

**The HALO Trust**

Annual report and financial statements

Company number 2228587

Charity registration numbers

1001813 and SC037870

31 March 2023

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## Trustees' annual report

The Trustees, who are also Directors of The HALO Trust for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2023.

### Reference and administrative information

<b>Charity name</b>	The HALO Trust	
<b>Charity registration numbers</b>	1001813 and SC037870	
<b>Company registration number</b>	2228587	
<b>Business address</b>	Carronfoot, Thornhill, Dumfries DG3 5BF	
<b>Directors and Trustees</b>	Timothy Church (Chairman) Mark Aedy José Pedro Agostinho Anthony Bird (retired 20 September 2022) Paddy Beeley The Rt. Hon. Ruth Davidson (retired 01 February 2023) Colonel Jane Davis OBE OstJ QVRM TD DL John Deans (appointed 20 September 2022) Lord Evans of Weardale KCB DL (appointed 01 November 2023) Lucía Halpern John Raine CMG OBE The Rt. Hon. Lord Sedwill KCMG FRGS (retired 30 June 2022) Emma Sky OBE Anastasia Staten Lieutenant General (Retired) Sir Barney White-Spunner KCB CBE Pippa Wicks (appointed 01 November 2023) Rupert Younger (retired 20 September 2022)	
<b>Chief Executive</b>	Major General (Retired) James Cowan CBE DSO	
<b>Secretary</b>	Anthony Wigan FCA	
<b>Registered office</b>	One Bartholomew Close Barts Square London EC1A 7BL	
<b>Auditor</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
<b>Banker</b>	Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB	
<b>Legal advisors</b>	BDB Pitmans LLP One Bartholomew Close Barts Square London EC1A 7BL	Anderson Strathern LLP 58 Morrison Street Edinburgh EH3 8BP

## Statement from the Chairman

The last decade had seen HALO evolve from tackling the landmine scourge of the post-Cold War world to become an NGO increasingly defined by the intra-state conflicts of recent years. Or at least that was true until the return of industrialised state-on-state conflict in Europe, in February 2022.

It is therefore inevitable that much attention has been paid to HALO's response to the Ukraine war. Last year's annual report covered the period of survival and the subsequent phase of rebuilding. I'm pleased to report that this year has seen HALO Ukraine emerge as the leading humanitarian demining organisation in the country, now with over 1,000 staff and heavy investment in mechanisation. This is not just about growth in terms of numbers and equipment, it reflects an organisation rapidly evolving to deal with the huge scale of explosive contamination of vital agricultural land, alongside the impact of landmines and artillery on human populations.

After pivoting from the Donbas to Kyiv, HALO has expanded into Mykolaiv and Kharkiv and, depending on the outcome of the widely anticipated Ukrainian Summer offensive, will work to clear the massive positions prepared by the Russians, which are estimated to be 1,000km long. This is the largest landmine clearance challenge since the end of the Second World War.

HALO's focus on Ukraine has extended to the broader region. We anticipate significant need for control of weapons trafficking in the Western Balkans and Moldova, for which donor support will be essential. The resumption of conflict in Nagorno Karabakh has seen all HALO staff relocate to Armenia.

Despite the demands for HALO's services in Ukraine and neighbouring areas, HALO's efforts remain unabated across the globe. During the year, 8,074 hectares of land were released, 51,666 mines were destroyed, 71,741 items of explosive ordnance were cleared (excluding bullets), 500,377 small arms were marked, registered and destroyed. Nearly 400,000 people benefitted directly and a further 1,632,883 people benefitted indirectly in 30 countries and territories.

Afghanistan has continued to be a major priority for HALO and remains our largest programme. HALO has elected to remain in the country believing that our humanitarian duty lies with the people of Afghanistan, whose economic prospects have declined markedly. HALO's decision to shift from the clearance of conventional Soviet era mines to the destruction of Improvised Explosive Devices (IEDs) has paid dividends: we destroyed our 5,000th IED this year. Despite the Taliban ban on female NGO and UN workers, HALO, in agreement with the Taliban continues to employ female staff in safe areas and continues to pay their salaries across the country. We also provide computers and internet connections to enable staff to work from home. HALO has deployed mixed-gender teams under the approval of the district level Taliban authorities. HALO's decision to maintain dialogue and relations with the Taliban positioned us to be First Responders following the devastating earthquake in June 2022 in southeast Afghanistan. As one of the few NGOs fully operational in the country, HALO was able to provide medical support and mechanical plant to remove detritus from landslides and rubble in villages. In a similar way, HALO Syria moved to assist local communities after the catastrophic earthquake there and in Turkey.

HALO has several other very large programmes in Sri Lanka, Cambodia, Laos and Angola, each with well over 1,000 staff devoted to landmine and other unexploded ordnance clearance. In all these countries it has been possible to grow the size of the female workforce to roughly 40 per cent of the total workforce, from junior deminers, through to senior managers.

Consistent with our mission to build resilient and prosperous communities, all these large programmes have explored the relationship between landmine clearance and conservation. For instance, in January, HALO Angola installed five cameras, capturing footage of wildlife (birds, monkeys, and antelope) assessing the impact of mine clearance on migration routes. In El Salvador, exploiting our experience in managing large numbers of people in routine tasks, we employed young people vulnerable to criminality and violence in a mangrove rehabilitation project in the Bay of Jiquilisco. Through this effort, 330 chinampas (seedling mounds) were constructed and 2.1km of waterway created during the first five months of the project.

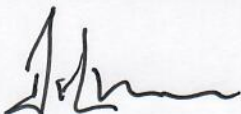
Another young programme is HALO East Africa where the charity is examining the toxic relationship between ecological damage, tribal violence, and weapon trafficking into Kenya from Somalia and South Sudan. HALO is operating in the region in partnership with the US State Department and the regional small arms control organisation (RECSA). This regional approach to small arms control extends in East Africa as far south as Mozambique and Malawi; in West Africa, HALO has opened a group of new programmes, the largest of which is likely to be Nigeria.

Another new region for growth this year has been in the Pacific. The Solomon Islands programme went live in March 2023 with a US-funded national survey of Second World War legacy ammunition.

HALO continued to enjoy strong revenue from the charity's loyal and stable donor community, without whom our work would not be possible. There are however limits to what is realistic from the traditional donor pool, especially given the inevitable draw of money towards Ukraine, creating the possibility of fragile, forgotten and under-resourced challenges in the Middle East, Ethiopia and Myanmar. To address this challenge, HALO continues to make great strides with its private fundraising both in the UK and the USA. The creation of HALO Europe has not only allowed us to create a very healthy relationship with Germany (now our second largest donor) but also to build partnerships in the EU and NATO. Other non-traditional state donor relationships outside Europe are also being explored.

Despite an exceptionally busy operational year, HALO has continued its programme of institutional modernisation: the wholesale reform of structures and careers will empower staff and break down barriers between the national and international cohorts. Accompanying HR, financial, mine safety, training, R&D and communications reforms are all underway to make HALO fit for the next decade and beyond.

This is my last year as Chairman of The HALO Trust. The last six years have been an exceptional privilege and it has been an honour to work with the extraordinary men and women of HALO in our common endeavour to save lives and restore livelihoods for some of the most disadvantaged people in the world. It is my great pleasure to welcome Jonathan, Lord Evans of Weardale, who will be the new Chairman of HALO from the start of January 2024. He comes with a highly distinguished career in public service and will, I know, be a huge asset to the charity and the people we serve.



Timothy Church  
Chairman

## Trustees' annual report

The Trustees' annual report should also be considered as the Directors' report for company law purposes.

### 1. VISION, MISSION, OBJECTIVES, GOALS AND ACTIVITIES FOR THE PUBLIC BENEFIT

#### 1.1 Vision

HALO's vision is a world where people can thrive in peace and dignity without fear from the impact of conflict.

#### 1.2 Mission

HALO's mission is to protect lives and restore livelihoods of people affected by conflict.

#### 1.3 Objectives

The objects of the Charity, as set out in the Articles of Association, are:

- "The relief of poverty, sickness, suffering and distress throughout the world, in particular by the provision of hydrological, engineering, and other works and medical aid with particular emphasis on the care and rehabilitation of non-combatant victims in areas where there is human conflict and the provision of assistance in the removal of debris of military hardware which may be a direct threat to non-combatants in hazardous areas where hostilities have ceased, and
- To carry out or conduct or to assist in carrying out or conducting any research into the special problems arising from injuries sustained by non-combatants in hazardous areas and into methods of alleviating suffering arising therefrom and to publish the useful results of any such research."

#### 1.4 Goals and Activities

HALO has a five-year Strategic Plan, guiding strategic development in response to global challenges. Building on HALO's core expertise, this Strategic Plan provides the direction for HALO to address the increasing prevalence of armed violence and help to build resilient and prosperous communities.

The global challenges presented by new conflicts, climate change, biodiversity loss and food insecurity all highlight the need for an increasingly integrated response, bringing together humanitarian, development, and environmental action. In June 2022, HALO held a review of the Strategic Plan to assess the organisation's delivery of the three goals set out below.

##### 1.4.1 Goal 1 - Protect lives from the explosive threats and hazards resulting from conflict

- Work with communities and authorities to understand the extent of the problem, and prioritise the response;
- Help people to act safely when living amidst explosive hazards, and assist victims to access support;
- Make land and urban areas safe for access, infrastructure and productive use;
- Support countries to achieve their clearance strategies, targets, and international commitments.

##### 1.4.2 Goal 2 - Reduce human suffering from armed violence

- Identify and understand drivers of armed violence and design interventions to protect civilians;
- Promote responsible control of small arms, light weapons, and ammunition to prevent diversion and unplanned explosions at storage sites;
- Promote responsible arms control to prevent diversion and illicit trafficking of weapons.
- Work with communities to reduce armed violence.



### 1.4.3 Goal 3 - Build resilient and prosperous communities

- Work with local people to understand their broader needs and develop projects that magnify the impact of our clearance work;
- Work with partners to develop projects that improve livelihoods, economic growth, public health and resilience;
- Support peacebuilding efforts through conflict prevention and mitigation, as well as post-conflict stabilisation and reconstruction;
- Support environmental conservation and climate change mitigation.

The Trustees confirm that they have referred to the Charity Commission’s general guidance on public benefit when reviewing HALO’s goals and objectives and in planning future activities.

## 2. THE STRATEGIC REPORT

The Strategic Report was approved by the Board together with the financial statements.

### 2.1 HALO Outputs Worldwide

Description	FY 2022/23	FY 2021/22	% Change
Land released (hectares) <sup>1</sup>	8,074	9,980	-19%
Landmines destroyed	51,666	56,728	-9%
Unexploded Ordnance destroyed	71,741	44,654	61%
Cluster munitions destroyed	10,161	8,247	23%
Small Arms Ammunition destroyed	497,960	375,852	32%
Small Arms Light Weapons controlled <sup>2</sup>	2,417	8,838	-73%
Explosive Ordnance Disposal call-outs	11,195	9,521	18%

<b>Direct beneficiaries (total)</b>	<b>392,299</b>	<b>226,508</b>	<b>73%</b>
Women	129,683	81,618	59%
Men	79,486	53,745	48%
Girls	110,788	54,352	104%
Boys	72,342	36,793	97%
<b>Indirect beneficiaries (total)</b>	<b>1,632,883</b>	<b>1,081,759</b>	<b>51%</b>
Women	433,434	306,671	41%
Men	395,943	259,275	53%
Girls	418,820	279,781	50%
Boys	384,686	236,032	63%

<b>Explosive Ordnance Risk Education sessions</b>	<b>68,218</b>	<b>50,120</b>	<b>36%</b>
<b>Beneficiaries of Explosive Ordnance Risk Education (total)</b>	<b>1,062,533</b>	<b>589,287</b>	<b>80%</b>
Women	296,746	188,095	58%
Men	146,727	88,975	65%
Girls	306,848	167,879	83%
Boys	312,212	144,338	116%

<sup>1</sup> Land released includes minefield area cleared and reduced by technical survey, and battle area cleared. This figure excludes land cancelled.

<sup>2</sup> Including small arms and light weapons destroyed, marked, and recorded.

### Major variances on outputs explained:

**Decrease in area of land released:** The reduction in area of land released is almost entirely a result of reduced land released in Laos, where the Cluster Munition Remnants Survey project and related identification of uncontaminated land to be released has been completed. Our efforts in Laos are now focussed on meticulous clearance of land identified by the survey works.

**Decrease in number of mines removed/destroyed:** Despite the decrease in this output overall, some countries saw significant increases or remained stable. For example, Ukraine saw an increase of 936% (1,207 mines) following the Russian invasion and subsequent redeployment of teams into newly contaminated areas. Sri Lanka also saw a moderate increase of 9% (although in number of mines this represented 874 mines as the programme is one of the two highest producers). In Afghanistan, a shift in prioritisation in FY 2022/23 towards high priority anti-vehicle mines tasks, which have smaller numbers of mines associated with them, especially in Ghazni province, has led to a reduction in the number of mines found.

**Increase in small arms ammunition destroyed:** For a second consecutive year, HALO operations globally saw a significant increase in the amount of small arms ammunition destroyed. El Salvador and Nagorno Karabakh both saw material increases in output (8,792% and 78% respectively), whereas in Angola and Cambodia, which accounted for the previous year's increase, output fell in FY 2022/23. In El Salvador, the increase in output was associated with the Ministry of Defence clearing several bureaucratic hurdles, which had led to a backlog of Small Arms and Ammunition (SAA) awaiting destruction that had built up over several years. In Nagorno Karabakh, FUND – a local mine action operator – approached HALO in October 2022 for support to destroy a large amount of SAA as they were not equipped or trained to handle bulk demolitions of such magnitude.

**Decrease in Small Arms and Light Weapons controlled:** This is due to the closure of the Bosnia programme, and slight reductions in output in Angola and El Salvador.

**Increase in land release beneficiaries:** The Afghanistan programme is responsible for over 75% of direct and 84% of indirect beneficiaries of land release in FY 2022/23, such that any change in the beneficiary numbers in Afghanistan distorts the global picture – the increase in beneficiary numbers globally is more than accounted for by the increase in numbers in the Afghanistan programme. The reason for the significant increase in beneficiary numbers in Afghanistan is that, following the regime change in August 2021, priority has been given to the clearance of high priority tasks in residential areas, especially in the southern provinces of Kandahar, Helmand, Zabul and Uruzgan and other areas where HALO previously had limited access.

Excluding Afghanistan from the figures, direct beneficiary numbers increased by 2.6% globally, and indirect beneficiary numbers declined by 43%, largely due to a decline in indirect beneficiaries in older programmes, especially Nagorno Karabakh.

**Explosive Ordnance Risk Education:** The increase in the number of sessions and beneficiaries can be explained by further easing of COVID restrictions in most countries, enabling more sessions to take place and with larger groups, for example in schools and community sessions. The average number of beneficiaries per session has increased from 11.75 to 15.6, globally across HALO operations.



## 2.2 Programmes

### Afghanistan

**The Afghanistan programme conducts all aspects of mine and Improvised Explosive Device (IED) clearance and explosive ordnance disposal (EOD).** This year has seen the Taliban leadership solidify their control of Afghanistan with high levels of security resulting. In parallel, international concerns about human rights violations and the curtailment of basic rights for women and girls have grown with various announcements made by the Kandahar leadership having been met with dismay by the international community. The December 2022 diktat, which stopped women working for NGOs, was reinforced in April 2023 when UN agencies were also faced with the same restrictions. Tensions between Afghanistan and the international community remain high, and the Taliban government remains unrecognised. The Afghan economy is weak with significant impacts for the Afghan people. Islamic State Khorasan Province (ISKP) has continued its efforts to undermine the Taliban's legitimacy and security in the country, launching several high-profile attacks at the end of 2022. However, Taliban authorities report frequent arrests of ISKP operators and cells, which appear to have had some limiting effect.

