

Cambridge Commonwealth, European and International Trust
Trustees' Report and Financial Statements
For the year ended
31 July 2023

Creating opportunity to study at the



Cambridge Commonwealth, European and International Trust

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Reference and administrative details

Trustees

Loretta Minghella (Chair from 1 August 2022)
Professor Loraine Gelsthorpe (Deputy Chair)
Professor Dame Madeleine Atkins
Professor Catherine Barnard
Professor David Cardwell
Sir Laurie Bristow (appointed 1 October 2023)
Professor Dame Ann Dowling
Iain N Drayton (appointed 1 October 2023)
Professor Simon Franklin
Peter Phillips
Professor Jaideep Prabhu (resigned 30 April 2023)
Professor Michael Proctor (resigned 29 September 2023)
Dr Michael Rands
Dr David Secher (appointed 1 October 2023)
Professor Nidhi Singal (resigned 30 April 2023)

Patron: The former Prince of Wales

Trust address

Cambridge Commonwealth, European and International Trust
Student Services Centre, Bene't Street, Cambridge CB2 3PT, United Kingdom

Legal status

The charity was established by a Charity Commission Scheme dated 1 August 2013.
The Trust is a tax exempt charity, Inland Revenue reference EW02020.

Independent Auditors

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

Bankers

Barclays Bank, St Andrew's Street, Cambridge, CB2 3AA

Investment Managers

University of Cambridge Investment Management
Limited (UCIM)
Bateman House, 1st Floor, 82-88 Hills Road,
Cambridge, CB2 1LQ

Cazenove Capital Management
1 London Wall Place,
London, EC2Y 5AU

Director and Secretary

Director: Helen Pennant

Secretary: Breeda O'Leary

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Trustees' annual report for the year ended 31 July 2023

Introduction

The Cambridge Commonwealth, European and International Trust (the Cambridge Trust) was established in August 2013 from the merger of the Cambridge Commonwealth Trust and the Cambridge Overseas Trust. These Trusts were founded in the 1980s to provide financial support to international students on degree courses, so that they could benefit from the outstanding educational opportunities offered at the University of Cambridge. The Trust now supports students of all nationalities and is one of the main providers of funding for students who need support to study at the University. The Trust works with partners both worldwide and in Cambridge (primarily through the University, Schools/Departments and Colleges) to support students under a broad range of scholarship schemes, irrespective of their social or economic backgrounds.

The Trust offers awards to students at PhD, Masters and undergraduate levels at all 31 Colleges of the University of Cambridge. Awards are made based on academic merit and financial need and vary from full-cost, covering fees, maintenance and other essential costs such as visa and international health charge, to part-cost, for students who are able to fund the balance of their costs. Students must have applied by the relevant application deadline and have received a conditional offer of admission from the University of Cambridge (postgraduates), or from one of the Colleges (undergraduates) in order to be eligible for an award from the Trust.

The Trustees herewith present their annual report and audited financial statements for the year ended 31 July 2023. The reference and administrative information on page 3 also forms part of this report.

The Trustees confirm that the annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition - October 2019 (effective 1 January 2019).

Objects and activities for the public benefit

The object of the Cambridge Trust is "for the public benefit, to provide scholarships and other financial assistance to enable students to benefit from education at the University of Cambridge".

During its forty-year history of offering scholarships, the Trust has awarded more than 21,000 scholarships to students from around the world, providing them with the opportunity to study for a degree course at the University of Cambridge.

The Trustees confirm that they have referred to the Charity Commission's guidance and Section 17 of the Charities Act 2011 on public benefit when planning activities and setting policies for awarding scholarships.

The Trust furthers its charitable purpose for public benefit through its policy of offering financial support to students by:

- providing awards to a diverse field of appropriately qualified students to enable them to benefit from the exceptional educational opportunities at the University of Cambridge, and enable them to apply their skills and talents throughout the world for the benefit of others. The Trust

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awards c. 500 new scholarships annually and at 31 July 2023 there were 1,379 students in residence (31 July 2022 1,414).

- ensuring that the awards are of sufficient value to adequately support the students during their tenure and providing additional exceptional support where necessary. In collaboration with funding partners, the Trust aims to offer as many full-cost awards as possible. The Trust broadly aligns its maintenance rate with the UK Research Council rate. The Trust's maintenance rate was £17,668 for 2022/23 (£15,609 for 2021/22);
- maintaining, as far as possible, through its award process, a reasonable balance in the number and level of scholarships it offers, so that no specific applicant group or nationality is disadvantaged. The appendix on pages 17-19 shows the diversity of students supported by country;
- ensuring that all awards are offered on an objective basis and in accordance with advertised criteria.

Grant making policy

The Trust offers a wide range of Scholarships. All are awarded based on academic merit and financial need. There are also a number of awards which specifically address inequality and support for students who face barriers in coming to Cambridge. For example, the Rowan Williams Cambridge Studentship supports students who come from areas of instability, or conflict zones or have been at risk of discrimination and persecution. The Rosalie Crawford spendable endowment helps disadvantaged students to study at Cambridge.

In the case of scholarships awarded in conjunction with partners, there may be additional criteria such as supporting students from particular countries or students for particular areas of study.

All student applications to the Trust undergo a detailed selection process. The process:

- takes account of College and Departmental scoring, on academic grounds, of all applicants requiring financial support;
- is based on a transparent and fair system, with clearly published selection criteria and application deadlines published on the Trust's website; and
- promotes wider access for candidates from all backgrounds.

Achievements and performance during the year to 31 July 2023: how our grant making policy delivered public benefit

The Trust offered c. 662 (2021/22, 650) new awards at all levels of study for the academic year 2022/23 and 529 (2021/22, 540) students took up their places at Cambridge. The total number of students in residence supported by the Trust was 1,379 from 100 countries throughout the world. The average support per student was £25,513 (excluding accrued expenditure). This compares with 1,414 students supported in the financial year 2021/22 at an average cost of £23,690 per student (excluding accrued expenditure).

The Trust continues to make significant payments to students who require extension funding to complete their studies. For example, those whose study or research has been disrupted by

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circumstances outside their control, and therefore requiring additional time to complete their degree.

The Trust paid c. £1.6 million (c. £1.4 million 2021/22) to students who required support during the year. The Trust manages requests for additional support on a case-by-case basis, which allows it to tailor the additional grants to individual needs. The Trust's policy and processes for funding extensions can be viewed on the Trust's website (<https://www.cambridgetrust.org/scholars>). All applicants are asked to complete a form with relevant information, which allows the Trust's application panel to objectively consider the requests.

The ongoing war in Ukraine continues to affect current and prospective students from both Ukraine and Russia. The Trust supported 11 Ukrainian students throughout the year and will aim to support all new students that require funding in 2023/24. The Trust supported 24 Russian students throughout the year and will support as many new students as possible in 2023/24, particularly through the Hill Foundation.

The Trust hosted its first large in-person event since before the COVID-19 pandemic in June 2023 at the Fitzwilliam Museum. The event "Tea at the Fitz" celebrated another year of outstanding achievements by the Trust's scholars and the unwavering support of its partners. The event brought together students drawn from 85 countries, Trustees, some funding partners and many organisations who work with the Trust particularly from across Collegiate Cambridge.

The Director continued to provide a number of video messages to students and partners throughout the year. These are important in maintaining a relationship with the students and ensuring that they are updated on Trust activities. The Trust also held a number of successful events with students during the year, both virtual and in-person.

The table below summarises the number of students supported by degree type in 2022/23 compared to 2021/22. The appendix on pages 17-19 gives a more detailed breakdown, showing the students supported by continent/country.

Students supported by degree type

Degree type/year	2022/23	2021/22
PhD	948	1003
Masters	260	255
Undergraduate	171	156
Total	1,379	1,414

Some funding partners with whom the Trust has formal agreements make payments directly to the students or Colleges. This income, which does not form part of the financial statements of the Trust, amounted to c. £3.8 million (c. £4.6 million in 2021/22). The Trust also has informal co-funding arrangements with other partners such as Colleges, University Departments and other organisations, which also make payments directly to Trust students, and this income amounted to c. £4.0 million (c. £4.1 million in 2021/22).

The Trust made 7 honorary awards in 2022/23 (17 in 2021/22). Honorary awards are made to students who are initially selected for scholarships but who subsequently win other full-cost

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awards and therefore do not require financial support offered by the Trust. These students are entitled to attend student events organised by the Trust.

A full list of partners who provided financial support to students directly through the Trust is set out on pages 33-36 of the financial statements. Those partners who pay all, or part, of their contribution directly to the relevant Colleges or to the students (off-books partners) are not included.

The Trust delivers its objective of providing financial support to as many students as possible from a wide range of countries through working with a diverse mix of funding partners and using the balance of its own unrestricted funds with funding partners, or directly to students offering a Cambridge Trust award or setting up designated programmes such as the Rowan Williams Cambridge Studentship. The Trust has partnerships with around 100 different entities, which allows it to reach a broad spectrum of students. Most partners also aim to support students who demonstrate financial need, and many promote wider access of students from diverse backgrounds. Some also focus on building capacity in developing countries supporting those who will contribute to future society and development.

The Trust maintains strong working relationships with its funding partners through various engagement activities.

The Trust welcomed a number of funding partners to Cambridge and facilitated activities that enabled them to engage with the students they support. Partners who visited Cambridge included Cambridge Australia Scholarships, the Royal Society Te Apārangi, Yayasan Khazanah, Woolf Fisher Trust, The Bseisu Foundation and the Jameel Education Foundation.

The Trust joined University Colleagues at an event celebrating the Get In Cambridge initiative. Get In Cambridge is the University's flagship initiative to address under-representation of particular ethnic minority groups.

The Trust continues to administer the Harding Distinguished Postgraduate Scholars Programme on behalf of the University. It pays the fees and maintenance on receipt of income from both the University and St. Catharine's College. Selection is done by a University Committee within the programme, managed by an Advisory Committee. The income and expenditure is therefore not included in the Trust's accounts but the cash that the Trust holds in respect of deferred students is shown separately under cash and creditors.

