

**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 2023  
FOR  
THE MAKHAD TRUST**

**BK Plus Limited  
6 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Gloucestershire  
GL51 9TX**

**THE MAKHAD TRUST**

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FOR THE YEAR ENDED 28 OCTOBER 2023**

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**THE MAKHAD TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 28 OCTOBER 2023**

<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>	BK Plus 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 2023

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 2023. 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 Charity's activities were once more back on track after the disruptions of the pandemic and there were four Project Management visits spaced throughout the year. Incoming funds enabled the commencement of forty-two new well restorations, still shy of our target of fifty restorations in a year but a respectable achievement. However, the previous year's disruptions with longer project times resulted in a record number of well restorations being completed during the year with a final figure of being accomplished.

Tourism in Sinai was buoyant with large numbers of Israelis coming for walking holidays in the mountains after the meetings between the Egyptian Government and the Israeli Government in the year before. The Bedouin had plenty of work and the atmosphere was very positive, up until 7 October 2023 when the Hamas attacks took place and all Israelis left very suddenly. Sinai tourism has been affected by many world and local events over the years with detrimental effects on Bedouin family income with each disaster. Whenever tourism fails, Bedouin look to their ancient family assets for support; and their ancient gardens are able to provide the food and sometimes a small income, provided they have an adequate supply of water, which is where the Trust provides assistance.

The reconstruction of St Katherine's continues, though by the end of this reporting period, most of the large construction projects of new buildings had been completed. Infrastructure improvements continue, with the consequent disruption of daily life, particularly when there are power outages. Surprisingly, there have been a few small perks of living in a town with major building works. The new buildings have required a huge quantity of rebar, cut to size, and the off-cuts have been used to make goat and chicken pens, gates, and fences.

However, there is still uncertainty for the Bedouin around the final plans for the town as there has been little communication to the local population.

However, it seems St Katherine City is beginning to look somewhat as if it will become a luxury resort, though no-one can guess what will engage the thousands of guests when they arrive.

## THE MAKHAD TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 28 OCTOBER 2023

#### ACHIEVEMENTS AND PERFORMANCE

##### Charitable Activities

##### Wells

The Trust has been helping with the restoration of ancient garden wells for just over 16 years now, and in October 2023 the number of completed restorations reached 612. This represents local access to clean water for circa 40,000 Bedouin which is no mean achievement. With an increased supply they are able to drink more water, which clearly improves their health, 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, which provides additional financial benefit. And in times of drought the wells are especially important being the only source of quality water.

With 612 restored wells at the end of the financial year, these comprised of 299 orchard garden wells and 313 community drinking wells. However, as the population continues to increase, clearly there is more work to be completed. Unfortunately there are still areas where the annual rainfall has been virtually zero for several years, resulting in a greater need for further well restoration to support the present local population.

What has become noticeable is that the reconstruction of St Katherines has caused more families to retreat to their mountain gardens during the long summer months. This unexpected return to their roots does, however, support their heritage and the old traditions, which might otherwise have over time become completely lost.

##### Dams

It is good to report that two dam building trips for UK residents were scheduled during spring 2023 and both took place. It was fortunate that during the first trip in March a heavy rainstorm in the mountains on the first morning of the dam build caused the work to be postponed. Heavy rainfall can be very localized and so most other areas were without any significant rain. The participants on this first journey were understandably disappointed, but nevertheless enjoyed the benefit of extra trekking days. Participants of the second journey arriving a month later were able to build their dam without hindrance and they too had an enjoyable trip.

Two further dam building journeys are scheduled for Autumn 2024, ensuring the continuation of the dam programme and importantly the cultural exchange between two contrasting countries, benefitting all involved.

##### Beekeeping Training

Despite many applications funds were not forthcoming for this project during 2023. We shall nevertheless continue to apply to trusts for a further beekeeping training course and hope that this may be possible in the forthcoming year. In the meantime, all of the twenty-five beekeepers who have graduated from courses since 2016 continue to manage their bees, and many have actually increased their number of hives. It is clear there is a good living to be earned from keeping bees and it is most gratifying to see the continued positive impact of this project; even though we are unable to implement a new bee-keeping course through lack of funding.

##### Orphan Herb Project

This important course continues to support disadvantaged children with emotional support provided by their peers, giving them valuable additional education and complimenting their state education. The knowledge garnered by these young people covering medicinal plants does make the project so worthwhile, and the longer term benefits provide a good way of ensuring financial support for themselves and their families, even at their young age.

