The HALO Trust

Annual report and financial statements
Company number 2228587
Charity registration numbers
1001813 and SC037870

31 March 2022

Contents

Trustees' annual report 2

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements 31

Independent auditor's report to the Trustees and Members of The HALO Trust 32

Statement of financial activities 36

Balance sheet 37

Cash flow statement 38

Notes 39

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 2022.

Reference and administrative information

Charity name	The HALO Trust
Charity registration numbers	1001813 and SC037870
Company registration number	2228587
Business address	Carronfoot, Thornhill, Dumfries DG3 5BF
Directors and Trustees	Timothy Church FCA (Chairman) Mark Aedy José Pedro Agostinho Anthony Bird (retired 20 September 2022) Paddy Beeley The Rt. Hon. Ruth Davidson Colonel Jane Davis OBE OStJ QVRM TD DL John Deans (appointed 20 September 2022) Lucía Halpern (appointed 15 March 2022) Gemma Mortensen (retired 20 December 2021) Paddy Nicoll (retired 15 May 2021) John Raine CMG OBE The Rt. Hon. Lord Sedwill KCMG FRGS (retired 30 June 2022) Emma Sky OBE (appointed 16 May 2021) Anastasia Staten Lieutenant General (Retired) Sir Barney White-Spunner KCB CBE (appointed 16 May 2021) Rupert Younger (retired 20 September 2022)
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Statement from the Chairman

Recent history has underpinned the relevance and importance of The HALO Trust's core mission 'to protect lives and restore livelihoods of people affected by conflict.' This mission has three legs: first, 'to protect lives from explosive hazards', secondly 'to reduce human suffering from armed violence' and thirdly 'to build resilient and prosperous communities'. These three legs incorporate the humanitarian, stabilisation and development aspects of HALO's work and provide the platform through which HALO can materially enhance its impact for good through complementary activities.

HALO has now experienced its third year of crisis response, with the pandemic preceding the change of government in Afghanistan, and followed by the war in Ukraine. I'm pleased to say that the Charity has not just survived but has delivered on its charitable objectives in full, despite the challenges presented by back-to-back crises.

Through our first leg work this year, we released almost 10,000 hectares of land back to conflict-affected communities, benefitting more than 1.5 million people. We also destroyed over 56,000 landmines – 42 per cent more than in the previous year. This figure serves as a reminder that the explosive remnants of war pose a continued and immediate threat to our beneficiaries. Other notable achievements this year include the destruction of 52,900 items of ordnance and the delivery of explosive ordnance risk education to 589,000 people. Our second leg work resulted in 8,838 small arms being either marked, registered or destroyed, and over 200 people receiving training in how to manage the physical security of ordnance stockpiles. In the third, HALO is exploring new sources of support.

We continue to see a steady rise in the number of women who work for HALO from 2,209 last year to 2,590 this year, out of 9,942 total.

HALO continues to deliver a highly successful programme in Afghanistan. We recognise the political and economic realities of the new circumstances in that country, but believe that it would be a mistake for the international community to abandon Afghanistan's people. HALO remains committed to helping the people of Afghanistan who now face such uncertain futures without the support of the international community. This commitment allowed HALO rapidly to pivot from its core work to providing the necessary disaster relief in destroyed villages immediately after the recent earthquake.

In Ukraine, HALO has been similarly swift in its response to crisis. The Charity has been able to use its existing programme (set up after the 2014 war in the Donbas) as a springboard to change and expand its work into a broader explosive clearance operation. Although the initial focus is on Kyiv and the North, HALO has plans to expand wherever it is needed in due course.

While the crises in Afghanistan and Ukraine have dominated the headlines, HALO has quietly rebalanced its portfolio of countries to create a group of large and stable programmes in Laos, Cambodia, Sri Lanka and Angola, each with over 1,000 staff.

Smaller programmes continue to thrive, but with a new emphasis on the creation of regional groupings in the West Balkans, Central America, the Horn of Africa and South-East Africa. This regional focus allows HALO to transcend national boundaries and bring humanitarian benefits to much larger groups of people.

HALO has also grown its provision of weapons and ammunition management projects in Malawi, Mozambique and Kenya, with the potential for further expansion in coming years through Africa's Regional Centre on Small Arms (RECSA) member states.

Underpinning the strategy, HALO has continued its programme of modernisation of supporting systems. In revenue terms the Charity is now more than twice the size it was five years ago and has consequently undertaken a complete restructuring of its financial systems. A reorganisation of the Charity's management has created greater capacity to react to crises and has allowed better definition between the operational and strategic. New human resources systems have been adopted to cope with the growing numbers of international staff now working for the Charity, but at the same time HALO has placed renewed emphasis on empowering and nurturing its national staff. HALO is investing heavily in both national and international staff training; thereby ensuring the continued high quality of all our staff, the bedrock of HALO's success. The Charity continues to prioritise operational safety and innovation and has a full programme of Research and Development to optimise efficiency, effectiveness and safety.

To fund its work, in addition to receiving support from unfailingly generous donors, including Germany, Norway, the Netherlands, Ireland, Canada, Switzerland and Finland, HALO has developed four broad relationships: in the first, the United States Government remains HALO's largest donor and the Charity has consequently continued to invest in its relationship with the executive and legislative branches of the US Government. In the second, HALO has supported the UK's International Development Strategy and is grateful for the renewed focus that His Majesty's Government places upon our work by announcing £100 million for its Global Mine Acton Programme for the next three years - the UK deserves particular recognition for this leadership. In the third, HALO is concentrating on non-traditional state donors, notably in Angola and the Middle East. In the fourth, HALO has made considerable progress with its private fundraising work, both in the UK and the USA.

Uniting all these themes is HALO's pivot from being a 'Mine Action' NGO into one focussed on the broader concept of 'Action on Conflict' and thereby achieving greater humanitarian relevance in the 21st Century. HALO is also influencing policy debate at the intersection of conflict, climate change, trade and prosperity, where our work has long-term measurable impact. It is our conviction that much of the world's suffering - notably with regard to climate change, biodiversity loss and food insecurity - derives from conflict. Creating stability and prosperity can break that cycle of conflict; by broadening the focus to Action on Conflict, the Charity's work will thereby be all the more relevant in the years to come.

As ever, HALO's humanitarian work would be impossible without the support of the Charity's many donors. Our thanks go to them all for their continued dedication to our mission.

The Charity's response to recent events has been a stark reminder of the dedication, courage and professionalism of our staff throughout the organisation – national and international – so I would like to take this opportunity to register the Board's appreciation of all that they do.

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

1.4.1 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 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 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 2021/22	FY 2020/21	% Change
Land released (hectares)[1]	**9,980**	**12,501**	**-20%**
Landmines destroyed	**56,728**	**39,964**	**42%**
Unexploded Ordnance destroyed	**44,654**	**50,860**	**-12%**
Cluster munitions destroyed	**8,247**	**9,823**	**-16%**
Small Arms Ammunition destroyed	**375,852**	**241,608**	**56%**
Small Arms Light Weapons controlled[2]	**8,838**	**60,210**	**-85%**
Explosive Ordnance Disposal call-outs	**9,521**	**10,652**	**-11%**

Land release beneficiaries[3]			
Direct beneficiaries (total)	**226,508**	**297,378**	**-24%**
Women	81,618	145,145	-44%
Men	53,745	52,759	2%
Girls	54,352	58,301	-7%
Boys	36,793	41,173	-11%
Indirect beneficiaries (total)	**1,081,759**	**1,444,795**	**-25%**
Women	306,671	417,191	-26%
Men	259,275	386,379	-33%
Girls	279,781	342,601	-18%
Boys	236,032	298,624	-21%

Explosive Ordnance Risk Education sessions	**50,120**	**37,499**	**34%**
Beneficiaries of Explosive Ordnance Risk Education (total)	**589,287**	**480,073**	**23%**
Women	188,095	140,946	33%
Men	88,975	62,765	42%
Girls	167,879	144,830	16%
Boys	144,338	131,532	10%

[1] Land released includes minefield area cleared and reduced by technical survey, and battle area cleared. This figure excludes land cancelled.

[2] Including small arms and light weapons destroyed, marked and recorded.

[3] Recorded in line with Standard Beneficiary Definitions agreed among NGOs who conduct mine action.

Major variances on outputs explained:

Area of land released: The reduction in area of land released is entirely a result of reduced land released in Laos, where the use of Technical Survey to identify cluster munition remnants results in large areas of land released. Variations in this figure distort the overall global picture. Laos suffered a combination of increased COVID restrictions in April to May 2021 and another lockdown which halted operations for that month and thus resulted in less land released. This was compounded by delays in receiving Memoranda of Understanding on new contracts, which set back the purchase of new equipment. The decline in land released in Laos more than accounts for the difference between FY 2020/21 and FY 2021/22. Discounting Laos, the area of land released by other programmes increased by 28 per cent to 6,306 ha from 4,933 ha in the previous year.

Increase in number of mines removed/destroyed. This is predominantly accounted for by the increase in productivity of Cambodia (up 22 per cent on FY 2020/21) and Zimbabwe (up 30 per cent on FY 2020/21) as a result of reduced restrictions on deployments due to COVID in 2021. In Cambodia an increase in the number of anti-personnel mines destroyed as a result of Explosive Ordnance Disposal callouts also contributed to this uplift.

Increase in small arms ammunition destroyed. 88 per cent of the increase in small arms ammunition destroyed came from Angola (+453 per cent), with a smaller increase in Cambodia (+117 per cent) accounting for the rest.

Decrease in Small Arms and Light Weapons controlled. This is due predominantly to the winding down of the Bosnia programme, which accounted for approximately 80 per cent of the reduction overall.

Reduction in land release beneficiaries. This is roughly proportionate with the reduction in land release overall.

Explosive Ordnance Risk Education: The increase in the number of sessions and beneficiaries can be explained by reduction in COVID restrictions in most countries, enabling more sessions to take place and with larger groups, for example in schools and community sessions.