The Trust administered the Mastercard Foundation Scholars Programme on behalf of the University for the academic year 2022/23. The programme provides fully funded opportunities for students from Africa to complete interdisciplinary programmes with a focus on climate resilience and sustainability. Like the Harding programme, the Trust is not involved in the selection process or management of the programme. The income and expenditure is therefore not included in the Trust's accounts. The University will manage the programme from 2023/24.

The developments in partnerships and the Trust's own funds during the financial year 2022/23 are highlighted below.

The Trust has entered into a partnership with the University and Trinity College to support students from the Caribbean studying at postgraduate level. The programme supports students from the Caribbean who demonstrate outstanding academic ability. The programme will commence in the academic year 2023/24.

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Governments, state agencies and educational institutions

The longstanding partnership with the Foreign, Commonwealth & Development Office on the Chevening scholarships was renewed for a further 3 years. The programme supports a significant number of students from Chevening who are eligible to study at Masters Level.

The Trust joined the British Council's Warm Welcome Scholarships initiative. The Warm Welcome Scholarship scheme supports students who have links to Afghanistan in the UK and who have been affected by the change of regime in Afghanistan, through scholarships providing access to higher education.

The Trust has entered into a partnership with the Higher Education, Archives and Libraries Department of the Government of Khyber Pakhtunkhwa, Pakistan to establish a programme of scholarships to support PhD students from Pakistan. The Khyber Pakhtunkhwa Cambridge Scholarship's will support students who will become faculty members of the newly established University of Engineering and Applied Sciences at Swat.

The Trust renewed its arrangements with the Woolf Institute for a further period. This scholarship programme supports up to four postgraduate students within the fields of Arts and Humanities to study at Masters and PhD level at the University.

Trusts, Foundations and corporate partners

The Trust entered into an agreement with the Hong Kong Jockey Club (HKJC) to establish a programme of scholarships to support students from Hong Kong to study at the University. The scholarships are fully funded by the HKJC through a donation of c. £1.9 million over the next five years. Both Masters and PhD students will be supported under this programme.

The Turkish Education Foundation (TEV) UK entered into a partnership with the Trust to provide a scholarship for Turkish Masters students studying at the University.

The Jameel Education Foundation has renewed its arrangements with the Trust to support PhD students to study at the University. The Foundation fully funds the scholarship programme and offers a package of support equivalent to the leading scholarships at the University.

Formula One World Championship Limited renewed its commitment to support Engineering students from underrepresented groups to study at the University. The Formula 1® Engineering Scholarships have been enhanced to support more home-fee paying students studying for an undergraduate degree over the next three years.

The Trust renewed its collaboration with the Royal Society Te Apārangi to offer the Cambridge-Rutherford Memorial Scholarships. The programme supports PhD students from New Zealand annually, to take up their places at the University.

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Working with Colleges

The Trust continues to operate a significant number of scholarship co-funding arrangements with Cambridge Colleges. This collaborative effort between the Trust and the Colleges helps to strengthen the scholarship funding available to support students coming to Cambridge.

The Trust has a particular relationship with Trinity College which offers direct funding to the Trust. In addition to its annual donation of £1.950 million, the College provided an additional £250,000 to the Trust for the 2022/23 academic year to help students affected by the COVID-19 pandemic and a further £150,000 to support students affected by the war in Ukraine. The College has also generously donated £200k towards the Cambridge Caribbean programme for 2023/24. It has also increased its annual donation for 2023/24 by 10% to cover the high inflationary costs, which students are experiencing.

Working with Cambridge University Development and Alumni Relations Office (DAR), and Departments

The Trust continues to work closely with DAR, and various departments within the University to support students to take up their places at the University.

Through its relationship with DAR, the Trust continues to receive support from the artificial intelligence company, DeepMind Technologies Limited. The DeepMind Cambridge Scholarship programme has been extended for a further period. The programme supports under-represented students wishing to pursue postgraduate studies in Advanced Computer Science, Machine Learning & Machine Intelligence and Scientific Computing.

The Smuts Cambridge International Scholarship, which supports PhD students within the fields of Arts and Humanities or Social Sciences, was renewed for a further period. The Trust collaborates with the Smuts Memorial Fund to support PhD students studying at the University.

Trust designated and endowment funds

The Trust continues to support the Rowan Williams Cambridge Studentship through its own designated fund. This studentship was established by the Trust to support students who face severe barriers in coming to study at Cambridge. Applicants must be from an area of instability or zone of conflict and be, or have been, at risk of discrimination, persecution, suffering violence or other abuse of their human rights. The Trust is grateful for the financial support from a small number of funding partners, which enabled a larger cohort to be supported than would have been possible with the Trust's own funds.

A full list of endowment funds which the Trust holds is set out in note 13 of these accounts.

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Financial review

The statement of financial activities (SOFA) is set out on page 24 of these financial statements, and summary income and expenditure figures are set out below.

The Trust accrues for future commitments for PhD and undergraduate students whose tenure at Cambridge is 3-4 years, rather than accounting for the costs on an annual basis. This liability is shown as a separate heading on the SOFA.

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
	2023	2023	2023	2023	2022
	£	£	£	£	£
Income & endowments from:					
Donations	10,417,967	18,800,820	-	29,218,787	27,046,178
Endowment donations	-	-	436,961	436,961	459,749
Programme Management fee	68,000	-	-	68,000	20,000
Investment income	7,547,778	-	824,601	8,372,379	7,270,114
Total income	18,033,745	18,800,820	1,261,562	38,096,127	34,796,041
Expenditure on charitable activities:					
Support to students-current year	(16,419,465)	(18,685,940)	(1,529,301)	(36,634,706)	(34,623,760)
Net income/expenditure before accrual for student liability	1,614,280	114,880	(267,739)	1,461,421	172,281
Student liability	(2,083,011)	-	-	(2,083,011)	(1,095,154)
Net (expenditure)before losses/gains on investments	(468,731)	114,880	(267,739)	(621,590)	(922,873)

The overall financial result for the year was a deficit £621,590 (2021/22 deficit: £922,873) before losses on investments but after net accrual for student liability of £2,083,011 (2021/22: £1,095,154). The surplus of £1,461,421 before the adjustment for student liability includes endowment income of £436,961. In accordance with the accounting policy for grants, all future commitments for current students are included in grants and scholarship costs under note 3 in these financial statements. Whilst the number of new PhD and undergraduate students was less in 2022/23, 284 compared to 294, the increase in maintenance costs to take account of increasing inflation, particularly energy costs was significant. The rate increased to 13% compared to the standard rate of around 3% in previous years. This also meant that the accrued expenditure for prior year cohorts was understated. The Trust accrued an additional £1 million to cover understated accruals for prior years. This figure also includes some known extension funding costs, which students required to complete their studies. These increases meant that accrued student costs for 2022/23 were greater than the average costs accrued for the previous two years. More funds were therefore deferred from the current financial year than released into the current year.

After accounting for a loss on investments of £3,887,340 (2021/22 gain £3,631,457) there was a loss for the year of £4,508,930 compared to a surplus of £2,708,584 for 2021/22.

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Income

A detailed breakdown of the Trust's donors is set out in note 1 of the financial statements.

Restricted and endowment donations account for c. 66% (c. 64% in 2021/22) of total donations.

The University of Cambridge is the principal partner for unrestricted income. The funding from the University helps to provide the balance of partnership income for full and part-cost graduate student awards.

Trinity College generously provided its annual donation of £1,950,000 to support international students. It also generously provided £250,000 to support students who required extension funding due to the COVID-19 pandemic and £150,000 to students from Ukraine who were affected by the war in that country.

Significant restricted fund donors include China Scholarship Council £2,187,584 (2021/22: £1,972,510); Vice-Chancellor's Award Scheme (VCA) £963,754 (2021/22: £1,089,108) and Cambridge Australia Scholarships £455,263 (2021/22: £418,324).

Investment income increased from £7,270,114 to £8,372,379 an increase of c. 15% (6.6% in 2021/22). The large increase represents the significant increase in interest rates and higher-than-expected increase in investment income.

The restricted endowment investment income of £824,601 (2021/22 £750,828) outlined in note 13 to the accounts is used to fund specific scholarships in accordance with those agreements. The unrestricted investment income is used to support students either through partnerships or directly by the Trust's own scholarships, and to pay for staff and administrative costs, which account for c. 3.8%% of total expenditure.

Expenditure

Total expenditure costs were £38,717,777 compared to £35,718,914 for the previous year. This increase in costs is due to variations in student support particularly student accruals for future years. When the costs are adjusted for student accrual, the expenditure was £36,634,706 compared to £34,623,760 in 2021/22, as per note 3 of these statements. This increase of c. £2 million is due to the increase in student costs. Maintenance costs increased by 13% and fees for new students by c. 5%. In addition the Trust spent c. £1.6 million (c. £1.4 million 2021/22) in support of students who needed additional funding to complete their studies.

The increase in support cost outlined in Note 3 is largely due to the increase in IT costs. The Trust is embarking on a major development to its students' database and scoping for this project was carried out during 2022/23. The Trust will move the database to a more secure cloud based and efficient system and expects to go live in early 2024.

The Trust also upgraded and developed its website. It moved to a new management system (CMS), with the aim of improving the site for users with more flexible capabilities.

Investment policy and performance

The Trust holds investments in the Cambridge University Endowment Fund (CUEF) and Cazenove Capital Management.

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Over 90% of the investments in CUEF are unrestricted spendable capital. The Trustees reviewed their policy on unrestricted investments in 2021/22 (outlined below under reserves policy) bearing in mind the income from the investments is used to support students and fund the administrative costs.

CUEF's long term investment objective is to achieve or exceed an average annual rate of total return, net of all costs and before distributions are taken into account, equal to CPI plus 5.0% such that after the monthly distributions are taken into account there will be annual growth in the fund unit value equal to CPI plus 1%. The rate used in the distribution formula is 4%. A further objective is to manage judiciously the risk taken in order to meet the total return objective, by utilising diversification of investment strategies, of investment asset classes and of investment managers. During the year ended 30 June 2023 (the CUEF year-end, which is one month earlier than the Trust's year-end of 31 July and therefore comparatives will be different) CUEF had a total investment return of 4.1% (2022: -0.3%). Over a rolling five-year period, the CUEF had an annualised return of 7.0% (2021/22 7.9%), 1.7% per annum above its "new 65/35" passive benchmark. While the CUEF's five year performance is 2.6% per annum below the long-term investment objective of CPI +5%, this is reflective of the challenge of meeting "CPI+" objectives for all fund managers in a period of high inflation. The value of the CUEF at 30 June 2023 was £3,971 million (2021/22: £3,823 million).

