The HALO Trust

Trustees' annual report

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

1. MISSION, OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

1.1 Mission

HALO's mission is to lead the effort to protect lives and restore livelihoods for those affected by conflict.

1.2 Objectives

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

1. ID 1

HALO operates under the direction of the Office for the High Commissioner for Peace, which has released a new 2020-2025 national demining strategy; this envisages international non-governmental organisation commitment to Colombia until at least 2028. However, international funding to the sector is in decline, and while HALO's reduction in funds is modest, other operators have reduced capacity or left Colombia.

HALO remains focused on the delivery of cost-effective operations. Over the reporting period, HALO cleared 25.5 hectares, finding and destroying 91 improvised mines and 71 items of UXO. Finance HALO's staff numbers have reduced to 460, distributed between its Bogota headquarters and five regional operational bases. Women make up 35 per cent of the workforce.

During FY 2019/20, HALO received generous support from the US Department of State, Canada, Norway, Swiss Development Corporation, The Netherlands, New Zealand, Ireland and the

US$200,000 from the Government of Switzerland. In January 2020, teams are currently tackling the densest contamination at the blast's epicentre.

It has been a turbulent period for Iraq, including months of violent protest, a six-month delay in appointing a new prime minister and government, and tensions between Iran and the US. The latter led to a temporary relocation of international personnel to Erbil in January.

A multi-disciplinary strategy for Salah al-Din Governorate was developed to attract new donors and provide better support to affected communities. In addition to clearance of urban

In early 2020 the first assessments of Benghazi, where the need for clearance is high, were completed.

Malawi

HALO destroyed 14.5 tonnes of degraded ammunition in Malawi, including more than 2,000 white phosphorous mortars. HALO refurbished ammunition storage facilities and delivered training to the military and the police.

Myanmar

HALO's Myanmar programme is funded by the UK and the United Nations Office for the Coordination of Humanitarian Affairs, with seven teams, each capable of survey and risk education, deployed in the states of Kayin and North Shan. In addition, HALO works with two local partners in northern Shan. Team numbers were reduced from seven to five at the end of the reporting period.

Reported casualties from mines and ordnance for 2019 were 57 killed and 164 injured, with approximately 50 per cent of casualties occurring in North Shan. Rakhine now has the second highest number of casualties in the country and may surpass Shan in 2020.

Modest progress was made in developing mine action standards and the Mine Risk Working Group approved the first standard on danger area marking in early 2020. In addition, the authorities committed to the establishment of a national mine action authority at an unspecified date in the future and convened a workshop in October to discuss the matter.

HALO teams continued to deliver risk education and survey in North Shan and Kayin. Despite three separate attempts during the reporting period to revitalise the Myaing Gyi Ngu humanitarian mine clearance project in Kayin, there was no progress.

Towards the end of March, in response to the Coronavirus pandemic, the authorities announced a ban on any activities which involved assembly and travel between communities, effectively suspending mine action. HALO was swift to repurpose and, thanks to a flexible and pragmatic approach by donors, was able to support communities with Coronavirus aid.

Nagorno Karabakh

The baseline survey of Nagorno Karabakh that started in March 2019 continued at pace. The number of staff working on the project increased from 16 to 24 to ensure completion by 2022. An assessment of previously cleared anti-tank minefields is also being conducted in response to the prevalence of improvised anti-personnel mines.

Land totalling 149 hectares was cleared and 382 calls were conducted. A total of 1,642 items of ordnance and 21,371 rounds of small arms ammunition were destroyed. The fact that only one anti-personnel and one anti-tank mine were destroyed is due to the focus having been on battle area clearance, as opposed to minefields, to which access was limited because of security concerns. However, with the completion of those battle area clearance tasks, and the establishment of the El Barde location, mine clearance activities will be scaled up next year, bringing a more balanced approach to clearance operations, targeting high priority minefields.

