COMMONWEALTH EUROPEAN AND INTERNATIONAL

CAMBRIDGE TRUST

Cambridge Commonwealth, European and International Trust

Trustees' Report and Financial Statements

For the year ended

31 July 2022

Creating opportunity to study at the

UNIVERSITY OF CAMBRIDGE

Cambridge Commonwealth, European and International Trust

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Cambridge Commonwealth, European and International Trust

Reference and administrative details

Trustees

Professor Michael Proctor (Chair until 31 July 2022)
Professor Dame Madeleine Atkins (Appointed 1 March 2022)
Professor Catherine Barnard
Professor David Cardwell
Professor Dame Ann Dowling
Professor Simon Franklin
Professor Loraine Gelsthorpe (Deputy Chair from 1 October 2021)
Loretta Minghella (Appointed 1 November 2021. Chair from 1 August 2022.)
Peter Phillips
Professor Jaideep Prabhu
Dr Michael Rands
Professor Nidhi Singal
Dame Barbara Stocking (Resigned 30 September 2021)

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

Cambridge Commonwealth, European and International Trust

Trustees' annual report for the year ended 31 July 2022

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, 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, 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 2022. 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) (with the exception of student accrual explained on page 10 and in notes 9 and 10), 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).

Whilst the COVID-19 pandemic did not impact on the Trust's activities in the same manner as previous years, the Trust continues to operate with the legacy of challenges (and opportunities) which the pandemic created. The Trust has adapted to communicating on a hybrid basis (remotely and face-to-face) with both its funding partners and students as this report highlights when outlining the Trust's achievements during the year.

Staff have also adapted to new ways of working on hybrid basis between the office and home.

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 thirty-year history of offering scholarships, the Trust has awarded more than 20,000 scholarships to students from around the world, providing them with the opportunity to study for a degree course at 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 awards in the region of 500 new scholarships annually and at 31 July 2022 there were 1,414 students in residence (31 July 2021 1,331).
- 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 £15,609 for 2021/22 (£15,285 for 2020/21);
- 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

Scholarships are awarded based on academic merit, financial need and, in the case of scholarships awarded in conjunction with partners, additional criteria such as country and/or area 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 2022: how our grant making policy delivered public benefit

The Trust offered over 650 (2020/21, 561) new awards at all levels of study for the academic year 2021/22 and 540 (2020/21,448) students took up their places at Cambridge. The total number of students in residence supported by the Trust was 1,414, from 98 countries throughout the world. The average cost per student was £23,690 (excluding accrued expenditure). This

compares with 1,331 students supported in the financial year 2020/21 at an average cost of £22,893 per student (excluding accrued expenditure).

The Trust continues to make significant payments to students whose studies were disrupted due to the COVID-19 pandemic. This is particularly critical for PhD students in their final year of studies. The Trust paid c. £1.4 million (c. £1.2 million 2020/21) to students who required support to the year ending 31 July 2022. 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 consider the requests.

The war in Ukraine has had an effect on current and prospective students from both Ukraine and Russia. The Trust supported five Ukrainian students throughout the year and all but one have completed their studies. The Trust supported 18 Russian students throughout the year. From the time of the initial invasion of Ukraine the Trust has made efforts to ensure that students supported had adequate financial and other resources to support them. Many students had family who were directly caught up in the conflict and suffered emotional distress often to the extent of being unable to continue their work. The Trust also engaged with applicants encouraging those who had been adversely affected by the war to apply for the Rowan Williams Cambridge Studentship (designed with students from conflict zones in mind). The Trust will continue to offer support needed to new students who take up their places in 2022/23.

The Director provided a number of video messages to students and partners throughout the year. These were important in maintaining a relationship with the students and ensuring that they were updated on Trust activities. The Trust also held a number of successful virtual events with students such as the welcome event for new students.

The table below summarises the number of students supported by degree type in 2021/22 compared to 2020/21. 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	2021/22	2020/21
PhD	1003	991
Masters	255	199
Undergraduate	156	141
Total	**1,414**	**1,331**

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. £4.6 million (c. £4.7 million in 2020/21). The Trust also has informal relationships 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. £4.1 million (c. £3.8 million in 2020/21).

The Trust made 17 honorary awards in 2021/22 (9 in 2020/21). Honorary awards are made to students who are initially selected for scholarships but who subsequently win other full-cost

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 32-36 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 to set up designated or fully-funded Trust programmes. 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.

Due to the ongoing COVID-19 restrictions during the year, the Trust did not undertake many in-person engagement activities but continued to communicate through video-link with many funding partners. It did however undertake limited in person activities, which are highlighted below.

The Trust enjoyed the honour of a personal visit from its Patron (The former Prince of Wales). The Patron wished to meet scholars holding HRH The Prince of Wales Scholarships offered to talented students from the Commonwealth whose work has a focus on sustainability. He met students from several Commonwealth countries including Australia, Bangladesh, India and Kenya. The event took place in King's College and its Provost, Professor Michael Proctor, Chair of the Trustees, and Helen Pennant, the Trust's Director, welcomed the Patron.

The Trust hosted Mr Tito Jose Crissien, Minister for Science, Technology and Innovation of Colombia and team members of the Colombian Embassy in London. During his visit, the Minister discussed the partnership between Minciencias and the Trust and he met with Colombian students supported by the scholarship programme.

The University received a large endowment in February 2019 from the David and Claudia Harding Foundation, which established the Harding Distinguished Postgraduate Scholarships. The Trust administers these awards on behalf of the University and has no control over the selection process. It has no responsibility for the students other than to pay the fees and maintenance on receipt of income from both the University and St. Catharine's College. The income and expenditure has therefore been removed from the Trust's accounts but income that the Trust is holding in respect of deferred students is shown separately under creditors.

The developments in partnerships and the Trust's own funds during the financial year 2021/2022 are highlighted below.

Governments, state agencies and educational institutions

The longstanding partnership with ANID (formerly Conicyt Chile) was renewed for a further period of 5 years. The programme supports postgraduate students from Chile to study in any field at the University. The scheme has been modified to now support students studying for a Masters Degree in addition to PhD.

The Trust renewed its agreement with Minciencias (formerly Colciencias) for a further 3 years. The programme supports students from Colombia pursuing a PhD at Cambridge. Up to 5 PhD students will be supported annually under this programme.