The value of the Trust's investments in CUEF at 31 July 2023 was £202,908,003 (2021/22: £211,724,731). This reflects a decrease of c. £9 million with no new investments and sale of £5 million (2021/22: no new purchase or sale of investments).

The investments held with Cazenove Capital Management had a value of £9,128,860 at 31 July 2023 compared to £4,199,527 in 2021/22. This represented £5 million of new investments. The overall value of the fund fell by £70,667.

Ethical investment policy

As a charitable Trust with long-term objectives and in line with its mission to promote learning and research for students at the University of Cambridge, the Cambridge Trust supports measures to address climate change through a transition to a zero carbon world. The Trust assesses the impact of its day-to-day operations, its investment policy as well as donations it receives and partnerships it makes, with this in mind.

The Trust's investments in CUEF are currently subject to the investment policies of that fund. Trustees meet with CUEF management annually and ensure that CUEF is aware of the Trustees' views on ethical responsibility.

The Trust monitors the Responsible Investment policy and Environmental, Social and Governance policy of Cazenove Capital Management.

Reserves policy

The majority of the Trust's assets are expendable and available generally for the award of scholarships in accordance with the Trust's Scheme. The current value of investments outlined in note 12 is c. £212 million of which c. £165 million is unrestricted. However, the Trust's liabilities, primarily student accruals are c. £36 million.

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Trustees' annual report for the year ended 31 July 2023 (continued)

The Trust reviewed its reserves policy during 2022 in order to assess if the level of reserves it was holding was reasonable. The main reason for holding reserves include: the size and shape of the programme of awards; dependency on large unrestricted donations, particularly the University of Cambridge and Trinity College; long-term liability for students in residence; increasing costs of studentships and additional costs which the Trust now supports such as immigration health surcharge, travel and dependants' allowances. Following the review, Trustees agreed that the Trust should hold a minimum of 3.5 years' reserves. This would be around £130 million. Trustees looked at a number of options for reducing the reserves bearing in mind that an unstable stock market over a number of years could potentially reduce the reserves to the level considered reasonable by the Trustees.

Trustees agreed that the Trust would gradually increase its support to international students to around 20% of those scored in the Postgraduate Funding Competition focusing on students from poorer countries and challenging backgrounds. This would increase new student numbers annually to c. 650 (based on current numbers) depending on the type of awards. The estimated additional cost would be around £1.5 million per cohort.

Risk management and internal control

The principal risks to the Trust are as set out in the Trust's Risk Register, which is reviewed at each Audit Committee meeting, and subsequently at Trustees' meetings. The main risks are identified under the following headings: funding and financial risks; management; and compliance. The significant change in the economic and social environment due to the pandemic reflected how many risks had changed and the importance of keeping the register under constant review.

The main risks under funding and financial are the failure of a major donor to continue to provide funding to the Trust, or poor performance of the Trust's investments. The University of Cambridge is the Trust's principal donor. The Trust also has a shared fundraiser with the University Development Office. The Trust continues to work closely with the University and strives to be one of the most effective bodies for the University to support students.

The principal Trust's funds are invested in CUEF, and the main risk is variability of investment performance. The risk is mitigated by the highly diversified portfolio, which takes a long-term view of investments.

The Trustees are responsible for ensuring the maintenance of a sound system of internal controls, which support the aims and objectives of the Trust, while safeguarding the Trust's funds and assets for which they are responsible. The system of internal controls identifies the main risks and the steps taken to mitigate those risks and manage them effectively and efficiently. The effectiveness of those controls is informed by the work of the Audit Committee and comments made by external auditors in their report. A main risk identified has been the Trust's student database which required upgrading to a more secure system. Work has commenced on the development of the database and is expected to be completed in early 2024.

Staff now work on a hybrid basis between home and the office. As the University supports the Trust's IT security systems, staff are using University supported laptops/desktops.

Systems are in place to ensure compliance with the General Data Protection Regulations (GDPR), which is particularly important during homeworking. All staff have been trained on the

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importance of the regulations and in particular, the practical steps they must undertake in their day-to-day work to ensure the Trust remains compliant.

The Trust conducts a due diligence process on all potential new donors to ensure that the donor will be able to fulfil the terms of the agreement. Agreements are usually made for five years so that the terms can be regularly reviewed. The international dimension of the Trust partners and the risk this may pose to funding due to the aftermath of the pandemic is continuously monitored.

The Trustees have examined the major strategic, business and operational risks which the Trust could be exposed to 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 (such as changes in the number and/or value of awards offered to reduce or mitigate risk).

Fundraising activities

Under Section 162a of the Charities Act 2011, the Trust is required to make a statement regarding fundraising activities. The act defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". All monies received by the Trust under this definition are shown as donations under note 1 of the accounts.

The Trust does not undertake fundraising from individuals, but a number of individual donors have approached the Trust and made significant donations and endowments. Its development activities are based on creating partnerships and it has written agreements with these partners. The Trust shares a fundraiser with the Cambridge University Development Office primarily to develop partnerships for the Trust.

The Trust is not required to be bound by any regulating fundraising scheme because of the nature of its development activities, and therefore does not consider that it is required to comply with any regulating code of practice relating to fundraising.

Plans for 2023/24 and beyond

The Trust is drawing up a strategic framework to guide its future work over the next 5 to 10 years. The plan will revisit the Trust's vision and values taking account of its forty-year history, its core mission and the changing landscape in which it operates.

As mentioned previously the Trust will develop and upgrade its student database during 2023/24. This is expected to go live in early January 2024 in time for the 2023/24 intake of students.

The new refreshed Trust's website was launched in late September 2023. The re-design of the site enables content building to reflect the Trust in terms of its achievements, successes and opportunities, and to maximise the Trust's digital content catalogue.

Structure, governance and management of the Trust

The Trust is an exempt charity, which was established by a Charity Commission Scheme, which came into effect on 1 August 2013. Its tax-exempt Inland Revenue reference number is EW02020. The Trust was formed from the merger of the Cambridge Commonwealth Trust (CCT) and the Cambridge Overseas Trust (COT), which were both established as exempt charities in the 1980s to support international students at the University of Cambridge.

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The University of Cambridge is the Custodian Trustee of the Trust, and the financial statements of the Trust are consolidated with the University's financial statements. The Trust is regulated by the Office for Students through the University of Cambridge.

The Trust is managed by a maximum of 12 Trustees who meet three times per year. The Chair and Deputy Chair are elected annually and can serve for a maximum of four years.

Trustees are appointed by the Council of the University for a term of three years and may be re-appointed for two further terms. Trustees are recruited from persons considered to have the requisite skill, knowledge and time to serve as a Trustee. On appointment, Trustees are provided with copies of the financial statements for the previous three years, the Trust's governing documents, the strategic plan, the last two sets of Trustees' meeting minutes and other publicity material relating to the Trust. They are also provided with a copy of the current Charity Commission guidance booklet for Trustees, "The Essential Trustee: What you need to know". Formal training is offered to all Trustees on appointment and ongoing training as required.

The former Prince of Wales is the Patron of the Trust.

There are two sub-committees, which report to the Trustee Board: the Audit Committee, which meets twice a year, and the Remuneration Committee which meets once a year.

The Trust's main investments are managed by the Cambridge University Endowment Fund (CUEF). A representative of CUEF reports to the Trustees annually and the Trustees receive an investment update at each of their meetings. The Trust also holds investments with Cazenove Capital Management with respect to three endowment funds.

Day-to-day management is delegated by the Trustees to the Director and through the Director to other staff, with formal statements of delegation of authorities.

The financial statements of the Trust, once approved, are placed in the public domain on the Trust's website (www.cambridgetrust.org).

Key management personnel remuneration

The pay of the Trust's Director is reviewed biennially by members of the Remuneration Committee who make recommendations to the Board of Trustees. Other Trust staff are paid in line with University pay scales.

On appointment, Trustees are required to complete a register of interest form, which is updated annually. Trustees are also required to disclose any interest in any item on the agenda at the beginning of each Trustees' meeting.

The Trustees consider that the Board of Trustees, the Director, Deputy Director and Head of Finance and Administration are the key management personnel of the Trust, responsible for directing and controlling the Trust and running and operating the Trust on a day-to-day basis. All Trustees give their time freely and no Trustee received any remuneration during the year.

Cambridge Commonwealth, European and International Trust

Trustees' annual report for the year ended 31 July 2023 (continued)

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 and 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 the income and expenditure of the Trust for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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's Scheme and Regulations. 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.