UN OCHA reported in March 2023 that Afghanistan is reportedly at its highest risk of famine in 25 years as donor funding declines. Twenty million people in Afghanistan face severe hunger, with six million one step away from famine. With the country in its third successive year of drought, safe access to agricultural land is at an even greater premium, and HALO's clearance of agricultural areas has an even greater impact on levels of food security for the poorest people.

In this context, HALO teams have been able to access areas across all of Afghanistan and at the end of March 2023 had cleared 3,384 hectares of land, 25 per cent more than in the previous financial year. The most notable change continues to be the focus on the clearance of IEDs, with HALO achieving the clearance of its 5,000<sup>th</sup> device in Spring 2023. HALO continued more traditional clearance, removing 1,283 anti-personnel and anti-vehicle mines, and destroying 490 tonnes of explosive ordnance and ammunition. The programme has concentrated operations in the south and east, with significant resources diverted to Kandahar, Helmand, and Uruzgan provinces. However, as access across Afghanistan remains good, HALO has also focused on Ghazni, Maydan Wardak and Nangahar provinces, as well as maintaining a commitment in the north of the country.

At the time of writing, HALO has been able to achieve some exemptions to permit female staff to conduct explosive ordnance risk education (EORE) sessions in various communities to reach women and girls, though the permanence of this arrangement remains unpredictable. The need for EORE is perhaps more crucial than ever, with accident rates across the country at an unacceptably high level – 719 people were injured or killed between April 2022 and February 2023.

Although donors have continued to support HALO activities, the broader international narrative indicates a wavering of international commitment. As this happens, HALO is deliberately aligning its work with the activities of other humanitarian organisations to ensure maximum benefit to the Afghan people. HALO has developed partnerships with a variety of organisations in areas of food security, education, culture and health, underlining the enabling function of HALO's activities in the face of Afghanistan's prolonged conflict.

### Angola

**The focus of the programme is on mine clearance, weapons and ammunition management, women's empowerment and conservation in the headwaters of the Okavango Delta.** The

programme continued to expand, growing from 1,172 to 1,481 staff, including 659 women. International staffing on the programme also increased from 18 to 20. To support the expansion, HALO continues to develop its internal systems and procedures, with a focus on staff wellbeing and safeguarding, human resourcing and staff training.

The employment and empowerment of women has remained a core programme priority and the workforce is now 44 per cent female. HALO's 100 Women in Demining project has successfully grown in size and scope since its launch in 2017. Clearance by female demining teams in Benguela has put the province on a track to reach landmine free in the next year. Beyond this, the programme is developing a Women in Leadership project to encourage the upwards mobility and representation of women in leadership roles.

Over the past year, HALO released 512 hectares of land and destroyed 2,832 anti-personnel mines, 1,639 anti-vehicle mines and 13,092 items of ordnance through standard demining projects and a US-funded Weapons and Ammunition Management project. The programme is implementing recommendations and lessons learned following demining accidents in 2022 and early 2023. All of these accidents involved minimal metal mines, four anti-personnel and one anti-vehicle mine, which remain functional despite 30 years in the ground. In early 2023, the programme benefitted from a visit from Fenix Insight better to understand the South African minimal metal mines found in Cuando Cubango, particularly the South African No 8 anti-vehicle mine.

The programme's Mine Action and Conservation Project achieved an MOU with the National Institute for Biodiversity and Protected Areas (INBC) under the Ministry of Environment (MoE), positioning HALO better to support the Government of Angola's conservation goals, while strengthening HALO's Government of Angola funded project to clear minefields in the National Parks in Cuando Cubango. HALO's Conservation Project team in Angola has expanded, with the addition of three Angolan scientists to coordinate and implement new partnership projects with conservation agencies throughout the southeast. Initially, HALO will be working with a variety of partners to conduct ecological surveys of peatlands and woodlands ahead of possible restoration projects. HALO has recently secured a contract through the US Forest Service, backed by USAID, to deliver part of a National Forest Inventory (NFI) project in Cuando Cubango Province.

## **Cambodia**

**A large landmine and explosive ordnance clearance programme.** During FY 2022/23, the 30<sup>th</sup> year of HALO's mine clearance in Cambodia, the programme received funding from the Governments of UK, USA, Germany, Ireland and Switzerland. The programme maintained 1,150 staff with a 50:50 gender balance amongst deminers. Donors have confirmed continuation funding through FY 2023/24, including an increase of \$1m from Switzerland.

Access to densely contaminated minefields within seven kilometres of the Thailand border remains suspended, with the Army and National Authority now jointly reviewing each province in turn. It is anticipated that their review will be completed and access restored to at least parts of these border areas before the end of 2023.

Prime Minister Hun Sen announced a new mine free strategy to achieve Cambodia's obligations under the Anti-Personnel Mine Ban Treaty (APMBT) of clearing all known mined areas by the end of 2025. This has brought in an additional \$50m of private and government funding to the landmine clearance sector, with the promise of another \$30m from the Cambodian Government in 2024 and 2025.

HALO released over 3,906 hectares of hazardous land, destroying over 7,689 landmines and 4,294 items of ordnance, directly benefiting 23,728 women, 22,970 children and 24,800 men during FY 2022/23.

## Colombia

**A mine clearance programme focused on improvised landmines.** A complex security environment and delays within the National Mine Action Authority's assignment processes for new areas meant that HALO staff could not be fully deployed and consequently HALO numbers dropped from 450 to 325. Despite this, HALO remains the largest civilian mine action operator in Colombia and over the year cleared 16.5 hectares, including 112 improvised mines and 15 items of unexploded ordnance.

President Petro, elected in 2022, is pursuing "Total Peace" for Colombia and humanitarian mine action will play a role after peace agreements with non-state armed groups. In response, HALO's programme strategy has evolved to include strategic engagement to address key structural issues in the sector that slow assignments and inhibit third parties from implementing peace, stabilisation and development projects in conflict impacted communities.

## El Salvador

**A weapons and ammunition management programme with a mangrove restoration project.** HALO continued to provide capacity development support to the Salvadorean Ministry of Defence and National Police. Activities include weapons and ammunition management training, the rehabilitation of explosive storehouses and armouries, and the disposal of munitions and small arms. During the year, HALO oversaw the disposal of 1,921 weapons and one and half tonnes of ammunition, and trained 38 police and soldiers in stockpile management.

HALO has been working with the national authorities to support the implementation of the recommendations from the weapons and ammunition baseline assessment carried out last year, as well as supporting the development of a law to facilitate the destruction of firearms being held indefinitely by government institutions.

In August 2022, HALO began a mangrove restoration project on El Salvador's southeast Pacific coast, employing at-risk young people to replant mangroves in areas where they have been depleted. HALO is pioneering a new technique which is designed to increase the survival rate of newly planted mangroves, as well as clearing waterways and conducting the ecological study of future areas requiring further conservation activity.

## Ethiopia

**A new programme focused on minefield survey and mine clearance.** With the support of Germany, Norway, the Netherlands and Ireland, the programme is now operating with just over 100 staff. Due to delays with aspects of registration, the programme is currently obliged to import vehicles and equipment into Somaliland, in anticipation of being exported to Ethiopia in due course.

There is considerable donor interest in Ethiopia, in particular the Tigray region. However, the programme needs to move cautiously to develop the confidence of the national authorities before being able to consider operating in areas other than the Somali Regional State.

In the short-term, the programme requires private funding to develop the vehicle fleet so that future proposals are more cost effective; this approach has been enacted successfully elsewhere, for example, by HALO Zimbabwe.

## Georgia (including Abkhazia)

**A programme facing closure, having been focused on Explosive Ordnance Disposal (EOD) and improving rural connectivity.** On 31 July 2022, HALO Abkhazia completed surface clearance at the site of the 2017 Primorsky ammunition store explosion. Five donors contributed to this milestone, including a final \$260,000 grant from the Swiss Federal Department of Foreign Affairs. In total, the programme cleared 314.3 hectares and destroyed 100,042 items of unexploded ordnance using manual and mechanical battle area clearance (BAC) methods.

In August 2022, the Abkhazia programme completed seven high-priority rural infrastructure tasks under its €500,000 EU grant, increasing residents' access to vital services and neighbouring communities. The programme also handed over its COVID-19 response with a final \$133,031 EU grant that saw the donation of medical supplies and two ambulances to municipal hospitals.

From October to December 2022, HALO cleared 11.7 hectares of ground and destroyed five anti-personnel mines near the village of Lindava but has been unable to raise funds to clear the remaining 5.6 hectares of contaminated land.

The EOD project ended in March 2023 after the UK CSSF declined to extend funding. In total, the programme's two EOD teams conducted 1,187 callouts and village visits, and 112 military demolition requests to destroy a total of 6,256 items of UXO over eight years. This funding decision left the programme in limbo until April, when UN Development Programme (UNDP) approved a four-month rural infrastructure project under the EU4Dialogue initiative. During implementation of the \$281,746 grant, the programme continued developing a proposal to address Abkhazia's remaining munitions stockpiles, although it became apparent that funding would not be forthcoming. Both Georgia and Abkhazia programmes therefore began implementing closure activities, such as archiving data, writing off and destroying unserviceable equipment and disposing of assets in line with donor requirements.

The Abkhazia programme concluded the UNDP grant on Friday 29 September 2023, which also marked the final working day. Abkhaz government and INGO/NGO representatives attended a farewell event organised by the covering programme managers, Dali Amichba and Alias Gorzolia, after which current and former HALO staff enjoyed a barbeque and a celebration of their achievements. From October, closure activities continue with the aim of a final closure of doors by the end of December. In Georgia, we await the approval of the Japanese government to dispose of capital equipment, which may take up to six months. Otherwise, bank, tax and registration closure are the only remaining tasks.

## Guatemala

**A weapons and ammunition management programme.** HALO continues to provide capacity development to the Ministry of Defence and National Police through EOD and stockpile management training, the rehabilitation of explosive storehouses and armouries, and the disposal of munitions and small arms. During the year, nine and a half tonnes of explosive ordnance were destroyed, ten members of the Guatemalan security forces received EOD training, and eighteen were trained in stockpile management. HALO also trained 28 police officers in identification of munitions.

In June 2022, HALO partnered with The United Nations Institute for Disarmament Research, to conduct a weapons and ammunition management baseline assessment in the country. HALO is working with national institutions to implement the recommendations arising from the assessment and has been invited to sit on the National Commission for Armed Violence Prevention. HALO is supporting the development of a weapons destruction law.

## Honduras

**A mothballed weapons and ammunition management programme.** The Honduras project remained mothballed during the year, with no outputs recorded. However, following positive engagement with the Ministry of Defence and the National Police, HALO will re-deploy staff to the country and re-establish Weapon and Ammunition Management (WAM) programming with regional US Department of State funding in the coming months.

## Iraq

**An IED clearance programme.** During FY 2022/23, HALO Iraq continued its focus on the clearance of Islamic State-laid IEDs in the governorates of Anbar and Salah al-Din, releasing more than 200 hectares of land and cancelling a further 1,400 hectares from the national database. In the process, 780 IEDs and their components were cleared, along with 1,445 other explosive items. In total, more than 65,000 people benefitted from this work.

HALO's location in Anbar was closed and all associated operations ceased at the end of March 2023 due to a lack of funding. It had previously been supported by grants from UNOPS/UNMAS and Luxembourg.

The impact of ISIS-laid IEDs remains significant, while Iran-Iraq War minefields and cluster munition strikes from the two Gulf wars are similarly in need of clearance. Donor funding is the greatest challenge for the programme, with traditional donor contributions to mine action in Iraq in decline. During the reporting period, funding was received from the US Department of State, UNOPS/UNMAS, Luxembourg, UNICEF, and the Netherlands. Since 1st April 2023, the programme operates only with funding from the USA and the Netherlands.

Following political instability in the Summer of 2022, the situation has stabilised with the formation of a government. Security in HALO's areas of operation has been stable and there has been no subsequent disruption of operations.

## Kosovo

**A mine and cluster munition clearance programme.** In December 2022, the long-awaited EU-NPA grant (€3.9m) was signed. HALO's share as the sub-contractor is €1.9m. The grant allowed the HALO Kosovo programme to resume mine clearance operations in Kosovo from April 2023.

Two multi-year grants, totalling \$6.8m from the US Department of State continue to sustain the programme's BAC of NATO sub-munitions. In March 2023, the USA awarded an additional \$300,000 that will allow the programme to extend BAC operations through to June 2025.

The programme received a request from the Kosovo Security Force in December 2022 for assistance in constructing munitions stockpiles. The programme is now exploring potential Weapons and Ammunition Management (WAM) projects in Kosovo.

HALO Kosovo completed its non-technical survey of 133 tasks across the country. Estimates are that, by the end of 2024, 374 hectares of contaminated land will remain in the programme's area of responsibility. The findings were presented at a national Mine Action Strategy (2019-2024) review in November 2022 and are expected to influence the broader strategic goal of transition to full national ownership in 2025.

## Laos

**A programme focused on clearing air delivered munitions from the Vietnam War.** In August of FY 2022/23, HALO completed a five-year, \$17.3m survey project funded by the US Department of State Cluster Munition Remnants Survey (CMRS) project. This project represented the first systematic cluster munition survey of Savannakhet Province. Over the course of the project, HALO identified 2,356 previously unrecognized hazardous areas, totalling 7,410 hectares.

The success of the CMRS project helped secure HALO an extension to its US-funded clearance project, bringing the total amount granted under the contract to \$39.3m, being the largest US grant ever awarded to HALO. A €300,000 clearance and risk education contract was awarded by the Irish Government, the first Irish funding received by HALO in Laos. It is expected that Irish funding will continue at a similar level for at least the next two years.

HALO continued the expansion of its clearance capacity, converting 165 staff from survey to clearance and recruiting 100 new operations staff to deploy additional clearance teams under the US-funded contract. This brings the total number of staff to 1,125.

Over the course of the year, HALO destroyed 14,650 items of ordnance, including 8,993 cluster munitions and 26 anti-personnel mines, and cleared 730 hectares across Savannakhet Province. The survey teams added 1,120 hectares of cluster munition contaminated area to the national database.

## Libya

**A programme focused on clearance of explosive ordnance from recent conflicts in mostly urban areas.** Mine and explosive clearance operations occurred across the programme's four locations – Tripoli, Misrata, Sirte and Benghazi – from March until August 2022. Work then stopped in Tripoli and Benghazi due to the national authority, the Libya Mine Action Centre (LibMAC), not renewing permissions in the former and a funding decline suspending operations in the latter. Work continued in Misrata and Sirte until April 2023, when cessation of UK funding forced the programme to contract and focus on one remaining operational location in Sirte, where mechanical clearance in urban areas and EOD continues. HALO has achieved a modest amount of WAM funding and is also pursuing projects with private and government donors in response to the flooding in east Libya following Storm Daniel.

Security has improved compared to recent years of civil conflict, although in Tripoli tensions remain as different factions compete for influence. Libya remains in a political impasse with two competing administrations, east and west, with long-discussed elections not occurring. HALO (in common with all other INGOs) has not been able to renew registration in 2023 due to differences within the west Libyan administration on how regulation should be structured. This has had an impact on HALO and all INGOs' banking, tax affairs, and visas; though notable progress is being made on each front, there remains substantial volatility in these fundamental processes.

The funding environment for mine action and the wider aid sector has worsened in Libya during the financial year. This is partly attributable to the diversion of funding elsewhere, but also reflects donor perceptions around value for money when bureaucratic delays hamper operational delivery.

## Myanmar

**A programme focused on explosive ordnance risk education (EORE) in a country in active conflict.** Civil war continues to escalate in Myanmar because of the February 2021 military coup, the civilian resistance movement, and fighting between Ethnic Armed Organisations. Globally in 2022, the highest number of violent events targeting civilians by state forces was recorded in Myanmar. Landmine

contamination is now suspected in 147 townships (nearly half), compared to 44 townships before the coup. Accident and casualty rates have increased by 40 per cent compared to 2021. Internal displacement has doubled (now 1.8 million people) and one in three people need humanitarian assistance. This is comparable with the humanitarian need in Ukraine.

