

The HALO Trust
(a company limited by guarantee)

Annual report and financial statements

Company number 2228587

Charity registration numbers

1001813 and SC037870

31 March 2013

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Trustees' annual report

The Trustees, who are also directors of The HALO Trust for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2013.

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	T P McMullen (Chairman)		
	A W Bird		
	A J M Lowther-Pinkerton MVO MBE		
	M R Merton FCA ACT		
	A J G Wight OBE MC LVO		(resigned 7 January 2013)
	A Jolie		(appointed 31 October 2012)
	T M Bradby		(appointed 1 November 2012)
	S G Conway		(appointed 1 November 2012)
Chief Executive	G N J Willoughby		
Secretary	A J Wigan FCA		
Registered office	2 Kentish Buildings 125 Borough High Street London SE1 1NP		
Auditor	KPMG LLP 191 West George Street Glasgow G2 2LJ		
Bankers	Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB		
Legal advisors	Harbottle Associates 2 Kentish Buildings 125 Borough High Street London SE1 1NP	Anderson Strathern WS 1 Rutland Court Edinburgh EH3 8EY	Brodies LLP 15 Atholl Crescent Edinburgh EH3 8HA

Trustees' annual report *(continued)*

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 under the Companies Act 2006 as a company limited by guarantee (Company number 2228587), and its governing documents are its Memorandum and Articles of Association. Each of the members has undertaken to contribute the sum of £100 in the event of the company being insolvent on winding up whilst he/she is a member, or within one year after he/she ceases to be a member. The company is managed on behalf of the members by a Board of Trustees.

Governance and Management

Governance

While the Trustees delegate, subject to their statutory oversight function, operational decision making in respect of programme management to the Chief Executive and senior management, they reserve the required legal obligations for Board decision. They are also, in consultation with senior management, responsible for the strategic direction of the organisation.

Potential new Trustees are initially identified and appointed by current Trustees and serve until the next Annual General Meeting at which the Members of the company will either confirm or reject their appointment. Once appointed, Trustees serve for three years at which point they must retire and offer themselves for re-election. In addition, the company's Articles of Association require one third of the serving Trustees to retire from office at each Annual General Meeting. The retiring Trustees are eligible for re-election. TP McMullan retired by rotation and was re-elected on 30 November 2012. The Trustees who served during the year are shown on page 1.

Potential new Trustees are selected according to specific skills they possess that would benefit the overall management and direction of the organisation as a whole. For example, given the nature of some of the countries in which HALO operates, security of our staff is a major concern; as such, one of the Trustees has a background in related issues and is able to provide appropriate advice and guidance. Other Trustees have skills related to the legal environment and financial issues. Once agreement on the potential new Trustee has been reached, an informal approach is made to ascertain whether the individual would wish to undertake what is in essence a significant responsibility.

Trustee induction comprises an initial one to two day intensive period at the UK headquarters in south west Scotland, usually followed by an overseas visit of a week, and attendance at the HALO Annual Cross Briefing, which is a three day "lessons learned" management seminar during the middle of December. This induction is designed to give the new Trustee both a thorough briefing on the range and breadth of HALO operations and a clear understanding of their own legal and administrative responsibilities arising out of their position on the Board. Operational issues are dealt with by a combination of staff drawn from the senior management team, with the administrative aspects of their responsibilities arising from legislation and regulation covered by the Chief Executive and Finance Director. In addition, Trustees are free to consult the organisation's legal advisers should they feel it appropriate. Trustees are also expected to undertake at least one country visit every two years to ensure that they maintain a clear understanding of the operational process and environment.

The Board meets sufficiently regularly during the year to, among other things, allow the communication of changes in regulation and to ensure that Trustees are kept up to date.

An audit committee comprising three members (M R Merton FCA ACT, T P McMullen and A W Bird), together with attendance by the chief executive and company secretary at its meetings, assists the Board in discharging its obligations in relation to financial controls, risk management and dealings with professional advisers, particularly the auditors.

Trustees' annual report *(continued)*

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each Trustee has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Management

The charity is organised in the way the Trustees think most suitable at the time - currently The HALO Trust and its allied organisation, The HALO Trust (USA), Inc. ("HALO USA"), employ over 7,000 indigenous mineclearers and 30 expatriate managers, all spread across HALO's international programmes and presence in 18 countries and territories. The UK headquarters is staffed by one Chief Executive, known as the Director, six regional Desk Officers (SE Asia and Colombia, Afghanistan, Caucasus & Balkans, Horn of Africa and Sri Lanka, the West Bank, and Southern Africa), and five other Desk/Project Officers covering Research & Development, Weapons & Ammunition Disposal (WAD), Mechanical, GIS/IT, and Logistics. All eleven desk officers have spent at least two years, and generally over six years, serving overseas with HALO before taking up postings in the Scotland Headquarters. There is also a Finance Department under a Finance Director. All of these HQ staff regularly travel to, and co-ordinate work in, HALO's overseas programmes, and liaise with governments and other donors. The HQ also has a permanent administrative staff of three, covering all Human Resources, Travel, Administration, etc. – and this team provides continuity for the weekly comings and goings of the senior management. Generally, the HQ probably has nine or ten staff present on any day.

This headquarters is also responsible for the separate day-to-day management of the operations of HALO USA.

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

Risk management

The Trustees have identified the major strategic risks to which HALO is exposed and have established controls and action to minimise potential adverse outcomes. Risk is a significant part of daily operations for HALO and is thus accorded considerable management time. As far as possible, the Trustees have ensured that all operational risks to staff, assets and third parties have been examined and appropriate plans put in place to manage this risk. Examples include ensuring that all staff are insured against injury and death, continuous training and review of staff and skill sets necessary to undertake clearance operations safely, appropriate third party and business insurance, vehicles having necessary mine protection fitted, and regular monitoring visits by senior management, finance staff and UK-based medical advisers.

The Trustees also review on a regular basis the major financial risks which the charity faces and believe that maintaining free reserves at the levels stated, combined with regularly reviewing the controls over key financial systems, ensures sufficient resources in the event of adverse conditions.

The Trustees consider the following to be the main risks faced by the organisation:

- Interruption/discontinuance of donor funding – a number of multi-year programme funding agreements are now in place with donor governments;
- Acts of Terrorism – detailed personal security planning and reviews are undertaken; casevac procedures are in place and are also regularly reviewed;
- Security of staff and equipment – security assessments are continually reviewed in the light of current local conditions; physical access to equipment and stores is strictly controlled by use of secure compounds and locked facilities; specific staff have delegated responsibility and authority subject to senior management review;
- Foreign exchange rate movements, principally the depreciation of non-US Dollar donor currencies against the US Dollar; and
- Financial management system integrity – comprehensive and frequent system review are undertaken allied to strong internal control and check processes.

Trustees' annual report *(continued)*

Objectives and activities for the public benefit

Objectives

The charity is a non-political, non-religious British charity, whose main objective is the relief of poverty, sickness, suffering and distress principally through the removal of the debris of war. HALO provides mineclearance, engineering and medical support, and also assists other relief organisations and monitors programmes in a post-conflict environment. HALO's policy is to concentrate its efforts on pure mineclearance 'getting mines out of the ground, now', on weapons, ammunition and bomb disposal, and on proving ground safe for road movement or rehabilitation – and being flexible enough to use its very considerable human and equipment assets for emergency disaster relief where necessary.

The HALO vision is to continue to strengthen its role as the biggest independent mineclearance operator in the world, while ensuring the overall priority of effective and efficient service delivery to the local populations in countries that are affected by the debris of war. In order to achieve its objectives, HALO strives to maintain the highest standards of service delivery and expand wherever and whenever resources will allow in the fields of:

- Mineclearance – to allow teams to provide clearance based on priority humanitarian need;
- Explosive Ordnance Disposal (EOD) – to provide specialist services to destroy or safely remove any items of unexploded ordnance which remains as debris of war (now referred to as "ERW" – Explosive Remnants of War); and
- Weapons & Ammunition Disposal (abbreviated to "WAD") – to enable disarmament, demobilisation and reintegration of former combatants and the disposal of surplus stockpiles of weapons and ammunition in support of various peace processes.

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

Activities

The whole concept of 'humanitarian mineclearance' was introduced to the international community by The Hazardous Areas Life-support Organisation (HALO) in 1988.

During the year 2012/13, HALO conducted mineclearance and associated programmes, including start-up operations, in Afghanistan, Cambodia, Angola, Mozambique, Georgia, Abkhazia, Nagorno Karabakh, Somaliland, Kosovo, Sri Lanka, Colombia, Ivory Coast, Laos, the West Bank, Armenia, Turkey, Zimbabwe and Burma (Myanmar).