Trusts, Foundations and corporate partners

The Trust renewed its long established arrangements with Cambridge Australia Scholarships for a further period of 5 years. This is a significant programme, which supports postgraduate students from Australia to study at the University.

The Skye Cambridge Scholarships have been renewed for a further period of 5 years. Under this renewal, a further 20 Masters and 15 PhD students from South Africa may be supported in the next 5 years.

The BP Egypt Cambridge scholarship programme was renewed for a further period. This longstanding partnership supports students from Egypt pursuing a Masters degree at the University.

The Trust is pleased to work in partnership with the Formula 1® Engineering Scholarship. The scholarship supports an undergraduate student from an under-represented group in the Department of Engineering.

The Trust is pleased to continue to its collaboration with Yayasan Khazanah. This programme supports students from Malaysia studying at undergraduate and postgraduate level. Up to 10 students will be supported under this programme each year over the next 5 years.

The Trust renewed its collaboration with Jusoor UK to support Syrian students to study for a Masters degree at the University.

The Trust renewed its agreement with The Amjad & Suha Bseisu Foundation for a further 3 years. The programme supports students from Lebanon, Jordan, Palestine or Syria to study for a Masters degree at Cambridge.

Individual philanthropists

The Trust continues to administer the Stormzy Scholarship, which supports black UK undergraduate students to study at the University. The programme began with two students each year joining in 2018, 2019 and 2020 and three in 2021 since the scholarships were established. The Stormzy Scholarship programme has been enhanced by a donation from HSBC plc, to support a further 10 students each year and the two programmes together will now support up to 13 students per year or a total of 39 students over the next 3 years.

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 (see later paragraph). Trinity 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 has provided a further £150,000 for 2022/23 to support students affected by the war in Ukraine.

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 and has been expanded to support International PhD and Masters Students. The objective of the scholarship programme is to support under-represented students wishing to pursue postgraduate studies in Advanced Computer Science, Machine Learning & Machine Intelligence and Scientific Computing.

The Laboratory of Molecular Biology (LMB) Cambridge Scholarship programme was renewed for a further three years. The renewed scheme was modified to support international students only. This collaboration with MRC LMB will support up to 4 students annually, pursuing a PhD in Molecular Biology at the University of Cambridge.

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.

The Trust received the Rosalie Crawford Endowment in 2021 intended to widen participation of home students at Masters level and to support under-represented ethnic minority students. The funds are deployed to meet the University fees and top-up maintenance if required and are used to encourage and assist disadvantaged students to study at Cambridge. The fund supported 28 Masters students from this fund during the financial year at a cost of £358k.

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

Trustees' annual report for the year ended 31 July 2022 (continued)

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*
	2022 £	2022 £	2022 £	2022 £	*2021 £*
Income & endowments from:					
Donations	10,008,995	17,037,183	-	**27,046,178**	24,906,902
Endowment donations	-	-	459,749	**459,749**	4,305,818
Programme Management fee	20,000	-	-	**20,000**	20,000
Investment income	6,519,286	-	750,828	**7,270,114**	6,815,969
Total income	**16,548,281**	**17,037,183**	**1,210,577**	**34,796,041**	36,048,689
Expenditure on charitable activities:					
Support to students-current year	(16,481,066)	(16,983,080)	(1,159,614)	**(34,623,760)**	(31,608,010)
Net income before accrual for student liability	67,215	54,103	50,963	**172,281**	4,440,679
Student liability	(1,095,154)	-	-	**(1,095,154)**	2,144,565
Net (expenditure)/income before gains on investments	**(1,027,939)**	**54,103**	**50,963**	**(922,873)**	6,585,244

The overall financial result for the year was a deficit £922,873 (2020/21 surplus: £6,585,244) before gains on investments but after net accrual for student liability of £1,095,154 (2020/21: credit of £2,144,565). The surplus of £172,281 before the adjustment for student liability includes endowment income of £459,749. 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. For 2021/22 the number of new PhD and undergraduate students increased by c. 12% from 263 to 294. This increase means that accrued student costs for 2021/22 will be greater than the average costs accrued for the previous two years. More funds were therefore deferred from the current financial year that released into the current year.

After accounting for a gain on investments of £3,631,457 (2020/21 gain £35,325,890) there was a surplus for the year of £2,708,584 compared to a surplus of £41,911,134 for 2020/21.

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. 64% (c. 67% in 2020/21) 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 students.

Trinity College generously provides £1,950,000 annually to support international students. It has generously provided further income for 2022/23 to support students affected by the pandemic and students from Ukraine affected by the war in that country.

Significant restricted fund donors include: China Scholarship Council £1,972,510 (2020/21: £1,835,925); Vice-Chancellor's Award Scheme (VCA) £1,089,108 (2020/21: £1,548,800) and Cambridge Australia Scholarships £418,324 (2020/21: £379,848).

Investment income increased from £6,815,969 to £7,270,114, an increase of c. 6.6%% (2.9% in 2020/21). The endowment investment income of £750,828 (2020/21 £637,333) 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. 4% of total expenditure.

Expenditure

Total expenditure costs were £35,718,914 compared to £29,463,445 for the previous year. This increase in costs is due to variations in student support particularly student accruals. When the costs are adjusted for student accrual the expenditure is £34,623,760 compared to £31,608,010 in 2020/21, as per note 3 of these statements. This increase of c. £3 million is primarily due to the increase in student costs. The number of new students supported increased by c. 20%. Maintenance costs increased by 2.1% and fees for new students by c. 5%. In addition the Trust spent c. £1.4 million in support of students who needed additional funding due to the pandemic or overruns.

Support costs remained relatively stable. The increase in IT from £18,118 to £34,390 was due to IT developments including the purchase of a Customer Relationship Management system. This was largely offset by a fall in depreciation from £35,569 to £22,526 (no new IT capitalised). The Trust shows the liability for holiday accrual in accordance with FRS102 requirement. This changed significantly from the prior year and resulted in a credit in payroll reducing payroll costs compared to the previous year. In addition the vacant shared fundraising role with the University Development Office was not filled until January 2022 and at a lower grade than the previous post holder. Both the above factors resulted in a fall in payroll costs from £905,715 to £882,084.