HALO Myanmar has seven EORE teams operating across three of the most conflict-affected states in Kachin, Shan and Kayin. In FY 2022/23 the teams achieved: over 16,000 EORE sessions, reaching over 96,000 direct beneficiaries; almost 300 community implementers trained in EORE delivery and trauma first aid which in turn reached a further 31,000 beneficiaries; over 100,000 people provided with COVID hygiene kits; over 16,000 internally displaced people in need supplied with 'non-food item' kits; and 27 survivors of Explosive Remnants of War accidents supported with a victim assistance scheme.

The programme was funded by the UK (a long-term donor), the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), Norway (a new donor), and two donations from HALO USA totalling \$167,000 to fill temporary gaps in donor funding. The complex political landscape and sanctions, together with the absence of national permission to conduct clearance activities, makes securing funding exceptionally challenging despite the dire humanitarian need.

### **Nagorno Karabakh**

**A programme focused on battle area clearance and EOD from the first and second Karabakh wars.** Clearance and disposal efforts continued throughout the year, with funding from the US Department of State (through to August 2023) and Norway (through to 2025). This was augmented by further funding from several private individuals, foundations, and a crowdfunding initiative.

Since April 2021, the programme has cleared 617 hectares of contaminated land, destroying 800 cluster munitions, 5,626 other items of unexploded or abandoned ordnance, and 366,824 items of small arms ammunition.

The war in Ukraine has had a political impact on the situation in Nagorno Karabakh as the European Union turned to Azerbaijan for a reliable energy source. The regional influence of Russia waned. As a result, Azerbaijan increased its emphasis on pursuing strategic territorial objectives in both Nagorno Karabakh and Armenia through military means. In September 2022, a series of clashes erupted between Armenian and Azerbaijani troops along the Armenia–Azerbaijan border, resulting in 300 deaths. In December 2022, a group claiming to be Azeri 'environmental protestors' closed the Lachin Corridor, stopping movement of people and goods in and out of Nagorno Karabakh. Although these events constrained HALO's operational scope in Nagorno Karabakh, through careful planning, operations continued albeit without international staff on the ground. Remote management from the Yerevan office became the norm but the programme's transition plan, in which national staff assume management roles in Nagorno Karabakh, remained valid.

In May 2023, the programme began compiling a programme closure and evacuation plan given the evolving geopolitical situation. In July 2023, the Azerbaijani military installed an official checkpoint on the Lachin Corridor and ceased the movement of goods into the territory. From that point, food, fuel and medicines became increasingly scarce to the point that HALO staff were missing meals and too weak to continue working full-time. In August, the programme implemented a day on-day off shift pattern so staff could conserve energy and have time to search for food. Fuel reserves were running low and operations would have necessarily stopped in October as a result.

On 19 September 2023, the Azerbaijani military initiated a surprise attack on Nagorno Karabakh and over the next twenty-four hours hundreds of troops from both sides were killed. In the early hours of 25 September, Azerbaijan announced the Lachin Corridor was open to any Karabakhi wishing to leave



for Armenia. The programme had been prepared for this for three months and implemented its evacuation plan. With the installation of a forward base in the border town of Goris, evacuating staff could be received, recorded and the most vulnerable given accommodation. The evacuation took six days and all but two staff arrived safely in Armenia. Sadly, the two staff were killed in a fuel depot explosion. It is fortuitous that prior evacuation planning meant there were not more staff at the fuel depot.

From October, the programme is tracking all staff locations and immediate needs, providing assistance where possible. A needs assessment will record job-related requirements to give staff the best chance of meaningful employment and security for their families. Discussions with the national mine action centre, CHDE, for assisting the Armenian clearance efforts are taking place.

## **Nigeria**

**A new programme poised to embark on weapons and ammunition management and potentially demining projects.** HALO is now registered as a charity in Nigeria and has secured a strong mandate from the Ministry of Police Affairs, the Federal Ministry of Humanitarian Affairs, Disaster Management and Social Development, and the Inspector General of Police, for weapons and ammunition management activities and humanitarian mine action capacity development. HALO has built a trusted working relationship with key embassy contacts in Abuja. German, Dutch and US Government representatives are reviewing HALO's concept notes and proposals. Along with other stakeholders, HALO is supporting the government with the development of its National Mine Action Strategy.

The Economic Community of West African States' (ECOWAS) headquarters, the United Nations regional headquarters and other humanitarian stakeholders are based in Abuja, giving HALO regional and continental networking opportunities. HALO is also now an official partner of the ECOWAS Peacekeeping and Regional Security Directorate and has contributed to numerous regional workshops in support of the ECOWAS Convention on Small Arms Light Weapons in Abuja, Togo and Côte d'Ivoire.

## **Somalia**

**A programme focused on mine clearance and weapons and ammunition management.** With the withdrawal of Norwegian People's Aid from operations in 2022, HALO is now the only international mine clearance operator working in Somalia, with mine clearance activities focused on the Somalia-Ethiopia border. Clearance and EOD over the last year has resulted in the destruction of 25 anti-personnel mines, 23 anti-vehicle mines, 2,923 items of ordnance and 3,540 items of small arms ammunition. HALO released 9.36 hectares of mined land.

WAM work is progressing effectively, enjoying strong donor support and demonstrable success, with the rehabilitation of the Helane ammunition store at Mogadishu international airport.

Somalia is working with the international community to have the arms embargo lifted. A series of clear benchmarks must be met to demonstrate that the authorities can manage stocks of weapons and ammunition. To assist in this effort, HALO has supported the Federal Government of Somalia at both strategic and operational levels with training courses, regional assessments, and the provision of ammunition storage facilities. In March 2023, HALO conducted a WAM conference, attended by national and international actors, to help evaluate progress against the benchmarks.

## **Somaliland**

**A programme focused on mine clearance and the environmental restoration of land.** Demining operations remained broadly stable, with a slight reduction in numbers, although still above 450 staff.

The programme is currently funded by the FCDO, Irish Aid and Germany. Mine clearance operations were focused on the Somaliland-Ethiopia border area where communities are living in and around low-density minefields. The programme destroyed 86 anti-personnel mines, 10 anti-vehicle mines, 324 items of ordnance and 638 items of small arms ammunition. HALO cleared 119 hectares of mined land, providing safe access to water, grazing and village expansion.

HALO Ethiopia is supporting border communities by providing clearance on the Ethiopian side. With limited resources in Ethiopia, HALO has found it easier to support operations from the Somaliland side. The programme wants to grow its environmental projects into large-scale operations as lessons learned so far show that this is necessary to have measurable and sustainable impact.

## Sri Lanka

**A programme focused on mine clearance approaching completion.** During the year HALO Sri Lanka celebrated its 20th anniversary. The programme peaked at 1,373 staff in May 2022 and at 31 March 2023 had 1,252 staff, 38 per cent of whom are women. Operations in the north-eastern district of Mullaitivu have almost doubled in size over the past year (from 273 to 550 staff), together with the associated supporting infrastructure and equipment. In addition, more technically challenging tasks have been allocated to HALO by the national mine action authority, including clearance in flooded lagoon areas and on islands.

In FY 2022/23, HALO cleared 236 hectares of land, removing and destroying over 10,800 mines and almost 10,000 items of ordnance, as well as small arms ammunition and weapons. This has benefitted over 11,000 people directly and over 36,400 indirectly.

In April 2022, the country was declared bankrupt and large but peaceful protests in the capital, Colombo, ensued resulting in a tumultuous year politically and economically, with significant increases in the cost of living, fuel shortages and the devaluation of the local currency. HALO Sri Lanka successfully navigated this and continued to expand its footprint in the Northern Province.

A national strategy was launched to see completion of the mines problem in Sri Lanka within the next four years. This includes a pillar dedicated to livelihood transition to prepare staff for alternative livelihoods in the job market. Programme funding is stable, with existing donors committed to seeing Sri Lanka reach a mine-free state.

## Syria

**A small risk education programme starting mine clearance operations in 2023.** HALO operates in Northwest Syria in Idleb and Western Aleppo, implementing projects directly. Operations in northern Aleppo, which were conducted through a Turkish partner, iMFAD, ended in June 2022 due to a lack of funding. They were previously supported by UNOCHA.

In Idleb and Western Aleppo HALO has continued to develop operations. Minefield survey started at the beginning of 2022, followed by EOD in August 2023. HALO's first landmine clearance began in August 2023. HALO also conducts EORE and victim assistance through case management.

Day-to-day operations are managed remotely, although HALO has been able to gain regular access to NW Syria for international staff; this has allowed enhanced training and on-the-ground monitoring.

During FY 2022/23, HALO Syria surveyed and identified seven minefields, responded to 80 calls out to landmines and other explosive items, destroying 120 items. Across all activities, HALO Syria's work benefitted more than 41,500 people. A team was also trained for future landmine clearance.

Over the course of the year the programme was funded by The People's Postcode Lottery, UNOCHA, and the Governments of Norway and Ireland. Though funding from Norway and Ireland has been secured for four and three years respectively, the funding environment in NW Syria remains challenging and additional donors are required to maintain current activities.

NW Syria was part of the region severely affected by the February 2023 earthquake in Turkey and Syria. HALO's mine action operations were suspended while the relief effort was supported. This work entailed the use of HALO's excavator for rubble removal, EORE targeted at newly displaced people, victim assistance expanded to include those injured because of the earthquake, and the transport of supplies. Mine action operations gradually resumed through February 2023 and returned to normal in March.

## Ukraine

**A programme committed to becoming the Government of Ukraine's (GoU) strategic partner in demining, recovery and reconstruction.** During FY 2022/23, HALO capacity grew from a low of just over 200 Ukrainian staff (post-invasion) currently to over 1,000 staff operating in northern, eastern and southern Ukraine.

The programme moved to Brovary, Kyiv, following the Russian withdrawal in April 2022. Relationships were rapidly developed with the military governor in Brovary which meant HALO was invited to establish its new base and headquarters there. Positive relationships in Bucha and Irpin districts quickly followed, and HALO's first demining teams were deployed in early May 2022 in Hoholiv, a small agricultural village east of Brovary with significant anti-vehicle mine contamination. Deployment of teams in Chernihivska and Sumska oblasts followed throughout Summer as the programme continued routine recruiting and training.

The late Summer months presented a degree of stability for the programme as it settled into a good operational rhythm and pattern of growth. Security remained good and the threat to staff low until October, when a replacement of Russian military leadership triggered a wave of drone and missile attacks across the country, putting significant strain on infrastructure and utilities. The programme adjusted and coped well without an operational downturn.

A surprise Ukrainian offensive to liberate Kharkiv, followed a few weeks later by an offensive towards Kherson, meant a significant Russian withdrawal, providing an opening for HALO. Following meetings with the military governors of those oblasts, survey teams were on the ground shortly afterwards and HALO has had a presence in Mykolaiv and Kharkiv since November 2022.

In February 2023, a new inter-ministerial working group was established by the Minister of Economy, Yulia Svyrydenko. While demining priorities in Ukraine have shifted between residential, agriculture and critical infrastructure over the past year, the establishment of this working group means the Ukrainian Government is viewing demining through an economic lens, which is understandable given a fall in GDP of up to 30 per cent and a drop in agricultural output of as much as 25 per cent on 2021.

In March, HALO was invited to brief the Cabinet of Ministers and to present at the Kyiv School of Economics on mine action in Ukraine, showing that HALO is seen as a valued partner. By the end of FY 2022/23, HALO had found 220 anti-personnel mines, 5,000 anti-vehicle mines, and over 1,500 items of UXO.

The strategic vision for Ukraine sees the programme grow in monetary terms to become larger than any other HALO country. A key strategic partner for Ukraine and our donors, HALO Ukraine will be

able to carry out all core competencies at scale, while branching into wider Conflict Action work including support for post-war recovery, disarmament, environmental remediation and research.

### **West African Coastal countries – Guinea-Bissau, Côte d’Ivoire, Ghana and Togo**

**A group of WAM projects.** In September 2022, Guinea-Bissau completed a five-year US Department of State Weapons and Ammunition Safety and Security project. The programme successfully achieved the majority of its objectives, including the handover of a Temporary Ammunition Storage Area, construction of 9 containerised armouries, 474 weapons and 7.2 tons of ammunitions destroyed, and 95 security personnel trained.

The programme won a regional contract in October, which will see the expansion of activities across the coastal West African region, including Guinea-Bissau, Côte d’Ivoire, Ghana and Togo. The WAM project aim is to reduce the flow of arms and improve the security of weapons and ammunition stockpiles in these countries.

Following high level visits across these countries, a baseline report has been provided to the donor. The baseline report outlines the WAM needs and key priorities across the region, as well as HALO’s proposal and strategy for further WAM activities.

The programme is continuing to explore new opportunities, including the signing of an MOU and an application for accreditation to conduct traditional humanitarian mine action activities in Guinea-Bissau.

### **West Bank**

**A programme focusing on the clearance of older ‘legacy’ minefields affecting Palestinian civilians in the West Bank.** HALO’s landmine clearance operations in the West Bank were suspended in December 2020 due to a lack of funds. New funding was secured from the US Department of State and the Netherlands in September 2021, but administrative delays held up the start of work until June 2022.

During the reporting year, clearance of two of the final three highland minefields was completed and the third was completed in August 2023. Clearance in these minefields was technically challenging, and, between June 2022 and April 2023, HALO cleared 0.6 hectares of land and destroyed 15 landmines. There are 90,000 total direct and indirect beneficiaries of this work.

Further funding from the US Department of State has been secured to begin clearance of minefields in the Jordan Valley. Expected funding will run until the end of July 2024 and a more sustainable funding base is being sought to complete the clearance of Jordan Valley minefields over eight years.

Tensions were high in the West Bank prior to the attack on Israel by Hamas on 7 October 2023, but HALO was able to manage the elevated risk level to our Israeli, Palestinian and Georgian staff, with minimal disruption of operations. Safe operations are dependent upon excellent relations with the Palestinian Mine Action Centre and the Israeli National Mine Action Authority. At the time of writing (less than one week after the 7 October attack) the West Bank remains calm, but operations have been suspended due the uncertainty about how the security situation might develop. All non-Israeli and non-Palestinian staff have been evacuated as a precaution.

### **Yemen**

**A programme focused on survey and clearance.** HALO Yemen doubled in size during the reporting period to 120 national staff and widened operations to include manual and mechanical mine

clearance. These are the first INGO-led mine clearance teams in Yemen's history. They cleared 33.3 hectares and, alongside other multi-tasked teams, removed or destroyed 874 items of explosive ordnance, totalling 36 tonnes. HALO surveyed 206 communities in support of the Yemen Baseline Landmine Survey, a national project aimed at recording all known contamination in affected areas of Yemen.

The programme has diversified its donor base from two to five donors. Current interest from a further two donors would assist planned expansion of survey and mechanical clearance along Yemen's heavily contaminated west coast. HALO continues to work closely with the Yemen Executive Mine Action Centre (YEMAC), chiefly by training, deploying and mentoring their staff in operational roles.

A six-month truce in 2022 encouraged UN-led efforts to re-open major roads in Ta'iz city. The roads bisect the frontline between Ansallah ('Houthi-led') forces on one side and those of the internationally recognised government (IRG) on the other. In support of the Special Envoy's Office and in recognition of known explosive ordnance contamination along the roads, the UK CSSF contracted HALO to conduct a road survey project to understand the resource and technical requirements for clearance. The project also enabled HALO to establish a new location in Ta'iz city, where, aside from the roads, there is an acute need for clearance of densely populated neighbourhoods. The UK Government awarded an additional £454,000 to the project for mechanical plant procurement, providing the equipment needed to clear roads once a political settlement or truce is reached. The machines will support wider mechanical clearance operations and capacity development elsewhere in Yemen.