In brief, HALO's income rose by £3.11m from the previous financial year to £26.44m and expenditure rose by £2.79m to £25.79m.

During the year, HALO projects were sponsored by the Governments of:

- Australia;
- Belgium;
- Finland;
- Germany;
- Ireland;
- Japan;
- The Netherlands;
- New Zealand;
- Norway;
- Switzerland;
- United Kingdom (Foreign & Commonwealth Office and the Department for International Development);

Trustees' annual report *(continued)*

Objectives *(continued)*

and also by:

- European Commission Humanitarian Aid Office (ECHO) and European Development Fund (EDF);
- The Reece Foundation;
- Pro Victimis Foundation;
- Association for Aid and Relief (AAR) Japan;
- Actiefonds Mijnen Ruimen (AMR); and
- United Nations Development Programme (UNDP) and United Nations Mine Action Service (UNMAS);

and numerous generous private donations.

Of note, the Governments of Ireland, Finland and The Netherlands continued their "block" funding scheme, which allows HALO more freedom to allocate clearance funds between countries in response to any emergency requirements.

Achievements and performance

It is often very difficult for HALO to set meaningful performance targets in relation to operational output, as to a large degree it is impossible to ascertain where the need for services will arise or the magnitude of the problem once identified. These difficulties are inherent in the nature of clearance operations, as all too often maps and records no longer exist, personnel involved in establishing minefields have subsequently been killed in the conflict, and shifting front lines have led to the same ground being mined on more than one occasion. Furthermore, the strategic clearance and development plans of the countries in which we work, and their provincial and district plans, will take primacy and these plans are subject to quite frequent change.

Operational performance within the year generally matched or exceeded expectations (other than a fall in numbers in Afghanistan) and is all the more remarkable given the nature and scale of the problems facing, sometimes remote, communities – and HALO operating during a global recession when funding in the wider humanitarian aid sector has fallen. HALO continues to ensure that all available resources are targeted to where they will do the most humanitarian good. The following paragraphs outline the detailed operational performance and benefits achieved from our work.

In the financial year 2012/13 the HALO teams destroyed a total of 67,693 mines (just 1,682 less than the previous year) and 264,043 items of unexploded ordnance (UXO). In addition, over 574,282 rounds of small arms ammunition were destroyed.

During the year HALO's staff numbers stayed at over 7,000. They are supported by 149 "heavy" mechanical units and a further 86 mechanical ancillary systems - from vegetation cutters to roller attachments. HALO's total transport fleet has 1,343 vehicles.

Since inception, HALO UK and HALO USA cumulative clearance figures for mines and ordnance reached 12.8m by 31 March 2013, in addition to destroying over 55m rounds of small arms ammunition and more than 165,000 weapons (from assault rifles to tanks).

Whilst achieving the clearance figures noted above, HALO was able, in accordance with our objectives, to achieve the following results within the year, freeing up land and access to local communities for agriculture, housing, water and other redevelopment projects necessary to help reconstruct their lives and livelihoods:

- mineclearance operations returned over 4,097 hectares (3,223 hectares in 2011/12) of former minefields to local populations;
- 34,147 people (61,646 in 2011/12) received Mine Risk Education;
- 10,436 Battlefield, Mineclearance and Explosive Ordnance Disposal tasks (5,416 in 2011/12) were completed; and
- Battlefield Area Clearance teams cleared over 3,007 hectares of land (5,132 in 2011/12) of unexploded and abandoned ammunition.

Trustees' annual report *(continued)*

Achievements and performance *(continued)*

HALO's priorities for 2012/13 were set out in the 2012 annual report; these are noted below together with progress made on each objective:

- Continue mineclearance across the south and centre of **Mozambique**, so that the poorest villages can be lifted out of extreme poverty – and continue clearance on the Mozambique/Zimbabwe border minefields;

Progress – programme expanded to over 400 staff, with clearance undertaken in Maputo, Manica and Tete provinces, including minefields linked to the Mozambique/Zimbabwe border.

- Continue mine and clusterbomb clearance in **Kosovo** so that the rural communities can develop through forestry, agriculture or indeed income generating tourism;

Progress – clearance teams continued to find significant numbers of clusterbombs during the year, 14 years after the conflict.

- Continue to expand clearance operations in **Afghanistan**, particularly in and around those villages where agricultural development is most hampered by landmines, and expand the number of clearance teams staffed with former combatants;

Progress (or lack of it) – the year started with HALO fielding a record number of 3,822 staff – though these numbers fell away during the year as Canada greatly reduced its global mine action funding, and the German government switched funding mechanisms to the United Nations that then ran a series of delayed tenders – resulting in the loss of employment of a thousand deminers. Totally unacceptable bureaucratic delays in the ISAF processing of Taliban fighters wishing to leave the conflict and take up civilian jobs with HALO demining teams meant that between 239 and 500 men were not able to join HALO but stayed out in the theatre of battle for the last nine months of the financial year, and as this report goes to print they are still not brought in from the cold. However, the year finished with a renewed Five Year commitment from DFID to continue funding over 300 deminers in Herat Province. The HALO ammunition clearance teams maintained their clearance of hidden caches.

- Continue WAD operations in **Angola** to assist national disarmament, and expand mineclearance to allow greater agricultural activity in the farmland and also better marketing of goods on the road network which is currently mined;

Progress – HALO's weapons disposal teams worked in 8 of the 18 provinces in Angola, while the mineclearance teams worked in Benguela, Huambo, Bie, Kuando Kubango and Huila provinces.

- Sustain and preferably expand or quicken mineclearance in **Cambodia** to reduce casualties and allow food production to increase in the marginal lands now used by some of the most impoverished families;

Progress – mineclearance was sustained at full capacity of over 1,000 staff, even though donor funding became very tight.

- Endeavour to maintain clearance levels in **Sri Lanka** in support of the many thousands of IDP families recently returned to their villages;

Progress – HALO made particular progress in clearing ground ahead of IDP return to both the Vanni and Jaffna areas, with over 1,000 female and male staff employed.

- Endeavour to continue **Nagorno Karabakh's** mineclearance and clusterbomb clearance – so that larger areas can be ploughed and cultivated, though funding remains very tight and prevents us finally finishing the work and announcing Mine Free status;

Progress – Clearance was sustained.

- Deploy new Dual Sensor detectors to quicken up mineclearance in Afghanistan, Mozambique, Sri Lanka, Cambodia and Angola, where their use mitigates the impact of very high numbers of minimal metal mines on communities;

Progress – there was good progress with all these operational deployments of Ground Penetrating Radar, with the HSTAMIDS, Minestalker and Minehound models all deployed.

Trustees' annual report (continued)

Achievements and performance (continued)

- Continue the management and destruction of old and degrading ammunition in the **Ivory Coast**;

Progress – the programme continued with no interruptions, and set a gold standard for other ammunition management programmes being developed or considered elsewhere by the United Nations.

- Endeavour to clear the very last minefields in **Georgia** – namely the linear Red Bridge border minefield and two very small minefields close to the old “Chechen” and “South Ossetia” conflict lines. Review the need for cluster bomb clearance in **South Ossetia**;

Progress – demining continued uninterrupted, with such good progress that all bases were cleared during financial year 2012/13. The Red Bridge large border minefield awaits clearance, with most political agreements in place by the end of the year. No clusterbomb clearance was attempted in South Ossetia, though vital clearance of an irrigation canal crossing the “border” from South Ossetia into Shida Kartli region was undertaken, with agreement of both local authorities.

- Continue to clear the landmines that impact on the poorest Somalis, and also to assist the authorities in **Somaliland** in the disposal of old degrading ammunition liable to auto-ignite, with dire consequences in built-up areas. Review the request to HALO from the authorities in **Puntland** to develop a clearance capacity for their Explosive Remnants of War;

Progress – clearance in Somaliland continued, with the numbers of staff increasing to over 600. A programme to assist the Somaliland authorities with security of small arms and the disposal of MANPADS was managed. A review of the humanitarian priorities in Somalia's Puntland and South Central regions was undertaken.

- Establish a full-scale clearance programme in **Zimbabwe** and assist with the management of the national database of mined areas and casualties;

Progress – during the year HALO signed a Memorandum of Understanding with the Government, and was operationally accredited in February 2013. The Cabinet also agreed HALO's registration, though their signed letter had not reached HALO by the financial year end. Key international donor financial support was allocated to the programme.

