
THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

CONTENTS

	Page
Reference and Administrative Details of the Trust, its Trustees and Advisers	1
Trustees' Report	2 - 7
Independent Examiner's Report	8 - 9
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 - 22

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

Trustees	Dato' Henry Barlow Mr Jeremy Carver Professor John Lonsdale
Charity registered number	1179724
Principal office	Pok Rafeah House 11 Madingley Road Cambridge CB3 0EG
Independent Examiner	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	National Westminster Plc Cambridge CB2 3PA

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

1. OBJECTS AND PURPOSES OF THE CENTRE

The Malaysian Commonwealth Studies Centre in Cambridge (MCSC) was established by Trust Deed, dated 30 April 1995, with the aim of furthering Commonwealth Studies, primarily in the University of Cambridge but also elsewhere in cooperation, where appropriate, with other trusts. The Trustees hold the funds raised for the Centre for application in accordance with the purposes set out in the Trust Deed.

2. ORGANISATION AND MANAGEMENT OF THE CENTRE

MCSC was originally established as an exempt charity under, what is now, Schedule 3(28) of the Charities Act 2011 on account of its connection with the University of Cambridge.

In view of the increasingly close relationship between the activities of the MCSC and the Cambridge Malaysian Education and Development Trust (CMEDT), the Finance Committee of the University 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 Trust Deed to enable inter alia MCSC to become a charity registered with the Charity Commission rather than as an exempt charity under the auspices of the University. The Objects and Purposes of the charity remain unchanged. 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. CMEDT and MCSC continue to remain separate and distinct charities. However they are managed on a unified basis.

Under the terms of the amended Trust Deed, the following were appointed as Trustees of the MCSC from 1 August 2018, and re-appointed as Trustees by resolution of the Trustees until 11 July 2023:

- Professor John Lonsdale (Chairman)
- Dato' Henry Barlow (Deputy Executive Chairman)
- Mr Jeremy Carver

The Charity Commission in England and Wales registered the MCSC as a charity (Registration Number 1179724) on 29 August 2018.

Administrative arrangements

MCSC's base is at 11 Madingley Road, Cambridge. This property comprises a detached freehold house owned by the Yayasan Pok Rafeah Berdaftar and is leased to the MCSC for a peppercorn rent; the lease has been renewed until 15 March 2025. The MCSC remains most grateful to the Yayasan Pok Rafeah Berdaftar for their generosity. No value has been included in the accounts for the donation.

During 2021-22, as in 2020-21, administrative and secretarial assistance for the MCSC was provided at the Centre's base at 11 Madingley Road.

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 educational, business or professional institutions. Some Trustees 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.

Officers of the Trust

The following served as officers of MCSC during 2021-22.

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

The tenures shown were approved by resolution of the Trustees in July 2020.

- Professor John Lonsdale as Chairman of the Trustees, until 11 July 2023;
- Dr Anil Seal as Director of the Malaysian Commonwealth Studies Centre, until 11 July 2023;
- Dato' Henry Barlow as Trustee and Deputy Executive Chairman, based in Malaysia, until 11 July 2023;
- Dr Nicholas Branson as Treasurer of the Malaysian Commonwealth Studies Centre, until 11 July 2023.

Executive Committee

- Chairman (Professor John Lonsdale);
- Director (Dr Anil Seal);
- Deputy Executive Chairman (Dato' Henry Barlow);
- Treasurer (Dr Nicholas Branson);

Remuneration Committee

- the Executive Committee (exclusive of any officer whose own stipend or honorarium was being determined)

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

The Centre's core purposes are to help fortify the connections between Cambridge and the countries of the Commonwealth by programmes concerned with Commonwealth studies (whether education, research, or public policy), in cooperation with other bodies in Cambridge and beyond.

In pursuit of these aims, the Centre works closely with the Cambridge Malaysian Education and Development Trust (CMEDT), whose interests are closely related to those of the Centre.

