
CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

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CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2023

Trustees	Professor John Lonsdale Professor Dr Joy Pereira Dato' Henry Barlow Mr Jeremy Carver Professor Sir Brian Heap (resigned 1 October 2022) Professor Lord Hunt of Chesterton Dato' Thomas M L Lee
Charity registered number	1136815
Principal office	Trinity College Cambridge CB2 1TQ
Director	Dr Anil Seal
Treasurer	Dr Nicholas Branson
Independent auditor	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	National Westminster Bank Plc 21 Petty Cury Cambridge CB2 3NE

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2023

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 2022-23:

- Dato' Henry Barlow (Trustee and Executive Chairman)
- Sir Brian Heap (Trustee until 1 October 2022)
- Professor John Lonsdale (Trustee and Deputy Executive Chairman from 22 September 2021)
- Dr Anil Seal (Director)
- Mr Jeremy Carver (Trustee)
- Dr Nicholas Branson (Treasurer)

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

- The Executive Chairman
- The Deputy Executive Chairman
- 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.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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 2023, 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 2022-23 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 2023.

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. Further identified training requirements are met on an ad hoc basis.

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 2023

Income of the Trust

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. The third contribution was received shortly after the year-end and will be recognised in the 2023/24 financial statements.

Activities of the Trust

The core remit is to advance education and sustainable development for the benefit of citizens of Malaysia and, more broadly, of 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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

- 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 2022-23 has been shared between CMEDT and MCSC, in the main 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 and its commercial arm, CATs Step Limited, a limited company.

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 Trustee of CMEDT), together with Professor Joy Pereira (now also a Trustee of CMEDT), who leads UKM's South-East Asia Disaster Prevention Initiative (SEADPRI), has created 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, ANCST 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

Among projects supported by CMEDT and MCSC in recent years are 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

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023**

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.

In 2022-2023, having fulfilled its remit, the Sustainable Development and Smart Villages initiative became a not-for-profit organisation, Smart Villages Research Group Ltd (SVRG Ltd). The Director, Dr Bernie Jones, co-founded the Smart Villages Initiative with Dr John Holmes and Sir Brian Heap who continues as Senior Adviser to SVRG Ltd which is funded by InnovateUK and others focusing on developing countries

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

For the past 20 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 by meetings held on-line. In 2021-22, the forum was kept alive through three virtual seminars conducted in September 2021, March 2022 and July 2022. A fourth virtual seminar was held in March 2023 on the topic Commissions in times of stress. Further virtual seminars are planned for 2023-24.

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 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 2023 was £35,255 (2021-22: £1,000,359). The total expenditure for the year ended 31 July 2023 was £1,069,606 (2021-22: £794,564).

The net expenditure for the year ended 31 July 2023 was £1,034,351 (2021-22: net income of £205,795).

The total assets less liabilities as at 31 July 2023 were £80,695 (2021-22: £1,115,046).

7. GOING CONCERN

The Trust's charitable activities were curtailed during 2022-23 to ensure that expenditure did not exceed the resources available. A further £1m from the Malaysian Government was received on 18 August 2023 and will be shown in the Accounts for 2023-24. Continuation, and also the continuation of MCSC, remains an open question under constant review by its Executive Committee and officers and cannot be guaranteed.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

For the present, the Trust has total assets less liabilities of £80,695 as at 31 July 2023 (2021-22: £1,115,046). The Trustees monitor the available resources closely and consider which programmes may best benefit from current funds. Trustees do not commit beyond their available resources and curtail activities to suit the available funds. The trustees are satisfied that following the receipt of £1m from the Malaysian Government and based on the activity plans agreed the Trust is able to operate at planned levels for at least 12 months from the date of approval of these accounts. Accordingly, for the present, the CMEDT Trustees continue to adopt the going concern basis in preparing the financial statements.

8. RESERVES POLICY

All the funds of the Centre are invested, and the income is fully deployed for the purposes of the Trust. Any unspent income in any year would be held against expenditure in future years in the hope of avoiding major swings in the level of activities of the Trust from year to year. The Trust does not have a specific policy for what level of reserves it should hold. It is the current policy of the Trustees that the Trust should spend more than its income, thereby reducing the level of its reserves.

The unrestricted reserves at 31 July 2023 were £80,695 (2021-22: £1,115,046).

The restricted reserves at 31 July 2023 were £nil (2022: £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.

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

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



Professor John Lonsdale
Trustee

Date: 13 December 2023

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 JULY 2023

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
Trustee

Date: 13 December 2023

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 JULY 2023

Independent Examiner's Report to the Trustees of Cambridge Malaysian Education and Development Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 July 2023.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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) 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.

I understand that 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.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Nikki Loan

Nikki Loan

Dated:

14 December 2023

FCA

Peters Elworthy & Moore

Chartered Accountants

Salisbury House

Station Road

Cambridge

CB1 2LA

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:				
Donations	4	32,000	32,000	1,000,000
Interest receivable		3,255	3,255	359
TOTAL INCOME		35,255	35,255	1,000,359
EXPENDITURE ON:				
Charitable activities	5	1,069,606	1,069,606	794,564
TOTAL EXPENDITURE		1,069,606	1,069,606	794,564
NET MOVEMENT IN FUNDS		(1,034,351)	(1,034,351)	205,795
RECONCILIATION OF FUNDS:				
Total funds brought forward		1,115,046	1,115,046	909,251
Net movement in funds		(1,034,351)	(1,034,351)	205,795
TOTAL FUNDS CARRIED FORWARD		80,695	80,695	1,115,046

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

The notes on pages 12 to 19 form part of these financial statements.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