The maintenance and integrity of the Trust's website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 23 November 2023:

Signed on behalf of the Trustees:



Loretta Minghella
Chair of the Trustees



Professor Loraine Gelsthorpe
Deputy Chair of the Trustees

Cambridge Commonwealth, European and International Trust

Appendix to the Trustees' Report for the year ended July 2023

Students supported by continent and degree type 2022/23 and 2021/22

	2022/23				2021/22			
	PhD	Masters	Ug*	Total	PhD	Masters	Ug*	Total
Africa								
Cameroon	4	-	-	4	4	-	-	4
Cote d'Ivoire	2	-	-	2	1	-	-	1
Egypt	4	2	-	6	8	2	-	10
Ghana	9	1	-	10	9	4	-	13
Kenya	3	4	2	9	4	3	2	9
Mauritius	-	-	-	-	1	-	-	1
Mozambique	1	-	-	1	1	-	-	1
Nigeria	12	7	1	20	11	5	-	16
Somalia	-	1	-	1	-	1	-	1
South Africa	12	7	1	20	12	9	-	21
Sudan	-	-	-	-	1	-	-	1
Uganda	2	-	-	2	1	-	-	1
Zambia	4	1	-	5	3	-	-	3
Zimbabwe	4	2	-	6	5	2	-	7
Total	57	25	4	86	61	26	2	89
Asia								
Afghanistan	1	-	-	1	1	-	-	1
Azerbaijan	-	-	-	-	-	1	-	1
Bahrain	1	-	-	1	1	-	-	1
Bangladesh	4	5	-	9	7	3	-	10
Bhutan	-	1	-	1	-	1	-	1
Burma	2	-	-	2	2	1	-	3
China	167	10	33	210	167	9	39	215
Hong Kong, China	11	1	24	36	11	2	26	39
India	61	15	5	81	60	26	4	90
Indonesia	3	-	-	3	4	3	-	7
Iran	6	2	-	8	5	1	-	6
Iraq	1	-	-	1	1	-	-	1
Israel	3	-	-	3	6	1	-	7
Japan	-	3	-	3	2	1	-	3
Jordan	1	-	-	1	1	-	-	1
Kazakhstan	1	-	-	1	2	-	-	2
Republic of Korea	6	-	1	7	7	-	1	8
Kuwait	1	-	-	1	-	-	-	-
Laos	-	1	-	1	-	-	-	-
Lebanon	1	2	-	3	2	2	-	4
Malaysia	8	-	14	22	10	7	18	35
Maldives	-	1	-	1	-	1	-	1
Nepal	-	3	-	3	-	1	-	1
Pakistan	19	4	2	25	13	4	3	20
Palestine	5	2	-	7	5	1	-	6

Cambridge Commonwealth, European and International Trust

Appendix to the Trustees' Report for the year ended July 2023 (continued)

	2022/23				2021/22			
	PhD	Masters	Ug*	Total	PhD	Masters	Ug*	Total
Philippines	2	2	-	4	2	2	-	4
Singapore	7	-	9	16	6	2	9	17
Sri Lanka	3	-	-	3	6	1	-	7
Syria	4	2	1	7	5	2	1	8
Taiwan	21	-	-	21	23	-	-	23
Tajikistan	2	-	-	2	2	-	-	2
Thailand	4	6	2	12	6	8	2	16
Turkey	10	-	-	10	9	1	-	10
Uzbekistan	-	-	-	-	-	1	-	1
Vietnam	-	-	-	-	-	1	-	1
Yemen	2	-	-	2	2	-	-	2
Total	357	60	91	508	368	83	103	554
Australasia								
Australia	41	9	6	56	47	5	6	58
New Zealand	20	-	1	21	21	-	1	22
Total	61	9	7	77	68	5	7	80
Europe								
Albania	1	1	-	2	1	-	-	1
Armenia	-	-	-	-	-	-	1	1
Austria	3	-	-	3	3	-	-	3
Belgium	1	-	1	2	2	-	1	3
Bosnia & Herzegovina	1	1	-	2	1	-	-	1
Bulgaria	3	-	-	3	5	-	-	5
Croatia	-	-	1	1	-	-	-	-
Cyprus	-	-	-	-	2	-	-	2
Czech Republic	3	-	1	4	2	-	-	2
Denmark	3	-	2	5	4	-	2	6
Estonia	-	-	-	-	1	-	-	1
Finland	-	-	2	2	-	-	-	-
France	17	-	-	17	19	1	-	20
Georgia	-	2	-	2	-	-	-	-
Germany	39	1	-	40	46	1	-	47
Greece	19	1	-	20	20	2	-	22
Guernsey	-	-	-	-	1	-	-	1
Hungary	2	-	2	4	4	2	-	6
Iceland	1	-	-	1	-	-	-	-
Ireland	7	2	1	10	8	2	-	10
Italy	37	-	-	37	42	-	-	42
Kosovo	-	-	-	-	-	1	-	1
Latvia	-	-	-	-	1	-	-	1
Lithuania	1	-	-	1	2	-	-	2
Macedonia	-	1	-	1	-	-	-	-
Montenegro	-	-	1	1	-	-	1	1
Netherlands	13	1	1	15	12	-	-	12
Norway	12	4	-	16	17	3	-	20
Poland	8	-	3	11	11	-	-	11

Cambridge Commonwealth, European and International Trust

Appendix to the Trustees' Report for the year ended July 2023 (continued)

	2022/23				2021/22			
	PhD	Masters	Ug*	Total	PhD	Masters	Ug*	Total
Portugal	3	-	-	3	4	-	-	4
Romania	1	-	1	2	3	-	1	4
Russia	13	11	-	24	11	6	1	18
Serbia	1	2	7	10	3	-	5	8
Slovakia	-	-	-	-	2	-	-	2
Slovenia	3	-	-	3	3	-	-	3
Spain	15	1	-	16	16	3	-	19
Sweden	-	-	-	-	1	-	-	1
Switzerland	5	-	-	5	4	-	-	4
Ukraine	3	8	-	11	2	3	-	5
United Kingdom	87	108	35	230	79	98	20	197
Total	302	144	58	504	332	122	32	486
North America								
Barbados	-	1	1	2	-	-	1	1
Canada	28	3	4	35	25	6	5	36
Costa Rica	1	-	-	1	-	1	-	1
Dominica	1	-	-	1	1	-	-	1
Grenada	-	1	-	1	-	-	-	-
Jamaica	-	2	-	2	-	-	-	-
Mexico	17	2	-	19	19	5	-	24
Saint Vincent & the Grenadines	1	-	-	1	1	-	-	1
Trinidad & Tobago	2	-	-	2	2	-	-	2
USA	90	8	1	99	98	4	2	104
Total	140	17	6	163	146	16	8	170
South America								
Brazil	6	1	-	7	9	1	-	10
Chile	14	-	-	14	13	-	-	13
Colombia	9	2	-	11	6	1	1	8
Ecuador	-	1	-	1	-	-	-	-
Peru	1	1	5	7	-	-	3	3
Venezuela	1	-	-	1	-	1	-	1
Total	31	5	5	41	28	3	4	35
Grand Total	948	260	171	1379	1003	255	156	1414

*Ug=Undergraduate course

Cambridge Commonwealth, European and International Trust

Independent auditors' report to the Trustees of Cambridge Commonwealth, European and International Trust

Opinion

We have audited the financial statements of the Cambridge Commonwealth, European and International Trust (the "charity") for the year ended 31 July 2023, which comprise of the Statement of Financial Activities, the Balance Sheet, the Statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2023 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;
- 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Cambridge Commonwealth, European and International Trust

Independent auditors' report to the Trustees of Cambridge Commonwealth, European and International 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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 set out on page 16, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Cambridge Commonwealth, European and International Trust

Independent auditors' report to the Trustees of Cambridge Commonwealth, European and International 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

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:

- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the entity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- In addition, we considered provisions of other laws and regulations that 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 penalty.

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

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

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

- investigated the rationale behind significant or unusual transactions;
- we obtained an understanding of the entity's risk assessment process, including the risk of fraud;

Cambridge Commonwealth, European and International Trust

Independent auditors' report to the Trustees of Cambridge Commonwealth, European and International Trust (continued)

- 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; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for 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; and
- we reviewed minutes of meetings of those charged with governance.

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 trustees 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.

Use of our report

This report is made solely to the Charity Trustees, as a body, in accordance with the Charities Act 2011. Our work has been undertaken so that we might state to the charity 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 the charity trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy and Moore

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Cambridge

Date: 29 November 2023

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

Cambridge Commonwealth, European and International Trust

Statement of financial activities for the year ended 31 July 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Income & endowments									
Donations	1	10,417,967	18,800,820	-	29,218,787	10,008,995	17,037,183	-	27,046,178
Donations- endowment income	1	-	-	436,961	436,961	-	-	459,749	459,749
Programme management fee	1	68,000	-	-	68,000	20,000	-	-	20,000
Investment income	2	7,547,778	-	824,601	8,372,379	6,519,286	-	750,828	7,270,114
Total income		18,033,745	18,800,820	1,261,562	38,096,127	16,548,281	17,037,183	1,210,577	34,796,041
Expenditure									
Expenditure on charitable activities:									
Support to students current year	3	(16,419,465)	(18,685,940)	(1,529,301)	(36,634,706)	(16,481,066)	(16,983,080)	(1,159,614)	(34,623,760)
Net income/(expenditure) before accrual for student liability		1,614,280	114,880	(267,739)	1,461,421	67,215	54,103	50,963	172,281
Student liability	3	(2,083,011)	-	-	(2,083,011)	(1,095,154)	-	-	(1,095,154)
Net expenditure/income before gains/losses on investments	5	(468,731)	114,880	(267,739)	(621,590)	(1,027,939)	54,103	50,963	(922,873)
Net losses/gains on investments	7	(3,500,738)	-	(386,602)	(3,887,340)	3,503,691	-	127,766	3,631,457
Net expenditure/income and net movement of funds		(3,969,469)	114,880	(654,341)	(4,508,930)	2,475,752	54,103	178,729	2,708,584
Reconciliation of funds:									
Total funds brought forward		169,050,313	147,669	23,544,218	192,742,200	166,574,561	93,566	23,365,489	190,033,616
Total funds carried forward	12	165,080,844	262,549	22,889,877	188,233,270	169,050,313	147,669	23,544,218	192,742,200

The Statement of accounting policies and notes to the financial statements on pages 28 to 49 form part of these financial statements.

Cambridge Commonwealth, European and International Trust

Balance sheet as at 31 July 2023

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6				4,569
Investments	7		212,036,863		215,924,258
			<u>212,036,863</u>		<u>215,928,827</u>
Current assets					
Debtors	8	1,160,583		1,404,765	
University cash deposits		1,394,927		951,025	
Cash at bank and in hand		<u>9,870,183</u>		<u>8,385,543</u>	
			12,425,693		10,741,333
Creditors: amounts falling due within one year	9		(23,112,841)		(21,554,524)
Net current liabilities			<u>(10,687,148)</u>		<u>(10,813,191)</u>
Total assets less current liabilities			<u>201,349,715</u>		<u>205,115,636</u>
Creditors: amounts falling due after one year	10		(13,116,445)		(12,373,436)
Total net assets			<u>188,233,270</u>		<u>192,742,200</u>
Funds of the charity					
Endowment funds	13		22,889,877		23,544,218
Restricted funds	14		262,549		147,669
Unrestricted funds	12		<u>165,080,844</u>		<u>169,050,313</u>
Total charity funds	12		<u>188,233,270</u>		<u>192,742,200</u>

These financial statements were approved by the Trustees on 23 November 2023 and signed on their behalf by:

Loretta Minghella

Loretta Minghella
Chair of the Trustees

Professor Loraine Gelsthorpe

Professor Loraine Gelsthorpe
Deputy Chair of the Trustees

The Statement of accounting policies and notes to the financial statements on pages 28 to 49 form part of these financial statements.