- Develop a large scale clearance programme in **Laos** in response to the request from the Government;

Progress – In January 2013 HALO began its clearance operations, and by the end of the financial year had already cleared 392 cluster munitions and other items of ordnance.

- Respond to the recent requests from the **Palestinian** and **Israeli** authorities to assist with survey and clearance of hazardous areas in Zones A, B and C of the Occupied Territories, as the peace process is taken forward during the year;

Progress – field assessments of the West Bank were completed and funds for a survey, clearance and national capacity building programme were secured.

- Manage a sustainable emergency UXO clearance capacity and maintain the historical mineclearance database in **Abkhazia**;

Progress – HALO continued to provide an emergency call-out service for any UXO finds by the community, maintained the database, and established road reconstruction teams working as part of post-mineclearance rural rehabilitation initiatives.

- Start full clearance operations in **Colombia** following the signing of the Presidential decree, and continue surveying mine impacted villages;

Progress – despite President Santos signing the decree in October 2011, the start of all civilian mineclearance was delayed beyond the end of the financial year by an issue relating to Colombian insurance law. HALO was able to utilise time by more training and accreditation of demining teams, and some resurvey of 78 mined areas.

Trustees' annual report (*continued*)

Achievements and performance (*continued*)

- Ensure that the threat imposed by landmines on so many impoverished villages around the world is still known to the public and governments in the more wealthy countries who may be able to contribute to humanitarian mineclearance, and explain that the scourge of landmines will only be beaten within a generation if donors concentrate on high impact, large scale value-for-money clearance programmes, and are not distracted by expensive periphery activity that does not save lives and improve livelihoods;

Progress – in the last few months of the financial year HALO launched its 25th Year initiatives to help raise awareness of the continued need for clearance. Filming of a global documentary started in November in Cambodia, with Angelina Jolie assisting HALO, and continued in Sri Lanka and Somaliland. HRH Prince Henry of Wales announced in March that he would be Patron for our 25th Year, and with planned tours of USA and other countries with HALO, this will help put the spotlight back on the need for mineclearance.

- Aim to have a greater number of trained and equipped deminers employed during 2012/13 than during 2011/12, and of course considerably more than at October 2008 when the global credit crunch crunched – proving that HALO can ride out a global economic recession and continue to assist the most impoverished communities;

Progress – we almost managed to maintain our staffing levels and the resulting outputs and measurable outcomes, though increasing our capacity in Sri Lanka and Somaliland did not quite off-set the reduction in numbers of staff in Afghanistan.

In respect of its overall governance and direction HALO has continued to follow best practice and retained the focus on all strands of the operation. HALO therefore remains the largest and most efficient independent operator in the world.

The main achievements in 2012/13 have been our continued expansion in Sri Lanka to make safe numerous villages for the return of indigenous peoples (IDPs) post-conflict, the extensive assessments of Zimbabwe, the West Bank and Burma (Myanmar), and programme start-up in Laos, the continuation in Afghanistan at a time when security issues are constraining most other development agencies, and the sustainment of our other global programmes despite a recession.

As with each year, trying to summarise programmes in just a few paragraphs is hard and gives little credit to the thousands of HALO staff who have plugged away on their hands and knees for little financial reward - they are not forgotten, on the contrary, we honour them. Many of our deminers in Afghanistan and Cambodia have now worked day-in, day-out on the minefields for more than 20 years. Theirs is an achievement surely unmatched in history – with our day-to-day clearance operations having exceeded the combined duration of both twentieth century World Wars, or the combined years of twenty first century military intervention in Iraq and Afghanistan.

The HALO Trust (USA), Inc.

Following the formation of The HALO Trust (USA), Inc. by The HALO Trust, HALO USA continues to grow through use of American funding (some \$22m in 2012/13). The financial results of HALO USA are not included here. Both organisations complement each other's activities and work together in the field in an effort to clear even more mines around the world. The combined programme spend of The HALO Trust and HALO USA in 2012/13 was £39.5million. Co-ordination and continuity is provided by the Chief Executive also holding office as the President of the HALO USA Board of Trustees.

Afghanistan

Afghanistan continues to be our largest programme, with the number of Afghan staff at the start of the financial year reaching 3,822. These numbers tailed off as Canada reviewed and reduced its global mine action funding, and the German government switched to a funding mechanism with the United Nations that resulted in a series of delayed tenders. HALO demining teams are clearing old front lines between the Northern Alliance and the Taliban – front lines that ran through the fertile and highly populated Shomali valley, through the intensive irrigated farming districts of Kunduz and Takhar, over the higher rain-fed wheat plains and along the ridges used by villagers for grazing their sheep. Clearance of the sector of the front line closest to Bagram has been finished, which has allowed many teams to redeploy back to the highly impacting minefields laid in both the Najibullah period (1989-92) which included inter-Mujahideen fighting in the Ghorband Valley that links Parwan and Bamyan provinces, and minefields from the Soviet occupation (1979-89) laid in the side valleys, gulleys and ridges overlooking the Salang

Trustees' annual report *(continued)*

Achievements and performance *(continued)*

Highway. HALO's operations in Herat Province deployed over 500 staff, working from close to Herat city to right across to the Iranian border. HALO's WAD ammunition disposal teams removed, at the request of communities, 70-90 tons of explosives each month from villages outside government control. The potentially precarious security situation across much of the country requires HALO to maintain a sensitive "feel" for events going on around our teams, and avoid "mistaken identity". We maintain good relations with all factions, groups and different security organs (whether NATO or government). Demobilised fighters who had joined the peace process known as the Afghan Peace and Reintegration Process – abbreviated to APRP – have been offered jobs in demining teams, with over 230 working for HALO. However, an additional 239 awaiting integration into HALO teams have still not been taken on due to delays in ISAF, despite the most enthusiastic and repeated pushing by senior US State Department officials and British Generals. The number of fighting men who could have been taken out of the battle theatre was actually 500 – instead those men have stayed with the "insurgency" in the west and south west of the country. At the same time, the ISAF budget for reintegration remains a virtually unspent pot of many millions of dollars, banked but unavailable for what it was intended – an extraordinary example of "process trumping product" while soldiers on both sides of the conflict continue to die.

Cambodia

Cambodia is still one of the most mine affected countries in the world, and HALO has managed to maintain 1,000 local staff. On the ground, HALO continued mineclearance work in Battambang, Banteay Meanchey, Krong Pailin and Oddar Meanchey provinces, and HALO averaged a clearance of nearly 750 anti-personnel mines a month. The majority of civilian mines casualties occur in the villages that lie in, or near to, the K5 border mine belts and this is where HALO concentrates effort. Work continued to be interrupted by a border dispute with Thailand, particularly in the Preah Vihear temple area – however HALO's teams were able to be diverted into equally high priority clearance in the communes set back a few kilometres from the border, where long abandoned but mined Vietnamese bases are now being inhabited and farmed by families moving from other parts of Cambodia and desperate for land. A number of these farmers have also brought small "iron buffalo" tractors, and there has been a rise in the number of anti-tank mine victims as farmers venture down long abandoned mined roads. HALO will push hard to raise the number of deminers by another 250, as the tempo of clearance must be accelerated if Cambodia is to be mine-free in the next 10 years.

Mozambique

HALO's Baseline Survey of southern and central Mozambique identified over 500 minefields requiring clearance, and also discovered extensive mining around pylon lines leading from South Africa into Maputo, and 1970s Rhodesian laid defensive mine belts beside and straddling the Mozambique/Zimbabwe border – known as the Cordon Sanitaire – or CORSAN. During 2012/13 HALO teams cleared dense mined areas along the pylons – quickened with an injection of new heavy plant from the Reece Foundation, and also the extensive mine belts around the Cahora Bassa dam complex in Tete province. Clearance started on the CORSAN minefields, providing a useful familiarisation for our fledgling Zimbabwe management team. Mozambique has an Ottawa Mine Ban Treaty target for completion of mineclearance by 2014, and it now looks impossible that their target can be achieved.

Angola

Angola, along with Afghanistan, Cambodia and Colombia, is one of the four most mined countries in the world. HALO maintained its 650 staff levels during the year (but down from over 1,000 in 2010/11, due to the loss of four key donors – the Swiss, Dutch, Japanese and the British realigning their aid). High priority clearance continued across the provinces of Kuando Kubango, Bie, Huambo, Huila and Benguela – but the reduction in deminer numbers directly impacted on the area cleared, with 187 hectares in 2012/13. We continued the development of mechanical systems to clear minimal metal mines from roads, and this was augmented with testing of a new vehicle mounted Ground Penetrating Radar. While funding forecasts are unpredictable, it is still too soon to forecast a completion date for clearance province by province – and any further drop in demining team numbers will have a direct impact on future timeframes for achieving clearance out in the most mined rural communities. HALO senior management will be working hard to ensure that over the next few years the number of HALO deminers will be back up to levels of around 1,200 – though this will require finding newly enthused donor support who understand that communities defined by some other donors as "too remote", do badly need mineclearance.