Investment policy and performance

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

The investments in CUEF are primarily unrestricted spendable capital. The Trustees' reviewed their policy on unrestricted investments (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 2022 (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 -0.3%(2021: 24.1%). Over a rolling five-year period, CUEF had an annualised return of 7.9%. This is below the long-term investment objective over this period of 8.5% annualised. The value of the CUEF at 30 June 2022 was £3,823 million (2020/21: £3,840 million).

The value of the Trust's investments in CUEF at 31 July 2022 was £211,724,731 (2020/21: £207,903,755). This reflects an increase of c. £3.82 million in the value of the portfolio (1.84%), with no new investments (2020/21: c. £34.9 million increase no new investments).

The investments held with Cazenove Capital Management had a value of £4,199,527 at 31 July 2022 compared to £4,389,046 in 2020/21, a fall of 4.3%.

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. £216 million of which c. £194 million is unrestricted. However, the Trust's liabilities, primarily student accruals are c. £30 million. Unrestricted funds which forms the basis for the reserves policy were £169 million at 31 July 2022.

The Trust reviewed its reserves policy during the year in order to assess if the level of reserves it was holding was reasonable. At 31 July 2021 the level of free reserves was £166 million (31 July 2022 £169 million). 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 student numbers significantly 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 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. The Trust purchased a customer relationship management system during the year. It is envisaged that this will enable the Trust to monitor and manage the relationships with funding partners, particularly informal relationships, more effectively.

Staff have now embraced hybrid working 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 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 2022/23 and beyond

As the Trust approaches a new financial and academic year it is acutely aware of the financial challenges which many students are facing with the unprecedented increases in energy costs and high UK inflation rates. The Trust had set its maintenance rate in line with the UKRI funding Council. However, in early September the Council announced that it was increasing its minimum maintenance rate to £17,668 from the previously agreed rate of £16,062. This is an additional 10% over what was previously agreed. Trustees agreed that the Trust should grant this increase to those students it provided full maintenance to.

The impact of this increase is expected to be in the region of £500k- £800k depending on partner support. Whilst the Trust strives to provide as many full cost awards as possible and ensure students are adequately supported financially, the large increase in maintenance costs will mean that the Trust may not be able to support as many new students as planned. The Trust will review its reserves policy again in 2022/ 23 in the light of the large maintenance cost increases.

On a more positive note the Trust has developed some new programmes of support starting in 2022/23.

The Trust intends to offer a programme of PhD studentships to support African students to study at the University. This will be a new programme and will draw on the learning acquired from delivering and co-funding five cohorts of Cambridge Africa PhD scholarships. The proposed programme will be called the "Cambridge Africa Changemakers Studentships" and it will support 25 African PhD students over the next 5 years.

The Trust launched HRH The Prince of Wales Scholarships for Small Island Nations. These scholarships support PhD or Masters students from "Small Island Developing States" (SIDS) undertaking studies that will address the effects of climate change. The programme was officially launched by The former Prince of Wales to coincide with Commonwealth Day 2022. The scholarships were launched together with the universities of Toronto, Melbourne, McMaster and L'Université de Montréal.

The Trust is committed to continue its support to students whose studies have been interrupted due to the pandemic and has budgeted £1.5 million for these costs in 2022/23.

The Trust agreed to administer the University Mastercard Foundation programme for the University commencing in October 2023 in addition to the Harding Distinguished Postgraduate Scholars Programme.

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.

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.

Trustees' annual report for the year ended 31 July 2022 (continued)

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.

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 24 November 2022:

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 2022

Students supported by continent and degree type 2021/22 and 2020/21

	2021/22				2020/21			
	PhD	Master	Ug*	Total	PhD	Masters	Ug*	Total
Africa								
Angola	-	-	-	-	-	1	-	1
Botswana	-	-	-	-	-	1	-	1
Cameroon	4	-	-	4	4	-	-	4
Cote d'Ivoire	1	-	-	1	1	-	-	1
Egypt	8	2	-	10	9	4	-	13
Ghana	9	4	-	13	7	2	-	9
Kenya	4	3	2	9	3	4	3	10
Libya	-	-	-	-	-	1	-	1
Mauritius	-	-	-	-	1	-	-	1
Morocco	1	-	-	1	-	-	-	-
Mozambique	1	-	-	1	1	-	-	1
Nigeria	11	5	-	16	12	3	1	16
Somalia	-	1	-	1	1	-	-	1
South Africa	12	9	-	21	14	7	-	21
Sudan	1	-	-	1	1	-	-	1
Uganda	1	-	-	1	1	1	-	2
Zambia	3	-	-	3	1	1	-	2
Zimbabwe	5	2	-	7	4	1	-	5
Total	**61**	**26**	**2**	**89**	**60**	**26**	**4**	**90**
Asia								
Afghanistan	1	-	-	1	-	1	-	1
Azerbaijan	-	1	-	1	-	-	-	-
Bahrain	1	-	-	1	-	-	-	-
Bangladesh	7	3	-	10	7	1	1	9
Bhutan	-	1	-	1	-	-	-	-
Burma	2	1	-	3	1	-	-	1
Cambodia	-	-	-	-	-	1	-	1
China	167	9	39	215	145	19	32	196
Hong Kong, China	11	2	26	39	12	-	24	36
India	60	26	4	90	61	19	5	85
Indonesia	4	3	-	7	5	2	-	7
Iran	5	1	-	6	6	-	-	6
Iraq	1	-	-	1	-	-	-	-
Israel	6	1	-	7	8	-	-	8
Japan	2	1	-	3	1	1	1	3
Jordan	1	-	-	1	2	2	-	4
Kazakhstan	2	-	-	2	2	-	-	2
Republic of Korea	7	-	1	8	6	-	3	9
Lebanon	2	2	-	4	1	1	-	2
Malaysia	10	7	18	35	11	2	18	31
Maldives	-	1	-	1	-	-	-	-

Cambridge Commonwealth, European and International Trust

Appendix to the Trustees' Report for the year ended July 2022 (continued)