Cambridge Commonwealth, European and International Trust

Statement of cash flows for the year ended 31 July 2023

	Note	2023 Total £	2022 Total £
Cash flow from operating activities:			
Net cash used in operating activities	A	(6,880,854)	(5,264,538)
Cash flow from investing activities:			
Dividends & interest from investments		8,372,379	7,270,114
Purchase of equipment		-	-
Sales of investments		5,000,056	-
Purchase of investments		(5,000,000)	-
Net cash provided by investing activities		<u>8,372,435</u>	<u>7,270,114</u>
Cash from financing activities:			
Receipt of expendable endowments		<u>436,961</u>	<u>459,749</u>
Net cash provided by financing activities		<u>436,961</u>	<u>459,749</u>
Change in cash and cash equivalents in the reporting period		1,928,542	2,465,325
Cash and cash equivalents at the beginning of the reporting period	B	<u>9,336,568</u>	<u>6,871,243</u>
Cash and cash equivalents at the end of the reporting period		<u>11,265,110</u>	<u>9,336,568</u>

The notes on page 27 support the Statement of cash flows.

The statement of accounting policies and notes to the financial statements on pages 28 to 49 form part of these financial statements.

Cambridge Commonwealth, European and International Trust

Notes to the Statement of cash flows for the year ended 31 July 2023

	2023	2022
	£	£
A. Reconciliation of net (expenditure)/income to net flow from operating activities		
Net (expenditure)/income for the reporting period as per the statement of financial activities	(4,508,930)	2,708,584
Adjustments for:		
Deduct endowment income	(436,961)	(459,749)
Add back depreciation charges	4,569	22,526
Deduct dividends and interest from investments	(8,372,379)	(7,270,114)
Deduct/add losses and gains on investments	3,887,339	(3,631,457)
Decrease/(Increase) in debtors	244,182	571,196
(Decrease)/Increase in creditors	2,301,326	2,794,476
Net cash (used in) operating activities	<u>(6,880,854)</u>	<u>(5,264,538)</u>
B. Analysis of cash and cash equivalents		
University account cash deposits	1,394,927	951,025
Cash at bank and in hand	9,870,183	8,385,543
	<u>11,265,110</u>	<u>9,336,568</u>

C. Analysis of changes in net debt

	At start of the year £	Cash flows £	At end of the year £
Cash at bank and in hand	9,336,568	1,928,542	11,265,110
	<u>9,336,568</u>	<u>1,928,542</u>	<u>11,265,110</u>

Cambridge Commonwealth, European and International Trust

Statement of accounting policies

Year ended 31 July 2023

Basis of preparation of Financial Statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition October 2019 (effective January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Going concern

The Trust was formed from the merger of the Cambridge Commonwealth Trust and the Cambridge Overseas Trust on 1 August 2013. The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Trustees acknowledge that the higher student expenditure due to increasing inflationary costs could be significant. The Trust Committed to ensuring that its students have sufficient funding to complete their studies. It therefore offers extension funding to those students who require this to complete their studies. This is offered on a case-by-case basis and students have to complete the necessary application. However, as detailed under the Reserves policy, the Trust is holding c. £165 million free reserves some of which can be realised if necessary. Accordingly, the financial statements continue to be prepared on the going concern basis.

Fund accounting

The Trust maintains various types of funds as follows:

Restricted funds

Restricted funds represent donations received which the donor allocates for specific purposes. The Trust receives restricted funding from Funding Partners, Colleges, Departments and the University for the support of students during their tenure in Cambridge.

Cambridge Commonwealth, European and International Trust

Statement of accounting policies (continued)

Unrestricted funds

Unrestricted funds represent income that is expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. The largest unrestricted donor is the University of Cambridge.

Designated funds

Designated funds are unrestricted funds, which the Trustees have decided to set apart to be used for a particular project or future commitment.

Endowment funds

Permanent endowment funds represent grants and donations received for which the donor has stipulated that the income may be used, but the capital must be retained. Capital gains and losses are allocated to the permanent endowment and reinvested. Where the donor stipulates the income received is for a specific purpose, these are included in restricted income funds, held within endowment funds. Where the income may be used for general purposes, it is included within unrestricted funds.

Expendable endowments are funds, which must be invested to produce income. Subject to the conditions attached, Trustees have the power to convert all or part of the capital into income, which can then be spent.

From time to time, the Trust receives restricted funds to be spent over a longer term. At the Trustees' discretion, depending on the expected timing of the future associated grant payments, a proportion of this may be invested as if it is an expendable endowment. In these circumstances, the funds are shown within designated endowment funds. Capital gains and losses are allocated to the designated endowment and reinvested. Investment income received is included in an associated designated restricted income fund, held within endowment funds.

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 are recognised when the Trust has been notified in writing of both the amount and the settlement date. Legacies are recognised when the Trust has been notified in writing of both an expected amount and that probate has been granted and estate accounts received. Where legacies are estimated, they are updated when additional information is known. Trust and Foundation income is recognised when the Trust has been notified in writing of both the amount and the settlement date.

If the restricted income is subject to a condition being fulfilled before the Trust is entitled to the funds, it is deferred and not recognised until those conditions are met. The most common reason is for student grants payable, including multi-year grants. The expenditure is recognised for these grants in full at the start of the academic year when the student has been confirmed in residence and begins the course, which may be later than the original offer. However, under some funding arrangements, the Trust does not have entitlement to the income allocated to fund these grants until the student begins each academic year of study.

Cambridge Commonwealth, European and International Trust

Statement of accounting policies (continued)

In these instances, student grants payable are initially borne by the unrestricted fund, and allocated to the restricted fund once the income is received.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the Bank.

Dividends and distributions are recognised once the dividend or distribution value has been declared and notification has been received of the amounts due. This is normally by the investment company managing the investment portfolio. Distributions from CUEF are accrued evenly each month based on the units held at each month end and the expected value of the next quarterly payment. The distribution rate varies year to year but CUEF publishes each September the amount of the annual distribution in advance and receipt of future payments is deemed to be probable. Entitlement is deemed to arise at each month end as six months' notice is required to make disposals from the fund.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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.

Support costs are allocated between general support costs and governance costs. Support costs are those costs incurred directly in support of expenditure on the objects of the Trust as outlined in note 3 of the accounts. Support costs relating to the Trust's charitable activities comprise of general overheads, IT support and a percentage of appropriate staff 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 audit, the cost of Trustees' meetings and a percentage of the Director's and other staff cost time.

Student accrual grants payable are charged in the academic year when the student starts the course although the offer may typically be made prior to the Trust's year end. Where the grant is awarded for more than one year the full value of the grant is recognised at the start of the course. For other grants, expenditure is recognised when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled.

Irrecoverable VAT

The Trust is not registered for VAT. Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Cambridge Commonwealth, European and International Trust

Statement of accounting policies (continued)

Tangible Fixed Assets

Tangible fixed assets are depreciated so as to write off their cost less estimated residual value in equal annual instalments over their estimated useful lives. Office furniture and equipment is depreciated over four years. The policy of the Trust is not to capitalise assets under £5,000.

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; unless fair value cannot be measured reliably, in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'net (loss)/gains on investments' in the Statement of Financial Activities.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. University cash deposits represents amounts held on deposit with the University of Cambridge. These are used for operating activities and are deemed to be readily accessible to the Trust and form part of its cash and cash equivalents at the year-end.

Creditors and Commitments

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. Commitments are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the commitment is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term. The Trust signed a ten year lease with the University of Cambridge effective from 1 July 2019 for its current premises. The rent is a peppercorn rent. The fair value of the rent is estimated at £68,000 per annum. This is recognised as income in kind and rental expenditure in the financial statements.

Cambridge Commonwealth, European and International Trust

Statement of accounting policies (continued)

Critical accounting estimates and areas of judgment

Preparation of the financial statements requires management to make significant judgements and estimates. The key area in the financial statements where these estimates have been made was fair value of investments.

The key areas in the financial statements where these judgements have been made are as follows:

- grants accrued payable in more than one year;
- recognition of the student accrual grant commitment. As outlined in the accounting policy student accrual grants payable, including multi-grants, are recognised in full at the start of the academic year when the student has been confirmed in residence and begins the course. The initial offer is typically made prior to the Trust's year end, however there is deemed to be sufficient uncertainty that the grant will be taken up, until the above criteria has been met.

Pension costs

The Trust contributes to two defined benefit pension schemes namely, the Universities Superannuation Scheme (USS) and Cambridge University Assistants' Contributory Pension Scheme (CPS) and accounts for the costs in relation to these schemes in accordance with Section 28 FRS 102 Retirement Benefits. Note 4 provides further information.