## THE MAKHAD TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 28 OCTOBER 2023

#### ACHIEVEMENTS AND PERFORMANCE

##### Charitable Activities

This programme has continued in a low key fashion since the pandemic, in part due to their teacher lecturing at the University of Alexandria, teaching medical students about the medicinal benefits of endogenous herbs in Sinai. Whilst we are very pleased that we have such an esteemed teacher for our young orphan students we do hope he will shortly find an assistant to run future courses.

##### St Katherine's Carpentry School

The serious reconstruction of St Katherine's town has continued to have an effect on this project. Not least because all of the potential recipients of the training have found paid work with the construction companies, mostly doing menial work such as guarding equipment sites. Clearly this is a temporary situation and the young men will realise that there is little future in this type of work once the construction companies leave. When the situation changes the Carpentry School is poised to come back into action.

##### St Katherine's Library

It is nine years since the library for women and children was set up in a room at the City Council building. Inevitably the library had to close during the pandemic and has not reopened due to the building being scheduled for demolition. Whilst a new city hall has been built, though not yet commissioned, to date no official has confirmed whether there is a suitable room for the Library. Initial reports indicate the new building is not an inviting place for Bedouin women, who need to ensure they will not come into contact with men, who are not of their family. So until the local government plans become clearer, it will be necessary to just wait and see which building may be utilised as a new home for the library.

##### Drying Racks

This project began in September 2020 after a request for support from women garden owners. A major portion of the produce from orchard gardens consists of soft fruit, including apricots, figs, apples, pears, grapes, plums and peaches. Most of this fruit is dried on the ground in the sun to extend its saleability time, but unfortunately a significant proportion of the fruit is damaged by insects, dust, gravel or by birds. Clearly the solution is to provide drying racks for the fruit together with a net to protect the fruit from a variety of creatures; improving the quality and increasing the amount of fruit which may be sold, thereby increasing the income to the women garden owners.

It was fortunate that an Egyptian woman, Zahra Magdi, having worked with the Bedouin women, buying their produce and processing it for sale has agreed to take on the administration of this project. Zahra produced a design for the drying racks and the carpentry school pupils were tasked with building the product, which turned out to be a notable success.

To date, sadly, this project has not blossomed as we hoped and few Bedouin women have taken up the offer of using the drying racks. The reason continues to be unknown, not least because they are reticent to tell us. We do hope however, that this project with a long lead time will be successful at some point in the future.

##### 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 there is a need to know local people who can give helpful direction to appropriate suppliers. Suppliers who have the will to ensure the equipment will arrive safely in South Sinai.

Whilst a prototype solar pump was installed in one mountain garden some five years ago, there exists a long awaited plan to install similar but cheaper installations adjacent to other wells.

In days gone by when the ground water table was higher and wells shallower, a simple log lever creating a shadooff was sufficient to pull water out of the well. With the reducing water table, diesel generators have proliferated despite fuel and mountain transport costs by camel escalating. For some gardens fuel costs have become more than 70% of the garden income being generated, regrettably making the growing of garden produce uneconomic.

## THE MAKHAD TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 28 OCTOBER 2023

#### ACHIEVEMENTS AND PERFORMANCE

##### Charitable Activities

Once solar powered pumps are installed, there will be minimal additional costs in pumping water out of the wells; with the strong additional benefits of reducing noise and pollution together with the availability of a consistent water supply. Having at last identified the necessary equipment for installation it has been found most challenging to deliver this equipment to St Katherine City, both safely and economically.

##### 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.

The first ERIK project of the year was to provide funding for two kilometres of quality grade hose connecting a large new well high up above the town with a water tank alongside the houses in St Katherines. Without this funding, the Bedouin would have bought cheap hoses lasting little time in the sun's heat and relatively easy for foxes to bite and obtain water. This new well provides a most substantial volume of water and so makes it essential to ensure that all hoses and connections work satisfactorily for the long term.

The ERIK funding also supports the Bedouin way of life in a variety of other ways. After the first successful water tank was built in Igreyradt, a small and remote community, two further water tanks have been built. A second restored well also in Igreyradt, has enabled a large polytunnel to be watered regularly, thereby sustaining a supply of vegetables for nine months of the year, to a community living two hours drive from the nearest shop. Whilst in Wadi Garba another water tank has been built for the community, making life for the women folk considerably easier, not least because they no longer need to walk a long distance to collect water.