Trustees' annual report *(continued)*

Achievements and performance *(continued)*

Somaliland

HALO is still the only mineclearance organisation conducting humanitarian mineclearance and unexploded ordnance disposal in Somaliland. Rates of clearance increased again, reaching 277 hectares of mined agricultural ground, compared with 254 hectares in 2011/12, as we imported replacement mechanical assets and additional MineLab detectors capable of working in the extreme laterite soils. HALO believes that with increased capacity and sustained funding, it is possible to clear the majority of high and medium priority minefields in Somaliland in the next three years, particularly if additional road clearance equipment arrives in country. HALO is under some donor pressure to introduce demining assets down to Mogadishu, and during the year we conducted a review of security conditions in the Somali area known as "South Central". These have been "talked up" by a number of commentators as Al Shabaab are pushed out of the area, but we are still concerned that conditions are not yet truly conducive for wide ranging projects and a worthwhile use of donor funds.

Abkhazia

With Abkhazia formally "Mine Free" as of 3rd November 2011, the HALO senior management team has been able to concentrate on its smaller but important role of maintaining the minefield database and providing an emergency EOD call-out service for the region, and of providing an audited small arms weapon disposal service. During the year, the emergency EOD teams were called out 278 times to deal with a total of 652 items, while destruction of 90 tonnes of old ammunition in stores was also undertaken. HALO's project of road reconstruction made good progress, allowing communities to rebuild their livelihoods quicker through better access to markets, after HALO's earlier completed mineclearance of their agricultural fields.

Georgia

Following the completion of all known cluster strike areas north of Gori in early 2011, HALO also completed clearance of all mined areas around a number of former Soviet bases now abandoned and not re-used by the Georgian army. The mountain tourist village of Omalo was also made mine-free. Preparations were made for the clearance of the large border minefield at Red Bridge, while an important irrigation canal was cleared where it crosses the "border" between South Ossetia and Georgia's Shida Kartli region. 157 mines were cleared during the year.

Nagorno Karabakh

The programme continued with 148 staff – deployed with manual and mechanical mineclearance teams, and also battle area clearance (BAC) teams clearing the high number of clusterbomb strikes, locating and destroying 153 individual cluster bomblets. Funding remains hard to find, which sadly means HALO will probably be working in Karabakh for another three or so years, rather than expanding in size and hence being able significantly to reduce the years that mines still impact on communities. It is exasperating that we cannot yet finish all clearance in this relatively small region – one final push following an injection of funds would enable Nagorno Karabakh to join Abkhazia as Mine Free.

Kosovo

During 2012/13 HALO worked every month, had teams deployed on a number of different sites, and although or despite the sites having been partially cleared by other agencies eleven years previously, the HALO teams still cleared over 120 mines and cluster bombs – despite HALO only having 40 clearance lanes funded. None of these hazardous items were in "remote" forests – but were all in high priority village areas. Furthermore, the UN changed its policy and also started to use a similar figure to HALO's for outstanding tasks in Kosovo. HALO's programme was supported financially by key private foundations, though was joined by the Swiss and Belgian Governments as part of a global commitment to destroy cluster bombs and landmines. However, for a country that had so much international attention back in 1999/2000, it is very sad that the main donors have moved on to fresher conflicts before Kosovo has been cleared – particularly as the cluster bombs were dropped by NATO forces in the 78 day campaign. But over 5,000 days later many are still awaiting clearance.

Trustees' annual report *(continued)*

Achievements and performance *(continued)*

Sri Lanka

The battlefield defeat of the LTTE in 2009 resulted in a surge of IDPs across the north of the country and a need for the government to decide where it was safe to let them settle. HALO was tasked to make safe the mined ground as fast as possible. During 2012/13 HALO recruited and trained additional deminers (taking the number of staff to over 1,000), enabling us to clear yet more mined ground ahead of IDPs who returned to the Vanni and Jaffna – with HALO also moving ahead of the mainstream development agencies (who of course also need safe ground for their projects). Clearance records for this last financial year show that HALO has averaged over 3,000 anti-personnel mines removed from farmland every month, an increase from the previous year.

Colombia

Colombia recorded the second highest mine casualty rate in the world next to Afghanistan during 2009/10 and during 2012/13 recorded its ten thousandth mines victim. Colombia still has around three million IDPs waiting to return to rural regions, some of which are severely mine impacted. In addition to inviting HALO to establish a large scale mineclearance programme, Colombia's recently approved Ottawa Mine Ban Treaty extension request is based upon the establishment of 49 civilian clearance units and 25 military units. Following presidential elections in June 2010 the law for civilian demining was passed in December 2010. A further presidential decree, outlining how civilian demining will be implemented, was signed in October 2011, but the start of all civilian mineclearance has been repeatedly delayed by internal Colombian departmental crossing of "Ts" and dotting of "Is" unseen in any other mine impacted countries since HALO was founded 25 years ago. HALO's clearance teams have all passed field accreditation. No clearance has started over 3 years since HALO was asked by senior Colombian Government Ministers to "please start clearance by November 2009". The latest March 2013 delay has been over a question of Third Party Insurance Liability that had earlier been settled. Impoverished Colombians die, 70% of the land identified by the government for its Land Restitution projects is mined, mineclearance donor governments walk away shaking their heads, while middle ranking civil servants in Bogota attend yet more conferences and workshops about anything except "how to start civilian mineclearance".

Laos

The Lao PDR authorities wrote to HALO inviting us to start a large programme, preferably in Savannakhet province. This province had the highest number of US bombing missions during the Vietnam war, has the highest number of civilian UXO accidents, and the highest incidence of poverty. The authorities had calculated that despite over 10 years of clearance by their own teams and some international assistance, the problem of unexploded ordnance had hardly been scratched at the surface, let alone dealt with on a scale that would clear up the ordnance in the lifetime of the current generation. Their calculations put clearance as taking hundreds of years. Vientiane reviewed HALO achievements in Cambodia and Afghanistan, and our unique ability to field thousands of deminers, and invited HALO to seek substantial new funds to address the tragic legacy of war. In January 2013 HALO teams of Lao deminers deployed and by the end of March had cleared nearly 400 items of cluster munitions and other ordnance. Additional teams now need to build on this early success.

The West Bank

Considerable progress has been made in the early stage HALO programme, both in the field and with the authorities. HALO has been approved by the Israeli Mine Action Authority (INMAA) as an organisation eligible to conduct mineclearance in Israeli controlled territory (includes registration as a limited company 'for the benefit of the public', audited accounts in place, ISO compliance and approval/accreditation of SOPs), and we have become a 'Selected Partner' of the Palestinian Authority for mineclearance in the Palestinian Territories. We have established offices in Ramat Hasharon (Israel) and Ramallah, and processed import approval for an armoured CAT 320B mechanical excavator, with vehicles, detectors, demining stores and logistical framework in place. Of the 90 minefields identified in the West Bank, we visited and surveyed all 13 of the Jordanian minefields, 11 of which we have submitted to INMAA in a priority list ahead of formal tasking. There have also been visits to 3 of the 77 minefields in the Jordan Valley (Qasar al Yahud and similar). Outside the West Bank we have visited two of the Golan Heights minefields at Majdal Shams and a couple of others close to the Syrian border. HALO's ongoing ERW survey in Israeli military firing ranges in the Jordan Valley and Hebron has resulted in the discovery of over 200 UXO and stray ammunition, of which close to 100 have subsequently been destroyed by the IDF EOD teams.

Trustees' annual report *(continued)*

Achievements and performance *(continued)*

Zimbabwe

Although HALO did not start mineclearance during the financial year, progress was made with signing of MOUs, formal technical accreditation, and news at the tail end of the financial year of Cabinet approval of our registration. Concurrent activity included the identification and recruitment of survey, EOD and demining team leaders – and these staff deployed across to HALO Mozambique for training. Key donors such as the Japanese Government signed grant agreements with HALO, while two private foundations continued with their important “seed funding” to HALO. Meanwhile many villagers remain impacted by landmines along the Mozambique border – suffering very frequent human and extensive livestock casualties.