Cambridge Commonwealth, European and International Trust

Notes to the financial statements

Year ended 31 July 2023

1. Donations and Income	2023	2022
	£	£
Unrestricted		
University of Cambridge	10,079,967	9,673,840
University of Cambridge contribution to administration	270,000	267,155
Income in kind (University of Cambridge, peppercorn rent)	68,000	68,000
Programme management fee	68,000	20,000
Total unrestricted	10,485,967	10,028,995
Restricted, Cambridge University administered funds, Departments and Colleges		
University of Cambridge (Student Registry)	674,990	604,698
University of Cambridge (Vice-Chancellor's Awards)	963,754	1,089,108
Cambridge Africa Scholarships	306,405	456,606
Cambridge Ukraine Scholarships	103,000	-
Grace and Thomas CH Chan Scholarship Fund	188,234	212,411
Developing World Education Fund	330,499	298,673
Smuts Memorial Fund	129,288	106,120
CT Taylor Scholarship Fund	27,341	25,152
Cambridge Institute for Medical Research	6,074	-
Prince Philip Scholarships Fund	682,919	388,702
Centre for Islamic Studies (Prince Alwaleed Bin Talaal)	82,000	62,000
Centre for Latin American Studies	1,000	-
Thalmann European Fund	114,220	113,951
Thalmann Overseas Fund	74,737	67,540
Department of Applied Maths & Theoretical Physics	41,279	29,500
Department of Archaeology	-	4,000
Department of Architecture	-	2,500
Department of Computer Science & Technology	39,003	28,230
Department of History & Philosophy of Science	48,600	60,800
Department of Pure Maths & Mathematical Statistics	15,610	46,827
Department of Earth Sciences	8,926	-
Department of Engineering	35,000	40,000
Department of German and Dutch-Schröder Fund	46,879	53,099
Department of Geography	34,677	-
Department of Pharmacology	6,000	6,000
Department of Psychiatry	13,341	-
Department of Politics and International Studies	1,000	-
Faculty of Asian and Middle Eastern Studies	47,383	58,040
Faculty of Classics	14,750	-
Faculty of Education (Lego)	116,439	134,102
Faculty of History	16,075	26,674
Faculty of Modern & Medieval Languages & Linguistics	19,007	23,946
Janeway Institute – Faculty of Economics (formally INET)	5,000	5,000

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

1. Donations and Income (continued)	2023	2022
	£	£
Institute of Astronomy	90,160	63,000
School of Arts and Humanities	193,854	139,058
School of Clinical Medicine	12,112	-
Sub-total Cambridge University administered funds & Departments	4,489,556	4,145,737
Christ's College	35,390	29,973
Churchill College	230,366	234,979
Clare College	18,128	17,099
Clare Hall	68,223	-
Corpus Christi	33,307	319,843
Darwin College	78,993	78,880
Downing College	90,198	30,159
Emmanuel College	26,000	36,000
Fitzwilliam College	11,000	15,300
Girton College	55,500	8,000
Gonville & Caius College	50,740	12,000
Homerton College	16,584	-
Hughes Hall	179,340	172,404
Jesus College	23,500	24,500
King's College	591,372	622,953
Lucy Cavendish College	52,040	48,000
Magdalene College	226,914	243,478
Murray Edwards College	85,419	66,245
Newnham College	683,360	584,911
Pembroke College	33,921	46,505
Peterhouse	6,000	-
Queens' College	33,500	19,750
Robinson College	96,681	66,141
Selwyn College	73,390	82,599
Sidney Sussex	153,205	177,561
St Edmund's College	16,711	83,555
St John's College	34,686	58,223
Trinity College	2,350,000	1,950,000
Trinity Hall	64,187	106,245
Wolfson College	170,815	173,968
Total Cambridge University administered funds, Departments and Colleges	10,079,026	9,455,008
Restricted – others		
Anne Grete Eidsvig and Kjell Inge Rokke Charitable Foundation	415,500	444,000
AlThuraya Foundation	-	12,500
Amjad & Suha Bseisu Foundation	41,745	43,693
The Beit Trust	50,764	22,958

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

1. Donations and Income (continued)	2023	2022
	£	£
BP North Africa	-	36,214
British Council India	-	20,000
British Council UK	18,394	-
Brockmann Foundation	49,110	44,386
Cambridge Australia Scholarships	455,263	418,324
Cambridge Thai Foundation	41,667	51,000
Canadian Institute for Advanced Legal Studies	85,582	53,551
China Scholarship Council	2,187,584	1,972,510
Colciencias (Minciencias)	78,951	48,304
Club Financiero Espanol	8,000	15,946
Commonwealth Scholarship Commission	454,691	728,085
CONACYT (Mexico)	118,467	153,718
CONACYT (Chile) (ANID)	98,352	88,923
CUDAR – Get In	67,260	-
Daiwa Anglo-Japanese Foundation	23,773	23,075
DeepMind Technologies Limited	441,590	238,062
Eurofins Foundation	34,400	34,000
Formula 1 ® Scholarships	38,285	20,273
Hewitt Charitable Trust	88,889	169,556
Hill Foundation	895,603	500,336
Inlaks Shivdasani Foundation	38,793	-
Islamic Development Bank	83,300	118,490
Jardine Foundation	90,401	134,599
J P Morrison Donation	25,100	-
Joyce Reynolds Fund	30,000	-
Kidu Foundation	6,883	18,333
Masonic Charitable Foundation	27,090	24,824
MRC Laboratory of Molecular Biology	219,787	171,000
Nakagawa General Association	31,125	32,738
Noon Educational Foundation	49,750	25,037
Open Society Foundation	-	29,230
Oxford and Cambridge Society of Kenya	20,000	20,000
Pan Asian Association	29,514	30,895
Pakistan Higher Education Commission	143,851	56,486
Pexim Foundation	43,126	-
Quick Co Ltd	31,424	32,454
Reuben Foundation	7,768	38,970
Rutherford Foundation	96,456	107,619
Saïd Foundation	37,510	59,339
Sardar Manmohan Singh Charitable Trust	40,686	32,214
SERB India	41,502	102,882
Snowdon Trust	72,525	84,318
Stormzy Scholarship (via Cambridge University Development Office)	532,500	335,305

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

1. Donations and Income (continued)	2023	2022
	£	£
Swedish Orphan Biovirum	10,000	10,000
Taiwan Ministry of Education	382,652	356,641
Tobisha International (Faculty of Asian and Middle Eastern Studies)	5,466	23,774
University of Central Asia	58,020	68,051
Universities New Zealand	384	-
Vera Fox Legacy Donation	115,000	-
Vital Strategies	62,055	53,848
Williams Papworth Studentship	60,748	-
The Wolfson Foundation (via Cambridge Univ. Development Office)	250,248	234,750
Woolf Institute	43,963	48,084
Yousef Jameel Scholarship Fund	340,247	192,803
Miscellaneous	50	77
Sub-total	8,721,794	7,582,175
Total restricted donations	18,800,820	17,037,183
 Endowment donations		
Carlos & Gabriela Rodriguez-Pastor	436,961	377,558
Rosalie Crawford Legacy	-	82,191
Total endowment donations	436,961	459,749
Total donations and income	29,723,748	27,525,927
 2. Investment income	2023	2022
	£	£
Cambridge University Endowment Fund Distributions	7,717,594	7,077,062
Cazenove Capital Management	272,642	163,166
University Deposit Account Interest	56,377	6,757
Interest on bank deposits	325,766	23,129
Total	8,372,379	7,270,114
 3. Charitable activities	2023	2022
	£	£
Direct charitable activities		
Grants and Scholarships	35,182,208	33,497,737
Net change in student liability	2,083,011	1,095,154
Travel	832	211
Communication/Promotion	202,010	60,627
Staff costs	702,590	625,917
Total direct charitable	38,170,651	35,279,646

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

3. Charitable activities (continued)

	2023	2022
Support and Governance costs:		
General support	£	£
Staff costs	187,772	192,311
Consultants and other professional charges	30,684	13,081
Telephone, postage and couriers	1,660	1,680
Rent, rates and utilities	89,600	89,600
IT, equipment and stationery	93,096	34,390
Property costs	-	237
Training and development	8,710	4,694
Office supplies/meetings	1,307	3,093
Depreciation	4,568	22,526
Sub-total general support costs	417,397	361,612
Other support: Governance		
Audit fee	17,400	13,716
Trustees meetings/training costs	27,861	84
Staff costs	84,408	63,856
Sub-total Governance	129,669	77,656
Total support costs	547,066	439,268
Total costs	38,717,717	35,718,914
Adjust for net change in student liability	(2,083,011)	(1,095,154)
Support to students for the current year as per SOFA	36,634,706	34,623,760

4. Staff costs, cost of key management personnel and Trustee remuneration and expenses

	2023	2022
	Number	Number
Average number of employees during the year	14	14
Total staff costs comprised:	£	£
Wages and salaries	738,225	678,761
Social security costs	77,061	73,498
Pension contributions	161,202	143,776
Staff holiday accrual	(1,718)	(13,951)
	974,770	882,084

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

4. Staff costs, cost of key management personnel and Trustee remuneration and expenses (continued)

	2023 Number	2022 Number
The number of employees paid over £60,000 during the year were:		
£ 60,000 - £ 70,000	1	1
£ 70,000 - £ 80,000	1	1
£ 80,000 - £ 90,000	1	1
£120,000 - £130,000	1	1

All Trustees give their time freely and no Trustee, or person related or connected by business to them, received reimbursement of expenses from the Trust during the year (2021/22 - nil).

The Trustees consider that the key management personnel to whom day-to-day responsibility is delegated for directing and controlling the Trust and running and operating the Trust on a day-to-day basis are the Director, Deputy Director, and Head of Finance and Administration. Total remuneration paid to those three staff was £395,206 including employer's pension contributions and national insurance costs (2021/22: £374,146).

Pension schemes

The two principal pension schemes for the Trust's staff are the Universities Superannuation Scheme (USS) and the Cambridge University Assistants' Contributory Pension Scheme (CPS). The USS and the CPS are not closed, nor is the age profile of their active membership rising significantly.

(a) Universities Superannuation Scheme (USS)

The Trust participates in, but is not a named employer of the Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits for all members, (Retirement Income Builder) as well as defined contribution benefits. Because of the mutual nature of the scheme, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution rate is set.

The latest available complete actuarial valuation of the Retirement Income Builder section of the scheme is at 31 March 2020 (the valuation date) which was carried out using the projected unit method.

Since the Trust cannot identify its share of the USS Retirement Income Builder section of the scheme's assets and liabilities the following disclosures reflect those relevant to the Trust.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

4. Staff costs, cost of key management personnel and Trustee remuneration and expenses (continued)

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan.

As the Trust is not a named employer of the scheme, it is therefore not a party to the agreement of the deficit recovery plan.

The amount included in staff costs represents contributions payable to the scheme in respect of the accounting period. The total cost charged to the Profit and Loss account for USS was £82,260 (2021/22: £76,109). There were five (including the shared fundraiser) active members in the Scheme during 2022/23.

(b) Cambridge University Assistants' Contributory Pension Scheme

The CPS was established under the authority of the Universities of Oxford and Cambridge Act 1923. It is a registered pension scheme for the purposes of the Finance Act 2004. The active members of the scheme are employees of the University and its subsidiary undertakings.

