

**REGISTERED COMPANY NUMBER: 04583140 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1100377**

**REPORT OF THE TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 OCTOBER 2021**  
**FOR**  
**THE MAKHAD TRUST**

Andorran Limited  
6 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Gloucestershire  
GL51 9TX

# **THE MAKHAD TRUST**

## **CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 OCTOBER 2021**

	<b>Page</b>
<b>Reference and Administrative Details</b>	<b>1</b>
<b>Report of the Trustees</b>	<b>2 to 7</b>
<b>Independent Examiner's Report</b>	<b>8</b>
<b>Statement of Financial Activities</b>	<b>9</b>
<b>Statement of Financial Position</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11 to 17</b>

**THE MAKHAD TRUST**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 28 OCTOBER 2021**

<b>TRUSTEES</b>	M R Ratcliffe MBE Mrs R G Devas R Stainer Mrs E H Cranston Dr S A R Samra
<b>REGISTERED OFFICE</b>	Wolseley House Oriol Road Cheltenham Gloucestershire GL50 1TH
<b>REGISTERED COMPANY NUMBER</b>	04583140 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1100377
<b>INDEPENDENT EXAMINER</b>	Andorran Limited 6 Manor Park Business Centre Mackenzie Way Cheltenham Gloucestershire GL51 9TX
<b>SOLICITORS</b>	Willans 28 Imperial Square Cheltenham Gloucestershire GL50 1RH
<b>BANKERS</b>	Lloyds Bank Plc HSBC

**THE MAKHAD TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 28 OCTOBER 2021**

The Trustees who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 28 October 2021. The Trustees have adopted the provisions of Accounting and Reporting by the Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The objectives of the Charity are to raise awareness of the value of the natural heritage of nomadic regions through education and the provision of financial, technical and other assistance. .

**Public benefit**

In planning the Charity's activities for the period the Trustees kept in mind the Charity Commission's guidance on public benefit. The focus of the Charity's activities during the period, which explains the delivery by the Charity of public benefit, is set out below under 'Achievements and performance' and above under 'Objectives and aims'.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

The Trust's objectives have continued in the South Sinai province of Egypt with the majority of work being carried out in St Katherine's City and in the surrounding high mountains and wadis. The political situation in the country has continued to remain stable.

**Activities and Projects**

The disruptive effects caused by the pandemic have continued to be felt in our work and with the facilitation of our projects. Consequently there were just two journeys to Sinai during this last financial year and it was clear that during this period the pandemic would continue to affect travel. The first project facilitation journey took place during March 2021 whilst the following journey had to wait for travel restrictions to be lifted at the beginning of October before it could go ahead.

Pleasingly the reduction in funding the Trust experienced during the previous year did not continue and in fact bounced back to previous levels. With only two journeys to Sinai and an adequate supply of incoming funds, work was most concentrated and the Trust somehow managed to facilitate the projects and surprisingly nearly reach our target of 50 new wells for the year.

During March it was observed that few Bedouin were engaged in work through lack of tourists due to the pandemic. Fortunately there was a plentiful supply of water from the winter rains causing everyone to take advantage of growing vegetables in their gardens and in plots alongside their houses and even creating new gardens in some instances.

Whilst there were some tourists in Sharm EL Sheikh very few of them appeared to want to trek into the mountains. Likewise the Monastery of St Katherine's was closed to tourists throughout the year which again meant no tourists to the area. Surprisingly, given the high levels of the COVID virus in Egyptian cities, the vast majority of Bedouin had not caught the virus and it is gratifying to know that, for the time being at least, our beneficiaries are for the main part unscathed by the pandemic itself.

Egypt is undergoing a massive infrastructure reconstruction throughout the country. During the summer construction crews came to St Katherine's and started to implement a substantial reconstruction programme, updating the facilities in the town with the intention of making it more attractive to future tourists. In part this is to upgrade the visitor experience to the Monastery and Mount Sinai, consequent upon its status as a UNESCO World Heritage Site. It is doubtful whether the Monastery and town have been able to do justice to this status in recent years and understandably some modernisation has been necessary.

Unfortunately rumour is rife with Bedouin, fearing that their homes will be demolished and they will be moved to high rise flats being built outside the town. Already a number of Bedouin are making contingency plans to reoccupy ancestral homes in desert areas where they can live undisturbed. What prevents them is the need for their children to be educated in schools which are only provided in towns. Clearly, whatever the outcome of the current construction programme, the Bedouin's lives and the town can never be the same again.