A rather unusual but still valuable ERIK project was the funding of cement and the engagement of builders to save a special tree. The tree in question was one of some nine ancient mulberry trees, relics of the old silk road, a spur of which cuts across Sinai. All these trees are registered in St Katherine's Monastery documents, because they are part of the landscape and culture of the Bedouin people and so of significant importance.

This special tree, high in the mountains, had begun to deteriorate due to soil and stone erosion, causing a deputation of the sheikhs from the local tribes to visit the monks at the Monastery, requesting financial assistance to save the tree. Apparently they were met with sympathy but no money and given advice to ask us for help.

Given the significance of the tree to Bedouin culture and tradition, it was agreed that saving this ancient mulberry tree was good use of ERIK money. A builder was duly appointed and a small wall built around the base of the tree and backfilled it with soil and stones. This remedial action caused the tree to recover quickly, which was much appreciated by sheikhs and Bedouin alike.

#### 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.

## THE MAKHAD TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 28 OCTOBER 2023

#### FINANCIAL REVIEW

##### 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 2023, unrestricted charitable expenditure, excluding project costs, amounted to £3,913 (2022: £1,500) and consequently the policy would require unrestricted funds as at 28 October 2023 of £1,957 (2022: £750). The actual unrestricted funds were £33,719 (2022: £22,019), which therefore shows a surplus from the reserves policy of £31,762 (2022: £21,269).

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, together with the continuation of existing projects.

#### FUTURE PLANS

The programmes currently undertaken continue to address the fundamental essentials of life, which are the provision of water, food and education. With some 612 wells restored and capable of providing a good supply of clean water to both garden families and Bedouin communities, we continue to meet the objectives of providing relief (water and food) through financial support, in order to protect the natural, cultural and spiritual heritage of the Bedouin people and their ancient gardens in South Sinai.

The objectives in respect of education must surely encompass a professional positive thought pattern for the Bedouin. With imagination, hard work and a supply of clean water, the men folk are able to rebuild from arid ground a garden which was once, many years ago, a beautiful green garden oasis and in which a younger generation of the family, can now grow their family crops. Re-establishing not just self-sufficiency, but also pride and success in their endeavours.

Likewise, other projects, in one way or another, all bring greater knowledge and education to those Bedouin who participate.

Finally, the visitation of people from afar through Sinai Journeys Ltd, creates greater understanding and friendship between those who host and those who are hosted, surely providing further and wider education to all who participate.

#### 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.



**THE MAKHAD TRUST**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 28 OCTOBER 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**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.

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 3 July 2024 and signed on its behalf by:



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 2023.

**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 F Downes FCA



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

3 July 2024

THE MAKHAD TRUST

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 28 OCTOBER 2023

	Notes	Unrestricted fund £	Restricted funds £	28.10.23 Total funds £	28.10.22 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	2,070	84,856	86,926	57,604
Other trading activities	3	3,610	-	3,610	131
Investment income	4	1	-	1	-
<b>Total</b>		<u>5,681</u>	<u>84,856</u>	<u>90,537</u>	<u>57,735</u>
<b>EXPENDITURE ON</b>					
Charitable activities	5	3,913	64,081	67,994	64,018
<b>NET INCOME/(EXPENDITURE)</b>		1,768	20,775	22,543	(6,283)
Transfers between funds	14	9,932	(9,932)	-	-
<b>Net movement in funds</b>		11,700	10,843	22,543	(6,283)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		22,019	30,177	52,196	58,479
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>33,719</u>	<u>41,020</u>	<u>74,739</u>	<u>52,196</u>