	2021/22				2020/21			
	PhD	Master	Ug*	Total	PhD	Masters	Ug*	Total
Nepal	-	1	-	1	-	1	-	1
Pakistan	13	4	3	20	13	-	6	19
Palestine	5	1	-	6	6	1	1	8
Philippines	2	2	-	4	1	-	-	1
Singapore	6	2	9	17	3	1	7	11
Sri Lanka	6	1	-	7	4	-	-	4
Syria	5	2	1	8	5	-	1	6
Taiwan	23	-	-	23	23	-	-	23
Tajikistan	2	-	-	2	1	-	-	1
Thailand	6	8	2	16	7	4	1	12
Turkey	9	1	-	10	8	1	-	9
Uzbekistan	-	1	-	1	-	-	-	-
Vietnam	-	1	-	1	1	-	-	1
Yemen	2	-	-	2	1	-	-	1
Total	**368**	**83**	**103**	**554**	**341**	**57**	**100**	**498**
Australasia								
Australia	47	5	6	58	47	11	9	67
New Zealand	21	-	1	22	25	-	-	25
Total	**68**	**5**	**7**	**80**	**72**	**11**	**9**	**92**
Europe								
Albania	1	-	-	1	2	-	-	2
Armenia	-	-	1	1	-	-	1	1
Austria	3	-	-	3	4	-	-	4
Belarus	-	-	-	-	1	-	1	2
Belgium	2	-	1	3	2	2	1	5
Bosnia & Herzegovina	1	-	-	1	1	-	-	1
Bulgaria	5	-	-	5	6	-	-	6
Cyprus	2	-	-	2	3	-	-	3
Czech Republic	2	-	-	2	2	-	-	2
Denmark	4	-	2	6	4	1	-	5
Estonia	1	-	-	1	1	-	-	1
France	19	1	-	20	17	3	-	20
Germany	46	1	-	47	51	4	-	55
Greece	20	2	-	22	22	7	-	29
Guernsey	1	-	-	1	1	-	-	1
Hungary	4	2	-	6	4	1	-	5
Ireland	8	2	-	10	13	1	-	14
Italy	42	-	-	42	42	2	-	44
Kosovo	-	1	-	1	-	-	-	-
Latvia	1	-	-	1	1	-	-	1
Lithuania	2	-	-	2	3	-	-	3
Moldova	-	-	-	-	-	1	-	1
Montenegro	-	-	1	1	-	-	-	-
Netherlands	12	-	-	12	11	-	-	11
Norway	17	3	-	20	14	2	-	16
Poland	11	-	-	11	11	1	-	12

Cambridge Commonwealth, European and International Trust

Appendix to the Trustees' Report for the year ended July 2022 (continued)

	2021/22				2020/21			
	PhD	**Masters**	**Ug***	**Total**	**PhD**	**Masters**	**Ug***	**Total**
Portugal	4	-	-	4	5	-	-	5
Romania	3	-	1	4	4	-	-	4
Russia	11	6	1	18	5	-	2	7
Serbia	3	-	5	8	5	-	4	9
Slovakia	2	-	-	2	3	-	-	3
Slovenia	3	-	-	3	3	-	-	3
Spain	16	3	-	19	14	1	-	15
Sweden	1	-	-	1	1	-	-	1
Switzerland	4	-	-	4	4	-	-	4
Ukraine	2	3	-	5	2	1	-	3
United Kingdom	79	98	20	197	74	59	8	141
Total	**332**	**122**	**32**	**486**	**336**	**86**	**17**	**439**
North America								
Barbados	-	-	1	1	-	1	1	2
Canada	25	6	5	36	26	4	5	35
Costa Rica	-	1	-	1				
Dominica	1	-	-	1	-	-	-	-
Mexico	19	5	-	24	21	3	-	24
Nicaragua	-	-	-	-	-	1	-	1
Saint Vincent & the Grenadines	1	-	-	1	1	-	-	1
Trinidad & Tobago	2	-	-	2	3	-	-	3
USA	98	4	2	104	98	7	2	107
Total	**146**	**16**	**8**	**170**	**149**	**16**	**8**	**173**
South America								
Argentina	-	-	-	-	1	-	-	1
Bolivia	-	-	-	-	-	1	-	1
Brazil	9	1	-	10	7	1	-	8
Chile	13	-	-	13	19	-	-	19
Colombia	6	1	1	8	5	-	1	6
Ecuador	-	-	-	-	1	-	-	1
Paraguay	-	-	-	-	-	1	-	1
Peru	-	-	3	3	-	-	2	2
Venezuela	-	1	-	1	-	-	-	-
Total	**28**	**3**	**4**	**35**	**33**	**3**	**3**	**39**
Grand Total	**1003**	**255**	**156**	**1414**	**991**	**199**	**141**	**1331**

*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 2022, 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 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

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.

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/auditorsresponsibilties. 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;

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 & Moore

Peters Elworthy & Moore
Chartered Accountants
Statutory Auditors
Cambridge
Date: 5. December 2022

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 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Income & endowments									
Donations	1	10,008,995	17,037,183	-	**27,046,178**	9,614,692	15,292,210	-	**24,906,902**
Donations- endowment income	1	-	-	459,749	**459,749**	-	-	4,305,818	**4,305,818**
Programme management fee	1	20,000	-	-	**20,000**	20,000	-	-	**20,000**
Investment income	2	6,519,286	-	750,828	**7,270,114**	6,178,636	-	637,333	**6,815,969**
Total income		**16,548,281**	**17,037,183**	**1,210,577**	**34,796,041**	**15,813,328**	**15,292,210**	**4,943,151**	**36,048,689**
Expenditure									
Expenditure on charitable activities:									
Support to students current year	3	(16,481,066)	(16,983,080)	(1,159,614)	**(34,623,760)**	(15,339,899)	(15,559,550)	(708,561)	**(31,608,010)**
Net income/(expenditure) before accrual for student liability		67,215	54,103	50,963	**172,281**	473,429	(267,340)	4,234,590	**4,440,679**
Student liability	3	(1,095,154)	-	-	**(1,095,154)**	2,144,565	-	-	**2,144,565**
Net expenditure/income before gains/losses on investments	5	**(1,027,939)**	**54,103**	**50,963**	**(922,873)**	2,617,994	(267,340)	4,234,590	**6,585,244**
Net gains on investments	7	3,503,691	-	127,766	**3,631,457**	32,014,740	-	3,311,150	**35,325,890**
Net income/expenditure and net movement of funds		2,475,752	54,103	178,729	**2,708,584**	34,632,734	(267,340)	7,545,740	**41,911,134**
Reconciliation of funds:									
Total funds brought forward		166,574,561	93,566	23,365,489	**190,033,616**	131,941,827	360,906	15,819,749	**148,122,482**
Total funds carried forward	12	**169,050,313**	**147,669**	**23,544,218**	**192,742,200**	**166,574,561**	**93,566**	**23,365,489**	**190,033,616**

The Statement of accounting policies and notes to the financial statements on pages 28 to 47 form part of these financial statements.