2.2 Programmes

Afghanistan

The Afghanistan programme conducts all aspects of mine and improvised explosive device clearance and ordnance disposal. The withdrawal of NATO troops and the subsequent takeover by the Taliban on 15 August 2021 has been well publicised and was the cause of intense speculation by the international community, particularly with regard to the implications for human rights across the country. During the dramatic events of August, HALO's Afghanistan staff remained on station at HALO locations, dissuading opportunist criminals and some fighters who in many cases had never visited a city like Kabul.

Within two weeks of the change, HALO redeployed, and in September 1,400 staff were back at work, rising to 3,000 by December thanks to existing funding and additional support from the German Government. HALO's primary focus at this time was to conduct survey and assess the impact of recent fighting. It quickly became apparent that, with the right bureaucratic engagement, access across Afghanistan had improved significantly. HALO visited some communities which had been shut off from humanitarian aid for two decades. In doing so, HALO gathered evidence of massive contamination from improvised explosive devices, particularly in the southern provinces of Helmand, Kandahar and

Uruzgan. From March 2021 to March 2022, HALO recorded over 2,500 hectares of land contaminated by improvised explosive devices alone.

By the end of March 2022 over 800,000 people were reported to have been displaced, many having lost livelihoods as a result of the withdrawal of foreign aid. Afghans moved away from the city and back to rural communities, whereupon civilian accidents spiked. In 2021, Afghanistan saw 3,051 civilian deaths and injuries as a result of explosive violence, of which 77 per cent were from improvised explosive devices, marking the fifth consecutive year in which Afghanistan suffered the highest rates of casualty from such devices globally. The unexploded ordnance resulting from forty years of conflict contributed to these statistics, and HALO has seen a precipitate rise in requests for assistance from communities across the country. In March 2021, HALO responded to 288 requests, and in March a year later, these requests had increased to 590. The problem continues, and by June 2022, HALO was responding almost three times as often as in March 2021.

In response to the urgent situation, HALO shifted its operational balance to the south, and by March 2022 had deployed 800 staff to Kandahar, Helmand and Uruzgan. Before August 2021, access to these areas was almost entirely off limits. These staff were able to address the problems of improvised explosive devices which in many cases had been blocking access to homes, clinics or farmland, or positioned inside schools or culverts, and were continuing to cause injury.

In this context, HALO Afghanistan cleared 2,693 hectares of land, more than in the previous financial year. The most notable change was the clearance of improvised explosive devices, with HALO clearing 1,000 items, a 330 per cent increase on the previous year. These statistics continue to rise, with HALO clearing 862 improvised devices in just three months between April and June 2022. HALO continued more traditional clearance, removing 2,424 anti-personnel and anti-vehicle mines, and destroying 638 tonnes of ordnance and ammunition. HALO's impact survey shows that 95 per cent of cleared land is used for agriculture, the main source of income for rural families, and with 22.8 million people, or 55 percent of the population reported to be at crisis levels of food insecurity, the need for agricultural land is more important than ever.

HALO's successes this year were accomplished despite the change of government. As a result of sanctions by western governments, significant foreign aid was suspended or withdrawn. The national mine action authority lost all its funding, and the reporting period has seen resultant failures in the coordination of mine action activities at a time when it was even more necessary. For HALO, a EUR5.8m European Union grant for capacity development in relation to the Afghan National Army's management and storage of ammunition was withdrawn. In spite of this, donor commitment to HALO remained broadly steady, though the prospects for future funding may be affected by the stance taken by the Taliban on areas like girls' education and the treatment of minorities.

HALO continued to lead capacity development of seven other national implementing organisations, through a UN funded train-and-equip project enabling qualifications in survey, location and disposal. A variety of factors enabled the programme to employ more women than ever before in risk education and survey roles, and there are prospects for further increases in spite of the restrictions that apply across the country.

Following the earthquake of 15 June 2022, HALO was first responder on the scene in Spera village in Khost province; over the following weeks it was able to provide medical aid, shelter, water supply and rubble clearance to communities in Paktyka and Khost, after this tragic event killed over 1,000 people and impacted over 362,000. It is highly likely that HALO will be called upon again to provide support to other natural disasters like flash floods, which are reported to have killed at least 400 people in recent months.

Angola

The focus of the programme is on mine clearance, weapons and ammunition management, and a growing link to conservation in the headwaters of the Okavango Delta. The Government of Angola (GOA) continued its cautious approach to COVID with continued travel restrictions and quarantine regulations. As a result, HALO international staff had limits on travel resulting in some shorter operational months across the year. In addition, recruitment and training of new staff was delayed due to the death of the programme's Training Officer and some issues at the local level with recruitment. Despite these challenges, the programme grew from 838 staff to 1,172, including 466 women (with representation improving from 25 per cent to 40 per cent). Our plans for women are evolving into a broader Women in Demining initiative with a new focus on Women in Leadership. As the result of a staffing review conducted in August 2021, international staffing on the programme increased over FY2021/22 from 9 to 18.

HALO released 563 hectares of land, and destroyed 2,320 anti-personnel mines, 884 anti-vehicle mines and 151,309 items of ordnance through standard demining projects and a US-funded Weapons and Ammunition Management project.

As of March 2022, the GOA is the largest donor to the programme, funding 46 per cent of the workforce and with the majority of the programme operations now concentrated in Cuando Cubango Province. The programme continues to have a diverse funding base including mainstream government donors (three concurrent US Department of State contracts and the UK), the private sector (BP, ENI and Sonangol), and private foundations.

For a number of years, the programme has had increasing interaction with conservation and environmental protection organisations, predominantly through projects with National Geographic and Wild Bird Trust. To formalise engagement in the conservation sector, in March 2022, HALO recruited an Angola focussed Mine Action and Conservation Project Manager. This new project will build and expand current partnerships, adapt HALO's activities in Angola and open up new opportunities for funding and strategic direction.

Bosnia and Herzegovina (BiH) and the Western Balkans

A weapons and ammunition programme. The programme completed its weapons marking and registration project in May 2021, following which it was maintained at minimal operating capacity with core funding. During this time, staff delivered valuable capacity building by way of database training and deployment of the complete system, and provided much needed support to the Armed Forces of BiH and the European Union Force in BiH (EUFOR).

HALO continued to work with EUFOR as co-implementer to secure funding from donors, including the Embassy of Norway, the US State Department and the UK FCDO. In March 2022, HALO Bosnia was selected for funding from the UN Facility Supporting Cooperation on Arms Regulation (UNSCAR). However, without another donor forthcoming to match this, the programme has had to close.

Looking back, HALO provided the BiH armed forces (AFBiH) with a comprehensive weapons registration system and robust marking equipment that will allow them to continue to meet their obligations under local and international law. The AFBiH will be able to reduce their weapons holdings as planned, using the database, and comply with international norms by appropriate marking of their weapons when exported, sold or destroyed in the future.

While more work needs to be done in BiH, HALO can be proud of the significant progress in improving security in BiH and the wider Western Balkans region.

Cambodia

A large landmine and explosive ordnance clearance programme. During FY2021/22, the 30th year of HALO's operations in the country, HALO Cambodia 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. Continuation funding through FY2022/23 has been confirmed with donors.

While access to the border minefield with Thailand remains suspended due to border disputes, the Royal Government of Cambodia has confirmed access will be granted to significant border minefields in 2023. This forms part of the ambitious plan, including deployment of armed forces deminers, to achieve Mine Free status in the quickest possible timeframe.

HALO's clearance, survey and explosive ordnance disposal operations received full support from the national authorities to continue during COVID restrictions. HALO released over 4,200 hectares of hazardous land, destroying over 13,000 landmines and 5,000 items of ordnance, benefiting over 80,000 women, children and men during the year.

Colombia

A mine clearance programme focussed on improvised landmines. The improvement in security seen in 2020 was reversed during 2021 as Colombia emerged from the pandemic into an election year. As security worsened, the national mine action authority halted activities in HALO's locations in some areas of Cauca/Valle de Cauca and Antioquia between July and December. This grew to include Meta, following the destruction of a HALO vehicle by a non-state armed group. During these suspensions, staff were redeployed to other locations whenever possible. Only the suspension in Meta Department remained in place as of March 2022.

After eight years, HALO finished clearance in the municipality of Sonsón, having released a total of 20 hectares of hazardous land and 61 minefields, and having destroyed 168 improvised explosive devices, benefitting 525 people directly, and 2,966 indirectly.

Despite suspensions and security issues, HALO remained focussed during the year on the delivery of cost-effective operations, clearing 24 hectares and destroying 167 improvised AP mines and 18 items of unexploded ordnance, representing an increase on the previous year. HALO Colombia staff numbers rose above 550 during the year, but fell to 450 by March due to the reduction of humanitarian space in Meta. HALO remains the largest civilian mine action operator in Colombia.

El Salvador

A weapons and ammunition management programme. HALO continued to provide capacity development support to the Salvadorean Ministry of Defence and National Police through ordnance disposal and Stockpile 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 1,431 weapons and two tonnes of ammunition. Twenty police and soldiers received training in stockpile management and forty in ordnance disposal.

Partnering with The United Nations Institute for Disarmament Research, HALO conducted Latin America's first weapons and ammunition management baseline assessment in El Salvador. In March 2022, HALO convened a meeting of state institutions to agree upon a national Weapons and Ammunition action plan; this will be implemented with HALO support.

Ethiopia

A new programme focussed on minefield survey and mine clearance. Germany continued to support the establishment of the HALO Ethiopia programme, with vehicles and equipment delivered in anticipation of permission from the Ethiopian Mine Action Office (EMAO) to start survey and clearance activities early in FY2022/23. Both Norway and the Netherlands have committed to supporting the scale up of activities.

Survey and clearance will initially be focussed on the Ethiopian side of the Ethiopia / Somaliland border where HALO has a good understanding of the extent of mines contamination. However, HALO has identified a clear requirement to expand survey and demining activities across the Somali Region of Ethiopia as a whole, as evidenced by the number of mine accidents which continue to occur. HALO is working closely with the EMAO and the Ottawa Treaty Implementation Support Unit (ISU) to raise awareness and mobilise additional funding.

Georgia (including Abkhazia)

A programme focussed on explosive ordnance disposal. Since 31 March 2022, HALO Georgia secured US$73,000 of Norwegian funding for two projects: Non-Technical Survey (NTS) in Georgia and mine clearance in Abkhazia. This grant is the first donor funding for HALO Georgia since 2019 and, though a small amount, it is hoped that it will open doors to future funding for follow-on clearance. The NTS team will comprise ethnic Georgian and Abkhaz staff, demonstrating strong cross-border cooperation.