For the avoidance of doubt, the Trustees have approved the following definition of 'Commonwealth Studies': For the purposes of work supported by the Malaysian Commonwealth Studies Centre, the term 'Commonwealth Studies' shall be deemed to cover matters, of both academic and strategic import, which are of concern within the Commonwealth or which have a bearing on the Commonwealth.

Activities of the Trust

The core remit is to promote Cambridge's relationship with Malaysia and, more broadly, with the developing countries of the Commonwealth and beyond, where Cambridge has the experience and expertise to make important contributions.

The Trust's programme of activities, in conjunction with the Cambridge Malaysian Education and Development Trust (CMEDT), has continued to be pursued as actively as possible given the difficulties arising from the Covid-19 pandemic and financial constraints. The four current programmes are:

- (i) Affordable Education
- (ii) The Mitigation of Climate Change and Natural Disasters
- (iii) Sustainable Development and Smart Villages
- (iv) Electoral Democracy in the Commonwealth (and beyond)

3.1 AFFORDABLE EDUCATION

English Language Learning, Teaching and Assessment

Background

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

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

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 MCSC and CMEDT, 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. MCSC has supported the development of the project by funding the subsidiary of Cambridge Education and Development Trust (CEDT). CMEDT contribute 50% of this based on an informal cost-sharing agreement between the trusts. Any commercial deployment of cats step will be through the separate charitable company CEDT.

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, together with Professor Joy Pereira, who leads UKM's South-East Asia Disaster Prevention Initiative (SEADPRI) (Trustees of CMEDT), 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

Under the direction of Sir Brian Heap, 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.

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

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.

OTHER ACTIVITIES

Awards in collaboration with the Nehru Trust for Cambridge University (NTCU)

During 2021-22 MCSC, in collaboration with the Nehru Trust for Cambridge University and other bodies, supported at Cambridge University three Ph.D. students (in Economics, Psychology, and South Asian Studies), three M.Phil. students (in Architecture and Urban Design, Scientific Computing, and Education), and one student taking the Master's degree in Corporate Law.

Other award

MCSC collaborated with St Catharine's College in the support of a PhD student in Development Studies who was supported also by a Tunku Abdul Rahman Scholarship at the College.

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. CAPITAL POSITION AND INVESTMENTS

The Centre was established with monies generously, and wholly and exclusively, donated by sources in Malaysia which had been encouraged by the Government of Malaysia to make these benefactions.

The funds of the Centre are currently held partly in M&G Charifund, and partly on deposit with the University.

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

The Trustees do not have an ethical investment policy as such, relying on the policies adopted by the University in respect of its deposits and M&G in respect of Charifund.

6. ASSESSMENT OF FUTURE FINANCIAL POSITION OF THE CENTRE

The Trustees have agreed to deploy the trust's remaining resources on further agreed programmes jointly funded with CMEDT, as well as on activities ratified by the Trustees and conducted exclusively by MCSC (in the main, awards specifically for certain categories of Commonwealth students).

The trust has sufficient resources to continue in operation for at least twelve months from the date of signing these financial statements. Beyond that, its future will depend on securing new sources of income. The trustees' policy is not to award grants in excess of existing available cash reserves.

7. GOING CONCERN

The Trustees expect the trust to have adequate resources to continue in operational existence for at least twelve months from the date of signing the accounts.

The trust has total assets less liabilities of £371,969 as at 31 July 2022 (2021: £1,214,713). the Trustees are able to manage their grant awards such that funds are not granted in excess of available resources. Therefore, the MCSC 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. However, grants or other funding is not awarded in excess of current available cash reserves.

9. RISK MANAGEMENT

The Trustees have examined the major strategic, business and operational risks which the Trust faces, and are satisfied that the regular reports they receive at meetings enable them to assess these risks, and to put in hand on a timely basis any necessary actions (mainly changes in the number of awards offered from year to year and expenditure on the principal schemes) to lessen or avoid them.