Burma (Myanmar)

Myanmar has seen decades of conflict between Government forces and more than a dozen non-state armed groups, involving the extensive use of both factory-produced and improvised mines, primarily in the east and north of the country. In 2011 there were 381 reported landmine casualties, and many more are likely to have gone unreported. Following political reforms in 2011, the Myanmar Government has signed a series of ceasefire agreements with most armed groups. As the implementation of ceasefires agreements progresses, HALO is working with all parties to develop a survey and clearance capacity to facilitate the safe return of hundreds of thousands of refugees and internally displaced persons. Following preliminary discussions with the Government, HALO opened an office in Yangon in 2012 and has been working with the Myanmar Peace Centre to assist in the establishment of a national mine action centre.

Financial review

The financial statements of the company can be found on pages 19 to 33. These financial statements have been prepared in accordance with current statutory requirements and the charity's governing document.

The application of the company's funds are detailed in notes 4 and 5 on page 26.

Overseas programme contracts with major donors frequently cover periods out of line with the UK financial year. This is because all donors, be they governments, or independent charities based in the UK, Japan or The Netherlands, request that HALO conducts humanitarian mineclearance for a given period, normally ranging from 6 to 30 months. End dates for these programmes rarely fit into the financial year, which results in large amounts of committed funds being carried forward from one year to the next.

The strong result for 2012/13 is reflected in income of £26.44m and expenditure of £25.79m for the year. With the exception of Canada, all of our major donors have continued to support our work, with 92 contracts running during the financial year, approximately half of which continue to the new financial year. Full details of our work in each programme are given in the Achievements and Performance section above.

All HALO's support from governments and other donors has been explained in the financial statements.

Trustees' annual report *(continued)*

Funding and reserves

Total unrestricted funds at 31 March 2013 were £8,155,000 compared with £7,506,000 at 31 March 2012. The Trustees consider HALO's free reserves to be £3,893,000 (2012: £2,769,000), reflecting the resources readily available for charitable use. Full details of HALO's reserves are shown in notes 15 and 16 of the financial statements.

The Trustees consider this level of reserves to be in line with HALO's strategy. This level of free reserves allows HALO to respond quickly to emergency humanitarian situations, start mineclearance in new areas while the donor base is established, continue mineclearance in areas where there are gaps in donor funding, allowing continuity of teams and continuation of humanitarian aid, and to meet non-donor funded closure costs once areas are declared mine free.

During the year ended 31 March 2013, HALO's reserves supported start up costs in Colombia, Zimbabwe and Burma (Myanmar), and teams in Kosovo and Mozambique during the funding gaps which arose following the cessation of certain donor funding, in addition to the purchase of an armoured vehicle for Somaliland and the costs associated with HALO's tender submission to the Turkish Ministry of National Defence for mineclearance along the Syrian border.

On a programme by programme basis the Trustees confirm the charity has sufficient assets available to enable it to meet its obligations as they fall due.

The majority of HALO's funds are held in cash with the charity's bankers, The Royal Bank of Scotland plc; minimal funds are held in each programme.

Investments

The performance of the investments is monitored continually and reported on a quarterly basis. Total return performance is measured against the following indices: FTSE-All Share, FTSE All-World (excluding UK) and FTSE Government All Stocks.

The relative performance against the benchmarks above is provided below:

	2012/13 % Change
Investment Portfolio	+11.17
FTSE-All Share	+16.77
FTSE All-World (excluding UK)	+17.62
FTSE Government All Stocks	+5.25

The asset allocation as at 31 March 2013 was 50.9% equities, 28.6% bonds, 10.3% portfolio funds, 4.3% hedge funds, 4.2% absolute return funds, 1.7% cash. The Trustees have reviewed the investment policy during the year and have agreed that the level of risk and return set out in the current policy continues to be appropriate. Should further funds be available, then the Trustees may seek to augment investments where appropriate.

Trustees' annual report *(continued)*

Financial review *(continued)*

Plans for future periods

Looking ahead, HALO will continue to maintain its standards and strive for more efficient and effective operations. In line with our charitable objectives and to ensure maximum public benefit from our activities, the major projects that HALO will undertake in the immediate future will continue to aim at casualty reduction, and have added emphasis on enabling greater levels of food production from mine-impacted communities:

- Continue mineclearance across the south and centre of **Mozambique** so that the poorest villages can be lifted out of extreme poverty – and continue clearance on the Mozambique/Zimbabwe border minefields;
- Continue mine and clusterbomb clearance in **Kosovo** so that the rural communities can develop through forestry, agriculture or indeed income generating tourism;
- Continue to expand clearance operations in **Afghanistan**, particularly in and around those villages where agricultural development is most hampered by landmines, and expand the number of clearance teams staffed with former combatants, including in provinces south of Kabul;
- Continue WAD operations in **Angola** to assist national disarmament, and expand mineclearance to allow greater agricultural activity in the farmland and also better marketing of goods on the road network which is currently mined;
- Sustain and preferably expand or quicken mineclearance in **Cambodia** to reduce casualties and allow food production to increase in the marginal lands now used by some of the most impoverished families;
- Endeavour to maintain clearance levels in **Sri Lanka** in support of the many thousands of IDP families recently returned to their villages;
- Endeavour to continue **Nagorno Karabakh's** mineclearance and clusterbomb clearance – so that larger areas can be ploughed and cultivated, though funding remains very tight and prevents us finally finishing the work and announcing Mine Free status. Concurrently, provide mineclearance assistance in **Armenia** in the mined areas adjacent to Nagorno Karabakh;
- Deploy further Dual Sensor detectors to quicken up mineclearance in Afghanistan, Mozambique, Sri Lanka, Cambodia and Angola, where their use mitigates the impact of very high numbers of minimal metal mines on communities;
- Continue or even complete the management and destruction of old and degrading ammunition in the **Ivory Coast**, and review requests from the UN for HALO to assess the situation in neighbouring **Liberia** and **Mali**;
- Endeavour to clear the very last minefields in **Georgia** – namely the linear Red Bridge border minefield and two very small minefields close to the old “Chechen” and “South Ossetia” conflict lines. Review the possibility for clusterbomb clearance in **South Ossetia**;
- Continue to clear the landmines that impact on the poorest Somalis, and also to assist the authorities in **Somaliland** in the disposal of old degrading ammunition liable to auto-ignite, with dire consequences in built up areas. Review the request to HALO from the authorities in **Somalia** “**South Central**” and **Puntland** to develop a clearance capacity for their Explosive Remnants of War;
- Establish a full scale clearance programme in **Zimbabwe** and assist with the management of the national database of mined areas and casualties;
- Develop a larger scale clearance programme in **Laos** in response to the request from the government;
- Continue to respond to the request from the **Palestinian** and **Israeli** authorities to assist with survey and clearance of hazardous areas in Zones A, B and C of the Occupied Territories, as the peace process is taken forward during the year;
- Manage a sustainable emergency UXO clearance capacity and maintain the historical mineclearance database in **Abkhazia**, and provide engineering resources for key road repair as part of post-mineclearance reconstruction;
- Start full clearance operations in **Colombia** following the signing of the Presidential decree, and continue surveying mine impacted villages;

Trustees' annual report *(continued)*

Financial review *(continued)*

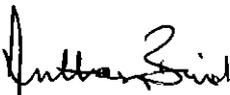
Plans for future periods *(continued)*

- Build a humanitarian clearance programme in **Burma (Myanmar)** following requests from both the Government and Opposition groups;
- Review whether HALO can assist the **Turkish** authorities clearing the extensive minefield along the border with **Syria**;
- Ensure that the threat imposed by landmines on so many impoverished villages around the world is still known to the public and governments in the more wealthy countries who may be able to contribute to humanitarian mineclearance, and to explain that the scourge of landmines will only be beaten within a generation if donors concentrate on high impact, large scale, value-for-money clearance programmes, and are not distracted by expensive periphery activity that does not save lives and improve livelihoods; and
- Aim to either maintain, or even have a greater number of trained and equipped deminers employed during 2013/14 than during 2012/13 and of course considerably more than at October 2008 when the global credit crunch crunched – proving that HALO can ride out what appears to be a sustained global economic recession that particularly impacts on the economies of many of the countries that have traditionally provided generous overseas aid.

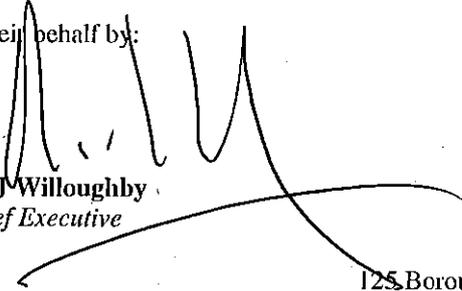
Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The report was approved by the Trustees and signed on their behalf by:



AW Bird
Trustee



GNJ Willoughby
Chief Executive

125 Borough High Street
London SE1 1NP
20 June 2013

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

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in its activities.