**THE MAKHAD TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 28 OCTOBER 2021**

**ACHIEVEMENTS AND PERFORMANCE**

**Charitable Activities**

As supporters of the Bedouin communities of South Sinai, plans will be adapted to meet the emerging situation. Perhaps there will be more emphasis on projects in the wider environs of St Katherine's and in the desert areas. On a positive note numerous Israeli citizens are now returning to the mountains to trek and stay in the mountain gardens, providing much needed work and money for numerous families.

At present the aim is to continue with all the current projects, including a new initiative, detailed later in the report.

**Wells**

The Trust has been helping with the restoration of ancient garden wells for just over 13 years now, and in October 2021 the number of completed restorations passed the monumental 500 mark. This represents local access to water for circa 33,000 Bedouin which is no mean achievement. With an increased supply of water they are able to drink more and so health improves, grow vegetables for food and cash crops, plant trees which survive and they can keep goats and camels; all of which enables them to live more sustainable and independent lives, whilst preserving their culture and heritage. A plentiful water supply also allows Bedouin from other towns on the coast nearby to bring their grazing animals into the desert highlands during summer months, supporting their income.

The actual number of restored wells at the end of the financial year was 520 (comprising 259 orchard garden wells and 261 community drinking wells). As the population continues to increase clearly there is still more work to be done and we hope to widen our project area. In addition there are still areas where the annual rainfall is now virtually zero and where many wells need to be restored to support the population living there.

It is worth noting that around 40 families have returned to their high mountain gardens for around nine months of the year, living as their ancestors have done for thousands of years. Whilst this may seem a backward step to many of us, the Bedouin's connection with the landscape, the peace and quiet and above all the autonomy it brings carries the greatest value of all.

**Dams**

Unfortunately, due to the pandemic, there is little news to report because no dams have been built since 2019. However, the next dam build is scheduled for October 2022, travel restrictions permitting. The existing dams continue to function despite a build-up of silt during the rains of the previous winter giving a plentiful supply of water for many weeks if not months. Aside from evaporation the increase in ground water over such periods certainly assists in increasing the supply of water to nearby wells.

**Beekeeping Training**

**2021**

Trustees have consulted with the UK charity Bees for Development and also a researcher who studied the bees in the St Katherine's area. The conclusion is that beekeeping in the St Katherine's area, which is a UNESCO World Heritage Site does have a future albeit with some adaptations. The concern involved the influx of stronger foreign bees from other parts of Egypt which might compete with the smaller local indigenous wild bees.

By restricting honey bees to built-up areas and using only bees normally bred in St Katherine's which have adapted to the local ecosystem, it should be possible for both to co-exist. Following further investigation it is hoped this project will continue during the next financial year.

**Orphan Herb Project**

**2021**

This project has continued throughout the pandemic though in a scaled down version. In the early stages of the pandemic some Bedouin mothers were concerned for the health of their offspring and would not allow their children to mix with other children for some time. Now that there is more confidence, the children are again being allowed to meet up and learn about growing herbs, in addition to establishing their own herb gardens which have produced a small crop of herbs for sale from their first plantings. They are now cultivating more herbs for plantation in their gardens next year.

**THE MAKHAD TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 28 OCTOBER 2021**

**ACHIEVEMENTS AND PERFORMANCE**

**Charitable Activities**

This important course continues to support disadvantaged children with emotional support from their peers, giving them additional education and complimenting their state education. The longer term benefits provide a way of financially supporting themselves and their families which together with the increase in knowledge covering medicinal plants makes the project most worthwhile.

**St Katherine's Carpentry School**  
**2021**

A second class of carpenters has graduated from the Carpentry School this year, having learnt basic carpentry skills. Ahmed Oda, their teacher has continued teaching the course two or three days a week. There was an unusual intake of students during this last year and we had expected to see boys in their late teens. Instead there were boys in their early teens together with three mature students.

The pandemic had focused the minds of many Bedouin on how they could provide for their families. Consequently two men, one in his late 20s and the other in his early 30s decided that a new career was needed to support their growing families and had asked to join the apprenticeship course.

Students have worked on a number of new build and repair projects, including the building of drying racks for a new project, see below. Pleasingly the students have all graduated with good skills.

It would be most beneficial if in the future Ahmed offered an advanced course teaching students how to use electric hand tools.