The long-standing UNDP mine action programme in support of YEMAC no longer supports the latter's operations. This has resulted in new political will for HALO and other mine action INGOs to establish future operations in the Ansallah-held north, where needs are severe in many governorates. HALO attended a two-day mine action conference in Sana'a in February 2023, after which mine action INGOs and authorities agreed in principle to a standardised MOU establishing the same operational model as exists in the IRG-held south. HALO's near-term objectives are to continue expansion into areas of severe need on the IRG-held West Coast and Ansallah-held north. HALO will also deepen its existing operations in Ta'iz and Aden in support of a potential political settlement.

## **Zimbabwe**

**A programme focused on mine clearance and building resilient communities.** In mid-2022, HALO's geographic area of operation expanded across the border into Mashonaland East Province, to support existing operators with clearance and to ensure mine affected communities in this province are not forgotten. The programme saw an increase in private funding in response to increased costs and reduction of institutional support. Economic shocks presented operational challenges, with the local currency depreciating against the US Dollar and inflation reaching record elevated levels. The food inflation rate rose to 12 per cent in the month of January 2023 – the highest in the world according to the World Bank.

By the close of FY 2022/23, HALO teams released 116 hectares of minefield in Zimbabwe, destroying 26,989 landmines in the process. HALO is taking a lead role in the sector, coordinating monthly operator technical working groups and clearing 80 per cent of all the mines cleared in the country. According to the Mine Action Review, the HALO Zimbabwe programme clears approximately 20 per cent of all anti-personnel mines reported cleared worldwide.

HALO's research and development in Zimbabwe led to two significant changes in operations that were approved by the National Mine Action Authority (NMAA). These include the introduction of a new

GPZ-7000 detector to increase efficiency, and the use of micro-excavators to improve safety during clearance of the R2M2 anti-personnel mine threat.

### **2.2.1 New Programmes**

#### **Kenya**

US State Department funding for the partnership with the Kenya-based Regional Centre on Small Arms (RECSA) has increased to just under \$3million across three years. As a result, HALO Kenya has developed new relationships with security institutions across East Africa, delivering 23 weapons storage facilities and specialist training to 100 Kenyan and Ugandan security forces in FY 2022/2023. With funding from a US Foundation, HALO developed a project with the Northern Rangelands Trust (NRT) for armed violence reduction and conservation in Eastern Kenya. This project has trained over 20 rangers in weapons management, improved environmental practices for communities, as well as delivering a food security project designed to reduce inter-tribal violence. The success of this relationship has resulted in a joint concept note with NRT to the European Union for conservation and conflict reduction.

#### **Malawi**

The Malawi programme has continued to mature, securing multi-year funding until 2026. The programme has a close relationship with the US Embassy which has been fundamental to its success. HALO has trained 80 members of the Malawi Defence Force during the year, constructed a high-profile ammunition depot and armoury for the Malawi Maritime Service, and will have refurbished the national ammunition storage infrastructure by the close of 2023.

#### **Mozambique**

HALO received a request from the US Department of State in 2021 to deliver armoury construction and weapons management training in Mozambique. Progress was slow from the start, but HALO was able to begin operations in April 2023 and has funding through 2024. HALO hosted visits by the US Department of Defence and the US Department of State in Mozambique in April 2023 and was told that Mozambique is a key country for further security assistance, and that HALO is a preferred partner.

#### **Solomon Islands**

Following an assessment mission in August 2022, HALO won a \$1 million contract from the US Department of State to undertake a national survey of extensive contamination with unexploded and abandoned ordnance from the Second World War. The absence of survey data and historic accident data means that the extent and impact of contamination in populated areas has been grossly unreported. The opening of a US Embassy in the Solomons, after the signing of a security deal between China and the Solomon Islands Government, marks a significant increase in interest in the geo-strategic value of the island chain and a corresponding increase in levels of investment. Addressing wartime contamination is a flagship US priority and HALO anticipates an increase in funding, together with an expansion of the survey capacity with the potential soon to build a mid-size programme. There is an opportunity to expand this work into neighbouring Papua New Guinea and other Pacific Island states, which have similarly unaddressed contamination.

### **2.2.2 Programme Development**

**Programme Development drives long-term growth, establishing new programmes and projects that contribute to the achievement of the organisation's strategic goals.** The team is guided by the criteria

‘munitions, mandate, capacity and money’ – Will the host country give HALO a mandate to operate? Are there munitions that create humanitarian need? Will donors provide enough money? Does HALO have enough capacity to open a new programme? With regard to the HALO strategic goals set out in paragraph 1.4, in pursuit of Goal 1, the team has established HALO’s first programme in the Pacific, responding to the significant opportunity created by the US Government’s strategic focus on the region. In pursuit of Goal 2, Programme Development has expanded its weapons and ammunition work globally, building a cadre of global technical specialists who can deliver high quality training and facilitate future growth. In pursuit of Goal 3, Programme Development aided and advised the re-forestation (mangrove) project in El Salvador with an emphasis on employing at-risk individuals, and developed a partnership in Kenya with the Northern Rangelands Trust, a leading conservation charity, to deliver conservation and armed violence reduction work.

The WAM team, which works under the auspices of Programme Development, continued to implement projects in Kenya, Malawi and Mozambique, securing multi-year funding with a value of over \$10 million. The funding of these projects has allowed the WAM team to grow and provide global technical leads for ammunition management, weapons repair and maintenance, weapons marking and tracing, and the construction of safe storage capacity.

The WAM team has also been involved in the expansion of the HALO-NATO relationship, leading and supporting liaison with NATO funding mechanisms. In the coming months, the WAM team will lead a reconnaissance to Moldova and provide support to NATO engagement in Iraq. The WAM team also continues to support progress in the newly established West Africa Region.

### **2.3 Compliance with Trustees’ Duties under Section 172(1) of the Companies Act 2006**

As a large Charitable Company, The HALO Trust is required to report on how the Trustees have discharged their duty to promote the best interests of the Charity whilst having regard to the matters in section 172(1) (a) to (f) of the Companies Act 2006. In carrying out their duties, the Trustees have regard (amongst other matters) to:

#### **a) the likely consequences of any decision in the long term**

Throughout the year, Trustees considered HALO’s financial position and balanced the rebuilding of reserves with delivery in the year of its charitable objectives. In approving the creation of new country programmes in the year, and the significant scale up of the Ukraine programme, the Trustees considered the structural and financial impact on the wider organisation. In all these and other matters, Trustees considered the likely long-term consequences of their decisions.

#### **b) the interests of the charity’s employees**

Trustees had oversight of the global staff survey results, which reported on staff engagement and morale. They discussed in detail plans put in place by the Executive to respond to concerns raised in the staff survey, including around pay and reward, connection to HALO’s mission and improving the employee experience at work. Trustees have discussed our approach to people management, career progression and reward to enable our staff to fulfil their potential, with a specific focus on under-represented groups and in line with our values and standards.

#### **c) the need to foster the charity’s business relationships with suppliers, customers and others**

The delivery of HALO’s work is dependent on the support of our partners, both governments and philanthropic donors including companies, trusts and foundations, and individual donors. We work to nurture strong mutually beneficial partnerships, which meet contractual requirements as well as build long term engagement. The Trustees engage both individually and collectively to strengthen and support the delivery of HALO’s partnership approach, including strengthening the organisation’s



Ethical Donor Acceptance and Refusal Policy and supporting high level approaches to new potential partners, in particular private fundraising. In February 2023, a group of Trustees met with representatives of the German Federal Foreign Office to discuss strategic priorities in the mine action sector. Trustees also have a role in promoting HALO's work and encouraging influential individuals to become HALO Ambassadors. HALO's procurement processes are also designed to promote the development of sustainable business relationships with suppliers, to create resilience in our supply chain and provide robust control over the expenditure of funds.

**d) the impact of the charity's operations on the community and the environment**

The HALO Trust's mission is to 'Protect lives and restore livelihoods of people affected by conflict'. The needs of the community where we work are at the centre of what we do. The Trustees' role regarding safeguarding oversight is clearly set out in the Safeguarding Policy. This recognises that the Trustees are 'ultimately accountable for ensuring that those benefiting from, or working with, the Charity are not harmed in any way through contact with it and that they are treated in a safe, respectful and appropriate manner.' The Safeguarding Policy and Serious Incident Management Plan also clarify the role of the Trustees in reporting Serious Incidents to the Charity Commission. In 2023, HALO has appointed a global safeguarding lead, to support and strengthen our safeguarding strategy. Our new strategy aims to keep our colleagues, beneficiaries, and the communities in which work, safe and free from harm.

Through HALO's Whistleblowing Policy and External Complaints Policy the Trustees ensure there are sufficient mechanisms in place to enable Whistleblowing complaints to be addressed effectively, including (but not restricted to) direct contact with Trustees. Trustees regularly review these policies and complaints are reviewed annually to identify any trends which may indicate a need to take further action.

HALO is committed to reducing its environmental impact in line with its Environmental Policy. In 2023 HALO is developing a Carbon Reduction Plan in order to reduce the organisation's Greenhouse Gas emissions. This plan supports HALO's Global Environment Strategy which was approved by the Trustees in September 2023, that sets out the organisation's environmental goals and objectives. These include reducing the organisation's environmental footprint, and addressing the environmental impact of conflict, including following the clearance of landmine and explosive remnants of war.

**e) maintaining a reputation for high standards of business conduct**

As we strive to achieve our strategic goals, we lead by example by demonstrating in all areas the same values that we wish to see in the people we work with and those we aim to influence. For example, our procurement and ethical fundraising policies ensure that values are a key part of our selection of suppliers and partners. Further, our values and the behaviours we want to see, including our commitment to safeguarding and leadership principles, are embedded in our Trustee and staff recruitment, induction and appraisal procedures. We have an anti-corruption strategy and require all suppliers, partners, Trustees and employees to accept the code of conduct which prohibits fraud, bribery and nepotism.

**f) the need to act fairly as between members of the charity**

This criteria has no application to HALO as the Trustees are the sole members of the charity, and the charity is not run in the interests of the members but of the objects of the charity.

### **3. CAPABILITY GROUP**

#### **3.1 Research and Development**

HALO has continued to invest in its R&D capacity to improve efficiency and safety globally, and address specific technical challenges faced in Ukraine. A local R&D department has been established in-country and is managing multiple projects assessing a range of machinery, detectors and Unmanned Aerial Vehicles (UAVs) best suited to the specific terrain and explosive hazards encountered there. Donor funding for R&D, not only in Ukraine, has increased in the last year, and thereby supported expansion of the R&D team.

HALO has been expanding its use of open-source research to gather information about explosive ordnance contamination and its impact. This reflects the growing penetration of smartphone and social media use in the countries where HALO works, including in Ukraine. Dedicated staff now collect and analyse information from traditional media, social media and other sources to guide our teams on the ground, identify priorities, and inform our communication with governments and donors. The use of remote sensing by UAVs and satellite is expanding across HALO, providing another set of information to guide our operations. The combination of open-source data, remote sensing, and traditional evidence collection on the ground (non-technical survey) is already having an impact and has the potential to allow clearance to be better targeted and informed.

The continued rollout of new models of high sensitivity metal detectors for minimum-metal anti-vehicle mines in Angola and deep-buried mines in Zimbabwe is the culmination of a successful R&D project, which has been coupled with the introduction of micro-excavators for the rapid excavation of anti-personnel mines.

HALO continues to push the deployment of more efficient ground-penetrating radar detectors, to trial panel-based sensors in Ukraine and Afghanistan, and to work with a start-up company on a novel detection technology (magnetic resonance) at the early stage of development.

Remote-controlled machinery is a major part of HALO's response in Ukraine, and we continue to develop our camera systems, procedures and training to get the most from this approach.

#### **3.2 Operational Compliance**

During the year there were eight accidents involving explosive ordnance that resulted in injuries to HALO personnel. Two accidents occurred in Sri Lanka resulting in one HALO employee sustaining minor injuries and one sustaining severe injuries. One accident occurred in Zimbabwe with one HALO employee sustaining minor injuries. Five accidents occurred in Angola resulting in two HALO personnel sustaining slight injuries, one sustaining major injuries, one sustaining severe injuries, and very sadly one resulting in the death of HALO deminer, Anita Paulina Nguendo.

All accidents were investigated by HALO as well as by the respective national authorities. In the case of the fatal accident in Angola, the CEO appointed an accident investigation board that worked in cooperation with the Angolan authorities. The circumstances surrounding this accident, specifically the unintended initiation of an anti-vehicle mine, prompted HALO to bring in an external consultant to analyse the effects of degradation on the type of anti-vehicle mine in question and the implications of degradation for clearance procedures. The findings of this investigation have been shared with other organisations working in Angola and with donors.

During the year, HALO introduced new global quality management guidelines and an accompanying global quality assurance form to standardise reporting on key safety indicators. The guidelines outline the minimum requirements for the conduct of quality management activities on HALO programmes, as well as best practices for programmes to follow. The resulting data on the number, category, and severity of non-conformities, numbers of visits by team and task, and corrective actions allows for a more complete picture of HALO's quality assurance activities worldwide. The data collected from this form will also serve as one of the key inputs for HALO's global safety and quality key performance indicators.

HALO has continued to contribute to the work of the International Mine Action Standards Review Board and is leading and contributing to several technical working groups, including the drafting of new minimum competency standards for deminers, team leaders and supervisors, and an update to mechanical clearance standards.

### **3.3 Training**

HALO ran four international field officer training courses in Cambodia and Somaliland during FY 2022/23, with a record 38 individuals successfully completing the courses. For a second time, we ran a course specifically for Arabic speakers to strengthen management capacity in HALO's Middle East programmes.

Additionally, operations management courses for national staff were run in Angola, Afghanistan, Zimbabwe, and in Cambodia for officers from HALO Ukraine. Two Programme Officer courses were run in Colombia, and two Programme Manager courses were run in Kosovo.

Use of HALO's online Learning Management System expanded. 720 personnel now have access to courses covering induction, refresher training and self-led professional development. The system provides access to modules that are available through external training providers, such as those provided by the Geneva International Centre for Humanitarian Demining, on Gender and Diversity in Mine Action and Explosive Ordnance Risk Education. Testing of content creation software and translation tools will help speed up building of new courses, and timely translation into HALO's country programme languages, prioritising Spanish, Dari and Ukrainian.

### **3.4 EOD, Improvised Explosive Device Disposal (IEDD) and WAM Training and Assurance**

During the year HALO has trained and qualified 88 people in accordance with International Mine Action Standards to dispose of explosive ordnance contamination. Of these, 48 were HALO international staff, 30 were HALO national staff and 10 were part of donor-sponsored projects to train local capacities in countries where HALO operates. These courses included Levels 1, 2 and 3, as well as the specialised Humanitarian Improvised Explosive Device Disposal course.

In addition, five HALO national staff qualified as instructors, developing a national capacity to deliver courses across Somaliland, Côte d'Ivoire and Latin America. During 2023, the Capability Group provided extra training capacity for the Iraq programme to account for a change in National Mine Action Authority qualification criteria for EOD operators. Additional work supporting programmes with ammunition storage and bulk demolitions advice has also been undertaken in West Africa.

### **3.5 Fleet**

A new driver training programme has been rolled out to several programmes during the year with the aim of improving fleet safety. HALO has also joined Fleet Forum, a non-profit membership association inspiring better, cleaner, safer and more effective transport around the world. This gives access to shared fleet data and training modules for drivers and fleet managers throughout HALO. The Ultimo Fleet Management system is being rolled out, with staff in Kosovo, Iraq, Laos, and Cambodia trained on the system during the year, allowing better monitoring of fleet usage and expenditure.

## **4. FUNDING OPPORTUNITIES**

During the year, HALO secured annual continuation funding from all major government donors, with HALO's response to the conflict in Ukraine being the driver for a significant increase across key European donors as well as in the USA.

The main developments over the course of the year include increased funding from Germany, Norway, Canada and the EU, and new funding from Luxembourg and the Scottish Government. HALO won the UK FCDO's tender for the Global Mine Action Programme 3 funding in Afghanistan, which started in April 2023 and the next tender for work in Ukraine is anticipated in June 2023.