A risk register has been prepared and is kept under regular review. The principal risk relates to the unexpected loss of key staff. The risk has been mitigated through the close connexions which exist between the Trust and senior members of the University who support the work of the Trust. The other principal risk relates to the possible need for the Trust to contribute additional resources to joint projects with CMEDT if the anticipated additional funding for CMEDT from Malaysia is not forthcoming.

There are currently no other major risks requiring the attention of the Trustees. Trustee indemnity insurance is in place, together with employer's and third-party liability insurance. Buildings and contents insurance is in place for 11 Madingley Road, in accordance with the terms of the lease.

The Executive Committee ensures that the projected cost of all the Trust's approved programmes can be met within the resources of the Trust.

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

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 (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 trust 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 trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the trust's transactions and disclose with reasonable accuracy at any time the financial position of the trust 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 trust 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 their behalf by:



Professor John Lonsdale
Trustee

Date: 12 May 2023

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JULY 2022**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MALAYSIAN
COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE ('the trust')**

I report to the charity Trustees on my examination of the accounts of the trust for the year ended 31 July 2022.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the trust 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 trust'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 trust 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 trust 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.

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

This report is made solely to the trust'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 trust'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 trust and the trust's Trustees as a body, for my work or for this report.

Signed:

Nikki Loan

Nikki Loan

Dated:

FCA

15 May 2023

PETERS ELWORTHY & MOORE

Chartered Accountants

Salisbury House

Station Road

Cambridge

CB1 2LA

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:				
Donations	4	500,000	500,000	500,000
Investments	5	7,981	7,981	6,613
TOTAL INCOME		507,981	507,981	506,613
EXPENDITURE ON:				
Charitable activities	7	1,348,180	1,348,180	333,751
TOTAL EXPENDITURE		1,348,180	1,348,180	333,751
NET (EXPENDITURE)/INCOME BEFORE NET (LOSSES)/GAINS ON INVESTMENTS		(840,199)	(840,199)	172,862
Net (losses)/gains on investments		(2,545)	(2,545)	27,084
NET MOVEMENT IN FUNDS		(842,744)	(842,744)	199,946
RECONCILIATION OF FUNDS:				
Total funds brought forward		1,214,713	1,214,713	1,014,767
Net movement in funds		(842,744)	(842,744)	199,946
TOTAL FUNDS CARRIED FORWARD		371,969	371,969	1,214,713

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

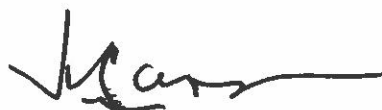
The notes on pages 13 to 22 form part of these financial statements.

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

**BALANCE SHEET
AS AT 31 JULY 2022**

	Note	2022 £	2021 £
FIXED ASSETS			
Investments	12	139,112	141,657
CURRENT ASSETS			
Debtors	13	105,634	702,518
Cash at bank and in hand		344,871	391,227
		<u>450,505</u>	<u>1,093,745</u>
Creditors: amounts falling due within one year	14	(217,648)	(20,689)
NET CURRENT ASSETS		<u>232,857</u>	<u>1,073,056</u>
TOTAL NET ASSETS		<u><u>371,969</u></u>	<u><u>1,214,713</u></u>
CHARITY FUNDS			
Unrestricted funds		<u>371,969</u>	<u>1,214,713</u>
TOTAL FUNDS		<u><u>371,969</u></u>	<u><u>1,214,713</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: 12 May 2023

The notes on pages 13 to 22 form part of these financial statements.

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	15	(54,337)	(394,896)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		7,981	6,613
NET CASH PROVIDED BY INVESTING ACTIVITIES		7,981	6,613
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH PROVIDED BY FINANCING ACTIVITIES		-	-
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(46,356)	(388,283)
Cash and cash equivalents at the beginning of the year		391,227	779,510
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	16	344,871	391,227

The notes on pages 13 to 22 form part of these financial statements

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

1. GENERAL INFORMATION

The Malaysian Commonwealth Studies Centre in Cambridge is a Charitable Trust. The financial statements are prepared under the historical cost convention as modified by the revaluation of investments to market value.

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 (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.

