	1,219,682
	<b>1,668,614</b>	<b>(448,932)</b>	<b>1,219,682</b>

**14. RELATED PARTY TRANSACTIONS**

Some trustees have close ties with the University of Cambridge and its Colleges, and some of the officers and trustees are also officers or trustees of the MCSC with which the work of the trust is closely associated, as set out in the Trustees' report on page 3. These related interests are included in the register of declared interests of officers and trustees which is updated at least once a year.

During the year, the trust paid £500,000 (2021: £500,000) to MCSC as a grant. The total value of shared costs between MCSC and CMEDT during the year was £1,482,760 (2021: £1,923,834) and the balance owed to MCSC at the year end was £93,012 (2021: £200,841).

Included in Promotion and education is £25,775 of shared costs reimbursed to a member of key management personnel in relation to maintaining the contact centre for students in India.

There were no other related party transactions in the year ended 31 July 2022 (2021: None).