Funding from the US grew strongly this year, but could plateau in the year ahead due to the change of leadership in the House of Representatives. In light of this development, the HALO USA Board convened a Strategy Session to elevate policy engagement in Washington, with a goal of diversifying US funding beyond The Office of Weapons Removal and Abatement in the US State Department's Bureau of Political-Military Affairs (PM/WRA).

In 2023, HALO is pursuing new funding opportunities through Gulf State donors and NATO.

HALO has generated momentum in private fundraising following investment and strategic focus over the past three years. Collectively, private donors now represent the third largest donor group (circa £15 million) following growth in the pipeline of potential private sources and effective conversion of interest in supporting Ukraine.

### **4.1 Responsible Fundraising**

HALO raises philanthropic funds to support the organisation's resilience and agility and to deliver our life saving work. HALO is extremely grateful for the generosity of its donors. We adopt a relationship fundraising approach, where we aim to deliver excellence in supporter care.

During the year to 31 March 2023 the Global Philanthropy Team raised £12.1 million against our planned target of £4.9 million. This was primarily driven by the crisis in Ukraine and mainly comprised funds for implementing charitable activities.

HALO is registered with the Fundraising Regulator and all our fundraising activities comply with The Code of Fundraising Practice. HALO does not undertake mass fundraising activities and does not employ any professional third-party agencies or individuals to fundraise on its behalf. The majority of fundraised income originates from a small number of valued partnerships with companies, trusts and foundations, and individual donors.

Each year HALO's work is supported by a small number of third-party fundraisers acting in a voluntary capacity to raise funds in their communities or through events. Where these individuals and their

activities are known to us, the Global Philanthropy Team provides bespoke guidance and support and encourages the use of regulated platforms (e.g. Just Giving) for the collection of funds.

We continue to work hard to minimise complaints and take exceptional care to communicate sensitively and appropriately with our supporters. HALO has received no complaints relating to fundraising in this reporting period. Any complaints are dealt with in accordance with our complaints policy, as detailed on our website. In line with the fundraising regulations guidance on individuals in vulnerable circumstances, we pay particular attention to treating supporters in vulnerable circumstances with the utmost care and fully investigate all cases where we believe an individual may be vulnerable.

## **5. POLICY AND ADVOCACY**

HALO's policy and advocacy work extended beyond the UK and at the United Nations, to include efforts in Europe. In the UK, HALO continued to deliver a case around the need to address conflict and fragility within UK aid strategy, while also continuing to promote integration with wider diplomatic, defence and trade engagement.

In Europe, HALO broadened its support from Members of the European Parliament and has joined numerous policy networks. A growing relationship with NATO represents a key opportunity, not least against the backdrop of the conflict in Ukraine.

Meanwhile, understanding the intersection of conflict, climate and environment continues to be a programming and policy priority, in line with HALO's Strategic Plan. An environment strategy, linked to HALO's programming, policy and engagement, will be formalised during the year ahead.

## **6. STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **6.1 Structure**

The company is a registered charity (with the Charity Commission for England and Wales - no. 1001813 and with the Office of the Scottish Charity Regulator - no. SC037870) incorporated on 9 March 1988 under the Companies Act 2006 as a company limited by guarantee (company number 2228587). Its governing document is its Articles of Association. Each of the company's members undertakes to contribute the sum of £10 in the event of the company being wound up while a member, or within one year from ceasing to be a member. Each of the Directors/Trustees is also a member of the company.

### **6.2 Governance**

The Board holds formal scheduled meetings at least four times a year, as well as frequent ad hoc meetings. In addition, there is an annual cross briefing held in the UK, attended by Board members and all HQ and senior international and national staff. An Audit and Finance Committee, which comprises four trustees (John Deans as Chairman, Paddy Beeley, Barney White-Spunner and Lucía Halpern), together with attendance by the Chief Executive, the Company Secretary, the Finance Director and the Chief of Staff, assists the Board in discharging its obligations to ensure the adequacy of internal controls and the integrity of the financial statements. A Governance and Nominations Committee, made up of three trustees (John Raine as Chairman, Jane Davis and Emma Sky), and attended by the Chief Executive, the Company Secretary and the Chief of Staff, ensures that the required governance policies are in place and that measures are taken to make certain that they are enacted. A newly established Remuneration Committee has three members (Mark Aedy as Chairman, Emma Sky and Lucía Halpern). Its terms of reference include the regular review of the Charity's

remuneration policy and advising on and overseeing appropriate contractual arrangements for the Chief Executive and senior management. Timothy Church, as Chairman of the Board of Trustees, is an ex officio member of all Board Committees. Each of the three Board Committees meets at least twice per year. In addition, a Medical Board, comprising around 30 volunteer health care professionals, ensures that the Board of Trustees is fulfilling its duties and obligations on medical care. Jane Davis, as the representative of the Board of Trustees, sits on the Medical Board.

The Trustees who were in office on 31 March 2023 and at the date of this report are shown on page 2.

The Articles of Association state that each Director shall be appointed for a period of three years, or such shorter period as the Directors shall think fit, at the end of which they shall retire, at which point they shall be eligible for re-election. No Director shall serve for a consecutive period of more than nine years, save with the approval of a two-thirds majority of the Directors. The Articles of Association state that Directors can be appointed by a simple majority of the Directors.

BDB Pitmans (HALO's solicitors) give new Trustees an induction into the duties and responsibilities of Board membership as stipulated by law and the Charity Commission. New Trustees receive comprehensive induction information and are encouraged to spend time in HALO's headquarters in Scotland and in its office in Wilton on the outskirts of Salisbury, and to visit HALO's overseas programmes.

The Trustees benefitted from qualifying third-party indemnity provisions in place during the financial year and at the date of this report.

### **6.3 Organisational Structure and Management**

The Board is responsible for the strategic direction of the Charity. Operational control is exercised by the Chief Executive Officer (CEO), who reports to the Board in person on a quarterly basis and in writing on all questions of Board level policy and where operational risk requires a Board level view. The CEO attends Board meetings but is not a Trustee and does not vote. The senior executive level structure consists of eight directors: a director of Capability, responsible for growing the capability of HALO, in both functional and geographic senses; a director of Global Philanthropy, responsible for private fundraising; a director of Communications; a director of Finance; a director of Human Resources and Administration; an executive director HALO USA; a director of Strategy responsible for shaping HALO's strategy, partnerships and policy; and a director of Programmes, assisted by two deputy directors, responsible for eight country regions. Programme managers, who report to a head of region, each control one of HALO's countries and territories. Other staff in each country programme are responsible for Finance, Human Resources, Logistics, and Information Services. These roles are designed to give HALO the means to run a large and complex organisation.

HALO has a structured salary framework linked to job roles, responsibilities, and seniority. Within each job band there are several pay grades, each of which has a defined salary range. The pay and remuneration for all personnel within HALO are managed within this framework, to ensure consistency and governance. Any pay increases awarded are based upon performance against priorities and personal objectives, which support the vision and progression of HALO's strategy and work. This approach is designed to ensure that HALO retains and motivates personnel while maintaining appropriate internal controls.

## 7. EMPLOYEES

At 31 March 2023, HALO employed 10,224 staff globally, with 9,901 (96.84 per cent) being national staff, locally employed and committed to ridding their own countries of mines and other explosive ordnance. Currently, 221 international staff oversee and manage operations and support activities across HALO's global programmes, with a further 102 staff based in the UK and eleven based in the USA.

During the year Trustees visited several programmes which included meeting with local and international staff, allowing Trustees a direct connection with our work, our people, and our beneficiary communities, along with allowing programmes to tap into Trustees' expertise in relation to local challenges.

Integrated with the annual performance appraisal process, Trustees discussed and approved employee pay reviews, safeguarding activities, talent management and succession planning initiatives throughout the year. During the year improvements were made to our policies including enhancement of opportunities for further education and languages, including utilising the apprenticeship levy. This has been communicated through internal communication, HALO intranet, and regular Human Resource drop-in sessions.

The introduction of the automated, systematic, and confidential staff survey has allowed management and Trustees to receive regular, honest feedback from UK, international and some local overseas employees. Over the next two years HALO will implement this across all global programmes' national staff. The survey allows employees to give feedback across several areas and effective action planning has seen morale and wellbeing improve as a result of addressing employee concerns.

Regular CEO town halls and senior leader visits to programmes and departments allow employees to hear about the financial, economic, and geo-political factors that are affecting the performance of the charity and provide opportunities for employees to ask questions of the CEO in an open forum.

In making decisions, the Trustees and management continue to have regard to the interests of employees as a central consideration.

## 8. PRINCIPAL RISKS AND UNCERTAINTIES

The identification, mitigation, management and elevation of risk is an executive leadership responsibility in HALO; however, all staff are involved in the process and risk management takes place at every level of the organisation. HALO identifies risks that may affect field-based operations, often in insecure environments, as well as corporate risks that may affect business planning, policy reputation or regulatory compliance.

HALO's Chief Executive Officer oversees risk on behalf of HALO's Board of Trustees. Day-to-day risk management is a Directorial responsibility and Directorate risk registers are updated at least every quarter, but more regularly as required. Trustees consider key risks as an automatic agenda item at each Board meeting. The Governance and Nominating Committee considers the risk management policy annually.

HALO's key prevailing risks are set out below.



## 8.1 Operational Safety

HALO's operational efficiency, effectiveness and safety are overseen at both HQ and programme levels. Robust systems are in place to ensure compliance, including regular reviews of Standard Operating Procedures, an active Monitoring, Evaluation, Accountability and Learning team, accident and incident investigation mechanisms, an expanded training portfolio, and implementation of the Global Information Management System to provide standard data sets. Operational compliance is overseen by the Capability Group based in the HQ and is supported by an expanded global Information Management team to ensure the correct digital infrastructure is in place.

## 8.2 Security

Managing the security of staff and assets on HALO's programmes remains a key focus for the organisation. New security challenges have emerged in places like Ukraine this year due to the Russian invasion, whereas in places like Afghanistan, the security context has changed along with the evolving political and economic situation. This requires careful and regular analysis of operating environments and the risks they pose. The risk mitigation measures outlined in HALO's Risk Management Policy and framework reduce the likelihood of staff being affected by a security incident. Security training, contingency planning exercises and risk assessments conducted on a rolling basis enable quick adjustments to programme posture, usually allowing work to continue without compromising safety. Additionally, HALO has hired a full-time Security Advisor to add an additional layer of oversight and expertise to our policies and procedures.

## 8.3 Safeguarding

HALO's Safeguarding Policy was enhanced this year and is supported by the Charity's Code of Conduct. Clear whistleblowing procedures enable and encourage reporting. Each programme has a staff handbook, which gives safeguarding direction to all staff (whether national, or international). All staff receive refresher training at least once per year from a dedicated Safeguarding lead on every programme. Safeguarding audits are conducted by the HR team.

HALO also has an external partner to support with anonymous safeguarding complaints. Regular account reviews are conducted by the Director of HR, with key learning fed back into training.

HALO takes safeguarding very seriously and approaches it from the perspective of personal as well as corporate responsibility. Individual countries face cultural, educational, and legal challenges, which need to be considered in safeguarding delivery at the local level.

## 8.4 Funding

HALO works hard to maintain a balanced funding portfolio across all global programmes. Increased domestic spending because of the pandemic continues to result in decline of funding for some programmes, however more profound threats to programme financing are a result of changes to donor priorities. These include the Taliban takeover in Afghanistan and a continued nervousness of foreign governments to engage in certain activities in the country. In addition, we observe a Ukraine funding eclipse emerging where state and philanthropic support is re-assigned away from conflicts at-risk of being "forgotten" such as Yemen, Myanmar and Ethiopia, in favour of emergency response in Ukraine. These trends do not only affect HALO; the risk of a plateau in Mine Action funding more broadly could shrink the space available for such work to take place at scale in conflict-affected areas.

HALO is mitigating against this risk by drawing upon our legacy and global reach to address the broader needs of communities and, in doing so, position ourselves to be eligible for diverse funding streams.

Sustaining strong government and international partnerships remains central to HALO's long-term success. HALO is actively broadening its international funding base in support of the organisation's Strategic Plan and has enjoyed success this year by welcoming new donors to our portfolio, such as Luxembourg. An increase in philanthropic giving also helps programmes to deliver long-term impact without relying upon HALO reserves. It is not only the amount of funding available that poses a risk to HALO, but also the timely transfer of contracted funds that potentially affects HALO's ability to meet contracted outputs. HALO's Finance Group works closely with the executive management team to ensure efficiency and effectiveness in contract management to mitigate against this risk.

### **8.5 Global Price Inflation**

Rising prices across the world have the potential to jeopardize contract delivery on HALO programmes. This may negatively impact grant outputs and recruitment of staff, and potentially lead to diminution of core funds. Internal monthly grant delivery reviews with senior management continue to scrutinize burn rates and flag areas of concern which are followed up by timely corrective action plans.

### **8.6 Information Security and Cyber-Crime**

Data breaches have the potential to harm beneficiaries, grant delivery, HALO's reputation and donor confidence. HALO has therefore developed information security policies based on good practice guides of the UK's National Cyber Security Centre (NCSC), which, through their implementation and continuous improvement, aim to reduce surface attacks and deny access to malicious actors. Technical controls have been implemented and are being adjusted to meet the evolving threat. This year, HALO was accredited to the UK Government-backed Cyber Essentials Plus cyber security standards, meaning that our cyber security protocols reach the highest possible standard.

### **8.7 Financial crime**

Financial crime (against HALO or perpetrated by a member of staff) has the potential to result in loss of funds, inflated costs and misappropriation of assets; it could also harm HALO's people and reputation. Appropriate policies and procedures have been designed to address this, which include robust financial SOPs and procurement procedures, oversight of financial and budgetary authority, cash controls, segregation of duties, whistleblowing and supplier due diligence. Training is provided annually and additional staff have been recruited to strengthen the Charity's capabilities in this area.

### **8.8 Organisational growth**

The growth in HALO's area of operations, staff numbers and income, is a great success story, and we have ambitions to grow further to meet the needs of people affected by conflict. However, it is important to ensure HALO's overhead structure for the HQ is fully funded by donors and remains capable of supporting the expanded programme capacity.

## 9. ENVIRONMENTAL REPORTING

### 9.1 Quantification and Reporting Methodology

HALO has used the UK Government 2020 and 2021 conversion factors for the purposes of environmental reporting. The reporting methodology was based on that used to fulfil the requirements of the Energy Savings Opportunity Scheme.

- Ledger transaction detail reports were run from the financial accounting system, for the in-scope energy sources, for the financial year.
- Data was taken directly from monthly meter readings and litres of fuel purchased records.
- Supplier invoices were reviewed for all in-scope transactions, from which energy units supplied data, was collated.
- UK Government conversion factors produced by the Department for Business, Energy and Industrial Strategy were used to convert units of energy supplied into tonnes CO<sub>2</sub> equivalent (CO<sub>2</sub>e) and kWh.
- The above methodology was applied and the calculations verified by a 3rd party environmental consultancy, Act Sustainably Limited.

### 9.2 Organisational Boundary

HALO has used the financial control approach to report on all sources of environmental impact over which it has financial control within the UK and offshore.

### 9.3 Intensity Measurement

HALO has chosen the financial metric of emissions in tonnes of CO<sub>2</sub>e per £ million revenue as this is the most appropriate for HALO.