The Trustees are responsible for keeping proper accounting records that 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 the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP

191 West George Street
Glasgow
G2 2LJ
United Kingdom

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

We have audited the financial statements of The HALO Trust for the year ended 31 March 2013 set out on pages 19 to 33. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 charity'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 charity'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 charity, 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.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 15, 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.

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. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

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 2013 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 Generally Accepted Accounting Practice; and
- have been prepared in accordance 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).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information in the annual report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us 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.



Stephen Reid (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
191 West George Street
Glasgow
G2 2LJ

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

26 June 2013

Statement of financial activities
(including an income and expenditure account)
for the year ended 31 March 2013

	Notes	Unrestricted funds £000	Restricted funds £000	2013 Total £000	2012 Total £000
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	60	26,339	26,399	23,305
Investment income	3	38	-	38	25
Other incoming resources		5	-	5	2
Total incoming resources		103	26,339	26,442	23,332
Resources expended					
Cost of generating funds: investment management costs					
Charitable activities	4	1,507	24,242	25,749	22,969
Governance costs	6	29	-	29	26
Total resources expended		1,544	24,242	25,786	23,003
Net incoming/(outgoing) resources before transfers		(1,441)	2,097	656	329
Gross transfers between funds	9	1,961	(1,961)	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		520	136	656	329
Other recognised gains and losses					
Net realised investment gains		48	-	48	164
Net income/(expenditure) for the year		568	136	704	493
Net unrealised investment gains/(losses)		81	-	81	(139)
Net movements in funds		649	136	785	354
Reconciliation of funds					
Balance brought forward at 1 April 2012		7,506	304	7,810	7,456
Balance carried forward at 31 March 2013		8,155	440	8,595	7,810

All of the charity's activities are continuing.

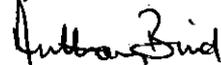
The notes on pages 21 to 32 form part of these financial statements

Balance sheet
as at 31 March 2013

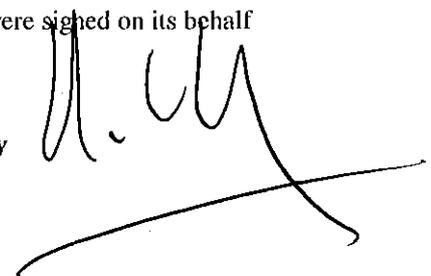
	<i>Note</i>	2013		2012	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	<i>10</i>		374		325
Investments	<i>11</i>		1,294		1,152
			<hr/>		<hr/>
			1,668		1,477
Current assets					
Stock		1,206		1,154	
Debtors	<i>12</i>	3,345		3,846	
Cash at bank		11,010		7,042	
		<hr/>		<hr/>	
		15,561		12,042	
Creditors: amounts falling due within one year	<i>13</i>	(8,253)		(5,387)	
		<hr/>		<hr/>	
Net current assets			7,308		6,655
			<hr/>		<hr/>
Total assets less current liabilities			8,976		8,132
Provisions for liabilities	<i>14</i>		(381)		(322)
			<hr/>		<hr/>
Net assets			8,595		7,810
			<hr/>		<hr/>
Funds					
<i>Unrestricted funds</i>					
General			7,925		7,357
Revaluation reserve			230		149
			<hr/>		<hr/>
	<i>15</i>		8,155		7,506
Restricted funds	<i>16</i>		440		304
			<hr/>		<hr/>
Total funds	<i>17</i>		8,595		7,810
			<hr/>		<hr/>

The notes on pages 22 to 33 form part of these financial statements

The financial statements were approved by the Board of Trustees on 20 June 2013 and were signed on its behalf by:


AW Bird
Trustee

GNJ Willoughby
Chief Executive



Cash flow statement

For the year ended 31 March 2013

	2013 £000	2012 £000
Reconciliation of operating profit to net cash flow from operating activities		
Net incoming/(outgoing) resources before other recognised gains and losses	656	329
Interest receivable	(11)	(17)
Investment income	(12)	(8)
Gain on sale of fixed assets	(3)	-
Depreciation charges	79	95
(Increase) in stock	(52)	(332)
Decrease/(increase) in debtors	501	(1,825)
Increase/(decrease) in creditors due within one year	2,866	(742)
Increase in provisions for liabilities and charges	59	19
Net cash inflow/(outflow) from operating	4,083	(2,481)

Cash flow statement

Net cash inflow/(outflow) from operating activities

Returns on investments and servicing of finance

Interest received

Investment income

Capital expenditure and financial investments

Payments to acquire tangible fixed assets

Proceeds from sales of tangible fixed assets

Payments to acquire investments

Proceeds from sales of investments

Increase/(decrease) in cash

Cash from liquid resources

Movement in cash in period

4,083	(2,481)
11	17
12	8
23	25
(167)	(207)
40	-
(153)	(341)
142	275
(138)	(273)
3,968	(2,729)
225	1,094
4,193	(1,635)

Reconciliation of net cash flow to movements in net funds

	At 1 April 2012	Movement	At 31 March 2013
	£000	£000	£000
Cash at bank and in hand	6,817	4,193	11,010
Liquid resources	225	(225)	-
	7,042	3,968	11,010

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules modified for the revaluation of certain fixed assets and in accordance with the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in February 2006, except for the non-recognition of donated assets (see *donations and gifts* below). Accordingly, the arrangements and headings have been adapted as provided for in The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Schedule 1, Part 1.

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.

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. The revaluation reserve, representing the net unrealised gains on investments is shown as a separate component of unrestricted funds.

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. Transfers between unrestricted and designated funds are considered and implemented when required.

Voluntary income

All donations and gifts are included within incoming resources under either restricted funds or unrestricted funds according to the terms under which the donation or gift is made.

Incoming resources which are restricted to individual country programmes are recognised as incoming resources to the extent that the funding conditions for that income have been met:

- For grants from various national governments, the United Nations and private donors, income recognised is 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; income not yet received is included in accrued income and where income received is in excess of income recognised this is included in deferred income.
- For contracts which include milestone payments linked to outputs this is the milestones met plus the proportionate share of future milestones which will be earned during the contract period; income not yet received is included in accrued income and where income received is in excess of income recognised this is included in deferred income. Expenditure in excess of income at the year end is included in accrued income to the extent that this expenditure will be recoverable under the contract. Any losses under the contract are recognised when identified.

Donations and gifts in kind are brought into the financial statements at their market value to the charity.

Donated assets in overseas projects are not recognised as incoming resources by the charity, principally due to the difficulty in ascertaining an appropriate value for those assets. Had the assets been recognised, they would be included in resources expended on overseas projects.

Notes (continued)

1 Accounting policies (continued)

Resources expended

Resources expended are analysed between charitable activities, costs of generating funds and governance costs. Charitable activities include all direct costs, salaries and other support costs of each international programme. 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. A proportion of these costs, based on the ratio of the total income of The HALO Trust and The HALO Trust (USA), Inc. is recharged to The HALO Trust (USA), Inc. 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 are charged to that project in line with the terms of the project. These assets will normally be fully utilised within the period of the project (normally 6 to 12 months). 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 reclaimed by the project donor. The charity retains a full list of all such assets.

Tangible fixed assets

Tangible fixed assets, with a value greater than £1,000, having a value to the business greater than one year, other than those acquired for the purpose of specific projects, 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% reducing balance

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, including stock held outwith the UK, is held at lower of cost and 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 on the last day of the year.

The net exchange gain or loss for the year is included in the statement of financial activities as either incoming resources or resources expended. Where gains or losses arise from early receipt of donor funding these are included within voluntary income; net gains or losses on currency transactions are included as either investment income (gains) or in support costs (losses); other exchange gains and losses are included within resources expended on charitable activities.

Post-retirement benefits

The company contributes to 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.

Notes (continued)

Pension payments are made to a former trustee 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 2012 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 2012 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 payable to those staff. Provision for these payments is included in donor contracts albeit the payments may fall outwith the contract period. Where payments are only due on redundancy these are included in restricted funds to allow funds to be available should the liability crystallise. Where payments are due to all employees who leave HALO's employment in a programme these are included in provisions for liabilities and charges.