Cambridge Commonwealth, European and International Trust

Balance sheet as at 31 July 2022

	Note		2022		2021
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		4,569		27,095
Investments	7		215,924,258		212,292,801
			215,928,827		212,319,896
Current assets					
Debtors	8	1,404,765		1,975,961	
University cash deposits		951,025		875,456	
Cash at bank and in hand		8,385,543		5,995,787	
			10,741,333		8,847,204
Creditors: amounts falling due within one year	9		(21,554,524)		(20,572,575)
Net current liabilities			(10,813,191)		(11,725,371)
Total assets less current liabilities			205,115,636		200,594,525
Creditors: amounts falling due after one year	10		(12,373,436)		(10,560,909)
Total net assets			**192,742,200**		**190,033,616**
Funds of the charity					
Endowment funds	13		23,544,218		23,365,489
Restricted funds	14		147,669		93,566
Unrestricted funds	12		169,050,313		166,574,561
Total charity funds	12		**192,742,200**		**190,033,616**

These financial statements were approved by the Trustees on 24 November 2022 and signed on their behalf by:

Loretta Minghella
Chair of the Trustees

Professor Loraine Gelsthorpe
Deputy Chair of the Trustees

The Statement of accounting policies and notes to the financial statements on pages 28 to 47 form part of these financial statements.

Cambridge Commonwealth, European and International Trust

Statement of cash flows for the year ended 31 July 2022

	Note	2022 Total £	2021 Total £
Cash flow from operating activities:			
Net cash used in operating activities	A	(5,264,538)	(7,205,936)
Cash flow from investing activities:			
Dividends & interest from investments		7,270,114	6,815,969
Purchase of equipment		-	-
Purchase of investments		-	(2,900,000)
Net cash provided by investing activities		7,270,114	3,915,969
Cash from financing activities:			
Receipt of expendable endowments		459,749	4,305,818
Net cash provided by financing activities		459,749	4,305,818
Change in cash and cash equivalents in the reporting period		2,465,325	1,015,851
Cash and cash equivalents at the beginning of the reporting period	B	6,871,243	5,855,392
Cash and cash equivalents at the end of the reporting period		**9,336,568**	**6,871,243**

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 47 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 2022

	2022 £	2021 £
A. Reconciliation of net income/(expenditure) to net flow from operating activities		
Net income for the reporting period as per the statement of financial activities	2,708,584	41,911,134
Adjustments for:		
Deduct endowment income	(459,749)	(4,305,818)
Add back depreciation charges	22,526	35,569
Deduct dividends and interest from investments	(7,270,114)	(6,815,969)
Deduct/add losses and gains on investments	(3,631,457)	(35,325,890)
Decrease/(Increase) in debtors	571,196	(1,074,840)
(Decrease)/Increase in creditors	2,794,476	(1,630,122)
Net cash (used in) operating activities	**(5,264,538)**	**(7,205,936)**
B. Analysis of cash and cash equivalents		
University account cash deposits	951,025	875,456
Cash at bank and in hand	8,385,543	5,995,787
	9,336,568	**6,871,243**

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	6,871,243	2,465,325	9,336,568
	6.871,243	**2,465,325**	**9,336,568**

Cambridge Commonwealth, European and International Trust

Statement of accounting policies

Year ended 31 July 2022

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. This is with the exception of the recognition of the student accrual where the grant offer is made to students prior to the year end and recognised in the following academic year when the student starts the course. These commitments are disclosed in note 3.

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 costs due to increasing energy costs and inflation could be significant. In addition the Trust continues to support students whose studies were interrupted due to the COVID-19 pandemic. However, as detailed under the Reserves policy, the Trust is holding c. £169 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. Invoices are raised for

Statement of accounting policies (continued)

the cost of supporting those students when confirmation has been received that the students have commenced study. Restricted funds received in advance that specify the year of payment are deferred until the commitment falls due.

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. Unrestricted funds may be held in order to finance both working capital and capital investment.

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 for general purposes, but the capital must be retained. 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.

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. In the event that the funds are subject to a condition being fulfilled before the Trust is entitled to the funds, the income is deferred and not recognised until those conditions are met.

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.

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.

Statement of accounting policies (continued)

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.

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.

Statement of accounting policies (continued)

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.

Critical accounting estimates and areas of judgment

Preparation of the financial statements requires management to make significant judgements and estimates. The key areas in the financial statements where these estimates have been made are as follows:

- depreciation on fixed assets;
- 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;
- delayed recognition of the student accrual grant commitment, to bring this in line with when the new students are confirmed in residence.