The Malaysian Commonwealth Studies Centre in Cambridge 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

In view of the increasingly close relationship between the activities of the MCSC and the Cambridge Malaysian Education and Development Trust (CMEDT), the Finance Committee recommended that a folding-in of the two trusts should take place. This recommendation was unanimously approved by the Trustees of both trusts. 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.

On 1 August 2018, the MCSC Trustees, together with the University, executed a Deed of Amendment of the Trust Deed to enable the assets, liabilities, functions, and activities of MCSC to be transferred to CMEDT, and for MCSC to become a charity registered with the Charity Commission rather than as an exempt charity under the auspices of the University. The Objects and Purposes of the charity remain unchanged. These new arrangements are now securely in place and the charity is registered with the Charity Commission.

The trustees are confident that the charity has adequate funds and resources to continue operating for at least 12 months from the date of signing these financial statements and is well placed to manage its business risks successfully despite the current uncertain economic outlook. 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 2022

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.

Investment income is accounted for when receivable.

Donation income is accounted for when receivable.

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.

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.

The main projects of the charity are affordable education, food security, and sustainable development, mitigation of climate change, electoral democracy in the Commonwealth, and affordable medicine and healthcare.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the Independent Examination and legal fees.

Support costs are costs for the administration of charitable activities. They comprise rent, rates, utilities, office property costs, telephone, salaries, legal, travel, and governance costs for the charity. No support costs are allocated to activities that are wholly grant funded as those costs are not considered to be material.

2.5 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.6 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.

2.7 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.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.8 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 trust 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.

2.9 PENSIONS

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.

2.10 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 trust 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.

The trust 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 policies set out above.

4. INCOME FROM DONATIONS

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	500,000	500,000	500,000
	<hr/>	<hr/>	<hr/>
TOTAL 2021	500,000	500,000	
	<hr/>	<hr/>	

The donation in the current and prior year was received from the Cambridge Malaysian Education and Development Trust.

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

5. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Dividends and interest	7,981	7,981	6,613

Investment income in 2021 was unrestricted.

6. ANALYSIS OF GRANTS

	Grants to Institutions 2022 £	Grants to Individuals 2022 £	Total funds 2022 £	Total funds 2021 £
Promotion and Education	-	60,500	60,500	26,500
English Language	1,035,506	-	1,035,506	-
Climate Change	50,000	-	50,000	-
TOTAL 2022	1,085,506	60,500	1,146,006	26,500
TOTAL 2021	26,500	-	26,500	

Grants to individuals are paid to the institution at which they are studying. English language grants have been awarded to the Cambridge Education and Development Trust and its subsidiary CatsStep to develop the Accessible testing System as described in the Trustees' report.

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Promotion and Education	31,339	60,500	155,063	246,902	333,751
Electoral Democracy	15,772	-	-	15,772	-
English Language	-	1,035,506	-	1,035,506	-
Climate Change	-	50,000	-	50,000	-
TOTAL 2022	<u>47,111</u>	<u>1,146,006</u>	<u>155,063</u>	<u>1,348,180</u>	<u>333,751</u>
TOTAL 2021	<u>95,447</u>	<u>26,500</u>	<u>211,804</u>	<u>333,751</u>	

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2022 £	Total funds 2021 £
Promotion - Main projects	33,986	95,447
Electoral Democracy	13,125	-
	<u>47,111</u>	<u>95,447</u>

ANALYSIS OF SUPPORT COSTS

	Total funds 2022 £	Total funds 2021 £
Staff costs	103,793	157,623
Rent, rates, and utilities	4,367	3,929
Property costs	9,916	13,235
Telephone, postage, and couriers	1,963	1,643
Office expenses	7,123	8,235
Travel	1,846	685
Bank charges	387	376
Administrative expenses	6,185	-
Apprenticeship levy	409	610
Governance costs (including staff costs)	19,074	25,468
	<u>155,063</u>	<u>211,804</u>

