

THE NENO MACADAMIA TRUST

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Charity Number: 1184696

THE NENO MACADAMIA TRUST

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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THE NENO MACADAMIA TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report for the period ended 31 December 2021.

OBJECTS

The objects of the Trust are the alleviation of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities, in particular Neno and the adjacent districts in Malawi, Africa, as the trustees may from time to time direct.

PRINCIPAL ACTIVITIES

The principal activities continued to be:

Supporting cooperatives, smallholder nurseries, infrastructure and training facilities, including:

- establishing nurseries, tree planting and tree surveys
- the NESMACSL warehouse and nursery
- the Neno Vocational Training Centre
- cooperative warehouse and individual smallholder drying racks

Facilitating access to resources for the smallholder macadamia industry in Malawi through HIMACUL, including:

- fairtrade certification and securing trade finance
- buying macadamia from farmers (nut in shell)
- sorting, grading and transport to macadamia factory
- fairtrade sales in Europe through Liberation Foods

Developing economic, social and environmental activities delivered by HIMACUL for smallholder macadamia farmers, including:

- agroforestry systems
- environment protection, soil and water conservation
- business planning for rural enterprises
- cooperative training, employment and community development

Focused on the services provided by HIMACUL to smallholders, including:

- elderly farmers growing macadamia as a retirement and inheritance crop
- training and nutrition for children and young people
- rural energy and waste management
- environmental service payment systems

ORGANISATION

The principal office is 42 Harpur Street, Bedford, MK40 2QT.

OFFICERS & COUNCIL MEMBERS

The officers and council members who served during the year were:

Chairman Mr Andrew Emmott

Secretary Dr William Rawes

Treasurer Mr John Ascott

Trustees Mr Timothy Emmott
Mr David Ascott

THE NENO MACADAMIA TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

CHAIRMAN'S ANNUAL REPORT FOR 2022

Charitable objects: The alleviation of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities, in particular Neno and the adjacent districts in Malawi as the trustees may from time to time direct.

Reflections on the past year Malawi

The challenges Malawian farmers faced during the COVID 19 pandemic were followed by inflation driving food, fertilizer and food price increases linked to disruption of supply chains and the impact that a global downturn is having on export crops like macadamia.

In early 2023 Malawi was struggling with the worst cholera outbreak in years and then cyclone Freddy struck causing devastating loss of life and livelihoods in Southern Malawi. We were relieved to hear that the districts that the farmers NMT supports were not areas most affected by Cyclone Freddy but the wider cost of living issues facing farmers across Malawi remain the same.

Macadamia continues to provide farmers with food and income security that annual crops don't provide during the hunger months in Malawi. Discussions with macadamia farmers tell us that not only is the crop being sold into the export markets but it has become an integral part of the diet of the farming families that grow the crop. This highly nutritious food is supplementing a maize based diet with the potential for significant impacts that need more detailed analysis.

NMT Activities 2022

In 2022 NMT made its 5th annual Carbon Damage Mitigation Certificate (CDMC) payments to HIMACUL farmers and cooperatives from its 2021 macadamia tree survey, and completed its 6th (2022) farmer survey. As opportunities to travel opened up again NMT has been reaching out to individuals and partner organisations to commit to use NMT's CDMC's to mitigate their carbon footprint by using NMT's carbon calculator for air travel, domestic, vehicle or general CO2 emissions: <http://nenomacadamiastrust.co.uk/NMTCarbonCalculator.html> .

NMT continues to build on the invaluable support from Profs Who Fly, Imperial College London, the Open University, Clinton Development Initiative, and the individuals who have bought CDMC's as we seek new partners in the year ahead.

NMT is pleased to report that Emmanuel Zuza, the Open University GDRF PhD student is preparing to defend his PhD thesis. His work with HIMACUL and NMT has been to study the impact of different agro-ecological zones on 5 macadamia cultivars grown by smallholder farmers.

NMT's partnership continued with the Open University course SDT306 Environment: Responding to change (<http://www.open.ac.uk/courses/modules/sdt306>). We built on the OU Post Graduate Office's project with Marston Vale Community Forest to plant trees in the UK and Malawi in recognition of graduating PhD students (<https://www.open.ac.uk/research/news/ou-celebratespostgraduate-research-students-planting-trees>).

The ongoing support from individuals and from partner organisations continues to be gratefully received and we are encouraged by an increase in the number of regular donations. Despite the uncertainties of the past year NMT's finances including CDMC payments have remained secure. NMT looks forward to working with HIMACUL and our partners to be even more focused on how farmers in Malawi can become resilient to climate shocks.

THE NENO MACADAMIA TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

TRANSACTIONS AND FINANCIAL POSITION

The Income and Expenditure Account shows a net surplus for the year of £1,299 (2021 £431). The Balance Sheet shows total funds of £5,139. The cash at bank shows a balance of £5,139.

RESERVES AND RISK MANAGEMENT

The present level of funding is considered adequate to support the continuing operations, and the Trustees consider the financial position to be satisfactory with £4,339 of unrestricted reserves.