### 9.4 UK Environmental Data

<b>Figures include UK and offshore</b>	<b>Financial year ending 31st March 2023</b>	<b>Financial year ending 31st March 2022</b>
Aggregate kWh from all in scope energy sources	303,357	268,562
Emissions from combustion of gas, tCO <sub>2</sub> e (Scope 1)	0.00	0.00
Emissions from combustion of oil for heating, tCO <sub>2</sub> e (Scope 1)	34.68	26.87
Emissions from combustion of fuel for transport, tCO <sub>2</sub> e (Scope 1)	9.74	3.99
Emissions from business travel in rental cars or employee owned vehicles where the company is responsible for purchasing the fuel, tCO <sub>2</sub> e (Scope 3)	0.00	0.00
Emissions from purchased electricity (Scope 2, location based, including transmission and distribution)	27.48	30.43
Total gross tCO <sub>2</sub> e based on the above	71.90	61.29
Intensity ratio: tCO <sub>2</sub> e gross figure based from mandatory fields above/£m Total Income	0.5681	0.6457

## 9.5 Energy Efficiency Action

During the reporting period, HALO continued to follow its environmental policy to:

- Measure and improve its environmental impact across its operations.
- Minimise and mitigate harmful impacts to the natural environment and prevent pollution, through a series of clearly documented environmental controls and processes.
- Ensure compliance with all relevant environmental regulations in the countries of operation.
- Understand and respect the environmental concerns of the communities where HALO operates.
- Promote environmental responsibility both within HALO and in its external engagement, including through delivery partners.
- Engage in environmental performance monitoring, evaluation and knowledge sharing processes.
- Measure and promote energy efficiency, reducing carbon emissions across operations wherever feasible.
- Minimise waste wherever possible.
- Minimise negative environmental impacts within operational supply chains.
- Minimise environmental contamination related to the disposal of explosive items.

The principal measures taken for the purpose of increasing energy efficiency during the financial year included:

- Development of an Environment Strategy. The Strategy addresses the operational and organisational environmental impact, setting clear targets for reduction of the organisation's environment footprint. It will also guide the development of HALO's work in climate change adaptation and resilience, natural resource management and ecosystem restoration and conservation to address the environmental drivers and consequences of conflict.
- Development of an environment team including a Senior Strategy Advisor, Global Environment Manager and several regional and national environment leads.
- Development of a Carbon Reduction Plan (in progress).
- Continued expansion in use of communication technology to limit travel for face-to-face meetings.
- Continued evolution, and enhancement of remote working protocols to avoid unnecessary road, rail and air travel to meetings.
- Continued improvement in use of renewable energy across worksites worldwide.
- Continued use of a green energy supplier, which provides 100 per cent renewable electricity and carbon neutral gas, at HALO's Salisbury office.
- Reduced use of paper and printers, utilising electronic storage where practical.
- Installation of signage encouraging staff to save energy.
- Development of localised environmental projects across several HALO programmes and assessment of their delivery to scale up and enhance the environmental impact of HALO's work.

## 10. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 (amended 2022) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS102) applicable in the UK and Republic of Ireland.

## 10.1 Financial Overview

The financial statements of the company can be found on pages 41 to 43. The application of the company's funds is detailed in notes 4 to 7 on pages 48 to 50.

Income from charitable activities was £122.897m, with growth of £29.322m over the prior year. The significant growth was largely driven by continued donor commitment to supporting the programme in Ukraine. Of particular note is increased funding from the US Department of State, Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement, via The HALO Trust (USA), Inc. (£9.465m), Federal Republic of Germany (£6.841m), Private Donors (£6.582m), and Norwegian Government (£2.467m). The only significant reductions in funding were from UN agencies (£1.799m). Funding from EU agencies and the UK Government, which reduced in the prior year, in the current year increased by £3.169m and £1.007m, respectively.

Operations in a number of geographical regions have grown in the year, particularly in Ukraine where expenditure of £18.939m is reported, compared with £6.796m in the previous year, and in Afghanistan, with an increase of £6.272m, to £21.158m.

Cash balances, including short term investments in BlackRock liquidity funds, stand at £30.357m (£30.866m at 31 March 2022) including payments received from donors in advance of expenditure.

Deferred income represents donor funding received during the year, for which the respective expenditure will occur in future accounting periods. At 31 March 2023, deferred income amounted to £25.699m, compared with £23.717m at 31 March 2022.

The Charity made an operating surplus for the year of £7.385m, compared with £0.130m in the prior year. Restricted surplus of £4.555m related to movements in fixed assets and overseas severance provisions in the year, primarily being the difference between income received from donors for the purchase of assets, and the depreciation charged to expenditure. Unrestricted surplus of £2.830m was primarily made up of unrealised gains on conversion of foreign currency cash holdings at the year end of £2.109m, together with an operating surplus of £0.721m reflecting the increase in Admin Flat Rate received from the increased income, which has outpaced the cost base. With several staff capacity building initiatives recently approved which will increase the cost base, further unrestricted private fundraising will be required to continue building reserves to support investment, research, and new programme development.

## 10.2 Funding and Reserves

Total unrestricted funds at 31 March 2023 were £10.770m, compared with £7.940m at 31 March 2022, of which £2.109m has been designated as an unrealised foreign exchange reserve, leaving £8.661m general unrestricted funds. The Trustees consider HALO's free reserves to be £6.640m, calculated as general unrestricted funds (£8.661m) less unrestricted fixed assets (£1.828m) and stock (£0.193m), and reflecting the resources readily available for unrestricted charitable use. Full details of HALO's reserves are shown in notes 17 and 18 of the financial statements.

The Trustees regularly review unrestricted reserves in accordance with the reserves policy, which takes into account any short-term gaps in donor funding, managing the closure of programmes, providing emergency response funding, conducting reconnoitres in new countries, programme start-up costs, developing organisational capacity, managing foreign exchange exposure, and maintaining a contingency in the event of a material reduction or cessation of major donor funding. The Trustees consider the current free reserves balance of £6.640m to be sufficient to cover the risks and opportunities identified in the reserves policy.

### **10.3 Going Concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements and have made this assessment in respect of a period of one year from the date of approval of these financial statements. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The trustees have considered the latest forecasts, key assumptions and analysis and determined that the going concern assumption remains appropriate. The other most significant areas that affect going concern are compliance risks in relation to restricted grants, funding pipelines and reserves.

### **10.4 Related Parties and Connected Organisations**

The HALO Trust, The HALO Trust (USA), Inc., and Stichting HALO Europe work together in an effort to clear landmines and other debris of war.

The HALO Trust (USA), Inc. is a 501(c)(3) organisation and raises funds from the US Government and US foundations, corporations and individuals to support the work of both organisations. US contracts and grants are sub-awarded, via specific contract agreements, by The HALO Trust (USA), Inc. for implementation by The HALO Trust. Governance and control of The HALO Trust (USA), Inc. is separate from The HALO Trust and financial results of The HALO Trust (USA), Inc. are not included within these financial statements.

Stichting HALO Europe is a foundation registered in the Netherlands and raises funds from the European Union institutions to support the work of The HALO Trust. While The HALO Trust exercises control over Stichting HALO Europe, the financial results of Stichting HALO Europe are immaterial to The HALO Trust and as such are not included within these financial statements. European Union contracts and grants are sub-awarded, via specific contract agreements, by Stichting HALO Europe to the HALO implementing programme.

HALO Trading 2021 Limited is a wholly owned subsidiary of The HALO Trust and is a trading subsidiary with the purpose of raising funds for The HALO Trust through commercial partnerships. The financial results of HALO Trading 2021 Limited are immaterial to The HALO Trust and as such are not included within these financial statements.

Full details of related parties are shown in note 20 of the financial statements.

## **11. MAJOR PARTNERS**

### **11.1 Donors**

During the year, HALO projects were generously supported by the US Department of State, Bureau of Political-Military Affairs/Office of Weapons Removal and Abatement, via The HALO Trust (USA), Inc., the Governments of Angola, Canada, Finland, Germany, Ireland, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Scotland, Switzerland, the United Kingdom (Foreign, Commonwealth and Development Office, formerly Department of International Development, and the Conflict Stability and Security Fund), the European Commission, European Civil Protection and Humanitarian Aid Operations (ECHO), United Nations Development Programme (UNDP), United Nations Trust Facility Supporting Conventional Arms Control, United Nations, Office for the Coordination of Human Affairs (UNOCHA), United Nations Office for Project Services (UNOPS), The HALO Trust (USA), Inc., and numerous other generous private donors, including Fibertek Inc., BP plc, Oak Foundation, GTX Markets, Mail Force Charity, Viterra, Cargill, Simply Health, AAR Japan, Emso Asset Management,

Sonangol, Eni S.p.A., Azule Energy, INEOS Automotive, INEOS Inovyn, Jervois, R&Co4Generations, World Without Mines.

## **11.2 Partner Organisations**

HALO is proud to work with both international and national partner organizations in delivering our core mandate and expanding the geographical and thematic impact of our work. Within the mine action sector, HALO has worked with the Geneva International Centre for Humanitarian Demining (GICHD), Mines Advisory Group (MAG), Dan Church Aid (DCA), Norwegian People's Aid (NPA), Regional Centre on Small Arms (RECSA), Geneva Call and Artios Limited. Across our programmes we have also partnered with development, humanitarian response, environmental mitigation and enhancement, and gender empowerment partners, including GIZ, World Vision, Happy Readers, Casim's Prosthetics, Candlelight, Humanitarian Development Organization, Shafak, Al Ghad, Asociacion Mangle, United States Forest Services, National Geographic, Northern Rangelands Trust and Days for Girls amongst many others.

The HALO Trust would like to thank all those who have supported its work.



## Statement of Trustees' Responsibilities for the Trustees' Annual Report and Financial Statements

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

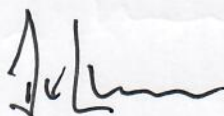
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities SORP (FRS102), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each of the Trustees at the date of this report are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- each Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees' annual report, incorporating the Strategic and Directors' Report, was approved by the Board.



**Timothy Church**

Date: 19 December 2023

## **Independent Auditor's Report to the Members and the Trustees of The HALO Trust**

### **Opinion**

We have audited the financial statements of The Halo Trust ('the charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 36, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.



A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 200, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation and employment legislation. We also considered compliance with local legislation for the charity's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

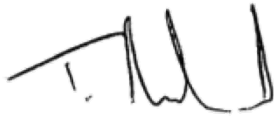
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reviewing the extent to which agreements supported income recognition principles, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent

permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
London

22 December 2023

**Statement of financial activities**  
(including income and expenditure account)  
**for the year ended 31 March 2023**

	<i>Notes</i>	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>2023 Total £000</b>	<b>2022 Total £000</b>
<b>Income from</b>					
Donations and legacies		422	219	641	945
Charitable activities	2	-	122,897	122,897	93,575
Income from bank interest		271	42	313	8
Other income	3	4,586	-	4,586	2,160
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		5,279	123,158	128,437	96,688
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure on</b>					
Charitable activities	4	11,645	106,685	118,330	93,267
Charitable activities: sub-granted	5	-	2,073	2,073	2,863
Raising funds	7	552	-	552	388
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		12,197	108,758	120,955	96,518
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (losses) on investments</b>		(97)	-	(97)	(40)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (expenditure)/income on operating activities</b>		(7,015)	14,400	7,385	130
		<hr/>	<hr/>	<hr/>	<hr/>
Transfers between funds	10	9,845	(9,845)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movements in funds</b>		2,830	4,555	7,385	130
<b>Reconciliation of funds</b>					
Total funds brought forward (as previously stated)		7,940	4	7,944	8,317
Prior period adjustments		-	10,855	10,855	10,352
Funds brought forward (as restated)		7,940	10,859	18,799	18,669
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>10,770</b>	<b>15,414</b>	<b>26,184</b>	<b>18,799</b>
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

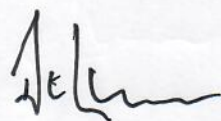
The notes on pages 44 to 60 form part of these financial statements.

## Balance sheet as at 31 March 2023

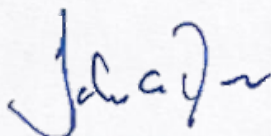
	Note	2023		2022	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	11		11,427		8,046
Intangible assets	11		19		47
Investments	12		1,363		1,460
			12,809		9,553
<b>Current assets</b>					
Stock		193		122	
Debtors	13	16,808		9,916	
Investments	12	12,970		-	
Cash at bank	14	17,388		30,866	
		47,359		40,904	
Creditors: amounts falling due within one year	15	(32,913)		(30,531)	
		14,446		10,373	
<b>Total assets less current liabilities</b>			27,255		19,926
Provisions for liabilities	16		(1,071)		(1,127)
<b>Net assets</b>			26,184		18,799
Restricted funds	17		15,414		10,859
Unrestricted funds: general	18		8,661		7,940
Unrestricted funds: designated	18		2,109		-
<b>Total funds</b>	19		26,184		18,799

The notes on pages 44 to 60 form part of these financial statements.

The financial statements were approved by the Board of Trustees and authorised for issue on 19 December 2023 and were signed on its behalf by:



Timothy Church  
Chairman



John Deans  
Director

## Cash flow statement

For the year ended 31 March 2023

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net income/(expense) for the reporting period (as per the statement of financial activities)	<b>7,385</b>	130
Adjustments for:		
Investment income	<b>(313)</b>	(8)
Depreciation charges	<b>6,470</b>	4,796
Revaluation of investments	<b>97</b>	40
Disposal of fixed assets	<b>-</b>	2
Increase in stock	<b>(71)</b>	(36)
(Increase) / decrease in debtors	<b>(6,892)</b>	2,101
Increase in creditors due within one year	<b>2,382</b>	5,612
Increase in provisions for liabilities and charges	<b>(56)</b>	186
<b>Net cash provided by operating activities</b>	<b>9,002</b>	12,823
<b>Cash flows from financing activities:</b>		
Investment income	<b>313</b>	8
<b>Net cash provided by financing activities</b>	<b>313</b>	8
<b>Cash flows from investing activities:</b>		
Payments to acquire tangible fixed assets	<b>(9,823)</b>	(4,221)
Payments to acquire investments	<b>(12,970)</b>	(1,500)
<b>Net cash used in investing activities</b>	<b>(22,793)</b>	(5,721)
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(13,478)</b>	7,110
<b>Cash and cash equivalents at 1 April</b>	<b>30,866</b>	23,756
<b>Cash and cash equivalents at 31 March</b>	<b>17,388</b>	30,866
<b>Analysis of cash and cash equivalents</b>		
Cash at bank	<b>17,388</b>	30,866
<b>Total cash and cash equivalents</b>	<b>17,388</b>	30,866



## Notes

### (forming part of the financial statements)

#### 1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### **Basis of preparation**

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.

The HALO Trust (“HALO”) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Estimates and judgements**

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- the judgement that expenditure incurred on performance-related grants and contracts is a reliable basis for estimating the right to receive payment for the work performed;
- the judgement that, subject to any evidence to the contrary, all expenditure incurred under a signed funding agreement is recoverable from funders;
- the judgement that there is no provision required for disallowed expenditure under donor funding agreements;
- estimates in respect of accrued expenditure;
- estimating the useful economic life of tangible fixed assets;
- estimates in respect of the value to the charity of services gifted in kind;
- estimates in respect of staff severance liabilities at the reporting date, based on interpretation of the legal requirements in each operating jurisdiction; and
- estimating the stage of completion in respect of fixed price contracts.

##### **Going Concern Basis**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements and have made this assessment in respect of a period of one year from the date of approval of these financial statements. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. The trustees have considered the latest forecasts, key assumptions and analysis and determined that the going concern assumption remains appropriate. The other most significant areas that affect the carrying value of the assets held by the charity are compliance risks in relation to restricted grants, funding pipelines and reserves.

##### **Funds**

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds are funds subject to specific conditions, which may be declared by the donors or with their authority or created through legal processes, but still within the wider objects of the Charity.

Where contracts accounted for within restricted funds include contributions towards headquarters' costs an appropriate transfer is made of these contributions between restricted and unrestricted funds. Any unspent funds at the end of a contract are either returned to the donor or transferred to unrestricted funds in accordance with the terms of the contract.

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. If part of the unrestricted funds is earmarked at the discretion of the Trustees for a particular purpose, it is designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Trustees' discretion to apply the fund.