**St Katherine's Library**

It is six years since the library for women and children was set up in a room at the City Council building. Sadly due to the pandemic the library has been closed for the last year and a half. The City Council building is due to be demolished and rebuilt in the planned reconstruction of St Katherine's and so the library will need a new home. Until the local government plans are clearer, it will be necessary to wait and see what buildings may be utilised as a new home for the library.

**Drying Racks**

This project began in September 2020 after a request from support for women garden owners. A major portion of the produce from orchard gardens consists of fruit, including apricots, figs, apples, pears, grapes, plums and peaches. Most of this fruit is dried on the ground in the sun but unfortunately a significant proportion of the fruit is damaged by insects, dust, gravel or by birds. The solution is to provide drying racks for the fruit whilst a net protects the fruit from creatures. When less fruit is spoiled, the quality is better and more fruit can be sold, increasing the income to the women garden owners.

Finding someone to take responsibility for the administration of this project resulted in a young woman from Cairo, Zahra Magdi, coming forward. Fortunately Zahra already worked with the Bedouin women, buying their produce and processing it for sale. A design was produced for the racks and the carpentry school pupils were tasked with building them.

When built, Zahra organised delivery and the garden owners were asked to pay a peppercorn rent towards the cost. It was found that a number of women garden owners were a little reluctant to change the way they were drying the fruit and did not wish to have a drying rack with the attending responsibility. It was shown that the women who did use a rack had a more successful dried food season and it is hoped they will persuade the reluctant garden owners to use the racks next year. It would be good to expand this project and support more garden owners showing that simple, inexpensive ideas and positive thinking can make a substantial difference.

**Solar Pump Installations for Mountain Wells**

This project has been on a slow burn for several years due to the difficulties of finding the necessary equipment in Egypt, a country where you need to know local knowledgeable people who can direct you to appropriate suppliers. Whilst a prototype solar pump was installed in one mountain garden some 5 years ago there has been a plan to install similar but cheaper installations in other wells.

**THE MAKHAD TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 28 OCTOBER 2021**

**ACHIEVEMENTS AND PERFORMANCE**

**Charitable Activities**

In days gone by when the ground water table was higher and wells shallower, a simple log lever making a shadooff was sufficient to pull water out of a well. Over time diesel generators have proliferated whilst fuel and mountain transport costs by camel have escalated. For some gardens fuel costs are more than 70% of the garden income generated sadly making the garden uneconomic.

Solar powered pumps once installed would give minimal costs pumping the water out of the wells with the strong added benefits of reducing noise and pollution, plus working automatically in keeping water tanks full ready for use. At long last this project appears to be coming together, now that equipment sources have been found and it is hoped that during the next couple of years several new installations can be completed.

**New projects - ERIK**

Due to the generosity of one of our funders (who came on a dam build journey some ten years ago) we have been able to set up a new fund called ERIK which stands for Emergencies, Repairs, Incidentals Kitty. Many times, over many trips, we have been approached by Bedouin asking for small funds to help build a water tank, replace hoses, or a lost generator and because we have not had unallocated funds we have been unable to assist. Often these people are desperate because the equipment is vital to the functioning of their garden or their well and it is sad to turn them away. It is pleasing to now have funds available in support of these small projects when they are needed most.

The first recipient of some funds was an elderly Bedouin called Sulieman whose garden wall had been demolished by bulldozers to make way for a road widening scheme in the village. The result of the demolition was that his well was flooded and the large garden was at the mercy of marauding donkeys, camels and goats. His large extended family of some thirty people relying on the income generated from more than a hundred olive trees and the vegetables grown.

ERIK funded Sulieman to buy fencing which was used to secure his garden. An important benefit of this support is that Sulieman can now leave his garden which he had to guard for 24 hours a day and visit his brother in the desert, where together they care for hundreds of the tribes' camels which wander the rocky deserts. He had been a very worried man but the promise of a little financial help has made a huge difference both mentally and physical to him and consequently also his family.

**FINANCIAL REVIEW**

**Investment policy and objectives**

Due to the relatively low level of funds available for investment, the Trustees consider that bank deposits provide a satisfactory return to the Charity.

**Reserves policy**

The Trustees annually review the Reserves Policy bearing in mind the current and anticipated financial performance of the charity.

The Trustees consider it appropriate for there to be sufficient Unrestricted Funds to cover six months unrestricted charitable expenditure in the unlikely event that there is a material reduction in Income.