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 2022

1. Donations and Income	2022 £	2021 £
Unrestricted		
University of Cambridge	9,673,840	9,282,183
University of Cambridge contribution to administration	267,155	264,509
Income in kind (University of Cambridge, peppercorn rent)	68,000	68,000
Programme management fee	20,000	20,000
Total unrestricted	**10,028,995**	**9,634,692**
Restricted, Cambridge University administered funds, Departments and Colleges		
University of Cambridge (Student Registry)	604,698	647,672
University of Cambridge (Vice-Chancellor's Awards)	1,089,108	1,548,800
Cambridge Africa Scholarships	456,606	403,682
Grace and Thomas CH Chan Scholarship Fund	212,411	171,816
Developing World Education Fund	298,673	284,109
Smuts Memorial Fund	106,120	102,767
CT Taylor Scholarship Fund	25,152	26,678
Manmohan Singh Bursary Fund	-	32,214
Prince Philip Scholarships Fund	388,702	752,469
Centre for Islamic Studies (Prince Alwaleed Bin Talaal)	62,000	27,000
Thalmann European Fund	113,951	123,584
Thalmann Overseas Fund	67,540	64,246
Department of Applied Maths & Theoretical Physics	29,500	38,671
Department of Archaeology	4,000	4,000
Department of Architecture	2,500	2,500
Department of Computer Science & Technology	28,230	23,230
Department of History & Philosophy of Science	60,800	24,400
Department of Pure Maths & Mathematical Statistics	46,827	45,855
Department of Engineering	40,000	56,250
Department of Chemical Engineering & Biotechnology	-	8,094
Department of Genetics	-	7,350
Department of German and Dutch-Schröder Fund	53,099	9,437
Department of Pharmacology	6,000	6,000
Department of Politics and International Studies	-	1,000
Faculty of Asian and Middle Eastern Studies	58,040	61,185
Faculty of Education (Lego)	134,102	162,055
Faculty of History	26,674	8,337
Faculty of Modern & Medieval Languages & Linguistics	23,946	23,622
Janeway Institute – Faculty of Economics (formally INET)	5,000	5,000
Institute of Astronomy	63,000	-
School of Arts and Humanities	139,058	51,356
Sub-total Cambridge University administered funds & Departments	***4,145,737***	***4,723,379***
Christ's College	29,973	33,561

Notes to the financial statements (continued)

1. Donations and Income (continued)	2022	2021
	£	£
Churchill College	234,979	332,141
Clare College	17,099	22,937
Clare Hall	-	16,575
Corpus Christi	319,843	18,000
Darwin College	78,880	49,687
Downing College	30,159	68,856
Emmanuel College	36,000	36,000
Fitzwilliam College	15,300	12,000
Girton College	8,000	8,000
Gonville & Caius College	12,000	-
Hughes Hall	172,404	151,710
Jesus College	24,500	32,000
King's College	622,953	527,782
Lucy Cavendish College	48,000	13,750
Magdalene College	243,478	105,036
Murray Edwards College	66,245	52,000
Newnham College	584,911	418,715
Pembroke College	46,505	37,800
Peterhouse	-	15,750
Queens' College	19,750	18,750
Robinson College	66,141	35,622
Selwyn College	82,599	87,937
Sidney Sussex	177,561	117,885
St Edmund's College	83,555	65,643
St John's College	58,223	106,769
Trinity College	1,950,000	1,855,750
Trinity Hall	106,245	23,811
Wolfson College	173,968	166,167
Total Cambridge University administered funds, Departments and Colleges	**9,455,008**	**9,154,013**
Restricted –others		
Anne Grete Eidsvig and Kjell Inge Rokke Charitable Foundation	444,000	328,500
AlThuraya Foundation	12,500	14,011
Amjad & Suha Bseisu Foundation	43,693	45,524
The Beit Trust	22,958	42,781
BP North Africa	36,214	30,952
British Council India	20,000	20,000
Brockmann Foundation	44,386	21,298
Cambridge Australia Scholarships	418,324	379,848
Cambridge Thai Foundation	51,000	43,334
Canadian Institute for Advanced Legal Studies	53,551	51,114
Charles and Lisa Simonyi Fund	-	6,035
China Scholarship Council	1,972,510	1,835,925

Notes to the financial statements (continued)

1. Donations and Income (continued)	2022 £	2021 £
Colciencias (Minciencias)	48,304	54,897
Club Financiero Espanol	15,946	15,622
Commonwealth Scholarship Commission	728,085	359,702
CONACYT (Mexico)	153,718	161,438
CONACYT (Chile) (ANID)	88,923	159,582
Daiwa Anglo-Japanese Foundation	23,075	21,298
DeepMind Technologies Limited	238,062	130,758
Eurofins Foundation	34,000	36,100
Formula 1 ® Scholarships	20,273	-
Hewitt Charitable Trust	169,556	-
Hill Foundation	500,336	-
Inlaks Shivdasani Foundation	-	1,040
Islamic Development Bank	118,490	337,399
Jardine Foundation	134,599	139,509
Kidu Foundation	18,333	-
Lucky Cement Limited	-	15,000
Masonic Charitable Foundation	24,824	76,537
MOE – Egypt	-	4,435
MRC Laboratory of Molecular Biology	171,000	145,172
Nakagawa General Association	32,738	36,341
Noon Educational Foundation	25,037	38,000
Open Society Foundation	29,230	120
Oxford and Cambridge Society of Kenya	20,000	13,125
Pan Asian Association	30,895	-
Pakistan Higher Education Commission	56,486	23,049
Quick Co Ltd	32,454	39,816
Rajiv Gandhi Foundation (India)	-	11,988
Ray Grant Neilson Donation	-	17,444
Reuben Foundation	38,970	74,376
Rutherford Foundation	107,619	106,569
Saïd Foundation	59,339	14,274
Sardar Manmohan Singh Charitable Trust	32,214	31,362
SERB India	102,882	180,990
Snowdon Trust	84,318	30,000
Stormzy Scholarship (Via Cambridge University Development Office)	335,305	121,520
Swedish Orphan Biovirum	10,000	10,000
Taiwan Ministry of Education	356,641	304,423
Tobisha International (Faculty of Asian and Middle Eastern Studies)	23,774	29,369
University of Central Asia	68,051	41,081
Vital Strategies	53,848	-
Williams Papworth Studentship	-	58,440
The Wolfson Foundation (Via Cambridge Univ. Development Office)	234,750	348,750
Woolf Institute	48,084	53,027

Notes to the financial statements (continued)

1. Donations and Income (continued)	2022	2021
	£	£
Yousef Jameel Scholarship Fund	192,803	75,872
Miscellaneous	77	450
Sub-total	**7,582,175**	**6,138,197**
Total restricted donations	**17,037,183**	**15,292,210**
Endowment donations		
Carlos & Gabriela Rodriguez-Pastor	377,558	365,818
Williams Papworth permanent endowment	-	1,500,000
Rosalie Crawford Legacy	82,191	2,440,000
Total endowment donations	**459,749**	**4,305,818**
Total donations and income	**27,525,927**	**29,232,720**

2. Investment income	2022	2021
	£	£
Cambridge University Endowment Fund Distributions	7,077,062	6,731,972
Cazenove Capital Management	163,166	78,326
University Deposit Account Interest	6,757	2,071
Interest on bank deposits	23,129	3,600
Total	**7,270,114**	**6,815,969**