The notes form part of these financial statements

**THE MAKHAD TRUST**

**STATEMENT OF FINANCIAL POSITION  
28 OCTOBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	28.10.23 Total funds £	28.10.22 Total funds £
<b>FIXED ASSETS</b>					
Investments	10	1	-	1	1
<b>CURRENT ASSETS</b>					
Debtors	11	4,517	-	4,517	5,769
Cash at bank and in hand		33,953	41,020	74,973	52,068
		<u>38,470</u>	<u>41,020</u>	<u>79,490</u>	<u>57,837</u>
<b>CREDITORS</b>					
Amounts falling due within one year	12	(4,752)	-	(4,752)	(5,642)
<b>NET CURRENT ASSETS</b>		<u>33,718</u>	<u>41,020</u>	<u>74,738</u>	<u>52,195</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>33,719</u>	<u>41,020</u>	<u>74,739</u>	<u>52,196</u>
<b>NET ASSETS</b>		<u>33,719</u>	<u>41,020</u>	<u>74,739</u>	<u>52,196</u>
<b>FUNDS</b>					
	14			33,719	22,019
Unrestricted funds				41,020	30,177
Restricted funds				<u>74,739</u>	<u>52,196</u>
<b>TOTAL FUNDS</b>				<u>74,739</u>	<u>52,196</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 October 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 October 2023 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.

**THE MAKHAD TRUST**

**STATEMENT OF FINANCIAL POSITION - continued  
28 OCTOBER 2023**

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 3 July 2024 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M R Ratcliffe', with a horizontal line underneath.

M R Ratcliffe MBE - Trustee

## THE MAKHAD TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 OCTOBER 2023

#### 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.

##### **Going concern**

As with many organisations, the recent covid-19 pandemic had a lasting impact on the charity, which was reflected in the results to 28 October 2022, where donation income was lower than previously expected. In addition, the charity's trading subsidiary had been unable to organise journeys that create valuable income that is automatically distributed up to this parent charity. Both of these income sources improved noticeably in the year to 28 October 2023.

In order to mitigate the financial effects of the recent pandemic and other global economic factors, 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. Unrestricted funds are healthier than twelve months previously.

The actions taken as noted above and the improvement in results during the period under report 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 recent pandemic and other global economic factors, 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 2023

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Trust	78,265	56,400
Corporate	-	-
Personal	8,661	1,204

3. OTHER TRADING ACTIVITIES

	28.10.23	28.10.22
	£	£
Distribution from trading subsidiary	<u>3,610</u>	<u>131</u>

4. INVESTMENT INCOME

	28.10.23	28.10.22
	£	£
Deposit account interest	<u>1</u>	<u>-</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)
	£
Charitable activities	<u>67,994</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	28.10.23	28.10.22
	£	£
Rates and insurance	1,509	570
Postage, stationery, telephone and advertising	1,310	634
Sundries	231	233
Project costs	50,485	53,429
Research and fundraising	3,120	2,665
Bookkeeping and admin support	4,133	3,437
Bank charges	447	533
Marketing	1,898	1,500
Independent examiner's fees	948	1,017
Other costs	3,913	-
	<u>67,994</u>	<u>64,018</u>

THE MAKHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2023

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28 October 2023 nor for the year ended 28 October 2022.

**Trustees' expenses**

During the year two of the trustees received £15,892 (2022: £11,775) on an arms' length basis for services contracted and for associated travel expenses.

8. STAFF COSTS

The average monthly number of employees during the year was as follows:

	28.10.23	28.10.22
Charitable activities	5	5

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	92	57,512	57,604
Other trading activities	131	-	131
<b>Total</b>	<u>223</u>	<u>57,512</u>	<u>57,735</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable activities	1,500	62,518	64,018
<b>NET INCOME/(EXPENDITURE)</b>			
Transfers between funds	(1,277)	(5,006)	(6,283)
	<u>9,202</u>	<u>(9,202)</u>	<u>-</u>
<b>Net movement in funds</b>	7,925	(14,208)	(6,283)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	14,094	44,385	58,479
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>22,019</u>	<u>30,177</u>	<u>52,196</u>



THE MAKHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2023

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 29 October 2022 and 28 October 2023	1
<b>NET BOOK VALUE</b>	
At 28 October 2023	1
At 28 October 2022	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	

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.10.23 £	28.10.22 £
Amounts owed by group undertakings	3,990	815
Other debtors	-	3,913
Prepayments	527	1,041
	<u>4,517</u>	<u>5,769</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.10.23 £	28.10.22 £
Other loans (see note 13)	2,000	2,000
Trade creditors	573	2,066
Other creditors	-	662
Accrued expenses	2,179	914
	<u>4,752</u>	<u>5,642</u>

THE MAKHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2023

13. LOANS

An analysis of the maturity of loans is given below:

	28.10.23 £	28.10.22 £
Amounts falling due within one year on demand:		
Short-term loans	<u>2,000</u>	<u>2,000</u>