Based on the Statement of Financial Activities for the year ended 28 October 2021, unrestricted charitable expenditure, excluding project costs, amounted to £2,183 (2020: £3,435) and consequently the policy would require unrestricted funds as at 28 October 2021 of £1,092 (2020: £1,718). The actual unrestricted funds were £14,094 (2020: £16,188), which therefore shows a surplus from the reserves policy of £13,002 (2020: £14,470).

The Trustees have carefully reviewed the surplus to the reserves policy and have concluded that it will be utilised by the creation of additional wells which will fully benefit the Bedouin populace.

**THE MAKHAD TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 28 OCTOBER 2021**

**FUTURE PLANS**

The programmes currently undertaken continue to address the fundamental essentials of life, the provision of water, food and education. With 520 wells restored and capable of providing a good supply of clean water to both garden families and to communities, we continue to meet the objectives of providing relief (water and food) by financial support in order to protect the natural, cultural and spiritual heritage of a nomadic region, which is the Bedouin people and their ancient gardens.

The objectives for education are being met by the Carpentry School project and the Orphan Herb Project, both of which are teaching skills that will lead to self-employment in the future and the ability to support families financially.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is governed by its Memorandum and Articles of Association dated 6 November 2002.

**Recruitment and appointment of new trustees**

The power to appoint new trustees is vested in surviving and continuing trustees.

**Organisational structure**

The Charity is incorporated as a company limited by guarantee, and therefore it has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being in excess of assets, the liability of each member is limited to £1.

The charity is controlled by a Board of Trustees, which meets on a regular basis.

**Risk management**

The Trustees actively review the major risks that the Charity faces on a regular basis and believe that maintaining its current reserves policy, combined with an annual review of the controls over key financial systems, will provide sufficient resource for the Charity going forward. The Trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems to mitigate the significant risks.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of The Makhad Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**THE MAKHAD TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 28 OCTOBER 2021**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 19 July 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M R Ratcliffe', with a long horizontal flourish extending to the right.

M R Ratcliffe MBE - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE MAKHAD TRUST**

**Independent examiner's report to the trustees of The Makhad Trust ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 28 October 2021.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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



Roger Downes  
FCA  
Andorran Limited  
6 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Gloucestershire  
GL51 9TX

19 July 2022

**THE MAKHAD TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 28 OCTOBER 2021**

		Unrestricted fund £	Restricted funds £	28.10.21 Total funds £	28.10.20 Total funds £
	Notes				
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	58	79,680	79,738	48,385
Other trading activities	3	31	-	31	168
<b>Total</b>		89	79,680	79,769	48,553
 <b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	4				
Charitable activities		2,183	48,422	50,605	38,770
<b>NET INCOME/(EXPENDITURE)</b>		(2,094)	31,258	29,164	9,783
 <b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		16,188	13,127	29,315	19,532
<b>TOTAL FUNDS CARRIED FORWARD</b>		14,094	44,385	58,479	29,315

The notes form part of these financial statements

**THE MAKHAD TRUST**

**STATEMENT OF FINANCIAL POSITION  
28 OCTOBER 2021**

	Notes	Unrestricted fund £	Restricted funds £	28.10.21 Total funds £	28.10.20 Total funds £
<b>FIXED ASSETS</b>					
Investments	8	1	-	1	1
<b>CURRENT ASSETS</b>					
Debtors	9	1,821	-	1,821	903
Cash at bank and in hand		18,960	44,385	63,345	33,556
		<u>20,781</u>	<u>44,385</u>	<u>65,166</u>	<u>34,459</u>
<b>CREDITORS</b>					
Amounts falling due within one year	10	(6,688)	-	(6,688)	(5,145)
<b>NET CURRENT ASSETS</b>		<u>14,093</u>	<u>44,385</u>	<u>58,478</u>	<u>29,314</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>14,094</u>	<u>44,385</u>	<u>58,479</u>	<u>29,315</u>
<b>NET ASSETS</b>		<u>14,094</u>	<u>44,385</u>	<u>58,479</u>	<u>29,315</u>
<b>FUNDS</b>	12				
Unrestricted funds				14,094	16,188
Restricted funds				<u>44,385</u>	<u>13,127</u>
<b>TOTAL FUNDS</b>				<u>58,479</u>	<u>29,315</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 October 2021.

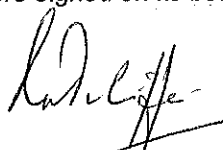
The members have not required the company to obtain an audit of its financial statements for the year ended 28 October 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 19 July 2022 and were signed on its behalf by:



M R Ratcliffe MBE - Trustee

The notes form part of these financial statements

## THE MAKHAD TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 OCTOBER 2021

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

As with many organisations, the Covid-19 pandemic has affected the charity and this is reflected in the results to 28 October 2020, where donation income was lower than previously expected. However, the trustees are pleased to report that the level of donations improved significantly in the year to 28 October 2021.