The Trustees actively review as part of their regular board meetings all potential areas of risk faced. Procedures are in place to identify and mitigate risks arising from adverse conditions.

Independent examiner's report to the Trustees of The Macadamia Trust

I report on the accounts of the Trust for the period ended 31 December 2022, which are set out on pages 7 to 10.

Respective responsibilities of the Trustees and the examiner

The Trustees are responsible for the preparation of the accounts. The Trustees consider that an independent examination is needed.

It is my responsibility to:

- examine the accounts;
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

An examination includes a review of the accounting records kept by the association and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as committee members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

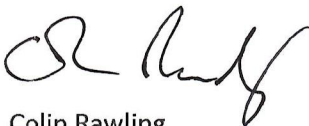
In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting record; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Colin Rawling

65 Water Lane, Wootton, Northampton, NN4 6HH

Date: 15 July 2022

THE NENO MACADAMIA TRUST

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTES	December 2022			December 2021		
		Restricted £	Unrestricted £	Total £	Restricted £	Unrestricted £	Total £
INCOME							
Donations including Gift Aid	1	-	13,545	13,545	-	20,397	20,397
Carbon Damage Mitigation Certificates		6,240	-	6,240	5,042	-	5,042
Grants		-	-	-	-	800	800
Nurseries Project		800	-	800			
Other Income		-	348	348	-	5,064	5,064
TOTAL		7,040	13,893	20,933	5,042	26,262	31,303
EXPENDITURE							
Donation to HIMACUL		-	11,350	11,350	-	22,323	22,323
Carbon Damage Mitigation Certificates disbursement		6,282	563	6,845	5,866	-	5,866
Nurseries Project		-	-	-	2,153	-	2,153
Bank Charges and Fees		-	327	327	-	371	371
IT Services and Licences		-	1,068	1,068	-	158	158
Other Expenses		-	44	44	-	-	-
TOTAL		6,282	13,352	19,634	8,019	22,853	30,872
Surplus/(Deficit) for year		758	541	1,299	(2,977)	3,409	431

THE NENO MACADAMIA TRUST
BALANCE SHEET AS AT 31 DECEMBER 2022

	NOTES	As at 31 Dec 2022	As at 31 Dec 2021
CURRENT ASSETS			
Bank balance		5,139	3,840
		5,139	3,840
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	4	-	-
NET CURRENT ASSETS/(LIABILITIES)		5,139	3,840
NET ASSETS/(LIABILITIES)		5,139	3,840
Financed by:			
RESERVES			
General reserve	5	4,339	3,798
Restricted reserve - CDMC	5	-	42
Restricted reserve - Nurseries Projects		800	-
		5,139	3,840
Balance at end of year		5,139	3,840

Chairman *Andrew Emmott*
Treasurer *[Signature]*

THE NENO MACADAMIA TRUST

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies

Accounting Convention

The accounts have been prepared under the historical cost convention.

Income

Donations are accounted for on a receipts basis. In respect of other income account is taken of known amounts due but unpaid.

Expenditure

Expenditure is accounted for on a cash accounting 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 tax on its charitable activities

Fund accounting

The charity has both restricted and unrestricted reserves. Restricted reserves can only be used for the purpose the funds were donated for, while unrestricted funds can be used in accordance with the charitable objectives of the trust at the discretion of the trustees.

2. Trustees' Remuneration and Benefits

The trustee's did not receive any remuneration or benefits for their role as trustee during the year ended 31 December 2022 nor for the year ended 31 December 2021.

3. Debtors

The only assets of the trust are bank accounts.

4. Creditors

The trust does not have any current liabilities (2021 £Nil).

THE NENO MACADAMIA TRUST

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Movement of funds

	As at 31 Dec 2021 £	Movement in funds	As at 31 Dec 2022 £
Reserves			
General reserve	3,798	541	4,339
Restricted reserve - CDMC	42	(42)	-
Restricted reserve - Nurseries Projects	-	800	800
Total funds	3,840	1,299	5,139

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

	Incoming resources £	Resources expended £	Transfer between reserves £	Movement in funds £
Reserves				
General reserve	13,893	(13,352)	-	541
Restricted reserve - CDMC	6,240	(6,282)	-	(42)
Restricted reserve - Nurseries Projects	800	-	-	800
Total funds	20,933	(19,634)	-	1,299

The Restricted reserve - CDMC relates to the sale of Carbon Damage Mitigation Certificates to the general public, for the subsequent payment to HIMACUL for onward payment to farmers and associations in Malawi, and any associated costs.

	As at 31 Dec 2022 £	As at 31 Dec 2021 £
6. Cashflow Statement		
Cash at bank at beginning of year	3,840	3,409
Surplus from Income & Expenditure Account	1,299	431
	5,139	3,840
Working Capital Movement:		
Debtors (Increase)/Decrease	-	-
Creditors (Decrease)/Increase	-	-
Cash at bank at end of year	5,139	3,840