Notes (continued)

2 Voluntary income

	2013 £000	2012 £000
<i>Restricted</i>		
The United Nations Office for Project Services	3,960	445
Department for International Development (UK)	3,957	3,323
Norwegian Government	2,873	2,486
Voluntary Trust Fund	2,498	3,826
Royal Netherlands Government	2,182	2,055
Government of Finland	2,163	2,103
Irish Aid	1,463	1,422
The Federal Republic of Germany	1,413	1,453
European Commission	1,258	1,452
Embassy of Japan	1,031	1,088
The Belgian Government	861	734
The Reece Foundation	786	-
The Government of Switzerland	431	429
European Commission - Humanitarian Aid & Civil Protection	411	617
United Nations Development Programme	225	247
iDE and the New Zealand Ministry of Foreign Affairs and Trade	219	-
Australian Government	204	262
United Nations Mine Action Coordination Centre	76	184
Department of Foreign Affairs & International Trade (Canada) (DFAIT)	-	739
Other	328	249
	<hr/>	<hr/>
	26,339	23,114
<i>Unrestricted</i>	60	191
	<hr/>	<hr/>
	26,399	23,305
	<hr/> <hr/>	<hr/> <hr/>

3 Investment income

	2013 £000	2012 £000
Bank interest receivable	11	17
Income from investment portfolio	12	8
Foreign exchange gains	15	-
	<hr/>	<hr/>
	38	25
	<hr/> <hr/>	<hr/> <hr/>

Included within the £11,000 of bank interest receivable is £nil relating to restricted funds (2012: £2,000).

Notes (continued)

4 Charitable activities

The charity's Trustees consider that there is only 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 IDPs.

	Activities undertaken directly		Support costs	Total
	(restricted)	(unrestricted)	(unrestricted)	
	£000	£000	£000	£000
Afghanistan	9,341	31	313	9,685
Angola	1,990	32	68	2,090
Burma/Myanmar	-	45	1	46
Cambodia	1,924	23	65	2,012
Colombia	240	32	9	281
Georgia	223	-	7	230
Ivory Coast	3,466	-	116	3,582
Kosovo	330	152	16	498
Mozambique	2,044	72	71	2,187
Nagorno Karabakh	158	15	6	179
Somaliland	2,023	105	71	2,199
Sri Lanka	2,406	25	81	2,512
West Bank	1	-	-	1
Zimbabwe	39	64	3	106
Other	57	79	5	141
Total	24,242	675	832	25,749

All costs which can be directly attributed to contracts have been allocated and are shown in restricted funds; other expenditure directly relating to international programmes is shown in unrestricted funds. Support costs which principally relate to headquarters costs cannot be allocated to contracts on a global basis due to specific contract terms and are allocated on the basis of activity in each country.

5 Support costs

	2013	2012
	£000	£000
Support staff remuneration	794	633
Adjustments relating to pension obligations	16	13
Vehicles and equipment	103	82
Communication	27	40
Property	64	48
Travel	32	27
Other support	107	69
Depreciation	79	95
Foreign exchange losses	-	89
Recharge to The HALO Trust (USA), Inc. (note 18)	(390)	(383)
	832	713

All support costs relate to charitable activities. Support costs are affected, amongst other factors, by the existence of contracts, specifically those with the UN administered Voluntary Trust Fund ("VTF"), which do not allow flat rate charges to absorb HQ support costs, but, instead, do allow justifiable direct charges of support costs. When HALO experiences a reduction in contracts of this type, support costs are accordingly higher because there are less direct charges of such costs.

Notes (continued)

6 Governance costs

	2013 £000	2012 £000
Audit fee – external audit (see note 8)	25	24
Board expenses	4	2
	29	26

7 Trustees and employees

	2013 £000	2012 £000
<i>Staff costs</i>		
Wages and salaries		
National Staff	10,771	11,541
UK-based Employees and Expatriate Staff	2,113	1,986
Social security costs	199	183
Other costs and pension costs	31	32
	13,114	13,742
Recharged to The HALO Trust (USA), Inc. (note 18)	(468)	(443)
	12,646	13,299

The figures include wages and salary costs of local staff incurred in the countries in which HALO operates. During the year ended 31 March 2013, approximately 4,799 (2012: 5,159) local staff were employed by The HALO Trust.

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

	2013 Number	2012 Number
Directors	-	-
Administration	9	7
Direct project personnel	31	32
	40	39

No trustees received any remuneration in either the current or previous year. Expenses of £4,000 (2012: £2,000) were paid to four (2012: three) trustees for travel and accommodation.

Notes (continued)

7 Trustees and employees (continued)

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

	2013 Number	2012 Number
£210,001 - £220,000	1	-
£180,001 - £190,000	-	1
£170,001 - £180,000	-	1
£150,001 - £160,000	1	-
£140,001 - £150,000	-	1
£120,001 - £130,000	1	-
£90,001 - £100,000	2	2
£80,001 - £90,000	1	1
£70,001 - £80,000	2	2
£60,001 - £70,000	4	3
	12	11
	12	11

The charity contributed £31,000 (2012: £32,000) to personal pension schemes on behalf of five (2012: six) employees.

8 Net incoming resources

Net incoming resources are stated after charging:

	2013 £000	2012 £000
Depreciation and other amounts written off tangible fixed assets	79	95
<i>Auditor's remuneration</i>		
Amounts receivable by the auditors and their associates in respect of:		
Audit of these financial statements	25	24
All other services; to include but not limited to Accountant's reports for donor grants and contracts	61	32
	165	151
	165	151

Notes (continued)

9 Transfer between funds

	Unrestricted £000	Restricted £000	Total £000
Headquarters costs	1,629	(1,629)	-
Expenditure support	332	(332)	-
	1,961	(1,961)	-
	1,961	(1,961)	-

A transfer of £1,629,000 (2012: £1,221,000) 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 up to 7% 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.

10 Tangible fixed assets

	Land £000	Leasehold property £000	Freehold property £000	Fixtures & fittings £000	Equipment £000	Motor vehicles £000	Total £000
<i>Cost</i>							
At beginning of year	-	5	202	17	81	362	667
Additions	109	-	-	-	-	59	168
Disposals	-	-	-	-	-	(79)	(79)
Transfers	-	-	-	-	-	-	-
Carried forward	109	5	202	17	81	342	756
<i>Depreciation</i>							
At beginning of year	-	5	105	17	65	150	342
Charge for year	-	-	14	-	6	59	79
Disposals	-	-	-	-	-	(39)	(39)
Transfers	-	-	-	-	-	-	-
Carried forward	-	5	119	17	71	170	382
<i>Net book value</i>							
At 31 March 2013	109	-	83	-	10	172	374
At 31 March 2012	-	-	97	-	16	212	325
	-	-	97	-	16	212	325

All of the above assets are used in the administration of the charity. The additions to land comprise land in Mozambique acquired for use as a compound in place of former rented premises.

Notes (continued)

11 Investments

	£000
Market value at 31 March 2012	1,152
Additions at cost	153
Disposals at opening market value	(137)
Gain on revaluation	126
	1,294
Market value at 31 March 2013	1,294

All investments are through regulated funds or are traded on a recognised investment exchange.

The following investments comprise more than 5% of the portfolio:

	£000
Cazenove Investment Fund Management Thornhill Capital Inc	98
Invesco Perpetual Corporate Bond	64
Traditional Funds Thames River Global Bond Sterling Acc	74
First State Investment Global Emerging Market Leaders B GBP NAV	91
Findlay Park Funds American USD Distribution	82
Capital Financial Managers Trojan Fund S Acc NAV	69
Neptune Investment Management Income B Acc NAV	70
Ruffer LLP CF Ruffer Total Return O Acc	66
	614

12 Debtors

	2013 £000	2012 £000
Amounts owed by The HALO Trust (USA), Inc.	268	334
Other debtors	7	15
Prepayments	388	239
Accrued income	2,682	3,258
	3,345	3,846

Notes (continued)

13 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	167	187
Taxation and social security	111	50
Other creditors	14	15
Accruals	1,674	316
Deferred income	6,287	4,819
	8,253	5,387
	8,253	5,387
<i>Deferred income</i>		2013 £000
At 31 March 2012		4,819
Released during the year		(4,819)
Arising during the year		6,287
		6,287
At 31 March 2013		6,287

14 Provision for liabilities and charges

	Pension obligations £000	Overseas severance liabilities £000	Total £000
At 31 March 2012	181	141	322
Utilised in the year	(19)	(84)	(103)
Provided in the year	16	146	162
	178	203	381
	178	203	381

Pension obligations relate to the pension arrangements for a former trustee.

Overseas severance liabilities relate to provisions for severance to employees when they leave HALO in Sri Lanka and annual payments to staff in Somaliland.