3. Charitable activities	2022	2021
	£	£
Direct charitable activities		
Grants and Scholarships	33,497,737	30,470,982
Net change in student liability	1,095,154	(2,144,565)
Travel	211	-
Communication/Promotion	60,627	57,000
Staff costs	625,917	648,749
Total direct charitable	**35,279,646**	**29,032,166**
Support and Governance costs:		
General support		
Staff costs	192,311	195,211
Consultants and other professional charges	13,081	6,817
Telephone, postage and couriers	1,680	1,641
Rent, rates and utilities	89,600	89,600
IT, equipment and stationery	34,390	18,118
Property costs	237	816
Training and development	4,694	6,001
Office supplies/meetings	3,093	876
Depreciation	22,526	35,569
Sub-total general support costs	**361,612**	**354,649**

Notes to the financial statements (continued)

3. Charitable activities (continued)

Other support: Governance	2022	2021
	£	£
Audit fee	13,716	14,520
Trustees meetings/training costs	84	355
Staff costs	63,856	61,755
Sub-total Governance	**77,656**	**76,630**
Total support costs	**439,268**	**431,279**
Total costs	**35,718,914**	**29,463,445**
Adjust for net change in student liability	(1,095,154)	2,144,565
Support to students for the current year as per SOFA	**34,623,760**	**31,608,010**

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

	2022	2021
	Number	Number
Average number of employees during the year	14	14
Total staff costs comprised:	£	£
Wages and salaries	678,761	666,763
Social security costs	73,498	66,438
Pension contributions	143,776	143,777
Staff holiday accrual	(13,951)	28,737
	882,084	**905,715**

	Number	Number
The number of employees paid over £60,000 during the year were:		
£ 60,000 - £ 70,000	1	-
£ 70,000 - £ 80,000	1	2
£ 80.000 - £ 90,000	1	-
£110,000 - £120,000	-	1
£120,000 - £130,000	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 (2020/21 - 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 £374,146 including employer's pension contributions and national insurance costs (2020/21: £354,563).

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%.

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 £76,109 (2020/21: £73,540). There were five (including the shared fundraiser) active members in the Scheme during 2021/22.

Notes to the financial statements (continued)

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

(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 2018, with a further funding update as at 31 July 2020. The next triennial actuarial valuation as at 31 July 2021 has been completed but not yet approved. The result of the full 2018 triennial valuation showed the actuarial value of the scheme's assets as £708m. These were insufficient to cover the scheme's past service liabilities of £743m; the scheme had a deficit of £35m and was 95% funded.

Since 1 August 2013 employer contributions have been 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. In addition, fixed employer contributions totalling £14.6m per annum have been paid over the period from 1 August 2011 to 31 July 2021. These payments are subject to review following the next funding valuation, as at 31 July 2021.

The total charged to the Profit and Loss account for CPS was £67,666 (2020/21:£70,237). The Trust has ten active members in the scheme.

Notes to the financial statements (continued)

5. Net expenditure before gains and losses

Net expenditure for the year is stated after charging:	2022 £	2021 £
Auditors' remuneration - audit fee payable for annual accounts	13,716	14,520
Depreciation of tangible fixed assets	22,526	35,569
Operating lease rentals	936	3,745

6. Tangible fixed assets

	Office furniture and equipment £	Total £
Cost		
At 1 August 2021	266,946	266,946
At 31 July 2022	266,946	266,946
Accumulated depreciation		
At 1 August 2021	239,851	239,851
Charge for the year	22,526	22,526
At 31 July 2022	262,377	262,377
Net book value		
At 31 July 2022	**4,569**	**4,569**
At 31 July 2021	**27,095**	**27,095**

7. Fixed asset investments

	2022 £	2021 £
Total Investments		
Market value brought forward	212,292,801	174,066,911
Additions	-	2,900,000
Net realised and unrealised investment gains/(losses)	3,631,457	35,325,890
Market value carried forward	**215,924,258**	**212,292,801**

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

Notes to the financial statements (continued)

7. Fixed asset investments (continued)

	2022			2021		
	Units	Cost	Market value	Units	Cost	Market value
		£	£		£	£
Investments compris of the following:						
Endowment Fund units (CUEF)	3,016,522	89,019,730	211,724,731	3,016,522	89,019,730	207,903,755
Cazenove		4,043,290	4,199,527		4,043,290	4,389,046
		93,063,020	**215,924,258**		**93,063,020**	**212,292,801**

Cazenove investments included £5,293 cash (2020/21: £120,864).

8. Debtors

	2022	2021
	£	£
Trade debtors	664,763	1,331,073
Prepayments	23,827	13,945
Amounts due from University of Cambridge	673,164	590,093
Other debtors	43,011	40,850
	1,404,765	**1,975,961**

9. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	14,758	4,268
Amounts due to University of Cambridge	752	1,923
Held on behalf of University programmes	283,921	19,796
Other creditors	20,172	-
Accruals	43,258	54,321
Deferred (scholarship) income	2,950,921	2,022,096
Student grant creditor	18,240,742	18,470,171
	21,554,524	**20,572,575**

10. Creditors falling due after one year

	2022	2021
	£	£
Deferred (scholarship) income within 1-2 years	1,204,320	716,375
Student grant creditor	11,169,116	9,844,534
	12,373,436	**10,560,909**

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 2021	28,314,705	2,738,471
Charged/received in the year	18,691,806	3,370,852
Paid/released during the year	(17,596,653)	(1,954,082)
Amount of grant commitment/deferred income at 31 July 2022	**29,409,858**	**4,155,241**

The value of the student grants offered in the year ending 31 July 2022 not yet recognised is £31,468,500 (31 July 2021 £31,200,173). These grants relate to students who are due to commence their studies in 2022/23 and the Trust did not have confirmation of their arrival at 31 July 2022.

12. Analysis of assets and liabilities between funds

Current 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**

The Unrestricted fund balance includes £0.5 million (2020/21: £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.