A full triennial valuation of the Scheme was carried out by the actuary for the Trustees of the Scheme as at 31 July 2021. The results of the valuation showed the actuarial value of the Scheme's assets as £814m. These were sufficient to cover the Scheme's past service liabilities of £738m; the scheme had a surplus of £76m and was 110% funded. The next triennial actuarial valuation is being undertaken as at 31 July 2024 and the next funding update is due as at 31 July 2023.

Since 1 August 2013 employer contributions were set at 11.5% of pensionable pay for existing members at 31 December 2012 and 5.8% of pensionable pay (together with contributions at 5.0% to a separate defined contribution arrangement) for new entrants from 1 January 2013. On 1 August 2023, employer contributions were adjusted to 14.1% of pensionable pay for existing members at 31 December 2012 and 7.6% of pensionable pay (together with contributions at 5% to a separate defined contribution arrangement) for new entrants from 1 January 2013.

In addition, fixed employer contributions totalling £14.6m per annum are payable over the period from 1 August 2011 to 31 July 2023. It has been agreed that there will be no additional contribution during the year from 1 August 2023 to 31 July 2024. The funding position will next be re-examined as at 31 March 2024. Under the terms of a contingency funding arrangement agreed with the Trustees, additional contributions will recommence from 1 August 2024 at the rate of £10.0m per annum if the funding level at 31 March 2024 on the funding basis agreed with the Trustees falls below 95%.

The total charged to the Profit and Loss account for CPS was £78,942 (2021/22:£67,666). The Trust has ten active members in the scheme.

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

5. Net expenditure before gains and losses

	2023	2022
	£	£
Net expenditure for the year is stated after charging:		
Auditors' remuneration - audit fee payable for annual accounts	17,400	13,716
Depreciation of tangible fixed assets	4,569	22,526
Operating lease rentals	3,745	936

6. Tangible fixed assets

	Office furniture and equipment £	Total £
Cost		
At 1 August 2022	266,946	266,946
Disposals in year	(1,500)	(1,500)
At 31 July 2023	<u>265,446</u>	<u>265,446</u>
Accumulated depreciation		
At 1 August 2022	262,377	262,377
Charge for the year	4,569	4,569
Depreciation on disposals	(1,500)	(1,500)
At 31 July 2023	<u>265,446</u>	<u>265,446</u>
Net book value		
At 31 July 2023	<u>-</u>	<u>-</u>
At 31 July 2022	<u>4,569</u>	<u>4,569</u>

7. Fixed asset investments

	CUEF 2023 £	Cazenove 2023 £	Total 2023 £	Total 2022 £
Total Investments				
Market value brought forward	211,724,731	4,199,527	215,924,258	212,292,801
Additions	-	5,000,000	5,000,000	-
Disposals (proceeds £5,000,056)	(5,265,040)	-	(5,265,040)	-
Unrealised investment gains/(losses)	(3,551,689)	(70,667)	(3,622,356)	3,631,457
Market value carried forward	<u>202,908,002</u>	<u>9,128,860</u>	<u>212,036,862</u>	<u>215,924,258</u>

During the year the Trust transferred £5 million from the Cambridge University endowment fund (CUEF) to Cazenove. This is to ensure that the Trust is able to realise capital on a timely basis should it need to do so. The CUEF fund requires 6 months' notice.

The Trustees believe that the carrying value of investments is supported by their underlying net assets. The risk to the investments is mitigated by the highly diverse portfolio, which takes a long-term view of investments. In addition, the dividend return on CUEF is based on a smoothing

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

7. Fixed asset investments

out formula so that a significant fall in the value of investments will not materially affect the investment return in the short term.

	2023			2022		
	Units	Cost £	Market value £	Units	Cost £	Market value £
Investments compris of the following:						
Endowment Fund units (CUEF)	2,941,509	86,604,212	202,908,003	3,016,522	89,019,730	211,724,731
Cazenove		9,043,290	9,128,860		4,043,290	4,199,527
		<u>95,647,502</u>	<u>212,036,863</u>		<u>93,063,020</u>	<u>215,924,258</u>

Cazenove investments included £85,497 cash (2021/22: £5,293).

8. Debtors

	2023 £	2022 £
Trade debtors	221,551	664,763
Prepayments	11,925	23,827
Amounts due from University of Cambridge	778,828	673,164
Other debtors	148,279	43,011
	<u>1,160,583</u>	<u>1,404,765</u>

9. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	-	14,758
Amounts due to University of Cambridge	78,710	752
Held on behalf of University programmes	86,344	283,921
Other creditors	3,987	20,172
Accruals	53,732	43,258
Deferred (scholarship) income	3,220,851	2,950,921
Student grant creditor	19,669,217	18,240,742
	<u>23,112,841</u>	<u>21,554,524</u>

10. Creditors falling due after one year

	2023 £	2022 £
Deferred (scholarship) income within 1-2 years	1,292,792	1,204,320
Student grant creditor	11,823,653	11,169,116
	<u>13,116,445</u>	<u>12,373,436</u>

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

11. Movement in recognised provisions and funding commitments during the year

	Student accrual	Deferred Income
	£	£
Balance at 1 August 2022	29,409,858	4,155,241
Charged/received in the year	19,280,391	3,272,120
Paid/released during the year	(17,197,379)	(2,913,898)
Amount of grant commitment/deferred income at 31 July 2023	31,492,870	4,513,463

The value of the student grants offered in the year ending 31 July 2023 not yet recognised is c. £41 million (31 July 2022 c. £32 million). These grants relate to students who are due to commence their studies in 2023/24 and the Trust did not have confirmation of their arrival at 31 July 2023. The total cost of awards confirmed for the 2023/24 cohort is c. £44 million at 06 October 2023.

Deferred income relates to funding arrangements where the Trust does not have entitlement to income allocated to fund grants until the student begins each academic year of study.

12. Analysis of assets and liabilities between funds

Current year	Endowment funds	Restricted funds	Unrestricted funds	Total 2023
	£	£	£	£
Fixed assets:				
Tangible fixed assets	-	-	-	-
Investments	21,394,056	-	190,642,807	212,036,863
Current assets:				
Debtors	44,066	227,440	889,077	1,160,583
Cash at bank and in hand	1,451,755	4,717,683	5,095,672	11,265,110
Current liabilities:				
Creditors	-	(168,930)	(53,842)	(222,772)
Deferred (scholarships) income	-	(3,220,852)	-	(3,220,852)
Student grant creditor	-	-	(19,669,217)	(19,669,217)
Long term liabilities:				
Deferred (scholarships) income	-	(1,292,792)	-	(1,292,792)
Student grant creditor	-	-	(11,823,653)	(11,823,653)
	22,889,877	262,549	165,080,844	188,233,270

The Unrestricted funds balance includes £0.5 million (2021/22: £0.5 million) of designated funds towards the Rowan Williams Cambridge Studentship, which supports students who face severe barriers in coming to study at Cambridge.

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

12. Analysis of assets and liabilities between funds (continued)

Prior year	Endowment funds	Restricted funds	Unrestricted funds	Total 2022
	£	£	£	£
Fixed assets:				
Tangible fixed assets	-	-	4,569	4,569
Investments	21,780,658	-	194,143,600	215,924,258
Current assets:				
Debtors	-	790,206	614,559	1,404,765
Cash at bank and in hand	1,763,560	3,512,704	4,060,304	9,336,568
Current liabilities:				
Creditors	-	-	(362,861)	(362,861)
Deferred scholarships income	-	(2,950,921)	-	(2,950,921)
Student grant creditor	-	-	(18,240,742)	(18,240,742)
Long term liabilities:				
Deferred scholarships income	-	(1,204,320)	-	(1,204,320)
Student grant creditor	-	-	(11,169,116)	(11,169,116)
	23,544,218	147,669	169,050,313	192,742,200

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Notes to the financial statements (continued)

13. Movement in endowment funds

Current year	Balance at 1 August 2022	Donation Income	Investment Income	Expenditure	Increase in value of Investments	Balance at 31 July 2023
	£	£	£	£	£	£
Permanent Endowment Funds						
Schlumberger Scholarship Fund	1,408,540	-	-	-	(24,231)	1,384,309
Zimbabwe LES Fund	3,472,358	-	-	-	(59,735)	3,412,623
South Africa Mandela LES Fund	1,336,457	-	-	-	(22,991)	1,313,466
LES Overseas Endowment Fund	9,421,524	-	-	-	(162,077)	9,259,447
Pemanda Monappa Trust	307,355	-	-	-	(5,287)	302,068
Canada-W & M Brown Fund	396,985	-	-	-	(6,829)	390,156
Helen Stone Fund	367,225	-	-	-	(6,317)	360,908
Gordon Edge Fund	405,268	-	-	-	(6,971)	398,297
JNMS Fund	1,244,620	-	-	-	(24,916)	1,219,704
Williams Papworth Endowment	1,550,626	-	-	-	(31,106)	1,519,520
Designated Endowment Fund						
Rosalie Crawford Endowment	1,404,281	-	-	-	(28,135)	1,376,146
Carlos Rodriguez-Pastor Fund	465,419	-	-	-	(8,007)	457,412
	21,780,658				(386,602)	21,394,056
Restricted income Funds						
Schlumberger Scholarship Fund	-	-	52,098	(52,098)	-	-
Zimbabwe LES Fund	-	-	128,434	(128,434)	-	-
South Africa Mandela LES Fund	-	-	49,432	(49,432)	-	-
LES Overseas Endowment Fund	-	-	348,479	(348,479)	-	-
Pemanda Monappa Trust	-	-	11,369	-	-	11,369
Canada-W & M Brown Fund	-	-	14,684	(14,684)	-	-
Helen Stone Fund	3,685	-	13,582	(8,589)	-	8,678
Gordon Edge Fund	24,941	-	14,990	(10,000)	-	29,931
Williams Papworth Endowment	9,656	-	64,390	(74,046)	-	-
JNMS Fund	-	-	51,654	(51,654)	-	-
Designated Restricted income Funds						
Carlos Rodriguez-Pastor Fund	893,562	436,961	17,215	(199,358)	-	1,148,380
Rosalie Crawford Endowment	831,716	-	58,274	(592,527)	-	297,463
	1,763,560	436,961	824,601	(1,529,301)	-	1,495,821
Total Endowment Funds	23,544,218	436,961	824,601	(1,529,301)	(386,602)	22,889,877