In order to mitigate the financial effects of the pandemic, the trustees regularly ensure that all costs are well controlled and do not exceed donations received. At the same time, cash flow and bank balances are closely monitored.

The actions taken as noted above give the trustees confidence that the financial performance for the next year from the date of approval of these financial statements is secure, despite the ongoing uncertainties of the pandemic and that the charity can continue to operate as a going concern. The trustees have therefore prepared the financial statements on that basis.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities. It is not, however, exempt from VAT and irrecoverable VAT is included in the cost of those items to which it relates.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**THE MAKHAD TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2021**

**2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Trust	79,738	42,400
Gift aid	-	200
Personal	-	5,785

**3. OTHER TRADING ACTIVITIES**

	28.10.21	28.10.20
	£	£
Distribution from trading subsidiary	31	168

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 5) £
Charitable activities	50,605

**5. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	28.10.21	28.10.20
	£	£
Rates and insurance	608	(208)
Postage, stationery, telephone and advertising	257	127
Sundries	278	219
Project costs	37,673	27,902
Research and fundraising	2,875	5,925
Bookkeeping and admin support	4,553	2,002
Bank charges	1,379	263
Exchange rate difference	183	-
Marketing	2,000	1,760
Independent examiner's fees	799	780
	<u>50,605</u>	<u>38,770</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 28 October 2021 nor for the year ended 28 October 2020.

**Trustees' expenses**

During the year two of the trustees received £14,400 (2020: £12,258) on an arms' length basis for services contracted and for associated travel expenses.

**THE MAKHAD TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2021**

**7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	3,650	44,735	48,385
Other trading activities	168	-	168
<b>Total</b>	<b>3,818</b>	<b>44,735</b>	<b>48,553</b>
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable activities	3,435	35,335	38,770
 <b>NET INCOME</b>	<b>383</b>	<b>9,400</b>	<b>9,783</b>
<b>Transfers between funds</b>	<b>(576)</b>	<b>576</b>	<b>-</b>
<b>Net movement in funds</b>	<b>(193)</b>	<b>9,976</b>	<b>9,783</b>
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>16,381</b>	<b>3,151</b>	<b>19,532</b>
 <b>TOTAL FUNDS CARRIED FORWARD</b>	<b>16,188</b>	<b>13,127</b>	<b>29,315</b>

**8. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 29 October 2020 and 28 October 2021	1
<b>NET BOOK VALUE</b>	
At 28 October 2021	1
At 28 October 2020	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Makhad Journeys Limited**

Registered office:

Nature of business: Provision of working journeys.

Class of share: % holding  
Ordinary 100

**THE MAKHAD TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2021**

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	28.10.21	28.10.20
	£	£
Prepayments	1,821	903
	<u>1,821</u>	<u>903</u>

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

	28.10.21	28.10.20
	£	£
Other loans (see note 11)	2,000	2,000
Trade creditors	3,048	1,355
Other creditors	100	100
Due to subsidiary	772	280
Accrued expenses	768	1,410
	<u>6,688</u>	<u>5,145</u>

**11. LOANS**

An analysis of the maturity of loans is given below:

	28.10.21	28.10.20
	£	£
Amounts falling due within one year on demand:		
Short-term loans	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

**12. MOVEMENT IN FUNDS**

	At 29.10.20 £	Net movement in funds £	At 28.10.21 £
<b>Unrestricted funds</b>			
General fund	16,188	(2,094)	14,094
<b>Restricted funds</b>			
Ancient Garden Wells Programme	-	26,472	26,472
Orphan Herb Garden	2,090	(731)	1,359
Carpentry School	4,401	(1,370)	3,031
Dam Build 2020	2,302	-	2,302
Garden Drying Racks	434	-	434
Solar Pump Project	3,900	3,807	7,707
Bedouin Cooperative	-	2,000	2,000
ERIK Emergency	-	1,080	1,080
	<u>13,127</u>	<u>31,258</u>	<u>44,385</u>
<b>TOTAL FUNDS</b>	<u>29,315</u>	<u>29,164</u>	<u>58,479</u>