In Abkhazia, the programme secured Swiss funding of US$260,000 to finish all remaining high and medium priority clearance of unexploded ordnance at the old ammunition storage site at Primorsky which was destroyed in a devastating explosion in August 2017. Since clearance of Primorsky began, HALO has destroyed over 99,000 items of unexploded ordnance from the 2017 explosion. Furthermore, an anonymous foundation donated US$90,000 for sub-surface battle area clearance (BAC) adjacent to the Primorsky explosion crater area. This will facilitate a UN Food and Agriculture Organisation (FAO) project to rehabilitate the ground for agricultural use later in 2022.

Elsewhere, the Abkhazia programme's two UK-funded teams continued operations despite COVID restrictions, responding to call-outs across Abkhazia. In September 2021, the programme secured EU funding of EUR500,000 for road and bridge construction in Abkhazia until August 2022.

Expanding its COVID response activities, the programme secured US$230,000 from the EU and US$211,000 from the UK. With this funding, the programme deployed six ambulances, completing 6,557 journeys transporting COVID patients and PCR test samples.

Guatemala

A weapons and ammunition management programme. Except for anti-government protests in July 2021, Guatemala was stable during the year. The Ministry of the Interior finally approved HALO's official registration.

HALO continues to provide capacity development to the Ministry of Defence and National Police through explosive ordnance disposal, stockpile management training, the rehabilitation of explosive storehouses and armouries, and the disposal of munitions and small arms. During the year, 9.68 tonnes of explosive ordnance were destroyed, 50 members of the Guatemalan security forces received training, and 20 were trained in stockpile management. 20 police received training in identification of munitions.

Guinea-Bissau

A weapons and ammunition management programme. A key milestone was achieved with the completion of an Ammunition Storage Area for the Guinea Bissau MOD in Xime. Consisting of ten

traversed containerised units, guard towers, security fencing and an accommodation area, the facility enables the safe and secure storage of ammunition away from civilian populated areas. In addition, HALO delivered two training courses to 40 soldiers and destroyed 5,000 items of small arms ammunition.

Reconnaissance of new locations for five containerised armouries was conducted in the western region of the country. A total of five containers will be adapted by metal workers in Bissau, the capital, prior to being established in designated locations.

Headway has been made in the future disposal of munitions stored in the north of the country, not only through the potential use of explosives procured from a national NGO, but also from using binary explosives sourced from the UK.

Honduras

A mothballed weapons and ammunition management programme. The Honduras project remained mothballed for the year, with no outputs recorded. However, a change in administration has seen a warming in US-Honduran relations and HALO will look gradually to re-establish its programme in the coming year. Initial engagement with the new government has been positive.

Iraq

A programme focussed on the clearance of Improvised Explosive Devices. The Iraq programme remains focussed on clearance of Islamic State-laid improvised explosive devices in the governorates of Anbar and Salah ad Din. Between 1st April 2021 and 31st March 2022, HALO Iraq cleared 284 improvised explosive devices and 559 other explosive items. 1.2 million m² of land was released for safe use and more than 255,000 people benefitted from this work.

The majority of landmine and explosive accidents in Iraq are now occurring in the four southernmost governorates. The mines and cluster munitions causing these accidents are legacies of the Iran-Iraq War and the two Gulf wars. Consequently, HALO's longer-term focus in Iraq is likely to shift to these southern governorates.

A political stalemate continues following national elections in October 2021. Rivalries and disagreements between the two main Shia blocs have precipitated a constitutional crisis preventing the selection of a president and the forming of a new government. A caretaker government continues to manage Iraq's daily affairs. There is the potential for political and social unrest, but the country remains stable and HALO's work is so far unaffected.

The twin impacts of water shortages and climate change are presenting the government with a deteriorating environmental problem. Increased desertification has led to loss of agricultural land and a marked increase in dust storms this year, resulting in airport closures, health problems and loss of productivity. HALO is examining ways to provide mine action services in support of the mitigation of these problems.

The programme continues to depend largely on funding from UNMAS and the United States, with smaller sums from Belgium and UNICEF. Donor funding appears to be reducing across all sectors in Iraq, not only due to the impact of COVID and the war in Ukraine on foreign aid budgets, but also due to a growing perception that Iraq, as a middle-income country, should be contributing more. The rise in oil prices throughout 2022 has given Iraq a financial windfall, further increasing this perception.

HALO continues to work with its local partner, Al Ghad, through an UNMAS-funded project to develop Al Ghad's mine action capability. The project is currently funded to the end of 2022, with the hope that a further year of funding will follow.

Kosovo

A mine clearance programme. In FY2021/22, HALO Kosovo doubled in size, largely due to additional multi-year US Government funding. Previous US and Swiss grants continued to fund remaining clearance operations, and an anonymous US donor generously subsidised various operational and support costs.

The programme continued developing its partnership with the US Department of Defense's research and development branch, NVESD, which funds HSTAMIDS detector operators. The partnership also collaborated on other innovative projects to improve detection of buried hazards.

Non-technical survey staff established an updated picture of the remaining mine contamination across HALO's area of operations. By the end of March 2022, HALO had completed 80 per cent of tasks designated for re-survey and 60 per cent of new survey tasks.

HALO Kosovo trialled new detectors to investigate potential efficiency improvements. The first sample clearance task produced very positive results, seeing an increase in productivity of 138 per cent. The programme also introduced new battle area clearance SOPs, bringing a 32 per cent increase in productivity across the programme's operations.

Laos

A programme largely focussed on clearing air delivered munitions from the Vietnam War. New funding from the US Department of State enabled further expansion of the programme to 1,020 staff. This represents a doubling in the size of the programme over the past two years.

The expansion enabled recruitment of 650 staff. The programme continued with the survey of Savannakhet Province, with 230 staff deployed through the USA-funded Cluster Munitions Remnants Survey project (2018-2022).

In November 2021 HALO's two newly trained mine clearance teams deployed onto their first task, the first ever mine clearance teams deployed by any operator in Laos.

Despite having to deal with the continuing impact of COVID, HALO destroyed 11,025 items of ordnance, including 7,237 cluster munitions and 14 anti-personnel mines, and cleared 575 hectares across Savannakhet Province. The survey teams added 3,100 hectares of cluster munition contaminated areas to the national database.

Libya

A programme focussed on clearing explosive ordnance from the recent war. A moratorium on visas and some COVID restrictions contributed to very limited activity during the summer of 2021. The situation improved from November, with operational activity, albeit limited, taking place across all the programme's locations by March 2022. At the time of writing, operational tempo has continued to increase and, although the programme is still some way from operating at capacity, the trajectory provides grounds for optimism.

The security situation has stabilised in Libya, although the much anticipated elections are looking increasingly distant, thanks to entrenched political rivalries. The issuance of clearance approvals, effecting banking transactions and obtaining movement permissions are subject to long delays.

The programme remains well supported by the US and UK, with both grants running until the end of 2023. One area for cautious optimism is weapons and ammunition management, particularly in Benghazi where the local authorities show greater engagement and consistency. To that end, the programme received German funding to deliver a project now nearing conclusion; the resulting technical report and associated outputs have attracted interest from a range of donors and other stakeholders.

Myanmar

A programme focussed on mine risk education in a country in active conflict. The military coup in February 2021 reshaped Myanmar's conflict landscape, sparking a wave of violence with emerging new forces in different places. There is active landmine laying by all fighting parties, namely the military regime, the Ethnic Armed Organisations and the Peoples Defence Forces.

In 2021, the programme increased from six to seven explosive ordnance risk education teams, deployed in the states of Kayin and North Shan, and a new location was opened in Kachin. In addition, HALO worked with two local partners in northern Shan. Reported casualties from mines and explosive remnants of war were 88 killed and 196 injured, the fifth highest in the world after Syria, Afghanistan, Mali and Yemen. Shan State accounted for 38 per cent of casualties, followed by Kachin with 18 per cent, hence the motivation for HALO to expand into Kachin.

In response to the pandemic, explosive risk education lessons were re-formed from group sessions (up to 30 people) to shorter, smaller household sessions. HALO distributed COVID education and hygiene materials. In FY2021/22 HALO delivered 17,243 explosive risk education sessions to more than 80,000 people, many of whom were displaced by recent conflict.

HALO's Myanmar programme continued to be funded by the UK and the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA). The complex political landscape and sanctions, together with the absence of national permission to conduct clearance activities, precludes Myanmar from many of HALO's traditional donor avenues. Alternative funding sources are being pursued.

Nagorno Karabakh

A programme focussed on mine clearance and other explosive ordnance disposal from the 1992 and 2020 wars. Efforts to survey and clear the contamination from the recent war continued throughout the year. The programme secured US, Canadian and Norwegian Government funding for emergency response. Further funding from a number of private individuals, foundations and crowdfunding doubled this amount.

Since April 2021, HALO Nagorno Karabakh has cleared 360 hectares of contaminated land, destroying 491 cluster munitions, 984 other items of unexploded ordnance and 132,053 items of small arms ammunition.

HALO battle area clearance staff worked in Armenia under a three-month commercial grant for US$130,000 from the Armenian Centre for Humanitarian Demining and Expertise (CHDE). The programme, as a sub-grantee to Action against Hunger, secured EU funding for survey and explosive ordnance risk education in Armenia.

Donor interest waned by March 2022, particularly after the one year anniversary of the end of the war. However, after years of HALO USA's advocacy on the Hill, the US Congressional Budget included for the first time a line for mine clearance in the region around Nagorno Karabakh.

International staff access to Nagorno Karabakh remains a challenge, with only the Programme Officer, a Russian citizen, being permitted entry. Remote management is now the norm and the programme adapted well to the new arrangement.

Somalia

A programme focussed on mine clearance and weapons and ammunition management. During the course of FY2021/22 the programme remained stable, with 300 staff deployed across the Somalia states of South West, Hirshabelle, Galmudug and Puntland. The programme, commanded from the HQ in Mogadishu, was supported by funding from the UK, Ireland, Norway, Finland, the Netherlands, the EU (via an UNMAS contract), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and UNDP (via the Somali Ministry of Internal Security). Weapons and ammunition disposal and management activities were supported by funding from the US Department of State.