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Notes to the financial statements (continued)

13. Movement in endowment funds (continued)

Prior year	Balance at 1 August 2021	Donation Income	Investment Income	Expenditure	Decrease/Increase in value of Investments	Balance at 31 July 2022
	£	£	£	£	£	£
Permanent Endowment Funds						
Schlumberger Scholarship Fund	1,383,120	-	-	-	25,420	1,408,540
Zimbabwe LES Fund	3,409,693	-	-	-	62,665	3,472,358
South Africa Mandela LES Fund	1,312,338	-	-	-	24,119	1,336,457
LES Overseas Endowment Fund	9,251,495	-	-	-	170,029	9,421,524
Pemanda Monappa Trust	301,808	-	-	-	5,547	307,355
Canada-W & M Brown Fund	389,821	-	-	-	7,164	396,985
Helen Stone Fund	360,598	-	-	-	6,627	367,225
Gordon Edge Science & Tech. Fund	397,953	-	-	-	7,315	405,268
JNMS Fund	1,300,116	-	-	-	(55,496)	1,244,620
Williams Papworth Endowment	1,622,098	-	-	-	(71,472)	1,550,626
Designated Endowment Fund						
Rosalie Crawford Endowment	1,466,832	-	-	-	(62,551)	1,404,281
Carlos Rodriguez-Pastor Fund	457,020	-	-	-	8,399	465,419
	21,652,892				127,766	21,780,658
Restricted Income Funds						
Schlumberger Scholarship Fund	-	-	47,082	(47,082)	-	-
Zimbabwe LES Fund	-	-	116,066	(116,066)	-	-
South Africa Mandela LES Fund	-	-	44,672	(44,672)	-	-
LES Overseas Endowment Fund	-	-	314,922	(314,922)	-	-
Pemanda Monappa Trust	-	-	10,274	(10,274)	-	-
Canada-W & M Brown Fund	-	-	13,270	(13,270)	-	-
Helen Stone Fund	-	-	12,274	(8,589)	-	3,685
Gordon Edge Science & Tech. Fund	18,395	-	13,546	(7,000)	-	24,941
Williams Papworth Endowment	28,395	-	61,668	(80,407)	-	9,656
JNMS Fund	-	-	47,494	(47,494)	-	-
Designated Restricted Income funds						
Rosalie Crawford Endowment	1,053,656	82,190	54,003	(358,133)	-	831,716
Carlos Rodriguez-Pastor Fund	612,151	377,559	15,557	(111,705)	-	893,562
	1,712,597	459,749	750,828	(1,159,614)	-	1,763,560
Total endowment funds	23,365,489	459,749	750,828	(1,159,614)	127,766	23,544,218

Notes to funds

- Schlumberger Scholarship Fund supports international PhD students.
- Zimbabwe LES Fund supports students from any Commonwealth country in Africa or other African countries as per the agreement.
- South Africa Mandela LES Fund exists to support candidates from South Africa with a particular interest in science education.
- LES Overseas Endowment Fund supports overseas students excluding those from Commonwealth Countries.
- Pemanda Monappa Trust supports scholars from southern India who wish to pursue Masters in Biological Sciences (excluding Medicine and Veterinary Medicine), Computer Science, Economics, English Literature, Law, Physical Sciences and Technology.

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

- Canada W & M Brown Fund supports one PhD student from Canada in Science and Engineering in residence at any one time at any College.
- The Helen Stone Fund supports a Home/EU PhD student at the Department of Applied Mathematics and Theoretical Physics.
- The Gordon Edge Science & Technology Fund will support disadvantaged undergraduate students undertaking a science or technology course at the University of Cambridge.
- JNMS Fund supports outstanding students of Indian citizenship who wish to take research degrees in Science, Technology or Humanities at the University of Cambridge.
- The Williams Papworth Endowment supports undergraduate or graduate degree students at the University of Cambridge whose study relates to the Tibetan plateau and its surrounding area.
- The Rosalie Crawford Endowment will be used to encourage and assist disadvantaged students to study at Cambridge.
- The Carlos Rodriguez-Pastor Fund will support students in financial need from Latin America to study for an undergraduate degree in any subject at the University of Cambridge. If the income generated is insufficient to meet the donor's obligation to the students, capital may be used.

14. Movement in restricted funds

Restricted funds comprise the following unexpended balances of donations given for specific purposes:

Current year	Revenue balance at 1 Aug 2022 £	Voluntary income £	Scholarship expenditure £	Revenue balance at 31 July 2023 £
DNV-GL (GL Industrial Services UK Ltd)	7,500	-	-	7,500
Hewitt Charitable Trust	98,548	88,889	(67,946)	119,491
Nazim H Rahim Cambridge Scholarship	20,558	-	-	20,558
Ray Grant Neilson legacy gift	10,563	-	(10,563)	-
Keith Sykes	10,500	-	(10,500)	-
Vera Fox legacy donation	-	115,000	-	115,000
Other Collaborator income	-	18,596,931	(18,596,931)	-
Total restricted funds	147,669	18,800,820	(18,685,940)	262,549

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Notes to the financial statements (continued)

14. Movement in restricted funds (continued)

Prior year	Revenue balance at 1 Aug 2021 £	Donations £	Student Expenditure £	Revenue balance at 31 July 2022 £
Canada -Tidmarsh Fund	4,695	-	(4,695)	-
DNV-GL (GL Industrial Services UK Ltd)	15,500	-	(8,000)	7,500
Hewitt Charitable Trust	-	169,556	(71,008)	98,548
Nazim H Rahim Cambridge Scholarship	20,558	-	-	20,558
Ray Grant Neilson legacy gift	21,813	-	(11,250)	10,563
Keith Sykes	31,000	-	(20,500)	10,500
Other Collaborator income	-	16,867,627	(16,867,627)	-
Total restricted funds	93,566	17,037,183	(16,983,080)	147,669

Notes to funds:

- Canada Tidmarsh Fund supports one PhD student from Canada in residence at any one time at Trinity Hall.
- DNV-GL (GL Industrial Services UK Ltd) relates to money donated by DNV-GL towards undergraduate scholarships in memory of a late employee and Cambridge alumna Amy Li.
- The Hewitt Charitable Trust supports disadvantaged UK Masters students.
- Nazim H Rahim Cambridge Scholarship is for the support of undergraduate students from India, tenable at Pembroke College.
- The Ray Grant Neilson legacy was donated for the advancement of scientific research and is awarded to research students in scientific subjects.
- The Keith Sykes Scholarships supports UK or the European Union PhD students working on research topics at the Italian Section of the Faculty of Modern and Medieval Languages at the University of Cambridge.
- The Vera Fox legacy donation will provide funding for disadvantaged Masters students applying to the University of Cambridge, enabling them to take up their place with all fees and living costs covered.
- Collaborator income is the funding received from the Trust's funding partners during the year.

15. Operating lease commitments

The Trust signed a ten-year lease on its new premises at Bene't Street, Cambridge in July 2019 with the option to terminate the lease at the expiry of the fifth year. The annual rent is a peppercorn rent. The Trust's three-year lease in respect of a photocopier with Konica was extended to June 2024; the annual amount was £3,745 (2021/22: £3,745).

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

Details	Office equipment	
	2023	2022
	£	£
Not later than 1 year	3,745	936
Later than 1 year but not later than 5 years	-	-
Total	3,745	936

16. Harding Distinguished Postgraduate Scholarships and Mastercard

	2023	2022
	£	£
Income received on behalf of the programmes	5,213,288	3,199,668
Payments made to students on behalf of the programmes	(5,126,944)	(2,915,747)
Funds held by the Trust on behalf of University programmes (creditors note 9)	<u>86,344</u>	<u>283,921</u>

17. Related party transactions

The University of Cambridge is the Custodian Trustee of the Trust and the financial statements of the Trust are consolidated with the University's statutory financial statements.

Income from the University is identified in note 1, which shows the unrestricted and restricted donations. The unrestricted donation of £10,079,967 (2021/22: £9,673,840) (excluding the contribution to administration) is used alongside the Trust's other income to provide the balance of student support cost. The restricted Cambridge University administered funds income relates to funds held by the University and administered by the Trust. The Trust invoices for this income when it has selected students who meet the conditions of the awards. The Trust also has a number of separate funding agreements with Departments and invoices the Departments directly.

The Trust also has agreements with various Departments whereby it pays fees and other costs directly to Departments rather than to Colleges or to the student. These costs amounted to £550,054 (2021/22: £374,313). They are included in the Grants and Scholarship expenditure in note 3.

The Trust administers the Harding Distinguished Postgraduate Scholarship Awards on behalf of the University. The Trust received £20,000 (2021/22: £20,000) under an agreement for services from the University for managing the awards. The Trust also administered the University's Mastercard Foundation programme during 2022/23. It received £48,000 for administering that programme.

The University of Cambridge provides payroll and IT services to the Trust for which the Trust expresses its thanks. The value of these services cannot be reliably assessed (except where there is payment for direct costs such as database hosting, which is included under IT) and are therefore not included in the Statement of Financial Activities.

Cambridge Commonwealth, European and International Trust

Notes to the financial statements (continued)

The Trust occupies part of a building owned by the University. It pays a peppercorn rent, which is shown as income in kind in note 1. The annual rental market value has been estimated at £68,000 (2021/22 £68,000).

The Trustees are appointed from nominees who have the required skills and knowledge of the Trust's activities, particularly how the University operates and how students are awarded a place at Cambridge University and supported. They will also have an appreciation and knowledge of the charitable law under which the Trust is required to operate. It is therefore inevitable that the majority of Trustees will have close links with the University, Departments and Colleges of Cambridge. No Trustee is in a position to influence any awards made to students as the Trust uses the moderated departmental scoring provided by Student Registry, and the Trust's in-house Undergraduate Selection Committee for undergraduates to make the initial selection of students for awards.

Trustees are required to update their register of interests annually and declare prior to every meeting if they have an interest in any item on the agenda.

The University's consolidated financial statements are available from: The University of Cambridge, The Old Schools, Trinity Lane, Cambridge, CB2 1TN.