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

8. INDEPENDENT EXAMINER'S REMUNERATION

	2022 £	2021 £
Fees payable to the trust's independent examiner for the independent examination of the trust's annual accounts	6,000	-
Fees payable to the trust's auditor in respect of the audit of the trust's annual accounts	-	12,414
	<u> </u>	<u> </u>

9. STAFF COSTS

	2022 £	2021 £
Wages and salaries	93,857	142,285
Social security costs	10,715	15,599
Contribution to defined contribution pension schemes	12,235	12,753
Apprenticeship levy	469	650
	<u>117,276</u>	<u>171,287</u>

The average number of persons employed by the trust 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 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 has regard to comparable pay levels in the University of Cambridge.

The total paid to Key Management Personnel was £113,388 (2021: £98,160), including social security costs and pension costs.

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

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

10. TRUSTEES' REMUNERATION AND EXPENSES

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).

11. TAXATION

Malaysian Commonwealth Studies Centre 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.

12. FIXED ASSET INVESTMENTS

	Listed investments £
COST OR VALUATION	
At 1 August 2021	141,657
Losses	(2,545)
	<hr/>
AT 31 JULY 2022	139,112
	<hr/>
NET BOOK VALUE	
	<hr/>
AT 31 JULY 2022	139,112
	<hr/>
AT 31 JULY 2021	141,657
	<hr/>

13. DEBTORS

	2022 £	2021 £
DUE WITHIN ONE YEAR		
Due from Cambridge Malaysian Education and Development Trust	93,012	200,841
Prepayments	12,622	501,677
	<hr/>	<hr/>
	105,634	702,518
	<hr/>	<hr/>

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	3,527	4,274
Other creditors	177,500	-
Accruals	36,621	16,415
	<u>217,648</u>	<u>20,689</u>

15. 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)	(842,744)	199,946
ADJUSTMENTS FOR:		
Losses/(gains) on investments	2,545	(27,084)
Dividends, interests and rents from investments	(7,981)	(6,613)
Decrease/(increase) in debtors	596,884	(563,118)
Increase in creditors	196,959	1,973
NET CASH USED IN OPERATING ACTIVITIES	<u>(54,337)</u>	<u>(394,896)</u>

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash at bank	165,328	137,392
Cash on deposit with University of Cambridge	179,543	253,835
TOTAL CASH AND CASH EQUIVALENTS	<u>344,871</u>	<u>391,227</u>

THE MALAYSIAN COMMONWEALTH STUDIES CENTRE IN CAMBRIDGE

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

17. ANALYSIS OF CHANGES IN NET DEBT

	At 1 August 2021	Cash flows	At 31 July 2022
	£	£	£
Cash at bank and in hand	391,227	(46,356)	344,871
	<u>391,227</u>	<u>(46,356)</u>	<u>344,871</u>

18. 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 £12,235 (2021: £12,753).

19. 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 CMEDT with which the work of the Trust is closely associated. These related interests are included in the register of declared interests of officers and trustees which is updated at least once a year. Rules for managing declared interests have been approved by the trustees.

The University of Cambridge provides the trust with payroll and computer support services free of charge, the value of which (while it could be estimated) is not considered material to adjust for in the accounts.

Transactions with CMEDT during the year included grant funding of £500,000 (2021: £500,000) in relation to the funding arrangements for the English Language Cats Step Limited project. As described in the trustees' report, CMEDT and MCSC are managed together. Therefore during the year costs jointly attributable to CMEDT and MCSC are shared through an inter-trust account. The entity directly bearing the invoice cost creates a creditor for the balance owed by the other charity. These balances are settled periodically through the year. The total shared expenditure was £1,482,760 and the balance owed by CMEDT to MCSC at the year end was £93,012 (2021: the total shared costs were £1,923,834 and the balance owed at the year end was £200,841).

During the year an executive of the Trust paid £51,550 (2021: £nil) on behalf of the charity relating to maintaining the contact centre for students in India. These costs were directly reimbursed by MCSC, which subsequently claimed 50% of the costs from CMEDT.

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