Mine clearance and weapons and ammunition disposal activities focussed on the Somalia / Ethiopia border. Twelve anti-personnel mines, nineteen anti-vehicle mines, 2,027 items of ordnance and 4,721 items of small arms ammunition were destroyed. 102 hectares of mined land were cleared, providing safe access to land for water storage point access, grazing and agriculture. The GIZ project was conducted in collaboration with the Ministry of Energy and Water Resources and ensured the safe rehabilitation of flood management infrastructure.

Somaliland

A programme focussed on mine clearance and the environmental restoration of land. Demining operations remained stable, with continuity of activity for three mechanical clearance teams, two explosive ordnance teams and two community outreach teams. The programme strength of 500 has been maintained. The programme was supported by funding from Germany, the UK and the Netherlands.

Mine clearance operations continued to be focussed on the Somaliland / Ethiopia border area. 50 anti-personnel mines, 19 anti-vehicle mines, 257 items of ordnance and 49 items of small arms ammunition were destroyed. 140 hectares of mined land were cleared, providing safe access to land for water storage point access, grazing and village expansion.

Building on the demonstrable success of the FY2020/21 pilot projects, environmental restoration of land was conducted on two previously cleared minefields. People from the local communities were employed to dig soil bunds to capture rain water and prevent soil erosion. Areas were re-seeded with native grasses and drought resistant tree saplings were distributed, with training provided on how to protect and care for them.

Sri Lanka

A programme focussed on mine clearance. The programme expanded from 1,217 to 1,309 staff, 38 per cent of whom are women. Operations in the north-eastern district of Mullaitivu have grown from zero to 273 in the last two years. To support this a new compound has been developed.

In FY2021/22 HALO cleared 171 hectares of land, removing and destroying almost 10,000 mines and over 25,000 items of ordnance, as well as small arms ammunition and weapons. This has benefitted over 8,200 people directly and over 24,600 indirectly.

Since 2019, Sri Lanka’s economy has deteriorated, exacerbated by the adverse impact of the 2019 Easter bombings and the pandemic affecting income from tourism. It has led to significant inflation, depleted foreign currency reserves, increases in the price of basic commodities and widespread shortages of medical supplies and fuel. In April 2022, the country was declared bankrupt and large

(relatively peaceful) protests in the capital, Colombo, ensued. HALO Sri Lanka has navigated this through flexible deployment, judicious actions to secure fuel, and the provision of a cost-of-living allowance to staff.

It is anticipated that Sri Lanka will meet its Mine Ban Treaty obligation for completion by 1st June 2028. Facilitated by the Geneva International Centre for International Humanitarian Demining (GICHD), the sector is developing a completion survey process and (the final) national five-year strategy. Programme funding is stable, with existing donors committed to seeing Sri Lanka mine free.

Syria

A programme focussed on risk education, survivor assistance, survey and some disposal. HALO operates in NW Syria, an area comprising parts of the governorates of Idlib and Aleppo. The area is in effect a Turkish protectorate and, in northern Aleppo, Turkey also provides administration.

Between 1st April 2021 and 31st March 2022, HALO Syria destroyed 66 explosive items and conducted 4,473 risk education sessions, benefitting more than 68,000 people in total. Additionally, 251 victims of explosive incidents were supported through their medical treatment and rehabilitation.

In July 2022, permission for HALO's partner, iMFAD, to dispose of ordnance in northern Aleppo was withdrawn by the Turkish authorities responsible for the area. Operations there were consequently reduced to explosive risk education and victim assistance.

In Idlib the operating environment has been more permissive and survey began in February 2022. Preparations are being made for explosive ordnance disposal to start in August 2022 with landmine clearance to follow in January 2023.

Ukraine

A programme committed to the clearance of all types of explosive emanating from the current conflict. During FY2021/22 HALO capacity stood at 430 staff. 182 hectares of land were released in the government-controlled areas of Donetsk and Luhansk regions, clearing 153 landmines. In May 2021 an assessment of operational efficiency was instigated, along with a focus on gender balance and a review of security, financial, HR and administrative processes.

In August 2021, the programme embarked on a security review, looking specifically at HALO's posture in the face of the threat of a Russian incursion to seize key Ukrainian cities in Donbas. In October, there was a significant uptick in military activity along the line of contact (LoC), precipitating an operational move of staff away from the LoC to clear minefields and BAC areas outside the 15km 'buffer zone'. With the onset of winter and against the backdrop of an increasing build-up of Russian forces along Ukraine's borders, a decision was taken in December to cease operations until February 2022 pending a review of the security situation.

In the immediate aftermath of the Russian invasion on 24th February 2022, HALO staff delivered first aid in their communities and medical training at community centres, as well as carrying out risk education in Kramatorsk and Mariupol wherever they could, on the street, in basements and in shelters. Aid packages were supplied to those in need. In parallel, HALO launched a major digital explosive risk education campaign which reached tens of millions of people across Ukraine. HALO began an open-source mapping exercise after the invasion, with the aim of collating verified data on the use of landmines and munitions to inform our planning.

In early March, HALO Ukraine international staff, with support from HQ staff, opened an office in Rszezow, Poland, and then in Lviv in western Ukraine, while planning concurrently for the relocation

of our staff and equipment from eastern Ukraine. As the largest Mine Action NGO in Ukraine, HALO is well placed to provide a nation-wide response to explosive contamination resulting from the war. In consequence, HALO is growing its programme fast and plans to be at 700 staff by the end of 2022 with further plans for expansion thereafter.

West Bank

A programme focussed on mine clearance. HALO's landmine clearance in the West Bank was suspended in December 2020 due to lack of funds. In early 2021 the new US administration reversed the previous administration's ban on the funding of activities in areas controlled by the Palestinian Authority. HALO was an early beneficiary of this change of policy and US Government funding was received in September 2021; in the same month HALO received a one-off grant from the Netherlands.

The resumption of landmine clearance was delayed while the US and its implementing partner, the International Trust Fund (ITF), ran a tender for statutory quality management of HALO's work. Following this, there was a further delay in the issuing of visas for Georgian staff. Ultimately this meant that there was no landmine clearance between 1st April 2021 and 31st March 2022.

The visa obstacles were overcome and clearance began in June 2022. The US Government is likely to support the programme for the foreseeable future. The clearance of three remaining Jordanian-laid minefields in the highlands of the West Bank is expected to be completed towards the end of 2023. HALO then hopes to begin clearance of two Jordanian-laid minefields in the Jordan Valley.

Yemen

A programme focussed on mine clearance. The programme continued its mechanical clearance, demolition and battle area clearance operations in the Aden area. The programme now clears and destroys several tonnes of ordnance every month. A new location in Taiz governorate was opened, firmly establishing HALO as the lead mine clearance organisation in the south. HALO has begun survey of areas in Taiz and Lahij.

The former president stepped down and appointed a presidential council from southern factions. This was swiftly followed by the announcement of a ceasefire between the northern and southern factions. Conflict has significantly reduced as a result and there is serious talk of reopening the roads linking the north and the south in Taizz. This has brought landmine clearance sharply into focus in the minds of the Yemeni authorities, donors and UN agencies. There is a real opportunity for HALO to be at the forefront of peacebuilding clearance efforts in the coming year.

The programme remains well supported by the US and UNOCHA, although we are now overtly and directly competing with UNDP for funding. A number of donor opportunities are being developed, including the EU, the Netherlands and the UK for FY2022/23.

Zimbabwe

A programme focussed on mine clearance. While there was a reduction in COVID restrictions in FY2021/22, cases among staff caused disruption to operations in June, July and November, resulting in minor reductions in outputs and reduced working areas. No severe COVID cases have been recorded in the workforce and all staff have since fully recovered. Risk education deployment was affected, but the programme continued its project of issuing Happy Readers risk education books to schools, enabling teachers to provide messaging while HALO could not deploy. Otherwise, operations continued and the programme released 280 hectares of land and destroyed 25,571 anti-personnel mines.

The programme celebrated the handover of Mount Darwin district in November 2021, the first district in Zimbabwe to be declared mine-impact free and a considerable milestone towards the target of mine-impact free Zimbabwe by 2025.

In January 2022, the programme introduced salary increases to comply with national legislation changed in 2021. With increasing national economic pressures, the programme expects further change to labour laws and cost of delivery.

In response to safeguarding incidents across the workforce, the programme introduced an HR and Safeguarding Officer in December 2021, with plans for policy changes in 2022.

2.3 Training

HALO ran international field officer training in Ukraine, Somaliland and Cambodia during the year. This included one course for Arabic speakers to strengthen operations management capacity in HALO's growing Middle East programmes.

HALO also launched a three-week career development course this year for operations management staff. Three courses have been delivered so far with participants from Somalia/Somaliland, Zimbabwe, Georgia and Angola.

In early 2022, HALO's online Learning Management System was launched. In total, 318 members of international and national management staff now have access to the platform. HALO's Human Resources department has started to make use of the platform for induction training of new members of staff, which not only includes self-led training modules, but also instructor-led training hosted within the platform. As such, the platform will serve not only for recording those that have completed online training modules, but all other training that HALO provides. 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 & Diversity in Mine Action and Explosive Ordnance Risk Education.

Explosive Ordnance Disposal Training

During the year HALO has trained and qualified 167 people in accordance with the International Mine Action Standards to dispose of explosive ordnance contamination. Of these, 23 were HALO international staff, 44 were HALO national staff and 96 were part of donor sponsored projects to train local capacities in countries where HALO operates. These courses included Level 1, Level 2 and Level 3, as well as the specialised Humanitarian Improvised Explosive Device Disposal course. In addition, six HALO national staff qualified as instructors, developing a national capacity to deliver courses across Somaliland, Angola and Latin America.

Weapons and Ammunition Management Training

In the past year of delivery, HALO has developed a training framework to underwrite its delivery of host-nation training. This training framework lays out the principles and direction of delivery of multi-year training packages to security forces. This has been used in Malawi and the Northern Triangle (El Salvador, Guatemala and Honduras) to secure funding for multi-year training packages. As part of this effort, HALO has developed and delivered a new suite of ammunition training courses and revised previous small arms and light weapon management courses.