Notes to the financial statements (continued)

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

Prior year	Endowment funds	Restricted funds	Unrestricted funds	Total 2021
	£	£	£	£
Fixed assets:				
Tangible fixed assets	-	-	27,095	27,095
Investments	21,652,892	-	190,639,909	212,292,801
Current assets:				
Debtors	640,000	760,953	575,008	1,975,961
Cash at bank and in hand	1,072,597	2,071,084	3,727,562	6,871,243
Current liabilities:				
Creditors		-	(80,308)	(80,308)
Deferred scholarships income	-	(2,022,096)	-	(2,022,096)
Student grant creditor	-	-	(18,470,171)	(18,470,171)
Long term liabilities:				
Deferred scholarships income	-	(716,375)	-	(716,375)
Student grant creditor	-	-	(9,844,534)	(9,844,534)
	23,365,489	**93,566**	**166,574,561**	**190,033,616**

13. Movement in restricted endowment funds

Current year	Balance at 1 August 2021	Donation Income	Investment Income	Expenditure	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
Expendable Endowment Fund						
Rosalie Crawford Endowment	1,466,832		-	-	(62,551)	1,404,281
Carlos Rodriguez-Pastor Fund	457,020	-	-	-	8,399	465,419
Accumulated income						
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
Carlos Rodriguez-Pastor Fund	612,151	377,559	15,557	(111,705)	-	893,562
Gordon Edge Science & Tech. Fund	18,395	-	13,546	(7,000)	-	24,941
JNMS Fund	-	-	47,494	(47,494)	-	-
Rosalie Crawford Endowment	1,053,656	82,190	54,003	(358,133)	-	831,716
Williams Papworth Endowment	28,395	-	61,668	(80,407)	-	9,656
Total endowment funds	**23,365,489**	**459,749**	**750,828**	**(1,159,614)**	**127,766**	**23,544,218**

Notes to the financial statements (continued)

13. Movement in restricted endowment funds (continued)

Prior year	Balance at 1 August 2020	Donation Income	Investment Income	Expenditure	Decrease in value of Investments	Balance at 31 July 2021
	£	£	£	£	£	£
Permanent Endowment Funds						
Schlumberger Scholarship Fund	1,150,849	-	-	-	232,271	1,383,120
Zimbabwe LES Fund	2,837,093	-	-	-	572,600	3,409,693
South Africa Mandela LES Fund	1,091,953	-	-	-	220,385	1,312,338
LES Overseas Endowment Fund	7,697,863	-	-	-	1,553,632	9,251,495
Pemanda Monappa Trust	251,124	-	-	-	50,684	301,808
Canada-W & M Brown Fund	324,357	-	-	-	65,464	389,821
Helen Stone Fund	300,042	-	-	-	60,556	360,598
Gordon Edge Science & Tech. Fund	331,124	-	-	-	66,829	397,953
JNMS Fund	1,077,066	-	-	-	223,050	1,300,116
Williams Papworth Endowment	-	1,500,000	-	-	122,098	1,622,098
Expendable Endowment Fund						
Rosalie Crawford Endowment	-	1,400,000	-	-	66,832	1,466,832
Carlos Rodriguez-Pastor Fund	380,271	-	-	-	76,749	457,020
Accumulated income						
Schlumberger Scholarship Fund	-	-	44,786	(44,786)	-	-
Zimbabwe LES Fund	-	-	110,407	(110,407)	-	-
South Africa Mandela LES Fund	-	-	42,494	(42,494)	-	-
LES Overseas Endowment Fund	-	-	299,566	(299,566)	-	-
Pemanda Monappa Trust	-	-	9,772	(9,772)	-	-
Canada-W & M Brown Fund	-	-	12,622	(12,622)	-	-
Helen Stone Fund	-	-	11,676	(11,676)	-	-
Carlos Rodriguez-Pastor Fund	365,498	365,818	14,798	(133,963)	-	612,151
Gordon Edge Science & Tech. Fund	12,509	-	12,886	(7,000)	-	18,395
JNMS Fund	-	-	36,275	(36,275)	-	-
Rosalie Crawford Endowment	-	1,040,000	13,656	-	-	1,053,656
Williams Papworth Endowment	-	-	28,395	-	-	28,395
Total endowment funds	**15,819,749**	**4,305,818**	**637,333**	**(708,561)**	**3,311,150**	**23,365,489**

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.
- 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 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.
- 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.

Notes to the financial statements (continued)

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 2021	Voluntary income	Scholarship 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**

Prior year	Revenue balance at 1 Aug 2020	Donations	Student Expenditure	Revenue balance at 31 July 2021
	£	£	£	£
Canada -Tidmarsh Fund	4,695	-	-	4,695
Cambridge European Trust	75,621	-	(75,621)	-
DNV-GL (GL Industrial Services UK Ltd)	31,500	-	(16,000)	15,500
Nazim H Rahim Cambridge Scholarship	20,558	-	-	20,558
Ray Grant Neilson legacy gift	84,369	17,444	(80,000)	21,813
Trinity College	78,000	-	(78,000)	-
William Papworth Studentship	14,663	58,440	(73,103)	-
Keith Sykes	51,500	-	(20,500)	31,000
Other Collaborator income	-	15,216,326	(15,216,326)	-
Total restricted funds	**360,906**	**15,292,210**	**(15,559,550)**	**93,566**

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.
- 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 donation from Trinity College supported students from EU countries.

- Williams Papworth Studentship supports undergraduate or graduate degree students at the University of Cambridge whose study relates to the Tibetan plateau and its surrounding area.
- 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.
- 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 which expired in June 2022; the annual amount was £3,745 (2020/21: £3,745). The lease was extended for two years in September 2022. The commitment at 31 July 2022 was three months' notice as stated below.

	Office equipment	
	2022	20221
Details	**£**	**£**
Not later than 1 year	936	3,745
Later than 1 year but not later than 5 years	-	-
Total	**936**	**3,745**

16. Harding Distinguished Postgraduate Scholarships and Mastercard

	2022	2021
	£	£
Income received on behalf of the programmes	3,199,668	2,034,191
Payments made to students on behalf of the programme	(2,915,747)	(2,014,395)
Funds held by the Trust on behalf of University programmes (creditors note 9)	**283,921**	**19,796**

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 £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

£374,313 (2020/21: £312,352). 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 under an agreement for services from the University for managing the awards.

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.

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.

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.