**THE MAKHAD TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2021**

**12. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	89	(2,183)	(2,094)
<b>Restricted funds</b>			
Ancient Garden Wells Programme	72,200	(45,728)	26,472
Orphan Herb Garden	-	(731)	(731)
Carpentry School	500	(1,870)	(1,370)
Solar Pump Project	3,900	(93)	3,807
Bedouin Cooperative	2,000	-	2,000
ERIK Emergency	1,080	-	1,080
	<u>79,680</u>	<u>(48,422)</u>	<u>31,258</u>
<b>TOTAL FUNDS</b>	<u>79,769</u>	<u>(50,605)</u>	<u>29,164</u>

**Comparatives for movement in funds**

	At 29.10.19 £	Net movement in funds £	Transfers between funds £	At 28.10.20 £
<b>Unrestricted funds</b>				
General fund	16,381	383	(576)	16,188
<b>Restricted funds</b>				
St Katherines Bee Keeping	314	-	(314)	-
Orphan Herb Garden	837	1,253	-	2,090
Carpentry School	-	4,401	-	4,401
Dam Build 2020	2,000	-	302	2,302
Garden Drying Racks	-	(154)	588	434
Solar Pump Project	-	3,900	-	3,900
	<u>3,151</u>	<u>9,400</u>	<u>576</u>	<u>13,127</u>
<b>TOTAL FUNDS</b>	<u>19,532</u>	<u>9,783</u>	<u>-</u>	<u>29,315</u>

# THE MAKHAD TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 28 OCTOBER 2021

### 12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	3,818	(3,435)	383
<b>Restricted funds</b>			
Ancient Garden Wells Programme	34,000	(34,000)	-
Orphan Herb Garden	1,500	(247)	1,253
Carpentry School	4,500	(99)	4,401
Garden Drying Racks	835	(989)	(154)
Solar Pump Project	3,900	-	3,900
	<u>44,735</u>	<u>(35,335)</u>	<u>9,400</u>
<b>TOTAL FUNDS</b>	<u>48,553</u>	<u>(38,770)</u>	<u>9,783</u>

#### Purposes of restricted funds

##### **Ancient Garden Wells Programme**

Project to restore the Bedouin Gardens in the high mountains of South Sinai and assistance with wells to alleviate lack of drinking water in St Katherine and outlying communities.

##### **St Katherines Bee Keeping**

Training of Bedouin to become beekeepers and the related supply of equipment and bees.

##### **Orphan Herb Gardens**

Project to support fatherless children by teaching growing of indigenous herbs as a future trade and to support Traditional Bedouin Heritage.

##### **Abu Giffa Path**

Project to restore the main access and pedestrian only, thoroughfare, to over 300 mountain gardens after severe flooding in 2016, by repairing the path.

##### **Carpentry Project**

Project to teach Bedouin young men a lifelong skill, carpentry.

##### **Dam Build 2020**

An anonymous donation towards the costs of dam building in 2020.

##### **Garden drying racks**

Project to help women garden owners to give added value to orchard crops.

##### **Solar pumps**

Project, yet to commence, to investigate the potential for, and benefits of, installing solar powered pumps in wells in the mountains of Sinai.

##### **Bedouin Cooperative**

Project to enable the Bedouin to set up their own cooperative to enable them to work together on the sale or the purchase of large equipment such as an olive press.

##### **ERIK Emergency**

Project to support Bedouin who have need of funds to secure a water supply through the building of a water tank or provision of hoses or to secure an orchard garden if walls are lost to flood damage.

## THE MAKHAD TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 28 OCTOBER 2021

#### 13. CONTINGENT LIABILITIES

Various funders retain the right to claw back grants should the use of the funds not be in accordance with the terms of the grant. In the opinion of the trustees no such liability exists at the year end.

#### 14. RELATED PARTY DISCLOSURES

During the year two of the trustees received £14,400 (2020: £12,258) on an arms' length basis for services contracted and for associated travel expenses.

During the year M R Ratcliffe Consultants Limited, a company where one of the trustees is a director, recharged expenses to the Trust totalling £6,187 (2020: £2,673).

During the year one of the trustees received reimbursement of £nil (2020: £1,000) on an arms' length basis in connection with the Library Project.

During a previous year one of the trustees loaned the Trust £2,000 for working capital. At the year end the trustee was owed £2,000 (2020: £2,000).

During the year Makhad Journeys Ltd, a subsidiary company of the Trust, recharged expenses to the Trust totalling £491 and distributed its net profit of £31 (2020: £168) to the Trust. At the year end Makhad Journeys Ltd was owed £772 (2020: £280).