During the year, HALO trained over 200 members of host-nation security forces in weapons and ammunition management, ranging from weapons safety to ammunition storage. A large proportion

of this training came from HALO's new projects in the African Great Lakes region, where HALO is developing and delivering the new courses.

HALO delivered its first Weapons and Ammunition Management Project Manager course in February 2022. This course trained ten individuals across HALO in the key technical and programmatic skills necessary to deliver weapons and ammunition projects. The course had a 50/50 gender balance and was delivered in Malawi.

2.4 Research and Development

Work on the use of drones with various sensors has continued, with the aim of improving the accuracy of non-technical survey and saving time and money during clearance operations. Trials have been conducted in Angola, Somaliland and Iraq during the year, with data from thermal, LIDAR and standard sensors now incorporated into HALO's information management system to help staff plan their clearance. A significant expansion of drone capacity across HALO has been planned for 2022 with funding starting to move this work from a research stage into a mainstream part of operations. Work is in progress with external partners on the use of computer vision and machine learning to enable the rapid analysis of the large amounts of imagery generated using remote sensing (both from drones and satellites).

The conflict in Ukraine and the scale of HALO's response requires significant investment in equipment, spanning detectors, robots, drones, and machinery. The Capability Group is supporting the creation of a Research and Development team and workshop in Ukraine, drawing on local mechanical and electronic engineering expertise. The new team will be able to test and trial equipment as well as analyse and adapt it in a way not typically available to HALO. This will be of great benefit to the clearance work in Ukraine itself, as well as benefitting other HALO programmes and the mine action sector as a whole by proving equipment and techniques which can then be used elsewhere. Trials started in late 2021 on the use of micro-excavators to investigate signals marked by manual deminers using metal detectors. The main aim of this is to reduce the number of demining accidents that happen during manual signal investigation, particularly with certain types of mines. This trial will be expanded further in 2022. In Afghanistan, the change in the operating environment has allowed the rollout of high-efficiency clearance of improvised explosive devices based on ground penetrating radar detectors. Further work on tools for the clearance of anti-vehicle mines in Afghanistan is planned now that specialists can more easily visit the field.

A key focus for mechanical operations this year has been exploring the retrofitting of remote control systems to construction machinery as an alternative to the cost, time and additional weight of protective armouring on cabs.

2.5 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 HALO access to shared fleet data and training modules for drivers and fleet managers across our programmes. The Ultimo Fleet Management system is being rolled out across HALO, with staff in Kosovo, Iraq, Laos, and Cambodia trained on the system during the year. This system allows better monitoring of fleet usage and expenditure.

2.6 Operational Compliance

A new Head of Operational Compliance was appointed in April 2021, making visits over the year to Somaliland, Angola, Zimbabwe, Iraq, and Cambodia. The Operational Compliance department has continued to support programmes with investigation of accidents, incidents, and near misses, SOP

reviews and updates, and quality management, as well as ensuring compliance with national and international standards.

During the reporting period, there were nine accidents involving explosive ordnance that resulted in injuries to HALO staff. Four accidents occurred in Zimbabwe, two of which resulted in major injuries, one of which resulted in a minor injury, and one of which resulted in a slight injury. Four accidents also occurred in Angola, all of which resulted in minor injuries. One accident in Afghanistan resulted in severe injuries to the deminer.

All accidents were investigated internally by HALO as well as by the respective national authorities. In the case of the Afghanistan accident, an accident investigation board was appointed by the CEO which included the Head of Operational Compliance and the Deputy Director of Programmes East.

HALO takes all operational accidents extremely seriously and is addressing the causes of the accidents above through a combination of training, increased operational oversight, deployment of new technologies, and strengthening of HALO's internal systems of quality management.

During the year, HALO continued to contribute to the work of the International Mine Action Standards Review Board and is leading a number of technical working groups updating the standards.

2.7 Programme development

HALO continued to develop new programme initiatives in accordance with the organisation's strategic goals, while also responding to specific requests for assistance.

At the request of the US State Department, HALO has established a presence in East Africa delivering weapons and ammunition management programmes in Malawi and Mozambique, concentrating on securing state stockpiles. A US-funded partnership with the Nairobi-based inter-governmental organisation Regional Centre for Small Arms has enabled HALO to deliver training and secure armouries in Kenya, with additional support for Uganda in the coming year.

Following the appointment of a Head of Region for West Africa, HALO has secured continuation funding for weapons and ammunition management activities in Guinea-Bissau and an expansion to include Ghana and Cote D'Ivoire. In Nigeria, HALO is exploring a partnership with the newly appointed National Coordinator for Small Arms and Light Weapons to establish national centres for the marking and storage as well as final disposal of seized weapons and ammunition.

In the East Asia and Pacific region, HALO is in discussion with the governments of the Philippines and the Solomon Islands about the clearance of legacy munitions from the Second World War.

In 2021, HALO received a request from the national authorities in Vietnam to assist with both landmine clearance and the disposal of air dropped weapons in two provinces that have not previously received international support. Following an assessment mission in October 2021, HALO confirmed the need and is in discussion with donors about potential support, however, a programme is unlikely to be established soon.

HALO continues to explore opportunities to establish armed violence reduction programmes in the Caribbean and Central America with an emphasis on employing at-risk individuals in climate change mitigation projects.

HALO has appointed a Head of Weapons and Ammunition Management and made significant progress in developing its weapons and management activities. Three new programmes are in development:

Kenya

A regional weapons and ammunition management programme in cooperation with a local partner. HALO was requested by the US Department of State to partner with the Regional Centre on Small Arms which is the regional coordination organisation working to implement the Nairobi Protocol, a regional arms control agreement between thirteen member countries. HALO will deliver activities across the East Africa/Great Lakes region of Africa involving capacity development of host-nation security forces to build them into a more effective regional partner. HALO set up an office and operations in Nairobi, and has delivered six armouries to the Kenyan Border Police Unit, and provided training to over sixty security force officers. The programme has additional funding for activities in FY 2022/2023 to include Uganda.

Malawi

A new weapons and ammunition management programme. HALO was requested by the US Government to deliver a weapons and ammunition management programme in support of the Malawi Defence Forces. In the course of FY2021/22 HALO has delivered training in weapons security, ammunition management and explosive ordnance disposal to over fifty members of the Malawi Defence Force, and, by the end of 2022, will have completed refurbishment of primary and reserve ordnance depots, construction of two central armouries, and an explosive storehouse for the Malawian maritime service. The programme has secured additional funding for new activities in FY2022/23.

Mozambique

A new weapons and ammunition management programme. HALO was requested by the US in 2021 to deliver a programme of armoury construction and training in Mozambique. HALO deployed to Mozambique at the start of 2022 and began preparations for the delivery of twelve containerised armouries, and firearm safety training to the Mozambicans. HALO and the US Embassy met the Mozambican military, who confirmed their support for the project, and indicated formal approval would be forthcoming. The programme has secured further funding for activities in FY2022/23, demonstrating US interest in Mozambique, and commitment to delivering this project when conditions allow.

2.8 Strategic Plan 2021-2025

HALO's five year Strategic Plan is guiding HALO's strategic development in order to address new 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 that are adversely impacted by conflict, climate change, food insecurity and poverty.

The global challenges presented by new conflicts, climate change and biodiversity loss and the pandemic all highlight the need for an increasingly integrated response, bringing together humanitarian, development, security, climate and conservation approaches. In June 2022 HALO held a review of the Strategic Plan to assess the organisation's delivery of the three goals set out in section 1.4 of this report. This will be followed by a renewed Implementation Plan to increase HALO's delivery of these goals for the next three years.

2.9 Funding Opportunities

During the year HALO secured annual continuation funding from all major government donors, including an extension on the UK's Global Mine Action Programme until March 2022. HALO also made strides in developing and engaging new donors, and increasing support from some existing donors including Canada, Germany,Norway and the US Department of State Political Military Affairs Bureau /Office of Weapons Removal and Abatement. While HALO became ineligible for direct funding from

the European Civil Protection and Aid Operations (ECHO) after the UK left the European Union, two HALO programmes were successful in attracting ECHO funding working together with European partner organisations. With an established Europe office in the Netherlands, HALO continues to pursue the requirements to access ECHO funding directly. HALO's funding from philanthropic and private donors also increased during the year.

2.10 Policy and Advocacy

HALO continues to advocate strongly for the continued focus on conflict in the UK's international aid strategy, working in alliance with a group of other organisations on conflict response, stabilisation and recovery.

During the year HALO also began to focus on policy and advocacy linked to climate change and biodiversity loss, attending COP26 in Glasgow and hosting an event on the margins of COP26 focussed on the intersection between conflict, climate and conservation.

HALO also increased policy and advocacy engagement in the European Union to improve awareness of mine action and HALO's work, to engage in key European policy priorities and understand how these priorities impact the work HALO is conducting around the world.

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

3.1 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.

3.2 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, although pandemic restrictions have not allowed this to take place for the past two years. An Audit and Remuneration Committee, comprising, at the date of this report, five Trustees (Mark Aedy, Paddy Beeley, Barney White-Spunner, Lucía Halpern and John Deans), plus, ex officio as Chairman of the Board, Timothy Church), together with attendance by the Chief Executive, the Company Secretary and the Finance Director, assists the Board in discharging its obligations to ensure the adequacy of internal controls and the integrity of the financial statements. A Governance and Nominating Committee, made up, at the date of this report, of three Trustees (John Raine, Jane Davis and Emma Sky), plus, ex officio as Chairman of the Board, Timothy Church), 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. Both the Audit and Remuneration Committee and the Governance and Nominating Committee meet at least twice a year. 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 2022 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. Anthony Bird stepped down on 20 September 2022, having served, with the unanimous approval of the Board, since October 2010.

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.