**BALANCE SHEET
AS AT 31 JULY 2023**

	Note	2023 £	2022 £
CURRENT ASSETS			
Debtors	10	2,917	-
Cash at bank and in hand		84,707	1,219,682
		<u>87,624</u>	<u>1,219,682</u>
Creditors: amounts falling due within one year	11	(6,929)	(104,636)
NET CURRENT ASSETS		<u>80,695</u>	<u>1,115,046</u>
TOTAL NET ASSETS		<u><u>80,695</u></u>	<u><u>1,115,046</u></u>
CHARITY FUNDS			
Unrestricted funds		<u>80,695</u>	<u>1,115,046</u>
TOTAL FUNDS		<u><u>80,695</u></u>	<u><u>1,115,046</u></u>

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



Professor John Lonsdale
Trustee

Date: 13 December 2023

The notes on pages 12 to 19 form part of these financial statements.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1. GENERAL INFORMATION

The Cambridge Malaysian Education and Development Trust is a charitable trust registered with the Charity Commission in England and Wales. 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. The final instalment was received shortly after the year-end.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

2. ACCOUNTING POLICIES (CONTINUED)

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.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent.

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 relevant share of the award is recognised by CMEDT as a grant to MCSC as part of its commitment to jointly fund activities with MCSC.

2.5 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

2. ACCOUNTING POLICIES (CONTINUED)

2.6 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.

2.7 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.

2.8 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.

2.9 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.

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.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

4. INCOME FROM DONATIONS

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Malaysian Ministry of Education	-	-	1,000,000
Dr A Seal	22,000	22,000	-
Cambridge Education and Development Trust	10,000	10,000	-
	<u>32,000</u>	<u>32,000</u>	<u>1,000,000</u>

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
English Language	-	741,952	145,698	887,650	536,681
Climate Change	-	48,739	9,571	58,310	50,000
Electoral Democracy	2,672	-	525	3,197	13,125
Promotion & Education	100,679	-	19,770	120,449	194,758
TOTAL 2023	<u>103,351</u>	<u>790,691</u>	<u>175,564</u>	<u>1,069,606</u>	<u>794,564</u>
TOTAL 2022	<u>44,464</u>	<u>586,681</u>	<u>163,419</u>	<u>794,564</u>	

Grants to institutions include £400,000 (2022: £500,000) to MCSC to support the CATS Step project.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Staff costs	107,359	114,582
Telephone, postage and couriers	2,253	1,963
Rent and rates	8,920	4,367
Administrative support	17,781	8,832
Office expenses	4,847	10,032
Property costs	23,279	10,011
Travel	2,951	1,846
Bank charges	284	386
Governance costs	7,890	11,400
	<u>175,564</u>	<u>163,419</u>

6. INDEPENDENT EXAMINER'S REMUNERATION

	2023 £	2022 £
Fees payable to the Charity's independent examiner in respect of:		
Audit of financial statements	-	11,400
Independent examination of financial statements	<u>6,600</u>	<u>-</u>

7. STAFF COSTS

	2023 £	2022 £
Wages and salaries	85,993	91,403
Social security costs	9,242	10,487
Pension costs	11,710	12,235
Apprenticeship levy	414	457
	<u>107,359</u>	<u>114,582</u>

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

7. STAFF COSTS (CONTINUED)

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

	2023 No.	2022 No.
Employees	4	4

The key management personnel are the members of the Executive Committee, as set out on page 3 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 paid by MCSC and CMEDT (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	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 by MCSC and CMEDT were £98,292 including National Insurance and Pension costs. These payments were made by MCSC and £47,942 (2022: £55,354) was recharged to CMEDT.

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 July 2023, no Trustee expenses have been incurred (2022 - £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.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

10. DEBTORS

	2023 £	2022 £
DUE WITHIN ONE YEAR		
Amounts owed by Malaysian Commonwealth Studies Centre in Cambridge	2,917	-
	<u>2,917</u>	<u>-</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Amount owed to Malaysian Commonwealth Studies Centre in Cambridge	-	93,012
Other creditors	329	224
Accruals	6,600	11,400
	<u>6,929</u>	<u>104,636</u>

12. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £11,710 (2022: £12,235). No balance was payable to the fund at the balance sheet date.

CAMBRIDGE MALAYSIAN EDUCATION AND DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

13. 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 £400,000 (2022: £500,000) to MCSC as a grant. The total value of shared costs between MCSC and CMEDT during the year was £883,381 (2022: £1,482,760) and the balance due from MCSC at the year end was £2,917 (2022: £93,012 balance due to MCSC).

During the year, MCSC advanced £24,400 towards the expenses incurred by the Director on travels to India, 50% of these costs being subsequently claimed from CMEDT.

During the year, £560,000 of funding was given to Cambridge Education and Development Trust for the CATs Step project (£140,000 of this was recharged to MCSC). A grant of £97,477 was given to SEARRP, of which Henry Barlow is a trustee (£48,738 of this was recharged to MCSC). Where a trustee is also a director or trustee of a grantee, the trustee does not take part in the funding decision.

During the year, Dr Anil Seal donated £17,600 to the trust. Including gift aid, the total donation was £22,000. No restrictions were placed on this donation.

During the year, CMEDT contributed £72,000 towards the refurbishment costs of space in a property in New Delhi to be used as a base for activities in India by the Trust.

There were no other related party transactions in the year ended 31 July 2023 (2022: None).

14. POST BALANCE SHEET EVENTS

Subsequent to the year-end, the Trust received £1m from the Malaysian government. This is the final instalment of the £3m pledge.