In parallel to clearance operations, UNMAS Somalia deployed three teams to rehabilitate and build armouries for the safe and secure storage of weapons for the Somali police and army. Coupled with training and mentoring for the security services, these activities reduce the proliferation of weapons and ammunition

The Strategic Plan will set out how HALO seeks to build on its success in mine action thus far, while also strengthening delivery and coordination outside this sector in areas such as weapons control, Armed Violence Reduction and building community resilience and response to shocks.

Responding to the crises to help millions of people in the Middle East, North Africa and Central Asia will remain a strategic priority. The last two years have seen HALO develop successful programmes in Iraq, Syria, Libya and Yemen, while maintaining its long-standing work in Afghanistan and elsewhere. These programmes will continue to grow to meet the current need.

In light of the Coronavirus pandemic, the Strategic Plan will be revised and regularly reviewed as the global situation may alter operating conditions. HAd [(g)2.Tj -08 (d)86.4(e)-3 (')-6 HA-0.005 Tw 6.272 0 Td [(

3.2 Governance

The Directors/Trustees are responsible for the strategic direction of the organisation. The Chief Executive, to whom certain powers are delegated, works with a senior management team and reports to the Board.

The Board holds formal scheduled meetings at least four times a year, as well as a number of 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 Remuneration Committee, comprising four Trustees (Mark Aedy, Anthony Bird and Paddy Beeley, plus ex officio as Chairman of the Board, Timothy Church), together with attendance by the Chief Executive, the Company Secretary and the Finance Di-8n2er -0.012 Tc 0.01c -08.01c.6 ( )0..5 (e)7.9 e,g

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Mitigation: The Head of Governance and Safeguarding shapes and directs HALO's approach to safeguarding. A Safeguarding Directive sets out an extensive global training and awareness plan for all areas of HALO.

6. MAJOR PARTNERS

numerous other generous private donors.

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

Opinion

We have audited the financial statements of The HALO Trust (“the charitable company”) for the year ended

Other information

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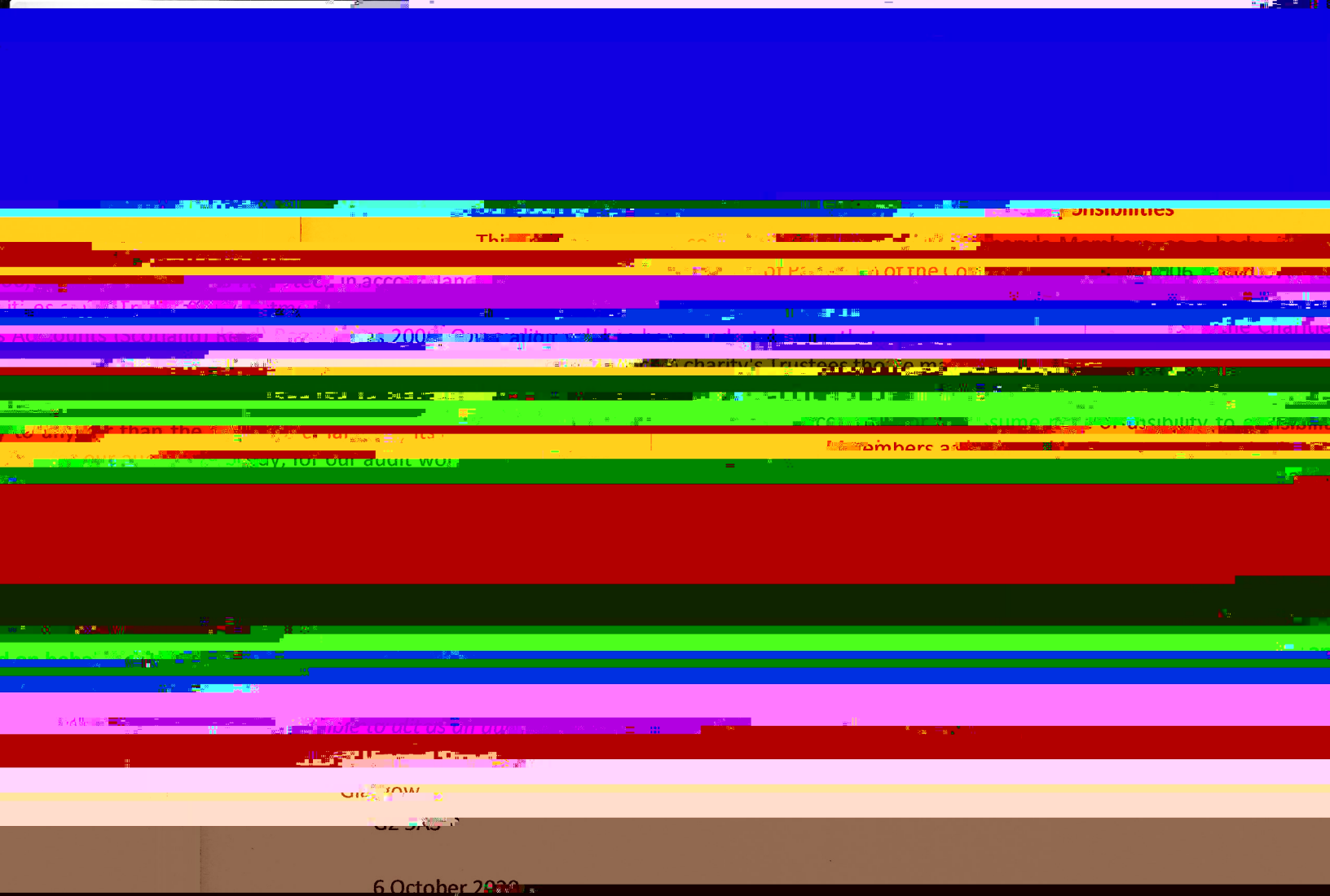