14. MOVEMENT IN FUNDS

	At 29.10.22 £	Net movement in funds £	Transfers between funds £	At 28.10.23 £
<b>Unrestricted funds</b>				
General fund	22,019	1,768	9,932	33,719
<b>Restricted funds</b>				
Ancient Garden Wells Programme	15,436	17,724	(9,423)	23,737
Orphan Herb Garden	401	-	-	401
Carpentry School	1,900	875	-	2,775
Dam Build 2020	2,302	(577)	-	1,725
Garden Drying Racks	434	-	-	434
Solar Pump Project	7,466	-	-	7,466
Bedouin Cooperative	2,000	-	-	2,000
ERIK Emergency	161	2,753	(509)	2,405
Laundry Project	77	-	-	77
	<u>30,177</u>	<u>20,775</u>	<u>(9,932)</u>	<u>41,020</u>
<b>TOTAL FUNDS</b>	<u>52,196</u>	<u>22,543</u>	<u>-</u>	<u>74,739</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,681	(3,913)	1,768
<b>Restricted funds</b>			
Ancient Garden Wells Programme	78,265	(60,541)	17,724
Carpentry School	1,000	(125)	875
Dam Build 2020	1,525	(2,102)	(577)
ERIK Emergency	4,066	(1,313)	2,753
	<u>84,856</u>	<u>(64,081)</u>	<u>20,775</u>
<b>TOTAL FUNDS</b>	<u>90,537</u>	<u>(67,994)</u>	<u>22,543</u>

THE MAKHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2023

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 29.10.21 £	Net movement in funds £	Transfers between funds £	At 28.10.22 £
<b>Unrestricted funds</b>				
General fund	14,094	(1,277)	9,202	22,019
<b>Restricted funds</b>				
Ancient Garden Wells Programme	26,472	(1,834)	(9,202)	15,436
Orphan Herb Garden	1,359	(958)	-	401
Carpentry School	3,031	(1,131)	-	1,900
Dam Build 2020	2,302	-	-	2,302
Garden Drying Racks	434	-	-	434
Solar Pump Project	7,707	(241)	-	7,466
Bedouin Cooperative	2,000	-	-	2,000
ERIK Emergency	1,080	(919)	-	161
Laundry Project	-	77	-	77
	<u>44,385</u>	<u>(5,006)</u>	<u>(9,202)</u>	<u>30,177</u>
<b>TOTAL FUNDS</b>	<u>58,479</u>	<u>(6,283)</u>	<u>-</u>	<u>52,196</u>

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	223	(1,500)	(1,277)
<b>Restricted funds</b>			
Ancient Garden Wells Programme	56,400	(58,234)	(1,834)
Orphan Herb Garden	-	(958)	(958)
Carpentry School	-	(1,131)	(1,131)
Solar Pump Project	-	(241)	(241)
ERIK Emergency	562	(1,481)	(919)
Laundry Project	550	(473)	77
	<u>57,512</u>	<u>(62,518)</u>	<u>(5,006)</u>
<b>TOTAL FUNDS</b>	<u>57,735</u>	<u>(64,018)</u>	<u>(6,283)</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.

**Orphan Herb Gardens**

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

THE MAKHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2023

14. MOVEMENT IN FUNDS - continued

**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 Pump Project**

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.

**Laundry Project**

Project for the construction of a laundry at Eid's garden, although the project is currently 'on hold' pending the outcome of other reconstruction activity nearby.

**Transfers between funds**

Transfers are made between restricted and unrestricted funds at the end of every accounting period in cases where:

- i) the activity of the restricted fund has come to an end and there is an unspent balance that is not repayable to the funder(s), when the surplus is transferred to unrestricted funds; or
- ii) the restricted fund has come to an end and there is no prospect of a surplus in a later period, when the deficit is eliminated by transfer from unrestricted funds.

15. 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.

**THE MAKHAD TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 OCTOBER 2023**

**16. RELATED PARTY DISCLOSURES**

During the year two of the trustees received £15,892 (2022: £11,775) 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 £4,749 (2022: £4,150).

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 (2022: £2,000).

During the year Sinai Journeys Limited, a subsidiary company of the Trust, recharged expenses to the Trust totalling £2,745 (2022: £nil) and distributed its net profit of £3,610 (2022: £131) to the Trust. At the year end Sinai Journeys Limited owed £3,990 (2022: £815) to the Trust.