Board Changes and Attendance (✓) / (Non-Attendance) (×) at Board Meetings FY2021/22

Name	Appointed /(Retired) in FY2021/22 and to the date of this report	22.06.21	21.09.21	20.12.21	15.03.22
Timothy Church		✓	✓	✓	✓
Mark Aedy		✓	✓	✓	✓
José Pedro Agostinho		✓	✓	✓	x
Paddy Beeley		✓	✓	✓	✓
Anthony Bird	(20.09.22)	✓	✓	x	✓
Ruth Davidson		✓	×	✓	✓
Jane Davis		✓	✓	×	✓
John Deans	20.09.22	N/A	N/A	N/A	N/A
Lucía Halpern	15.03.22	N/A	N/A	N/A	N/A
Gemma Mortensen	(20.12.21)	✓	✓	✓	N/A
Paddy Nicoll	(15.05.21)	N/A	N/A	N/A	N/A
John Raine		✓	✓	✓	✓
Mark Sedwill	(30.06.22)	✓	✓	✓	x
Emma Sky	16.05.21	✓	✓	✓	✓
Anastasia Staten		✓	✓	✓	✓
Barney White-Spunner	16.05.21	✓	✓	✓	✓
Rupert Younger	(20.09.22)	✓	✓	×	✓

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

3.3 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 seven directors: a director of Capability, responsible for growing the capability of HALO, in both functional and geographic senses; a director of Fundraising and Communications, responsible for private fundraising and communications; a director of Finance and Support Services which include Logistics; 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 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 a number of pay grades, each of which has a defined salary range. The pay and remuneration for all personnel within HALO is 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.

3.4 Employees

HALO's success relies on the hard work and dedication of its staff. On 31 March 2022, HALO employed 9,941 staff globally, with 9,686 (97.43 per cent) being national staff - locally employed and committed to ridding their own countries of mines and other explosive ordnance. The average staff number during FY2021/22, was 9,498. Currently, 183 international staff oversee and manage operations and support activities across HALO's global programmes, with a further 64 staff based in the UK and eight based in the US.

The emphasis on national staff recruited from conflict-affected communities means that the salaries and knowledge base remain in-country and benefit those most in need. HALO's commitment to improving the gender balance of its national staff continues, with nine programmes having women making up more than a third of their staff. At 31 March 2022, 26 per cent of HALO's national staff were women, up from 25 per cent at the start of the financial year. Excluding the Afghanistan programme, which is HALO's biggest and where cultural norms make it hard to employ women, at 31 March 2022 women made up 33 per cent of HALO's national staff. Of HALO's international and UK-based staff, numbering 247 at 31 March 2022, 39 per cent were women.

HALO provides continuation training to staff to support their development and career progression, and a comprehensive training package for operational staff to equip them with the necessary skills for working in the field. Many junior HALO employees have advanced into senior technical and management roles.

HALO is set on cultivating a safe, respectful, and motivating working environment where its staff are recognised for their contribution and performance. HALO's Equality and Diversity Policy supports its aims to ensure employees are treated on the basis of their relevant merits and abilities, to provide a working environment that is supportive of the dignity and respect of the individual, and to prevent all forms of unlawful and unfair discrimination.

HALO treats the health and well-being of its staff seriously; paramedics, equipped with comprehensive medical packs, are built into the structure of every HALO team, and are trained to deliver emergency trauma care for victims of landmines and other ordnance. HALO also calls upon a Medical Board of experienced international surgeons, doctors, and nurses, who oversee its medical policy and ensure its correct implementation by visiting programmes on a regular basis, although this was inevitably impeded at times by the COVID pandemic.

4. 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. The Governance and Nominating Committee considers the risk management policy annually.

HALO's key prevailing risks are set out below.

4.1 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. An expanded Capability Group with more formal management mechanisms in place to monitor operational work takes the lead on operational compliance from HQ.

4.2 Security

Many of HALO's country programmes continue to face challenging security environments, including Ukraine and Afghanistan. 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.

4.3 Safeguarding

HALO's Safeguarding Policy is supported by the Charity's Code of Conduct and a robust directive to guide implementation; 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. 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.

4.4 Government Funding Priorities

The impact of the pandemic continued to affect some donors' domestic priorities during the year, resulting in a decline in funding for some of HALO's programmes. HALO's smaller programmes, or those with a small number of donors are more vulnerable to changes in donor priorities, which has the potential to make them more reliant on funding from HALO's reserves. International response to the new humanitarian needs in Ukraine since February 2022 is also creating a strain on some donors'

resources and this may result in funding being cut back in other countries to support the urgent needs in Ukraine. 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. This includes developing new government donors and enhancing funding from existing ones, as well as increasing its global philanthropy support to deliver long-term impact.

4.5 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.

4.6 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. All employees receive training on HALO's approach and the Charity seeks out best practice wherever possible, implementing lessons as they emerge to protect staff, beneficiaries and partners.

4.7 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 accounts are audited in line with policy; additional staff have been recruited to strengthen the Charity's capabilities in this area.

4.8 Contractual and Regulatory Compliance

HALO manages a large number of contracts across a diverse range of operational territories and has set in place robust, user friendly policies and procedures to ensure that contracts are delivered in compliance with donor regulations. Where partners deliver activities on behalf of HALO, contracts are designed to ensure that regulations are met.

4.9 Regulatory Compliance

There is a risk that HALO fails to ensure that it is in compliance with legislation in the territories in which it operates. A central database is utilised to hold details of all countries' regulatory compliance requirements, including company registration, operating permits, company taxation, insurance, labour law, employment taxation and reporting requirements. Regular reviews /audits are carried out to ensure that programmes are in compliance with local regulations, supported by advice from duly appointed legal / financial advisors with the requisite knowledge and experience of the territory.

5. ENVIRONMENTAL REPORTING

5.1 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.
- 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_2 equivalent (CO_2 e) and kWh.

5.2 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.

5.3 Intensity Measurement

HALO has chosen the financial metric of emissions in tonnes of CO_2e per £ million revenue as this is the most appropriate for HALO.

5.4 Environmental Data

Figures include UK and offshore	**2022**	**2021**
Aggregate kWh from all in scope energy sources	268,562	283,484
Emissions for combustion of oil for heating, tonnes CO_2e (Scope 1)	26.87	33.79
Emissions for combustion of fuel for transport, tonnes CO_2e (Scope 1)	3.99	6.82
Emissions from purchased electricity (Scope 2 location based, including transmission and distribution), tonnes CO_2e	30.43	27.22
Total gross tonnes CO_2e based on the above	61.29	67.83
Intensity ratio : tonnes CO_2e gross figure based from mandatory fields above/£m Total Income	0.6457	0.7546

5.5 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:

- Recruitment of an Environment officer to develop an Environmental Management Framework and Action Plan for HALO and to drive HALO's environment working group.
- 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 access to clean energy options, including switching to cloud computing that utilises data centres powered with renewable energy
- 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 small scale environmental projects across a number of HALO programmes.

6. 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 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.

6.1 Financial Overview

The financial statements of the company can be found on pages 36 to 38. The application of the company's funds is detailed in notes 4 to 7 on pages 43 and 44.

Income from charitable activities was £93.575m, with growth of £4.289m over the prior year. Of particular note is increased funding from the US Department of State, Political Military Affairs Bureau /Office of Weapons Removal and Abatement, via The HALO Trust (USA), Inc. (£9.260m), Government of Angola (£1.490m), Government of Canada (£808k) and Private Donors (£2.131m), partially offset by reductions in funding from the UK Government (£7.382m), and EU Agencies (£2.311m).

Operations in a number of geographical regions have grown in the year, particularly in Angola where expenditure of £13.351m is reported, compared with £9.967m in the previous year, and in Iraq, with an increase of £1.806m, to £6.109m, whilst expenditure in Cambodia decreased in the year by £1.488m, to £6.134m and in Syria expenditure decreased from £2.608m, to £1.039m.

Cash balances stand at £30.866m (£23.756m at 31 March 2021) 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 2022, deferred income amounted to £23.717m, compared with £20.545m at 31 March 2021.

The Charity made a small operating loss for the year of £0.373m versus a small surplus of £0.276 in the prior year. As a percentage of Revenues (-0.4 per cent and +0.3 per cent respectively) these are de minimis and reflect the fact that Government donors fund contracts at a break-even level. In order to fund investments in research, new programmes, etc. and create a surplus, unrestricted private fund raising is required.

6.2 Funding and Reserves

Total unrestricted funds at 31 March 2022 were £7.940m, compared with £8.313m at 31 March 2021. The Trustees consider HALO's free reserves to be £5.532m, calculated as total unrestricted funds (£7.940m) less fixed assets (£2.286m) and stock (£122k), and reflecting the resources readily available for unrestricted charitable use. Full details of HALO's reserves are shown in notes 16 and 17 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 £5.532m to be sufficient to cover the risks and opportunities identified in the reserves policy.

6.3 Going Concern

The Trustees consider HALO to be a going concern; HALO has commitments from donors in the form of grants and contracts to maintain activities in countries where it operates and has taken into consideration scenarios in the event that operations are suspended, or donor funding is shifted to alternative priorities. The financial statements reflect the investment that has been made to ensure that HALO is best placed to deliver its humanitarian goals efficiently and cost effectively. On a programme-by-programme basis the Trustees confirm that the charity has sufficient assets available to enable it to meet its obligations as they fall due.

6.4 Related Parties

In accordance with letter of understanding dated 28 March 2022, The HALO Trust and The HALO Trust (USA), Inc. 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. The financial results of The HALO Trust (USA), Inc. are not included here. US contracts and grants are sub-awarded, via specific contract agreements, by The HALO Trust (USA), Inc. for implementation by The HALO Trust.

7. MAJOR PARTNERS

7.1 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, Armenia, Belgium, Canada, Finland, Germany, Ireland, Japan, the Netherlands, New Zealand, Norway, Switzerland, the United Kingdom (Foreign, Commonwealth and Development Office, formerly Department of International Development, and the Conflict Stability and Security Fund, Foreign & Commonwealth Office), the European Commission, European Civil Protection and Humanitarian Aid Operations (ECHO), United Nations Mine Action Service (UNMAS), United Nations Development Programme (UNDP), United Nations, Office for the Coordination of Human Affairs (UNOCHA), The HALO Trust (USA), Inc., Fibertek Inc., World Without Mines Switzerland, Association for Aid Relief Japan, BP plc, Eni S.p.A., INEOS Automotive Limited, The Oak Foundation, and numerous other generous private donors.