Notes (continued)

15 Unrestricted funds

	Balance at 31 March 2012 £000	Income £000	Expenditure £000	Other recognised gains and losses £000	Transfer from restricted funds (note 9) £000	Balance at 31 March 2013 £000
Revaluation reserve	149	-	-	81	-	230
Other unrestricted funds	7,357	103	(1,544)	48	1,961	7,925
	<u>7,506</u>	<u>103</u>	<u>(1,544)</u>	<u>129</u>	<u>1,961</u>	<u>8,155</u>

16 Restricted funds

	Balance at 31 March 2012 £000	Income £000	Expenditure [#] £000	Transfers between funds £000	Balance at 31 March 2013 £000
Afghanistan	-	10,119	(9,653)	(177)	289
Angola	-	1,996	(1,913)	(83)	-
Cambodia	-	2,062	(2,004)	(58)	-
Colombia	-	261	(258)	(3)	-
Georgia	-	215	(233)	18	-
Ivory Coast	-	3,960	(3,969)	9	-
Kosovo	-	343	(337)	(6)	-
Mozambique	-	2,220	(2,109)	(111)	-
Nagorno Karabakh	-	181	(177)	(4)	-
Somaliland	-	2,252	(2,221)	(31)	-
Sri Lanka	1	2,613	(2,607)	(7)	-
West Bank	-	-	(1)	1	-
Zimbabwe	-	39	(40)	1	-
Other Global	-	78	(73)	(5)	-
Residual costs [*]	303	-	(276)	124	151
	<u>304</u>	<u>26,339</u>	<u>(25,871)</u>	<u>(332)</u>	<u>440</u>

^{*}: These funds represent costs, including redundancy payments, which have been funded but are not payable within the contract period.

[#]: This includes the headquarters costs transfer of £1,629,000 described in note 9.

Notes (continued)

17 Analysis of net assets between funds

	Fixed assets £000	Accrued income assets £000	Deferred income (liabilities) £000	Other current assets less liabilities due within one year £000	Provisions for liabilities and charges £000	Total £000
<i>Restricted funds</i>						
Afghanistan	-	919	(1,538)	908	-	289
Angola	-	428	(442)	14	-	-
Cambodia	-	129	(824)	695	-	-
Colombia	-	3	-	(3)	-	-
Ivory Coast	-	-	-	-	-	-
Mozambique	-	330	(296)	(34)	-	-
Nagorno Karabakh	-	-	(22)	22	-	-
Georgia	-	33	(524)	491	-	-
Kosovo	-	29	(139)	110	-	-
Somaliland	-	188	(686)	498	-	-
Sri Lanka	-	620	(1,073)	453	-	-
West Bank	-	-	(39)	39	-	-
Zimbabwe	-	-	(619)	619	-	-
Other (global)	-	-	(85)	85	-	-
Residual costs	-	-	-	151	-	151
	-	2,679	(6,287)	4,048	-	440
<i>Unrestricted funds</i>						
	1,668	3	-	6,865	(381)	8,155
Total	1,668	2,682	(6,287)	10,913	(381)	8,595

18 Related party transactions: transactions with The HALO Trust (USA), Inc.

	Transactions in year £000	Outstanding at year end £000
Costs recharged (note 5)	390	100
Salary costs recharged (note 7)	468	75
Other expenses paid on behalf of The HALO Trust (USA), Inc.	1,314	93
	2,172	268

19 Contingent liabilities

Under the terms of specific contracts entered into by the charity, certain assets purchased under contracts and cash balances unspent may be refundable to donors. It is not considered practical to estimate the financial impact of this contingent liability.

20 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	2013 Land and Buildings £000	2012 Land and Buildings £000
Operating leases which expire: In more than five years	-	-

The HALO Trust
Pro forma US Dollar accounts
Unaudited statement of financial activities
(including an income and expenditure account)
for the year ended 31 March 2013

	Unrestricted Funds \$000	Restricted funds \$000	2013 Total \$000	2012 Total \$000
Income and expenditure				
<i>Incoming resources</i>				
Voluntary income	93	40,983	41,076	37,199
Investment income	59	-	59	40
Other incoming resources	8	-	8	3
	<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources	160	40,983	41,143	37,242
	<hr/>	<hr/>	<hr/>	<hr/>
Resources expended				
<i>Cost of generating funds</i>	12	-	12	
Investment management costs				13
Charitable activities	2,346	37,721	40,067	36,663
Governance costs	45	-	45	42
	<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	2,403	37,721	40,124	36,718
	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources before transfers	(2,243)	3,262	1,019	524
Gross transfers between funds	3,052	(3,052)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources before other recognised gains and losses	809	210	1,019	524
Other recognised gains/losses	-	-	-	262
Net realised gains on investment assets	75	-	75	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net (expenditure)/income for the year	884	210	1,094	786
Net unrealised gains on investments assets	127	-	127	(222)
	<hr/>	<hr/>	<hr/>	<hr/>
Net movements in funds	1,011	210	1,221	564
Reconciliation of funds	-	-	-	
Balance brought forward at beginning of year	11,878	481	12,359	11,952
Retranslation differences	(557)	(27)	(584)	(157)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance carried forward at end of year	12,332	664	12,996	12,359
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The HALO Trust
Pro forma US dollar accounts
Unaudited balance sheet
as at 31 March 2013

	\$000	2013	\$000	2012	\$000
Fixed assets					
Tangible assets			567		515
Investments			1,957		1,824
			<u>2,524</u>		<u>2,339</u>
Current assets					
Stock	1,823			1,826	
Debtors	5,058			6,086	
Cash at bank and in hand	16,649			11,146	
			<u>23,530</u>		<u>19,058</u>
Creditors: amounts falling due within one year			<u>(12,482)</u>		<u>(8,529)</u>
Net current assets		11,048			10,529
Total assets			<u>13,572</u>		<u>12,868</u>
Provisions for liabilities and charges			(576)		(509)
Net assets			<u>12,996</u>		<u>12,359</u>
Funds					
Unrestricted funds			11,984		11,642
Revaluation reserve			348		236
			<u>12,332</u>		<u>11,878</u>
Restricted funds			664		481
Total funds			<u>12,996</u>		<u>12,359</u>

The HALO Trust
Pro forma Euro accounts
Unaudited statement of financial activities
(including an income and expenditure account)
for the year ended 31 March 2013

	Unrestricted Funds €000	Restricted funds €000	2013 Total €000	2012 Total €000
Income and expenditure				
<i>Incoming resources</i>				
Voluntary income	71	31,370	31,441	27,004
Investment income	45	-	45	29
Other incoming resources	6	-	6	2
	<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources	122	31,370	31,492	27,035
	<hr/>	<hr/>	<hr/>	<hr/>
Resources expended				
<i>Cost of generating funds</i>	10	-	10	
Investment management costs				9
Charitable activities	1,795	28,872	30,667	26,615
Governance costs	35	-	35	30
	<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	1,840	28,872	30,712	26,654
	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources before transfers	(1,718)	2,498	780	381
Gross transfers between funds	2,336	(2,336)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources before other recognised gains and losses	618	162	780	381
Other recognised gains/losses				
Net realised gains on investment assets	57	-	57	190
	<hr/>	<hr/>	<hr/>	<hr/>
Net (expenditure)/income for the year	675	162	837	571
Net unrealised gains on investments assets	97	-	97	(161)
	<hr/>	<hr/>	<hr/>	<hr/>
Net movements in funds	772	162	934	410
Reconciliation of funds				
Balance brought forward	8,992	362	9,354	8,153
Retranslation differences	(138)	(4)	(142)	1,201
	<hr/>	<hr/>	<hr/>	<hr/>
Balance carried forward	9,626	520	10,146	9,354
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The HALO Trust
Pro forma Euro accounts
Unaudited balance sheet
as at 31 March 2013

	2013	2012
	€000	€000
Fixed assets		
Tangible assets	442	389
Investments	1,528	1,380
	<u>1,970</u>	<u>1,769</u>
Current assets		
Stock	1,423	1,382
Debtors	3,949	4,606
Cash at bank and in hand	12,998	8,435
	<u>18,370</u>	<u>14,423</u>
Creditors: amounts falling due within one year	(9,744)	(6,453)
Net current assets	<u>8,626</u>	<u>7,970</u>
Total assets	<u>10,596</u>	<u>9,739</u>
Provisions for liabilities and charges	(450)	(385)
Net assets	<u>10,146</u>	<u>9,354</u>
Funds		
Unrestricted funds	9,355	8,813
Revaluation reserve	271	179
	<u>9,626</u>	<u>8,992</u>
Restricted funds	520	362
Total funds	<u>10,146</u>	<u>9,354</u>