### **Income Recognition**

Income received from charitable activities where entitlement to funding is subject to specific performance conditions, is recognised as earned (normally equivalent to the expenditure incurred at the end of the financial year as it is considered that this is when the charity becomes entitled to the income, after having provided the related services). Income is deferred when the donor has imposed conditions which must be met before the charity has unconditional entitlement or the donor has specified the funds can only be utilised in future accounting periods.

Donations, legacies, and income from other trading activities are recognised where there is entitlement, probability of receipt and the amount can be measured reliably. Donated services are recognised as the estimated value to the charity in the period that the related service is utilised.

Investment income is recognised on a receivable basis during the period earned for interest and on the ex-dividend date for dividend distributions.

### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is analysed between charitable activities and support costs. Charitable activities include all direct costs, salaries and other costs of each HALO programme and also include expenditure which HALO has sub-granted to partner organisations. Where this expenditure is funded by donors it is restricted expenditure as all donor contracts are included within restricted funds; other expenditure is included in unrestricted funds.

Support costs include all administration costs of the Charity including the costs of the head office in the UK and are treated as unrestricted expenditure. Those costs which meet the definition of governance costs are included in that category; all other management and administration costs are included in support costs under charitable expenditure.

Redundancy costs (termination benefits) are recognised as an immediate cost and charged to the statement of financial activities on a demonstrable commitment to termination, with provision for future redundancy costs measured at a best estimate of the expenditure that would be required to settle the obligation at the reporting date.

Assets acquired for specific projects, where ownership vests in the donor, are charged in full to that project on the date of acquisition and are not capitalised. At the end of a specific project any such assets may be transferred to other projects with the consent of the donor or may be transferred back to the donor. The Charity retains a full list of all such assets.

### **Tangible fixed assets**

Tangible fixed assets with a value greater than £5,000 and being of use to the business for more than one year are capitalised.

Land is held at the purchased value on the date of being acquired and is not depreciated. Depreciation for all other fixed assets is provided using the following rates and bases to write off the cost or initial values, less residual values, of tangible assets over their estimated useful lives:

Freehold buildings	15 years
Leasehold properties	20% straight line or over the period of the lease if shorter
Fixtures and fittings and office equipment	25% straight line
Motor vehicles	25% straight line
Field Assets	25% straight line

## **Stock**

Stock represents items purchased by the Charity for use in overseas projects where at the time of purchase the individual project has not been identified. Until the respective item is charged to an individual project, all stock is held at lower of cost or net realisable value.

## **Foreign exchange**

Monetary assets and liabilities denominated in foreign currencies are re-translated monthly into sterling at the rates of exchange prevailing at the start of each month. Transactions in foreign currencies are recorded at the date of the transactions and translated to sterling at their monthly rate. At the year end, monetary assets and liabilities are translated to the actual rate at the balance sheet date. Any gain or loss arising on translation is included in the statement of financial activities.

## **Basic financial instruments**

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

Financial assets measured at amortised cost comprise of cash at bank and in hand together with trade debtors, other debtors, and current asset investments, excluding prepayments.

Financial liabilities measured at amortised cost comprise all creditors excluding deferred income and tax and social security balances outstanding at year end.

Fixed asset investments are held at fair value at the balance sheet date with gains and losses being recognised in the SOFA.

## **Derivative financial instruments**

Where material, derivative financial instruments are recognised at fair value. The gain or loss on initial recognition and remeasurement to fair value is recognised in the Statement of Financial Activities, and in debtors (in the case of gains) or creditors (in the case of losses) in the Balance Sheet.

## **Post-retirement benefits**

The Charity contributes to defined contribution personal pension plans on behalf of certain employees. The amount charged in expenditure represents the contributions payable to those plans in respect of the accounting year.

Pension payments are made to a former employee of the Charity. A provision has been set aside for the payment of this pension based on the estimated life of the individual based on the latest mortality tables; adjustments are made to the provision on an annual basis for changes in mortality tables and for payments made.

## **Investments**

Fixed asset investments are stated at market value. Unrealised gains and losses represent the difference between the market value at the beginning and the end of the financial year, or if purchased in the year the difference between cost and market value at the end of the financial year. Realised gains and losses represent the difference between the proceeds and cost.

## **Cash and liquid resources**

Cash, for the purposes of the cash flow statement, comprises cash in hand and deposits repayable on demand. Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are either convertible into known amounts of cash at or close to their carrying values. Liquid resources comprise term deposits of less than one year.

## **Taxation**

The HALO Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2014 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2014 or Section 256 of the Taxation of

Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The company is registered for VAT and fully recovers this on relevant expenditure, which is accordingly stated net of the related VAT in the statement of financial activities.

#### Overseas severance provisions

In certain programmes, when staff leave HALO either through redundancy or of their own volition, payments may be due to those staff under local law. Provision for these payments, commensurate with local labour law, is charged to donor contracts on a monthly basis and included in provisions for liabilities and charges.

#### Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

## 2. Income from charitable activities

<b>Restricted:</b>	<b>2023</b>	2022
	<b>£000</b>	£000
US Department of State, Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement, via The HALO Trust (USA), Inc.	<b>40,896</b>	31,431
Federal Republic of Germany	<b>18,111</b>	11,270
Private non-governmental income	<b>10,726</b>	4,144
Government of Angola	<b>8,156</b>	7,862
Foreign, Commonwealth and Development Office (FCDO)	<b>6,908</b>	4,981
Norwegian Government	<b>5,286</b>	3,112
European Commission	<b>4,232</b>	2,573
The HALO Trust (USA), Inc. other sub-granted	<b>3,313</b>	1,755
United Nations Office for Project Services	<b>3,203</b>	5,670
United Nations, Office for the Coordination of Humanitarian Affairs	<b>2,843</b>	1,467
Royal Netherlands Government	<b>2,760</b>	2,949
Government of Canada	<b>2,642</b>	1,961
UK Conflict, Stability and Security Fund	<b>2,297</b>	3,180
European Civil Protection and Humanitarian Aid Operations	<b>2,061</b>	551
Irish Aid	<b>1,838</b>	2,035
Government of Finland	<b>1,224</b>	1,097
Government of Switzerland	<b>1,119</b>	1,120
Embassy of Japan (in regional offices)	<b>924</b>	909
Fibertek, Inc.	<b>806</b>	676
Government of the Grand Duchy of Luxembourg	<b>612</b>	-
Foundation World Without Mines	<b>256</b>	204
The New Zealand Ministry of Foreign Affairs and Trade	<b>191</b>	256
Scottish Government	<b>177</b>	-
United Nations Development Programme	<b>174</b>	673
United Nations Trust Facility Supporting Conventional Arms Control	<b>46</b>	-
US Department of State, Bureau of International Security and Nonproliferation, via The HALO Trust (USA), Inc.	<b>16</b>	-

The Ministry of Defence on behalf of the United Kingdom	9	46
United Nations Mine Action Service	-	255
Armenian Government	-	108
Federal Government of Belgium	(2)	427
	<u>120,824</u>	<u>90,712</u>
<b>Restricted Income sub-granted to other agencies:</b>		
Foreign, Commonwealth and Development Office	1,415	2,062
Irish Aid	337	281
UK Conflict Stability and Security Fund	321	520
	<u>2,073</u>	<u>2,863</u>
Total restricted	<u>122,897</u>	<u>93,575</u>

### 3. Other income

	2023 £000	2022 £000
Donations in kind	2,215	1,649
Gift aid from trading subsidiary (HALO Trading 2021 Limited)	183	198
Foreign exchange gains	2,001	281
Other	187	32
	<u>4,586</u>	<u>2,160</u>

Donations in kind comprises computer software licences, including operational mapping software.

### 4. Charitable activities

The charity's Trustees consider that there is one core activity (clearance of debris of war) which is carried out in various worldwide locations, although HALO will lend its resources to assist with other emergency work, including opening up trade routes through crucial road clearance and snow clearance, and assisting with emergency resettlement of internally displaced persons.

	Direct costs £000	Support costs (note 6) £000	Total 2023 £000	Direct costs	Support costs (note 6)	Total 2022 £000
Abkhazia	748	75	823	925	95	1,020
Afghanistan	19,195	1,960	21,155	13,716	1,456	15,172
Angola	13,917	1,306	15,223	11,705	1,313	13,018
Bosnia	60	1	61	282	10	292

Cambodia	6,774	658	<b>7,432</b>	5,813	595	<b>6,408</b>
Colombia	5,483	554	<b>6,037</b>	5,784	609	<b>6,393</b>
El Salvador	932	100	<b>1,032</b>	521	53	<b>574</b>
Ethiopia	672	72	<b>744</b>	-	-	-
Georgia	42	3	<b>45</b>	4	-	<b>4</b>
Great Lakes	585	60	<b>645</b>	261	28	<b>289</b>
Guatemala	576	64	<b>640</b>	333	36	<b>369</b>
Guinea-Bissau	467	47	<b>514</b>	338	36	<b>374</b>
Honduras	8	1	<b>9</b>	20	2	<b>22</b>
Iraq	5,299	526	<b>5,825</b>	5,535	602	<b>6,137</b>
Kosovo	1,306	126	<b>1,432</b>	1,250	150	<b>1,400</b>
Laos	7,297	734	<b>8,031</b>	6,034	655	<b>6,689</b>
Libya	837	66	<b>903</b>	2,580	284	<b>2,864</b>
Malawi	837	86	<b>923</b>	358	42	<b>400</b>
Mozambique	177	18	<b>195</b>	65	5	<b>70</b>
Myanmar	471	47	<b>518</b>	450	49	<b>499</b>
Nagorno Karabakh	1,392	136	<b>1,528</b>	1,509	158	<b>1,667</b>
Nigeria	38	4	<b>42</b>	-	-	-
Solomon Islands	63	6	<b>69</b>	-	-	-
Somalia & Somaliland	7,213	722	<b>7,935</b>	7,371	776	<b>8,147</b>
Sri Lanka	6,128	604	<b>6,732</b>	5,697	623	<b>6,320</b>
Syria	953	100	<b>1,053</b>	966	91	<b>1,057</b>
Ukraine	16,729	2,210	<b>18,939</b>	6,280	641	<b>6,921</b>
Vietnam	1	-	<b>1</b>	-	-	-
West Bank	943	104	<b>1,047</b>	333	25	<b>358</b>
Yemen	2,489	289	<b>2,778</b>	1,246	144	<b>1,390</b>
Zimbabwe	4,341	438	<b>4,779</b>	3,940	418	<b>4,358</b>
Global	1,127	113	<b>1,240</b>	954	101	<b>1,055</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	107,100	11,230	<b>118,330</b>	84,270	8,997	<b>93,267</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All costs which can be directly attributed to programme contracts have been allocated and are shown in direct costs. Support costs, which principally relate to headquarters costs and which cannot be directly allocated to contracts, are allocated on the basis of activity in each country.

##### 5. Charitable activities: sub-granted

The HALO Trust was the lead consortium partner in grants funded by the Foreign, Commonwealth and Development Office, Irish Aid and UK Conflict Stability and Security Fund. Under these grants, The HALO Trust awarded sub-grants to the following agencies:

	<b>2023</b>	2022
	<b>£000</b>	£000
Mines Advisory Group	<b>2,073</b>	2,696
Norwegian People's Aid	-	167
	<hr/>	<hr/>
	<b>2,073</b>	2,863
	<hr/> <hr/>	<hr/> <hr/>

## 6. Support costs

All support costs relate to charitable activities.

	<b>2023</b>	2022
	<b>£000</b>	£000
Staff related costs incl. travel and recruitment	<b>7,203</b>	6,108
Property, IT and office costs	<b>2,953</b>	2,222
Equipment costs	<b>195</b>	125
Legal and professional	<b>734</b>	498
Cost of hosting events	<b>145</b>	42
Operating costs	<b>-</b>	2
	<hr/>	<hr/>
Total	<b>11,230</b>	8,997
	<hr/> <hr/>	<hr/> <hr/>

## 7. Cost of raising funds

	<b>Total</b>	Total
	<b>2023</b>	2022
	<b>£000</b>	£000
Staff related costs incl. travel and recruitment	<b>507</b>	296
Property, IT and office costs	<b>10</b>	7
Legal and professional	<b>28</b>	61
Cost of hosting events	<b>7</b>	24
	<hr/>	<hr/>
Total	<b>552</b>	388
	<hr/> <hr/>	<hr/> <hr/>

## 8. Employee costs & numbers

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Staff costs</b>		
Locally contracted staff	<b>48,629</b>	39,497
UK contracted staff	<b>13,861</b>	10,277
Social security costs	<b>770</b>	607
Pension contributions*	<b>302</b>	249
	<hr/>	<hr/>
	<b>63,562</b>	50,630
	<hr/> <hr/>	<hr/> <hr/>

\*A defined contribution plan is a post-employment benefit plan under which the Charity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

The average monthly number of persons (full-time equivalent) employed by The HALO Trust during the year, including local national staff, is shown below.

	<b>2023</b>	2022
	<b>Number</b>	Number
Administration	<b>75</b>	69
Direct project personnel; UK based and international	<b>205</b>	176
Direct project personnel; Locally contracted staff	<b>10,110</b>	9,496
	<hr/>	<hr/>
	<b>10,390</b>	9,741
	<hr/> <hr/>	<hr/> <hr/>

The number of employees, whose emoluments, including employer pension contributions, amounted to over £60,000 in the year was as follows:

	<b>2023</b>	2022
	<b>Number</b>	Number
£200,001 – £210,000	<b>1</b>	-
£190,001 – £200,000	-	1
£120,001 – £130,000	-	2
£110,001 – £120,000	<b>3</b>	1
£100,001 – £110,000	<b>2</b>	3
£90,001 – £100,000	<b>7</b>	6
£80,001 – £90,000	<b>18</b>	18
£70,001 – £80,000	<b>7</b>	5
£60,001 – £70,000	<b>15</b>	7
	<hr/>	<hr/>
	<b>53</b>	43

Of the numbers listed above, Key Management Personnel, defined as the Chief Executive Officer, Company Secretary, Director of Programmes, Director of Finance, Director of Strategy, Director of Philanthropy, Director of Human Resources, Director of Capability and Director of Communications, form 9 employees in 2022-23 (2021-22: 8); the total cost of employment for these individuals was £ 1,012,422 (2021-22 £872,689). Termination costs in the year to 31 March 2023 amounted to £970,000 (2021-22 £304,000), of which £567,000 (2022 £206,000) was provided for at year end.

## 9. Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	<b>2023</b>	2022
	<b>£000</b>	£000
Depreciation and other amounts written off tangible fixed assets (note 10)	<b>6,442</b>	4,768
Depreciation and other amounts written off intangible fixed assets (note 10)	<b>28</b>	28
Unrealised loss on market revaluation of investments as at 31 March 2023	<b>97</b>	40
Auditor's remuneration:		
Amounts receivable by the auditors and their associates in respect of:		
Audit of these financial statements (current year Crowe U.K. LLP, prior year KPMG)	<b>84</b>	38
All other services; including but not limited to Accountant's reports for donor grants and contracts (current and prior year KPMG)	<b>56</b>	65
	<hr/> <hr/>	<hr/> <hr/>



## 10. Transfer between funds

A transfer of £9,845,000 (2021-22: £7,279,000) was made from restricted to unrestricted funds predominantly for contributions from donors to the support costs of the Trust. These contributions are specified in each of the contracts undertaken, at percentages of the total contract value.

## 11. Tangible/Intangible fixed assets

	Leasehold Property Improvements	Freehold property	Fixtures & Fittings, Equipment	Motor vehicles	Field vehicles & equipment	Total tangible fixed assets	Intangible assets (software)
	£000	£000	£000	£000	£000	£000	£000
<b>Cost</b>							
At beginning of year	93	150	288	132	20,497	21,160	84
Additions	65	-	12	-	9,746	9,823	-
Disposals	-	-	-	-	-	-	-
At end of year	158	150	300	132	30,243	30,983	84
<b>Depreciation</b>							
At beginning of year	26	150	268	123	12,547	13,114	37
Charge for year	26	-	15	9	6,392	6,442	28
At end of year	52	150	283	132	18,939	19,556	65
<b>Net book value</b>							
At 31 March 2023	106	-	17	-	11,304	11,427	19
At 31 March 2022	67	-	20	9	7,950	8,046	47

All of the fixed assets are used in the administration of the Charity or in support of its operations.