7.2 Partner Organisations

HALO is proud to work with expert partner organisations in the delivery of its work. During the year HALO worked on projects with international partners Dan Church Aid, Geneva International Centre for Humanitarian Demining, Golden West, Mines Advisory Group, Regional Centre on Small Arms (RECSA),

and UN Trust Facility Supporting Cooperation on Arms Regulation (UNSCAR). HALO also worked with numerous local partner organisations in mine action, humanitarian response, livelihood development, and environmental restoration across its programmes.

The HALO Trust would like to thank all those who have supported its work. The Trustees' annual report, including The Strategic Report, was approved by the Board.

Timothy Church

7 October 2022

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

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company 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 excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charitable company's transactions and 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, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect 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.

Independent auditor's report to the trustees and members of The HALO Trust

Opinion

We have audited the financial statements of The HALO Trust Limited ("the charitable company") for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, cash flow statement and related notes, including the accounting policies in note 1.

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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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 regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related 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 the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management as to the Charitable Company's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards we perform procedures to address the risk of management override of controls and the risk of fraudulent income recognition, in particular:

- the risk that Charitable Company management may be in a position to make inappropriate accounting entries; and
- the risk that income is overstated/understated through recording income in the wrong period.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Charitable Company-wide fraud risk management controls

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual account combinations.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and management (as required by auditing standards), the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charitable Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charitable Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law, regulatory capital and liquidity, and certain aspects of company legislation recognising the nature of the Charitable Company's activities. 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. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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 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 fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report. which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended), we are required to report to you if, in our opinion:

- the charitable company has not kept adequate and proper accounting records 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

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 31, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 and the charitable company's trustees 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, its members as a body and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Bruce Marks (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
319 St Vincent Street
Glasgow
G2 5AS
7 October 2022

Statement of financial activities
(including income and expenditure account)
for the year ended 31 March 2022

	Notes	Unrestricted funds £000	Restricted funds £000	2022 Total £000	2021 Total £000
Income from					
Donations and legacies		**337**	**608**	**945**	170
Charitable activities	*2*	**-**	**93,575**	**93,575**	89,286
Income from bank interest		**3**	**5**	**8**	23
Other income	*3*	**397**	**-**	**397**	405
Total income		**737**	**94,188**	**94,925**	89,884
Expenditure on					
Charitable activities	*4*	**7,961**	**84,046**	**92,007**	83,608
Charitable activities: sub-granted	*5*	**-**	**2,863**	**2,863**	5,729
Raising funds	*7*	**388**	**-**	**388**	271
Total expenditure		**8,349**	**86,909**	**95,258**	89,608
Net (losses) on investments		**(40)**	**-**	**(40)**	-
Net (expenditure)/income on operating activities		(7,652)	7,279	**(373)**	276
Transfers between funds	*10*	**7,279**	**(7,279)**	-	-
Net movements in funds		(373)	-	(373)	276
Reconciliation of funds					
Total funds brought forward at 1 April 2021		8,313	4	8,317	8,041
Total funds carried forward at 31 March 2022		**7,940**	**4**	**7,944**	8,317

The notes on pages 39 to 50 form part of these financial statements.

Balance sheet
as at 31 March 2022

	Note	2022		2021	
		£000	**£000**	£000	£000
Fixed assets					
Tangible assets	*11*		**779**		1,166
Intangible assets	*11*		**47**		75
Investments	*12*		**1,460**		-
			2,286		1,241
Current assets					
Stock		**122**		86	
Debtors	*13*	**9,916**		12,017	
Cash at bank	*14*	**30,866**		23,756	
		40,904		35,859	
Creditors: amounts falling due within one year	*15*	**(30,531)**		(24,919)	
Net current assets			**10,373**		10,940
Total assets less current liabilities			**12,659**		12,181
Provisions for liabilities	*16*		**(4,715)**		(3,864)
Net assets			**7,944**		8,317
Unrestricted funds: general			**7,940**		8,313
Restricted funds	*17*		**4**		4
Total funds	*18*		**7,944**		8,317

The notes on pages 39 to 50 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 7 October 2022 and were signed on its behalf by:

Timothy Church
Chairman

Mark Aedy
Director

Cash flow statement

For the year ended 31 March 2022

	2022	2021
	£000	£000
Reconciliation of net income to net cash flow from operating activities		
Net (expense)/income for the reporting period (as per the statement of financial activities)	**(373)**	276
Adjustments for:		
Interest receivable	**(8)**	(10)
Depreciation charges	**564**	372
Revaluation of Investments	**40**	-
Disposal of Fixed Asset	**2**	-
Increase in stock	**(36)**	(1)
Decrease in debtors	**2,101**	32
Increase in creditors due within one year	**5,612**	6,307
Increase in provisions for liabilities and charges	**851**	716
Net cash provided by operating activities	**8,753**	7,692
Cash flows from financing activities:		
Interest received	**8**	10
Net cash provided by financing activities	**8**	10
Cash flows from investing activities:		
Payments to acquire tangible fixed assets	**(151)**	(851)
Payments to acquire investments	**(1,500**)	-
Net cash used in investing activities	**(1,651)**	(851)
Change in cash and cash equivalents in the reporting period	**7,110**	6,851
Cash and cash equivalents at 1 April 2021	**23,756**	16,905
Cash and cash equivalents at 31 March 2022	**30,866**	23,756
Analysis of cash and cash equivalents		
Cash at bank	**30,866**	23,756
Total cash and cash equivalents	**30,866**	23,756

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 consider HALO to be operating on a going concern basis due to the value of contracts secured through to December 2023 in addition to informed estimations on the level of business throughout this period. HALO has sufficient financial and operational resources to continue in existence for the foreseeable future. HALO has also considered the potential impact of a short, medium and long term suspension of activities in Afghanistan and is satisfied that the balance of the income portfolio is sufficient for the organisation to remain viable as a going concern.

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. Gifts in kind received are accounted for in the Statement of Financial Activities as soon as it is prudent and practicable to do so.

Investment income is recognised on a receivable basis. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

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	33.33% 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.

Notes (continued)

1. Accounting policies (continued)

Derivative financial instruments

Derivative financial instruments are recognised at fair value, unless that value is immaterial. The gain or loss on initial recognition and remeasurement to fair value is recognised in the Statement of Financial Activities.

Post-retirement benefits

The Charity contributes to defined contribution personal pension plans on behalf of certain employees. The amount charged in resources expended 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. 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.

2. Income from charitable activities

Restricted:	**2022**	2021
	£000	£000
US Department of State, Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement, via The HALO Trust (USA), Inc.	**31,431**	22,171
Federal Republic of Germany	**11,270**	10,730
Government of Angola	**7,862**	6,372
United Nations Office for Project Services	**5,670**	5,849
Foreign, Commonwealth and Development Office (FCDO)	**4,981**	9,021
Private non-governmental income	**4,144**	2,013
UK Conflict Stability and Security Fund	**3,180**	3,643
Norwegian Government	**3,112**	2,391
Royal Netherlands Government	**2,949**	2,764
European Commission	**2,573**	4,010
Irish Aid	**2,035**	1,738
Government of Canada	**1,961**	1,153
The HALO Trust (USA) Inc. other sub-granted	**1,755**	2,422
United Nations, Office for the Coordination of Humanitarian Affairs	**1,467**	1,542
Government of Switzerland	**1,120**	1,302
Government of Finland	**1,097**	1,564
Embassy of Japan (in regional offices)	**909**	1,037
Fibertek Inc	**676**	520
United Nations Development Programme	**673**	562
European Civil Protection and Humanitarian Aid Operations	**551**	1,425
Federal Government of Belguim	**427**	15
The New Zealand Ministry of Foreign Affairs and Trade	**256**	585
United Nations Mine Action Service	**255**	100
Foundation World Without Mines	**204**	135
Armenian Government	**108**	-
The Ministry of Defence on behalf of the United Kingdom	**46**	49
Israeli MOD	**-**	431
Government of Slovakia	**-**	13
	90,712	83,557
Restricted Income sub-granted to other agencies:		
Foreign, Commonwealth and Development Office	**2,062**	5,027
UK Conflict Stability and Security Fund	**520**	434
Irish Aid	**281**	268
	2,863	5,729
	93,575	89,286

3. Other income

	2022	2021
	£000	£000
Donations in kind	**167**	214
Coronavirus Job Retention Scheme (UK Government)	**-**	71
Sale of land	**-**	61
Gift aid from trading subsidiary (HALO 2021 Trading Ltd.)	**198**	-
Other	**32**	59
	397	405

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.

	Unrestricted field costs (note 6)	Support costs (note 6)	Subtotal	Restricted	**Total 2022**	Total 2021
	£000	£000	£000	£000	**£000**	£000
Abkhazia	23	76	99	883	**982**	1,031
Afghanistan	54	1,170	1,224	13,599	**14,823**	14,201
Angola	33	1,055	1,088	12,263	**13,351**	9,967
Myanmar	8	40	48	462	**510**	521
Bosnia	180	8	188	90	**278**	361
Cambodia	97	478	575	5,559	**6,134**	7,622
Colombia	-	490	490	5,693	**6,183**	4,944
El Salvador	28	42	70	491	**561**	247
Georgia	4	-	4	-	**4**	13
Great Lakes	-	22	22	261	**283**	
Guatemala	-	29	29	333	**362**	286
Guinea-Bissau	11	29	40	336	**376**	348
Honduras	-	2	2	20	**22**	59
Iraq	1	484	485	5,624	**6,109**	4,303
Kosovo	9	121	130	1,400	**1,530**	1,117
Laos	-	527	527	6,121	**6,648**	5,356
Libya	11	229	240	2,657	**2,897**	2,243
Malawi	-	34	34	390	**424**	-
Mozambique	18	4	22	47	**69**	36
Nagorno Karabakh	-	127	127	1,475	**1,602**	1,776
Somalia & Somaliland	44	624	668	7,245	**7,913**	7,451
Sri Lanka	4	501	505	5,817	**6,322**	5,693
Syria	117	73	190	849	**1,039**	2,608
Ukraine	9	516	525	5,993	**6,518**	6,264
West Bank	62	20	82	235	**317**	1,012
Yemen	4	116	120	1,349	**1,469**	920
Zimbabwe	8	336	344	3,906	**4,250**	4,611
Global	2	81	83	948	**1,031**	618
Total	727	7,234	7,961	84,046	**92,007**	83,608

All costs which can be directly attributed to donor contracts have been allocated and are shown in restricted funds; other expenditure directly relating to programmes is shown in unrestricted funds. Support costs, analysed in note 6, 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 Department for International Development, Irish Aid and UK Conflict Stability and Security Fund. Under these grants, The HALO Trust awarded sub-grants to the following agencies:

	2022	2021
	£000	£000
Mines Advisory Group	**2,696**	3,493
Norwegian People's Aid	**167**	2,236
	2,863	5,729

6. Support costs

All support costs relate to charitable activities.