6 October 2020

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.

Going Concern Basis

The Trustees have prepared cash flow forecasts for a period of 15 months from the date of approval of these financial statements which indicate that, taking into account reasonable possible downsides, HALO will have sufficient funds to meet its liabilities as they fall due. The forecasts take into account the impact of COVID 19, HALO's ability to deploy teams into the field to clear landmines and the continued availability of donor funding. The Trustees expect HALO to continue with a positive cash balance throughout the forecast period. The Trustees consider HALO to be operating on a going concern basis due to the value of contracts secured through to December 2021 in addition to informed estimation on the level of business throughout this period. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

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

Notes (continued)

1 Accounting policies (continued)

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.

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, acquired by HALO's own funds, or donated where title vests in The HALO Trust, with a value greater than £1,000 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 and net realisable value.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are 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.

Notes (continued)

1 Accounting policies (continued)

Derivative financial instruments

All costs which can be directly attributed to donor contracts have been allocated and are shown in restricted

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Pension obligations relate to the pension arrangements for a former

19 Commitments

At 31 March there were the following future minimum lease payments under non-cancellable operating leases

	2020	2019

Proforma Euro accounts
Unauditedstatement of financial activities
(including an income and expenditure account)
For the year ended 31 March2020

Average rate £1:€1.1446 (2019 £1:€1.1511)

	Unrestricted funds	Restricted funds	2020 Total	2019 Total
Income from	€000	€000	€000	€000
Donations and legacies	320	-	320	355
Charitable Activities	-			

Proforma Euro accounts
Unaudited balance sheet
as at 31 March 2020

Year-end rate £1:€1.1258 (2019 £1:€1.511)

	2020		2019	
	€000	€000	€000	€000
Fixed assets				
Tangible assets	857		1,352	

Proforma US$ accounts
Unaudited statement of financial activities
(including an income and expenditure account)
For the year ended 31 March 2020

Average rate £1:$1.271 (2019 £1:US$1.3064)

	Unrestricted funds	Restricted funds	2020	2019

Proforma US$ accounts
Unaudited balance sheet
as at 31 March 2020

Year-end £:$1.242 (2019 £1:US$1.306)

	2020		2019	
	US$000	US$000	US$000	US$000
Fixed assets				
Tangible assets	946		1,516	
		946		1,516
Current assets				
Stock	107		126	
Debtors				