## 12. Investments

	2023 £000	2022 £000
<b>Fixed Asset Investments</b>		
<b>Cost</b>		
At beginning of year	1,460	-
Additions	-	1,500
Unrealised revaluation	(97)	(40)
At end of year	1,363	1,460

In November 2021 the charity made an investment of £1,500,000 in the BlackRock Charity Growth Fund Unit Trust.

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Current Asset Investments</b>		
<b>Cost</b>		
At beginning of year	-	-
Additions	<b>12,970</b>	-
Unrealised revaluation	-	-
At end of year	<b>12,970</b>	-

Current asset investments comprise short term BlackRock Liquidity Funds for which there are no restrictions on access.

### 13. Debtors

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by The HALO Trust (USA), Inc.	-	4
Amounts owed by HALO Trading 2021 Limited	<b>46</b>	108
Other debtors	<b>408</b>	933
Prepayments	<b>2,749</b>	2,000
Accrued income	<b>13,605</b>	6,871
	<b>16,808</b>	9,916

### 14. Cash at bank

Cash at bank includes £1,001,399 (2022 £849,300) which is held in US Dollars as a performance bond by Royal Bank of Scotland plc, for a landmine clearance contract with the Government of Angola. The performance bond conditions release the value of the bond in line with the proportion of funds received from the Government of Angola.

### 15. Creditors: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	<b>2,072</b>	2,120
Taxation and social security	<b>801</b>	451
Accruals	<b>4,341</b>	4,243
Deferred income	<b>25,699</b>	23,717
	<b>32,913</b>	30,531

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Deferred income:</b>		
Balance at start of period	<b>23,717</b>	20,545
Released during the year	<b>(22,386)</b>	(20,545)
Arising during the year	<b>24,368</b>	23,717
	<hr/>	<hr/>
Balance at end of period	<b>25,699</b>	23,717
	<hr/> <hr/>	<hr/> <hr/>

#### 16. Provision for liabilities and charges

	Pension obligations	Overseas severance liabilities	2023	2022
	£000	£000	£000	£000
At 31 March 2022	103	1,024	<b>1,127</b>	941
Utilised in the year	(25)	(634)	<b>(659)</b>	(55)
Provided in the year	35	568	<b>603</b>	241
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 March 2023</b>	<b>113</b>	<b>958</b>	<b>1,071</b>	<b>1,127</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Pension obligations relate to the pension arrangements for a former employee. Overseas severance and other employment liabilities relate to provisions for severance payments to employees under local government legislation.

#### 17. Restricted funds

	Balance at 31 March 2022	Income	Expenditure	Transfers between funds	Balance at 31 March 2023
	£000	£000	£000	£000	£000
Abkhazia	3	789	(700)	(55)	<b>37</b>
Afghanistan	856	21,109	(19,195)	(1,810)	<b>960</b>
Angola	3,174	14,291	(13,894)	(1,080)	<b>2,491</b>
Bosnia	22	9	(21)	-	<b>10</b>
Cambodia	981	6,957	(6,813)	(575)	<b>550</b>
Colombia	624	5,799	(5,451)	(498)	<b>474</b>
El Salvador	4	1,063	(913)	(71)	<b>83</b>
Ethiopia	-	740	(672)	(37)	<b>31</b>
Georgia	-	22	(25)	3	-
Great Lakes	-	598	(585)	(13)	-
Guatemala	-	677	(576)	(48)	<b>53</b>
Guinea-Bissau	32	511	(466)	(36)	<b>41</b>
Honduras	-	9	(8)	(1)	-
Iraq	303	5,889	(5,205)	(610)	<b>377</b>
Kosovo	176	1,421	(1,297)	(124)	<b>176</b>
Laos	1,800	8,155	(7,291)	(640)	<b>2,024</b>
Libya	472	712	(817)	(173)	<b>194</b>
Malawi	32	897	(837)	(56)	<b>36</b>
Mozambique	-	194	(177)	(17)	-
Myanmar	76	548	(465)	(45)	<b>114</b>

Nagorno Karabakh	92	1,437	(1,383)	(100)	<b>46</b>
Nigeria	-	39	(36)	(3)	-
Solomon Islands	-	68	(63)	(5)	-
Somalia & Somaliland	99	7,665	(7,164)	(571)	<b>29</b>
Sri Lanka	1,159	6,687	(6,111)	(499)	<b>1,236</b>
Syria	-	1,075	(953)	(93)	<b>29</b>
Ukraine	341	23,597	(16,729)	(1,878)	<b>5,331</b>
Vietnam	-	1	(1)	-	-
West Bank	27	1,123	(926)	(90)	<b>134</b>
Yemen	120	3,044	(2,464)	(210)	<b>490</b>
Zimbabwe	458	4,737	(4,332)	(399)	<b>464</b>
Global	8	1,222	(1,115)	(111)	<b>4</b>
Sub contracted (see note 5)	-	2,073	(2,073)	-	-
	<u>10,859</u>	<u>123,158</u>	<u>(108,758)</u>	<u>(9,845)</u>	<u><b>15,414</b></u>
	=====	=====	=====	=====	=====

	Balance at 31 March 2021	Income	Expenditure	Transfers between funds	Balance at 31 March 2022
	£000	£000	£000	£000	£000
Abkhazia	22	941	(902)	(58)	<b>3</b>
Afghanistan	919	14,745	(13,662)	(1,146)	<b>856</b>
Angola	2,583	13,151	(11,672)	(888)	<b>3,174</b>
Bosnia	34	94	(102)	(4)	<b>22</b>
Cambodia	1,138	6,029	(5,716)	(470)	<b>981</b>
Colombia	715	6,218	(5,784)	(525)	<b>624</b>
El Salvador	6	534	(493)	(43)	<b>4</b>
Great Lakes	-	284	(261)	(23)	-
Guatemala	-	364	(333)	(31)	-
Guinea-Bissau	23	363	(327)	(27)	<b>32</b>
Honduras	-	34	(20)	(14)	-
Iraq	213	6,439	(5,534)	(815)	<b>303</b>
Kosovo	17	1,507	(1,241)	(107)	<b>176</b>
Laos	1,713	6,693	(6,034)	(572)	<b>1,800</b>
Libya	384	2,840	(2,569)	(183)	<b>472</b>
Malawi	-	425	(358)	(35)	<b>32</b>
Mozambique	-	51	(47)	(4)	-
Myanmar	56	508	(442)	(46)	<b>76</b>
Nagorno Karabakh	126	1,638	(1,509)	(163)	<b>92</b>
Somalia & Somaliland	181	7,838	(7,327)	(593)	<b>99</b>
Sri Lanka	1,035	6,276	(5,693)	(459)	<b>1,159</b>
Syria	-	902	(849)	(53)	-
Ukraine	619	6,505	(6,271)	(512)	<b>341</b>
West Bank	63	255	(271)	(20)	<b>27</b>
Yemen	13	1,450	(1,242)	(101)	<b>120</b>
Zimbabwe	484	4,213	(3,932)	(307)	<b>458</b>
Global	12	1,028	(952)	(80)	<b>8</b>
Sub contracted (see note 5)	-	2,863	(2,863)	-	-
	<u>10,356</u>	<u>94,188</u>	<u>(86,406)</u>	<u>(7,279)</u>	<u><b>10,859</b></u>
	=====	=====	=====	=====	=====

The funds above are restricted to the charity's activities in relation to clearance of the debris of war in the noted countries. Closing balances comprise the carrying value of assets purchased under restricted funding agreements, and amounts charged to donors for potential future redundancy payments to overseas employees on programme downsize or closure.

#### 18. Unrestricted funds

	Balance at 31 March 2022 £000	Income £000	Expenditure £000	Transfers between funds £000	Balance at 31 March 2023 £000
General reserve	7,940	5,279	(12,294)	7,736	8,661
Foreign exchange reserve	-	-	-	2,109	2,109
	<u>7,940</u>	<u>5,279</u>	<u>(12,294)</u>	<u>9,845</u>	<u>10,770</u>

The designated foreign exchange reserve represents unrealised gains and losses on revaluation of the charity's monetary assets and liabilities.

#### 19. Analysis of assets and liabilities between funds

	Unrestricted Funds £000	Restricted Funds £000	Totals 2023 £000	Unrestricted Funds £000	Restricted Funds £000	Totals 2022 £000
Fixed Assets	1,828	10,981	12,809	2,286	7,267	9,553
Net current assets	8,942	4,433	13,375	5,654	3,592	9,246
As at 31 March	<u>10,770</u>	<u>15,414</u>	<u>26,184</u>	<u>7,940</u>	<u>10,859</u>	<u>18,799</u>

#### 20. Related party transactions

The HALO Trust and The HALO Trust (USA), Inc., are related through prime/sub grantee relationship under various professional services agreements funded by United States Government and Private sources. Transactions between the parties are set out below:

	Transactions in year £000	Outstanding at year end £000
Expenses paid on behalf of The HALO Trust (USA), Inc. by The HALO Trust	(93)	-
Expenses relating to The HALO Trust paid by The HALO Trust (USA), Inc.	26	5
Operating costs grant to The HALO Trust (USA), Inc.	894	-
	<u>827</u>	<u>5</u>

In addition to these transactions The HALO Trust (USA), Inc. sub-granted funding to The HALO Trust as per the schedule below:

	<b>2023</b>	2022
	<b>£000</b>	£000
Funds transferred to The HALO Trust	<b>46,365</b>	34,946
Accrued Income at 31 March	<b>1,697</b>	847
Deferred Income at 31 March	<b>(5,595)</b>	(2,607)
	<b>42,467</b>	33,186
	<b>42,467</b>	33,186

HALO Trading 2021 Limited is a wholly owned subsidiary of The HALO Trust. The company has donated its profits to The HALO Trust in the amount of £186,000 (period to 31 March 2022 £198,000) as Gift Aid. At 31 March 2023 there was an amount due by the company to The HALO Trust of £46,000 (2022 £108,000). The subsidiary is not material for consolidation with The HALO Trust and so consolidated financial statements have not been prepared. Total income for the year to 31 March 2023 was £200,000 (period to 31 March 2022 £200,000).

The HALO Trust is related to HALO Europe, a stichting (foundation) registered in the Netherlands, through exercising control having common Trustees. During the year to 31 March 2023, HALO Europe sub-granted £44,053 (2021-22 £nil) to The HALO Trust Kosovo programme for implementation of an EU funded project. HALO Europe is not material for consolidation with The HALO Trust and so consolidated financial statements have not been prepared. Total income for the year to 31 March 2023 was £44,418 (period to 31 March 2022 £nil).

During the year to 31 March 2023 the Trustees were reimbursed travel and subsistence expenses of £nil (period to 31 March 2022 £5,000). No remuneration was paid to the Trustees in either year.

## 21. Commitments

At 31 March there were the following future minimum lease payments due under non-cancellable operating leases, expiring as follows:

	<b>2023</b>	2022
	<b>£000</b>	£000
Operating leases due:		
Within one year	<b>392</b>	156
In the second to fifth year inclusive	<b>32</b>	23
	<b>424</b>	179
	<b>424</b>	179

## 22. Derivative financial instruments

The charity places foreign exchange forward contracts to manage exposure to foreign currency exchange risk. The fair value of these contracts is calculated at the balance sheet date by comparison between the rate implicit in the contract and the exchange rate at that date. The unrealised loss on these contracts at 31 March 2023 was £264,317 (2022: unrealised gain of £38,996).

The contracts are to purchase Sterling (GBP) and sell Euro (EUR) for a period of up to 24 months in duration, at EUR/GBP rate of 1.165. At the balance sheet date, a purchase value of GBP 10 million remained on these contracts. The actual rate of exchange at 31 March 2023 was 1.135.

### 23. Comparative statement of financial activities

	Unrestricted funds £000	Restricted funds £000	2022 Total £000
<b>Income from</b>			
Donations and legacies	337	608	945
Charitable activities	-	93,575	93,575
Income from bank interest	3	5	8
Other income	2,160	-	2,160
	<hr/>	<hr/>	<hr/>
Total income	2,500	94,188	96,688
	<hr/>	<hr/>	<hr/>
<b>Expenditure on</b>			
Charitable activities	9,724	83,543	93,267
Charitable activities: sub-granted	-	2,863	2,863
Raising funds	388	-	388
	<hr/>	<hr/>	<hr/>
Total expenditure	10,112	86,406	96,518
	<hr/>	<hr/>	<hr/>
<b>Net (losses) on investments</b>	(40)	-	(40)
	<hr/>	<hr/>	<hr/>
<b>Net (expenditure)/income on operating activities</b>	(7,652)	7,782	130
	<hr/>	<hr/>	<hr/>
Transfers between funds	7,279	(7,279)	-
	<hr/>	<hr/>	<hr/>
<b>Net movements in funds</b>	(373)	503	130
	<hr/>	<hr/>	<hr/>
<b>Reconciliation of funds</b>			
Total funds brought forward (as previously stated)	8,313	4	8,317
Prior period adjustments	-	10,352	10,352
Total funds brought forward (as restated)	8,313	10,356	18,669
	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>	7,940	10,859	18,799
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 24. Prior period adjustments

During the year the Trustees reviewed the following accounting policies:

### Capitalisation of fixed assets purchased under restricted funding agreements

Previously the charity had deemed title of assets under restricted funding agreements to lie with the donor and had not capitalised these assets. The charity has control over, and right of use of such assets and has determined that these should now be capitalised.

### Provision of liability for overseas severance

The charity accrues a contribution toward future overseas severance against donor contracts to ensure that funds are available at the time of programme downsizing or closure, or in accordance with local legislation. Previously, the charity had included accounting provisions for all contractual and legislative severance costs. The charity has now determined that a provision should be made only when there is certainty around the date of termination of employment, with any other future severance requirements held in restricted funds.

### Valuation of services donated in kind

Previously the charity had included services donated in kind at the notional cost charged by the supplier. On review of the policy the charity has estimated the value of the donated services to the charity if such services had been provided on a commercial basis.

### Foreign exchange movements

Previously net foreign exchange gains were reported as expenditure, being immaterial in value. In the year ended 31 March 2023 the gains were material and on review the charity reclassified the net gain for the year ended 31 March 2022 to be reported as income, to be in line with current year classification.

These are changes of accounting policy with material effect and so have resulted in prior period adjustments. The impact of these changes is shown below:

	<b>£000</b>
Reserves at 1 April 2021 (as previously stated)	8,317
Impact of fixed assets reclassification for year ended 31 March 2021	7,429
Impact of provisions reclassification for year ended 31 March 2021	2,923
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Reserves at 1 April 2021 (as restated)	18,669
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Total income for the year ended 31 March 2022 (as previously stated)	94,925
Impact of gifts in kind revaluation for year ended 31 March 2022	1,482
Impact of foreign exchange reclassification for year ended 31 March 2022	281
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Total income for the year ended 31 March 2022 (as restated)	96,688
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Total expenditure for the year ended 31 March 2022 (as previously stated)	95,258
Impact of gifts in kind revaluation for year ended 31 March 2022	1,482
Impact of foreign exchange reclassification for year ended 31 March 2022	281
Impact of fixed assets reclassification for year ended 31 March 2022	162
Impact of provisions reclassification for year ended 31 March 2022	(665)
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Total expenditure for the year ended 31 March 2022 (as restated)	96,518
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Tangible fixed assets as at 31 March 2022 (as previously stated)	779
Impact of fixed assets reclassification for year ended 31 March 2022	7,267
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Tangible fixed assets as at 31 March 2022 (as restated)	8,046
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Provisions for liabilities as at 31 March 2022 (as previously stated)	(4,715)
Impact of provisions reclassification for year ended 31 March 2022	3,588
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Provisions for liabilities as at 31 March 2022 (as restated)	(1,127)
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