	Field costs	Support costs	**Total 2022**	Total 2021
	£000	£000	**£000**	£000
Staff related costs incl. travel and recruitment	442	6,108	**6,550**	5,202
Property, IT and Office costs	103	740	**843**	599
Equipment costs	66	125	**191**	73
Legal and professional	85	498	**583**	530
Cost of hosting events	-	42	**42**	28
Foreign exchange movements	-	(281)	**(281)**	-
Operating Costs	31	2	**33**	181
Total	727	7,234	**7,961**	6,613

7. Cost of raising funds

	Total 2022	Total 2021
	£000	£000
Staff related costs incl. travel and recruitment	**296**	245
Property, IT and Office costs	**7**	26
Legal and professional	**61**	-
Cost of hosting events	**24**	-
Total	**388**	271

8. Employee costs & numbers

	2022	2021
	£000	£000
Staff costs		
Locally contracted staff	**39,497**	33,724
UK contracted staff	**10,277**	9,712
Social security costs	**607**	505
Pension contributions*	**249**	204
	50,630	44,145

*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.

	2022	2021
	Number	Number
Administration	**69**	58
Direct project personnel; UK based and international	**176**	141
Direct project personnel; Locally contracted staff	**9,496**	8,097
	9,741	8,296

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

	2022	2021
	Number	Number
£190,001 - £200,000	**1**	-
£180,000 - £190,000	**-**	1
£120,000 - £130,000	**2**	-
£110,001 – £120,000	**1**	2
£100,001 – £110,000	**3**	3
£90,001 – £100,000	**6**	5
£80,001 – £90,000	**18**	13
£70,001 – £80,000	**5**	10
£60,001 – £70,000	**7**	7
	43	41

Of the numbers listed above, Key Management Personnel, defined as the Chief Executive Officer, Company Secretary, Director of Capability, Director of Strategy, Director of Finance, Director of Human Resources, Director of Programmes, and Director of Development, form 8 employees in 2021-22 (*2019-20: 8*); the total benefits paid to these individuals was £ 872,689 (2020-21 £864,861)

9. Net incoming/(outgoing) resources

Net incoming/(outgoing) restricted and unrestricted resources are stated after charging:

	2022	2021
	£000	£000
Depreciation and other amounts written off tangible fixed assets (note 11)	**536**	363
Depreciation and other amounts written off intangible fixed assets (note 11)	**28**	9
Unrealised loss on market revaluation of investments as at 31st March , 2022	**40**	-
Auditor's remuneration:		
Amounts receivable by the auditors and their associates in respect of:		
Audit of these financial statements	**38**	38
All other services; including but not limited to Accountant's reports for donor grants and contracts	**65**	51

10. Transfer between funds

A transfer of £7,279,000 (2020-21: £6,602,000*)* 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. The contribution is charged as direct project expenditure to restricted funds, and then transferred to unrestricted funds in the statement of financial activities.

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**
Cost							
At beginning of year	84	150	288	134	3,429	**4,085**	**84**
Additions	9	-	-	-	142	**151**	**-**
Disposals	-	-	-	(2)	-	**(2)**	**-**
At end of year	93	150	288	132	3,571	**4,234**	**84**
Depreciation							
At beginning of year	9	150	246	119	2,395	**2,919**	**9**
Charge for year	17	-	22	4	493	**536**	**28**
At end of year	26	150	268	123	2,888	**3,455**	**37**
Net book value							
At 31 March 2022	**67**	**-**	**20**	**9**	**683**	**779**	**47**
At 31 March 2021	75	-	42	15	1,034	1,166	75

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

12. Investments

	2022	2021
	£000	£000
Cost		
At beginning of year	**-**	-
Additions	**1,500**	-
Unrealised revaluation	**(40)**	-
At end of year	**1,460**	-

In November 2021 HALO made an investment of £1,500,000 in the BlackRock Charity Growth Fund Unit Trust. At year end the value of the units in the fund was £1,460,000, resulting in an unrealised loss of £40,000.

13. Debtors

	2022	2021
	£000	£000
Amounts owed by The HALO Trust (USA), Inc.	**4**	-
Amounts owed by HALO 2021 Trading Limited	**108**	-
Other debtors	**933**	237
Prepayments	**2,000**	1,519
Accrued income	**6,871**	10,261
	9,916	12,017

14. Cash at bank

Cash at bank includes £849,300 (2021 £1.745m) which is held 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 by one quarter annually, therefore all funds will be available by June 2023.

15. Creditors: amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	**2,120**	1,609
Taxation and social security	**195**	171
Financial Instruments	**-**	240
Accruals	**4,499**	2,354
Deferred income	**23,717**	20,545
	30,531	24,919

	2022	2021
Deferred income:	**£000**	£000
Balance at start of period	**20,545**	15,287
Released during the year	**(20,545)**	(15,287)
Arising during the year	**23,717**	20,545
Balance at end of period	**23,717**	20,545

16. Provision for liabilities and charges

	Pension obligations	**Overseas severance liabilities**	**2022**	2021
	£000	**£000**	**£000**	£000
At 31 March 2021	91	3,773	3,864	3,148
Utilised in the year	(23)	(1,204)	(1,227)	(1,127)
Provided in the year	35	2,043	2,078	1,843
At 31 March 2022	**103**	**4,612**	**4,715**	**3,864**

Pension obligations relate to the pension arrangements for a former employee. Overseas severance and other employment liabilities relate to provisions for severance to employees under their contracts of employment.

17. Restricted funds

	Balance at 31 March 21	Income	Expenditure	Transfers between funds	**Balance at 31 March 2022**
	£000	£000	£000	£000	**£000**
Abkhazia	-	941	883	58	**-**
Afghanistan	-	14,745	13,599	1,146	**-**
Angola	-	13,151	12,263	888	**-**
Bosnia	-	94	90	4	**-**
Cambodia	-	6,029	5,559	470	**-**
Colombia	-	6,218	5,693	525	**-**
El Salvador	-	534	491	43	**-**
Great Lakes	-	284	261	23	**-**
Guatemala	-	364	333	31	**-**
Guinea-Bissau	-	363	336	27	**-**
Honduras	-	34	20	14	**-**
Iraq	-	6,439	5,624	815	**-**
Kosovo	-	1,507	1,400	107	**-**
Laos	-	6,693	6,121	572	**-**
Libya	-	2,840	2,657	183	**-**
Malawi	-	425	390	35	**-**
Mozambique	-	51	47	4	**-**
Myanmar	-	508	462	46	**-**
Nagorno Karabakh	-	1,638	1,475	163	**-**
Somalia & Somaliland	-	7,838	7,245	593	**-**
Sri Lanka	-	6,276	5,817	459	**-**
Syria	-	902	849	53	**-**
Ukraine	-	6,505	5,993	512	**-**
West Bank	-	255	235	20	**-**
Yemen	-	1,450	1,349	101	**-**
Zimbabwe	-	4,213	3,906	307	**-**
Global	-	1,028	948	80	**-**
Residual costs	4	-	-	-	**4**
Sub contracted (see note 5)	-	2,863	2,863	-	**-**
	4	94,188	86,909	7,279	**4**

18. Analysis of assets and liabilities between funds

	Unrestricted Funds £000	**Restricted Funds £000**	**Totals 2022 £000**	Unrestricted Funds £000	Restricted Funds £000	Totals 2021 £000
Fixed Assets	2,286	**-**	**2,286**	1,241	-	1,241
Net current assets	5,654	**4**	**5,658**	7,072	4	7,076
As at 31 March	7,940	**4**	**7,944**	8,313	4	8,317

19. Related party transactions

The HALO Trust is related to The HALO Trust (USA), Inc. through the delivery of common charitable activities. The CEO of The HALO Trust is also the President of The HALO Trust (USA), Inc. Transactions with The HALO Trust (USA), Inc. are set out below:

	Transactions in year £000	**Outstanding at year end £000**
Other expenses paid on behalf of The HALO Trust (USA), Inc.	**5**	**-**
Expenses relating to The HALO Trust paid by The HALO Trust (USA), Inc.	**(47)**	(4)
Management Support Services to The HALO Trust (USA) Inc.	**786**	**-**
	744	(4)

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

	2022 £000	2021 £000
Funds transferred to The HALO Trust	**34,946**	27,647
Accrued Income at 31 March	**847**	573
Deferred Income at 31 March	**(2,607)**	(3,627)
Total income sub-granted by The HALO Trust (USA), Inc.	**33,186**	24,593

HALO 2021 Trading Limited is a wholly owned subsidiary of The HALO Trust. The company has donated its profits to The HALO Trust in the amount of £198,000 as Gift Aid. At 31 March 2022 there is an amount due by the company to The HALO Trust of £108,000. The subsidiary is exempt from the requirement of the Charities Act relating to the audit of accounts under section 479A of the Companies Act 2006. All the members of HALO 2021 Trading Limited have agreed to this exemption, for the financial year ending 31st March 2022.

During the year 2021-22 the Trustees donated to The HALO Trust £39K (2020-21 £-).

During the year 2021-22 the Trustees received travel & subsistence expenses of £5K (2020-21 £-).

20. Commitments

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

	2022	2021
	£000	£000
Operating leases due:		
Within one year	**156**	91
In the second to fifth year inclusive	**23**	179
	179	270

21. Derivative financial instruments

The Charity places foreign exchange forward contracts to manage exposure to foreign currency exchange risk. At 31 March 2022 the Charity held £4,927,567 in foreign currency exchange forward contracts.